



G-SIDE CAPITAL ADVISORS



**Aerospace & Defense
M&A Update**

May 2025

Aerospace & Defense Industry Update

Industry Trends

- Rising geopolitical tensions and the ongoing conflicts in Ukraine and Israel are driving growth in defense spending around the world. European countries have committed to drastically increase defense spending in response to the U.S. threatening to significantly reduce or cut military aid to foreign countries, which is expected to drive increased demand across the global A&D sector.
- Potential impact of President Trump's tariff policies is in flux; manufacturers with international supply chains are facing uncertain raw material costs and are looking for ways to insulate supply chains from high tariff countries or pass any cost increases resulting from tariffs on to the end consumer.
- Worldwide air-passenger travel has fully recovered from pandemic-era lows and is anticipated to rise by close to seven percent in 2025. Rising passenger volume, record backlogs at OEMs, and aging fleets make suppliers selling into commercial aviation attractive acquisition opportunities.

Executive Sentiment

- “So from a tariff perspective, I do agree that we have certain protections in our industry...I'd say, in a lot of cases, we're going to have just direct protection in our supply chain, not in all cases, but in many cases, to avoid tariffs altogether. And then for the vast majority of our external contracts, we've got mechanisms to recover impacts.” – **Evan Scott, CFO of Lockheed Martin**
- “On the commercial side, we remain cautiously optimistic that aircraft utilization will remain strong, supporting continued aftermarket demand. But of course, we will closely monitor consumer sentiment as we approach the busy summer travel season.” – **Christopher Calio, CEO of RTX**
- “In the U.S., we continue to see signs that defense spending will increase, driven by a few ongoing developments. The first is finalization of a continuing resolution for the 2025 defense budget...The most notable of which are an increase in the top line over FY '24 and increased flexibility with spending accounts. Meanwhile, there is a potential for additional funding through the reconciliation process, which could add up to \$150 billion to the defense budget to be allocated over multiple years.” – **Kathy Warden, CEO of Northrop Grumman**
- “There is absolutely an incredible amount of demand in the market for solid rocket motors to support critical mission needs of not only our country, but also its allies in addressing the geopolitical threats and issues that are out there.” – **Kenneth Bedingfield, CFO of L3Harris**

Key M&A Themes

- Demand for Supply Chain Concentration: Driving consolidation among traditional entities supplying parts and services to OEMs and Tier 1 suppliers.
- Advanced Technologies: Supply chain and skilled labor challenges are fueling M&A activity for companies with automation, digital manufacturing, and robotics.
- Expanded Market Presence: Desire to increase wallet share of customers by acquiring complimentary product offerings.
- U.S. Based Manufacturing: Tariffs and increased trade tensions around the world make U.S. based manufacturers attractive M&A targets.
- Aging Aircraft Fleets: Investors are aggressively pursuing well-positioned aftermarket assets to capitalize on demand tailwinds.



Public Company Metrics

Aerospace & Defense: Large-Cap Aerospace Suppliers

USD Millions, except per share data	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	Gross Margin	EBITDA Margin	Enterprise Value		Enterprise Value	
Company	4/30/25								LTM Revenue	LTM EBITDA	2025 Revenue	2025 EBITDA
General Electric Company	201.54	94.1%	214,920	222,846	39,681	10,395	31.9%	26.2%	5.6x	21.4x	5.6x	23.3x
HEICO Corporation	250.76	88.4%	30,661	33,337	3,992	1,087	39.1%	27.2%	8.4x	30.7x	7.6x	28.6x
Honeywell International Inc.	210.50	86.7%	135,285	159,785	39,215	10,113	38.1%	25.8%	4.1x	15.8x	4.0x	15.3x
Howmet Aerospace Inc.	138.58	98.6%	56,051	59,013	7,548	1,951	30.4%	25.8%	7.8x	30.2x	7.3x	27.2x
Parker-Hannifin Corporation	605.06	84.2%	77,910	86,565	19,794	5,220	36.5%	26.4%	4.4x	16.6x	4.3x	16.6x
Rolls-Royce Holdings plc	10.06	92.2%	84,149	83,581	24,165	4,188	22.4%	17.3%	3.5x	20.0x	3.2x	16.8x
RTX Corporation	126.13	92.6%	168,504	208,121	81,739	13,794	19.5%	16.9%	2.5x	15.1x	2.5x	14.9x
Safran SA	264.35	88.3%	110,175	109,163	29,985	6,037	48.5%	20.1%	3.6x	18.1x	3.1x	15.3x
TransDigm Group Incorporated	1,413.07	97.4%	79,251	101,850	8,157	4,146	60.0%	50.8%	12.5x	24.6x	11.3x	21.1x
Mean		91.4%	106,323	118,251	28,253	6,326	36.3%	26.3%	5.8x	21.4x	5.4x	19.9x
Median		92.2%	84,149	101,850	24,165	5,220	36.5%	25.8%	4.4x	20.0x	4.3x	16.8x

