

M&A INDUSTRY REPORT

# Aerospace & Defense

FOCUS is a leading national M&A firm for the lower middle market. With over 40 years of experience, a global footprint, and hundreds of successful deals across myriad industries, FOCUS continues its mission to redefine the banker/client relationship.

**FOCUS**  
Investment Banking

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FIRST HALF 2024



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## INDUSTRY TRENDS

### Interest Rates Continue to Influence M&A

A&D M&A transactions in the first half of 2024 have increased by approximately 19% from the second half of 2023, indicating that the uncertainty from rising interest rates has dissipated as interest rates have stabilized. With the Fed committed to lowering rates, even nominally, in September, we anticipate the number of transactions to increase in H2 2024 amid lower cost of capital and rising investor confidence. High interest rates continue to have a dampening effect on M&A values where significant third-party financing is used. Marginal M&A deals continue to have trouble gaining financing because of this and tougher credit approvals.

### Space: The New (and Booming) Frontier

The space economy is expected to be worth \$1.8 trillion by 2035 as satellite and rocket-enabled technologies become increasingly prevalent. In addition, hypersonic weapons and laser weapons will be byproducts of this space expansion. As a result, there is a significant race to develop and own the technologies that will fuel the space race. With an estimated CAGR of 9% in this segment, we anticipate continued M&A activity with premium valuations for space companies.

## INDUSTRY TRENDS

### Challenges in Global Supply Chains

A&D supply chains are both complex and heavily regulated, which makes them very inflexible when problems arise. Currently, the A&D industry is dealing with shortages of parts and components, which is in part due to the aftermath of the COVID-19 pandemic. In aviation specifically, demand plummeted because of the travel bans, but now that lockdowns are lifted and people have resumed normal activity, demand has shot up. Manufacturers are left struggling with unevenly balanced supply and demand. In addition, inflation has driven up the costs of raw materials, which is a complication for many suppliers and manufacturers. The importance of a diverse, flexible supply chain cannot be overstated, and fortifying it should be a top priority going forward.

### Labor Shortages

Post-COVID, the aerospace industry has been struggling with a heavily increased demand for talent across all aspects of the supply chain. It is a critical issue, because having a highly skilled, capable workforce is essential for companies to operate at optimally competitive levels. Airlines have been successful in hiring more pilots to manage the surge in travel post-pandemic, but there is still a high demand for workers in sectors such as aircraft construction and repair. While the use of automation and advanced digital technologies is increasing, the aerospace industry is continuously dealing with this labor shortage, especially with more advanced, specialized workers.

Forecasts from AAR Corp. indicate that the global aviation market will require [690,000 new mechanics](#) over the next two decades to sustain the global fleet. This substantial demand, coupled with the ongoing need for thousands of [aerospace engineers](#) annually, necessitates innovative solutions.

## **SIGNIFICANT NEWS**

### **Air Force's next nuclear missile at risk after costs spike**

By Stephen Losey  
January 19, 2024, Defense News

### **BlackRock unveils aerospace and defence ETF**

By Laura Gibbons  
February 9, 2024, ETF Stream

### **Carlyle Alumni Amass \$1.2 Billion for Defense, Aerospace Bets**

By Dawn Lim  
March 4, 2024, Bloomberg

### **General Electric completes spin off of aviation engines business, launching GE Aerospace**

By Valerie Insinna  
April 2, 2024, Breaking Defense

### **Tired of being 'shock absorber' on inflation, defense industry wants new protections: AIA chief**

By Valerie Insinna  
May 17, 2024, Breaking Defense

## NOTABLE CONTRACT AWARDS

Contract Value (\$M)	Award Date	End Date	Customer	Awardee	Type	Contract Scope
13,000	06/26/2024	07/10/2036	Sierra Nevada Corp.	U.S. Air Force	CPIF/FPIF/CPFF	Develop and produce next-gen Survivable Airborne Operations Center (SAOC) aircraft to replace the current E-4B aircraft
7,479	05/24/2024	02/29/2030	The Boeing Co. (Boeing Defense Space and Security)	U.S. Air Force	FPIF/FFP/IDIQ	Build and provide Joint Direct Attack Munition tail kits, spares, repairs, technical and Laser JDAM sensor kits
7,000	05/02/2024	05/03/2029	Northrop Grumman Systems Corp. Aerospace Systems	U.S. Air Force	IDIQ	Continue to enhance and sustain the capabilities of their B-2 Spirit stealth bomber fleet
5,278	06/28/2024	06/30/2027	Lockheed Martin Corp.	U.S. Army	FFP	Procure PAC-3 MSE missiles and associated hardware
4,099	04/11/2024	04/30/2029 (option to extend to 04/30/2034)	Lockheed Martin Corp., Rotary and Missions Systems	U.S. Missile Defense Agency	IDIQ	Field, upgrade, and maintain the Command and Control, Battle Management and Communications (C2BMC) system
1,128	06/12/2024	06/13/2029	General Electric Co.	U.S. Army	FFP	Provide the army with T700 turbine engines
998	06/24/2024	06/2029	L3Harris Technologies Inc.	U.S. Navy	IDIQ	Produce, retrofit, develop, and sustain their Multifunctional Information Distribution System (MIDS) Joint Tactical Radio Systems (JTRS) terminals
861	05/08/2024	05/31/2026	Lockheed Martin Corp.	U.S. Army	FFP	Produce High Mobility Artillery Rocket Systems and supporting services
518.8	04/05/2024	03/31/2029	General Dynamics Land Systems Inc.	U.S. Army	CPFF	Provide system technical support for the army's Stryker armored vehicles
480	05/29/2024	05/28/2029	Palantir USG Inc.	U.S. Army	FFP	Take their A.I. tool Maven Smart System from prototype to production and expand its use to more military users throughout the world

Source: S&P CapIQ, Defense & Aerospace Competitive Intelligence Services (DACIS) and FOCUS research

## TRANSACTION HIGHLIGHTS

In April of 2024, VSE Corporation, “a leading provider of aftermarket repair and distribution services”, completed their acquisition of Turbine Controls, LLC (f/k/a Turbine Controls, Inc.), which provides “aftermarket support services for repairing and overhauling engine components and engine and airframe accessories”. The purchase price consisted of \$110 million in cash and \$10 million of common shares of VSE, which are dependent on working capital adjustments. This acquisition will enable VSE Corporation to further their Maintenance, Repair, and Overhaul (MRO) strategy, while also solidifying their position in the commercial engine MRO aftermarket and providing opportunities for growth and market share increases.

In June of 2024, Vishay Intertechnology, Inc., a major manufacturer of “semiconductors and passive electronic components”, acquired Ametherm, Inc., which specializes in sensing thermistors and inrush current limiters, for a cash purchase price of US\$31.5 million. This acquisition was part of Vishay’s plan to accelerate growth, expand their product portfolio, use M&A to fill technology gaps, and enhance innovation to better support increased technical engagement with their clients. Ametherm will benefit from Vishay’s sales, marketing, and business development, as well as their “regionalized manufacturing footprint”.

In April of 2024, Iridium Communications Inc., “a leading provider of global voice and data satellite communications”, completed their acquisition of Satelles, Inc, a provider of secure, resilient time and location signals from Low-Earth Orbit (LEO). Iridium previously had an ownership stake of about 20% of Satelles, and the remaining percentage was purchased for US\$115 million and “financed through a tack-on to its existing term loan”. Satelles is now called Iridium® Satellite Time and Location (STL), and its purpose is to make it easier to safeguard “GPS and other GNSS-reliant systems' time-synchronized applications from vulnerabilities such as spoofing” by using small, low-cost hardware that does not require the use of outdoor antennas. This is Iridium’s first acquisition, and they expect that by 2030, Iridium STL will generate over \$100 million in service revenue every year.

