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Clairfield M&A Industry Snapshot H1 2026

Test, Measurement & Instrumentation

Summer 2026

Executive summary

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1 TMI market overview

- The Test, Measurement and Instrumentation ("TMI") market performed strongly despite general global issues in the industrials market.
- Driven by strong global tailwinds including 5G/6G deployment, EV & electrification, IoT proliferation, AI-augmented platforms, and regulatory compliance, Clairfield's TMI index outperformed the S&P 500 by 29.3% since 2016.
- Global TMI market estimated at c.$44bn in 2026, with a forecast CAGR of 5.9% to $61bn by 2032.
- M&A remains a key growth strategy, as large players look to build market share in niche growth industries and new geographies.

2 Recent M&A transactions

- Deal volumes were above the historic average for the half-year period, with 111 deals recorded in H1 2026, showing continued momentum in the M&A market.
- The US regained its position as the leading region for both buyers and sellers, while Europe's buyer activity fell back in line with historic averages, although alongside the US had the most amount of targets.
- Total average disclosed TMI deal multiples (EV/ EBITDA) in H1 2026 were in the high teens, slightly lower than recent periods but near to the long-term average.
- Deal multiples in the sub $100m segment continued to be in the high single digit to early double digit multiple range.

3 Industry trading multiples

- The Clairfield TMI Index has continued its strong upward trajectory through H1 2026, having fully recovered from the brief shock in March 2026 with the US-Iran war, and outperforming the S&P 500 by 5.7% in H1 2026.
- Selected listed trading peers in the TMI industry show an average H1 2026 EV/EBITDA multiple of 23.5x, significantly above the long-term average of 18.1x, reflecting continued investor confidence in the sector.

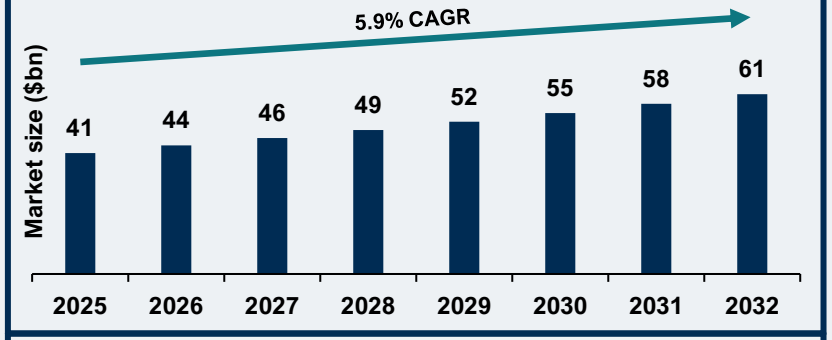
TMI market overview

A growing global market with an estimated CAGR of 5.9%

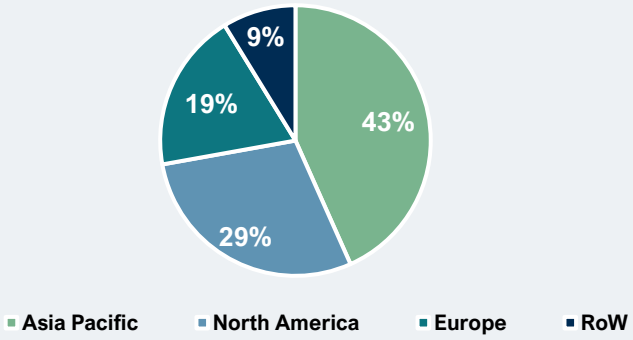
Market size

The global TMI market size is estimated to be c.$41bn in 2025 with an expected CAGR of 5.9%

Global Test and Measurement market size by average consensus of market reports



Estimated market size by geography



Source: Consensus Market Reports.

Key drivers

5G & Next-Gen Comms	5G deployed in 37 of 38 OECD countries, IT & telecom is the fastest-growing vertical, supported by 5G rollout, 6G trials, and IoT proliferation
EV & Electrification	Global EV sales reached c.17m units in 2024 (+25% YoY), driving demand for battery test systems, high-voltage sensors, and EMC/EMI testing
IoT & Connected Devices	16.6bn connected IoT devices globally (end-2023, +15% YoY), requiring interoperability validation and compliance testing
AI & Software-Defined Platforms	75% of organisations projected to adopt AI-augmented test automation by 2025, software & services segment growing at 6.6% CAGR
Semiconductors & Miniaturisation	Electronics & semiconductors represent >27% market share, China integrated circuits production grew 22.2% in 2024 to 4,514bn units
Regulatory & ESG Compliance	EU Green Deal and FDA/ISO standards drive recurring compliance spend

Trends being further accelerated by:

- AI-enhanced & software-defined instrumentation enabling real-time reconfiguration and remote operation
- 6G research pipeline creating demand for flexible, standards-adaptive TMI systems
- Smart manufacturing & Industry 4.0 with IoT, AI, and edge computing
- Government investment tailwinds (EU €1.67bn semiconductor, India's Production-Linked Incentive scheme, Korea KRW 2.4tn)
- Renewable energy & smart grid deployment increasing test complexity

Conclusions:

- Market projected to reach $61bn by 2032 (5.9% CAGR)
- Asia Pacific dominant (43% share), China & India driving growth
- Moderately fragmented; innovation-led differentiation among incumbents
- Software & services growing fastest (6.6% CAGR) via cloud & AI shift
- Technology and IP remain critical success factors

