



Clairfield M&A Industry Snapshot H1 2025

Test, Measurement & Instrumentation

Inside: TMI market overview · TMI M&A by region · Valuation multiples · Split of disclosed deals by value · Key transactions · About Clairfield

December 2025

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TMI market overview

- The Test, Measurement and Instrumentation (“TMI”) market performed strongly despite general global issues in the industrials market.
- Driven by critical needs such as safety, efficiency, compliance, quality, IoT integration and the AI boom, Clairfield’s TMI index outperformed the S&P 500 by 35.5%.
- M&A remains a key growth strategy, as large players look to build market share in niche growth industries and new geographies.

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Recent M&A transactions

- Deal volumes were above average for the half-year period, with 118 deals recorded in H1 2025.
- Momentum in the M&A market appears to be building after a cautious period post-Covid.
- Europe was the leading region for both buyers and sellers, bucking trends seen in the wider industrials market where European activity has been muted.
- Total average disclosed TMI deal multiples (EV/ EBITDA) in H1 2025 were in the high teens, slightly lower than recent periods.
- Deal multiples in the sub \$100m segment continued to be in the high single digit to early double digit multiple range.

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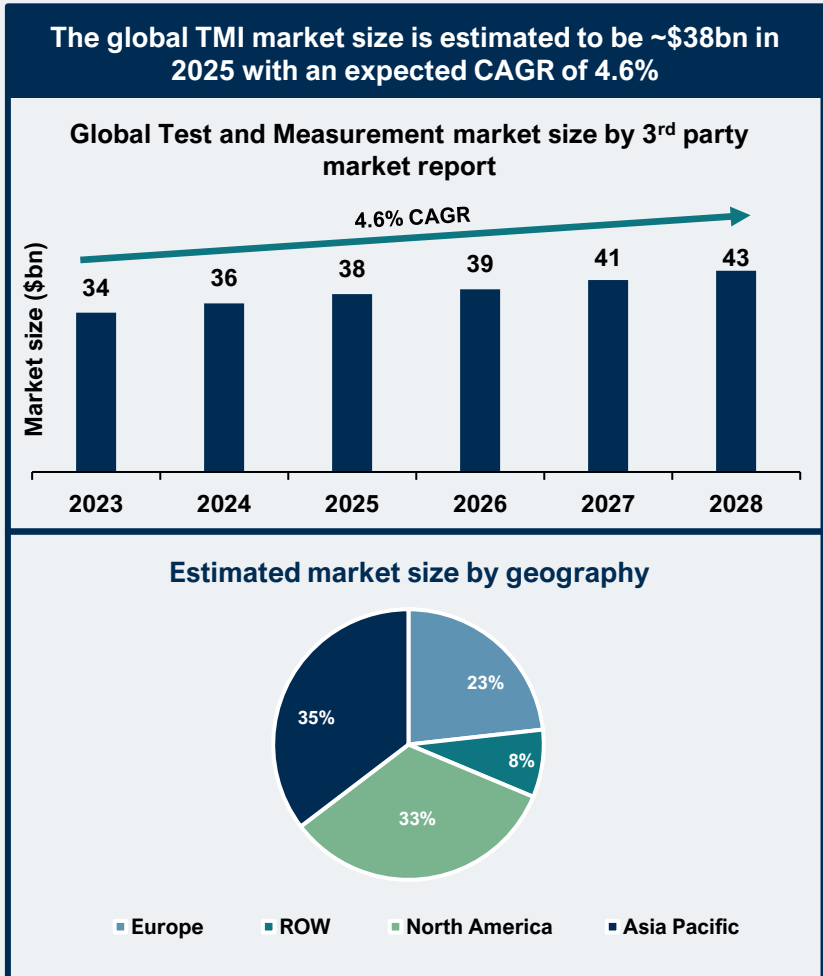
Industry trading multiples

- The Clairfield TMI Index experienced a short shock as a result of ‘liberation day’ in line with the wider markets, but quickly rebounded and has continued its upward trajectory.
- Selected trading peers in the TMI industry show an average H1 2025 EV/EBITDA multiple of 19.6x, a little above long-term averages.

TMI market overview

A growing global market with an estimated CAGR of 4.5%

Market size



Source: Market Forecasts

Key drivers

Regulatory Compliance	Industries must meet strict regulatory (e.g. FDA, FAA) or general manufacturing standards (e.g. ISO).
Quality control and assurance	Assessing the quality of finished goods/ products.
Efficiency	Helping to reduce or replace manual processes. Improving asset performance.
Asset Management	Measuring assets to ensure efficient and safe lifecycle management.
Industry 4.0 and IoT integration	The shift toward smart manufacturing and connected devices has increased demand for advanced monitoring instruments.
Meet broader corporate targets (e.g. ESG)	Helping businesses understand their impact in the world (e.g. decarbonisation, waste, safety, etc.)

