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FOCUS

Investment Banking

Strategic, Personal, Dedicated

Investment Banking and Advisory Services

FOCUS Investment Banking LLC provides a range of investment banking services tailored to the needs of government, aerospace, and defense companies.

These services include:

Mergers & Acquisition Advisory
Corporate Development Consulting
Strategic Partnering & Alliances
Capital Financing, Debt & Equity
Corporate Valuations

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AirVault and GE's Predix:

An Innovative New Route to Aircraft Records Management Supports NextGen Goals

By Douglas E. Rodgers, Chief Executive Officer, FOCUS Investment Banking LLC

The FAA's mission to provide the safest, most efficient aviation system in the world is supported by the U.S. Next Generation Air Transportation System—NextGen—to improve safety, drive efficiency, reduce costs, and improve environmental impacts in aviation.

NextGen, when fully implemented by 2025, will steer the transition from analog to digital data; from terrestrial to space-based navigation, surveillance, and communications; and from siloed, compartmentalized data to integrated Big Data sharing and analytics—dramatically changing the way the current aviation system operates.

Why Digital Aircraft Records Management Is Vital Now

The airline industry is one of the pillars of today's global economy and in the U.S. alone, drives \$1.5 trillion in economic activity annually and more than 11 million jobs. To maintain operational compliance of these high-value aircraft assets, a rigorous set of procedures governs how aircraft are maintained, repaired, and overhauled.

When an aircraft is leased or sold, the next operator must initialize a maintenance program, verify airworthiness directive (AD) compliance, and conform the aircraft to their specifications—all requiring flawless aircraft records management.

State-of-the-art digital aircraft records not only facilitate the transition from one operator to another—having a full set of records ensures the aircraft and engines retain their value. In the event of an accident or natural disaster, comprehensive, accurate, digital aircraft records are even more critical.

Bottom line: the benefits of digital aircraft records management are revolutionizing the industry:

- Driving asset productivity, reducing maintenance costs, and improving ROI;
- Supplying efficient digital aircraft lease return records;
- Delivering continuity of maintenance process;
- Leveraging Big Data intelligence with relevant records supplied in the right format at the right time.

AirVault and GE's Predix Aim to Revolutionize Digital Aircraft Records Management

In March 2017, GE Aviation acquired Critical Technologies, Inc.—branded as AirVault®—the leading supplier of electronic records management solutions to airlines worldwide.

AirVault pioneered the transformation of aircraft maintenance records from paper to digital, developing a data repository to which analytics can be applied, and supporting ongoing use of accessible digital records.

Engine health and performance are critical factors driving safety and fuel efficiency, with manufacturers and operators leveraging vast amounts of data to seek improvements and advantages.

The combination of performance data managed in the GE Predix platform with AirVault's cloud-based platform for managing high-volume aircraft maintenance records will drive data availability across a network of stakeholders.

"The opportunity a connected aircraft presents could be one of the most significant changes in aviation history. The vast quantity of data across myriad parameters that a state-of-the-art aircraft generates could provide improvements in flight operations, reliability, maintenance, and safety." Ray Valeika, Aviation Week & Space Technology

With Big Data analytics applied to both platforms, trends and patterns will emerge and better decisions will be the result. For example, the cost of fuel (which can be 20 percent of an airline's operating expenses at current fuel prices) has a high impact on margins; knowing that one of two identical aircraft weighs more—simply due to its maintenance history—might determine the better routes for that aircraft.

Analysis of route and on-condition airframe, engine, and systems data supports accurate prediction of optimal maintenance schedule options by both manufacturers and operators. AirVault's platform and fleet maintenance records coupled with GE's Predix industrial cloud platform will generate deep insights and optimize operations over a wide range of aviation applications.

AirVault's success in this complex, large-scale and highly regulated industry is indicative of the platform's potential in other data-driven environments where analytics are increasingly valuable. As aviation and other domains become increasingly connected, this value has increasing potential.

GE's Predix Optimizes a Wide Range of Aviation Applications

Predix is the GE-built platform providing complete connectivity from the edge to the cloud, as a powerful enabler of what is becoming known as the industrial IoT (Internet of Things).

GE's engine families have been migrated to Predix, where their sensors already generate millions of records every year to diagnose issues and, more usefully, predict them. Operators have lead time to fix issues before they become service disruptive issues.

