



**Aerospace | Defense & Government |  
Intelligence Community**

**December 2023 Market Snapshot**

## IN THIS ISSUE

Spotlight	2
What We are Reading	3
Valuation Trends	4
Public Company Valuations	5
M&A Trends	6
Monthly Transaction Activity	7

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## Defense Technology 2024 Predictions & 2023 Year in Review

[Building Our Defense: Defense Tech in 2024](#)

[Silicon Valley Defense Group: Annual Report 2023](#)

[Michael Bloch: Robots, Replicator, and Red Lines: 10 Predictions for Defense Tech in 2024](#)

[Interesting Engineering: Top 7 Military Technology Stories of 2023](#)

[Deloitte: 2024 Aerospace & Defense Industry Outlook](#)

[NSA: 2023 NSA Cybersecurity Year in Review](#)

[BAE Systems: Top 5 Defence Technology Predictions for 2024](#)

[Breaking Defense: Space Force 2023 Year in Review](#)

[Forbes: 3 Tech Areas to Watch in 2024](#)

[U.S. Army: 2023 Year in Review](#)

[GovCIO: Tech Developments at DoD to Watch in 2024](#)

[Military View: Top 5 Weapons & Military Equipment of 2023](#)

[SMG: Advanced Air Mobility Predictions for 2024](#)

[DoD: Decisive Year in the Indo-Pacific Region in 2023](#)

[StartUs Insights: Top 10 Military Technology Trends & Innovations for 2024](#)



Please see additional insights on the satellite & space industry in the [December 2023 Market Monitor](#) from our partners at Quilty Space.

## Strategy & Policy



- ✓ [Lagrange Points Could Become Battlegrounds in a New Space Race](#)  
"Spacecraft can stay put at these zones for a long time without needing much fuel to adjust their position..."
- ✓ [The U.S. Defense Industrial Base](#)  
"Since the end of the Cold War, the American defense industrial base has compressed from those forty or more firms down to five, driven by changing strategic circumstances and federal budget priorities."
- ✓ [China's Taiwan Nightmare Has Come True](#)  
"Without a China-friendly president and legislature, China stands vanishingly little chance of achieving its paramount goal of gaining control of the island without fighting."

## Trends in Technology



- ✓ [Pentagon's Commercial Tech Arm to Ramp Up Role in Military Innovation](#)  
"Driven by concerns that China's military is better at harnessing its domestic innovation sector, U.S. lawmakers are proposing major increases to DIU's budget — from \$70 million in fiscal 2023 to about \$1 billion in fiscal 2024."
- ✓ [Why China's Growing Challenge to Big Tech is a Problem for the Pentagon](#)  
"Advanced software won't give America's military a multi-decade advantage on the battlefield..."
- ✓ [How SR-72 DarkStar Can Outpace Missiles & Air Defenses at Mach 6](#)  
"Such velocity not only outpaces any missile but also eludes contemporary air defense systems..."

## Contracting, Procurement & Budget



- ✓ [Defense Industrial Base at a Crossroads](#)  
"The challenge of offshoring a significant portion of our manufacturing capabilities adds another layer of complexity to the Defense Industrial Base dilemma."
- ✓ [U.S. Defense Faces Widening Cone of Uncertainty](#)  
"These three budget uncertainties will spawn others that contractors will have to assess."
- ✓ [Navy Pilot Program Seeks Rapid Development and Better Funding Approach](#)  
"...technology and global threats are moving much faster than the traditional acquisition system."

