ProventisPartners.

M&A FACTS – H1 2026 AEROSPACE & DEFENSE

August 2026

Mergers Alliance

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

Deal activity and multiples in the Aerospace & Defense industry experienced a significant increase in H1 2026

H1 2026 Deal activity

179
Deals

Deal count has increased by more than 40% compared to the 125 deals in the previous half-year

EUR 22.7bn
Deal value

The published transaction volume has more than doubled compared to the last half-year

Valuations

Median EBITDA (LTM) trading multiples decreased by 1.4x compared to the previous six months

H2 2025	H1 2026
17.7x	15.3x

Median Trading EBITDA Multiple

Median EBITDA transaction multiples decreased by 4.8x compared to the previous six months

H2 2025	H1 2026
20.1x	15.3x

Median Transaction EBITDA Multiple

Insights

In H1 2026, Aerospace & Defense M&A gained significant momentum, evident via the increase in deal count and volume and driven by high defense spending and persistent geopolitical tensions

Strategies

In H1 2026, strategic buyers continued to focus on expanding defense capabilities and expanding production capacity, taking advantage of a more favorable entry environment as multiples normalized

Trends

H1 2026 M&A was propelled by geopolitical uncertainty and defense-budget growth, concentrated in the US and Europe. Demand remained strongest in naval systems, missiles and munitions, sensors and autonomous capabilities. Deal count and volume climbed significantly in the last half-year. Valuations, by contrast, moderated as activity broadened across a wider set of mid-sized targets, pointing to a more measured, buyer-friendly market

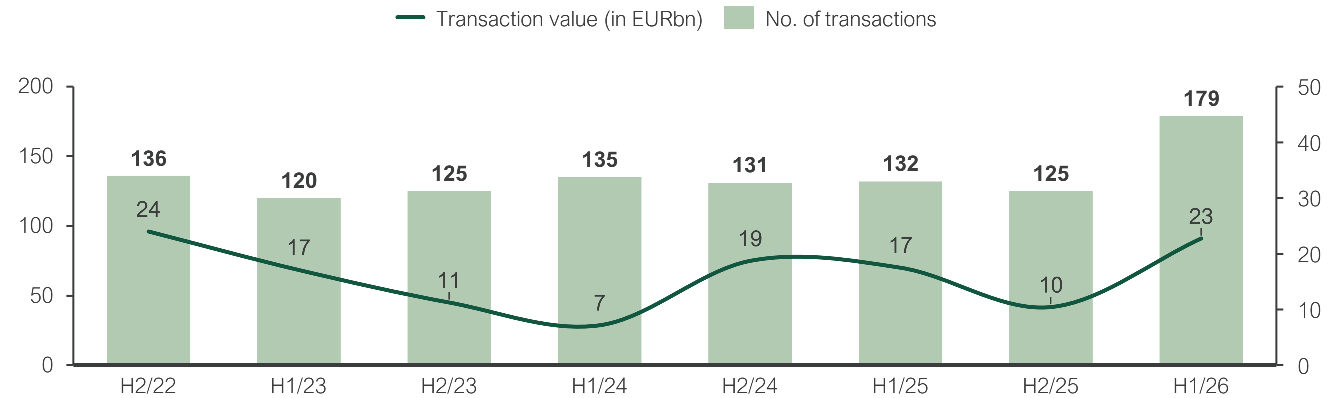
Key growth areas

H1 2026 growth was led by naval defense, evidenced by the Rheinmetall-NVL and Thyssenkrupp Marine Systems deals; followed by defense technology, multi-platform contractors and aero-/defense equipment OEMs

M&A SUMMARY

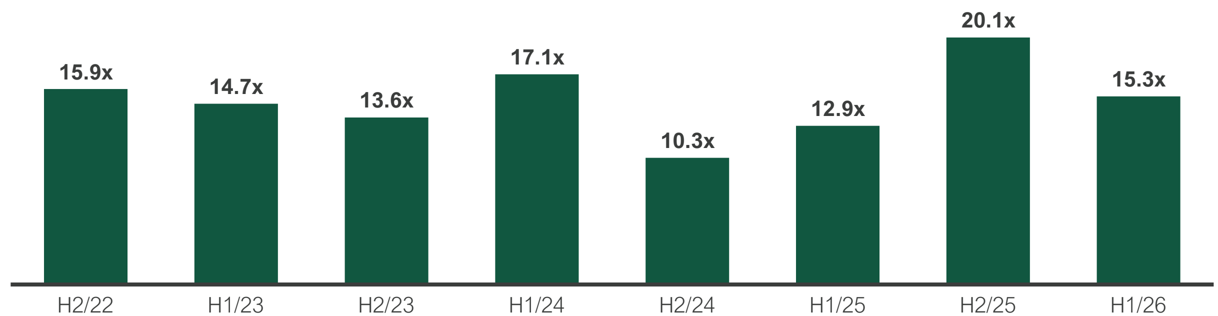
Geopolitical uncertainties drive the M&A market for Aerospace & Defense over the recent years

Aerospace & Defense M&A Deal Count, Recorded Transaction Volume H2 2022 – H1 2026



Aerospace & Defense M&A Transaction Multiples H2 2022 – H1 2026

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



"In H1 2026, the aerospace and defense sector remained supported by sustained defense expenditure, evolving security priorities and ongoing military modernization. Capital continued to flow towards expanding industrial capacities, which will support further M&A activity."

