



# METALS *IQ*

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*Industry-Specific Overview of Recent M&A and Capital Markets Activity*

APRIL 2025

# Recent Market Observations

Metals Industry Update | April 2025

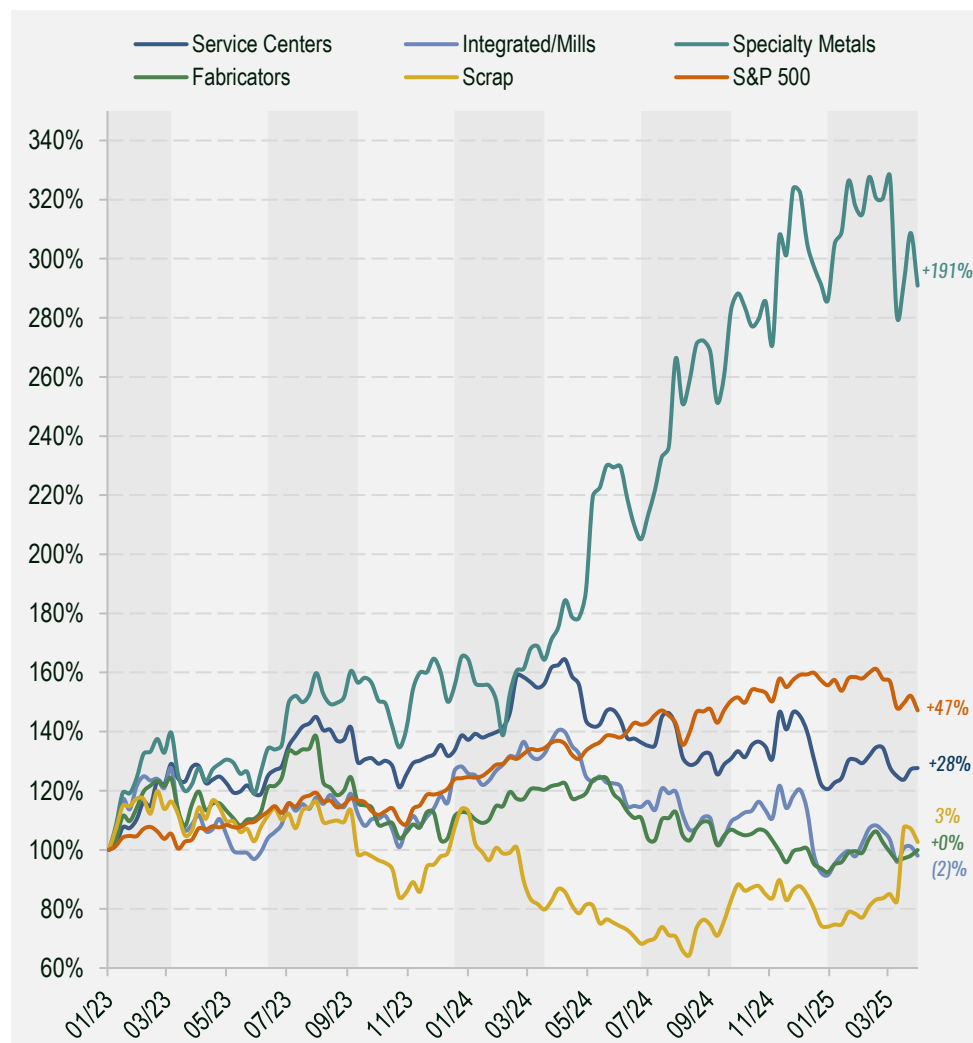
The U.S. metals industry entered 2025 with cautious optimism, supported by improving market conditions across construction, automotive, and infrastructure sectors. Late 2024 brought encouraging signs, including a rebound in auto sales, continued infrastructure investment, and moderating inflation. Steel prices also showed a sharp recovery, with hot-rolled coil (HRC) rising from mid-2024 lows of around \$640 per ton to approximately \$950 per ton by March 2025, while cold-rolled coil (CRC) reached \$1,125 per ton. This rebound was fueled by reduced import competition, favorable trade policies in the second half of 2024, planned maintenance outages, and strengthening demand. As a result, HRC and CRC prices are expected to hold steady at elevated levels into early 2025. Stability in raw material pricing added to industry confidence, with iron ore settling at roughly \$101 per ton in March (down 9% from the prior year) and expected to remain under \$120 per ton due to ongoing demand weakness in certain Chinese markets.

