



JANES CAPITAL PARTNERS

Aerospace and Defense Investment Banking



Aerospace & Defense

Quarterly Report



Q1 2023

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Quarterly Update Q1 2023

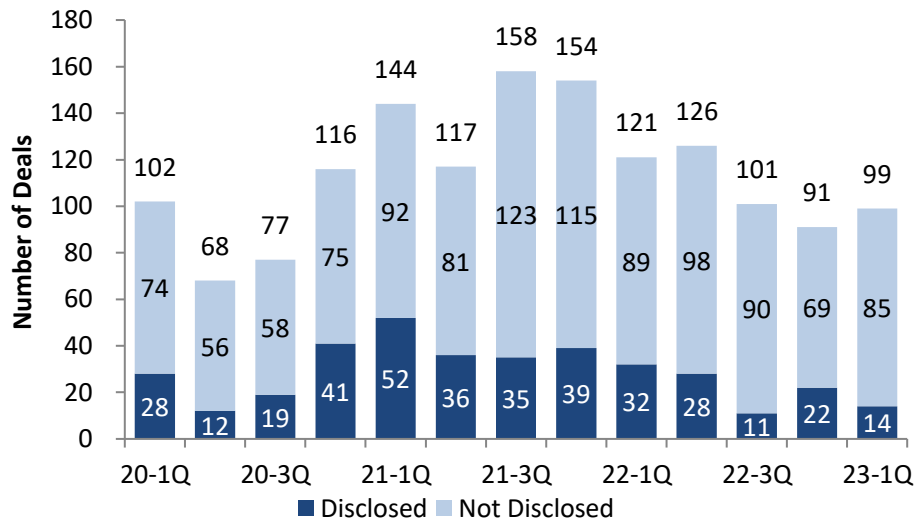
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EXECUTIVE SUMMARY

- ❖ There were 99 A&D deals announced in Q1 2023, which was an increase from the number of deals announced during Q4 2022.
- ❖ Year-over-year quarterly transaction volume decreased by 18.2% compared to the 121 deals announced during Q1 2022.
- ❖ Average disclosed deal size during the quarter decreased to \$208 million compared to \$815 million during Q4 2022.
- ❖ The most active segments in terms of number of M&A deals were:
 - Government Services, IT Services and Software (29 deals)
 - Machined & Cast Parts (13 deals)
 - MRO & Logistics (12 deals)
 - Cybersecurity, Intelligence Services and Homeland Defense (10 deals)
 - Defense Electronics (5 deals)
- ❖ The top 3 segments in terms of disclosed transaction values were:
 - Government Services, IT Services and Software (\$1,595 million)
 - Test & Measurement (\$725 million)
 - Defense Electronics (\$250 million)

Number of Deals by Quarter



Note: Disclosed deals shown include transactions that disclose price, multiple or both

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About Janes Capital Partners

Janes Capital Partners specializes in Mergers & Acquisitions (M&A) for middle market Aerospace & Defense companies. Our clients are Aerospace & Defense companies with enterprise values between \$25 million and \$500 million. The team at Janes Capital Partners has completed over 75 transactions within the Aerospace & Defense industry. Through this M&A experience, we provide our clients with unparalleled access to potential acquirers in the aerospace and defense industry along with in-depth knowledge of the industry and its dynamics. Our clients receive high touch service from accomplished professionals with extensive A&D transaction and industry experience.

Janes Capital Partners is a member of Oaklins, the world's most experienced mid-market M&A advisor, with over 850 professionals globally and dedicated industry teams in more than 45 countries. We have closed 1,700 transactions in the past five years.

Recent Transactions

Acted as Financial Advisor to



a portfolio company of



on its sale to




Acted as Financial Advisor to




on its sale to



Acted as Financial Advisor to



on its sale to



Acted as Financial Advisor to




on its sale to




a platform owned by




Acted as Financial Advisor to



on its sale to



a wholly-owned subsidiary of



Acted as Financial Advisor to



on its sale to



a platform owned by



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Top 5 M&A Deals this Quarter

Target	Target Description	Acquiror	Announced Date	Valuation Metrics			Deal Type(s)
				Implied TEV (\$M)	TEV/Revenue	TEV/EBITDA	
	<p>Magnet Forensics is a developer of digital forensic software that can collect, analyze, and report on digital evidence, which includes corporate fraud, IP theft, employee misconduct, and external threats such as ransomware, business email compromise, and malware attacks found during investigations in the private sector and U.S. federal government law enforcement markets.</p>	 	01/20/23	\$1,214.3	nm	nm	<div style="display: flex; gap: 5px;"> <div style="background-color: #4CAF50; color: white; padding: 2px;">PU</div> <div style="background-color: #9E9E9E; color: white; padding: 2px;">PB</div> <div style="background-color: #C0392B; color: white; padding: 2px;">I</div> </div>
	<p>Calspan is a provider of flight research, development, and test and evaluation services, automotive crash test research, and transonic wind tunnel operations and research solutions for private sector and U.S. federal government aerospace and defense markets. Calspan is ISO 9001:2015 certified for aerospace and transportation testing and the design, development and integration activities to support testing. The company is also ISO/IEC 17025:2005 accredited laboratory for crash testing, sled testing, and ATD calibrations.</p>		03/14/23	\$725.0	3.6x	na	<div style="display: flex; gap: 5px;"> <div style="background-color: #009688; color: white; padding: 2px;">PR</div> </div>
 <small>Logistics and Supply Chain Business</small>	<p>The SAIC Logistics and Supply Chain Business offers supply chain management, transportation consulting, and product support to customers in the U.S. DOD, Federal agencies, and commercial markets.</p>		03/23/23	\$350.0	na	na	<div style="display: flex; gap: 5px;"> <div style="background-color: #4CAF50; color: white; padding: 2px;">PU</div> </div>
 	<p>Advanced Circuits is a software-enabled designer and manufacturer of small-run, quick-turn and low volume production printed circuit boards, including multi-layer rigid and high-density interconnect (HDI) products. Advanced Circuits' wide range of capabilities also includes large format, heavy copper, and RF circuits. The company specializes in rapid prototype and low-volume production manufacturing for critical applications within the aerospace & defense, medical and other industrial markets.</p>	 	01/11/23	\$250.0	na	na	<div style="display: flex; gap: 5px;"> <div style="background-color: #673178; color: white; padding: 2px;">PS</div> <div style="background-color: #9E9E9E; color: white; padding: 2px;">PB</div> </div>
	<p>Trax is a provider of aircraft MRO and fleet management software for private sector and U.S. federal government aerospace markets. Trax's solutions support the entire spectrum of maintenance activities and create the system of record required by airlines, MROs, and government aircraft operators. Trax's flagship product, eMRO, product is a web-based enterprise MRO software solution for managing aircraft maintenance and fleet management.</p>		03/20/23	\$140.0	4.7x	15.6x	<div style="display: flex; gap: 5px;"> <div style="background-color: #009688; color: white; padding: 2px;">PR</div> </div>

PU Public Seller
 PR Private Seller
 PS Private Equity Seller
 PB Private Equity Buyer
 I International Deal