Dr.-Ing. Axel Deich
Associate Partner, Hamburg

Source: S&P Capital IQ

NOTABLE TRANSACTIONS IN THE AEROSPACE & DEFENSE SECTOR

Transaction multiples have increased in the first half of 2026

	Announced Date	Target	Acquirer	Stake %	Total Transaction Value (EUR m)	Implied EV / EBITDA
	26.06.2026	Exail Technologies	Safran SA	44	958	39.2x
	22.06.2026	KNDS N.V.	Press and Information Office of the Federal Government	40	6,000	n/a
	18.06.2026	Blue Canyon Technologies LLC	MDA Space Ltd.	100	540	n/a
	10.06.2026	Isar Aerospace SE	Molten Ventures; other investors	100	n/a	n/a
1	08.06.2026	FDH Aero	Bain Capital LP	>50	n/a	n/a
2	01.06.2026	D-Fend Solutions AD Ltd.	Motorola Solutions, Inc.	100	1,291	n/a
	21.05.2026	CIRCOR Aerospace, Inc.	Parker-Hannifin Corporation	100	2,201	n/a
	13.05.2026	Anduril Industries, Inc.	Andreessen Horowitz LLC; Thrive Capital Partners Inc.	-	4,270	n/a
	12.05.2026	Italia Trasporto Aereo S.P.A.	Deutsche Lufthansa AG	49	325	n/a
	09.05.2026	Honeywell Aerospace Inc.	AllClear Aerospace & Defense, Inc.	-	n/a	n/a
	23.03.2026	Ultra Cyber Limited	Airbus U.S. Space & Defense, Inc.	100	n/a	n/a
	23.03.2026	GEM elettronica srl	Leonardo S.p.a.	35	n/a	n/a
	05.03.2026	TCR International N.V.	Global Infrastructure Management, LLC	71	1,129	n/a
	02.03.2026	Senior plc	Blackstone Inc.; Tinicum Incorporated	98	1,655	16.2x
	29.01.2026	Precision Aviation Group, Inc.	VSE Corporation	100	1,802	n/a
	16.01.2026	Victor Sierra Aviation Holdings LLC/Jet Parts Engineering	TransDigm Group Incorporated	100	1,897	n/a

Selected Transactions in H1 2026

BainCapital acquired FDH

1

Deal Specs:

Bain Capital LP is to acquire FDH Aero in late 2026.

Details:

The acquisition will give Bain Capital a majority stake in FDH Aero, a leading aerospace and defense supply chain solutions provider, with Audax Group retaining a minority interest. This will strengthen FDH Aero's position as a key distribution partner in the aerospace fastener and hardware supply chain.

MOTOROLA SOLUTIONS acquired D-FEND SOLUTIONS

2

Deal Specs:

Motorola Solutions acquired the Israel-backed company D-Fend Solutions.

Details:

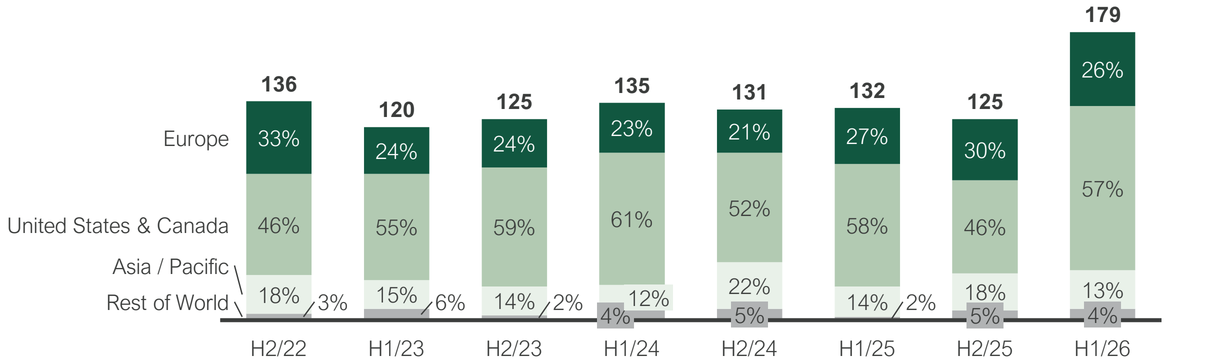
The acquisition adds D-Fend's counter-drone technology to Motorola Solutions' public safety portfolio, expanding its capabilities into airspace security. Motorola can capitalize on growing demand for counter-UAS systems

