



Industrial Automation Market Update

Q4 2025

Meridian Capital Technology Investment Banking

Meridian Capital leverages deep industry knowledge to execute complex and important transactions for middle market founder-focused clients

Meridian Capital by the Numbers

300+

transactions completed

\$1B

and less for transaction values


3

industry practice groups


30+

countries via REACH Partners


Meridian Technology Practice Areas



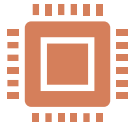
Software




Hardware / Systems



Tech-Enabled Services



Semiconductors



Internet

Representative Transactions

Industrial Software Solutions



- Acquired by -



QC Data



- Acquired by -



Cimetrix*



- Acquired by -



OSI*



- Acquired by -



Silicon Mechanics



- Acquired by -



MTM



- Acquired by -



AMI



- Acquired by -



LocalTel



- Acquired by -



Meet the Technology Team



Patrick Ringland

President & Managing Director

15+ years experience



Matt Rehtin

Managing Director

15+ years experience



Tim Johnson

Vice President

6+ years experience



Kendell Jensen

Associate

3+ years experience

Notes: *Includes transactions completed by current employees while at previous firms

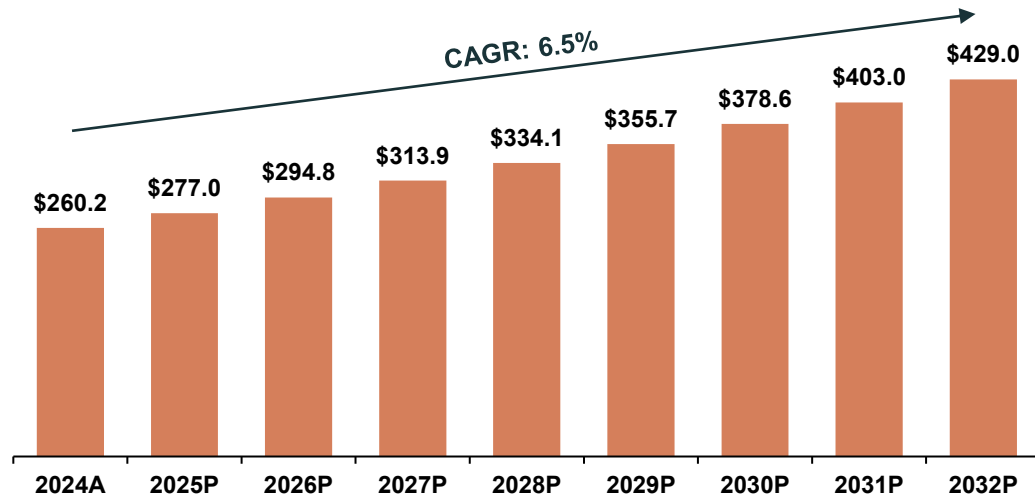
Industrial Automation Market Update

Industrial Automation Industry Overview & Trends¹

- Investors are prioritizing automation platforms as buyers seek flexible, data-driven manufacturing solutions and industry consolidation opportunities, as evidenced by Emerson's acquisition of Aspen Technology in February 2025
- Industry 4.0 technologies such as IoT, cloud systems, and big data analytics are driving consistent interest from financial and strategic buyers as they centralize industrial automation workflows
- Investment activity has shifted toward hardware and control systems driven by macro fundamentals like rising electricity needs, while workflow software investment has remained relatively flat
- Adoption of modular systems, edge computing, and AI-driven automation is accelerating, boosting the speed and efficiency of industrial automation

