



**SKYWAY**  
CAPITAL MARKETS

Sector Update:

**Engineering Services**

May 2025

## M&A Update

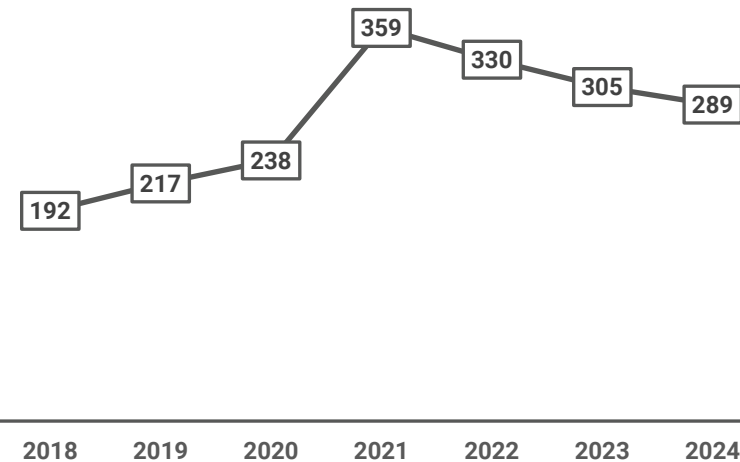
### M&A Drivers

The U.S. engineering services industry is undergoing a dynamic wave of mergers and acquisitions (M&A), fueled by strategic imperatives and evolving market conditions. After a temporary slowdown due to macroeconomic headwinds, **M&A activity rebounded in the first quarter of 2025**. Anticipated strong corporate earnings are expected to further drive building activity and attract increased investor interest.

Institutional and strategic buyers are no longer focused solely on consolidating market share. Instead, many are pursuing M&A as a means to **expand service capabilities, enter new markets**, and gain **access to advanced technologies**. Acquisitions are increasingly targeting firms with offerings in automation, and data analytics, all aimed at boosting productivity and competitiveness. Companies with **modular construction capabilities** and **smart infrastructure solutions** have become particularly attractive targets.

Additionally, the **growing emphasis on decarbonization and energy transition is reshaping M&A strategy** across the sector. Buyers are actively seeking firms with expertise in renewable energy, sustainable design, and green building practices to meet the rising demand for environmentally responsible infrastructure solutions.

### M&A Deal Count



### Commentary

*"The engineering services sector has experienced a significant ramp up in M&A activity over the past several years... This increased deal activity... is expected to continue for the foreseeable future and is the result of several factors ranging from increased competition, succession planning, and overall favorable economic conditions."*

- SC&H, Inc. from "Key Value Drivers and Performance Metrics"

## Industry Overview

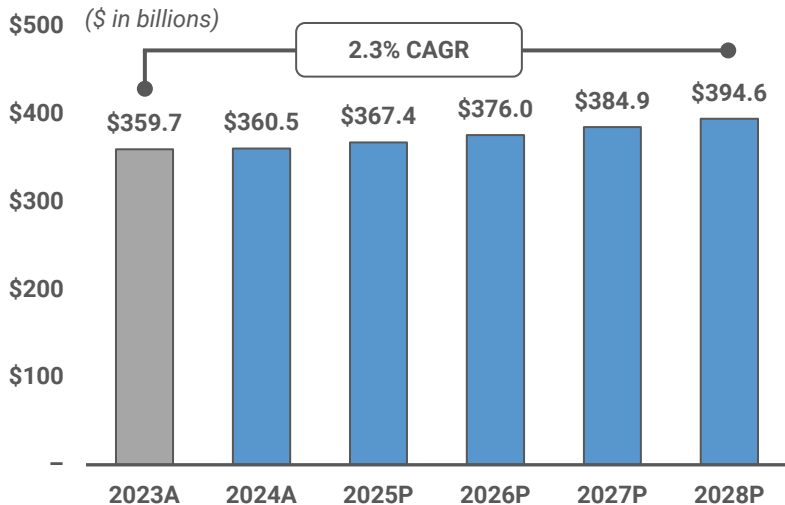
### Market Snapshot

The U.S. engineering services market continues to experience steady growth, driven by sustained investment and ongoing technology developments. **Currently valued at \$361 billion**, the market is **projected to grow at a 2.3% compound annual growth rate (CAGR)**, reaching an **estimated \$395 billion by 2028**.

