CASCADE PARTNERS

# Policy, Pricing and Power in Metals

## Why Durable Trade Actions are Shaping Investment and M&A

March 2026



Acquisitions | Divestitures | Financings | Turnaround & Restructurings

Contents


| | |
|---|---|
| 1. Executive Summary | 2 |
| 2. Macroeconomic & Trade Drivers | 3 |
| 3. Market Overview | 6 |
| 4. Industry Segmentation | 8 |
| 5. M&A Capital Markets | 11 |
| 6. About Cascade Partners | 21 |


# 1. Executive Summary

The global metals industry has entered a structurally different operating environment, defined less by traditional demand cycles and more by persistent policy intervention, supply-side discipline, and value-chain repositioning. Trade actions, industrial policy, and reshoring initiatives have fundamentally altered sourcing behavior, pricing dynamics, and investment priorities, creating a more insulated but increasingly segmented market environment. Unlike prior cycles, recent tariff expansions, most notably the 2025 increase in Section 232 steel and aluminum tariffs to 50%, while not without policy risk, have demonstrated greater durability than in prior cycles, reinforcing domestic procurement and sustaining pricing power even amid uneven industrial demand.

Macroeconomic indicators now point to a decoupling of volumes and pricing. Manufacturing activity remains cautious, with PMI readings signaling contraction, yet production levels and capacity utilization have stabilized. Pricing behavior has shifted away from synchronized commodity inflation toward metal-specific, supply-led dispersion. This environment favors operators positioned downstream with contractual pricing, value-added processing, and domestic end-market exposure. While monetary conditions remain restrictive, improved rate visibility is setting the stage for a gradual re-acceleration of M&A activity as financing conditions normalize.

Industry growth continues to be underpinned by long-term structural drivers including infrastructure investment, electrification, automation, and sustainability-driven capital deployment. Metal forming, fabrication, and recycling markets collectively represent hundreds of billions of dollars in addressable demand, with faster growth concentrated in recycling, precision fabrication, and advanced processing. At the same time, rising capital intensity, labor scarcity, and energy costs are widening performance dispersion between scaled, automated platforms and undercapitalized operators.

Segmentation across the value chain reveals a clear hierarchy of risk and resilience. Upstream producers remain highly exposed to commodity and policy volatility, while processors and service centers function as balance-sheet-driven intermediaries. Downstream fabricators and precision manufacturers exhibit the more predictable earnings profiles, benefiting from engineering complexity, automation, and diversified end markets. Capital markets and M&A activity increasingly reflect this divergence, with premium valuations and buyer interest concentrated in value-added, domestically oriented platforms.


© Cascade Partners – All rights reserved.

# 2. Macroeconomic & Trade Drivers



The global metals industry is operating in a policy-dominated environment, where trade actions, industrial policy, and supply-side interventions exert a more persistent influence than traditional demand cycles.

A key distinction versus the pre-2021 environment is that trade measures are no longer reactive or temporary. **In June 2025, Section 232 tariffs on most steel and aluminum imports increased from 25% to 50%, with the scope expanded to hundreds of additional derivative products, materially changing sourcing behavior rather than simply distorting short-term pricing.** Unlike prior tariff episodes, exemptions and alternative access routes have narrowed as coverage broadened and rates increased, reinforcing domestic procurement even as demand remains mixed.

This persistence helps explain why domestic pricing power and order visibility have held up despite softer macro indicators. Reduced import competitiveness has driven both U.S. OEMs and foreign buyers to prioritize local supply chains for reliability and compliance rather than lowest-cost sourcing, supporting sustained domestic pricing power even in a muted demand environment. Compared with 2018–2019, the current reshoring cycle is notably more capital-intensive, reflected in greenfield investments and large-scale capacity commitments rather than incremental additions, raising barriers to entry while reinforcing long-term domestic supply discipline.

Federal industrial policy has further reshaped the demand profile. Infrastructure spending tied to the Infrastructure Investment and Jobs Act (IIJA), combined with Buy American provisions, is generating multi-year demand visibility for plate, rebar, structural steel, and fabricated metal products used in transportation, grid modernization, and water infrastructure projects. This policy-backed baseline demand contrasts with the historically cyclical nature of construction and industrial metals consumption and has dampened downside volatility for domestically oriented operators even as discretionary industrial spending remains uneven.

**Monetary policy, while still restrictive relative to the 2021–2022 period, has become more predictable. Following multiple rate cuts in 2025, including a 25-basis-point reduction in December, the federal funds rate now stands in the mid-3% range**[1]. Elevated borrowing costs have delayed discretionary capital spending and M&A, particularly among smaller and more leveraged operators. However, improving rate clarity should unlock more sponsor-backed and strategic M&A activity in 2026–2027, with a bias toward platform-quality, niche assets rather than broad, leverage-driven consolidation.

Structural regulatory and sustainability pressures continue to reinforce these shifts. The accelerated adoption of electric arc furnace (EAF) production and the expansion of scrap-based supply chains represent a clear departure from earlier blast-furnace-centric investment cycles. **The U.S. scrap reservoir has surpassed four billion tons, and EAF-based steelmaking, highly dependent on scrap, already accounts for roughly 70% of U.S. steel production. This share is expected to rise meaningfully over time and could approach approximately 90% by 2040, driven by infrastructure demand, cost efficiency, and decarbonization imperatives**[2]. This transition supports structurally lower emissions and cost variance while increasing the strategic value of scrap logistics, recycling infrastructure, and vertically integrated EAF-based platforms for investors.

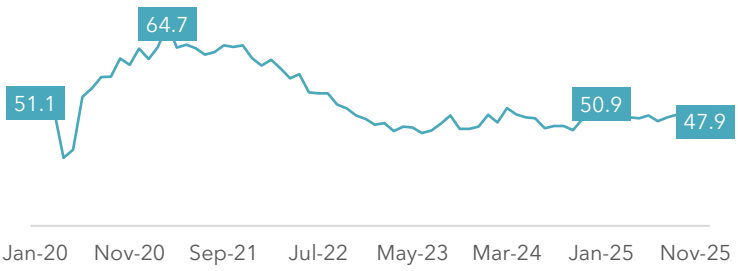
Sources: Cascade Research, KPMG Metals Industry Update, Capstone Partners; 1:Federal Reserve; 2:Laplace Conseil


© Cascade Partners – All rights reserved.

Recent macro indicators point to a growing disconnect between price levels and physical output, underscoring the industry's shift from demand-driven inflation toward policy- and supply-led pricing dynamics. This divergence has become increasingly evident since 2022, as volumes stabilized while pricing behavior remained uneven across the value chain.

The ISM Manufacturing PMI was 47.9 in December 2025, signaling contraction in U.S. manufacturing and marking the lowest reading since October 2024. While new orders and export orders have shown modest sequential improvement, the downturn is better characterized by cautious ordering behavior and inventory management than a collapse in end-market demand. Unlike the 2020–2021 recovery phase, where PMI strength translated directly into accelerating output, the current cycle reflects stabilized demand tempered by customer conservatism.