Source(s): CapIQ, Dacis, Company reports, press releases

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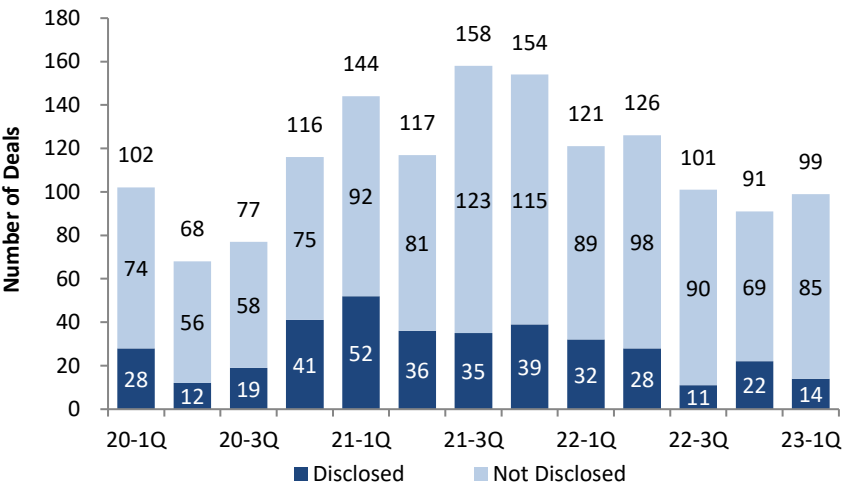
M&A Deal Volume

- Average deal size decreased over last quarter from \$815M to \$208M
 - Total disclosed deal volume totaled \$2.9B, a decrease of more than \$15.B from Q4 2022
- There were 99 A&D deals announced in Q1 2023, which was an increase from the 91 deals announced during Q4 2022 and a year-over-year decrease of 18.2% from Q1 2022

- The most active segments ranked by total number of deals were:
 - Government Services, IT Services and Software
 - Machined & Cast Parts
 - MRO & Logistics
 - Cybersecurity, Intelligence Services and Homeland Defense

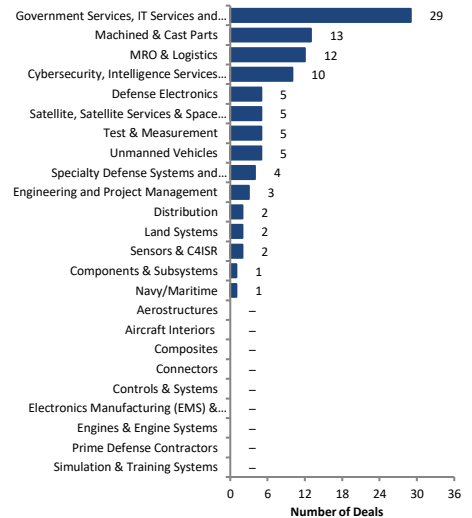
Number of Deals by Quarter

(last 13 quarters)



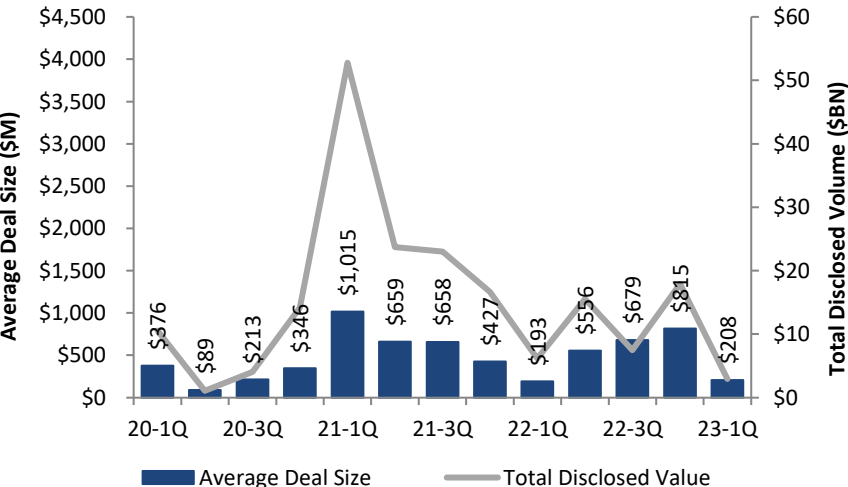
Number of Deals by Segment

(Q1 2023)



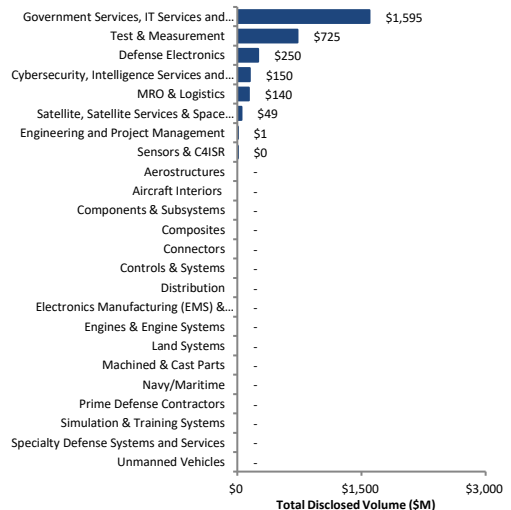
Average Size of Disclosed Deals and Total Disclosed Volume

(last 13 quarters)



Volume of Deals by Segment

(Q1 2023)



Source(s): CapIQ, Dacis, Company reports, press releases

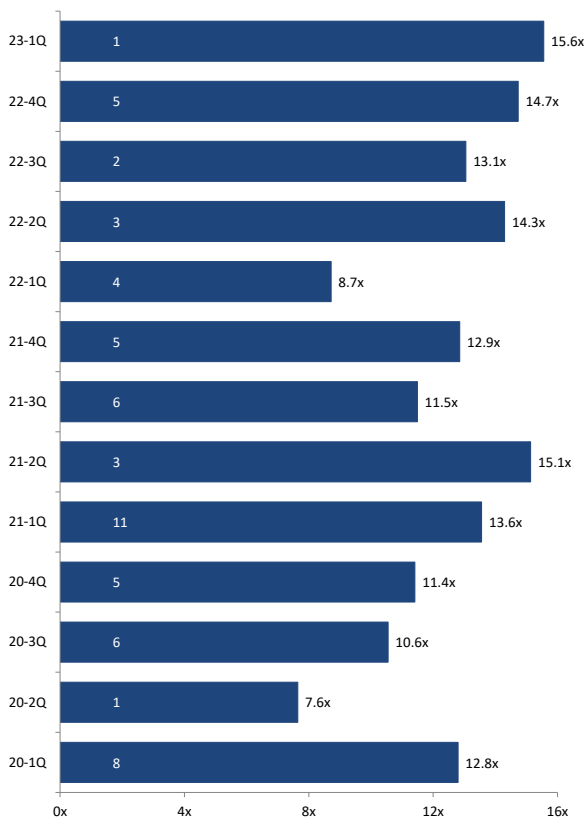
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Quarterly TEV / EBITDA Transaction Multiples