**Sustained Public and Private Investment:** Continued funding for infrastructure upgrades and urban expansion—especially in transportation, utilities, and environmental engineering—is fueling long-term demand for engineering services.

**Rising Demand for Skilled Talent:** Increased complexity in infrastructure projects and the integration of emerging technologies are driving demand for highly specialized engineering talent across civil, environmental, and structural disciplines.

### Market Size & Growth

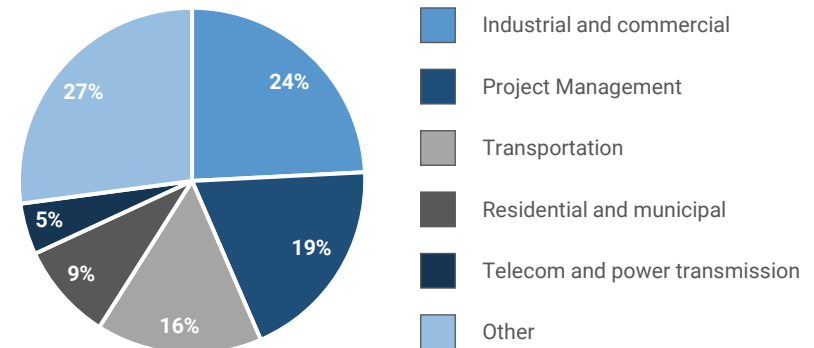


### Market Drivers

The U.S. engineering services market is **primarily driven by infrastructure-related work**, with firms offering a broad mix of technical and design services across sectors. **Civil engineering continues to anchor the industry**, supported by strong public and private investment in transportation and utilities.

- **Engineering services dominate industry revenue, accounting for approximately 80–90% of the total**, while pure architectural design services contribute just 10–15%.
- **Civil engineering is the largest segment**, encompassing transportation, structural, geotechnical, and water infrastructure design, and reflects the ongoing demand for large-scale infrastructure development.