**U.S. ISM Manufacturing PMI**




Source: Trading Economics; Institute for Supply Management

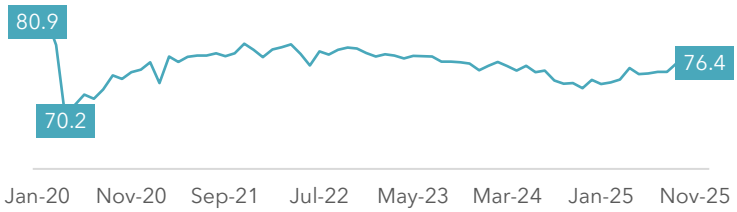
**Industrial Production:** Manufacturing*




*NAICS; Index 2017=100, Seasonally Adjusted*

Source: FRED, Federal Reserve Bank of St. Louis

**Capacity Utilization: Manufacturing:** Fabricated Metal Product*

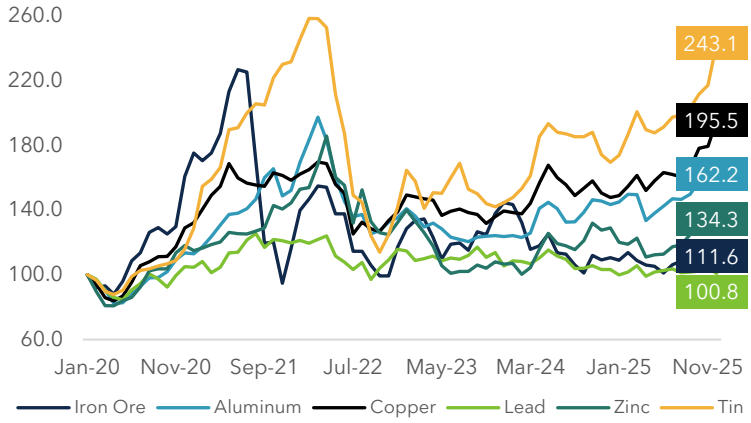



*Durable Goods, NAICS = 332; Percent, Seasonally Adjusted*

Despite weak PMI readings, industrial production has remained broadly stable, particularly within fabricated metal products. Manufacturing output has fluctuated within a narrow band around long-term averages, contrasting with the volatility observed during the pandemic recovery and the 2021 demand surge. Capacity utilization for fabricated metal products has normalized in the mid-70% range, well below overheating thresholds, indicating meaningful latent capacity across the system. This reinforces that recent pricing dynamics are not capacity-constrained and limits the potential for volume-driven price escalation in the near term.

Commodity pricing trends since 2021 reveal increasing dispersion across metals rather than synchronized inflation. Tin prices surged to indexed levels above 200 amid acute supply disruptions, while aluminum has remained structurally elevated relative to pre-2021 levels due to persistent energy and capacity constraints. In contrast, iron ore prices have retraced materially from their 2021–2022 peaks, reflecting prolonged weakness in China's construction and real estate sectors[3]. Looking ahead, global steel demand is expected to stabilize in 2025 and return to modest growth in 2026, pointing to a demand floor rather than a cyclical rebound for steel-linked commodities. Overall, current price behavior is increasingly metal-specific and supply-led, with aluminum supported by structurally rising demand tied to electrification, transportation, and sustainability-driven end markets[4].

**Global Metal Prices***




*Indexed to Jan-2020 (Base = 100); U.S. Dollars per Metric Ton, Not Seasonally Adjusted*

Source: International Monetary Fund via FRED

Sources: Cascade Research; 3:World Bank, 4:IAI / CRU; All charts shown above are based on data available as of Dec-2025

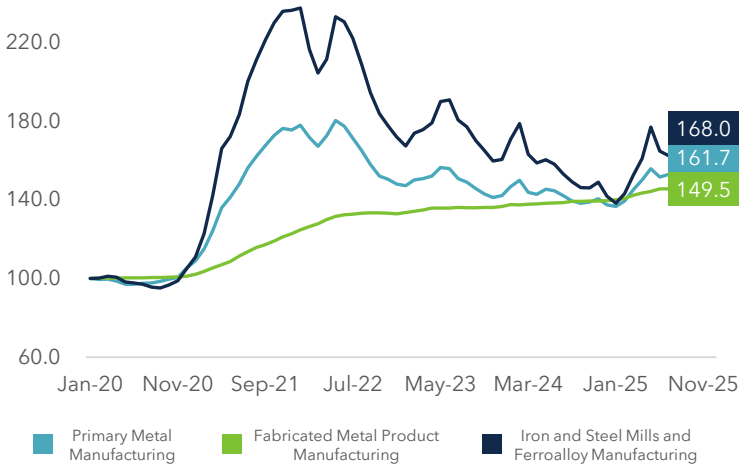

© Cascade Partners – All rights reserved.

Producer price data further clarifies where pricing power resides along the value chain. Iron and steel mills continue to exhibit the highest volatility, closely tracking movements in underlying commodity inputs. In contrast, fabricated metal products show flatter and more lagged pricing curves, reflecting contractual pass-through mechanisms and higher value-added content. Relative to the 2021–2022 period, this divergence has widened, underscoring the structural resilience of downstream fabricators versus upstream, commodity-exposed operators.

Looking ahead, pricing expectations remain bifurcated. The World Bank forecasts modest firming in base metals such as aluminum, copper, and tin through 2026–2027, driven by tightening supply conditions and constrained capacity additions. Conversely, iron ore prices are expected to continue trending lower toward sub-2019 levels amid structurally weaker end-market demand.

This outlook marks a clear departure from the synchronized inflation of the prior cycle and disproportionately benefits operators positioned in value-added fabrication, specialty processing, and domestically oriented end markets.

**Producer Price Index by Industry***




*Indexed to Jan-2020 (Base = 100); Not Seasonally Adjusted*

Source: U.S. Bureau of Labor Statistics via FRED

## Investment Outlook

Taken together, macro and pricing indicators point to a less cyclical operating environment in which performance is increasingly driven by trade insulation, domestic exposure, pricing discipline, and value-added capabilities rather than pure volume growth. For metal formers, the current backdrop rewards specialization, customer intimacy, and operational efficiency, while scale alone provides diminishing marginal advantage.

Sources: Cascade Research, World Bank; All charts shown above are based on data available as of Dec-2025




© Cascade Partners – All rights reserved.

# 3. Market Overview

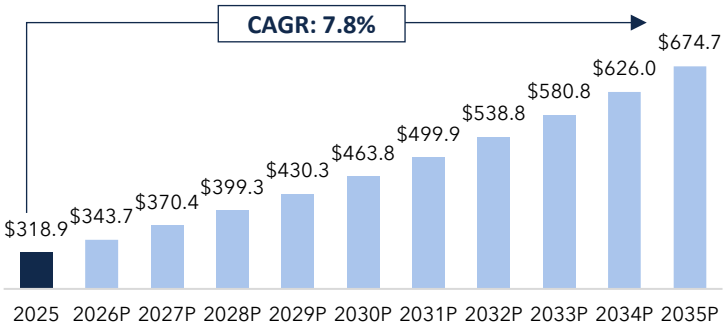
**Global Metal Manufacturing Ecosystem:** The global metal manufacturing ecosystem represents a large, diversified, and structurally resilient industrial market, underpinned by long-term demand from automotive, aerospace, infrastructure, energy, and industrial manufacturing end markets. While individual segments exhibit different growth trajectories, the overall sector is benefiting from automation, sustainability-driven investment, electrification, and continued industrialization in emerging economies.

