

THIS MONTH AT A GLANCE

PUBLIC VALUATIONS

S&P A&D EV/EBITDA

19.4x

0.0x MoM

Top mover: Space - Launch & Access

M&A / DEAL ACTIVITY

Industry Deals

12

↓ -12 MoM

Aggregate Deal Value: \$728.5M

US DEFENSE TECH VENTURE

LTM Disclosed Funding

\$14.7B

↑ +44% MoM

Monthly Funding: \$5B

MID MARKET DEFENSE-FOCUSED PRIVATE EQUITY

Current Dry Powder

~20.8B

Firms monitored: 26

Total AUM: \$75.7B

TOP TAKEAWAYS

- **Valuations: Holding Steady**
Public A&D valuations held flat at 19.4x EV/EBITDA (0.0x MoM); Space – Launch & Access was the top-moving subsector.
- **M&A: Broad-Based Normalization.** Aggregate deal value reset to \$728.5M across 12 deals after April's outsized print, returning to baseline mid-market activity. Iridium's \$521.7M acquisition of Aireon anchored the month for space and connectivity assets.
- **Venture: Mega-Round Concentration.** Monthly funding hit \$5.0B (+44% MoM); LTM disclosed funding reached \$14.7B. Anduril's \$5B Series H (a16z, Thrive) was ~99.9% of capital, even as deal count fell from April's record 6 to just 2 — a barbell of one mega-round and a founder-backed pre-seed (Furientis).

ARTICLES TO CONSIDER

[House Panel Unveils \\$1.15T FY27 Defense Policy Bill](#)

"[The] committee is focused on rebuilding manufacturing capacity and improving production speed for military systems."

[Trump's Staggering Defense Budget Could Weaken Bipartisan NDAA Support](#)

"My colleagues and I...are perhaps even overwhelmed at the amount of money that we're being forced to authorize and appropriate."

[Iridium to Acquire Aireon, Advancing Its Strategy to Lead Aviation Safety](#)

"Bringing Aireon fully inside Iridium better positions us to build what's needed to support the future of aviation." — Matt Desch, CEO

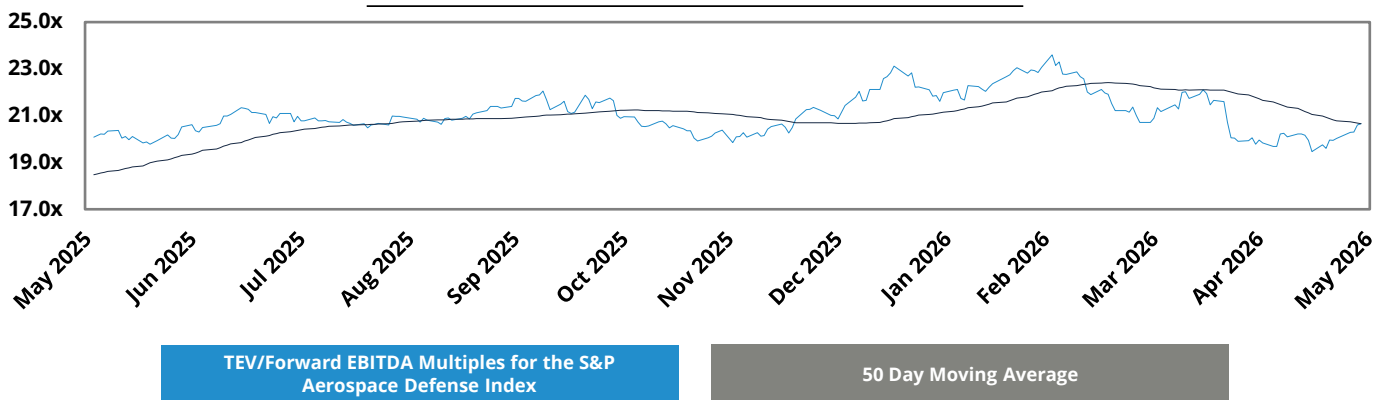
[New Golden Dome 'Ecosystem Hub' to Vet New Tech, Monitor Industrial Base](#)

"Our intent is to build a gateway that will provide a single point of entry for anyone that wants to...provide those innovative solutions."

