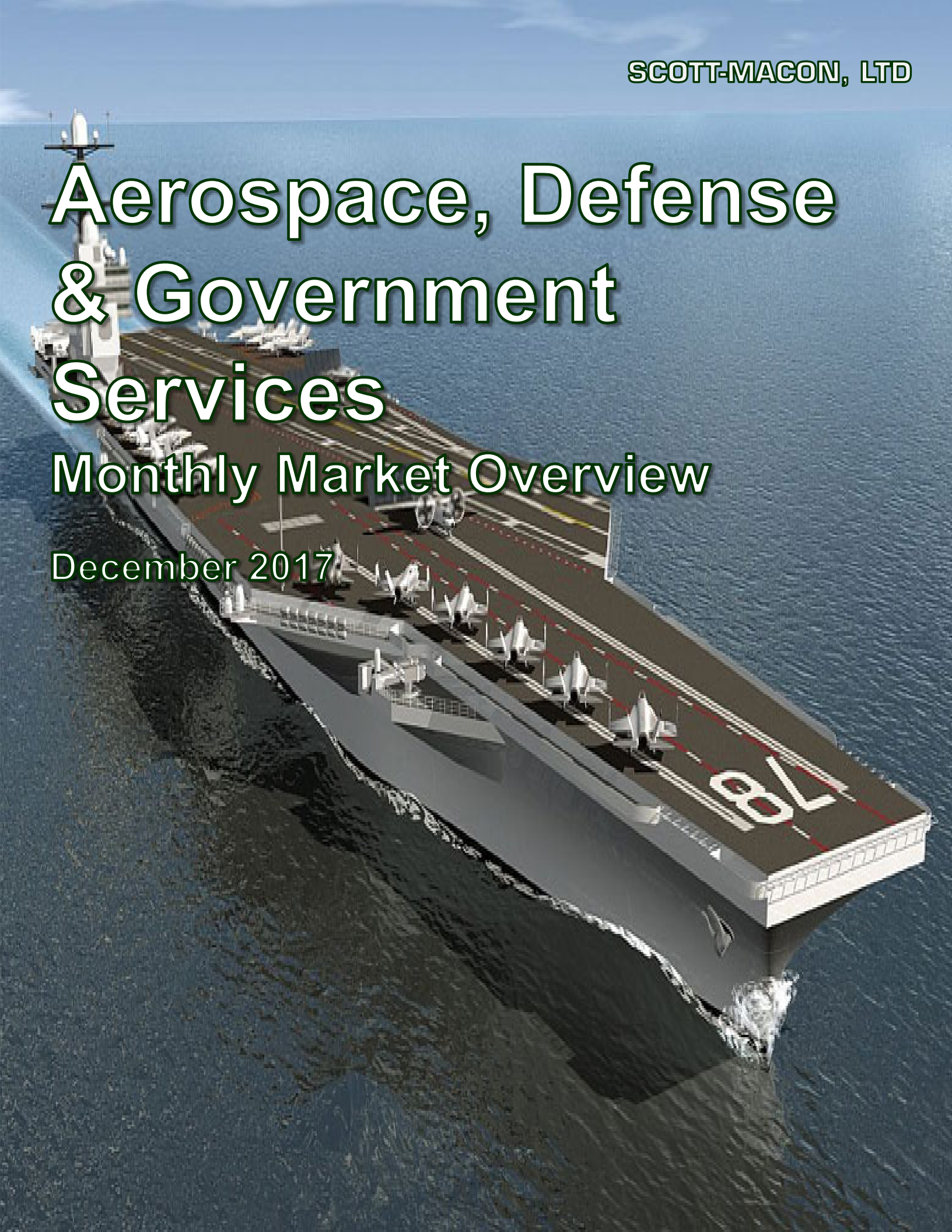


Aerospace, Defense & Government Services

Monthly Market Overview

December 2017



A note from **SCOTT-MACON**

We are pleased to present you with the December 2017 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

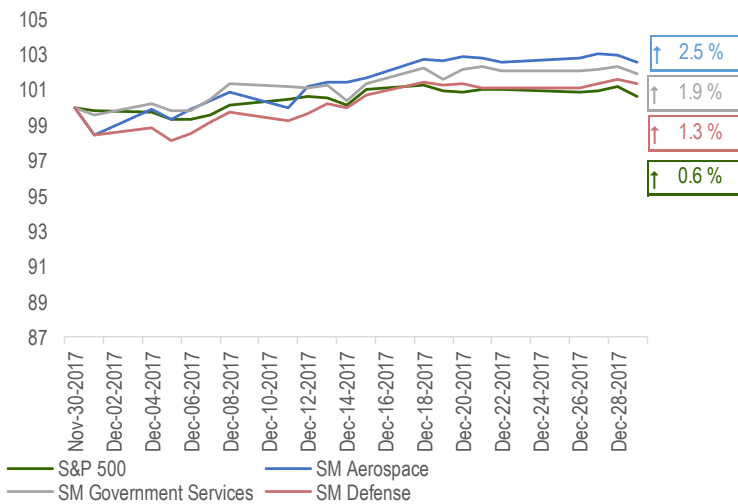
Table of Contents

Section 1	Market Snapshot Review of key valuation and deal trends analyzed on an Monthly and Last Twelve Month (LTM) basis	4
Section 2	Public Trading Comparables List of operating metrics and valuation multiples for public companies in selected sub-segments of the Aerospace, Defense & Government Services (ADG) sectors	6
Section 3	M&A Transactions List of relevant transactions with disclosed values which occurred in the last month segmented by Aerospace, Defense or Government Services	9
Section 4	Recent Contracts List of selected major government contracts that have been awarded in the last month	18
Section 5	Key Aerospace & Defense Stats Review of key trends in the aerospace and defense sectors	22
Section 6	About Scott-Macon Brief overview on Scott-Macon and their ADG investment banking practice	25

