

SCOTT-MACON, LTD

# Aerospace, Defense & Government Services

## Monthly Market Overview

June 2018



# A note from **SCOTT-MACON**

---

We are pleased to present you with the June 2018 Edition of the Scott-Macon Aerospace, Defense and Government Services monthly newsletter! Our team strives to provide industry professionals such as yourself with the critical market information necessary to execute your strategic goals and initiatives. Please let us know if you would like to discuss any of the emerging trends presented in this review and how they can potentially impact your firm.

Our team can help you with the following services:

- **Mergers and Acquisitions**
  - **Sale of company**
  - **Acquisition of target companies**
- **Private Debt and Equity Financing**
- **Dividend Recapitalization**

We look forward to speaking to you soon!

Best,



Michael

## **Michael N. Papazis**

Managing Director

Aerospace, Defense & Government Services

Office: (212) 755-8200

Fax: (212) 583-9262

[mpapazis@scott-macon.com](mailto:mpapazis@scott-macon.com)

---

# Table of Contents

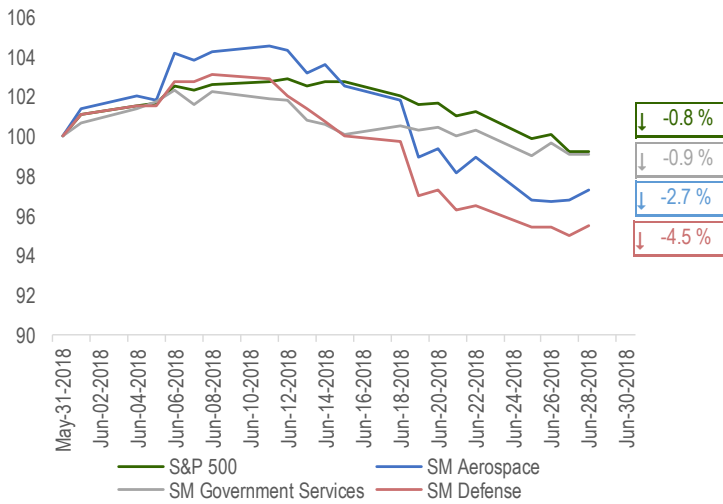
<b>Section 1</b>	<b>Market Snapshot</b> Review of key valuation and deal trends analyzed on an Monthly and Last Twelve Month (LTM) basis	<b>4</b>
<b>Section 2</b>	<b>Public Trading Comparables</b> List of operating metrics and valuation multiples for public companies in selected sub-segments of the Aerospace, Defense & Government Services (ADG) sectors	<b>6</b>
<b>Section 3</b>	<b>M&amp;A Transactions</b> List of relevant transactions with disclosed values which occurred in the last month segmented by Aerospace, Defense or Government Services	<b>9</b>
<b>Section 4</b>	<b>Recent Contracts</b> List of selected major government contracts that have been awarded in the last month	<b>17</b>
<b>Section 5</b>	<b>Key Aerospace &amp; Defense Stats</b> Review of key trends in the aerospace and defense sectors	<b>21</b>
<b>Section 6</b>	<b>About Scott-Macon</b> Brief overview on Scott-Macon and their ADG investment banking practice	<b>24</b>

# SECTION 1: MARKET SNAPSHOT

---

Monthly as of June 2018

Share Price Performance

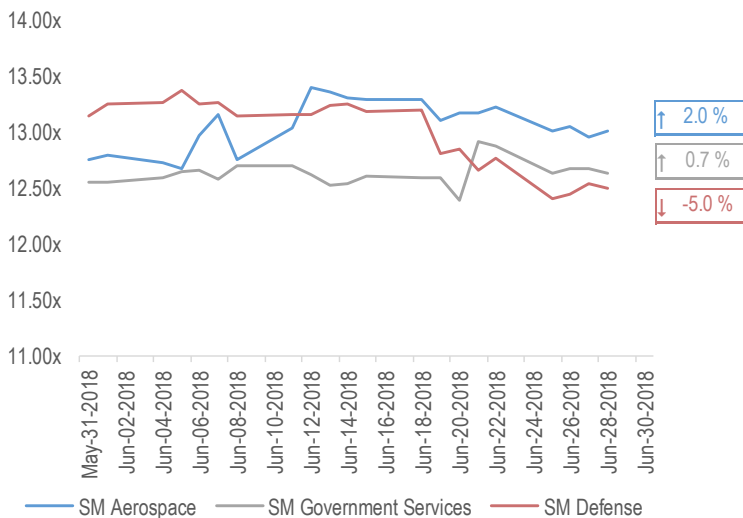


LTM as of June 2018

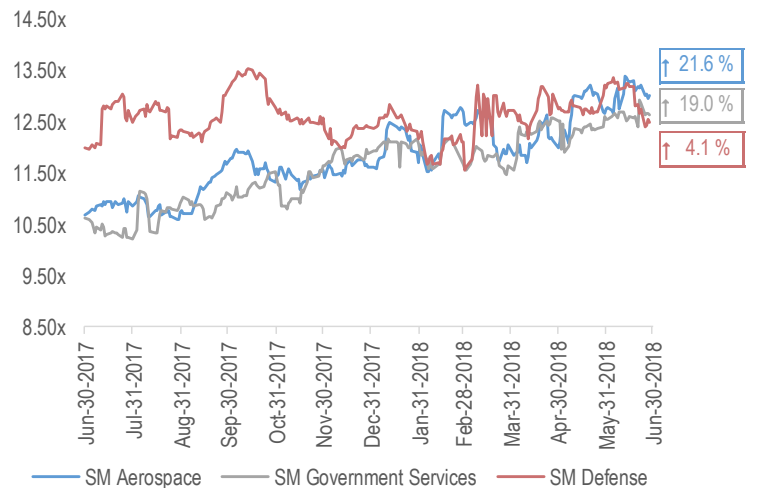
Share Price Performance



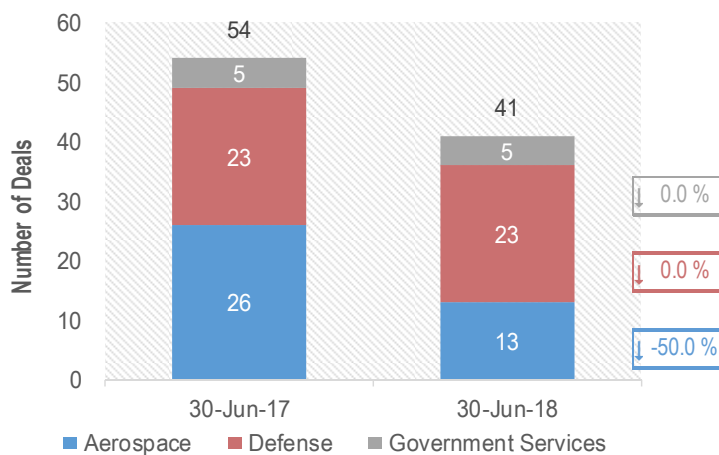
Trading Valuation (TEV / LTM EBITDA)



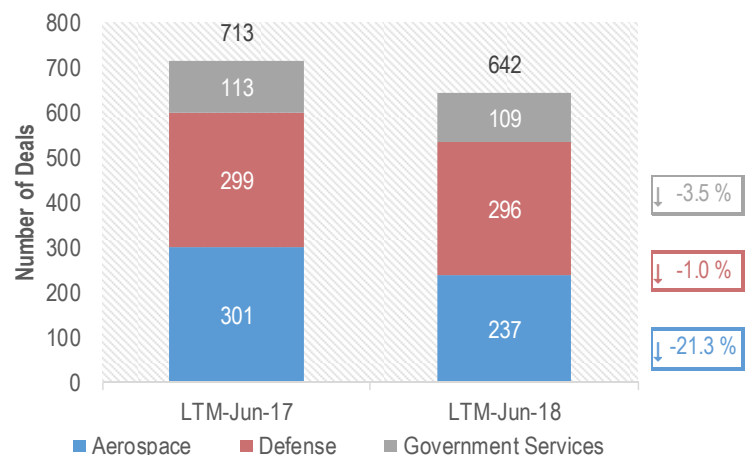
Trading Valuation (TEV / LTM EBITDA)