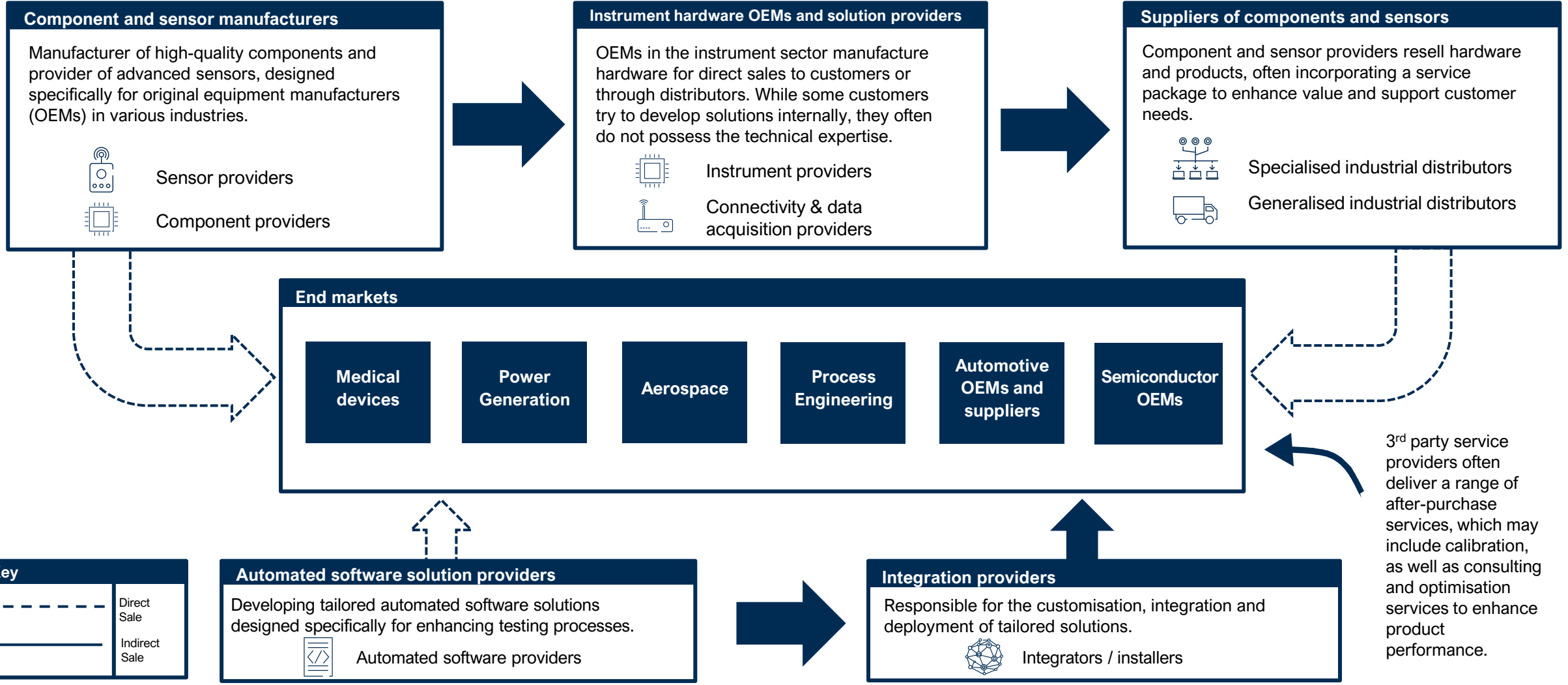


Trends being further accelerated by:

- Technological innovation
- IoT trends
- Growing propensity of corporates to invest in test and measurement products and services
- Developing markets and regions adopting stricter regulations

Conclusions:

- A growth sector built on critical needs
- Data and analytic demands of organisations will only increase
- Fragmented market, with small to mid-size players able to establish global leadership in niche markets
- Technology and IP are critical success factors



Key	
	Direct Sale
	Indirect Sale

Industry comments from key market players

Strong results and bullish expectations despite global economic uncertainty



“This has been another successful year for Halma, reflecting the contributions and commitment of everyone in the Group. We delivered record revenue and profit, with strong margins and cash generation, and increased returns on capital. We achieved our 22nd consecutive year of profit growth, and delivered our 46th consecutive year of dividend growth of 5% or more.” **Marc Ronchetti, CEO**

“Three years into the Growth+ programme we remain confident of delivering our financial ambition of mid to high single digit sales growth and mid-20s adjusted operating margins over time. We have entered 2025 with confidence and expect a year of progress on an organic constant currency basis.” **Kiet Huynh, CEO**



“I was pleased with our results in the quarter as we delivered record sales and EBITDA, strong earnings growth, and excellent core margin expansion against the backdrop of a sluggish and uncertain economic environment. Additionally, our strong cash generation and balance sheet provide us meaningful capital to deploy on strategic acquisitions and growth initiatives. Our acquisition pipeline remains strong as we continue to identify opportunities to acquire high quality businesses.” **David A. Zapico, Chairman and CEO**

“Keysight delivered strong second quarter results with revenue and earnings per share above the high end of guidance. This quarter’s performance underscores the strength of our long-term strategy, deep customer engagement and disciplined execution. Even as we are monitoring the overall macroeconomic environment, we continue to see a healthy funnel of opportunities and are raising full-year growth expectations to the midpoint of our long-term 5-7% target.” **Satish Dhanasekaran, President and CEO**

