

M&A FACTS – H1 2025 **AEROSPACE & DEFENSE**

August 2025

AEROSPACE & DEFENSE – M&A-HIGHLIGHTS AND MARKET INSIGHTS

Deal activity and multiples in the Aerospace & Defense industry experienced a significant increase in H1 2025

H1 2025 Deal activity

132 Deals	Small and mid cap transactions and strategic investors looking to consolidate the market continue to drive deal activity in the Aerospace & Defense sector, with only a few notable sponsor-backed transactions
EUR 17.5bn Deal value	The published transaction volume has been relatively stable compared to the previous half-year

Valuations

Median EBITDA (LTM) trading multiples increased by 1.4x compared to the previous six months	<table><tr><td>H2 2024</td><td>H1 2025</td></tr><tr><td>14.5x</td><td>16.9x</td></tr><tr><td colspan="2">Median Trading EBITDA Multiple</td></tr></table>	H2 2024	H1 2025	14.5x	16.9x	Median Trading EBITDA Multiple	
H2 2024	H1 2025						
14.5x	16.9x						
Median Trading EBITDA Multiple							
Median EBITDA transaction multiples increased by 2.6x compared to the previous six months	<table><tr><td>H2 2024</td><td>H1 2025</td></tr><tr><td>10.3x</td><td>12.9x</td></tr><tr><td colspan="2">Median Transaction EBITDA Multiple</td></tr></table>	H2 2024	H1 2025	10.3x	12.9x	Median Transaction EBITDA Multiple	
H2 2024	H1 2025						
10.3x	12.9x						
Median Transaction EBITDA Multiple							

Insights

Overall, the Aerospace & Defense M&A market shows resilience, despite geopolitical challenges, capacity constraints and cost increases



Strategies

Across the industry, leading companies prioritized scaling up production, focusing on core strengths, and forging partnerships to access new technologies



Trends

In Q1 2025, the Aerospace & Defense industry saw strong growth driven by surging defense spending due to global geopolitical tensions and a robust recovery in commercial air travel

The market saw rapid expansion in missile and munitions production, increased investment in unmanned systems and digital technologies (like AI and cyber), and aggressive capacity building by major players through joint ventures and divestitures



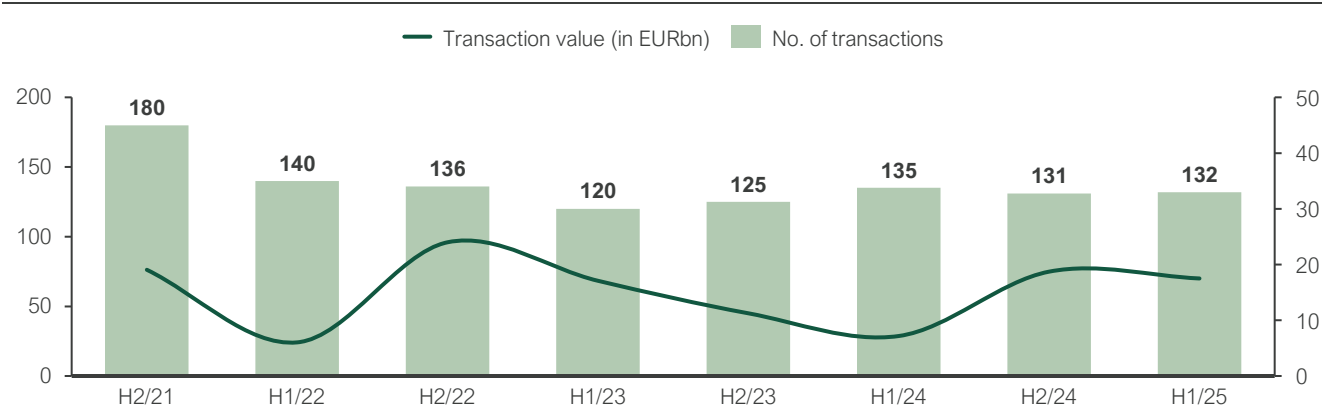
Key growth areas

Key growth areas in the aerospace and defense industry include unmanned systems, cybersecurity & electronic warfare, sustainable aviation and space applications for commercial and defense uses

M&A SUMMARY

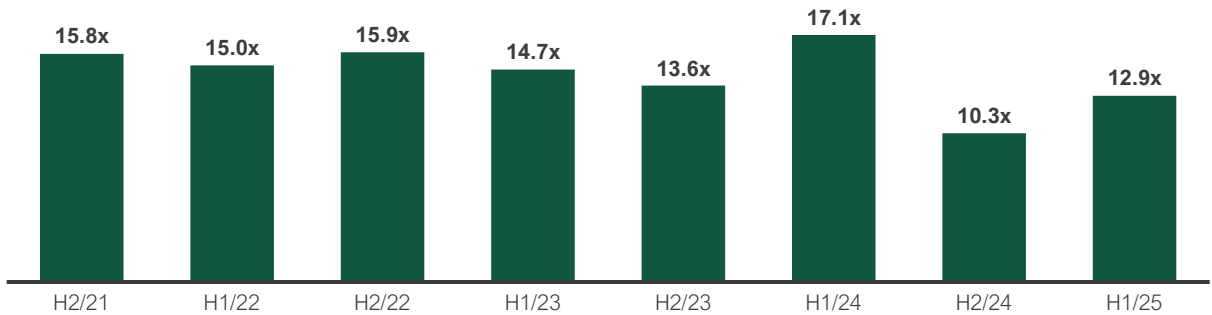
Geopolitical uncertainties drive the M&A market for Aerospace & Defense over the recent years