As connectivity improves, Predix will be able to work with data streams in real time—in the cloud—instead of snapshots or post-flight downloads, by “sneaker-net.”

When combined with the robust enterprise content management (ECM) capabilities of AirVault and GE's domain expertise in flight analytics and engine diagnostics, actionable insights to drive NextGen objectives becomes very real, very quickly.

The outcomes? Better uptime, better fuel efficiency, better safety—exactly what NextGen is all about.

GE's goal is to make Predix not only the best choice for companies using its systems at the edge, but also the best cloud to create industrial applications that act as a brain for any systems at the edge.

With Predix, new types of efficiencies that were never before possible will be created, and will have tremendous impact on increasing aviation safety and reducing negative impacts on the environment. Characteristics of Predix include:

- Creating transformation by extending industrial automation to the cloud;
- Adding a brain with a massive memory and compute power to edge systems for digital industrial transformation;
- Creating a cloud with the needed security and high performance to safely interact with the edge systems and critical infrastructure;
- Using Cloud Foundry, an open source framework, to create future-proof services to build industrial applications;
- Growing as a portfolio of related services; and
- Creating an ecosystem of services for the Industrial IoT from third parties as well as from GE business units.

GE believes Predix is a crucial next step that super charges industrial automation to achieve transformation to new levels of performance. Helping make the aviation industry more efficient by a fraction of a percentage can mean a return of hundreds of millions or billions of dollars.

Supporting NextGen By Strengthening Aviation Maintenance

Combining AirVault's innovative records management capability with GE's domain expertise in flight analytics and engine diagnostics is bringing disparate data together to drive impressive operational efficiencies across the aviation ecosystem—making U.S. aviation safer and more efficient, by reducing delays and mitigating impacts on the environment.

Major Q2 2017 Deals in the GAD Sector

GOVERNMENT

ECS Federal, Inc. Acquisition of InfoReliance Corporation

On April 18, 2017 ECS Federal, Inc. acquired InfoReliance Corporation for an undisclosed amount. InfoReliance provides information technology (IT) consulting services primarily for the federal government. The company's portfolio of technology services includes software engineering, cyber security, cloud computing, portals and collaboration, IT consulting, information technology, mobile computing, business intelligence and data warehousing, and Microsoft technology based services. Select customers include the Navy, the Marine Corp, the Army, IRS, FBI, FDIC, DoJ, DoD, and Commerce.

George Wilson, CEO of ECS Federal said, "In the past five years, ECS has transformed from a services company to a rapidly growing performer, systems integrator, and solution provider in the national defense and intelligence markets. The acquisition of InfoReliance will add \$150M in new revenues delivering next generation cloud and cyber solutions at an enterprise scale. This, along with new contract awards has greatly accelerated ECS's transformation."

CapIQ and ECS Federal press release (April 18, 2017)

AEROSPACE

P4G Capital Management, LLC Acquisition of Fore Machine Company, Inc.

On June 6, 2017 P4G Capital Management, LLC, acquired Fore Machine Company, Inc. for an undisclosed amount. Fore Machine manufactures aerospace components. The company's products include basic machine parts and critical and flight safety assemblies, such as mechanical assembly, force gradient assemblies, pylon assemblies, bulkhead assemblies, cover assemblies, jackshaft assemblies, actuator assemblies, bell-crank assemblies, and manifolds.

P4G plans to combine the operations of Fore Machine with another portfolio company, Aero Components, to create a sustainable precision machining platform that serves the aerospace and defense industries. "Fore Machine and Aero Components represent the perfect first investment for our new platform," said Rachel Lehman, Managing Director of P4G Capital. "We're excited to be working side-by-side with these amazing companies and the fantastic people that make these companies great."

CapIQ and P4G Capital Management press release (June 6, 2017)