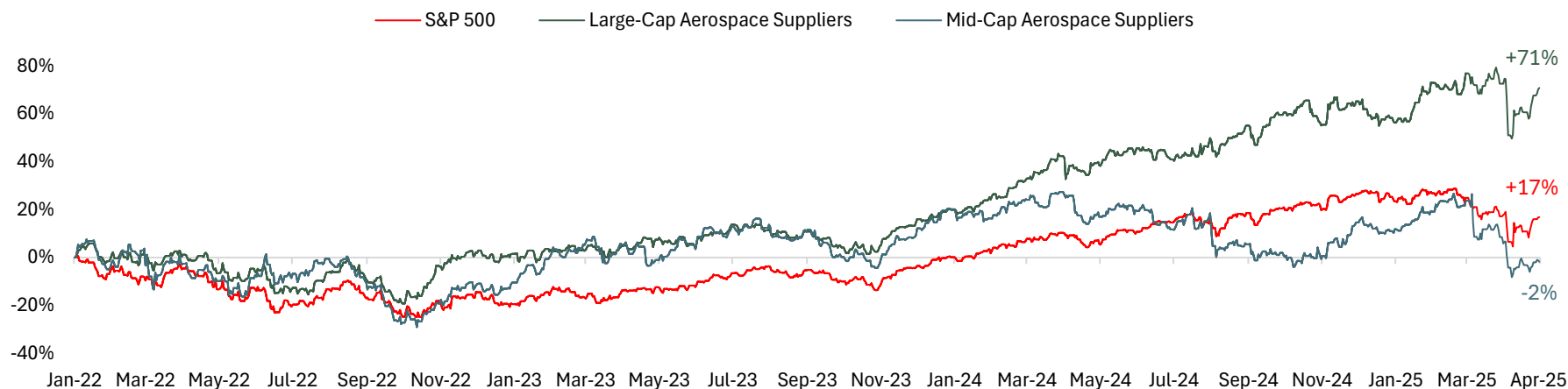
Aerospace & Defense: Mid-Cap Aerospace Suppliers

USD Millions, except per share data	Stock	% of							Enterprise Value		Enterprise Value	
	Price	52 Week	Market	Enterprise	LTM	LTM	Gross	EBITDA	LTM	LTM	2025	2025
Company	4/30/25	High	Cap	Value	Revenue	EBITDA	Margin	Margin	Revenue	EBITDA	Revenue	EBITDA
Astronics Corporation	22.69	85.2%	798	983	795	59	21.2%	7.4%	1.2x	16.8x	1.2x	8.3x
Ducommun Incorporated	57.32	81.3%	852	1,089	787	107	25.2%	13.6%	1.4x	10.2x	1.3x	8.5x
Hexcel Corporation	48.47	65.9%	3,898	4,589	1,887	367	24.1%	19.4%	2.4x	12.5x	2.4x	13.1x
Loar Holdings Inc.	94.58	95.4%	8,849	9,081	403	138	50.1%	34.3%	22.5x	65.7x	18.5x	49.4x
Magellan Aerospace Corporation	9.84	97.2%	562	587	688	69	11.4%	10.0%	0.9x	8.5x	0.8x	6.3x
Melrose Industries PLC	5.78	61.3%	7,371	9,448	4,432	445	23.7%	10.0%	2.1x	21.2x	2.0x	8.6x
Senior plc	1.85	77.3%	756	1,062	1,249	117	17.8%	9.3%	0.9x	9.1x	0.8x	6.6x
Triumph Group, Inc.	25.40	99.4%	1,966	2,803	1,243	191	30.5%	15.3%	2.3x	14.7x	2.2x	12.5x
Mean		82.9%	3,131	3,705	1,435	186	25.5%	14.9%	4.2x	19.8x	3.6x	14.2x
Median		83.3%	1,409	1,946	1,019	127	23.9%	11.8%	1.8x	13.6x	1.6x	8.5x