Aerospace & Defense M&A Deal Count, Recorded Transaction Volume H2 2021 – H1 2025



Aerospace & Defense M&A Transaction Multiples H2 2021 – H1 2025

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple



“Demand for digital integration, autonomous capabilities, and sustainable technologies coupled with evolving geopolitical threats and shifting defense priorities drive the consolidation of resources and acceleration of innovation in the Aerospace & Defense market”

Dr.-Ing. Axel Deich
Associate Partner, Hamburg

NOTABLE TRANSACTIONS IN THE AEROSPACE & DEFENSE SECTOR

Transaction multiples have increased in the first half of 2025

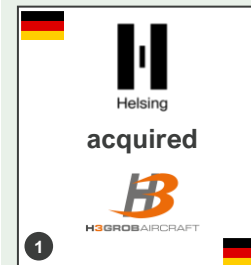
Announced Date	Target	Acquirer	Stake %	Total Transaction Value (EUR m)	Implied EV / EBITDA
30.06.25	Simmonds Precision Products, Inc.	TransDigm Group Incorporated	100	651	n/a
16.06.25	Ultra PCS Limited	Eaton Corporation plc	100	1,338	n/a
07.06.25	Hainan Sky Plumage Flight Training Co., Ltd.	Hainan Airlines Holding Co., Ltd.	100	98	n/a
1 04.06.25	Grob Aircraft SE	Helsing GmbH	100	n/a	n/a
02.06.25	e.sigma systems GmbH	Diehl Stiftung & Co KG	100	n/a	n/a
27.05.25	Fjord Defence AS	Fjord Defence Group ASA	100	15	n/a
20.05.25	VACCO Industries, Inc.	RBC Bearings Incorporated	100	275	n/a
01.05.25	Turbine Weld Industries, LLC	VSE Corporation	100	44	n/a
23.04.25	Aero Sud Ouest - Aso	Safran Aircraft Engines SAS	100	n/a	n/a
2 22.04.25	Digital Aviation Solutions of The Boeing Company	Thoma Bravo, L.P.	100	9,190	n/a
15.04.25	Stascheit Kampfmittelräumung GmbH	Rheinmetall Project Solutions GmbH	100	n/a	n/a
10.03.25	AirRobot GmbH & Co. KG	Quantum-Systems GmbH	100	n/a	n/a
03.02.25	Triumph Group, Inc.	Berkshire Partners LLC; Warburg Pincus LLC	100	2,942	15.2x
20.01.25	Edge Autonomy Operations LLC	Redwire Corporation	100	889	12.9x
07.01.25	ROXEL S.A.S.	MBDA Holdings SAS	50	n/a	n/a

Source: S&P Capital IQ



Strictly Confidential

Selected Transactions in H1 2025



Deal Specs:

Helsing GmbH successfully acquired Grob Aircraft SE.

Details:

The acquisition of Grob Aircraft combines Helsing's expertise in artificial intelligence and software solutions with Grob's experience in aircraft manufacturing. This lays the foundation for cutting-edge solutions in aerial warfare.



Deal Specs:

Thoma Bravo successfully acquired portions of Boeing's Digital Aviation Solutions business, including the Jeppesen unit.

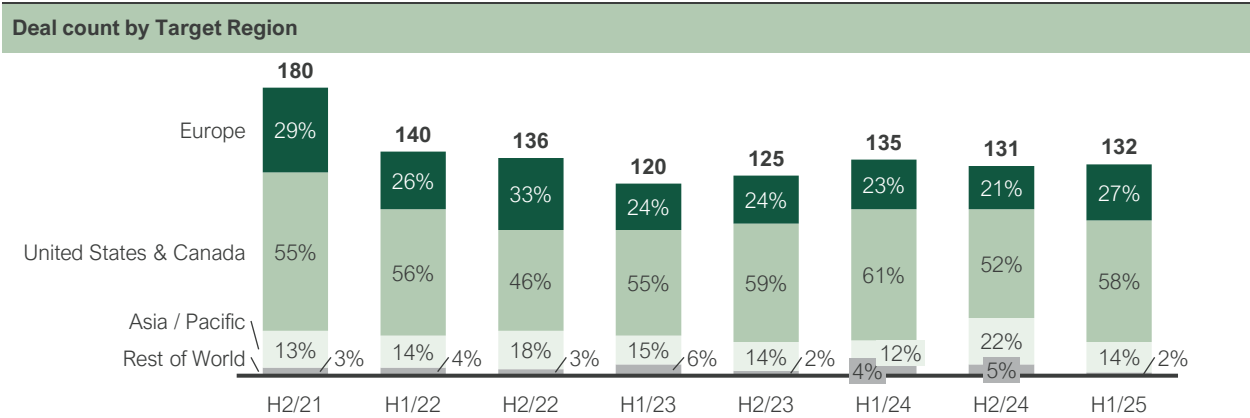
Details:

Boeing's sale of portions of its Digital Aviation Solutions to one of the leading software firms Thoma Bravo allows them to focus on their core competencies. The transaction ranks as one of the largest carve-outs in recent years.