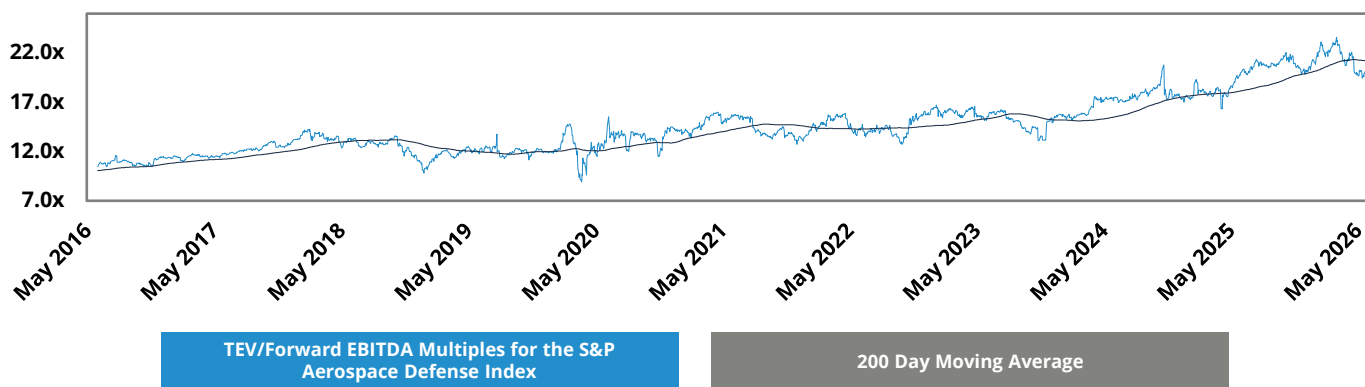
[Defense Tech Venture Funding Smashes Records](#)

"Investors have already committed more than \$14.6 billion in the first five months of 2026, surpassing the prior annual record of \$9.6 billion."

1-Yr Historical EBITDA Multiples*



10-Yr Historical EBITDA Multiples*



SUBSECTOR VALUATION SUMMARY

Subsector	EV/EBITDA LTM	EV/EBITDA Forward	Δ MoM	EV/Rev LTM	Δ MoM
Primes	15.5x	15.4x	↓	2.2x	↑
Gov't Intel Services	10.2x	10.7x	↑	1.2x	↑
Gov't Technical Services	9.3x	8.4x	↓	0.7x	↓
Defense Electronics	31.3x	26.4x	↑	7.0x	↑
Space - Launch & Access	NM	NM	↓	122.7x	↑
Space - Systems & Mfg	NM	NM	↓	16.6x	↑
Space - Satcom	30.5x	24.9x	↑	6.5x	↑
Space - Data & Analytics	NM	NM	↓	42.9x	↑
National Security Software	NM	NM	↓	16.4x	↑

* Source: S&P Capital IQ as of June 1st.

EXECUTIVE SNAPSHOT

2

Monthly Deals
May 2026

\$5,005M

Monthly Funding
May 2026

\$14,731M

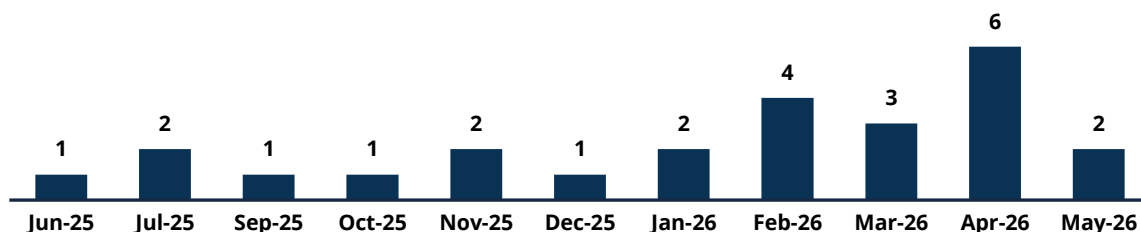
LTM Funding (\$M)

VENTURE FUNDING ROUNDS

Date	Company	Funding Round	Amount	Lead Investors	Strategic Investors
May 14	Furientis	Pre-Seed	\$5M	Silent Ventures	Bessemer Venture Partners, SV Angel, Anduril/Armada founders
May 13	Anduril Industries	Series H	\$5B	Andreessen Horowitz, Thrive Capital	—
Apr 29	Scout AI	Series A	\$100M	Align Ventures, Draper Associates	Booz Allen Ventures, Decisive Point
Apr 29	Firestorm Labs	Series B	\$82M	Washington Harbour Partners	NEA, In-Q-Tel, Lockheed Martin
Apr 28	True Anomaly	Series D	\$650M	Eclipse, Riot Ventures	Accel, Menlo Ventures, ACME Capital
Apr 28	SkyfireAI	Seed	\$11M	Mucker Capital	AI Fund (Andrew Ng), SaaS Ventures

MONTHLY ACTIVITY

Monthly Deal Activity



STRATEGIC FOCUS

- Capital Concentration & Mega-Rounds.** Total disclosed funding of \$5,005M across just 2 deals; LTM funding reached \$14,731M. Mega-Round Dominance: Anduril's \$5B Series H (Andreessen Horowitz, Thrive Capital) represented ~99.9% of monthly capital — the largest single disclosed round in the tracked period. Velocity Reset: Deal count fell from April's record of 6 to 2, forming a barbell of one mega-round and one pre-seed
- Ecosystem Maturation & Structure.** Founder Flywheel: Furientis Pre-Seed (\$5M) backed by Anduril and Armada founders alongside Bessemer and SV Angel — operator capital recycling into the next generation of entrants. Crossover Conviction: Top-tier crossover funds anchoring an autonomy incumbent at a \$5B round signals a transition from venture experimentation to scaled platform bets — even as broad-based deal flow cools.

