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INDUSTRIALS TRANSACTIONS REPORT

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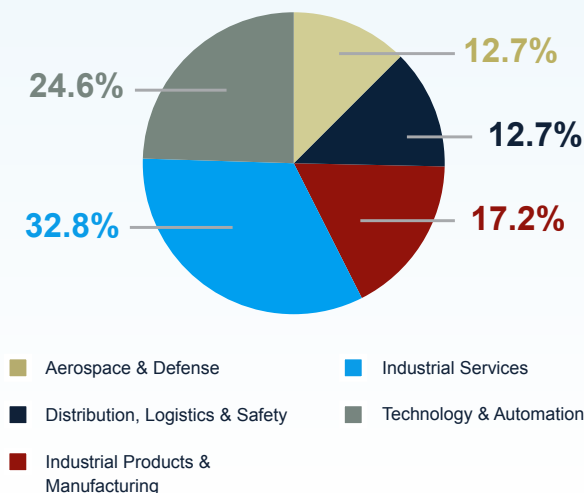


EXECUTIVE SUMMARY

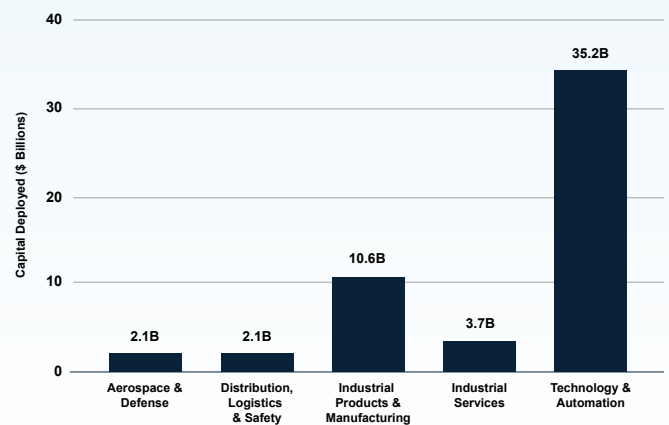
October saw yet another active month for industrial sector transactions, with major deal activity spanning advanced manufacturing, automation, energy, and AI infrastructure. The month was defined by several high-value deals, led by xAI's \$20 billion equity/debt financing backed by Valor Equity Partners and Nvidia, exemplifying the accelerating convergence of artificial intelligence and industrial innovation. Other notable mega-deals included Techem GmbH's \$7.8 billion buyout by Mubadala, Partners Group, and others in the smart energy space. ABB's \$5.4 billion divestiture of its robotics business to SoftBank Group further reinforces the global appetite for automation and robotics capabilities. Large-scale acquisitions were also seen from GE Vernova's \$5.3 billion purchase of Prolec GE and Lone Star's \$3.8 billion take-private of Hillenbrand Inc., reflecting continued consolidation across industrial manufacturing and infrastructure segments.

Beyond the marquee transactions, deal activity remained active across mid-market and venture segments, emphasizing technological transformation, sustainability, and AI integration across the industrial value chain. Environmental services transactions such as FCC Servicios Medio Ambiente's \$1.6 billion bolt-on by CPP Investments highlighted the growing investment in circular economy solutions. Aerospace and defense transactions, from Firefly's \$855 million acquisition of SciTec to multiple AI-enabled defense tech investments, demonstrated major momentum in national security and space innovation. Venture capital remained active, with over 50 early- to growth-stage financings, including Stoke Space's \$510 million Series D and Nscale Global Holdings' \$433 million Pre-Series C in AI infrastructure. Overall, October 2025 reflected strong cross-border interest, increasing deployment of hybrid capital structures, and sustained investor confidence in industrial digitization, automation, and energy transition themes.