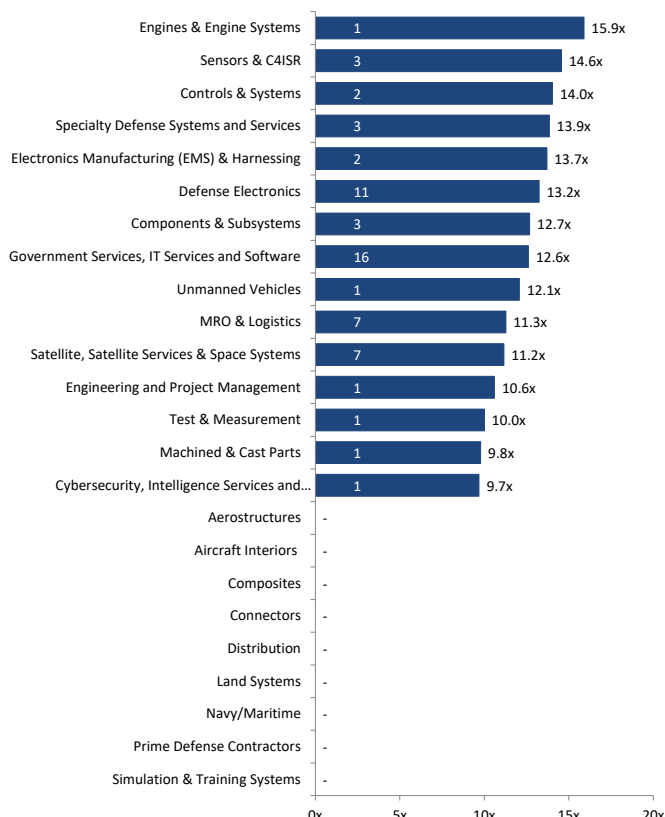
- The average TEV / EBITDA transaction multiple over the last 13 quarters across all A&D transactions was 12.5x
- Of the over 1400 deals tracked by Janes Capital Partners over this period, only 60 reported TEV / EBITDA multiples
- As expected, multiples vary widely by segment with Engines & Engine Systems (15.9x), Satellite, Satellite Services & Space Systems (11.2x) and Cybersecurity, Intelligence Services and Homeland Defense (9.7x) comprising the highest, median and lowest segments

TEV / EBITDA A&D Transaction Multiples by Quarter (last 13 quarters)



■ TEV / EBITDA
■ N Number of Deals with Reported TEV / EBITDA Multiples

TEV / EBITDA Transaction Multiples by Segment (last 13 quarters)



■ TEV / EBITDA
■ N Number of Deals with Reported TEV / EBITDA Multiples

■ TEV / EBITDA
■ N Number of Deals with Reported TEV / EBITDA Multiples

Note: Excludes TEV / EBITDA transaction multiples over 30.0x
Source(s): CapIQ, Dacis, Company reports, press releases

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Aerospace & Defense Public Valuations

Public Valuations by A&D Segment

(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA	(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA
Aerostructures							Machined and Cast Parts						
CPI Aerostructures	\$86	7.6%	\$47	82.6%	\$73	11.3x	Howmet Aerospace	\$5,663	23.3%	\$17,448	95.5%	\$20,989	15.9x
Ducommun	713	12.4%	665	93.9%	903	10.2x	ATI	3,836	15.0%	5,072	91.1%	6,401	11.1x
FACC	649	4.5%	350	83.2%	551	19.0x	Barnes Group	1,262	20.5%	2,038	85.1%	2,560	9.9x
Hexcel	1,578	19.8%	5,752	91.0%	6,414	20.5x	Lisi	1,523	13.2%	1,403	95.7%	1,718	8.5x
Kaman	688	15.3%	641	49.2%	1,191	11.3x	Senior	1,022	9.5%	795	88.2%	1,011	10.4x
Latécoère	500	2.4%	129	45.3%	471	NM	SIFCO	84	NM	18	61.0%	52	NM
Magellan	565	3.9%	319	75.0%	338	15.2x	Median	15.0%				10.4x	
Spirit AeroSystems	5,030	0.5%	3,628	69.3%	6,935	NM	MRO						
Triumph	1,372	12.2%	753	43.3%	2,245	13.4x	AAR	\$1,913	10.4%	\$1,863	95.9%	\$2,048	10.3x
Median	7.6%					13.4x	HEICO	2,339	27.8%	20,524	96.3%	21,550	NM
Commercial Airframes							MTU Aero Engines						
Airbus	\$62,801	13.4%	\$105,487	97.8%	\$99,668	11.8x	ST Engineering	5,696	14.2%	13,420	97.6%	14,084	17.4x
Boeing	66,608	3.1%	127,283	96.0%	168,680	NM	Median	13.5%				15.3x	
Bombardier	6,913	9.2%	5,176	99.9%	10,660	16.8x	Defense Electronics, Sensors & C4ISR						
Embraer	4,436	1.5%	3,016	98.6%	4,220	NM	AeroVironment	\$487	15.4%	\$2,299	80.3%	\$2,417	NM
Textron	12,817	12.3%	14,385	92.8%	16,359	10.4x	Elbit	5,512	10.0%	7,521	75.3%	8,597	15.6x
Median	9.2%					11.8x	Hensoldt	1,824	14.1%	3,787	92.0%	4,151	16.2x
Components & Subsystems							Kongsberg Gruppen						
Ametek	\$6,151	30.7%	\$33,467	98.2%	\$35,682	18.9x	Kratos	898	5.5%	1,707	60.6%	1,997	NM
CIRCOR	787	14.4%	634	97.2%	1,111	9.8x	KVH Industries	139	8.9%	218	95.8%	143	11.6x
Crane	3,375	20.2%	6,405	91.7%	7,091	10.4x	L3Harris Technologies	17,062	17.8%	37,277	74.1%	44,390	14.6x
RBC Bearings	1,434	29.6%	6,701	87.8%	8,132	19.2x	Mercury Systems	1,000	16.2%	2,970	75.1%	3,494	21.5x
Teledyne	5,459	24.9%	21,027	90.6%	24,468	18.0x	OSI Systems	1,191	13.5%	1,725	99.2%	2,099	13.1x
Timken	4,497	19.0%	5,916	91.4%	7,682	9.0x	QinetiQ	1,553	17.9%	2,298	82.0%	2,079	7.5x
TransDigm	5,632	46.5%	40,242	95.5%	56,738	21.6x	Smiths	3,537	17.9%	7,471	95.0%	8,031	12.7x
Woodward	2,460	14.2%	5,816	77.1%	6,577	18.8x	Thales	18,776	15.4%	31,130	98.6%	31,537	10.9x
Median	22.6%					18.4x	Median	15.3%				13.8x	
Controls & Systems							Prime Defense Contractors						
Astronics	\$535	0.3%	\$417	83.6%	\$581	NM	BAE	\$25,614	13.7%	\$37,081	99.1%	\$41,933	11.9x
Curtiss-Wright	2,557	23.3%	6,752	96.6%	7,921	13.3x	General Dynamics	39,407	14.9%	62,581	88.8%	73,453	12.5x
Eaton	20,752	20.3%	68,281	95.9%	77,005	18.3x	Huntington Ingalls	10,676	11.9%	8,251	79.6%	10,987	8.7x
Heroux-Devtek	395	11.4%	331	72.3%	442	9.8x	Leonardo	15,724	10.0%	6,763	94.7%	10,631	6.8x
Honeywell	35,466	24.2%	127,695	86.5%	138,751	16.2x	Lockheed Martin	65,984	13.7%	120,319	94.7%	134,418	14.9x
ISSC	28	25.6%	128	74.1%	108	15.3x	Northrop Grumman	36,602	22.1%	70,236	83.0%	82,659	10.2x
Moog	3,072	12.7%	3,202	98.1%	4,086	10.5x	Raytheon Technologies	67,074	17.6%	142,793	90.0%	172,011	14.6x
Parker-Hannifin	17,182	22.2%	43,111	92.2%	56,366	14.8x	Median	13.7%				11.9x	
Median	21.2%					14.8x	SPAC's						
Engines & Engine Systems							Astra Space						
General Electric	\$73,602	13.2%	\$104,231	99.9%	\$118,425	12.2x	AST SpaceMobile	\$-	NM	\$115	9.6%	\$25	NM
Rolls Royce	16,290	11.9%	15,405	93.1%	19,614	10.2x	BlackSky Technology	65	NM	209	40.2%	217	NM
Safran	20,865	20.1%	62,983	98.7%	63,777	15.2x	Momentum Space	0	NM	55	12.3%	15	NM
Median	13.2%					12.2x	Planet Labs	191	NM	1,081	52.3%	694	NM
							Redwire	161	NM	195	42.4%	338	NM
							Rocket Lab	211	NM	1,930	46.2%	1,614	NM
							Spire Global	80	NM	96	30.8%	138	NM
							Virgin Galactic	2	NM	1,135	37.9%	702	NM
							Median	NM				NM	

