Kipps DeSanto
INVESTMENT BANKING

# Aerospace / Defense & Government Services 2023 M&A Survey

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This past year was another strong year for mergers and acquisitions activity in the Aerospace, Defense Products and Technology, and Government Services sectors. While the total number of announced deals in 2022 decreased compared to the record number of deals in 2021, this activity reflected a reversion back to more historical norms of M&A activity established over the past several years. This return to historic norms in 2022, the protraction of the Russia / Ukraine conflict and continuation of broader macroeconomic influences, drives our curiosity to understand dealmakers' views on M&A activity and valuations for 2023.

In our sixth survey of M&A activity and sentiment, we find dealmakers are less optimistic about the U.S. economy and valuations for 2023 than they were for 2022. Approximately, 60% of respondents, evenly split, anticipate flat / no economic growth or moderate economic growth. Roughly 54% of respondents predict valuations will decrease and 61% of respondents believe the cycle of M&A activity and valuations has peaked and will contract.

Conversely, 85% of respondents, evenly split, anticipate completing the same number of deals or more in 2023. The majority of respondents also still expect M&A activity to remain the same or increase — Aerospace (76%), Defense Products and Technology (68%), and Government Services (57%).   These are positive indication for the year to come.

Many of the most active dealmakers in the Aerospace, Defense Products and Technology, and Government Services sectors participated in this survey. This includes CEOs, presidents, CFOs, corporate development executives (or other executive-level respondents from corporate / strategic buyers), private equity partners, and senior professionals.

**"Through this report, we hope to present the market with a broader view of the underlying factors that impact the decision-making of dealmakers of these sectors in 2023, including potential drivers of M&A activity in the Aerospace, Defense Products and Technology, and Government Services sectors. Additionally, by aggregating sentiment, we stive to provide unique market insights. We, like many of our respondents, remain optimistic by what we are seeing in our sectors.**

**KIPPSDESANTO & CO.**

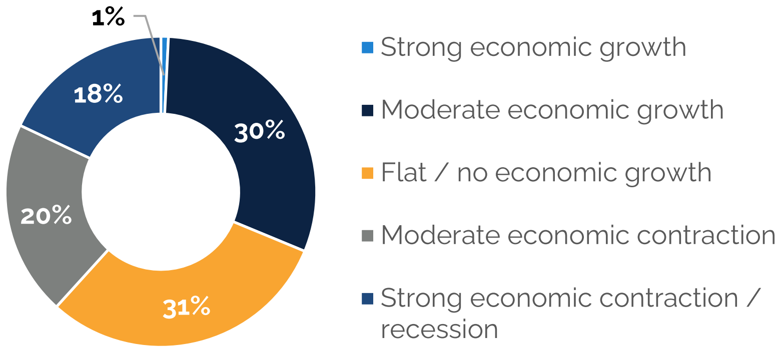
## Dealmakers Predict Moderate to Flat Economic Growth

In our sixth annual survey of M&A activity and sentiment, we find dealmakers are less optimistic about economic growth for 2023 than they were for 2022. 30% of respondents expect moderate growth in 2023, as compared to 68% in 2022 and 67% in 2021.

The survey indicated a sizable jump in those expecting flat / no economic growth in 2023, at 31%, an increase from 11% in 2022 and 18% in 2021. Additionally, expecting a moderate or strong economic contraction were notably higher, at 38%, as compared to 4% in 2022 and 2021.

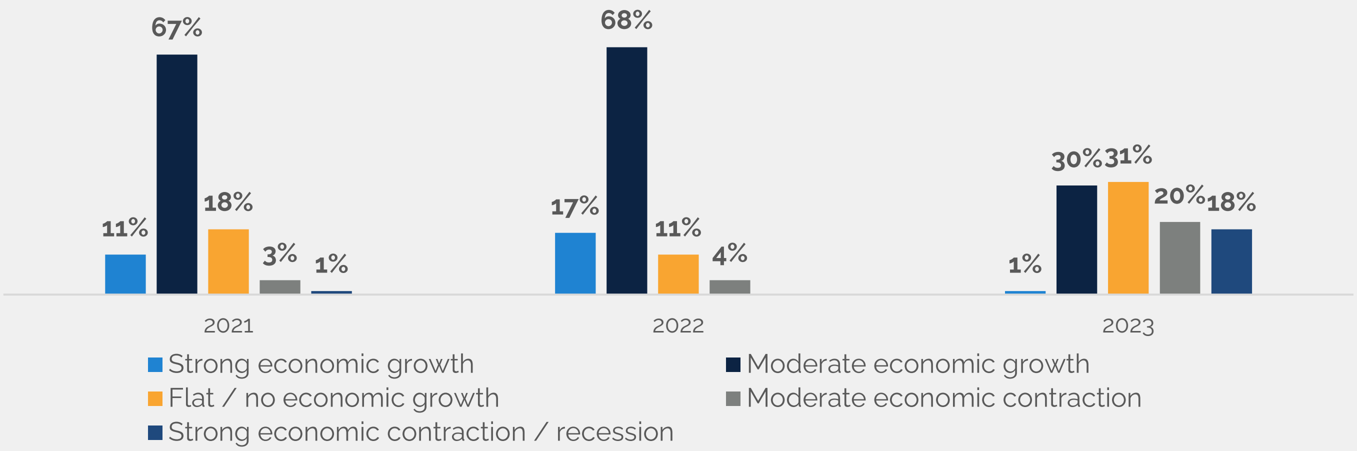
Looking across six years of survey data, respondents' predictions for economic growth in the coming year have been fairly steady. Since 2018, most respondents have predicted moderate economic growth for the coming year, with particular bumps in optimism in 2018 and 2022, but now a more conservative outlook in 2023.

### Expectations for the U.S. Economy in 2023




**IN RESPONSE TO:** *Which of the following best describes your expectation for U.S. economic growth in 2023?*

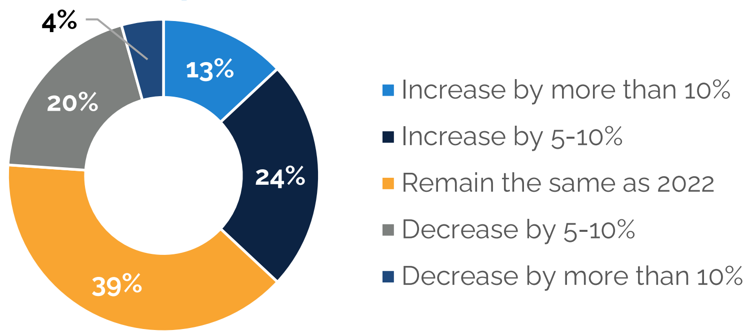
### Expectations for the U.S. Economy, Year-Over-Year Trend




## Majority of Respondents Continue to Predict Deal Activity to Increase or Remain the Same

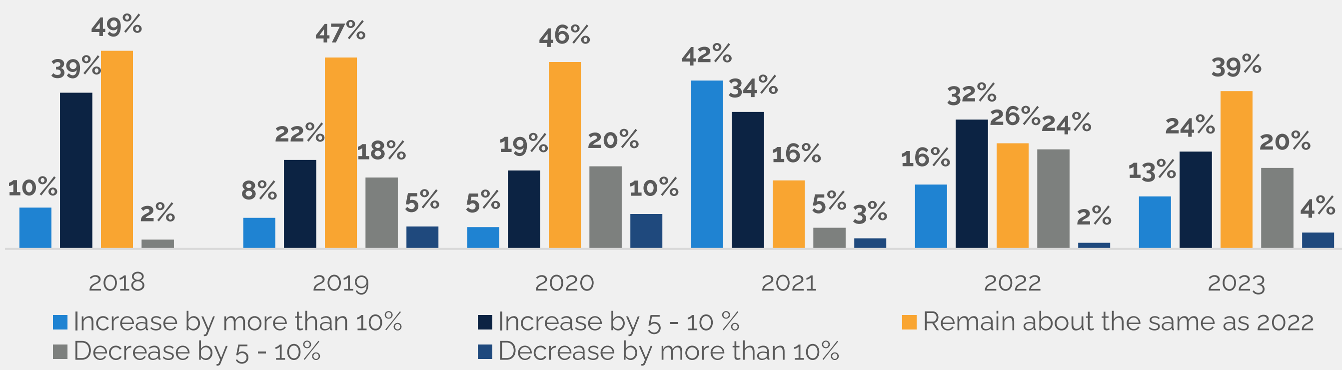
Overall, predictions about M&A activity in this year's survey are slightly more optimistic than in last year's survey. In a repeat of results from our 2022 and 2021 surveys, respondents continue to show greater optimism in 2023 about M&A activity in the **Aerospace sector** than the Defense Products and Technology and Government Services sectors. Over 37% of respondents anticipate activity to increase in 2023. While a decrease from 48% that predicted activity increase in 2022, the number of respondents who anticipate activity will remain flat in 2023 (39%) also increased as compared to 2022 (26%). Given that Aerospace M&A recovery has lagged Defense Products and Technology and Government Services, this is unsurprising. Despite the optimism in last year's survey, deal activity in 2022 remained relatively flat.

## Anticipated M&A Activity in the Aerospace Sector, 2023 vs. 2022



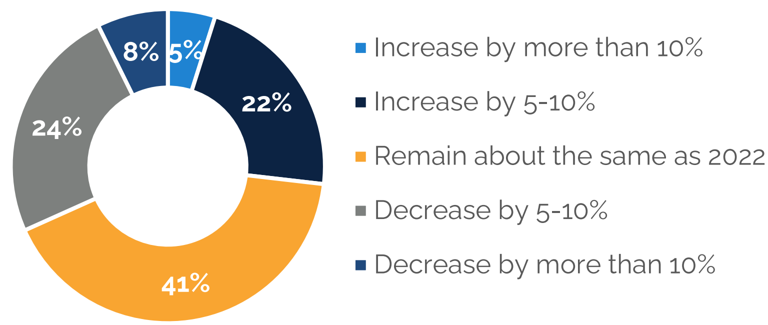

**IN RESPONSE TO:** *M&A activity in the Aerospace sector in 2023 compared to 2022. The number of deals closed in 2023 will...*

## Anticipated M&A Activity in the Aerospace Sector, Year-Over-Year Trend



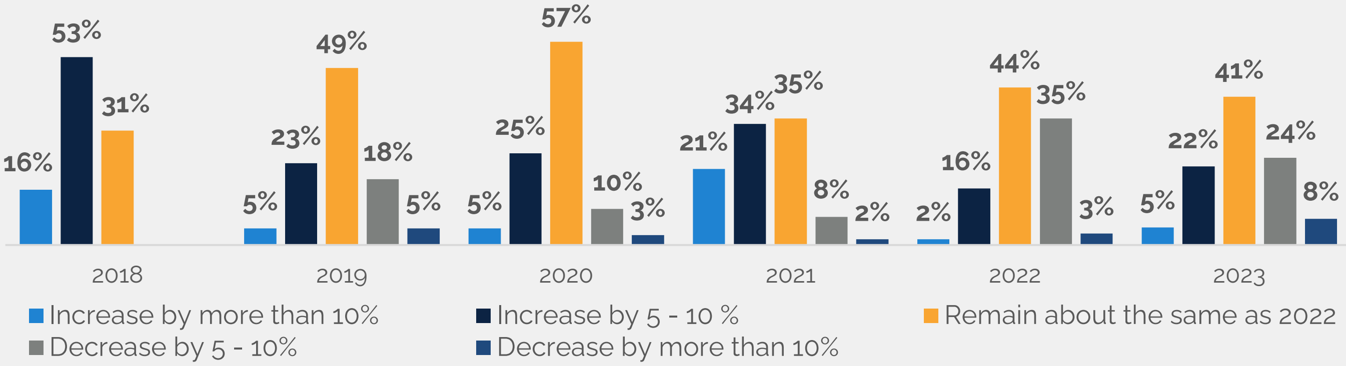

In the **Defense Products and Technology sector**, 41% of respondents expect the number of deals to remain the same in 2023, which is similar to the results in 2022 (44%). A higher percentage of respondents (27%) predict an increase in M&A activity for 2023 as compared to 2022 (18%), while a smaller percentage of respondents (32%) expect activity levels to decrease in 2023, down from 38% in 2022. These are positive indicators for dealmaking in this sector. Dealmakers' predictions for the Defense Products and Technology sector over the past six years also illustrate that anticipated growth in 2023 is similarly optimistic to 2022, but slightly less optimistic than 2018 to 2020. These responses would appear to indicate general sentiment in line with historical norms given the significant fluctuation of deal volume over the past two years.