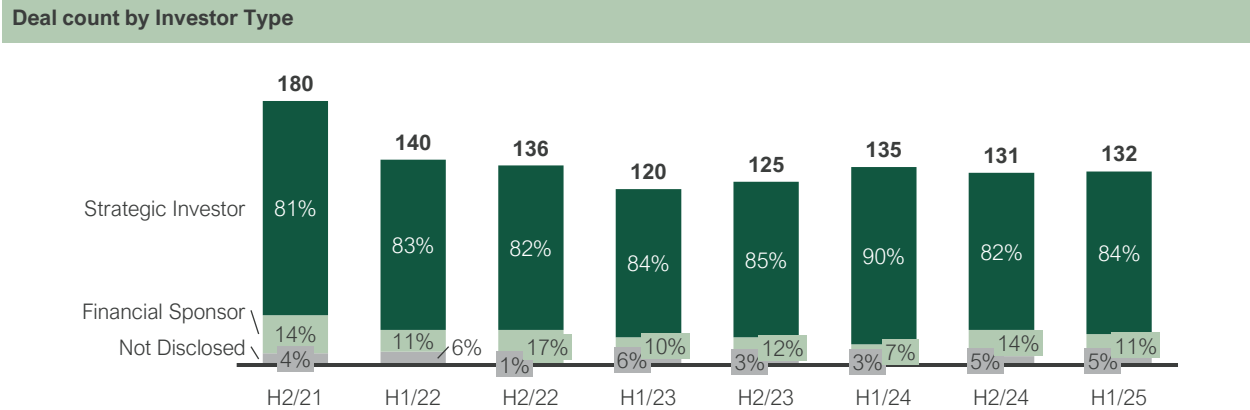
AEROSPACE & DEFENSE M&A DEAL ANALYSIS¹

United States and Europe represent the majority of deals. Strategic buyers have offered slightly higher valuations than financial investors

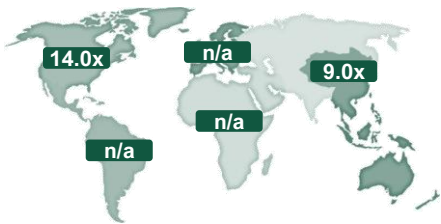
Deal Volume by Region



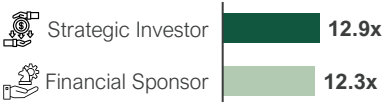
Deal Volume by Investor Type



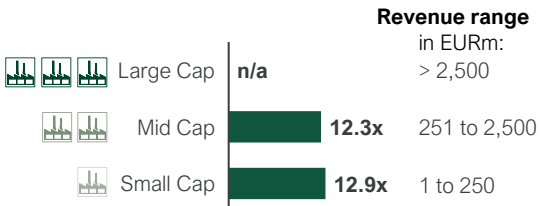
EBITDA Multiple (LTM) by Target Region H1 2025



EBITDA Multiple (LTM) by Investor Type H1 2025



















EBITDA Multiple (LTM) by Company Size H1 2025

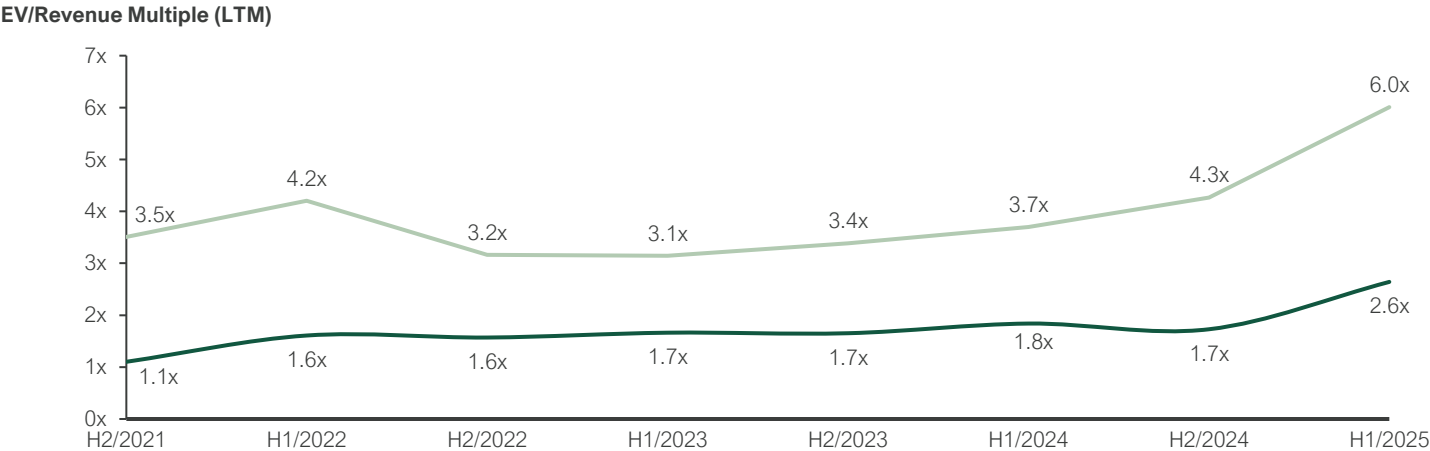
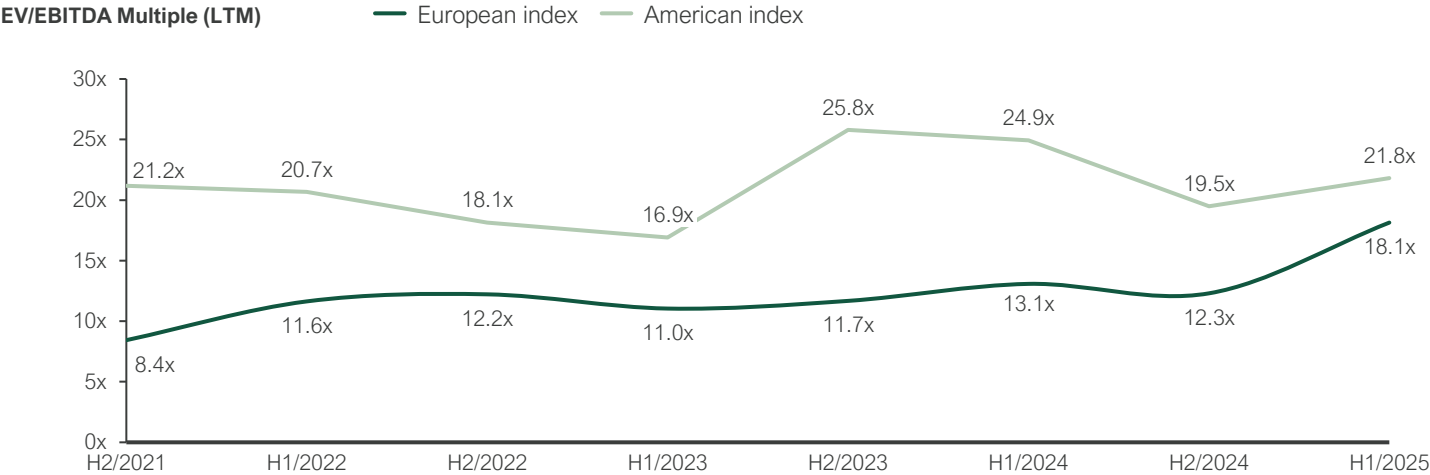


