

MarketView Winter 2017

Aerospace / Defense and Government Technology Solutions



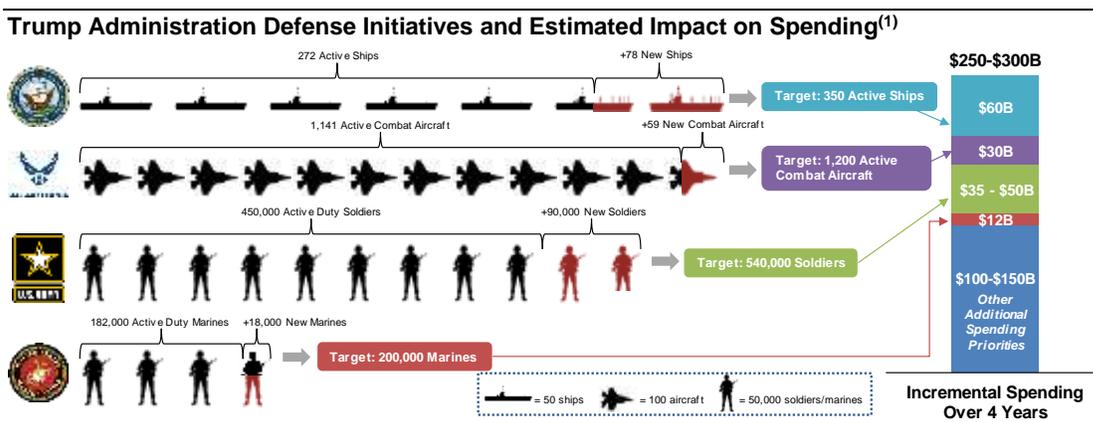
Kipps DeSanto 
INVESTMENT BANKING
8000 Towers Crescent Drive
Suite 1200
Tysons Corner, Virginia 22182
703.442.1400
www.kippsdesanto.com

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 <p><i>has been acquired by</i></p>  <p>September 2016</p>	 <p><i>has been acquired by</i></p>  <p>August 2016</p>	 <p><i>has acquired</i></p>  <p>July 2016</p>
 <p><i>has been acquired by an unidentified party</i></p> <p>June 2016</p>	 <p><i>has been acquired by</i></p>  <p>May 2016</p>	 <p><i>a subsidiary of</i></p>  <p><i>has been acquired by</i></p>  <p>March 2016</p>
 <p><i>subsidiaries of</i></p>  <p><i>have been acquired by</i></p>  <p><i>a subsidiary of</i></p>  <p>December 2015</p>	 <p><i>has been acquired by</i></p> <p>Gleason Research Associates Employee Stock Ownership Trust</p> <p>December 2015</p>	 <p><i>has been acquired by</i></p>  <p><i>Global. Innovative. Trusted.</i></p> <p>December 2015</p>

Operational / Funding Environment

2016 was dominated by the Presidential election. The defense budget is still in flux as a result of President-elect Trump's unexpected win, which is anticipated to increase defense spending up to ~\$300 billion over the next four years, with some estimates at over \$500 billion. Trump has stated he plans to fully repeal the defense sequester and will submit a new budget with the aim to build up what he views as a depleted military. During his campaign, he pledged to increase the Navy fleet from 272 to 350. After Trump announced this 350 ship target, the Navy declared its goal of reaching 355 ships, significantly greater than its pre-Trump target of 308. He also indicated a desire to increase the number of active duty Army soldiers by 90,000 and the number of active duty Marines by 18,000. For the Air Force, Trump intends to increase the number of active combat aircraft by ~100. The Trump team has suggested these spending increases will be paid through the identification and elimination of incorrect payments through a full audit of the Pentagon, a reduction in duplicative bureaucracy, collecting unpaid taxes, and ending unwanted and unauthorized Federal programs. However, given some of the other items discussed during the campaign, such as tax cuts and infrastructure improvements, significant debate about spending priorities lies ahead. In 4Q16, Congress extended the Continuing Resolution that was set to expire on December 9th. The extension marked the 8th consecutive year the Department of Defense did not receive an appropriations bill by year end. Subsequently, the House and Senate agreed on a \$619 billion defense budget for government fiscal year 2017, which represents a \$3.2 billion increase over President Obama's budget request. Compared to the President's original request, the new bill includes adding 21,000 military personnel and retaining 15,000 active duty Army soldiers set to be cut, a reduction of 110 generals and admirals, and no increased acquisition plans for the F-35, Apache Helicopter, or F-18 Super Hornet.



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The government technology solutions sector is also preparing for expected actions of the incoming Trump administration, and anticipating potential impacts on overall sector dynamics. Despite uncertainty and speculation on specific administrative actions, the general sentiment has been positive and is expected to bolster the relatively stable government contracting environment. Notably, the Trump administration's plan to pause new government hiring and desire to boost infrastructure investments may result in increased outsourcing that could fuel new contracting opportunities. In addition, a number of high-profile initiatives put in place under the Obama administration are also expected to continue – most notably, the proposed \$3.1 billion IT modernization fund – given Trump's favorable take on infrastructure improvement and cybersecurity dominance. Meanwhile, the government is increasingly prioritizing digital services, along with maturing solutions in the areas of agile, DevOps, mobility, big data, the Internet of Things, and machine learning.

Within the aerospace sector, 2016 performance was mixed. A global slump in wide-body aircraft sales, supply chain delays, and low fuel prices delaying the need to acquire new, more fuel efficient aircraft, were counterbalanced by strong backlogs and optimism for future narrow-body orders. In 4Q16, Boeing and Airbus booked 388 and 383 gross orders, bringing the year's totals to 787 and 949, down from 2015 totals of 868 and 1190, respectively. A major highlight for Boeing was its \$18.6 billion agreement with Qatar Airways for up to 100 jets (comprised of 777s, 787s, and 737s). This good news, however, was dampened by United Airlines' deferral of a 61 jetliner order as part of the airline's cost-saving initiatives. In addition, Boeing announced an expected 40% reduction in 777 production in 2017. Airbus also experienced some turbulence after announcing anticipated delivery delays for its new A330neo long-range plane from late 2017 to March 2018. The delays are primarily the result of continued supply chain problems (e.g., shortages in A320 engines and A350 seats). Despite a year-over-year ("YoY") order decrease, Boeing and Airbus remain confident that their book-to-bill ratios and backlogs will support each company's planned operations. Additionally, both Boeing and Airbus recently announced strategic plans to create value through other means. Boeing plans to (i) move its Defense, Space, & Security business unit, currently headquartered in St. Louis, to the Washington D.C. area to be in closer proximity to major customers and key decision makers; (ii) increase its dividend by 30% in 2017; and (iii) authorize \$14 billion in share buybacks over the next 24 to 30 months. Airbus announced restructuring / cost saving measures within its back office workforce to streamline the organization and increase profitability.



(1) Fairmont Consulting; McAleese and Associates; War on the Rocks; press releases

Capital Markets and Public Market Valuation Trends

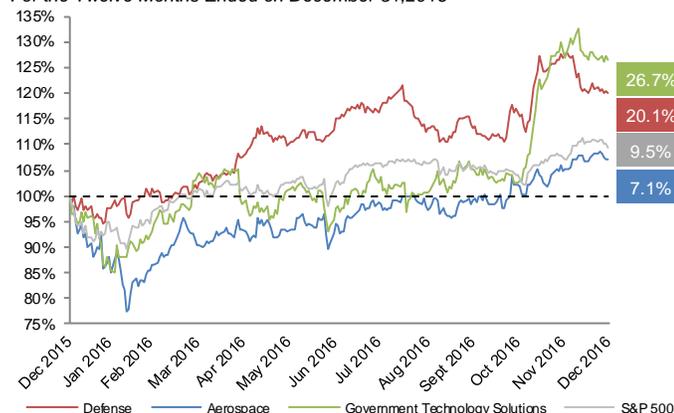
Aerospace stocks ended 2016 with gains of 7.1%, compared to a 9.5% increase in the S&P 500, following a particularly tough first quarter. Despite lagging the S&P, a majority of stocks in the sector closed out 2016 near all-time highs, indicating a strong market fueled by robust air traffic growth, aircraft replacement demand, and a pickup in new orders. Median enterprise value (“EV”) / next twelve months (“NTM”) EBITDA multiples rebounded during the second half of the year to 8.7x, a strong recovery after declining to 8.0x in the first half of the year (down from year-end 2015 multiples of 8.4x). Bombardier was the index’s biggest winner for the year (up 66.5%), rebounding from speculations of bankruptcy approximately a year ago. Throughout the year, Bombardier cut costs, started delivering its CSeries planes to customers, and was able to essentially halt its cash burn. B/E Aerospace followed close in Bombardier’s footsteps (up 42.1%) after the market positively reacted to its plans to be acquired by Rockwell Collins. Alternatively, Embraer ended the year down 34.8% after concerns regarding Republic Airways Holdings’ Chapter 11 bankruptcy filing and Brazil’s struggling economy and double-digit inflation, which are increasing Embraer’s costs.

