

# MarketView

Aerospace / Defense &  
Government Technology  
Services

Winter 2025

**Kipps DeSanto**  
INVESTMENT BANKING



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# Getting Deals Done

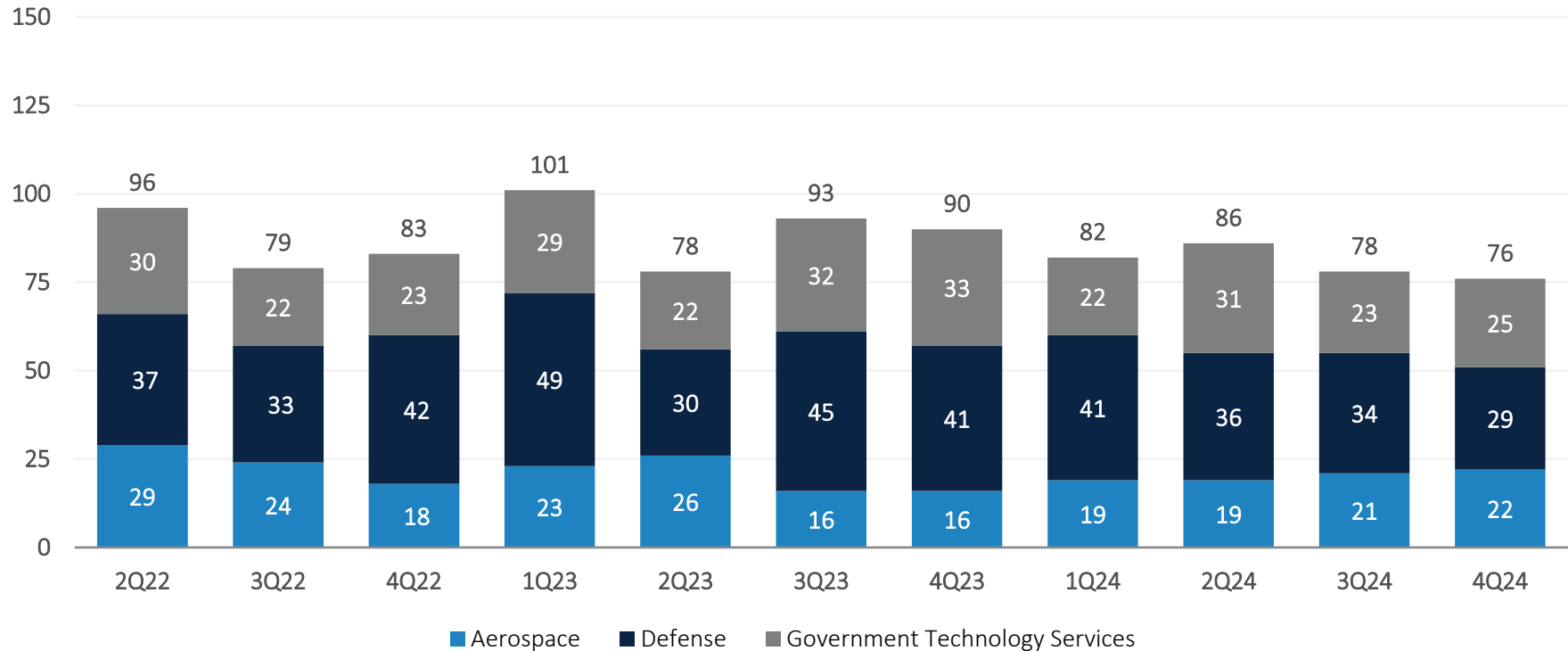
- KippsDeSanto has closed and / or announced 115+ transactions since 2020, leveraging our team's ingenuity to achieve optimal results for our clients through some of the most challenging industry dynamics, economic conditions, and world events in modern history

## Select Transaction Success

<p>December 2024</p>  <p>numerica Radar and Command-and-Control businesses</p> <p>has been acquired by</p> 	<p>November 2024</p>  <p>pragmatics</p> <p>has been acquired by</p> 	<p>October 2024</p>  <p>SABEL SYSTEMS</p> <p>has been acquired by</p> 	<p>October 2024</p>  <p>SAM a portfolio company of</p>  <p>has acquired</p> 	<p>September 2024</p> <p>The Technology Business Unit of</p>  <p>THREEWIRE SYSTEMS</p> <p>has been acquired by</p>  <p>MYTHICS</p> <p>a portfolio company of</p> 	<p>September 2024</p>  <p>HARMONIA</p> <p>has received a strategic investment from</p> 	<p>July 2024</p>  <p>AXIENT a portfolio company of</p>  <p>SAGEWIND CAPITAL</p> <p>has been acquired by</p>  <p>ASTRION</p> <p>a portfolio company of</p> 	<p>July 2024</p>  <p>SyQwest</p> <p>has been acquired by</p> 	<p>July 2024</p>  <p>DECISION LENS</p> <p>has received an investment from</p> 
<p>June 2024</p>  <p>OMNI FEDERAL</p> <p>has been acquired by</p> 	<p>June 2024</p>  <p>DOMA TECHNOLOGIES</p> <p>has merged with</p>  <p>LIVANTA</p> <p>a portfolio company of</p> 	<p>May 2024</p>  <p>TRITECHFORENSICS</p> <p>a portfolio company of</p> <p>Point Lookout Capital Partners</p> <p>has acquired</p> 	<p>May 2024</p>  <p>cerberus</p> <p>has acquired</p> 	<p>May 2024</p> <p>The Hypersonic Test Solutions Business of</p>  <p>Calspan</p> <p>a subsidiary of</p>  <p>TRANSDIGM GROUP INC.</p> <p>has been acquired by</p> 	<p>May 2024</p>  <p>ERT</p> <p>has been acquired by</p> 	<p>May 2024</p>  <p>2 twelve</p> <p>has been acquired by</p>  <p>bc core</p> <p>a portfolio company of</p> 	<p>April 2024</p>  <p>EWA ENABLING A MORE SECURE FUTURE</p> <p>has been acquired by</p>  <p>Sigma Defense</p> <p>a portfolio company of</p> 	<p>March 2024</p>  <p>MAYTAG AIRCRAFT LLC Since 1950</p> <p>a subsidiary of</p>  <p>WFS</p> <p>A Member of the SATS Group</p> <p>has been acquired by</p> 
<p>March 2024</p>  <p>MISSION MICROWAVE</p> <p>a portfolio company of</p>  <p>GLV</p> <p>GAASLABS VENTURES</p> <p>has been acquired by</p> 	<p>February 2024</p>  <p>Quadrant Experience Powering Intelligence</p> <p>a portfolio company of</p>  <p>BLUEDELTA CAPITAL PARTNERS</p> <p>has been acquired by</p>  <p>CACI EVER VIGILANT</p>	<p>December 2023</p>  <p>OMNYON</p> <p>has been acquired by</p>  <p>CEDAR SOLUTIONS GROUP</p> <p>a subsidiary of</p>  <p>Evergreen</p> <p>a portfolio company of</p> 	<p>December 2023</p>  <p>Locana</p> <p>a portfolio company of</p>  <p>TRANSON &amp; ANGELO GROUP</p> <p>has been acquired by</p>  <p>TRC</p> <p>a portfolio company of</p> 	<p>November 2023</p>  <p>OUTSIDE ANALYTICS</p> <p>has been acquired by</p>  <p>SMX</p> <p>a portfolio company of</p> 	<p>November 2023</p>  <p>SIXGEN</p> <p>a portfolio company of</p>  <p>Chart National L.P.</p> <p>has been acquired by</p> 	<p>October 2023</p>  <p>CSW systems</p> <p>has been acquired by</p>  <p>SUMMIT7</p> <p>a portfolio company of</p> 	<p>October 2023</p>  <p>CSI COMBINED SYSTEMS</p> <p>a portfolio company of</p> <p>Point Lookout Capital Partners</p> <p>has sold certain assets to</p> 	<p>October 2023</p>  <p>CREOAL EXPERIENCE. INTEGRITY. RESULTS.</p> <p>has been acquired by</p>  <p>SMX</p> <p>a portfolio company of</p> 

## M&A Trends & Activity

- Despite an improving macroeconomic outlook, 4Q24 deal volume remained stable as election-year uncertainty prompted some companies to adopt a “wait-and-see” approach
- Recent Federal Reserve rate cuts and expectations of more lenient regulatory policies under the Trump administration are expected to drive up deal volume in 2025



- Aerospace deal volume has slightly increased compared to last quarter due to renewed interest in commercial aviation, increased investment in space technology, and strategic consolidations aimed at addressing supply chain inefficiencies
- Defense deal volume through the fourth quarter of 2024 lagged compared to the same period in 2023, with heightened uncertainty surrounding federal budget cuts under the proposed Department of Government Efficiency (“DOGE”) initiative and delays in government procurement decisions tied to administrative transitions
- Government Technology Services (“GTS”) deal volume increased from 3Q24 to 4Q24, as buyers continue to seek companies performing well in high priority areas, such as information technology (“IT”) modernization, cybersecurity, and the artificial intelligence (“AI”) space