DEFENSE

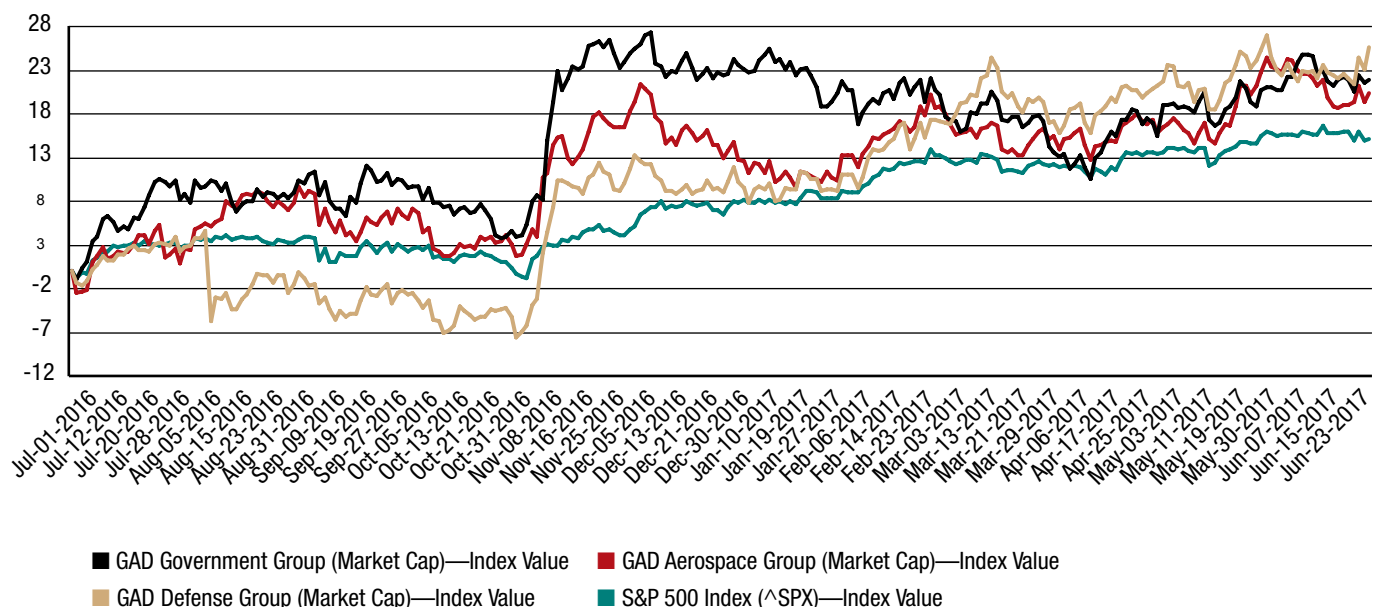
Sagewind Capital LLC Acquisition of By Light Professional IT Services, Inc.

On June 2, 2017 Sagewind Capital LLC acquired By Light Professional IT Services, Inc. for an undisclosed amount. By Light offers hardware, software, engineering, and IT integration services to defense and civilian customers worldwide. The company provides program management, network design/implementation, contingency communications support, software systems design and engineering, installations, satellite communications, information assurance and physical security convergence, wireless communication, rapid prototyping, optical networks, federal healthcare IT support, training, communication integration, wireless enterprise network installation and support, and IT outsourcing and staff augmentation services. Major customers include the DoD, NSA and branches of the military.

Sagewind has a history of acquiring government services companies, with acquisitions of Anteon Corp. and AT Solutions in previous years.

CapIQ and Sagewind Capital LLC press release (June 2, 2017)

Performance: S&P 500 vs. GAD (7/1/2016–6/30/2017)



Source: Capital IQ

GOVERNMENT Sector Q2 2017

GOVERNMENT						
Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM—Latest	TEV/EBITDA LTM—Latest	LTM Period Date (Used for LTM Figures)
CACI International Inc. (NYSE:CACI)	4,288.8	4,331.1	376.9	1.0x	11.4x	Mar-31-2017
CSRA, Inc. (NYSE:CSRA)	7,900.3	4,993.0	938.0	1.6x	8.4x	Mar-31-2017
Engility Holdings, Inc. (NYSE:EGL)	2,068.9	2,038.9	192.0	1.0x	10.8x	Mar-31-2017
MAXIMUS, Inc. (NYSE:MMS)	4,084.4	2,469.8	384.9	1.7x	10.6x	Mar-31-2017
NCI, Inc. (NasdaqGS:NCIT)	286.1	317.5	28.2	0.9x	10.1x	Mar-31-2017
NIC Inc. (NasdaqGS:EGOV)	1,131.3	322.7	84.0	3.5x	13.5x	Mar-31-2017
The KEYW Holding Corporation (NasdaqGS:KEYW)	472.3	282.6	18.9	1.7x	25.0x	Mar-31-2017
Summary Statistics						
High	\$7,900.3	\$4,993.0	\$938.0	3.5X	25.0X	
Low	\$286.1	\$282.6	\$18.9	0.9X	8.4X	
Mean	\$2,890.3	\$2,107.9	\$289.0	1.6X	12.8X	
Median	\$2,068.9	\$2,038.9	\$192.0	1.6X	10.8X	

