

Aerospace, Defense, Government

INDUSTRY REPORT

Fall | 2021

CREATING
M&A STRATEGIES
FOR BUSINESS OWNERS
SINCE 1956



CORPORATE FINANCE ASSOCIATES



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Market Observations

Market Summary

Aerospace and Defense Market

Global Aerospace and Defense industry revenue is projected to recover in 2021, although the recovery will be uneven across the commercial aerospace and defense sector. The commercial airplanes and services are showing signs of recovery after the impact of COVID-19 pandemic, while the global defense, space and government services markets have remained stable. COVID-19 vaccine availability and distribution will continue to be crucial determinants in passenger air travel's near-term recovery. The recovery is seen faster in countries where the governments have lifted restrictions related to air travel. The passenger traffic growth is expected to increase by an average of 4% per year, as per research published by Commercial Market Outlook. Furthermore, projected demand for dedicated freighters, including new and converted models, has increased. Global defense spending has increased dramatically, primarily due to the resumption of great power competition among the world's biggest geopolitical powers, as well as R&D-driven technological advancement. Geopolitical and security challenges will continue to drive long-term demand in this sector.

Public Company Valuations

The CFA Select ADG Index was up 38.2% in the third quarter of 2021, and the 12 months return on the Index was 96.4%. The index performance of ADG subsectors has been volatile in the third quarter of 2021. Commercial Aircraft OEM, Engines & Propulsion outperformed all other indices with 104.2% increase in the third quarter of 2021. However, Public Safety & Security Index had the biggest decline of 7.5% in the third quarter of 2021. Aircraft Leasing had the highest median revenue multiple with 8.2x. C5ISR & Electronic Warfare had the highest median EBITDA multiple with 28.9x, mainly due to the presence of an outlier AeroVironment, Inc (45.6x). Electronic Manufacturing Service had the lowest median Revenue and EBITDA multiple with 0.4x and 7.3x, respectively.

“
The public aerospace and defence market showed strong growth in the third quarter of 2021...

Mergers and Acquisitions

The commercial aerospace industry is experiencing optimism in the second half of 2021 as governments are relaxing regulations. Aircraft production is increasing at a moderate rate, with most industry observers not expecting end-market recovery until 2024. Production levels for most aircraft are unlikely to return to pre-pandemic levels anytime soon. As a result, OEMs will continue to focus on their supply chains, and this will lead to some acquisition opportunities. Large, capitalized suppliers would acquire smaller ones as these players would be focusing on restructuring or consolidation. Geopolitical tensions will continue to drive defense dealmaking. The changing geopolitical situation along with the impact of the pandemic will continue to provide opportunities and challenges to the companies present in the Aerospace & Defense sector for portfolio trimming, carve-outs and other activities.

Industry Trends

IoT in Aerospace, Defense & Security

The Global IoT in Aerospace and Defense Market is forecasted to grow at a CAGR value of 11.5% from USD 40.94 billion to USD 70.55 billion during the forecast period 2021 to 2026, as per research published by Global Market Estimates. The rising need to implement Industry 4.0 technologies by transforming mobility, production, and sales of aerospace industry products and services, as well as the surge in the data privacy and storage needs, are some of the major factors leading to the market's growth. IoT is frequently used by aircraft maintenance and repair companies for predictive maintenance of aircraft parts and equipment. By collecting data from ultrasonic and vibration sensors linked to the spindle of a CNC machine, an IoT-based predictive maintenance system can forecast possible damage. Engines, wing flaps, bleed valves, and landing gear all employ IoT technology to relay important data to professionals for preventive maintenance. Technicians can use this information to set maintenance schedules, order components, and schedule workers to repair equipment.

Urban Air Mobility (UAM)

Urban air mobility (UAM) refers to the aviation industry term for automated passenger or cargo air travel on demand in urban areas. The urban air mobility market is expected to grow at a CAGR of over 13% during the forecast period 2021 – 2035, as per research published by Mordor Intelligence. The pandemic had a rippling effect on the UAM sector, as most of the major players in the UAM industry are either directly or indirectly connected to the aviation sector. North America and Europe is at the forefront of the UAM revolution. Boeing and Airbus has aided in the development of a favorable climate for the UAM industry, as these companies are heavily investing in prototype development for assessment. Several technological and infrastructure barriers still need to be overcome before the full potential of urban air mobility is realized. However, latest technological advances in urban air mobility offers a promising future where cities will adopt the next generation of transport systems using unmanned systems.



Growth in Unmanned Aerial Vehicle (UAV) Market

Unmanned aerial vehicles (UAVs) are pilotless platforms that can be operated remotely by a human operator or steered autonomously by a computer program. Unmanned aerial vehicles are used in military duties such as border surveillance, most commonly in the form of drones. These vehicles are also used for mapping, surveying, and determining local weather conditions. The Unmanned aerial vehicles (UAVs) market is expected to grow at a CAGR of 16.4% from USD 27.4 billion in 2021 to USD 58.4 billion by 2026, as per research published by MarketsandMarkets. North America is expected to account for the highest share of the UAV market, from 2021 to 2026. Increased defense spending along with military modernization programs would be the primary reason for the rise in the market share of the US. In Asia Pacific, the surge in defense spending of the countries such as India, China and Japan are expected to drive the growth of UAV market in this region. Companies with superior technical capabilities are projected to make major contributions to technological advancements in UAV propulsion systems and payload capabilities in the future.

Significant News

Boeing to Manufacture Military Drones for The First Time

AI Bawaba, September 24, 2021

"The US aviation giant Boeing is moving first time out of North America to produce military drones in Australia. "World aviation giant Boeing has selected Toowoomba as the preferred site for an uncrewed aircraft production facility," Queensland Prime Minister Annastacia Palaszczuk and the region's Treasurer and Minister for Investment Cameron Dick in a joint statement."

[Read More >](#)

U.S. sues to stop American Airlines, JetBlue partnership

Reuters, September 22, 2021

"The U.S. Justice Department and six states filed an antitrust lawsuit on Tuesday against American Airlines Group Inc (AAL.O) and JetBlue Airways Corp (JBLU.O) seeking to stop a partnership the government said could lead to higher fares in busy Northeastern U.S. airports. The lawsuit asked a federal court in Boston to stop the "Northeast Alliance" partnership, announced in July 2020 and approved by the U.S. Transportation Department shortly before the end of the Trump administration. It took aim at American Airlines, the largest airline in the world, saying the alliance would cost consumers hundreds of millions of dollars."

[Read More >](#)

Lufthansa launches \$2.5 bln capital increase to repay state bailout

Reuters, September 19, 2021

"Lufthansa (LHAG.DE) said it would launch a capital increase that was expected to raise 2.14 billion euros (\$2.51 billion) to pay back part of a state bailout Germany's top airline received during the coronavirus crisis. The subscription period for the widely expected rights issue, involving the issue of about 597.7 million new shares, would run from Sept. 22 to Oct. 5, Lufthansa said."

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M&A Metrics

ADG Industry

M&A activity in the ADG industry remained steady in third quarter of 2021. The number of transactions increased from 32 in Q2 2021 to 34 in Q3 2021. The number of transactions above \$100 million increased from 2 in Q2 2021 to 7 in Q3 2021. The number of sub-\$50 million transactions decreased from 29 in Q2 2021 to 27 in Q3 2021. The total number of M&A transactions year on year increased at a growth rate of 30.8% from 26 in Q3 2020 to 34 in Q3 2021.



M&A Deal Summary Table | Count by Deal Size over Time

Transaction Value	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Not Disclosed	15	26	24	26	38	29	25	13	31	22	18	20
Under \$10 MM	4	3	5	2	3	2	1	2	4	1	9	4
\$10 - \$25 MM	3	1	0	0	3	1	1	1	1	5	0	2
\$25 - \$50 MM	2	0	3	1	0	1	0	6	1	2	2	1
\$50 - \$100 MM	0	1	1	0	2	2	0	2	1	1	1	0
\$100 - \$500 MM	3	3	3	5	3	3	1	1	2	3	1	2
\$500 MM+	4	2	4	4	2	2	0	1	2	8	1	5
Total Transactions	31	36	40	38	51	40	28	26	42	42	32	34

Source: FactSet

Industry Metrics

Industry Financial Data and Ratios

NAICs 333996 - Fluid Power Pump and Motor Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	4.3	6.84	2.44
Gross Profit Margin	34.98%	38.02%	41.48%
Net Profit Margin	10.12%	10.88%	10.19%
Accounts Receivable Days	44.79	42.4	39.04
Accounts Payable Days	29.07	16.32	20.73
Debt-to-Equity Ratio	1.17	0.88	0.67
Return on Equity	53.61%	29.15%	62.84%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	-7.41%	-15.89%	4.17%
Profit Growth	33.80%	22.14%	-6.28%

NAICs 532411 - Air, Rail, Water Transport, Equipment Rental & Leasing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.89	3.49	2.4
Gross Profit Margin	80.32%	76.73%	81.72%
Net Profit Margin	5.85%	1.54%	-11.80%
Accounts Receivable Days	21.65	35.55	38.76
Accounts Payable Days	13.88	16.74	16.01
Debt-to-Equity Ratio	4.17	3.78	2.39
Return on Equity	49.28%	21.40%	17.76%
Sales per Employee	\$484,524	\$484,524	\$726,536
Profit per Employee	\$40,534	\$40,534	\$150,840
Sales Growth	3.87%	3.25%	8.58%
Profit Growth	55.36%	65.51%	3.35%

Source: Profit Cents

NAICs 3364 - Aerospace Product and Parts Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.74	3.56	2.79
Gross Profit Margin	37.97%	36.91%	35.53%
Net Profit Margin	4.97%	4.09%	10.45%
Accounts Receivable Days	47.16	45.94	48.21
Accounts Payable Days	42.22	42.44	44.52
Debt-to-Equity Ratio	1.46	1.71	1.78
Return on Equity	26.42%	19.77%	37.19%
Sales per Employee	\$172,797	\$172,797	\$175,054
Profit per Employee	\$19,810	\$19,810	\$28,479
Sales Growth	-8.05%	-5.89%	15.79%
Profit Growth	20.02%	17.96%	30.99%

NAICs 4881 - Support Activities for Air Transportation

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.63	3.64	3.38
Gross Profit Margin	59.84%	61.68%	57.25%
Net Profit Margin	7.83%	7.24%	3.20%
Accounts Receivable Days	34.83	36.19	59.42
Accounts Payable Days	80.23	74.41	60.14
Debt-to-Equity Ratio	2.37	2.12	2.09
Return on Equity	29.80%	25.61%	19.53%
Sales per Employee	\$277,733	\$277,733	\$347,426
Profit per Employee	\$4,454	\$4,454	--
Sales Growth	-5.67%	-5.13%	5.26%
Profit Growth	51.26%	43.01%	5.98%

Industry Metrics

Industry Financial Data and Ratios

NAICs 3345 - Navigational, Measuring, Electromedical, and Control Instruments Mnfg