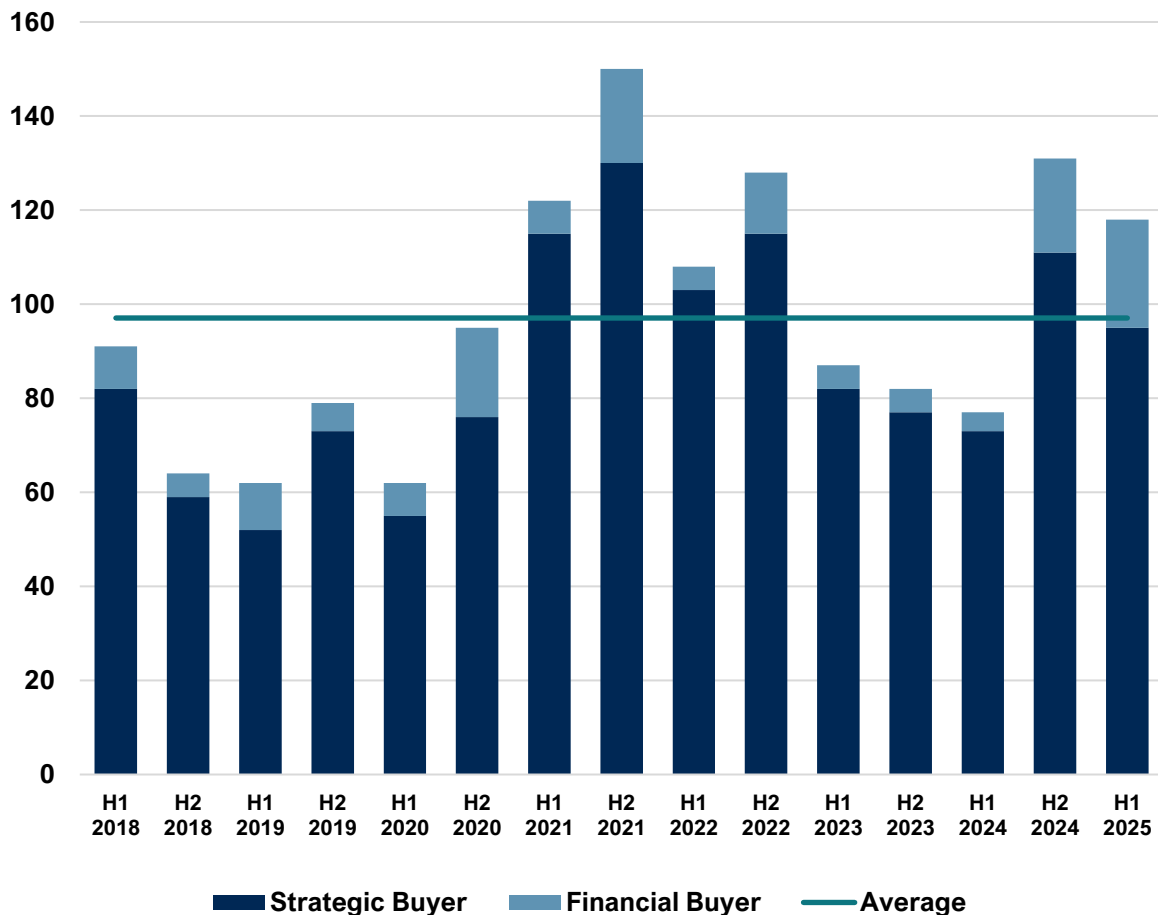


“We delivered an outstanding start to the fiscal year, posting highest-ever quarterly sales, operating income, and net income. Our first quarter performance underscores the sustained strength of AI-related demand and is a testament to our ability and commitment to scale supply capabilities.” **Douglas Lefever, Group CEO**

Encouraging deal volume in H1 2025

Overview of M&A activity up to H1 2025

Half Yearly Deal Volume



- Deal volumes were strong for the second half year period in a row, with 118 deals in the first half of 2025. While deal volumes were down on H2 2024, they were still higher than the long-term average of 97 deals per half year period.
- With bullish statements to the markets from some of the sectors' most significant players, it appears that M&A is firmly on the agenda after a post-Covid slowdown.
- Several of the industry's leading businesses posted record results during the first half of 2025, in part driven by recent acquisitions.
- Private equity played an important role, with almost a quarter of deals having private equity involvement. This included buyouts and secondaries, plus take-privates such as KKR's planned investment in Spectris. The deal is expected to complete in the first half of 2026.
- Large scale deals such as AMETEK's acquisition of FARO Technologies, KKR's Spectris deal and KKR / JIC's takeover of Topcon indicated confidence in the market from both trade and financial investors.
- Deals in excess of \$500m remained in line with long-term averages.

	Average	H1 2025
Number of deals completed per half year	97	118
Percentage of financial buyers	11%	23%
Number of deals >US\$500 million per half year	5	5

TMI M&A by region – H1 2025

Europe leading the field

Geographic trends – strategic buyers

- European industry as a whole has experienced a general malaise in recent years, affected by rising energy costs, tariff uncertainties and supply chain risks amongst others. However, within the TMI sector, Europe remains a leading region for M&A with the highest proportion of buyers and sellers globally.
- European buyers were particularly active, with a little under half of transactions involving a European acquirer. Historically, European buyers were responsible for approximately one third of acquisitions, making this H1 2025 increase pronounced.
- Germany led this activity increase, with the Netherlands and UK also playing substantial roles.
- The increased activity from European buyers has effectively reversed the typical North American dominance of the market.

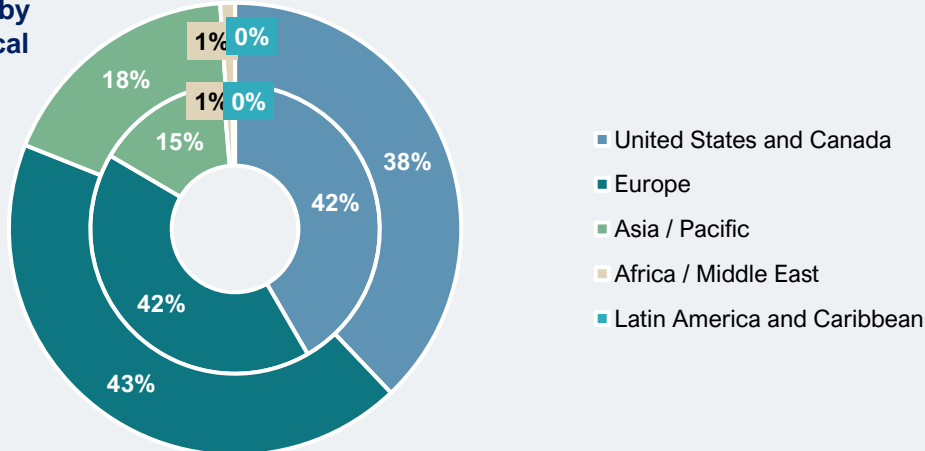
Number of H1 2025 targets HQ by geographical region

United States and Canada	36
Europe	41
Asia-Pacific	17
Africa / Middle East	1
Latin America and Caribbean	0

Number of H1 2025 buyers HQ by geographical region

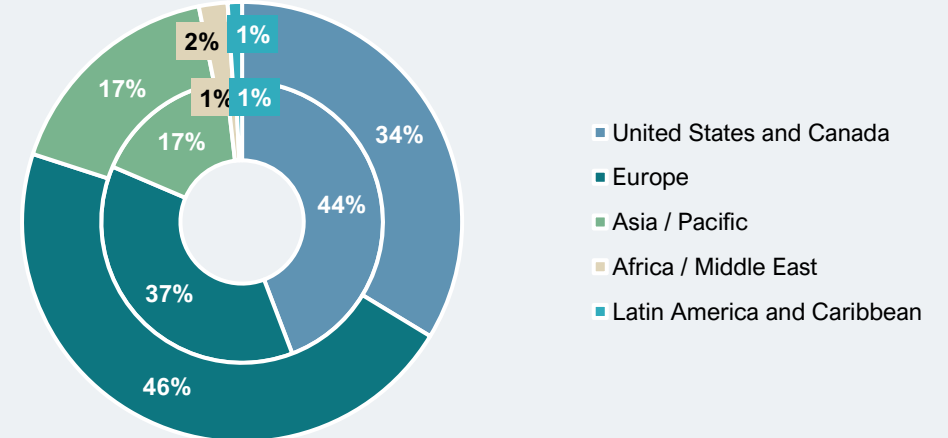
United States and Canada	32
Europe	44
Asia-Pacific	16
Africa / Middle East	2
Latin America and Caribbean	1