PERCENTAGE OF TOTAL INDUSTRIALS TRANSACTIONS BY VERTICAL (DEAL COUNT)



CAPITAL DEPLOYED BY VERTICAL



KEY VERTICALS

Technology & Automation

Transaction Value: \$35.2bn

The industrial technology and automation segment in October was defined by large transactions that highlight the sector's rapid evolution toward digital transformation and AI integration. The \$20 billion investment led by Valor Equity Partners and Nvidia. Split into two parts, \$12.5 billion of it being debt, \$7.5 billion in equity, the funding is being used to purchase Nvidia chips for its in-progress Colossus 2 data center in Tennessee. Another major event was ABB's \$5.4 billion divestiture of its Robotics Business to SoftBank Group, a strategic realignment aimed at unlocking value from advanced automation and robotics systems that continue to drive global manufacturing productivity gains.

Mid-market and venture activity also reflected investor enthusiasm for industrial automation. Leju Robotics' \$200 million pre-IPO round, along with MatrixSpace's \$20 million Series B, demonstrated growing attention to robotics and AI-enabled sensing technologies, particularly for factory automation and infrastructure management. Collectively, these transactions reveal an ecosystem increasingly centered on scalable AI models, robotics, and digital infrastructure, core enablers of the next wave of industrial efficiency and intelligent manufacturing.

Industrial Products & Manufacturing

Transaction Value: \$10.6bn

Manufacturing transactions in October 2025 highlighted strong consolidation activity across power, machinery, and materials sub-sectors. The \$5.3 billion acquisition of ProlecGE by GE Vernova stood out as a transformative deal, uniting two major electrical equipment players to strengthen grid reliability and industrial supply across North America. Similarly, Lone Star's \$3.8 billion take-private of Hillenbrand Inc. illustrated private equity's continued appetite for established industrial equipment manufacturers capable of operational turnaround and strategic expansion. These large-scale transactions emphasize the ongoing reconfiguration of the industrial base toward modernization, sustainability, and energy efficiency.

Smaller transactions reinforced the same trend on a more specialized scale. Grand Venture Technology's minority investment and Cascadia Windows and Doors' growth equity deal reflected increased demand for advanced materials. They also highlighted rising interest in precision components for construction and electronics manufacturing. The focus on efficiency, sustainability, and automation throughout the manufacturing value chain signals a shift toward high-tech, data-driven production processes. Collectively, the month's activity featured a sector undergoing both consolidation and digital transformation at a global scale.



Industrial Services

Transaction Value: \$3.7bn

October brought strong momentum across industrial services, particularly in environmental management, construction, and maintenance operations. One of the most notable transactions was FCC Servicios Medio Ambiente's \$1.6 billion acquisition by CPP Investments, highlighting a growing emphasis on sustainability and infrastructure services aligned with ESG priorities. The deal underlined investors' focus on long-term environmental infrastructure, from waste management to public maintenance services. Meanwhile, Brown & Root's divestiture and other regional acquisitions reflected the steady integration of engineering and construction services into larger industrial portfolios.

In the mid-market, a range of strategic acquisitions, including Nick's Plumbing & Air Conditioning Services and Beaumont Electric Company, demonstrated investor interest in recurring-revenue business models tied to critical infrastructure and building systems. These transactions revealed a clear trend toward scalability, service diversification, and sustainability in industrial operations. The sector continues to attract capital due to its critical role in supporting industrial ecosystems, with investors prioritizing steady cash flows and exposure to infrastructure renewal and environmental compliance.

Aerospace & Defense

Transaction Value: \$2.1bn

Aerospace & Defense saw a \$5 billion dip in transaction value from last month, but still had mid to large size transactions reflecting heightened interest in advanced technologies and national security innovation. One of the largest deals was Firefly's \$855 million acquisition of SciTec, Inc, a defense technology company specializing in remote sensing and missile defense systems. The acquisition expands Firefly's footprint in government and intelligence markets, highlighting strong demand for data-driven defense systems. Another key highlight was Stoke Space's \$510 million Series D round, which emphasized investor confidence in reusable launch systems and the commercialization of space mobility. These transactions reinforce the continued fusion of industrial manufacturing, defense, and emerging technologies such as AI and automation.

