

# Aerospace, Defense, Government M&A 2015 Annual Review



Aerospace | Defense | Government Services M&A



- Transaction volume in the Aerospace, Defense and Government Services industry was relatively stable in 2015 but shows promising signs of future growth. The McLean Group tracked 134 announced Defense and Government Services transactions in 2015, compared with 130 the year before. Aerospace displayed similarly flat activity with 161 announced transactions in 2015 compared to 156 in 2014.
- Capital Markets underperformed with three of the four aerospace indices ending the year in the red. The Large Cap, Mid Cap and Small Cap Aerospace indices fell 1.5%, 9.8% and 33.6% in 2015, respectively. Conversely, both the Defense Prime and Diversified Government Services indices recorded excellent performance the second half of the year, and were up 12.0% and 9.3% for the full year, respectively. Investors rewarded Northrop Grumman, which led the Defense Prime Index finishing up 28.1% on the year, due to the Company's focus on key DOD priorities of aerospace, unmanned systems, and naval systems. Similarly, Leidos' stock price improved 29.4%, leading the Diversified Government Services Index, on strong contract wins and an increased backlog.
- A budget was passed for the second year in a row, alleviating concerns of a government shutdown. The two-year budget bolsters investor confidence by providing transparency in funding, highlighted by a total increase in discretionary spending of \$80 billion over government fiscal years (GFY) 2016 and 2017. The two-year budget lifts the debt ceiling and removes the spending caps for GFY 2016 and GFY 2017 previously enacted by the Budget Control Act in an attempt to eliminate the possibility of a government shutdown standoff during a political election cycle.
- Throughout the year Defense and Government Service Primes explored strategic alternatives such as: divesting business units (L-3 National Security Solutions, GD Fidelis Cybersecurity, Lockheed Martin IS & GS, BAE Systems Intelligence & Security); merging with other pure plays to create synergies (CSC Government and SRA, Harris and Exelis), and spin offs (CSC).
- Private Equity involvement in the sector rose by 13% from 2014 and included such notable deals as Salient/Frontenac's merger with CRGT/Veritas; Arlington Capital's sale of Novetta to Carlyle; Leonard Green's sale of Scitor to SAIC; Providence Equity Partner's majority exit of SRA via a merger with CSC government, and Snow Phipps' sale of Acentia to MAXIMUS.

## Notable 2015 M&A Activity

- CACI acquired L-3's National Security Solutions business unit for \$550 million
- Harris acquired Exelis for \$4.7 billion
- SAIC acquired Scitor from Leonard Green Partners for \$790 million
- The Carlyle Group acquired Novetta Solutions from Arlington Capital
- CSC split its public sector business from its commercial and international business; the public sector business then merged with SRA to form CSRA, the largest professional services firm to the federal government

## Capital Markets

	% Change		
	1st Half 2015	2nd Half 2015	CY2015
Defense Prime Index	1.5%	10.4%	12.0%
Defense Systems Index	2.9%	5.3%	8.4%
Diversified Government Services Index	(6.8%)	17.3%	9.3%
Middle Market Government Services Index	(7.9%)	(9.4%)	(16.6%)
Large Cap Aerospace Index	0.8%	(2.2%)	(1.5%)
Mid Cap Aerospace Index	0.8%	(10.5%)	(9.8%)
Small Cap Aerospace Index	(3.5%)	(31.2%)	(33.6%)
International Aerospace Index	11.3%	(4.8%)	5.9%
S&P 500	0.2%	(0.9%)	(0.7%)

## 2015 ADG M&A Overview

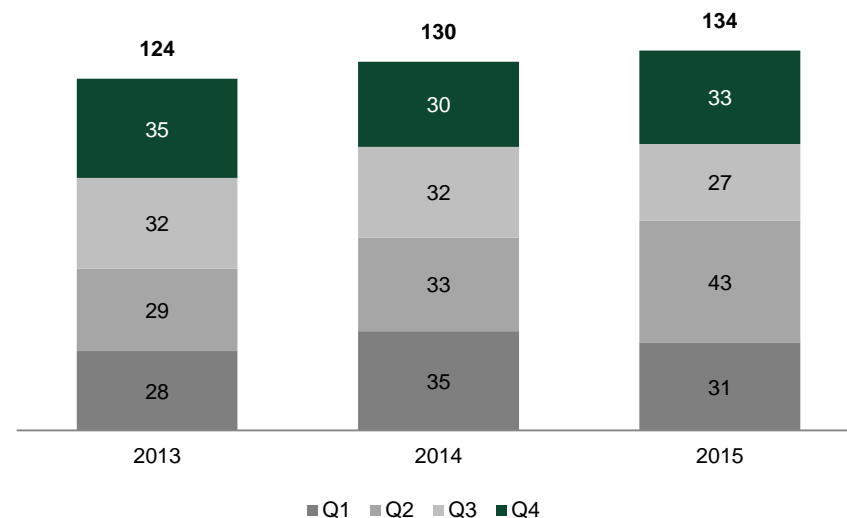
TMG recorded 33 announced Defense and Government Services transactions and 36 announced Aerospace transactions during Q4 2015.

