

METALS IQ

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

OCTOBER 2026

Amherst Partners

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Recent Market Observations

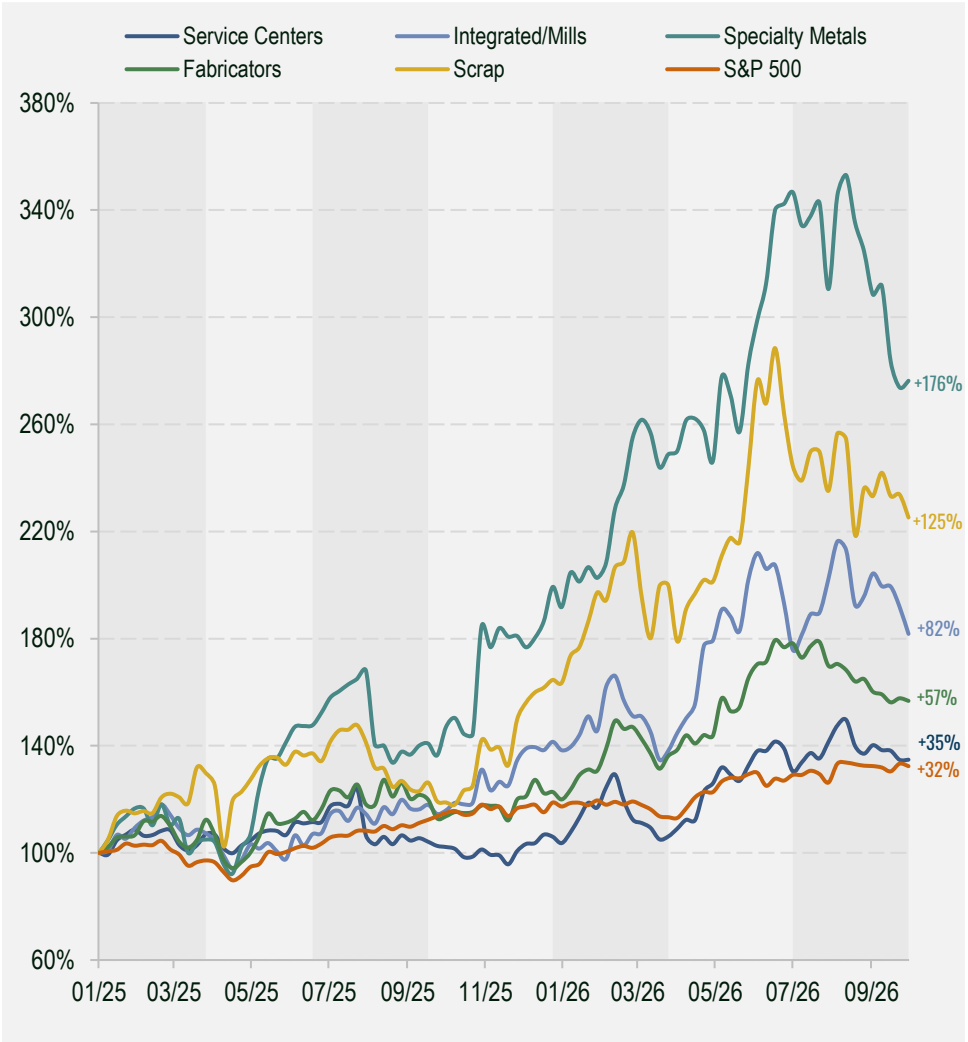
The U.S. steel market entered the second half of 2026 with uneven demand and unusually tight supply. Growth remains concentrated in data centers, power and grid infrastructure, public works, and defense, while construction and automotive demand remain mixed. Construction, which accounts for roughly half of U.S. steel consumption, continues to show uneven performance, while automotive sales have remained above a 16-million-unit annualized pace. The Dodge Momentum Index declined modestly in August as softer data-center planning was partially offset by strength in other segments, but remains higher year over year. Despite broader softness in global construction markets, the U.S. continues to outperform, with domestic mills operating near allocation, lead times reaching multi-year highs, and buyers facing limited negotiating leverage.

Steel prices have climbed to three-year highs, with hot-rolled coil reaching ~$1,190 per short ton in early September, its highest level since 2023 and more than 50% above Western European prices. Section 232 tariffs, increased to 50% in 2025, remain a key market driver, bringing domestic coil prices near parity with landed European imports despite a roughly $360-per-ton pre-tariff premium. In April 2026, tariffs on steel, aluminum, and copper products began applying to the full customs value of affected goods rather than just the value of their metal content, with rates varying by product category. Trade tensions with Canada, the largest foreign supplier of U.S. steel and aluminum, have also intensified following the collapse of negotiations in August. Canadian retaliatory tariffs of 15%–50% across hundreds of U.S. products, alongside new U.S. import restrictions, are adding further pressure to highly integrated North American supply chains.