AEROSPACE & DEFENSE M&A DEAL ANALYSIS[1]

United States and Europe represent the majority of deals

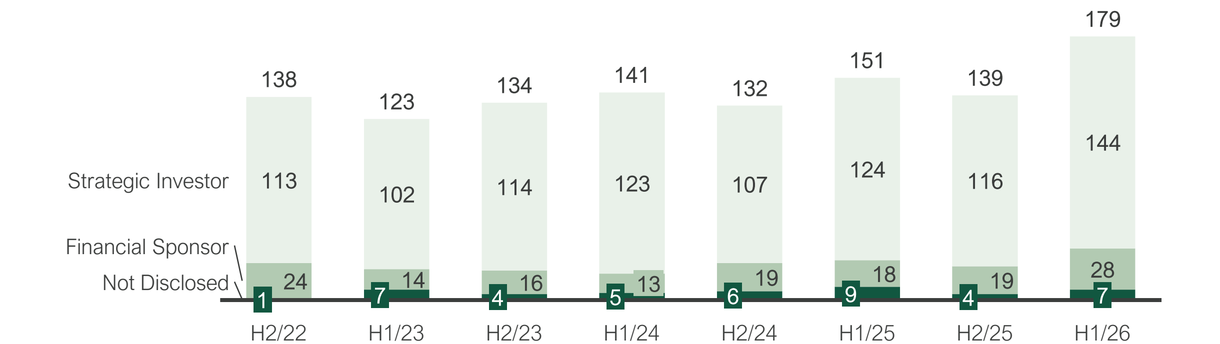
Deal Volume by Region

Deal count by Target Region

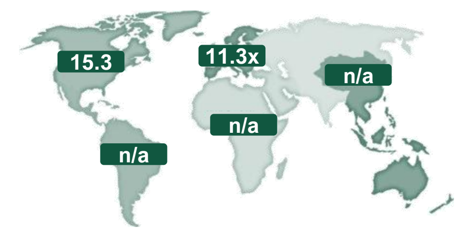


Deal Volume by Investor Type

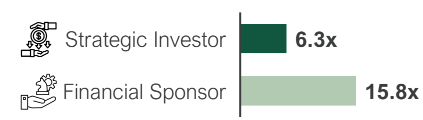
Deal count by Investor Type



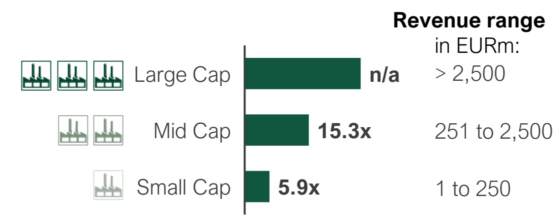
EBITDA Multiple (LTM) by Target Region H1 2026



EBITDA Multiple (LTM) by Investor Type H1 2026



EBITDA Multiple (LTM) by Company Size H1 2026



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

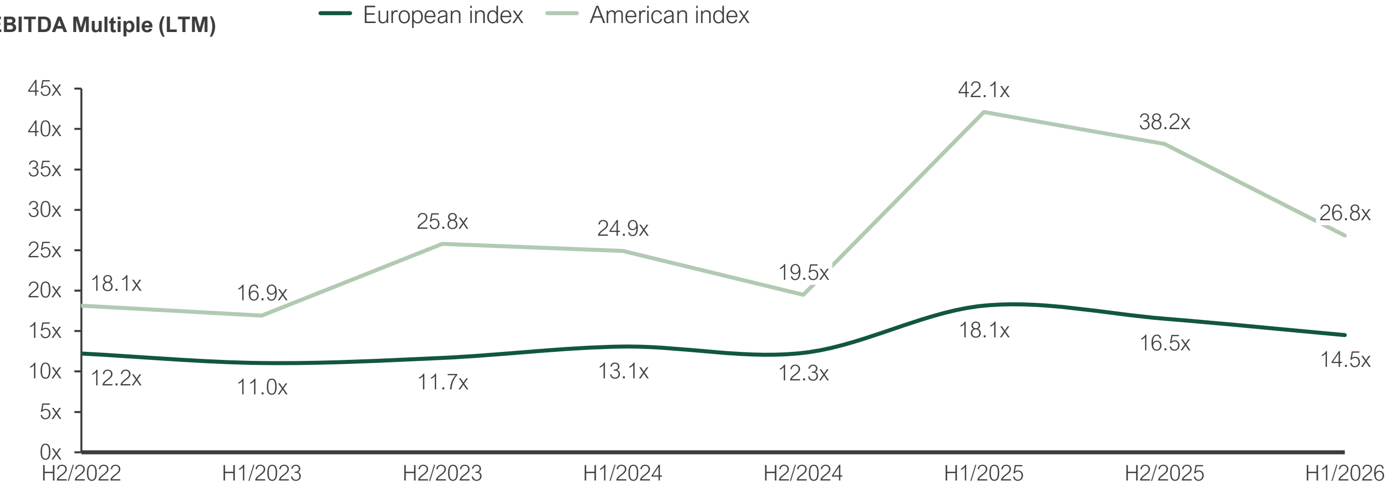
TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND AERO-/DEFENSE EQUIPMENT OEM