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.69	3.55	3.96
Gross Profit Margin	51.24%	52.31%	52.34%
Net Profit Margin	10.86%	8.16%	6.82%
Accounts Receivable Days	55.23	52.53	50.86
Accounts Payable Days	38.99	39.62	44.6
Debt-to-Equity Ratio	1.22	1.41	1.79
Return on Equity	23.24%	18.38%	16.11%
Sales per Employee	--	--	\$163,118
Profit per Employee	--	--	\$29,710
Sales Growth	-1.83%	-2.08%	1.74%
Profit Growth	31.15%	17.03%	8.40%

NAICs 33641 - Aerospace Product and Parts Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.74	3.56	2.79
Gross Profit Margin	37.97%	36.91%	35.53%
Net Profit Margin	4.97%	4.09%	10.45%
Accounts Receivable Days	47.16	45.94	48.21
Accounts Payable Days	42.22	42.44	44.52
Debt-to-Equity Ratio	1.46	1.71	1.78
Return on Equity	26.42%	19.77%	37.19%
Sales per Employee	\$172,797	\$172,797	\$175,054
Profit per Employee	\$19,810	\$19,810	\$28,479
Sales Growth	-8.05%	-5.89%	15.79%
Profit Growth	20.02%	17.96%	30.99%

Source: Profit Cents

NAICs 3335 - Metalworking Machinery Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.59	3.45	3.07
Gross Profit Margin	39.46%	38.55%	39.16%
Net Profit Margin	8.25%	6.29%	5.57%
Accounts Receivable Days	51.83	50	53.13
Accounts Payable Days	34.14	33.64	38.46
Debt-to-Equity Ratio	2.14	2.21	2.2
Return on Equity	39.33%	30.36%	23.40%
Sales per Employee	\$112,736	\$118,901	\$127,860
Profit per Employee	(\$7,781)	(\$922)	(\$5,718)
Sales Growth	0.92%	-3.20%	3.70%
Profit Growth	40.24%	25.21%	13.51%

NAICs 3344 - Semiconductor & Other Electronic Component Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.72	3.46	3.31
Gross Profit Margin	35.68%	37.63%	36.88%
Net Profit Margin	3.13%	5.31%	5.34%
Accounts Receivable Days	48.38	52.1	53.32
Accounts Payable Days	40.03	41.1	40.59
Debt-to-Equity Ratio	1.57	1.33	1.45
Return on Equity	29.05%	25.11%	26.29%
Sales per Employee	\$138,279	\$138,279	\$141,805
Profit per Employee	\$43,108	\$43,108	\$38,233
Sales Growth	-2.41%	1.14%	7.75%
Profit Growth	29.30%	23.81%	7.22%

Industry Metrics

Industry Financial Data and Ratios

NAICs 33661 - Ship and Boat Building

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.03	2.18	2.36
Gross Profit Margin	35.05%	32.08%	32.04%
Net Profit Margin	8.25%	4.22%	5.03%
Accounts Receivable Days	42.93	39.97	44.99
Accounts Payable Days	36.04	38.26	36.84
Debt-to-Equity Ratio	2.37	2.61	2.94
Return on Equity	64.94%	40.77%	37.09%
Sales per Employee	\$132,288	\$132,288	--
Profit per Employee	(\$4,846)	(\$4,846)	--
Sales Growth	-2.48%	-2.00%	10.17%
Profit Growth	86.78%	60.24%	16.79%

NAICs 541330 - Engineering Services

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	5.18	4.4	3.83
Gross Profit Margin	69.44%	69.44%	68.46%
Net Profit Margin	12.17%	11.17%	9.93%
Accounts Receivable Days	66.19	71.88	54.22
Accounts Payable Days	40.07	37.22	32.06
Debt-to-Equity Ratio	1.39	1.42	1.39
Return on Equity	59.89%	54.09%	58.21%
Sales per Employee	\$171,622	\$176,424	\$181,928
Profit per Employee	\$20,353	\$26,134	\$27,457
Sales Growth	5.33%	4.95%	11.03%
Profit Growth	35.32%	32.88%	23.83%

Source: Profit Cents

NAICs 5416 - Management, Scientific, & Technical Consulting Services

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	4.19	3.9	3.62
Gross Profit Margin	72.98%	72.79%	74.29%
Net Profit Margin	13.17%	11.70%	11.82%
Accounts Receivable Days	43.9	44.83	50.16
Accounts Payable Days	22.6	25.01	25.7
Debt-to-Equity Ratio	2.07	2.05	1.97
Return on Equity	61.47%	57.59%	56.33%
Sales per Employee	\$152,963	\$152,963	\$200,149
Profit per Employee	\$20,171	\$20,171	\$26,072
Sales Growth	8.57%	7.71%	13.73%
Profit Growth	26.98%	22.83%	26.63%

NAICs 5415 - Computer Systems Design and Related Services

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	3.54	3.38	3.28
Gross Profit Margin	60.65%	62.05%	62.05%
Net Profit Margin	8.16%	8.71%	6.71%
Accounts Receivable Days	52.88	49.49	47.63
Accounts Payable Days	29.48	33.02	27.45
Debt-to-Equity Ratio	2.01	2.14	2.18
Return on Equity	57.36%	56.44%	53.60%
Sales per Employee	\$177,563	\$177,563	\$189,289
Profit per Employee	\$21,592	\$21,592	\$29,170
Sales Growth	8.12%	8.74%	14.31%
Profit Growth	33.73%	29.31%	23.15%

Industry Metrics

Industry Financial Data and Ratios

NAICs 3342 - Communications Equipment Manufacturing

Financial Metric	Last 12 Mo	2020	2019
Current Ratio	5.39	4.22	2.69
Gross Profit Margin	41.13%	48.22%	50.94%
Net Profit Margin	2.99%	7.55%	4.43%
Accounts Receivable Days	37.17	47.05	50.97
Accounts Payable Days	24.83	35.76	54.31
Debt-to-Equity Ratio	1.64	1.98	2.3
Return on Equity	22.46%	19.96%	19.57%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	0.06%	-1.88%	16.86%
Profit Growth	42.66%	23.69%	21.93%

Source: Profit Cents

A formation of military helicopters, including a large Chinook and several smaller Black Hawks, flying over a body of water at sunset. The sun is low on the horizon, creating a warm orange glow. The helicopters are silhouetted against the bright sky. The foreground is a dark, textured area with a pattern of small dots.

Transaction Highlights

Notable Transactions



In September 2021, Mercury Systems Inc signed a definitive agreement to acquire Avalex Technologies Corp for US\$155 million in cash. The transaction is to be funded through a combination of cash on hand and revolving credit facility. The acquisition would advance and broaden Mercury Systems Inc's offerings. Avalex Technologies Corp is located in Gulf Breeze, Florida, United States and manufactures aircraft display systems and surveillance video equipment.



In August 2021, NextGen Acquisition Corp II entered into a definitive merger agreement to acquire Virgin Orbit LLC from Virgin Group Holdings Ltd (80%) and Mubadala Investment Co PJSC (20%), for US\$3 billion in stock, via reverse takeover. Following the transaction, Virgin Orbit LLC will become a publicly-traded company and expected to trade on the Nasdaq under the symbol "VORB" and NextGen Acquisition Corp II will change its name to Virgin Orbit Holdings, Inc. Virgin Orbit LLC is located in Long Beach, California, United States and manufactures automated flight safety systems.



In August 2021, Parker-Hannifin Corp reached an agreement to acquire Meggitt Plc for GBP6.25 billion (US\$8.69 billion) in cash, via scheme of arrangement. The transaction will be funded through a combination of cash resources and a bridge loan facility. The transaction is aligned with Parker-Hannifin Corp's strategic growth strategy to strengthen its operations. Meggitt Plc is located in Christchurch, Dorset, United Kingdom and designs and manufactures components for aerospace and defence markets.



In July 2021, Cobham Ltd a portfolio company of Advent International Corp, reached an agreement to acquire Ultra Electronics Holdings Plc for GBP2.5 billion (US\$3.4 billion) in cash, via scheme of arrangement. Ultra Electronics Holdings Plc is located in London, Greater London, United Kingdom and designs, develops and manufactures electronic and software systems for defense, security, transport and energy industries.



The logos shown on this page are property of the respective owners

Select M&A Transactions

Date	Target Name	Acquirer Name	Enterprise Value (MM)	Revenue	EBITDA
9/27/2021	Avalex Technologies Corp.	Mercury Systems, Inc.	155	NM	NM
9/24/2021	Attowave Co., Ltd.	Uniden Holdings Corp.	24	16	NM
8/24/2021	Chengdu Haoyiqiang Aviation Equipment Manufacturing Co., Ltd.	Chengdu Haoneng Technology Co., Ltd.	66	12	NM
8/23/2021	Virgin Orbit LLC	NextGen Acquisition Corp. II	3,001	NM	NM
8/5/2021	Cepton Technologies, Inc.	Growth Capital Acquisition Corp.	1,510	NM	NM
8/4/2021	Industria de Turbo Propulsores SA	Bain Capital Private Equity LP; SAPA Placencia SL; Sidenor Aceros Especiales SL; JB Capital Markets Sociedad de Valores SA /Private Equity/; Industria De Turbo Propulsores SA /Private Group/	2,016	872	NM
8/2/2021	Meggitt Plc	Parker-Hannifin Corp.	9,828	1,949	321
7/28/2021	Liaoning Tongda Transport Technologies Co Ltd	Astro Aerospace Ltd.	14	NM	NM
7/23/2021	Ultra Electronics Holdings Plc	Advent International Corp.; Cobham Ltd.	3,525	1,144	204
7/14/2021	Coretex Ltd.	Eroad Ltd.	133	NM	NM
7/14/2021	TECT Aerospace Group Holdings, Inc.	The Boeing Co.	1	NM	NM
7/13/2021	Teal Drones, Inc.	Red Cat Holdings, Inc.	30	NM	NM
7/12/2021	AirRobot GmbH & Co. KG	Nordic Unmanned AS	6	3	NM
7/1/2021	DACC-Aerospace Co.	HIZEAERO Co., Ltd.	3	NM	NM