# Highlighted 4Q24 Industry Transactions

Announced December 2024

**VSE**  
CORPORATION  
*has acquired*



**EV: \$200.0M**

EV / Revenue: 1.1x

EV / EBITDA: ND

- VSE Corporation (NASDAQ:VSEC) ("VSE") has acquired Kellstrom Aerospace Group, Inc. ("Kellstrom"), a portfolio company of AE Industrial Partners, LP
- Improves VSE's position in the commercial aviation market, reinforces its OEM-focused strategy, and expands its aftermarket product and capability offerings

Announced November 2024

**AV**  
AeroVironment™

*has agreed to acquire*

**BLUEHALO**

**EV: \$4.1B**

EV / Revenue: 4.6x

EV / EBITDA: ND

- AeroVironment, Inc. (NASDAQ:AVAV) ("AeroVironment") has agreed to acquire BlueHalo, LLC ("BlueHalo"), a portfolio company of Arlington Capital Partners
- Creates a diversified defense tech company with a highly complementary and differentiated portfolio of solutions powered by AI and autonomy

Announced November 2024

**Stonepeak**

*has agreed to acquire*



**EV: \$3.1B**

EV / Revenue: 1.6x

EV / EBITDA: 6.4x

- Stonepeak has agreed to acquire Air Transport Services Group, Inc. (NASDAQ:ATSG) ("ATSG")
- Positions ATSG to further expand its global presence in the air cargo leasing market and enhances its service offerings to customers

Announced November 2024

**SAGEWIND CAPITAL**

*has acquired*

**:SABEL**  
SYSTEMS

**EV: ND**

EV / Revenue: ND

EV / EBITDA: ND

- Sagewind Capital, LLC ("Sagewind") has acquired Sabel Systems Technology Solutions, LLC ("Sabel")
- Represents a new platform for Sagewind and offers Sabel a valuable partner to support its continued growth trajectory as it addresses mission critical modernization initiatives for the Department of Defense ("DoD")

Announced November 2024

**TELEDYNE**

*has agreed to acquire*

**EXCELITAS**  
TECHNOLOGIES

Optical Systems and Advanced  
Electronics Systems Businesses



**EV: \$710.0M**

EV / Revenue: ND

EV / EBITDA: ND

- Teledyne Technologies Incorporated (NYSE:TDY) ("Teledyne") has agreed to acquire the Optical Systems and Advanced Electronic Systems businesses of Excelitas Technologies Corp. ("Excelitas"), a portfolio company of AEA Investors
- Expands Teledyne's aerospace and defense electronics segment with technology and capabilities in highly complementary markets and geographies

Announced October 2024

**EY**

*has acquired*

**DIGNARI**

**EV: ND**

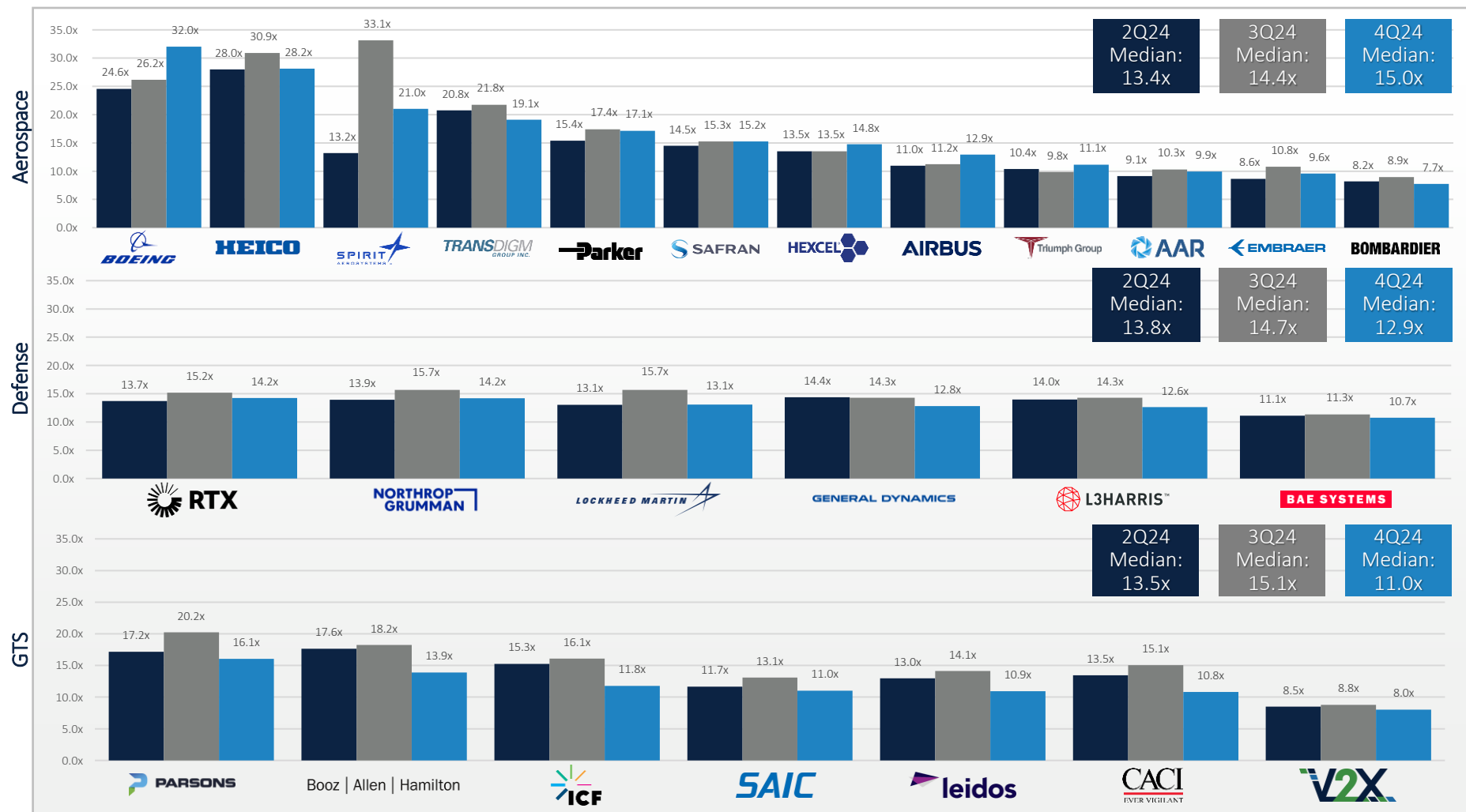
EV / Revenue: ND

EV / EBITDA: ND

- Ernst & Young LP ("EY") has acquired Dignari, LLC ("Dignari")
- Blends EY's commitment to providing customers with mission-ready solutions with Dignari's digital identity and access management capabilities to offer a highly differentiated value proposition for government clients

# EV / NTM EBITDA Public Market Valuation Trends

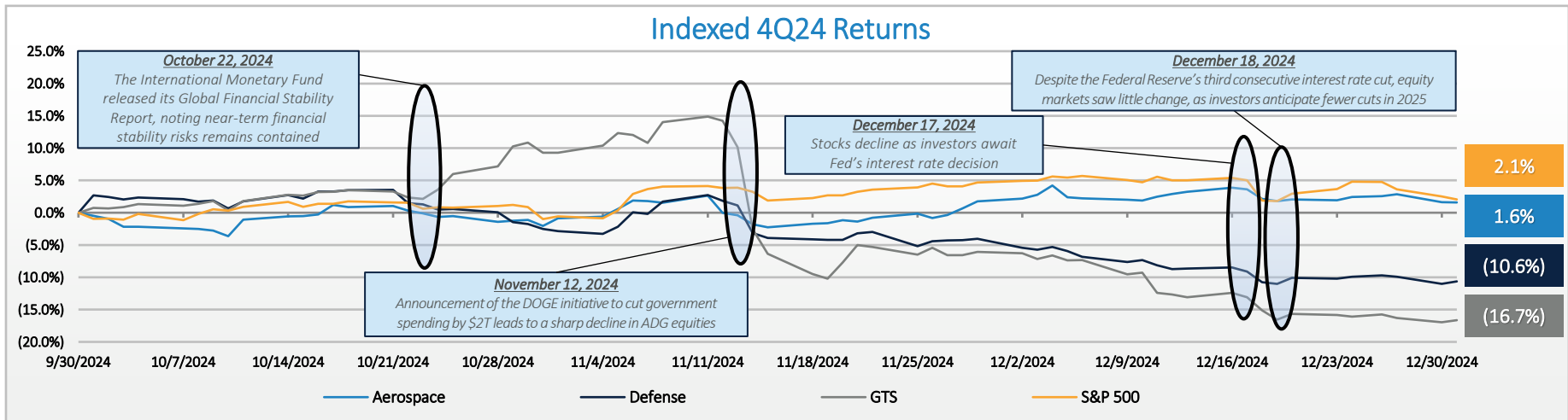
- Median public valuations increased in the Aerospace sector, but declined in the Defense and GTS sectors in 4Q24, driven by downward pressure due to uncertainty around defense budget cuts and shifting priorities under the incoming administration





