

Foundry & Metal Casting

1Q25 M&A Industry Report

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Foundry and Metal Casting Overview

PW&Co Market Review

The U.S. foundry and metal casting industry is anticipating a surge in M&A activity during the remainder of 2025 as onshoring and reshoring efforts stemming from deglobalization, as well as the Trump administration’s focus on international trade relations are expected to bolster demand for U.S. foundry and metal casting products. Overall, the U.S. industrials sector is facing unique opportunities and challenges as we head into the second quarter of 2025 and foundry and metal casting businesses may stand to benefit the most.

The Trump administration’s recent tariff changes sent shockwaves through the public and private markets. Whether it be Anti-Dumping Duties and Countervailing Duties (AD/CVD), Section 201, Section 232, Section 301, or International Emergency Economic Powers Act (IEEPA) tariffs, the consensus among market participants is that too much was done at one time. From the perspective of a foundry or metal casting business owner, these tariffs are long overdue. For over two decades, U.S. foundries and metal casters have lost business to foreign competitors who leverage cheaper labor to win contracts. Many of these foreign competitors are based in countries subject to steep U.S. tariffs on imported goods. These companies often set up shell companies in territories that do not have U.S. tariffs to bypass the higher fees. This is why the Trump administration made headlines when they imposed a 10% tariff on uninhabited islands near Australia. Albeit a catalyst for public outcry, these tariffs underpin a continued trend in international trade that started during the Covid-19 pandemic: deglobalization. Many manufacturers and OEMs learned during the Covid-19 pandemic that overreliance on overseas suppliers is risky. As such, we have noticed industry participants begin to shift focus to the revenue impact of supply chain disruptions, rather than the traditional cost structure focus. In fact, the Reshoring Initiative’s Rebuilding America Survey showed that of the over 220 OEMs surveyed, the majority of respondents said they would pay up to a 10% premium for a 1-week lead time compared to a 6-week lead time, 48% cited the benefits of proximity of suppliers as a key driver for reshoring efforts, and 86% cited freight costs and geopolitical risks as a key driver for reshoring efforts. Among the foundry respondents, 94% said that they lost orders to imports due to cost, 45% said they won new business due to foreign supply chain disruptions, and 60% said they won new business due to superior and more consistent delivery times¹.

Whether it be foreign direct investments in existing businesses or U.S. manufacturers bringing business back to domestic businesses, there is a strong appetite for acquiring foundry and metal casting businesses in the current market, especially among strategic corporate acquirers. As deglobalization and reshoring efforts continue to be a central focus of the manufacturing sector, the outlook for the underlying health and overall M&A activity in the foundry and metal casting industry is positive. If you are interested in selling your business, acquiring a business, or learning more about what your business is worth, please email [Michael Stone](mailto:Michael.Stone@pwandco.com) or visit us [online](https://www.pwandco.com) to learn more.

Select Deal Multiples (EV to EBITDA)						
Industry	Enterprise Value					Total
	\$10-25M	\$25-50M	\$50-100M	\$100-250M	\$250-500M	
Manufacturing	5.7x	6.3x	7.3x	7.9x	9.5x	6.5x
Primary Metal Mfg.	5.6x	5.4x	6.8x	6.0x	NA	5.7x
Machinery Mfg.	5.7x	5.9x	7.0x	8.4x	NA	6.3x
Transportation Equip. Mfg.	5.4x	5.8x	6.7x	7.5x	NA	6.1x
Fabricated Metal Products	5.1x	6.1x	7.4x	7.8x	9.0x	6.1x
Foundries	5.4x	5.7x	NA	NA	NA	5.6x
Selected Foundries						
Iron Foundries	6.2x	5.4x	NA	NA	NA	5.8x
Steel Investment Foundries	5.6x	NA	NA	NA	NA	5.6x
Nonferrous Foundries	5.3x	NA	NA	NA	NA	5.3x
Selected Fabrication						
Forging & Stamping Fab.	4.8x	5.8x	6.5x			5.6x
Machine Shops	4.8x	5.9x	9.5x		NA	6.0x
Metal Tank Fabrication	5.7x		7.5x		NA	6.4x
Ornamental & Arch. Fab.	5.5x		6.7x		NA	6.3x