The sector also experienced a diverse range of mid-sized strategic acquisitions and venture financings aimed at reinforcing aerospace supply chains and dual-use innovation. Exosens' \$311 million acquisition and SilverEdge's \$205 million transaction strengthened capabilities in surveillance, semiconductor inspection, and secure IT infrastructure. Together, these investments reveal a defense ecosystem rapidly evolving toward autonomy, sustainability, and data-centric operations. The ongoing inflow of private and institutional capital into next-generation aerospace systems positions the sector as a cornerstone of industrial innovation and global resilience.

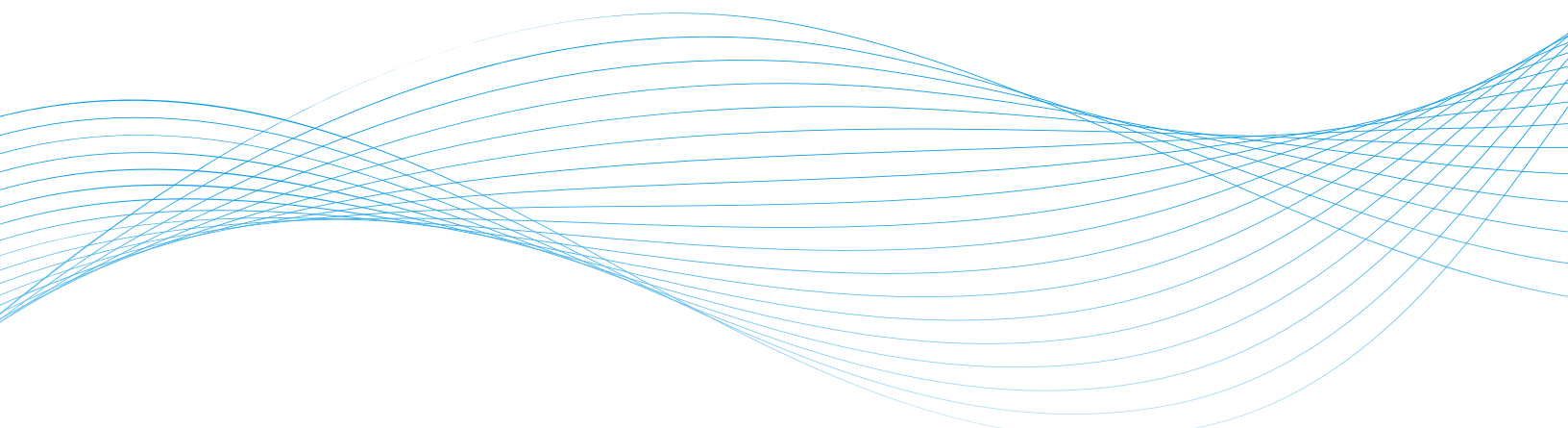


Distribution, Logistics & Safety

Transaction Value: \$2.1bn

The logistics and safety landscape remained active throughout October, driven by digitization, automation, and energy transition within global supply chains. A leading transaction was CSW Industrials' \$650 million acquisition of MARS Parts, which expanded its distribution capacity in HVAC and industrial components, an indicator of increased demand for smart, sustainable logistics infrastructure. Similarly, NRG Riverside's \$606.5 million direct lending deal supported its specialist fleet management and vehicle rental operations, signaling the sector's resilience and continued access to credit financing. Both transactions exemplify how logistics firms are modernizing operations to meet efficiency and sustainability goals.

At the innovation frontier, investments such as Einride's \$100 million venture financing and Dexory's \$80 million Series B round for warehouse robotics showcased the growing overlap between industrial automation and logistics management. These developments point toward a logistics ecosystem that is increasingly technology-enabled, adaptive, and energy-efficient. The combination of automation, clean transport, and digital infrastructure is redefining how goods and services flow across industrial networks, positioning the vertical as a central pillar in industrial modernization efforts.



TRANSACTION NEWS

This table highlights five major industrial transactions from October, selected for their size and strategic relevance. Together, they reflect the principal investment themes currently influencing activity across the sector.