# Equity Capital Markets Performance

- The performance of the S&P 500 improved in 4Q24, following the Federal Reserve lowering rates and easing recessionary concerns
- Defense and GTS indices decreased for the quarter, while the Aerospace sector experienced a slight increase despite trailing the broader market



**1.6%**  
4Q24 Performance

**5.0%**  
LTM Performance

**Aerospace**

Aerospace shares **trailed** the broader market in 4Q24, but investments in unmanned systems and satellite technologies are expected to drive long-term growth in the sector

Shares of **Boeing (NYSE: BA)** increased by ~14.8% in 4Q24 after the company reported that it had restarted and ramped up production of the 737 MAX jets, with Pegasus Airlines ordering 100 Boeing 737 MAX airplanes with an option to order another 100

**(10.6%)**  
4Q24 Performance

**14.1%**  
LTM Performance

**Defense**

Defense shares **underperformed** the broader market in 4Q24 due to uncertainty surrounding the DOGE initiative and shifting defense priorities in a post-election environment

Shares of **L3Harris Technologies (NYSE: LHX)** decreased by ~14.3% in 4Q24 amid concerns about future bookings, recent performance trends, and potential customer uncertainty related to the change in administration

**(16.7%)**  
4Q24 Performance

**17.6%**  
LTM Performance

**Government Technology Services**

GTS shares **underperformed** the broader market in 4Q24 driven by concerns over federal budget realignments and reduced contract volumes amid the expected transition in federal policies

Shares of **CACI International (NYSE: CACI)** decreased by ~20.4% in 4Q24 due to a weakened growth outlook and reduced investor optimism across the GTS sector stemming from the anticipated impact of the DOGE agency initiative

# Aerospace Update

## Honeywell Mulls a Move That May Herald Aerospace Megamerger

On December 16th, 2024, *Honeywell (NASDAQ: HON)* confirmed a *potential separation of its aerospace business* following *pressure from activist investor Elliot Investment Management*. In November 2024, Elliot Investment Management issued a letter to Honeywell's Board of Directors that proposed a separation of the company into two separate entities: *an aerospace business and an automation, energy, and sustainability business*.

As Honeywell's board considers its strategic options, some analysts have argued that the firm should sell its aerospace business to a large strategic buyer, such as GE Aerospace (NYSE: GE) or RTX (NYSE: RTX), which owns Collins Aerospace and Pratt & Whitney. Alternatively, Honeywell could pursue a corporate spin-out similar to General Electric, which spun out GE Aerospace (NYSE: GE) and GE Vernova (NYSE: GEV) in early 2024. Honeywell's separation, if successful, *may inspire other large, diversified industrials companies* to separate their various business units, potentially *leading to further aerospace divestitures*.

### Similar Precedent Transactions



## Boeing Restarts 737 MAX Production as Airbus Deliveries Increase

In November, *ordering activity was rather muted*; while *Airbus' deliveries surged* as expected, they remained *very low for Boeing* in the aftermath of the *recent strike*.

For the past few months, *Boeing's deliveries have been affected by a major strike involving 33,000 of its unionized workers*, which ended in early November after union members voted 59% in favor of a new contract offer that brings a 38% pay increase over the next four years. On December 17<sup>th</sup>, Boeing announced that production has resumed across all programs.

*Airbus and Boeing are planning significant production increases across most major aircraft types* in the coming years, with supply chain constraints likely dictating the pace, as order backlogs extend nearly to 2030. Many analysts forecast *deliveries of new commercial aircraft will increase by more than 30% in 2025* with Boeing being the largest contributor, after resolving material disruptions to its production in 2024. This resurgence in production and delivery rates could catalyze M&A activity as firms aim to consolidate supply chains and enhance production capabilities.

### A Comparison Between Deliveries, Orders, and Backlog

	AIRBUS	BOEING
2024 Net Orders <sup>(1)</sup>	826	404
2024 Deliveries <sup>(1)</sup>	766	361
2025P Deliveries	829	534
Total Backlog	8,697	6,268

## U.S. Airlines are Preparing to Offer Air Taxi Service

U.S. airlines are actively preparing to *integrate air taxi services into their operations*, focusing on airport shuttle missions to *reduce urban congestion and improve travel efficiency*. Companies like *United Airlines and Delta Air Lines* have invested in *electric vertical takeoff and landing ("eVTOL")* startups, such as Archer Aviation and Joby Aviation, to spearhead the adoption of this technology.

### Archer and Joby Form Separate Partnerships



These partnerships *aim to streamline operations* by offering faster, sustainable *alternatives to traditional ground transportation*. While large-scale operations are anticipated in the next decade, early services targeting high-traffic metropolitan areas are expected to commence in the coming years, supported by evolving regulatory frameworks.

This shift highlights airlines' strategic moves toward diversification and innovation. The trend may lead to *increased M&A activity* within the aviation industry, as airlines seek to incorporate advanced air mobility solutions into their service offerings, *driving competition and market consolidation*.

(1) Represents reported figures for Airbus and Wall Street estimates for Boeing

Source(s): Airbus, American Journal of Transportation, Archer Aviation, Boeing, Fitch, Flight Plan, Joby Aviation, Simple Flying, Wall Street Journal, Wall Street research

## Defense Update

### GFY2025 NDAA Provides Opportunities for M&A Activity

In late December 2024, President Biden signed the **\$883.7B GFY2025 National Defense Authorization Act ("NDAA")**<sup>(1)</sup>. The bill authorizes various investments in the American Industrial Base, including **over \$17.5B for military construction** and the **procurement of 7 battle force ships, 185 aircraft, and 306 combat vehicles**. The bill also features **Artificial Intelligence ("AI") and Cybersecurity initiatives**, including new AI Pilot Programs for the DoD and **\$300M in assistance for Taiwan's cyber defense capabilities**.

#### Summary of Account Changes (\$ in billions)

Account	FY2024 NDAA	FY2025 NDAA	YoY Change
Procurement	\$ 169.2	\$ 167.9	-0.8%
RDT&E	145.9	143.8	-1.5%
O&M	288.8	294.5	2.0%
MILPERS	176.8	182.8	3.4%
Other <sup>(2)</sup>	93.5	94.8	1.4%
<b>Total NDAA Budget<sup>(1)</sup></b>	<b>\$ 874.2</b>	<b>\$ 883.7</b>	<b>1.1%</b>

In addition, the bill requires key leaders within the Intelligence Community to submit **an assessment on the likely course of the Russo-Ukrainian War** through December 31, 2025. Following the signing of the NDAA, the Biden Administration announced authorization of a **\$1.25B Presidential Drawdown Authority package** to provide Ukraine with air defense missiles, munitions for rocket systems and artillery, and anti-tank weapons. An additional **\$1.22B Ukraine Security Assistance Initiative package** will also provide the country with further capabilities to fight Russian aggression. The GFY2025 NDAA's emphasis on **advanced technologies** is likely to **drive consolidation** and **investment activity** in the defense sector.

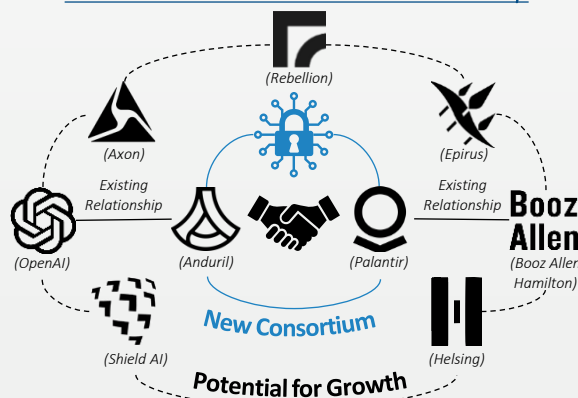
### Defense Technology Firms Establish an AI-Focused Consortium

In early December 2024, Palantir (NASDAQ: PLTR) and Anduril – two leading defense technology firms – **announced the creation of an industry consortium** to address hurdles impeding the DoD's adoption of AI.

**The consortium targets two key problems:** data readiness and the lack of a secure pipeline for scaling AI models. To address the second problem, **the team plans to use Palantir's "Artificial Intelligence Platform" to deliver a cloud-based data management capability** that can deliver AI data at all classification levels.

The companies plan to **build on existing product lines and capitalize on momentum** amid other industry collaborations to grow the consortium. By increasing collaboration and introducing new strategic partnerships, **the consortium could serve as a precursor to some consolidation** within the defense technology industry.

#### Palantir and Anduril Aim to Grow the Partnership



### Space Force Races to Meet Training and Testing Demands

In early December 2024, **the U.S. Space Force signaled increased, expedited efforts to build its training and testing infrastructure** as the branch prepares for a more contested environment in space.

The Space Force is leveraging its \$12B Space Enterprise Consortium contract to expedite live and simulated training infrastructure capabilities. The contract mechanism facilitates **task order issuance to over 750 preapproved companies on a faster timeline than traditional acquisition programs**.