Source: S&P Capital IQ; Note(s): 1) Announced transactions, Implied M&A Enterpriser Value / LTM EBITDA of announced transactions with disclosed multiples

TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND SPACE & SATELLITE

Median enterprise value multiples of selected comparable listed companies since H2-2021












Defense Technology		
Company	EV/Revenue	EV/EBITDA
 BAE SYSTEMS	2.4x	17.2x
 HENSOLDT	5.3x	40.4x
 THALES	2.6x	18.1x
 KONGSBERG	6.4x	34.5x
 Atos	0.2x	4.2x
 SAFRAN	4.1x	20.4x
 indra	1.3x	12.7x
 sopra steria	0.9x	6.6x
 Elbit Systems	2.7x	23.1x
 AV AeroVironment	15.9x	NM
 CURTISS-WRIGHT	6.0x	25.2x
 KRATOS	6.8x	NM
 mercury	4.1x	59.0x
 Palantir	101.6x	NM
 TELEDYNE TECHNOLOGIES	4.6x	18.4x
 TEXTRON	1.3x	10.9x

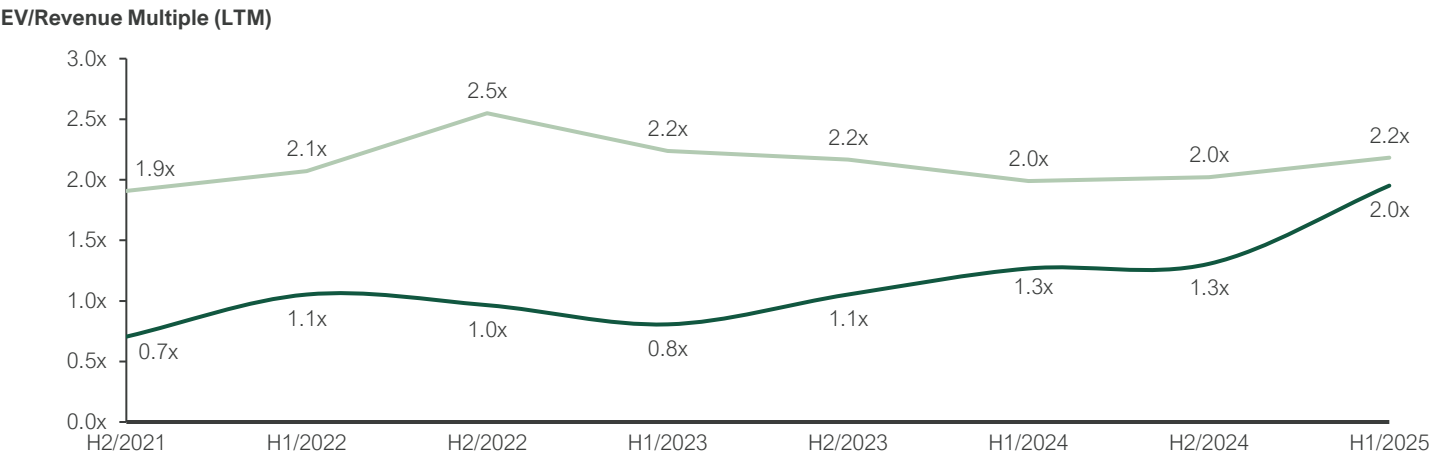
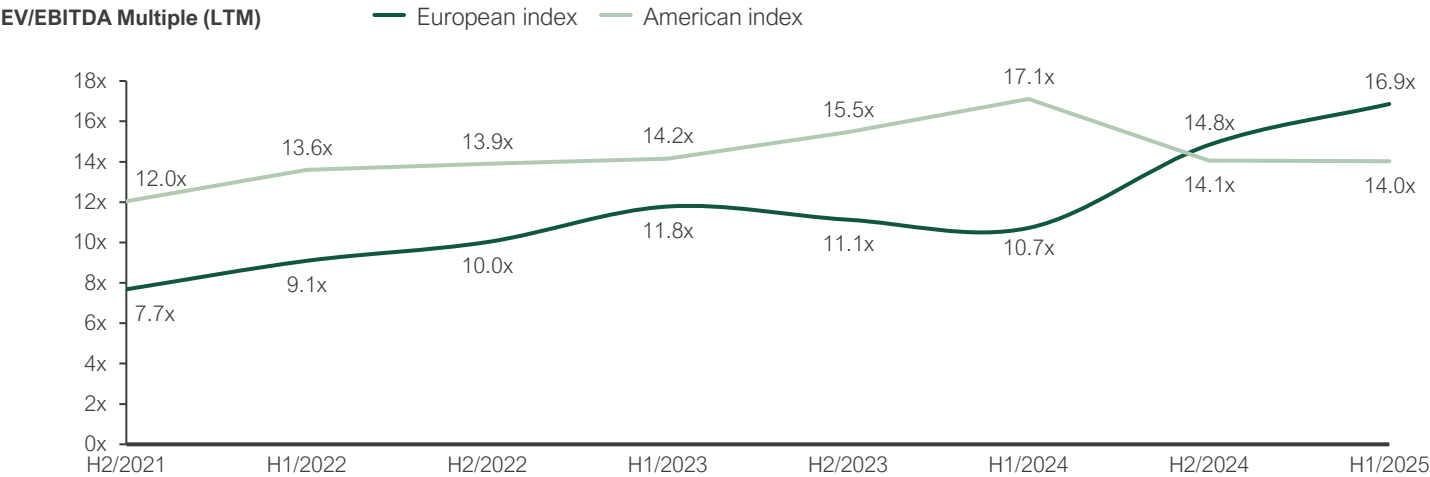


Source: S&P Capital IQ

TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND SPACE & SATELLITE

Median enterprise value multiples of selected comparable listed companies since H2-2021









Multi-Platform Contractors		
Company	EV/Revenue	EV/EBITDA
 AIRBUS	2.0x	18.0x
 DASSAULT AVIATION	2.4x	13.8x
 FINCANTIERI	0.9x	16.9x
 RHEINMETALL	7.9x	44.8x
 LEONARDO	1.7x	14.9x
 Babcock	1.3x	13.5x
 SAAB	0.4x	4.1x
 GENERAL DYNAMICS	1.8x	14.0x
 Huntington Ingalls Industries	1.1x	11.2x
 L3HARRIS® FAST. FORWARD.	2.8x	14.1x
 LOCKHEED MARTIN	1.8x	14.1x
 NORTHROP GRUMMAN	2.2x	12.9x
 RTX	2.9x	17.0x
 BOEING	2.7x	NM