Note: Trading metrics as of 3.31.23. Valuation multiples based on LTM financial data converted at the historical exchange rate as of each fiscal period end date, and excludes multiples above 25.0x and under 0.0x. Source(s): CapIQ

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Aerospace & Defense Public Valuations (continued)

Public Valuations by A&D Segment (continued)

(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA
Satellites, Satellite Services and Space Systems						
Aerojet Rocketdyne	\$2,238	12.9%	\$4,520	99.3%	\$4,547	15.8x
Ball Corporation	15,349	13.6%	17,326	60.7%	26,232	12.5x
Comtech	514	8.9%	348	74.0%	654	14.2x
Gilat Satellite	240	10.3%	290	56.2%	207	8.4x
Maxar Technologies	1,605	20.6%	3,858	98.3%	6,201	18.7x
ViaSat	2,867	19.6%	2,584	67.7%	5,709	10.1x
Median		13.3%				13.4x

(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA
Specialty Systems and Services						
Axon Enterprise	\$1,190	11.1%	\$16,383	98.8%	\$16,163	NM
CAE	2,883	18.0%	7,179	86.9%	9,510	18.3x
Chemring	509	17.6%	975	72.5%	984	11.0x
MSA Safety	1,528	25.1%	5,235	91.2%	5,683	14.8x
SAAB	4,030	11.1%	8,073	97.9%	7,797	17.4x
Median		17.6%				16.1x

(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA
Engineering and Construction						
AECOM	\$13,264	8.7%	\$11,716	91.5%	\$13,653	11.9x
Babcock	4,591	9.1%	1,867	80.5%	3,074	7.3x
Fluor	13,744	3.3%	4,399	80.9%	3,286	7.2x
Jacobs Engineering	15,341	10.0%	14,890	78.2%	18,602	12.1x
Median		8.9%				9.6x

(\$ in millions)	LTM Revenue	LTM EBITDA Margin	Market Cap	% of 52-Wk Hi	TEV	TEV / LTM EBITDA
Government, IT Services & Software						
Booz Allen	\$9,064	10.3%	\$12,261	82.4%	\$14,966	16.0x
CACI	6,481	11.4%	6,765	92.8%	8,511	11.5x
CGI Group	9,772	18.6%	22,407	99.6%	24,291	13.4x
ICF	1,780	11.5%	2,055	90.5%	2,820	13.7x
KBR	6,564	12.9%	7,518	94.9%	9,142	10.8x
Leidos	14,396	11.7%	12,630	82.8%	17,788	10.6x
MAXIMUS	4,729	11.4%	4,783	92.3%	6,463	12.0x
SAIC	7,704	9.8%	5,870	91.1%	8,339	11.0x
Serco Group	5,463	8.4%	2,141	77.1%	2,928	6.4x
Vectrus	2,891	8.9%	1,228	77.9%	2,446	9.5x
VSE	950	9.3%	578	75.9%	904	10.3x
Median		11.4%				11.0x

Market Performance Summary

Performance Dashboard

(by TEV / EBITDA Valuation)

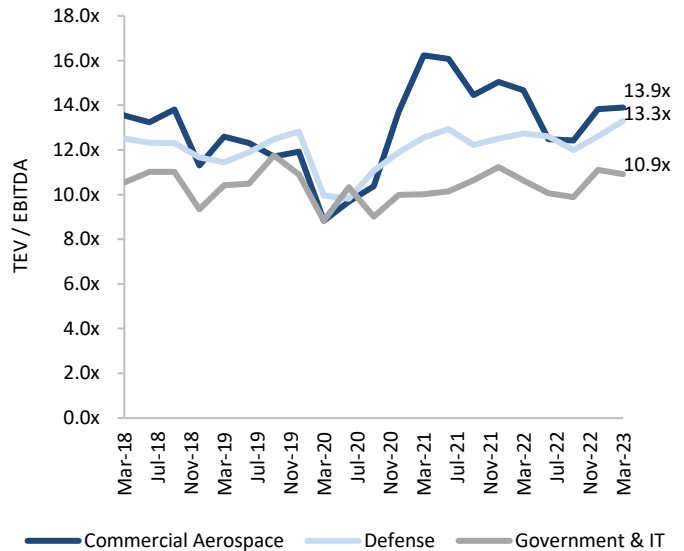
Top 10

Bottom 10

TRANS DIGM GROUP INC.	NYSE:TDG	21.6x	serco	LSE:SRP	6.4x
mercury	NasdaqGS:MRCY	21.5x	LEONARDO	BIT:LDO	6.8x
HEXCEL	NYSE:HXL	20.5x	FLUOR	NYSE:FLR	7.2x
RBC BEARINGS	NYSE:RBC	19.2x	babcock	LSE:BAB	7.3x
FACC	WBAG:FAC C	19.0x	QINETIQ	LSE:QQ	7.5x
AMETEK	NYSE:AME	18.9x	Gilat	NasdaqGS: GILT	8.4x
WOODWARD	NasdaqGS: WWD	18.8x	lisi	ENXTPA:FII	8.5x
MAXAR	NYSE:MAX R	18.7x	HII	NYSE:HII	8.7x
CAE	TSX:CAE	18.3x	TIMKEN	NYSE:TKR	9.0x
EATON	NYSE:ETN	18.3x	V2X	NYSE:VVX	9.5x