Source: Capital IQ; stock prices as of 6/30/2017

AEROSPACE Sector Q2 2017

AEROSPACE						
Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM —Latest	TEV/EBITDA LTM— Latest	LTM Period Date (Used for LTM Figures)
AAR Corp. (NYSE:AIR)	1,297.0	1,707.6	130.8	0.8x	9.9x	Feb-28-2017
Astronics Corporation (NasdaqGS:ATRO)	1,015.0	626.0	97.7	1.6x	10.4x	Apr-01-2017
CPI Aerostructures Inc. (AMEX:CVU)	117.6	88.7	13.1	1.3x	9.0x	Mar-31-2017
Esterline Technologies Corp. (NYSE:ESL)	3,358.2	2,027.8	315.3	1.7x	10.7x	Mar-31-2017
HEICO Corporation (NYSE:HEI)	6,200.8	1,431.5	352.8	4.3x	17.6x	Apr-30-2017
Hexcel Corporation (NYSE:HXL)	5,556.2	1,985.4	450.6	2.8x	12.3x	Mar-31-2017
Triumph Group, Inc. (NYSE:TGI)	2,694.4	3,532.8	440.4	0.8x	6.1x	Mar-31-2017
ViaSat Inc. (NasdaqGS:VSAT)	4,537.1	1,559.3	249.9	2.9x	18.2x	Mar-31-2017
Summary Statistics						
High	\$6,200.80	\$3,532.80	\$450.60	4.3X	18.2X	
Low	\$117.60	\$88.70	\$13.10	0.8X	6.1X	
Mean	\$3,097.04	\$1,619.89	\$256.33	2.0X	11.8X	
Median	\$3,026.30	\$1,633.45	\$282.60	1.6X	10.5X	

Source: Capital IQ; stock prices as of 6/30/2017

DEFENSE Sector Q2 2017

DEFENSE						
Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM —Latest	TEV/EBITDA LTM— Latest	LTM Period Date (Used for LTM Figures)
Aerojet Rocketdyne Holdings, Inc. (NYSE:AJRD)	1,792.3	1,809.7	159.3	1.0x	11.3x	Mar-31-2017
AeroVironment, Inc. (NasdaqGS:AVAV)	689.6	264.9	21.8	2.6x	31.6x	Apr-30-2017
Cubic Corporation (NYSE:CUB)	1,519.1	1,460.2	73.4	1.0x	20.7x	Mar-31-2017
Ducommun Inc. (NYSE:DCO)	510.9	544.8	52.2	0.9x	9.8x	Apr-01-2017
Kratos Defense & Security Solutions, Inc. (NasdaqGS:KTOS)	1,322.0	683.5	22.4	1.9x	59.0x	Mar-26-2017
ManTech International Corporation (NasdaqGS:MANT)	1,513.9	1,629.3	125.2	0.9x	12.1x	Mar-31-2017
Mercury Systems, Inc. (NasdaqGS:MRCY)	1,935.9	378.4	69.1	5.1x	28.0x	Mar-31-2017
Orbital ATK, Inc. (NYSE: OA)	7,026.1	4,484.0	624.0	1.6x	11.3x	Apr-02-2017
Summary Statistics						
High	\$7,026.1	\$4,484.0	\$624.0	5.1X	59.0X	
Low	\$510.9	\$264.9	\$21.8	0.9X	9.8X	
Mean	\$2,038.7	\$1,406.9	\$143.4	1.9X	23.0X	
Median	\$1,516.5	\$1,071.9	\$71.3	1.3X	16.4X	

Source: Capital IQ; stock prices as of 6/30/2017

M&A Activity in the GAD Sector

Selected GAD Transactions Q2 2017

GOVERNMENT

Subsystem Technologies, Inc. Acquires KMS Solutions, LLC

FOCUS Investment Banking advised KMS Solutions during this transaction

Subsystem Technologies, Inc. has acquired KMS Solutions, LLC for an undisclosed amount. KMS is a minority and woman-owned business enterprise dedicated to providing high quality consulting and technical services to commercial and Government clients. Our principals are experienced in and dedicated to serving the needs of US government related activities. Specific market areas include the US Intelligence Community, the Department of Defense and its C4ISR programs, and other Federal technology and human capital management related activities. The company was founded in 2005 and is based in Alexandria, Virginia. (June 30, 2017)

Renovus Capital Partners Recapitalizes The Panum Group, LLC

FOCUS Investment Banking advised The Panum Group during this transaction

Renovus Capital Partners has recapitalized The Panum Group, LLC. FOCUS Investment Banking, a national middle market investment banking firm providing merger, acquisition, divestiture and corporate finance services announced today that The Panum Group, LLC has received a significant minority investment from Renovus Capital Partners. FOCUS represented The Panum Group in the transaction.