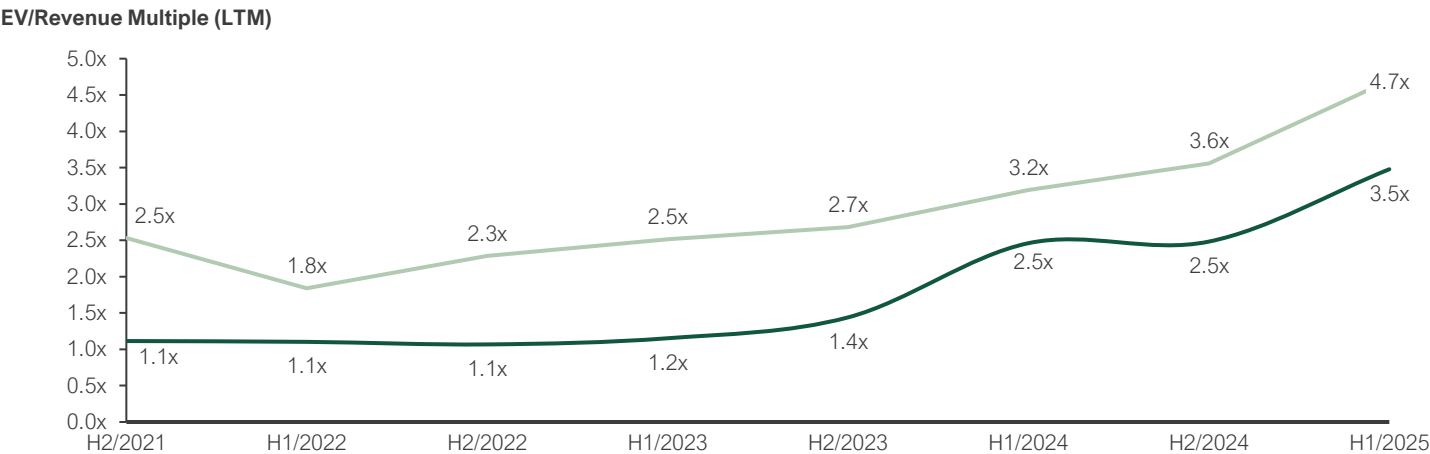
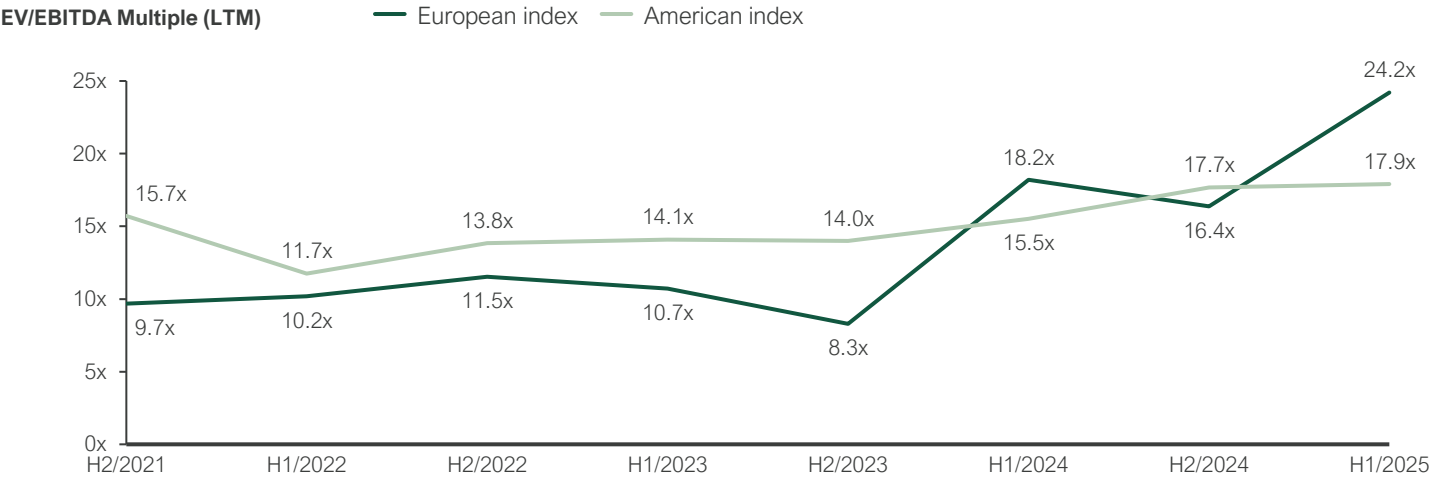


Source: S&P Capital IQ

TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND SPACE & SATELLITE

Median enterprise value multiples of selected comparable listed companies since H2-2021

Aero-/Defense Equipment OEM		
Company	EV/Revenue	EV/EBITDA
 MTU	2.7x	14.8x
 RENK	6.1x	35.2x
 IPR	4.3x	24.5x
 Melrose	2.4x	23.9x
 GE	7.1x	27.2x
 Honeywell	4.4x	17.2x
 Parker	5.0x	18.6x
 MOOG	1.9x	14.0x



Source: S&P Capital IQ

SUB-SEGMENTS OF AEROSPACE & DEFENSE

The various sub-segments are interlinked, with technological innovations, supply chains and security policy requirements influencing development, production and operational capability

Electronics & embedded systems



Engineering, consulting & testing services



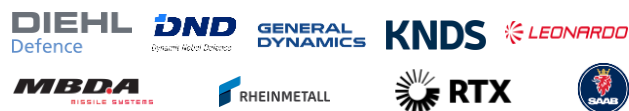
Vessel & plane manufacturers



Cybersecurity & software



Armament & defense systems



Precision machining & parts manufacturing



MRO related players



Drones & ISR



New space



Sustainable aviation



PROVENTIS PARTNERS CASE STUDY IN THE AEROSPACE & DEFENSE SECTOR

Proventis Partners has advised the shareholder of e.sigma Systems in his succession planning



M&A Sell-Side



e.sigma Systems, leading provider of advanced military training and simulation technologies, was sold to Diehl Defence



**Proventis Partners advised
e.sigma Systems**

Initial situation



e.Sigma systems GmbH specializes in advanced training and simulation tech for military operations. Their portfolio includes tailored simulation systems for various platforms and command structures, as well as dedicated training centers. The e.TACCS platform is a modular command and control system for all military branches, operable on-premise or in the cloud. Other offerings include KOFA, an AI-driven, secure voice processing system that works offline for both military and civilian use



As a reliable partner of the German and international armed forces, Diehl Defence is a leading system house for air defense systems. In addition to systems for ground-based air defense, the product portfolio of the company headquartered in Überlingen (Germany) includes guided missiles for all branches of the armed forces, ammunition for army, air force and navy as well as protection systems. In addition, Diehl Defence develops and produces key components such as infrared modules, fuses and special batteries. Diehl Defence currently employs around 4,500 people generating annual sales of over EUR 2bn



Proventis Partners acted as the exclusive advisor to e.sigma Systems GmbH and its shareholder during the entire M&A process. The advisory team conducted a targeted strategic buyer review, emphasizing on e.sigma's differentiated positioning for providing state-of-the-art training and simulation technologies for military deployment scenarios

Results & Acquisition rationale

1

For e.sigma the acquisition offers the opportunity to realize the next stage of growth in cooperation with a strong, family-run partner and leading system house in the field of air defence

2

For Diehl Defence e.sigma offers, among other things, the strategic contribution of state-of-the-art training capabilities for its air defense systems

About Proventis Partners

- Proventis Partners, with 30+ M&A professionals, is one of the largest independent M&A advisors in the German-speaking region and globally active in the Aerospace & Defense sector with deep industry know-how and a proven track record.
- Proventis Partners' Aerospace & Defense team was mandated as the exclusive M&A sell-side advisor and supported e.sigma Systems on transaction, strategic and M&A matters through the whole process.