Median enterprise value multiples of selected comparable listed companies since H2-2022

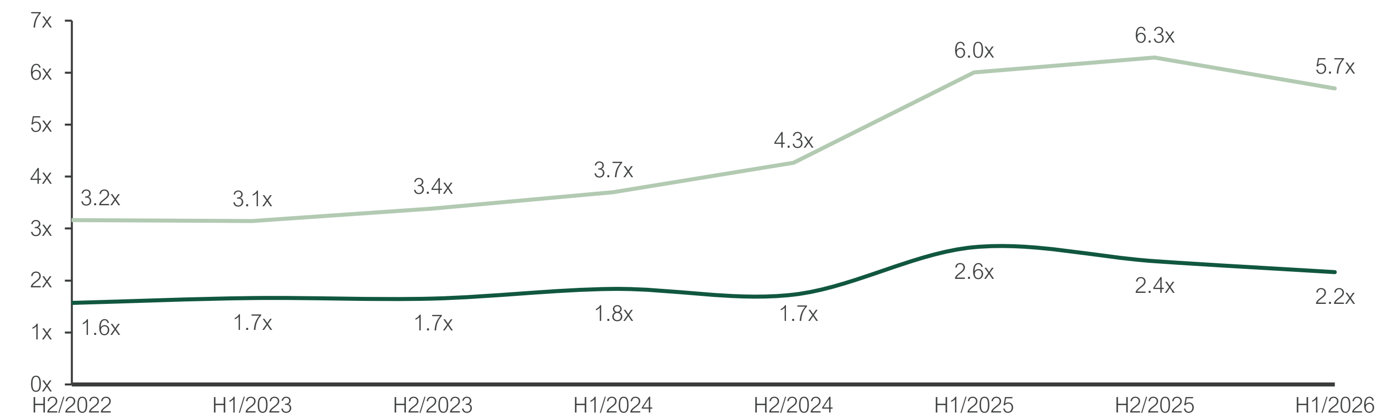
Defense Technology

Company	EV/Revenue	EV/EBITDA
BAE SYSTEMS	2.1x	14.5x
HENSOLDT	3.4x	22.9x
THALES	2.2x	13.9x
KONGSBERG	7.4x	33.6x
Atos	0.3x	3.6x
SAFRAN	4.6x	22.8x
indra	1.4x	11.9x
sopra steria	0.6x	5.1x
Elbit Systems	4.1x	31.4x
AeroVironment	4.3x	35.1x
CURTISS-WRIGHT	8.0x	32.9x
KRATOS	5.7x	82.7x
mercury	7.9x	69.1x
Palantir	52.1x	131.4x
TELEDYNE TECHNOLOGIES	5.3x	20.7x
TEXTRON	1.2x	10.6x

EV/EBITDA Multiple (LTM)



EV/Revenue Multiple (LTM)



Source: S&P Capital IQ

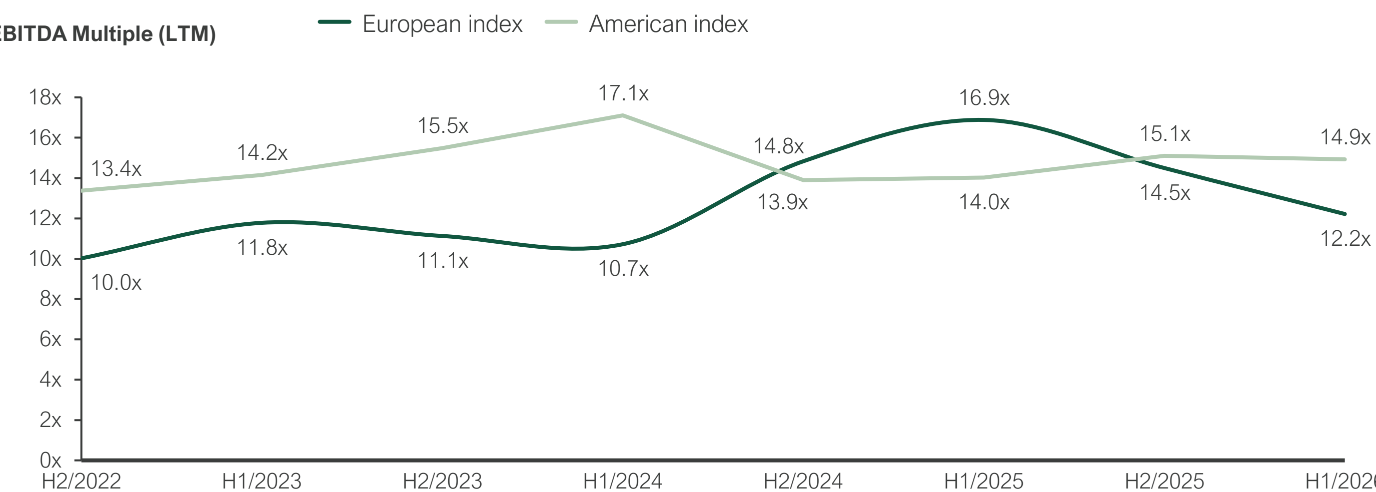
TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND AERO-/DEFENSE EQUIPMENT OEM