Global Industrial Automation Market Size²

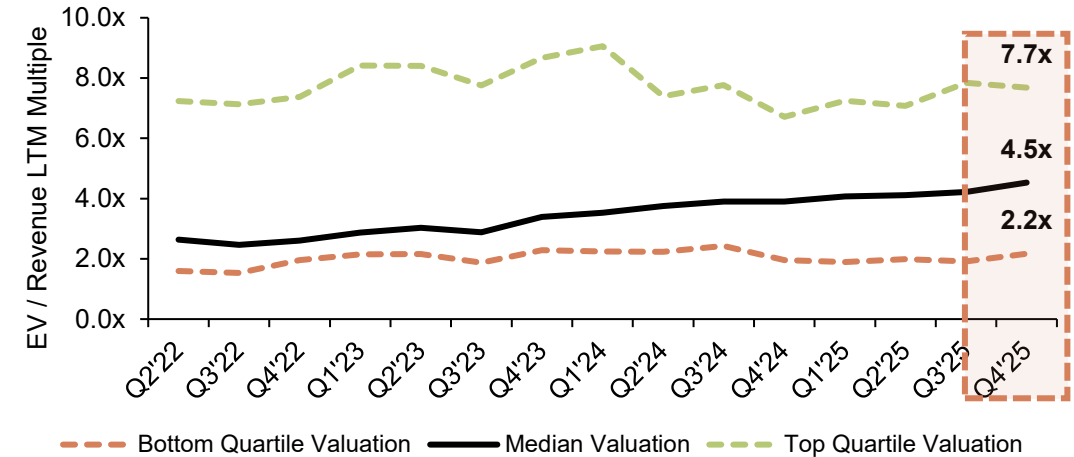
\$ in billions



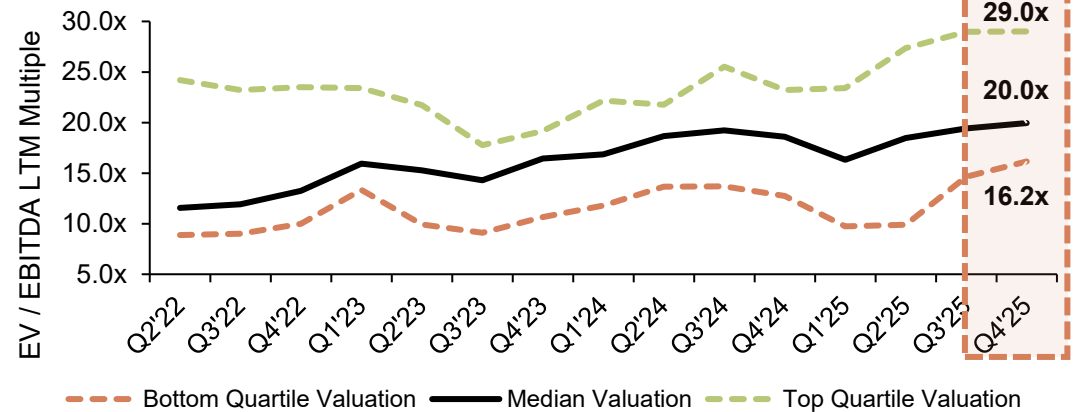
Source: (1) Autodesk- Trends in Industrial Automation 2025, (2) Kings Research, (3) Pitchbook as of 10/31/2025

Industrial Automation – Public Company Valuation Multiples³

EV / LTM Revenue Multiple



EV / LTM EBITDA Multiple



Industrial Automation Technology M&A Trends

Recent Industrial Automation M&A Transactions and Activity

Date	Target	Acquirer(s)	Target Description	Enterprise Value (\$M)	Enterprise Value /	
					Revenue	EBITDA
Oct-25	IAR Systems	QT Group (HEL: QT)	Developer of embedded software tools for industrial automation, IoT, and electronic systems	\$244	5.3x	17.8x
Oct-25	Veeco Instruments	Axcelis Technologies (NAS: ACLS)	Manufacturer of thin-film process equipment for industrial automation and semiconductor applications	\$4,845	6.9x	63.5x
Sep-25	ProfiCy	TPG (NAS: TPG)	Developer of artificial intelligence-based software catering to the needs of industrial and manufacturing sectors	\$600	nd	nd
Sep-25	Rapid Robotics	RobCo	Developer of industrial automation software and hardware designed to deploy robotic arms in the factory	nd	nd	nd
Sep-25	Heitek Automation	SunSource (Clayton, Dubilier & Rice)	Developer of an industrial automation platform designed to improve machine performance and streamline operational workflows	nd	nd	nd
Jul-25	ONExia	Doosan Robotics (KRX: 454910)	Distributor of custom machine building and robotics integrator products for manufacturing process automation	\$29	nd	nd