M&A Transactions



M&A Transactions



# SECTION 2: PUBLIC COMPARABLES

---

## Public Comparables

## Aerospace Public Comparables\*

Aerospace OEMs	Price	% of 52 Wk High	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
						30 Day	1 Year		30 Day	1 Year
Airbus SE	\$116.51	94.4%	\$88,213.3	\$88,279.4	15.6 x	0.8%	-48.4%	1.2 x	1.4%	44.2%
Boeing Company	339.40	90.6	194,960.7	197,597.7	15.4	-4.9	13.6	2.1	-6.5	60.3
Bombardier Inc.	3.85	95.1	9,089.7	17,232.2	NM	2.4	9.6	1.1	2.4	44.1
Embraer S.A.	6.38	97.4	4,693.5	5,976.8	13.6	7.4	4.3	1.2	7.4	47.8
<b>Median</b>		<b>94.8%</b>	<b>\$48,651.5</b>	<b>\$52,755.8</b>	<b>15.4 x</b>	<b>-0.3%</b>	<b>-0.3%</b>	<b>1.2 x</b>	<b>4.1%</b>	<b>46.0%</b>
<b>Mean</b>		<b>94.4%</b>	<b>\$74,239.3</b>	<b>\$77,271.5</b>	<b>14.9 x</b>	<b>0.6%</b>	<b>-0.2%</b>	<b>1.4 x</b>	<b>0.2%</b>	<b>50.8%</b>
Aerospace Systems / Equipment	Price	% of 52 Wk High	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
						30 Day	1 Year		30 Day	1 Year
AAR Corp.	\$46.63	95.1%	\$1,582.7	\$1,753.2	12.3 x	3.9%	24.8%	0.9 x	2.8	24.4%
AMETEK, Inc.	72.20	91.0	16,606.5	18,255.5	15.7	-1.6	1.7	4.1	-3.7	2.0
Astronics Corporation	35.81	72.4	1,011.0	1,270.7	17.8	1.6	71.6	2.0	0.4	21.1
CAE Inc.	20.44	96.2	5,443.2	5,985.0	13.8	-1.2	12.8	2.8	-1.7	11.8
Crane Co.	80.55	78.5	4,776.2	5,548.4	10.8	-3.2	2.7	1.9	-5.3	6.8
Esterline Technologies Corporation	73.95	73.5	2,157.1	2,581.6	9.2	0.4	-13.8	1.3	-2.0	-22.8
HEICO Corporation	73.13	93.9	8,734.1	9,597.4	NM	-0.2	34.2	5.8	0.7	36.9
Héroux-Devtek Inc.	11.38	90.0	410.3	440.6	10.7	-8.1	-2.8	1.5	-9.2	1.1
Meggitt PLC	6.48	93.3	4,938.0	6,201.1	8.9	-0.6	-24.1	2.3	0.3	-5.2
Moog Inc.	77.47	82.5	2,771.2	3,422.0	10.4	-4.4	6.9	1.3	-6.1	0.4
MTU Aero Engines AG	190.98	97.7	9,513.4	10,660.3	12.6	-1.3	31.8	1.8	-0.4	51.4
Textron Inc.	66.14	95.4	16,824.3	20,054.3	13.0	-1.1	25.1	1.4	-1.5	21.0
TransDigm Group Incorporated	339.51	98.0	17,659.6	28,382.5	16.7	0.5	8.0	7.9	0.2	10.6
Woodward, Inc.	76.29	85.4	4,667.5	5,197.7	14.2	0.1	-0.8	2.4	-0.8	3.0
<b>Median</b>		<b>92.2%</b>	<b>\$4,857.1</b>	<b>\$5,766.7</b>	<b>12.6 x</b>	<b>-1.3%</b>	<b>15.9%</b>	<b>1.9 x</b>	<b>-0.9%</b>	<b>11.5%</b>
<b>Mean</b>		<b>88.8%</b>	<b>\$6,935.4</b>	<b>\$8,525.0</b>	<b>12.8 x</b>	<b>-1.0%</b>	<b>5.9%</b>	<b>2.7 x</b>	<b>-0.8%</b>	<b>10.4%</b>
Aerospace Structures	Price	% of 52 Wk High	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
						30 Day	1 Year		30 Day	1 Year
CPI Aerostructures, Inc.	\$10.55	89.8%	\$93.9	\$127.1	12.2 x	2.2%	35.1%	1.6 x	2.5%	22.5%
Ducommun Incorporated	33.71	93.9	383.7	591.6	11.7	-0.1	20.1	1.0	0.0	16.1
Hexcel Corporation	66.36	90.4	5,908.9	6,699.1	14.3	-6.0	16.8	3.3	-6.5	18.6
Kaman Corporation	70.57	94.0	1,971.1	2,290.2	13.3	-0.2	24.2	1.2	-2.6	28.8
Latécoère S.A.	5.33	76.7	501.1	529.6	13.5	-7.3	-3.5	0.7	-6.1	3.4
Magellan Aerospace Corporation	11.80	71.4	686.7	740.4	6.6	-9.3	-22.9	1.0	-10.6	-25.0
Senior plc	3.95	92.1	1,643.1	1,846.2	11.6	-3.5	16.6	1.4	-3.8	8.6
Spirit AeroSystems Holdings, Inc.	85.68	81.4	9,639.9	10,346.3	14.1	0.0	NA	1.5	-0.7	36.8
Triumph Group, Inc.	20.00	57.8	929.8	2,332.2	9.3	-5.1	51.8	0.7	-7.4	-3.3
<b>Median</b>		<b>89.8%</b>	<b>\$929.8</b>	<b>\$1,846.2</b>	<b>12.2 x</b>	<b>0.8%</b>	<b>24.4%</b>	<b>1.2 x</b>	<b>-0.2%</b>	<b>14.8%</b>
<b>Mean</b>		<b>83.1%</b>	<b>\$2,417.6</b>	<b>\$2,833.6</b>	<b>11.8 x</b>	<b>-3.0%</b>	<b>20.6%</b>	<b>1.4 x</b>	<b>-3.3%</b>	<b>11.5%</b>
<b>Total Aerospace Median</b>		<b>91.0%</b>	<b>\$4,693.5</b>	<b>\$5,548.4</b>	<b>13.0 x</b>	<b>2.0%</b>	<b>21.6%</b>	<b>1.5 x</b>	<b>0.0%</b>	<b>12.1%</b>
<b>Total Aerospace Mean</b>		<b>87.7%</b>	<b>\$15,400.4</b>	<b>\$16,812.6</b>	<b>12.7 x</b>	<b>-1.5%</b>	<b>9.3%</b>	<b>2.1 x</b>	<b>-1.3%</b>	<b>13.7%</b>

## Government Services Public Comparables\*

Government Services	Price	% of 52 Wk High	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
						30 Day	1 Year		30 Day	1 Year
Booz Allen Hamilton Holding Corp.	\$43.87	95.7%	\$6,236.6	\$7,847.6	13.4 x	-2.8%	17.1%	1.3 x	-2.7%	18.2%
CACI International Inc	168.90	96.6	4,150.4	5,177.7	12.6	0.7	11.0	1.2	0.2	18.2
CGI Group Inc.	62.67	98.4	17,483.3	18,665.1	13.3	3.1	15.6	2.2	3.9	12.3
Cyient Limited	11.15	86.5	1,258.8	1,144.1	16.1	17.2	49.9	2.0	6.1	44.8
Engility Holdings, Inc.	30.70	86.2	1,131.6	2,066.3	11.6	-1.4	8.4	1.1	-2.7	6.7
ICF International, Inc.	71.20	93.5	1,333.4	1,545.6	13.7	0.3	33.5	1.3	-0.7	30.7
KeyW Holding Corp.	8.57	87.1	424.2	691.6	15.6	-5.6	-38.7	1.4	-5.6	-16.6
Leidos Holdings, Inc.	58.88	84.0	8,902.2	11,785.2	11.5	-1.8	-15.9	1.2	-2.4	-10.0
ManTech International Corp.	53.71	86.3	2,116.3	2,171.4	15.5	-0.7	27.8	1.2	-1.6	38.9
MAXIMUS, Inc.	62.77	86.3	4,097.3	3,847.8	10.5	3.3	-0.7	1.6	2.3	-5.6
Navigant Consulting, Inc.	22.28	88.2	1,005.9	1,183.6	9.6	-7.4	24.1	1.2	-8.8	7.7
QinetiQ Group plc	3.52	96.2	1,922.2	1,568.2	8.0	2.4	-0.1	1.4	-0.5	-13.4
Science Applications International Corp.	82.08	90.4	3,481.3	4,345.3	13.7	-7.1	12.4	1.0	-6.7	8.2
Serco Group plc	1.27	80.4	1,440.3	1,677.2	15.6	7.3	48.0	0.4	5.8	-9.4
Vectrus, Inc.	30.89	74.5	346.6	394.2	9.4	-3.3	16.3	0.3	-3.9	5.4
VSE Corp.	48.30	80.6	525.0	706.4	9.1	-1.8	0.2	1.0	-2.9	-2.3
<b>Median</b>		<b>86.8%</b>	<b>\$1,681.2</b>	<b>\$1,871.8</b>	<b>13.0 x</b>	<b>1.9%</b>	<b>20.7%</b>	<b>1.2 x</b>	<b>-0.3%</b>	<b>18.1%</b>
<b>Mean</b>		<b>88.2%</b>	<b>\$3,491.0</b>	<b>\$4,051.1</b>	<b>12.5 x</b>	<b>0.2%</b>	<b>18.2%</b>	<b>1.2 x</b>	<b>-0.2%</b>	<b>7.0%</b>
Engineering & Construction	Price	% of 52 Wk High	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
						30 Day	1 Year		30 Day	1 Year
AECOM	\$32.94	82.6%	\$5,258.7	\$8,564.1	9.7 x	-0.4%	4.7	0.4 x	-1.2%	-9.3%
Fluor Corp.	49.07	79.0	6,776.3	6,717.3	11.8	-1.1	53.4	0.3	-2.8	12.6
Jacobs Engineering Group Inc.	64.15	88.9	8,989.6	10,760.5	13.3	-1.8	34.1	0.9	-1.9	49.8
KBR, Inc.	18.10	83.4	2,511.6	2,724.6	8.4	-2.8	-60.3	0.7	-4.4	19.2
Tetra Tech, Inc.	57.53	98.0	3,195.1	3,471.1	14.7	4.2	11.8	1.6	3.9	19.9
<b>Median</b>		<b>83.4%</b>	<b>\$5,258.7</b>	<b>\$6,717.3</b>	<b>11.8 x</b>	<b>-1.1%</b>	<b>23.2%</b>	<b>0.7 x</b>	<b>-2.8%</b>	<b>18.6%</b>
<b>Mean</b>		<b>86.4%</b>	<b>\$5,346.3</b>	<b>\$6,447.5</b>	<b>11.6 x</b>	<b>-0.1%</b>	<b>15.7%</b>	<b>0.8 x</b>	<b>0.6%</b>	<b>19.4%</b>
<b>Total Government Services Median</b>		<b>86.5%</b>	<b>\$2,511.6</b>	<b>\$2,724.6</b>	<b>12.6 x</b>	<b>0.7%</b>	<b>19.0%</b>	<b>1.2 x</b>	<b>17.3%</b>	<b>18.6%</b>
<b>Total Government Services Mean</b>		<b>87.8%</b>	<b>\$3,932.7</b>	<b>\$4,621.7</b>	<b>12.2 x</b>	<b>0.1%</b>	<b>17.4%</b>	<b>1.1 x</b>	<b>0.0%</b>	<b>8.9%</b>