Target HQ by geographical region



Source: S&P Capital IQ

Buyer HQ by geographical region

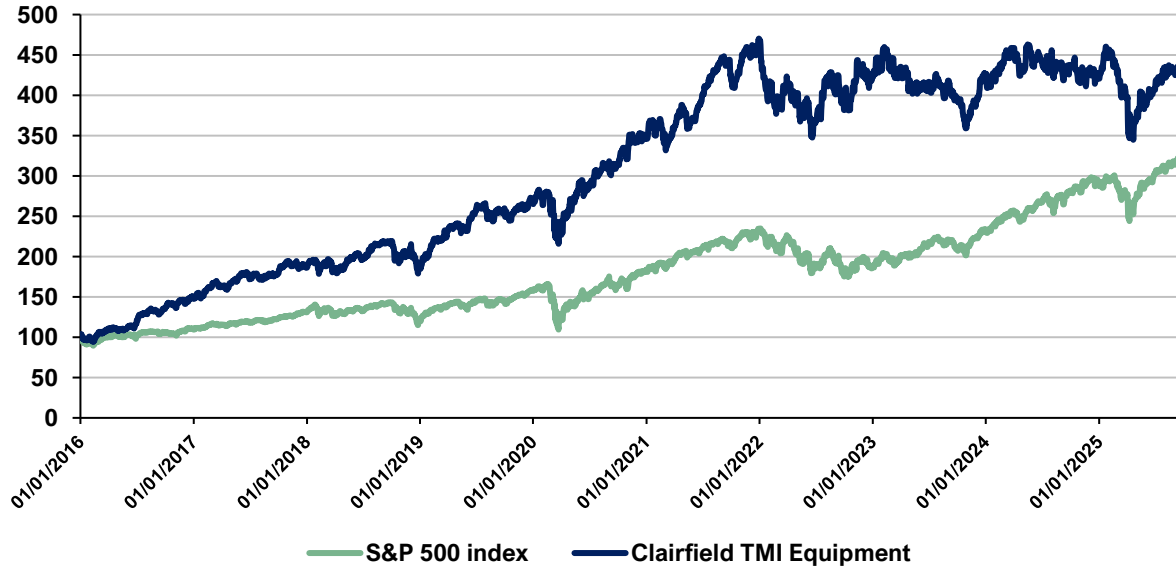


Inner ring denotes historical average, outer ring denotes H1 2025 split

Valuation multiples

Publicly owned businesses trending in line with the general market

Clairfield TMI Equipment Index vs S&P 500



The Clairfield TMI Index has outperformed the S&P 500 by 35.5%

The Clairfield TMI Index is made up of 42 listed businesses including:



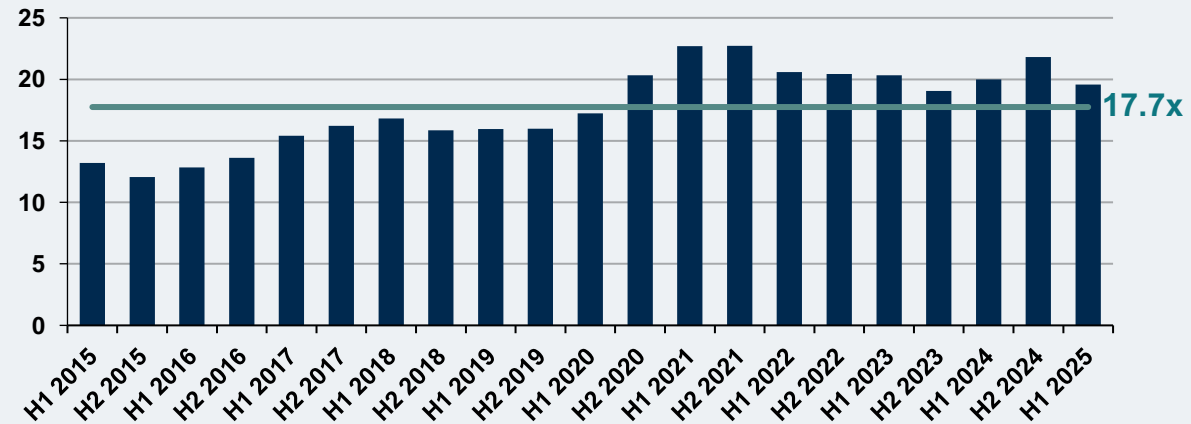
Source: S&P Capital IQ

Listed businesses valuation summary

- The Enterprise Value to EBITDA multiples below are the averages across our index of listed TMI businesses.
- While there has been a marked decrease in valuation multiples from the peak of dealmaking in 2021-2022, the average valuation multiple in H1 2025 (19.6x) was higher than the pre-pandemic average of 14.8x.

TMI EV / EBITDA Multiple Averages	Average 2015-2024	Pre-Pandemic Average	H1 2025 Average
	17.7	14.8	19.6