### Service Type Mix



## Competitive Landscape

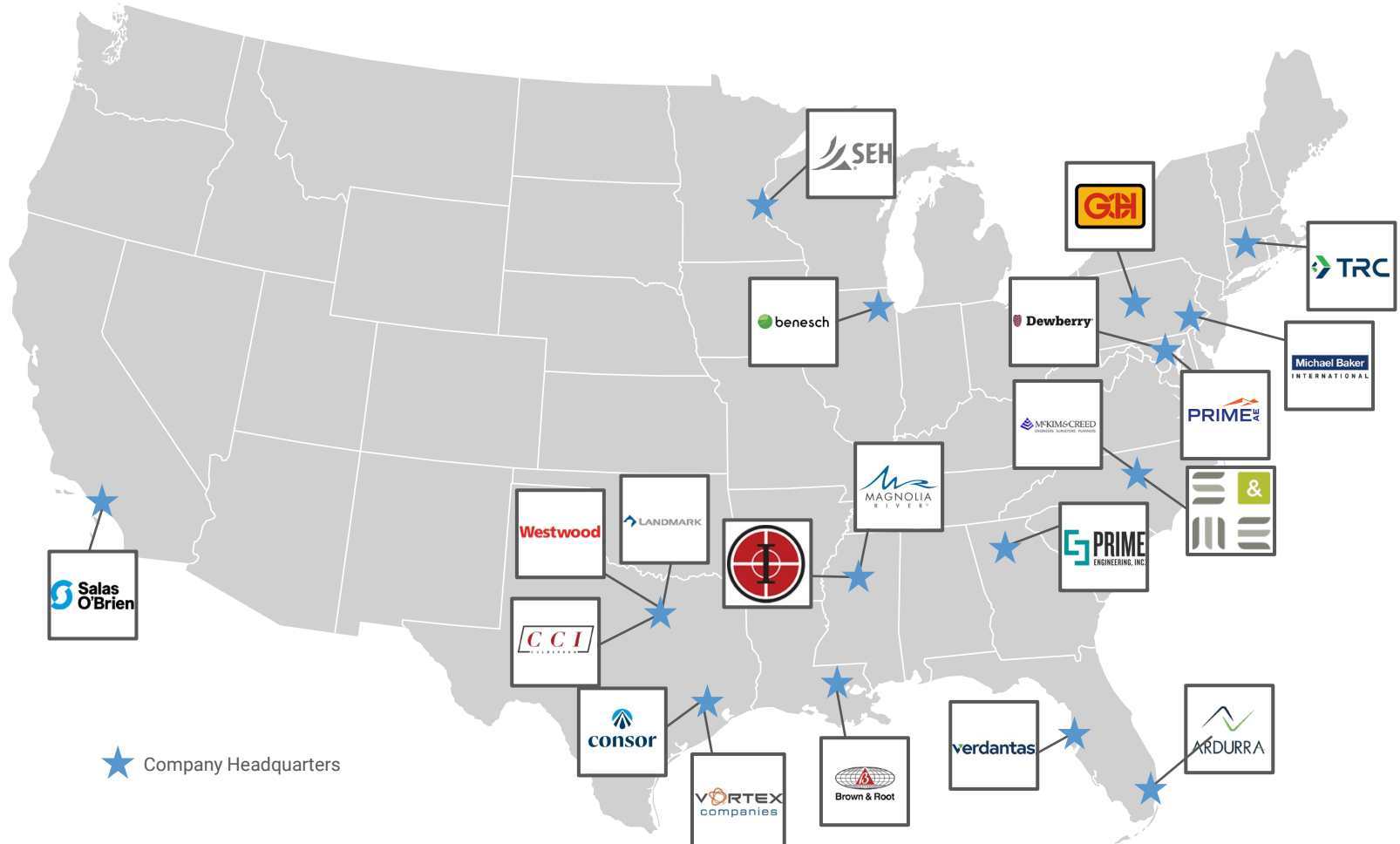
### Select Private Equity-Backed Engineering Companies

### Select Stand-Alone Engineering Companies

					
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## Geographic Competitive Landscape