TMI Value Chain

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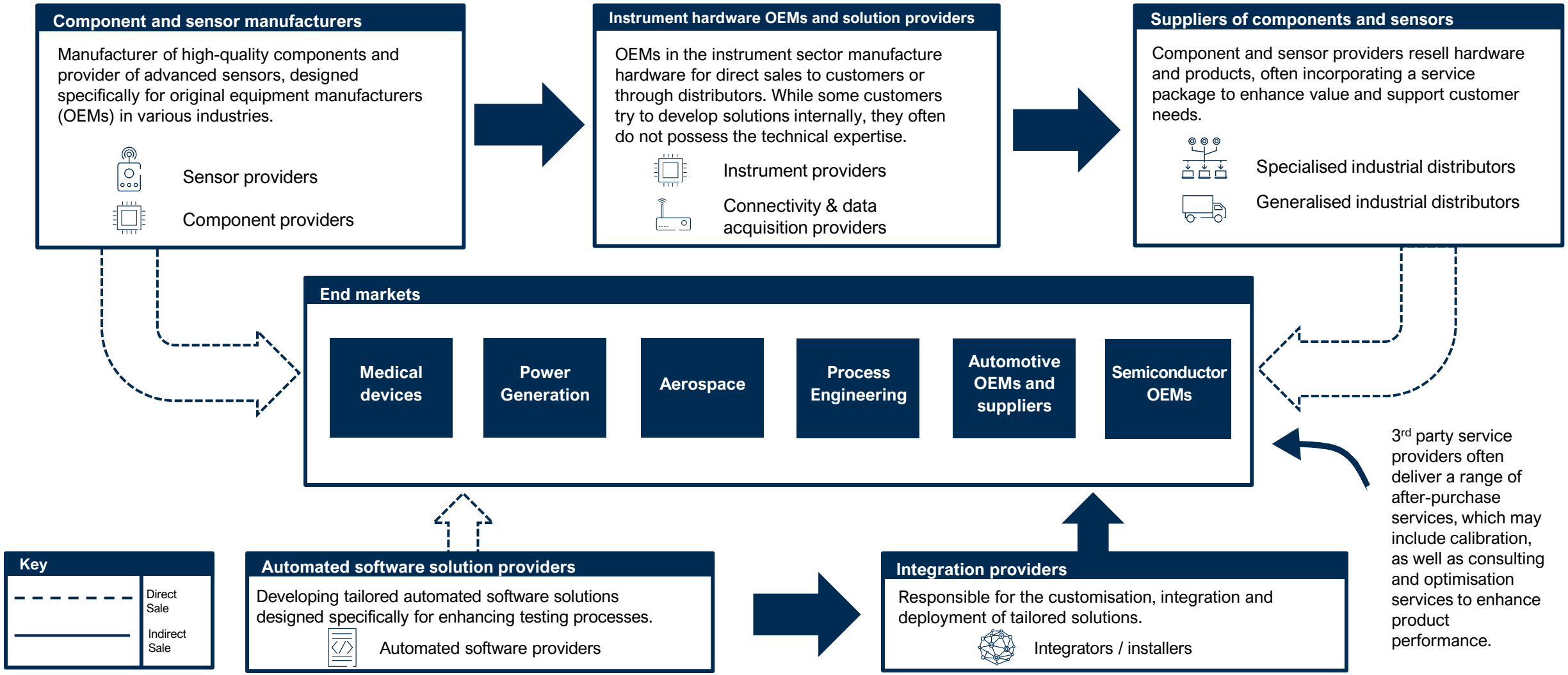


Industry comments from key market players

Exceptional operational performance and robust demand signal continued sector momentum despite geopolitical headwinds

Halma

"This has been another successful year for Halma. We grew revenue to over £2.5bn and Adjusted profit to over £500m, both for the first time, and delivered on all our financial key performance indicators. Growth was broad-based across all three sectors, further strengthened by premium growth in our photonics business, and we delivered strong margins, high returns, and good cash generation. This performance enabled us to reinvest at a record level of over £600m for future growth, continuing to make substantial investments organically, in talent and capabilities, and through acquisitions." **Marc Ronchetti, CEO**

"We delivered core revenue growth of 5%, adjusted EBITDA growth of 13%, and adjusted EPS growth of 25%. This solid performance reflects underlying strength in demand for our market-leading products, encouraging progress in the execution of our Fortive Accelerated strategy. We continue to invest in commercial expertise across high-growth verticals such as data centres, defence and distributed energy, and we're seeing solid early traction from our focused efforts. " **Olumide Soroye, President and CEO**

FORTIVE

EMERSON

"We expect growth to come from the trends that are benefiting the power, LNG, life sciences, semiconductor and aerospace and defence markets, which comprise approximately $6 billion of our $11.1 billion large project funnel. Power, including nuclear, is projected to see robust growth as electrification, modernization of the grid and data centre trends drive substantial investment. Energy security and self-reliance as well as energy transition commitments are supporting global LNG projects." **Lal Karsanbhai, President & CEO**

"Keysight delivered the best quarter in company history, capping off a record first half. Quarter two orders grew 56% year-over-year, surpassing $2 billion. Revenue grew 31%, earnings per share grew 69%, and we generated a record $472 million in free cash flow. These results demonstrate the strength of Keysight's portfolio, which has been built strategically to deliver first-to-market solutions that enable innovations across our end markets, including data centres, networking, defence, semiconductors, and general electronics." **Satish Dhanasekaran, President and CEO**