## Anticipated M&A Activity in the Defense Products and Technology Sector, 2023 vs. 2022



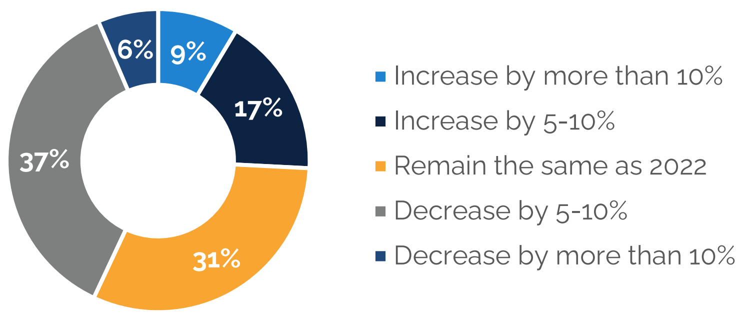

**IN RESPONSE TO:** *M&A activity in the Defense Products and Technology sector in 2023 compared to 2022. The number of deals closed in 2023 will...*

## Anticipated M&A Activity in the Defense Products and Technology Sector, Year-Over-Year Trend



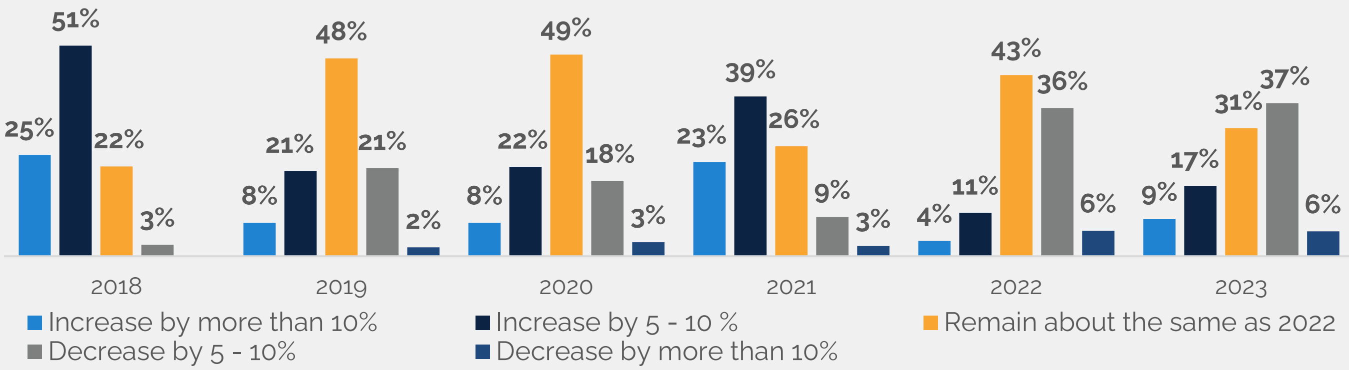

Within the **Government Services sector**, 26% of respondents predict an increase in M&A activity in 2023 as compared to 15% in 2022, a positive indicator overall, while 43% predict a decrease in M&A activity in 2023, which is similar to the results in 2022 (42%). This response of continued decline is a bit bearish in nature given 2023 activity will be off a 2022 that was in line with historical norms compared to 2022 which followed the record 2021 activity.

## Anticipated M&A Activity in the Government Services Sector, 2023 vs. 2022




**IN RESPONSE TO:** *M&A activity in the Aerospace sector in 2023 compared to 2022. The number of deals closed in 2023 will…*

## Anticipated M&A Activity in the Government Services Sector, Year-Over-Year Trend



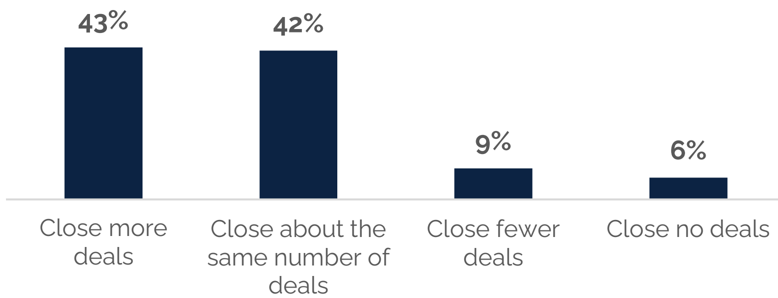

## Dealmakers Expect to Close the Same or More Deals in 2023 vs. 2022

A nearly even split of dealmakers anticipate closing more deals (43%) as those who anticipate closing about the same number of deals (42%) in 2023 as compared to 2022. This highlights one of the key points of interest from this year's survey: while respondents generally expect overall deal volume to be in-line or lower than 2022, a slight plurality of respondents think their own organizations will do more deals in 2023.

The percentage of respondents expecting to do fewer or no deals in 2023 is up slightly at 15%, compared to 12% in 2022. However, this is comparable to the percentage of dealmakers who expected to close fewer deals or no deals in our surveys for 2018 through 2022, which stayed between 10% to 17% each year.

As in previous years, in 2023, corporate respondents are slightly less likely to increase their M&A activity than private equity respondents, with an identical percentage (40%) expecting to close more deals in 2023 than in 2022, as 2022 compared to 2021 (40%). Roughly the same percentage of respondents are expecting to close about the same number of deals in 2023 compared to 2022 (43%) as 2022 compared to 2021 (47%).

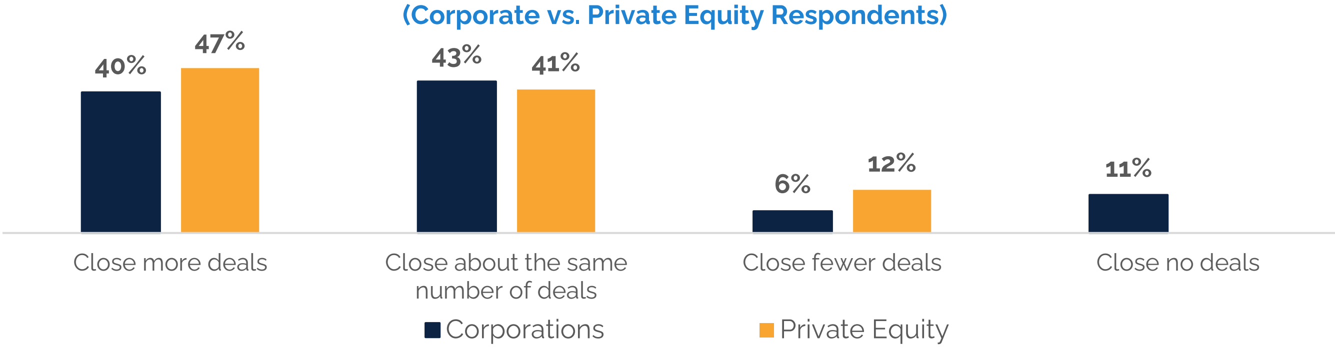
**M&A Deals at Dealmakers' Own Organization Outlook in 2023**
**(All Respondents)**




**IN RESPONSE TO:** *How active will your organization be in M&A in 2023 compared to 2022? We expect to...*

The percentage of private equity and corporate respondents who expect to close fewer deals in the coming year remained relatively flat, but the percentage of corporate respondents who expect to close no deals increased to 11% in 2023 as compared to 4% in 2022.

**M&A Deals at Dealmakers' Own Organization in 2023**
**(Corporate vs. Private Equity Respondents)**



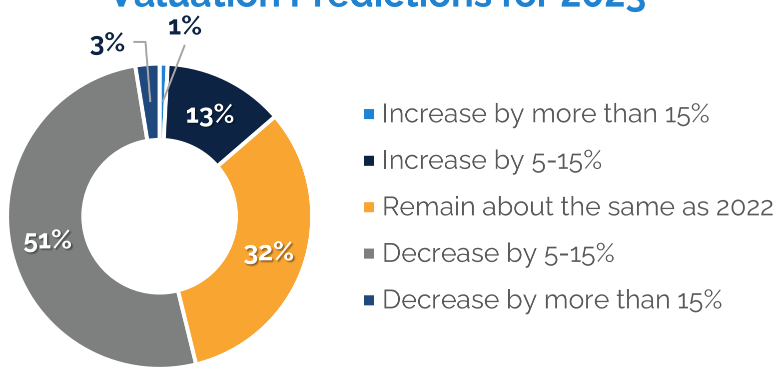

**IN RESPONSE TO:** *How active will your organization be in M&A in 2023 compared to 2022? We expect to...*

## Majority of Dealmakers Predict Less Stable Valuations in 2023

The majority of respondents (54%) predict valuations will decrease in 2023, while about 14% believe valuations will increase. About 32% predict valuations will remain about the same as 2022. This is a decline overall from 2022 in which 69% of respondents anticipated valuations to remain about the same or increase.

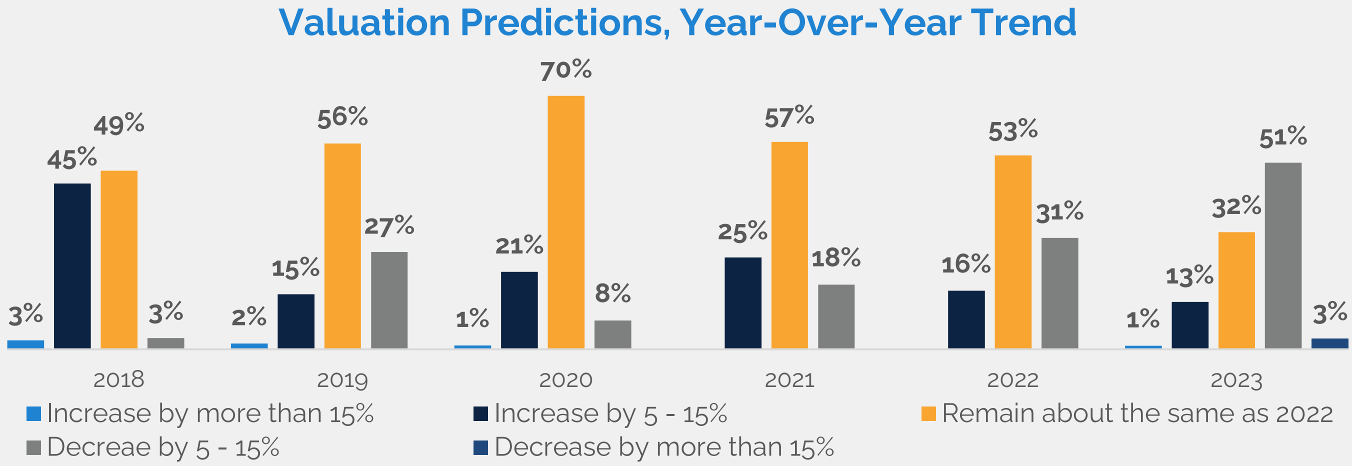
Predictions about valuations over the past six years illustrate that a majority of respondents usually predict valuations will remain about the same

**Valuation Predictions for 2023**



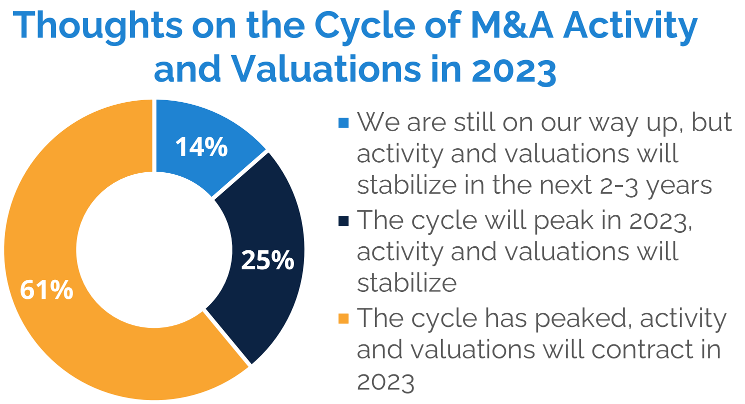

**IN RESPONSE TO:** *How will the overall valuations of U.S.-based M&A targets in 2023 compared to 2022?*

as the previous year. Valuation predictions for 2018 were significantly more optimistic than any of the following years, while predictions for 2023 are less optimistic than they were for 2022.