## Public Comparables (Continued)

## Defense Public Comparables\*

Defense Primes	Price	% of 52	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
		Wk High				30 Day	1 Year		30 Day	1 Year
BAE Systems plc	\$8.47	98.0%	\$26,417.0	\$27,619.4	10.6 x	-1.1%	-7.9%	1.2 x	-1.1%	-6.4%
Boeing Company	339.40	90.6	194,960.7	197,597.7	15.4	-4.9	13.6	2.1 x	-6.5	60.3
General Dynamics Corporation	187.69	81.6	55,675.9	57,822.9	12.6	-6.8	0.0	1.9	-7.9	-4.7
Leonardo S.p.a.	9.68	52.0	5,561.3	9,953.5	5.9	-2.4	-9.8	0.7	-1.3	-24.8
Lockheed Martin Corporation	297.26	81.9	84,299.7	96,200.7	13.5	-5.4	-5.9	1.9	-7.1	-2.9
Northrop Grumman Corporation	308.76	85.6	53,661.5	58,552.5	14.9	-5.5	10.7	2.2	-6.6	10.9
Raytheon Company	193.85	84.4	55,416.3	58,211.3	15.1	-7.6	14.9	2.3	-8.7	10.7
Thales S.A.	128.23	97.8	26,662.9	23,512.5	10.7	-0.6	2.1	1.3	0.9	7.0
<b>Median</b>		<b>85.0%</b>	<b>\$54,538.9</b>	<b>\$58,017.1</b>	<b>13.1 x</b>	<b>-6.1%</b>	<b>1.6%</b>	<b>1.9 x</b>	<b>-6.1%</b>	<b>15.4%</b>
<b>Mean</b>		<b>84.0%</b>	<b>\$62,831.9</b>	<b>\$66,183.8</b>	<b>12.3 x</b>	<b>-4.7%</b>	<b>3.2%</b>	<b>1.7 x</b>	<b>-5.0%</b>	<b>6.3%</b>

Defense Systems	Price	% of 52	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
		Wk High				30 Day	1 Year		30 Day	1 Year
Aerojet Rocketdyne Holdings, Inc.	\$29.61	81.7%	\$2,228.8	\$2,390.0	12.2 x	1.9%	8.4%	1.2 x	-0.4%	23.1%
AeroVironment, Inc.	\$69.96	100.6%	\$1,621.8	\$1,364.8	NM	45.4%	15.1%	5.0 x	35.7%	NM
Cobham plc	1.69	85.8	3,972.4	4,476.4	11.8	2.1	NA	1.7	4.1	-21.5
Cubic Corporation	63.88	88.2	1,719.5	1,939.9	NM	NM	NM	1.3	-9.5	24.4
Curtiss-Wright Corporation	118.53	82.7	5,223.1	5,641.2	12.4	-6.7	3.6	2.5	-9.2	11.2
FLIR Systems, Inc.	52.06	93.4	7,128.3	7,134.7	18.2	-3.6	35.4	3.9	-3.9	35.5
Huntington Ingalls Industries, Inc.	215.89	78.0	9,603.2	10,355.2	9.4	-2.2	2.6	1.4	-2.9	4.3
Kongsberg Gruppen ASA	20.99	84.0	2,508.2	2,585.6	16.8	-0.4	1.3	1.5	0.2	25.8
L3 Technologies, Inc.	192.21	87.9	15,027.2	18,069.2	13.4	-2.9	3.6	1.9	-3.2	26.2
Rockwell Collins, Inc.	134.30	96.2	22,100.5	28,805.5	16.0	-1.6	4.0	3.4	-1.9	-4.2
Safran SA	120.23	98.5	50,595.9	48,835.5	11.5	-2.0	20.1	2.5	-0.6	15.7
Textron Inc.	66.14	95.4	16,824.3	20,054.3	13.0	-1.1	25.1	1.4	-1.5	21.0
<b>Median</b>		<b>88.0%</b>	<b>\$6,175.7</b>	<b>\$6,388.0</b>	<b>12.7 x</b>	<b>-3.9%</b>	<b>6.3%</b>	<b>1.8 x</b>	<b>-0.6%</b>	<b>-1.9%</b>
<b>Mean</b>		<b>89.4%</b>	<b>\$11,546.1</b>	<b>\$12,637.7</b>	<b>13.5 x</b>	<b>-1.8%</b>	<b>9.5%</b>	<b>2.3 x</b>	<b>2.7%</b>	<b>21.2%</b>

Defense Electronics / Equipment	Price	% of 52	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
		Wk High				30 Day	1 Year		30 Day	1 Year
AMETEK, Inc.	\$72.20	91.0%	\$16,606.5	\$18,255.5	15.7 x	-1.6%	1.7%	4.1 x	-3.7%	2.0%
Chemring Group plc	2.93	98.2	835.8	946.6	9.3	15.7	21.9	1.4	12.9	18.1
Comtech Telecommunications Corp.	32.26	93.2	758.0	896.4	13.1	-7.4	19.1	1.6	-2.9	44.8
Crane Co.	80.55	78.5	4,776.2	5,548.4	10.8	-3.2	2.7	1.9	-5.3	6.8
Ducommun Incorporated	33.71	93.9	383.7	591.6	11.7	-0.1	20.1	1.0	0.0	16.1
Elbit Systems Ltd.	117.41	79.9	5,019.5	5,458.0	13.6	0.3	3.0	1.7	0.6	2.1
Harris Corporation	145.32	85.2	17,187.2	20,963.2	14.6	-3.1	33.6	3.5	-4.3	48.2
Héroux-Devtek Inc.	11.38	90.0	410.3	440.6	10.7	-8.1	-2.8	1.5	-9.2	1.1
Kratos Defense & Security Solutions, Inc.	11.41	81.9	1,168.7	1,334.5	NM	0.8	-51.0	1.7	0.1	-9.9
Meggitt PLC	6.48	93.3	4,938.0	6,201.1	8.9	-0.6	-24.1	2.3	0.3	-5.2
Mercury Systems, Inc.	37.74	68.6	1,821.6	1,972.4	NM	2.2	-19.4	4.3	1.2	-14.7
Moog Inc.	77.47	82.5	2,771.2	3,422.0	10.4	-4.4	6.9	1.3	-6.1	0.4
OSI Systems, Inc.	77.53	80.2	1,407.3	1,690.6	10.2	11.0	-24.4	1.6	10.0	-5.5
Teledyne Technologies Incorporated	199.75	93.2	7,113.3	8,061.8	16.2	-1.1	4.7	2.9	-2.2	14.2
Ultra Electronics Holdings plc	21.51	75.8	1,565.2	1,662.8	9.8	-0.3	-18.0	1.6	-0.4	-24.6
Viasat, Inc.	65.39	81.5	3,859.1	4,822.2	NM	3.7	NA	3.0	1.7	3.5
Woodward, Inc.	76.29	85.4	4,667.5	5,197.7	14.2	0.1	-0.8	2.4	-0.8	3.0
<b>Median</b>		<b>85.2%</b>	<b>\$2,771.2</b>	<b>\$3,422.0</b>	<b>11.3 x</b>	<b>-3.8%</b>	<b>-4.2%</b>	<b>1.7 x</b>	<b>0.8%</b>	<b>-9.6%</b>
<b>Mean</b>		<b>85.4%</b>	<b>\$4,428.8</b>	<b>\$5,145.0</b>	<b>12.1 x</b>	<b>-0.9%</b>	<b>-1.6%</b>	<b>2.2 x</b>	<b>0.1%</b>	<b>2.5%</b>

Homeland Security	Price	% of 52	Market Value	Total Enterprise Value (TEV)	TEV / LTM EBITDA	% Change TEV / LTM EBITDA		TEV / LTM Rev.	% Change TEV / LTM Rev.	
		Wk High				30 Day	1 Year		30 Day	1 Year
Elbit Systems Ltd.	117.41	79.9	5,019.5	5,458.0	13.6	0.3	3.0	1.7	0.6	2.1
MSA Safety Incorporated	95.95	98.6	3,663.6	4,015.8	15.3	2.6	-2.0	3.2	1.8	10.5
OSI Systems, Inc.	77.53	80.2	1,407.3	1,690.6	10.2	11.0	-24.4	1.6	10.0	-5.5
American Outdoor Brands Corporation	12.31	53.1	672.5	810.7	10.2	24.6	NM	1.3	-1.5	-19.9
Smiths Group plc	22.29	94.0	8,731.6	10,009.9	12.5	-3.8	5.8	2.4	-3.0	10.2
<b>Median</b>		<b>80.2%</b>	<b>\$3,663.6</b>	<b>\$4,015.8</b>	<b>12.5 x</b>	<b>-3.8%</b>	<b>-5.4%</b>	<b>1.7 x</b>	<b>0.3%</b>	<b>-2.5%</b>
<b>Mean</b>		<b>81.1%</b>	<b>\$3,898.9</b>	<b>\$4,397.0</b>	<b>12.4 x</b>	<b>5.0%</b>	<b>4.2%</b>	<b>2.0 x</b>	<b>1.6%</b>	<b>2.9%</b>

<b>Total Defense Median</b>		<b>85.5%</b>	<b>\$4,978.8</b>	<b>\$5,503.2</b>	<b>12.5 x</b>	<b>-5.0%</b>	<b>4.1%</b>	<b>1.8 x</b>	<b>-1.6%</b>	<b>-3.3%</b>
<b>Total Defense Mean</b>		<b>85.8%</b>	<b>\$17,523.6</b>	<b>\$18,823.2</b>	<b>12.6 x</b>	<b>-1.3%</b>	<b>3.2%</b>	<b>2.1 x</b>	<b>0.2%</b>	<b>8.3%</b>