During 2015, TMG recorded 134 transactions in the Defense and Government Services sectors, a modest increase from 2014. Public company buyers accounted for 40% of transaction volume, down from 48% of all deals in 2014. Transactions involving a private equity firm increased from 22% of all deals in 2014 to almost 35% of all deals in 2015. Additionally, private equity firms were active as both sellers and buyers. For example private equity played dual roles in The Carlyle Group's acquisition of Novetta Solutions from Arlington Capital. Like 2014, mega-deals (transactions greater than \$1.0 billion) were prevalent throughout 2015, including Harris' acquisition of Exelis, CSC's spin out and subsequent merger of its Government Solutions business with SRA International, and the planned re-organization of Lockheed's IS & GS business unit, to name a few.

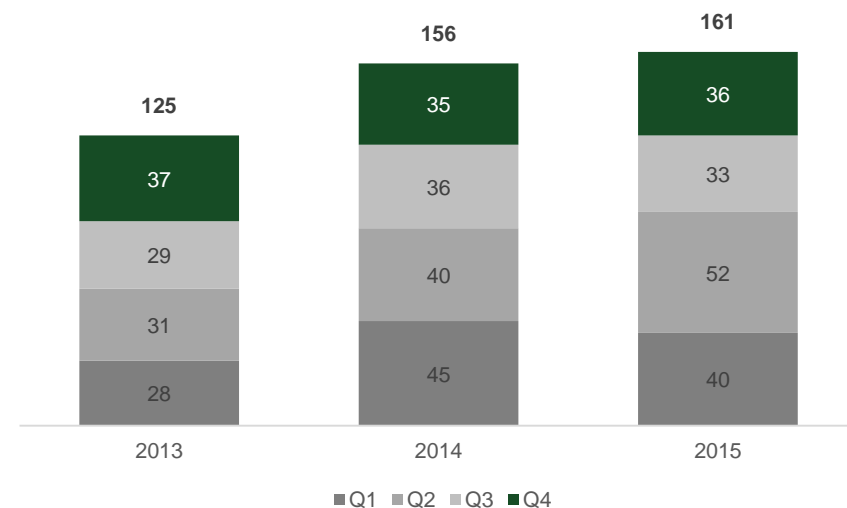
North American based aerospace acquisition activity was relatively flat year-over-year with 156 announced transactions in 2014 and 161 in 2015. Growth was fueled by private buyer transactions which expanded nearly 30%, and represented 32% of all transaction activity, up from 25% in 2014. Acquisitions by public companies fell by 12% while private equity activity decreased by 6%. Reported aerospace multiples in 2015 remained steady with average EV/EBITDA and EV/Revenue multiples of 10.5x and 2.0x, respectively. Of the transactions with reported enterprise valuations, 26 were in excess of \$100.0 million, and eight in excess of \$1.0 billion. Berkshire Hathaway's acquisition of Precision Castparts for \$37.9 billion represented one of the largest deals of the year. Landmark Aviation (The Carlyle Group) was the most active buyer with four acquisitions, while Heico Corp., Meggitt PLC, and TransDigm Group each made three acquisitions.

## 2015 Year in Review

### Defense and Government Services Transaction Activity



### Quarterly Aerospace Transaction Activity



## Government Service Primes Dominate M&A Activity

M&A activity in 2015 was driven by a range of factors including buyers focusing on lowering costs, acquiring targets that drive growth by adding new capabilities and customers and restructuring efforts to focus on core business lines. In an ever changing budgetary environment, large IT primes focused on strategic moves to make the company more cost competitive. CSC split its business into two companies in May, in August announced its government services business would merge with SRA, and renamed the combined company CSRA upon the deal closing in November. The company is now the largest pure-play government IT service provider with estimated revenue of \$6 billion. In December L-3 announced that it was divesting its National Security Solutions business to CACI to focus on its core electronics business. Under CACI, the NSS business unit will benefit from a more competitive rate structure and is expected to be more profitable due to synergies between the companies. Lockheed Martin has publicly announced that it is considering a spin-off of its \$6 billion Information Systems & Global Solutions business in order to position itself more competitively in the market, bolster growth and streamline services. Northrop Grumman has yet to publicly comment on potential M&A activity, but the company has undertaken a significant internal reorganization and may be positioning itself for future divestitures. BAE unsuccessfully pursued the sale of its US National Security unit in 2015 but is widely expected to test the market again in 2016.