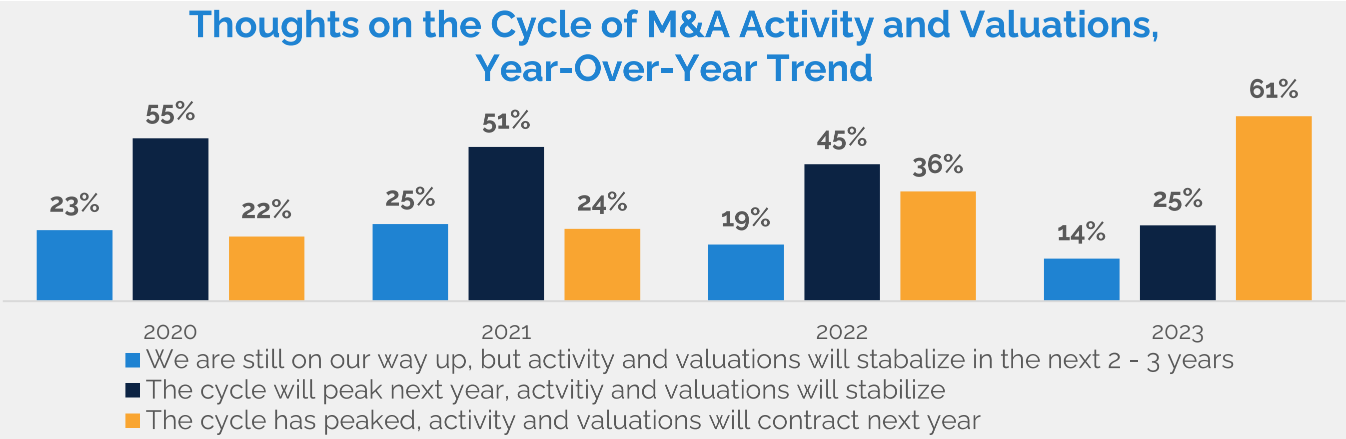

## Majority of Respondents Expect the Cycle of M&A Activity and Valuations has Peaked

Dealmakers' predictions about where we are in the cycle of M&A activity and valuations has notably changed from our 2022 survey. Most respondents (61%) believe the cycle has peaked in 2023 and will contract compared to 36% in 2022. However, 14% of respondents still remain optimistic for continued growth, a decrease from 19% in 2022. The remaining 25% of respondents expect the cycle will peak in 2023 and M&A activity and valuations will stabilize – this is down significantly from 45% of respondents in 2022.

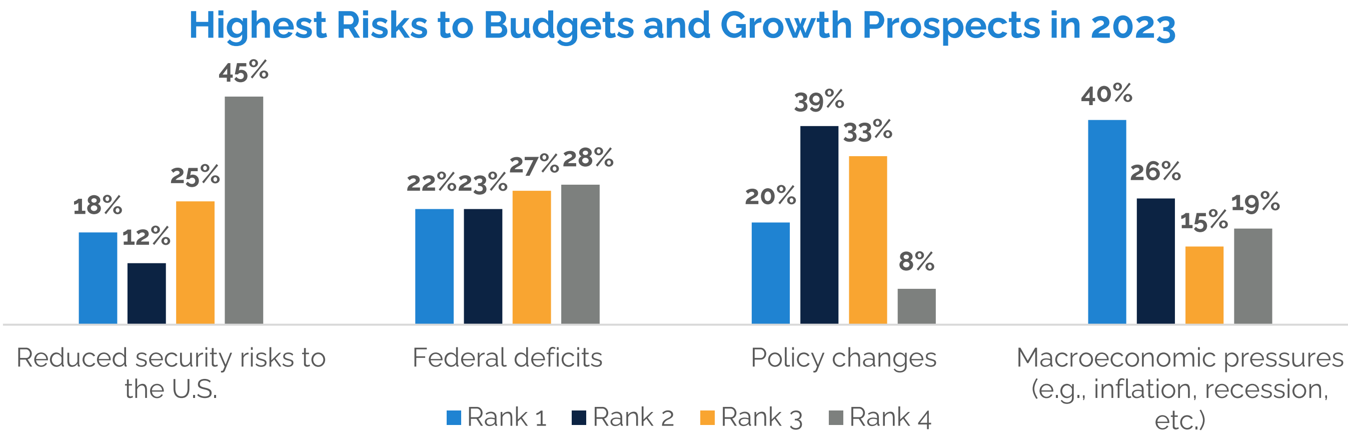



**IN RESPONSE TO:** *What are your thoughts on where we are in the cycle of M&A activity and valuations?*

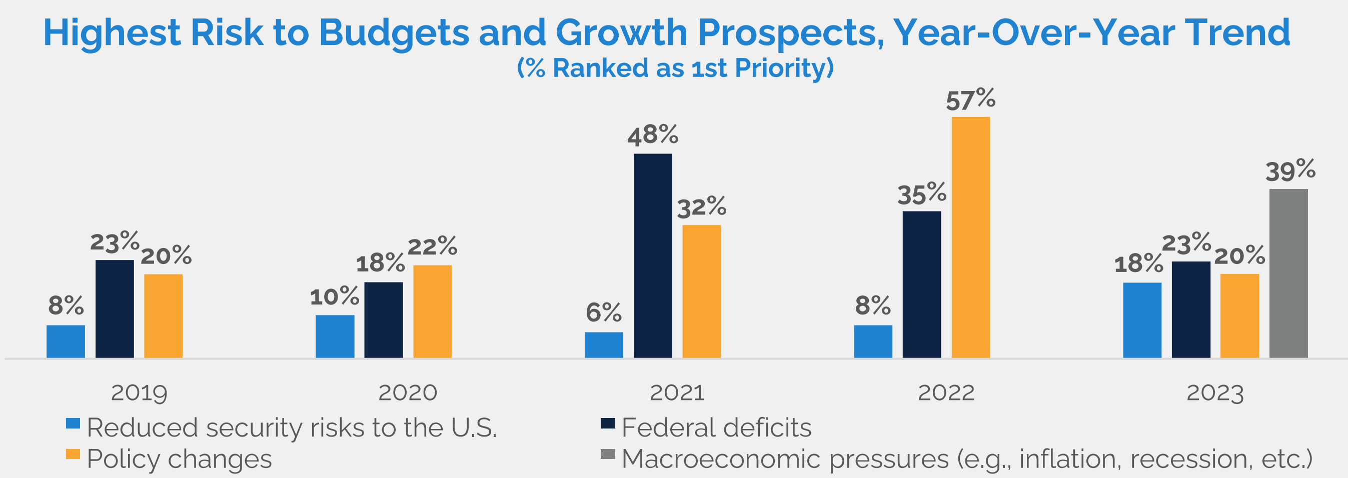
As compared to prior years, responses to this question indicate a significant increase in those predicting the cycle has peaked. The 61% of respondents expecting the cycle has peaked and activity and valuations will contract this year shows a significant jump from last year (36%), and an even more meaningful increase from our 2021 and 2020 surveys, at 24% and 21%, respectively.



We also asked dealmakers what they think are the greatest risks to budget and growth prospects. There have been some interesting changes in dealmakers' views on this over the past six years. While policy changes and federal deficits had been ranked as the highest risk by a similar number of respondents in 2019 and 2020, federal deficits raced ahead as the greatest risk in 2021, with policy changes chosen as the biggest risk in 2022 and macroeconomic pressures in this year's results. Over the past five years, reduced security risks to the U.S. have consistently been chosen as least impactful.



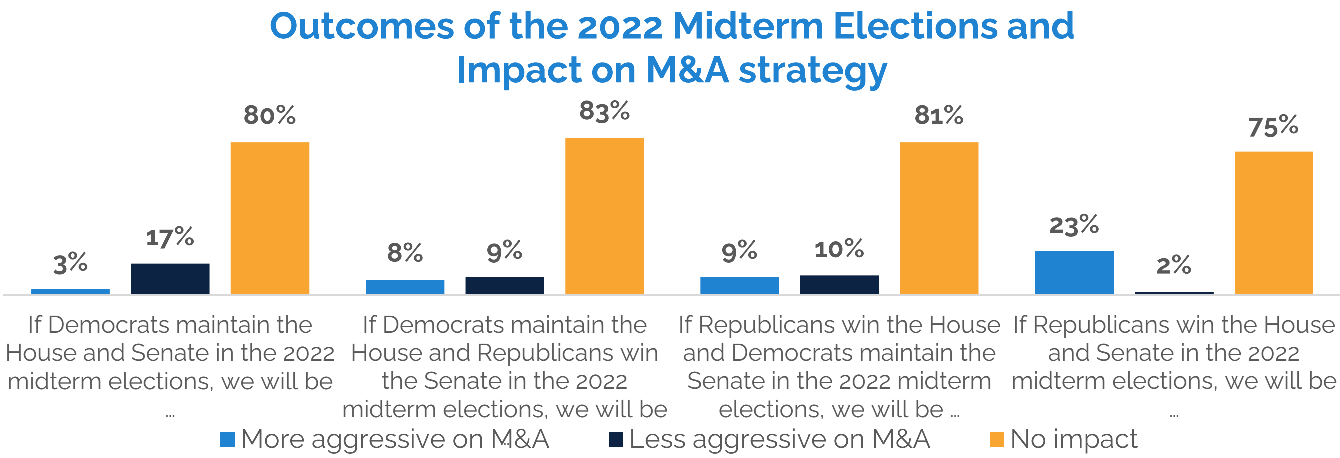

**IN RESPONSE TO:** *Please rank the following based on which you think present the biggest overall risks to budgets and growth prospects, with 1 being the biggest risk and 4 the smallest risk.*




## Potential Outcomes and M&A Impact of Elections

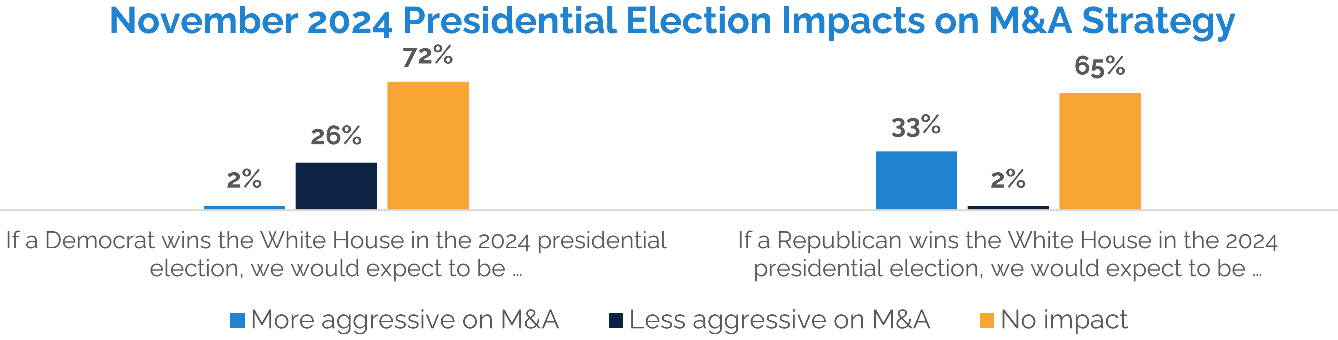
Changes in government policies, regulations, and economic conditions can all effect the M&A landscape. When it comes to elections — both the 2022 midterm elections and the 2024 presidential election — most respondents indicate the outcomes will not have any impact on their M&A strategies.