TEV / EBITDA Valuation Trend by Sector

(last 5 years)



Note: Trading metrics as of 3.31.23. Valuation multiples based on LTM financial data converted at the historical exchange rate as of each fiscal period end date, and excludes multiples above 25.0x and under 0.0x. Source(s): CapIQ

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Buyer Spotlight



L3Harris Technologies Highlights

Headquarters	Melbourne, Florida
Employees	46,000
Market Cap	\$37.5 B
Total Debt	\$7.9 B
Revenue	\$17.1 B
EBITDA	\$2.9 B
TEV/Revenue	2.6x
TEV/EBITDA	14.7x

Note: Market data as of 4/6/23; LTM financial data as of 12/30/22

Chairman & CEO



Christopher Kubasik

Mr. Kubasik joined L3 Technologies in October 2015. In July 2017, he was elected to president and CEO, and to the Board of Directors effective January 2018. When L3 merged with Harris Corporation in 2019 to form L3Harris Technologies, Kubasik was president and COO the newly formed company. He was appointed CEO in June 2021 and was appointed as chair in June 2022.

Innovative Investments

L3Harris invests in industry-leading R&D to drive internal capabilities. They focus on spectrum superiority, actionable intelligence, and warfighter effectiveness achieved by investing in various technology, including resilient comms & networking, tactical communication, electronic warfare, AL & ML, electro-optics, ISR, avionics systems, and unmanned platforms.

Notable A&D Acquisitions

Date	Target	Description
Dec-22	AEROJET ROCKETDYNE	Develops and produces specialized power and propulsion systems, as well as armament systems.
Oct-22	Viasat TDL Business	Develops and produces advanced tactical radio and information distribution systems

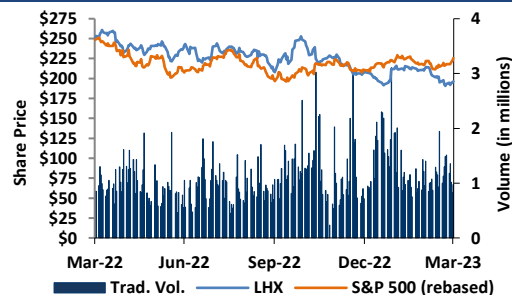
Sources: CapIQ, Dacis, Company presentations and website.

L3Harris Technologies, Inc.

Description

L3Harris Technologies is a multinational aerospace and defense technology company offering space, air, land, sea, and cyber solutions. The company has a global presence and provides services to government and commercial clients. Major customers include various branches of the U.S. Government and their prime contractors. L3Harris is divided into four segments: Integrated Mission Systems, Space & Airborne Systems, Communication Systems, and Aviation Systems. Each segment provides tailored solutions for specific domains delivering cutting-edge technologies that enable its customers to succeed in complex and critical missions while ensuring they meet their goals efficiently and accurately. With a track record of providing advanced technologies, L3Harris remains at the forefront of innovation in the aerospace and defense industry.

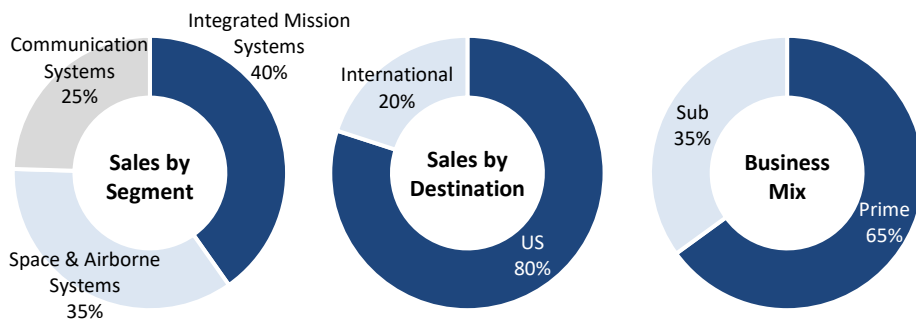
Share Price Performance



L3Harris Financial History

(\$ in USD Millions)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue	\$6,168	\$6,801	\$18,526	\$17,814	\$17,062
EBITDA	\$1,415	\$1,601	\$3,245	\$3,063	\$2,867
EBITDA Margin	22.9%	23.5%	17.5%	17.2%	16.8%
TEV/LTM Revenue	3.6x	5.1x	2.5x	2.7x	3.0x
TEV/LTM EBITDA	15.7x	22.2x	13.3x	13.2x	14.2
Cash & ST Investments	\$288	\$530	\$824	\$941	\$895

L3Harris Revenue Mix



Transaction Highlight

L3Harris Technologies, Inc. Acquires Aerojet Rocketdyne Holdings, Inc.

L3Harris Technologies announced on December 18, 2022, that it would acquire Aerojet Rocketdyne Holdings in an all-cash transaction valued at \$4.7 billion, including net debt. Aerojet Rocketdyne is a technology-based engineering and manufacturing company specializing in developing and producing power and propulsion systems for various applications, including rocket propulsion, hypersonic engines, and electric power and propulsion. Christopher E. Kubasik, L3Harris CEO, stated: "We've heard the DoD leadership loud and clear: they want high-quality, innovative, and cost-effective solutions to meet current and emerging threats, and they're relying upon a strong, competitive industrial base to deliver those solutions. With this acquisition, we will use the combined talents of more than 50,000 employees to drive continuous process improvement, enhance business operations and elevate the performance of this crucial national asset."



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Deal Spotlight

TransDigm Group to Acquire Calspan Corporation

Transaction Summary

On March 14th, 2023, TransDigm Group, Inc. (NYSE: TDG) entered into a definitive agreement to acquire Calspan Corporation in an all-cash deal valued at \$725 million, including certain tax benefits. Closing of the transaction is subject to regulatory approvals and customary closing conditions and is expected to close during TransDigm's fiscal 2023. Buffalo, New York-based Calspan Corporation offers research, testing, and evaluation services for aerospace, automotive, and industries, specializing in wind tunnel services, transportation testing, flight operations, marine systems, force measurement, ground vehicles, and crash testing for private markets and the DoD.



Deal Summary

Structure	100% Cash
Total Enterprise Value	\$725 million
Revenue Multiple	3.6x
Announced Date	March 14 th , 2023
Status	Pending

Calspan Key Figures

Headquarters	Buffalo, NY
Employees	~625
TTM 12/31/23 Revenue	\$200 million
President & CEO	Peter Sauer

Acquirer Overview

TransDigm Group is a global leader in designing, producing, and supplying highly engineered aircraft components. Their products are used on commercial and military aircraft today. They offer a wide range of products, including mechanical and electro-mechanical actuators, pumps and valves, specialized motors and generators, batteries and chargers, latching and locking devices, connectors, elastomer sealing solutions, database and power controls, cockpit security components and systems, cockpit displays, audio and radio systems, lavatory parts, seat belts and safety restraints, customized interior surfaces, advanced sensor products, switches and relay panels, thermal protection and insulation, lighting and control technology, parachutes, hoists, winches, and cargo loading systems. The Company's commitment to innovation and excellence has made it a trusted supplier to commercial and military customers worldwide.