Median enterprise value multiples of selected comparable listed companies since H2-2022

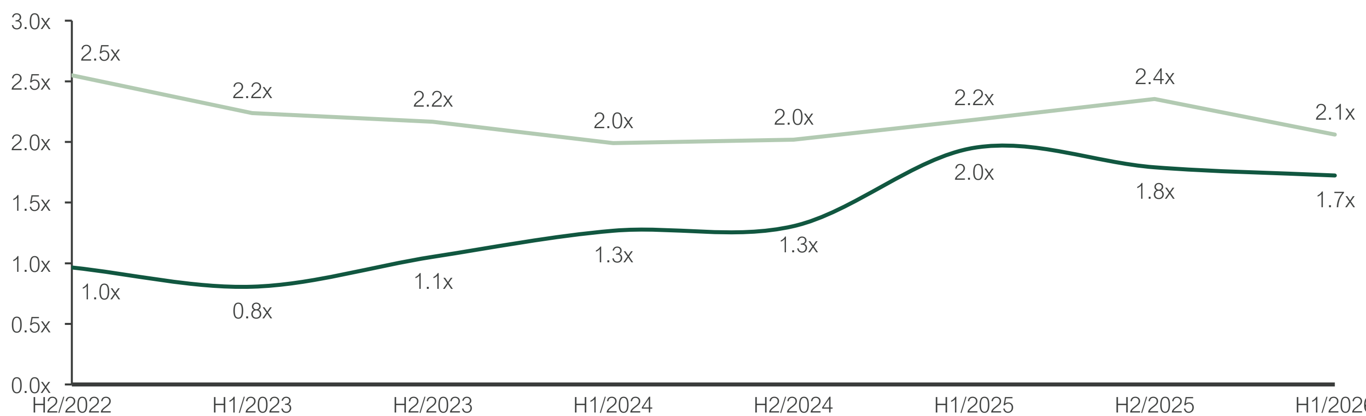
Multi-Platform Contractors

Company	EV/Revenue	EV/EBITDA
AIRBUS	2.1x	18.5x
DASSAULT AVIATION	1.7x	10.1x
FINCANTIERI	0.7x	9.8x
RHEINMETALL	4.7x	22.2x
LEONARDO	1.6x	11.6x
Babcock	1.0x	12.2x
SAAB	3.3x	25.5x
GENERAL DYNAMICS	1.9x	14.7x
Huntington Ingalls Industries	1.1x	10.8x
L3HARRIS FAST. FORWARD.	2.9x	15.1x
LOCKHEED MARTIN	1.8x	16.5x
NORTHROP GRUMMAN	2.1x	11.2x
RTX	3.2x	18.3x
BOEING	2.2x	n/a

EV/EBITDA Multiple (LTM)



EV/Revenue Multiple (LTM)