KEYSIGHT

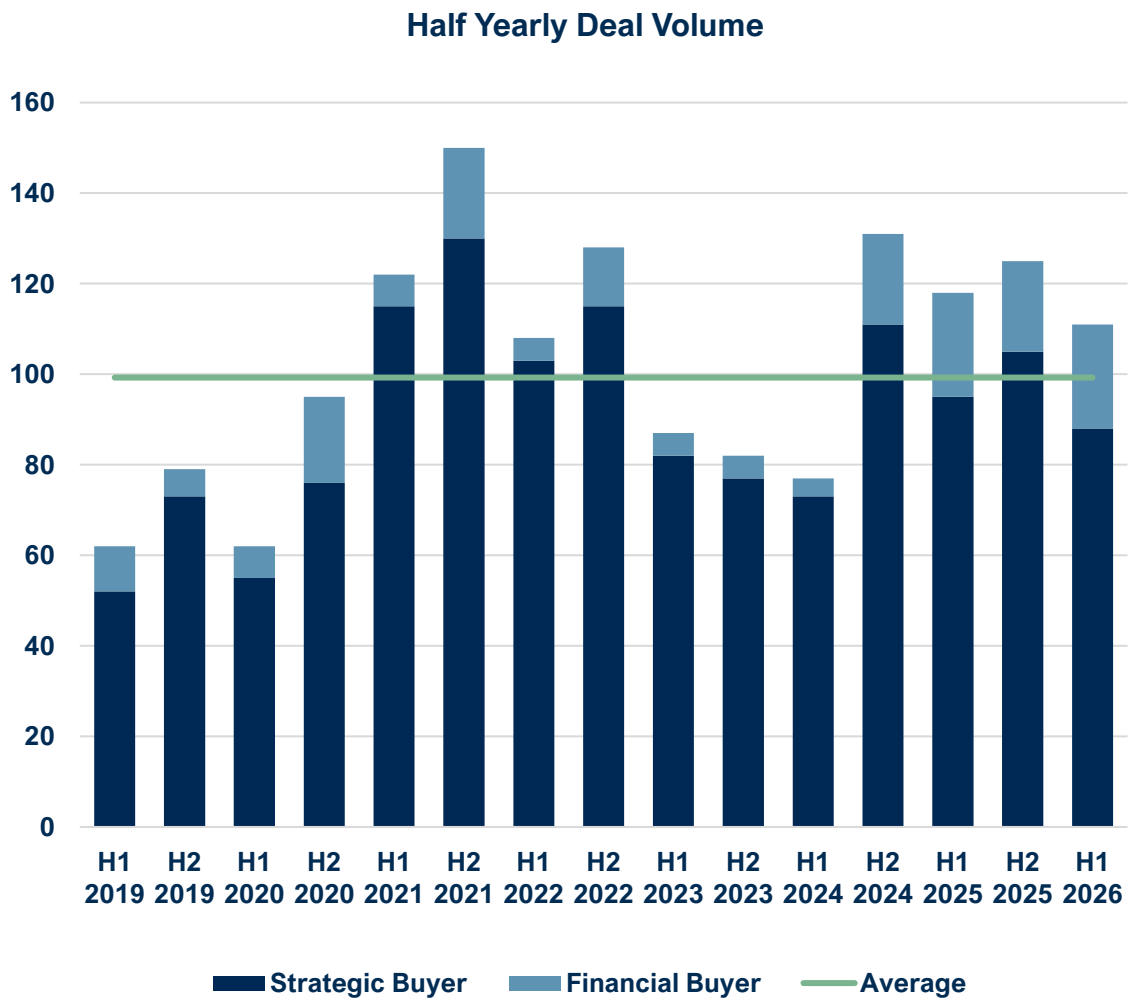
ADVANTEST

"As we look ahead, the semiconductor market is expected to continue its growth trajectory in CY2026, led by AI-related semiconductors. There are market projections which indicate that the semiconductor market could surpass USD 1 trillion. The semiconductor tester market is also expected to reach its largest scale, driven by factors such as the increasing complexity and production volumes of AI-related semiconductors."
Douglas Lefever, Group CEO

Sources: Company Annual Reports, Earnings Releases, Earnings Calls

Encouraging deal volume in H1 2026

Overview of M&A activity up to H1 2026



- Deal volumes decreased in H1 2026 from the elevated levels during the previous three periods, with 111 deals in the first half of 2026. While deal volumes were down on H2 2025, they were still above the long-term average of 99 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 still firmly on the agenda.
- Several of the industry's leading businesses posted record results during the first half of 2026, in part driven by recent acquisitions.
- Private equity continued to play an important role, with 21% of deals having PE involvement. Notable transactions included Francisco Partners' acquisition of Blackline Safety, a gas detection solutions company, which will see the company take private following shareholder approval in received in June 2026.
- Large scale trade deals, including Danaher's $9.4bn acquisition of Masimo (patient monitoring), AMETEK's $4.6bn acquisition of Indicor's instrumentation businesses, and ESCO Technologies' $2.3bn acquisition of Megger Group (portable electrical test and measurement), underscored sustained strategic appetite for scale in the sector.
- Deals in excess of $500m were above the long-term averages.

	Average	H1 2026
Number of deals completed per half year	99	111
Percentage of financial buyers	11%	21%
Number of deals >US$500 million per half year	5	10

Average measured from H1 2017 to H1 2026

Source: S&P Capital IQ, Clairfield Analysis

TMI M&A by region – H1 2026

US reclaims lead in M&A activity as European markets navigate macro headwinds

Geographic trends – strategic buyers

- The US retook their position as the most active buyers, making up almost half of all strategic buyers, while being the second largest market for targets only behind Europe. This is contrasted with European buyers falling back to their historic levels of activity, although Europe continues to have the largest number of targets narrowly ahead of the US.
- European industry continues to navigate a challenging macro environment, with persistent energy cost pressures, evolving tariff regimes and ongoing supply chain reconfiguration. Despite these headwinds, the TMI sector in Europe has maintained its position as an attractive region for M&A targets, accounting for the joint highest proportion of targets globally in H1 2026.
- Outside of the US market, Germany, Italy and Sweden were substantial drivers of buyer activity, whereas the UK and Japan were less acquisitive than seen in prior years.
- The increased activity from US buyers has effectively reverted to the typical North American dominance of the market.

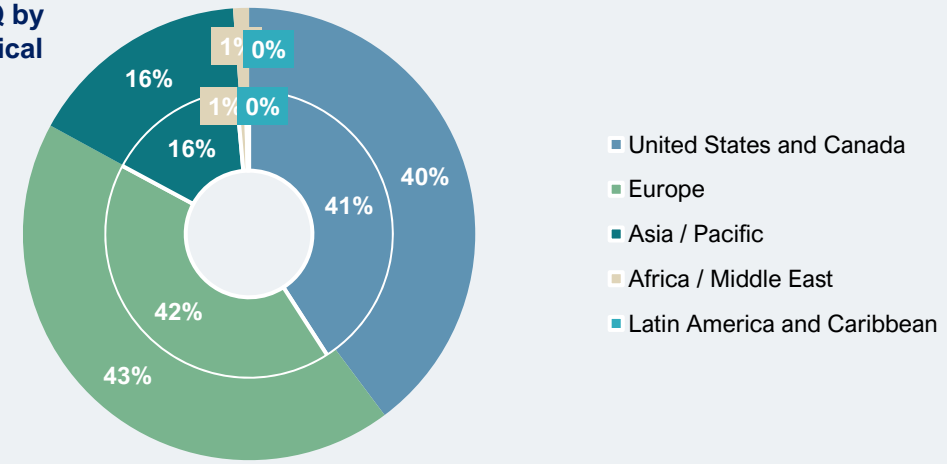
Number of H1 2026 targets HQ by geographical region

United States and Canada	35
Europe	38
Asia-Pacific	14
Africa / Middle East	1
Latin America and Caribbean	0

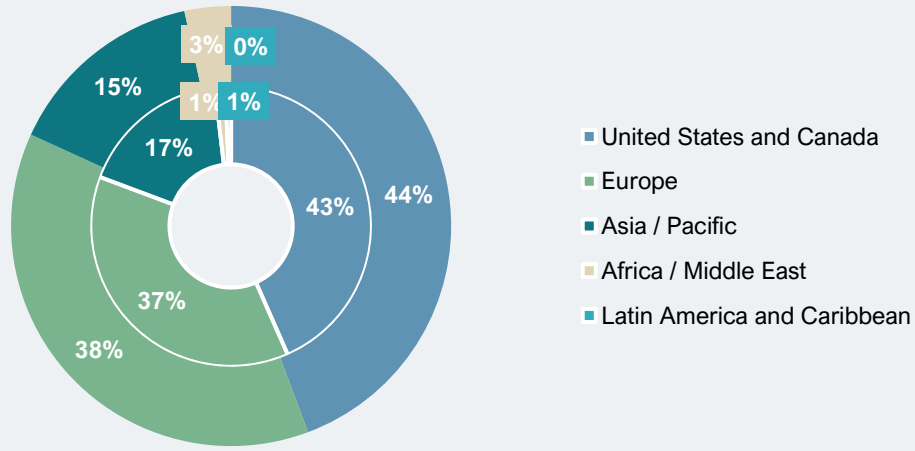
Number of H1 2026 buyers HQ by geographical region