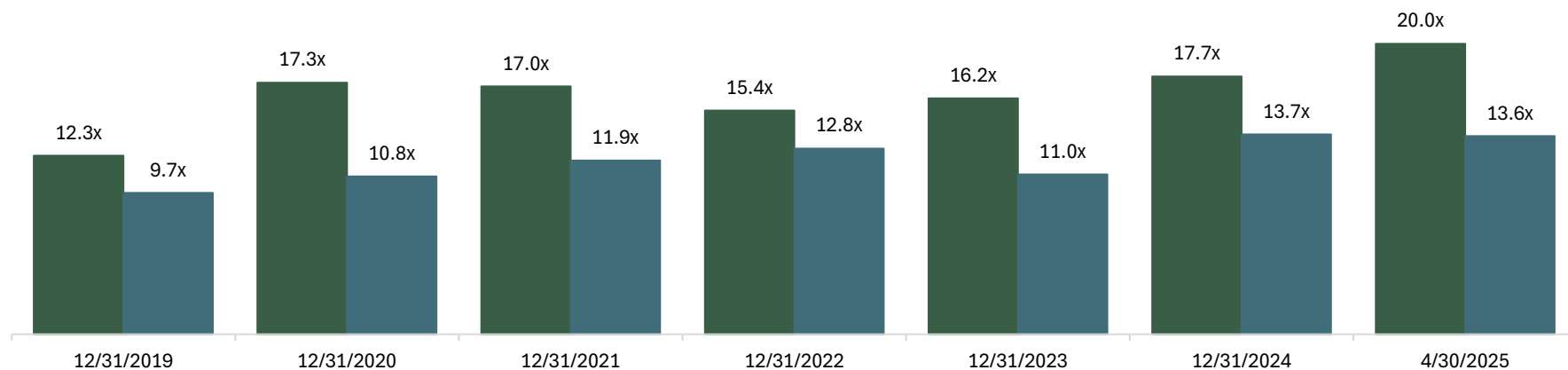
Public Company Performance & Multiples

Weighted Performance vs. S&P 500



Historical Median EV/EBITDA Multiples

■ Large-Cap Aerospace Suppliers ■ Mid-Cap Aerospace Suppliers



Recent Transactions

USD millions

Target	Target Description	Acquiror	Date Announced	Enterprise Value	Enterprise Value	
					Revenue	EBITDA
Space Vector Corporation	Provides aerospace products and services to government and commercial customers. Its products include flight safety and system batteries, GPS tracking systems, custom avionics, structures, and various systems.	Fisica, Inc.	Apr-25	-	-	-
Digital Aviation Solutions of Boeing (NYSE:BA)	The aviation solutions business comprises Jeppesen, ForeFlight, AerData, and OzRunways, which are digital solutions providing flight operations support, electronic flight bag capabilities, and aircraft asset management.	Thoma Bravo, L.P.	Apr-25	\$10,550		
Aerospace Products Group of Leggett & Platt, Incorporated (NYSE:LEG)	Supplier of complex, highly engineered tube and duct assemblies for commercial and military aircraft platforms and space launch vehicles.	Tinicum Incorporated	Apr-25	\$285	0.6x	-
Blue Marble Communications, Inc.	Designs and manufactures RF, free-space optical, and network communications modules and systems for deployment on onboard satellites and other space vehicles.	T2S, LLC (Madison Dearborn Partners)	Mar-25	-	-	-
Acron Aviation	L3 Harris' commercial aviation services business that provides pilot training, flight data analytics, avionics, and advanced air mobility products and services.	TJCLP; Resolute Fund VI, L.P.	Mar-25	\$800	1.0x	-
Optical Systems and Advanced Electronic Systems Business of Exelitas	The UK-based optical systems business provides advanced optics for heads-up and helmet-mounted displays, dismounted tactical night vision systems, and proprietary glass used in space and satellite applications.	Teledyne Technologies Incorporated (NYSE:TDY)	Feb-25	\$710	-	-
Aerospace Business of GMT Gummi-Metall-Technik	Develops and manufactures a wide range of tie-rods and rubber-metal anti-vibration systems for commercial and military aerospace applications.	TriMas Aerospace (NASDAQ:TRS)	Feb-25	-	-	-
