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KippsDeSanto's DealView — Top 10 M&A Deals of the Quarter

KippsDeSanto & Co., a leading aerospace/defense and government technology solutions investment bank, would like to share its thoughts on the "Top 10 M&A Deals of the Quarter" for the period ended September 30, 2016. The following table is our take on the most notable announced M&A transactions — not only based on size, but also on strategic importance and / or impact.

(\$ in millions)

Date Announced	Buyer / Target	Target Description	Target Sector	Enterprise Value	EV / LTM Revenue	EBITDA
09/16/16	Menzies Aviation / Aircraft Services International Group, Inc.	Provides commercial aviation services to major airlines, airports, oil companies, and other partners worldwide	Aerospace	\$202.0	0.49x ⁽¹⁾	7.3x ⁽¹⁾
09/08/16	CALIBRE Systems, Inc. / Fusion Technology, LLC ⁽²⁾	Provides enterprise talent management solutions and instructional systems design strategies for the IC	Government Technology Solutions	ND	ND	ND
09/06/16	GE Aviation / SLM Solutions & Arcam AB	Provides metal-based additive manufacturing technology solutions worldwide and additive manufacturing solutions for the production of metal components	Aerospace	1,400.0	NM	NM
09/06/16	TransDigm Group, Inc. / Young & Franklin	Provides turbine controls for the aerospace, energy, and oil and gas markets	Aerospace	260.0	3.47x ⁽³⁾	NA
08/17/16	ASRC Federal Holding Company / Vistrionix Intelligence & Technology Solutions, LLC	Provides design and development capabilities as well as software solutions to collect, ingest, process, analyze, and present large and complex data for critical mission sets of national significance	Government Technology Solutions	NA	NA	NA
08/12/16	Apollo Global Management & Constellis Executives / Constellis Group	Provides operational support and risk management services, including training, counterterrorism, and force protection capabilities	Government Technology Solutions	NA	NA	NA
08/09/16	KBR, Inc. / Honeywell Technology Solutions, Inc.	Provides mission-critical services and customized solutions to U.S. Government clients via its Space, Mission Support, and Security solutions divisions	Government Technology Solutions	300.0	0.44x	NA
08/08/16	LightPath Technologies / ISP Optics Corporation ⁽²⁾	Provides and manufactures advanced infrared optical components, coatings, and subsystems	Aerospace	18.0	1.49x ⁽¹⁾	5.8x ⁽¹⁾
08/04/16	Mission Essential Personnel, LLC / Information Management Technology Corporation ⁽²⁾	Provides information management system engineering, large system integration, software engineering, and information dissemination solutions	Defense / Government Technology Solutions	ND	ND	ND
07/25/16	Smith & Wesson Holding Corp. / Crimson Trace Corp.	Provides laser-sighting products and tactical lights for military, law enforcement, and civilian applications	Defense	95.0	2.16x	5.9x

NA = Not Available; ND = Not Disclosed; NM = Not Meaningful

(1) Based on 2015 Revenue / EBITDA

(2) KippsDeSanto served as the exclusive financial advisor to the target

(3) Based on 2016E Revenue

Of the above transactions, the following were especially noteworthy:

The aerospace and defense deal of the quarter is GE Aviation's acquisition of SLM Solutions and Arcam AB. With this \$1.4 billion deal, GE plans to merge SLM and Arcam's 3-D printing capabilities into its engine production and power turbine businesses. GE hopes to realize \$3 – 5 billion in cost synergies over the next 10 years and expand the two companies' current aggregate revenue of \$140 million by over \$1 billion before 2020. GE paid a high premium for these companies, as the share prices of Arcam and SLM went up by 54% and 38% after the news became public.

The government technology solutions deal of the quarter is ASRC Federal's acquisition of Vistrionix Intelligence & Technology Solutions, a provider of big data and cloud analytics, cyber operations, and enterprise data management for Federal Government clients. This transaction is a highly transformational deal for ASRC Federal, as it deeply strengthens and broadens its service offerings, particularly within big data and cloud analytics, and provides access to valuable Intelligence Community customers. Vistrionix itself has been a highly active buyer in recent years, having made five acquisitions since partnering with

Enlightenment Capital in 2013. Most of those deals were aimed at augmenting Vistrionix's cloud and big data capabilities to position the business as a premier middle-market provider of complex analytics solutions. The sale to ASRC Federal demonstrates the continued trend of high-profile acquisitions made by strategic buyers of all sizes looking to both expand high-end capabilities, such as analytics and cyber, as well as enter tough to organically access customers. The specific terms of the deal were not disclosed; however, it is estimated that Vistrionix will add roughly 700 employees to ASRC's government services business.