Jun-25	ENGlobal	Gulf Island Fabrication (NAS: GIFI)	Developer of industrial automation and engineering systems serving energy, government, and education sectors	nd	nd	nd
May-25	Ifm Electronic	Kohlberg Kravis Roberts (NYS: KKR)	Manufacturer of sensors and controllers designed for industrial automation	nd	nd	nd
Feb-25	Vector Technics	Zen Technologies (BOM: 533339)	Manufacturer of electric propulsion and motion systems for robotics and industrial automation	\$564	nd	nd
Feb-25	Aspen Technology	Emerson Electric (NYS: EMR)	Developer of industrial automation software optimizing engineering, manufacturing, and asset performance	\$16,800	nd	nd
Jan-25	End 2 End Technologies	Ceragon Networks (NAS: CRNT)	Manufacturer of industrial automation connectivity systems enabling efficient wireless communication and IIoT integration	\$13	nd	nd
Jan-25	Industrial Software Solutions	EECOL Electric (Wesco)	Provider of software solutions catering to industrial verticals	Confidential		
Jul-24	Hollysys Automation Technologies	Ascendent Capital Partners	Provider of industrial automation solutions offering proprietary software, mechanical, and electrical solutions	\$1,216	1.5x	14.4x
May-24	Vitronic Machine Vision	PPF Group	Manufacturer of image processing and machine vision systems designed for industrial automation, logistics, and traffic technology	\$142	0.5x	7.5x
May-23	M2I Corporation (KRX: 347890)	K-Bridge Ventures	Provider of manufacturing and export of HMI systems for industrial automation applications	\$140	4.7x	17.5x
Mean				\$2,384	4.8x	37.1x
Median				\$244	3.8x	17.5x