SECTION 1: MARKET SNAPSHOT

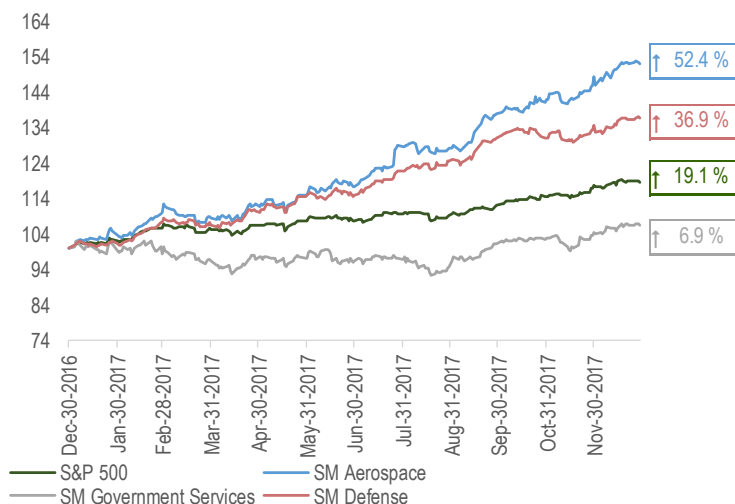
Monthly as of December 2017

Share Price Performance

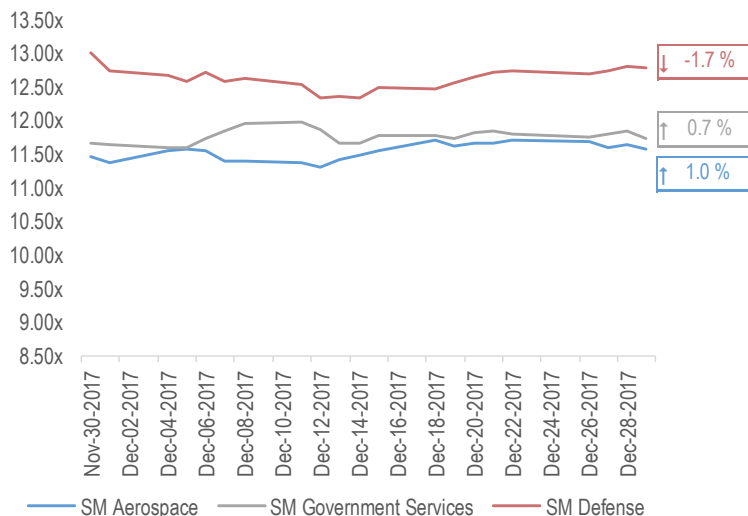


LTM as of December 2017

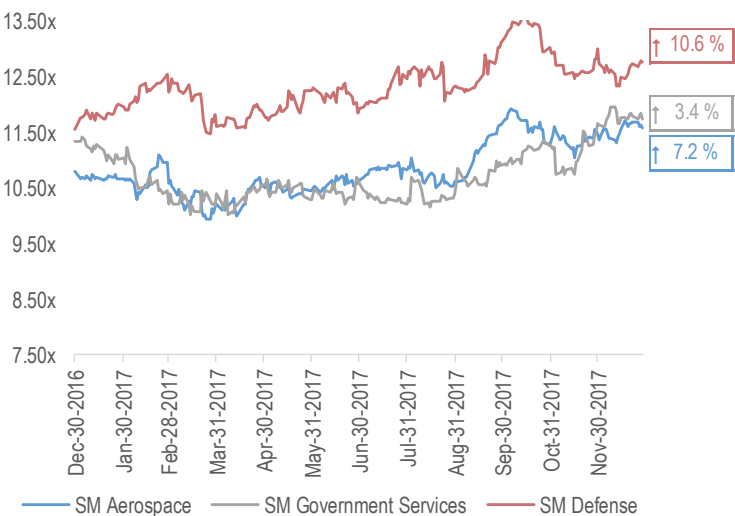
Share Price Performance



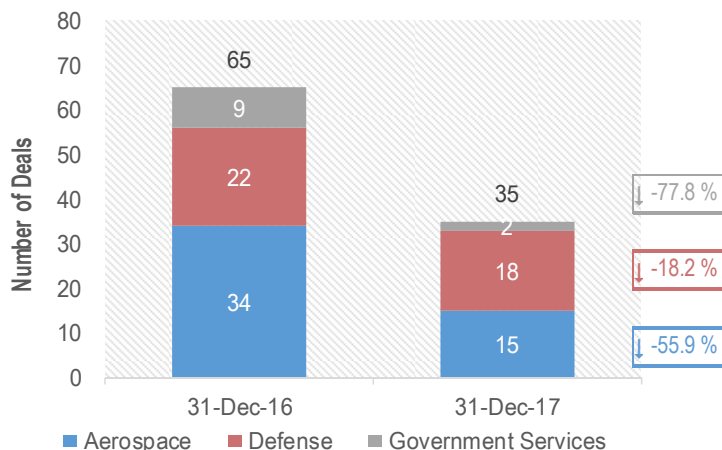
Trading Valuation (TEV / LTM EBITDA)



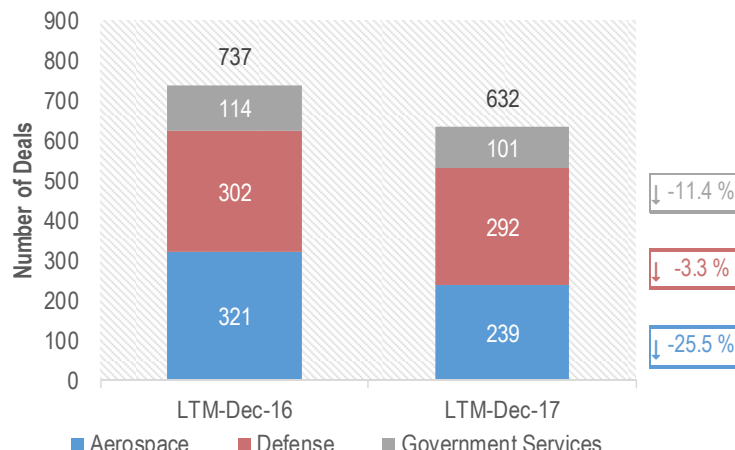
Trading Valuation (TEV / LTM EBITDA)



M&A Transactions



M&A Transactions



SECTION 2: 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	\$99.66	93.0%	\$77,187.0	\$80,174.5	NM	-4.7%	NM	1.0 x	-4.7%	25.2%
Boeing Company	294.91	98.5	175,642.1	176,437.1	15.7	6.5	23.7	1.9	9.5	NA
Bombardier Inc.	2.42	93.5	5,305.2	14,350.9	NM	0.4	-2.9	0.9	1.0	38.0
Embraer S.A.	6.04	87.0	4,424.6	5,961.2	10.1	19.3	-21.7	1.0	19.8	33.8
Median		93.2%	\$41,246.1	\$47,262.7	12.9 x	11.1%	0.8%	1.0 x	2.4%	28.9%
Mean		93.0%	\$65,639.7	\$69,230.9	12.9 x	11.1%	-11.1%	1.2 x	5.1%	49.8%
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.	\$39.29	89.2%	\$1,341.2	\$1,503.9	13.0 x	12.3%	28.4%	0.8 x	-4.3	10.5%
AMETEK, Inc.	72.47	99.2	\$6,749.1	18,443.1	17.2	-0.3	35.5	4.5	1.0	32.7
Astronics Corporation	41.47	93.8	1,162.5	1,324.5	16.7	0.1	36.9	2.2	0.1	12.1
CAE Inc.	18.62	98.9	4,992.8	5,575.9	12.5	2.2	15.1	2.5	3.2	10.2
Crane Co.	89.22	98.4	5,295.2	5,480.1	11.3	4.4	14.0	2.0	6.6	19.3
Esterline Technologies Corporation	74.70	72.7	2,220.2	2,699.8	9.1	3.7	-22.1	1.3	3.4	-18.9
HEICO Corporation	94.35	93.0	7,196.9	8,037.2	NM	3.7	32.1	5.3	4.0	31.8
Héroux-Devtek Inc.	12.14	96.9	439.1	500.4	11.6	8.8	7.8	1.6	6.5	-4.1
Meggitt PLC	6.52	91.0	5,051.1	6,567.8	9.0	-0.3	-49.3	2.3	-0.8	-16.0
Moog Inc.	86.85	96.5	3,112.3	3,700.8	11.5	3.0	22.2	1.5	4.3	16.3
MTU Aero Engines AG	179.39	96.7	9,238.8	9,134.8	11.4	-1.1	35.6	1.5	-0.2	31.3
Textron Inc.	56.59	98.1	14,907.0	18,086.0	12.0	1.3	17.5	1.3	2.6	9.6
TransDigm Group Incorporated	274.62	93.1	14,269.2	25,411.7	15.4	-1.8	1.3	7.3	-1.0	4.4
Woodward, Inc.	76.54	92.3	4,688.2	5,213.5	14.8	-0.9	-0.6	2.5	-0.1	2.2
Zodiac Aerospace	29.94	86.4	8,384.7	9,402.6	NM	1.0	24.3	1.5	1.0	12.2
Median		93.8%	\$5,051.1	\$5,575.9	12.0 x	3.7%	6.5%	2.0 x	4.4%	19.2%
Mean		93.1%	\$6,603.2	\$8,072.1	12.7 x	2.0%	4.6%	2.5 x	0.8%	11.0%
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.	\$8.95	89.1%	\$79.3	\$111.3	9.8 x	-2.0%	NA	1.4 x	-0.4%	3.3%
Ducommun Incorporated	28.45	80.0	322.3	541.0	10.7	1.0	15.0	1.0	2.0	19.4
GKN plc	4.32	84.2	7,414.5	8,155.2	5.4	2.7	-22.5	0.6	2.4	-22.1
Hexcel Corporation	61.85	96.7	5,555.7	6,270.4	14.0	-0.2	16.4	3.2	0.3	19.1
Kaman Corporation	58.84	97.4	1,636.6	2,014.7	12.4	-1.1	14.1	1.1	-1.5	20.4
Latécoère S.A.	6.86	95.8	646.9	689.5	NM	4.1	NM	0.9	5.2	27.8
Magellan Aerospace Corporation	16.75	95.9	975.2	1,052.6	8.6	0.0	14.4	1.3	-0.4	8.9
Senior plc	3.52	88.2	1,477.9	1,723.4	11.4	-0.5	18.6	1.3	-2.0	11.8
Spirit AeroSystems Holdings, Inc.	87.25	99.3	10,088.3	10,451.0	14.2	3.4	74.8	1.5	4.3	38.0
Triumph Group, Inc.	27.20	78.2	1,350.4	2,748.8	7.6	-6.3	NA	0.8	-6.3	7.4
Median		92.4%	\$1,414.2	\$1,869.0	10.7 x	1.0%	13.5%	1.2 x	-0.8%	19.7%
Mean		90.5%	\$2,954.7	\$3,375.8	10.4 x	-0.2%	12.2%	1.3 x	0.0%	14.9%
Total Aerospace Median		93.5%	\$4,992.8	\$5,575.9	11.6 x	1.0%	7.2%	1.5 x	3.0%	20.2%
Total Aerospace Mean		92.2%	\$13,488.1	\$14,888.4	11.9 x	2.0%	2.0%	1.9 x	1.0%	14.5%