## Continued Activity by Private Equity and Portfolio Companies

One of the most impactful trends in Defense and Government Services M&A in 2015 was a significant shift in buyer composition. In 2014 public companies accounted for 48% of M&A activity and private equity accounted for 22% of completed transactions. In 2015 there was a resurgence of activity by financial sponsors and sponsor-backed portfolio companies; private equity has played a role in nearly 35% of 2015 completed transactions driven in large part by a robust lending environment and reduced competition from larger buyers that were focused on portfolio shaping. In that same time period public company activity decreased to 40% of M&A transactions completed.

## Notable Prime M&A Activity



### Contemplated Activity:



## Activity by Private Equity



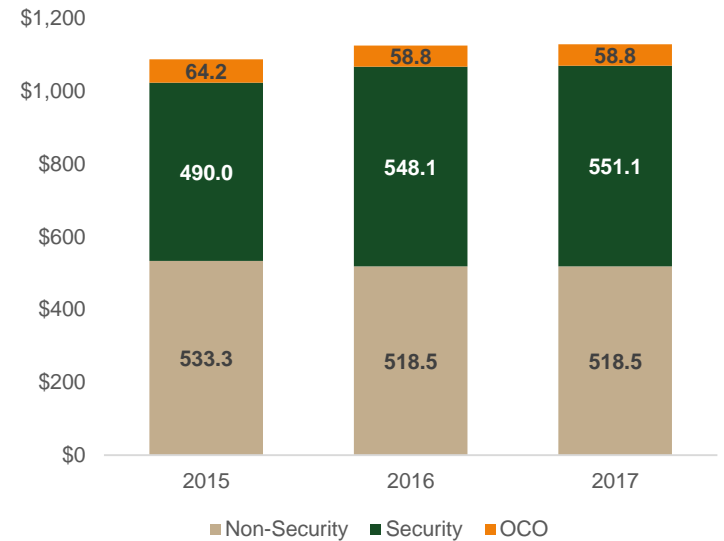
# Federal Budget for Fiscal Year 2016

# 2015 Year in Review

Congress was able to avoid a government shutdown in late September by using a series of continuing resolutions and extensions. In October, House leaders proposed the Bipartisan Budget Act (“BBA”) of 2015 which sets top-line spending for GFY 2016 and 2017. The BBA was passed by the Senate and signed into law by the President. Most notably the BBA increases federal discretionary spending by \$80 billion over the next two years – FY 2016 and FY 2017 – and is divided equally between security (defense, national security, and intelligence) and non-security (domestic) programs. The BBA also sets minimum adjustments to the caps for overseas contingency operations (OCO) providing certainty for two years on approximate OCO levels.

The budget’s passing is welcomed news to Pentagon officials as short-term spending extensions and budgetary uncertainties made it difficult to start new programs or forecast long-term costs. The BBA also raised the federal debt ceiling to avoid hitting the previous \$18.1 trillion debt limit, which the Treasury Department said would occur on November 3, 2015. The new agreement increases the federal borrowing limit through March 15, 2017.

2015 Enacted vs. 2016 and 2017 Budget (\$ in Billions)



## Winners



United States Military - Increased military spending, operations funds, and missile and aircraft procurement funds.



Department of Veterans Affairs - Received \$163 billion, of which \$71.4 billion is tagged for discretionary spending, a 10% increase from the previous year, and authorized the hiring of more than 1,500 staffers.



NASA - Received \$19.3 billion, a 7% year-over-year increase from 2015, and \$750 million more than requested.

## Losers



Environmental Protection Agency - Following a decrease in funding in 2015, EPA's funding essentially will remain frozen at \$8.1 billion.



Internal Revenue Service - Received \$1.7 billion less than the Obama administration requested. Money will go toward customer service, fraud reduction and cybersecurity.

