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Flow Control M&A Market Update

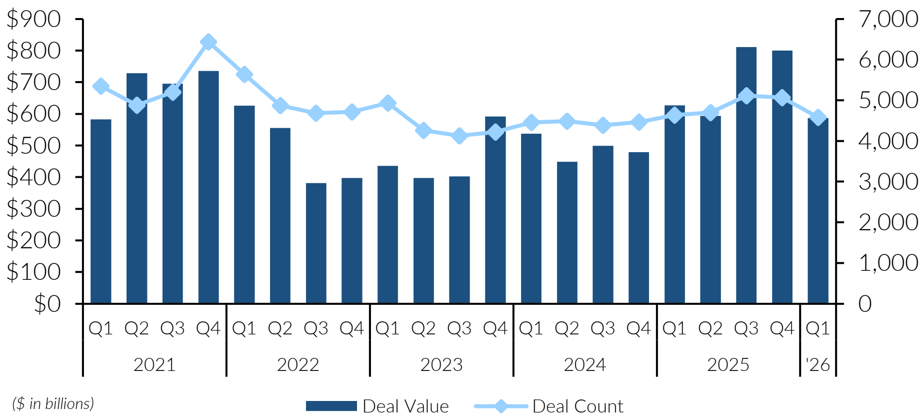
Q1 2026

M&A Market Conditions and Sentiment Overview

The M&A market is well supported by sustained activity levels, resilient valuations, stable financing costs, and substantial private equity capital, reinforcing a constructive backdrop for dealmaking

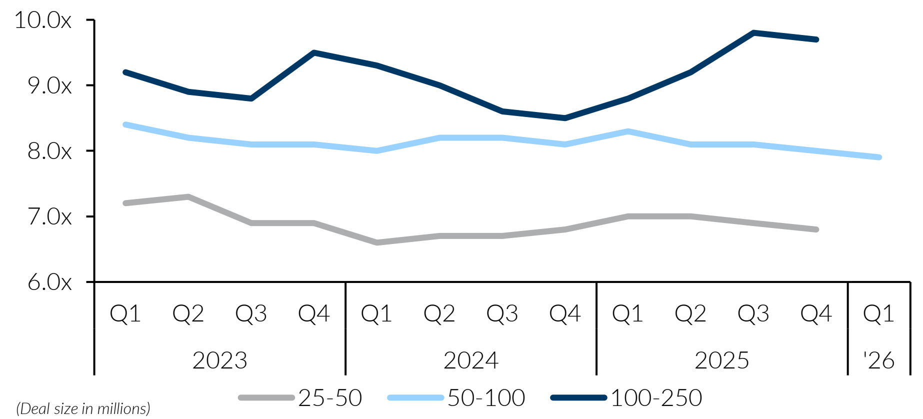
North American M&A Activity[1]

North American M&A activity has exhibited sustained stability, underpinning a favorable dealmaking environment



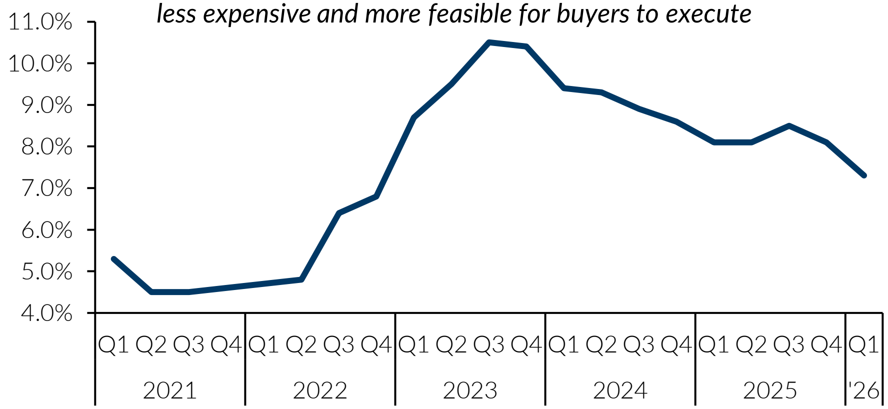
M&A Multiples By Deal Size[2]