Notes: Multiples are presented as EBITDA/Enterprise Value based on the Target Company's trailing twelve month EBITDA.
Source: GF Data

¹ Reshoring Initiative. *Reshoring Initiative 2023 Annual Report: Geopolitical Risk and Industrial Policy Drive Reshoring and FDI Announcements*. 8 July 2024, https://reshorennow.org/content/pdf/Reshoring_Initiative_2023_Annual_Report.pdf.

Market Overview

Public Markets

S&P 500 Index



Source: FRED

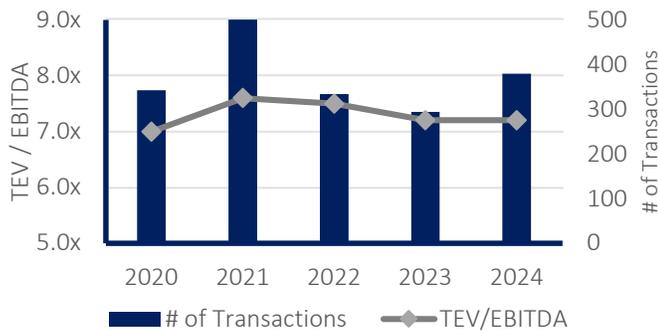
S&P 500 Industrials Index



Source: FRED

Private Markets

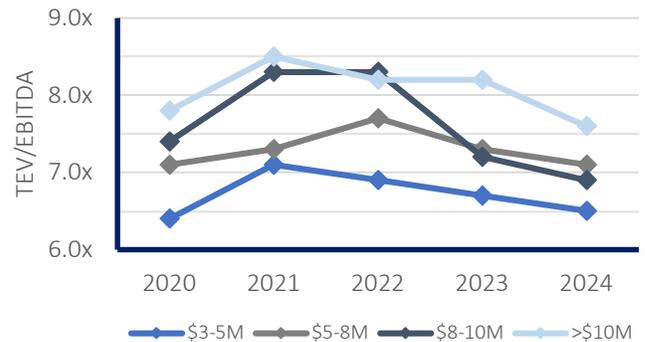
M&A Market Multiples (General)



Source: GF Data

Note: YTD data for M&A Multiples is as of 12/31/2024

M&A Market Multiples (By Size)

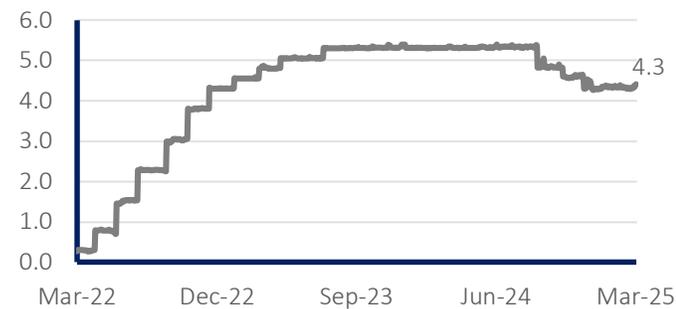


Source: GF Data

Note: YTD data for M&A Multiples is as of 12/31/2024

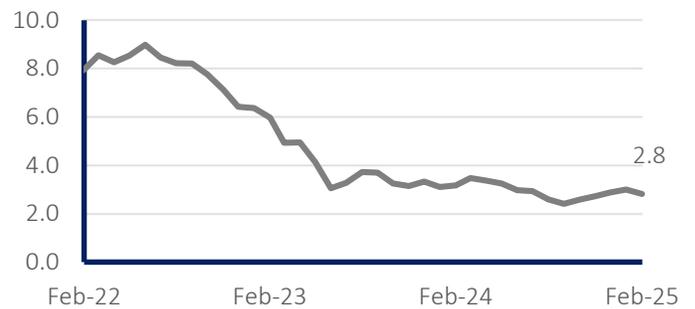
Lending Rates & Inflation

SOFR Rate



Source: FRED

US CPI (Percent Change from a Year Ago)