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.	\$38.13	96.1%	\$5,559.8	\$7,076.8	12.4 x	-1.1%	-2.7%	1.2 x	0.3%	-2.3%
CACI International Inc	132.35	89.8	3,258.6	4,363.1	12.0	0.2	-6.3	1.0	1.4	-9.7
CGI Group Inc.	54.46	97.6	15,445.0	16,860.2	11.7	0.4	2.5	1.9	0.6	0.6
CSRA Inc.	29.92	88.9	4,900.3	7,708.3	8.2	2.1	-38.6	1.5	3.1	-5.9
Cyient Limited	9.07	95.7	1,021.7	895.3	12.1	0.6	7.0	1.5	4.4	5.1
Engility Holdings, Inc.	28.37	79.6	1,044.7	1,991.8	10.5	-1.5	-17.0	1.0	-1.5	-6.4
ICF International, Inc.	52.50	90.6	978.7	1,202.3	10.6	-2.3	-11.5	1.0	-3.7	-9.9
KEYW Holding Corp.	5.87	47.3	288.9	537.8	NM	3.6	NA	1.4	2.5	-24.4
Leidos Holdings, Inc.	64.57	98.3	9,768.3	12,601.3	12.0	1.2	-41.5	1.2	2.7	-33.6
ManTech International Corp.	50.19	94.2	1,957.1	1,808.4	14.3	-1.7	14.3	1.1	-0.7	13.4
MAXIMUS, Inc.	71.58	98.7	4,662.5	4,502.6	12.1	3.8	12.3	1.8	5.3	19.2
Navigant Consulting, Inc.	19.41	73.4	891.3	1,059.0	8.3	1.0	-17.7	1.1	-1.3	-26.5
QinetiQ Group plc	3.12	71.6	1,743.9	1,479.9	6.5	8.3	-26.8	1.3	7.6	-17.7
Science Applications International Corp.	76.57	85.2	3,274.6	4,180.6	13.8	1.4	4.0	1.0	1.2	-6.2
Serco Group plc	1.34	65.5	1,455.5	1,708.1	13.1	3.4	25.9	0.4	3.1	-24.8
Vectrus, Inc.	30.85	86.7	342.9	353.0	8.1	-4.2	30.3	0.3	-3.9	30.5
VSE Corp.	48.43	80.9	524.9	725.9	9.1	1.0	7.3	0.9	-1.1	-15.2
Median		88.9%	\$1,743.9	\$1,808.4	11.8 x	1.8%	4.0%	1.1 x	0.1%	-6.8%
Mean		84.7%	\$3,359.9	\$4,062.0	10.9 x	0.6%	-1.8%	1.2 x	1.2%	-8.9%
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	\$37.15	94.1%	\$5,855.7	\$9,116.0	9.6 x	-0.6%	6.9	0.5 x	0.0%	-5.4%
Fluor Corp.	51.65	88.5	7,224.6	6,987.8	9.6	6.9	13.7	0.4	7.4	-8.7
Jacobs Engineering Group Inc.	65.96	95.1	7,949.6	7,472.5	11.7	0.6	14.9	0.7	1.9	21.7
KBR, Inc.	19.83	93.3	2,777.8	2,769.8	16.2	5.8	37.5	0.6	5.9	3.2
Tetra Tech, Inc.	48.15	94.6	2,683.0	2,850.1	12.9	-3.5	-1.4	1.4	-3.8	1.7
Median		94.1%	\$5,855.7	\$6,987.8	11.7 x	0.6%	14.9%	0.6 x	5.8%	4.2%
Mean		93.1%	\$5,298.1	\$5,839.2	12.0 x	1.8%	14.4%	0.7 x	0.2%	3.6%
Total Government Services Median		90.2%	\$2,730.4	\$2,809.9	11.7 x	0.7%	3.4%	1.1 x	17.3%	-5.2%
Total Government Services Mean		86.6%	\$3,800.4	\$4,465.9	11.2 x	0.9%	2.0%	1.1 x	1.1%	-7.1%

Public Comparables (Continued)

Defense Public Comparables*

Defense Primes	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
BAE Systems plc	\$7.74	84.0%	\$24,659.4	\$26,986.9	10.0 x	3.5%	-16.4%	1.1 x	4.8%	-11.7%
Boeing Company	294.91	98.5	175,642.1	176,437.1	15.7	6.5	23.7	1.9	9.5	NA
General Dynamics Corporation	203.45	94.7	60,746.7	62,906.7	12.8	-1.7	10.6	2.0	-0.3	15.0
Leonardo S.p.a.	11.91	61.6	6,842.2	11,911.8	5.8	-0.7	-17.2	0.8	-0.6	-15.9
Lockheed Martin Corporation	321.05	99.1	92,054.7	103,458.7	15.9	0.5	36.2	2.1	0.1	24.1
Northrop Grumman Corporation	306.91	98.6	53,426.4	58,638.4	15.4	-0.1	16.5	2.3	0.1	17.9
Raytheon Company	187.85	97.6	54,305.0	57,432.0	15.3	-1.6	26.4	2.3	-0.4	24.4
Thales S.A.	107.93	89.5	22,859.4	20,416.4	9.7	6.6	-15.6	1.1	7.9	-11.1
Median		96.2%	\$53,865.7	\$58,035.2	14.1 x	1.2%	19.1%	2.0 x	2.1%	35.0%
Mean		90.5%	\$61,317.0	\$64,773.5	12.6 x	1.5%	9.7%	1.7 x	1.1%	16.9%

Defense Systems	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
Aerjet Rocketdyne Holdings, Inc.	\$31.20	86.1%	\$2,343.1	\$2,569.2	13.1 x	-0.8%	18.9%	1.7 x	26.6%	NM
AeroVironment, Inc.	\$56.16	95.2%	\$1,318.5	\$1,090.7	NM	-14.3%	NA	1.2 x	-60.3%	-30.4
Cobham plc	1.71	75.6	4,060.4	4,684.8	NM	NM	NM	1.2	-30.3	-36.1
Cubic Corporation	58.95	90.8	1,603.9	1,798.5	NM	NM	NM	3.6	NM	NM
Curtiss-Wright Corporation	121.85	97.5	5,377.2	5,909.8	13.6	-1.7	13.6	3.6	35.2	57.7
FLIR Systems, Inc.	46.62	96.3	6,460.3	6,443.7	17.2	0.1	27.2	1.6	-57.0	-47.3
Huntington Ingalls Industries, Inc.	235.70	93.0	10,668.1	11,451.1	10.4	-2.3	18.8	1.4	-13.1	8.9
Kongsberg Gruppen ASA	18.45	97.4	2,213.5	2,460.6	15.3	4.4	-1.5	1.7	25.9	54.9
L3 Technologies, Inc.	197.85	98.9	15,460.4	18,436.4	13.3	-0.3	NA	1.9	14.2	NM
Orbital ATK, Inc.	131.50	97.7	7,585.7	8,887.7	13.5	-0.3	26.6	4.2	NM	NM
Rockwell Collins, Inc.	135.62	99.4	22,204.0	28,663.0	19.5	2.0	68.6	1.7	-58.5	-36.1
Safran SA	103.16	93.1	42,885.7	41,970.7	9.3	-4.1	22.1	2.1	-5.1	30.1
Textron Inc.	56.59	98.1	14,907.0	18,086.0	12.0	1.3	17.5	1.3	2.6	9.6
Median		96.3%	\$6,460.3	\$6,443.7	13.4 x	-0.3%	23.0%	1.7 x	-0.5%	18.4%
Mean		93.8%	\$10,545.2	\$11,727.1	13.7 x	0.1%	22.8%	2.1 x	-2.5%	35.4%