#### Space Enterprise Consortium Contract Expedites Solutions



To meet demand, **the Space Force is calling on commercial companies alongside traditional government contractors**. For example, the branch issued a Request for Information ("RFI") seeking commercial companies with satellites in orbit that could support live training and testing. **The Space Enterprise Consortium opens the growing space market to a wide, eclectic group of competitors** that may seek to consolidate when the industry matures.

(1) Excludes programs outside the legislation's purview or requiring additional authorization; (2) Includes MILCON, Atomic Energy Defense Programs, and other authorizations  
Source(s): Congress, Congressional Research Service, Covington, Defense News, Department of Defense, National Law Review, Space Enterprise Consortium, U.S. HASC



# Government Technology Services Update

## Accelerating Adoption of Artificial Intelligence across the Federal Government spurs Opportunity

The U.S. *federal government is expanding its use of Artificial Intelligence (“AI”),* deploying the technology for use cases spanning national security to civilian services. *In an October 2024 memo, the White House provided direction* for appropriately harnessing AI and AI-enabled technologies and in mid-December 2024, the *Department of Homeland Security (“DHS”) published an extensive inventory* of AI use cases deployed at the agency; evidencing the emerging technology’s priority at the highest levels of government.

### Expanding AI Use Cases at DHS



The increased usage of *AI has spurred demand for AI-related services, including technical expertise* to ensure AI is deployed responsibly. To meet the demand, the Government Technology Services sector is witnessing *intensifying M&A, with strategic and private equity buyers pursuing AI capabilities* to gain an edge. Transactions in 2024 such as Unanet, Inc.’s acquisition of GovPro AI, GDIT’s purchase of Iron EagleX, and the announced acquisition of BlueHalo by AeroVironment all *underscore the demand for specialized AI solutions.*

Looking ahead, competition among mid-tier and larger integrators could spur *further consolidation as companies race to secure AI technology differentiators* as the U.S. federal government accelerates adoption.

## Shifting Policy Priorities in a Post-Election Environment

Following the 2024 presidential election, *evolving policy imperatives may reshape federal technology budgets*—particularly in defense modernization, cybersecurity, and infrastructure security. Executive orders, budget efficiency directives, and regulatory shifts may steer agency spending as the *Department of Government Efficiency (“DOGE”) aims to streamline federal modernization efforts* by championing cost-effective procurement and enhancing IT infrastructure resilience.

### Proposed DOGE Federal Spending Cuts



Against this backdrop, *GTS providers specializing in defense tech, intelligence, IT modernization, and advanced cybersecurity stand to benefit*, extending on a trend evidenced by 2024 deals such as *Clarity Innovations’* purchase of Chameleon Consulting, *CACI’s* acquisition of Azure Summit, *Madison Dearborn Partners’* investment in Omni Federal, and *Sagewind’s* acquisition of Sabel Systems.

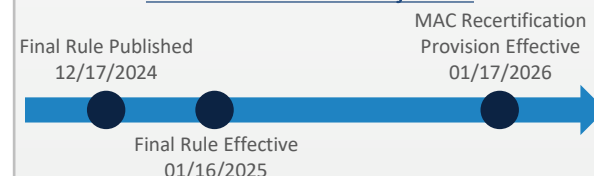
In an environment where strategic acquirers and private equity firms seek resilient portfolios aligned with federal priorities, *2025 could see heightened competition for companies offering robust solutions in mission critical areas* such as cyber and defense.

## The SBA’s Final Rule & Implications to Government Technology Services M&A

*Significant changes to the Small Business Administration’s (“SBA”) recertification process*, as outlined in the SBA’s Final Rule published on December 17, 2024, have *broad implications for the GTS sector and M&A activity.*

The changes outlined by the SBA affect small and mid-sized contractors by tightening eligibility requirements and *altering how firms maintain their set-aside status following M&A transactions.* As a result, companies pursuing M&A may be pressed to *finalize deals sooner to preserve contract advantages or strategically plan* around recertifications. Buyers, in turn, could see new opportunities to tuck-in businesses that are aiming to proactively address recertification challenges, *potentially driving increased deal flow through 2025.* Large strategics or private equity investors eyeing small business multiple award contract (“MAC”) holders may *move quickly to secure capabilities prior to the MAC recertification rule* going into effect in January 2026.

### SBA Final Rule – Timeline of Events



Overall, while the final rule could add complexity to deal structures and timing, it underscores the evolving nature of federal procurement—*prompting buyers and sellers to realign strategies to seize growth opportunities* within a shifting regulatory landscape.



# 4Q24 Aerospace Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
12/20/24	Woodward, Inc. (NASDAQ: WWD)	Electromechanical Actuation Business of Safran S.A. (ENXTPA: SAF)	Provides electronics & defense electromechanical actuation, notably the Horizontal Stabilizer Trim Actuation ("HSTA") systems commonly used for the Airbus A350	ND	ND	ND	ND	ND	ND
12/20/24	GA Telesis, LLC	Landing Gear Overhaul Business of AAR Corp. (NYSE: AIR)	Provides complete repair and overhaul services for commercial, military, and regional aircraft landing gear and flap carriage assemblies across 43 aircraft types, in addition to sales and exchange for Boeing, Douglas, Airbus, and Lockheed gears and gear components	\$51.0	ND	ND	ND	ND	ND
12/16/24	Stonepeak	Forgital Italy S.p.A. (portco. of The Carlyle Group)	Provides custom-rolled rings for private sector and international government aerospace, construction, mining, oil, and power generation markets	ND	ND	ND	ND	ND	ND
12/04/24	Altus Capital Partners, LLC	Air Innovations, Inc.	Provides environmental control units ("ECUs") for unmanned vehicles, such as drones and other portable avionics	ND	ND	ND	ND	ND	ND
11/26/24	Mobix Labs, Inc. (NASDAQ: MOBX)	Spacecraft Components Corp.	Provides high-precision, mission-critical components for private sector and U.S. federal government aerospace, commercial, and defense markets	\$24.0	\$18.0	ND	ND	1.3x	ND
11/12/24	Aero Accessories & Repair, Inc. (portco. of ATL Partners)	Airgroup America, Inc.	Provides distribution services for aerospace parts intended to serve airlines, maintenance, repair, and overhaul ("MRO") providers, and the U.S. military with cost-effective alternatives to original equipment manufacturer ("OEM") products	ND	ND	ND	ND	ND	ND
11/12/24	Branford Castle Partners, L.P.	Testek Solutions (portco. of Odyssey Investment Partners, LLC)	Provides capital equipment for testing aircraft hydraulics, power generation, fuel, pneumatics, and avionics components and systems for commercial and military aviation industries	ND	ND	ND	ND	ND	ND
11/04/24	Aero Accessories & Repair, LLC (portco. of ATL Partners)	Aero Instruments and Avionics, Inc.	Provides testing and MRO services for avionics, electronics, electro-mechanical components, and indicators to passenger airlines, logistics, cargo airlines, and aftermarket providers	ND	ND	ND	ND	ND	ND
11/04/24	BWX Technologies, Inc. (NYSE: BWXT)	Aerojet Ordnance Tennessee (subsidiary of L3Harris Technologies, Inc. (NYSE: LHX))	Provides advanced specialty materials, fabrication, and high-strength alloy manufacturing, including depleted uranium engineered products for commercial, military, and space applications	\$100.0	\$40.0	ND	ND	2.5x	ND
11/04/24	Stonepeak	Air Transport Services Group, Inc. (NASDAQ: ATSG)	Provides aircraft leasing, cargo, and passenger air transportation solutions for both domestic and international air carriers, as well as companies seeking outsourced airlift services	\$3,100.0	\$1,962.2	\$482.8	25%	1.6x	6.4x
10/28/24	Genesys Industries, Inc.	F3 Aerospace	Provides precision aerospace components, including custom parts, fasteners, and precision components, designed for various aerospace applications	ND	ND	ND	ND	ND	ND
10/24/24	Snow Peak Capital	TurbineAero, Inc.	Provides aerospace component MRO services, including fabrication, coatings, line replaceable unit ("LRU") assembly, on site borescope inspections and auxiliary power unit ("APU") repair, component MRO, and APU leasing services	ND	ND	ND	ND	ND	ND
10/21/24	Firan Technology Group Corp. (TSX: FTG)	FLYHT Aerospace Solutions Ltd. (TSXV: FLY)	Provides proprietary technological solutions and services driven by a suite of patented aircraft-certified hardware products for global aviation markets	\$15.3	\$13.6	(\$2.8)	(20%)	1.1x	NM
10/21/24	HEICO Corporation (NYSE: HEI)	88% of Mid Continent Controls, Inc.	Provides the design and manufacturing of proprietary in-cabin power and entertainment components and subsystems for business jets across the aviation industry	ND	ND	ND	ND	ND	ND
10/21/24	Tecum Capital Partners	Kadon Precision Machining, Inc.	Provides precision manufacturing specializing in Swiss turn, milling, lathe, and multi-axis machining and assembly for aerospace, defense, and space markets	ND	ND	ND	ND	ND	ND
10/15/24	VSE Corporation (NASDAQ: VSEC)	Kellstrom Aerospace (portco. of AE Industrial Partners, L.P.)	Provides distribution of engines, aircraft, and spare parts intended to serve the commercial aerospace engine aftermarket	\$200.0	\$175.0	ND	ND	1.1x	ND