Based in Bethesda, Maryland, Panum Group is a leading professional services organization providing program management, acquisition support and IT services to Federal Government agencies. This transaction will allow Panum Group to expand its services and geographical reach

to better serve the needs of its clients such as the U.S. Department of Agriculture and Department of Homeland Security. (June 19, 2017)

Mission Solutions Group, LLC Acquires Morgan 6, LLC

Mission Solutions Group, LLC has acquired Morgan 6, LLC for an undisclosed amount. Morgan 6, LLC provides agile solutions, IT services, cyber security, and software development services for government agencies such as the VA and the Navy. The company was founded in 2012 and is based in North Charleston, South Carolina. (May 3, 2017)

Belcan Corporation Acquires Schafer Corporation

Belcan Corporation has acquired Schafer Corporation for an undisclosed amount. Schafer government services include technology development, analysis and planning, information technology management, intelligence and cyber security, laboratory and scientific support, operational support, and communications. Its aerospace solutions include space superiority, directed energy, counter-space analysis, missile defense, civil space, test and evaluation, and commercial space, as well as science, engineering, and analysis. The company was founded in 1972 and is based in Arlington, Virginia. (April 6, 2017)

AEROSPACE

Kellstrom Aerospace, LLC Acquires Vortex Aviation Inc.

Kellstrom Aerospace, LLC has acquired Vortex Aviation Inc. for an undisclosed amount. Vortex offers repair, troubleshooting, and maintenance of turbine engine and aircraft. With repair facilities located in Fort Lauderdale, Florida; Shannon, Ireland; and Singapore, Vortex provides global support and turnkey solutions for many of the world's aircraft lessors and airlines. The company was founded in 2007 and is based in Fort Lauderdale, Florida. (June 27, 2017)

Adcole Corporation Acquires Maryland Aerospace, LLC

Adcole Corporation has acquired Maryland Aerospace, LLC for an undisclosed amount. Maryland Aerospace develops and manufactures space systems and components. It offers micro satellites, cube satellites, space borne components, end-to-end small satellite mission systems, and control systems to flight units. The company was founded in 2002 and is based in Crofton, Maryland. (May 10, 2017)

West Star Aviation, Inc. Acquires Dallas Aeronautical Services, LLC

West Star Aviation, Inc. has acquired Dallas Aeronautical Services, LLC for an undisclosed amount. Dallas Aeronautical Services offers repair and support services for corporate and commercial aircraft operations. The company specializes in the repair and overhaul of corporate aircraft composites, structures, and thrust reversers. It serves both military and commercial clients. The company was founded in 2004 and is based in Cedar Hill, Texas. (May 4, 2017)

Greenbriar Equity Group LLC Acquires Whitcraft LLC

Greenbriar Equity Group LLC has acquired Whitcraft LLC for an undisclosed amount. Whitcraft manufactures formed, machined, and fabricated sheet metal aerospace components and assemblies. Its products include air seals, bracket assemblies, heat shields, retaining rings, inlet covers, combustor details, and rolled ring air seals. The company was founded in 1960 and is based in Eastford, Connecticut. (April 5, 2017)

DEFENSE

Management Buyout (MBO) of Gnostech Inc.