Source: S&P Capital IQ

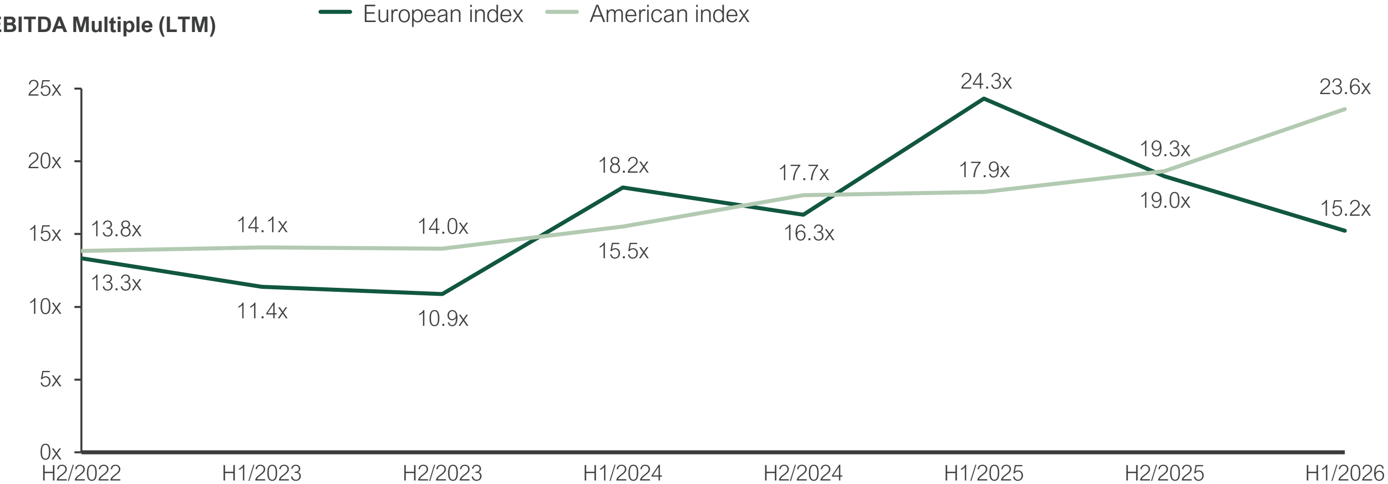
TRADING MULTIPLES | DEFENSE TECHNOLOGY, MULTI-PLATFORM CONTRACTORS AND AERO-/DEFENSE EQUIPMENT OEM

Median enterprise value multiples of selected comparable listed companies since H2-2022

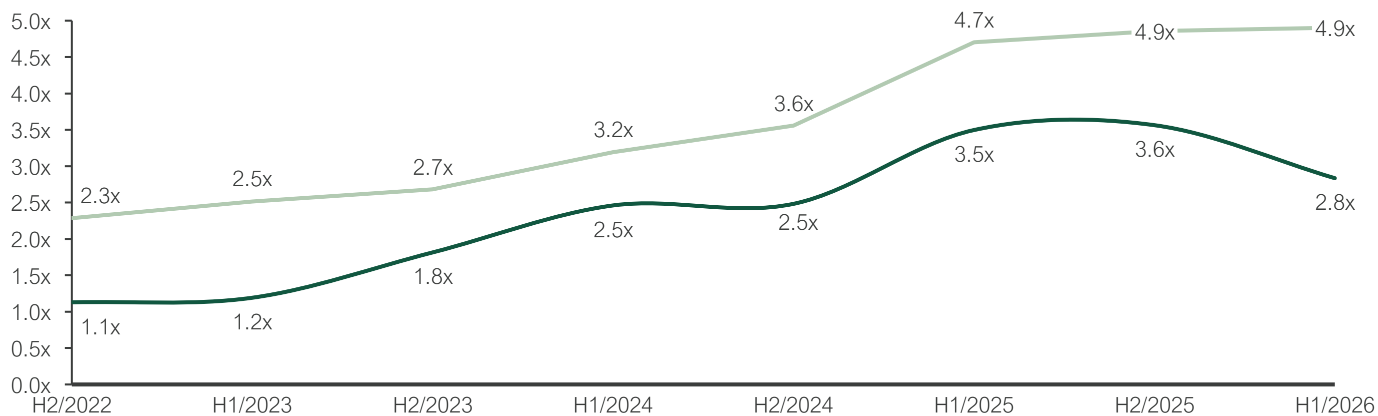
Aero-/Defense Equipment OEM

Company	EV/Revenue	EV/EBITDA
MTU Aero Engines	2.3x	12.2x
RENK	3.3x	18.2x
Rolls Royce	5.5x	23.8x
Melrose	2.1x	8.0x
GE	8.3x	34.4x
Honeywell	2.6x	11.0x
Parker	6.3x	22.9x
MOOG	3.5x	24.2x

EV/EBITDA Multiple (LTM)



EV/Revenue Multiple (LTM)



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

AES Aerospace Embedded Solutions, Arrow, Becker Avionics, Curtiss-Wright, Elbit Systems, Hensoldt, Kongsberg, Mercury, Thales

Engineering, consulting & testing services

Altair, Booz Allen, IABG, ManTech (Always Advancing), QinetiQ, Reiser Simulation · Training, SNC

Vessel & plane manufacturers

Airbus, ATR, Boeing, Bombardier, Dassault Aviation, Embraer, Lockheed Martin, Naval Group, Northrop Grumman, N·V·L, TKMS

Cybersecurity & software

BAE Systems, bechtle, CACI (Ever Vigilant), CrowdStrike, Helsing, leidos, L3Harris (Fast. Forward.), Palantir, paloalto Networks, SAIC

Armament & defense systems

Diehl Defence, DND, General Dynamics, KNDS, Leonardo, MBDA Missile Systems, Rheinmetall, RTX, Saab