YoY Q3 Revenue Comparison of Select Aerospace Companies⁽¹⁾

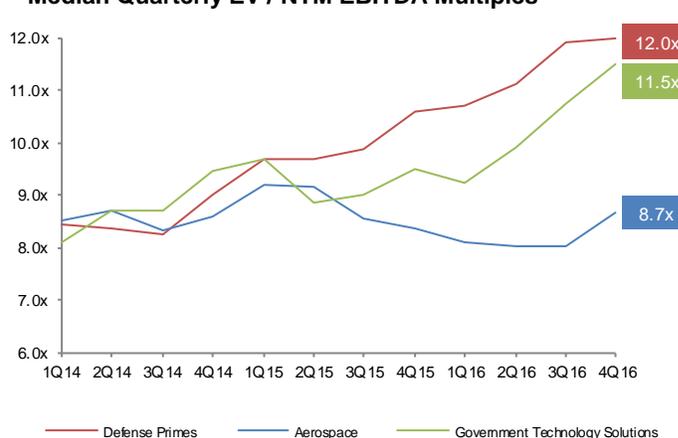
(\$ in millions)	3Q16	3Q15	Δ%
Esterline	\$544	\$478	13.7%
Heico	363	329	10.5%
TransDigm	875	810	8.1%
B/E Aerospace	733	680	7.8%
LMI	90	96	(6.2%)
Bombardier	3,736	4,138	(9.7%)
Average	\$1,057	\$1,088	(2.9%)

Relative Stock Price Performance⁽¹⁾

For the Twelve Months Ended on December 31, 2016



Median Quarterly EV / NTM EBITDA Multiples⁽¹⁾



Defense stocks ended the year with strong growth (up 20.1%), spurred by pro-defense spending sentiments after the outcome of the presidential election. Sector valuation growth continued as stocks ended the year at 12.0x NTM EBITDA, up from 10.6x at the end of 2015. L-3 Communications, Inc. and General Dynamics were the top performers for the year, up 27.3% and 25.7%, respectively. L-3’s stock soared after completing its extensive portfolio-shaping –divesting non-core and underperforming assets, shuffling management, and restructuring troubled programs. Similarly, General Dynamics was rewarded for returning to normalized cash flow levels and achieving record-breaking financial performance throughout the year.

Building on strong 3Q16 sector momentum, the government technology solutions index delivered a robust 4Q16, with share prices and valuations reaching multi-year highs. Stock prices improved significantly in 4Q16 (up 20.5%), outpacing the S&P 500 by 17.2% and driving the index up 26.7% in 2016. The index surged over 5.0% immediately following election day in response to a favorable view of the government contracting landscape under the newly elected administration, and ended the week up 11.3% before gradually increasing through the end of the year. Industry median valuations topped 3Q16’s high to reach 11.5x, in part due to the industry optimism regarding the new administration. The sector also saw new contract awards and increased backlogs in 4Q16. ManTech shares ended 2016 up 39.7% on quarterly bookings of ~\$900 million (a 2.1 book-to-bill ratio), including single-award contracts for cybersecurity services to the National Geospatial-Intelligence Agency (“NGA”) as well as intelligence, surveillance, and reconnaissance (“ISR”) support for the Marine Corps. Vectrus (up 56.6% for the quarter) submitted \$1.5 billion in new proposals and stated it has \$7 billion of targeted new business opportunities over the next year. In addition, its shares surged 30% following the Army’s guidance to resolve the protest of its largest contract, Kuwait Base Operations and Security Support Services (“K-BOSSS 2.0”), in Vectrus’ favor. Finally, KeyW’s new airborne ISR and advanced geospatial awards furthered its strategic shift toward becoming a pure-play Intelligence Community (“IC”) contractor. In addition, the company’s 73% win rate in 3Q16, combined with ~\$700 million in pending prime awards “represents a springboard for organic growth in 2017” per CEO William Weber.



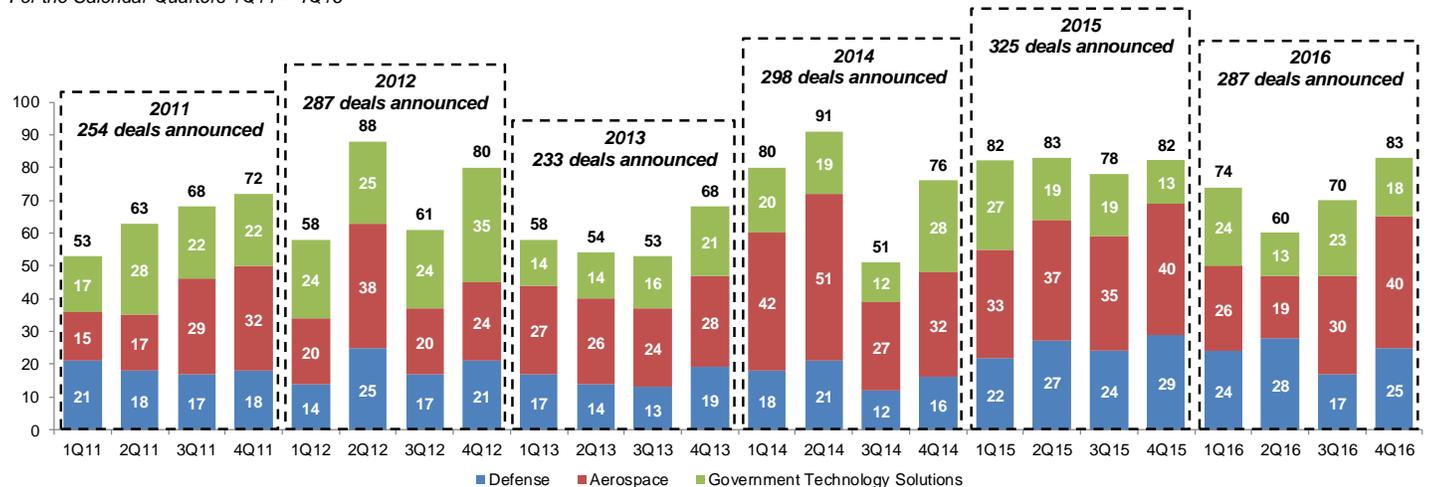
(1) S&P Capital IQ, company filings, and KippsDeSanto research

M&A Trends & Activity

A total of 83 deals were announced in the aerospace, defense, and government technology solutions sectors in 4Q16. Total deal volume reached 287 deals in 2016, down from a particularly active 2015, but in-line with average deal volume over the past five years.

M&A Transaction Volume⁽¹⁾

For the Calendar Quarters 1Q11 – 4Q16



While aerospace deal volume in 2016 (115 deals) was less robust than in either 2014 (152 deals) or 2015 (145 deals), activity exceeded totals from the beginning of the decade (2011, 2012, and 2013 had 93, 102, and 105 deals, respectively). The sector experienced several large, high-profile transactions throughout the year, which drove median deal size to \$202 million, up from \$87 million in 2015. M&A activity focused on component / avionics / subsystem companies increased considerably relative to last year, and accounted for 56% of all aerospace deal activity, compared to 44% in 2015. Notable deals include Rockwell Collins' pending acquisition of B/E Aerospace for \$8.3 billion and Curtiss-Wright's acquisition of Teletronics Technology for \$233 million. Conversely, maintenance, repair, and overhaul ("MRO") activity experienced a pullback last year, and represented only 18% of aerospace deals, relative to 35% in 2015. Private equity remained active in the sector and accounted for 45% of all aerospace deals (37% in 2015).