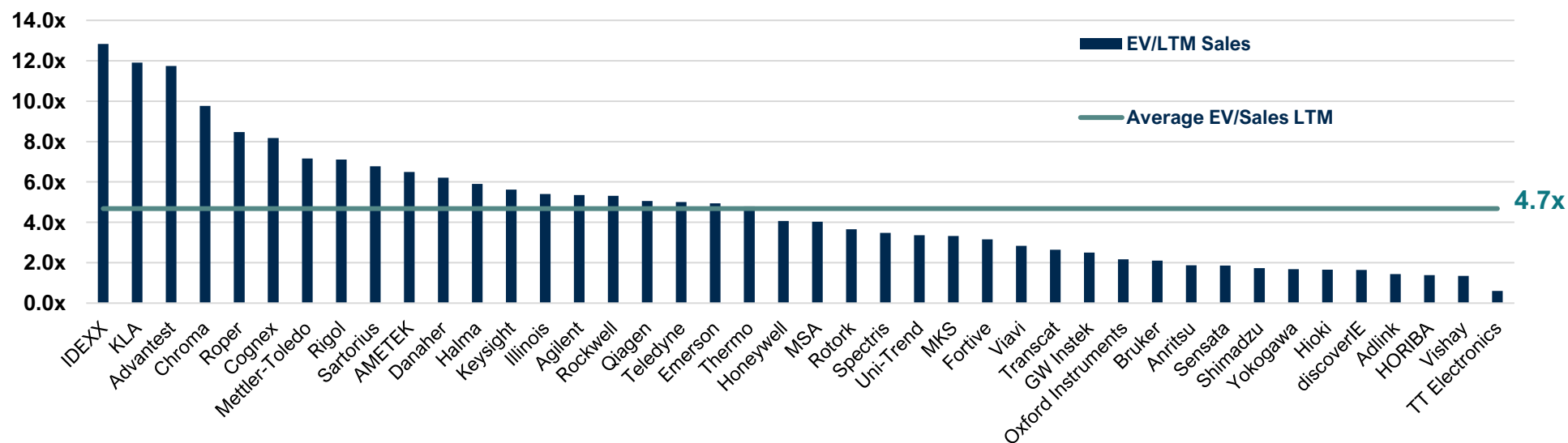
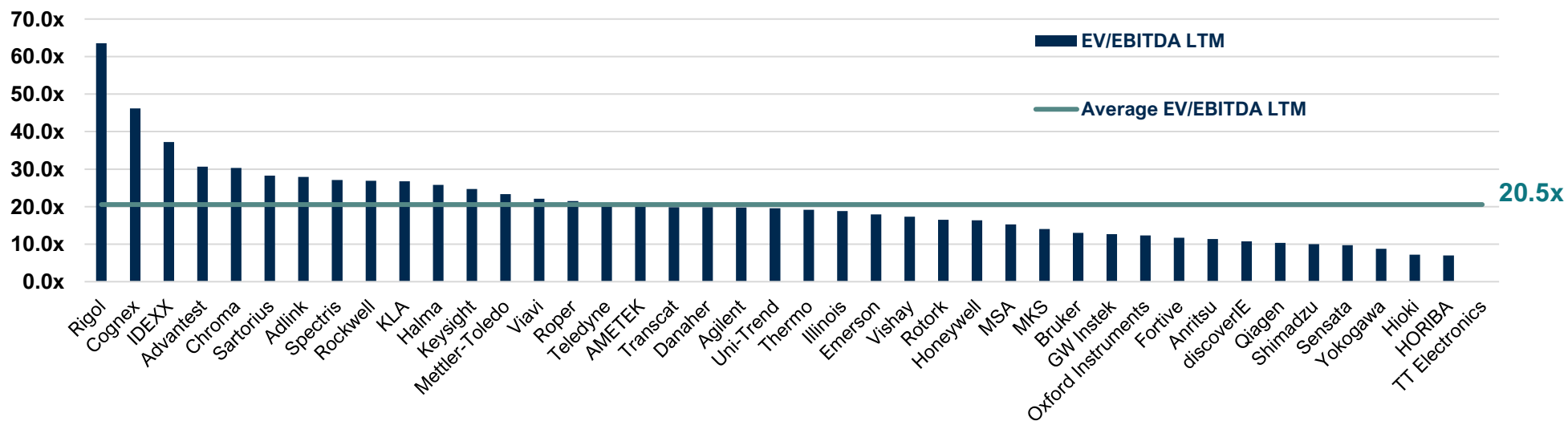
Clairfield TMI EV / EBITDA Multiples



Listed company trading multiples

Listed Valuations

- The graphs (right) show the current trading multiples for a cohort of publicly traded TMI and electronics businesses
- Multiples used are EBITDA and Sales against EV – the Enterprise Value of the business



Note: Figures reflect current trading enterprise values and last 12 months reported data.