# SECTION 3: M&A TRANSACTIONS

---

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
6/22/2018	Pending	Eastern Pioneer International Aviation Development Co., Ltd.	Shandong Hairuo General Aviation Co., Ltd.	Aerospace	\$13	NA	NA
6/19/2018	Pending	Cerberus Capital Management, L.P.	WFS Global SAS	Aerospace	\$1,389	1.0 x	NA
6/18/2018	Pending	F-Secure Oyj	MWR InfoSecurity Limited	Defense	\$139	4.9 x	NA
6/7/2018	Pending	Sichuan Changhong Electric Co., Ltd.	Lingbayi Electronic Group Co., Ltd.	Defense	\$270	2.8 x	NA
6/4/2018	6/4/2018	TT Electronics plc	Precision, Inc.	Defense	\$28	1.3 x	NA
5/23/2018	Pending	Zhejiang Tiancheng Controls Co., Ltd.	Acro Aircraft Seating Ltd.	Aerospace	\$75	NA	NA
5/23/2018	Pending	BBA Aviation plc	EPIC Aviation, LLC	Aerospace	\$88	NA	NA
5/18/2018	5/17/2018	PCL	EMOSS Mobile Systems B.V.	Defense	\$17	2.4 x	NA
5/8/2018	Pending	COMSYS Holdings Corporation	SYSKEN Corporation	Aerospace	\$89	0.3 x	7.4 x
5/8/2018	5/7/2018	Trinity Gate Limited	SHIS Limited	Government Services	\$90	2.3 x	14.8 x
5/4/2018	5/3/2018	Axon Enterprise, Inc.	VIEVU LLC	Defense	\$13	NA	NA
5/3/2018	Pending	Tata Advanced Systems Limited	Defense Business of Tata Motors Limited	Defense	\$277	0.3 x	4.1 x
5/3/2018	Pending	Tata Advanced Systems Limited	TAL Manufacturing Solutions Limited	Aerospace	\$94	NA	NA
5/3/2018	5/3/2018	Aviation Links Ltd.	Pegasus Tourism Holdings Ltd	Aerospace	\$20	NA	NA
5/2/2018	Pending	M.T.I Wireless Edge Ltd.	MTI Computers and Software Services	Defense	\$17	0.5 x	6.7 x
5/2/2018	Pending	Spirit AeroSystems Holdings, Inc.	S.R.I.F N.V.	Defense	\$650	NA	NA
5/1/2018	4/30/2018	MSC Industrial Direct Co., Inc.	All Integrated Solutions	Defense	\$86	1.3 x	NA
5/1/2018	Pending	American Industrial Partners	L-3 Communications Vertex Aerospace LLC and Related Assets	Aerospace	\$540	NA	NA
5/1/2018	4/30/2018	Tyler Technologies, Inc.	Sage Data Security, LLC	Defense	\$12	NA	NA
4/26/2018	Pending	Inypsa Informes y Proyectos, S.A.	Carbures Europe, S.A.	Defense	\$124	1.3 x	NA
4/24/2018	Pending	QinetiQ Group plc	E.I.S. Aircraft Operations of E.I.S. Group	Aerospace	\$86	3.5 x	13.0 x

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
4/24/2018	4/24/2018	LDC	Precision Micro Ltd.	Aerospace	\$31	1.5 x	NA
4/24/2018	Pending	CS Communication & Systemes SA	Novidy's SAS	Defense	\$44	1.1 x	NA
4/23/2018	Pending	Kroton Educacional S.A.	Somos Educação S.A.	Government Services	\$2,161	3.9 x	18.4 x
4/19/2018	6/1/2018	Valiant Integrated Services LLC	Cubic Global Defense, Inc. and Omega Training Group, Inc.	Defense	\$138	0.4 x	NA
4/18/2018	4/30/2018	Tyler Technologies, Inc.	Socrata, Inc.	Government Services	\$150	6.0 x	NA
4/10/2018	Pending	Tenneco Inc.	Federal-Mogul LLC	Aerospace	\$5,400	0.7 x	7.1 x
4/10/2018	5/2/2018	Eagle Enterprises, Inc.	Hawker Pacific Airservices Limited	Aerospace	\$250	NA	NA
4/10/2018	Pending	Ningxia Xinri Hengli Steel Wire Rope Co.,Ltd	Shanxi Huangcheng Xiangfu Aerospace Automobile Manufacturing Co., Ltd.	Aerospace	\$38	NA	NA
4/9/2018	6/26/2018	Cognosec AB	Advantio Limited	Defense	\$11	3.0 x	17.1 x
4/2/2018	4/2/2018	Skyline Domain Sdn Bhd	Subang SkyPark Sdn Bhd	Aerospace	\$19	NA	NA
3/29/2018	Pending	Tata Advanced Systems Limited	Strategic Engineering Division of Tata Power	Defense	\$343	4.2 x	NA
3/27/2018	Pending	Suplet Power Co., Ltd.	Wuhan YongLi Technology Co.,Ltd.	Defense	\$66	NA	NA
3/23/2018	4/24/2018	Pacific Energy Limited	Contract Power Australia Pty Ltd	Government Services	\$70	NA	NA
3/22/2018	4/11/2018	Elbit Systems Ltd.	Universal Avionics Systems Corporation	Aerospace	\$120	NA	NA
3/20/2018	Pending	Ryanair Holdings plc	Laudamotion GmbH	Aerospace	\$82	NA	NA
3/19/2018	5/4/2018	Wärtsilä Oyj Abp	Transas Marine	Aerospace	\$259	1.5 x	NA
3/19/2018	4/24/2018	TransDigm Group Incorporated	Extant Components Group Holdings, Inc.	Defense	\$525	NA	NA
3/15/2018	3/15/2018	TransDigm Group Incorporated	Kirkhill-TA Co.	Defense	\$50	0.6 x	NA
3/14/2018	Pending	Addsino Co., Ltd.	Aerospace Kaiyuan Technology Co., Ltd.	Aerospace	\$36	NA	NA
3/14/2018	Pending	Addsino Co., Ltd.	Nanjing Unary Information Technology Co., Ltd.	Aerospace	\$43	NA	NA
3/13/2018	5/7/2018	TCTM Financial FS LLC	Wellman Dynamics Corporation	Aerospace	\$21	NA	NA

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
3/12/2018	3/12/2018	Virtusa Corporation	eTouch Systems Corp.	Government Services	\$115	1.3 x	9.1 x
3/12/2018	4/4/2018	Patricia Industries	Sarnova, Inc.	Government Services	\$903	1.6 x	NA
3/11/2018	Pending	Elbit Systems Ltd.	IMI Systems Ltd.	Defense	\$552	NA	NA
3/8/2018	Pending	Guangxi Guidong Electric Power Co., LTD.	Guangxi Guicheng Energy Co., Ltd.	Aerospace	\$8	NA	NA
3/6/2018	3/12/2018	Falanx Group Limited	First Base Technologies LLP	Defense	\$4	1.8 x	5.3 x
2/28/2018	6/11/2018	Securitas Electronic Security Inc.	Kratos Public Safety & Security Solutions, Inc.	Government Services	\$69	0.5 x	15.0 x
2/27/2018	Pending	Héroux-Devtek Inc.	Beaver Aerospace & Defense, Inc.	Defense	\$24	0.8 x	NA
2/26/2018	Pending	Rakon Limited	Centum Rakon India Private Limited	Defense	\$11	0.9 x	7.1 x
2/23/2018	4/25/2018	KBRwyle Technology Solutions, LLC	SGT, Inc.	Government Services	\$355	NA	NA
2/23/2018	2/23/2018	St. Cloud Capital, LLC	Pipeworks Inc	Defense	\$18	1.4 x	NA
2/22/2018	Pending	Zhangjiagang FreeTrade Science & Technology Group Co., Ltd.	Chengdu Landtop Technology Co, Ltd.	Aerospace	\$139	7.5 x	NA
2/21/2018	2/28/2018	Exchange Income Corporation	CANLink Global Inc.	Aerospace	\$43	NA	7.2 x
2/8/2018	Pending	First Israel Mezzanine Investors Ltd.	Aitech Defense Systems, Inc.	Defense	\$30	NA	NA
2/6/2018	2/28/2018	Proofpoint, Inc.	Wombat Security Technologies, Inc.	Defense	\$225	NA	NA
2/1/2018	1/19/2018	AMETEK, Inc.	FMH Aerospace Corp.	Defense	\$235	4.7 x	NA
1/31/2018	4/2/2018	On Assignment, Inc.	ECS Federal, LLC	Defense	\$775	NA	NA
1/28/2018	Pending	AFCON Holdings Ltd.	DM	Government Services	\$16	NA	NA
1/26/2018	3/16/2018	Koltsovo Airport Public Stock Company	JSC Petropavlovsk-Kamchatski	Aerospace	\$122	NA	NA
1/20/2018	1/31/2018	Oil and Natural Gas Corporation Limited	Hindustan Petroleum Corporation Limited	Aerospace	\$13,957	0.5 x	6.8 x
1/18/2018	2/15/2018	Compass Diversified Holdings LLC	Foam Fabricators, Inc	Defense	\$248	2.0 x	8.3 x
1/17/2018	1/17/2018	Onyx Scientific Limited	Pisgah Labs, Inc.	Government Services	\$10	NA	8.5 x