While tariffs significantly disrupted trade flows earlier in the year, imports have begun to recover as elevated domestic prices and limited spot availability attract select foreign supply. The year-over-year decline in total steel imports narrowed to approximately 14% through August, compared with more than 23% at midyear. South Korean imports have increased 52% year to date under favorable quota arrangements, while shipments from Canada and Brazil remain sharply lower. Meanwhile, the transition toward lower-emission steelmaking continues, highlighted by Algoma's completion of its blast-furnace-to-electric-arc-furnace conversion, representing ~3.7 million tons of capacity. Similar tariff pressures have also contributed to a sharp rise in aluminum prices.

Strategic activity is accelerating, with domestic investment emerging as a key growth driver alongside M&A. Following Nippon Steel's acquisition of U.S. Steel and its ~$11 billion commitment to U.S. investment through 2028, U.S. Steel is developing a first-of-its-kind $1.9 billion direct-reduced-iron facility in Arkansas. Hyundai is also breaking ground on its POSCO-backed Louisiana mill this quarter, underscoring the growing incentive for foreign producers to establish capacity within U.S. tariff barriers. Consolidation remains active, with metals M&A volume increasing 68% year over year in the second quarter alongside expanding valuations. Private equity participation is also recovering, supported by platform investments such as Alro Steel and bolt-on acquisitions by Triple-S and SPS. With U.S. steel demand projected to increase ~1.7% in 2026 and ~2.0% in 2027, continued pricing power, domestic reinvestment, and consolidation are expected to remain central themes across the sector.

Recent Stock Price Performance – Metals Indices



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

Sources: Steel Market Update, AISI, KPMG, Cato Institute, CRS, Government of Canada, The White House, World Steel Association, Oxford Economics, company filings