TOP 5 INDUSTRIALS TRANSACTIONS - OCTOBER 2025

Rank	Name	Description	Type	Sub-Type	Vertical	Value	Buyer
1	xAI	Artificial-intelligence company seeking to advance scientific discovery and universal understanding.	Growth Equity	Hybrid Financing	Technology & Automation	\$20bn	Valor Equity Partners, Nvidia
2	Techem GmbH	Digital energy-services partner enabling climate-neutral buildings and real-estate efficiency.	Buyout/Private Equity	Platform	Technology & Automation	\$7.8bn	Mubadala Investment Company, Partners Group, GIC, TPG Rise Climate
3	ABB's Robotics Business	Global robotics and machine-automation division empowering flexible, efficient industrial operations.	Buyout/Private Equity	Divestiture	Technology & Automation	\$5.4bn	SoftBank Group
4	Prolec GE	Transformer-manufacturer delivering power-grid solutions across generation, transmission, and distribution.	Acquisition	Strategic Acquisition	Industrial Products & Manufacturing	\$5.3bn	GE Vernova
5	Hillenbrand	Diversified industrial equipment company engineering mission-critical solutions for global manufacturing.	Buyout/Private Equity	Take-Private	Industrial Products & Manufacturing	\$3.8bn	Lone Star



KEY TRENDS & INSIGHTS

- **High Transaction Volume with Lower Value:** Industrial deal count increased from September across all segments, but with lower capital deployment across the sector.
- **Digital Transformation Accelerating Across Industrial Verticals:** AI, automation, robotics, and digital engineering continue to scale across supply chains, manufacturing, utilities, and aerospace. This is reflected in strong activity across automation-heavy assets such as ABB's Robotics Business, Dexory, Einride, and Urbint. Growth financing is concentrated in AI-native industrial platforms (e.g., Phaidra, NScale Global, Electric Mind), underscoring the rapid adoption of "AI factory" operating models across data centers, advanced manufacturing, and logistics networks.
- **Shift Toward Infrastructure Modernization & Energy Transition:** Large-cap activity around power equipment and grid modernization, such as GE Vernova's acquisition of Prolec GE, highlights accelerating investment in electrification, grid resiliency, and utility-scale capacity upgrades. Infrastructure-linked services, ranging from EPC and mechanical contracting to aerospace launch systems, show elevated strategic and private capital interest as governments and corporates prioritize modernization cycles.
- **Sustainability & ESG Integration as a Driver of Platform Value:** Environmental services, waste operations, spill response, and compliance-related offerings saw continued consolidation, with multiple large bolt-ons across waste management, remediation, and facility operations (e.g., FCC Servicios Medio Ambiente, Pelican Waste & Debris, Boomer Environmental). Increasing investor emphasis on circularity, carbon management, and environmental risk mitigation is shifting sustainability from a compliance cost to a strategic growth lever.
- **Resilient Mid-Market and Venture Ecosystem Fueling Next-Gen Industrial Innovation:** October featured a diverse pipeline of early and growth-stage financings across industrial tech, advanced manufacturing, AgTech, defense, and freight/logistics automation. Venture-backed disruptors are reshaping traditional industrial workflows with robotics, autonomy, and sensing technologies. Mid-market PE platforms in services, distribution, and specialty manufacturing remain highly active.



LOOKING FORWARD

The industrial sector is poised for continued expansion heading into 2026, supported by strong capital availability, accelerating adoption of AI, automation, and ongoing infrastructure and energy-transition investments. Companies are expected to increasingly prioritize digital efficiency, supply chain resilience, and sustainable operations, while investors continue to seek exposure to scalable industrial technology platforms. As reshoring, clean energy, and advanced manufacturing initiatives gain momentum globally, the sector's growth will likely be driven by innovation in automation and data intelligence, alongside advances in green infrastructure, positioning industrial markets for another year of high-value activity and strategic consolidation.

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