United States and Canada	39
Europe	33
Asia-Pacific	13
Africa / Middle East	3
Latin America and Caribbean	0

Target HQ by geographical region



Buyer HQ by geographical region



Inner ring denotes historical average, outer ring denotes H1 2026 split

Source: S&P Capital IQ, Clairfield Analysis

Valuation multiples

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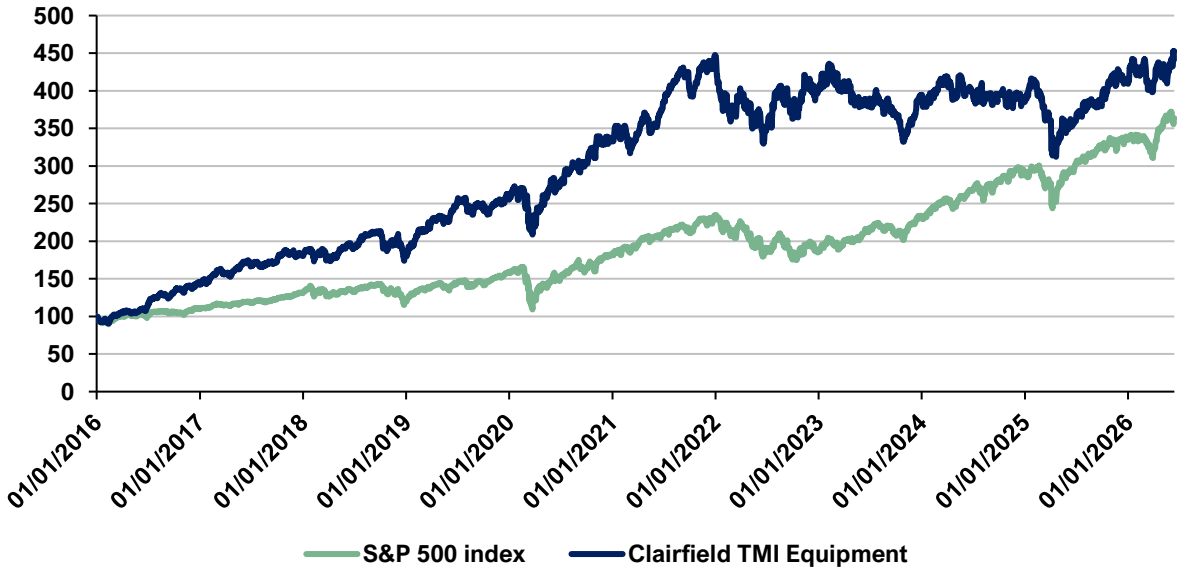
Publicly owned businesses trending in line with the general market

Clairfield TMI Equipment Index vs S&P 500



The Clairfield TMI Index has outperformed the S&P 500 by 29.3%

The Clairfield TMI Index is made up of 41 listed businesses including:

ThermoFisher SCIENTIFIC · Honeywell · EMERSON · ITW · AMETEK · Halma · YOKOGAWA · ADVANTEST · MSA The Safety Company · KEYSIGHT TECHNOLOGIES · mks · discoverIE · Anritsu · FORTIVE · TT Electronics

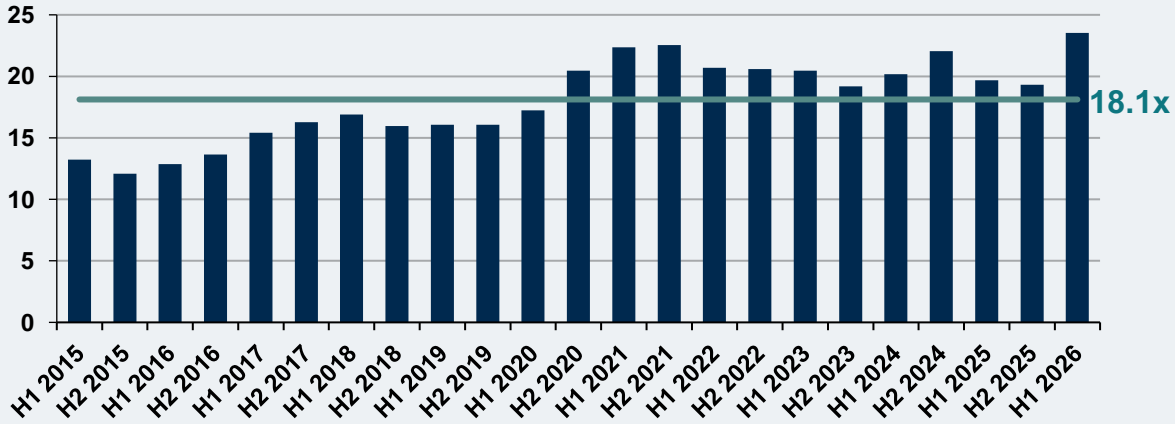
Source: S&P Capital IQ, Clairfield Analysis

Listed businesses valuation summary

- The Enterprise Value to EBITDA multiples below are the averages across our index of listed TMI businesses.
- Following the correction from the 2021-2022 peak, valuation multiples have stabilised and recovered, with the average multiple in H1 2026 (23.5x) comfortably exceeding both the long-term average of 18.1x and the pre-pandemic average of 14.9x.