In May of 2024, TransDigm Group Incorporated, a producer, designer, and supplier of engineered component parts for aircrafts, acquired SEI Industries, a provider of “highly engineered products for aerial firefighting and other liquid transportation solutions, such as remote refueling”. The purchase price was US\$170 million, and it was financed through existing cash on hand. SEI’s “highly engineered and specialized products” are expected to fit well with TransDigm’s “proprietary and aftermarket-focused value generation strategy”.

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Source: Defense & Aerospace Competitive Intelligence Services (DACIS)

## TRANSACTIONS: VALUES DISCLOSED

Date	Target	Buyer	Price (US\$M)	Revenue	EBITDA	EBITDA Multiple
Jan-24	Vian Enterprises, Inc.	Crane Co.	\$103.0	N/A	N/A	
Jan-24	ICOR Technology, Inc.	Cadre Holdings, Inc.	\$44.7	\$19.4	N/A	
Jan-24	Bright Canyon Energy Corp.	Ameresco, Inc.	\$76.8	N/A	N/A	
Jan-24	Katek SE	Kontron AG	\$140.0	\$815.0	N/A	
Feb-24	Remazel Engineering S.p.A.	Fincantieri - Cantieri Navali Italiani S.p.A.	\$70.0	\$108.0	N/A	
Feb-24	Ball Aerospace & Technologies Corp.	BAE Systems plc [BAE Systems Electronic Systems]	\$5,600.0	\$2,200.0	\$310.0	18.06x
Feb-24	Advanced Micro Instruments, Inc.	Enpro Industries, Inc.	\$210.0	N/A	\$16.0	13.13x
Feb-24	J&J Worldwide Services	CBRE Group, Inc.	\$800.0	N/A	N/A	
Mar-24	Triumph Group, Inc. [Product Support Group]	AAR Corp.	\$725.0	\$268.0	\$50.0	14.5x
Mar-24	Pangiam Holdings, LLC	BigBear.ai, Inc.	\$70.0	N/A	N/A	
Apr-24	Raytheon Technologies Corporation (cybersecurity divestiture)	Blackstone - branded platform Nightwing	\$1,300.0	N/A	N/A	
Apr-24	ESG Elektroniksystem-und Logistik GmbH	Hensoldt AG	\$731.0	\$357.0	\$73.0	10.01x
Apr-24	Cobham, Ltd. [Aerospace Communications Business]	Thales S.A.	\$1,100.0	\$200.0	\$73.0	15.07x
Apr-24	Satelles, Inc.	Iridium Communications, Inc.	\$115.0	N/A	N/A	
Apr-24	WSC, Inc.	Curtiss-Wright Corp.	\$34.0	\$15.0	N/A	

Source: S&P CapIQ, Defense & Aerospace Competitive Intelligence Services (DACIS) and FOCUS research



## TRANSACTIONS: VALUES DISCLOSED CONTINUED

Date	Target	Buyer	Price (US\$M)	Revenue	EBITDA	EBITDA Multiple
Apr-24	TT Electronics IoT Solutions Ltd.	Cicor Group	\$26.1	N/A	N/A	
Apr-24	Kaman Corp.	Arcline Investment Management, L.P.	\$1,800.0	\$770.0	\$130.0	13.85x
Apr-24	Aerospace Software Developments Ltd.	Descartes Systems Group	\$61.0	N/A	N/A	
Apr-24	Turbine Controls, Inc.	VSE Corp.	\$120.0	N/A	N/A	
May-24	Mabway Ltd.	Calian Group Ltd.	\$30.0	N/A	N/A	
May-24	Carlisle Interconnect Technologies	Amphenol Corp.	\$2,025.0	\$900.0	\$180.0	11.25x
May-24	SEI Industries Ltd.	TransDigm Group, Inc.	\$170.0	\$30.0	N/A	
May-24	Allegient Defense, Inc.	The Asserac Group [BCS, LLC]	\$12.5	\$17.8	N/A	
May-24	Thales GTS	Hitachi, Ltd. [Hitachi Rail]	\$1,966.0	N/A	N/A	
Jun-24	ILC Dover, LP	Ingersoll-Rand Inc.	\$2,325.0	N/A	\$137.0	16.97x
Jun-24	Del PD Pumps & Gear Pvt Ltd.	Ingersoll-Rand Inc.	\$150.0	N/A	N/A	
Jun-24	Beta CAE Systems International AG	Cadence Design Systems, Inc.	\$1,240.0	\$90.0	N/A	
Jun-24	CPI International, Inc. (CPII) [Electron Device Business]	TransDigm Group, Inc.	\$1,385.0	\$300.0	N/A	
Jun-24	Ametherm, Inc.	Vishay Intertechnology, Inc.	\$31.5	N/A	N/A	
Jun-24	L3Harris Technologies, Inc. [Antenna and Test Equipment Businesses]	Kanders & Company, Inc.	\$200.0	N/A	N/A	

Source: S&P CapIQ, Defense & Aerospace Competitive Intelligence Services (DACIS) and FOCUS research



## FOCUS A&D COMPONENTS INDEX

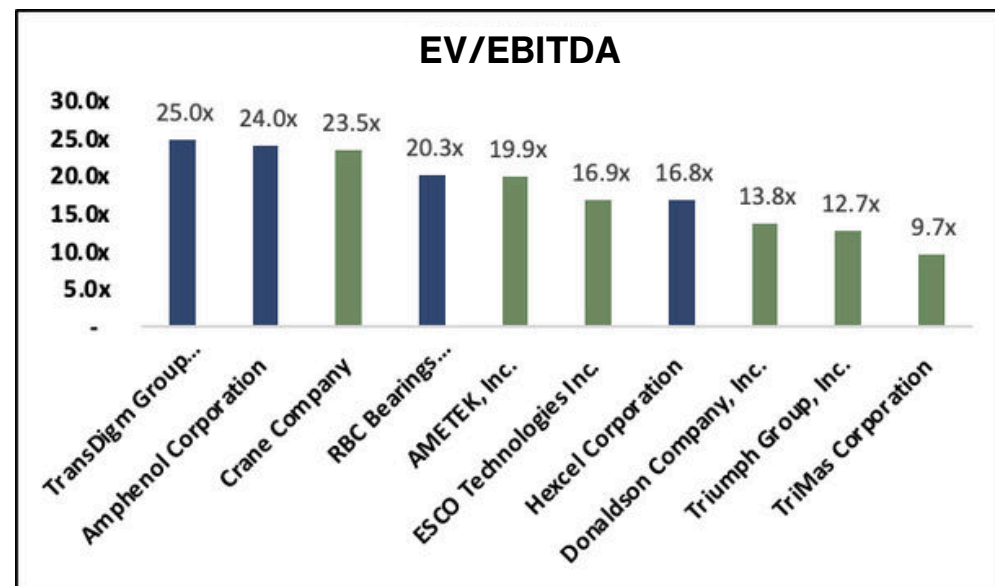
**This index is comprised of ten companies that are key component suppliers in the A&D industry. They are public and drive performance of many of the large defense contractors.** Included are companies that design and build products, primarily as Tier 1 suppliers, with significant value add to the parts, subsystems, and systems they produce.