Electro-Methods, Inc.	Manufacturer of aerospace components intended for the commercial and military aviation markets. It specializes in fabricated assemblies, special process technologies, and complex machining.	Blackstone Inc. (NYSE:BX); Stronvar Aerospace HoldCo, L.P.	Feb-25	-	-	-
Pryer Aerospace, LLC	Offers fabrication of sheet metal and engineering, assembly, and precision machining for commercial, defense, and space aircraft.	Argonaut Private Equity	Feb-25	-	-	-
Triumph Group, Inc. (NYSE:TGI)	Designs, engineers, manufactures, repairs, overhauls, and distributes aircrafts, aircraft components, accessories, subassemblies, and systems worldwide.	Warburg Pincus LLC; Berkshire Partners LLC	Feb-25	\$2,901	2.3x	15.2x
Emcore Corporation (NASDAQ:EMKR)	Designs and manufactures fiber optic gyro, ring laser gyro, and quartz micro-electromechanical system inertial sensors.	Velocity One (Charlesbank Capital; Launch Point)	Nov-24	-	-	-
Air Transport Services Group, Inc.	Provides aircraft leasing, air cargo transportation, and related services in the U.S. and internationally. It operates in two segments: Cargo Aircraft Management Inc. and ACMI Services.	Stonepeak Partners LP	Nov-24	\$3,104	1.6x	6.2x
BlueHalo LLC	Provides engineering and technology solutions for the national security community. It offers services in the areas of space superiority, directed energy, missile defense, C4ISR, cyber, and intelligence.	AeroVironment, Inc. (NASDAQGS:AVAV)	Nov-24	\$4,100	4.6x	-
Kellstrom Aerospace, LLC	Offers component repair and overhaul, component exchange, repair management, original equipment manufacturing (OEM) material distribution, engine management, and technical support.	VSE Corporation (NASDAQGS:VSEC)	Oct-24	\$201	1.1x	10.0x
Barnes Group Inc. (NYSE:B)	Provides engineered products, industrial technologies, and solutions in the U.S. and internationally. The company operates through two segments: Industrial and Aerospace.	Apollo Global Management, Inc. (NYSE:APO)	Oct-24	\$3,529	2.2x	9.6x