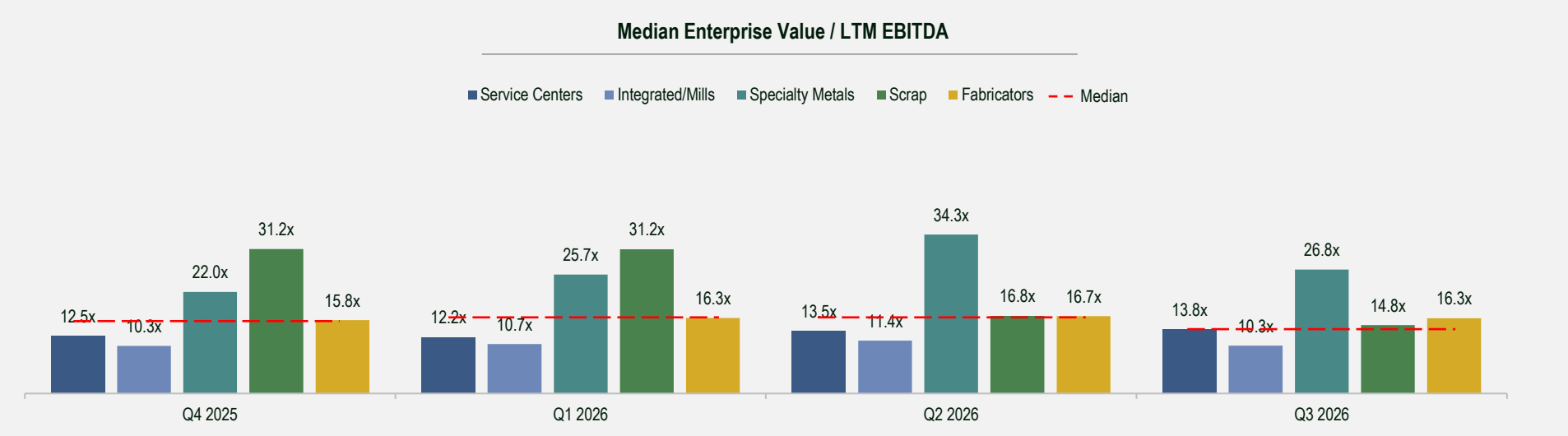
Public Market Trading Multiples

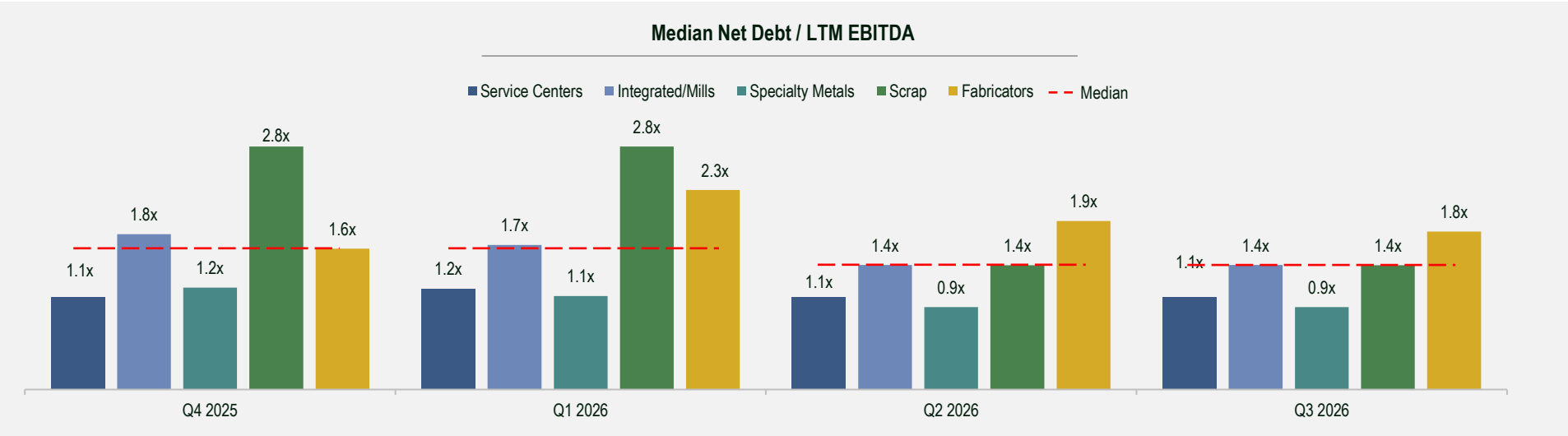
	($ in millions, other than stock price)		09/30/2026	Quarterly	Market	Total	LTM		Gross	EBITDA	Net Debt /	Enterprise Value / LTM	
	Company		Stock Price	Price Δ	Cap.	EV[1]	Revenue	EBITDA	Margin	Margin	EBITDA	Revenue	EBITDA
Service Centers	RELIANCE STEEL + ALUMINUM CO.	Reliance Steel & Aluminum	$385	*3%*	$19,643	$21,413	$15,806	$1,549	*28%*	*10%*	1.1x	1.4x	13.8x
		Median							***28%***	***10%***	**1.1x**	**1.4x**	**13.8x**
Integrated/Mills	CMC Commercial Metals	Commercial Metals Company	$62	*1%*	$6,870	$9,935	$8,850	$1,205	*19%*	*14%*	2.4x	1.1x	8.2x
	NUCOR	Nucor Corporation	$234	*6%*	$53,032	$58,596	$36,101	$5,681	*16%*	*16%*	0.8x	1.6x	10.3x
	Steel Dynamics	Steel Dynamics, Inc.	$222	*1%*	$31,763	$35,532	$20,539	$2,674	*15%*	*13%*	1.4x	1.7x	13.3x
		Median							***16%***	***14%***	**1.4x**	**1.6x**	**10.3x**
Specialty Metals	ATI	Allegheny Technologies	$189	*1%*	$25,791	$27,321	$4,715	$917	*24%*	*19%*	1.5x	5.8x	NM
	CARPENTER TECHNOLOGY	Carpenter Technology	$389	*(35%)*	$19,269	$19,604	$3,124	$826	*31%*	*26%*	0.4x	6.3x	23.7x
		Median							***27%***	***23%***	**0.9x**	**6.0x**	**23.7x**
Fabricators	TIMKEN	The Timken Company	$117	*(16%)*	$8,090	$10,064	$4,760	$927	*33%*	*19%*	1.9x	2.1x	10.9x
	WORTHINGTON INDUSTRIES	Worthington Industries	$60	*9%*	$2,914	$3,206	$1,421	$148	*27%*	*10%*	1.8x	2.3x	21.6x
		Median							***30%***	***15%***	**1.8x**	**2.2x**	**16.3x**
Scrap	SIMS LIMITED	Sims Limited	$17	*(4%)*	$3,195	$3,633	$5,556	$244	*14%*	*4%*	1.4x	0.7x	14.8x
		Median							***14%***	***4%***	**1.4x**	**0.7x**	**14.8x**