Defense Electronics / 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
AMETEK, Inc.	\$72.47	99.2%	\$16,749.1	\$18,443.1	17.2 x	-0.3%	35.5%	4.5 x	1.0%	32.7%
Chemring Group plc	2.48	88.3	693.9	844.9	7.6	3.5	-31.7	1.1	4.7	-22.7
Comtech Telecommunications Corp.	22.12	92.6	522.2	674.4	10.9	1.7	6.3	1.3	6.2	26.9
Crane Co.	89.22	98.4	5,295.2	5,480.1	11.3	4.4	14.0	2.0	6.6	19.3
Ducommun Incorporated	28.45	80.0	322.3	541.0	10.7	1.0	15.0	1.0	2.0	19.4
Elbit Systems Ltd.	134.01	86.5	5,729.0	6,208.5	14.5	-3.7	26.2	1.8	-5.4	21.5
Harris Corporation	141.65	97.7	16,884.8	20,493.8	14.7	-1.6	46.0	3.5	-0.9	51.4
Héroux-Devtek Inc.	12.14	96.9	439.1	500.4	11.6	8.8	7.8	1.6	6.5	-4.1
Kratos Defense & Security Solutions, Inc.	10.59	76.0	1,093.9	1,224.4	NM	1.4	-64.3	1.7	1.8	14.3
Meggitt PLC	6.52	91.0	5,051.1	6,567.8	9.0	-0.3	-49.3	2.3	-0.8	-16.0
Mercury Systems, Inc.	51.35	93.4	2,477.2	2,451.1	NM	-1.6	11.9	5.7	-1.0	26.3
Moog Inc.	86.85	96.5	3,112.3	3,700.8	11.5	3.0	22.2	1.5	4.3	16.3
OSI Systems, Inc.	64.38	66.6	1,221.2	1,488.9	9.5	-22.1	-41.7	1.5	-22.3	-24.1
Teledyne Technologies Incorporated	181.15	97.1	6,419.3	7,532.5	16.5	-2.3	21.8	3.1	-1.1	39.6
Ultra Electronics Holdings plc	18.21	60.0	1,410.9	1,762.9	10.2	4.3	-23.9	1.7	3.6	-25.3
ViaSat, Inc.	74.85	98.6	4,359.1	5,138.7	NM	0.7	41.6	3.3	0.3	0.2
Woodward, Inc.	76.54	92.3	4,688.2	5,213.5	14.8	-0.9	-0.6	2.5	-0.1	2.2
Median		92.6%	\$3,112.3	\$3,700.8	11.4 x	3.7%	-0.7%	1.8 x	-3.8%	-6.8%
Mean		88.9%	\$4,498.2	\$5,192.2	12.1 x	-0.8%	-3.9%	2.3 x	-0.7%	11.6%

Homeland Security	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
Analogic Corporation	83.75	93.6	1,045.6	898.2	NM	-5.5	38.8	1.9	3.0	9.9
Elbit Systems Ltd.	134.01	86.5	5,729.0	6,208.5	14.5	-3.7	26.2	1.8	-5.4	21.5
MSA Safety Incorporated	77.52	89.8	2,948.2	3,316.5	15.3	-8.9	5.9	2.9	-8.0	13.1
OSI Systems, Inc.	64.38	66.6	1,221.2	1,488.9	9.5	-22.1	-41.7	1.5	-22.3	-24.1
American Outdoor Brands Corporation	12.84	52.4	694.8	915.9	5.9	27.3	17.8	1.2	7.1	-18.4
Smiths Group plc	20.14	88.4	7,969.7	9,297.0	10.7	0.4	-15.0	2.1	-0.5	-5.9
Median		87.5%	\$2,084.7	\$2,402.7	10.7 x	-12.3%	-21.0%	1.9 x	-2.2%	1.0%
Mean		79.6%	\$3,268.1	\$3,687.5	11.2 x	-5.8%	-10.7%	1.9 x	-5.0%	-0.3%

Total Defense Median		93.2%	\$5,336.2	\$6,059.2	12.8 x	-1.7%	10.6%	1.8 x	-3.7%	9.8%
Total Defense Mean		89.3%	\$16,447.7	\$17,750.7	12.5 x	-0.7%	4.4%	2.1 x	-1.5%	16.7%

SECTION 3: M&A TRANSACTIONS

M&A Transactions with Disclosed Values - LTM as of December 2017

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
12/21/2017	Pending	Mercury Systems, Inc.	Themis Computer, Inc.	Defense	\$180	NA	NA
12/21/2017	12/15/2017	Mistras Group, Inc.	West Penn Non-Destructive Testing, LLC	Defense	\$74	NA	NA
12/18/2017	Pending	Bain Capital Private Equity, LP	Trans Maldivian Airways	Aerospace	\$500	4.4 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
12/7/2017	12/7/2017	Suomen Erillisverkot Oy	Nordic Cyber Security Oy	Defense	\$6	NA	NA
12/6/2017	Pending	Kordsa Global Endüstriyel İplik ve Kord Bezi Sanayi ve Ticaret A.S.	Fabric Development, Inc. and Textile Products, Inc.	Aerospace	\$100	NA	NA
12/3/2017	Pending	TTM Technologies, Inc.	Anaren, Inc.	Defense	\$775	NA	NA
11/14/2017	Pending	OMERS Private Equity	Trescal SA	Aerospace	\$789	NA	NA
11/14/2017	Pending	Hartenberg Capital	Avia Prime S.A.	Aerospace	\$69	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
11/8/2017	Pending	Structural Monitoring Systems Plc	Anodyne Electronics Manufacturing Corp.	Aerospace	\$8	NA	NA
11/2/2017	11/23/2017	Cirrus Networks Holdings Limited	Correct Communications Pty Ltd	Government Services	\$4	0.0 x	0.1 x
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
10/27/2017	Pending	MB Aerospace Newton Abbot Limited	Asian Compressor Technology Services Company Limited	Aerospace	\$60	NA	NA
10/26/2017	Pending	Beijing Huaqing Ruida Technology Co., Ltd.	Beijing Senfotech Corporation	Defense	\$63	NA	NA
10/25/2017	Pending	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

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
10/19/2017	Pending	Shanghai KangDa New Materials Co., Ltd.	Chengdu Bikong Sci-tech Shares Co.,LTD.	Defense	\$70	6.0 x	NA
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	Pending	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
10/13/2017	Pending	Novume Solutions, Inc.	NeoSystems Corp.	Government Services	\$22	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	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	Pending	Zhejiang Science and Technology Investment Co., Ltd.	Acro Aircraft Seating Ltd.	Aerospace	\$74	1.8 x	NA
9/24/2017	Pending	Aeronautics Ltd.	Chassis Plans, LLC	Government Services	\$6	0.4 x	NA
9/19/2017	Pending	AVIC International Holding	Motto Investment Limited	Aerospace	\$308	1.5 x	NA
9/18/2017	Pending	Northrop Grumman Corporation	Orbital ATK, Inc.	Aerospace	\$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
9/4/2017	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
8/28/2017	8/28/2017	Forcepoint LLC	RedOwl Analytics, Inc.	Defense	\$54	NA	NA

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
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
8/18/2017	9/15/2017	Electronic Technologies Group, Inc.	Aeroantenna Technology, Inc.	Defense	\$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
8/14/2017	Pending	TCTM Financial FS LLC	Wellman Dynamics Corporation	Aerospace	\$21	NA	NA
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
7/31/2017	8/2/2017	Carmanah Technologies Corporation	Vega Industries Ltd.	Aerospace	\$9	NA	NA
7/31/2017	Pending	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
7/24/2017	7/24/2017	GENUI GmbH	Acrolinx GmbH	Aerospace	\$60	NA	NA
7/12/2017	Pending	CPP Investment Board Europe S.a.r.l.	Shell E&P Ireland Ltd.	Aerospace	\$1,233	NA	NA
7/11/2017	Pending	Sichuan Zhongguang Lightning Protection Technologies Co., Ltd.	Shaanxi Huatong Electromechanical Manufacturing Co., Ltd.	Aerospace	\$81	10.9 x	NA
7/7/2017	Pending	Ultra Electronics Holdings plc	Sparton Corporation	Government Services	\$309	0.8 x	14.1 x
7/7/2017	Pending	Shenzhen City Qianhai Wanke Financial Services Company	Lijiang Hua Ou Real Estate Company Limited	Defense	\$73	NA	NA
7/7/2017	Pending	Hancom Safety Inc.	Sancheong Co.,Ltd.	Defense	\$228	2.4 x	6.8 x
7/7/2017	7/3/2017	Hanwha Land Systems Co., Ltd.	Hanwha Defense Systems Corp.	Defense	\$584	NA	NA