Over the past three years, valuation multiples have remained broadly stable, with a notable uptick for transactions exceeding $100M in enterprise value



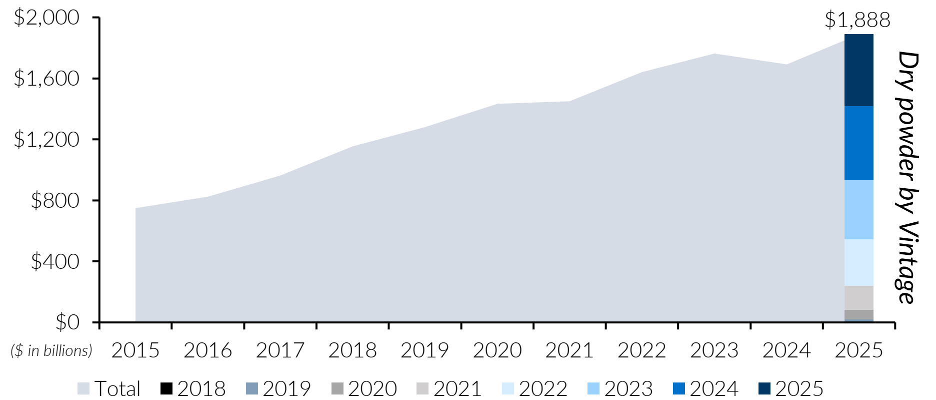
Senior Debt Pricing[2]

Senior debt pricing has declined from 2023 peaks, making leveraged acquisitions less expensive and more feasible for buyers to execute



Global Private Equity Dry Powder[1]

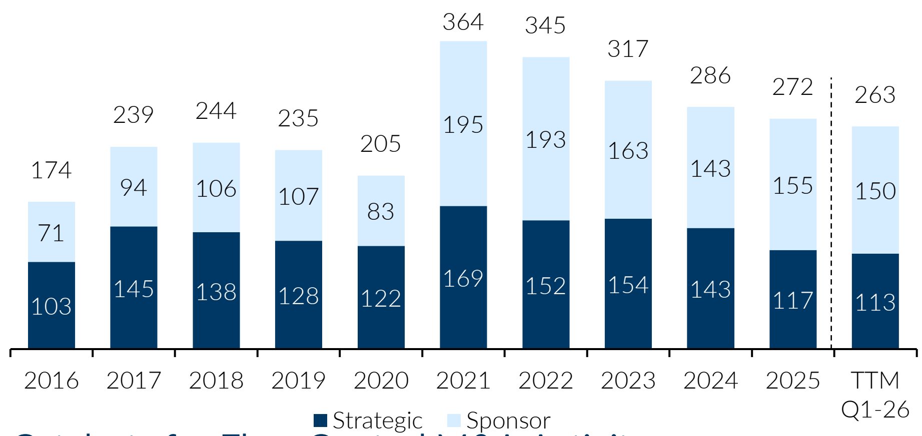
Dry powder is nearing $2T, reflecting significant capital available for acquisitions



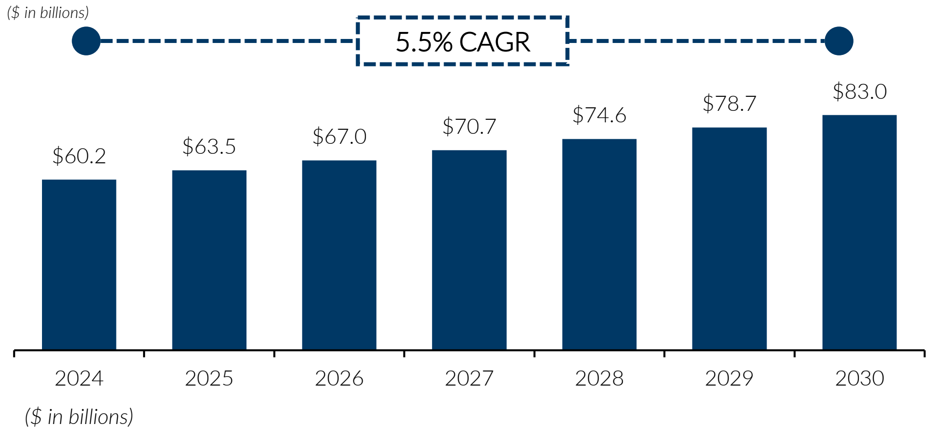
Flow Control M&A Landscape and Structural Growth Drivers

