

BAIRD GLOBAL INDUSTRIAL INVESTMENT BANKING

BAIRD

INDUSTRIAL CONFERENCE TAKEAWAYS – EXECUTIVE SUMMARY

November 2025



WORLD'S PREEMINENT GLOBAL INDUSTRIAL CONFERENCE

Three days in-person in Chicago, as well as a virtual private company track



Baird's 55th annual Industrial Conference



2,627 total attendees



315 presenting companies, including 225 CEOs



Record 9,120 breakout sessions and 1-on-1 meetings



Bellwether stocks – 115 companies with market cap \$10bn+



550 attendees from private equity firms



Broad representation from North America, Europe and Asia



KEY TAKEAWAYS FROM OUR INDUSTRIAL CONFERENCE

BAIRD

Market outlook and revenue performance

1 Expectation of normalization after 5 years of volatility

CEOs expecting relative stability after supply chain disruption, inflation and tariffs

2 Inflection / return to growth in general industrial

2025 is an inflection year for many companies, driven by improving industrial demand

3 Growth rates vary significantly by end market

2026 company performance will be driven by end market exposure

4 Strength in key long cycle markets builds orderbook

Standout end markets include datacenters, aerospace & defense and energy infrastructure

5 Weakness in certain consumer-facing end markets

Affordability (stemming from inflation) has impacted residential construction, automotive and packaging

6 US to lead recovery while Europe and China stabilize

Regional differences continued in 2025 with US seen as a relative winner

Internal strategy and M&A

7 Record margins supported by internal initiatives, led by data

Business operating systems – Lean, 80/20, AI, tariff mitigation

8 Simplification is driving divestitures and spin-offs

Constant portfolio evaluation, ensuring core businesses are synergistic with one another

9 Proactive M&A to increase long term growth

Strong cash flow available to deploy on M&A to gain exposure to secular growth themes

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