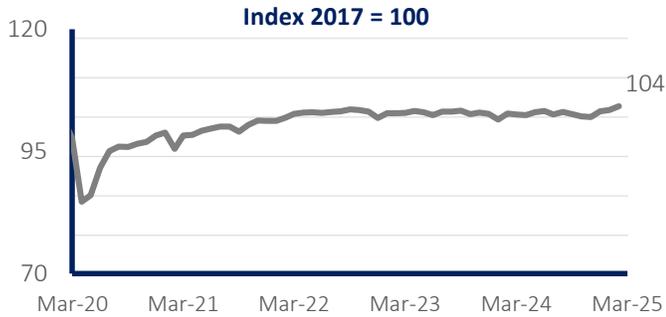


Source: FRED

Note: Most recent data as of February 2025

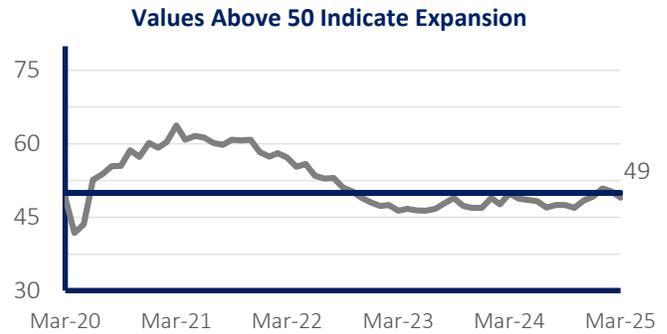
Macroeconomic Overview

Industrial Production Index



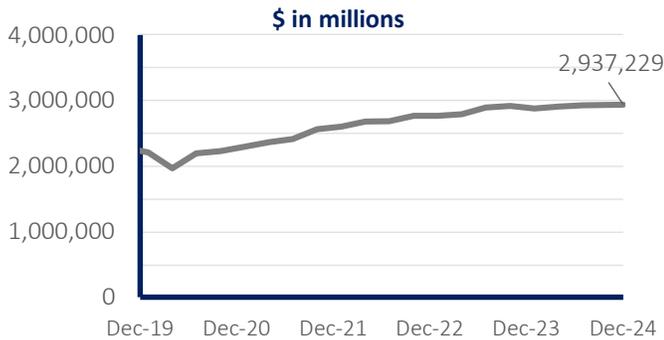
Source: FRED

ISM Manufacturing Purchasing Managers Index



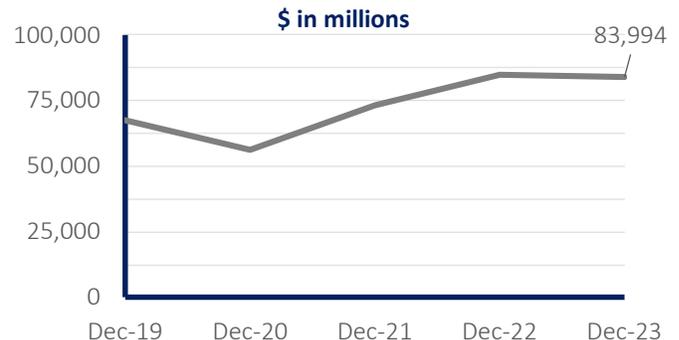
Source: FRED

Manufacturing GDP (US)