## Capital Markets



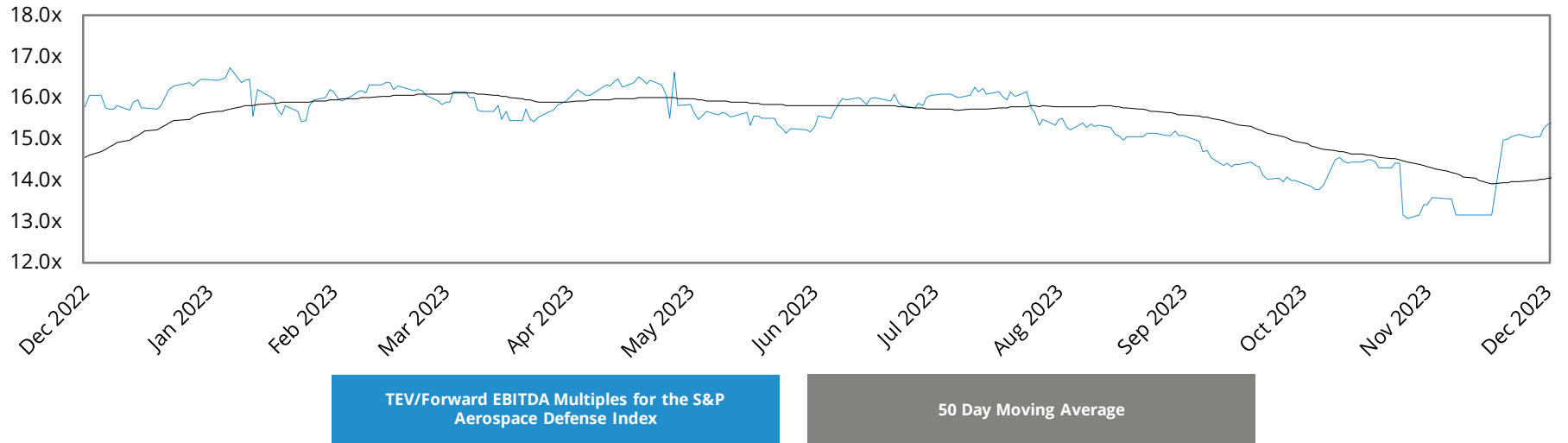
- ✓ [ULA Gets Buyout Bids from Blue Origin, Cerberus](#)  
"...its parent companies are planning to divest it as the launch services provider pushes to discontinue and replace its Atlas V and Delta IV vehicles..."
- ✓ [Robots, Replicator and Red Lines: 10 Predictions for Defense Tech in 2024](#)  
"1. A Fallen Unicorn."
- ✓ [Dexis Consulting, Shield AI Fetch New Capital](#)  
"These transactions represent a cross-section of private equity and venture investment activity happening all across public sector."