The current management of Gnostech Inc. has purchased the controlling ownership of Gnostech for an undisclosed amount. Gnostech provides technical and engineering services to the Departments of Defense and Homeland

Security. It offers C4ISR systems engineering, engineering support for the joint mission planning system, and software engineering services. The company was founded in 1981 and is based in Warminster, Pennsylvania. (May 22, 2017)

The GC Companies Acquires Supreme Group (USA) LLC

The GC Companies has acquired Supreme Group (USA) LLC for an undisclosed amount. Supreme Group (USA) offers supply chain and associated service solutions, including food supply and food service, fuel supply, logistics, and site services to the US military sector. The company is based in Reston, Virginia. (May 11, 2017)

General Dynamics Mission Systems, Inc. Acquires Advatech Pacific, Tactical Cross Domain Technology and Products

General Dynamics Mission Systems, Inc. has acquired Advatech Pacific, Tactical Cross Domain Technology and Products for an undisclosed amount. This product portfolio comprises the business operations that manufacture products for the defense industry enabling communication among tactical networks operating with information classified at different security levels. (May 3, 2017)

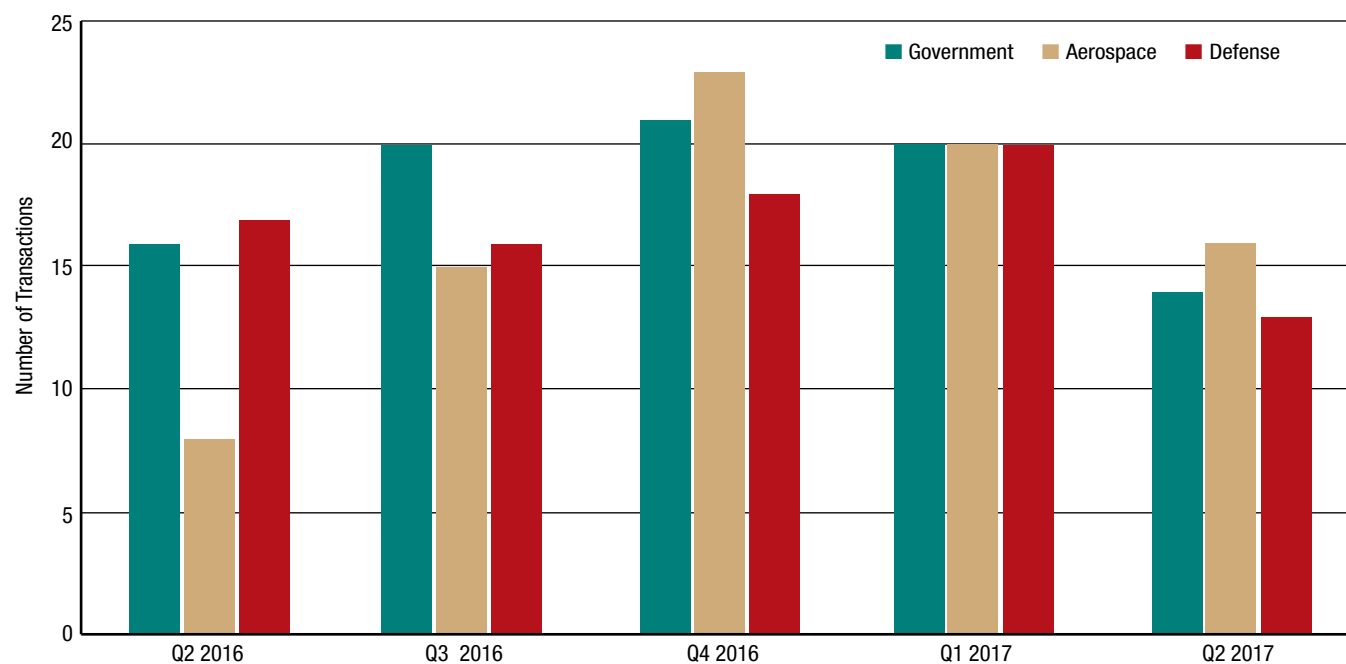
Craig Technologies Inc. Acquires Manufacturing Support Industries, Inc.

Craig Technologies Inc. has acquired Manufacturing Support Industries, Inc. for an undisclosed amount. Manufacturing Support Industries provides manufacturing services for military avionics, ground and space vehicles, and weapons to the defense industry. It offers services in the areas of computer aided design, concurrent engineering, reverse engineering, rapid prototyping, precision masking, assembling, and program management. The company was founded in 1998 and is based in Salisbury, Maryland. (April 18, 2017)





















Source: Transaction material sourced from S&P Capital IQ Database

M&A Activity in the GAD Sector

GAD M&A Transactions by Quarter (Q2 2016 to Q2 2017)