## Market Size and Growth Outlook[5]

### Metal Recycling Market ($B)

Metal recycling enables manufacturers to source scrap metal from a broad range of end-use industries and process it into primary metal inputs for reuse across those same sectors. **The global metal recycling market was valued at $318.9B in 2025 and is expected to expand to $674.7B by 2035, implying a ~7.8% CAGR (2026–2035).**

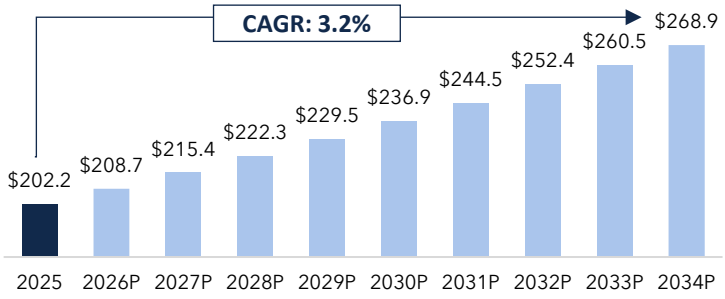
Growth is driven by increasing sustainability mandates, rising automotive production, and ongoing technological improvements in recycling efficiency and recovery rates.




### Metal Forming Market ($B)

**The global metal forming market was valued at $202.2B in 2025 and is projected to grow to $268.9B by 2034, representing a ~3.2% CAGR over the 2025–2034 period.**

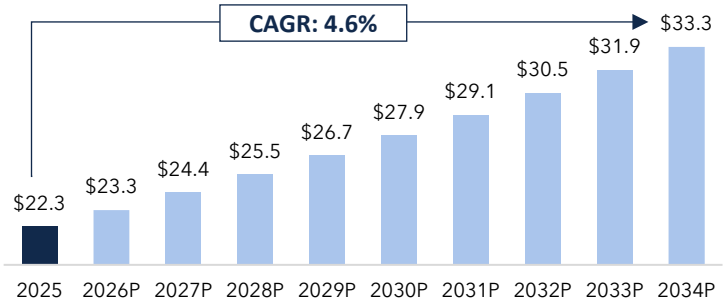
Market growth is underpinned by rising demand for commercial vehicles, including EVs and hybrid platforms, alongside increasing adoption of lightweighting strategies, greater automation across manufacturing processes, and continued advancements in global production technologies.




### Sheet Metal Fabrication Services Market ($B)

**The global sheet metal fabrication services market was valued at $22.3B in 2025 and is expected to grow to $33.3B by 2034, implying a ~4.6% CAGR over the 2025–2034 period.**

Growth is driven by rising demand for outsourced cutting, bending, welding, and related precision services across automotive, aerospace, and construction end markets, supported by increasing adoption of precision engineering and advanced manufacturing technologies.




Note: These markets are presented as overlapping segments of the broader metals' ecosystem, not additive totals.

Sources: Cascade Research; 5:Precedence Research


© Cascade Partners – All rights reserved.

# Key Growth Drivers

## Automation, Robotics, and Industry 4.0 Adoption



Across forming and fabrication, manufacturers are increasingly adopting CNC systems, robotic welding, laser cutting, and AI-enabled process control to mitigate labor constraints, enhance yield, and comply with tighter tolerance requirements, with automation now a baseline competitive requirement, particularly for suppliers to automotive, aerospace, and precision industrial end markets.

## Lightweighting and Advanced Materials Demand



The ongoing transition toward lightweight, high-strength materials such as aluminum, advanced steels, and titanium is structurally increasing demand for precision forming and fabrication, as automotive OEMs including EV platforms and aerospace manufacturers continue to push greater design complexity downstream to suppliers with advanced forming, forging, and finishing capabilities.

## Electrification, Infrastructure, and Energy Transition



Growth in electric vehicle adoption, renewable energy deployment, and infrastructure spending is driving incremental demand for forged components, structural sheet metal, and fabricated assemblies, favoring suppliers with the scale and operational discipline to meet stringent quality and performance requirements.

# Structural Constraints Driving Strategic Opportunity

## Key Pressure Points

- **Capital & Energy Intensity:** Advanced presses, furnaces, and automation require high upfront capex; energy-intensive processes (forging, hot forming) increase margin sensitivity during power price volatility, disproportionately impacting SMEs.
- **Raw Material Volatility:** Steel and aluminum price swings driven by geopolitics and trade policy complicate pricing discipline and working capital management, reinforcing the value of scale and sourcing leverage.

## Strategic Responses & Opportunities



### Technology-Led Margin Defense

Adoption of advanced forming, additive manufacturing, predictive maintenance, and digital twins improves asset utilization, reduces scrap, and shortens cycle times, offsetting labor and energy pressure.



### Sustainability & Circular Supply Chains

Rising regulatory and ESG pressure, combined with cost advantages of recycled inputs, is accelerating recycling adoption and enabling vertical integration across the metal value chain.



### Consolidation & M&A Tailwinds

Fragmentation among regional and family-owned operators, coupled with rising capex requirements, continues to support roll-up and capability-driven M&A, favoring scaled, automation-ready platforms.

Sources: Cascade Research


© Cascade Partners – All rights reserved.

# 4. Industry Segmentation



The metals and metal forming value chain can be segmented into three distinct operating segments, each characterized by materially different economic drivers, capital intensity, cyclicality, and risk–return profiles. While all segments remain linked to industrial production and broader macroeconomic conditions, their position within the value chain drives meaningful divergence in earnings stability, margin behavior, and investor sentiment. Public market performance since early 2020 highlights these structural differences and informs how capital markets price risk across the sector.

## Primary & Secondary Metal Supply (Upstream Production)

This segment consists of capital-intensive producers of primary and secondary metals, including integrated steel mills, aluminum smelters, and scrap processors and recyclers, particularly EAF-based producers. Competitive differentiation is driven by scale, cost position, energy efficiency, access to raw materials, and exposure to trade policy, with profitability highly sensitive to commodity prices and operating leverage.