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

Valuations held above year-end levels in most metals subsectors, with Scrap the clear exception. Leverage remained at or below year-end levels across all subsectors except Fabricators

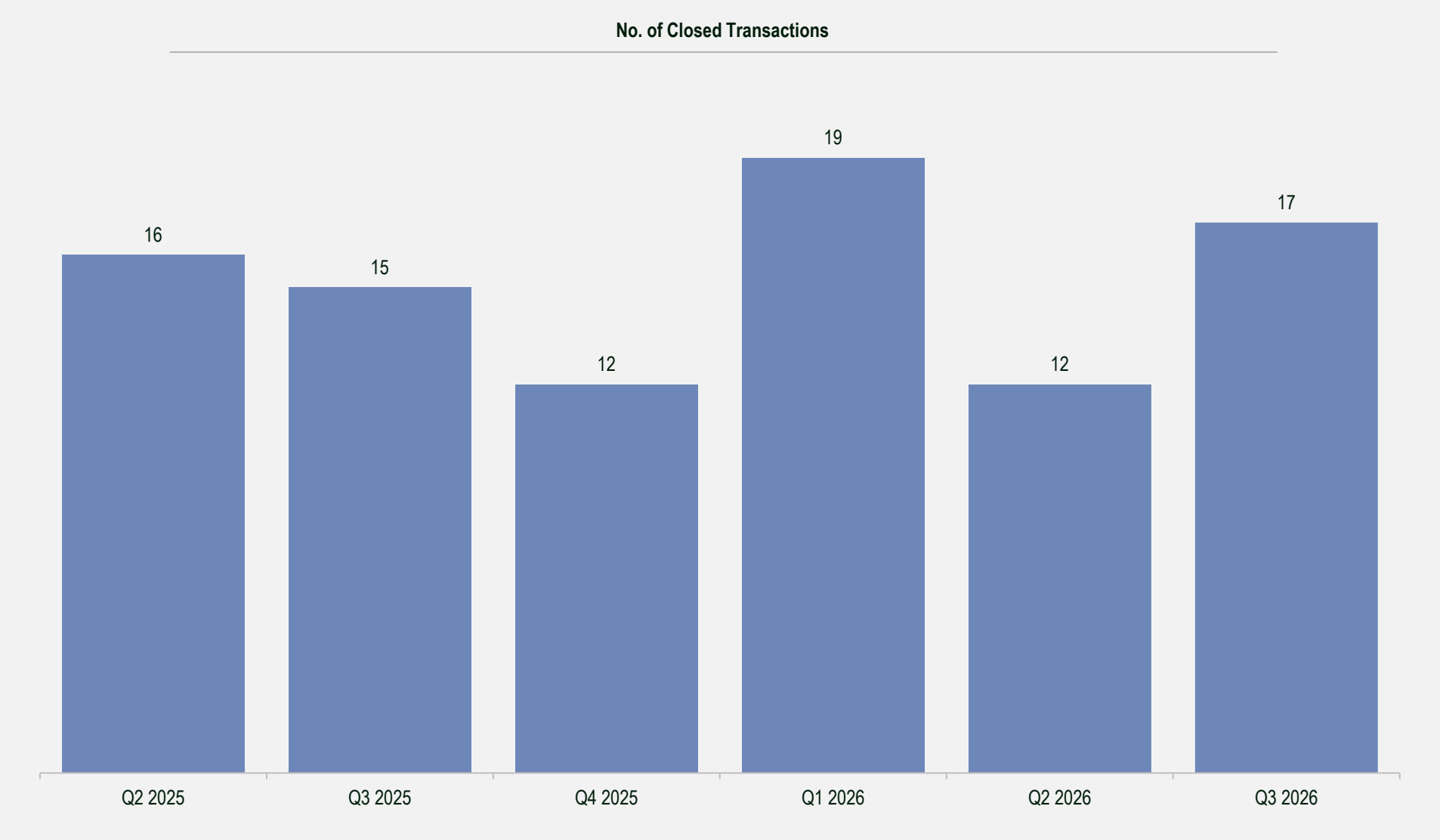




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U.S. M&A Activity

Metals M&A activity recovered from its Q2 slowdown, with 17 closed transactions representing a 42% quarterly increase and 13% growth year over year, though activity remained below the Q1 peak