## Aviators & Warfighters

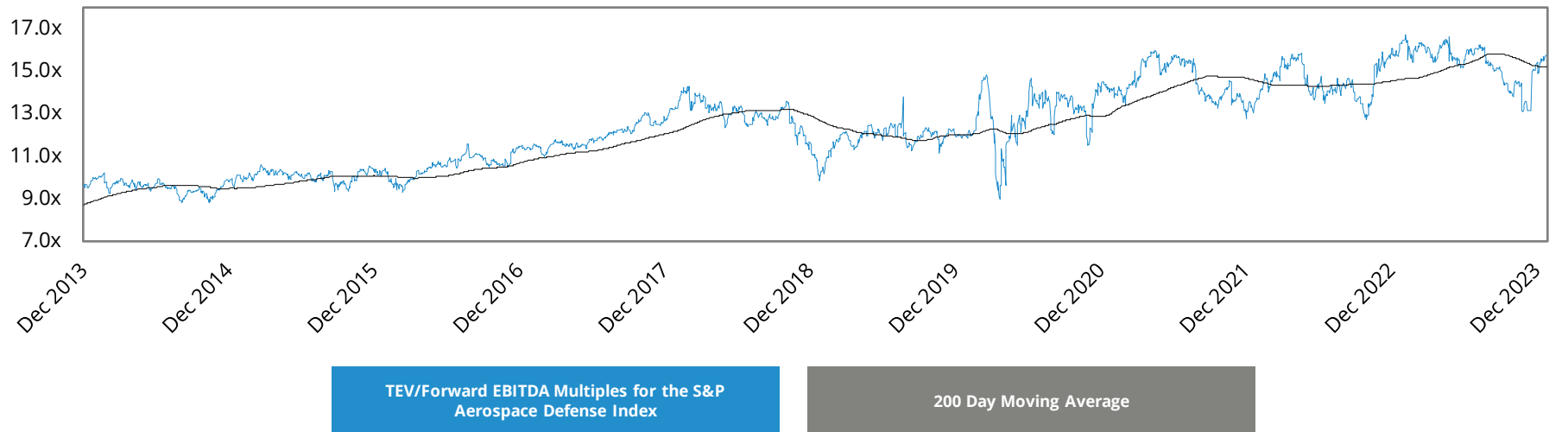


- ✓ [Damn Lucky](#)  
"Those who go to war never come back the same people.."
- ✓ [Operation Acid Gambit: Panama, Noriega, and a CIA Man](#)  
"But somehow, the pilot managed to crash-land near the U.S. Embassy."
- ✓ [The Incredible True Stories Behind Three Iconic Photographs](#)  
"Each revealed a fascinating story, reminding us that the truth is often far bigger, and more incredible, than what any single image can convey."

### 1-Yr Historical EBITDA Multiples\*



### 10-Yr Historical EBITDA Multiples\*



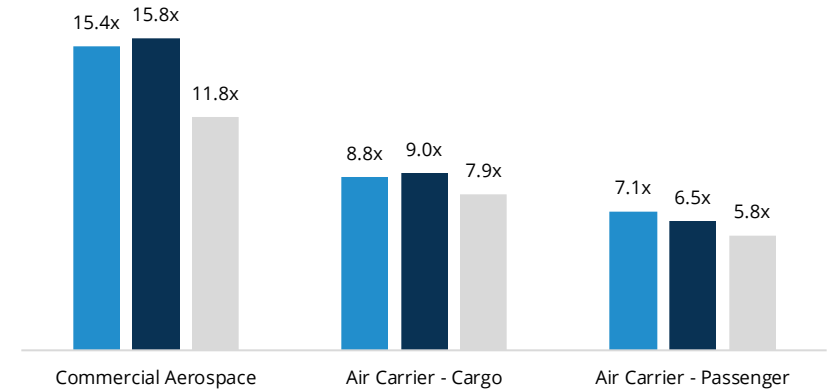
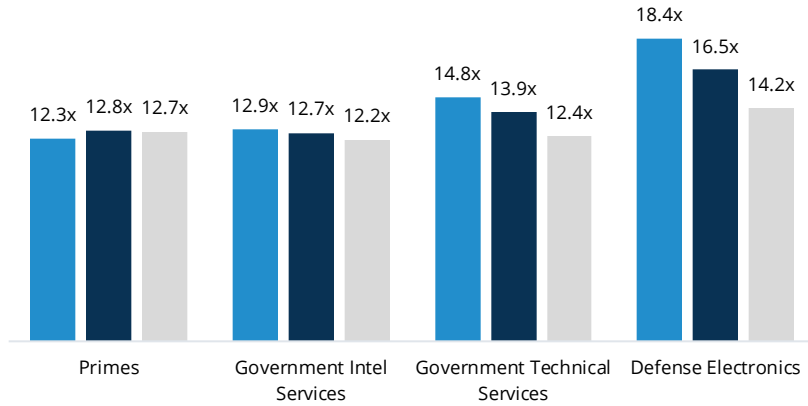
Defense & Government | Intelligence Community\*