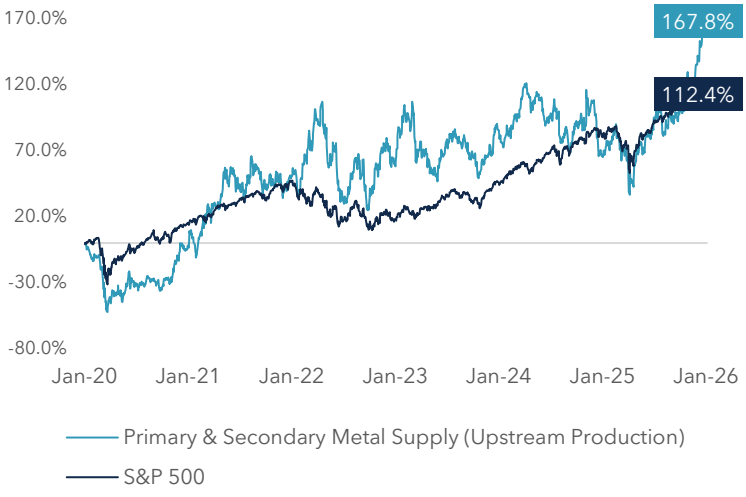
The integration of primary and secondary production reflects the growing structural role of recycling within upstream supply. Scrap-based production has become a core component of domestic metal manufacturing as producers seek to reduce emissions, improve cost stability, and mitigate import exposure through vertical integration. Recent upstream M&A activity has concentrated on EAF and mini-mill expansions, recycling bolt-ons and targeted acquisitions that secure access to prime scrap and low-cost energy.

### Key market themes

Earnings remain highly levered to metal price volatility and trade policy. The 2025 increase in Section 232 tariffs to 50% on covered steel and aluminum imports, alongside expanded coverage of derivative products, has reinforced domestic supply discipline while increasing input cost volatility. Energy costs, labor availability, and maintenance-driven capacity constraints continue to influence near-term margins, while longer-term capital deployment is increasingly directed toward EAF expansion, recycling infrastructure, and modernization of legacy assets.

Following a steep drawdown in early 2020, upstream metal equities outperformed the S&P 500 during the commodity-driven recovery of 2021–2022 but exhibited materially higher volatility and deeper drawdowns as pricing normalized. Over the full period, returns exceeded the broader market but with wider performance swings, underscoring sensitivity to commodity cycles, trade policy, and shifts in investor risk appetite.

**SP500 vs Primary & Secondary Metal Supply**
(Upstream Production)*




**Primary & Secondary Metal Supply (Upstream Production) Index: NUE, STLD, CLF, AA, CENX, KALU, ATI, ASTL, CMC*

Source: As of Jan 30, 2026; CapIQ

Sources: Cascade Research, Prairie Capital Advisors, KPMG Corporate Finance


© Cascade Partners – All rights reserved.

# Metal Processing, Service Centers & Distribution

This segment consists of processors and service centers that act as intermediaries between mills and fabricators, providing slitting, cutting, warehousing, and distribution, alongside select value-added processing services. Economics is driven by inventory turns, pricing spreads, working capital discipline, and borrowing-base management.

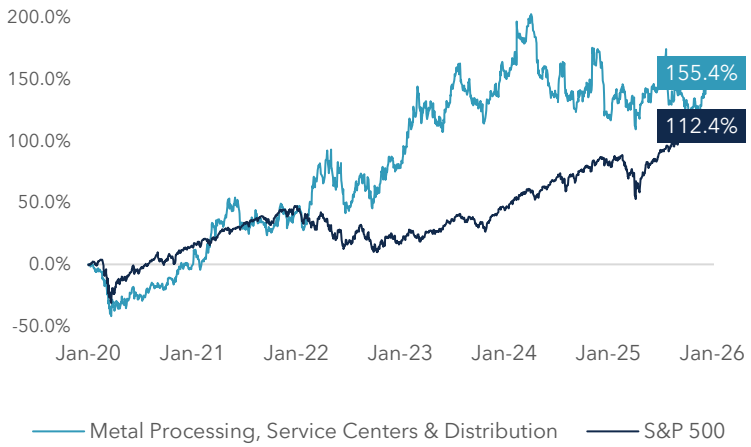
Processors and distributors function as the inventory and liquidity buffer of the metals system, absorbing short-term volatility through purchasing and inventory management rather than direct commodity exposure. Equity and credit performance in this segment is closely tied to working capital efficiency and balance-sheet management, particularly in periods of elevated interest rates.

## Key market themes

Tariff-driven purchasing behavior and policy uncertainty have contributed to inventory volatility and intermittent shipment softness. Management focus has shifted toward margin protection, cost control, and capital discipline. At the same time, service centers are increasingly emphasizing value-added offerings, such as blanking, kitting, and light fabrication, to defend margins and differentiate from pure distribution. While automotive demand has moderated, infrastructure projects, data center construction, and reshoring activity continue to provide partial offsets.

Relative to upstream producers, processors and distributors have exhibited lower volatility and greater resilience during commodity downturns, though they tend to underperform during strong equity market rallies. Returns have tracked inventory cycles and financing conditions, reflecting the segment's intermediary and comparatively asset-light positioning.

**SP500 vs Metal Processing, Service Centers & Distribution***




**Metal Processing, Service Centers & Distribution Index: RS, RYI, ZEUS, WS*

Source: As of Jan 30, 2026; CapIQ

Sources: Cascade Research, Prairie Capital Advisors, KPMG Corporate Finance




© Cascade Partners – All rights reserved.

# Metal Fabrication & Precision Manufacturing

This segment consists of metal fabrication and precision manufacturing businesses that convert flat and long products into engineered components through stamping, roll forming, and other advanced processes serving automotive, industrial, aerospace & defense, infrastructure, and diversified end markets.

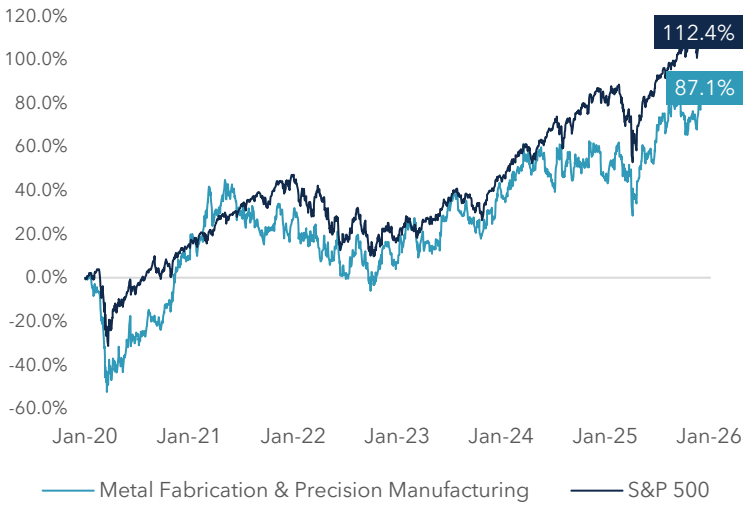
Relative to upstream segments, fabricators are less exposed to raw material price swings and more dependent on operational execution. Profitability is driven by labor availability, automation intensity, engineering complexity, customer diversification, and the ability to pass through input costs. Public and private investors have increasingly rewarded fabricators with higher automation, tighter tolerances, and exposure to defense, aerospace, and infrastructure with premium valuation multiples relative to generalist job shops.

## Key market themes

Demand has remained more stable than in upstream segments, supported by diversified end-market exposure, though growth has been tempered by cautious customer ordering. Reshoring initiatives, defense programs, and infrastructure investment provide medium-term support. Labor constraints and skills gaps remain a core bottleneck, driving investments in robotics, advanced forming technologies, and digital quoting and production systems to improve productivity and mitigate workforce risk.