Following an exceptionally active 2015 (102 deals), defense acquisition volumes in 2016 (94 deals) moderated, but remained well-above the five-year average (~77 deals per year 2011-2015). Divestiture activity remained consistent with 2015 and represented 26% of deals and private equity firms continued to be active in the sector, accounting for 33% of deal volume in 2016 (28% in 2015). Defense electronics / hardware / components / subsystems companies remained highly-sought after assets and represented more than 70% of all defense deals, which was in-line with 2015. Notable recent defense electronics deals include SpeedCast International's pending acquisition of Harris Corporation's CapRock Communications business for \$425 million and FLIR Systems' acquisition of Point Grey Research for \$253 million.

Government technology solutions M&A activity in 2016 finished slightly below 2015 deal volume with 78 total transactions, including 18 in the fourth quarter. In 2016, buyer M&A strategies focused on acquiring targets with focus and depth across highly-coveted capabilities and customers, alongside a handful of larger transactions targeted for breadth and / or scale to augment organic growth. Approximately 75% of deals between \$100-\$500 million in 2016 leaned toward this capability or customer focus strategy. ManTech continued its pursuit across the federal health community, particularly within the Center for Medicare & Medicaid Services, through its acquisition of Edaptive Systems⁽²⁾, while Booz Allen Hamilton's ("BAH") proposed \$250 million acquisition of Aquilent bolsters BAH's advanced digital transformation capabilities, and DigitalGlobe's \$140 million acquisition of The Radiant Group provides its core expertise in geospatial information systems with advanced intelligence and data analytics capabilities. Arlington Capital Partners formed Polaris Alpha through a merger of EOIR with Intelligent Software Solutions and PROTEUS; the combined company is focused on advanced technical capabilities and mission-critical solutions for the IC. As the new administration takes office in January, government agencies are expected to receive additional budget appropriations to modernize IT infrastructure and expand services, which should further reinforce buyers' specific M&A strategies. With business-friendly tax policies expected under the Trump administration, the sector is unlikely to experience a spike in transaction volume in 2017 to avoid effects of unfavorable tax policy, rather total transaction volume is likely to remain consistent with 2015 and 2016 levels.

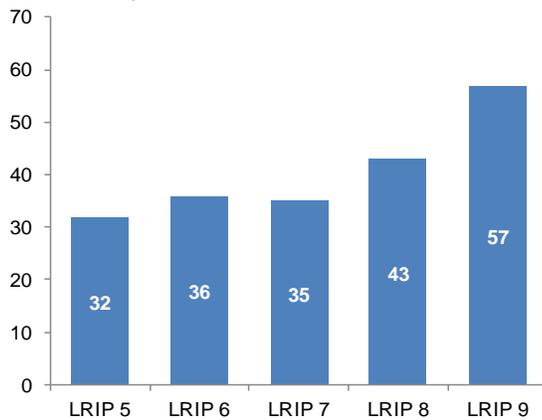


(1) S&P Capital IQ, company filings, and KippsDeSanto research
(2) KippsDeSanto acted as the exclusive financial advisor to Edaptive Systems

Defense Update

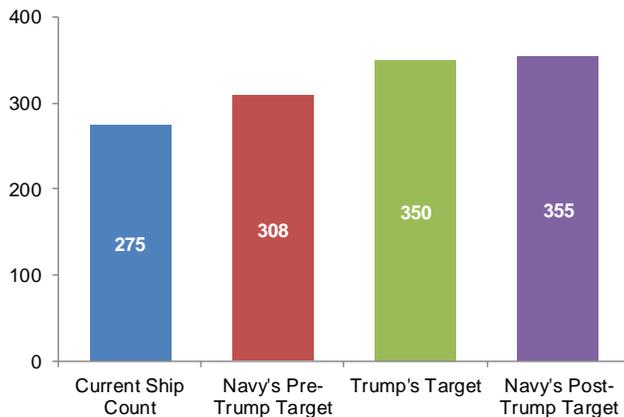
Lockheed's F-35 LRIP Production Quantities⁽¹⁾

(number of aircraft)



Navy Actual / Target Ship Amounts⁽²⁾

(number of ships)



Notable Cabinet Selections

Rex Tillerson – Secretary of State

- CEO of ExxonMobil (2006 – Present)
- Started working for ExxonMobil in 1975 as a production engineer

General James Mattis – Secretary of Defense

- Commander of the U.S. Central Command (2010 – 2013)
- Commander of the U.S. Joint Forces Command (2007 – 2010)

General John Kelly – Head of Homeland Security

- Commander of the U.S. Southern Command (2012 – 2016)
- Senior Military Assistant to the Secretary of Defense (2011 – 2012)

LOCKHEED MARTIN'S UNILATERAL F-35 CONTRACT

After more than a year of negotiations between Lockheed Martin and the Pentagon's F-35 Joint Program Office ("JPO") regarding the ninth lot of F-35 Low Rate Initial Production ("LRIP"), the JPO decided to offer Lockheed a unilateral price ultimatum of \$6.1 billion for 57 aircraft. As it stands, this contract would be the largest unilateral contract ever authorized by the U.S. government. Lockheed, however, has indicated it does not believe the price, a 3.7% unit price reduction from LRIP 8 in 2014, fairly compensates it for the associated risks and challenges of fulfilling the order. Lockheed has until late January to reject the contract's terms through an appeal with the Armed Services Board of Contracts Appeals.

NAVY'S 355-SHIP TARGET

Navy Secretary Ray Mabus proposed a U.S. Navy fleet target of 355 ships, five more than President-elect Donald Trump's recently-stated goal of 350. This increase is ~30% greater than the Navy's actual fleet size today, 275, and ~14% greater than the Navy's previous goal, set in 2014, of 308. Mabus noted the increase is needed to counter the expansion of China and the resurgence of Russia. The augmentation focuses on "heavy hitters", including one additional aircraft carrier, 18 new attack submarines, 16 more destroyers and cruisers, four additional amphibious warships, and eight other support vessels. Small surface combatants (e.g., the controversial Littoral Combat Ship) and nuclear-missile submarines (e.g., the expensive Columbia class) remain unchanged at 52 and 12, respectively. This plan is not a funded budget and would require a significant increase in funding above the Budget Control Act caps.

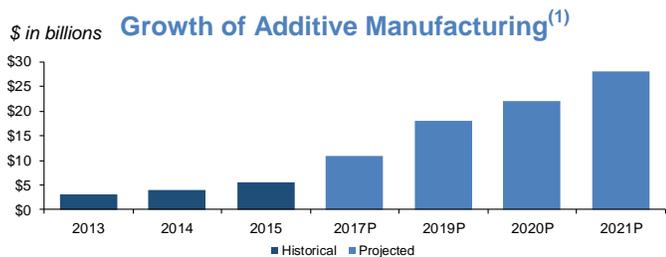
TRUMP'S CABINET APPOINTMENTS

Trump's Cabinet continues to take shape, with recent selections for Secretary of Defense, Head of Homeland Security, and Secretary of State. General James "Mad Dog" Mattis, Trump's Secretary of Defense nominee, is considered one of the most influential military leaders of his generation. Mattis has been outspoken in identifying Iran as the single most enduring threat to peace in the Middle East and has also declared "political Islam" to be a major security issue facing the U.S. Retired four-star Marine General John Kelly, Trump's pick to lead Homeland Security, is viewed as slightly more moderate than Trump and some believe he may temper some of Trump's more controversial proposals. Kelly has shared his view that drug-related violence may be more of a threat to the United States than Islamic terrorists. ExxonMobil CEO Rex Tillerson, Trump's Secretary of State nominee, has extensive experience dealing with foreign governments and is considered a "political outsider," having worked in the private sector his entire life.