In the first quarter of 2025, a major policy shift under the new administration introduced a 25 percent tariff on steel and aluminum imports. With imports comprising roughly 23 percent of U.S. finished steel consumption, the tariff is expected to benefit domestic producers by curbing lower-cost foreign competition and supporting price stability. In response, major U.S. steelmakers, including Nucor, Cleveland-Cliffs, Steel Dynamics, and U.S. Steel, which together account for ~85 percent of domestic production, have announced strategic price increases. With import pressure easing, these producers face less risk of being undercut and are positioned to capitalize on stronger pricing. As a result, HRC prices could rise by 15 to 20 percent over the next six months, potentially generating an additional \$4 billion in annual revenue for domestic steelmakers while improving margins and fueling reinvestment in U.S. production capacity.

Despite the upside for domestic producers, the new tariffs pose significant headwinds for downstream industries. The automotive sector, which accounts for 25 to 30 percent of domestic steel consumption, may face additional input costs of \$1,000 to \$1,500 per vehicle, potentially impacting production volumes and consumer pricing. The construction sector is projected to see material cost increases of 8 to 12 percent, while infrastructure projects could experience similar inflationary pressures. Other downstream effects include an estimated 18 percent rise in wind turbine costs and a 17 percent increase in appliance prices. While the tariffs offer clear advantages for U.S. steelmakers, the broader market impact will depend on whether downstream industries can absorb or pass through these higher costs. If not, reduced demand could ultimately dilute the intended gains. In response, many industry players are mitigating risk through strategies such as backward integration and diversification into adjacent sectors to strengthen their overall position.

The industry's shift toward electric arc furnaces (EAF) is reshaping the raw material landscape. Nearly 10 million tons of new EAF capacity are expected in North America over the next 2 to 3 years, driving a surge in demand for prime scrap and pushing prices up 23 percent to \$455 per ton in Q1 2025. With pricing power shifting to sellers, companies are turning to mergers and acquisitions to expand value-added capabilities, enhance specialty manufacturing, and support downstream growth, while accelerating the transition to lower-emission steel production.

## Recent Stock Price Performance – Metals Indices







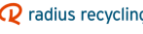


Source: Capital IQ

Metals Universe – **Service Centers:** RS, ZEUS; **Integrated/Mills:** CMC, NUE, STLD, X; **Specialty Metals:** ATI, CRS; **Scrap:** RDUS, SGM; **Fabricators:** TKR, WOR