Precision manufacturing equities have exhibited the most stable return profile across the metals value chain. While they did not match the peak upside of upstream producers during commodity surges, they delivered materially lower volatility and shallower drawdowns during periods of macro stress. Performance has tracked more closely with the S&P 500, supported by steadier cash flows, diversified end markets, and improved pricing discipline.

**SP500 vs Metal Fabrication & Precision Manufacturing***




**Metal Fabrication & Precision Manufacturing Index: WOR, IIIN, MEC, ACNT, AZZ, MLI, NNBR, PKOH, TKR, MTUS*

Source: As of Jan 30, 2026; CapIQ



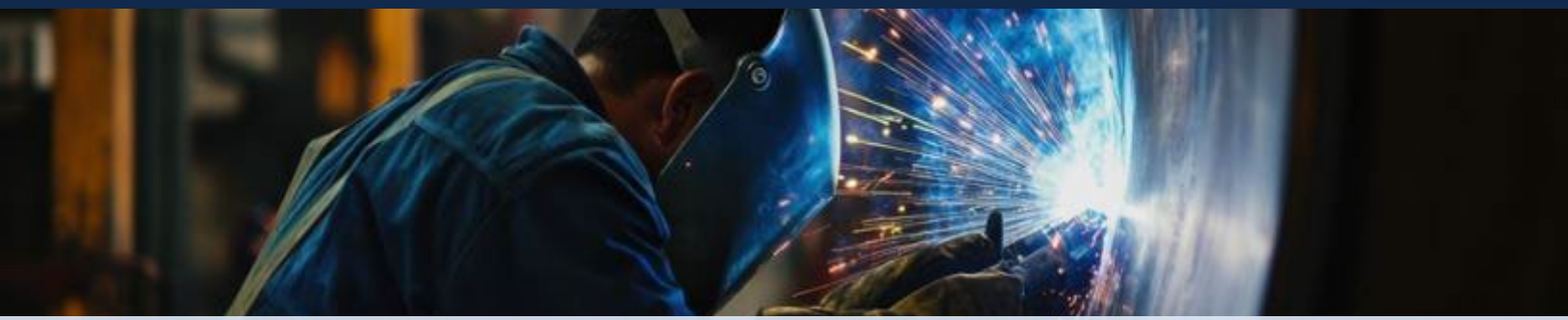
Public market performance reinforces a clear hierarchy of risk and resilience across the metals and metal forming value chain. Upstream producers offer the greatest exposure to commodity cycles with elevated volatility; processors and distributors provide balance-sheet-driven defensiveness tied to inventory dynamics; and fabricators and precision manufacturers deliver the most consistent earnings profiles and long-term capital stability. These distinctions are central to understanding valuation dispersion, investor behavior, and strategic M&A activity across the sector.



Sources: Cascade Research, Prairie Capital Advisors, KPMG Corporate Finance


© Cascade Partners – All rights reserved.

# 5. M&A Capital Markets

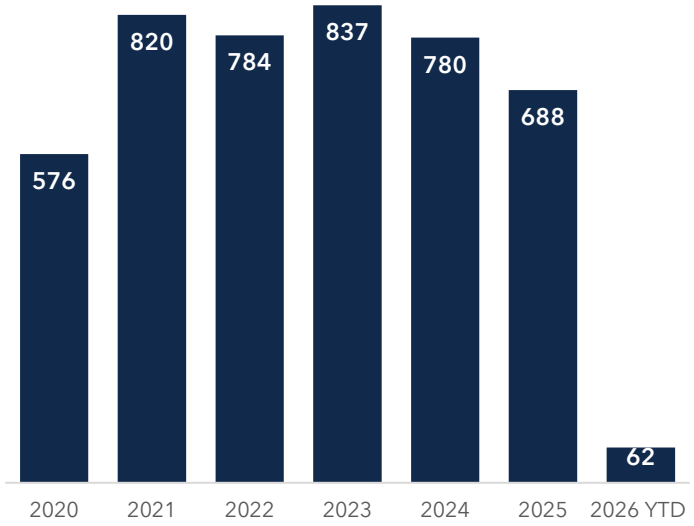


M&A activity across the metals and metal forming ecosystem has remained strategically focused, supported by ongoing reshoring initiatives, infrastructure investment, and sustained demand from construction, energy, aerospace, defense, and high-tech manufacturing end markets. Strategic acquirers and financial sponsors continue to prioritize assets that enhance downstream capabilities, expand domestic manufacturing footprints, and increase exposure to engineered, value-added applications.

As reflected in U.S. metals M&A deal volume trends, transaction activity has normalized from post-pandemic peak levels observed in 2021–2023, while remaining structurally elevated relative to 2020 levels. This pattern points to continued strategic consolidation across the industry rather than cyclical or distress-driven activity, with buyers maintaining a disciplined approach to platform building and capability expansion.

Valuation dynamics across the sector are increasingly differentiated by a company's position along the value chain. Public market trading comparables indicate that downstream metal fabrication and precision manufacturing businesses trade at a premium to upstream producers, with higher EV/EBITDA and EV/Revenue multiples observed across LTM and forward periods. These valuation differentials reflect stronger margin profiles, reduced direct exposure to commodity price volatility, and more predictable cash flow characteristics relative to primary production businesses.

**U.S. M&A Deal Volume:**
Metal Industry




Source: As of Feb 02, 2026; PitchBook

- Select disclosed transactions further illustrate investor willingness to pay premium valuations for engineered, value-added platforms with differentiated capabilities. Eaton's acquisition of Fibrebond at 13.2x EV/EBITDA and 3.8x EV/Revenue highlights the strategic value assigned to engineered-to-order solutions that extend beyond traditional fabrication into modular construction and complex assemblies serving data center, utility, and industrial end markets.
- Within metals processing and service center segments, M&A activity has been driven by geographic expansion, vertical integration, and investments in automation and advanced finishing capabilities. Assets offering specialty processing, precision slitting, heat treatment, and metal finishing continue to attract interest due to their role in enabling tighter tolerances and higher-specification applications required by aerospace, healthcare, semiconductor, and energy customers.
- Private equity participation remains active, particularly in precision fabrication and processing platforms characterized by scalable operating infrastructure, defensible niche capabilities, and clear opportunities for tuck-in acquisitions. Structural barriers to entry in advanced manufacturing processes, combined with reshoring tailwinds and U.S.-focused manufacturing incentives, continue to support a favorable long-term environment for consolidation and strategic repositioning across the metals and metal forming industry.

Sources: Cascade Research, Angle Advisors; Capstone Partners


© Cascade Partners – All rights reserved.