Durable industry fundamentals continue to underpin sustained long-term M&A momentum, supported by multiple secular growth and strategic consolidation themes

US Flow Control M&A Activity[1]



Global Flow Control Industry Size[2]



Catalysts for Flow Control M&A Activity

Industry Consolidation	Flow control companies are combining to increase scale, expand geographic reach & end markets, and strengthen their ability to serve customers with broader needs
Preference for Stable, Recurring Demand	Businesses with stable end-markets and strong MRO sales mix continue to draw high interest due to their steady demand and reduced exposure to economic cycles
Recent Megadeals	A flurry of premium multiples on closed & announced large flow control transactions in 2025 and Q1 2026 has kick-started a new wave of sellers seeking to transact

Industry Growth Drivers

Aging Industrial and Municipal Infrastructure	Decades-old water, energy, and industrial assets require constant maintenance and replacement, driving steady, non-discretionary demand for flow control components and aftermarket business
Attractive Value Proposition and Stickiness	Mission-critical products, technical complexity, and urgent delivery needs create high switching costs and long-standing entrenched customer relationships
Technologically Driven Industrial Revolution	Automation and digital monitoring are increasing system complexity, expanding the role of companies as trusted technical partners

1. Pitchbook
2. Various

Notable Flow Control Transactions

Q1 2026 and 2025 marked a strong period of consolidation in the flow control sector, with acquirers leveraging M&A to drive scale, expand geographically, and diversify end-market exposure

Target: SPX FLOW (Lone Star Funds) + Buyer: ITT

March 2026

Rationale: The acquisition significantly expands ITT's leadership in highly engineered components and adjacent flow technologies, adding high-margin, aftermarket-rich revenue streams. SPX FLOW enhances ITT's Industrial Process segment and strengthens exposure to attractive end markets such as health, nutrition, and industrial processing.

Target Description: SPX FLOW is a leading provider of highly engineered equipment and process technologies, including pumps, valves, mixers, and separation solutions. The company serves industrial, chemical, energy, health, and nutrition markets globally, with a strong installed base and a significant aftermarket revenue component.

Buyer Description: ITT is a diversified manufacturer of highly engineered critical components and systems serving transportation, industrial, and energy markets. Through its Industrial Process segment, ITT delivers pumps, valves, and related technologies designed for demanding and mission-critical applications.

> *"The acquisition of SPX FLOW checks all the boxes. It builds on our core strength in highly engineered components, brings adjacent technologies to the core, expands our total addressable market, and is an outstanding cultural fit."*
>
> *Luca Savi, President & CEO of ITT*

Target: UFT United Flow Technologies (H.I.G. Capital) + Buyer: Berkshire Partners

December 2025

Rationale: Berkshire Partners' investment supports United Flow Technologies' continued platform expansion in the municipal and industrial water and wastewater markets. The transaction provides capital and strategic resources to accelerate organic growth, pursue acquisitions, and deepen technical and service capabilities in critical water infrastructure applications.

Target Description: United Flow Technologies is a leading technical distributor and solutions provider serving municipal and industrial water and wastewater treatment markets. The company offers a comprehensive portfolio of process equipment, pumps, flow control, and automation systems.

Buyer Description: Berkshire Partners is a Boston-based private equity firm investing in companies across business services, industrials, healthcare, and consumer sectors.

> *"Matt and his team have built a special platform that combines technical expertise, a comprehensive suite of solutions, and trusted industry relationships. UFT plays an important role in keeping water safe and clean for people and communities across the country."*
>
> *Larry Hamelsky, Managing Director of Berkshire Partners*

Notable Flow Control Transactions *(Continued)*

Q1 2026 and 2025 marked a strong period of consolidation in the flow control sector, with acquirers leveraging M&A to drive scale, expand geographically, and diversify end-market exposure

Target: MRC Global + Buyer: DNOW

November 2025

Rationale: The combination creates a scaled, diversified energy and industrial solutions provider by uniting two global distributors with complementary pipe, valve, fitting, products and supply-chain capabilities. The transaction enhances DNOW's exposure to gas utilities and industrial infrastructure markets and expands its global footprint.