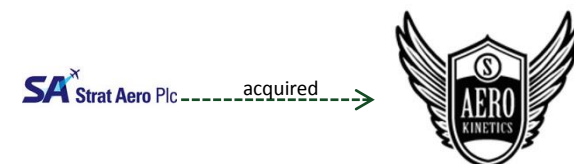
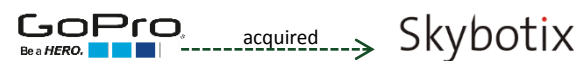
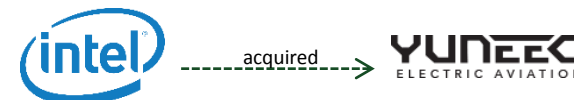


Securities and Exchange Commission - Received 7% less than requested.

**Unmanned Aerial Vehicles Update:** Unmanned Aerial Vehicles (UAVs) have been a bright spot in the shrinking landscape of defense spending. While most are familiar with the growth in the consumer quad-copters space, military-grade drones are also a growing industry. The market for UAVs in 2014 was estimated to be \$6.4 billion and is expected to grow by 5.5% annually over the next nine years to approximately \$10 billion by 2024. UAVs are attractive because they are a proven technology and are a safer alternative to manned aerial vehicles. Currently, Israel is the world's largest exporter of drones, but the US is quickly catching up. US-based General Atomics' and Northrop Grumman's current offerings are making significant headway in the industry. On the consumer side, Intel has been on a shopping spree for drone-related technologies having most recently purchased Yuneec, a Hong Kong-based drone and aerospace company, for \$60 million. Other companies also seek to invest in drone technology. In the first half of 2015, drone companies raised an estimated \$172 million in equity financing. As this burgeoning technology continues to grow, the market can expect to see continued growth and consolidation in both the consumer and military segments.

**Berkshire Hathaway's acquisition of Precision Castparts:** On August 10, Berkshire Hathaway announced that it would purchase Precision Castparts (PCC) for \$37.2 billion. PCC has been a supplier of choice for the world's aerospace industry and one of America's largest sources of exports. This deal would represent the largest deal in the Aerospace & Defense sector in the last decade and would be Berkshire's largest acquisition. PCC has a long history of being a serial acquirer of companies having acquired four companies in 2015 and six companies in 2014. In November, PCC also announced the acquisition of Andrew Laser Works Corp. This announcement may indicate that PCC will continue its penchant for acquiring attractive tuck-in acquisitions following the Berkshire integration.

### Recent UAV Acquisitions



### Mega Deal

BERKSHIRE HATHAWAY INC.

acquired

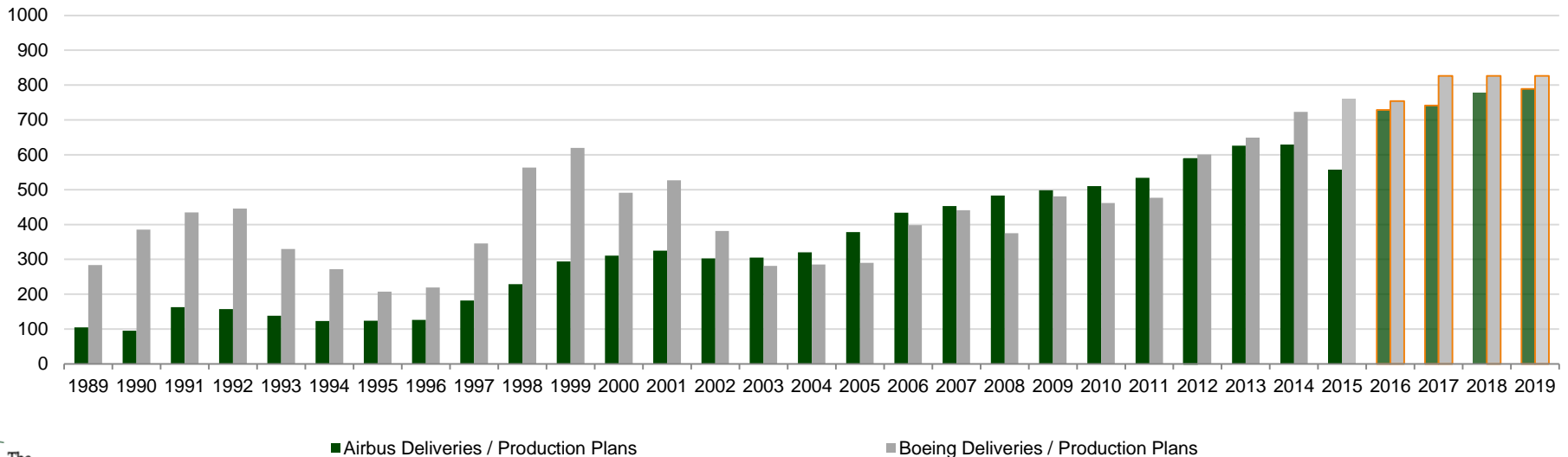
**PCC** Precision Castparts Corp.