Commercial Aerospace\*

■ LTM ■ 2023CY ■ 2024CY

■ LTM ■ 2023CY ■ 2024CY

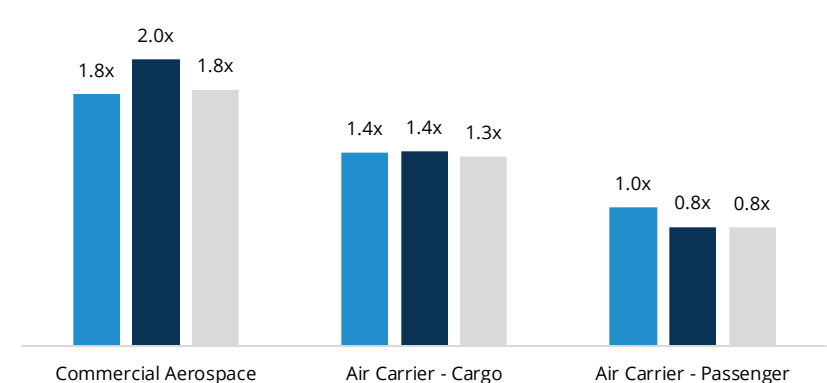
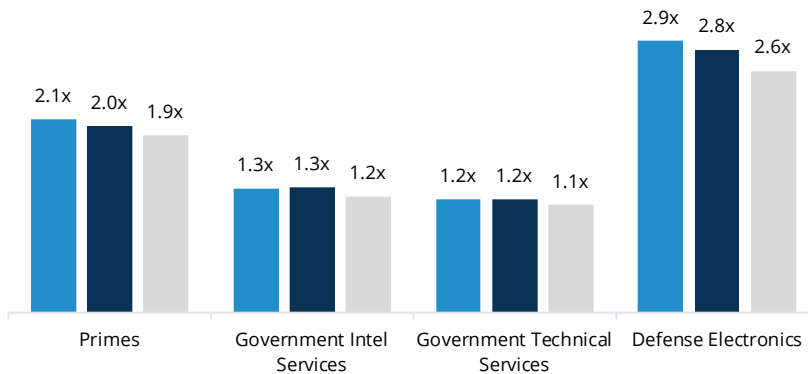
Median EV/EBITDA (x)