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
7/6/2017	7/6/2017	Itinera Usa Corp.	Halmar International, LLC	Aerospace	\$120	0.5 x	NA
7/6/2017	7/31/2017	Symantec Corporation	Fireglass	Defense	\$225	NA	NA
7/6/2017	Pending	AECOM	Shimmick Construction Company, Inc.	Government Services	\$175	0.6 x	NA
7/5/2017	7/5/2017	Advanced Energy Industries, Inc.	Excelsys Technologies Ltd.	Defense	\$18	1.5 x	NA
7/5/2017	Pending	Far East Smarter Energy Co.,Ltd	Beijing Jinghangan Airport Engineering Co., Ltd.	Aerospace	\$210	2.3 x	NA
7/3/2017	8/15/2017	H.I.G. Capital, LLC	NCI, Inc.	Defense	\$285	0.9 x	9.6 x
6/20/2017	7/24/2017	Modern Times Group Mtg AB	Kongregate, Inc.	Defense	\$55	1.6 x	NA
6/18/2017	5/31/2017	Airbus Defence and Space GmbH	Cassidian SAS	Defense	\$15	NA	NA
6/16/2017	7/3/2017	John Bean Technologies Corporation	Aircraft Maintenance Support Services Ltd	Aerospace	\$13	NA	NA
6/15/2017	6/15/2017	Liberty Hall Capital Partners, L.P.	Dunlop Aircraft Tyres Limited	Defense	\$135	NA	NA
6/7/2017	Pending	EriSat LLC	Aerial Source	Defense	\$724	NA	NA
6/1/2017	6/1/2017	TransDigm Group Incorporated	Three Add On Aerospace Product Lines	Aerospace	\$100	3.1 x	NA
5/27/2017	Pending	Guizhou Space Appliance Co., Ltd.	Shenzhen Smart Micromotor Co., Ltd	Aerospace	\$13	NA	NA
5/26/2017	Pending	Guizhou Space Appliance Co., Ltd.	Shenzhen Casic Motor System Co.,Ltd.	Aerospace	\$16	NA	NA
5/24/2017	7/5/2017	CSRA Inc.	NES Associates, LLC	Defense	\$105	NA	NA
5/18/2017	5/23/2017	New Age Beverages Corporation	Premier Micronutrient Corporation	Defense	\$5	NA	NA
5/12/2017	7/13/2017	Shanghai Saifon Water Service Co.,Ltd.	Doosan Hydro Technology, Inc.	Government Services	\$7	NA	NA
5/11/2017	6/1/2017	Stellwagen Group	ECN Capital Corp., Commercial Aviation Advisory and Asset Management Business	Aerospace	\$23	NA	NA
5/8/2017	6/2/2017	Federal Signal Corporation	Truck Bodies & Equipment International, Inc.	Defense	\$270	1.3 x	7.2 x
5/3/2017	6/5/2017	Digital Power Corporation	Microphase Corporation	Defense	\$7	1.2 x	NA
5/3/2017	7/10/2017	Thoma Bravo, LLC	Kofax Limited	Government Services	\$1,350	0.3 x	NA

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
5/2/2017	5/2/2017	Infinite RF Holdings, Inc.	Smiths Interconnect, Inc., Microwave Telecoms Business	Defense	\$110	1.1 x	NA
5/1/2017	6/9/2017	Wave Systems Corp.	Jive Software, Inc.	Government Services	\$344	1.7 x	NA
5/1/2017	4/28/2017	Apollo Aerospace Components Limited	PolyAero Inc.	Defense	\$11	NA	NA
4/26/2017	4/26/2017	NorthEdge Capital LLP	Future Industrial Services Limited	Government Services	\$21	0.7 x	NA
4/13/2017	4/5/2017	Kobe Steel, Ltd.	Quintus Technologies AB	Aerospace	\$115	1.9 x	NA
4/12/2017	5/2/2017	Medley Capital Corporation	United Road Towing, Inc.	Government Services	\$40	NA	NA
4/7/2017	12/25/2017	Zhejiang Nanyang Technology Co., Ltd.	Aerospace Shenzhou Flight Vehicle Co., Ltd.	Aerospace	\$228	6.4 x	NA
4/6/2017	4/5/2017	Florida Pneumatic Manufacturing Corporation	Jiffy Air Tool, Inc.	Aerospace	\$8	NA	NA
4/5/2017	5/30/2017	Exponent Private Equity LLP	GWE Irish OPCO Limited	Government Services	\$273	NA	NA
4/3/2017	4/3/2017	Astronics Custom Control Concepts Inc.	Custom Control Concepts, Inc.	Aerospace	\$11	NA	NA
4/3/2017	3/31/2017	AASKI Technology, Inc.	CoSo Cloud, LLC	Government Services	\$6	NA	NA
3/31/2017	3/31/2017	PKC Group Oyj	Fortitude Industries, Inc.	Defense	\$9	1.2 x	NA
3/31/2017	Pending	Huayou International Mining Holding Limited	Town Mining Co., Ltd.	Aerospace	\$25	NA	NA
3/29/2017	4/28/2017	Multheight Scaffolding PTE LTD.	Ensure Engineering Pte Ltd	Defense	\$13	NA	NA
3/28/2017	5/2/2017	Harlow Aerostructures LLC	Aerospace Holdings, Inc.	Defense	\$16	NA	NA
3/27/2017	3/27/2017	GE Aviation	Critical Technologies, Inc.	Aerospace	\$14	NA	NA
3/22/2017	3/22/2017	Diethelm Travel Lanka	Forbes Air Services, Hemas Air Services, Hemas Aviation, Hemas Travels, Discover	Aerospace	\$10	NA	NA
3/20/2017	3/20/2017	Patrick Industries, Inc.	Medallion Plastics Incorporated	Defense	\$10	0.5 x	NA
3/17/2017	7/31/2017	Voltaire Capital Investment Limited	SATS	Aerospace	\$19	NA	NA
3/17/2017	Pending	PTT Retail Business Co., Ltd	Oil Business Unit Of PTT	Aerospace	\$3,499	NA	NA
3/16/2017	10/4/2017	3M Company	Scott Technologies, Inc.	Defense	\$2,000	3.5 x	12.9 x

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
3/14/2017	4/20/2017	American Securities LLC	Air Methods Corporation	Aerospace	\$2,486	2.1 x	8.7 x
3/13/2017	3/13/2017	Motorola Solutions, Inc.	Interexport S.A.	Defense	\$147	NA	NA
3/10/2017	Pending	Suzhou Ahno Precision Cutting Tool Technology Co., Ltd.	Access Precision Tools Pte Ltd	Aerospace	\$16	3.7 x	NA
3/8/2017	4/4/2017	The KEYW Corporation	Sotera Defense Solutions, Inc.	Defense	\$350	1.3 x	15.6 x
3/7/2017	6/26/2017	DRS Technologies, Inc.	Daylight Solutions, Inc.	Defense	\$150	NA	NA
3/2/2017	3/2/2017	Shenzhen Fenda Technology Co., Ltd.	Shenzhen Fortunta Technology Co. Ltd.	Defense	\$420	3.8 x	NA
2/22/2017	2/24/2017	Aerojet Rocketdyne, Inc.	Aerojet Rocketdyne Coleman Aerospace, Inc.	Aerospace	\$15	NA	NA
2/17/2017	6/27/2017	Sonaca SA	LMI Aerospace, Inc.	Defense	\$430	1.2 x	12.5 x
2/17/2017	Pending	LG Hausys Ltd.	C2i s.r.o.	Aerospace	\$84	NA	NA
2/16/2017	2/16/2017	Vitruvian Partners LLP	OAG Aviation Holdings Limited	Aerospace	\$215	NA	NA
2/15/2017	8/21/2017	S&T AG	Kontron AG	Defense	\$170	0.4 x	NA
2/6/2017	Pending	Beijing Aerospace Changfeng Co., Ltd	Foshan Baykee New Energy Technology Incorporated Company	Aerospace	\$73	2.9 x	NA
2/2/2017	3/1/2017	Carpenter Powder Products Inc.	Puris LLC	Aerospace	\$35	NA	NA
1/30/2017	1/27/2017	Meyer Tool, Inc.	AMK Welding, Inc.	Aerospace	\$6	NA	NA
1/27/2017	4/28/2017	Veritas Capital Fund Management, LLC	Peraton Corporation	Aerospace	\$690	0.7 x	NA
1/26/2017	1/26/2017	Dunes Point Capital, LLC	Power Distribution, Inc.	Defense	\$204	1.8 x	NA
1/25/2017	4/10/2017	Wipro Limited	InfoSERVER S.A.	Defense	\$9	NA	NA
1/20/2017	2/13/2017	LED Medical Diagnostics Inc.	Apteryx, Inc.	Government Services	\$10	NA	NA
1/19/2017	Pending	Safran SA	Zodiac Aerospace	Aerospace	\$9,229	1.6 x	34.0 x
1/12/2017	Pending	CBS 247 Inc.	Scout Media, Inc.	Defense	\$10	NA	NA
1/9/2017	1/9/2017	Halma plc	FluxData, Inc.	Defense	\$28	5.3 x	NA