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
1/12/2018	Pending	Melrose Industries PLC	GKN plc	Aerospace	\$12,332	0.9 x	9.3 x
1/9/2018	1/9/2018	NTC Group, Inc.	Tenax Aerospace, LLC	Aerospace	\$220	NA	NA
1/9/2018	12/21/2017	Hammond, Kennedy, Whitney & Company Inc.	GCR Inc.	Aerospace	\$124	NA	NA
1/3/2018	4/20/2018	Hong Kong Hangxin Aviation Technology Co., Ltd.	Magnetic MRO AS	Aerospace	\$52	NA	NA
1/3/2018	Pending	Shanghai Hangrong New Energy Technology Co., Ltd.	Gansu Shanghang Electrical Maintenance Co., Ltd.	Aerospace	\$54	NA	NA
1/2/2018	5/22/2018	Coolisys Technologies, Inc.	Enertec Systems 2001 Ltd.	Defense	\$9	NA	NA
12/27/2017	1/25/2018	Catea Co., Ltd	Pantom Co., Ltd.	Aerospace	\$7	0.4 x	NA
12/21/2017	2/1/2018	Mercury Systems, Inc.	Themis Computer, Inc.	Defense	\$180	NA	NA
12/21/2017	1/26/2018	Perusa Partners	SCHROTH Safety Products GmbH	Defense	\$61	NA	NA
12/21/2017	12/15/2017	Mistras Group, Inc.	West Penn Non-Destructive Testing, LLC	Defense	\$74	NA	NA
12/20/2017	1/31/2018	EM-Tech.CO., LTD.	BSL Co., Ltd.	Government Services	\$11	NA	NA
12/18/2017	12/15/2017	ConvergeOne, Inc.	AOS, a ConvergeOne Company	Defense	\$66	NA	NA
12/18/2017	12/18/2017	Bain Capital Private Equity, LP	Trans Maldivian Airways	Aerospace	\$500	4.4 x	NA
12/13/2017	Pending	China Aviation Planning and Design Institute Co., Ltd.	China Aviation Industry Renewable Energy Corporation	Aerospace	\$90	2.7 x	NA
12/13/2017	1/9/2018	Sdiptech AB	Aviolinx Communication and Services AB	Aerospace	\$5	2.2 x	NA
12/13/2017	1/31/2018	LBO France	Crouzet Automatismes SAS	Aerospace	\$235	1.5 x	NA
12/11/2017	12/12/2017	Nanjing Dingkong Electrical and Mechanical Technology Co., Ltd.	Yangzhou Shuguang Photoelectric Self-controlled Co., Ltd.	Defense	\$72	6.9 x	NA
12/8/2017	12/20/2017	Soltworks Co., Ltd.	Kat Co., Ltd.	Defense	\$13	0.6 x	NA
12/7/2017	12/7/2017	Suomen Erillisverkot Oy	Nordic Cyber Security Oy	Defense	\$6	NA	NA
12/6/2017	Pending	Kordsa, Inc.	Fabric Development, Inc. and Textile Products, Inc.	Aerospace	\$100	NA	NA
12/4/2017	4/18/2018	TTM Technologies, Inc.	Anaren, Inc.	Defense	\$775	NA	NA

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
11/29/2017	12/31/2017	Qualys, Inc.	Defensative LLC	Government Services	\$8	NA	NA
11/20/2017	12/24/2017	Warburg Pincus LLC	CYREN Ltd.	Defense	\$73	2.3 x	NA
11/14/2017	11/14/2017	OMERS Private Equity	Trescal SA	Aerospace	\$789	2.5 x	NA
11/14/2017	Pending	Hartenberg Capital	Avia Prime S.A.	Aerospace	\$69	NA	NA
11/9/2017	12/11/2017	Ichor Holdings, LLC	Talon Innovations Corporation	Aerospace	\$130	NA	NA
11/9/2017	Pending	Shaanxi Lixin Zhibang Energy Technology Co., Ltd.	Xi'an Tianhe Civil-Military Integration Innovative Technology Research Co., Ltd.	Defense	\$34	NA	NA
11/9/2017	12/31/2017	Getac Technology Corporation	WHP Workflow Solutions LLC	Defense	\$21	NA	NA
11/8/2017	11/8/2017	Structural Monitoring Systems Plc	Anodyne Electronics Manufacturing Corp.	Aerospace	\$8	NA	NA
11/7/2017	10/31/2017	BNP Paribas Développement SA, SCR	Faure Herman SAS	Aerospace	\$22	NA	NA
11/2/2017	11/23/2017	Cirrus Networks Holdings Limited	Correct Communications Pty Ltd	Government Services	\$4	0.4 x	NA
11/2/2017	Pending	Jackson Hole Airport Board	Jackson Hole Aviation, LLC	Aerospace	\$26	1.0 x	NA
10/31/2017	10/30/2017	SNC-Lavalin Group Inc.	Data Transfer Solutions LLC	Government Services	\$45	NA	NA
10/30/2017	Pending	AeroCentury Corp.	JetFleet Management Corporation	Aerospace	\$5	NA	NA
10/30/2017	Pending	Ansys Limited	LAW Trusted Third Party Services	Defense	\$8	NA	NA
10/30/2017	11/24/2017	NPD Co., Ltd.	CAP Corporation	Aerospace	\$70	0.9 x	6.1 x
10/27/2017	1/22/2018	MB Aerospace Newton Abbot Limited	Asian Compressor Technology Services Company Limited	Aerospace	\$60	NA	NA
10/26/2017	7/12/2017	NetScout Systems, Inc.	Efflux Systems, Inc.	Defense	\$9	NA	NA
10/25/2017	10/25/2017	Meditor Energy Limited	Substantially All Assets of Intelligent Energy Holdings Plc	Defense	\$9	NA	NA
10/23/2017	11/29/2017	Family Zone Cyber Safety Limited	Linewize Services Limited And Linewize Limited	Defense	\$13	NA	NA
10/23/2017	10/23/2017	GPI SpA	Info Line Srl	Government Services	\$6	NA	NA
10/19/2017	4/9/2018	Shanghai KangDa New Materials Co., Ltd.	Chengdu Bikong Sci-tech Shares Co.,LTD.	Defense	\$72	6.0 x	NA

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
10/18/2017	10/18/2017	Spectris plc	The Omnicon Group, Inc.	Defense	\$29	NA	NA
10/18/2017	10/18/2017	Gama Aviation Plc	Gama Group MENA FZC	Aerospace	\$10	0.4 x	NA
10/17/2017	11/21/2017	Forever Opensource Co.,Ltd.	Intelligent Aviation System Co., Ltd.	Aerospace	\$11	NA	NA
10/17/2017	Pending	Dnata Aviation Services Ltd	dnata Aviation Services GmbH	Aerospace	\$47	NA	NA
10/4/2017	10/4/2017	Materialise NV	ACTech GmbH	Aerospace	\$53	1.3 x	5.5 x
10/2/2017	Pending	Héroux-Devtek Inc.	Compañía Española de Sistemas Aeronáuticos SA	Aerospace	\$164	1.5 x	NA
10/1/2017	9/30/2017	Proyectos y Montajes Ingemont S.A.	Elimco Aerospace, Sociedad Limitada	Aerospace	\$8	NA	NA
9/29/2017	9/28/2017	UTIB INVL Technology	Deltagon Group Oy	Defense	\$7	2.4 x	NA
9/28/2017	11/17/2017	Dassault Systèmes Simulia Corp.	Exa Corporation	Aerospace	\$386	5.3 x	NA
9/28/2017	Pending	Shanghai Hugong Electric Group Co.,Ltd.	Beijing Aerospace Huayu Technology Co., Ltd.	Defense	\$87	11.5 x	NA
9/27/2017	12/31/2017	Zhejiang Science and Technology Investment Co., Ltd.	Acro Aircraft Seating Ltd.	Aerospace	\$74	1.8 x	NA
9/24/2017	5/31/2018	Aeronautics Ltd.	Chassis Plans LLC	Defense	\$6	0.4 x	NA
9/19/2017	9/19/2017	AAR Corp.	Premier Aviation Overhaul Center, Inc., Two Aircraft Maintenance, Repair and Overhaul	Aerospace	\$26	NA	NA
9/19/2017	Pending	AVIC International Holding	Motto Investment Limited	Aerospace	\$308	1.5 x	NA
9/18/2017	6/6/2018	Northrop Grumman Corporation	Northrop Grumman Innovation Systems	Defense	\$9,355	2.1 x	15.4 x
9/18/2017	10/2/2017	ManTech International Corporation	InfoZen, Inc.	Government Services	\$180	NA	NA
9/13/2017	Pending	Shanghai Greatown Industrial Co., Ltd.	Shanghai Hangdu Property Co., Ltd.	Aerospace	\$41	NA	NA
9/11/2017	9/11/2017	Ducommun LaBarge Technologies, Inc.	Lightning Diversion Systems Inc.	Defense	\$60	NA	NA
9/10/2017	1/24/2018	Cyient Defense Services Inc.	B&F Design Inc.	Defense	\$6	NA	NA
9/4/2017	10/20/2017	H.B. Fuller Company	Royal Adhesives & Sealants, LLC	Aerospace	\$1,575	NA	NA
9/4/2017	Pending	United Technologies Corporation	Rockwell Collins, Inc.	Aerospace	\$30,365	5.0 x	22.6 x

Continued on Next Page

## M&amp;A Transactions with Disclosed Values - LTM as of June 2018 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
8/28/2017	8/28/2017	Forcepoint LLC	RedOwl Analytics, Inc.	Defense	\$54	NA	NA
8/24/2017	9/19/2017	WABCO Holdings Inc.	R. H. Sheppard Co., Inc.	Defense	\$145	1.1 x	NA
8/24/2017	11/21/2017	CAE Inc.	Asian Aviation Centre of Excellence Sdn Bhd	Aerospace	\$190	NA	NA
8/21/2017	8/18/2017	Appliance Recycling Centers of America, Inc.	MJ Venture Partners, Inc.	Aerospace	\$16	NA	NA
8/18/2017	9/15/2017	Electronic Technologies Group, Inc.	AeroAntenna Technology, Inc.	Aerospace	\$337	NA	NA
8/16/2017	8/23/2017	Transaction Solutions International Limited	Decipher Works Pty Ltd	Defense	\$4	1.5 x	5.1 x
8/14/2017	11/27/2017	WSP Global Inc.	Opus International Consultants Limited	Government Services	\$202	0.6 x	8.0 x
8/11/2017	9/29/2017	Konekt Limited	Mission Providence Pty Ltd	Government Services	\$19	0.5 x	NA
8/8/2017	9/8/2017	Arsenal Capital Partners	Cyalume Technologies Holdings, Inc.	Defense	\$43	1.0 x	5.0 x
8/8/2017	Pending	Shanghai Shenhe Xintai Investment Management Co.,	Shanghai SIM-MAX Technology Co., Ltd.	Defense	\$50	9.5 x	NA
8/7/2017	8/7/2017	Carr's Group plc	NuVision Engineering, Inc.	Government Services	\$20	2.3 x	NA
8/2/2017	9/8/2017	Ricardo Defense Systems LLC	Control Point Corporation	Defense	\$10	NA	NA
8/1/2017	4/3/2018	AVIC Electromechanical Systems Co., Ltd.	Yibin Sanjiang Machinery Co., Ltd.	Aerospace	\$41	NA	NA
8/1/2017	8/1/2017	AVIC Electromechanical Systems Co., Ltd.	Xinxiang Aviation Industry	Aerospace	\$111	NA	NA
7/31/2017	8/1/2017	Carmanah Technologies Corporation	Vega Industries Ltd.	Aerospace	\$9	NA	NA
7/31/2017	9/8/2017	Indel B S.p.A.	Autoclima Spa	Defense	\$37	1.1 x	8.7 x
7/27/2017	Pending	Consolidated Gems, Inc.	Attofensive	Defense	\$20	NA	NA
7/24/2017	11/6/2017	SpeedCast International Limited	UltiSat Inc.	Defense	\$100	1.7 x	11.6 x