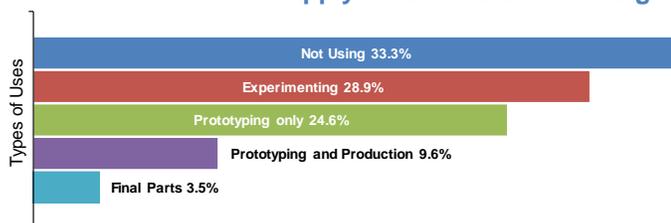
(1) Lockheed Martin's F-35 Program Status and Fast Facts
(2) Breaking Defense

Aerospace Update

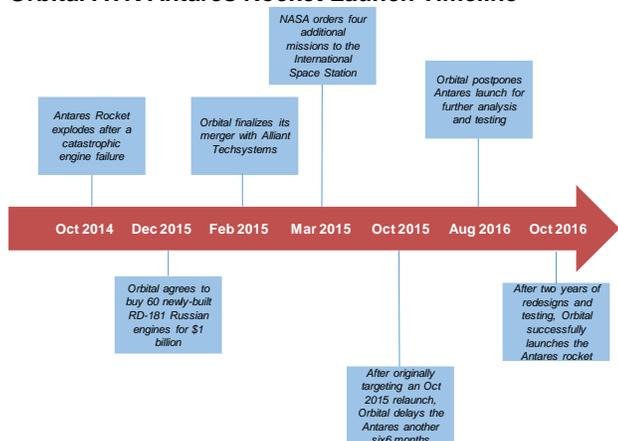
Growth and Application of Additive Manufacturing



How Manufacturers Apply Additive Manufacturing⁽²⁾



Orbital ATK Antares Rocket Launch Timeline



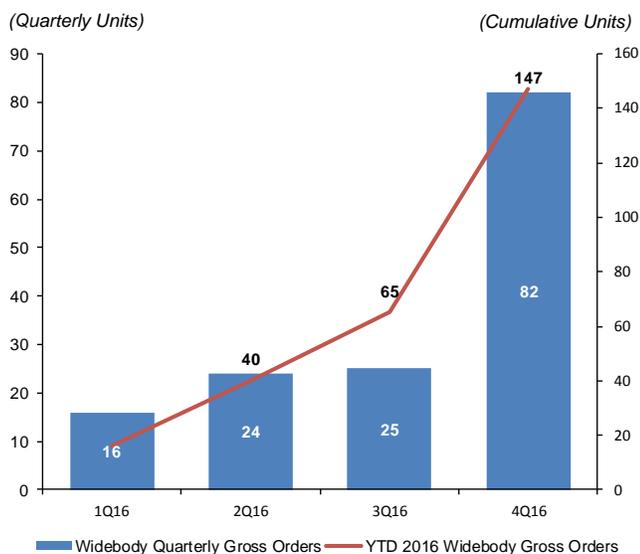
PUSH TOWARDS ADDITIVE MANUFACTURING

As evidenced by General Electric's ("GE") recent acquisitions of Concept Laser and Arcam AB, "3-D printing", or "additive manufacturing", has transitioned from a niche market providing novelty parts to a mainstream manufacturing technique, which can cut costs and weight in various applications. Additive manufacturing differs from traditional manufacturing techniques because the parts are built from the ground up in layers. Not only does this allow manufacturers to create lightweight, monolithic parts of previously-impossible geometries, but it also shortens build times. For example, GE invested \$50 million in a 3-D printing facility in Alabama to produce fuel nozzles for its turbo prop engines, which resulted in unit production times dropping from weeks to five days. Despite the benefits, the substantial upfront equipment costs (some machines cost over \$1 million) limit the number of companies able to employ the technology for purposes other than prototyping and experimenting.

ORBITAL ATK ACHIEVES SUCCESSFUL LAUNCH

Two years after an engine malfunction resulted in a major launch failure, Orbital ATK successfully launched a revamped version of its Antares rocket, which now features Russian-built main engines. Orbital originally wanted to have the rocket back in action in under one year, but integrating the new engines proved more difficult than expected. Given its multibillion dollar NASA contract for at least 17 resupply missions through 2024, Orbital sees this launch as an important step in further cementing this important customer relationship. Additionally, Orbital hopes this launch will allow it to break into the commercial side and use the Antares rocket for commercial space flight.

Quarterly Gross Boeing Widebody Orders⁽³⁾



SLIGHT RELIEF IN BOEING WIDEBODY SALES

After procuring only 65 gross widebody orders from January through September 2016, Boeing landed 82 new widebody aircraft orders in 4Q16, bringing 2016's total gross to 147. While widebody orders are still down compared to previous years, this quarter provides some relief for Boeing, especially with respect to its 747 program. Major drivers of this increase include Qatar Airways' 40 aircraft order (10 current generation 777s and 30 787s), UPS' order for 14 747-8Fs, and other undisclosed buyers who collectively purchased 37 787s. CEO Dennis Muilenburg stated during the 3Q16 earnings call in late October that with the added 777 order from Qatar Airways, Boeing is now 85% sold out for 2017 (assuming 777 production rates of seven per month). However, in mid-December, Boeing announced it would slash 777 production rates in August 2017 to five per month in response to reduced hopes for a large Emirates widebody order in 2016, which has yet to materialize.

(1) 2016 Wohlers Report
(2) UBS, PwC Additive Manufacturing Reports
(3) Boeing website disclosures

Government Technology Solutions Update

Government Technology Solutions Earnings⁽¹⁾

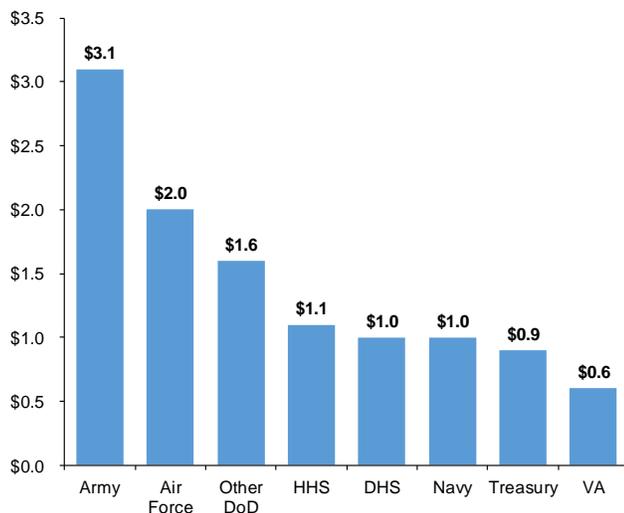
Government	EPS (Latest Quarter Releases)			EPS Growth YoY
	Est.	Actual	Beat / (Miss)	
Booz Allen Hamilton 2Q17: 11/02/16	\$0.43	\$0.46	7.0%	17.9%
CACI 1Q17: 10/26/16	\$1.21	\$1.47	21.5%	7.3%
ENGILITY 3Q16: 11/01/16	\$0.38	\$0.52	36.8%	(14.8%)
ICF 3Q16: 11/01/16	\$0.81	\$0.81	0.0%	8.0%
SAIC 3Q16: 11/02/16	\$0.06	\$0.09	50.0%	NM
leidos 3Q16: 11/03/16	\$0.96	\$1.25	30.2%	92.3%
Northrop Grumman 3Q16: 11/02/16	\$0.35	\$0.38	8.6%	8.6%
hcl 3Q16: 10/26/16	\$0.23	\$0.24	4.3%	4.3%
SAIC 3Q17: 12/08/16	\$0.84	\$0.91	8.3%	24.7%
VECTRUS 3Q16: 11/06/16	\$0.55	\$0.60	9.1%	(7.7%)

STRONG EARNINGS GROWTH CONTINUES THROUGHOUT THE SECTOR

The positive earnings trend within the government technology solutions sector continued for a third straight quarter. The sector beat quarterly estimates by 8.8% and improved year-over-year (“YoY”) earnings by 8.0%. Of note, Leidos and CACI beat EPS estimates by 30.2% and 21.5%, respectively, while also posting strong YoY growth. Leidos posted record quarterly EPS in 4Q16 and its fifth consecutive quarter of YoY organic growth, noting a robust backlog and strong bookings that improve its 2017 earnings outlook. Additionally, CACI’s earnings were aided by robust contracting activity in the quarter, including ~\$2 billion of awards, securing strategic new business opportunities, and winning critical recompetes that are expected to drive growth in six of its eleven markets.