### The Trends

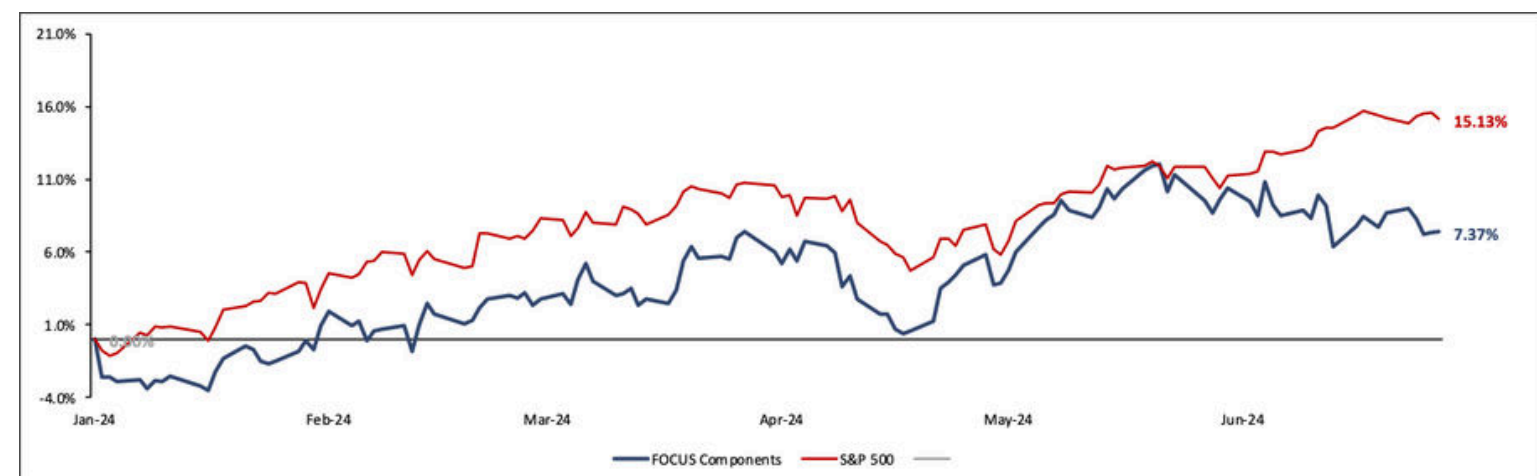
- The EV/EBITDA median ratio for the public Components companies sits at 17.7x, which is the highest performing sector in the Focus A&D Index.
- The stock performance in the A&D Components sector rose 7.37% in H12024, but lags behind the S&P 500, which grew by 15.13% over the same period.

## FOCUS A&D COMPONENTS INDEX

FOCUS Components																
<i>(in USD millions, except per share amounts)</i>																
Serial No	Company Name	Stock Price	Market Cap	Net Debt	Enterprise Value	LTM Revenue	LTM EBITDA	LTM EBIT	Margins			EV as a multiple of			Net Debt/EBITDA	Fwd. P/E Ratio
									Gross Profit	EBITDA	EBIT	LTM Revenue	LTM EBITDA	LTM EBIT		
1	AMETEK, Inc.	166.7	38,588.3	2,486.1	41,381.6	6,824.7	2,120.6	1,750.2	35.6%	31.1%	25.6%	6.1x	19.2x	24.1x	1.1x	23.9x
2	Amphenol Corporation	67.4	80,925.4	4,137.2	83,354.4	13,392.7	3,269.9	2,826.5	33.2%	24.4%	21.1%	6.5x	25.9x	31.1x	1.2x	38.4x
3	Hexcel Corporation	62.5	5,190.5	713.5	5,813.5	1,849.7	342.4	217.3	23.8%	18.5%	11.7%	3.2x	16.4x	27.2x	2.0x	26.0x
4	TriMas Corporation	25.6	1,043.4	441.6	1,489.8	912.5	134.2	77.9	23.6%	14.7%	8.5%	1.6x	9.7x	18.6x	3.0x	12.2x
5	Triumph Group, Inc.	15.4	1,189.8	807.6	1,891.9	1,209.2	147.1	118.6	27.0%	12.2%	9.8%	1.6x	12.2x	16.4x	5.1x	31.5x
6	Crane Company	145.0	8,286.8	160.4	8,438.5	2,209.5	399.7	352.7	38.1%	18.1%	16.0%	3.9x	22.0x	26.6x	0.4x	28.0x
7	TransDigm Group Incorporated	1,277.6	71,493.1	18,105.0	89,605.1	7,606.0	3,750.0	3,465.0	59.2%	49.3%	45.6%	12.3x	24.7x	27.0x	4.8x	35.6x
8	Donaldson Company, Inc.	71.6	8,616.2	332.5	8,948.7	3,530.4	637.6	539.1	35.2%	18.1%	15.3%	2.5x	13.2x	16.3x	0.5x	19.8x
9	RBC Bearings Incorporated	269.8	7,833.9	1,111.9	9,057.0	1,579.5	478.2	358.6	43.5%	30.3%	22.7%	5.8x	19.0x	26.2x	2.3x	27.8x
10	ESCO Technologies Inc.	105.0	2,704.9	145.1	2,895.4	1,000.9	193.6	139.4	39.2%	19.3%	13.9%	2.9x	14.6x	21.0x	0.7x	23.4x
<b>Min</b>			1,043.4	145.1	1,489.8	912.5	134.2	77.9	23.6%	12.2%	8.5%	1.6x	9.7x	16.3x	0.4x	12.2x
<b>Mean</b>			22,587.2	2,844.1	25,287.6	4,011.5	1,147.3	984.5	35.8%	23.6%	19.0%	4.7x	17.7x	23.4x	2.1x	26.7x
<b>Median</b>			8,060.3	760.5	8,693.6	2,029.6	439.0	355.7	35.4%	18.9%	15.6%	3.6x	17.7x	25.1x	1.6x	26.9x
<b>Max</b>			80,925.4	18,105.0	89,605.1	13,392.7	3,750.0	3,465.0	59.2%	49.3%	45.6%	12.3x	25.9x	31.1x	5.1x	38.4x



## H1 2024 Stock Performance





## FOCUS A&D ELECTRONICS MANUFACTURING INDEX

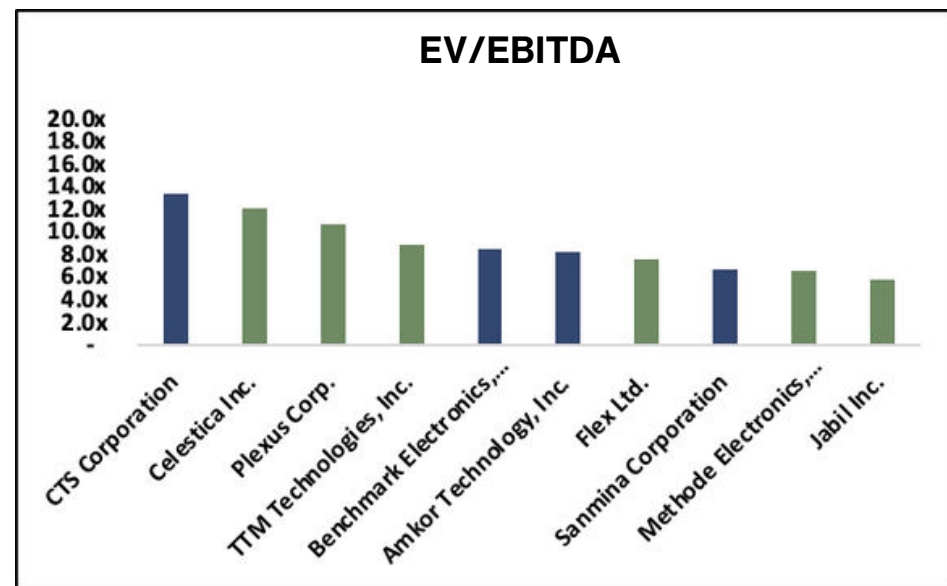
**This index is comprised of ten companies that are significant electronics suppliers in the A&D industry. They are public and provide critical and scarce technology that enables growth in the A&D industry.** Included are companies that design, produce, and distribute radio frequency (RF) components and microelectronics, semiconductors, radar systems, complex avionics, and surveillance systems.