	Average 2015-2026	Pre-Pandemic Average	H1 2026 Average
TMI EV / EBITDA Multiple Averages	18.1	14.9	23.5

Clairfield TMI Equipment EV/EBITDA Multiples



Listed company trading multiples

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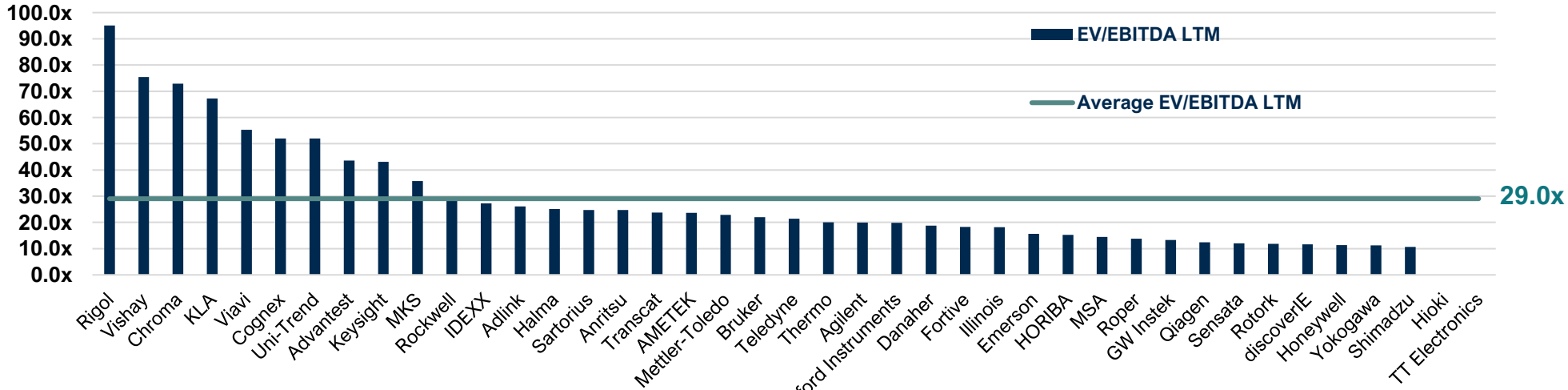
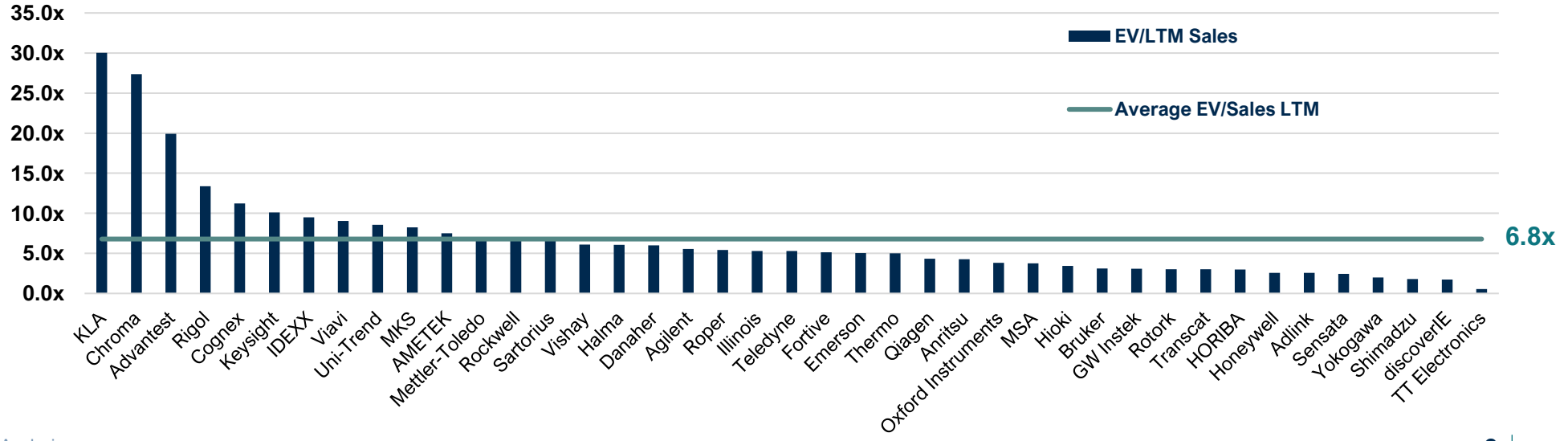
Listed Valuations

- The graphs (right) show the trading multiples for a cohort of publicly traded TMI and electronics businesses as at the end of H1 2026.
- 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.