GFY2016 Upgrade / New IT Spending in Agencies with Stated Agile Emphasis

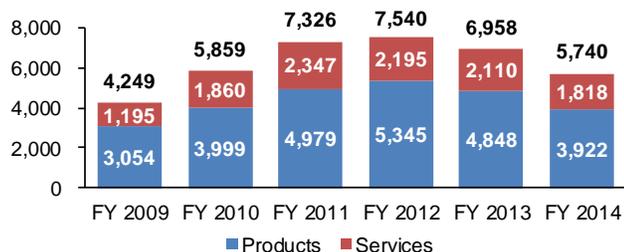
\$ in billions



GROWING AGENCY FOCUS ON AGILE AND DEVOPS CAPABILITIES

As the government technology solutions market continues to adapt to the digital age, Federal agencies are increasingly adopting agile development and DevOps capabilities to improve cybersecurity and IT modernization efforts, among other initiatives. The proactive “Hybrid DevOps” approach benefits agencies seeking to work in collaborative environments, facilitate modernization efforts, reduce development cycle time, and reduce costs. While the Federal government seeks to modernize its IT systems, agencies’ development teams are also emphasizing building additional security into modern architectures, development methods, and deployment practices to reduce cybersecurity compromises. As the prevalence of agile and DevOps strategies continues to permeate Federal agencies, government contractors possessing these capabilities are potentially more attractive M&A targets to buyers.

Annual Number of LPTA Procurements since 2009⁽²⁾



FY17 National Defense Authorization Act Section 813: Promoting Value-Based Contracting

LPTA source selections should be avoided for the acquisition of IT, cybersecurity, and Systems Engineering and Technical Assistance (“SETA”) services, as well as knowledge-based training and logistics capabilities

RESURGENCE OF BEST-VALUE CONTRACTING

Tightening Federal budgets and a focus on streamlining procurement were key drivers to historical growth in LPTA awards as a means to reduce costs and potential award protest affinity. The simplified evaluation methodology has since drawn staunch criticism from Congress and industry professionals alike, both of whom are attempting to curb its usage and reduce overlooked consequences. After its 2012 peak, LPTA usage has declined steadily as agencies better evaluate the tradeoff between short-term savings versus lower-quality solutions and rising long-term costs. While LPTA for basic products and services is likely to continue, evolving public policy aimed at curtailing its use for more complex service-based contracts has the potential to drive momentum toward best-value procurements.

(1) S&P Capital IQ, company filings, and KippsDeSanto research

(2) Deltek: The Lowest Price, Technically Acceptable (LPTA) Procurement Landscape

Public Company Trading Analysis (1)

(\$ in millions, except per share amounts)

Defense Primes	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Boeing	\$155.68	97.3%	\$96,080	\$96,968	\$94,356	\$7,659	8.1%	\$93,076	\$10,547	11.3%	1.03x	12.7x	1.04x	9.2x
Lockheed Martin	249.94	92.6%	73,227	84,743	46,702	6,797	14.6%	49,569	7,038	14.2%	1.81x	12.5x	1.71x	12.0x
General Dynamics	172.66	95.9%	52,578	54,161	31,417	4,794	15.3%	31,959	4,833	15.1%	1.72x	11.3x	1.69x	11.2x
Raytheon	142.00	93.1%	41,698	44,594	24,429	3,729	15.3%	25,578	3,769	14.7%	1.83x	12.0x	1.74x	11.8x
Northrop Grumman	232.58	91.6%	40,995	46,282	24,027	3,547	14.8%	25,043	3,781	15.1%	1.93x	13.0x	1.85x	12.2x
BAE Systems	7.30	93.7%	23,179	25,749	22,871	2,663	11.6%	23,897	2,841	11.9%	1.13x	9.7x	1.08x	9.1x
Median		93.4%	\$47,138	\$50,222	\$27,923	\$4,262	14.7%	\$28,769	\$4,307	14.5%	1.77x	12.2x	1.70x	11.5x

Defense Systems	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Safran	\$72.23	97.9%	\$30,121	\$32,267	\$18,255	\$3,514	19.3%	\$18,582	\$3,472	18.7%	1.77x	9.2x	1.74x	9.3x
Rockwell Collins	92.76	96.1%	12,109	13,897	5,293	1,318	24.9%	5,408	1,349	24.9%	2.63x	10.5x	2.57x	10.3x
L-3 Communications	152.11	93.9%	11,759	14,762	10,310	1,202	11.7%	10,581	1,287	12.2%	1.43x	12.3x	1.40x	11.5x
Huntington Ingalls Industries	184.19	97.4%	8,540	8,860	6,979	971	13.9%	7,124	993	13.9%	1.27x	9.1x	1.24x	8.9x
Orbital ATK, Inc.	87.73	92.4%	5,137	6,670	4,453	673	15.1%	4,594	698	15.2%	1.50x	9.9x	1.45x	9.6x
FLIR	36.19	97.4%	4,927	4,766	1,640	369	22.5%	1,712	402	23.5%	2.91x	12.9x	2.78x	11.9x
Cobham	2.02	57.9%	3,424	4,592	2,437	426	17.5%	2,541	478	18.8%	1.88x	10.8x	1.81x	9.6x
Kongsberg Gruppen	14.47	85.3%	1,719	2,071	1,849	149	8.1%	1,821	201	11.0%	1.12x	13.9x	1.14x	10.3x
Cubic	47.95	94.8%	1,299	1,530	1,481	136	9.2%	1,546	134	8.7%	1.03x	11.3x	0.99x	11.4x
AeroVironment	26.83	82.7%	616	409	222	(16)	-7.2%	315	44	14.1%	1.85x	-25.5x	1.30x	9.2x
Median		94.4%	\$5,032	\$5,718	\$3,445	\$549	14.5%	\$3,567	\$588	14.6%	1.63x	10.7x	1.42x	10.0x

Defense Electronics / Comm.	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Harris	\$102.47	95.3%	\$12,735	\$16,938	\$7,332	\$1,562	21.3%	\$7,250	\$1,591	22.0%	2.31x	10.8x	2.34x	10.6x
Teledyne	123.00	95.1%	4,298	4,811	2,138	350	16.4%	2,221	378	17.0%	2.25x	13.8x	2.17x	12.7x
ViaSat	66.22	80.6%	3,772	4,787	1,525	343	22.5%	1,629	366	22.4%	3.14x	13.9x	2.94x	13.1x
Ultra Electronics	23.97	94.7%	1,682	2,114	983	189	19.2%	1,022	196	19.2%	2.15x	11.2x	2.07x	10.8x
Mercury Systems	30.22	92.3%	1,239	1,352	332	71	21.5%	389	90	23.2%	4.07x	18.9x	3.48x	15.0x
Kratos Defense & Security Solutions	7.40	90.1%	534	959	665	43	6.5%	703	54	7.7%	1.44x	22.3x	1.36x	17.8x
Comtech Telecommunications	11.85	47.2%	279	473	548	51	9.4%	615	78	12.7%	0.86x	9.2x	0.77x	6.1x
Median		92.3%	\$1,682	\$2,114	\$983	\$189	19.2%	\$1,022	\$196	19.2%	2.25x	13.8x	2.17x	12.7x

Homeland Security	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Smiths Group	\$17.48	91.8%	\$6,913	\$8,230	\$3,903	\$757	19.4%	\$4,085	\$784	19.2%	2.11x	10.9x	2.01x	10.5x
MSA Safety Incorporated	69.33	97.3%	2,606	2,978	1,168	213	18.2%	1,204	232	19.3%	2.55x	14.0x	2.47x	12.8x
OSI Systems, Inc.	76.12	86.2%	1,451	1,675	886	132	14.9%	1,005	181	18.0%	1.89x	12.7x	1.67x	9.3x
Smith & Wesson	21.08	67.6%	1,187	1,308	898	268	29.8%	889	186	20.9%	1.46x	4.9x	1.47x	7.1x
Analogic	82.95	86.5%	1,033	891	518	81	15.7%	543	90	16.6%	1.72x	11.0x	1.64x	9.9x
Median		86.5%	\$1,451	\$1,675	\$898	\$213	18.2%	\$1,005	\$186	19.2%	1.89x	11.0x	1.67x	9.9x

(1) S&P Capital IQ, company filings, and KippsDeSanto research

Public Company Trading Analysis, cont. (1)

(\$ in millions, except per share amounts)