Recent Transactions Continued

USD millions

Target	Target Description	Acquiror	Date Announced	Enterprise Value	Enterprise Value	
					Revenue	EBITDA
Precinmac Precision Machining	Manufactures and markets precision machined components and assemblies worldwide.	Centerbridge Partners, L.P.	Oct-24	-	-	-
Icon Aerospace, LLC/The Auxiliary Group, LLC	ICON Aerospace is a repair station specializing in the repair and overhaul of avionics, instruments, radios, and accessories. TAG Aero is a repair station focused on auxiliary power units, offering a range of services.	Precision Aviation Group, Inc.	Sep-24	-	-	-
CAES Systems Holdings LLC	Designs, engineers, tests, and manufactures advanced electronic solutions for the U.S. aerospace and defense industry.	Honeywell (NASDAQ:HON)	Sep-24	\$1,900	-	14.0x
kSARIA Corporation	Produces and supplies fiber optic interconnect products for military and aerospace markets.	ITT Inc. (NYSE:ITT)	Aug-24	\$475	2.7x	13.0x
Loc Performance Products, LLC	Manufactures CNC machined components and assemblies for drivetrain and suspension systems in the defense, heavy truck, and heavy equipment industries.	Rheinmetall AG (XTRA:RHM); American Rheinmetall Vehicles LLC	Aug-24	\$950	-	7.1x
Aero Turbine, Inc.	Offers engine component repair and support for vintage turbine engines. In addition, the company sells parts, components, and accessories for turbine engines.	StandardAero, Inc. (NYSE:SARO)	Aug-24	\$170	2.4x	-
Applied Avionics, Inc.	Develops and manufactures highly engineered interface solutions for avionics and other aerospace and defense electronics.	Loar Group, Inc.; Loar Holdings Inc. (NYSE:LOAR)	Jul-24	\$385	9.6x	18.3x
Spirit AeroSystems Holdings, Inc. (NYSE:SPR)	Designs, engineers, manufactures, and markets commercial aerostructures worldwide. It operates through three segments: Commercial, Defense & Space, and Aftermarket.	The Boeing Company (NYSE:BA)	Jul-24	\$8,382	1.3x	-
Héroux-Devtek Inc. (TSX:HRX)	Manufactures, repairs, and overhauls aircraft landing gears, hydraulic and electromechanical flight control actuators, custom ball screws, and fracture-critical components.	Platinum Equity, LLC	Jul-24	\$1,361	2.1x	13.6x
Raptor Scientific LLC	Offers electronic circuit testers and mass properties instruments for unmanned aerial vehicles, satellites, commercial aerospace, military aviation, and defense weapon systems.	TransDigm Group Incorporated (NYSE:TGD)	May-24	\$664	-	-
Dedrone Holdings, Inc.	Manufactures counter-drone defense solutions and systems that enable organizations to protect their airspace from unauthorized UAVs.	Axon Enterprise, Inc. (NASDAQGS:AXON)	May-24	\$500	-	-
Antenna and Test Equipment Businesses of L3Harris (NYSE:LHX)	Fisica, Inc. was formed from the transaction. The acquired ATI, Datron, and Randtron businesses offer airborne and ground-based antennas, electromagnetic systems, and simulators that are used in radar technology.	Kanders & Company, Inc.; Fisica, Inc.	Apr-24	\$200	-	-
Vanderhorst Brothers, Inc.	Specializes in milling, turning, EDM, deburring, programming, assembly, and laser services. It invests in the latest machinery, technology, and production techniques to drive the industry forward.	RTC Aerospace LLC	Jan-24	-	-	-
Kaman Corporation (NYSE:KAMN)	Operates through three vectors: Engineered Products, Precision Products, and Structures. These segments provide a range of solutions, including aircraft components, missile systems, helicopter services, and aerostructures.	Arcline Investment Management LP	Jan-24	\$1,884	2.4x	17.1x
					Mean	2.6x 12.4x
					Median	2.2x 13.3x



Highlighted Recent Transactions



Argonaut Private Equity acquired Pryer Aerospace, a company specializing in complex aerospace manufacturing for military, commercial, and space programs. "We are excited about our partnership with Argonaut. Pryer Aerospace is growing at a very fast pace, and we have many new large programs on the horizon. Argonaut brings financial and operational resources to our company that will enable us to expand our capabilities, capacity, footprint, and products." – **Jeff Landreth, CEO of Pryer**



Warburg Pincus and Berkshire Partners acquired Triumph Group, Inc. for approximately \$3 billion, taking the company private. "Triumph has a strong reputation as a leader in highly engineered aerospace components and systems...With our deep experience investing in and developing aerospace platforms, we look forward to working with Triumph's talented global team to increase opportunities for its portfolio and capture the growing demand for high quality aerospace components." – **Dan Zamlong, Managing Director at Warburg Pincus**



Charlesbank Capital Partners, through its new holding company Velocity One, acquired Emcore Corporation. "The creation of Velocity One follows a multi-year thematic pursuit in the aerospace sector for Charlesbank. We are thrilled to complete this transformative acquisition...The three companies under the wing of Velocity One share a reputation for delivering high-quality products and a clear vision to create value organically and through M&A." – **Brandon White, Managing Director at Charlesbank**



Loar Holdings Inc. acquired Applied Avionics, Inc. for \$385 million. "We are excited about the addition of Applied Avionics to the Loar family. Applied Avionics fits our strategic initiative of adding niche capabilities and proprietary products to our suite of customer solutions. Additionally, over 75% of Applied Avionics' sales are derived from the aftermarket, further strengthening this attribute and strategic focus of Loar." – **Dirkson Charles, CEO of Loar**