However, 23% of respondents did indicate more aggressive M&A expectations if Republicans were to have won the House and Senate in the 2022 midterm elections, with 17% of respondents expecting a less aggressive M&A posture if Democrats were to have maintained the House and Senate.




**IN RESPONSE TO:** *How would the following potential outcomes of the 2022 midterm elections impact your M&A strategy in 2023 and beyond?*

It seems respondents have a stronger opinion when it comes to the presidential election. For the 2024 presidential election, the majority of respondents said the election will not impact their M&A strategies; however, as compared to the midterm elections, a greater percentage of respondents (33%) indicated a Republican president would lead to a more aggressive M&A strategy, while 26% said a Democratic president would lead to a less aggressive approach to M&A.




**IN RESPONSE TO:** *How would the following potential outcomes of the November 2024 presidential election impact your M&A strategy given outlook today?*

## Defense Spending Again Remains Most Important M&A Momentum Driver

Defense spending has consistently been the most important factor influencing overall deal activity and target valuations in the Aerospace, Defense Products and Technology, and Government Services sectors over the past six years.

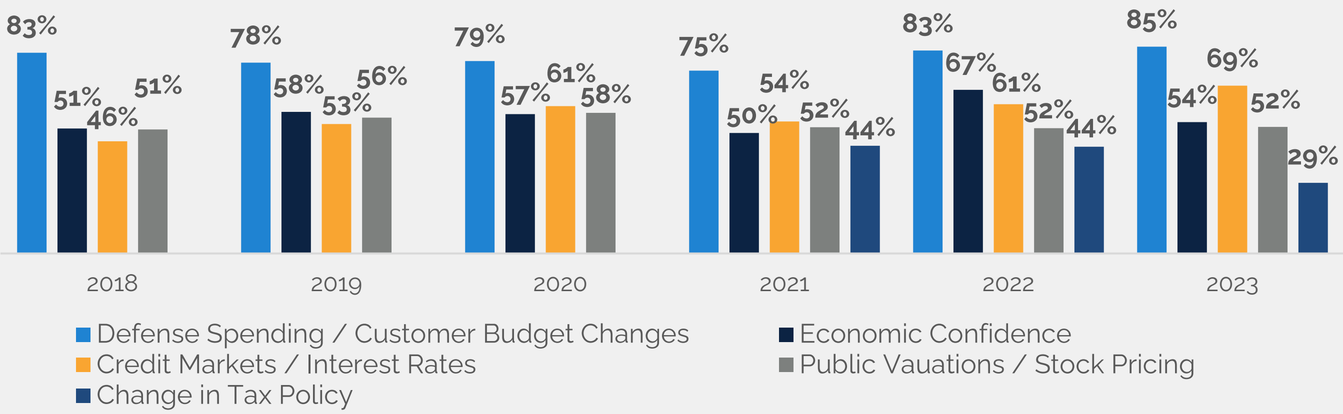
Over 85% of all respondents say defense spending / customer budget changes are either extremely or very influential in 2023 which is aligned with surveys conducted 2018 through 2022. Impacts of credit markets / interest rates also increased in importance in 2023, with 69% saying it is extremely or very influential vs. 61% in 2022, making it the second highest rated factor, up from the third highest rated in 2022. Given the steady increase in interest rates seen over the last 18 months, this was to be expected, particularly as it relates to private equity respondents.

Economic confidence drops from the second highest to third highest rated factor in 2023 with 54% (vs. 67% in 2022) of respondents saying it is an extremely or very influential factor. Not far behind, 52% of respondents ranked public valuations / stock prices fourth in terms of drivers of M&A momentum in 2023, while any potential change to tax policy continues to be rated the least influential factor.

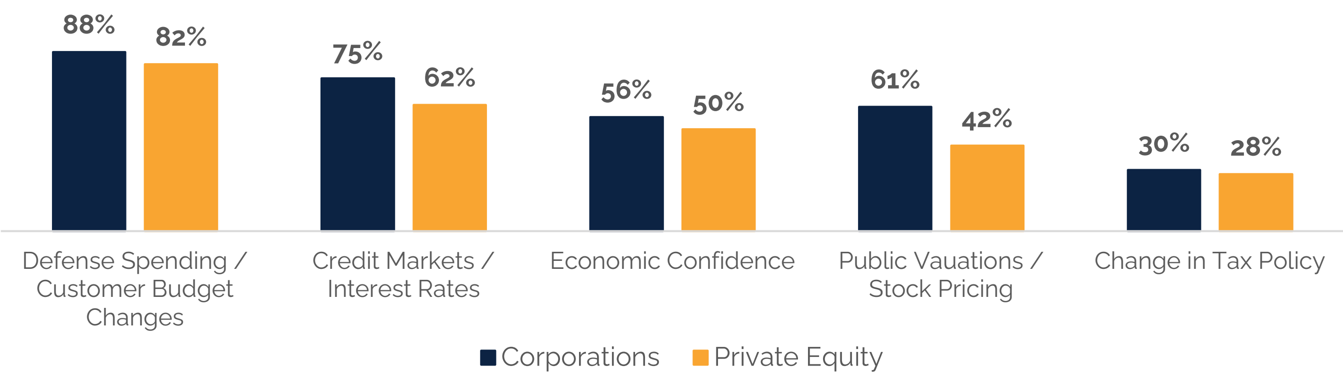
## Drivers of M&A Momentum in 2023


**IN RESPONSE TO:** *Drivers of M&A Momentum (% saying factor is extremely or very influential)*

## Drivers of M&A Momentum, Year-Over-Year Trend




## Drivers of M&A Momentum in 2023
### (Corporate vs. Private Equity Respondents)

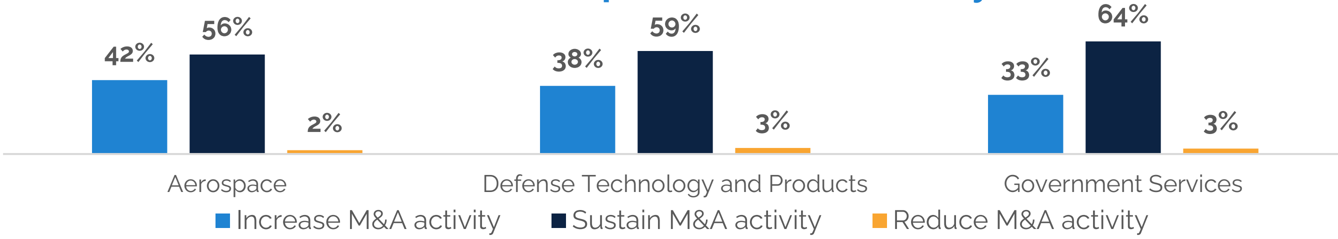



**IN RESPONSE TO:** *Drivers of M&A Momentum (% saying factor is extremely or very influential)*

## Impact of Russia / Ukraine Conflict and Broader Geopolitical Instability

Across the Aerospace, Defense Products and Technology, and Government Services sectors, 33% to 42% of respondents expect the ongoing Russia / Ukraine conflict, and broader geopolitical instability, to increase M&A activity, with Aerospace and Defense Technology and Products at 42% and 38%, respectively. Additionally, 56% to 64% of respondents believe the conflict will at the very least sustain M&A activity, with Aerospace at 56%, Defense Technology and Products at 59%, and Government Services at 64%, respectively. Very few respondents (2% to 3%) do not see the current geopolitical climate as a driver of M&A activity across these three sectors.

## Russia / Ukraine Conflict and Broader Geopolitical Instability with China Impacts on M&A Activity



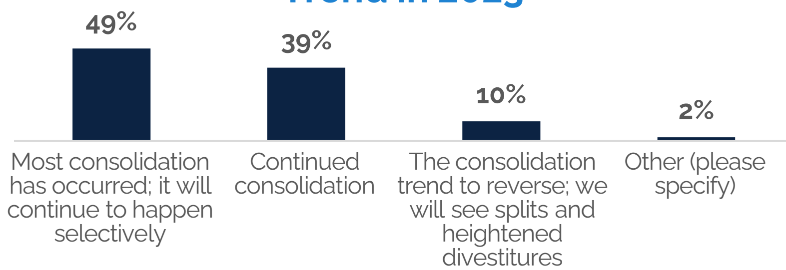

**IN RESPONSE TO:** *What impact do you expect the ongoing Russia / Ukraine conflict and broader geopolitical instability to have on your M&A activity in the Aerospace, Defense Products and Technology, and Government Services sectors?*

## Most Expect Consolidation to Continue or Stabilize

Many respondents expect consolidation to continue or stabilize in 2023. 39% of respondents expect continued consolidation of publicly traded Aerospace, Defense Products and Technology, and Government Services companies, down slightly from 55% in 2022.

In-line with our 2022 survey, 39% of respondents say most consolidation has occurred and will continue to happen selectively. A small percentage of respondents continue to expect the consolidation trend to reverse in 2023, generally in line with previous years.

### Predictions About Consolidation Trend in 2023



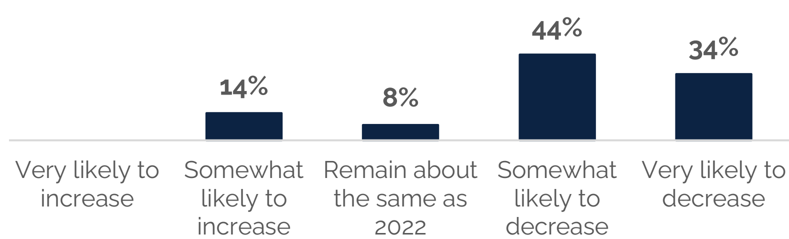

**IN RESPONSE TO:** *What is your outlook on continued consolidation of publicly traded Aerospace, Defense Products and Technology sectors, and Government Services companies? I expect...*

## Predictions for Credit Markets Remain Unclear

Private equity dealmakers were asked for their predictions about credit markets in 2023, given their influence on deal activity and valuations. This year, respondents were asked more questions revolving around the credit market and their financing strategies.