Source: S&P Capital IQ, Press Releases, Clairfield Analysis

Valuation multiples

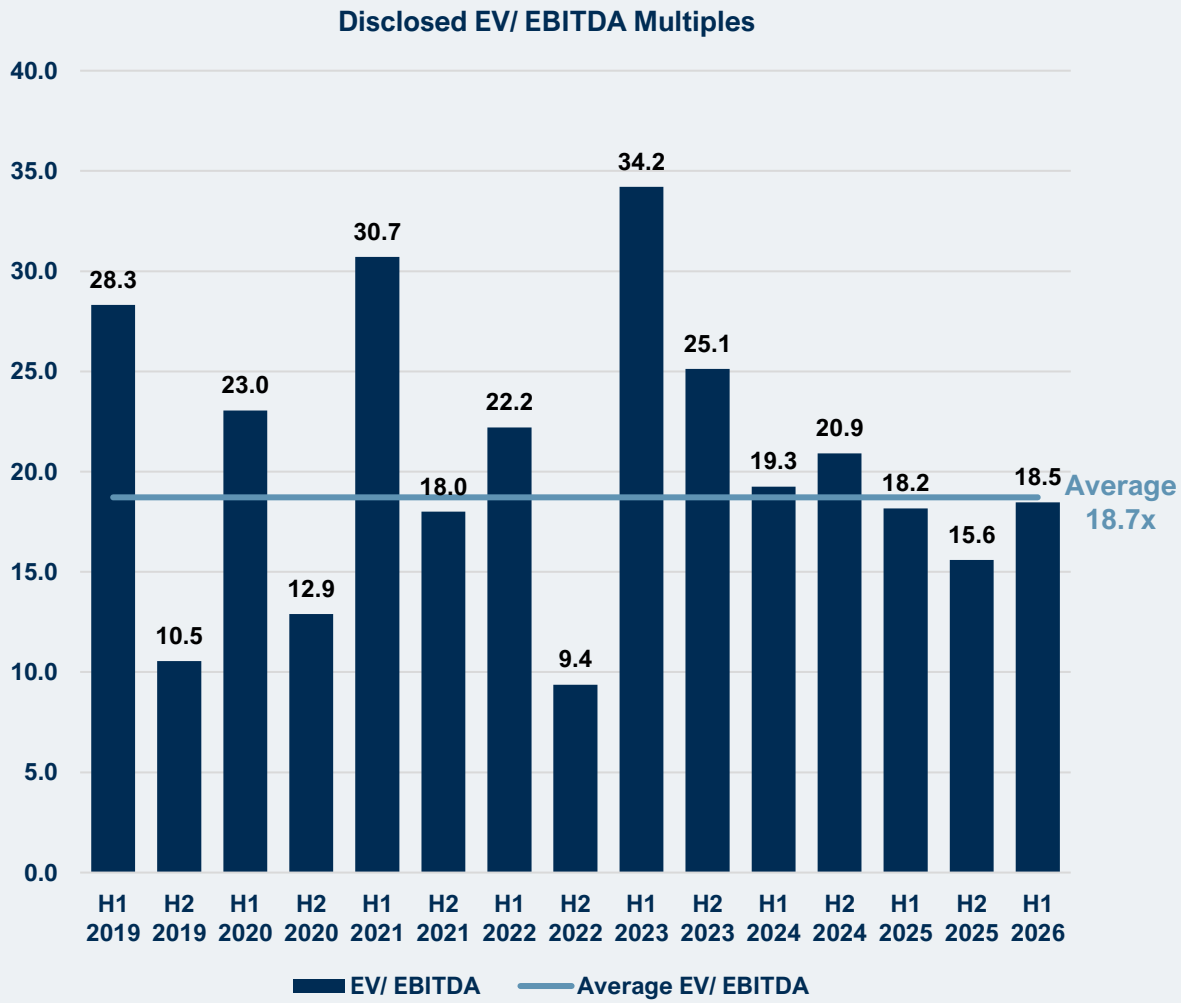
Disclosed transaction multiples

Valuation trends and drivers

- Private company transaction EV/EBITDA multiples averaged 18.5x in H1 2026, broadly in line with the historic average of 18.7x based on publicly disclosed transactions.
- M&A appetite remains favourable due to expanding addressable markets, as the c.$41bn global TMI market is forecast to reach $61bn by 2032 at a CAGR of 5.9%.

Key M&A areas of focus

- 5G & Next-Gen Comms – Ongoing 5G densification and fibre buildout are driving demand for test equipment, with TJC LP / Luna Innovations ($46m, fibre optic test and measurement for telecom networks) an example of activity in the space.
- EV & Electrification – Grid modernisation and renewable integration are driving demand for power-quality and monitoring. Transactions include Bregal / A. Eberle (power grid voltage regulation and monitoring), Siemens Energy / Camlin (smart grid monitoring), and ESCO Technologies / Megger ($2.3bn, electrical power test equipment).
- IoT & Connected Devices – Growth in industrial IoT and remote monitoring is driving demand for connected sensing platforms. Transactions include Francisco Partners / Blackline Safety ($576m, cloud-connected wearable gas monitors).
- AI & Software-Defined Platforms – AI-augmented test automation is seeing rapid adoption, with software and services revenue growing at a 6.6% CAGR. Transactions include Danaher / Masimo ($9.4bn, hospital automation, patient monitoring and analytics platform) and Siemens Energy / Camlin Group (AI-driven grid analytics and monitoring).
- Semiconductors & Microelectronics – Shrinking geometries and tighter tolerances are driving demand for advanced inspection and contamination control. Transactions include Hexagon / Waygate Technologies ($1.3bn, industrial X-ray and CT metrology), and AEQUITA / Pentagon ($19m, surface particle monitoring for semiconductor fabs).
- Regulatory & ESG Compliance – Tightening emissions standards and grid-code obligations are creating a compliance instrumentation upgrade cycle. Transactions include Everstone Capital / Qlar Europe (weighing and filtration monitoring equipment) and Bregal / A. Eberle (power quality compliance instrumentation).



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

Split of disclosed deals by value

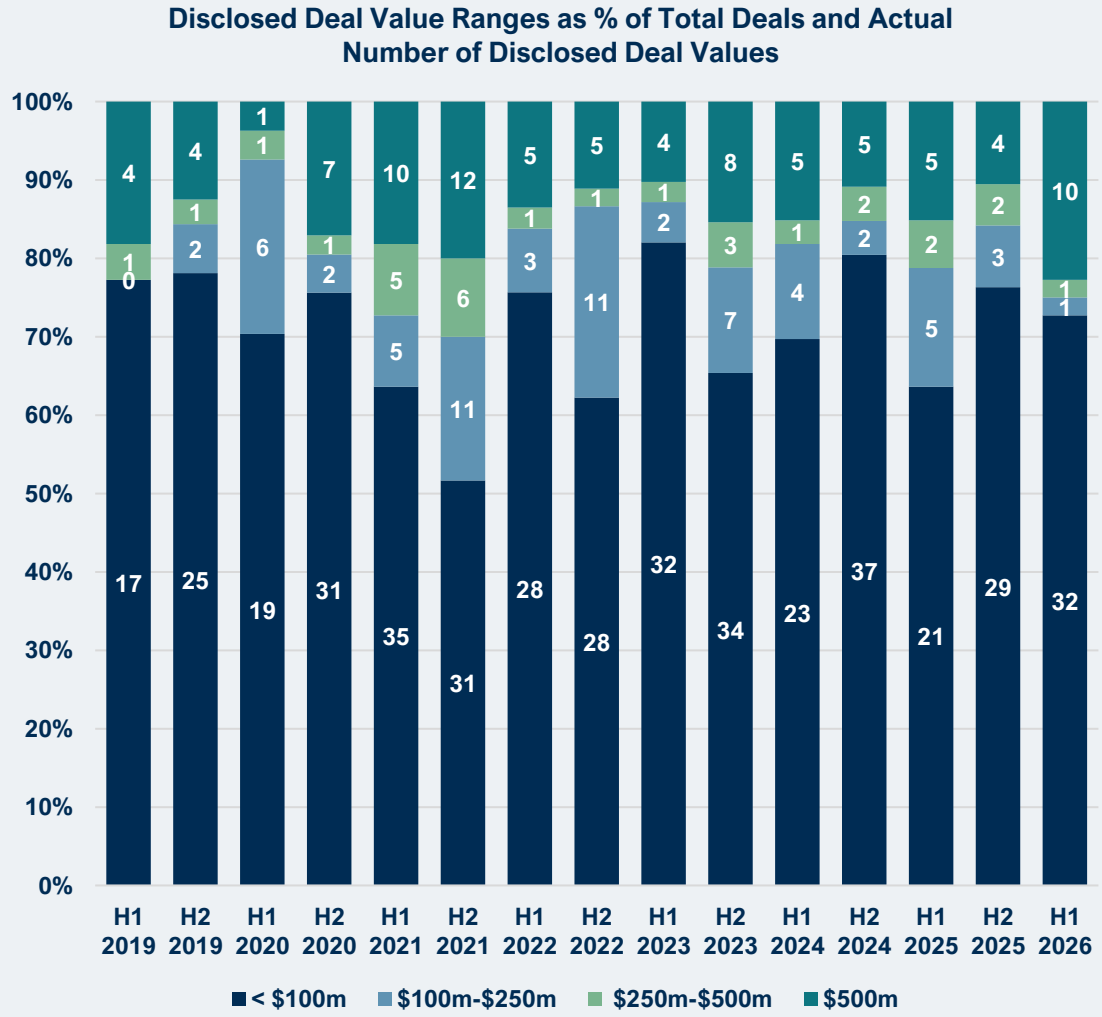
Sub US$100 million Enterprise Value deals continue to drive M&A activity

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 2026 was no exception, with over 70% of disclosed deals being in the small to mid-market bracket.
- H1 2026 saw a surge of mega deals with a quarter of disclosed deals being above $500m. With 10 deals of >$500m, H1 2026 was on a par with the heady days immediately post-lockdown which saw a flurry of transformational deals in the sector.