Disclosed transaction multiples

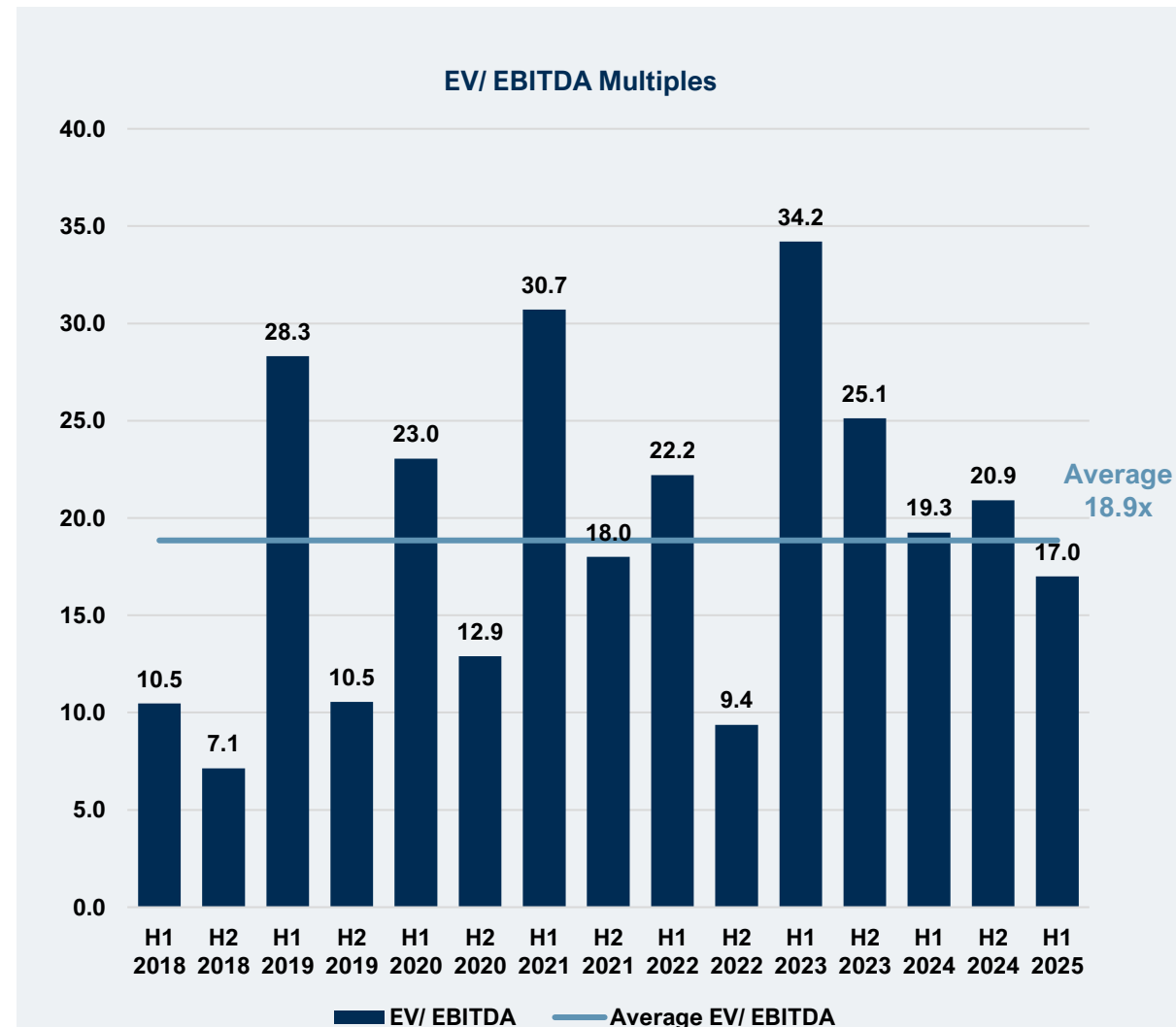
Valuation trends and drivers

- Private company transaction Enterprise Value to EBITDA multiples were slightly below historic averages during the first half of 2025, based on publicly disclosed deals.
- Drivers for M&A activity included:
 - Long-term prospects in the sector appear promising, with research firms forecasting growth to \$43bn by 2028, at a CAGR of 4.6%.
 - Increasing regulatory complexity and quality assurance requirements.
 - Advanced solutions using IoT, AI, and data analytics to provide real-time monitoring and prediction capabilities, enabling a shift to more recurring revenue streams.
 - Customer demand for enhanced products which is driving a growing emphasis on precision testing requirements.

Recent M&A areas of focus

- Technology, AI, and data: Demand for advanced technology infrastructure supporting AI and data centres is driving acquisitions in semiconductor inspection and analytics. Horiba acquired South Korea’s EtaMax to strengthen their wafer inspection systems for compound semiconductors – vital for AI and EV growth.
- Asset Monitoring: There have been several recent acquisitions in the asset monitoring space, including transactions MSA / MC Tech (gas analysis / detection), GTT / Danelec (maritime asset management), Kraken / 3D at Depth (subsea imaging and metrology) and Wabtec / Evident’s Inspection Technologies division (visual inspection and analytics instruments). These deals include ongoing monitoring systems for assets such as offshore wind, oil & gas, shipping vessels and testing systems for aerospace.
- Industry 4.0 and IoT: There is growing integration of IoT, automation and data-driven technologies in manufacturing. AMETEK / FARO and MAAG / Sikora strengthen capabilities in 3D scanning, inline measurement and AI-based process control, while Sinomach / Chongqing and KKR / Spectris advance smart factory ecosystems and precision analytics.