Precision machining & parts manufacturing

Aerotech Peissenberg, FACC, H3X, lisi Aerospace, Meggitt, Moog, MTU Aero Engines, Safran, Virtex

MRO related players

AAR, HAECO, Lufthansa Technik, MRO Holdings, RAS, sabena technics, Satair, SR Technics, ST Engineering Aerospace

Drones & ISR

AgEagle, Anduril, AeroVironment, Baykar, BlueHalo, Delair, General Atomics Aeronautical, Parrot, Quantum Systems, Shield AI

New space

Astroscale, Avio, Axiom Space, Firefly Aerospace, iridium connected, loft, MDA Space, planet., RFA, Rocket Lab, SpaceX

Sustainable aviation

Ampaire, Archer, Carbon Engineering, Deutsche Aircraft, Joby Aviation, Johnson Matthey, Neste, Viasat, wisk, ZeroAvia

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

An M&A team of >30 professionals is at your disposal at Proventis Partners

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Selected Aerospace & Defense Deals*

M&A Buy-Side

Project Shield
Ongoing

Proventis Partners is advising a private equity fund in building a leading defense technology platform

M&A Sell-Side

e.sigma Systems was sold to Diehl Defence

M&A Sell-Side

High-precision optical encoder specialist SEMIP-Codechamp was sold to Eiréné, Weinberg CP's Security-Defense investment fund

M&A Sell-Side

The manufacturer of electromechanical components for harsh environment applications was sold to Crouzet

M&A Buy-Side

Tikehau Ace Capital acquired a majority stake in Rossi Aéro, a leading player in speedshop services for the French aeronautical industry

M&A Sell-Side

Seca Automatismes, active in the development and production of assemblies for satellites and launch vehicles, was sold to Alkan

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

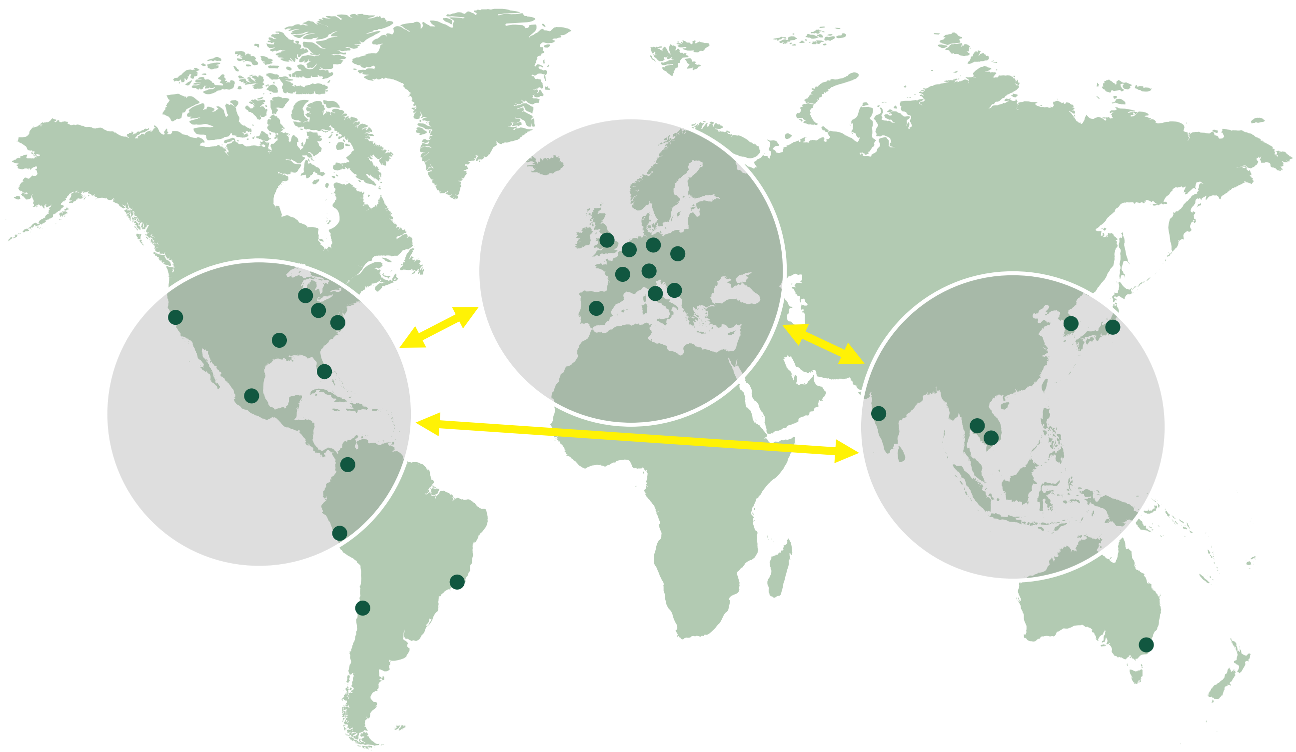
Our Office Locations

> 30 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 38 locations, we successfully implement M&A transactions for our clients worldwide