TransDigm's M&A Deals

Date	Target	TEV (\$M)	Description
Mar-22	DART Aerospace	\$360	Provides helicopter mission equipment solutions for commercial and military operators
Nov-20	COBHAM Aero Connectivity	\$945	Provides highly engineered antennas and radios

Sources: CapIQ, Dacis, Company presentations and website

Strategic Rationale & Synergies

Diversified Product Offering

- Allows TransDigm to provide more comprehensive solutions to its customers.
- Acquisition grants TransDigm proprietary IP bolstering its competitive advantage and facilitating ongoing product and service innovation.

Increased Vertical Integration

- Calspan's aerospace expertise can inform the design and development of components.
- Provides more significant control over the supply chain leading to cost savings.

Enhanced Aftermarket Services

- Ability to test products and services in various scenarios and conditions before bringing them to market.
- Calspan's certifications will ensure aftermarket services meet high quality and safety standards.

Calspan Overview

Portfolio	Mobility & Safety	Flight & Wind Tunnel	Jet Engine Testing	Hypersonics
Services	<ul style="list-style-type: none"> Vehicle Crash Test Services Dynamic Sled Testing Tire Performance Testing Barrier and Bollard Testing 	<ul style="list-style-type: none"> Wind Tunnel Testing Test Articles & Equipment Wind Tunnel Design & Build Flight Test Services 	<ul style="list-style-type: none"> Engine Test Facilities Turbomachinery Propulsion Testing Test Equipment 	<ul style="list-style-type: none"> Applied RDT&E Flight Testing High-Speed Test Articles Test Facilities and Support Wind Tunnel Design & Build Wind Tunnel Testing

Commentary from the CEOs

Kevin Stein, TransDigm's President and Chief Executive Officer, stated: "We are excited about the acquisition of Calspan. We see an opportunity for TransDigm's proven operating model to enhance the Company's established positions across a diverse range of aftermarket-focused aerospace & defense development and testing services. The Company operates within our primary aerospace and defense industry. Its unique service offerings exhibit the earnings stability and growth potential that we have come to expect of our aerospace components-centered businesses. As with all TransDigm acquisitions, we expect the Calspan acquisition to create equity value in-line with our long-term private equity-like return objectives." Peter Sauer, Calspan's President & CEO, stated, "We are fortunate to have had such incredible and supportive private owners in John Yurtchuk and Lou Knotts who have challenged us to achieve great things. The acquisition by TransDigm provides a long-term home for Calspan and is a strong signal to our people, the communities we operate in, and our valued customers, that Calspan will remain an industry leader and employer of choice."

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Platform Overview



E-7 Key Stats

Type	AEW&C
Status	Active
Developed By	Boeing
Developed For	Boeing 737-700
Deployed Operationally	Nov 2011
Maiden Flight	May 2004
Cruise Speed	850 km/h
Maximum Range	7,400 km
Takeoff Weight	77,000 kg
Wingspan	35.8 m
Engines	CFM56-7
Crew	0-10

Developments & Milestones

1999	RAAF initiates Project Wedgetail
2000	BA chosen as Wedgetail prime contractor
2002	First Boeing 737-700 modified by BA
2004	E-7 makes its maiden flight on May 5 th
2006	RAAF's first two E-7 are rolled out
2009	RAAF begins operational test flights
2011	Two E-7s deployed to Middle East
2014	Turkish Air Force receives first E-7
2017	Korean Air Force takes delivery of E-7
2018	RAAF buys five E-7s to replace the old E-3
2020	RAAF receives upgraded & improved E-7
2021	E-7 used for disaster support in Australia
2023	Boeing awarded \$1.2 B for twenty-six E-7s

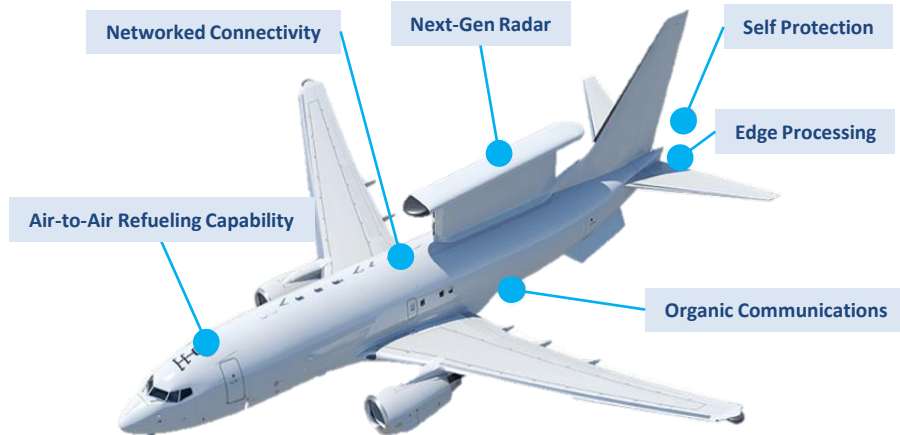
Sources: Company presentations, websites, and news articles

Boeing E-7 Wedgetail

Overview

The Boeing E-7 Wedgetail is a military aircraft that provides airborne early warning and control functions, enabling military forces to detect, track and identify airborne and surface threats at extended ranges. The E-7 is based on the Boeing 737-700 commercial airliner and features a large, rotating, saucer-shaped radar antenna (known as the MESA) mounted on top of the fuselage, capable of scanning over 300,000 square miles in a single mission. In addition to the MESA radar, the E-7 is equipped with advanced mission systems and communication equipment that enable the aircraft to coordinate and direct friendly forces and respond to threats quickly and effectively. The E-7 Wedgetail has been used in various missions, including air defense, maritime patrol, and ground support operations. It is currently in service with the Royal Australian Air Force, the Turkish Air Force, and the Republic of Korea Air Force. On March 1st 2023, the U.S. Air Force awarded Boeing a contract worth up to \$1.2 billion to start work on the first E-7 battle management and command-and-control aircraft, with plans to field a fleet of 26 in total. The Air Force decided last year to buy the E-7 to replace the aging E-3 Sentry AEW&C aircraft.

Overview



E-7 Operators, Capabilities & Efficiencies

The E-7 is currently in service or contracted with the United States, Australia, South Korea, Turkey, and the United Kingdom.

Operational Flexibility	Reduced Costs	Global Supply Base
Converted from the Next Generation 737-700, the E-7 capitalizes on existing commercial derivative aircraft from design, certification and modification processes.	With over 9,000 737s worldwide, 30 global repair facilities, and 250 global service centers, the E-7 benefits from reduced maintenance and logistics costs.	As a Next-Gen 737 derivative, the E-7 benefits from an established global supply chain providing better operational availability rates.