Source: FactSet

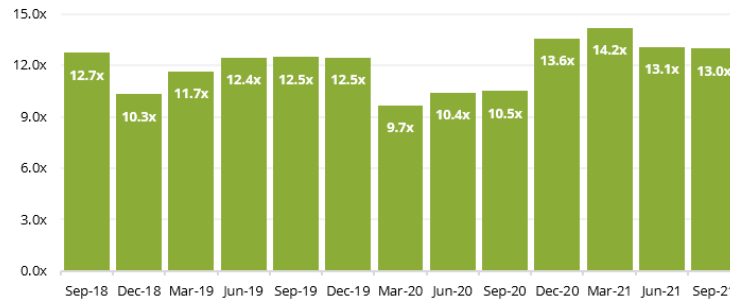


Public Companies

Industry Performance

CFAW Select ADG Index

CFAW Select ADG Index | Median EBITDA Multiples



CFAW Select ADG Index | Median Revenue Multiples

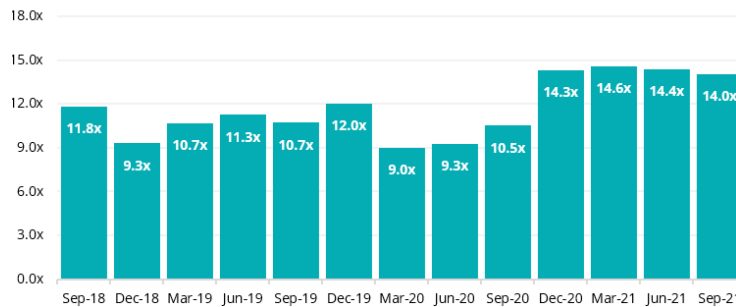


Source: FactSet

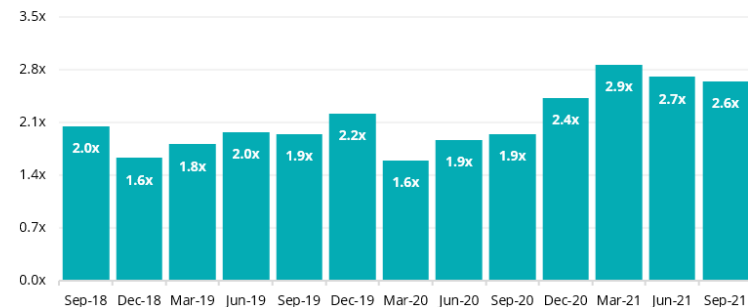
Public Comparables

Actuation & Fluid Control

Actuation & Fluid Control | Median EBITDA Multiples



Actuation & Fluid Control | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AMETEK, Inc.	\$124.01	231	\$28,672	\$31,427	\$4,928	\$1,446	6.4x	21.7x
CIRCOR International, Inc.	\$33.01	20	\$669	\$1,107	\$766	\$85	1.4x	13.1x
Crane Co.	\$94.81	58	\$5,538	\$6,056	\$3,037	\$548	2.0x	11.1x
Curtiss-Wright Corporation	\$126.18	41	\$5,159	\$6,146	\$2,459	\$509	2.5x	12.1x
Eaton Corp. Plc	\$149.31	399	\$59,500	\$71,485	\$19,120	\$3,471	3.7x	20.6x
ITT, Inc.	\$85.84	86	\$7,391	\$7,110	\$2,690	\$506	2.6x	14.1x
Moog Inc. Class A	\$76.23	29	\$2,232	\$3,365	\$2,834	\$341	1.2x	9.9x
Parker-Hannifin Corporation	\$279.62	129	\$36,099	\$42,061	\$14,348	\$2,998	2.9x	14.0x
Woodward, Inc.	\$113.20	63	\$7,137	\$7,580	\$2,207	\$431	3.4x	17.6x

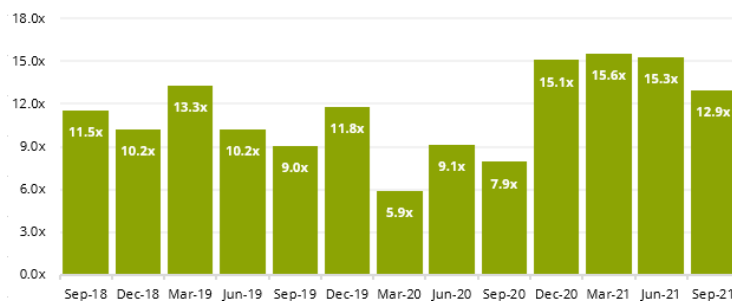
Mean	\$19,593	\$5,821	\$1,148	2.9x	14.9x
Median	\$7,110	\$2,834	\$509	2.6x	14.0x

Source: FactSet

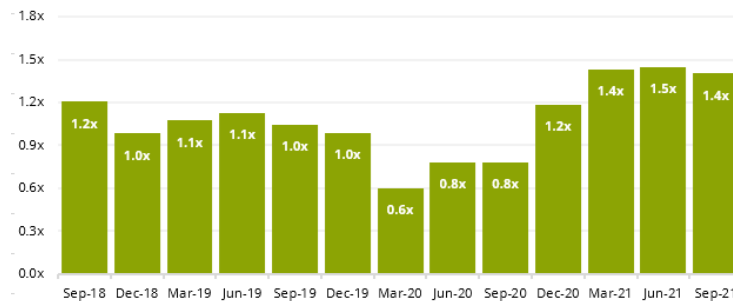
Public Comparables

Aerostructures

Aerostructures | Median EBITDA Multiples



Aerostructures | Median Revenue Multiples



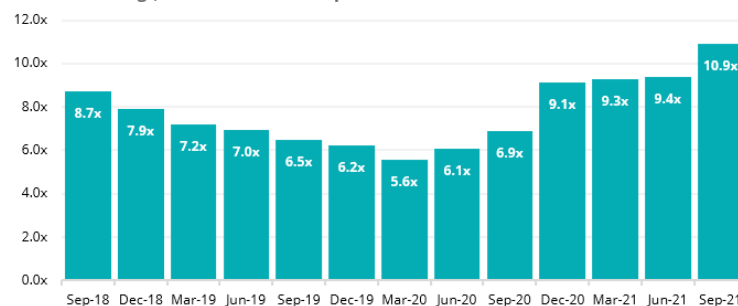
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
CPI Aerostructures, Inc.	\$2.75	12	\$34	\$65	\$88	\$1	0.7x	60.5x
Ducommun Incorporated	\$50.35	12	\$600	\$909	\$626	\$79	1.5x	11.6x
FACC AG	\$10.92	46	\$500	\$767	\$566	(\$13)	1.4x	NM
Hexcel Corporation	\$59.39	84	\$4,980	\$5,770	\$1,207	\$118	4.8x	49.1x
Kaman Corporation Class A	\$35.67	28	\$993	\$1,095	\$753	\$95	1.5x	11.5x
Magellan Aerospace Corporation	\$7.93	58	\$458	\$489	\$546	\$59	0.9x	8.3x
Senior plc	\$2.32	419	\$974	\$1,167	\$884	\$54	1.3x	21.7x
Spirit AeroSystems Holdings, Inc. Class A	\$44.19	105	\$4,659	\$7,077	\$3,586	(\$161)	2.0x	NM
Triumph Group, Inc.	\$18.63	65	\$1,204	\$2,577	\$1,771	\$180	1.5x	14.3x
thyssenkrupp AG	\$10.59	623	\$6,589	\$2,411	\$38,145	\$1,097	0.1x	2.2x
Mean				\$2,233	\$4,817	\$151	1.5x	22.4x
Median				\$1,131	\$819	\$69	1.4x	12.9x

Source: FactSet

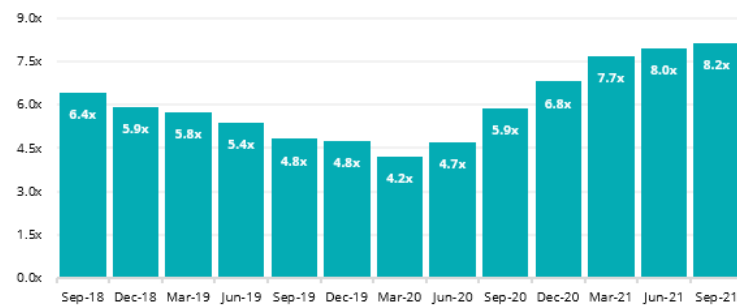
Public Comparables

Aircraft Leasing

Aircraft Leasing | Median EBITDA Multiples



Aircraft Leasing | Median Revenue Multiples



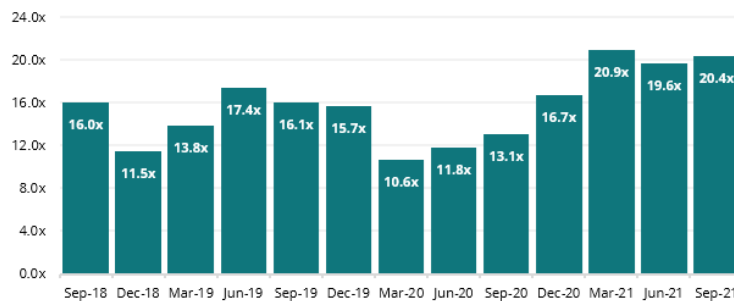
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AerCap Holdings NV	\$57.81	133	\$7,711	\$34,326	\$4,115	\$3,614	8.3x	9.5x
AeroCentury Corp.	\$59.98	2	\$93	\$90	\$11	(\$1)	8.2x	NM
Fly Leasing Limited Sponsored ADR	NM	NM	NM	NM	\$287	\$242	NM	NM
Willis Lease Finance Corporation	\$37.19	6	\$232	\$1,983	\$251	\$161	7.9x	12.3x
Mean				\$12,133	\$1,166	\$1,004	8.1x	10.9x
Median				\$1,983	\$269	\$201	8.2x	10.9x

Source: FactSet

Public Comparables

Airport Operations & Services

Airport Operations & Services | Median EBITDA Multiples



Airport Operations & Services | Median Revenue Multiples



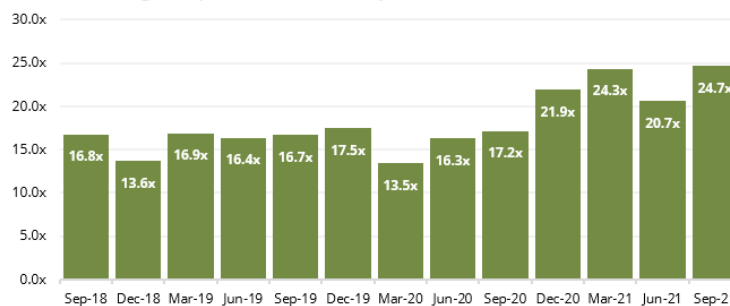
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
CAE Inc.	\$29.87	317	\$9,461	\$10,300	\$2,471	\$505	4.2x	20.4x
John Bean Technologies Corporation	\$140.55	32	\$4,465	\$4,904	\$1,747	\$237	2.8x	20.7x
PASSUR Aerospace, Inc.	\$0.63	8	\$5	\$13	\$7	\$2	1.9x	6.2x
Mean				\$5,072	\$1,408	\$248	3.0x	15.8x
Median				\$4,904	\$1,747	\$237	2.8x	20.4x