Mergers Alliance



1
Global organization

20
Partner companies

27
Countries

38
Offices

> 300
M&A professionals

> 1.200
Successful transactions since 2015

> EUR 60bn
Transaction volume since 2015

APPENDIX

APPENDIX
Peer group Defense Technology

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2026	TEV/EBITDA LTM H2 2025	H2-25 vs. H1-26 Trend
BAE Systems	United Kingdom	60,757	67,543	32,482	4,374	14.5x	15.3x	▽
Hensoldt	Germany	7,826	8,669	2,556	376	22.9x	28.6x	▽
Thales	France	46,191	47,849	22,136	3,244	13.9x	16.5x	▽
Kongsberg Gruppen	Norway	23,184	21,995	2,981	604	33.6x	23.5x	△
Atos	France	653	2,167	8,001	595	3.6x	7.1x	▽
Safran	France	142,993	142,093	31,189	6,038	22.8x	20.1x	△
Indra Sistemas	Spain	8,418	7,845	5,723	661	11.9x	16.3x	▽
Sopra Steria Group	France	2,590	3,323	5,648	650	5.1x	6.1x	▽
Elbit Systems	Israel	31,074	31,046	7,139	899	31.4x	27.3x	△
AeroVironment	United States	7,285	7,462	1,685	192	35.1x	75.3x	▽
Curtiss-Wright	United States	24,502	25,206	3,128	759	32.9x	25.9x	△
Kratos Defense & Security Solutions	United States	8,176	7,056	1,228	85	82.7x	146.6x	▽
Mercury Systems	United States	6,429	6,713	839	96	69.1x	50.4x	△
Palantir Technologies	United States	244,816	238,070	4,531	1,795	131.4x	NM	
Teledyne Technologies	United States	27,044	28,755	5,404	1,376	20.7x	17.3x	△
Textron	United States	13,962	16,330	13,114	1,525	10.6x	11.0x	▽
Median						**22.8x**	**20.1x**	▽

APPENDIX
Peer group Multi-Platform Contractors

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2026	TEV/EBITDA LTM H2 2025	H2-25 vs. H1-26 Trend
Airbus	Netherlands	153,147	152,029	72,529	7,908	18.5x	19.0x	▽
Dassault Aviation	France	22,277	13,049	7,426	835	10.1x	11.6x	▽
Fincantieri	Italy	3,551	5,990	8,920	599	9.8x	14.5x	▽
Rheinmetall	Germany	46,100	47,608	10,073	2,081	22.2x	38.1x	▽
Leonardo	Italy	27,073	31,340	19,792	2,534	11.6x	14.4x	▽
Babcock International Group	United Kingdom	5,400	5,834	5,930	462	12.2x	12.6x	▽
SAAB	Sweden	24,419	24,468	7,520	958	25.5x	33.0x	▽
General Dynamics	United States	83,725	89,133	46,689	5,999	14.7x	14.8x	▽
Huntington Ingalls Industries	United States	9,654	12,030	11,144	1,104	10.8x	13.3x	▽
L3Harris Technologies	United States	47,385	56,809	19,503	3,719	15.1x	15.5x	▽
Lockheed Martin	United States	102,815	119,274	65,192	7,164	16.5x	17.3x	▽
Northrop Grumman	United States	63,318	76,441	36,745	6,791	11.2x	13.7x	▽
RTX	United States	223,645	253,292	78,381	13,683	18.3x	19.0x	▽
Boeing	United States	149,365	175,135	79,951	-2,290	NM	NM	
Median						**14.7x**	**14.8x**	▽

APPENDIX
Peer group Aerodefense Equipment OEM

Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM	TEV/EBITDA LTM H1 2026	TEV/EBITDA LTM H1 2026	H2-25 vs. H1-26 Trend
MTU Aero Engines	Germany	19,573	20,684	8,883	1,537	12.2x	13.3x	▽
RENK Group	Germany	4,218	4,602	1,377	252	18.2x	25.2x	▽
Rolls-Royce Holdings	United Kingdom	138,481	136,321	24,310	5,599	23.8x	24.6x	▽
Melrose Industries	United Kingdom	6,873	8,899	4,114	1,092	8.0x	10.7x	▽
General Electric	United States	341,303	350,913	38,973	9,887	34.4x	28.1x	△
Honeywell International	United States	62,092	85,233	32,663	7,610	11.0x	14.8x	▽
Parker-Hannifin	United States	107,949	115,926	18,202	4,824	22.9x	22.1x	△
Moog	United States	11,763	12,770	3,620	522	24.2x	16.6x	△
Median						**20.6x**	**19.3x**	△

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