Source: FRED
Note: Most recent date as of December 2024

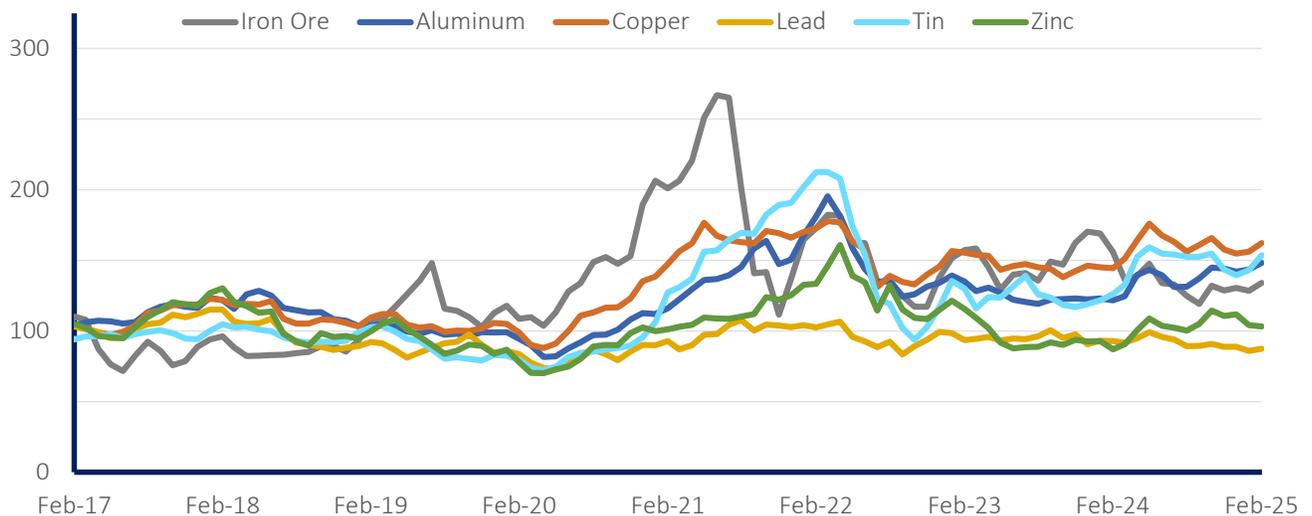
Metal Manufacturing GDP (US)



Source: FRED
Note: Most recent data as of December 2023

Metals Pricing

Index 2017 = 100



Source: FRED
Note: Most recent data as of February 2025

Foundry & Metal Casting

The Foundry and Metal Casting screen returns deals by and between companies that are constituents of or suppliers/ servicers to the foundry and metal casting industries.

Selected Deals this Year

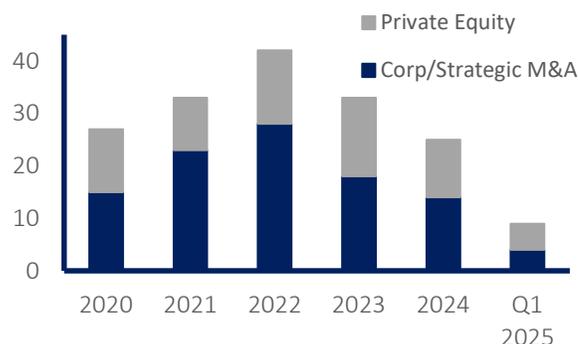
Date	Target	Description	Target Location	Buyer	TEV	Multiple
3/31/2025	Anderson Global	Manufacturer and distributor of metal cutting tools for high volume casting serving the foundries and manufacturers.	MI	Wisconsin Aluminum Foundry	NA	NA
1/21/2025	Chandler Industries	Manufacturer of precision machined components, fabrications and complex assemblies for the aerospace, defense, energy and medical industry.	MN	BXT Precision	NA	NA
1/21/2025	Form Technologies	Provider of precision die-casting and metal injection molding technologies serving the automotive, telecommunications, consumer electronics, mining and oilfield, fluid technology, and healthcare industries.	NC	Ares Management (NYS: ARES); Onex (TSE: ONEX); Ripple Industries; The D.E. Shaw Group	\$1.05B	NA
1/2/2025	Vulcan Materials	Manufacturer of complex engineered castings intended for defense, specialized industrial, rail, and transit markets.	MO	TerraMar Capital	NA	NA
12/20/2024	RH Sheppard Company	Manufacturer of commercial vehicle products and technologies for heavy-duty commercial and specialty vehicles. The company specializes in steering system designing, foundry services, iron casting, heat treatment, and re-manufacturing.	PA	Balmoral RHS Acquisition	NA	NA