<u>Aerospace Systems</u>	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
TransDigm	\$248.96	84.6%	\$13,281	\$21,973	\$3,287	\$1,560	47.5%	\$3,581	\$1,716	47.9%	6.68x	14.1x	6.14x	12.8x
Zodiac Aerospace	23.03	90.4%	6,381	7,561	5,456	382	7.0%	5,599	524	9.4%	1.39x	19.8x	1.35x	14.4x
B/E Aerospace	60.19	99.6%	6,115	8,025	2,893	616	21.3%	3,069	657	21.4%	2.77x	13.0x	2.62x	12.2x
HEICO	77.15	93.7%	4,820	5,419	1,406	330	23.5%	1,501	349	23.3%	3.85x	16.4x	3.61x	15.5x
Meggitt	5.66	94.5%	4,391	6,088	2,422	563	23.2%	2,536	606	23.9%	2.51x	10.8x	2.40x	10.0x
Esterline	89.20	94.2%	2,644	3,267	1,998	277	13.9%	2,015	319	15.8%	1.63x	11.8x	1.62x	10.2x
Triumph Group	26.50	65.7%	1,313	2,896	3,685	375	10.2%	3,498	461	13.2%	0.79x	7.7x	0.83x	6.3x
AAR	33.05	85.3%	1,135	1,243	1,673	121	7.3%	1,814	161	8.9%	0.74x	10.2x	0.69x	7.7x
Astronics	33.84	82.5%	1,072	1,223	639	102	16.0%	676	116	17.1%	1.92x	11.9x	1.81x	10.6x
Median		90.4%	\$4,391	\$5,419	\$2,422	\$375	16.0%	\$2,536	\$461	17.1%	1.92x	11.9x	1.81x	10.6x

<u>Aerospace Structures</u>	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Spirit AeroSystems	\$58.35	94.8%	\$7,098	\$7,534	\$6,830	\$1,008	14.8%	\$6,934	\$1,102	15.9%	1.10x	7.5x	1.09x	6.8x
Hexcel	51.44	93.3%	4,720	5,349	2,018	460	22.8%	2,112	499	23.6%	2.65x	11.6x	2.53x	10.7x
Senior	2.40	79.3%	1,006	1,282	1,106	147	13.3%	1,180	156	13.2%	1.16x	8.7x	1.09x	8.2x
LMI Aerospace	8.62	84.4%	116	365	350	40	11.5%	377	47	12.5%	1.04x	9.1x	0.97x	7.7x
Median		88.9%	\$2,863	\$3,316	\$1,562	\$303	14.0%	\$1,646	\$327	14.6%	1.13x	8.9x	1.09x	8.0x

<u>Government Technology Solutions</u>	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Leidos Holdings	\$51.14	86.0%	\$7,690	\$10,731	\$7,033	\$622	8.8%	\$10,181	\$974	9.6%	1.53x	17.3x	1.05x	11.0x
Booz Allen Hamilton	36.07	93.6%	5,392	6,648	5,615	531	9.5%	5,815	573	9.9%	1.18x	12.5x	1.14x	11.6x
CSRA Inc.	31.84	97.0%	5,203	7,952	5,031	880	17.5%	5,137	888	17.3%	1.58x	9.0x	1.55x	9.0x
Science Applications International Corp.	84.80	95.0%	3,721	4,577	4,511	340	7.5%	4,599	352	7.7%	1.01x	13.5x	1.00x	13.0x
CACI International	124.30	93.0%	3,030	4,396	4,187	357	8.5%	4,259	383	9.0%	1.05x	12.3x	1.03x	11.5x
ManTech International	42.25	92.8%	1,628	1,557	1,614	123	7.6%	1,674	130	7.7%	0.96x	12.7x	0.93x	12.0x
Engility Holdings	33.70	86.1%	1,239	2,273	2,083	188	9.0%	2,131	188	8.8%	1.09x	12.1x	1.07x	12.1x
ICF International	55.20	92.7%	1,046	1,318	1,192	116	9.7%	1,239	126	10.2%	1.11x	11.4x	1.06x	10.5x
KEYW	11.79	86.9%	475	563	293	35	11.9%	315	40	12.6%	1.92x	NM	1.79x	14.2x
VSE Corporation	38.84	91.0%	419	673	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vectrus, Inc.	23.85	68.2%	257	296	1,190	47	3.9%	817	34	4.1%	0.25x	6.3x	0.36x	8.8x
NCI	13.95	91.1%	189	189	324	28	8.6%	332	29	8.9%	0.58x	6.7x	0.57x	6.4x
Median		91.9%	\$1,434	\$1,915	\$2,083	\$188	8.8%	\$2,131	\$188	9.0%	1.09x	12.2x	1.05x	11.5x

<u>Engineering & Construction</u>	Stock Price 12/31/16	% of 52 Week High	Market Cap	Enterprise Value	CY2016E			CY2017P			EV / CY2016E		EV / CY2017P	
					Rev.	EBITDA	Margin	Rev.	EBITDA	Margin	Rev.	EBITDA	Rev.	EBITDA
Jacobs Engineering	\$57.00	89.9%	\$6,887	\$6,684	\$10,755	\$637	5.9%	\$11,018	\$707	6.4%	0.62x	10.5x	0.61x	9.5x
Babcock International	11.77	85.7%	5,946	7,877	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
AECOM	36.36	89.3%	5,598	9,216	17,367	942	5.4%	18,042	996	5.5%	0.53x	9.8x	0.51x	9.3x
Tetra Tech	43.15	97.4%	2,462	2,650	1,980	207	10.5%	2,089	246	11.8%	1.34x	12.8x	1.27x	10.8x
Median		89.6%	\$5,772	\$7,281	\$10,755	\$637	5.9%	\$11,018	\$707	6.4%	0.62x	10.5x	0.61x	9.5x

(1) S&P Capital IQ, company filings, and KippsDeSanto research

Select Recent Aerospace / Defense M&A⁽¹⁾

(\$ in millions)