Aerospace Median

1.5 x 7.2 x

Aerospace Mean

2.1 x 9.4 x

Defense Median

1.5 x 7.1 x

Defense Mean

2.5 x 8.6 x

Government Services Median

1.5 x 11.9 x

Government Services Mean

1.9 x 12.3 x

Continued on Next Page



# SECTION 4: RECENT CONTRACTS

---

## Top 50 Signed Contracts – June 2018

Date Signed	Contractor Name	Funding Agency	Value (\$mm)	Description of Services
6/11/2018	The Boeing Co.	Dept of The Navy	\$1,517.4	System Configuration Sets and Associated Services
6/27/2018	The Boeing Co.	Dept of The Navy	\$1,505.0	Production and Delivery of Super Hornets In Support of The Government of Kuwait
6/22/2018	Lockheed Martin Corp.	Dept of The Air Force	\$1,124.5	F-16 Production
6/8/2018	The Boeing Co.	Dept of The Navy	\$862.2	Procurement of 15 F/A-18E and 3 F/A-18F Lot 42 Full Rate Production Aircraft For The Navy
6/8/2018	Harris Corp.	Dept of The Air Force	\$400.0	Support Foreign Military Sales Advanced Integrated Defensive Electronic Warfare Suite (Aidews)
6/1/2018	Dlt Solutions Llc	Dept of The Navy	\$379.3	Purchase Licenses and Technical Support For Oracle Software Programs
6/21/2018	Lockheed Martin Missile And Fire Control	Dept of The Army	\$364.6	Tactical Missile Guided Missile and Launching Assembly Service Life Extension Program
6/11/2018	Bae Systems Land & Armaments L.P.	Dept of The Army	\$348.0	Production of Up To 473 Bradley M2A4 and M7A4 Vehicles
6/27/2018	Battelle Energy Alliance Limited Liability Company	Department of Energy	\$347.6	Operation of Government-Owned Contractor-Operated R&D Facilities
6/1/2018	Draken International	Dept of The Air Force	\$280.0	Adversary Air Aggressor Services
6/27/2018	Merck Sharp & Dohme Corp.	Centers For Disease Control and Prevention	\$274.1	Drugs and Biologicals
6/15/2018	Ut Battelle Limited Liability Company	Department of Energy	\$257.4	Operation of Government-Owned Contractor-Operated R&D Facilities
6/21/2018	L3 Technologies Inc.	Dept of The Army	\$236.0	Small Tactical Optical Rifle Mounted Micro-Laser Range Finder
6/27/2018	Bae Systems	Dept of The Navy	\$224.3	Production and Delivery of An Additional 10,185 Advanced Precision Kill Weapon Systems li
6/28/2018	Uchicago Argonne, Llc	Department of Energy	\$205.0	Operation of Government-Owned Contractor-Operated R&D Facilities
6/15/2018	Drs Sustainment Systems Inc.	Dept of The Army	\$192.5	Procurement of Abrams Active Protection Systems
6/28/2018	Fermi Research Alliance Limited Liability Company	Department of Energy	\$176.8	Operation of Government-Owned Contractor-Operated R&D Facilities
6/8/2018	Ut Battelle Limited Liability Company	Department of Energy	\$173.1	Operation of Government-Owned Contractor-Operated R&D Facilities
6/5/2018	Northrop Grumman Systems Corp.	Dept of The Navy	\$153.2	Procurement of One Japan Configuration E-2D Advanced Hawkeye Aircraft For The Government of
6/21/2018	General Dynamics - Ots Inc.	Dept of The Army	\$149.2	Procurement of Various Quantities of Rockets, Warheads, Motors and, Or, Associated Components
6/27/2018	The Regents of The University of California (1741)	Department of Energy	\$144.9	Operation of Government-Owned Contractor-Operated R&D Facilities
6/21/2018	Stanford University	Department of Energy	\$141.7	Operation of Government-Owned Contractor-Operated R&D Facilities
6/27/2018	Brookhaven Science Associates, Llc	Department of Energy	\$141.0	Operation of Government-Owned Contractor-Operated R&D Facilities
6/26/2018	Pfizer Inc.	Centers For Disease Control and Prevention	\$130.1	Drugs and Biologicals
6/21/2018	Space Exploration Technologies Corp. (SpaceX)	Dept of The Air Force	\$130.0	Launch Services To Deliver The Air Force Space Command-52 Satellite To ITs Intended Orbit
6/15/2018	Marvin Engineering Co.	Dept of The Air Force	\$126.6	1,450 Guided Missile Launchers and 925 Sub-Assembly Components
6/11/2018	Northland/Cianbro A Joint Venture	Public Buildings Service	\$98.5	Construction of Miscellaneous Buildings
6/6/2018	Boeing Company, The	National Aeronautics and Space Administration	\$95.0	R&D- General Science/Technology: Engineering (Commercialized)
6/27/2018	Sanofi Pasteur Inc.	Centers For Disease Control and Prevention	\$85.3	Drugs and Biologicals
6/19/2018	Emergent Biodefense Operations Lansing Llc	Centers For Disease Control and Prevention	\$82.2	Drugs and Biologicals

## Top 50 Signed Contracts – June 2018 (Continued)

Date Signed	Contractor Name	Funding Agency	Value (\$mm)	Description of Services
6/11/2018	The Regents of The University of California (1741)	Department of Energy	\$80.0	Operation of Government-Owned Contractor-Operated R&D Facilities
6/8/2018	Lockheed Martin Corp.	Dept of The Navy	\$74.7	Support of The F-35 Lightning II Low Rate Initial Production Lot 13 Aircraft
6/7/2018	Mapp Biopharmaceutical, Inc.	Office of Assistant Secretary For Preparedness and Response	\$70.0	R&D- Medical: Biomedical (Basic Research)
6/1/2018	Kaman Precision Products	Dept of The Air Force	\$69.4	Joint Programmable Fuze (Fmu-52)
6/1/2018	Caci Inc Federal	Transportation Security Administration	\$66.3	IT and Telecom- Telecommunications Network Management
6/14/2018	Uchicago Argonne, Llc	Department of Energy	\$65.1	Operation of Government-Owned Contractor-Operated R&D Facilities
6/27/2018	Grunley Construction Co., Inc.	National Park Service	\$64.2	Construction of Other Non-Building Facilities
6/11/2018	National Government Services, Inc.	Centers For Medicare and Medicaid Services	\$63.0	Social- Government Health Insurance Programs
6/1/2018	Dyncorp International Llc	Dept of The Army	\$62.4	Aviation Field Maintenance Services
6/1/2018	The Boeing Company	National Aeronautics and Space Administration	\$61.5	R&D- Space: Aeronautics/Space Technology (Basic Research)
6/18/2018	Dell Federal Systems L.P.	Federal Acquisition Service	\$60.9	IT and Telecom- Teleprocessing, Timeshare, and Cloud Computing
6/1/2018	Csra Llc	Office of Procurement Operations	\$59.8	IT and Telecom- Other IT and Telecommunications
6/8/2018	International Business Machines Corporation	Social Security Administration	\$55.1	Information Technology Central Processing Unit (Cpu, Computer, Digital)
6/14/2018	Savannah River Nuclear Solutions, Llc	Department of Energy	\$52.2	Operation of Other Industrial Buildings
6/28/2018	Bechtel National, Inc	Department of Energy	\$50.0	Construction of Government-Owned Contractor-Operated R&D Facilities
6/6/2018	Bechtel National, Inc	Department of Energy	\$50.0	Construction of Government-Owned Contractor-Operated R&D Facilities
6/14/2018	Duke Cogema Stone&Webster Llc	Department of Energy	\$50.0	Construction of Production Buildings
6/15/2018	Battelle Memorial Institute	Department of Energy	\$48.6	Operation of Government-Owned Contractor-Operated R&D Facilities
6/22/2018	Volmar Construction Inc.	Public Buildings Service	\$48.4	Construction of office Buildings
6/1/2018	Raytheon Company	National Aeronautics and Space Administration	\$48.0	Space Vehicle Components
<b>Total Top 50</b>			<b>\$11,545.0</b>	

Continued on Next Page

## Top 20 Agencies Ranked by Total Contract Value Signed in June

Rank	Funding Agency	Contract Value (\$mm)	# of Contracts
1	Dept of The Navy	\$ 4,717	9
2	Department of Energy	2,946	198
3	Dept of The Air Force	2,130	6
4	Dept of The Army	1,391	19
5	National Aeronautics and Space Administration	1,110	612
6	Department of Veterans Affairs	913	879
7	Centers For Disease Control and Prevention	716	136
8	Federal Acquisition Service	710	355
9	Centers For Medicare and Medicaid Services	545	106
10	Federal Aviation Administration	424	287
11	Department of State	366	233
12	Public Buildings Service	281	202
13	National Institutes of Health	265	248
14	Office of Procurement Operations	235	153
15	Departmental Offices	212	140
16	U.S. Customs and Border Protection	210	103
17	Transportation Security Administration	190	57
18	U.S. Immigration and Customs Enforcement	184	67
19	U.S. Coast Guard	179	200
20	Internal Revenue Service	170	111
<b>Total Top 20 by Funding Agency</b>		<b>\$ 17,894</b>	<b>4,121</b>