Source: FactSet

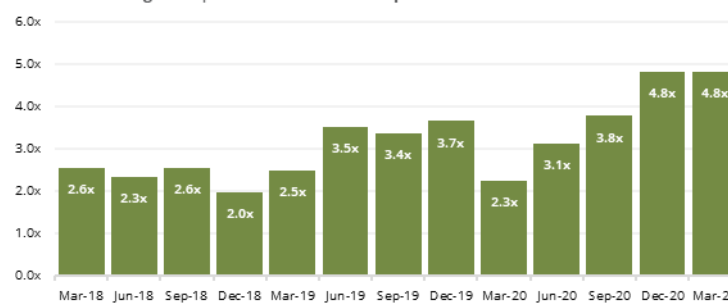
Public Comparables

Avionics & Navigation

Avionics & Navigation | Median EBITDA Multiples



Avionics & Navigation | Median Revenue Multiples



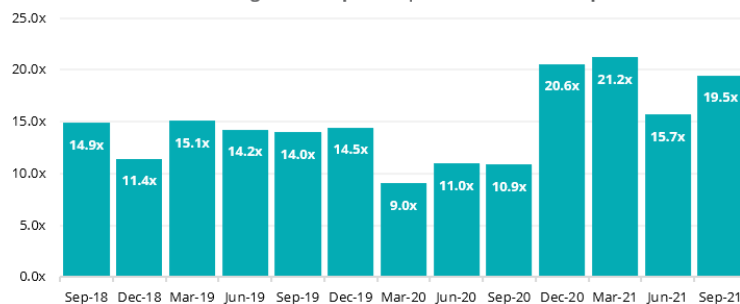
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Astronics Corporation	\$14.06	25	\$345	\$597	\$438	\$1	1.4x	601.4x
Elbit Systems Ltd	\$144.84	44	\$6,402	\$7,731	\$4,705	\$359	1.6x	21.6x
Garmin Ltd.	\$155.46	192	\$29,898	\$28,003	\$4,860	\$1,453	5.8x	19.3x
Honeywell International Inc.	\$212.28	690	\$146,558	\$156,868	\$33,959	\$7,700	4.6x	20.4x
Innovative Solutions and Support, Inc.	\$7.02	17	\$121	\$114	\$22	\$4	5.1x	30.5x
Teledyne Technologies Incorporated	\$429.58	47	\$20,021	\$24,233	\$3,443	\$771	7.0x	31.4x
Tel-Instrument Electronics Corp	\$3.15	3	\$10	\$11	\$13	\$1	0.9x	8.9x
Trimble Inc.	\$82.25	252	\$20,696	\$21,690	\$3,454	\$779	6.3x	27.8x
Mean				\$29,906	\$6,362	\$1,383	4.1x	95.2x
Median				\$14,710	\$3,448	\$565	4.8x	24.7x

Source: FactSet

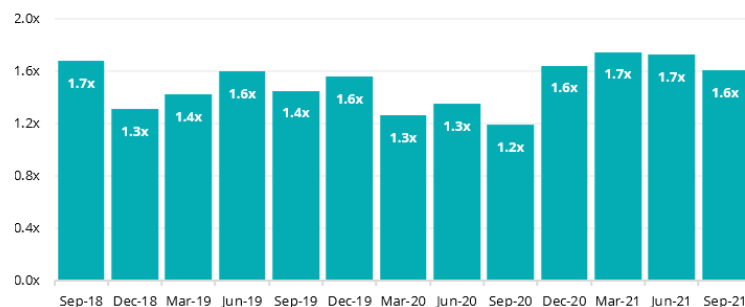
Public Comparables

Commercial Aircraft OEM, Engines & Propulsion

Commercial Aircraft OEM, Engines & Propulsion | Median EBITDA Multiples



Commercial Aircraft OEM, Engines & Propulsion | Median Revenue Multiples



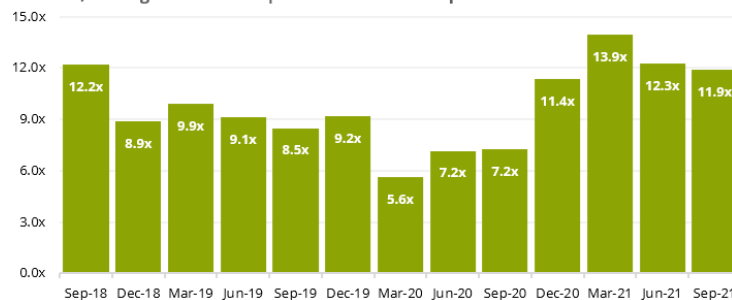
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Airbus SE	\$133.40	786	\$104,851	\$103,285	\$66,296	\$8,639	1.6x	12.0x
Boeing Company	\$219.94	586	\$128,918	\$171,332	\$61,660	\$1,064	2.8x	161.0x
Dassault Aviation SA	\$1,079.03	83	\$90,085	\$5,405	\$7,089	\$620	0.8x	8.7x
Embraer S.A.	\$4.24	740	\$3,143	\$5,170	\$4,508	\$355	1.1x	14.6x
Textron Inc.	\$69.81	224	\$15,647	\$17,681	\$12,472	\$1,180	1.4x	15.0x
Aerojet Rocketdyne Holdings, Inc.	\$43.55	80	\$3,497	\$3,436	\$2,137	\$321	1.6x	10.7x
General Electric Company	\$103.03	1,098	\$113,092	\$153,096	\$75,990	\$7,751	2.0x	19.8x
Honeywell International Inc.	\$212.28	690	\$146,558	\$156,868	\$33,959	\$7,700	4.6x	20.4x
Rolls-Royce Holdings plc	\$1.89	8,368	\$15,811	\$22,749	\$15,012	\$1,168	1.5x	19.5x
Safran S.A.	\$127.09	427	\$54,298	\$61,520	\$17,287	\$2,244	3.6x	27.4x
Raytheon Technologies Corporation	\$85.96	1,508	\$129,617	\$156,247	\$62,289	\$6,689	2.5x	23.4x
Mean				\$77,890	\$32,609	\$3,430	2.1x	30.2x
Median				\$61,520	\$17,287	\$1,180	1.6x	19.5x

Source: FactSet

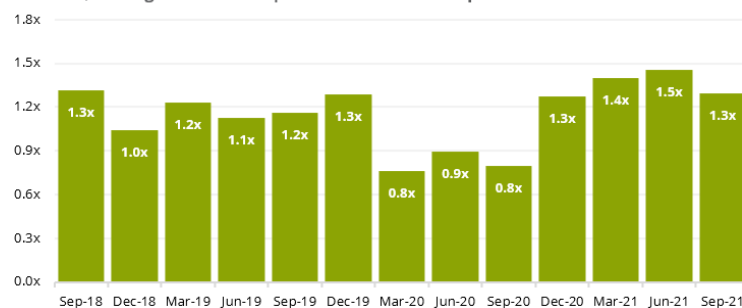
Public Comparables

Machine, Casting & Fabrication

Machine, Casting & Fabrication | Median EBITDA Multiples



Machine, Casting & Fabrication | Median Revenue Multiples



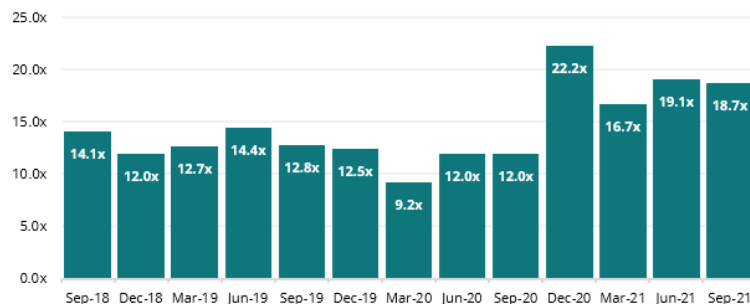
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Arconic Corp.	\$31.54	109	\$3,450	\$4,656	\$6,353	\$597	0.7x	7.8x
Allegheny Technologies Incorporated	\$16.63	127	\$2,116	\$3,398	\$2,565	\$147	1.3x	23.1x
Barnes Group Inc.	\$41.73	51	\$2,111	\$2,676	\$1,180	\$256	2.3x	10.5x
LISI SA	\$29.73	54	\$1,609	\$1,783	\$1,415	\$197	1.3x	9.1x
Kaiser Aluminum Corporation	\$108.96	16	\$1,728	\$2,532	\$1,593	\$136	1.6x	18.6x
Melrose Industries PLC	\$2.35	4,372	\$10,261	\$11,162	\$11,017	\$930	1.0x	12.0x
SIFCO Industries, Inc.	\$8.60	6	\$52	\$90	\$104	\$8	0.9x	11.9x
Standex International Corporation	\$98.91	12	\$1,200	\$1,300	\$656	\$109	2.0x	11.9x
Mean				\$3,450	\$3,110	\$297	1.4x	13.1x
Median				\$2,604	\$1,504	\$172	1.3x	11.9x

Source: FactSet

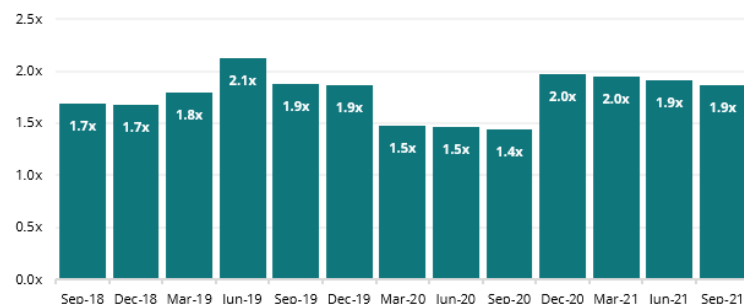
Public Comparables

MRO, Aftermarket & Distribution

MRO, Aftermarket & Distribution | Median EBITDA Multiples



MRO, Aftermarket & Distribution | Median Revenue Multiples

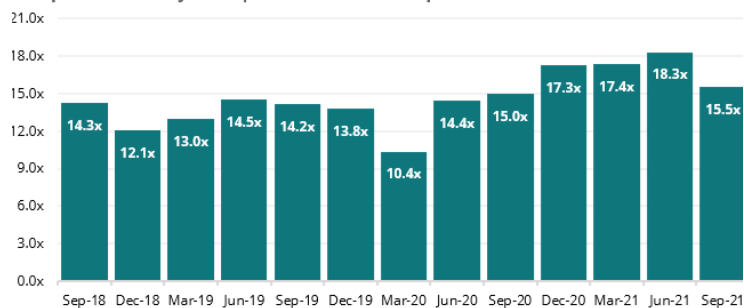


Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AAR CORP.	\$32.43	35	\$1,150	\$1,283	\$1,707	\$190	0.8x	6.8x
HEICO Corporation	\$131.87	54	\$7,151	\$18,225	\$1,782	\$461	10.2x	39.5x
MTU Aero Engines AG	\$227.75	53	\$12,167	\$13,042	\$4,692	\$612	2.8x	21.3x
Singapore Technologies Engineering Ltd	\$2.81	3122	\$8,763	\$10,027	\$5,374	\$837	1.9x	12.0x
VSE Corporation	\$48.17	13	\$612	\$912	\$656	\$49	1.4x	18.7x
					</			