Target Description: MRC Global is a leading global distributor of pipe, valves, fittings, and related products serving energy, gas utility, and industrial customers. The company operates an extensive global network of more than 350 service and distribution locations across over 20 countries, supporting mission-critical infrastructure end markets.

Buyer Description: DNOW is a worldwide supplier of energy and industrial products, services, and engineered equipment, serving upstream, midstream, downstream, and industrial markets.

> *"The combination of DNOW and MRC Global will create a premier energy and industrial solutions provider with a balanced portfolio of businesses and a diversified customer base fortifying long-term profitability and cash flow generation."*
>
> *David Cherechinsky, President & CEO of DNOW*

Target: Sundyne (Warburg Pincus) + Buyer: Honeywell

June 2025

Rationale: The acquisition adds pumps and compressors to Honeywell's equipment and aftermarket portfolio, expanding the company's installed base in energy-related applications. This broadens Honeywell's product coverage at customer sites and creates additional long-term service and parts revenue tied to ongoing equipment maintenance and replacement cycles.

Target Description: Sundyne is a leading designer and manufacturer of highly engineered pumps and gas compressors used in process industries including refining, petrochemicals, LNG, and clean and renewable fuels, with a large global installed base and recurring aftermarket revenue.

Buyer Description: Honeywell is a global industrial technology company that builds and services automation, control systems, and industrial equipment used in energy, manufacturing, and other large-scale industrial operations. Its products are embedded in customer facilities and supported by long-term service, parts, and software revenue.

> *"By combining Honeywell's top-tier technology with Sundyne's leading process industry solutions, this acquisition will further enhance our Honeywell UOP business and create strategic growth opportunities in attractive verticals."*
>
> *Vimal Kapur, Chairman & CEO of Honeywell*