## Top 20 NAICS Codes Ranked by Total Contract Value Signed in June

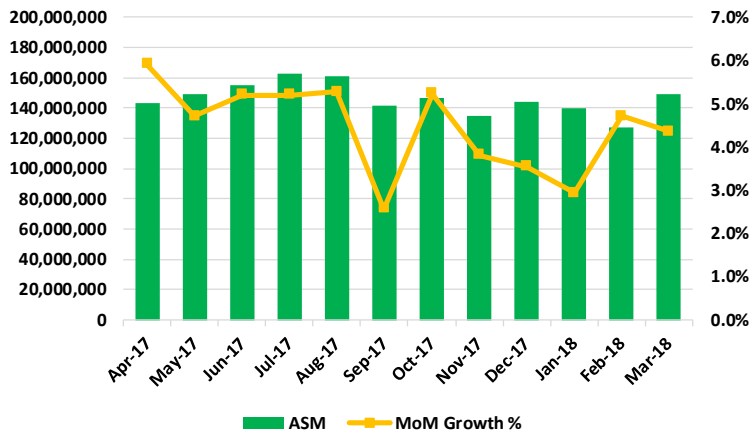
Rank	NAICS Code Description	Contract Value (\$mm)	# of Contracts
1	Research And Development In The Physical, Engineering, And Life Sciences	\$ 1,099	24
2	Computer Systems Design Services	1,021	484
3	Facilities Support Services	992	188
4	Other Computer Related Services	837	614
5	Research And Development In The Physical, Engineering, And Life Sciences (Except Biotechnology)	706	258
6	All Other Professional, Scientific, And Technical Services	575	189
7	Engineering Services	574	373
8	Administrative Management And General Management Consulting Services	550	480
9	Commercial And Institutional Building Construction	467	255
10	Biological Product (Except Diagnostic) Manufacturing	459	11
11	Data Processing, Hosting, And Related Services	395	125
12	Guided Missile And Space Vehicle Manufacturing	270	11
13	Security Guards And Patrol Services	240	95
14	Remediation Services	219	79
15	Custom Computer Programming Services	205	177
16	Direct Health And Medical Insurance Carriers	175	9
17	Pharmaceutical Preparation Manufacturing	164	32
18	Computer Facilities Management Services	131	63
19	Wired Telecommunications Carriers	129	56
20	Research And Development In Biotechnology	118	36
<b>Total Top 20 by NAICS Code Description</b>		<b>\$ 9,326</b>	<b>3,559</b>

# SECTION 5: KEY AEROSPACE & DEFENSE STATS

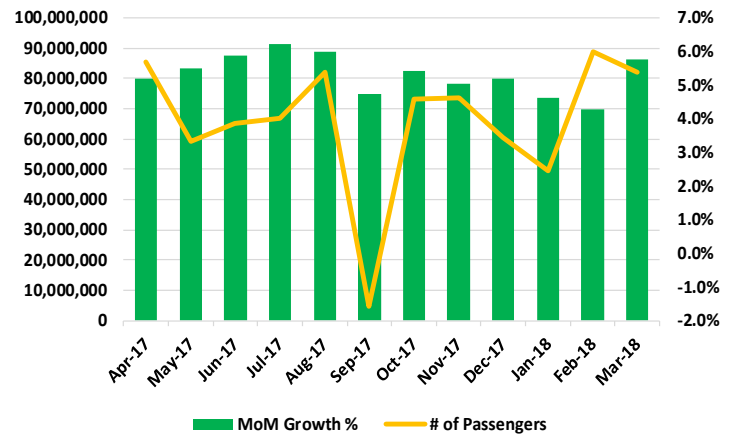
---

Key Aerospace & Defense Stats

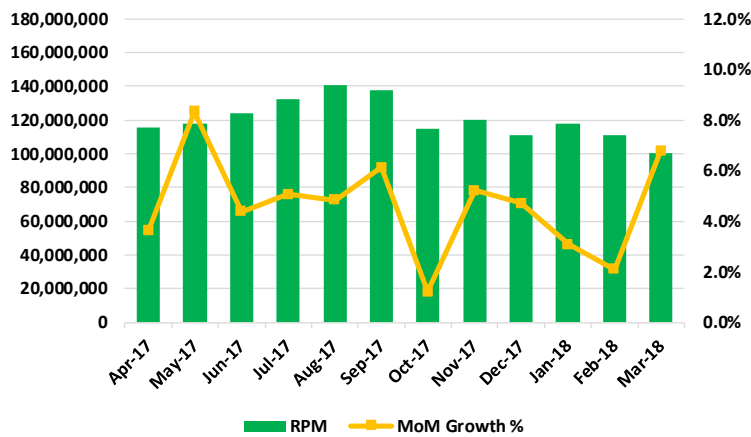
ASM – Global (in thousands)



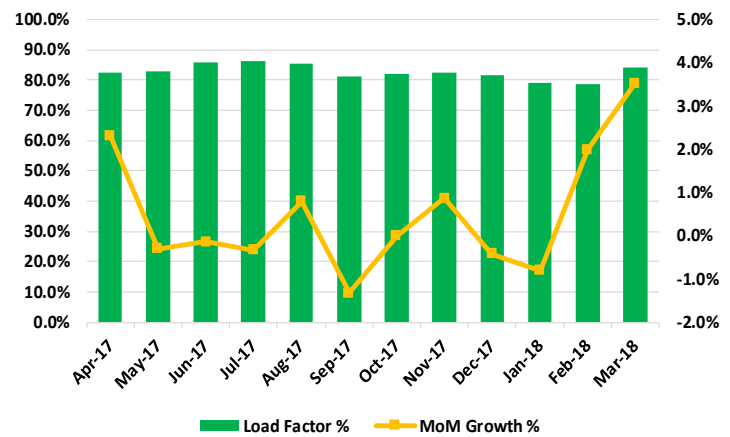
# of Passengers - Global



RSM – Global (in thousands)



Load Factor % - Global

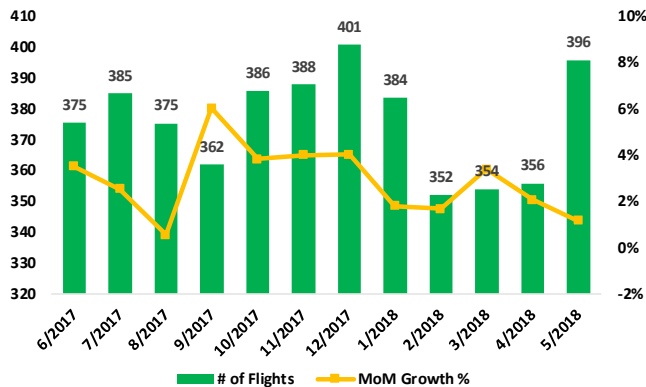


Commercial Aerospace Orders

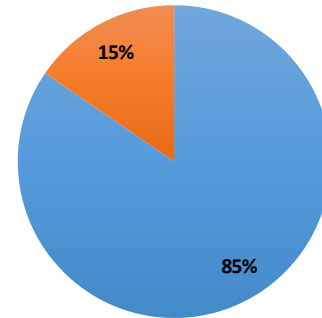
	LTM as of 5/2018	LTM as of 5/2017	YoY % Change	5/2018	4/2018	3/2018	2/2018	1/2018	12/2017	11/2017	10/2017	9/2017	8/2017	7/2017	6/2017
<b>Narrowbody Unit Orders</b>	<b>1,971</b>	<b>1,178</b>	<b>67.3%</b>	<b>33</b>	<b>62</b>	<b>160</b>	<b>22</b>	<b>26</b>	<b>1,022</b>	<b>188</b>	<b>69</b>	<b>101</b>	<b>41</b>	<b>11</b>	<b>236</b>
Boeing	854	632	35.1%	24	0	158	2	11	255	143	52	61	31	13	104
737	854	632	35.1%	24	0	158	2	11	255	143	52	61	31	13	104
Airbus	1,117	546	104.6%	9	62	2	20	15	767	45	17	40	10	-2	132
A320	1,117	546	104.6%	9	62	2	20	15	767	45	17	40	10	-2	132
<b>Widebody Unit Orders</b>	<b>286</b>	<b>258</b>	<b>10.9%</b>	<b>35</b>	<b>26</b>	<b>29</b>	<b>29</b>	<b>0</b>	<b>19</b>	<b>16</b>	<b>12</b>	<b>27</b>	<b>2</b>	<b>13</b>	<b>78</b>
Boeing	256	162	58.0%	19	47	29	21	0	10	16	12	11	2	9	80
787	170	87	95.4%	15	47	24	0	0	7	13	0	5	0	3	56
777	60	20	200.0%	4	0	2	3	0	3	2	12	6	0	4	24
767	7	40	-82.5%	0	0	3	4	0	0	0	0	0	0	0	0
747	19	15	26.7%	0	0	0	14	0	0	1	0	0	2	2	0
Airbus	30	96	-68.8%	16	-21	0	8	0	9	0	0	16	0	4	-2
A350	-4	49	NM	15	-22	0	0	0	0	0	0	10	0	1	-4
A380	14	-2	NM	0	0	0	14	0	0	0	0	0	0	0	0
A330	20	49	-59.2%	1	1	0	-6	0	13	0	0	6	0	3	2

Source: FAA

Global Business Jet Traffic  
(Flights in Thousands)

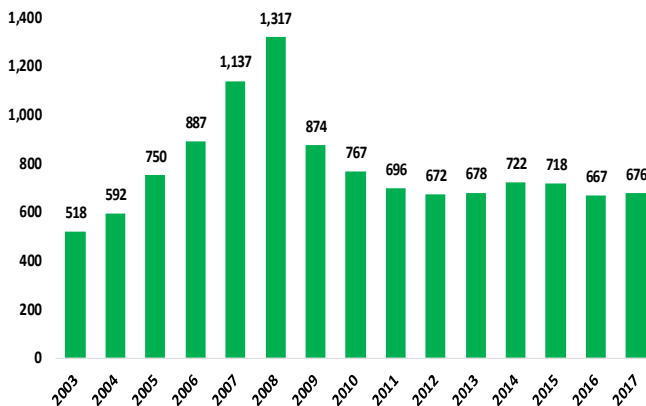


5/2018 Global Business Jet Traffic  
by Type (396K Flights)