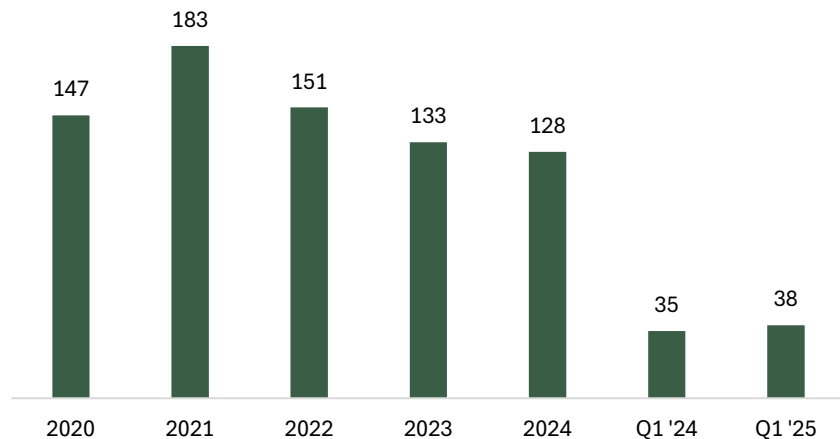


Arcline Investment Management acquired Kaman Corp. for approximately \$1.8 billion, taking Kaman private. "Kaman has long been a trusted solutions provider of engineered components and subsystems to mission-critical markets, and we believe the Company is in a strong position to grow and benefit from attractive tailwinds. We look forward to working closely with Ian and the rest of the talented Kaman team to drive further growth through accelerated investments in both new product development and strategic acquisitions." – **Arcline Investment Management**



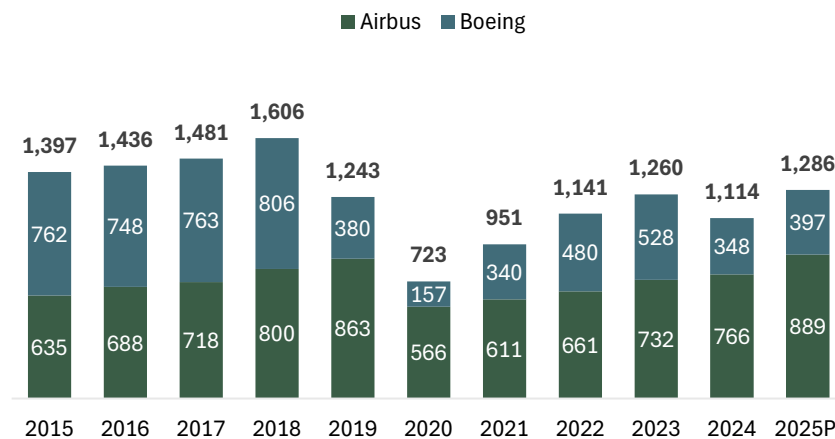
A&D Industry Metrics

Annual M&A Deal Volume – U.S.