Deal Multiples (Foundries)

	Enterprise Value		
	\$10-25M	\$25-250M	Total
Enterprise Value (TEV)	\$15.8M	\$85.3M	\$47.4M
Revenue (\$ in mill.)	\$17.7M	\$85.5M	\$48.5M
TTM Rev Growth %	1.7%	7.4%	4.3%
EBITDA Margin %	16.8%	16.4%	16.6%
TEV / Revenue	0.9x	1.0x	0.9x
TEV / EBITDA	5.4x	5.7x	5.6x

Source: GFData; NAICS 3315

Foundry Deal Flow (Last 5 Years)



Foundry & Metal Casting – Most Recent Deals

Deal Date	Company	Buyer	Target Location	TEV	EBITDA Multiple
31-Mar-25	Anderson Global	Wisconsin Aluminum Foundry	Michigan	NA	NA
21-Jan-25	Chandler Industries	BXT Precision	Minnesota	NA	NA
21-Jan-25	Form Technologies	Ares Management (NYS: ARES), Onex (TSE: ONEX), Ripple Industries, The D. E. Shaw Group	North Carolina	1,054,000,000	NA
15-Jan-25	UnitedSIC	ON Semiconductor (NAS: ON)	New Jersey	115,000,000	NA
13-Jan-25	Thalheimer Brothers	Drum Capital Management, Mill Rock Capital, Northleaf Capital Partners, Venture Metals+	Pennsylvania	NA	NA
6-Jan-25	Precision Abrasives	Nautic Partners, SurfacePrep	New York	NA	NA
2-Jan-25	Vulcan Materials	TerraMar Capital	Missouri	NA	NA
20-Dec-24	RH Sheppard Company	Balmoral AHS Acquisition	Pennsylvania	NA	NA
7-Oct-24	Morgan Bronze Products	Wieland Group (Erwin Mayr)	Illinois	NA	NA
12-Sep-24	Spectro Alloys	Emirates Global Aluminium, Investment Corporation of Dubai, Mamoura Diversified Global Holding	Minnesota	NA	NA
6-Aug-24	TMF Center	Steel Technologies	Indiana	NA	NA
10-Jul-24	Tri-Star Glove	Blue Point Capital Partners, National Safety Apparel	Indiana	NA	NA
5-Jul-24	Fullmer Industrial Sales	TA Industrial Solutions	Pennsylvania	NA	NA
17-Jun-24	Hobson & Motzer	Aterian Investment Partners, Vantage (San Jose)	Connecticut	NA	NA
31-May-24	Excal (Industrial Supplies and Parts)	Canerector	Wyoming	NA	NA
8-May-24	Atek Metal Technologies	Wisconsin Aluminum Foundry	Iowa	NA	NA
1-Apr-24	Performix Metallurgical Additives	Elliott Investment Management, Opta Group, Speyside Equity	Indiana	NA	NA
1-Mar-24	Renaissance Manufacturing Group	The Lawton Standard Co.	Wisconsin	NA	NA
1-Mar-24	Waupaca Foundry	A&M Capital, Monomoy Capital Partners	Wisconsin	NA	NA
26-Feb-24	Compass Technical Services	Unique Industrial Product	Texas	NA	NA
23-Feb-24	Allied Alloys	Stainless Steel Midwest (US)	Texas	NA	NA
6-Feb-24	Sharp Type	HGGC, Monotype Imaging, Thrivent	New York	NA	NA
5-Feb-24	Kinergy	Carrier Process Equipment Group	Kentucky	NA	NA
29-Jan-24	Dalton Corporation	NA	Indiana	NA	NA
26-Jan-24	Morton Photonics	Inflection	Florida	NA	NA
20-Dec-23	Anker Industries	Elliott Investment Management, Opta Group, Speyside Equity	Pennsylvania	NA	NA