Note: ND = Not Disclosed; NM = Not Material

# 4Q24 Aerospace Transactions, cont.

(\$ in millions)

Announced		Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
Date	Buyer / Investor					EBITDA	Margin	Rev.	EBITDA
10/14/24	Centerbridge Partners, L.P.	Precinmac, L.P. (portco. of Pine Island Capital Partners, LLC)	Provides high-tolerance precision machined components and assemblies for aerospace, defense, and other industrial markets	ND	ND	ND	ND	ND	ND
10/08/24	H.I.G. Capital, LLC	STS Aviation Group, Inc. (portco. of Greenbriar Equity Group, L.P.)	Provides aircraft MRO solutions, workforce management, and global parts distribution across aerospace and defense markets	ND	ND	ND	ND	ND	ND
10/07/24	Jet Parts Engineering, Inc. (portco. of Vance Street Capital LLC)	Mitchell PMA (subsidiary of Mitchell Aircraft)	Provides FAA-PMA approved airframe and accessory replacement parts with a diverse catalog of over 170 parts for the aviation industry	ND	ND	ND	ND	ND	ND
10/07/24	Apollo Global Management, Inc. (NYSE: APO)	Barnes Group, Inc. (NYSE: B)	Provides machining and fabrication of components and assemblies for aircraft engines, airframes, and other complex plastic injection molding applications across aerospace and other industrial markets	\$3,572.9	\$1,589.4	\$331.9	21%	2.2x	10.8x
10/04/24	Innovative Solutions & Support, Inc. (NASDAQGS: ISSC)	The exclusive license for the Display Generator and Flight Control Computer Product Line of Honeywell International, Inc.	Provides the exclusive license to manufacture, upgrade, and repair various generations of military display generators and flight control computers for defense markets	ND	ND	ND	ND	ND	ND
10/01/24	Element Materials Technology Group (portco. of Temasek Holdings Ltd.)	ISS Inspection Services (subsidiary of Industrial Service Solutions (portco. of Wynnchurch Capital, L.P.))	Provides inspection services, adhesive bonding and coatings, non-destructible testing, and precision cleaning for aerospace, space, defense, and nuclear power generation markets	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed

# 4Q24 Defense Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
12/23/24	SPX Technologies (NYSE: SPXC)	Kranze Technology Solutions, Inc.	Provides advanced digital interoperability and tactical networking solutions which integrate and distribute real-time information across multiple communications domains and platforms to enhance situational awareness, coordination, and tactical execution during operations	\$350.0	ND	ND	ND	ND	ND
12/19/24	Navantia S.A.	Harland & Wolff Heavy Industries Ltd.	Provides shipbuilding, engineering, repairs, and maintenance for commercial and government vessels	ND	ND	ND	ND	ND	ND
12/04/24	Huntington Ingalls Industries, Inc. (NYSE: HII)	Substantially all of the assets of W International SC, LLC	Provides large complex metal fabrications for private sector and U.S. federal government aerospace, defense, and shipbuilding markets	ND	ND	ND	ND	ND	ND
11/22/24	BlueHalo, LLC, (portco. of Arlington Capital Partners)	Videoray, LLC	Provides underwater ROV technology for private sector and U.S. federal government explosive ordnance disposal, mine counter measure, mobile diving, and salvage applications	ND	ND	ND	ND	ND	ND
11/22/24	Protective Industrial Products, Inc. (portco. of Odyssey Investment Partners, LLC)	Protective Equipment ("PPE") Business of Honeywell International, Inc. (NASDAQ: HON)	Provides safety products, personal protective equipment, gas masks, goggles, and work boots	\$1,325.0	ND	ND	ND	ND	ND
11/20/24	Astor Place Holdings	Technicorp International II, Inc.	Provides high-reliability frequency control products and technical ceramics for mission-critical applications	ND	ND	ND	ND	ND	ND
11/18/24	Tex Tech Industries, Inc., (portco. of Arlington Capital Partners)	Fiber Materials, Inc. (subsidiary of Spirit Aerosystems, Inc.)	Provides high-temperature materials and reinforced composites, with a focus on Carbon Fiber and related composites for critical defense and space applications	\$165.0	ND	ND	ND	ND	ND
11/14/24	Artemis Capital Partners	Diamond Antenna & Microwave Corp.	Provides radio-frequency ("RF") rotary joints and rotating subsystems for private sector and U.S. federal government aerospace, defense, land systems, naval, and space exploration markets	ND	ND	ND	ND	ND	ND
11/14/24	Molex, LLC (subsidiary of Koch Industries, Inc.)	AirBorn Interconnect, Inc.	Provides proprietary, mission-critical products, including electronic interconnects, flexible circuit boards, cable assemblies, electronic assemblies and power supplies enabling systems to work in the harshest environments	ND	ND	ND	ND	ND	ND
11/14/24	Triton	MacGregor Group AB (subsidiary of Cargotec Corporation (HLSE: CGCBV))	Provides cargo and load-handling equipment intended to serve offshore and marine industries	\$507.6	\$780.9	ND	ND	0.7x	ND
11/06/24	MACOM Technology Solutions Holdings, Inc. (NASDAQ: MTSI)	ENGIN-IC	Provides advanced Gallium Nitride ("GaN") monolithic microwave integrated circuits ("MMICs") and integrated microwave assemblies intended to serve the defense, high-reliability, and telecommunication markets	ND	ND	ND	ND	ND	ND
11/06/24	Teledyne Technologies Incorporated (NYSE: TDY)	Optical Systems and Advanced Electronic Systems Businesses of Excelitas Technologies Corp. (portco. of AEA Investors)	Provides advanced optics for heads-up and helmet-mounted displays, dismounted tactical night vision systems, proprietary glass used in space and satellite applications, electronic safe and arm devices, high-voltage semiconductor switches, and rubidium frequency standards	\$710.0	ND	ND	ND	ND	ND
11/04/24	Coda Octopus Group, Inc. (NASDAQ: CODA)	Precision Acoustics Limited Ltd. (subsidiary of LG Motion Ltd.)	Provides ultrasound test equipment, such as membrane, needle, and fiber-optic hydrophones and ultrasound transducers	\$6.5	\$4.0	ND	ND	1.6x	ND
11/04/24	Teledyne Technologies, Inc. (NYSE: TDY)	Micropac Industries, Inc. (OTC: MPAD)	Provides high reliability microcircuit products, electronic assemblies, power products, sensors, displays, optical data transport products, and optoelectronic components and assemblies for aerospace, defense, space, medical, and industrial applications	\$57.3	\$37.4	\$6.4	17%	1.5x	8.9x
11/04/24	Tinicum, L.P.	Aeronix Technologies Group (portco. of ShoreView Industries)	Provides data transfer, signal analysis, communications products, and related engineering services across air, space, sea, land, and cyber domains	ND	ND	ND	ND	ND	ND
11/01/24	ARKA Group	Radar and Sensor Technology group of Maxar Technologies Inc. (portco. of Advent International)	Provides synthetic aperture radar ("SAR"), moving target indication, and unique full spectrum geospatial intelligence products	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed

# 4Q24 Defense Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
10/31/24	Ametek (NYSE: AME)	Virtek Vision International (portco. of American Industrial Partners)	Provides manufacturing of laser-based products, including three-dimensional ("3D") vision positioning, two-dimensional ("2D") laser projection and quality inspection systems, intended for the aerospace, defense, and industrial end markets	ND	\$40.0	ND	ND	ND	ND
10/29/24	Indra Sistemas S.A. (MAD: IDR)	Additional 26% stake in TESS Defence S.A.	Provides manufacturing of combat vehicles and military vehicles intended to meet the needs of modern defense forces	ND	ND	ND	ND	ND	ND
10/29/24	OceanSound Partners, L.P.	Antenna Research Associates, Inc.	Provides design, development, and manufacturing of antennas or radiofrequency systems for communication networks, radiofrequency surveillance, radio frequency jamming, public safety networks, and civilian markets	ND	ND	ND	ND	ND	ND
10/29/24	Delair	Squadrone System	Provides autonomous, multi-copter drones designed for both civil and defense applications, including UAV swarming and anti-drone combat	ND	ND	ND	ND	ND	ND
10/23/24	Branford Castle Partners, L.P.	Hoffman Engineering Corp. (subsidiary of Trident Maritime Systems, LLC (portco. of J.F. Lehman & Co.))	Provides night vision and photonic test equipment in addition to lighting components and power management systems for aerospace and defense markets	ND	ND	ND	ND	ND	ND
10/22/24	Sverica Capital Management L.P.	Electronic Source Company	Provides manufacturing of high-reliability circuit card assemblies and other defense electronics for aerospace, defense, and space markets	ND	ND	ND	ND	ND	ND
10/21/24	Proteus Capital Solutions, LLC and Gladstone Investment Corp.	Ricardo Defense, Inc. (subsidiary of Ricardo plc)	Provides capabilities in engineering and production services for land vehicles in the defense sector	\$85.0	\$154.5	ND	ND	0.6x	ND
10/20/24	Thales S.A. (ENXTPA: HO)	Digital Receiver Technology, Inc. (subsidiary of Boeing Co. (NYSE: BA))	Provides Software Defined Radio ("SDR") based technical solutions for military, intelligence community, and other law enforcement markets	ND	ND	ND	ND	ND	ND
10/11/24	Parcom	Robin Radar	Provides a radar technology platform designed to detect small flying objects and birds within a radius of a few kilometers around civil and military bases	ND	ND	ND	ND	ND	ND
10/08/24	NewSpring Capital, LLC	C Speed, LLC	Provides engineering and delivery of radar systems, subsystems, and solutions across global civilian and military markets	ND	ND	ND	ND	ND	ND
10/07/24	Lynred SAS (joint venture between Safran S.A. (ENXTPA: SAF) and Thales (ENXTPA: HO))	New Imaging Technologies	Provides short-wave infrared and hdr imaging technologies and sensors for private sector and international defense markets	ND	ND	ND	ND	ND	ND
10/01/24	The Electronic Technologies Group, Inc. (subsidiary of HEICO Corp. (NYSE: HEI))	Marway Power Solutions, Inc.	Provides design and manufacturing of power distribution solutions for mission-critical systems across defense and aerospace markets	ND	ND	ND	ND	ND	ND
10/01/24	AEVEX Aerospace, LLC (portco. of Madison Dearborn Partners, LLC)	Veth Research Associates, LLC	Provides development and manufacturing of a proprietary sensor fusion engine utilizing deep neural networks and machine learning for aerospace and defense markets	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed



# 4Q24 Government Technology Services Transactions

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
12/11/24	Cathexis	Paradyne Management, Inc.	Provides software development solutions for private sector and U.S. federal government civil and diplomatic markets	ND	ND	ND	ND	ND	ND
12/10/24	Core One Solutions, LLC (portco. of Blue Delta Capital Partners)	Calhoun International	Provides intelligence planning and analysis, counterintelligence, and program management support services for DoD and intelligence customers	ND	ND	ND	ND	ND	ND
12/05/24	JANUS Research Group, LLC (portco. of CM Equity Partners)	Atmospheric And Environmental Research, Inc.	Provides research and development services focused on environmental science for private sector and U.S. federal government aerospace, defense, and environmental markets	ND	ND	ND	ND	ND	ND
12/03/24	UIC Government Services, LLC	Delta Solutions & Strategies, LLC	Provides systems engineering, strategic planning & wargaming, and consulting solutions to private sector and U.S. federal government defense markets	ND	ND	ND	ND	ND	ND
12/02/24	SIXGEN, Inc. (portco. of Washington Harbour Partners)	Kyrus Tech, Inc.	Provides software and hardware reverse engineering and secure software development solutions for private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
11/25/24	Sagewind Capital, LLC	Aechelon Technologies	Provides visual simulation image generators, associated geospecific visual and sensor databases, realistic 3D models and integration services for private sector and U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
11/25/24	Kingswood Capital Management, LLC	Identity Theft Guard Solutions	Provides cybersecurity breach response solutions including end-to-end notification, remediation, and digital protection for those affected by cyber breaches	ND	ND	ND	ND	ND	ND
11/22/24	Unanet, Inc. (portco. of JMI Equity)	GovPro AI, Inc.	Provides AI-powered secure, highly specified proposal writing solutions for government contractors	ND	ND	ND	ND	ND	ND
11/22/24	Commerce Street Capital	Federated IT, Inc.	Provides mission-critical IT and cybersecurity services to private sector and U.S. federal government civil, defense, financial, and special operations markets	ND	ND	ND	ND	ND	ND
11/21/24	Corestack	Karthik Consulting, LLC	Provides cloud and cybersecurity, DevSecOps, and IT systems integration for private sector and U.S. federal government civil, defense, and emergency management markets	ND	ND	ND	ND	ND	ND
11/19/24	AeroVironment, Inc. (NASDAQ: AVAV)	BlueHalo, LLC (portco. of Arlington Capital Partners)	Provides next-generation defense capabilities across several key mission areas including space technologies, counter-uncrewed aircraft systems, directed energy, electronic warfare, cyber, artificial intelligence, and other emerging technologies	\$4,100.0	\$900.0	ND	ND	4.6x	ND
11/14/24	Undisclosed	Federal Data Systems, LLC	Provides design, delivery, implementation, monitoring of automated systems, and information technology services to government and commercial markets	ND	ND	ND	ND	ND	ND
11/13/24	Lynx Software Technologies, Inc. (portco. of OceanSound Partners)	CoreAVI	Provides software and components that enable the deployment of graphics processors into the safety-critical systems of avionics platforms, ground control stations, land vehicles, naval vessels, automotive, medical and industrial systems	ND	ND	ND	ND	ND	ND
11/13/24	Kpler, Inc.	exactEarth, Ltd.	Provides global maritime vessel data for ship tracking and maritime situational awareness solutions which leverages advanced microsatellite technology to deliver monitoring solutions characterized by high performance, reliability, security, and simplicity	\$241.0	\$41.5	ND	ND	5.8x	ND
11/13/24	Pleasant Land	DOMA Technologies, LLC	Provides digital transformation solutions, data extraction, and automated workflows to federal healthcare markets	ND	ND	ND	ND	ND	ND
11/12/24	Integral Federal, Inc.	Pragmatics, Inc.	Provides IT modernization services including DevSecOps, cloud integration, agile development, and infrastructure solutions to federal civilian and DoD agency customers	ND	ND	ND	ND	ND	ND

Note: ND = Not Disclosed

# 4Q24 Government Technology Services Transactions, cont.

(\$ in millions)

Announced Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
11/12/24	Tria Federal (portco. of Sagewind Capital, LLC)	Softrams, Inc.	Provides human-centered digital services and system modernization for U.S. federal government aerospace, defense, and healthcare markets	ND	ND	ND	ND	ND	ND
11/06/24	Sagewind Capital, LLC	Sabel Systems Technology Solutions, LLC	Provides digital engineering solutions focused on modernizing and sustaining DoD weapons platforms	ND	ND	ND	ND	ND	ND
11/01/24	Everfox (portco. of TPG)	Yakabod, Inc.	Provides case management software for private sector and U.S. federal government defense and security markets	ND	ND	ND	ND	ND	ND
10/28/24	Special Aerospace Services, LLC (portco. of Godspeed Capital Management)	Concordia Technologies Inc.	Provides advanced engineering, modeling and simulation, and rapid prototyping services for U.S. federal government aerospace and defense markets	ND	ND	ND	ND	ND	ND
10/28/24	Ernst & Young LLP	Dignari, LLC	Provides technology consulting services to the public sector specializing in digital identity and access management solutions	ND	ND	ND	ND	ND	ND
10/15/24	NewSpring Capital	Xpect Solutions, Inc.	Provides enterprise IT and security solutions to private sector and U.S. federal government healthcare, intelligence, and law enforcement markets	ND	ND	ND	ND	ND	ND
10/15/24	Core4Ce, LLC	Azimuth Corporation	Provides technical, programmatic, administrative, and research services to private sector and U.S. federal government civil and defense markets	ND	ND	ND	ND	ND	ND
10/02/24	The Cadmus Group (portco. of CI Capital)	Ventera Corp	Provides transformative digital platforms for private sector and U.S. federal government government healthcare, finance, media, and communications markets	ND	ND	ND	ND	ND	ND
10/02/24	CACI International, Inc. (NYSE: CACI)	Applied Insight, LLC (portco. of The Acacia Group)	Provides cloud migration, adoption, and transformation capabilities to customers across the DoD and Intelligence Communities	\$320.0	ND	ND	ND	ND	ND

Note: ND = Not Disclosed

# Public Company Trading Analysis

(\$ in millions, except per share amounts)

<b>Aircraft and Engine OEMs</b>	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
General Electric Company	\$166.79	85.6%	\$180,516	\$186,245	\$69,953	\$9,175	13.1%	\$40,114	\$9,295	23.2%	2.66x	20.3x	4.64x	20.0x
The Boeing Company	177.00	68.4%	132,249	179,440	73,293	(3,991)	NM	85,829	5,621	6.5%	2.45x	NM	2.09x	NM
Airbus SE	160.24	89.6%	126,673	127,119	75,173	7,242	9.6%	78,888	10,353	13.1%	1.69x	17.6x	1.61x	12.3x
Safran SA	219.59	92.8%	92,310	91,972	27,576	5,701	20.7%	32,318	6,477	20.0%	3.34x	16.1x	2.85x	14.2x
MTU Aero Engines AG	333.37	96.6%	17,982	18,713	7,803	1,200	15.4%	8,682	1,522	17.5%	2.40x	15.6x	2.16x	12.3x
<b>Median</b>		<b>89.6%</b>	<b>\$126,673</b>	<b>\$127,119</b>	<b>\$69,953</b>	<b>\$5,701</b>	<b>14.2%</b>	<b>\$40,114</b>	<b>\$6,477</b>	<b>17.5%</b>	<b>2.45x</b>	<b>16.8x</b>	<b>2.16x</b>	<b>13.2x</b>