Major Deals

- Danaher / Masimo ($9.4bn): Danaher Corporation acquired Masimo Corporation, a US-based provider of patient monitoring technologies and automation solutions. The deal, valued at an implied EV/EBITDA of 28.2x, represents the largest disclosed TMI transaction in H1 2026.
- AMETEK / Indicor ($4.6bn): AMETEK Inc. acquired the instrumentation businesses of Indicor, comprising precision instrumentation and measurement solutions for industrial applications. The transaction implied an EV/EBITDA multiple of 14.0x.
- ESCO Technologies / Megger ($2.3bn): ESCO Technologies acquired Megger Group Limited, a UK-based provider of portable electrical test and measurement equipment. The deal marks ESCO's largest acquisition and consolidates its position in electrical testing.
- Hexagon / Waygate Technologies ($1.3bn): Hexagon AB acquired Waygate Technologies USA from Baker Hughes, adding industrial non-destructive testing and inspection systems to its portfolio at an implied EV/EBITDA of 17.5x.
- ESAB / Eddyfi Technologies ($1.3bn): ESAB Corporation acquired Canadian-based Eddyfi Technologies, a specialist in surface and tubing inspection equipment using eddy current and electromagnetic techniques, expanding ESAB's advanced inspection capabilities.



Source: S&P Capital IQ, Press Releases, Clairfield Analysis

Disclosed deal valuation multiples

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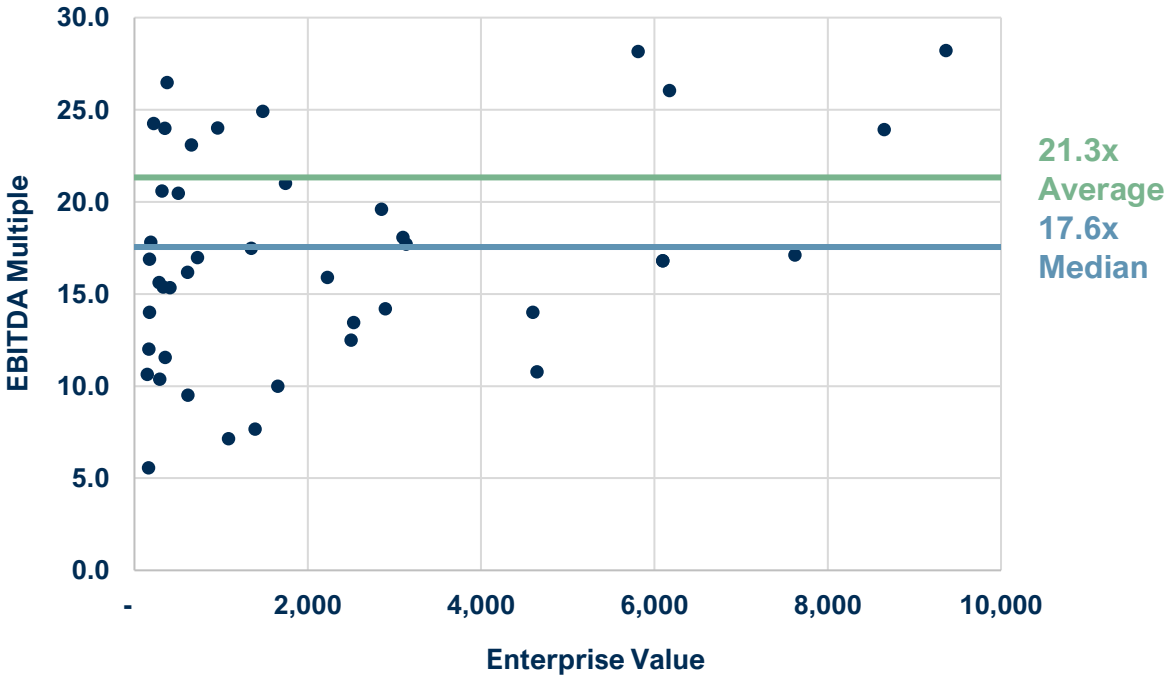
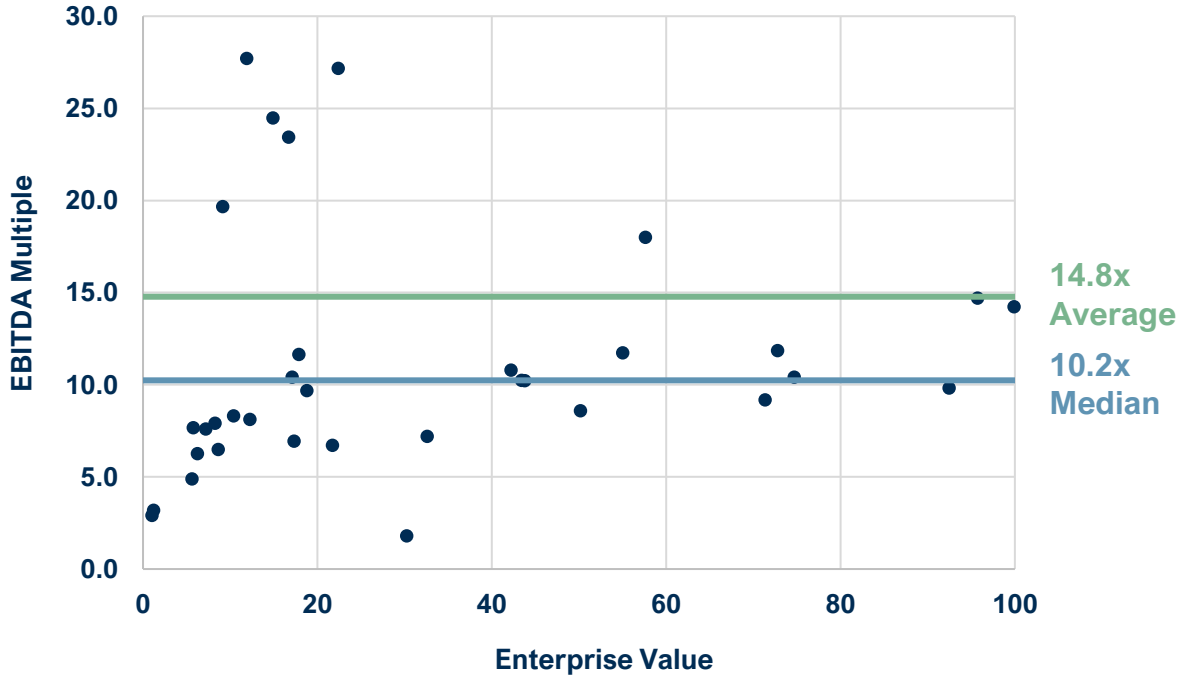
Strong multiples relative to other industrials markets