# Public Market Trading Multiples

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(\$ in millions, other than stock price)		03/31/2025	Quarterly	Market	Total	LTM		Gross	EBITDA	Net Debt /	Enterprise Value / LTM	
Company		Stock Price	Price Δ	Cap.	EV <sup>(1)</sup>	Revenue	EBITDA	Margin	Margin	EBITDA	Revenue	EBITDA
Service Centers	 Olympic Steel	\$31.52	(4%)	\$351	\$652	\$1,942	\$78	23%	4%	3.1x	0.3x	8.3x
	 Reliance Steel & Aluminum	288.75	7%	15,296	16,407	13,835	1,457	30%	11%	0.7x	1.2x	11.3x
	<b>Median</b>							<b>26%</b>	<b>7%</b>	<b>1.9x</b>	<b>0.8x</b>	<b>9.8x</b>
Integrated/Mills	 Commercial Metals Company	\$46.01	(7%)	\$5,199	\$5,636	\$7,739	\$733	15%	9%	0.5x	0.7x	7.7x
	 Nucor Corporation	120.34	3%	27,743	31,794	30,734	4,335	13%	14%	0.7x	1.0x	7.3x
	 Steel Dynamics, Inc.	125.08	10%	18,749	21,368	17,540	2,422	16%	14%	1.0x	1.2x	8.8x
	 United States Steel Corporation	42.26	24%	9,568	12,546	15,640	1,200	10%	8%	2.3x	0.8x	10.5x