„I am very pleased that Diehl Defence, the ideal strategic owner, a company with the highest international reputation, will lead and further develop e.sigma in the future. My sincere gratitude goes to Dr. Axel Deich and the entire Proventis team for their outstanding expertise and advice during this process.“

Josef Müllner, Shareholder e.sigma Systems GmbH

PRESENTATION OF THE PROVENTIS PARTNERS PROFESSIONALS FROM THE AEROSPACE & DEFENSE SECTOR

An M&A team of 35 professionals is at your disposal at Proventis Partners

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Selected Aerospace & Defense Deals*

M&A Buy-Side	M&A Sell-Side	M&A Sell-Side
<p>Project Shield Ongoing</p> <p>Proventis Partners is advising a private equity fund in building a leading defense technology platform</p> 	 <p>e.sigma Systems was sold to Diehl Defence</p> 	 <p>High-precision optical encoder specialist SEMIP-Codechamp was sold to Eiréné, Weinberg CP's Security-Defense investment fund</p> 
M&A Sell-Side	M&A Buy-Side	M&A Sell-Side
 <p>The manufacturer of electromechanical components for harsh environment applications was sold to Crouzet</p> 	 <p>Tikehau Ace Capital acquired a majority stake in Rossi Aéro, a leading player in speedshop services for the French aeronautical industry</p> 	 <p>Oerlikon Space AG, responsible for the development and production of assemblies for satellites and launch vehicles was sold to RUAG</p> 
  		

Note(s): *) Includes deals conducted by Mergers Alliance partners

PROVENTIS PARTNERS AT A GLANCE

We are one of the leading M&A advisory boutiques in the German-speaking region

Our Advisory Services

M&A Sellside

- Successions
- Corporate Carve-Outs
- Private Equity Sellside

M&A Buyside

- Buy & Build
- Strategic Acquisitions
- MBI / MBO

Corporate Finance

- Acquisition Finance
- Growth Finance
- Balance Sheet Restructurings

Complementary Services

- Valuations / Fairness Opinions
- Exit Value Creation / Readiness
- Strategic Board Advice