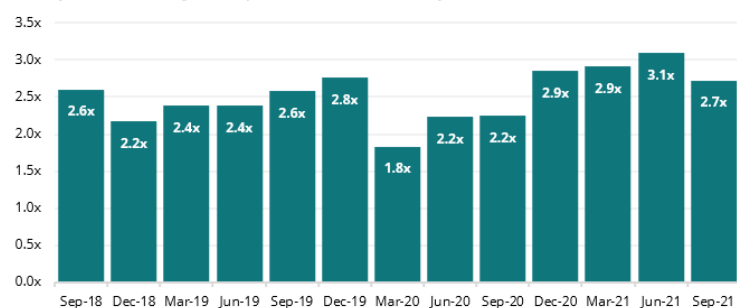
Public Comparables

Components & Subsystems

Components & Subsystems | Median EBITDA Multiples



Components & Subsystems | Median Revenue Multiples



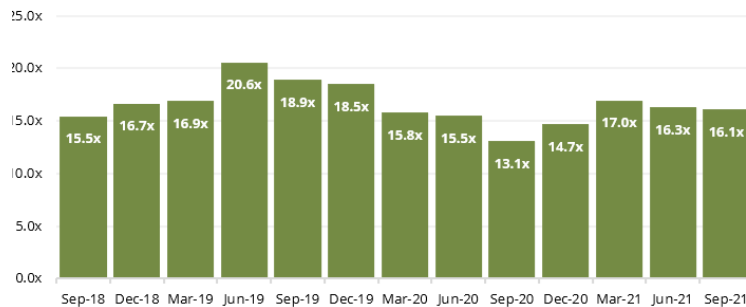
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AMETEK, Inc.	\$124.01	231	\$28,672	\$31,427	\$4,928	\$1,446	6.4x	21.7x
Amphenol Corporation Class A	\$73.23	598	\$43,805	\$47,862	\$9,780	\$2,316	4.9x	20.7x
CIRCOR International, Inc.	\$33.01	20	\$669	\$1,107	\$766	\$85	1.4x	13.1x
Crane Co.	\$94.81	58	\$5,538	\$6,056	\$3,037	\$548	2.0x	11.1x
Donaldson Company, Inc.	\$57.41	124	\$7,119	\$7,458	\$2,854	\$495	2.6x	15.1x
ESCO Technologies Inc.	\$77.00	26	\$2,007	\$2,036	\$718	\$129	2.8x	15.8x
Hexcel Corporation	\$59.39	84	\$4,980	\$5,770	\$1,207	\$118	4.8x	49.1x
Meggitt PLC	\$9.96	782	\$7,784	\$8,878	\$1,947	\$324	4.6x	27.4x
PPG Industries, Inc.	\$143.01	237	\$33,944	\$40,895	\$15,682	\$2,683	2.6x	15.2x
RBC Bearings Incorporated	\$212.20	29	\$6,126	\$5,144	\$609	\$151	8.5x	34.0x
SKF AB Class B	\$23.62	425	\$10,031	\$11,832	\$9,167	\$1,655	1.3x	7.1x
Timken Company	\$65.42	76	\$4,989	\$6,318	\$3,875	\$709	1.6x	8.9x
TransDigm Group Incorporated	\$624.57	55	\$34,422	\$50,112	\$4,699	\$1,865	10.7x	26.9x
TriMas Corporation	\$32.36	43	\$1,389	\$1,704	\$813	\$164	2.1x	10.4x
Mean				\$16,186	\$4,292	\$906	4.0x	19.7x
Median				\$6,888	\$2,946	\$521	2.7x	15.5x

Source: FactSet

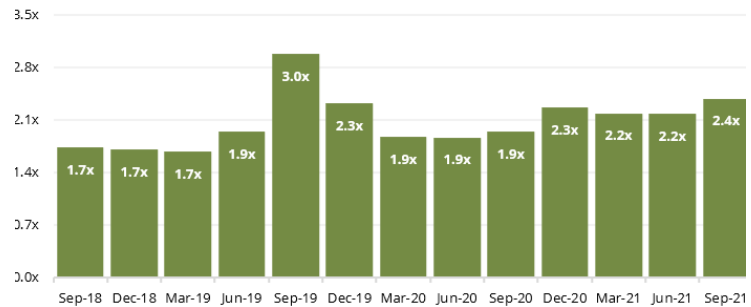
Public Comparables

C5ISR & Electronic Warfare

C5ISR & Electronic Warfare | Median EBITDA Multiples



C5ISR & Electronic Warfare | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AeroVironment, Inc.	\$86.32	25	\$2,142	\$2,255	\$408	\$49	5.5x	45.6x
Chemring Group PLC	\$4.31	283	\$1,218	\$1,270	\$541	\$104	2.4x	12.2x
Cubic Corporation	NM	NM	NM	NM	\$1,488	\$203	NM	NM

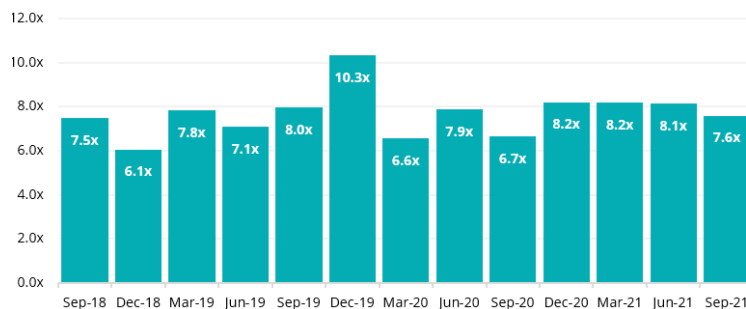
Mean				\$1,763	\$812	\$119	3.9x	28.9x
Median				\$1,763	\$541	\$104	3.9x	28.9x

Source: FactSet

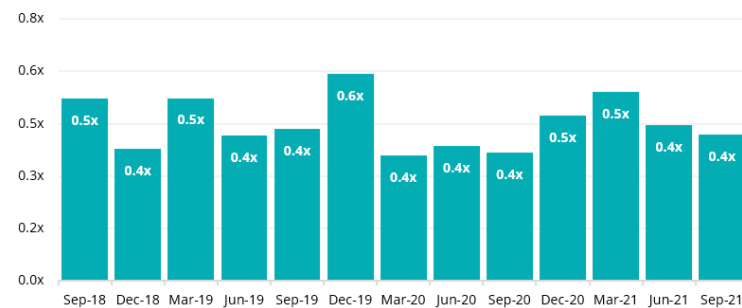
Public Comparables

Electronic Manufacturing Services

Electronic Manufacturing Services | Median EBITDA Multiples



Electronic Manufacturing Services | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Bel Fuse Inc. Class B	\$12.43	10	\$128	\$208	\$490	\$37	0.4x	5.6x
Benchmark Electronics, Inc.	\$26.71	36	\$950	\$809	\$2,098	\$99	0.4x	8.2x
Celestica Inc.	\$8.88	108	\$961	\$1,214	\$5,675	\$248	0.2x	4.9x
CTS Corporation	\$30.91	32	\$1,002	\$961	\$495	\$99	1.9x	9.7x
Flex Ltd.	\$17.68	488	\$8,632	\$10,397	\$25,313	\$1,469	0.4x	7.1x
Jabil Inc.	\$58.37	146	\$8,512	\$10,424	\$29,176	\$1,426	0.4x	7.3x
Microchip Technology Incorporated	\$153.49	274	\$42,062	\$50,348	\$5,698	\$2,293	8.8x	22.0x
Methode Electronics, Inc.	\$42.05	38	\$1,605	\$1,655	\$1,185	\$210	1.4x	7.9x
TTM Technologies, Inc.	\$12.57	108	\$1,355	\$1,744	\$2,131	\$267	0.8x	6.5x

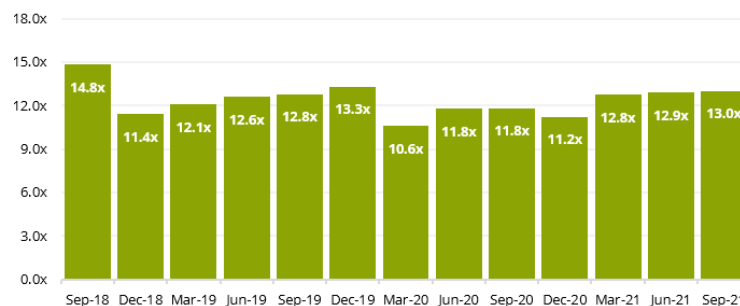
Mean	\$8,640	\$8,029	\$683	1.6x	8.8x
Median	\$1,655	\$2,131	\$248	0.4x	7.3x

Source: FactSet

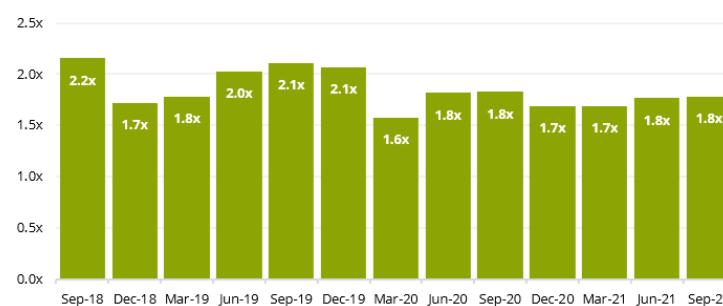
Public Comparables

Prime Defense - United States

Prime Defense - United States | Median EBITDA Multiples



Prime Defense - United States | Median Revenue Multiples



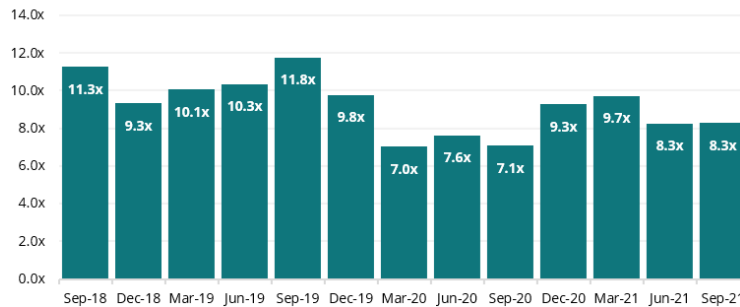
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Boeing Company	\$219.94	586	\$128,918	\$171,332	\$61,660	\$1,064	2.8x	161.0x
General Dynamics Corporation	\$196.03	280	\$54,799	\$67,490	\$38,521	\$5,134	1.8x	13.1x
Huntington Ingalls Industries, Inc.	\$193.06	40	\$7,750	\$9,261	\$9,580	\$1,018	1.0x	9.1x
L3Harris Technologies Inc	\$220.24	201	\$44,256	\$50,087	\$18,358	\$3,422	2.7x	14.6x
Lockheed Martin Corporation	\$345.10	277	\$95,564	\$104,998	\$66,814	\$9,871	1.6x	10.6x
Northrop Grumman Corporation	\$360.15	160	\$57,663	\$67,881	\$37,603	\$5,279	1.8x	12.9x
Oshkosh Corp	\$102.37	69	\$7,026	\$6,679	\$7,459	\$673	0.9x	9.9x
Raytheon Technologies Corporation	\$85.96	1508	\$129,617	\$156,247	\$62,289	\$6,689	2.5x	23.4x
Mean				\$79,247	\$37,785	\$4,144	1.9x	31.8x
Median				\$67,686	\$38,062	\$4,278	1.8x	13.0x