### The Trends

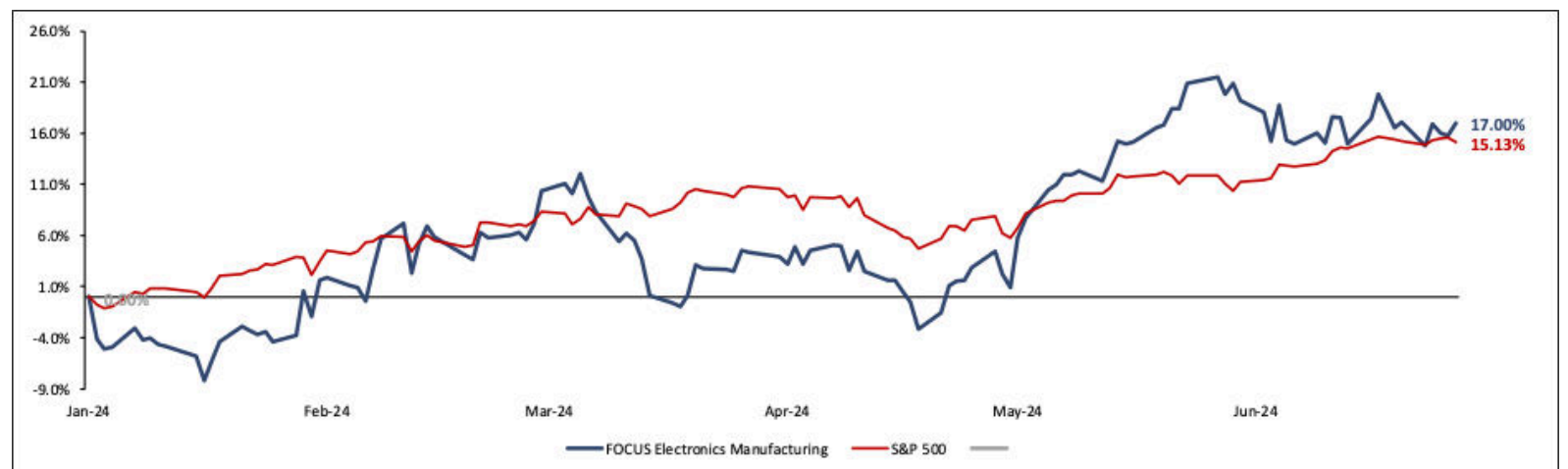
- The EV/EBITDA median ratio for the public Electronics companies sits at 8.3x, which is the most consistent performing sector in the Focus A&D Index with the smallest spread between the highest and lowest performing companies in the index.
- The stock performance in the A&D Electronics sector rose 17.00% in H12024, which outperformed the S&P 500, which grew by 15.13% over the same period.

## FOCUS A&D ELECTRONICS MANUFACTURING INDEX

FOCUS Electronics Manufacturing																
<i>(In USD millions, except per share amounts)</i>																
Serial No	Company Name	Stock Price	Market Cap	Net Debt	Enterprise Value	LTM Revenue	LTM EBITDA	LTM EBIT	Margins			EV as a multiple of			Net Debt/EBITDA	Fwd. P/E Ratio
									Gross Profit	EBITDA	EBIT	LTM Revenue	LTM EBITDA	LTM EBIT		
1	CTS Corporation	50.6	1,547.7	(69.9)	1,480.1	515.2	103.0	73.8	34.9%	20.0%	14.3%	2.8x	13.3x	19.7x	NM	21.9x
2	TTM Technologies, Inc.	19.4	1,977.5	570.0	2,547.5	2,258.2	277.8	131.7	19.1%	12.3%	5.8%	1.1x	8.8x	19.3x	2.0x	13.0x
3	Sanmina Corporation	66.3	3,673.8	(270.2)	3,573.7	7,602.8	478.0	356.8	8.5%	6.3%	4.7%	0.4x	6.7x	9.4x	NM	11.3x
4	Amkor Technology, Inc.	40.0	9,851.7	(229.8)	9,646.3	6,400.6	1,091.2	479.5	15.2%	17.0%	7.5%	1.5x	8.2x	20.3x	NM	21.5x
5	Celestica Inc.	57.2	6,788.1	517.8	7,307.1	8,784.6	632.2	500.7	10.4%	7.2%	5.7%	0.9x	12.1x	16.5x	0.8x	17.1x
6	Benchmark Electronics, Inc.	39.5	1,422.4	113.7	1,578.2	2,752.5	164.4	123.7	10.0%	6.0%	4.5%	0.6x	8.5x	12.9x	0.6x	18.4x
7	Flex Ltd.	29.5	11,760.7	1,435.0	13,174.7	25,837.0	1,564.0	1,048.0	7.8%	6.1%	4.1%	0.5x	7.5x	12.7x	0.8x	12.3x
8	Jabil Inc.	108.8	13,119.8	777.0	13,922.8	30,377.0	2,262.0	1,533.0	9.1%	7.4%	5.0%	0.5x	5.8x	9.1x	0.3x	12.6x
9	Plexus Corp.	103.2	2,825.9	118.9	3,041.0	3,934.2	264.3	187.6	9.3%	6.7%	4.8%	0.8x	10.6x	15.7x	0.4x	19.0x
10	Methode Electronics, Inc.	10.4	366.3	198.8	605.1	1,114.5	58.5	0.6	16.2%	5.2%	0.1%	0.5x	6.5x	22.8x	2.8x	NM
<b>Min</b>			366.3	(270.2)	605.1	515.2	58.5	0.6	7.8%	5.2%	0.1%	0.4x	5.8x	9.1x	0.3x	11.3x
<b>Mean</b>			5,333.4	316.1	5,687.7	8,957.7	689.5	443.5	14.1%	9.4%	5.6%	1.0x	8.8x	15.8x	1.1x	16.3x
<b>Median</b>			3,249.8	158.9	3,307.4	5,167.4	377.9	272.2	10.2%	7.0%	4.9%	0.7x	8.3x	16.1x	0.8x	17.1x
<b>Max</b>			13,119.8	1,435.0	13,922.8	30,377.0	2,262.0	1,533.0	34.9%	20.0%	14.3%	2.8x	13.3x	22.8x	2.8x	21.9x



### H1 2024 Stock Performance





## FOCUS A&D DEFENSE INDEX

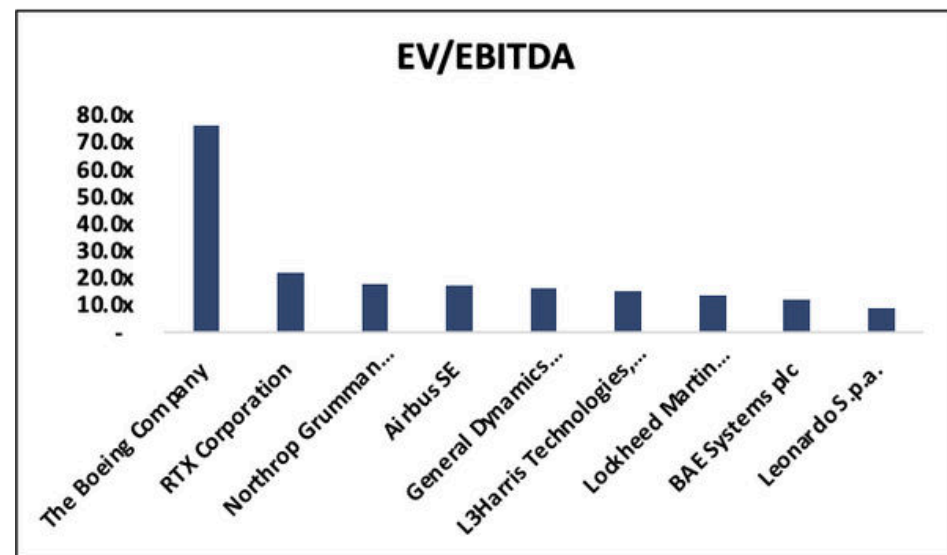
**This index is comprised of nine companies that are major OEMs in the A&D industry. They are public and have significant influence over the Component and Electronics companies, driving collaboration and teaming. Included are companies that design and manufacture aircraft, missiles, ships, tanks, and support equipment for the warfighter.**