# Public Market Valuation

## Primary & Secondary Metal Supply (Upstream Production)

| ($ in millions) | Market | Enterprise | EV / Revenue | | | EV / EBITDA | | |
|---|---|---|---|---|---|---|---|---|
| Company Name | Cap | Value | LTM | CY2026 | CY2027 | LTM | CY2026 | CY2027 |
| Alcoa Corporation | $14,842 | $15,769 | 1.2x | 1.1x | 1.1x | 8.4x | 6.2x | 5.6x |
| Algoma Steel Group Inc. | $439 | $970 | 0.6x | 0.8x | 0.6x | NM | NM | 4.4x |
| ATI Inc. | $16,344 | $17,998 | 3.9x | 3.6x | 3.3x | 23.3x | 18.6x | 16.3x |
| Century Aluminum Company | $4,231 | $4,654 | 1.8x | 1.6x | 1.5x | 18.4x | 6.4x | 8.0x |
| Cleveland-Cliffs Inc. | $8,871 | $17,107 | 0.9x | 0.8x | 0.8x | NM | 10.9x | 8.2x |
| Commercial Metals Company | $8,525 | $10,854 | 1.4x | 1.2x | 1.1x | 12.0x | 7.7x | 7.3x |
| Kaiser Aluminum Corporation | $1,969 | $3,025 | 0.9x | 0.8x | 0.8x | 11.6x | 8.9x | 8.3x |
| Nucor Corporation | $40,673 | $46,283 | 1.4x | 1.3x | 1.3x | 11.2x | 8.3x | 7.8x |
| Steel Dynamics, Inc. | $26,223 | $29,638 | 1.6x | 1.4x | 1.4x | 14.6x | 8.9x | 8.4x |
| | | Median | **1.4x** | **1.2x** | **1.1x** | **12.0x** | **8.6x** | **8.0x** |
| | | Average | **1.5x** | **1.4x** | **1.3x** | **14.2x** | **9.5x** | **8.2x** |

## Metal Processing, Service Centers & Distribution

| ($ in millions) | Market | Enterprise | EV / Revenue | | | EV / EBITDA | | |
|---|---|---|---|---|---|---|---|---|
| Company Name | Cap | Value | LTM | CY2026 | CY2027 | LTM | CY2026 | CY2027 |
| Olympic Steel, Inc. | $542 | $819 | 0.4x | 0.4x | N/A | 12.0x | 9.5x | N/A |
| Reliance, Inc. | $17,229 | $18,666 | 1.3x | 1.2x | 1.2x | 14.3x | 12.1x | 11.9x |
| Russel Metals Inc. | $1,957 | $2,142 | 0.7x | 0.5x | 0.5x | 9.9x | 7.4x | 7.2x |
| Ryerson Holding Corporation | $909 | $1,759 | 0.4x | 0.4x | 0.4x | 29.1x | 9.4x | 10.2x |
| Worthington Steel, Inc. | $2,044 | $2,463 | 0.8x | 0.7x | 0.6x | 10.1x | 8.9x | 8.1x |
| | | Median | **0.7x** | **0.5x** | **0.6x** | **12.0x** | **9.4x** | **9.2x** |
| | | Average | **0.7x** | **0.6x** | **0.7x** | **15.1x** | **9.4x** | **9.4x** |

Sources: Cascade Research; As of Jan 30, 2026; CapIQ; NA – Not Available; NM – Revenue Multiples >75.0x & <0.0x; EBITDA Multiple >100.0x


© Cascade Partners – All rights reserved.

# Public Market Valuation

## Metal Fabrication & Precision Manufacturing

| ($ in millions) | Market | Enterprise | EV / Revenue | | | EV / EBITDA | | |
|---|---|---|---|---|---|---|---|---|
| Company Name | Cap | Value | LTM | CY2026 | CY2027 | LTM | CY2026 | CY2027 |
| Ascent Industries Co. | $152 | $115 | 0.7x | N/A | N/A | 16.0x | N/A | N/A |
| AZZ Inc. | $3,711 | $4,279 | 2.6x | 2.5x | 2.4x | 12.3x | 11.3x | 10.5x |
| Insteel Industries | $643 | $631 | 0.9x | 0.9x | N/A | 7.8x | 7.2x | N/A |
| Mayville Engineering Company | $398 | $647 | 1.2x | 1.1x | 1.0x | 13.9x | 9.7x | 7.5x |
| Metallus | $831 | $655 | 0.6x | 0.5x | 0.5x | 10.7x | 5.3x | 4.2x |
| Mueller Industries | $15,113 | $13,852 | 3.3x | 3.1x | 2.9x | 14.3x | 12.8x | 12.2x |
| NN | $75 | $381 | 0.9x | 0.8x | 0.8x | 12.3x | 6.7x | 6.3x |
| Park-Ohio Holdings Corp. | $310 | $973 | 0.6x | 0.6x | 0.6x | 8.4x | 6.9x | 6.5x |
| The Timken Company | $6,491 | $8,444 | 1.9x | 1.8x | 1.7x | 10.7x | 10.0x | 9.4x |
| Worthington Enterprises. | $2,753 | $2,919 | 2.3x | 2.1x | 2.0x | 23.4x | 9.2x | 8.6x |
| | | Median | **1.1x** | **1.1x** | **1.4x** | **12.3x** | **9.2x** | **8.0x** |
| | | Average | **1.5x** | **1.5x** | **1.5x** | **13.0x** | **8.8x** | **8.2x** |

*Sources: Cascade Research; As of Jan 30, 2026; CapIQ; NA – Not Available; NM – Revenue Multiples >75.0x & <0.0x; EBITDA Multiple >100.0x*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Primary & Secondary Metal Supply (Upstream Production)

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Dec-25 | Allmetal Recycling | Scrap Management Ind. | Ferrous and non-ferrous metal recycling and brokerage | - | - | - |
| Aug-25 | SMS Mill | FalconPoint Capital Partners | Outsourced steel mill operations and industrial scrap services | - | - | - |
| Aug-25 | Rochester Iron & Metal | Lewis Salvage | Regional scrap metal recycling and processing platform | - | - | - |
| Aug-25 | Phoenix Global (Other Com.Srs) | Suncoke Energy (NYS: SXC) | In-plant steel mill logistics and scrap recovery services | 325.0 | - | - |
| Jul-25 | Orion Steel Group | Atlas Holdings | Engineered steel products for rail, energy, and industrial markets | 500.0 | - | - |
| Jul-25 | Radius Recycling | Toyota Tsusho America | Vertically integrated ferrous recycling and steel manufacturing | 1,340.0 | 0.5x | 51.9x |
| Jun-25 | United States Steel | Nippon Steel (TKS: 5401) | Integrated steel producer with mining and downstream assets | - | - | - |
| Jun-25 | Regen Aluminum | Fagor Ederlan | Recycled aluminum ingot producer using vehicle scrap | - | - | - |
| May-25 | Steel Etc | Pacific Steel & Recycling | Steel distribution and ferrous recycling business | - | - | - |
| Apr-25 | Scrap Partners | SA Recycling | Industrial and automotive scrap recycling operator | - | - | - |
| Jan-25 | Universal Stainless & Alloy Products | Aperam (AMS: APAM) | Specialty stainless and alloy steel manufacturer | 488.1 | 1.5x | 8.1x |
| Jan-25 | Galland Henning | J.M. Grimstad | Scrap metal baling and recycling equipment manufacturer | - | - | - |

| | | |
|---|---|---|
| Average | **1.0x** | **30.0x** |
| Median | **1.0x** | **30.0x** |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Metal Processing Service Centers & Distribution