Recent FOCUS GAD Transactions

<p>This announcement appears as a matter of record only</p>  <p>has been recapitalized by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Panum Telecom.</p> <p>FOCUS Investment Banking</p> <p><small>Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered broker-dealer and member FINRA/SIPC.</small></p>	<p>This announcement appears as a matter of record only</p> <p>Critical Technologies, Inc. dba</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Critical Technologies, Inc.</p> <p>FOCUS Investment Banking</p> <p><small>Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered broker-dealer and member FINRA/SIPC.</small></p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Strength Capital, LLC.</p> <p>FOCUS Investment Banking</p> <p><small>Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered broker-dealer and member FINRA/SIPC.</small></p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to ARCH Global Precision, LLC.</p> <p>FOCUS Investment Banking</p> <p><small>Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered broker-dealer and member FINRA/SIPC.</small></p>
<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Smiths Machine, LLC.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Information Security Solutions LLC.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has been sold to</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Forgentum.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Embree, Inc.</p> <p>FOCUS Investment Banking</p> <p><small>December 2012</small></p>
<p>This announcement appears as a matter of record only</p>  <p>has acquired</p> <p>BAE Systems Safety Products, Inc. and Schroth Safety Products, GmbH, subsidiaries of</p>  <p>The undersigned assisted in the negotiations and acted as financial advisor to Takata Corporation.</p> <p>FOCUS Investment Banking</p> <p><small>March 2012</small></p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Telesis Corporation.</p> <p>FOCUS Investment Banking</p> <p><small>February 2012</small></p>	<p>“While I’ve had a number of approaches over the years from potential acquirers, I was always concerned about the impact of a sale on our employees and customers. FOCUS helped me see that ARCH presented an opportunity to not only preserve the team, but also to provide them with opportunities for career growth.”</p> <p>John Rider, CEO and sole owner, Rid-Lom</p>	

Recent FOCUS GAD Transactions (continued)

<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Emerging Solutions.</p> 	<p>This announcement appears as a matter of record only</p> <p>core180</p> <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Core180.</p> 	<p>This announcement appears as a matter of record only</p>  <p>has received a revolving line of credit from</p> <p>Access National Bank progressive business banking</p> <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Global Computer Products, Inc.</p> 	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Fi Holdings, Inc.</p> 
<p>This announcement appears as a matter of record only</p>  <p>has secured term and working capital financing of \$6,419,000 from</p>  <p>The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Nextek, Inc.</p> 	<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Newtek International, Inc.</p> 	<p>This announcement appears as a matter of record only</p>  <p>has been recapitalized by</p> <p>Islington Capital Partners, LLC</p> <p>We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Library Systems and Services, LLC</p> 	<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p> <p>APSE HOLDINGS, LLC an affiliate of</p> <p>Aero Growth Companies and</p>  <p>The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Aerospace Products S.E., Inc.</p> 

"It was time to put Avialec under the wing of a larger progressive organization with financial firepower to realize the many opportunities before us. Given their cross border transaction experience and broad U.S. coverage, FOCUS was the perfect firm to help us realize our goals. The transaction was managed in a timely manner with little disruption to our business. I could not have done it without them." **Barrie Prescott, CEO, Avialec**

Recent FOCUS GAD Transactions (continued)

<p>This announcement appears as a matter of record only</p>  <p>has been sold to</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Avialec International.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has been sold to</p>  <p>The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Vertex Solutions.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Camber Corporation.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned originated this transaction, acted as financial advisor to and assisted with the negotiations as the representative of Cambridge Systems, Inc.</p> <p>FOCUS Investment Banking</p>
<p>This announcement appears as a matter of record only</p>  <p>has acquired certain ownership interests in</p>  <p>The undersigned acted as financial advisor to, and assisted with the negotiations as the representative of Blue Canopy.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Cambridge Systems, Inc.</p> <p>FOCUS Investment Banking</p> <p><small>Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered broker dealer and member FINRA/SIPC.</small></p>	<p>This announcement appears as a matter of record only</p>  <p>has been acquired by</p>  <p>The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Computer Networks and Software, Inc.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>CALIBRE Systems, Inc.</p> <p>has acquired</p>  <p>The undersigned initiated the transaction, acted as financial advisor to and assisted with the negotiations as the representative of CALIBRE Systems, Inc.</p> <p>FOCUS Investment Banking</p>
<p>This announcement appears as a matter of record only</p>  <p>has acquired</p> <p>Denali Associates, Incorporated</p> <p>The undersigned initiated the transaction, acted as financial advisor to SiloSmashers, Inc. and assisted in arranging capital financing for the acquisition.</p> <p>FOCUS Investment Banking</p>	<p>This announcement appears as a matter of record only</p>  <p>has acquired</p>  <p>The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Global Science & Technology, Inc.</p> <p>FOCUS Investment Banking</p>	<p>"Cybersecurity has been a target area of growth for our firm and the Endeavor acquisition provides us the necessary skill sets and customer base through which we can offer these services to a wide range of defense and civilian agencies. FOCUS provided an outstanding service and with their help we were able to look at a number of potential candidates before finalizing Endeavor as the ideal fit." Payal Tak, President and CEO, TELESIS</p>	