Flow Control Transactions Since 2020 with Disclosed Multiples

Date	Buyer	Target	Target Location	Enterprise Value ($M)	EV / Revenue	EV / EBITDA
Mar-26	ITT	SPX FLOW	United States	$4,779	3.6x	16.1x
Feb-26	Flowserve	Trillium Flow Technologies (Valve Division)	United Kingdom	490	-	12.3x
Jan-26	Birch Hill Equity Partners	Velan Inc.	Canada	203	0.7x	10.4x
Jan-26	A. O. Smith Corporation	Leonard Valve Company	United States	470	6.7x	12.0x
Jan-26	Crane Company	Precision Sensors & Instrumentation Product Line of Baker Hughes Company	United States	1,150	2.7x	17.7x
Dec-25	Berkshire Partners	United Flow Technologies	United States	*PMCF Deal - Confidential*		
Nov-25	DNOW Inc.	MRC Global Inc.	United States	1,780	0.5x	6.1x
Oct-25	Georg Fischer	VAG	Germany	241	1.1x	-
Jul-25	Baker Hughes	Chart Industries	United States	13,600	3.2x	13.9x
Jul-25	RBC Bearings	VACCO Industries	United States	310	2.6x	-
Jul-25	TransDigm Group	Servotronics	United States	124	2.7x	-
Jun-25	Honeywell International Inc.	Sundyne	United States	2,160	-	14.5x
Mar-25	Rotork	NOAH Actuation	South Korea	57	2.5x	12.7x
Jan-25	Badger Meter	SmartCover Systems	United States	185	5.3x	-
Dec-24	Applied Industrial Technologies	Hydradyne	United States	272	1.0x	9.1x
Nov-24	Graco	Corob	Italy	291	2.4x	-
Nov-24	Crane Company	Technifab Products	United States	41	2.0x	10.1x
Oct-24	Flowserve Corporation	Mogas Industries, Inc.	United States	305	1.8x	8.1x
Sep-24	IDEX	Mott	United States	1,000	5.0x	19.0x
Jun-24	Interpump Group	Alfa Valvole	Italy	60	2.4x	9.2x
Jun-24	Ingersoll Rand	ILC Dover	United States	2,325	6.9x	17.0x
Jan-24	Crane	Vian Enterprises	United States	146	4.4x	18.2x
Nov-23	ATS	Avidity Science	United States	191	2.3x	11.4x
Oct-23	KKR	CIRCOR International, Inc.	United States	1,663	2.0x	12.1x
Aug-23	AEA Investors	Crane Engineering	United States	*PMCF Deal - Confidential*		
Aug-23	Nordson	ARAG	France	1,044	6.2x	16.5x
Jul-23	Rockwell Medical	Hemodialysis Concentrates Business of Evoqua	United States	11	0.6x	3.3x
Jun-23	Samvardhana Motherson	Rollon Hydraulics	India	12	1.7x	6.7x
May-23	Xylem Inc.	Evoqua Water Technologies Corp.	United States	7,164	3.9x	24.6x
May-23	Interpump Group	Waikato Milking Systems	New Zealand	32	0.6x	4.6x
Mar-23	Regal Rexnord Corporation	Altra Industrial Motion Corp.	United States	4,965	2.6x	13.5x
Mar-23	NIM (TETSUJIN)	Ihara Science	Japan	185	1.1x	4.6x
Mar-23	Chart Industries	Howden Group	United Kingdom	4,400	2.5x	12.9x
Mar-23	Ingersoll Rand	SPX Flow's Air Treatment Business	United States	519	2.9x	11.7x
Jan-23	Dover	FW Murphy Production Controls	United States	530	4.4x	13.0x
Nov-22	IDEX	Muon	United States	705	5.0x	15.2x
Jun-22	Flow Control Group	Instrumart LLC	United States	*PMCF Deal - Confidential*		
May-22	Gorman-Rupp Company	Fill-Rite	United States	526	3.8x	15.3x
May-22	DXP Enterprises	Cisco Air Systems	United States	48	1.1x	6.8x
Apr-22	Valmet	Neles	Finland	1,433	2.0x	16.7x
Mar-22	Lone Star Funds	SPX FLOW	United States	3,798	2.5x	18.3x
Jan-22	EagleTree Capital	Andronaco Industries	United States	*PMCF Deal - Confidential*		
Jan-22	Evoqua Water Technologies	Mar Cor	Japan	196	1.1x	7.3x
Dec-21	Well to Sea Investment; Socius Advisors	Mottrol	South Korea	380	0.8x	9.1x

Flow Control Transactions Since 2020 with Disclosed Multiples *(Continued)*

Date	Buyer	Target	Target Location	Enterprise Value ($M)	EV / Revenue	EV / EBITDA
Dec-21	Howden Group	Compressor Products International	United Kingdom	195	-	10.4x
Dec-21	Dover	Acme Cryogenics	United States	292	-	18.0x
Dec-21	Dover	RegO	United States	631	3.0x	12.3x
Nov-21	Reliance Worldwide Corporation Limited	EZ-FLO International, Inc.	United States	325	1.9x	12.0x
Oct-21	Concentric AB	Engineered Machined Products, Inc.	United States	147	1.4x	8.7x
Oct-21	Northwest Pipe Company	Park Environmental Equipment	United States	87	1.3x	14.5x
Oct-21	Regal Rexnord Corporation	Process & Motion Control Segment of Rexnord Corporation	United States	4,320	-	16.6x
Sep-21	DXP Enterprises	Premier Water	United States	6	1.6x	6.8x
Sep-21	Avantor	Masterflex	Germany	2,845	9.5x	20.6x
Aug-21	Ingersoll Rand	Seepex	Germany	514	2.7x	9.0x
Aug-21	Ingersoll Rand	Maximus	United States	110	3.4x	11.3x
Jun-21	IDEX	Airtech	United States	469	5.5x	16.0x
Jun-21	Xebec Adsorption	Tiger Filtration	United Kingdom	17	4.4x	10.6x
Jun-21	Graham	Barber-Nichols	United States	70	1.3x	11.0x
Jun-21	ATS Automation Tooling Systems	BioDot	United States	89	2.5x	5.9x
Apr-21	DXP Enterprises, Inc.	Carter & VerPlanck, Inc.	United States	61	2.1x	12.2x
Mar-21	Ultra Clean Holdings	Ham-Let	Israel	367	1.7x	17.1x
Mar-21	NSK	Brüel & Kjær Vibro	Germany	217	-	26.1x
Feb-21	Sulzer	Nordic Water	Sweden	145	1.7x	10.5x
Jan-21	Motion Industries	Kaman	United States	1,300	1.2x	13.8x
Dec-20	SPX FLOW	UTG Mixing Group	Finland	42	2.0x	33.3x
Nov-20	Xebec Adsorption	The Titus Company	United States	6	0.7x	3.6x
Jul-20	Kendall Electric	Forberg Scientific	United States	*PMCF Deal - Confidential*		
Mean				**$1,068**	**2.6x**	**12.8x**
Median				**$282**	**2.4x**	**12.1x**