30-Nov-23	Craft Pattern and Mold	Delos Capital, Genesis Park, Ironwood Capital, Le Sueur, The Silverfern Group	Minnesota	NA	NA
19-Oct-23	NuFlux	Elliott Investment Management, Opta Group, Speyside Equity	Ohio	NA	NA
30-Sep-23	ACME Abrasive Co.	Tyrolit Schleifmittelwerke Schwabach	Michigan	NA	NA
15-Sep-23	R.H. Sheppard (Foundry Operations)	NA	Pennsylvania	NA	NA
14-Sep-23	Rane Light Metal Casting America	Kentucky Industrial Holdings	Kentucky	4,900,000	NA
1-Sep-23	Turbo Components	P&THE Manufacturing	Michigan	NA	NA
31-Jul-23	Reuland Electric	OnCore Motor Group	California	NA	NA
1-Jul-23	Opta Group	Elliott Investment Management, Speyside Equity	New York	620,000,000	NA
4-May-23	Font Bureau (39 Foundries)	Audax Private Equity, HGGC, Monotype Imaging, Thrivent	Massachusetts	NA	NA
1-May-23	Utica Silicates	NA	Illinois	NA	NA
5-Apr-23	Horizon Metals (Industrial Supplies and Parts)	Victaulic	Utah	NA	NA
31-Mar-23	Guardian Software Systems	Embrace Software	Wisconsin	NA	NA
29-Mar-23	Performance Aluminum Products	Alumistar	California	NA	NA
24-Mar-23	Asbury Carbons	Mill Rock Capital	New Jersey	8,000,000	NA
8-Mar-23	Korns Galvanizing Company	Hill & Smith	Pennsylvania	9,400,000	NA
3-Mar-23	Lee Brass	Fidelis (Michigan)	Alabama	NA	NA
31-Jan-23	Green Diamond Performance Materials	Medallion Capital	Oregon	3,500,000	NA
13-Oct-22	Tech Cast	Daedalus Investments	Pennsylvania	NA	NA
1-Oct-22	Multi-Cast	NA	Ohio	NA	NA
1-Oct-22	Simpson Technologies	Altor Equity Partners, Norican Group	Illinois	NA	NA
30-Sep-22	Magnetic Lifting Technologies US	Crane 1 Services, L Squared Capital Partners	Pennsylvania	NA	NA
20-Sep-22	Valley Minerals	HBM Holdings, MLC (Saint Louis)	Missouri	NA	NA
1-Sep-22	Diversified Metal Products	NA	Michigan	NA	NA
25-Aug-22	Berthold Types (Inventory of Typefaces)	Audax Private Debt, HGGC, Monotype Imaging, Thrivent	Illinois	NA	NA
12-Aug-22	Northern Iron and Machine	The Lawton Standard Co.	Minnesota	NA	NA
31-Jul-22	Unity Aluminum	Steel Dynamics	Kentucky	NA	NA
29-Jul-22	Wellman (Creston)	TRM Equity	Iowa	NA	NA
22-Jul-22	New England Foundry	Potential Holdings	Massachusetts	NA	NA
6-Jul-22	CMC Materials	Entegris	Illinois	5,740,620,000	17.9x
16-Jun-22	Typetanic Fonts	The Type Founders	Illinois	500,000	NA
16-Jun-22	Miller and Company	Johnny On The Spot	Illinois	NA	NA
3-Jun-22	South Portland Facility & Fabrication Operations	Diodes	Maine	80,400,000	NA
13-May-22	Alhambra Foundry	EJ Group	California	NA	NA
4-May-22	Houston Metal Sawing	Metal Sawing Technology, Inc.	Texas	NA	NA
1-May-22	Adams & Westlake	NA	Indiana	NA	NA
28-Apr-22	Rusal America	NA	New York	NA	NA
31-Mar-22	GF Linamar	Linamar	North Carolina	NA	NA
22-Mar-22	JLM Industrial Supply	Stellar Industrial Supply	Nevada	NA	NA