Executive Commentary

"The modular architecture of the Wedgetail's mission system allows it to adapt to changing mission requirements and incorporate new technologies and capabilities over time. This makes it a highly versatile and adaptable platform that can be tailored to the specific needs of each operator. We are proud to deliver this advanced capability to our customers and to support their evolving mission requirements for years to come," states Dave Bowman, Vice President and Program Manager for Boeing Surveillance and Engagement.



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All Transactions – Value Disclosed

Announced Date	Target	Acquiror	Valuation Metrics			Segment	Deal Type(s)
			Implied TEV (\$M)	TEV/Revenue	TEV/EBITDA		
01/10/23	Semifore, Inc.	Arteris, Inc.	\$3.1	na	na	Government Services, IT Services and Software	PR
01/11/23	Advanced Circuits, Inc.	APCT, Inc.	\$250.0	na	na	Defense Electronics	PS PB
01/20/23	Magnet Forensics Inc.	Morpheus Purchaser Inc.	\$1,214.3	nm	nm	Government Services, IT Services and Software	PU PB I
01/30/23	ALC Training Pty Ltd	Tesserent Academy Pty Ltd	\$4.1	0.8x	na	Government Services, IT Services and Software	PR I
02/09/23	Ayatti Innovative Private Limited	Paras Defence and Space Technologies Limited	\$1.5	na	na	Engineering and Project Management	PR I
02/16/23	GeoConex Corporation	Zetron, Inc.	\$22.7	na	na	Government Services, IT Services and Software	PR I
02/16/23	Nixu Oyj	DNV AS	\$106.7	1.7x	nm	Cybersecurity, Intelligence Services and Homeland Defense	PR I
02/23/23	Axim Geospatial, LLC	NV5 Global, Inc.	\$0.1	na	na	Sensors & C4ISR	PS
03/02/23	Sky Scape Industries, LLC	Volatus Aerospace Corp.	\$0.6	na	na	Government Services, IT Services and Software	PR I
03/06/23	Linearizer Communications Group	MACOM Technology Solutions Holdings, Inc.	\$49.0	na	na	Satellite, Satellite Services & Space Systems	PR
03/14/23	Calspan Corporation	TransDigm Group Incorporated	\$725.0	3.6x	na	Test & Measurement	PR
03/14/23	IPKeys Power Partners, LLC	Parsons Corporation	\$43.0	na	na	Cybersecurity, Intelligence Services and Homeland Defense	PR
03/20/23	TRAX USA Corp	AAR Corp.	\$140.0	4.7x	15.6x	MRO & Logistics	PR
03/23/23	Logistics and Supply Chain Management Business of SAIC	ASRC Federal Holding Company, LLC	\$350.0	na	na	Government Services, IT Services and Software	PU

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Source(s): CapIQ, Dacis, Company reports, press releases

Note: Deals shown only include transactions with disclosed multiples

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All Transactions – Value Not Disclosed

Announced Date	Target	Acquiror	Segment	Deal Type(s)
01/03/23	Blackhawk Modifications, Inc.	AVEX, Inc.	MRO & Logistics	PR PB
01/04/23	KCB Solutions, Inc.	Micross Components, Inc.	Defense Electronics	PS PB
01/04/23	LRS Aviation Limited	HKA Global, Inc.	Government Services, IT Services and Software	PR I
01/04/23	Alexander Machine & Tool Company, Inc.	George Industries LLC	Machined & Cast Parts	PR PB I
01/05/23	Dzyne Technologies Incorporated	Highlander Partners, L.P.	Unmanned Vehicles	PR PB
01/05/23	A&H Security Enterprises, LLC	Dedrone Holdings, Inc.	Specialty Defense Systems and Services	PR I
01/05/23	Amyx, Inc.	Tetra Tech, Inc.	Government Services, IT Services and Software	PR
01/05/23	Xcel Engineering, Inc.	MartinFederal Consulting, LLC	Government Services, IT Services and Software	PR
01/09/23	Gannett Fleming Engineers And Architects, P.C.	OceanSound Partners, LP	Engineering and Project Management	PR PB
01/10/23	LinTech Global, Inc.	Digital Intelligence Systems, LLC	Government Services, IT Services and Software	PR
01/10/23	Integra Technologies, LLC	Flexitallic L.P.	Test & Measurement	PR I
01/10/23	High-Reliability DC-DC converter business of Infineon Technologies AG (XTRA : IFX)	Micross Components, Inc.	Defense Electronics	PU PB I
01/11/23	Stanfordville Machine & Manufacturing, Inc.	CORE Industrial Partners, LLC	Machined & Cast Parts	PR PB
01/11/23	Mythics, Inc.	OEP Capital Advisors, L.P.	Government Services, IT Services and Software	PR PB
01/12/23	Xiphos Systems Corporation	Epiq Design Solutions, Inc.	Satellite, Satellite Services & Space Systems	PR PB I
01/12/23	Celerity Government Solutions, LLC	Mcnally Capital, LLC	Government Services, IT Services and Software	PR PB
01/16/23	Barrett Firearms Manufacturing, Inc.	Nioa Nominees Pty. Limited	Specialty Defense Systems and Services	PR I
01/17/23	IF Armor International, LLC	The Armored Group, LLC	Land Systems	PR

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Source(s): CapIQ, Dacis, Company reports, press releases

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All Transactions – Value Not Disclosed (continued)

Announced Date	Target	Acquiror	Segment	Deal Type(s)
01/17/23	Saje Enterprises, Inc.	The Heico Companies LLC	Machined & Cast Parts	PR PB
01/17/23	Tribologix Inc.	AIM MRO, LLC	MRO & Logistics	PR PB I
01/18/23	Compendium Federal Technology, LLC	Boathouse Capital	Government Services, IT Services and Software	PR PB
01/20/23	QED Technologies International, Inc.	Quad-C Management, Inc.	Test & Measurement	PU PB
01/23/23	Lind Electronics Inc.	Gamber-Johnson, LLC	Defense Electronics	PR PB
01/24/23	Mira UgV Limited	Iveco Defence Vehicles S.p.A.	Unmanned Vehicles	PR I
01/24/23	Morris & Associates, Engineers, LLC	Stratus Team LLC	Engineering and Project Management	PR PB
01/26/23	Kittyhawk, Inc.	Trive Capital Management LLC	MRO & Logistics	PR PB
01/26/23	GuardSight, Inc.	Iron Bow Technologies LLC	Cybersecurity, Intelligence Services and Homeland Defense	PR PB
01/26/23	REDLattice, Inc.	AE Industrial Partners, LP	Cybersecurity, Intelligence Services and Homeland Defense	PR PB
01/27/23	AeroDrone	Dmitry Shimkiv	Unmanned Vehicles	PR I
01/30/23	General Kinetics Engineering Corporation	Horstman Holdings Ltd	Land Systems	PR PB I
01/31/23	Black Sage Technologies Inc.	Highlander Partners, L.P.	Unmanned Vehicles	PS PB
01/31/23	Hellebore Consulting Group, LLC	LinQuest Corporation	Government Services, IT Services and Software	PR PB I
01/31/23	Precision Fuel Components, LLC	VSE Aviation, Inc	MRO & Logistics	PR I
01/30/23	Epps Air Service, Inc.	SAR Trilogy Management, LLC	MRO & Logistics	PR PB
02/01/23	Secure Information Management GmbH/ ATECS AG Rheingold Capital Limited		Cybersecurity, Intelligence Services and Homeland Defense	PS PB I
02/02/23	SYDERAL Polska Sp. z o. o.	AROBs Transilvania Software S.A.	Satellite, Satellite Services & Space Systems	PR I