Source: S&P Capital IQ, IBIS World, Grand View Research, Press Releases



Split of disclosed deals by value

Sub US\$100 million Enterprise Value deals continue to drive M&A activity

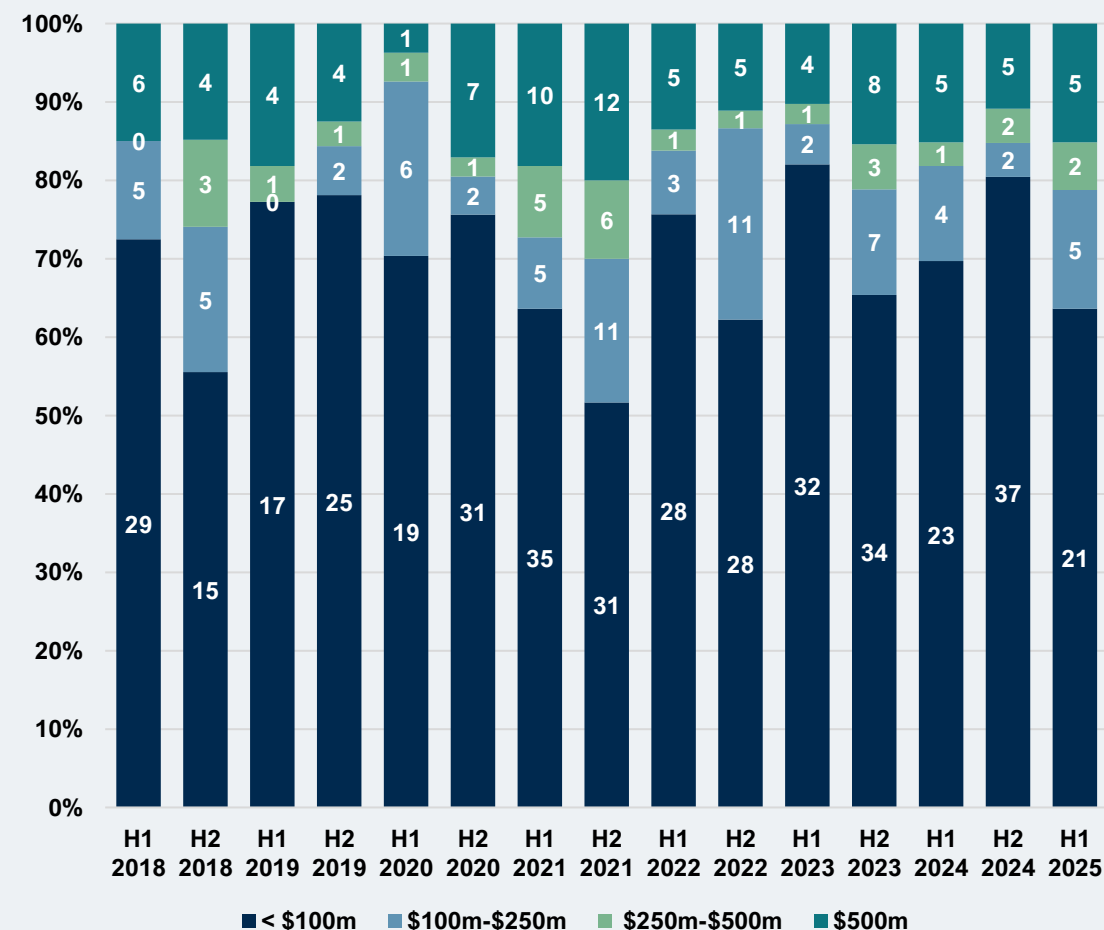
Valuation trends and drivers

- The TMI market is highly fragmented with many specialists filling niches. As such, deal volume is largely focused on the <\$100m EV range.
- H1 2025 was no exception, with over 60% of disclosed deals being in the small to mid-market bracket.

Major Deals

- KKR / Spectris (\$6.2bn): Public to private transaction of Spectris Plc, a UK-based precision measurement and instrumentation company serving the life sciences, semiconductors and industrial sectors, by US Private Equity firm KKR. The deal is pending regulatory clearance.
- KKR & JIC / Topcon (\$2.85bn): Management buyout of Topcon, a Japanese optical and precision measurement technology firm (eye care, positioning systems), backed by KKR and Japan’s sovereign wealth fund JIC Capital.
- Wabtec / Evident’s Inspection Technologies (\$1.78bn): US Listed Wabtec acquired Evident’s Inspection Technologies division, a leader in Non-Destructive Testing, remote visual inspection and analytical instruments. The deal strengthens Wabtec’s Digital Intelligence business, doubling its total addressable market from \$8bn to \$16bn and adds advanced automated inspection and predictive maintenance capabilities.
- AMETEK / FARO (\$958mn): FARO Technologies, a global leader in 3D metrology, laser scanning and digital reality solutions, has been delisted from Nasdaq following acquisition by AMETEK. This enhances AMETEK’s Ultra Precision Technologies division, expanding into high-growth markets like industrial manufacturing, AEC and public safety with integrated 3D measurement and imaging solutions.
- MAAG / Sikora (\$586mn): German manufacturer of measuring, control and sorting technologies for cable, pipe and plastics industries, Sikora, acquired by MAAG. The deal combines MAAG’s polymer processing systems with Sikora’s advanced inspection and AI-driven control technologies. This is progress towards a fully integrated industrial solution.

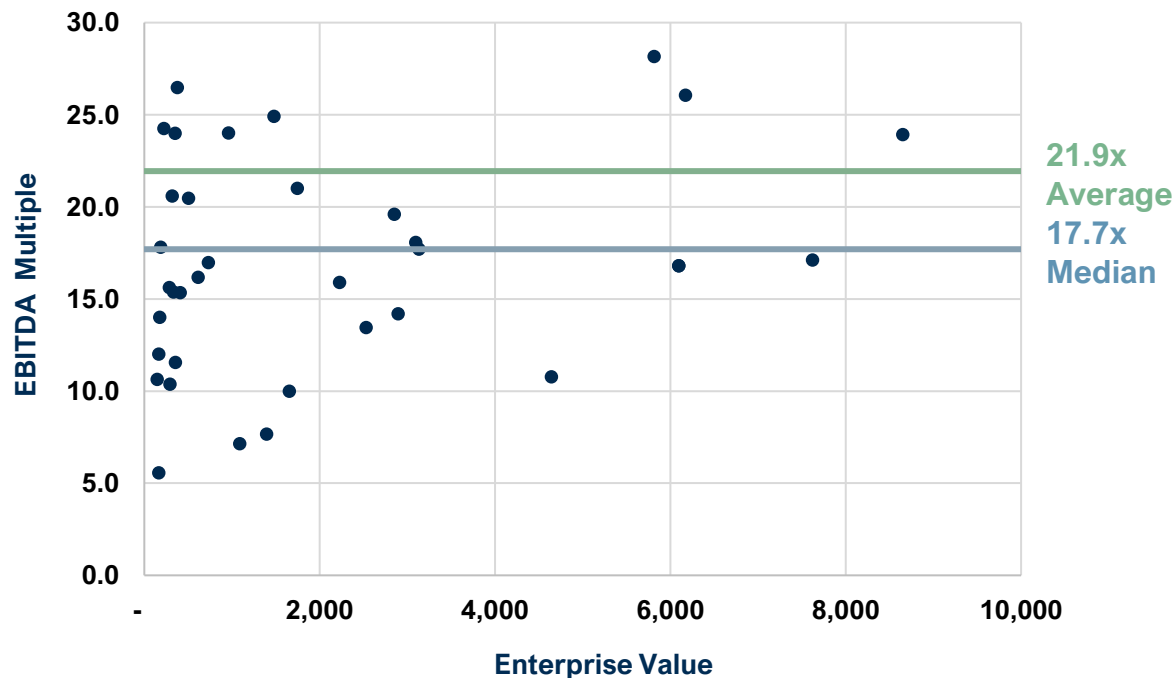
Disclosed Deal Value Ranges as % of Total Deals and Actual Number of Disclosed Deal Values