Publicly Traded Flow Control Comparables (as of Q1 2026)

Manufacturers										
$ in Millions		% of 52	Market	Enterprise	TTM	Gross	EBITDA	TTM	Enterprise Value / TTM	
Company Name	Location	Week High	Cap.	Value	Revenue	Margin [1]	Margin [1]	P/E [1]	Revenue	EBITDA [2]
Parker-Hannifin Corporation	United States	83.2%	$ 108,733	$ 118,185	$ 20,461	37.4%	26.2%	31.4x	5.8x	20.9x
Xylem Inc.	United States	75.3%	28,248	29,513	9,035	38.5%	21.0%	29.6x	3.3x	14.5x
Dover Corporation	United States	85.4%	27,338	29,246	8,093	40.2%	22.5%	25.4x	3.6x	15.2x
ITT Inc.	United States	86.3%	15,569	14,700	3,939	35.4%	21.9%	29.6x	3.7x	16.4x
Flowserve Corporation	United States	74.8%	8,801	9,864	4,729	34.6%	15.5%	26.2x	2.1x	12.0x
The Gorman-Rupp Company	United States	88.8%	1,589	1,883	682	31.0%	18.2%	30.0x	2.8x	14.8x
First Quartile		77.3%	$ 10,493	$ 11,073	$ 4,136	34.8%	18.9%	27.1x	2.9x	14.5x
Median		84.3%	21,453	21,973	6,411	36.4%	21.4%	29.6x	3.4x	15.0x
Third Quartile		86.1%	28,021	29,446	8,799	38.2%	22.4%	29.9x	3.7x	16.1x

Distributors										
$ in Millions		% of 52	Market	Enterprise	TTM	Gross	EBITDA	TTM	Enterprise Value / TTM	
Company Name	Location	Week High	Cap.	Value	Revenue	Margin [1]	Margin [1]	P/E [1]	Revenue	EBITDA [2]
Applied Industrial Technologies, Inc.	United States	87.0%	9,624	9,762	4,754	30.4%	12.3%	24.6x	2.1x	15.1x
Core & Main, Inc.	United States	71.1%	8,980	11,284	7,647	26.9%	12.0%	20.7x	1.5x	11.0x
DNOW Inc.	United States	66.5%	2,165	2,620	2,820	21.7%	6.1%	NM	0.9x	12.9x
DXP Enterprises, Inc.	United States	79.1%	2,107	2,728	2,016	31.5%	10.8%	25.3x	1.4x	11.3x
First Quartile		69.9%	$ 2,151	$ 2,701	$ 2,619	25.6%	9.6%	22.6x	1.2x	11.3x
Median		75.1%	5,573	6,245	3,787	28.7%	11.4%	24.6x	1.4x	12.1x
Third Quartile		81.0%	9,141	10,143	5,477	30.7%	12.0%	24.9x	1.6x	13.5x

	Combined (Manufacturers + Distributors)	
First Quartile		12.2x
Median		14.6x
Third Quartile		15.2x

(1) Adjusted for extraordinary items
(2) TEV / EBITDA assumes EBITDA inclusive of equity income from affiliates
Data as of March 30, 2026
Source: Capital IQ

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