## Recent Transaction Activity

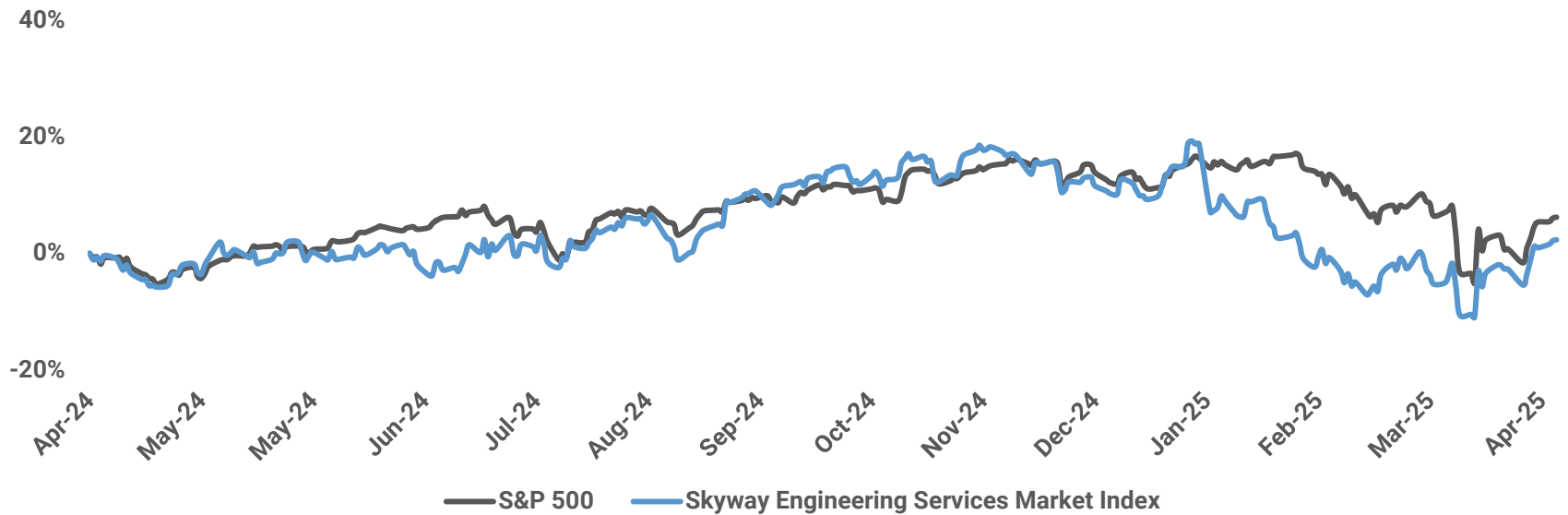
Target (Ownership)	Acquirer (Ownership)	Close Date	Location
<b>Southwest Engineers</b> <i>Provider of civil engineering services</i>	<b>The HFW Companies (VSS Capital Partners)</b>	May-25	Gonzales, TX
<b>Terra Consulting Group</b> <i>Provider of land development and engineering design services</i>	<b>Colliers Engineering &amp; Design</b>	May-25	Park Ridge, IL
<b>Wilkinson Associates</b> <i>Operator of a professional consulting engineering firm</i>	<b>Earthwise Energy Technologies</b>	May-25	Warwick, RI
<b>Invex Technology Solutions</b> <i>Provider of IT consulting and engineering services</i>	<b>Sensible Solutions And Technologies</b>	May-25	Fairfax, VA
<b>Edec</b> <i>Provider of electrical design engineering services</i>	<b>Salas O'Brien Engineers (Blackstone)</b>	Apr-25	Duluth, GA
<b>Prism Contractors &amp; Engineers</b> <i>Provider of engineering, consulting and construction services</i>	<b>Vortex Companies (Quad-C Management)</b>	Apr-25	Williamsburg, VA
<b>Expeditionary Engineering</b> <i>Provider of engineering services</i>	<b>Ultra Electronics</b>	Apr-25	San Diego, CA
<b>Carolina Engineering Solutions</b> <i>Provider of integrated engineering services</i>	<b>Salas O'Brien Engineers (Blackstone)</b>	Apr-25	Greenville, SC
<b>Harbor Engineering</b> <i>Provider of engineering services</i>	<b>Vanasse Hangen Brustlin</b>	Apr-25	Barrington, RI
<b>M V Engineering</b> <i>Provider of engineering consulting services</i>	<b>Pennoni Associates</b>	Apr-25	Cape May, NJ
<b>Professional Engineering Consultants</b> <i>Provider of consulting civil engineering services</i>	<b>Forte &amp; Tablada</b>	Apr-25	Baton Rouge, LA
<b>David Evans &amp; Associates</b> <i>Provider of consulting engineering services</i>	<b>AtkinsRealis [TSE: ATRL]</b>	Apr-25	Portland, OR
<b>South Coast Engineering Group</b> <i>Provider of engineering services</i>	<b>GreenbergFarrow</b>	Apr-25	Calabasas, CA
<b>The Wlb Group</b> <i>Provider of civil engineering services</i>	<b>LJA Engineering</b>	Apr-25	Tucson, AZ
<b>Atlantic Environmental Consulting Services</b> <i>Provider of environmental engineering services</i>	<b>Verdantas (Sterling Investment Partners)</b>	Apr-25	Warren, NJ
<b>Atlantic Resource Consultants</b> <i>Provider of professional engineering services</i>	<b>Verdantas (Sterling Investment Partners)</b>	Apr-25	Freeport, ME

