

Fluid Handling Industry M&A 2025 and Outlook 2026

In this article we will discuss the 2025 M&A activity in the fluid handling Industry - What, Who, Why and How Much. We will also provide an outlook for industry M&A in 2026.

Our report is focused on M&A transactions involving companies that manufacture, distribute and/or provide services for dynamic (rotary or reciprocating) equipment, and related products, that enable industries to move fluids as a key part of their value-added processes.

Overview

<i>Deal Activity</i>	<i>Fluid Handling industry M&A activity at record level in 2025</i>
<i>Most Active Deal Makers</i>	<i>Thirteen companies account for 57% of deal activity</i>
<i>Targets and Strategies</i>	<i>Water most targeted vertical - aftermarket focus most targeted strategy</i>
<i>Largest Deals</i>	<i>Three deals with \$1 billion plus transaction values</i>
<i>Valuations</i>	<i>Holding steady to slightly stronger</i>
<i>Outlook</i>	<i>Look for 2026 to be an active year but somewhat softer than 2025</i>

Deal Activity

The fluid handling industry saw record deal activity in the trailing twelve months (TTM) ending Q3 2025, driven by strong demand for quality acquisitions for a variety of strategic reasons that are discussed below. Relatively favorable conditions including: lower cost, improved capital availability, and a growth outlook that remains positive also contributed to this momentum.

Year	2020	2021	2022	2023	2024	TTM Q3 '25
Transactions	69	102	105	104	104	123
Quarter	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Transactions	27	26	29	35	29	30

Figure 1 - Fluid Handling Industry activity level by number of transactions

Source: Global Equity Consulting, LLC research

When we look at the trend of overall global M&A activity, as measured by deal count - the yellow dot extension of the blue line in figure 2 - and deal value as shown in the bar graph in figure 2, the overall deal

activity is getting back to the previous high levels of 2021 while the trailing twelve-month activity level in the fluid handling industry is substantially above the 2021 industry activity level, indicating the current level of M&A activity in the fluid handling industry is stronger than the overall global M&A activity.



Figure 2 - Global M&A Activity by deal count and value

Source - PitchBook Global M&A Report Q3 2025

Most Active Deal Makers – While fluid handling industry M&A is at a strong level the activity is concentrated in a relatively few companies in any given period. Through Q3 2025, thirteen companies accounted for 57% of the FHI M&A deal activity.

Company	Transactions	Company	Transactions
Atlas Copco	21	Cooper Machinery Services	3
United Flow Technologies	6	Dover Corp	3
Ingersoll Rand	5	Eight other companies	2 each
Eight companies made two acquisitions YTD Q3 2025			
DXPE, Franklin Electric, Gallagher Fluid Seals, OTC Industrial Technologies, Penn Pump and Equipment, Tencarva Machinery, Torishima Pump Mfg., Trelleborg			

Figure 3 - Fluid Handling Industry most active deal makers through Q3 2025

Source: Global Equity Consulting, LLC research

Targets and Strategies

Targets – In 2025 We saw some change in the mix of target industries:

- For 2024, the diversified category was 71% - Diversified means the target company serves multiple end-users market sectors.
- Water was the target for 15% of the deal activity in 2024
- Energy was about the same percentage in 2024 at 6%
- We are more consistently seeing mining and marine targets

Industry	Transactions	%
Diversified	57	61%
Water	19	20%
Energy - Oil and Gas, Power	7	7%
Marine	3	3%
Mining	3	3%
Health Care, Life Science, Hygienic	3	3%
Other	2	2%
Total	94	100%

Figure 4 - Target industries

Source: Global Equity Consulting, LLC research

Strategies – Companies have various strategic reasons to pursue acquisitions. Below are the stated or observed strategic rationales for the highly active acquirers in the fluid handling industry.

Acquirers	Strategy
Corporate Buyer 1	Aftermarket focused – distribution and service businesses, expand pump business manufacturing and aftermarket service – focus on water, wastewater and dewatering markets
Corporate Buyer 2	Diversify market concentration, expand geographic footprint, acquire talent
Corporate Buyer 3	Expand their addressable market in high growth sectors, add technology and expand geographic reach
Financial Sponsors (Private Equity)	Distribution and manufacturing with aftermarket focus – markets of primary interest are water and energy

Figure 5 - Fluid Handling Industry Acquirer Strategies

Source: Global Equity Consulting, LLC research

Largest Deals

It is interesting to note that all five of the largest transactions in the fluid handling industry through Q3 2025 targeted companies with a strong presence in the energy sector.