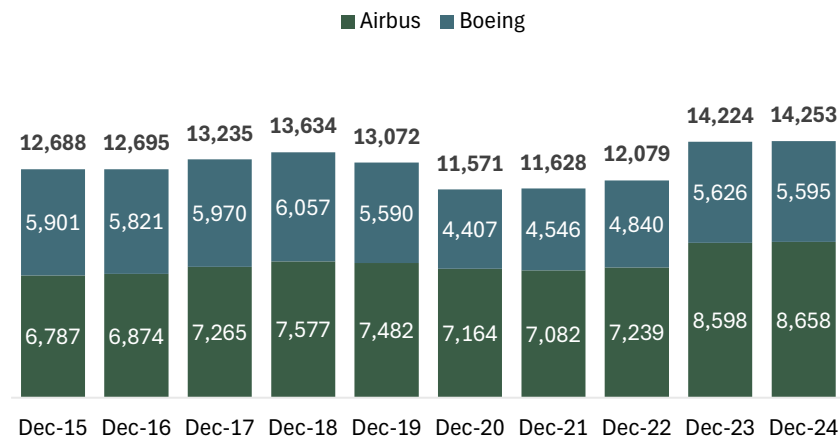
Source: S&P Capital IQ

Commercial Aircraft Deliveries



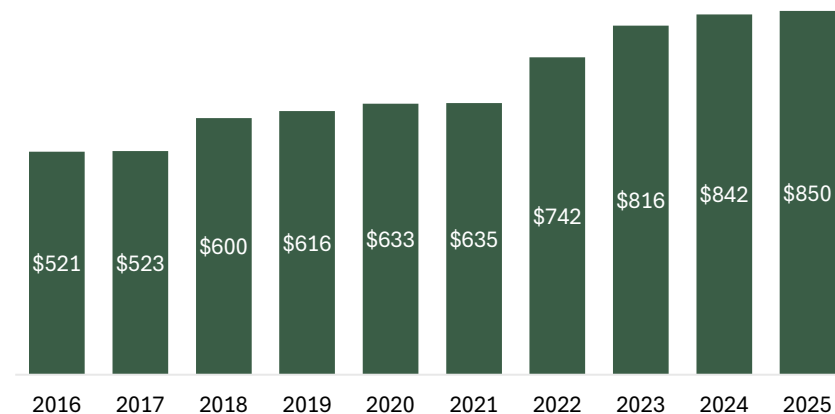
Source: Boeing and Airbus, DSM Forecast International

Commercial Aircraft Backlog



Source: Boeing and Airbus

DoD Budget Funding (USD billions)



Source: Office of the Under Secretary of Defense; U.S. Department of Defense



Select G-Side Capital A&D Experience



HAS BEEN ACQUIRED BY



HARWOOD
PRIVATE EQUITY 



HAS BEEN ACQUIRED BY



a portfolio company of



HAS BEEN ACQUIRED BY



GENERAL DYNAMICS

Airborne Electronic Systems

HAS BEEN ACQUIRED BY

ASTRONICS

DIGITAL
SATELLITE SERVICES
INC.

HAS BEEN ACQUIRED BY

MasTec



HAS BEEN ACQUIRED BY



BAE SYSTEMS

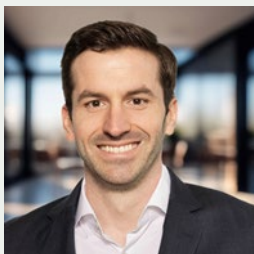


About G-Side Capital Advisors

SERVICE OFFERING

Sell-Side M&A	Buy-Side M&A	Board Advisory	Business Valuation
✓ Exclusive Sales	✓ Targeting	✓ Exit Readiness	✓ Pricing Analyses
✓ Divestitures	✓ Courtship	✓ Strategic Alternatives	✓ Valuation Letters
✓ Leveraged Recapitalizations	✓ Due Diligence	✓ Fairness Opinions	✓ Fairness Opinions
✓ Sale of Minority Interests	✓ Valuation	✓ Dividend Recaps	
✓ ESOPs	✓ Structuring	✓ Situational Analysis	
✓ Mergers	✓ Negotiation	✓ Corporate Development	
✓ Privately Negotiated Sales	✓ Financing	✓ Market Intelligence	
✓ Carve-Outs		✓ Special Situations	
✓ 363 Sales			

KEY CONTACTS



Eric Higgins

Senior Managing Director
ehiggins@greensideca.com
(978) 761-8111



Bob Snape

Senior Managing Director
bsnape@greensideca.com
(339) 236-1050



Disclaimer

This communication is the property of Greenside Capital Advisors, LLC dba G-Side Capital Advisors (“G-Side Capital”) and is intended for informational purposes only. It may not be reproduced, distributed, or published by any person without G-Side Capital’s express written consent. The information presented herein is sourced from reliable sources but is not guaranteed for accuracy or completeness and is subject to change. This communication does not constitute a solicitation or offer to purchase or sell any security. Nothing in this material should be construed as tax, legal, or accounting advice. Please consult your own tax, legal, and accounting professionals. G-Side Capital believes the information herein to be factual and reliable but makes no representation as to its accuracy or completeness. There is no guarantee that the views and opinions expressed in this communication will develop. G-Side Capital’s professionals may provide, may have provided, or may seek to provide advisory services to one or more companies mentioned herein. Opinions, estimates, and analyses in this report constitute the current judgment of G-Side Capital as of the date of this report and are subject to change without notice. G-Side Capital has no obligation to update, modify, or amend this report or to notify a reader thereof in the event that any matter stated herein, or any opinion, estimate, forecast, or analysis set forth herein, changes or subsequently becomes inaccurate. This report is provided for informational purposes only and is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.





**G-SIDE CAPITAL
ADVISORS**

**G-Side Capital Advisors
101 Federal Street
Suite 1900
Boston, MA 02110
(617) 807-0866**