Source: Public filings, Pitchbook, Crunchbase, proprietary research. Figures reflect disclosed amounts only.

EXECUTIVE SNAPSHOT

\$145.7M

Avg. Deal Size (Disclosed)

\$728.5M

Aggregate Deal Value

12

Total Deals

KEY TRANSACTIONS (MAY 2026)

#	Date	Target	Acquirer	Deal Size
1	May 5	NorthStar Technologies, LLC	VSE Corporation (NasdaqGS:VSEC)	ND
2	May 6	UScontracting, Inc.	NextPoint Group LLC	ND
3	May 7	Motiv Space Systems, Inc.	Rocket Lab Corporation (NasdaqGS:RKLB)	\$60.0M
4	May 13	A & B Aerospace Inc.	PMGC Holdings Inc. (NasdaqCM:ELAB)	\$4.8M
5	May 14	Goonhilly Earth Station Ltd	Intuitive Machines, Inc. (NasdaqGM:LUNR)	\$50.0M
6	May 14	Stratton Aviation, LLC	Industrial Opportunity Partners, LLC	ND
7	May 14	Aireon LLC	Iridium Communications Inc. (NasdaqGS:IRDM)	\$521.7M
8	May 15	International Aerospace Coatings, Inc.	H.I.G. Capital, LLC	ND
9	May 19	Exquadrum, Inc.	Mach Industries Inc.	ND
10	May 19	Solestial, Inc.	York Space Systems, Inc. (NYSE:YSS)	ND
11	May 22	Adaptive Dynamics, Inc.	Domo Tactical Communications, Inc.	ND
12	May 28	Government Acquisitions, Inc.	Computacenter plc (LSE:CCC)	\$92.0M

Source: Capital IQ

DRY POWDER SNAPSHOT

~\$20,804

Total Est. Dry Powder (\$M)

\$75,650

Total AUM (\$M)

26

Total Firms

TOP 5 DRY POWDER

Firm	AUM (\$M)	# of Funds	Dry Powder (\$M)
Arlington Capital Partners	14,000	7	3,850
AE Industrial Partners	9,200	8	2,530
OceanSound Partners	8,200	3	2,255
J.F. Lehmen & Co.	8,000	6	2,200
Brightstar Capital Partners	5,000	3	1,375

TOP LTM ACTIVITY

Firm	# of Transactions	Total Deal Value (\$M)	Primary Sector Focus
CenterGate Capital	5	ND	Industrial Maintenance, Medical Compression Garments, Pricing Automation Tech
Godspeed Capital Management	5	ND	Federal Tech/Mission Solutions, Engineering/Technology, Space Systems/Cybersecurity
Falfurrias Management Partners	4	\$557	Healthcare/Cyber/Food/Tech, Energy/Capital Markets Tech
New State Capital Partners	4	ND	Coworking/Commercial RE, Mechanical Contracting, HVAC/Mechanical, Industrial Services
Washington Harbour Partners	4	\$202	Space Autonomy, Space/Satellite Tech, Defense Tech/Drones

MONTHLY ACTIVITY (MAY 2026)

Firm	Deal	Deal Value (\$M)	Primary Sector Focus
Falfurrias Management Partners	capSpire acquisition of Lucido Group (add-on)	ND	Energy / Capital Markets Tech
Godspeed Capital Management	NextPoint Group acquisition of UScontracting (add-on)	ND	Defense / Intelligence Technology
Brightstar Capital Partners	Simon Eye Holdings platform investment	ND	Healthcare / Vision Care

Definitions

US-Based Defense Tech — Privately held or publicly traded companies headquartered in the United States that derive a material portion of revenue from defense, national security, intelligence, or dual-use technology applications across hardware, software, and services.

Dry Powder (Definition / Proxy Used) — Uncommitted capital available for deployment by private equity, venture capital, and growth equity funds focused on aerospace, defense, and government technology verticals. Figures are sourced from Preqin and PitchBook fund-level data where available; where direct data is unavailable, sector-adjusted estimates are applied as a proxy.

A&D Manufacturing / MRO — Companies engaged in the design, production, assembly, and maintenance, repair, and overhaul (MRO) of aerospace and defense platforms, subsystems, and components.

GovTech / IT Services — Firms providing information technology solutions, managed services, systems integration, and digital transformation capabilities primarily to U.S. federal, state, and local government agencies.

ISR / Cyber / Space — Companies operating across intelligence, surveillance, and reconnaissance (ISR); cybersecurity; electronic warfare; and space-based systems including satellite communications, launch services, and orbital infrastructure.

Mission Systems / Electronics — Providers of mission-critical electronics, avionics, embedded computing, sensors, and command-and-control systems supporting defense and intelligence platforms.

Data Sources

- **S&P Capital IQ** — Public company financials, valuation multiples, and transaction data
- **Crunchbase** — Early-stage venture funding rounds and startup ecosystem data
- **Company Filings** — SEC filings (10-K, 10-Q, 8-K, proxy statements) and investor presentations
- **Public Disclosures** — Press releases, earnings transcripts, and regulatory filings

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