### The Trends

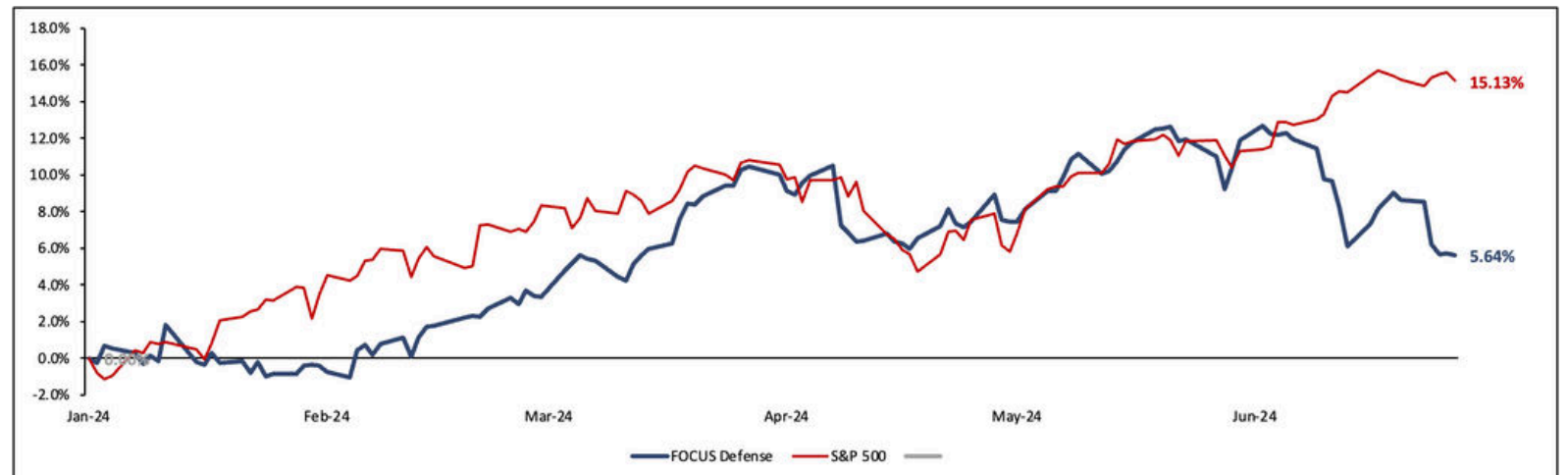
- The EV/EBITDA median ratio for the public Defense companies sits at 15.4x, with all but one company enjoying double digit performance in this sector.
- The stock performance in the A&D Defense sector rose 5.64% in H12024, which tracked closely with the S&P 500 but diverged significantly in June, which grew by 15.13% over the same period.

## FOCUS A&D DEFENSE INDEX

FOCUS Defense																
<i>(In USD millions, except per share amounts)</i>																
Serial No	Company Name	Stock Price	Market Cap	Net Debt	Enterprise Value	LTM Revenue	LTM EBITDA	LTM EBIT	Margins			EV as a multiple of			Net Debt/EBITDA	Fwd. P/E Ratio
									Gross Profit	EBITDA	EBIT	LTM Revenue	LTM EBITDA	LTM EBIT		
1	The Boeing Company	182.0	111,733.1	45,306.0	152,137.1	73,557.0	1,322.0	(509.0)	10.5%	1.8%	(0.7%)	2.0x	48.6x	183.5x	25.5x	NM
2	Lockheed Martin Corporation	467.1	112,075.1	16,734.0	128,703.1	71,069.0	10,167.0	8,949.0	12.2%	14.3%	12.6%	1.8x	12.3x	14.3x	1.6x	17.7x
3	BAE Systems plc	16.7	50,154.9	10,091.4	53,634.1	31,036.2	3,805.3	3,077.3	61.6%	12.3%	9.9%	1.8x	13.1x	16.5x	2.5x	18.8x
4	Northrop Grumman Corporation	436.0	64,516.2	14,563.0	79,266.2	40,764.0	4,304.0	2,962.0	16.8%	10.6%	7.3%	2.0x	17.1x	28.3x	3.0x	17.4x
5	General Dynamics Corporation	290.1	79,476.0	9,757.0	89,503.0	44,946.0	5,131.0	4,273.0	15.7%	11.4%	9.5%	2.1x	17.2x	22.7x	1.8x	19.0x
6	L3Harris Technologies, Inc.	224.6	42,598.4	12,705.0	55,893.4	20,765.0	3,686.0	2,387.0	26.3%	17.8%	11.5%	2.8x	15.4x	23.3x	3.4x	17.0x
7	Airbus SE	137.4	108,693.8	(1,405.8)	105,928.3	71,368.3	6,196.3	3,928.0	14.6%	8.7%	5.5%	1.5x	14.6x	21.1x	NM	20.8x
8	Leonardo S.p.a.	23.2	13,364.0	3,543.3	17,894.2	17,552.8	1,759.3	1,312.5	39.2%	10.0%	7.5%	1.0x	8.8x	11.9x	1.9x	13.6x
9	RTX Corporation	100.4	133,252.1	37,555.0	173,551.1	72,417.0	9,217.0	4,953.0	16.4%	12.7%	6.8%	2.4x	17.7x	34.0x	3.9x	18.3x
<b>Min</b>			13,364.0	(1,405.8)	17,894.2	17,552.8	1,322.0	(509.0)	10.5%	1.8%	(0.7%)	1.0x	8.8x	11.9x	1.6x	13.6x
<b>Mean</b>			79,540.4	16,538.8	95,167.8	49,275.0	5,065.3	3,481.4	23.7%	11.1%	7.8%	1.9x	18.3x	39.5x	5.4x	17.8x
<b>Median</b>			79,476.0	12,705.0	89,503.0	44,946.0	4,304.0	3,077.3	16.4%	11.4%	7.5%	2.0x	15.4x	22.7x	2.8x	18.0x
<b>Max</b>			133,252.1	45,306.0	173,551.1	73,557.0	10,167.0	8,949.0	61.6%	17.8%	12.6%	2.8x	48.6x	183.5x	25.5x	20.8x



## H1 2024 Stock Performance





## FOCUS A&D SPACE AND SATELLITE INDEX

**This index is comprised of nine companies that are forging the latest frontier in space. They are public and are involved with NASA, Space Force, and the Intelligence community to drive the U.S. mission to dominate space. Included are companies that design and build satellites, ground and mission systems, manned and unmanned space vehicles and space-based weapons.**