The majority of respondents (78%) expect debt / leverage availability to decrease in 2023 given broader dynamics in the credit markets, whereas in last year's survey, only 24% of respondents expected a decrease.

### Debt / Leverage Availability in 2023 vs. 2022
(Asked of Private Equity Respondents Only)




**IN RESPONSE TO:** *How do you expect debt leverage / availability to change in 2023 compared to 2022 for your transactions?*

While the 14% of respondents expecting debt / leverage availability to increase in 2023 is only slightly less than the 18% in 2022, the percentage of dealmakers expecting debt leverage / availability to remain about the same as last year dropped dramatically, to just 8%, down from 58% in 2022 and 48% in 2021.

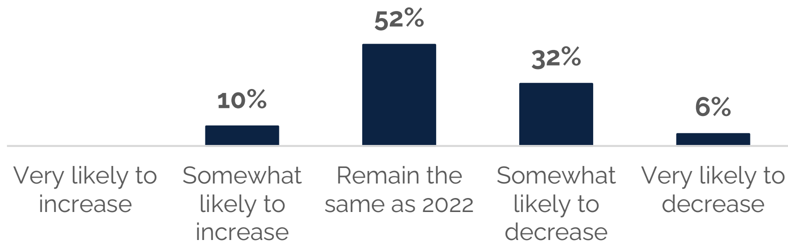
The majority of respondents (52%) do not expect rising interest rates to materially impact their M&A posture, while 38% expect rising rates to result in doing fewer transactions.

Most respondents (58%) expect interest rates to decrease valuations by less than 10% while 26% of respondents expect interest rates to decrease valuations by 10% to 15%. A smaller percentage of respondents expect rising interest rates to impact valuations by a decrease of more than 15% or to have minimal impact on approach to valuations (both 8%).

These responses are a helpful backdrop to some of the following questions, as private equity groups consider their approach to financing transactions given the significant changes being seen in broader credit markets.

## Impacts of Rising Interest Rates on Transactions

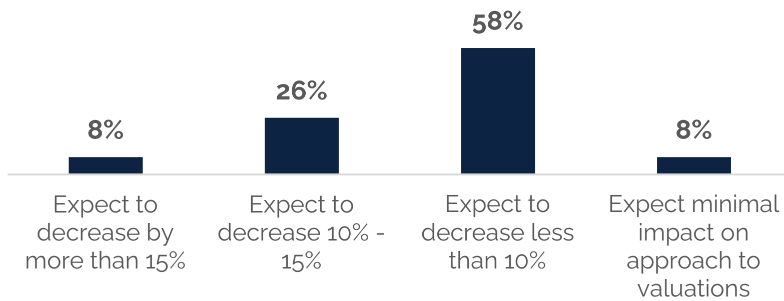
**(Asked of Private Equity Respondents Only)**




**IN RESPONSE TO:** *How do you expect rising interest rates to impact the number of transactions you complete in 2023 compared to 2022?*

## Impacts of Rising Interest Rates on Valuations

**(Asked of Private Equity Respondents Only)**

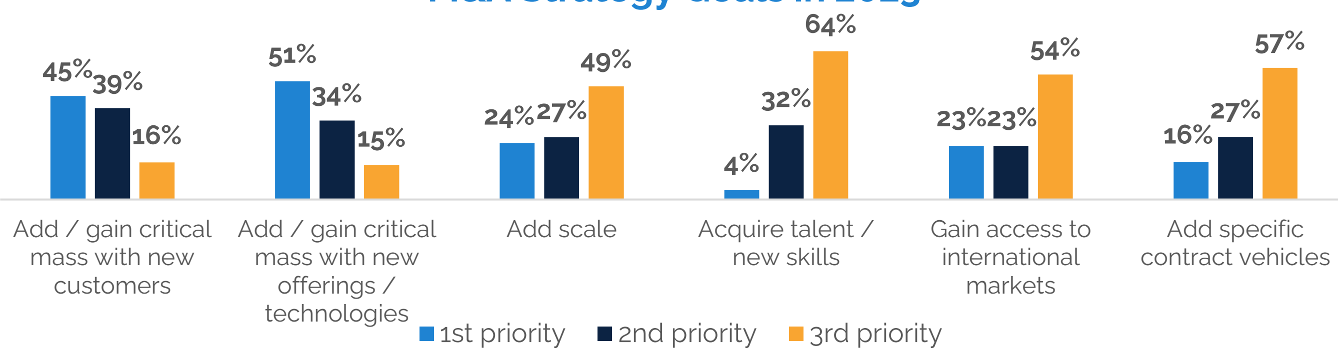


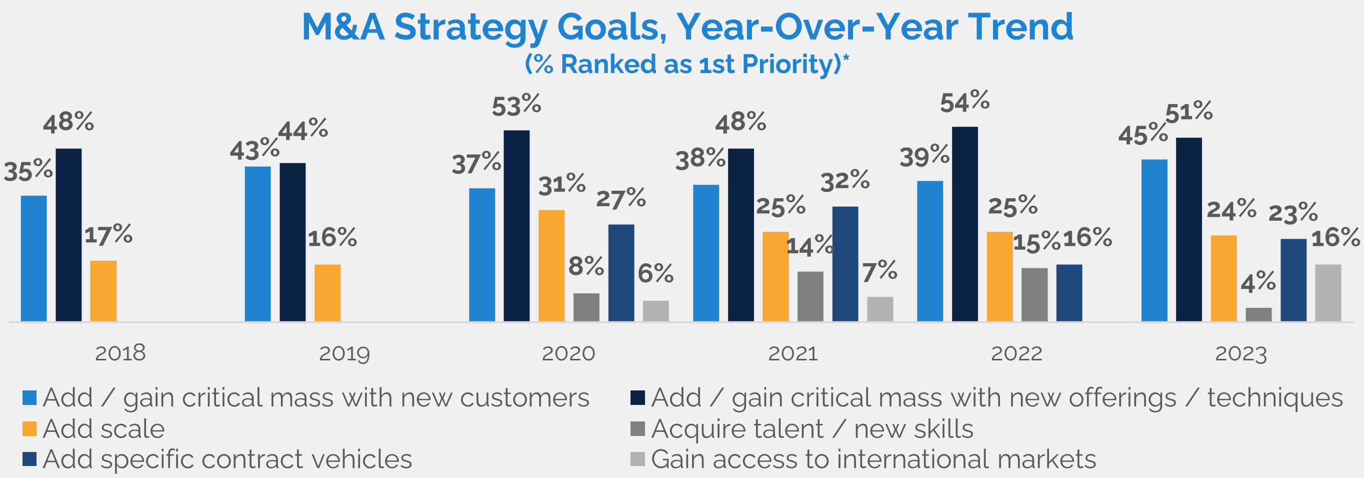

**IN RESPONSE TO:** *How do you expect rising interest rates to impact valuations in 2023 compared to 2022?*

## Adding New Offerings / Technologies Continues to be Primary Buyer M&A Goal

Adding critical mass with new offerings / technologies continues to be the clear priority for dealmakers when assessing M&A targets in 2023, consistent with previous years. Also consistent with previous surveys and remaining as the second most important priority is adding critical mass with new customers. Interestingly, adding specific contract vehicles continues to decrease in overall priority among respondents, keeping with a trend seen in last year's survey.

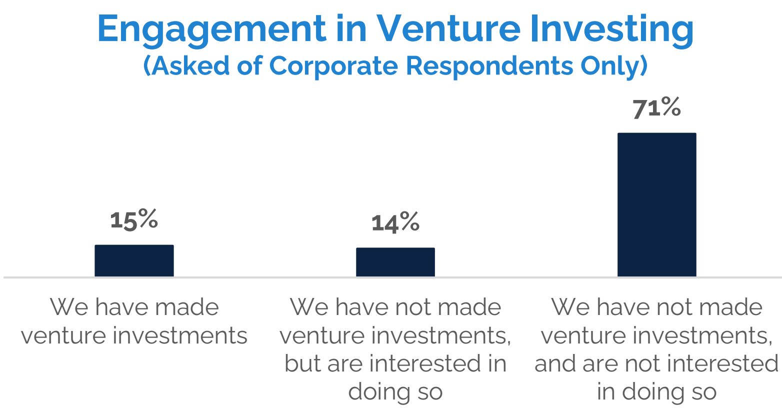
## M&A Strategy Goals in 2023






## Engagement in Venture Investing

Despite the increase in corporate led venture investing, roughly 70% of corporate respondents have neither made venture investments nor are interested in doing so. Of the remaining 30%, respondents were nearly split between those who have made venture investments, and those who have not made venture investments but are interested in doing so.

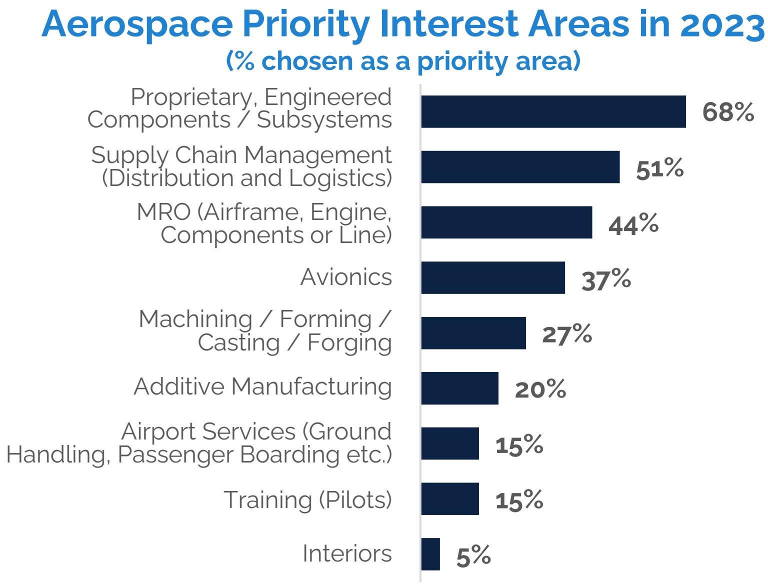



**IN RESPONSE TO:** *Does your organization engage in venture investing?*

## Top M&A Interest Areas by Industry Sector - Aerospace

In the **Aerospace sector**, proprietary, engineered components / subsystems continues to be a top priority area, but by a slightly lower percentage in 2023 (68% in 2023 vs. 76% in 2022), marking its sixth consecutive year as the highest priority.