Announce Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
12/27/16	Leonardo - Finmeccanica S.p.A	Sistemi Dinamici S.p.A	Provides remotely piloted aircraft systems	NA	NA	NA	NA	NA	NA
12/23/16	Arlington Capital Partners	Molecular Products Group, Ltd	Provides advanced chemistry-based products for the defense and healthcare markets	NA	NA	NA	NA	NA	NA
12/22/16	Advanced Integration Technology, Inc.	Nova-Tech Engineering	Provides critical assembly automation, materials handling and friction stir welding equipment, and tooling for the aerospace and space launch industries	NA	NA	NA	NA	NA	NA
12/21/16	United Flexible, Inc.	Scotia Technology	Provides small-diameter precision fixed tubular components for the aerospace and defense industries	NA	NA	NA	NA	NA	NA
12/21/16	QinetiQ Group plc	Meggitt's Target Systems division	Provides unmanned aerial, naval, and land-based target systems and services for test and evaluation ("T&E") and operational training and rehearsal	\$71.2	\$34.7	\$6.1	17.6%	2.05x	11.7x
12/20/16	Corning, Inc.	Ace and Company, Inc. (dba STRAN Technologies)	Provides rugged fiber-optic and hybrid fiber / power connectivity solutions for harsh environments	NA	NA	NA	NA	NA	NA
12/19/16	Airmar Technology Corp.	Materials Systems, Inc.	Provides advanced materials and custom components for defense and commercial systems customers	NA	NA	NA	NA	NA	NA
12/19/16	Advanced Integration Technology, Inc. (AIT)	KUKA Systems Aerospace North America	Provides new robotic technologies used in aerospace assembly, flexible automation solutions, and engineering to the aerospace industry	NA	NA	NA	NA	NA	NA
12/17/16	Beretta Fabbrica d'Armi	Victrix Armaments	Provides long range rifles of high quality and workmanship	NA	NA	NA	NA	NA	NA
12/15/16	Marana Aerospace Solutions, Inc.	Ascent Aviation Services Corp.	Provides heavy maintenance services, aircraft modification, transition and refurbishment work, aircraft storage and reclamation services, and consigned part sales	NA	NA	NA	NA	NA	NA
12/15/16	HDT Global, Inc.	DRS Environmental Systems, Inc.	Provides rugged and transportable mobile enclosures, power generators, and other ground support systems for forward deployed troops and first responders	NA	NA	NA	NA	NA	NA
12/13/16	Industrial & Financial Systems (IFS) AB	Mxi Technologies Ltd.	Provides integrated and intelligent maintenance management software solutions for the global aviation industry	NA	NA	NA	NA	NA	NA
12/12/16	Aircraft Technical Publishers	CaseBank Technologies, Inc.	Provides integrated troubleshooting and fault detection solutions for the aviation, aerospace and defense industries, among others	NA	NA	NA	NA	NA	NA
12/12/16	Teledyne Technologies, Inc.	e2v Technologies plc	Provides high performance image sensors, custom camera solutions, and application-specific, standard products for the machine vision market	789.0	290.1	62.1	21.4%	2.72x	12.7x
12/09/16	Dassault Systemes S.A.	Next Limit Dynamics SL	Provides highly dynamic fluid flow simulation software solutions used in aerospace and defense, transportation and mobility, high-tech, energy, and other industries	NA	NA	NA	NA	NA	NA
12/08/16	Edgewater Capital Partners	Fiber Materials, Inc. (FMI)	Provides advanced composite materials comprised of polymer matrix composites, carbon composites, and ceramic matrix composites	NA	NA	NA	NA	NA	NA
12/07/16	Curtiss-Wright Corp.	Teletronics Technology Corp.	Provides high-technology data acquisition and comprehensive flight test instrumentation systems for critical aerospace and defense applications	233.0	65.0 ⁽²⁾	NA	NA	3.58x ⁽²⁾	NA
12/07/16	Gores Group	Triumph Repair, Engines - Tempe & APU Ops of Triumph Services - Asia	Provides military, commercial, and regional airline customers with a comprehensive maintenance solution for their legacy and new engine models	NA	NA	NA	NA	NA	NA
12/06/16	Boeing	Liquid Robotics	Provides autonomous maritime systems and developer of the Wave Glider® ocean surface robot, the first wave powered, autonomous marine robot	NA	NA	NA	NA	NA	NA
12/06/16	PSI Services LLC	Computer Assisted Testing Service	Provides full service testing for licensure, certification, assessment, and educational testing programs	NA	NA	NA	NA	NA	NA
12/01/16	Trelleborg AB Business Unit Trelleborg Sealing Solutions	CoorsTek, Inc. Subsidiary Tetrafluor	Provides high-precision seals and bearings produced from high performance polymers and metals	NA	NA	NA	NA	NA	NA
11/30/16	FLIR Systems, Inc.	Prox Dynamics AS	Provides nano-class unmanned aerial systems ("UAS") for military and para-military intelligence, surveillance, and reconnaissance applications	134.0	NA	NA	NA	NA	NA
11/30/16	Cubic Corp.	Vocality International Ltd.	Provides embedded technology that unifies communications platforms, enhances voice quality, and optimizes data throughput	10.0	NA	NA	NA	NA	NA
11/22/16	L-3 Communications, Inc.	MacDonald Humfrey (Automation) Ltd.	Provides automated airport-checkpoint security scanners, as well as state-of-the-art process automation and collaborative robotic capabilities supporting aviation	280.0 ⁽³⁾	135.0 ⁽⁴⁾	28.0 ⁽⁴⁾	20.7%	2.07x ⁽⁴⁾	10.0x ⁽⁴⁾

(1) S&P Capital IQ, company filings, and KippsDeSanto research

(2) Based on 2016E Revenue

(3) Transaction value excludes \$37.5M earnout

(4) Based on 2017P Revenue / EBITDA

Select Recent Aerospace / Defense M&A, cont.⁽¹⁾

(\$ in millions)

Announce Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						Margin	Rev.	EBITDA	EBITDA
11/21/16	Abaco Systems, Inc.	4DSP, LLC	Provides solutions for applications such as image processing, software defined radio, radar, sonar, and airborne surveillance	NA	NA	NA	NA	NA	NA
11/17/16	Abaco Systems, Inc.	The Micro Mezzanine System (MMS) product line from Technobox Inc.	Provides input / output ("input / output") solutions for defense electronics	NA	NA	NA	NA	NA	NA
11/16/16	Chengdu Aerospace Superalloy Technology	Gardner Aerospace Ltd.	Provides a wide range of metallic aerospace details, equipment, and engine components to the global aviation industry	\$405.6	NA	NA	NA	NA	NA
11/14/16	Viasat, Inc.	Arconics Ltd.	Provides wireless In-flight Entertainment ("IFE"), Electronic Flight Bag ("EFB"), Airline Document Management, and Cabin Management solutions	NA	NA	NA	NA	NA	NA
11/14/16	American Industrial Acquisition Corp. (AIAC)	Bradford Engineering B.V.	Provides equipment for satellites and spacecraft including attitude and orbit control systems ("AOCS"), propulsion, avionics, and thermal solutions	1.0	NA	NA	NA	NA	NA
11/10/16	Med-Eng Holdings ULC	Pacific Safety Products	Provides body armor to protect against ballistic, stab, and fragmentation threats, and ballistic blankets to reduce blast effects	11.6	\$15.0	\$0.4	2.9%	0.77x	NM
11/10/16	National Response Corp.	Boom Technology, Inc.	Provides environmental and emergency response solutions for marine and land oil spills	NA	NA	NA	NA	NA	NA
11/09/16	Ontic Engineering and Manufacturing, Inc.	Part of GE Aviation's Avionics Business	Provides legacy avionics parts to the military and commercial aviation markets	61.5	NA	NA	NA	NA	NA
11/07/16	ESCO Technologies, Inc.	Mayday Manufacturing Co., Inc. and its affiliate, Hi-Tech Metal Finishing, Inc.	Provides mission-critical bushings, pins, sleeves, precise-tolerance machined components, and full service metal processing services	NA	40.0	NA	NA	NA	NA
11/03/16	Mercury Systems, Inc.	CES Creative Electronic Systems, SA	Provides subsystems solutions including primary flight control units, flight test computers, mission computers, and command / control processors	38.0	23.0	NA	NA	1.65x	NA
11/02/16	EDAC Technologies Group	Flanagan Industries	Provides precision machined and fabricated aerospace engine components and assemblies	NA	NA	NA	NA	NA	NA
11/02/16	EQT Partners AB	CHEP Aerospace Solutions	Provides lightweight pooling solutions and a range of unit load devices that include aluminum and lightweight containers, standard, and heavy-duty pallets	130.0	80.0 ⁽²⁾	NA	NA	1.62x ⁽²⁾	NA
11/02/16	Global Aviation Services, LLC	D&D GSE	Provides leading ground support equipment maintenance	NA	NA	NA	NA	NA	NA
11/01/16	SpeedCast International Ltd.	Harris Corp., CapRock Communications Business	Provides communications networks for remote and harsh environments	425.0	363.0	60.0	16.5%	1.17x	7.1x
11/01/16	The Heico Companies, LLC	Costello/April Design, Inc.	Provides engineering services, compact heat exchangers, machined components, and electronic enclosures	NA	NA	NA	NA	NA	NA
10/31/16	Satcom Direct, Inc.	TrueNorth, Inc.	Provides satellite communications solutions for business jets and avionics original equipment manufacturers ("OEMs")	NA	NA	NA	NA	NA	NA
10/27/16	AMETEK, Inc.	Hi-Rel Group, LLC	Provides highly specialized metal components for the microelectronic packaging industry	NA	NA	NA	NA	NA	NA
10/27/16	Hawthorne Global Aviation Services	Bama Air, Inc.	Provides fixed-base operator ("FBO") services	NA	NA	NA	NA	NA	NA
10/27/16	General Electric Co.	Concept Laser GmbH (75% stake)	Provides powder bed-based laser additive manufacturing machines	599.0	NA	NA	NA	NA	NA
10/26/16	The Hearst Corp.	CAMP Systems International, Inc.	Provides software-as-a-service ("SaaS") solutions that manage and track the maintenance of jets, turbo prop aircraft, and helicopters	NA	NA	NA	NA	NA	NA
10/26/16	HCL Technologies Ltd.	Butler America Aerospace, LLC	Provides U.S. aerospace and defense customers with engineering & design services in the areas of mechanical and structural design	85.0	NA	NA	NA	NA	NA
10/25/16	Precision Castparts Corp.	Atlantic Precision, Inc.	Provides 3D metal printing and additive manufacturing technologies to customers in the aerospace and defense industries	NA	NA	NA	NA	NA	NA
10/23/16	Rockwell Collins, Inc.	B/E Aerospace	Provides cabin interior products for commercial aircraft and business jets	8,300.0 ⁽³⁾	2,860.0	610.0	21.3%	2.90x	13.6x
10/20/16	Space 2; Leonardo - Finmeccanica S.p.A.	Avio Space Propulsion	Provides advanced technologies for space launchers and missiles	334.3	NA	NA	NA	NA	NA