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Nov-25 | Aimtek | Source Eng. & Manufacturing | Aerospace-focused precision metal finishing and fabrication | - | - | - |
| Nov-25 | Foresight Finishing | Valence Surface Technologies | Aerospace and defense precision metal finishing | - | - | - |
| Oct-25 | Olympic Steel (NAS: ZEUS) | Ryerson (NYS: RYI) | Diversified steel processing and distribution platform | - | - | - |
| Sep-25 | Champion Strapping Products | Mainline Metals | Steel and plastic strapping products manufacturer | - | - | - |
| Sep-25 | Alumitec | The January 23rd Company | Architectural metal restoration and facade maintenance | - | - | - |
| Sep-25 | Century Metals & Supplies | Friedman Ind. (NAS: FRD) | Regional metals distributor with processing capabilities | - | - | - |
| Sep-25 | Ferrous 85 | Bull Moose Tube | High-precision coil slitting toll processor | - | - | - |
| Aug-25 | Cai Custom Alloys | EverMetal | Specialty high-temperature alloy materials manufacturer | - | - | - |
| Aug-25 | Mesa Fastener | Raymond Capital | Industrial and construction fastener distributor | - | - | - |
| Aug-25 | Braun Fabrication Solutions | Onpoint Solutions | Metal fabrication machinery and automation manufacturer | - | - | - |
| Aug-25 | Fieldcrest Steel | Pennsylvania Steel Company | Regional steel products supplier | - | - | - |
| Aug-25 | C.I.L. | Valence Surface Technologies | Comprehensive metal finishing and plating services | - | - | - |
| Jul-25 | Jackson Tumble Finish | VSP Ventures | Industrial metal cleaning and finishing services | - | - | - |
| Jul-25 | Hussey Copper | International Wire Group | Vertically integrated copper products manufacturer | - | - | - |
| Jul-25 | Canton Galvanizing | AZZ (NYS: AZZ) | Specialty hot-dip galvanizing services provider | - | - | - |
| Jun-25 | Aditya Holdings | A.V. Minerals | Metal and alloy products manufacturer | - | - | - |
| May-25 | Paulo | Aalberts (AMS: AALB) | Industrial heat treatment services provider | - | - | - |
| Apr-25 | 3P Processing | Littlejohn Capital, Route 2 Capital | Aerospace metal finishing and inspection services | - | - | - |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Metal Processing Service Centers & Distribution

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Apr-25 | Pioneer Steel | BICO Steel | Steel plate processing and machining provider | - | - | - |
| Mar-25 | CECO Environmental | May River Capital | Fluid handling systems for metal finishing (Fluid Handling Business) | 110.0 | - | - |
| Feb-25 | Wilse | Peerless Steel | Ohio-based steel manufacturing facilities (Quality Steels Manufacturing Plants in Moraine, Ohio) | - | - | - |
| Jan-25 | Thalheimer Brothers | Venture Metals + | Nonferrous scrap processing and alloy blending | - | - | - |
| Jan-25 | Precision Coating Company | Integer Holdings (NYS: ITGR) | High-precision coating and metal finishing | 157.0 | - | - |
| Jan-25 | State Steel | SPS Companies | Steel manufacturing and processing platform | - | - | - |
| Dec-24 | Alkar Steel And Processing | Lapham-Hickey Steel | Full-service coiled steel service center | - | - | - |
| Dec-24 | Straub Metal International | Norfolk Iron & Metal | Specialty stainless steel distributor | - | - | - |
| | | | Average | - | - | |
| | | | Median | - | - | |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Metal Fabrication & Precision Manufacturing

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Jan-26 | Kloeckner Metals | Russel Metals (TSE: RUS) | Multi-location metal fabrication and processing service centers (7 Service Centers Business) | 102.0 | - | - |
| Oct-25 | Sheet Metal Inc. | Ambient Edge | Integrated sheet metal and mechanical building systems provider | - | - | - |
| Oct-25 | Spitzer Industries | Race Rock Group | Custom-engineered steel fabrication for industrial applications | - | - | - |
| Oct-25 | Forma-Fab Metals | New Pendulum | Precision sheet metal fabrication with fast turnaround | - | - | - |
| Sep-25 | Harvey Vogel Manufacturing | Encore One, Monroe | Tight-tolerance precision metal components manufacturer | - | - | - |
| Sep-25 | Hydra-Stop | Pentair (NYS: PNR) | Specialty water control valves for pressurized systems | 290.0 | 5.8x | - |
| Sep-25 | Custom Tube Products | Elkhart Tri-Went Industrial | Precision tube bending and welded assembly manufacturer | - | - | - |
| Sep-25 | Metal Sales (Building Products) | Cornerstone Building Brands | Metal panels and cold-formed building systems manufacturer | - | - | - |
| Sep-25 | Arrow Tru-Line | Chamberlain Group | Roll-formed and stamped metal components manufacturer | - | - | - |
| Sep-25 | Origami Solar | Nextpower (NAS: NXT) | Steel solar panel frame manufacturer | 53.0 | - | - |
| Sep-25 | PHI Hydraulics | Unison | Precision metal forming machinery manufacturer | - | - | - |
| Aug-25 | SBS Precision Sheet Metal | Appian Way Capital Partners | Aerospace and defense precision sheet metal manufacturer | - | - | - |
| Aug-25 | S.j. Everett Co. | Rand Machine Products | Custom structural and precision metal fabrication | - | - | - |
| Aug-25 | American Anchor Bolt Mfg | Salt Creek Capital | Custom anchor bolts and embedded steel manufacturer | - | - | - |
| Aug-25 | SEMA (Machinery) | Caldan Conveyor | Automated material handling and metal structures manufacturer | - | - | - |
| Jul-25 | T.I.S. Service | Electrosteel Castings | Industrial valves and fittings for hydropower | 13.5 | - | - |
| Jul-25 | Hudson Technologies | PrecisionX Group | Precision metal stamping and forming manufacturer (Industrial Supplies and Parts) | - | - | - |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Metal Fabrication & Precision Manufacturing