Our Clients

Owner-managed Companies



Corporate Groups



Financial Sponsors



Our Office Locations



35

M&A Professionals

> 430

Successful Deals

> EUR 22 bn

Transaction Volume

> 70%

Cross-border Transactions

Independent

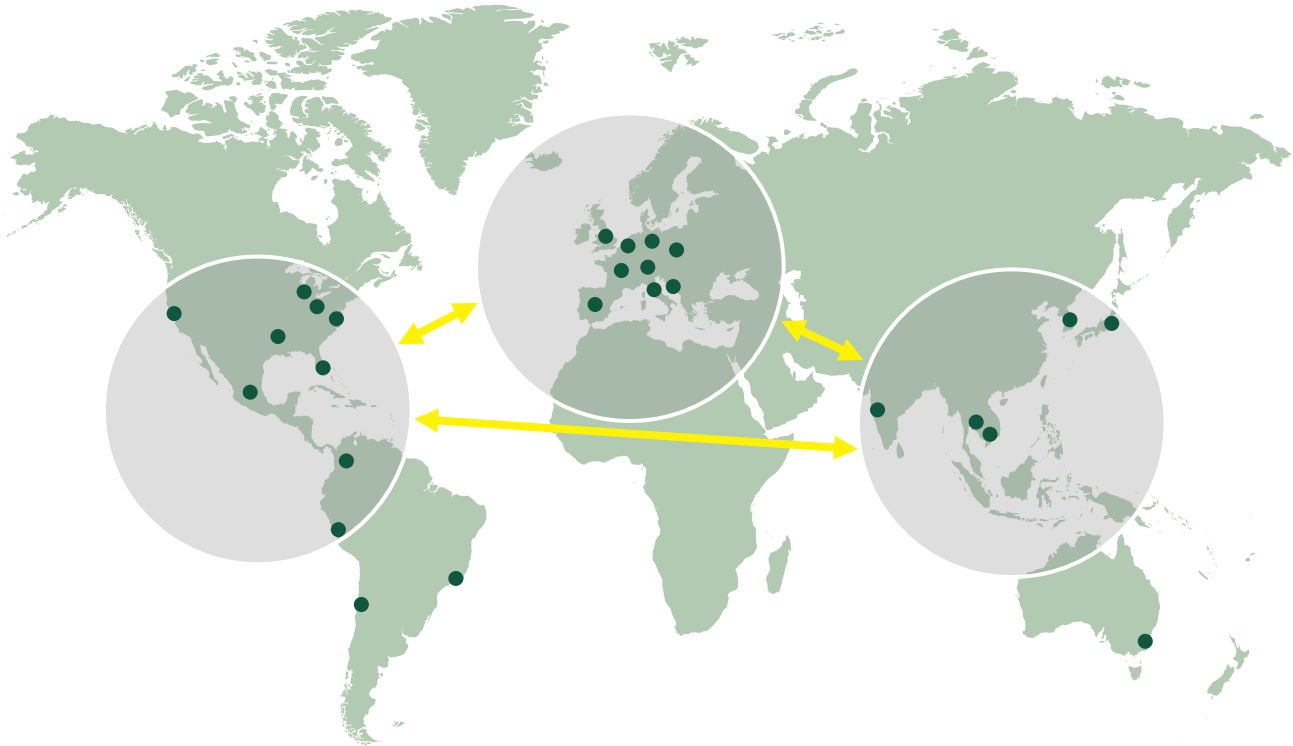
Entrepreneurial

Experienced

International

OUR GLOBAL ORGANIZATION

As part of the Mergers Alliance with approx. 300 M&A professionals at 33 locations, we successfully implement M&A transactions for our clients worldwide



1
Global organization



18
Partner companies



25
Countries



33
Offices



approx. 300
M&A professionals



> 1.700
Successful transactions since 2010









> EUR 90bn
Transaction volume since 2010



APPENDIX

APPENDIX

Peer group Defense Technology

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H2 2024	TEV/EBITDA LTM H1 2025	H1-25 vs. H2-24 Trend
BAE Systems	United Kingdom 	65,842	74,066	31,817	4,196	12.3x	17.2x	△
Hensoldt	Germany 	11,250	12,191	2,306	298	19.4x	40.4x	△
Thales	France 	51,246	54,344	20,577	2,900	12.2x	18.1x	△
Kongsberg Gruppen	Norway 	28,903	28,001	4,474	717	29.2x	34.5x	△
Atos	France 	615	1,687	9,577	404	6.7x	4.2x	▽
Safran	France 	114,988	114,096	27,716	5,444	16.2x	20.4x	△
Indra Sistemas	Spain 	6,484	6,425	4,960	513	6.6x	12.7x	△
Sopra Steria Group	France 	4,055	4,923	5,777	758	6.7x	6.6x	▽
Elbit Systems	Israel 	17,541	18,423	6,633	764	18.4x	23.1x	△
AeroVironment	United States 	11,077	11,097	723	103	41.0x	NM	
Curtiss-Wright	United States 	15,679	16,440	2,973	708	19.5x	25.2x	△
Kratos Defense & Security Solutions	United States 	6,660	6,685	1,072	82	42.9x	NM	
Mercury Systems	United States 	2,740	3,066	819	56	NM	59.0x	
Palantir Technologies	United States 	273,930	269,595	2,882	448	NM	NM	
Teledyne Technologies	United States 	20,442	22,578	5,327	1,332	17.2x	18.4x	△
Textron	United States 	12,343	14,818	12,760	1,474	9.8x	10.9x	△
Median						16.7x	18.4x	△