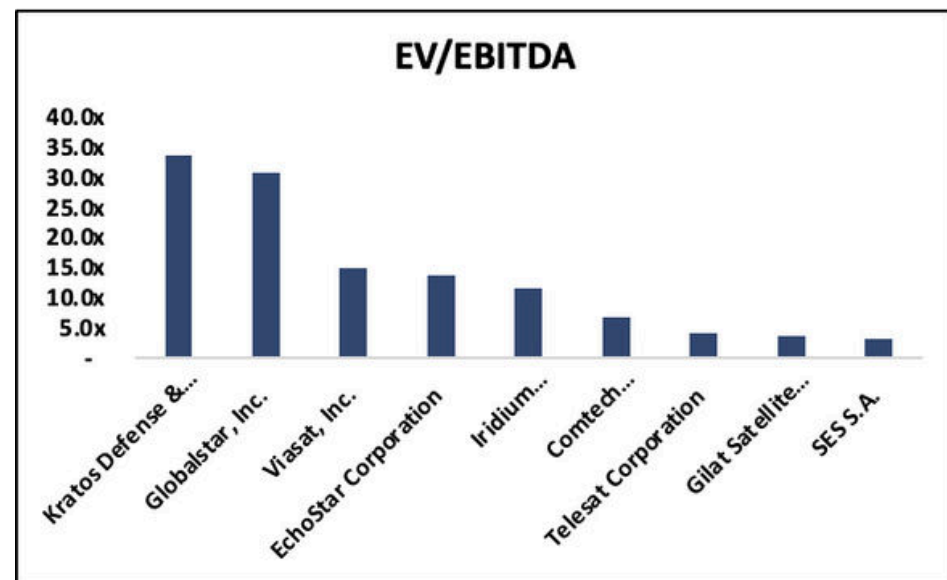
### The Trends

- The EV/EBITDA median ratio for the public Space and Satellite companies sits at 11.7x, with significant variation among and between the companies in this sector.
- The stock performance in the A&D Space and Satellite sector shrank by 26.68% in H12024, while the S&P 500 rose by 15.13%. The big bets being placed in this sector will result in some big winners but recent stock performance demonstrates the potential risks investors see in Space.

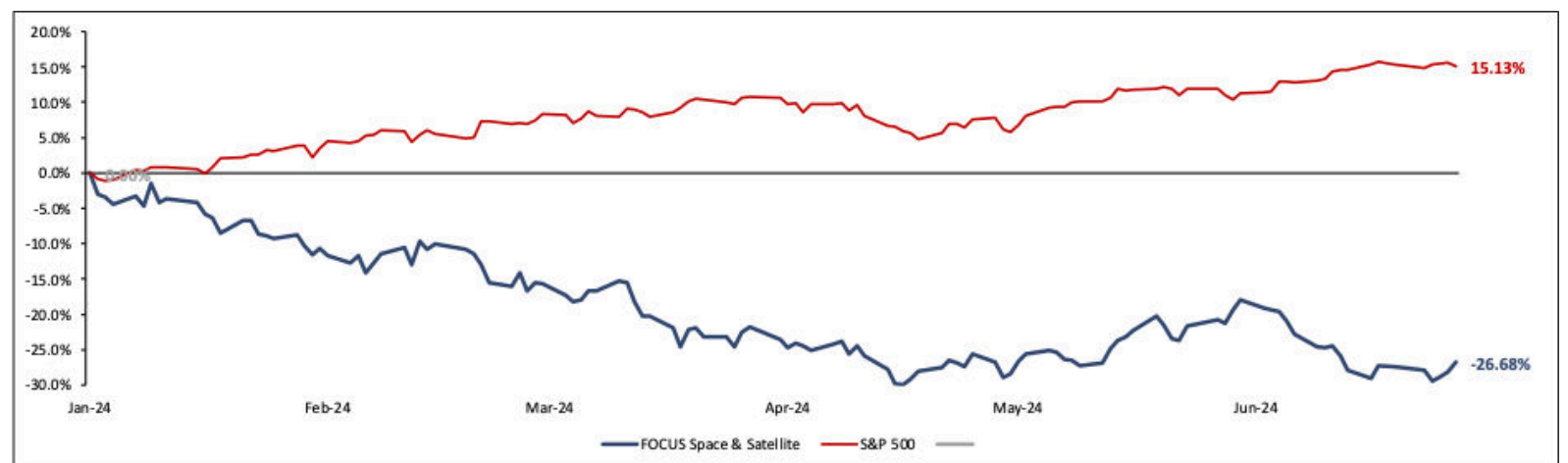


## FOCUS A&D SPACE AND SATELLITE INDEX

FOCUS Space & Satellite																
<i>(In USD millions, except per share amounts)</i>																
Serial No	Company Name	Stock Price	Market Cap	Net Debt	Enterprise Value	LTM Revenue	LTM EBITDA	LTM EBIT	Margins			EV as a multiple of			Net Debt/EBITDA	Fwd. P/E Ratio
									Gross Profit	EBITDA	EBIT	LTM Revenue	LTM EBITDA	LTM EBIT		
1	Kratos Defense & Security Solutio	20.0	3,003.5	(82.9)	2,976.9	1,125.7	80.9	43.8	26.1%	7.2%	3.9%	2.7x	33.7x	78.3x	NM	45.6x
2	Comtech Telecommunications Co	3.0	86.3	173.5	430.1	563.0	50.7	16.3	31.7%	9.0%	2.9%	0.8x	6.7x	26.4x	2.7x	55.1x
3	Viasat, Inc.	12.7	1,598.4	5,744.4	7,383.0	4,630.4	573.0	(639.9)	33.7%	12.4%	(13.8%)	1.7x	14.9x	NM	8.1x	14.0x
4	Globalstar, Inc.	1.1	2,110.0	367.9	2,477.9	221.6	79.9	(8.5)	67.4%	36.0%	(3.8%)	11.2x	30.7x	NM	4.6x	NM
5	Telesat Corporation	9.1	127.3	1,141.6	2,546.6	496.9	601.9	467.6	70.8%	121.1%	94.1%	5.2x	4.3x	5.5x	1.9x	NM
6	Iridium Communications Inc.	26.6	3,232.4	1,603.1	4,677.7	797.3	435.5	205.4	72.0%	54.6%	25.8%	5.9x	11.7x	33.6x	3.6x	32.4x
7	Gilat Satellite Networks Ltd.	4.5	254.9	(86.5)	162.7	292.2	38.3	23.8	37.4%	13.1%	8.1%	0.6x	3.7x	6.1x	NM	18.2x
8	EchoStar Corporation	17.8	4,837.4	24,520.1	29,421.5	16,642.8	1,540.9	111.5	28.6%	9.3%	0.7%	1.8x	13.8x	264.0x	11.5x	NM
9	SES S.A.	5.1	2,218.8	1,554.7	3,663.1	2,165.4	1,072.5	320.4	68.2%	49.5%	14.8%	1.7x	3.3x	9.8x	1.4x	14.1x
<b>Min</b>			86.3	(86.5)	162.7	221.6	38.3	(639.9)	26.1%	7.2%	(13.8%)	0.6x	3.3x	5.5x	1.4x	14.0x
<b>Mean</b>			1,941.0	3,881.8	5,971.1	2,992.8	497.1	60.0	48.4%	34.7%	14.7%	3.5x	13.6x	60.5x	4.8x	29.9x
<b>Median</b>			2,110.0	1,141.6	2,976.9	797.3	435.5	43.8	37.4%	13.1%	3.9%	1.8x	11.7x	26.4x	3.6x	25.3x
<b>Max</b>			4,837.4	24,520.1	29,421.5	16,642.8	1,540.9	467.6	72.0%	121.1%	94.1%	11.2x	33.7x	264.0x	11.5x	55.1x



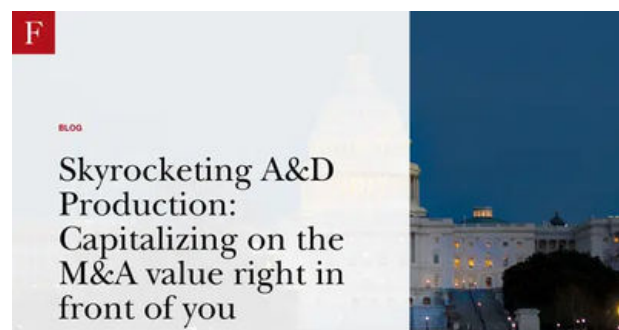
## H1 2024 Stock Performance



## NEWS & INSIGHTS

# What's Happening

Government contracting in the aerospace and defense sectors is currently experiencing significant shifts driven by global geopolitical tensions and advancements in technology.