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Jul-25 | Hudson Technologies | PrecisionX Group | Precision metal stamping and forming manufacturer (Industrial Supplies and Parts) | - | - | - |
| Jul-25 | Accu-Fab | Mayville Eng. (NYS: MEC) | Precision sheet metal contract manufacturer | 140.5 | 2.3x | 10.0x |
| Jul-25 | American Stainless Tubing | Triple-S Steel Holdings | Stainless steel tubing manufacturer | 16.0 | - | - |
| Jun-25 | Advanced Welding Supply | Holston Gases | Welding supplies and fabrication equipment distributor | - | - | - |
| Jun-25 | GCM Holding Corporation | Avista Healthcare Partners | Outsourced precision manufacturing for medical devices | - | - | - |
| Jun-25 | Elgen Manufacturing Company | Worthington Ent. (NYS: WOR) | HVAC fittings and sheet metal systems manufacturer | 92.3 | 0.8x | 6.9x |
| Jun-25 | Metfab Engineering | MBRAUN | Multi-process metal fabrication and machining provider | - | - | - |
| May-25 | Norwood Manufacturing | R.W. Beckett | Sheet metal fabrication manufacturer | - | - | - |
| Apr-25 | RFR Metal Fabrication | H3 Manufacturing Group | Precision enclosures and electronics metal fabrication | - | - | - |
| Apr-25 | Bristol Pipe and Tube | Ta Chen Stainless Pipe (TAI: 2027) | Welded specialty alloy pipe manufacturer | 46.0 | - | - |
| Apr-25 | Fibrebond | Eaton (NYS: ETN) | Custom modular engineered structures manufacturer | 1,450.0 | 3.8x | 13.2x |
| Mar-25 | Capital Machine Technologies | Rotunda Capital Partners | Metal fabrication equipment distributor and service provider | - | - | - |
| Mar-25 | Epic Steel | Gibraltar Industries (NAS: ROCK) | Metal roofing and siding materials manufacturer | - | - | - |
| Mar-25 | Flatiron Steel | Gibraltar Industries (NAS: ROCK) | Residential and commercial metal roofing manufacturer | - | - | - |
| Mar-25 | Teton Steel | Gibraltar Industries (NAS: ROCK) | Metal roofing and siding manufacturer | - | - | - |
| Feb-25 | Technical Metals | Mf. Revitalization Corp. of America | Heavy equipment metal fabrication services provider | - | - | - |
| Feb-25 | McStarlite | Standex Int. (NYS: SXI) | Aerospace sheet metal components manufacturer | 56.7 | 1.7x | - |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

# Recent Key M&A Deals

## Metal Fabrication & Precision Manufacturing

| Date | Target | Acquirer | Target Business Description | Deal Size ($M) | EV/ Revenue | EV/ EBITDA |
|---|---|---|---|---|---|---|
| Jan-25 | Form Technologies | Ares, Onex, Ripple, D. E. Shaw | Precision component contract manufacturer | 1,074.0 | - | - |
| Jan-25 | Astro Shapes | Wynnchurch Capital | Custom-finished aluminum extrusion manufacturer | - | - | - |
| Jan-25 | Aerojet Ordnance Tennessee | BWX Technologies | Specialty high-strength alloy materials manufacturer | 103.3 | - | - |
| Jan-25 | Pryer Aerospace | Argonaut Private Equity | Aerospace structural components and assembly manufacturer | - | - | - |
| | | | | Average | **2.9x** | **10.1x** |
| | | | | Median | **2.3x** | **10.0x** |

*Sources: Cascade Research; As of Jan 30, 2026; PitchBook*


© Cascade Partners – All rights reserved.

The buyer universe across metals industry reflects continued strategic interest in downstream capabilities, domestic manufacturing scale, and value-added processing, consistent with the consolidation and platform-building trends discussed in the prior section. Strategic operators, sponsor-backed platforms, and long-term family and holding companies are actively seeking assets that enhance precision manufacturing, processing depth, and exposure to higher-specification end markets, supported by reshoring tailwinds and disciplined capital deployment. Collectively, this breadth of buyers underscores a structurally deep and diverse acquirer landscape across the metals value chain.

## Primary Production & Recycling

ALGOMA STEEL INC. · aperam made for life · ArcelorMittal · CLIFFS · CMC Commercial Metals · NIPPON STEEL

United States Steel · NUCOR · PACIFIC STEEL & RECYCLING · radius recycling · SA Recycling · Steel Dynamics, Inc.

## Distribution & Value-Added Processing

Alro Steel · Friedman INDUSTRIES · Heidtman Steel · kloeckner metals · LAPHAM-HICKEY STEEL · MAJESTIC STEEL USA

mec · NIM NORFOLK IRON & METAL · ONI O'NEAL INDUSTRIES · OLYMPIC STEEL · PEERLESS STEEL · Reliance · Russel Metals

RYERSON · SAMUEL · SPS COMPANIES, INC. · Steel Technologies LLC · steel warehouse · TRIPLE-S STEEL SUPPLY CO · WORTHINGTON STEEL

## Sponsor Portfolio Companies

AFGHOLDINGS · AMICO · ARCH · BICO STEEL · CADREX · CORNERSTONE BUILDING BRANDS

FORGED SOLUTIONS GROUP · Gibbs · LAKE AIR PRODUCTS · IRONFORM · JONATHAN ENGINEERED SOLUTIONS · MW Industries

Momentum Manufacturing Group · PRECINMAC · PRECISION GROUP · VALENCE SURFACE TECHNOLOGIES

## Family Offices & Holding Companies

AFM CAPITAL PARTNERS · AMZAK Capital Management · ANCHOR PARTNERS · CALIBRE GROUP · CANERECTOR · DUNES POINT CAPITAL

FAIRFIELD-MAXWELL LTD. · HBM HOLDINGS · MADISON INDUSTRIES · Marmon Holdings, Inc. A Berkshire Hathaway Company · The Stephens Group · TINICUM

*Sources: Cascade Research*


© Cascade Partners – All rights reserved.

# About Cascade Partners

**Cascade Partners** is an investment banking, restructuring, and private investment firm serving middle-market entrepreneurs, businesses, and investors. The Cascade Partners team leverages its deep experience as operating executives, investors, board members, and transaction advisors to thoroughly understand all aspects of its clients' businesses and industries. This 360-degree approach also enables Cascade Partners to anticipate the needs of both parties involved in a transaction and develop effective restructuring and turnaround strategies. Working with clients and aggressively advocating for them, Cascade Partners creates, manages, and delivers business value. Services include advice on mergers and acquisitions, divestitures, capital sourcing, performance improvement, turnaround and restructuring.

## Select Experience

**Sell-Side Advisor**
AMERITI MANUFACTURING has been acquired by Kymera INTERNATIONAL

**Sell-Side Advisor**
Mason Steel has been acquired by Daboosh Investments, LLC

**Sell-Side Advisor**
GREAT LAKES METAL STAMPING, INC. Divestiture of Cusseta, Alabama business to CHALLENGE MANUFACTURING

**Sell-Side Advisor**
DIES PLUS INC. has been acquired by OTTO Expect Excellence.

**Financial Advisor**
GERSTENSLAGER and ITS have formed a joint venture ArtiFlex

**Sell-Side Advisor**
Crescent Metal Products Company has been acquired by KEY GAS COMPONENTS

CASCADE PARTNERS

**Detroit**
248.430.6266

**Grand Rapids**
616.327.2359

Visit us at
**Cascade-Partners.com**

## Metals Industry Practice Leads



**Eric Green**
Managing Director
415.994.2594
EricG@Cascade-Partners.com



**Ronald B. Miller**
Managing Director
616.460.8309
RonM@Cascade-Partners.com

This content is not and should not be construed as an offer to sell or a solicitation of an offer to purchase any securities, including the securities mentioned herein, and no such sale or purchase may be made by any person except through a signed subscription agreement and all accompanying documentation. No investment banking client relationship with Cascade Partners LLC is created or implied by this content.


© Cascade Partners – All rights reserved.