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 early double digits, with 14.8x median and 10.2x 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.

Source: S&P Capital IQ, Press Releases, Clairfield Analysis

Trade buyers, key transactions – H1 2026

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Notable deals from the first half of 2026 – Strategic Buyers

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value ($m)	Implied enterprise Value/EBITDA (x)	Target sales ($m)
Feb-26	Masimo	US	Danaher	Patient monitoring technologies and automation solutions	9,364	28.2	1,415
May-26	Instrumentation business of Indicor	US	AMETEK	Precision instrumentation and measurement solutions for industrial applications	4,596	14.0	1,011
Apr-26	Megger	UK	ESCO Technologies	Portable electrical power test and measurement equipment	2,343	-	-
Apr-26	Waygate Technologies	US	Hexagon	Industrial non-destructive testing and inspection systems	1,347	17.5	585
Feb-26	Eddyfi Technologies	Canada	ESAB	Surface and tubing inspection equipment using eddy current and electromagnetic techniques	1,328	-	-
Mar-26	BIOCARE MEDICAL	US	Agilent Technologies	Automated immunohistochemistry instrumentation and tissue diagnostics	886	-	84
Apr-26	Rigaku	Japan	onto innovation	X-ray diffraction, fluorescence and imaging analytical instruments	657	23.1	545
Feb-26	Sensor Portfolio of ams OSRAM	Austria	Infineon	Analog and mixed-signal sensors for industrial applications	615	9.5	237
May-26	Autronica	Norway	MSA	Fire and gas detection systems for marine and industrial applications	511	-	147
Jun-26	HGH	France	THEON INTERNATIONAL Advanced Optronics	Electro-optics systems for defence, security, and industrial applications	325	-	43
Jun-26	TriOS Optical Sensors	Germany	xylem	Non-electric instruments for measuring, testing, and navigation	207	-	-

Source: S&P Capital IQ, Press Releases, Clairfield Analysis

Trade buyers, key transactions – H1 2026

Notable deals from the first half of 2026 - Strategic Buyers

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value ($m)	Implied enterprise Value/EBITDA (x)	Target sales ($m)
May-26	DATALOGIC	Italy		Barcode readers, industrial automation sensors and vision systems	92	9.8	554
Apr-26	UDlive.io	United Kingdom	Badger Meter	Environmental sensor technologies for water network monitoring	92	-	20
Jan-26	SAFETEC	Italy	Halma	Industrial fire and gas detection and safety systems	79	-	-
May-26	3G metalworx	Canada	discoverIE	EMI shielding solutions and enclosures for electronic applications	63	-	18
Mar-26	LNTECH 莱恩光电	China	華軟科技	Photoelectric safety and control devices	44	-	-
Apr-26	ELECTRO-SENSORS	United States	steute	Industrial production monitoring and process control systems	27	-	10
Mar-26	QUAZE	Canada	RED CAT	Wireless power transfer solutions for defence and logistics	26	-	-
Jun-26	INFINIUM ROBOTICS	Singapore	STRATEGIE KAPITAL AKTIENGESELLSCHAFT	Autonomous indoor drone systems for warehouse inventory management	22	-	-
May-26	PENTAGON TECHNOLOGIES	United States	AEQUITA	Surface particle contamination monitoring for semiconductor manufacturing	19	-	-
Apr-26		United States	GENERAL OCEANS	Advanced profiling vehicles and sensors for ocean observation	17	-	17
Mar-26	FINGERPRINTS	Sweden	PRECISE BIOMETRICS	Biometric fingerprint sensor and authentication systems	14	-	8

Source: S&P Capital IQ, Press Releases, Clairfield Analysis

Trade buyers, key transactions – H1 2026

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Notable deals from the first half of 2026 - Strategic Buyers

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value ($m)	Implied enterprise Value/EBITDA (x)	Target sales ($m)
Mar-26	Assets of InfraRed Associates, Inc.		VIGO PHOTONICS	Infrared detector manufacturing	8	-	8
Jan-26	株式会社ソニックガーデン SonicGarden		TOYO Corporation	Remote monitoring systems and electronic recording devices	5	-	6
Jun-26	SecureQuip Systems Limited		BEWHERE	Embedded positioning and wireless vehicle tracking equipment	1	-	2
Jan-26	TOFWERK		BRUKER	Time-of-flight mass spectrometers for industrial and research applications	-	-	-
Jun-26			SIEMENS energy	Monitoring and protection solutions for power grid transformers and electrical assets	-	-	113
Apr-26	Plasmion simple smart sensitive		SHIMADZU CORPORATION SHIMADZU	High-resolution chemical ionization mass spectrometry instruments	-	-	-

Notable deals from the first half of 2026 - Financial Buyers

Date	Target	Target country	Buyers/Investors	Target business description	Total transaction value ($m)	Implied enterprise Value/EBITDA (x)	Target sales ($m)
Apr-26	blacklinesafety		FP Francisco Partners	Worker safety monitoring devices and cloud-connected gas detection	576	-	102
Jun-26	LUNA Optoelectronics		TJC	Fiber optic test, measurement, and control products	46	-	-
Apr-26	a-eberle		Bregal Unternehmerkapital	Measurement and regulation technology for the energy sector	-	-	-
May-26	Qlar		Everstone Capital	Industrial weighing, feeding, conveying and process technologies	-	-	-

Source: S&P Capital IQ, Press Releases, Clairfield Analysis

About Clairfield

Global reach, local expertise

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.

400+ M&A experts

32 countries

300+ deals in 2025

€10bn deal value in 2025

6 integrated sector teams

70+ industry advisors

TMI global team

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