<b>Aerostructures</b>	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Hexcel Corporation	\$62.70	81.3%	\$5,079	\$5,781	\$1,887	\$355	18.8%	\$2,037	\$416	20.4%	3.06x	16.3x	2.84x	13.9x
Spirit AeroSystems Holdings, Inc.	34.08	91.9%	3,984	8,913	6,478	(746)	NM	8,014	425	5.3%	1.38x	NM	1.11x	21.0x
Triumph Group, Inc.	18.66	94.7%	1,443	2,304	1,212	157	12.9%	1,309	215	16.4%	1.90x	14.7x	1.76x	10.7x
Senior plc	2.00	88.4%	816	1,110	1,242	103	8.3%	1,281	145	NM	0.89x	10.8x	0.87x	7.7x
<b>Median</b>		<b>90.1%</b>	<b>\$2,714</b>	<b>\$4,043</b>	<b>\$1,564</b>	<b>\$130</b>	<b>12.9%</b>	<b>\$1,673</b>	<b>\$316</b>	<b>16.4%</b>	<b>1.64x</b>	<b>14.7x</b>	<b>1.44x</b>	<b>12.3x</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research

# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Aerospace Suppliers	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Howmet Aerospace Inc.	\$109.37	90.6%	\$44,433	\$47,567	\$7,270	\$1,772	24.4%	\$8,049	\$2,133	26.5%	6.54x	26.8x	5.91x	22.3x
Curtiss-Wright Corporation	354.87	90.2%	13,467	14,207	3,083	683	22.2%	3,271	708	21.6%	4.61x	20.8x	4.34x	20.1x
Woodward, Inc.	166.42	82.5%	9,841	10,469	3,324	597	18.0%	3,489	659	18.9%	3.15x	17.5x	3.00x	15.9x
Moog Inc.	196.84	86.4%	6,294	7,280	3,609	469	13.0%	3,789	547	14.4%	2.02x	15.5x	1.92x	13.3x
Ducommun Incorporated	63.66	90.3%	941	1,189	781	94	12.0%	832	136	16.4%	1.52x	12.7x	1.43x	8.7x
Héroux-Devtek Inc.	22.09	98.2%	744	847	514	79	15.4%	526	94	17.9%	1.65x	10.7x	1.61x	9.0x
Astronics Corporation	15.96	67.2%	563	764	782	47	6.0%	836	118	14.1%	0.98x	16.1x	0.91x	6.5x
<b>Median</b>		<b>90.2%</b>	<b>\$6,294</b>	<b>\$7,280</b>	<b>\$3,083</b>	<b>\$469</b>	<b>15.4%</b>	<b>\$3,271</b>	<b>\$547</b>	<b>17.9%</b>	<b>2.02x</b>	<b>16.1x</b>	<b>1.92x</b>	<b>13.3x</b>

Aftermarket / MRO	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
TransDigm Group Incorporated	\$1,267.28	87.3%	\$71,260	\$89,902	\$7,940	\$3,909	49.2%	\$9,040	\$4,831	53.4%	11.32x	23.0x	9.94x	18.6x
HEICO Corporation	237.74	83.8%	28,674	31,305	3,858	997	25.9%	4,330	1,131	26.1%	8.11x	NM	7.23x	27.7x
Singapore Technologies Engineering Ltd	3.41	96.9%	10,635	15,057	7,936	1,020	12.9%	8,796	1,236	14.0%	1.90x	14.8x	1.71x	12.2x
AAR Corp.	61.28	80.3%	2,158	3,169	2,431	216	8.9%	2,810	329	11.7%	1.30x	14.7x	1.13x	9.6x
SIA Engineering Company Limited	1.74	95.2%	1,943	1,648	902	111	12.4%	942	66	7.0%	1.83x	14.8x	1.75x	25.1x
<b>Median</b>		<b>87.3%</b>	<b>\$10,635</b>	<b>\$15,057</b>	<b>\$3,858</b>	<b>\$997</b>	<b>12.9%</b>	<b>\$4,330</b>	<b>\$1,131</b>	<b>14.0%</b>	<b>1.90x</b>	<b>14.8x</b>	<b>1.75x</b>	<b>18.6x</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research

# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Defense Primes	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
RTX Corporation	\$115.72	89.9%	\$154,025	\$192,836	\$79,042	\$12,571	15.9%	\$84,345	\$14,138	16.8%	2.44x	15.3x	2.29x	13.6x
Lockheed Martin Corporation	485.94	78.5%	115,185	131,355	71,295	10,276	14.4%	74,119	10,331	13.9%	1.84x	12.8x	1.77x	12.7x
General Dynamics Corporation	263.49	83.1%	72,335	81,401	46,046	5,403	11.7%	50,394	6,390	12.7%	1.77x	15.1x	1.62x	12.7x
Northrop Grumman Corporation	469.29	84.5%	68,373	83,146	40,985	4,458	10.9%	42,781	6,103	14.3%	2.03x	18.7x	1.94x	13.6x
BAE Systems plc	14.38	81.1%	42,991	53,338	31,036	4,091	13.2%	38,014	5,183	13.6%	1.72x	13.0x	1.40x	10.3x
L3Harris Technologies, Inc.	210.28	79.1%	39,883	52,318	21,142	3,706	17.5%	21,998	4,258	19.4%	2.47x	14.1x	2.38x	12.3x
<b>Median</b>		<b>82.1%</b>	<b>\$70,354</b>	<b>\$82,274</b>	<b>\$43,516</b>	<b>\$4,931</b>	<b>13.8%</b>	<b>\$46,588</b>	<b>\$6,247</b>	<b>14.1%</b>	<b>1.94x</b>	<b>14.6x</b>	<b>1.86x</b>	<b>12.7x</b>

Defense Systems	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Safran SA	\$219.59	92.8%	\$92,310	\$91,972	\$27,576	\$5,701	20.7%	\$32,318	\$6,477	20.0%	3.34x	16.1x	2.85x	14.2x
Kongsberg Gruppen ASA	112.67	93.8%	19,798	19,624	4,454	681	15.3%	4,976	828	16.6%	4.41x	28.8x	3.94x	23.7x
Huntington Ingalls Industries, Inc.	188.97	63.1%	7,394	10,204	11,708	1,071	9.1%	12,095	1,061	8.8%	0.87x	9.5x	0.84x	9.6x
AeroVironment, Inc.	153.89	65.0%	4,309	4,291	761	91	12.0%	962	189	19.6%	5.63x	NM	4.46x	22.7x
<b>Median</b>		<b>78.9%</b>	<b>\$13,596</b>	<b>\$14,914</b>	<b>\$8,081</b>	<b>\$876</b>	<b>13.6%</b>	<b>\$8,536</b>	<b>\$944</b>	<b>18.1%</b>	<b>3.87x</b>	<b>16.1x</b>	<b>3.39x</b>	<b>18.5x</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research



# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

<b>Defense Electronics / Comm.</b>	<b>Stock Price 12/31/24</b>	<b>% of 52 Week High</b>	<b>Market Cap</b>	<b>Enterprise Value</b>	<b>LTM</b>			<b>CY2025E</b>			<b>EV / LTM</b>		<b>EV / CY2025E</b>	
					<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Rev.</b>	<b>EBITDA</b>
Teledyne Micropac, Inc	\$464.13	94.3%	\$21,630	\$23,872	\$5,593	\$1,346	24.1%	\$5,920	\$1,479	25.0%	4.27x	17.7x	4.03x	16.1x
Kratos Defense & Security Solutions, Inc.	26.38	91.9%	3,985	3,983	1,127	78	6.9%	1,271	125	9.8%	3.53x	NM	3.13x	NM
Mercury Systems, Inc.	42.00	94.1%	2,505	3,023	859	(15)	NM	858	112	13.1%	3.52x	NM	3.52x	26.9x
Viasat, Inc.	8.51	29.2%	1,093	6,900	4,527	1,286	28.4%	4,540	1,576	34.7%	1.52x	5.4x	1.52x	4.4x
Comtech Telecommunications Corp.	4.01	46.3%	116	476	540	35	6.6%	562	59	10.6%	0.88x	13.4x	0.85x	8.0x
<b>Median</b>		<b>91.9%</b>	<b>\$2,505</b>	<b>\$3,983</b>	<b>\$1,127</b>	<b>\$78</b>	<b>15.5%</b>	<b>\$1,271</b>	<b>\$125</b>	<b>13.1%</b>	<b>3.52x</b>	<b>13.4x</b>	<b>3.13x</b>	<b>12.1x</b>

