

IEH Corp. (IEHC:OTC)

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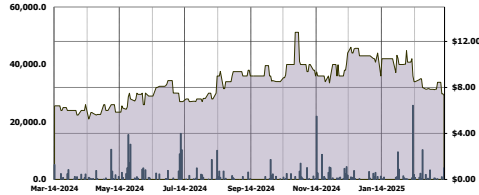
All figures in USD unless otherwise stated

IEH Corp.	IEHC:OTC
Share Price	\$7.30
Average Daily Volume (K)	0.5
Shares Outstanding (M)	2.4
Market Cap (\$M)	\$17.4
Cash (\$M)	\$9.0
Debt (\$M)	\$2.3
Enterprise Value (\$M)	\$10.7

FYE Mar 31	FY23A	FY24A	LTM
Sales (\$M)	\$19.1	\$21.5	\$28.6
Sales Growth (YoY %)	(21%)	12%	44%
Gross Margin (%)	4%	15%	24%
EBITDA (\$M)	(\$4.8)	(\$2.9)	\$0.8
EBITDA Margin (%)	(25%)	(13%)	3%
Net Income (\$M)	(\$6.5)	(\$2.9)	\$1.0

Valuation	FY23A	FY24A	LTM
EV/EBITDA	N/A	N/A	13.0x
P/E	N/A	N/A	17.3x
EV/Sales	0.6x	0.5x	0.4x

Please refer to the applicable disclosures on the back page  
Source: Atrium Research, CapitalIQ, Company Documents



IEH Corporation, established in 1941 and headquartered in Brooklyn, New York, specializes in the design, development, and manufacture of high-performance printed circuit board (PCB) connectors and custom interconnects. The Company utilizes hyperboloid connector technology, renowned for its durability and reliability, to produce products that meet stringent military and aerospace specifications. IEH's offerings include PCB connectors, hybrid power/signal connectors, high-speed series connectors, and custom solutions tailored to the unique requirements of its clients.

**What you need to know:**

- IEH Corporation designs, develops and manufactures PCB connectors and customer interconnectors for companies across various sectors.
- The Company serves clients in multiple industries including defense, aerospace, medical, industrial, and commercial electronics.
- IEHC has shown strong revenue growth, ramping from \$19.1M in FY23 to \$28.6M in the LTM.
- IEHC is a family run business with operations dating back to 1941. The Company, founded by Irving Offerman, is now led by his great grandson.
- Watch clips of the interview [here](#).

**Company Overview**

IEH Corporation specializes in the design, development, and manufacture of high-performance printed circuit board (PCB) connectors and custom interconnects. The Company utilizes hyperboloid connector technology, renowned for its durability and reliability, to produce products that meet stringent military and aerospace specifications. IEH's offerings include PCB connectors, hybrid power/signal connectors, high-speed series connectors, and custom solutions tailored to the unique requirements of its clients.

IEHC serves a diverse clientele, marketing its products directly to original equipment manufacturers and through authorized representatives and distributors. Its customer base spans various sectors, including defense, aerospace, medical, industrial, test equipment, space, and commercial electronics. The Company's commitment to quality and innovation has solidified its position as a leading provider of interconnect solutions in these high-performance industries.

**Investment Thesis**

**Diverse Customer Base.** IEHC serves multiple sectors including defense, aerospace, medical, industrial, and commercial electronics. This diversification helps mitigate risks associated with dependence on a single industry and provides multiple avenues for growth.

**Long-Standing Industry Presence.** IEHC was founded in 1941 and has a long history operating in the industry. The family-owned business has an extensive track record and a deep understanding of market dynamics and customer needs.

**Improved Financial Results.** IEHC has seen a strong rebound in revenue, growing from \$19.1M in FY23 to \$28.6M in the LTM with 44% LTM revenue growth. In the LTM, IEHC posted \$1M in net income, up from (\$6.5M) in FY22.

**Management.** The Company is led by CEO David Offerman who has been working for IEHC since 2004. David succeeded his father Michael Offerman who served as President and CEO until his passing in 2017. The Offerman family owns 37%.

**Valuation.** IEHC currently trades at 13.0x LTM EBITDA and 0.4x LTM sales.

**Conference Takeaways**

- Management has extensive experience, having IEHC being a family-owned and operated business.
- Primed to expand business through M&A activity (\$9.0M in cash with only \$2.3M in debt), focusing on expanding non-core segments outside of defense and commercial aerospace.
- Strategically positioned with manufacturing in the US with little/no China exposure, likely to benefit over non-US based competitors.