	<b>Median</b>							<b>14%</b>	<b>12%</b>	<b>0.9x</b>	<b>0.9x</b>	<b>8.3x</b>
Specialty Metals	 Allegheny Technologies	\$52.03	(5%)	\$7,397	\$8,744	\$4,362	\$671	21%	15%	1.8x	2.0x	13.0x
	 Carpenter Technology	181.18	7%	9,050	9,590	2,878	556	24%	19%	0.9x	3.3x	17.3x
	<b>Median</b>							<b>22%</b>	<b>17%</b>	<b>1.4x</b>	<b>2.7x</b>	<b>15.1x</b>
Fabricators	 The Timken Company	\$71.87	1%	\$5,043	\$6,991	\$4,573	\$834	32%	18%	2.1x	1.5x	8.4x
	 Worthington Industries	50.09	25%	2,507	2,601	1,155	83	26%	7%	1.0x	2.3x	NM
	<b>Median</b>							<b>29%</b>	<b>13%</b>	<b>1.5x</b>	<b>1.9x</b>	<b>8.4x</b>
Scrap	 Radius Recycling	\$28.88	90%	\$813	\$1,383	\$2,722	\$14	6%	1%	11.0x	0.5x	NM
	 Sims Limited	9.12	24%	1,761	1,979	4,560	96	12%	2%	1.5x	0.4x	20.6x
	<b>Median</b>							<b>9%</b>	<b>1%</b>	<b>6.2x</b>	<b>0.5x</b>	<b>20.6x</b>

Source: Capital IQ

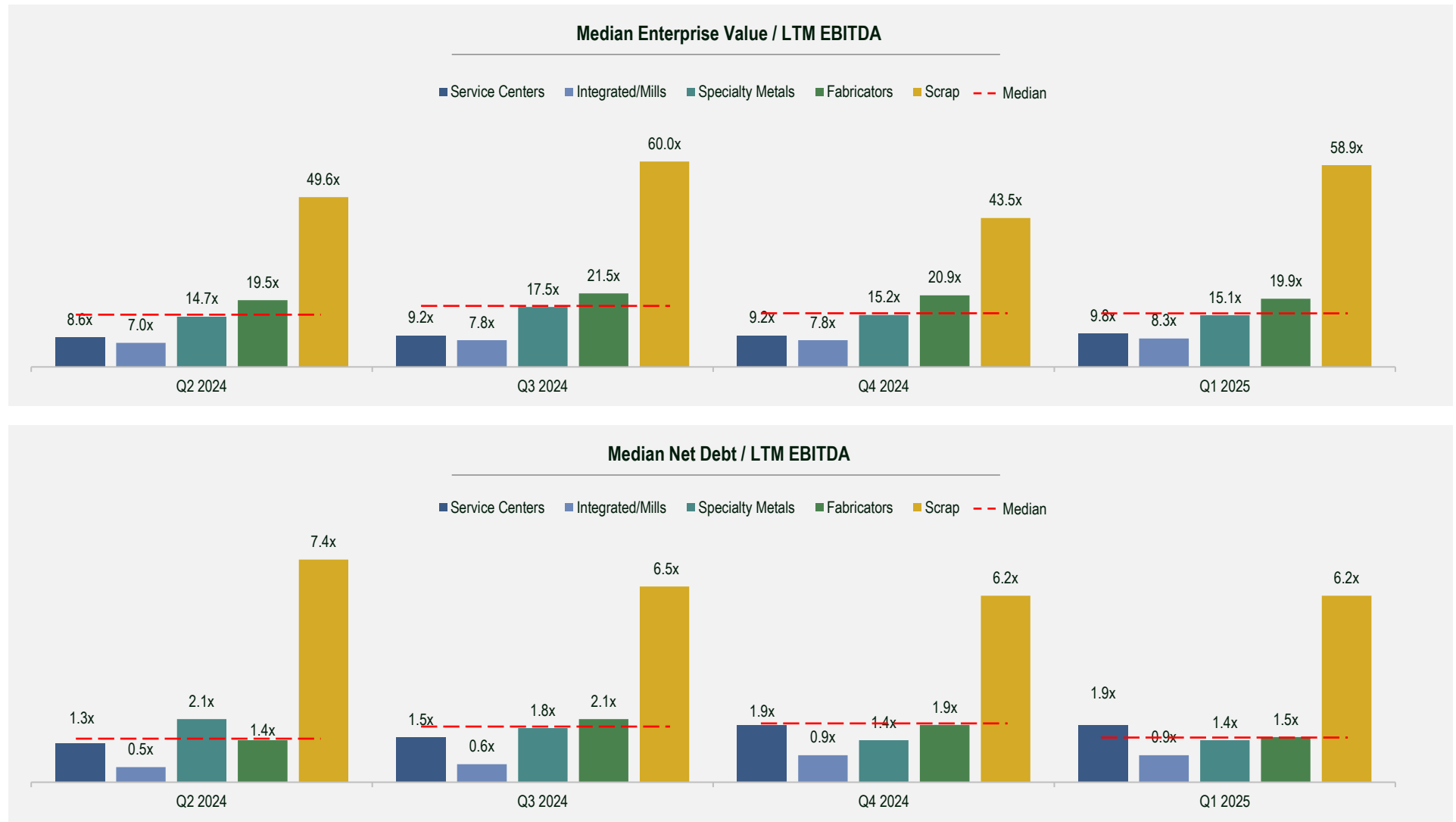
(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity, and minority interest.