* Meridian Capital Client

Select Industrial Automation Investors

* Acquisitions since 2020

KKR

9+ Acquisitions

CORE
INDUSTRIAL

7+ Acquisitions

RA Rockwell
Automation

5+ Acquisitions

TPG

9+ Acquisitions

JOHN DEERE

7+ Acquisitions

EMERSON

4+ Acquisitions

stratasys

8+ Acquisitions

APPLIED
Industrial Technologies*

6+ Acquisitions

AEA

4+ Acquisitions

Audax Private Equity

7+ Acquisitions

MAIN
CAPITAL PARTNERS

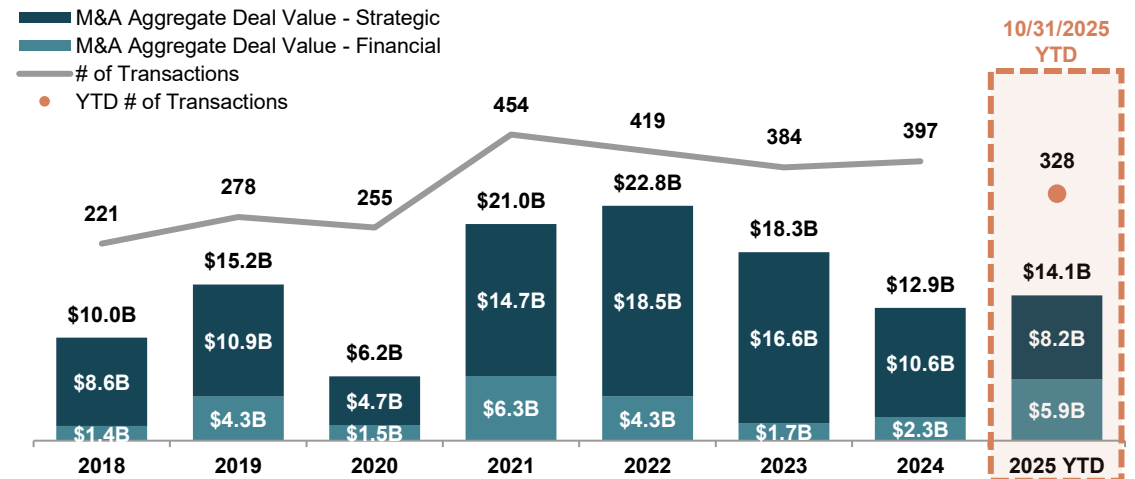
5+ Acquisitions

LINCOLN
ELECTRIC

4+ Acquisitions

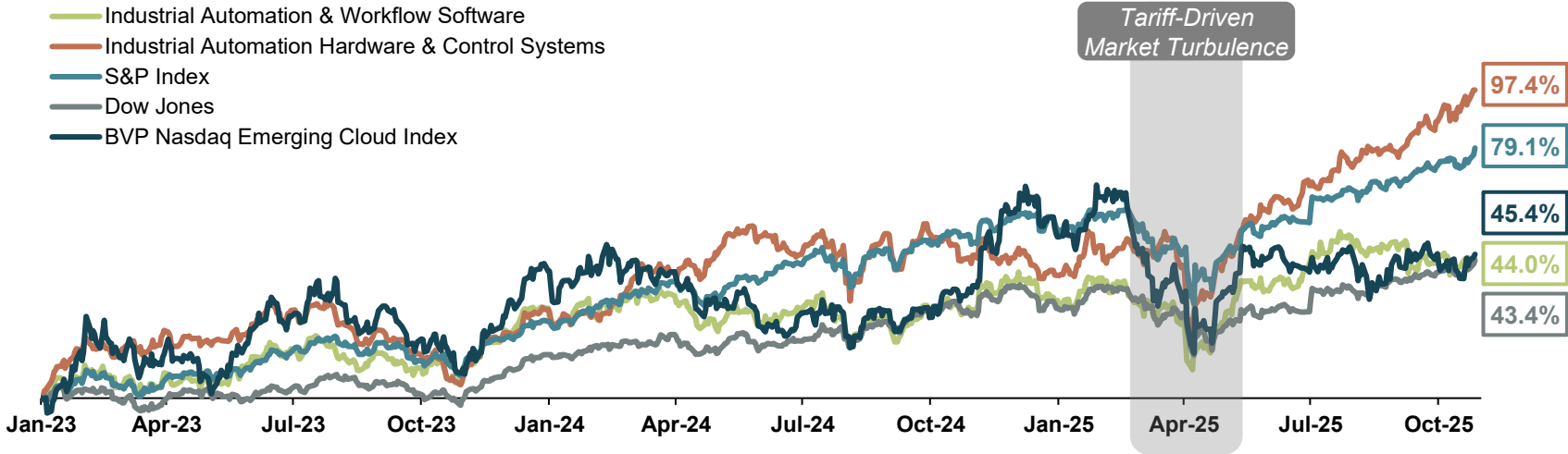
Source: Pitchbook as of 10/31/2025

Global Industrial Automation M&A Activity



Recent Industrial Automation Public Market Performance

Public Market Index Performance, % Change since Jan-23



Select Market Trends

- While tariffs and broader economic uncertainty have created headwinds, the industrial automation market has remained resilient, with hardware in particular outperforming major market indices since 2023
- Industrial automation software index performance has slowed amid slower capital spending and post-pandemic normalization, though long-term digitalization and AI trends continue to support the sector
- A worldwide push for electrification and sustainability is transforming industrial automation and control systems markets. As decarbonization and automation accelerate across aviation, manufacturing, and infrastructure, companies like GE, ABB, and Mitsubishi Electric have experienced rapid growth over the past year
- Investors remain optimistic about the industrial automation market as broader equities strengthen, and confidence builds around AI-driven efficiency gains and the global shift automation centralization

Industrial Automation & Workflow Software



Industrial Automation Hardware & Control Systems



BVP Emerging Cloud Index

Tracks emerging public companies primarily providing innovative and scalable cloud software

S&P 500 Index

Dow Jones

Representative Industrial Automation Landscape

The industrial automation market connects industrial hardware and software solutions to serve diverse end-market applications