Source: Capital IQ

Recent Transaction Activity

Date	Target	Acquiror	Enterprise Value ($M)	Target Description
09/26	DMC	OCTAD	Undisclosed	Operates as a manufacturer of custom stamped metal parts and assemblies
09/26	Rochester Metal Products	MetalTechnologies	Undisclosed	Engages in producing gray and ductile iron castings
08/26	KWI, LLC	OMNICABLE	Undisclosed	Manufactures and distributes aluminum and copper wire and cable products for the residential and commercial markets
08/26	OMNI Manufacturing, Inc.	OCTAD	Undisclosed	Provides metal stamping and precision manufacturing services
08/26	M&A Holdings Co., LLC	Triple-S Steel Supply Co	Undisclosed	Operates as a carbon flat-rolled steel processing and distribution company
07/26	DeAngelis	Livers Bronze	Undisclosed	Manufactures and sells custom metalwork in the United States
07/26	Steel Industries, Inc.	Irwin Steel LLC	Undisclosed	Operates as a commercial and industrial structural steel fabricator
07/26	Coil Processors, LLC	Allison	Undisclosed	Operates as a toll processor providing steel coil slitting, embossing, and cut-to-length services
07/26	Prince & Izant	TransDigm Group Inc.	$1,066.0	Designs and manufactures brazing filler metals and precious materials
07/26	RSSI	Global Grab	Undisclosed	Designs and manufactures vehicle barriers
07/26	Rooinek Mining Corp	CopperOne	$5.0	Engages in the mining of copper
06/26	Premier Forge Group	HLG Capital	Undisclosed	Manufactures precision-forged components for critical aerospace, defense, and industrial applications
06/26	Custom Alloy Corporation	Forged Solutions Group	Undisclosed	Operates as a manufacturer of forged components
06/26	Hanna	Bull Moose Tube	Undisclosed	Manufactures steel tubing and pre-painted steel
06/26	Piedmont	Cardinal Infrastructure Group	$9.0	Manufactures downspout products for water utilities
05/26	Super-Temp Wire & Cable, Inc	Elettrotek Kabel North America	Undisclosed	Engages in the manufacturing of wire and cable for commercial and industrial electronic and electrical applications
05/26	Thompson Aluminum Casting Co.	American Casting Company	Undisclosed	Manufactures and sells aluminum castings in the United States
04/26	SMI Sunshine Minting, Inc.	G	$22.0	Manufactures and distributes precious metal and base metal minted products

Source: Capital IQ

Amherst's Representative Metals Transactions

Benson Industries
Portland, OR

has been acquired by
MiTek Industries, Inc.
Chesterfield, MO

A subsidiary of
BERKSHIRE HATHAWAY INC.

AmherstPartners
Acted as advisor to Benson Industries

Coated Steel Corporation
Itasca, IL

has been acquired by
Mill Steel
Grand Rapids, MI

AmherstPartners
Acted as advisor to Coated Steel Corporation

Federal-Mogul Corp.
Southfield, MI

has divested its Signal Strat Division to

Truck-Lite Co., Inc.
Falconer, NY
a subsidiary of
the Penske Corporation

AmherstPartners
Acted as advisor to Federal Mogul Corp.[1]

Mercury Manufacturing Company
Wyandotte, MI

has been acquired by

O2 Investment Partners, LLC
Bloomfield Hills, MI

AmherstPartners
Acted as advisor to Mercury Manufacturing Company

Monarch Machining & Fabrication
Milwaukee, WI

has been acquired by

Red Top Capital
Hartland, WI

AmherstPartners
Acted as advisor to Monarch Machining & Fabrication

Precision Aero Corporation
Troy, OH

has been acquired by
H-D Advanced Manufacturing
Pittsburgh, PA

AmherstPartners
Acted as advisor to Precision Aero Corporation

Simpson Industries, Inc.
Plymouth, MI

has acquired the
Vibration Attenuation Division of Holset Engineering Company
A subsidiary of
Cummins Engine Co.
Columbus, IN

AmherstPartners
Acted as advisor to Simpson Industries, Inc.[1]

Woodsage, LLC
Holland, OH

WOODSAGE
Experts in Tube Fabrication

has been acquired by

Milton Street Capital
Houston, TX

AmherstPartners
Acted as advisor to Woodsage, LLC

Veltri Metal Products, Inc.
Troy, MI

has been acquired by
Flex-N-Gate Corporation
Urbana, IL

AmherstPartners
Acted as advisor to Veltri Metal Products

Westerman, Inc.
Bremen, OH

Westerman Companies

has been acquired by
Worthington Industries, Inc.
(NYSE: WOR)
Columbus, OH

AmherstPartners
Acted as advisor to Westerman, Inc.

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

The Amherst Partners Team

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

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