<b>Homeland Security</b>	<b>Stock Price 12/31/24</b>	<b>% of 52 Week High</b>	<b>Market Cap</b>	<b>Enterprise Value</b>	<b>LTM</b>			<b>CY2025E</b>			<b>EV / LTM</b>		<b>EV / CY2025E</b>	
					<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Rev.</b>	<b>EBITDA</b>
Smiths Group plc	\$21.52	90.7%	\$7,361	\$7,663	\$4,022	\$693	17.2%	\$4,209	\$849	20.2%	1.91x	11.1x	1.82x	9.0x
MSA Safety Incorporated	165.77	82.6%	6,516	6,970	1,804	478	26.5%	1,875	480	25.6%	3.86x	14.6x	3.72x	14.5x
OSI Systems, Inc.	167.43	88.5%	2,798	3,478	1,604	241	15.0%	1,735	285	16.4%	2.17x	14.4x	2.00x	12.2x
Smith & Wesson Brands, Inc.	10.11	56.0%	445	541	515	75	14.5%	507	78	15.5%	1.05x	7.2x	1.07x	6.9x
<b>Median</b>		<b>85.6%</b>	<b>\$4,657</b>	<b>\$5,224</b>	<b>\$1,704</b>	<b>\$359</b>	<b>16.1%</b>	<b>\$1,805</b>	<b>\$382</b>	<b>18.3%</b>	<b>2.04x</b>	<b>12.7x</b>	<b>1.91x</b>	<b>10.6x</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research

# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

<b>Government Services</b>	<b>Stock Price 12/31/24</b>	<b>% of 52 Week High</b>	<b>Market Cap</b>	<b>Enterprise Value</b>	<b>LTM</b>			<b>CY2025E</b>			<b>EV / LTM</b>		<b>EV / CY2025E</b>	
					<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Rev.</b>	<b>EBITDA</b>
Leidos Holdings, Inc.	\$144.06	71.0%	\$19,222	\$23,226	\$16,277	\$2,091	12.8%	\$16,971	\$2,163	12.7%	1.43x	11.1x	1.37x	10.7x
Booz Allen Hamilton Holding Corporation	128.70	67.5%	16,444	19,501	11,429	1,364	11.9%	12,691	1,430	11.3%	1.71x	14.3x	1.54x	13.6x
Parsons Corporation	92.25	80.4%	9,796	10,747	6,510	515	7.9%	7,361	699	9.5%	1.65x	20.9x	1.46x	15.4x
CACI International Inc	404.06	68.7%	9,054	10,819	7,867	834	10.6%	8,932	1,029	11.5%	1.38x	13.0x	1.21x	10.5x
SAIC	111.78	71.5%	5,464	7,767	7,378	659	8.9%	7,629	716	9.4%	1.05x	11.8x	1.02x	10.8x
ICF International, Inc.	119.21	66.3%	2,237	2,848	2,002	229	11.4%	2,174	250	11.5%	1.42x	12.5x	1.31x	11.4x
V2X, Inc.	47.83	68.6%	1,510	2,600	4,205	259	6.2%	4,460	328	7.4%	0.62x	10.0x	0.58x	7.9x
<b>Median</b>		<b>68.7%</b>	<b>\$9,054</b>	<b>\$10,747</b>	<b>\$7,378</b>	<b>\$659</b>	<b>10.6%</b>	<b>\$7,629</b>	<b>\$716</b>	<b>11.3%</b>	<b>1.42x</b>	<b>12.5x</b>	<b>1.31x</b>	<b>10.8x</b>

<b>Government Technology Software</b>	<b>Stock Price 12/31/24</b>	<b>% of 52 Week High</b>	<b>Market Cap</b>	<b>Enterprise Value</b>	<b>LTM</b>			<b>CY2025E</b>			<b>EV / LTM</b>		<b>EV / CY2025E</b>	
					<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Margin</b>	<b>Rev.</b>	<b>EBITDA</b>	<b>Rev.</b>	<b>EBITDA</b>
Palantir Technologies Inc.	\$75.63	89.2%	\$172,287	\$168,070	\$2,646	\$398	15.0%	\$3,477	\$1,369	39.4%	NM	NM	NM	NM
Tyler Technologies, Inc.	576.64	90.3%	24,679	24,777	2,078	369	17.8%	2,360	657	27.8%	11.93x	NM	10.50x	NM
BigBear.ai Holdings, Inc.	4.45	85.6%	1,115	1,256	155	(30)	NM	192	5	2.5%	8.10x	NM	6.52x	NM
Telos Corporation	3.42	68.0%	248	188	123	(38)	NM	148	2	1.2%	1.53x	NM	1.28x	NM
<b>Median</b>		<b>87.4%</b>	<b>\$12,897</b>	<b>\$13,016</b>	<b>\$1,116</b>	<b>\$169</b>	<b>16.4%</b>	<b>\$1,276</b>	<b>\$331</b>	<b>15.2%</b>	<b>8.10x</b>	<b>NM</b>	<b>6.52x</b>	<b>NM</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research

# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

<b>Diversified Government</b>	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Accenture plc	\$351.79	90.8%	\$220,038	\$220,785	\$66,362	\$11,358	17.1%	\$69,647	\$13,483	19.4%	3.33x	19.4x	3.17x	16.4x
International Business Machines Corporation	219.83	91.8%	203,265	249,771	62,580	11,951	19.1%	65,836	16,592	25.2%	3.99x	20.9x	3.79x	15.1x
CGI Inc.	109.31	96.7%	24,570	25,942	10,864	1,931	17.8%	10,824	2,166	20.0%	2.39x	13.4x	2.40x	12.0x
Maximus, Inc.	74.65	79.4%	4,501	5,598	5,306	603	11.4%	5,328	616	11.6%	1.06x	9.3x	1.05x	9.1x
ASGN Incorporated	83.34	78.3%	3,684	4,623	4,189	408	9.7%	4,179	461	11.0%	1.10x	11.3x	1.11x	10.0x
DLH Holdings Corp.	8.03	45.7%	116	280	396	42	10.6%	313	31	9.8%	0.71x	6.7x	0.89x	9.2x
<b>Median</b>		<b>85.1%</b>	<b>\$14,536</b>	<b>\$15,770</b>	<b>\$8,085</b>	<b>\$1,267</b>	<b>14.2%</b>	<b>\$8,076</b>	<b>\$1,391</b>	<b>15.5%</b>	<b>1.75x</b>	<b>12.4x</b>	<b>1.75x</b>	<b>11.0x</b>

<b>Engineering &amp; Construction</b>	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Jacobs Solutions Inc.	\$133.62	85.5%	\$16,564	\$18,260	\$11,501	\$1,218	10.6%	\$12,419	\$1,269	10.2%	1.59x	15.0x	1.47x	14.4x
AECOM	106.82	90.1%	14,150	15,912	16,105	1,106	6.9%	17,220	1,216	7.1%	0.99x	14.4x	0.92x	13.1x
Tetra Tech, Inc.	39.84	77.8%	10,667	11,450	4,322	586	13.6%	4,835	660	13.6%	2.65x	19.5x	2.37x	17.4x
KBR, Inc.	57.93	79.8%	7,719	10,099	7,350	780	10.6%	8,942	970	10.8%	1.37x	12.9x	1.13x	10.4x
Babcock International Group PLC	6.27	84.3%	3,156	3,682	6,195	481	7.8%	6,029	580	9.6%	0.59x	7.7x	0.61x	6.4x
<b>Median</b>		<b>84.3%</b>	<b>\$10,667</b>	<b>\$11,450</b>	<b>\$7,350</b>	<b>\$780</b>	<b>10.6%</b>	<b>\$8,942</b>	<b>\$970</b>	<b>10.2%</b>	<b>1.37x</b>	<b>14.4x</b>	<b>1.13x</b>	<b>13.1x</b>

Note: NM = Not Meaningful

Sources: S&amp;P Capital IQ, company filings, and KippsDeSanto research

# Public Company Trading Analysis, cont.

(\$ in millions, except per share amounts)

Space	Stock Price 12/31/24	% of 52 Week High	Market Cap	Enterprise Value	LTM			CY2025E			EV / LTM		EV / CY2025E	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Rocket Lab USA, Inc.	\$25.47	88.4%	\$12,733	\$12,761	\$364	(\$154)	NM	\$600	(\$52)	NM	NM	NM	21.27x	NM
Redwire Corporation	16.46	90.0%	1,095	1,299	298	(13)	NM	362	25	6.9%	4.36x	NM	3.59x	NM
Virgin Galactic Holdings, Inc.	5.88	11.6%	170	12	9	(390)	NM	1	(275)	NM	1.23x	NM	8.90x	NM
Momentum Inc.	7.93	27.8%	14	21	3	(36)	NM	NA	NM	NM	7.43x	NM	NM	NM
<b>Median</b>		<b>58.1%</b>	<b>\$633</b>	<b>\$660</b>	<b>\$154</b>	<b>(\$95)</b>	<b>NM</b>	<b>\$362</b>	<b>(\$52)</b>	<b>6.9%</b>	<b>4.36x</b>	<b>NM</b>	<b>8.90x</b>	<b>NM</b>

Note: NM = Not Meaningful

Sources: S&P Capital IQ, company filings, and KippsDeSanto research

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