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Source(s): CapIQ, Dacis, Company reports, press releases

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All Transactions – Value Not Disclosed (continued)

Announced Date	Target	Acquiror	Segment	Deal Type(s)
02/02/23	Fidus Information Security Limited	Wavenet Limited	Cybersecurity, Intelligence Services and Homeland Defense	PR PB I
02/02/23	n2grate Government Technology Solutions, LLC	BlueAlly Technology Solutions LLC	Government Services, IT Services and Software	PR PB
02/02/23	Western Jet Aviation, Inc.	StandardAero, Inc.	MRO & Logistics	PR PB
02/03/23	Titan Acquisition Holdings L.P.	Lone Star Americas Acquisitions, Inc.	Navy/Maritime	PS PB
02/07/23	Aero-Glen International, LLC	Wencor Group, LLC	Distribution	PR PB
02/08/23	Precision Shapes, Inc.	Prince Industries, Inc.	Machined & Cast Parts	PR PB
02/10/23	D2K Technologies LLC	End-to-end Enterprise Solutions Inc.	Government Services, IT Services and Software	PR
02/11/23	Darktrace plc	Unknown Buyer	Cybersecurity, Intelligence Services and Homeland Defense	PU I
02/13/23	Orbit Logic, Inc.	Boecore, Inc.	Government Services, IT Services and Software	PR PB
02/13/23	Morphus Segurança da Informação	Accenture plc	Cybersecurity, Intelligence Services and Homeland Defense	PR I
02/14/23	Gem Manufacturing Co., Inc.	CORE Industrial Partners, LLC	Machined & Cast Parts	PR PB
02/14/23	Segue Manufacturing Services, LLC	Lorom Holding Co., Ltd	Machined & Cast Parts	PS PB I
02/15/23	Milrem AS	EDGE Group PJSC	Unmanned Vehicles	PR I
02/15/23	Capability Analysis & Measurement Organization, LLC	LinQuest Corporation	Government Services, IT Services and Software	PR PB
02/15/23	Phoseon Technology, Inc.	Excelitas Technologies Corp.	Machined & Cast Parts	PR PB
02/16/23	Nathan Associates, Inc.	The Cadmus Group, Inc.	Government Services, IT Services and Software	PR PB
02/17/23	GradeOne	EDGE Group PJSC	Specialty Defense Systems and Services	PR I
02/21/23	Launcher Inc.	Vast	Satellite, Satellite Services & Space Systems	PR

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All Transactions – Value Not Disclosed (continued)

Announced Date	Target	Acquiror	Segment	Deal Type(s)
02/22/23	Constant Aviation, LLC	Flexjet, LLC.	MRO & Logistics	PR
02/23/23	Weldmac Manufacturing Company	TriMas Corporation	Machined & Cast Parts	PR
02/27/23	Electronic Manufacturers Associated	Unknown Buyer	Distribution	PR
02/28/23	D&R Machine Company, Inc.	Cadrex Manufacturing Solutions	Machined & Cast Parts	PR PB
02/28/23	Air Support Queensland Pty Ltd	Toll Holdings Limited	Government Services, IT Services and Software	PR I
03/01/23	Criterion Systems, Inc.	Cherokee Federal	Government Services, IT Services and Software	PR
03/01/23	Virginia Systems & Technology, Inc.	Altamira Technologies Corporation	Government Services, IT Services and Software	PR PB
03/02/23	LogPoint A/S	Summa Equity AB	Cybersecurity, Intelligence Services and Homeland Defense	PR PB I
03/02/23	Lifesaving Systems Corp.	Signia Aerospace Holdings, Inc.	Specialty Defense Systems and Services	PR PB
03/02/23	Golden Isles Aviation	Odyssey Aviation U.S.	MRO & Logistics	PR PB
03/02/23	Ford Aerospace Limited	SPIROL International Corporation	Machined & Cast Parts	PR I
03/02/23	Substantially all of the assets of Gamma Aerospace, LLC	TRM Equity	Machined & Cast Parts	PR PB
03/03/23	Ultra Electronics' Specialist Radio Frequency Business	Cobham Advanced Electronic Solutions	Defense Electronics	PS PB
03/06/23	SET GmbH	National Instruments Corporation	Test & Measurement	PR I
03/06/23	PrimeFlight Aviation Services, Inc.	The Sterling Group, L.P.	MRO & Logistics	PS PB
03/06/23	Aegis Investigations, LLC	Modern Defense, LLC	Government Services, IT Services and Software	PR
03/06/23	The AIRO Group, Inc.	Kernel Group Holdings, Inc.	Government Services, IT Services and Software	PR
03/06/23	Zudy Software	Jitterbit, Inc.	Government Services, IT Services and Software	PR

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All Transactions – Value Not Disclosed (continued)

Announced Date	Target	Acquiror	Segment	Deal Type(s)
03/07/23	King Nutronics Corporation	Raptor Scientific LLC	Test & Measurement	PR PB
03/08/23	Ace Aeronautics, LLC	International Defense & Aerospace Group, LLC	MRO & Logistics	PR
03/08/23	Tutus Data AB	C-Resiliens AB	Government Services, IT Services and Software	PR PB I
03/09/23	DataPath, Inc.	Gilat Satellite Networks Ltd.	Government Services, IT Services and Software	PS I
03/13/23	ZIN Technologies, Inc.	Voyager Space Holdings, Inc.	Satellite, Satellite Services & Space Systems	PR
03/14/23	ClearShark LLC/ClearShark Services Inc.	Optiv Security Inc.	Cybersecurity, Intelligence Services and Homeland Defense	PR PB
03/14/23	Whelan Machine & Tool, LLC	Ajax Defense, Inc.	Machined & Cast Parts	PR PB
03/15/23	Aviation Ground Equipment Corp.	HDT Global, Inc.	MRO & Logistics	PR PB
03/16/23	Phoenix Proto Technologies LLC	Re3dTech	Machined & Cast Parts	PR PB
03/17/23	Apollo 3 Energy	Maddox Defense, Inc.	Government Services, IT Services and Software	PR
03/20/23	Ophir Corp.	Geost, LLC	Sensors & C4ISR	PR PB
03/21/23	BLR Aerospace, LLC	Ducommun Incorporated	Components & Subsystems	PR
03/21/23	Collabospace, Inc.	Eqlipse Technologies	Government Services, IT Services and Software	PR PB

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