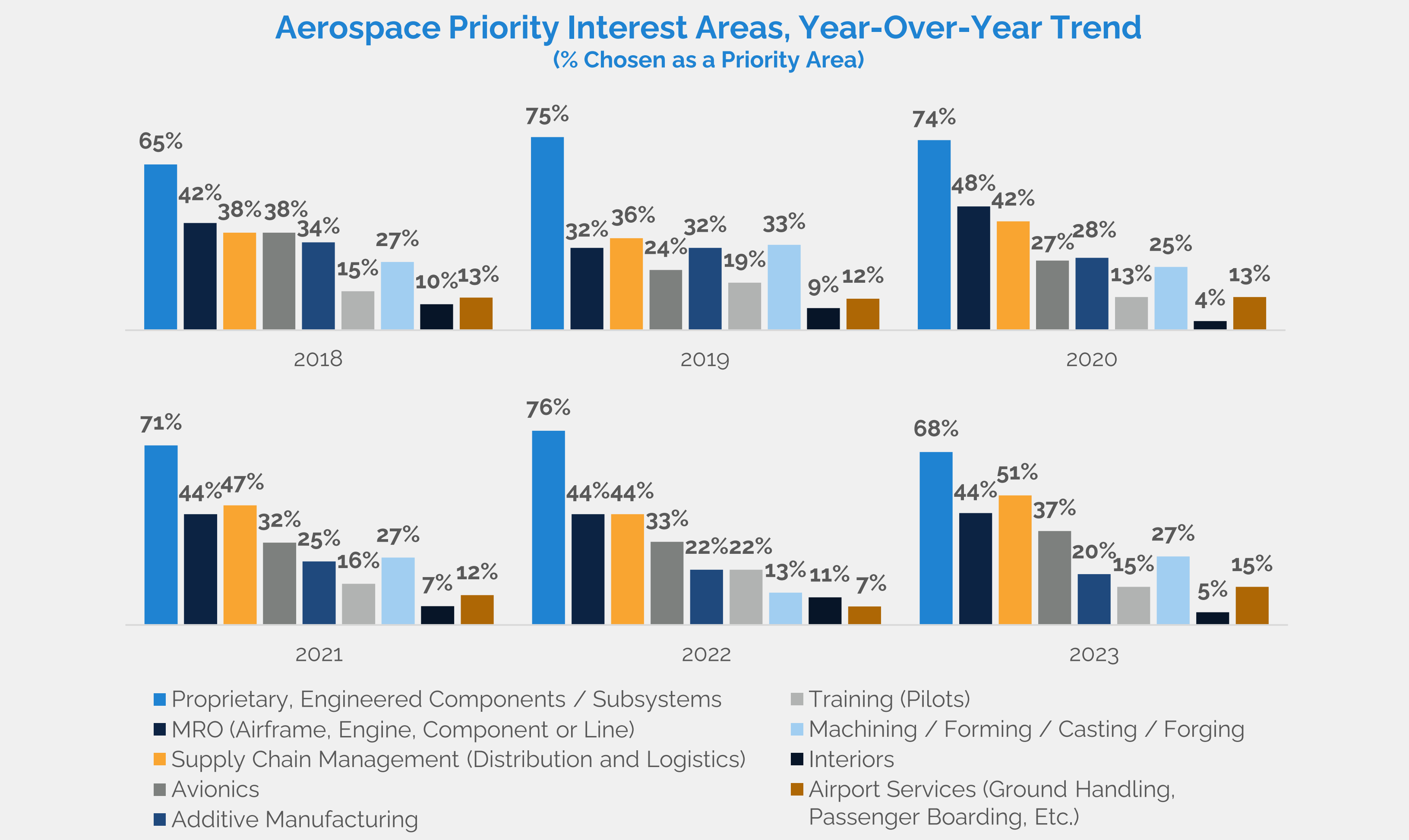
Respondents' prioritization of other target areas has shifted slightly over the past six years. In particular, maintenance, repair, and overhaul ("MRO") and supply chain management have traded places as second and third highest priority in past surveys; in 2023, supply chain management (51%) edges out MRO (44%).




**IN RESPONSE TO:** *Aerospace Priority Interest Areas*

*Gain access to international markets, Acquire new talent / new skills, and Add specific contract vehicles were not included as answer choice in 2018 and 2019

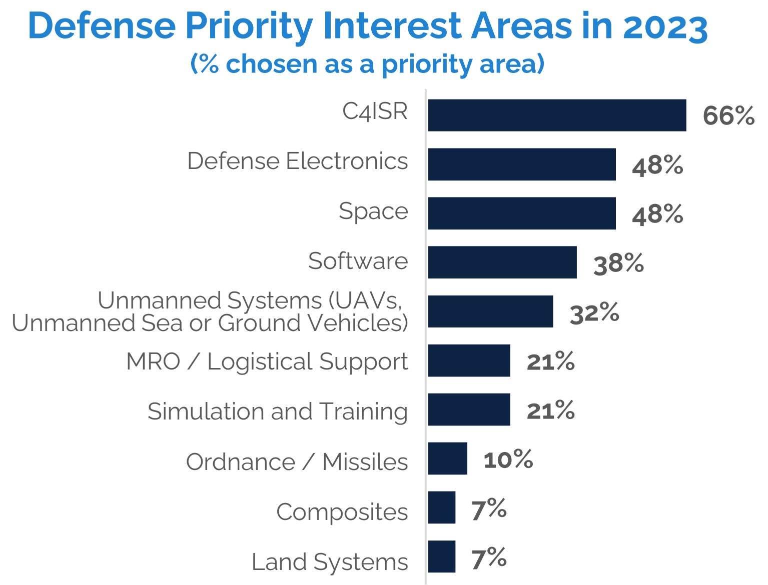
Supply Chain Management overtook MRO for the second highest ranked priority while Machining Forming overtook Additive Manufacturing for the fifth highest priority in 2023. Interiors and airport services have consistently been the lowest priority.




## Top M&A Interest Areas by Industry Sector – Defense Technology and Products

In the **Defense Technology and Products sector**, the top three priority M&A interest areas for 2023 are similar to those chosen over the past five years. C4ISR remains the highest priority, chosen by 66% of respondents in 2023. Also, noteworthy for this year's survey, defense electronics (48%) overtook software to tie with space as the second highest priority in 2023.

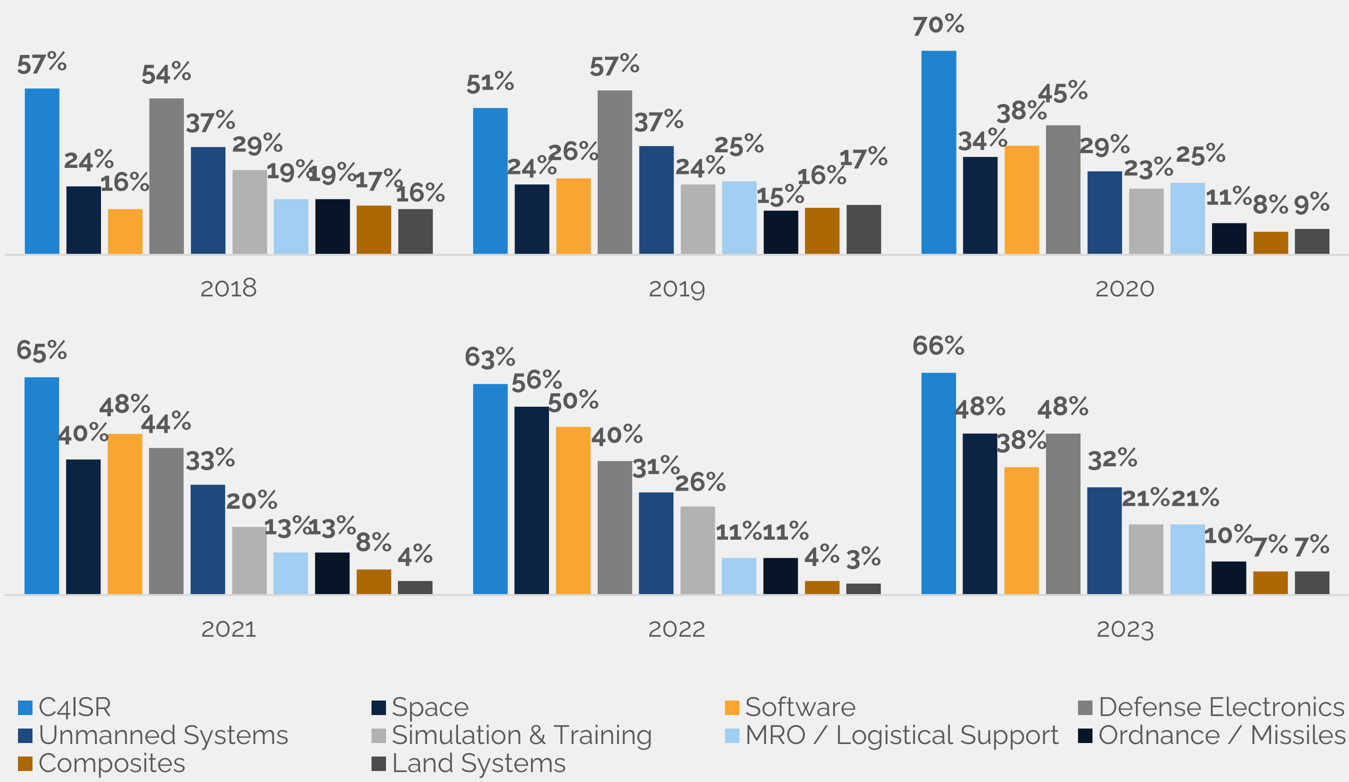
Looking at dealmaker responses over the past six years reveals some notable trends. Interest in space-related companies increased substantially from 24% in 2018 to 48% in 2023.




**IN RESPONSE TO:** *Defense Priority Interest Areas*

Similarly, interest in software-related companies increased from 16% in 2018 to 38% in 2023. During this same timeframe, simulation, MRO, ordnance, composites, and land systems have consistently been lower priorities in this sector.

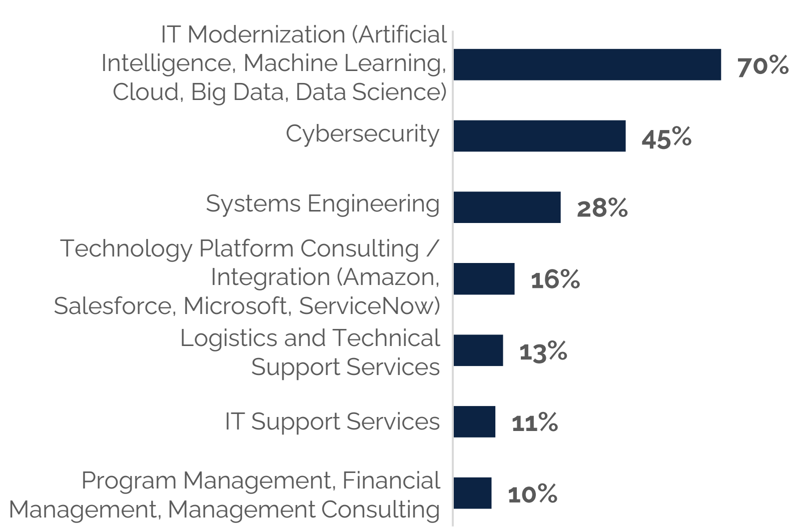
**Defense Interest Areas, Year-Over-Year Trend**
**(% Chosen as a Priority Area)**




## Top M&A Interest Areas by Industry Sector – Government Services

In the **Government Services sector**, IT modernization and cybersecurity are the clear top priorities, with IT modernization chosen as the highest priority by 70% of respondents and cybersecurity by 45%. These two areas have consistently been the top priorities since 2018. However, over the past six years, IT modernization increased in importance compared to cybersecurity, moving from second priority in 2018, to nearly tied for first in 2019, to a clear, first priority starting in 2020, and continuing through this year's survey. Systems Engineering and technology platform consulting / integration maintained their respective positions as third and fourth in terms of priority.