(2) Medians exclude all non-meaningful values.

# Valuation and Debt Multiples

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*Valuation multiples have increased across all sub-segments over the past four quarters. Debt multiples have also risen in most areas but declined in both the Specialty Metals and Scrap segments*



Source: Capital IQ

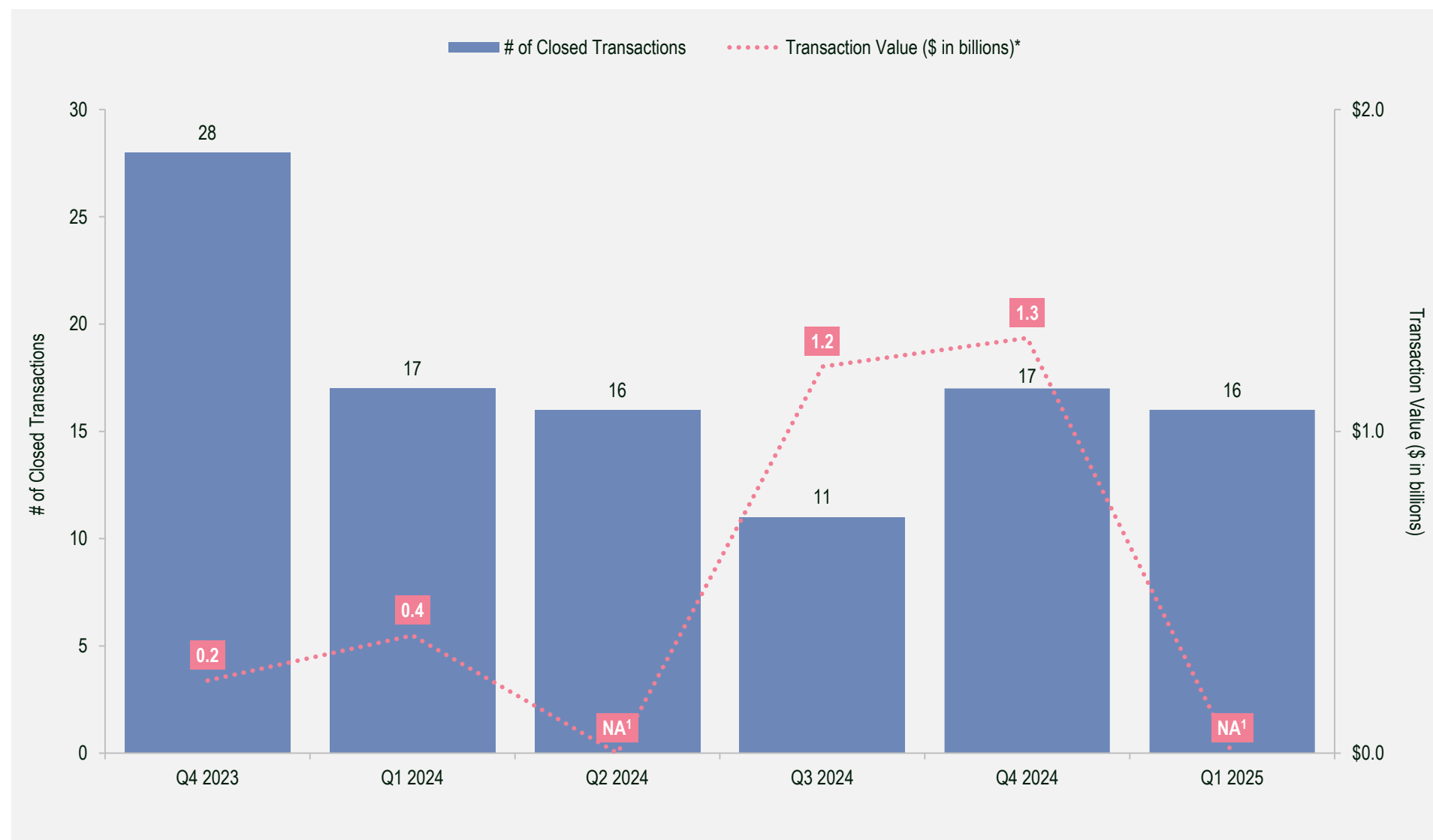
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# U.S. M&A Activity

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*M&A activity in the metals sector remained stable in Q1 2025, with 16 closed deals compared to 17 in Q1 2024*






