Source: FactSet

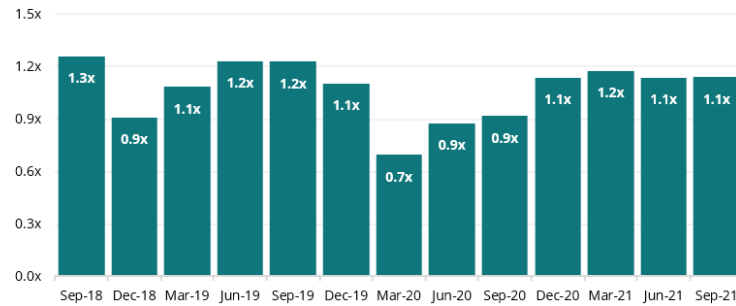
Public Comparables

Prime Defense - Europe

Prime Defense - Europe | Median EBITDA Multiples



Prime Defense - Europe | Median Revenue Multiples



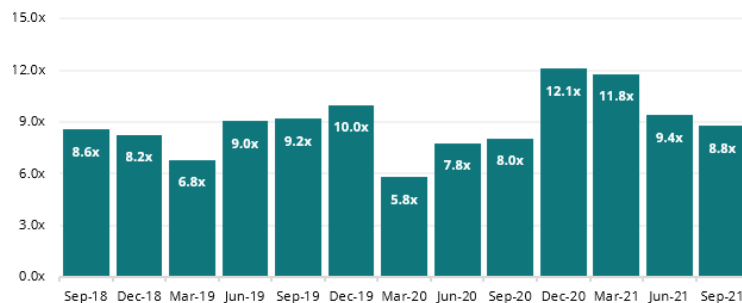
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Airbus SE	\$133.40	786	\$104,851	\$103,285	\$66,296	\$8,639	1.6x	12.0x
Austal Limited	\$1.36	360	\$487	\$382	\$1,173	\$114	0.3x	3.3x
BAE Systems plc	\$7.62	3198	\$24,368	\$29,792	\$26,148	\$3,404	1.1x	8.8x
Leonardo SpA	\$8.24	578	\$4,767	\$10,355	\$16,546	\$1,496	0.6x	6.9x
Meggitt PLC	\$9.96	782	\$7,784	\$8,878	\$1,947	\$324	4.6x	27.4x
Kongsberg Gruppen ASA	\$27.92	179	\$4,992	\$4,890	\$3,019	\$420	1.6x	11.6x
Rheinmetall AG	\$98.26	44	\$4,280	\$4,684	\$6,987	\$845	0.7x	5.5x
thyssenkrupp AG	\$10.64	623	\$6,622	\$2,411	\$37,957	\$1,105	0.1x	2.2x
Smiths Group Plc	\$19.58	396	\$7,763	\$9,239	\$3,162	\$576	2.9x	16.1x
Thales SA	\$97.54	213	\$20,811	\$24,000	\$21,058	\$3,066	1.1x	7.8x
Mean				\$19,792	\$18,429	\$1,999	1.5x	10.2x
Median				\$9,058	\$11,767	\$975	1.1x	8.3x

Source: FactSet

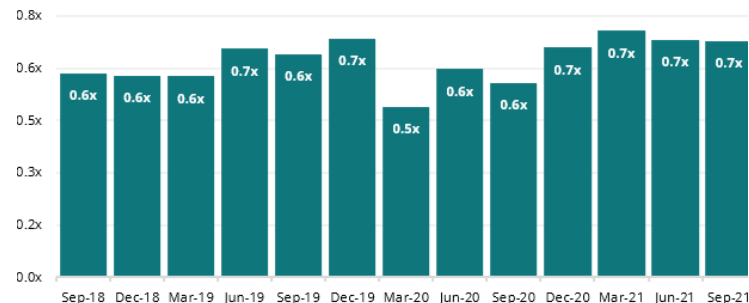
Public Comparables

Prime Defense - Asia

Prime Defense - Asia | Median EBITDA Multiples



Prime Defense - Asia | Median Revenue Multiples



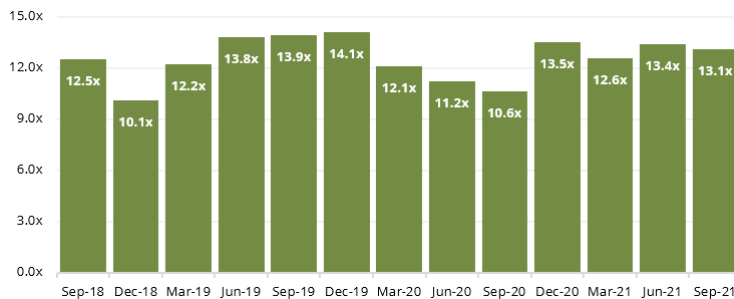
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Hanwha Corp	\$28.93	75	\$2,168	\$28,617	\$44,880	\$3,279	0.6x	8.7x
Hyundai Wia Corporation	\$66.55	27	\$1,810	\$2,914	\$6,661	\$367	0.4x	7.9x
Hyundai Rotem Co.	\$20.44	109	\$2,231	\$2,847	\$2,485	\$99	1.1x	28.7x
SNT MOTIV CO., LTD	\$42.91	15	\$627	\$286	\$890	\$118	0.3x	2.4x
Bharat Forge Ltd	\$9.93	466	\$4,624	\$5,002	\$982	\$174	5.1x	28.7x
Larsen & Toubro Ltd.	\$22.95	1405	\$32,230	\$45,829	\$19,468	\$3,392	2.4x	13.5x
Tata Motors Limited	\$4.49	3320	\$14,905	\$27,814	\$38,691	\$4,836	0.7x	5.8x
Mitsubishi Heavy Industries, Ltd.	\$27.10	337	\$9,144	\$20,654	\$35,426	\$2,349	0.6x	8.8x
Kawasaki Heavy Industries Ltd.	\$23.37	168	\$3,924	\$7,700	\$14,490	\$891	0.5x	8.6x
Singapore Technologies Engineering Ltd	\$2.81	3122	\$8,763	\$10,027	\$5,374	\$837	1.9x	12.0x
Mean				\$15,169	\$16,935	\$1,634	1.4x	12.5x
Median				\$8,863	\$10,576	\$864	0.7x	8.8x

Source: FactSet

Public Comparables

Contract Services

Contract Services | Median EBITDA Multiples



Contract Services | Median Revenue Multiples



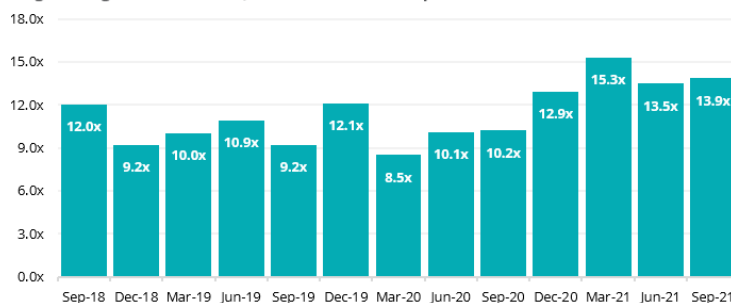
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Booz Allen Hamilton Holding Corporation Class A	\$79.35	135	\$10,727	\$13,269	\$7,892	\$849	1.7x	15.6x
Babcock International Group PLC	\$5.05	506	\$2,551	\$4,487	\$5,456	\$291	0.8x	15.4x
CACI International Inc Class A	\$262.10	24	\$6,183	\$8,246	\$6,044	\$742	1.4x	11.1x
ICF International, Inc.	\$89.29	19	\$1,684	\$2,112	\$1,566	\$99	1.3x	21.3x
Leidos Holdings, Inc.	\$96.13	142	\$13,609	\$18,910	\$13,257	\$1,458	1.4x	13.0x
ManTech International Corporation Class A	\$75.92	28	\$2,089	\$3,156	\$2,557	\$275	1.2x	11.5x
MAXIMUS, Inc.	\$83.20	61	\$5,114	\$6,896	\$4,072	\$519	1.7x	13.3x
Parsons Corporation	\$33.76	103	\$3,460	\$3,876	\$3,723	\$250	1.0x	15.5x
Serco Group plc	\$1.83	1218	\$2,223	\$3,065	\$5,754	\$534	0.5x	5.7x
Vectrus Inc	\$50.28	12	\$590	\$723	\$1,613	\$84	0.4x	8.6x
Mean				\$6,474	\$5,193	\$510	1.2x	13.1x
Median				\$4,182	\$4,764	\$405	1.3x	13.1x

Source: FactSet

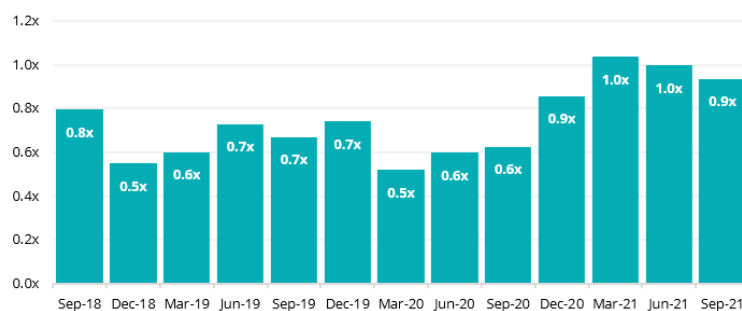
Public Comparables

Engineering & Construction

Engineering & Construction | Median EBITDA Multiples



Engineering & Construction | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
AECOM	\$63.15	144	\$9,098	\$11,241	\$13,556	\$787	0.8x	14.3x
Balfour Beatty plc	\$3.66	641	\$2,342	\$2,268	\$9,974	\$203	0.2x	11.2x
Fluor Corporation	\$15.97	141	\$2,258	\$1,455	\$13,634	\$254	0.1x	5.7x
Jacobs Engineering Group Inc.	\$132.53	130	\$17,271	\$20,578	\$13,952	\$1,077	1.5x	19.1x
KBR, Inc.	\$39.40	141	\$5,547	\$6,932	\$5,842	\$499	1.2x	13.9x
Stantec Inc	\$46.94	111	\$5,213	\$6,124	\$3,586	\$443	1.7x	13.8x
John Wood Group PLC	\$2.98	688	\$2,051	\$3,879	\$6,630	\$541	0.6x	7.2x
Parsons Corporation	\$33.76	103	\$3,460	\$3,876	\$3,723	\$250	1.0x	15.5x
Mean				\$7,044	\$8,862	\$507	0.9x	12.6x
Median				\$5,001	\$8,302	\$471	0.9x	13.9x

Source: FactSet

Public Comparables

IT & Cybersecurity

IT & Cybersecurity | Median EBITDA Multiples



IT & Cybersecurity | Median Revenue Multiples



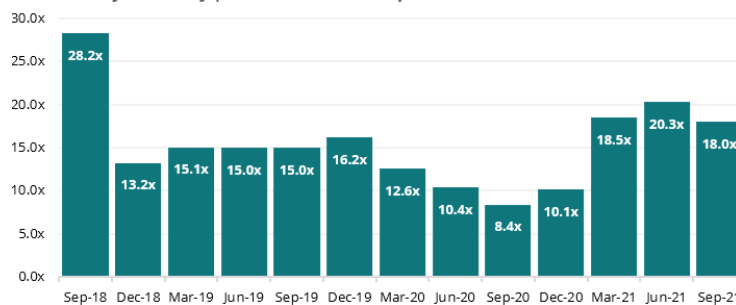
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
BlackBerry Limited	\$9.73	567	\$5,517	\$5,703	\$767	(\$62)	7.4x	NM
CrowdStrike Holdings, Inc. Class A	\$245.78	206	\$50,590	\$55,097	\$1,138	(\$47)	48.4x	NM
DXC Technology Co.	\$33.61	252	\$8,467	\$12,632	\$17,368	\$2,092	0.7x	6.0x
FireEye, Inc.	\$17.80	239	\$4,258	\$4,467	\$715	(\$109)	6.3x	NM
Fortinet, Inc.	\$292.04	163	\$47,696	\$45,633	\$2,913	\$633	15.7x	72.1x
CGI Inc. Class A	\$84.76	219	\$18,562	\$23,012	\$9,799	\$1,864	2.3x	12.3x
Palo Alto Networks, Inc.	\$479.00	97	\$46,658	\$47,485	\$4,256	\$1	11.2x	59356.7x
Splunk Inc.	\$144.71	162	\$23,377	\$24,153	\$2,411	(\$915)	10.0x	NM
NortonLifeLock Inc.	\$25.30	581	\$14,706	\$17,405	\$2,623	\$1,265	6.6x	13.8x
Trend Micro Incorporated	\$55.75	141	\$7,845	\$5,668	\$1,705	\$614	3.3x	9.2x
SolarWinds Corp.	\$16.73	158	\$2,644	\$4,282	\$1,045	\$357	4.1x	12.0x
Unisys Corporation	\$25.14	67	\$1,687	\$1,727	\$2,099	\$378	0.8x	4.6x
Zscaler, Inc.	\$262.22	139	\$36,379	\$35,841	\$673	(\$109)	53.2x	NM
Mean				\$21,777	\$3,655	\$458	13.1x	7,435.8x
Median				\$17,405	\$2,099	\$357	6.6x	12.2x