Buyer	Deal	Target	Value
Baker Hughes (NAS: BKR)	Acquisition	<i>Chart Industries</i>	\$13.6 billion
Strategy: Advances BKR strategic vision to be an energy & industrial technology leader; expands BKR offerings in attractive growth markets such as data centers, space and new energy as well as durable industrial sectors including industrial gas, metals, mining and food and beverage; complimentary product capabilities that provide a strengthened value proposition and BKR lifecycle revenue mix			
Honeywell (NAS: HON)	Acquisition	<i>Sundyne</i>	\$2.6 billion
Strategy: Continuation of HON realignment to drive organic growth and simplify its portfolio; expansion of HON aftermarket services business; product and technology synergies to create additional competitive advantages			
DNOW (NYSE: DNOW)	Acquisition	<i>MRC Global</i>	\$1.5 billion
Strategy: Add scale, expand product range, expand and intensify geographic coverage in the US, Canada and certain international markets; strengthen presence in the energy and industrial sectors			
Alfa Laval (STO: ALFA)	Acquisition	<i>Fives Group Cryogenic Business</i>	\$899 million
Strategy: Expand ALFA technology portfolio for cryogenic applications including LNG, hydrogen and carbon capture			
Ingersoll Rand (NYSE: IR)	Acquisition	<i>Termomeccanica Industrial Compressors</i>	\$184 million
Strategy: TMIC will expand the IR product scope and competencies with their air and gas compressor products along with the TMIC presence in Europe, North America and recent expansions into Brazil and India			

Figure 5 - Fluid Handling Industry Largest Transactions Through Q3 2025

Source: Global Equity Consulting, LLC research

Valuations

Valuation information for deals in the fluid handling industry is limited. However, Figure 6 below shows the valuation multiples for transactions where that information was disclosed. These days, valuation information is usually only disclosed on transactions involving publicly traded companies where the deal size is meaningful to the size of the company and requires disclosure. Consequently, reported multiples tend to be skewed to the high end of the spectrum.

Transaction Value	EV/Rev Multiple Range	Deals	EV/EBITDA Multiple Range	Deals
≥ \$ 1 billion	3.3	1	14.5 – 13.8	2
\$500- \$999 million	3.6	1		
\$100- \$499 million	3.8 - 2.2	2	10.9 – 5.3	2
\$50- \$99 million				

Transaction Value	EV/Rev Multiple Range	Deals	EV/EBITDA Multiple Range	Deals
\$10 - \$49 million				
\$0 - \$9 million				
Median Values 2025	3.4	4	10.9	4
Median Values 2024	2.1	12	10.1	8
Median Values 2023	2.4	10	12.9	5

Figure 6 - Fluid Handling Industry 2025 disclosed deal valuations through Q3

Source: Global Equity Consulting, LLC Research

To provide additional context regarding valuation multiples, we are showing two additional sets of data below. The valuations shown in Figure 7 below are median values for B2B (business to business companies) including transactions of all sizes in North America and Europe. According to PitchBook's Global M&A report for Q3 2025, the B2B sector saw the return of mega deals (EV of \$5 billion or more). This resurgence of mega deals has most likely had an impact on the median EV/EBITDA multiple increase from 2024 to 2025 shown below.

	2021	2022	2023	2024	2025	TTM
EV/EBITDA	8.8x	7.4x	8.1x	7.9x	8.4x	8.4x
EV/Revenue	1.3x	1.1x	1.1x	1.2x	1.2x	1.2x

Figure 7 - Median North America and Europe B2B M&A EV/EBITDA and EV/Revenue multiples

Source: PitchBook Global M&A Report Q3 2025 as of 30 Sep 2025

The table in Figure 8 below shows global transactions for all M&A under \$100 million. This view shows a much milder step up in the EV/EBITDA valuation multiples year over year from 2024 to 2025, which supports the premise that the large year over year step up in B2B EV/EBITDA multiples shown in Figure 7 was impacted by the increase in mega deals.

	2021	2022	2023	2024	2025	TTM
EV/EBITDA	8.5x	6.8x	7.2x	7.1x	7.3x	7.2x
EV/Revenue	1.3x	1.1x	1.0x	1.1x	1.0x	1.0x

Figure 8 - Global under \$100 million EV/EBITDA multiples for all M&A

Source: PitchBook Global M&A Report Q3 2025 as of 30 Sep 2025

Valuations are very transaction specific between a given buyer and a given seller. The information shown in the above tables can provide general guidelines. However, for individual company valuations, there are methodologies that can be applied to provide a specific indication of market value based on the company's individual data.

Notes:

Adjusted EBITDA - EBITDA adjusted for unusual items that can be expected to increase or decrease EBITDA under buyer's ownership going forward

EBITDA - earnings before interest, taxes, depreciation and amortization

EV - enterprise value is the combined amounts of market capitalization, minority interests, preferred stock and net debt

Revenue - amount recorded as net sales for the period

Outlook

Fluid Handling Industry M&A - Thoughts for 2026

- Companies who have inorganic growth as a key part of their strategic growth plan will continue seeking quality acquisitions – demand will remain strong
- Interest costs are likely to be stable to declining and debt financing availability is likely to be neutral – not restrictive but also not overly accommodating
- The headwind is more likely to come from apprehension about trade issues, unsettled geopolitical issues in Europe, other potential hot spots or signs of US economic growth being below expectations
- At this point in time, it seems there are enough positive factors offsetting the apprehension to support an active M&A market in 2026, but perhaps somewhat softer than the record level of 2025

About the Author

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