Source: Capital IQ

\*Transaction Value represents publicly announced deal terms



# Recent Transaction Activity

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Date	Target	Acquiror	Enterprise Value (\$M)	Target Description
3/25	 <b>MID-STATE</b>	 <b>ONCAP</b>	Undisclosed	Offers industrial fabrication, mechanical, pipe fabrication, large capacity machining, industrial pump services, engineering and design, and mechanical equipment repair
3/25	 <b>GROVER</b> PRECISION WITH PURPOSE	 <b>FORÉCREU</b> Building Critical Partnerships	Undisclosed	Precision deep hole drilling company, supplies precision holes for various industries
2/25	 <b>ROCK GATE PARTNERS</b>	 <b>ROCK GATE PARTNERS</b>	Undisclosed	Manufactures precision parts and components
2/25	 <b>TMI</b>	 <b>MRCA</b> MANUFACTURING REVITALIZATION CORPORATION OF AMERICA	Undisclosed	Provides metal fabrication services that serve manufacturers of earthmovers, tractors, and cranes
2/25	 <b>MCLOONE</b> PRODUCT IDENTIFICATION	 <b>Clarion Safety Systems</b>	Undisclosed	Offers metal and plastic nameplates, ID plates, overlays, and labels for commercial and industrial applications
2/25	 <b>Gibbs</b>	<b>ARCHITECT EQUITY</b>	Undisclosed	Manufactures and supplies aluminum and magnesium die cast components to auto and non-auto markets
2/25	 <b>MIDWEST IRON</b> MID - USA	 <b>WAGNER</b> Employee Owned	Undisclosed	Manufactures fabricating steel stairs and bolt-on aluminum balconies for commercial properties
1/25	 <b>ASTRO SHAPES</b>	 <b>WYNCHURCH   CAPITAL</b>	Undisclosed	Manufactures aluminum extrusions for residential and commercial applications
1/25	 <b>M M</b>	 <b>GAIN/LINE</b> CAPITAL PARTNERS	Undisclosed	Manufacturer and supplier of small diameter stainless steel tubing
1/25	 <b>CHANDLER INDUSTRIES</b>	 <b>BTX</b> PRECISION	Undisclosed	Manufactures precision machined components, fabrications, and complex assemblies
1/25	 <b>Thalheimer Brothers</b>	 <b>VENTURE METALS+</b>	Undisclosed	Provides scrap metal processing services for industrial manufacturers, demolition companies and scrap dealers
1/25	 <b>asap</b> ALKAR STEEL AND PROCESSING	 <b>LATHAM HICKEY STEEL</b> 100% Black Owned & Operated	Undisclosed	Manufactures sheets made of steel for aerospace, appliance, automotive, and construction industries
12/24	 <b>MILLENNIUM METALS</b>	 <b>OmniMax</b>	Undisclosed	Manufactures metal roofing, steel and aluminum edgings, ventilation, and accessories
12/24	 <b>SCHMIDT</b>	 <b>ELMSLEY</b> CAPITAL	Undisclosed	Manufactures metal fabricated parts and equipment for power generation, refinery and petrochemical, metal forming, and chocolate equipment industries
12/24	 <b>OZARK STEEL</b>	 <b>DH</b> Dakota Holdings LLC	Undisclosed	Offers fabricating structures for offices, data centers, health care, educational, industrial, retail, and mixed-use buildings
11/24	 <b>M M</b>	 <b>MILL STEEL COMPANY</b>	Undisclosed	Provides metal processing for the ferrous and non-ferrous industry
10/24	 <b>JANLER CORPORATION</b>	 <b>Uniphase</b>	Undisclosed	Diversified metals and mining company
10/24	 <b>UNIVERSAL STAINLESS</b>	 <b>aperam</b>	508.6	Manufactures semi-finished and finished specialty steel products

Source: Capital IQ

# Amherst's Representative Metals Transactions

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<p><b>ARRK Corporation</b> Osaka, Japan</p>  <p>Has divested Omega Tool Corporation Ontario, Canada</p>  <p>To Revstone Paris, KY</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to ARKK Corporation</p>	<p><b>Benson Industries</b> Portland, OR</p> <p><b>BENSON</b></p> <p>has been acquired by MiTek Industries, Inc. Chesterfield, MO</p>  <p>A subsidiary of <b>BERKSHIRE HATHAWAY INC.</b></p> <p><b>AmherstPartners</b></p> <p>Acted as advisor to Benson Industries</p>	<p><b>Coated Steel Corporation</b> Itasca, IL</p>  <p>has been acquired by Mill Steel Grand Rapids, MI</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Coated Steel Corporation</p>	<p><b>Empire Die Casting</b> Macedonia, OH</p>  <p>has been acquired by American Light Metals Ludington, MI a subsidiary of</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Empire Die Casting</p>	<p><b>Federal-Mogul Corp.</b> Southfield, MI</p>  <p>has divested its Signal Strat Division to</p>  <p>Truck-Lite Co., Inc. Falconer, NY a subsidiary of the Penske Corporation</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Federal Mogul Corp.<sup>(1)</sup></p>
<p><b>L&amp;L Fittings Manufacturing</b> Fort Wayne, IN</p>  <p>has been acquired by JMAC, Inc. Columbus, OH</p>  <p><b>AmherstPartners</b></p> <p>Acted as exclusive financial advisor to L&amp;L Fittings Manufacturing<sup>(1)</sup></p>	<p><b>Mercury Manufacturing Company</b> Wyandotte, MI</p>  <p>has been acquired by O2 Investment Partners, LLC Bloomfield Hills, MI</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Mercury Manufacturing Company</p>	<p><b>Metal Powder Products, LLC</b> Westfield, IN</p>  <p>has been acquired by Millstein &amp; Co. New York, NY</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Metal Powder Products, LLC</p>	<p><b>Metalloy Corporation</b> Hudson MI</p>  <p>Has been acquired by Park-Ohio Holdings Corp Cleveland, OH</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Metalloy Corporation<sup>(1)</sup></p>	<p><b>Monarch Machining &amp; Fabrication</b> Milwaukee, WI</p>  <p>has been acquired by Red Top Capital Hartland, WI</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Monarch Machining &amp; Fabrication</p>