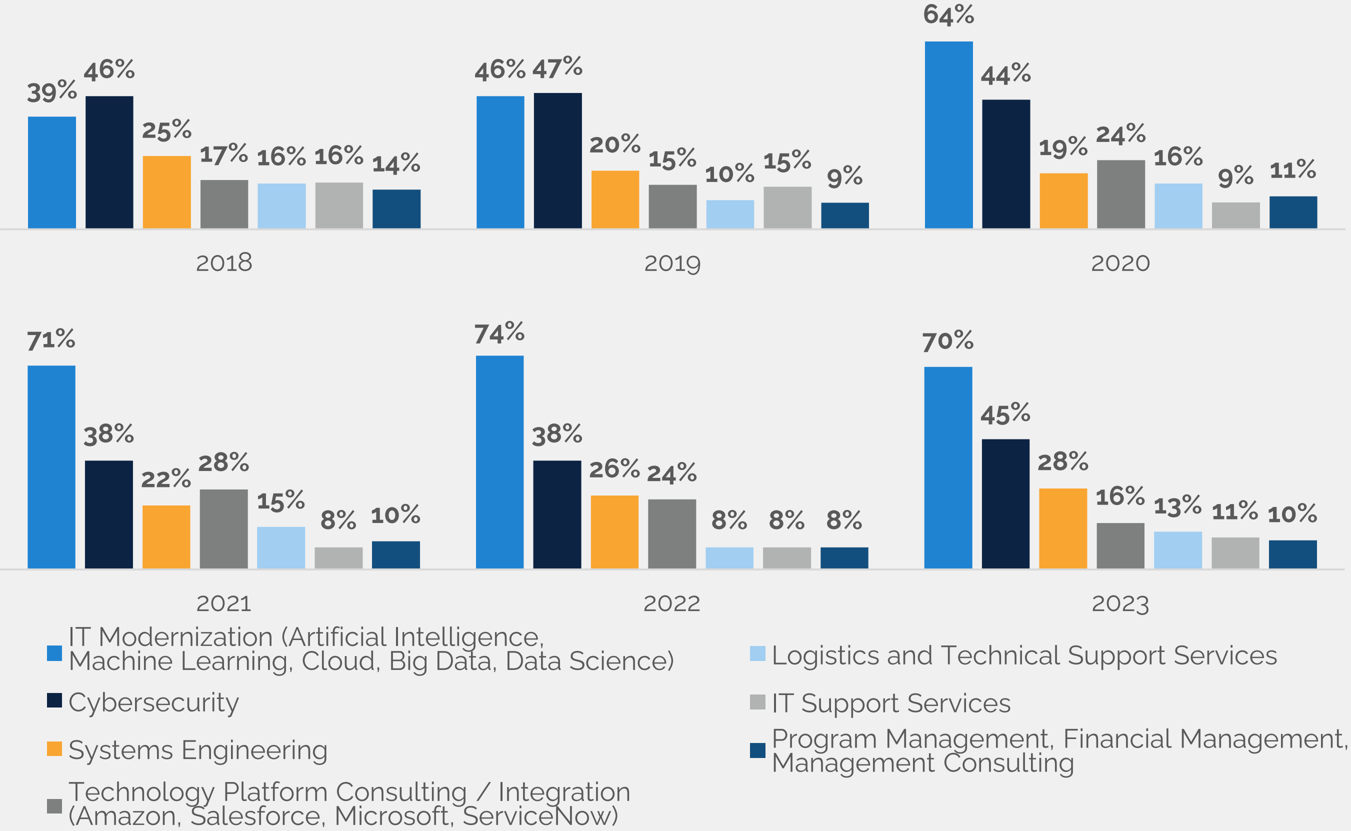
**Government Services Priority Areas in 2023**
**(% chosen as a priority area)**




**IN RESPONSE TO:** *Government Services Priority Areas*

## Government Services Priority Areas, Year-Over-Year Trend

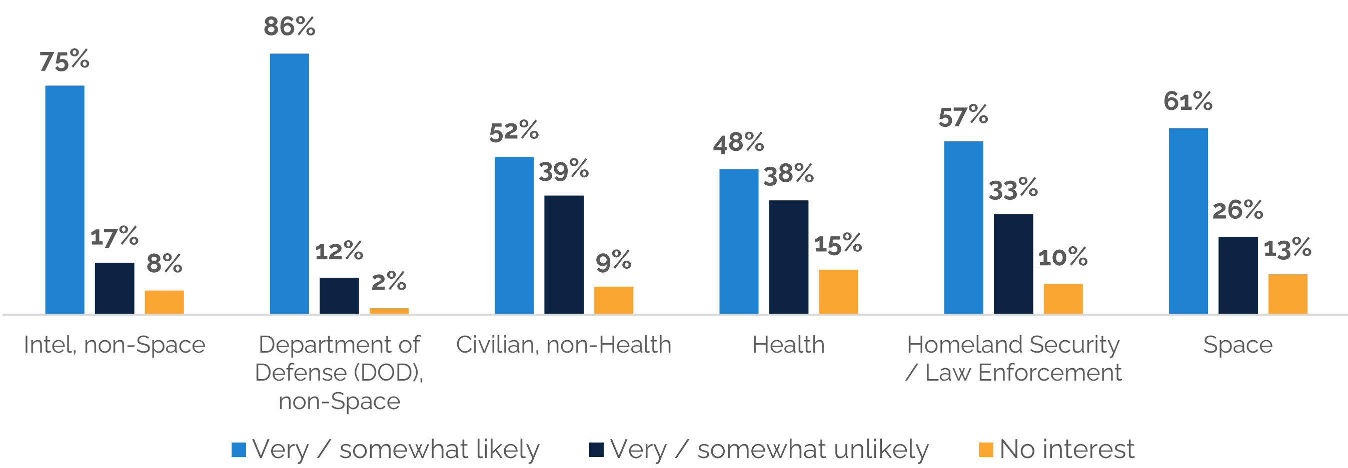
**(% Chosen as Top Priority)**




## Department of Defense and Intel, non-Space Standout as Priority End Markets

Respondents interested in Government Services were also asked how likely they are to seek targets in a range of key end markets. The Department of Defense ("DoD") is again the most popular in 2023, with 86% of respondents very or somewhat likely to seek targets in this end market. Intel remains the second highest priority, with 75% of respondents saying they are very or somewhat likely to seek targets in this market. These results have remained consistent since 2018.

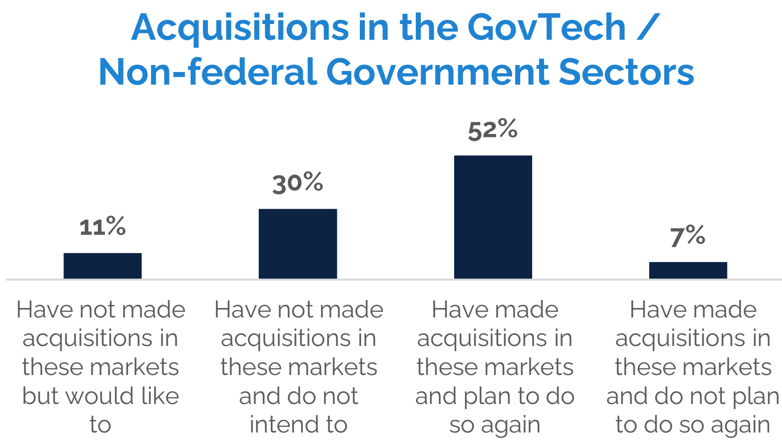
## Priority End Markets in 2023 — Government Services Sector




**IN RESPONSE TO:** *Priority End Markets for the Government Services Sector.*

## Acquisitions in the GovTech / Non-Federal Government Sectors

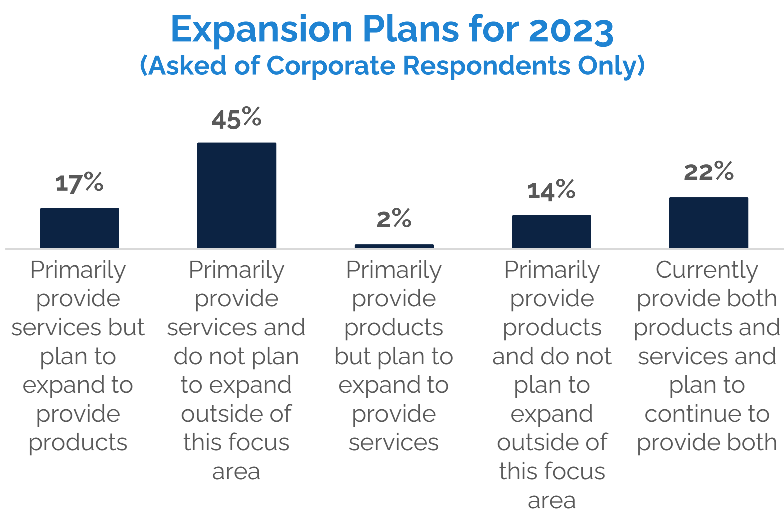
Over half of respondents say they have made acquisitions in GovTech / non-federal government markets and plan to do so again (52%); while 7% say they have made acquisitions in these markets and do not plan on doing so again. A sizable number of respondents (30%) indicated they have not made acquisitions in these markets and do not intend to; while 11% said they have not but would like to.




**IN RESPONSE TO:** *Does your organization make acquisitions in the GovTech / non-federal government sectors (e.g., state and local, education, other commercial technology)?*

## Product and Service Focus Areas and Expansion Plans

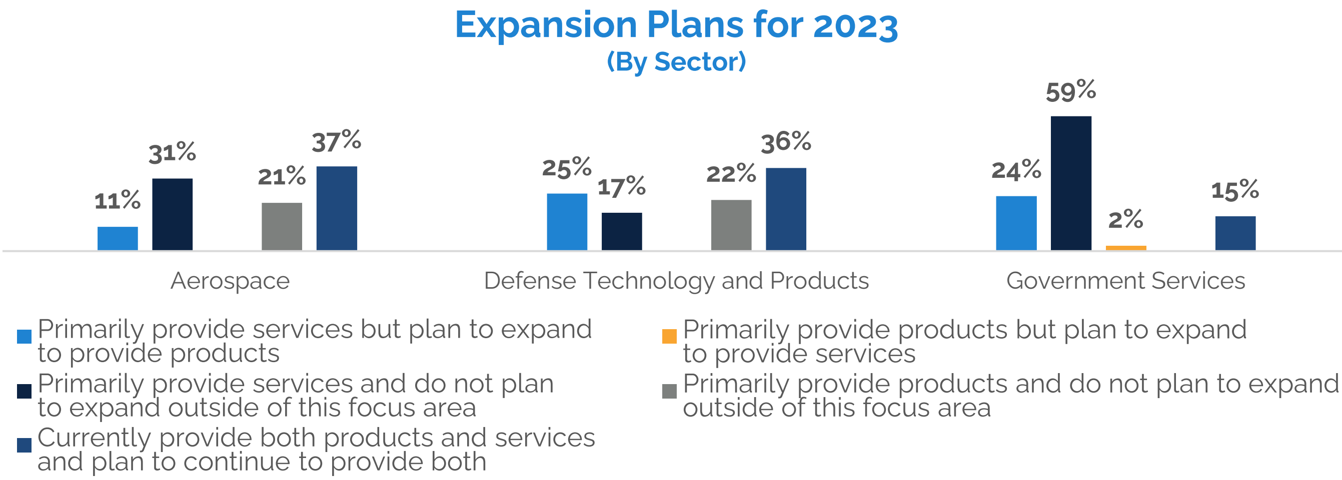
Corporate respondents were asked to share their focus areas and plans for expanding them in 2023. Specifically, respondents were asked if they primarily provide professional services or products, and if they plan to expand their focus if they do not already work in both areas. Overall, many respondents plan to stick with their strategy rather than expand or change focus.




**IN RESPONSE TO:** *Which of the following best describes your expansion plans for 2023?*

About 62% of corporate respondents primarily provide professional services. Approximately 45% of respondents who provide professional services do not plan to expand into products in 2023, while 17% do plan to expand into products. Just 16% of respondents are primarily providing products, and only 2% plan to expand into professional services, while 14% do not. Lastly, 22% of respondents provide both professional services and products, and plan to continue with both. These results are similar to 2022 and 2021. However, over the years, respondents have said they are increasingly likely to continue with their current strategy and less likely to diversify.