APPENDIX

Peer group Multi-Platform Contractors

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H2 2024	TEV/EBITDA LTM H1 2025	H1-25 vs. H2-24 Trend
Airbus	Netherlands	 139,562	136,490	69,942	7,230	18.3x	18.0x	▼
Dassault Aviation	France	 23,482	15,235	6,240	718	7.5x	13.8x	△
Fincantieri	Italy	 5,278	7,416	7,951	432	14.8x	16.9x	△
Rheinmetall	Germany	 81,832	82,915	10,475	1,890	18.8x	44.8x	△
Leonardo	Italy	 27,542	31,051	18,258	1,968	9.8x	14.9x	△
Babcock International Group	United Kingdom	 6,746	7,209	5,775	549	7.3x	13.5x	△
SAAB	Sweden	 25,325	25,331	6,024	714	18.3x	36.2x	△
General Dynamics	United States	 66,555	75,296	45,429	5,837	13.9x	14.0x	△
Huntington Ingalls Industries	United States	 8,068	10,826	10,606	1,051	8.5x	11.2x	△
L3Harris Technologies	United States	 39,930	49,921	19,614	3,851	14.2x	14.1x	▼
Lockheed Martin	United States	 92,398	108,151	66,296	8,262	12.5x	14.1x	△
Northrop Grumman	United States	 61,275	74,977	37,348	6,300	16.6x	12.9x	▼
RTX	United States	 166,107	199,841	75,625	12,762	14.8x	17.0x	△
Boeing	United States	 134,526	161,970	64,250	-6,623	NM	NM	
Median						14.2x	14.1x	▼

APPENDIX

Peer group Aerodefense Equipment OEM

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H2 2024	TEV/EBITDA LTM H1 2025	H1-25 vs. H2-24 Trend
MTU Aero Engines	Germany	 20,303	21,301	7,872	1,287	15.9x	14.8x	▼
RENK Group	Germany	 6,786	7,197	1,175	204	13.7x	35.2x	△
Rolls-Royce Holdings	United Kingdom	 94,253	93,756	22,865	3,755	16.8x	24.5x	△
Melrose Industries	United Kingdom	 7,878	9,696	4,194	421	22.3x	23.9x	△
General Electric	United States	 233,717	240,466	33,349	9,464	18.6x	27.2x	△
Honeywell International	United States	 127,442	148,304	36,282	9,295	17.7x	17.2x	▼
Parker-Hannifin	United States	 75,996	83,636	18,313	4,736	17.6x	18.6x	△
Moog	United States	 4,850	5,948	3,386	461	15.2x	14.0x	▼
Median						17.2x	21.2x	△



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