## Recent Transaction Activity (cont.)

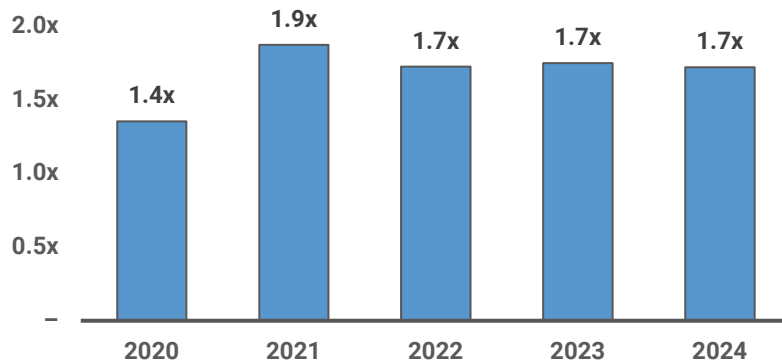
Target (Ownership)	Acquirer (Ownership)	Close Date	Location
<b>Horizons Engineering</b> <i>Provider of civil infrastructure and environmental services</i>	<b>Verdantas (Sterling Investment Partners)</b>	Apr-25	Littleton, NH
<b>The Transtec Group</b> <i>Provider of pavement engineering services</i>	<b>Terracon Consultants</b>	Apr-25	Austin, TX
<b>Atlantic Testing Laboratories</b> <i>Provider of engineering services</i>	<b>Oakley Capital, Phenna Group</b>	Apr-25	Canton, NY
<b>Chavez-Grieves Consulting Engineers</b> <i>Provider of structural engineering services</i>	<b>Salas O'Brien Engineers (Blackstone)</b>	Mar-25	Albuquerque, NM
<b>FA Engineering</b> <i>Provider of custom engineering services</i>	<b>Salas O'Brien Engineers (Blackstone)</b>	Mar-25	Pocatello, ID
<b>All In Design</b> <i>Provider of engineering services</i>	<b>4Ward Consulting</b>	Mar-25	Edwards, CO
<b>Mittauer &amp; Associates</b> <i>Provider of structural engineering</i>	<b>CPH</b>	Mar-25	Orange Park, FL
<b>Cavern Solutions</b> <i>Provider of engineering and technical consulting services</i>	<b>SubTerra Engineering</b>	Mar-25	Houston, TX
<b>Engineering Strategies</b> <i>Operator of an engineering firm</i>	<b>Brightstar Capital Partners, Prime Engineering</b>	Feb-25	Marietta, GA
<b>Stella Maris</b> <i>Operator of an engineering company</i>	<b>Yinson Production</b>	Feb-25	Lafayette, LA
<b>Vitetta Architects and Engineers</b> <i>Operator of an architecture firm</i>	<b>Design Resources Group Architects, A.I.A</b>	Feb-25	Philadelphia, PA
<b>UP Engineering</b> <i>Provider of civil engineering and surveying services</i>	<b>Bowman Consulting [NAS: BWMN]</b>	Feb-25	San Antonio, TX
<b>Park Engineering</b> <i>Provider of engineering and construction management services</i>	<b>Consor Engineers (New Mountain Capital)</b>	Feb-25	Orinda, CA
<b>Green International Affiliates</b> <i>Provider of civil and structural engineering services</i>	<b>H.W. Lochner</b>	Feb-25	Tewksbury, MA
<b>SouthCraft Home Builders</b> <i>Provider of construction and engineering services</i>	<b>Empire Communities</b>	Feb-25	Charlotte, NC
<b>Terrascape Consulting</b> <i>Provider of consulting and engineering services</i>	<b>Atwell</b>	Feb-25	Phoenix, AZ