Technology Providers

HMI & Diversified



Industrial Robot



Industrial Sensors



Industrial Machine Vision



Industrial 3D Printing



Industrial PC



Software / Solution Providers

Manufacturing Execution Systems



Engineering Design & Simulation



Warehouse Management Systems



Industrial Cybersecurity Providers



Industrial IoT & Backend



End-Market Applications



Industrial Automation – Publicly Traded Comparables

(\$ in millions, except for share data)	As of Oct 31, 2025				EV / Revenue		EV / EBITDA		Revenue Growth		2025E	
Company Name	Share Price	LTM Change	Market Cap	Enterprise Value	CY 2024E	CY 2025E	CY 2024E	CY 2025E	CY 2024E	CY 2025E	Gross Margin %	EBITDA %
Industrial Automation & Workflow Software												
Siemens	\$286.57	45.0%	\$224,367	\$266,814	3.2x	2.9x	18.5x	16.8x	0.1%	10.2%	37.6%	17.5%
Honeywell	\$200.11	1.5%	\$135,161	\$151,697	4.0x	3.7x	15.1x	14.6x	4.4%	6.6%	37.6%	25.4%
Synopsys	\$442.93	(14.6%)	\$84,579	\$94,820	15.7x	11.8x	37.2x	36.3x	13.6%	32.6%	73.6%	32.6%
Emerson Electric	\$136.82	26.1%	\$76,783	\$89,668	5.1x	4.9x	19.1x	17.6x	10.2%	4.6%	51.0%	27.7%
Autodesk	\$300.77	5.0%	\$63,278	\$64,562	10.5x	9.1x	31.3x	28.3x	14.6%	15.4%	90.2%	32.2%
Rockwell Automation	\$365.66	36.1%	\$41,393	\$44,658	5.6x	5.3x	26.7x	26.5x	(12.0%)	4.6%	39.9%	20.1%
Dassault Systemes	\$28.48	(18.5%)	\$38,288	\$35,943	5.6x	4.9x	15.5x	14.0x	0.5%	13.6%	83.4%	34.9%
PTC	\$197.38	6.7%	\$23,702	\$24,857	10.9x	9.3x	28.1x	21.0x	4.6%	16.9%	78.9%	44.3%
Mean	\$244.84	10.9%	\$85,944	\$96,627	7.6x	6.5x	23.9x	21.9x	4.5%	13.1%	61.5%	29.4%
Median	\$243.34	5.8%	\$70,030	\$77,115	5.6x	5.1x	22.9x	19.3x	4.5%	11.9%	62.3%	30.0%
(\$ in millions, except for share data)	As of Oct 31, 2025				EV / Revenue		EV / EBITDA		Revenue Growth		2025E	
Company Name	Share Price	LTM Change	Market Cap	Enterprise Value	CY 2024E	CY 2025E	CY 2024E	CY 2025E	CY 2024E	CY 2025E	Gross Margin %	EBITDA %
Industrial Automation Hardware & Control Systems												
GE Aerospace	\$310.75	81.0%	\$331,507	\$335,321	9.7x	8.1x	41.1x	33.3x	(1.7%)	19.6%	NA	24.3%
Schneider Electric (Electrical Equipment)	\$288.89	10.6%	\$167,963	\$183,447	4.4x	3.9x	22.6x	18.8x	6.3%	12.9%	40.5%	21.0%
Texas Instruments	\$160.51	(21.7%)	\$145,616	\$154,703	10.0x	8.7x	21.8x	19.3x	(11.5%)	14.2%	56.4%	45.3%
ABB (Distributors/Wholesale)	\$74.94	33.7%	\$136,799	\$139,817	4.3x	4.0x	21.7x	19.2x	1.3%	7.0%	35.2%	20.8%
TE Connectivity	\$243.45	62.3%	\$70,918	\$76,294	4.8x	4.3x	20.1x	18.1x	(0.9%)	11.7%	NA	23.7%
Mitsubishi Electric	\$27.54	53.5%	\$56,482	\$53,540	1.5x	1.5x	15.1x	12.3x	(6.4%)	3.6%	NA	12.1%
Fanuc	\$31.83	19.6%	\$29,699	\$25,592	5.0x	4.7x	21.0x	17.8x	(12.3%)	6.7%	39.6%	26.6%
STMicroelectronics	\$24.81	(8.3%)	\$22,692	\$19,728	1.5x	1.7x	5.8x	8.2x	(23.4%)	-11.3%	42.9%	20.5%
Yaskawa Electric	\$27.51	(4.5%)	\$7,133	\$7,572	2.1x	2.1x	13.3x	15.3x	(12.9%)	0.8%	38.7%	13.7%
Yokogawa Electric	\$29.71	33.6%	\$7,565	\$6,716	1.8x	1.7x	NA	NA	(1.6%)	6.6%	45.7%	NA
Dürr	\$23.26	(0.0%)	\$1,629	\$2,002	0.4x	0.4x	4.8x	5.9x	12.5%	-3.0%	24.4%	6.9%
Mean	\$113.02	23.6%	\$88,909	\$91,339	4.1x	3.7x	18.7x	16.8x	(4.6%)	6.2%	40.4%	21.5%
Median	\$31.83	19.6%	\$56,482	\$53,540	4.3x	3.9x	20.6x	18.0x	(1.7%)	6.7%	40.1%	20.9%

Source: Pitchbook as of 10/31/2025

Thank you

CONTACT INFORMATION

Patrick Ringland
President & Managing Director
(206) 224-6155
pringland@meridianib.com

Matt Rechtin
Managing Director
(917) 575-2041
mrechtin@meridianib.com

Tim Johnson
Vice President
(805) 758-9606
tjohnson@meridianib.com

Kendell Jensen
Associate
(425) 470-7270
kjensen@meridianib.com



@Meridian Capital LLC



@MeridianCap_LLC



<https://meridianib.com>