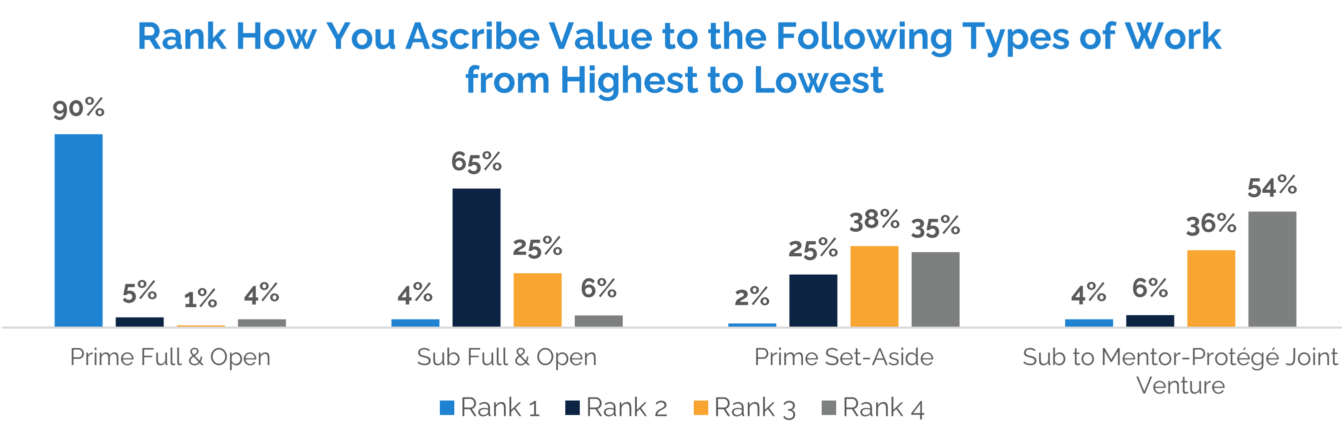
There are some differences in focus areas and expansion plans by sector. Aerospace and Defense Products and Technology respondents are significantly more likely to provide products and services, and plan to continue providing both. Government Services sector respondents are more likely to provide only services, and generally do not plan to expand outside that focus area. These results are the same as in previous years.




**IN RESPONSE TO:** *Which of the following best describes your expansion plans for 2023? (Asked of corporate only)*

## Ascribing Value to Contract Award Competition

Respondents were asked to rank how they would ascribe value to the certain types of work. Unsurprisingly, prime, full & open work is clearly seen as the most valuable given the control and continuity it affords in the context of an acquisition. This was followed by full & open subcontract positions. Interestingly, prime set-aside work was generally seen as more valuable than subcontracting to a mentor-protégé joint venture – a contracting avenue that has continued to gain traction in recent years. Though as would be expected, each of these two award structures is viewed as the least valuable.

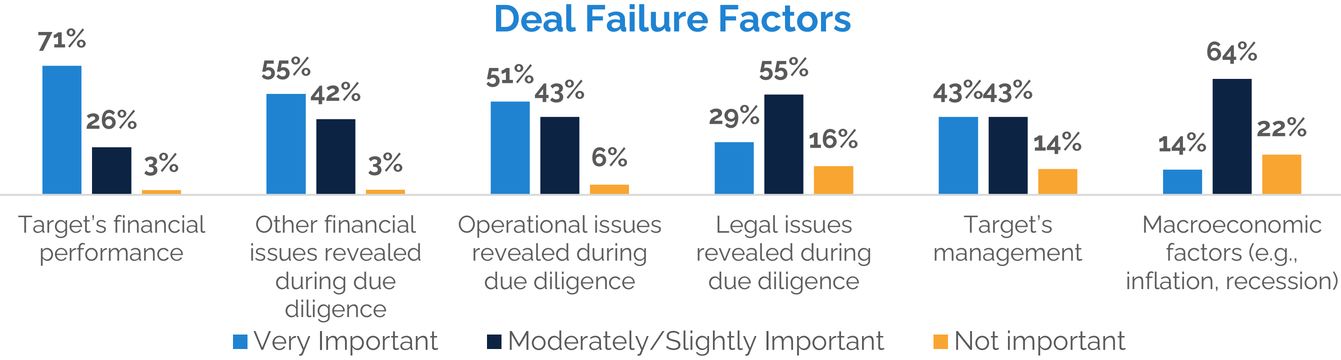



**IN RESPONSE TO:** *Rank how you ascribe value to the following types of work from highest to lowest.*

## Financial Performance Issues Remain Most Important Reason for Deal Failures

Dealmakers were asked to share insights into why exclusive later-stage deals end up falling apart. The target's financial performance and other financial issues revealed during due diligence are rated as the most important factors in deal failure, chosen as very important by 71% and 55% of respondents, respectively.

## Deal Failure Factors



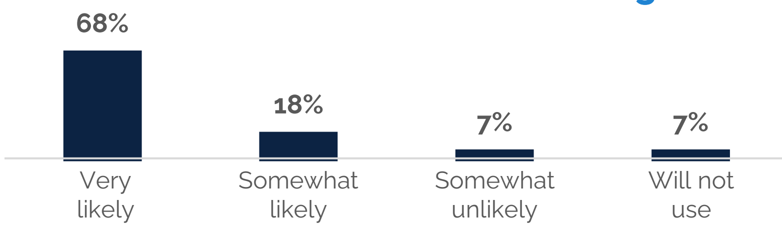

**IN RESPONSE TO:** *In 2022, if your organization had exclusive, later-stage discussions with a potential target that did not close, how important were each of the following as reasons the deal(s) failed?*

## Use of Representations and Warranties Insurance

Dealmakers' likelihood of using representations and warranties insurance ("RWI") has increased significantly over the past six years. In 2023, 68% of respondents are very likely to use this insurance, up from 65% in 2022, 55% in 2021, 35% in 2019, and 28% in 2018.

Private equity respondents continue to be more likely than corporate respondents to secure RWI policies. However, the percentage of corporate respondents who say they are very or somewhat likely to use RWI slightly decreased to 78% in 2023 vs. 84% in 2022, but up considerably from just 37% in 2019.

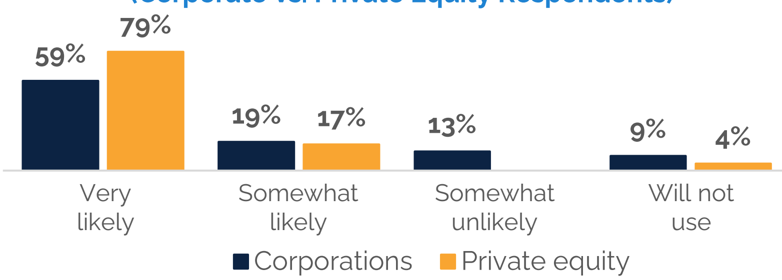
### Likelihood of Using Representations and Warranties Insurance in 2023




**IN RESPONSE TO:** *How likely are you to use Representations and Warranties Insurance in 2023?*

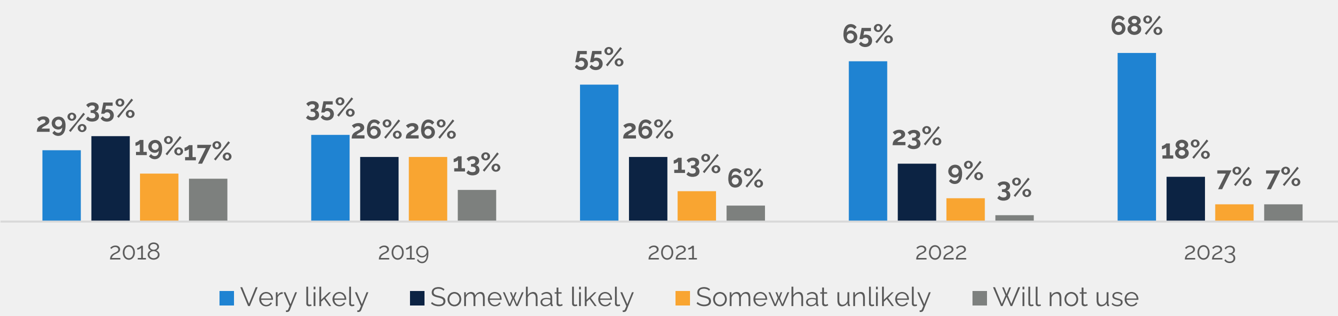
### Likelihood of Using Representations and Warranties Insurance in 2023

**(Corporate vs. Private Equity Respondents)**




**IN RESPONSE TO:** *How likely are you to use Representations and Warranties Insurance in 2023?*

### Likelihood of Using Representations and Warranties Insurance, Year-Over-Year Trend*




*This question was not asked in the 2020 survey

# Select 2022 KippsDeSanto & Co. Advised Transactions

**December 2022**
XCELERATE SOLUTIONS
has received an investment from
McNally CAPITAL

**December 2022**
BLACKHAWK AEROSPACE
has been acquired by
New State Aviation Holdings
a portfolio company of
NEW STATE CAPITAL PARTNERS

**December 2022**
DLH
has acquired
GRSi

**November 2022**
iNovex
has received an investment from
ENLIGHTENMENT CAPITAL

**November 2022**
SYNAPTECH
has been acquired by
LMI
a portfolio company of
DECLARATION PARTNERS
CAPITOL MERIDIAN PARTNERS
22C Capital

**October 2022**
agile DEFENSE
has been acquired by
ENLIGHTENMENT CAPITAL

**October 2022**
Woodlawn MANUFACTURING
a portfolio company of
LONE STAR INVESTMENT ADVISORS
has been acquired by
NDC National Defense Corp

**September 2022**
sbs
has been acquired by
an affiliate of
PEAK ROCK CAPITAL

**September 2022**
SENECA|RESOURCES
has been acquired by
CAYMUS EQUITY

**July 2022**
IPKEYS
has been acquired by
Chickasaw NATION INDUSTRIES

**July 2022**
numerica
Space Division
has been acquired by
SLINGSHOT AEROSPACE

**July 2022**
LMI
has been acquired by
DECLARATION PARTNERS
CAPITOL MERIDIAN PARTNERS
22C Capital

**March 2022**
has been acquired by
TOP ACES
a portfolio company of
CLAIRVEST

**February 2022**
CENTERPOINT
has been acquired by
Gunnison CONSULTING GROUP
a portfolio company of
BLUEDELTA CAPITAL PARTNERS

**January 2022**
Elbit Systems of America
Metro/Merlin Type Certificate and MRO Support Business of M7 Aerospace
has been acquired by
ONTIC

**January 2022**
B23
has been acquired by
TORCH.AI

**January 2022**
Boecore
has been acquired by
ENLIGHTENMENT CAPITAL

Excludes transactions which have not been publicly announced

## About KippsDeSanto & Co.

**KippsDeSanto & Co. is an investment bank focused on delivering exceptional results for leading, growth-oriented Aerospace / Defense, Government Services, and Technology companies. We leverage our creativity and industry experience to provide M&A, private financing, and strategic consulting.**

Our senior team has advised on over 200 transactions totaling more than $17 billion in deal value. Capitalizing on real-time industry trends and in-depth technical and strategic analysis, our solutions-driven approach is highly structured and uniquely tailored to each client. We are recognized for our market insight and broad industry relationships. We help market leaders realize their full strategic value.

We welcome the opportunity to have a more detailed discussion of developments in our focus sectors. For more information, please contact a member of our team.

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