FOCUS Government, Aerospace, and Defense Group

FOCUS GAD Team

By Manan Shah, Partner and Government, Aerospace and Defense Group Team Leader, FOCUS Investment Banking LLC

The FOCUS GAD team consists of seven former C-level operators and professionals who leverage years of experience in the government, aerospace, and defense sector—both domestically and abroad—to personally manage your transaction from inception to a successful close.

The FOCUS GAD team is uniquely qualified to help you meet your objectives because, unlike most government, aerospace, and defense specialty groups, we:

- Offer strategic advisory services that enhance shareholder value
- Supply a proven transaction methodology for delivering results
- Devote significant C-level resources with operating expertise in the GAD sector to executing transactions

- Deliver the most exact, comprehensive research to help close a deal, deploying a team of research professionals dedicated to producing precise analysis
- Leverage years of experience in the middle market to maximize opportunities for a successful transaction
- Have a national presence with global reach—regional offices ensure that all clients receive personalized service throughout every phase of a transaction

Members of the FOCUS GAD team attend many conferences and meetings both in the U.S. and internationally. We are always delighted to receive introductions to innovative companies in the industry. We hope to see you at one of these events, and look forward to exploring your capital market needs as you continue to grow your enterprise.

FOCUS Government, Aerospace and Defense Team



Manan K. Shah

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Manan K. Shah has over eighteen years of consulting, management and M&A advisory experience in the government, aerospace, defense, business process outsourcing, software, and information technology sectors. Manan has represented numerous clients in the GAD sector ranging from multi-billion dollar corporations to small minority owned companies.



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Brent Costello has more than 30 years' experience as an investment banker and M&A and corporate finance lawyer, representing a wide range of clients. He holds a J.D. from Georgetown University Law Center; and he graduated with a B.A. (cum laude) from Yale University.



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Dr. Bruce J. Holmes, after 33 years with NASA, is a consultant to industry, government, and universities in strategy, technology, aviation systems development, and public-private partnerships. He is known domestically and internationally for his strategic leadership in the engineering and technological transformation in air transportation.



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Eric Oganessoff, during the past twenty-five years, has conducted over fifty M&A, debt and capital raise transactions in information technology, manufacturing, government contracting and wireless technologies. He received a White House appointment to NASA in 1983.



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Paul Richey, a seasoned executive with more than 40 years in investment banking, has led M&A activities for privately held companies, several of which have annual revenues in excess of \$250 million.



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Dr. Paul A. Robinson has over 25 years as an aerospace professional, working in research and development, product commercialization, and strategic planning. He joined NASA to develop and test systems to detect wind shear, and from this work received an R&D Magazine Award for one of the 100 most significant new products of the year. After leaving NASA, Dr. Robinson founded AeroTech Research, developing turbulence detection systems for aircraft.



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Douglas E. Rodgers, CEO and Managing Partner of FOCUS since early 2002, has executive level management experience in software, information technology, aerospace, e-commerce, real estate and construction, manufacturing and distribution, serving both commercial and government clients. Mr. Rodgers is an Airline Transport rated pilot with over 7,000 flight hours.



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John Slater, a M&A and capital raising veteran of twenty-three years, has managed more than 200 M&A and capital raising transactions with aggregate values in excess of \$3 billion.



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Gerald Turner has over twenty-five years of executive level experience in a wide range of sectors including building and roofing materials, diverse financial services, and commercial data base management.

About FOCUS Investment Banking LLC

With more than three decades of experience, FOCUS Investment Banking is a trusted name in M&A advisory services worldwide. FOCUS works to understand each client's strategic and financial objectives, craft the best plan to achieve these goals, and deliver success. Whether helping to sell, buy, or raise capital, FOCUS strives to maximize the value of every transaction to the benefit of its clients.

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