(1) Transactions executed by Amherst professionals while employed at previous firms

# Amherst's Representative Metals Transactions (cont'd)

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<p><b>Parkway Products, Inc.</b> Florence, KY</p>  <p>has been acquired by Oxford Financial Group, Ltd. Indianapolis, IN</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Oxford Financial Group, Ltd. and Parkway Products</p>	<p><b>Precision Aero Corporation</b> Troy, OH</p>  <p>has been acquired by H-D Advanced Manufacturing Pittsburgh, PA</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Precision Aero Corporation</p>	<p><b>Precision Die Casting</b> Russellville, KY</p>  <p>has been acquired by Rane (Madras) Limited Chennai, India</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Precision Die Casting, Inc.</p>	<p><b>Ross Casting &amp; Innovation</b> Sidney, OH</p>  <p>has been acquired by ABI-Showatech Chennai, India</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Ross Casting &amp; Innovation</p>	<p><b>Silvan Industries, Inc.</b> Mariette, WI</p>  <p>Has been acquired by Samuel Manu-Tech, Inc. Etobicoke, ON</p>  <p><b>AmherstPartners</b></p> <p>Acted as a financial advisor to Silvan Industries, Inc.</p>
<p><b>Simpson Industries, Inc.</b> Plymouth, MI</p>  <p>has acquired the Vibration Attenuation Division of Holset Engineering Company A subsidiary of Cummins Engine Co. Columbus, IN</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Simpson Industries, Inc.<sup>1</sup></p>	<p><b>Trim Trends Co., LLC</b> Farmington Hills, MI</p>  <p>has been acquired by Patriarch Partners LLC New York, NY</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Trim Trends Co., LLC</p>	<p><b>Veltri Metal Products, Inc.</b> Troy, MI</p>  <p>has been acquired by Flex-N-Gate Corporation Urbana, IL</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Veltri Metal Products</p>	<p><b>Woodsage, LLC</b> Holland, OH</p>  <p>has been acquired by Milton Street Capital Houston, TX</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Woodsage, LLC</p>	<p><b>Westerman, Inc.</b> Bremen, OH</p>  <p>has been acquired by Worthington Industries, Inc. (NYSE: WOR) Columbus, OH</p>  <p><b>AmherstPartners</b></p> <p>Acted as advisor to Westerman, Inc.</p>

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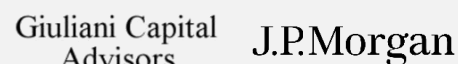


# The Amherst Partners Team

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*With a track record spanning 30 years, Amherst Partners is a boutique investment banking firm focused on providing M&A advisory and capital raising services primarily for closely-held businesses*

*Boutique investment bank with significant Wall Street experience*



Core Execution Team



**Donald Luciani**  
Partner



**Charles Chandler**  
Partner



**Fahad Siddiqui**  
Director



**John Wendzinski**  
Vice President



**Sam Jabara**  
Associate



**Emily Pachla**  
Controller



**Amber Dunn**  
Director of Marketing

Operations Advisory



**Jon B. Cotton**  
CEO, Apex Health, Former President,  
Meridian Health Plan of Michigan



**Ray Dallavecchia, Jr.**  
Owner, Venetian Associates



**Terry Robinson**  
Former Senior Vice President and Director  
of Middle Market Banking – Comerica Bank



**S. Evan Weiner**  
President/CEO, Edw. C. Levy Co.

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