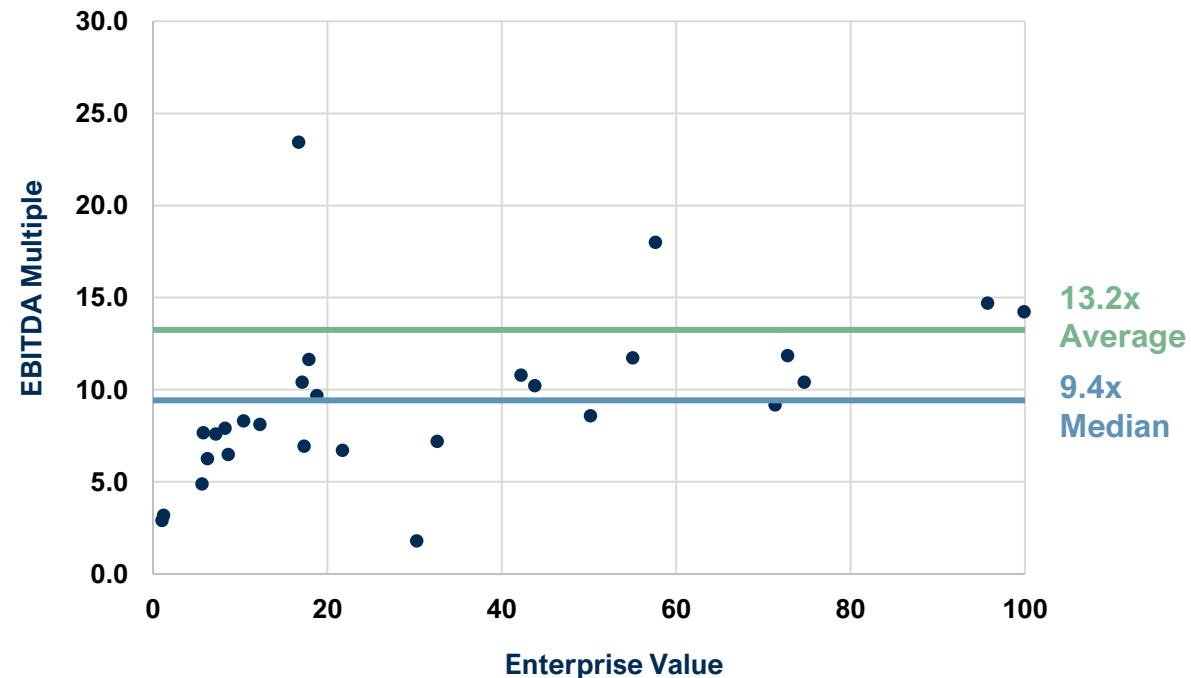
Disclosed deal valuation multiples

Strong multiples relative to other industrials markets

EV/EBITDA – Deals over \$100m



EV/EBITDA – Deals below \$100m



- Deals with an Enterprise Value above \$100m generally attract higher multiples, as shown in the charts above.
- EV/EBITDA Multiples in the <\$100m space are typically high single digit to early double digits, with 13.2x median and 9.4x mean EBITDA multiples.
- A small number of outliers in specialised sub-sectors such as space and automation influence the average, as can be seen from the chart.






















Trade buyers, key transactions – H1 2025

Notable deals from the first half of 2025

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value (\$m)	Implied enterprise Value/EBITDA (x)	Target sales (\$m)
Jan-25	Evident's Inspection Technologies division		Wabtec CORPORATION	Remote visual inspection and analytical instruments solutions for mission critical assets	1,780	15.9	433
May-25	FARO		AMETEK	3D measurement and imaging solutions	958	24.0	330
May-25	SIKORA Technology To Perfection		MAAG Group a company	Manufacturer of measuring, control and sorting technologies for various industries	586	-	107
Jun-25	ELATEC RFID Systems		ALLEGION	RFID credentials and readers solutions	351	18.0	-
Jan-25	川仪股份 CHONGQING CHUANYI AUTOMATION CO., LTD		SINOMACH	Industrial automatic control devices	333	15.4	1,039
May-25	GEOST		ROCKETLAB	Electro-optical and infrared sensors for space and defence	234	-	-
May-25	Danelec		GTT Technology for a sustainable world	Advanced digital solutions for maritime data collection and analysis	207	-	47
May-25	M&C TechGroup		MSA The Safety Company	Gas analysis systems	187	-	52
Jan-25	SMARTCOVER WE'VE GOT IT COVERED		BadgerMeter	Satellite manhole and water monitoring systems	186	-	35
Mar-25	HDM		智芯科技	Automatic weighing, detecting and metering devices	134	-	32
Jun-25	OXFORD NANOSCIENCE		Quantum Design	Ultra-low-temperature cryogenics instrumentation	79	-	74
















Trade buyers, key transactions – H1 2025

Notable deals from the first half of 2025

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value (\$m)	Implied enterprise Value/EBITDA (x)	Target sales (\$m)
Apr-25				Diagnostic assay kits for mass spectrometry	62	-	-
Apr-25				Data acquisition measurement systems	58	18.0	31
Mar-25				Manufacturer of electric control systems	55	11.7	-
Jan-25				Measuring and test devices, sensors and measurement systems as well as calibration services	45	-	19
Apr-25				Manufacturer of wafer inspection system for the semiconductor market	19	-	-
Mar-25				Deep-water LiDAR inspection and monitoring technology	17	-	16
Apr-25				Manufacturer of control systems, electronic products, scoreboards and quality assurance devices	-	-	-

Financial buyers, key transactions – H1 2025

Notable deals from the first half of 2025

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value (\$m)	Implied enterprise Value/EBITDA (x)	Target sales (\$m)
Jun-25	 spectris			Precision instruments, test equipment and software for industrial sector	6,172	26.1	1,681
Mar-25	 TOPCON		 KKR JIC CAPITAL, LTD.	Manufacturer of optical and sensing technology	2,851	19.6	1,354
Jun-25	 INTERSOFT ELECTRONICS			Advanced radar systems and services	-	-	64
Mar-25	 PHYSICAL PROPERTIES TESTERS GROUP			Design, production, and service of testing instruments for raw materials, components and finished products	-	-	-
Feb-25	 Trackunit			Integrated equipment tracking and efficiency tracking solutions and software	-	-	-

About Clairfield

Global reach, local expertise

A leading independent M&A advisor for midmarket deals

Founded in 2004, Clairfield International provides advisory services on midmarket transactions to a diverse clientele, including large companies, private investors, private equity, public sector entities, and family businesses.

We connect clients with regional and international strategic parties, investors, and decision-makers, while providing expert knowledge of local markets, regulations, and cultures.

Clairfield ranks as one of the top independent M&A advisors in worldwide league tables.

500+
TEAM MEMBERS

33
COUNTRIES

880
DEALS CLOSED IN
THE LAST 5 YEARS

EUR 37 billion
CUMULATIVE DEAL VALUE
IN THE LAST 5 YEARS



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■ We look forward to speaking with you

■ **clairfield**

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