### **Skyrocketing A&D Production: Capitalizing on the M&A value right in front of you**

Skyrocketing A&D Production: Capitalizing on the M&A value right in front of you.

[Click here to read now](#)



### **How to Maximize Enterprise Value**

Boosting your company's enterprise value is priority #1 – and that starts with understanding key quantitative and qualitative components of that value calculation from the perspective of a potential acquirer.

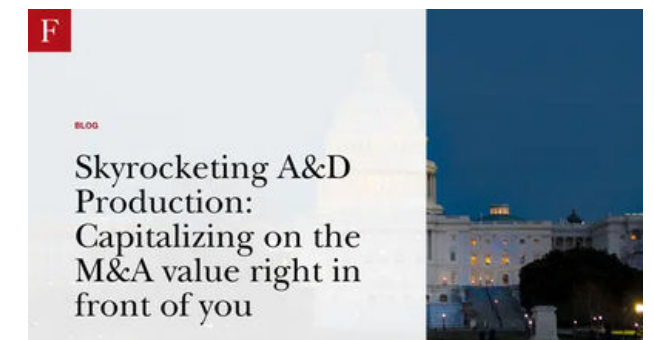
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### **Preparing Your Team for the Transition: Steps to Take Before the Sale**

The best leaders are those who serve their employees, and in doing so, create a culture that values employees by building authentic relationships.

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### **Sale Preparation: The Details DO Matter**

No matter the value of your business or how far in the future you plan to sell it, there are certain steps that every Aerospace & Defense (A&D) business owner can take that will help ensure a smooth, successful transaction once the time comes.

[Click here to read now](#)

DEALS

# Recent Transactions

This announcement appears as a matter of record only.



CHENEGA CORPORATION

has acquired



VENTURI  
AN AEROSPACE COMPANY

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Chenega Corporation.



This announcement appears as a matter of record only.



SM  
SMITHS  
MACHINE

has been acquired by




ARCH  
GLOBAL PRECISION

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Smiths Machine, LLC.



This announcement appears as a matter of record only.




BLACK DIAMOND  
ADVANCED TECHNOLOGY

has been acquired by

Sagamore Capital

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Black Diamond.



This announcement appears as a matter of record only.



TECTROL

has been acquired by




CUIGLOBAL

The undersigned assisted in the negotiations and acted as financial advisor to Tectrol.




This announcement appears as a matter of record only.




adelos

has been acquired by




DFT

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Adelos, Inc.




This announcement appears as a matter of record only.




SC STRENGTH CAPITAL

has acquired



UNIVERSAL  
AEROSPACE CO., INC.

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Strength Capital, LLC.



This announcement appears as a matter of record only.

Critical Technologies, Inc.

dba



AirVAULT

has been acquired by




GE Aviation

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Critical Technologies, Inc.




This announcement appears as a matter of record only.




EMBEE  
INCORPORATED

has been acquired by



Triumph Group, Inc.

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Embee, Inc.



This announcement appears as a matter of record only.



TAKATA

has acquired

BAE Systems Safety Products, Inc.

and



SCHROTH

Schroth Safety Products, GmbH, subsidiaries of



BAE SYSTEMS

The undersigned assisted in the negotiations and acted as financial advisor to Takata Corporation.



**OUR TEAM**

**Who We Are**



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## ABOUT FOCUS BANKERS

# FOCUS Investment Banking is a trusted name in M&A advisory services with a nationwide footprint and a global reach

With more than four 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. FOCUS bankers are seasoned operating and financial executives with extensive transaction experience.



**APPENDIX**

# TRANSACTIONS: VALUES UNDISCLOSED



## TRANSACTIONS: VALUES UNDISCLOSED

Date	Target	Buyer
Jan-24	Heraeus Noblelight America LLC	AEA Investors L.P. [Excelitas Technologies Corp.]
Jan-24	Samtan Engineering Corp.	Arcline Investment Management, L.P. [Fairbanks Morse Defense (FMD)]
Jan-24	Executive Business Services, Inc.	Roper Technologies, Inc. [Deltek, Inc.]
Jan-24	AQST USA LLC	Global Warming Solutions, Inc.
Jan-24	Ascolta, LLC	Management Science and Innovation, LLC
Jan-24	AeroCision, LLC	Arlington Capital Partners
Jan-24	Trustwave Holdings, Inc.	The Chertoff Group
Jan-24	Esight, Inc.	Gentex Corp.
Jan-24	Invecas, Inc.	Cadence Design Systems, Inc.
Jan-24	Cyberspace Solutions LLC	Godspeed Capital Management LP [Crimson Phoenix]
Jan-24	Vistair Systems Ltd.	Liberty Hall Capital Partners, L.P. [Comply365, LLC]
Jan-24	Jeumont Electric	Naval Group S.A.
Jan-24	Thompson Software Solutions, Inc.	OceanSound Partners, L.P. [Lynx Software Technologies, Inc. Acquires Thompson Software Solutions, Inc.]
Jan-24	Zavda Technologies LLC	The Acacia Group [Applied Insight, LLC]
Jan-24	Critigen, LLC	Warburg Pincus, LLC [TRC Companies, Inc.]

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Jan-24	SNC Manufacturing Co., Inc.	Allient, Inc.
Jan-24	Aviation Concepts, Inc.	CORE Industrial Partners, LLC
Jan-24	Vanderhorst Brothers, Inc.	Stellex Capital Management, L.P. [RTC Aerospace, LLC]
Jan-24	Honeywell International, Inc. [Cockpit Displays and Legacy Displays Assets]	HEICO Corp. [Sunshine Avionics, LLC]
Jan-24	Infinite Composites, Inc.	Leonid Capital Partners
Jan-24	IAP Worldwide Services, Inc.	Black Diamond Capital Management LLC
Jan-24	Empower Equity, Inc. (EMPEQ)	Leonid Capital Partners
Jan-24	STS Defence Ltd.	Cicor Group
Jan-24	Merrill Technologies Group, Inc.	Arlington Capital Partners
Jan-24	Airbus OneWeb Satellites, LLC	Airbus SE
Jan-24	Metal Shark Boats [Shipyard Assets]	Birdon Pty. Ltd. [Birdon America, Inc.]
Feb-24	Fusus, Inc.	Axon Enterprise, Inc.
Feb-24	SeaTec Consulting Inc.	Marsh & McLennan Companies, Inc. [Oliver Wyman, Inc.]
Feb-24	Automecanica Medias S.R.L.	Rheinmetall AG
Feb-24	Malloy Aeronautics Ltd.	BAE Systems plc



## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Feb-24	Field Aviation Company Inc. [Manufacturing Operations]	Longview Aviation Capital Corp. [De Havilland Aircraft of Canada Ltd.]
Feb-24	Seaford Consulting LLC	Godspeed Capital Management LP [Crimson Phoenix]
Feb-24	Global Aviation Training SL	Indra Sistemas S.A.
Feb-24	Juno Technologies, Inc.	Sagewind Capital, LLC [Sigma Defense Systems, LLC]
Feb-24	Silent Sentinel Ltd.	Motorola Solutions, Inc.
Feb-24	Safe Fleet Holdings, LLC	Genstar Capital, LLC [Clarience Technologies, LLC]
Feb-24	Flex Force Enterprises, Inc.	Highlander Partners L.P. [High Point Aerotechnologies, LLC]
Feb-24	Astraea, Inc.	Nuview, Inc.
Feb-24	Anillo Industries, Inc.	KKR & Co. L.P. [Novaria Group]
Feb-24	Charles E. Gillman Company	Behrman Capital [kSARIA Corp.]
Feb-24	Garsite Progress, LLC	PrimeFlight Aviation Services, Inc. [ProFlo Industries, LLC]
Mar-24	Synectic Research and Analysis, Inc. (SRA)	Avion Solutions, Inc.
Mar-24	3D Metal Forming B.V.	Safran Nacelles SAS
Mar-24	Magpie Aviation, Inc.	Ampaire, Inc.
Mar-24	Rayotek Scientific, Inc.	Artemis Capital Partners [McDanel Advanced Ceramic Technologies, LLC]

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Mar-24	Mid-Continent Aviation Services, Inc.	Yingling Aviation, Inc.
Mar-24	ManTech International Corp. [Technical Advisory Services Programs]	Arlington Capital Partners [Systems Planning and Analysis, Inc. (SPA)]
Mar-24	Stack HIP, LLC	Trive Capital Holdings, LLC [Kittyhawk, Inc.]
Mar-24	Inpixon	XTI Aircraft Co.
Mar-24	Mission Microwave, LLC	J.F. Lehman & Co.
Mar-24	Fox Valley Metal Tech, Inc.	Littlejohn Capital, LLC [ArmorWorks Enterprises, LLC]
Mar-24	REEQ B.V	Rheinmetall AG
Mar-24	Jardon & Howard Technologies, Inc.	Bluestone Investment Partners, LLC [Precise Systems, Inc.]
Mar-24	Vake AS	Kongsberg Satellite Services AS (KSAT)
Mar-24	JJR Solutions, LLC	Logistics Management Institute (LMI)
Mar-24	Blue Tide Marine LLC	Razor's Edge Management, LLC [Black Sea Technologies, LLC]
Mar-24	Near Space Corp.	TCOM L.P. [Aerostar International, Inc.]
Mar-24	Ammcon Corp.	Arcline Investment Management, L.P. [Fairbanks Morse Defense (FMD)]
Mar-24	Aqua Blasting Corp.	Metal Finishing Technologies, LLC
Mar-24	SDV Solutions, Inc.	Park Place Technologies, LLC

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Mar-24	AdaCore Technologies, Inc.	Battery Ventures
Apr-24	North Point Geographic Solutions LLC	Avineon, Inc.
Apr-24	Asymmetric Technologies, LLC	Bluestone Investment Partners, LLC [Chesapeake Technology International Corp. (CTI)]
Apr-24	E&M International, Inc.	Chenega Security
Apr-24	Clear Creek Applied Technologies, Inc. (CCAT)	J.F. Taylor, Inc. (JFTI)
Apr-24	Equinox Innovative Systems, Inc.	TCOM L.P.
Apr-24	Cablenet Wiring Products, Inc.	Tide Rock Holdings [Interconnect Solutions Company, LLC (ISC)]
Apr-24	Newbrook Solutions, Inc.	Edgesource Corp.
Apr-24	CyberRadio Solutions (CRS)	Veritas Capital [Epiq Solutions]
Apr-24	Microtel LLC	Arlington Capital Partners [Tyto Athene, LLC]
Apr-24	ProXops, LLC	Aegis Aerospace, Inc.
Apr-24	Segers Aero Corp.	H.I.G. Private Equity
Apr-24	Oscar Deuce LLC	Barbaricum LLC
Apr-24	Special Aerospace Services, LLC	Godspeed Capital Management LP
Apr-24	Triad RF Systems, Inc.	COMROD Communication AS

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Apr-24	Electronic Warfare Associates, Inc.	Sagewind Capital, LLC [Sigma Defense Systems, LLC]
Apr-24	Ascent AeroSystems LLC	Robinson Helicopter Co.
Apr-24	Visionsafe Corp.	The Stephens Group, LLC
Apr-24	General Dynamics Mission Systems Italy S.r.l.	CVC Capital Partners [Maticmind S.p.A.]
Apr-24	GKN Aerospace [St Louis Manufacturing]	Boeing Co.
Apr-24	Gryphon Scientific, LLC	Deloitte LLP
Apr-24	Willbrook Solutions, Inc.	Godspeed Capital Management LP [Special Aerospace Services, LLC]
Apr-24	Cyborg Security, Inc.	Thoma Bravo, LLC [Intel 471, Inc.]
May-24	Research In Flight LLC	Altair Engineering, Inc.
May-24	Condor S.A. Industria Quimica	EDGE Group PJSC
May-24	Aerovel Corp.	Airbus SE [Airbus Helicopters SAS]
May-24	Quintron Systems, Inc.	Godspeed Capital Management LP [Special Aerospace Services, LLC (SAS)]
May-24	Ship 2 Shore, Inc.	DC Capital Partners, LLC [Valkyrie Enterprises, LLC]
May-24	Fastener Distribution Holdings, LLC	NB Capital Solutions
May-24	M Wave Design Corp.	Arcline Investment Management, L.P. [Quantic Electronics, LLC]

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
May-24	Amazilia Aerospace GmbH	Textron, Inc. [Textron eAviation]
May-24	Technology Solutions Provider, Inc. (TSPi)	Abt Global
May-24	National Safety Apparel, Inc.	Blue Point Capital Partners
May-24	Earth Resources Technology, Inc. (ERT)	Macquarie Group Ltd.
May-24	Fenix Group, Inc.	Nokia Oy
May-24	Apogee Engineering, LLC	Bernhard Capital Partners Management, LP
May-24	M1 Support Services, L.P.	Cerberus Capital Management, L.P.
May-24	National Manufacturing Co, Inc.	CORE Industrial Partners, LLC
May-24	Starlab Space US LLC	Northern Private Capital (NPC) [MDA Space]
May-24	Calspan Corp. [Hypersonics and Test Systems Business Units]	Cerberus Capital Management, L.P.
Jun-24	Xwing, Inc.	Joby Aviation, Inc.
Jun-24	Hydraulic Technologies	Wynnchurch Capital, L.P.
Jun-24	Prometheus Group Holdings, LLC	Advent International, L.P.
Jun-24	Sunvair Aerospace Group, Inc	Greenbriar Equity Group, L.P.
Jun-24	Clayens NP [Wallingford, Conn. Manufacturing Operations]	Odyssey Investment Partners, LLC [Pexco, LLC]

## TRANSACTIONS: VALUES UNDISCLOSED CONTINUED

Date	Target	Buyer
Jun-24	PAR Government Systems Corp.	Booz Allen Hamilton, Inc.
Jun-24	Jankel Armouring Ltd.	NP Aerospace (Canada) Ltd.
Jun-24	HB Aerospace Holdings, LLC	Aeromed Group, LLC
Jun-24	Aerospace Products International, Inc. (API)	Aeromed Group, LLC
Jun-24	Verocel, Inc.	Boeing Co. [Wisk Aero, LLC]
Jun-24	High Point Aerotechnologies, LLC	Highlander Partners L.P. [DZYNE Technologies, Inc.]
Jun-24	GKN Aerospace [Orangeburg Manufacturing Operations]	Boeing Co.