(1) S&P Capital IQ, company filings, and KippsDeSanto research

(2) Based on 2016E Revenue

(3) Includes the assumption of \$1.9 billion of net debt

Select Recent Government Technology Solutions M&A⁽¹⁾

(\$ in millions)

Announce Date	Buyer / Investor	Target	Target Description	EV	Revenue	EBITDA		EV / LTM	
						EBITDA	Margin	Rev.	EBITDA
12/29/16	ESOP	Phacil, Inc.	Provides a range of mission-focused solutions in software services, systems engineering, integration, & operations ("SEI&O"), cybersecurity, and service desk operations	NA	NA	NA	NA	NA	NA
12/29/16	Dynetics, Inc.	Aviation & Missile Solutions, LLC	Provides a range of engineering capabilities and precision technology solutions to U.S. defense and intelligence agencies	NA	NA	NA	NA	NA	NA
12/21/16	Coalfire Systems, Inc.	Veris Group, LLC	Provides cyber risk advisory, compliance assessment, technical testing, and engineering services for commercial markets and the public sector	NA	NA	NA	NA	NA	NA
12/19/16	ManTech International Corp.	Edaptive Systems, LLC ⁽²⁾	Provides IT services, including software engineering, data abstraction, and business intelligence primarily to Federal health agencies, with a significant focus on CMS	NA	NA	NA	NA	NA	NA
12/06/16	Advanced Core Concepts, LLC	International Logistics Group, LLC	Provides engineering and technical support, logistics, sustainment services, acquisition support, and IT solutions to the DoD and other Federal customers	NA	NA	NA	NA	NA	NA
12/02/16	AllCom Global Services, Inc.	Delex Fairfax Integrated Security Systems, LLC ⁽²⁾	Provides sophisticated security software and systems as well as technology infrastructure solutions for Federal and commercial customers, including the DoD and DoE	NA	NA	NA	NA	NA	NA
11/29/16	Blackwatch International	FutureWorld Technologies Inc.	Provides IT services, including business analysis and design, systems and hardware integration and maintenance, and database design and development, to Federal and S&L customers	NA	NA	NA	NA	NA	NA
11/29/16	Booz Allen Hamilton	Aquilent, Inc.	Provides cloud-enabled services, leveraging DevOps and agile methodologies, to support Federal customers by designing, developing, and supporting Federal digital services	\$250.0	NA	NA	NA	NA	NA
11/14/16	Arlington Capital Partners	Intelligent Software Solutions, Inc.	Provides software solutions and services and analyzes large, disparate data sets for Federal, international, and commercial clients	NA	NA	NA	NA	NA	NA
11/14/16	Arlington Capital Partners	PROTEUS Technologies	Provides cybersecurity services and solutions, including research, remediation, and response, for a variety of Federal customers	NA	NA	NA	NA	NA	NA
11/14/16	Sysorex Global Holdings Corp.	Assets of Integrio Technologies LLC	Provides IT network integration and engineering solutions and services	6.1 ⁽³⁾	NA	NA	NA	NA	NA
11/02/16	Huntington Ingalls Industries, Inc.	Camber Corp.	Provides engineering and technical services, cyber operations technology, and training solutions to U.S. Federal agencies, as well as international government and commercial customers	380.0	\$364.0	\$41.3	11.3%	1.0x	9.2x
11/01/16	Altamira Technologies Corp.	APG Technologies, LLC	Provides a variety of engineering and professional solutions and services, including data management, cloud engineering, and cybersecurity, to Defense, Space, and Intelligence customers	NA	NA	NA	NA	NA	NA
10/27/16	Cognosante, LLC	Business Information Technology Solutions, Inc.	Provides IT consulting services as well as solutions for healthcare systems, enterprise business systems, business intelligence, and data analytics in the public health sector	NA	NA	NA	NA	NA	NA
10/11/16	Preferred Systems Solutions, Inc.	Synaptic Solutions, Inc.	Provides advanced technology and software engineering solutions to national security and IC customers	NA	NA	NA	NA	NA	NA
10/11/16	DigitalGlobe, Inc.	The Radiant Group, Inc.	Provides advanced technical and analytical solutions, including software solutions, data science, advanced tradecraft & training, and digital innovation for the IC and SOCOM	140.0	NA	NA	NA	NA	NA
10/05/16	Accenture plc	Defense Point Security, LLC	Provides a variety of cybersecurity solutions, including computer defense & response, security engineering & architecture, information security, cyber operations, and R&D for Federal clients	NA	NA	NA	NA	NA	NA
10/04/16	Attain, LLC	ACF Solutions, LLC	Develops cloud-based technology solutions for education and non-profit clients, specializing in implementation of Salesforce CRM systems	NA	NA	NA	NA	NA	NA
09/26/16	Vista Equity Partners	GovDelivery, Inc.	Provides digital marketing services for government organizations through the GovDelivery platform, as well as professional services providing digital engagement, learning, and open data services	153.0	NA	NA	NA	NA	NA
09/08/16	CALIBRE Systems, Inc.	Fusion Technology, LLC ⁽²⁾	Provides enterprise talent management solutions and instructional systems design strategies for the IC	NA	NA	NA	NA	NA	NA
09/12/16	Pro-Sphere Tek, Inc.	Global Emergency Resources, LLC	Provides software and technology solutions for healthcare and safety organizations such as web and mobile based, near real-time status tracking and situational awareness systems	NA	NA	NA	NA	NA	NA
09/08/16	Cybraics, Inc.	Caerus Associates	Provides big data analytics and cybersecurity services primarily for DoD customers	NA	NA	NA	NA	NA	NA
09/02/16	InfoTek Corp.	SilverRhino LLC	Provides cybersecurity services to Federal agencies such as DoD, DoT, TSA, DHS, as well as limited commercial clients	NA	NA	NA	NA	NA	NA
09/01/16	Logistics Management Institute, Inc.	FourWinds Limited Co.	Provides performance management, business analytics, and strategic communications expertise to agencies that perform national security missions	NA	NA	NA	NA	NA	NA

(1) S&P Capital IQ, company filings, and KippsDeSanto research

(2) KippsDeSanto & Co. served as the exclusive financial advisor

(3) Transaction value excludes \$1.2M in earnout

About KippsDeSanto & Co.

KippsDeSanto is an investment banking firm focused on delivering M&A and financing expertise. Our solutions are focused on the sectors we know – aerospace / defense and government technology solutions. We are recognized for our depth of industry experience, knowledge of sector-specific transaction drivers, and long-standing relationships with industry participants.

We welcome the opportunity to have a more detailed discussion of developments in our focus industries. For more information, please contact us:

Robert D. Kipps

Managing Director

bkipps@kippsdesanto.com

Michael J. Misantone

Managing Director

mmisantone@kippsdesanto.com

Marc B. Marlin

Managing Director

mmarlin@kippsdesanto.com

Toby Albright

Director

talbright@kippsdesanto.com

Robert G. Dowling

Vice President

rdowling@kippsdesanto.com

Stephen M. Jonas

Associate

sjonas@kippsdesanto.com

Alexia N. Marchetta

Associate

amarchetta@kippsdesanto.com

Kevin P. DeSanto

Managing Director

kdesanto@kippsdesanto.com

Karl M. Schmidt

Managing Director

kschmidt@kippsdesanto.com

Jon Yim

Director

jyim@kippsdesanto.com

Kate W. Troendle

Director

ktroendle@kippsdesanto.com

Brian T. Tunney

Vice President

btunney@kippsdesanto.com

Alex M. Zawatsky

Associate

azawatsky@kippsdesanto.com

Salman J. Husain

Associate

shusain@kippsdesanto.com

Connect with KippsDeSanto:



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KippsDeSanto 
INVESTMENT BANKING

8000 Towers Crescent Drive
Suite 1200
Tysons Corner, Virginia 22182
703.442.1400
www.kippsdesanto.com