Continued on Next Page

M&A Transactions with Disclosed Values - LTM as of December 2017 (Continued)

Announced	Closed	Buyer	Target	Target Sector	EV	EV / LTM	
						Rev	EBITDA
1/9/2017	12/31/2016	CBPE Capital LLP	SAFECEM Europe GmbH	Aerospace	\$42	NA	NA
1/9/2017	1/6/2017	Research Triangle Institute	International Development Services Group	Defense	\$24	NA	NA
1/5/2017	1/5/2017	Xi'an Jiaye Aviation Technology Co., Ltd.	Xi'an Zhongxing Weiye Communication Technology Co.,Ltd.	Aerospace	\$31	NA	NA

Aerospace Median	2.1 x	15.4 x
Aerospace Mean	2.9 x	17.2 x

Defense Median	1.5 x	9.2 x
Defense Mean	2.8 x	9.5 x

Government Services Median	0.6 x	8.0 x
Government Services Mean	0.8 x	7.4 x

Continued on Next Page

SECTION 4: RECENT CONTRACTS

Top 50 Signed Contracts – December 2017

Date Signed	Contractor Name	Funding Agency	Value (\$mm)	Description of Services
12/14/2017	United Technologies Corp., Pratt & Whitney	Dept of The Air Force	\$6,700.0	F119 Engine Sustainment
12/22/2017	The Boeing Co., Defense, Space	Dept of The Air Force	\$6,173.5	F-15 Qatar Program
12/20/2017	Jpats Logistics Services Llc	Dept of The Air Force	\$2,200.0	Joint Primary Aircraft Training System
12/18/2017	Lockheed Martin Missiles And Fire Control	Dept of The Air Force	\$961.2	Sustainment, Modernization and Development
12/1/2017	Fluor Enterprises Inc.	Dept of The Army	\$831.0	Construction Services
12/28/2017	Raytheon Missile Co.	Dept of The Air Force	\$634.2	Advanced Medium-Range Air-To-Air Missile (Amraam) Production Lot 31
12/15/2017	Bechtel Plant Machinery Inc.	Dept of The Navy	\$571.3	Naval Nuclear Propulsion Components
12/13/2017	Northrop Grumman Systems Corp.	Dept of The Air Force	\$444.6	Support of The Aa-24 Large Aircraft
12/5/2017	General Dynamics Electric Boat	Dept of The Navy	\$432.0	Design Efforts For Virginia-Class Submarines
12/22/2017	Asrc Communications Ltd.	Dept of The Air Force	\$395.0	Cape Launch Operations and Infrastructure Support
12/28/2017	General Electric Co. Ge-Aviation	Dept of The Army	\$380.0	Provide Technical, Engineering, Logistical Services and Supplies
12/22/2017	Standardaero San Antonio Inc.	Dept of The Air Force	\$380.0	T56 Series 3.0 and 3.5 Engine Depot Overhaul and Repair
12/29/2017	Raytheon Co.	Dept of The Air Force	\$333.4	Surveillance Radar Program Operations and Maintenance
12/22/2017	General Atomics Aeronautical Systems Inc.	Dept of The Air Force	\$328.8	Mq-1 Predator and Mq-9 Reaper Remotely Piloted Aircraft Support and Services
12/12/2017	Raytheon Missile Systems	Dept of The Navy	\$302.4	Procurement of Installation, Systems Integration, Test and Evaluation For Multi-Mission Datalink System
12/11/2017	Raytheon Missile Systems	Dept of The Navy	\$302.4	Procurement of 618 Joint Standoff Weapon (Jsow) Air-To-Ground Missiles
12/22/2017	The Boeing Co.	Dept of The Air Force	\$288.7	Kc-46A Aircraft For Japan
12/5/2017	Fluor Enterprises Inc.	Dept of The Army	\$261.1	Construction Services For All Aspects of Restoration of Electric Power To Puerto Rico
12/28/2017	Northrop Grumman Systems Corp.	Dept of The Navy	\$255.3	Low-Rate Initial Production of Three Mq-4C Triton Unmanned Aircraft
12/22/2017	Bravura Information Technology Systems Inc.	Dept of The Army	\$233.3	Engineering, Logistics, Operations, and Program Management Support For The Persistent Surveillance
12/13/2017	General Dynamics Mission Systems Inc.	Dept of The Navy	\$198.1	Procurement, Manufacturing, Testing and Delivery of An/Usc-61(C) Digital Modular Radio (Dmr) Systems
12/27/2017	Medico Industries Inc.	Dept of The Army	\$191.0	Manufacture, Produce and Deliver 60Mm and 81Mm High Fragmentation and Non-High Fragmentation
12/1/2017	Raytheon Co.	Dept of The Army	\$150.2	Technical Expertise and Assistance
12/28/2017	The Boeing Co.	Dept of The Navy	\$148.5	Maintenance Support and Sustainment For The F/A-18 A/B/C/D Aircraft
12/15/2017	Lockheed Martin Corp., Rotary And Mission Systems	Dept of The Navy	\$135.8	New Construction Ddg Aegis Weapon System
12/18/2017	Lockheed Martin Rotary And Mission Systems	Dept of The Navy	\$135.6	Integrated Common Processors (Icp)
12/8/2017	General Atomics - Aeronautical Systems Inc.	Dept of The Air Force	\$134.0	Production of Block 30 Ground Control Stations
12/27/2017	Sierra Nevada Corporation	National Aeronautics and Space Administration	\$118.7	Transportation/Travel/Relocation- Transportation: Space Transportation/Launch
12/15/2017	Power Secure Inc.	Dept of The Army	\$111.7	Repair and Restore The Electrical Grid In Puerto Rico
12/18/2017	Lockheed Martin Missiles And Fire Control	Dept of The Air Force	\$110.0	Gray Wolf Science and Technology Demonstration Effort

Top 50 Signed Contracts – December 2017 (Continued)

Date Signed	Contractor Name	Funding Agency	Value (\$mm)	Description of Services
12/20/2017	Oshkosh Defense Llc	Dept of The Army	\$100.1	258 Joint Light Tactical Vehicles and 1,727 Kits
12/27/2017	Mckellar Corp.	Dept of The Army	\$100.0	Training, Support and Program Management Assistance
12/15/2017	Bae Systems Information And Electronic Systems	Dept of The Army	\$97.9	Limited Interim Missile Warning System Quick Reaction Capability Effort
12/26/2017	Mission Support And Test Services Llc	Department of Energy	\$89.9	Operation of Miscellaneous Buildings
12/14/2017	Space Exploration Technologies Corp.	National Aeronautics and Space Administration	\$88.9	Transportation/Travel/Relocation- Transportation: Space Transportation/Launch
12/8/2017	The Boeing Co., Defense, Space And Security	Dept of The Air Force	\$87.5	Combat Survivor Evader Locator Contractor Logistics Support.
12/27/2017	Mission Support And Test Services Llc	Department of Energy	\$79.7	Operation of Miscellaneous Buildings
12/11/2017	Lockheed Martin Corp.	Dept of The Navy	\$77.7	Cyber Security Support Services
12/27/2017	National Technology & Engineering Solutions of Sandia, Llc	Department of Energy	\$77.3	Operation of Miscellaneous Buildings
12/27/2017	Los Alamos National Security Limited Liability Company	Department of Energy	\$75.9	Operation of Government-Owned Contractor-Operated R&D Facilities
12/27/2017	National Technology & Engineering Solutions of Sandia, Llc	Department of Energy	\$73.0	Operation of Miscellaneous Buildings
12/28/2017	Consolidated Nuclear Security Llc	Department of Energy	\$70.0	Operation of Miscellaneous Buildings
12/5/2017	Pae Applied Technologies Llc	Dept of The Navy	\$64.7	Range Engineering, Operations and Maintenance Services
12/22/2017	International Business Machines Corporation	Social Security Administration	\$63.7	Information Technology Software
12/29/2017	Seqirus, Inc.	Office of Assistant Secretary For Preparedness and Response	\$61.9	R&D- Defense Other: Construction (Basic Research)
12/4/2017	Northrop Grumman Systems Corp.	Dept of The Air Force	\$58.2	Contractor Logistics Support, Sustainment and Site Support
12/7/2017	Raytheon Company	National Aeronautics and Space Administration	\$57.9	Space Vehicle Components
12/27/2017	Lawrence Livermore National Security Limited Liability Company	Department of Energy	\$51.8	R&D- Other Research and Development (Basic Research)
12/19/2017	Four	Centers For Medicare and Medicaid Services	\$50.5	Information Technology Software
12/6/2017	Bank of New York Mellon Corporation, The	Department of Housing and Urban Development	\$48.7	Support- Management: Financial
Total Top 50			\$25,317.0	