## Engineering Services Public Equity Performance

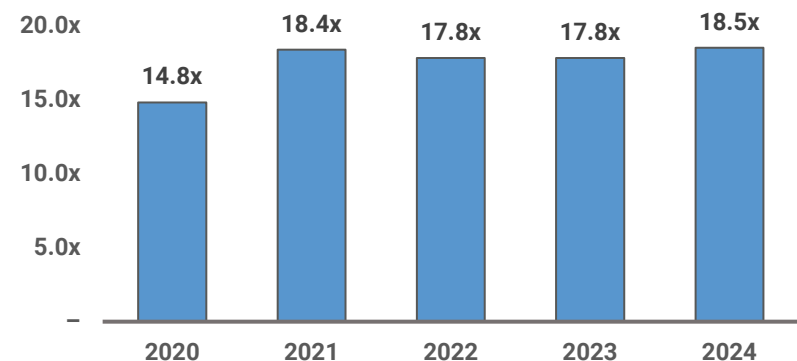
LTM Public Equity Performance



Revenue Trading Multiples



EBITDA Trading Multiples



Skyway Capital Markets Industry index: PWR, MTZ, TTEK, J, FLR, ACM, WSP, STN, NVEE

Source: CapIQ



## Skyway Capital – Firm Overview

Our team of 45+ professionals includes senior investment bankers with 25+ years, on average, of experience and expertise in mergers and acquisitions (M&A), capital markets, and private capital advisory. The firm is focused on middle-market businesses and has completed more than 200 transactions with a total transaction value exceeding \$20 billion.

### M&A Advisory

Skyway Capital is a middle-market investment bank led by a team of highly experienced professionals, providing tailored sell-side and buy-side advisory services.

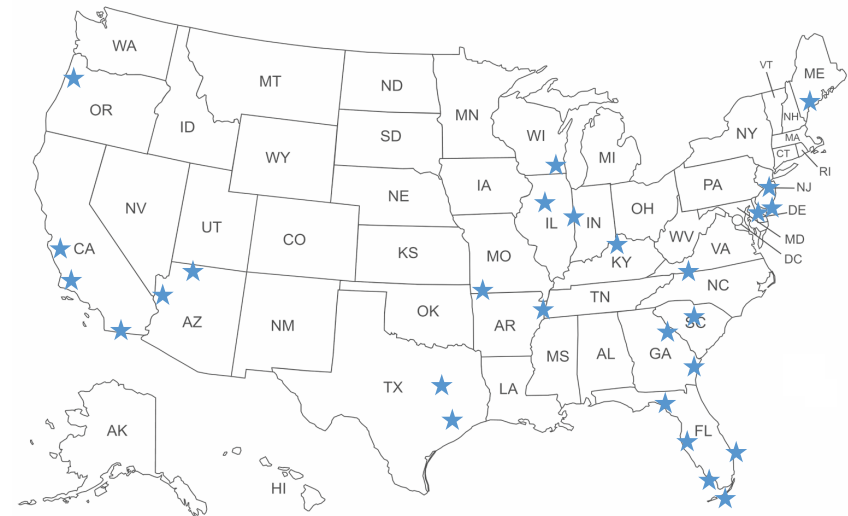
### Capital Markets Advisory

Our team maintains a deep network of investor relationships and access to a wide range of capital sources to help companies obtain the necessary capital for achieving their growth, liquidity, and financing objectives.

### Private Capital Advisory

Working with a select group of best-in-class sponsors, Skyway Capital helps structure offerings that provide investors with attractive features and risk-adjusted returns.

### Nationwide Coverage



★ - Indicates select active & completed transactions

### Sector Coverage

**BUSINESS  
SERVICES**

**HEALTHCARE**

**INDUSTRIALS**

**FINANCIAL  
SERVICES**

**CONSUMER**

## Skyway Capital – Firm Overview (cont.)

### Senior M&A Bankers



**Jim DiCesaro, CFA**  
Senior Managing Director



**Keith Hodgdon**  
Senior Managing Director



**Jeff Hunt**  
Senior Managing Director



**Roger Overby**  
Senior Managing Director



### Recent M&A Transactions



*has acquired*



*acquired by*



*acquired by*



*acquired by*



*has acquired*



*acquired by*



*acquired by*



*acquired by*



*acquired by*



*acquired by*



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