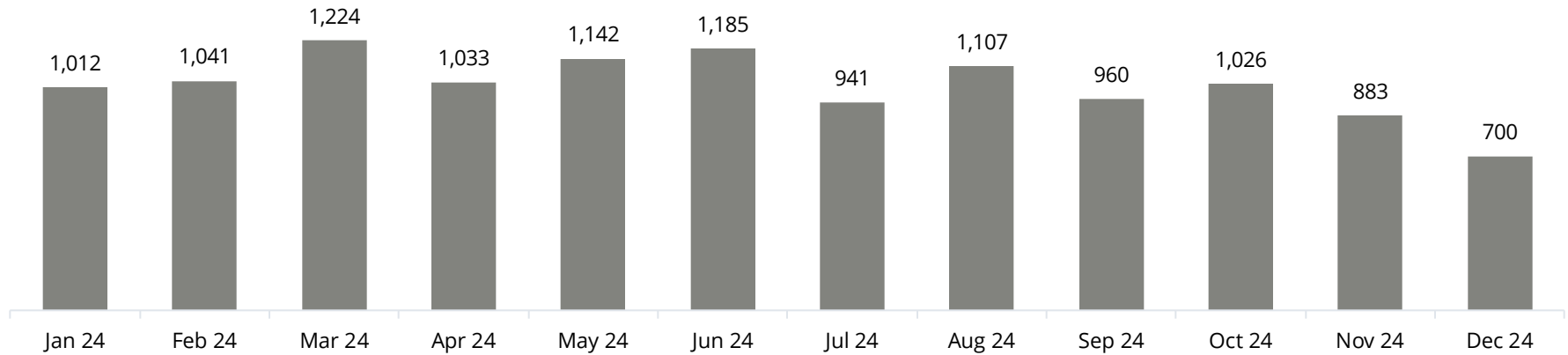
■ LTM ■ 2023CY ■ 2024CY

■ LTM ■ 2023CY ■ 2024CY

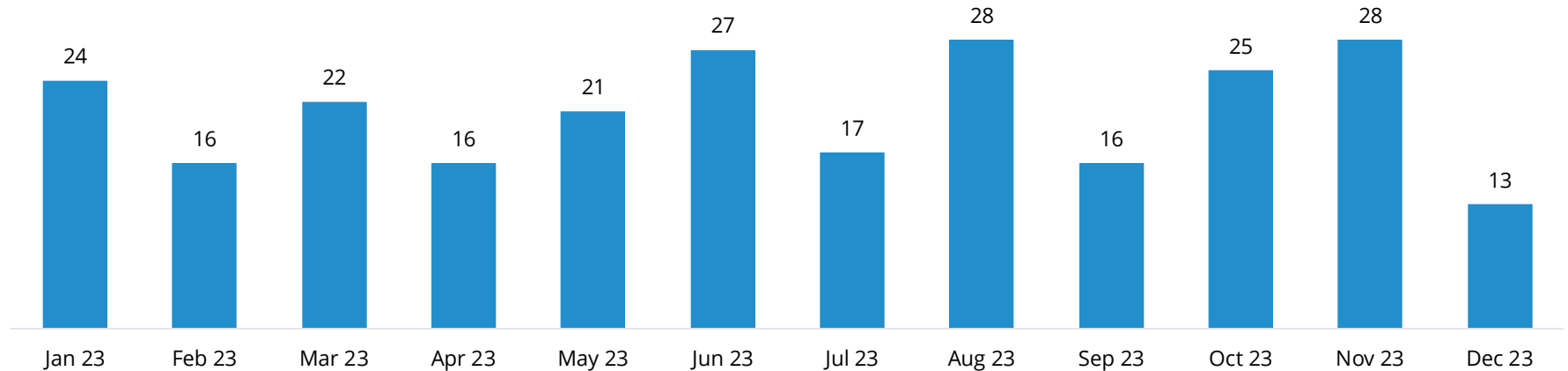
Median EV/Revenue (x)



### LTM US M&A Activity—Consolidated\*



### LTM US M&A Activity—Southwind Industry Universe\*



Date	Status	Target	Acquirer/Investor	Transaction Value (US\$ Mil)	Valuation (EV/LTM EBITDA)
12/01/2023	Announced	Aviation Technologies, Inc.	Hawthorne Global Aviation Services, LLC	n.d.	n.d.
12/03/2023	Announced	Hawaiian Holdings, Inc.	Alaska Air Group, Inc.	\$2,976.27	10.3x
12/04/2023	Announced	American Pacific Corporation	NewMarket Corporation	\$700.00	n.d.
12/08/2023	Announced	Global Access Solutions	Honeywell International Inc.	\$4,950.00	n.d.
12/12/2023	Announced	Fenix Group, Inc.	Nokia Oyj	n.d.	n.d.
12/18/2023	Announced	Alteryx, Inc.	Insight Venture Management, LLC; Clearlake Capital Group, L.P.	\$5,161.21	n.d.
12/21/2023	Announced	Aircraft Maintenance Business of Aero Centers Epps	PILATUS Flugzeugwerke AG	n.d.	n.d.
12/21/2023	Announced	Triumph Airborne Structures/Triumph Accessory Services-Grand Prairie/Triumph Aviation Services Asia	AAR Corp.	\$725.00	n.d.
12/01/2023	Closed	Quick Turn Engine Center, LLC	FTAI Aviation Ltd.	n.d.	n.d.
12/01/2023	Closed	Diversified Technical Services, Inc.	Irys Technologies, Inc.	n.d.	n.d.


Date	Status	Target	Acquirer/Investor	Transaction Value (US\$ Mil)	Valuation (EV/LTM EBITDA)
12/04/2023	Closed	Imperva, Inc.	Thales S.A.	\$3,600.00	n.d.
12/04/2023	Closed	Alder Technology, Inc.	Acclaim Technical Services, Inc.	n.d.	n.d.
12/04/2023	Closed	DSoft Technology, Engineering & Analysis, Inc.	Yulista Holding, LLC	n.d.	n.d.
12/12/2023	Closed	M3 Aviation Group LLC	Avtrac (UK) Limited	n.d.	n.d.
12/14/2023	Closed	Superior Technical Ceramics Corp.	IDEX Corporation	\$206.00	n.d.
12/14/2023	Closed	Guidehouse Inc.	Bain Capital Private Equity, LP	\$5,300.00	n.d.
12/18/2023	Closed	RF Solutions Ltd.	HawkEye 360, Inc.	n.d.	n.d.
12/19/2023	Closed	EMI Solutions, Inc.	Mobix Labs, Inc.	n.d.	n.d.
12/20/2023	Closed	Forward Air Final Mile LLC	Hub Group, Inc.	\$262.00	n.d.
12/28/2023	Closed	Talon Cyber Security Ltd.	Palo Alto Networks, Inc.	\$550.00	n.d.
12/31/2023	Closed	DISH Network Corporation	EchoStar Corporation	\$26,894.40	9.7x