Continued on Next Page

Top 20 Agencies Ranked by Total Contract Value Signed in December

Rank	Funding Agency	Contract Value (\$mm)	# of Contracts
1	Dept of The Air Force	\$ 19,275	16
2	Dept of The Navy	2,624	11
3	Dept of The Army	2,474	22
4	Department of Energy	1,222	171
5	National Aeronautics and Space Administration	1,025	422
6	Department of Veterans Affairs	525	472
7	Centers For Medicare and Medicaid Services	292	47
8	Federal Aviation Administration	273	223
9	Federal Acquisition Service	216	141
10	Department of State	177	124
11	Agency For International Development	176	88
12	Public Buildings Service	158	144
13	Federal Emergency Management Agency	158	66
14	Office of Procurement Operations	144	102
15	Department of Education	142	52
16	U.S. Coast Guard	119	126
17	National Institutes of Health	114	138
18	Social Security Administration	87	27
19	United States Mint	84	22
20	Federal Bureau of Investigation	78	43
Total Top 20 by Funding Agency		\$ 29,363	2,457

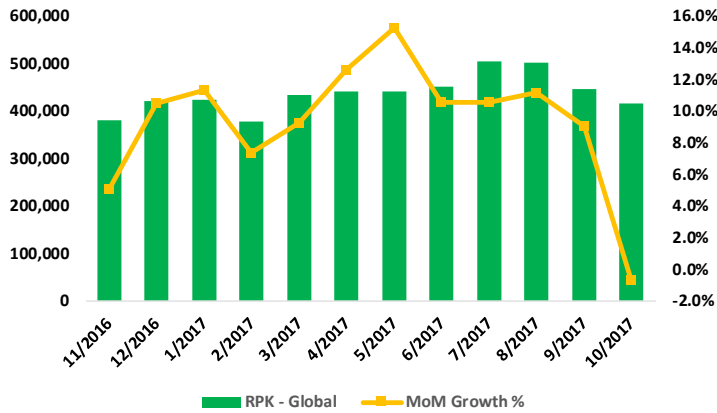
Top 20 NAICS Codes Ranked by Total Contract Value Signed in December

Rank	NAICS Code Description	Contract Value (\$mm)	# of Contracts
1	Facilities Support Services	\$ 900	155
2	Computer Systems Design Services	514	288
3	Research And Development In The Physical, Engineering, And Life Sciences (Except Biotechnology)	322	188
4	Nonscheduled Chartered Freight Air Transportation	271	6
5	Engineering Services	249	207
6	Administrative Management And General Management Consulting Services	244	255
7	Research And Development In The Physical, Engineering, And Life Sciences	233	23
8	Other Computer Related Services	227	272
9	All Other Professional, Scientific, And Technical Services	195	123
10	Custom Computer Programming Services	166	89
11	Commercial And Institutional Building Construction	164	140
12	Security Guards And Patrol Services	162	116
13	Remediation Services	125	69
14	Guided Missile And Space Vehicle Manufacturing	110	11
15	Computer Facilities Management Services	99	38
16	Direct Health And Medical Insurance Carriers	97	13
17	Offices Of Physicians (Except Mental Health Specialists)	86	25
18	Search, Detection, Navigation, Guidance, Aeronautical, And Nautical System And Instrument Manufactu	78	15
19	All Other Telecommunications	76	7
20	All Other Information Services	73	21
Total Top 20 by NAICS Code Description		\$ 4,392	2,061

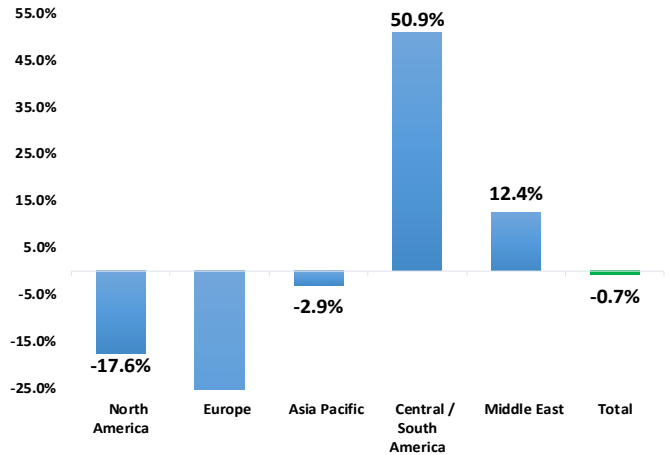
SECTION 5: KEY AEROSPACE & DEFENSE STATS

Key Aerospace & Defense Stats

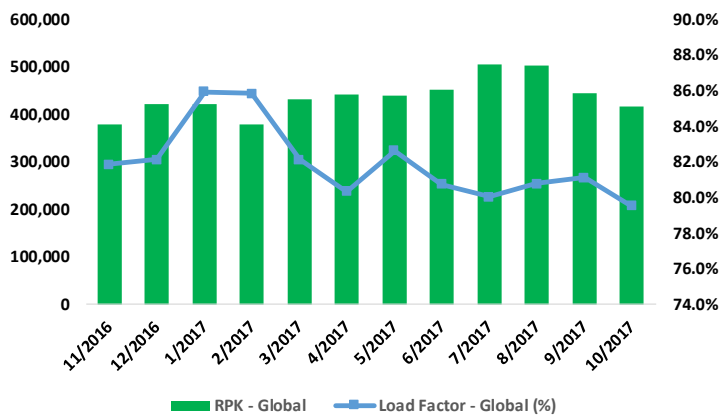
RPK – Global (in millions)



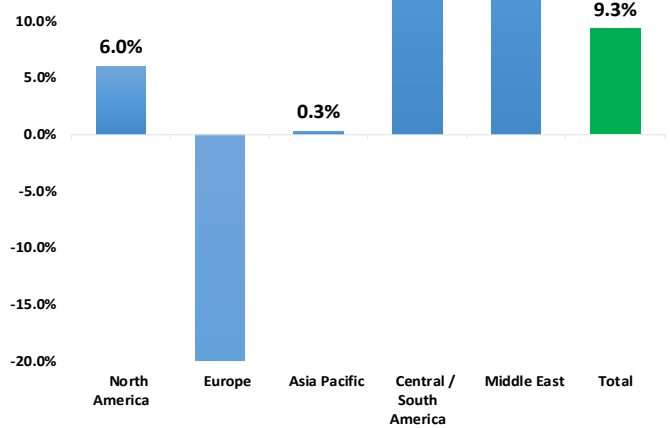
RPK Growth % by Region
10/2017 vs 10/2016)



Load Factor – Global (%)



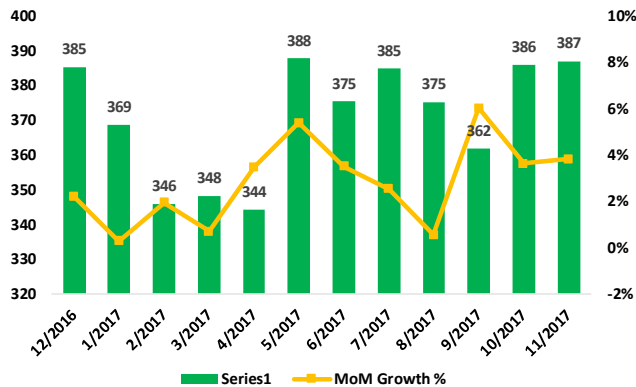
RPK Growth % by Region
(LTM 10/2017 vs LTM 10/2016)