Source: FactSet

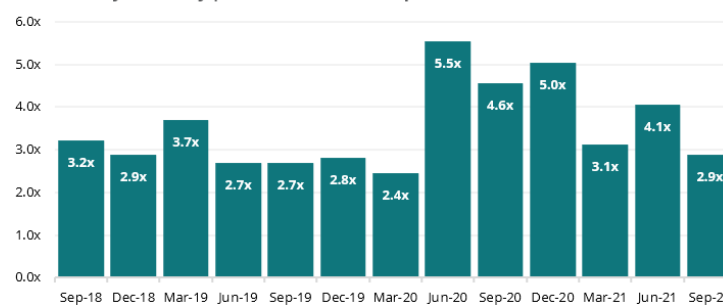
Public Comparables

Public Safety & Security

Public Safety & Security | Median EBITDA Multiples



Public Safety & Security | Median Revenue Multiples



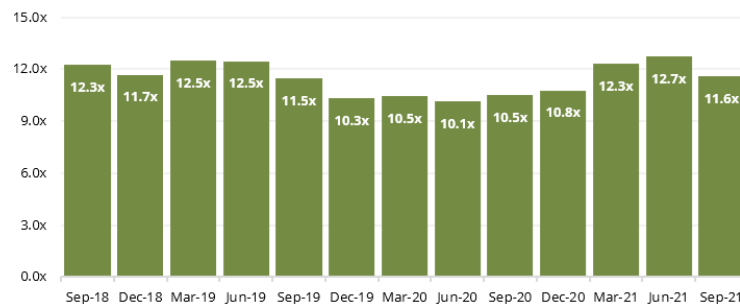
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Axon Enterprise Inc	\$175.02	66	\$11,495	\$10,839	\$806	(\$130)	13.4x	NM
Brink's Company	\$63.30	50	\$3,152	\$5,456	\$4,019	\$629	1.4x	8.7x
Digital Ally, Inc.	\$1.21	52	\$62	\$5	\$11	(\$9)	0.5x	NM
MSA Safety, Inc.	\$145.70	39	\$5,710	\$5,891	\$1,342	\$216	4.4x	27.3x
Prosegur Compania de Seguridad SA	\$2.98	549	\$1,634	\$2,890	\$4,010	(\$158)	0.7x	NM
Wrap Technologies, Inc.	\$5.99	40	\$242	\$200	\$6	(\$21)	33.8x	NM
Mean				\$4,213	\$1,699	\$88	9.0x	18.0x
Median				\$4,173	\$1,074	(\$15)	2.9x	18.0x

Source: FactSet

Public Comparables

Space & Satellite

Space & Satellite | Median EBITDA Multiples



Space & Satellite | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Astrotech Corporation	\$1.05	49	\$52	(\$9)	\$0	(\$7)	NM	1.2x
Ball Corporation	\$89.97	327	\$29,385	\$36,987	\$12,854	\$2,119	2.9x	17.5x
Comtech Telecommunications Corp.	\$25.61	26	\$668	\$894	\$586	\$63	1.5x	14.1x
Gilat Satellite Networks Ltd.	\$8.99	57	\$508	\$430	\$182	(\$0)	2.4x	NM
Intelsat S.A.	\$0.09	142	\$13	\$5,269	\$1,983	\$892	2.7x	5.9x
KVH Industries, Inc.	\$9.63	19	\$181	\$159	\$171	\$2	0.9x	64.7x
Loral Space & Communications Inc.	\$43.01	21	\$922	\$1,307	\$0	(\$1)	NM	NM
Maxar Technologies, Inc.	\$28.32	72	\$2,053	\$4,419	\$1,793	\$413	2.5x	10.7x
EchoStar Corporation Class A	\$25.51	41	\$1,052	\$2,415	\$1,945	\$749	1.2x	3.2x
ViaSat, Inc.	\$55.07	73	\$4,038	\$6,308	\$2,390	\$506	2.6x	12.5x
Mean				\$5,818	\$2,190	\$474	2.1x	16.2x
Median				\$1,861	\$1,189	\$238	2.4x	11.6x

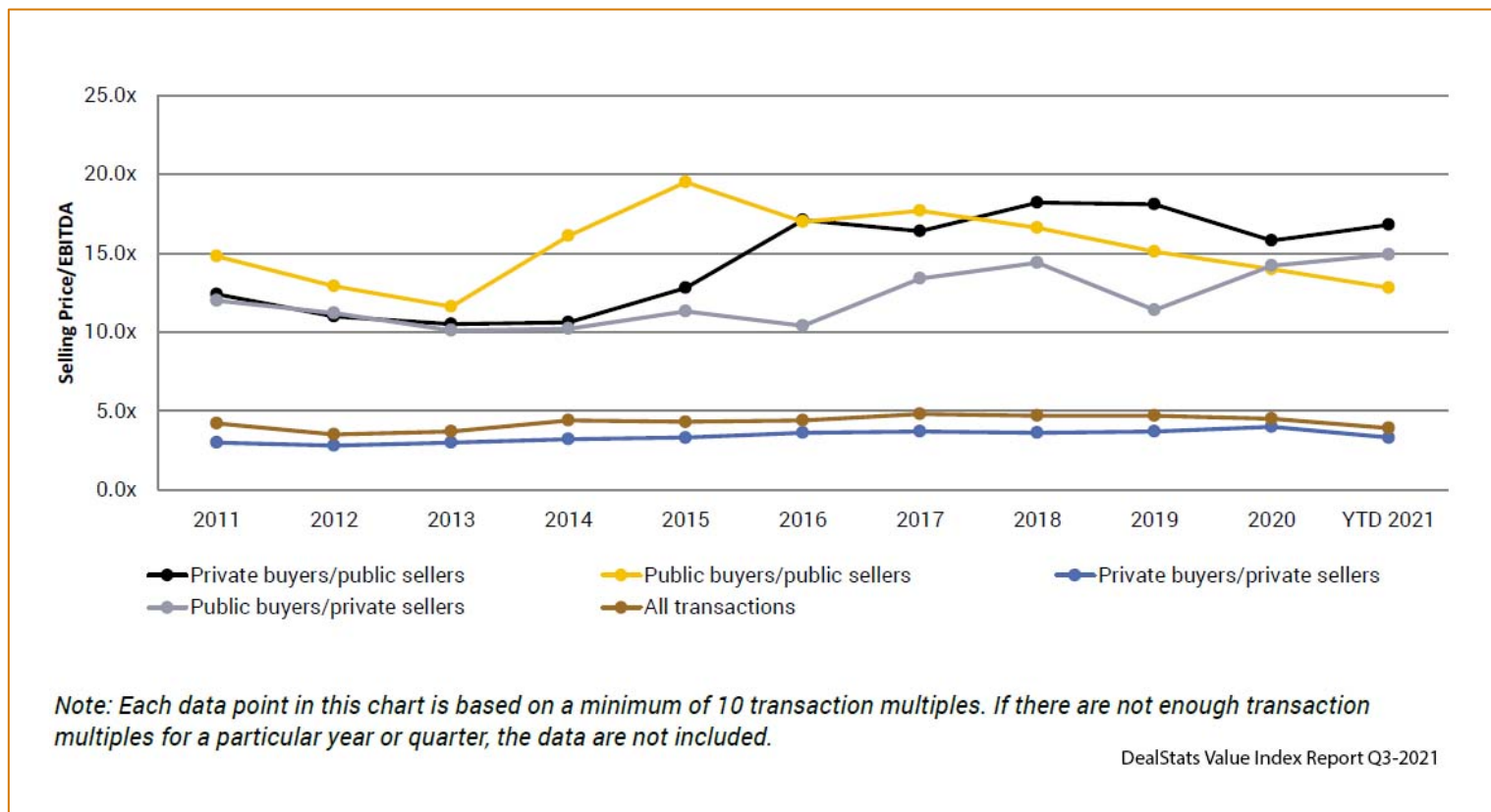
Source: FactSet

Public Vs. Private Comparables

Valuation Premiums Can Be Considerable

Regardless of industry, publicly traded companies often trade at premium valuations to privately held companies. This is reflected in M&A transactions and can lead to unrealistic value expectations for some business owners. The chart below illustrates this variance and shows that the variance has been both long term and growing.

Transactions between private buyer and private seller tend to be small by comparison and thus do not benefit from a “size” premium that is associated with transactions in general. While this chart does not breakout private equity transactions, our analysis indicates those transactions usually fall between public and private and move closer to public as size increases.





CFA Overview

About CFA

Who We Are / What We Do

Corporate Finance Associates (CFA) is an independent international investment banking firm serving middle-market businesses. For over 60 years Corporate Finance Associates has been advocating on behalf of business owners who are restructuring a company, either through divestiture, merger, acquisition or recapitalization. Combining the knowledge and leverage of a larger bank with the customer focused detail of a boutique firm, from inception to completion, our senior principals provide hands-on expertise to clients buying, selling or recapitalizing a business.

This Aerospace, Defense and Government Industry Practice Group was established to draw on the experience of CFA advisors, many of whom as former business owners and CEOs, have first-hand knowledge and have completed many transactions in this industry. Working with your local CFA representative, you can be sure that the collective wealth of knowledge is available to every CFA client.



Sell-Side Advisory

Whether as a divestiture strategy or a recapitalization strategy selling all or part of a business requires equal parts creative thinking, critical analysis, expert advice, sound planning and flawless execution. Having the right team of investment banking professionals working for you is critical to ensure success.



Capital Markets

Our commitment to remaining independent from any investment or lending affiliates ensures that we deliver unbiased guidance. It also promotes maximum competition among lending sources, helping to fully leverage value for our clients. Our role is to help you raise the type of capital that best fits your needs.



Buy-Side Advisory

Growth through acquisition is a complex process. It involves strategy, planning, critical analysis, coordination and negotiation. When you want to take advantage of the fast growth offered by a consolidation or roll-up, CFA's broad reach, sources of financing and efficient closings can help you achieve your business growth goals.



Financial Advisory

Now that you have made the decision to raise capital for your business, choosing the right investment banker is critical. Whether you are buying out a partner, financing an acquisition or seeking growth capital, CFA is the right choice to help you achieve your financing goals.