Primes	Government Intel Services	Government Technical Services	Defense Electronics
RTX Corporation	Leidos Holdings, Inc.	Jacobs Solutions Inc.	L3Harris Technologies, Inc.
The Boeing Company	Booz Allen Hamilton Holding Corporation	AECOM	BAE Systems plc
Lockheed Martin Corporation	CACI International Inc	KBR, Inc.	Thales S.A.
Northrop Grumman Corporation	Science Applications International Corporation	ICF International, Inc.	Teledyne Technologies Incorporated
General Dynamics Corporation	Parsons Corporation	V2X, Inc.	Textron Inc.
Huntington Ingalls Industries, Inc.			Mercury Systems, Inc.
			AeroVironment, Inc.
			Kratos Defense & Security Solutions, Inc.

Commercial Aerospace	Air Carrier - Cargo	Air Carrier - Passenger
Honeywell International Inc.	United Parcel Service, Inc.	Delta Air Lines, Inc.
Airbus SE	FedEx Corporation	United Airlines Holdings, Inc.
TransDigm Group Incorporated	Expeditors International of Washington, Inc.	Southwest Airlines Co.
HEICO Corporation	Atlas Air Worldwide Holdings, Inc.	Spirit Airlines, Inc.
Embraer S.A.	Air Transport Services Group, Inc.	Alaska Air Group, Inc.
Curtiss-Wright Corporation	Exchange Income Corporation	JetBlue Airways Corporation
Spirit AeroSystems Holdings, Inc.	Forward Air Corporation	Frontier Group Holdings, Inc.
Hexcel Corporation	Cargojet Inc.	SkyWest, Inc.
Moog Inc.	Hub Group, Inc.	Copa Holdings, S.A.
Triumph Group, Inc.	Chorus Aviation Inc.	Allegiant Travel Company
AAR Corp.	AAR Corp.	Hawaiian Holdings, Inc.
Ducommun Incorporated	Sun Country Airlines Holdings, Inc.	Mesa Air Group, Inc.
Astronics Corporation	Mesa Air Group, Inc.	
	Air T, Inc.	





Southwind is a proven merchant bank with exceptional, sector-focused sell-side M&A experience. Our bankers leverage extensive relationships within both the operational and investor communities to provide advice and solutions to product and service providers in the aerospace, defense & government, and intelligence communities.

### Multiple Perspectives, Exceptional Advice

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- Southwind's senior leadership has decades of industry-specific knowledge and experience as customer, contractor, legal counsel, private equity investor and board member, in addition to over 2 decades of M&A advisory track record.
- We understand the challenges of management and our advice is informed by our background—not only as advisors, but as executives and investors.
- We are also uniquely positioned to anticipate questions and concerns before they arise from prospective suitors, thereby enabling us to effectively (and preemptively) communicate company-specific attributes that will optimize potential outcomes.

### Client-Focused Solutions

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**Mergers & Acquisitions** | Underpinned by proprietary modeling and detailed marketing and diligence support, our focus on preparation fosters buyer interest and efficiency.

**Equity & Debt Financing** | Southwind maintains relationships with leading industry capital providers and assists in equity and debt financing services from cradle to grave.

**Valuation & Fairness Opinions** | Southwind offers professional evaluations of a company to determine whether a merger, acquisition, or other transaction is fair and viable.

**Merchant Banking** | Through deep relationships with board-level advisors and family office and high net worth investors, Southwind helps facilitate capital formation.