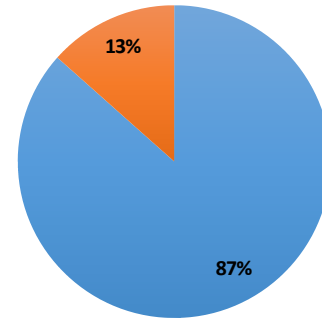
Commercial Aerospace Orders

	LTM as of 11/2017	LTM as of 11/2016	YoY % Change	11/2017	10/2017	9/2017	8/2017	7/2017	6/2017	5/2017	4/2017	3/2017	2/2017	1/2017	12/2016
Narrowbody Unit Orders	1,430	1,015	40.9%	188	69	101	41	11	236	33	19	148	32	9	543
Boeing	882	638	38.2%	143	52	61	31	13	104	3	13	134	38	8	282
737	882	638	38.2%	143	52	61	31	13	104	3	13	134	38	8	282
Airbus	548	377	45.4%	45	17	40	10	-2	132	30	6	14	-6	1	261
A320	548	377	45.4%	45	17	40	10	-2	132	30	6	14	-6	1	261
Widebody Unit Orders	292	214	36.4%	16	12	27	2	13	78	30	13	13	1	19	68
Boeing	186	142	31.0%	16	12	11	2	9	80	10	2	13	5	18	8
787	108	74	45.9%	13	0	5	0	3	56	10	2	4	5	2	8
777	57	23	147.8%	2	12	6	0	4	24	0	0	8	0	1	0
767	15	27	-44.4%	0	0	0	0	0	0	0	0	0	0	15	0
747	6	18	-66.7%	1	0	0	2	2	0	0	0	1	0	0	0
Airbus	106	72	47.2%	0	0	16	0	4	-2	20	11	0	-4	1	60
A350	48	35	37.1%	0	0	10	0	1	-4	20	10	0	0	3	8
A380	-2	2	-200.0%	0	0	0	0	0	0	0	0	0	0	-2	0
A330	60	35	71.4%	0	0	6	0	3	2	0	1	0	-4	0	52

Global Business Jet Traffic
(Flights in Thousands)

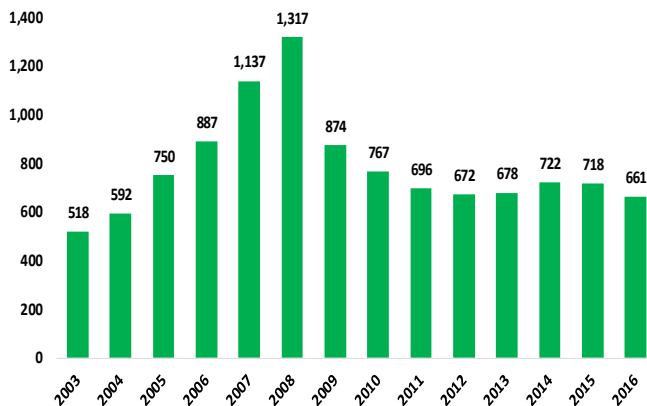


11/2017 Global Business Jet Traffic
by Type (387K Flights)

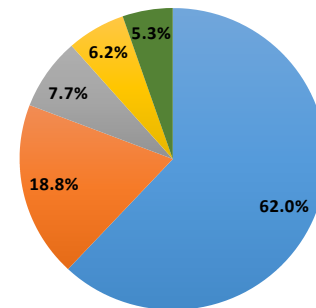


■ Domestic ■ International

Global Business Jet Deliveries



2016 Global Business Jet Deliveries
By Market (661 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%
Total	\$ 521.7	\$ 521.8	\$ 574.5	\$ 52.8	10.1%

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%
Total	\$ 521.7	\$ 521.8	\$ 574.5	\$ 52.8	10.1%

* 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

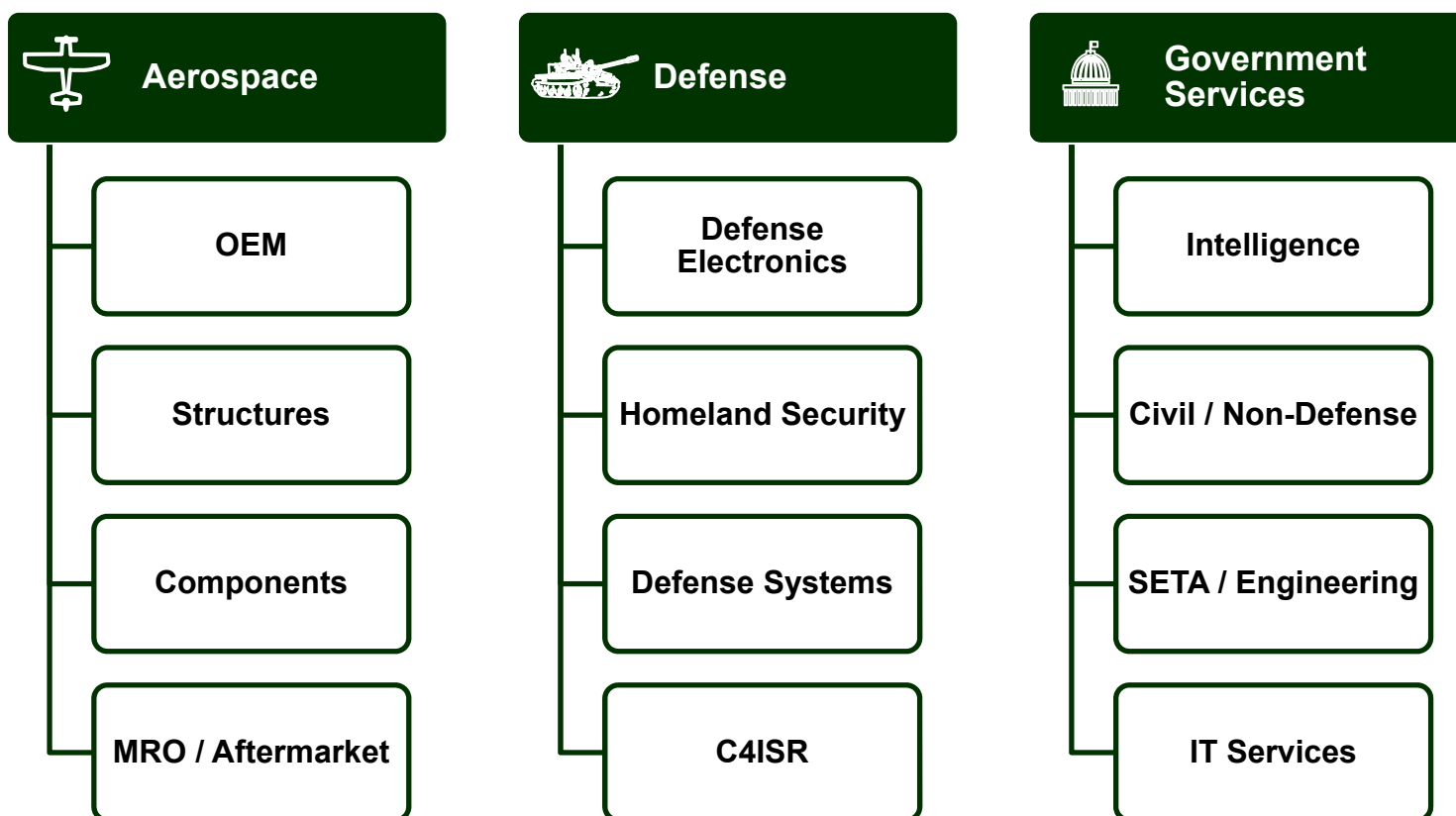
Michael Papazis has over 15 years of investment banking experience. Prior to joining Scott-Macon, Mr. Papazis was a Vice President of Aerospace & Defense Investment Banking at Oppenheimer & Co. Before Oppenheimer, Michael was a Senior Associate within the Aerospace & Defense Investment Banking Group 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>\$8,000,000</p> <p>Senior Secured Notes & 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>\$66,000,000</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