Exit Planning

Every business will ultimately undergo a transfer via sale or merger, a charitable donation, a transfer to a child or relative or even bankruptcy, liquidation or death. Every ownership transfer carries with it a unique set of consequences and the best consequences usually begin with a clearly defined exit plan.



Business Valuation

"What is my business worth" is a question we often hear from business owners contemplating a business sale, merger or recapitalization. Answering this question depends on many factors, including the business valuation methods that are employed in the calculation.

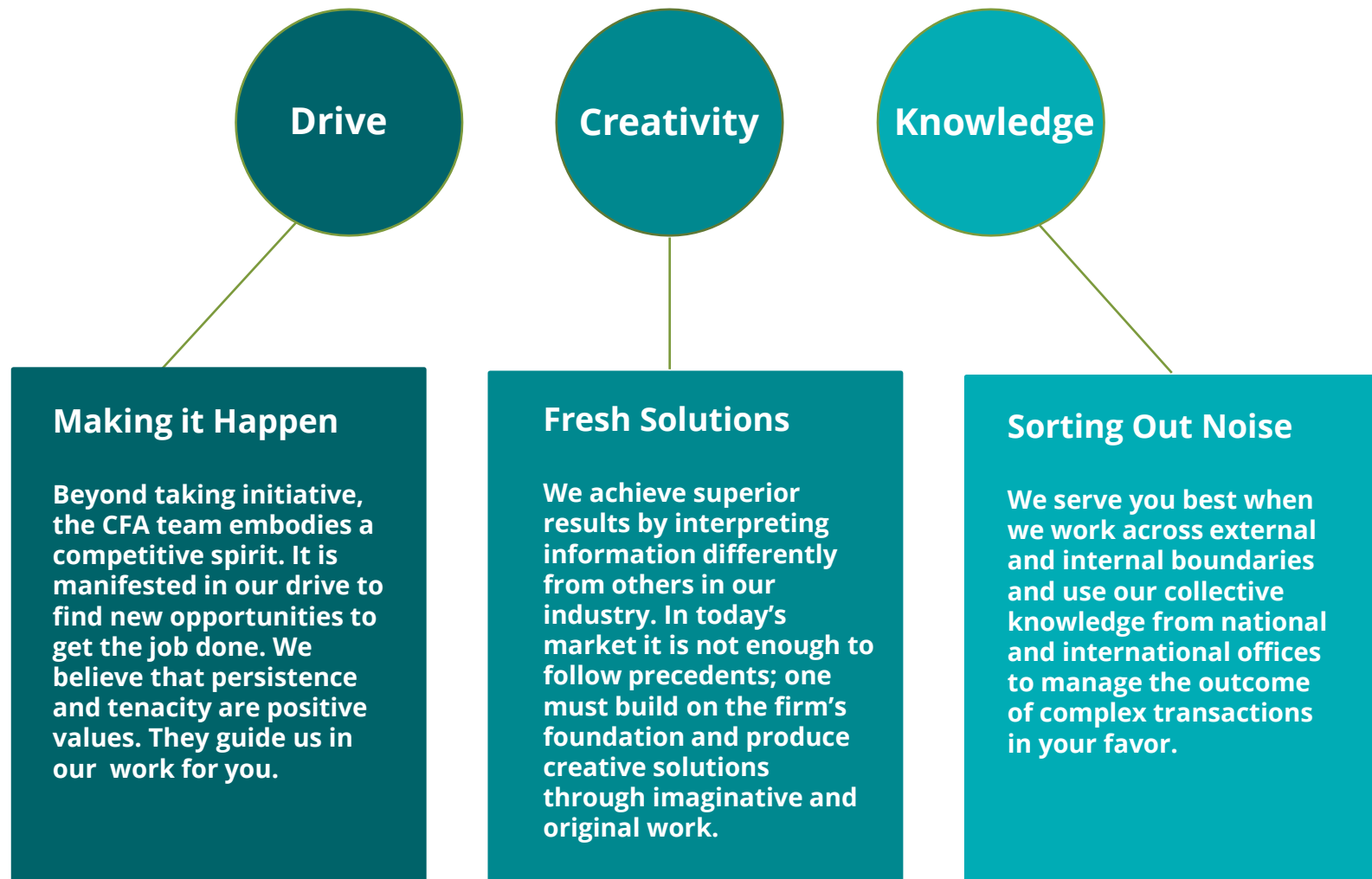
Regional Service, Global Reach

Where We Are

With offices across the USA and in Mexico, India, Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Netherlands, Portugal, Switzerland and the United Kingdom providing middle-market companies with a wide range of M&A, financial advisory services and access to capital resources.

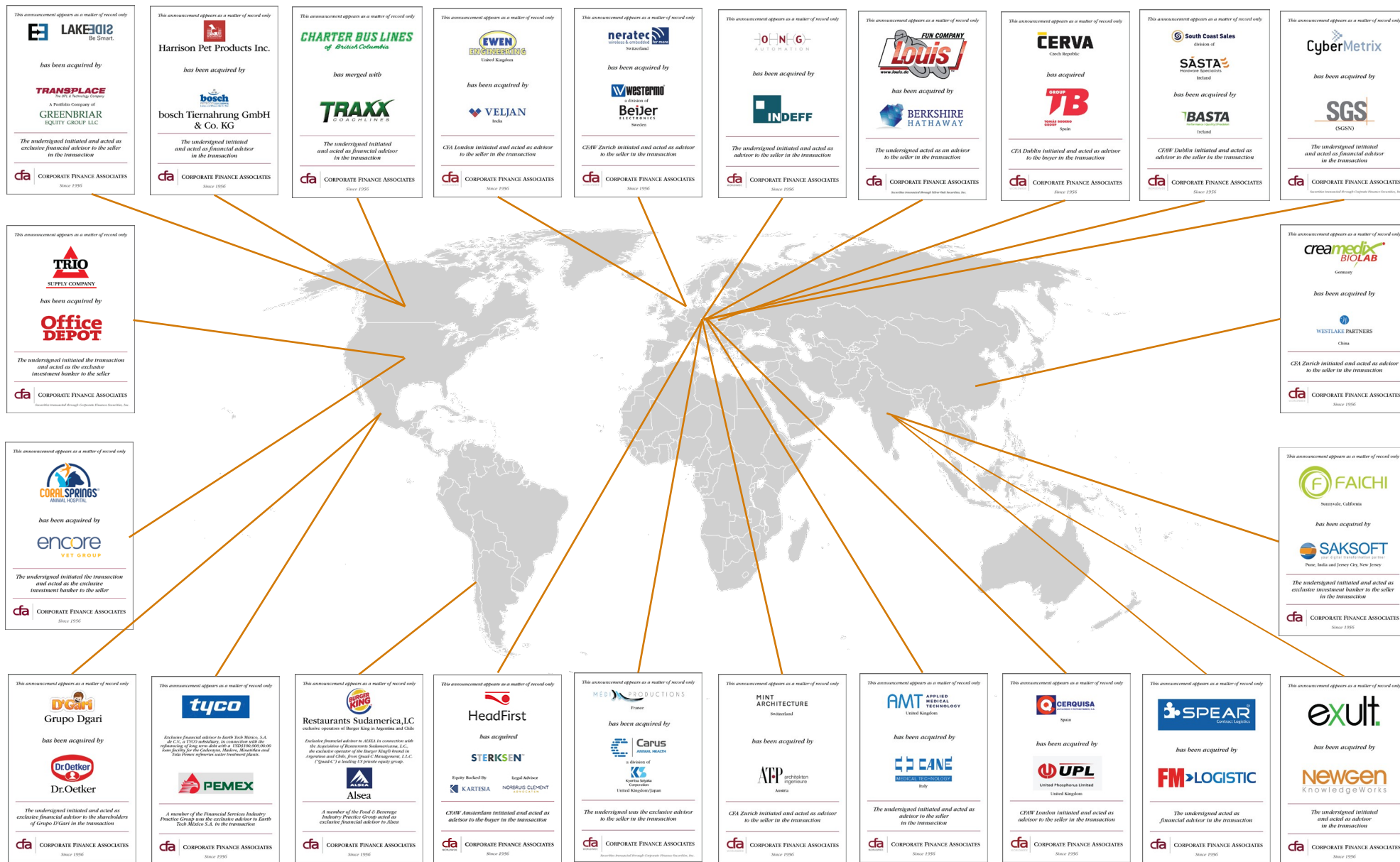


Delivering Results



Founded in 1956 • 70 Managing Directors • 37 Offices Worldwide • Billions in M&A Transactions

Worldwide Transactions



Industry Practice Groups

Aerospace, Defense, Government



The Aerospace, Defense, Government practice group is comprised of accomplished dealmakers with extensive experience in advising both public and private companies in the industry. These dealmakers offer expert service in acquisitions, divestitures, financing, and strategic planning to a wide range of companies operating in multiple subsectors including:

- Commercial & Military Aerospace
- Defense & Weapon Systems
- Cyber & Homeland Security
- Government Contract Services
- MRO, FBO, Charter & Management
- Airport Services

Whether you want to acquire, merge, sell, or finance, let CFA's industry knowledge, international resources and proven dealmaking skills work for you. We research, identify, qualify, advocate, negotiate and help steer you through the mine fields of due diligence to maximize your value and secure your objective.

Agriculture
Aerospace/Defense/Government
Business Services
Commercial Real Estate
Consumer Retail
Energy
Engineering/Construction
Equipment
Financial Services
Food/Beverage
Healthcare
Hospitality/Leisure
Industrials
Metal Fabrication
Plastics/Rubber
Print/Packaging
Semi Conductor
Technology/Media/Telecom
Transportation/Logistics/Supply Chain
Wholesale Distribution

Recent Industry Transactions

<p><i>This announcement appears as a matter of record only</i></p>  <p>has merged with</p>  <p>a portfolio company of</p>  <p>The undersigned initiated and acted as advisor to Safe Fuel Systems in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been recapitalized by</p>  <p>The undersigned initiated and acted as financial advisor to Pacific Aviation in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been recapitalized by</p>  <p>with financing provided by</p>  <p>The undersigned initiated and acted as financial advisor to Solair Group in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p> <p>ParkAvion Property Management HWD, LLC</p> <p>has obtained financing from</p>  <p>The undersigned initiated and acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Since 1956</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>a portfolio company of</p> <p>ODYSSEY INVESTMENT PARTNERS, LLC</p> <p>The undersigned was engaged as the investment banker for the seller in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Since 1956</small></p>
<p><i>This announcement appears as a matter of record only</i></p>  <p>has been financed by</p>  <p>The undersigned initiated and acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Since 1956</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p> <p>SORENSEN CAPITAL</p> <p>The undersigned initiated and acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has acquired</p>  <p>The undersigned initiated and acted as an advisor to the buyer in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>has been acquired by</p>  <p>A member of CFA's Aviation, Aerospace & Defense Industry Practice Group acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Since 1956</small></p>	<p><i>This announcement appears as a matter of record only</i></p> <p>aero technology</p> <p>has been acquired by</p>  <p>A member of CFA's Aviation, Aerospace & Defense Industry Practice Group acted as financial advisor in the transaction</p> <p>cfa CORPORATE FINANCE ASSOCIATES <small>Since 1956</small></p>