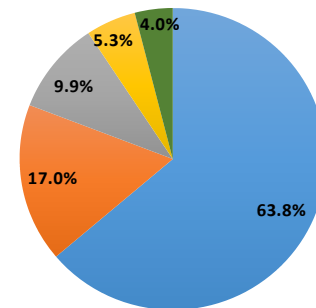


■ Domestic ■ International

Global Business Jet Deliveries



2017 Global Business Jet Deliveries  
By Market (676 Deliveries)



■ North America ■ Europe ■ Asia-Pacific ■ Latin America ■ Middle East & Africa

U.S. Defense Budget

By Appropriation Title (\$ in billions)	FY 2016	FY 2017	FY 2018*	FY 2017 vs FY 2018	
				Dollar Δ	% Δ
Military Personnel	\$ 135.3	\$ 135.4	\$ 141.7	\$ 6.3	4.6%
Operation and Maintenance	197.5	197.1	223.3	26.2	13.3%
Procurement	110.7	110.7	115.0	4.3	3.8%
RDT&E	68.8	69.6	82.7	13.1	18.8%
Military Construction/Family Housing	6.9	6.5	8.4	1.9	29.4%
Other	2.5	2.4	3.5	1.1	44.5%
<b>Total</b>	<b>\$ 521.7</b>	<b>\$ 521.8</b>	<b>\$ 574.5</b>	<b>\$ 52.8</b>	<b>10.1%</b>

By Military Department (\$ in billions)	FY 2016	FY 2017	FY 2018*	FY 2017 vs FY 2018	
				Dollar Δ	% Δ
Army	\$ 123.3	\$ 122.9	\$ 137.1	\$ 14.2	11.6%
Navy	159.3	159.1	171.5	12.4	7.8%
Air Force	145.7	146.5	165.5	19.0	13.0%
Defense Wide	93.4	93.3	100.4	7.1	7.6%
<b>Total</b>	<b>\$ 521.7</b>	<b>\$ 521.8</b>	<b>\$ 574.5</b>	<b>\$ 52.8</b>	<b>10.1%</b>

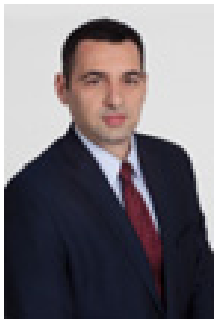
\* Base Budget Request

Source: GAMA, Office of the Under Secretary of Defense

# SECTION 6: ABOUT SCOTT-MACON

---





## Michael N. Papazis

**Managing Director**  
**Aerospace, Defense & Government Services**  
**Scott-Macon, Ltd.**  
**Office: (212) 755-8200**  
**Fax: (212) 583-9262**  
**mpapazis@scott-macon.com**  
**www.scott-macon.com**

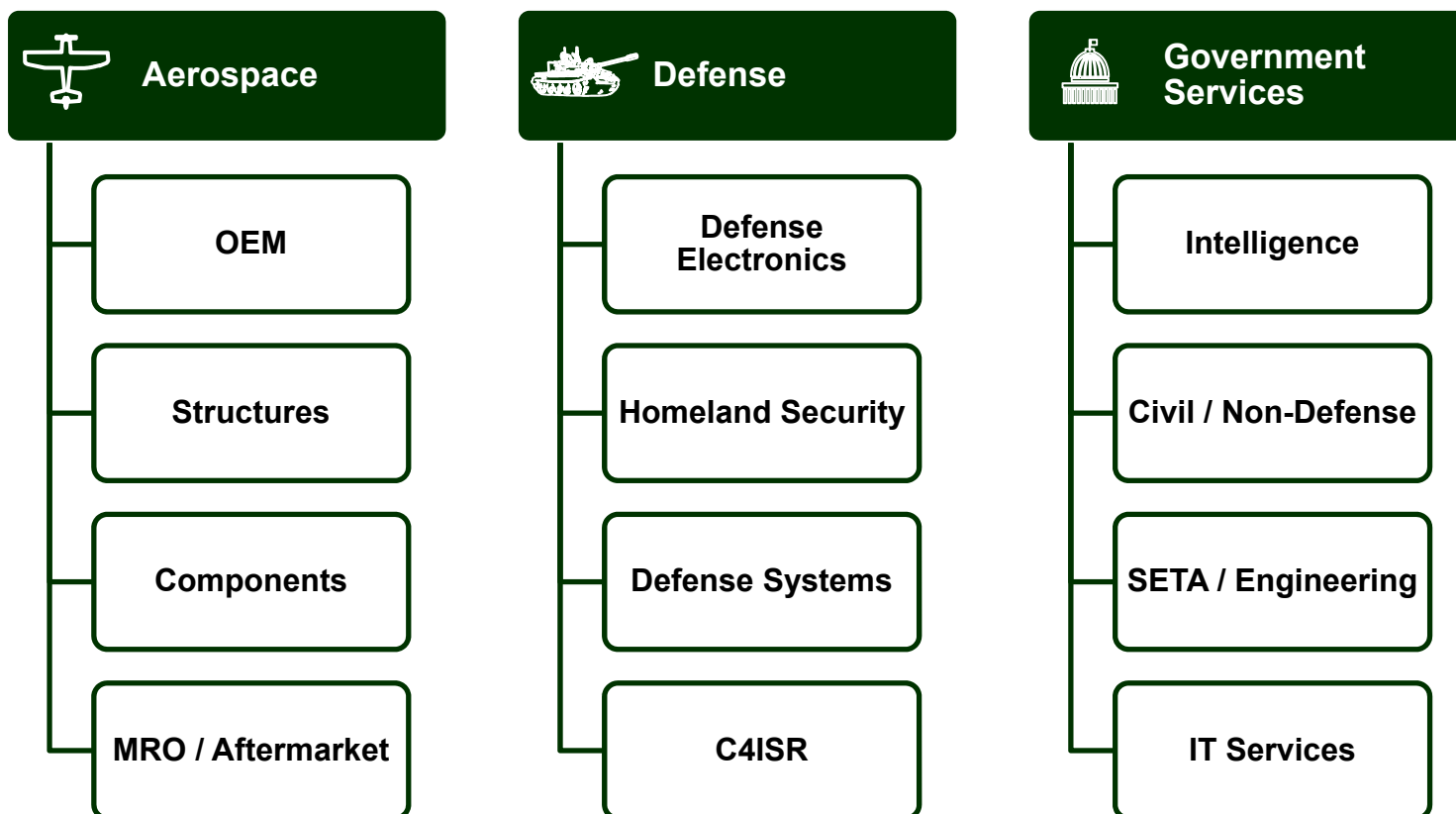
**Michael Papazis** has over 15 years of investment banking experience. Prior to joining Scott-Macon, Mr. Papazis was a Vice President of Aerospace & Defense Investment Banking at Oppenheimer & Co. Before Oppenheimer, Michael was a Senior Associate within the Aerospace & Defense Investment Banking Group at Jefferies & Company. Mr. Papazis began his career as an Analyst at Deutsche Banc Alex Brown in Baltimore, Maryland. Throughout his career, Mr. Papazis has worked on several M&A, equity and debt financing transactions for various Aerospace & Defense clients including Lockheed Martin, Kratos Defense & Security and Essex Corporation.

Mr. Papazis is a graduate of Dartmouth College with a B.A. in Economics and Government, *Cum Laude*. He also holds an M.A. in International Affairs from the Johns Hopkins University School of Advanced International Studies (SAIS).

### Selected Transaction Experience

<p>Undisclosed</p> <p>Sale to</p>	<p>\$8,000,000</p> <p>Senior Secured Notes &amp; Preferred Shares with</p>	<p>Undisclosed</p> <p>Sale to</p>	<p>\$80,000,000</p> <p>Initial Public Offering</p> <p>Joint Bookrunner</p>	<p>\$590,000,000</p> <p>Sale to</p>	<p>£115,000,000</p> <p>Acquisition of</p>
<p>\$38,000,000</p> <p>a portfolio company of Hastings Equity Partners and Admiralty Partners, Inc.</p> <p>Sale to</p>	<p>Undisclosed</p> <p>Sale to</p>	<p>\$61,000,000</p> <p>Equity Financing for Acquisition of</p>	<p>\$268,000,000</p> <p>Debt Financing for Acquisition of</p>	<p>\$270,000,000</p> <p>Acquisition of</p>	
<p>Undisclosed</p> <p>Sale of Securement Division to</p>	<p>£80,000,000</p> <p>Sale to</p>	<p>\$65,000,000</p> <p>Sale to</p>	<p>\$380,000,000</p> <p>Acquisition of</p>	<p>Undisclosed</p> <p>Sale to</p>	

**Aerospace Defense & Government Services Coverage**



**About Scott-Macon**

Scott-Macon, Ltd. is one of the oldest independent investment banks in the United States focused on middle market transactions in the range of \$10 million to \$500 million. The firm is comprised of senior professionals who have had extensive transaction experience in the areas of mergers and acquisitions, debt and equity financing, valuations and fairness opinions and general corporate financial consulting.

Founded in 1973 by Alfred L. Scott, Scott-Macon has remained unique in its commitment to provide clients with senior level advisors who have had significant investment banking experience as well as, in many cases, direct operating experience. The firm's philosophy of providing advice, ideas and solutions tempered by the perspective of actual operating experience has benefited clients over the firm's long history.

Another cornerstone of Scott-Macon's operating philosophy is a client-oriented approach to investment banking services, in contrast to today's transaction-oriented environment. Scott-Macon professionals strive to understand the unique aspects of each client's operations and will not hesitate to counsel against a transaction if it does not appear to be in the long-term best interests of a client. The firm's ownership by its own management team enables and encourages a truly unbiased and independent perspective; free from the inherent conflicts and cross-selling that can occur when advisory services are integrated into broader financial services platforms incorporating banking, securities or accounting. The success of Scott-Macon's client-oriented approach has been validated over the firm's history by the high percentage of repeat engagements which the firm has experienced from its clients.

**Prepared by SCOTT-MACON, LTD**

*Over 40 Years of Senior Level Experience, Attention & Execution in Investment Banking*