Transaction Size (\$ billions)	37.92
EV (\$ billions)	36.86
EV/NTM Revenue	3.6x
EV/NTM EBITDA	11.7x
Offer Price/NTM Earnings	18.1x
Offer Price/Forward BV	2.6x

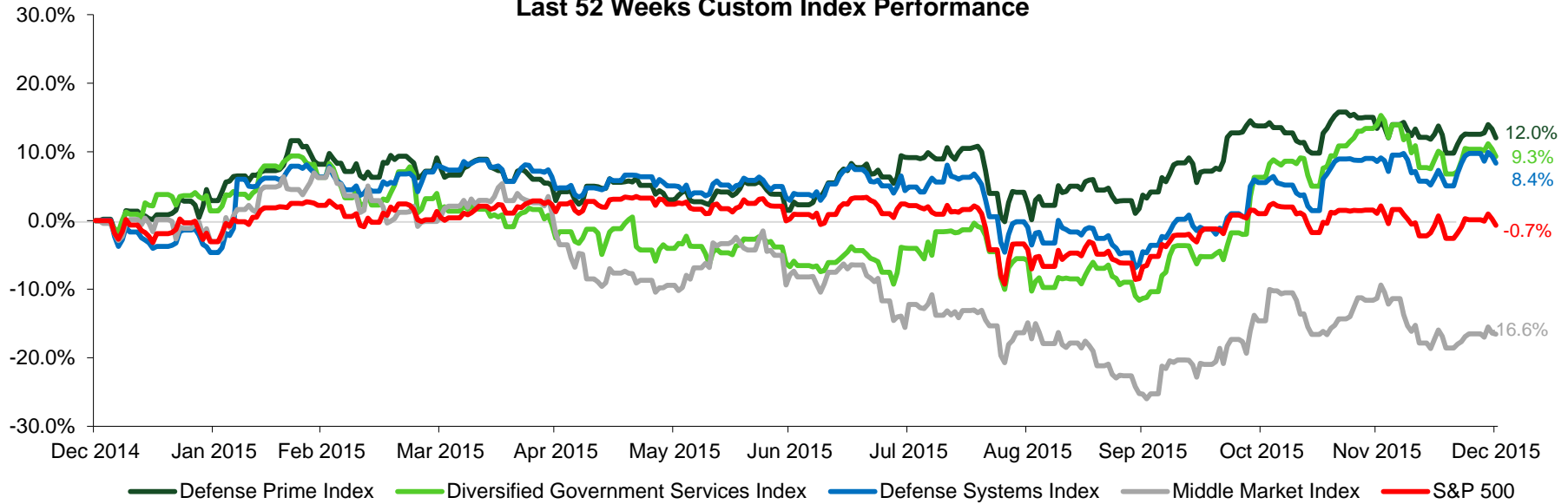
OEMs have seen record levels of new aircraft orders over the last several years. These orders have been buoyed by an increase in global demand for air travel, the introduction of more fuel-efficient aircraft, and historically low-interest rates. Through the first eleven months of 2015, Airbus posted 1,007 net orders outpacing Boeing’s 768 full year net orders. However, Boeing remained king when it came to aircraft deliveries, delivering a record 762 planes in 2015 while Airbus delivered 556 through November 30. On December 31, Boeing's backlog of orders stood at 5,795, representing more than seven and a half years of production at the current rate. While Airbus had an industry record backlog of 6,837, as of November 30. Boeing and Airbus will need to continue to ramp up production to fill this record level of backlog. Constituents of their supply chains also will need to match the increased demand. This could mean that members of the supply chain will be on the look out for tuck-in acquisitions to increase production.

As 2016 begins, the commercial airspace industry faces many headwinds. Over the last year, China’s economy displayed signs of weakness, oil prices have dropped precipitously, and the US Federal Reserve raised interest rates for the first time since 2006. Boeing forecasts that by 2020 half of the world’s airline fleet will be leased. As leasing becomes more common and a greater percentage of overall aircraft orders, cost of capital will become an increasing concern in the industry. If interest rates rise too much, leasing companies may need to cancel orders as their business models no longer remain viable. This could have a significant impact on an industry predicated on long-term backlogs. While investment in next generation aircraft likely will not cease, there remain many hurdles to overcome.

**Airbus and Boeing Aircraft Deliveries and Production Plans**



Last 52 Weeks Custom Index Performance

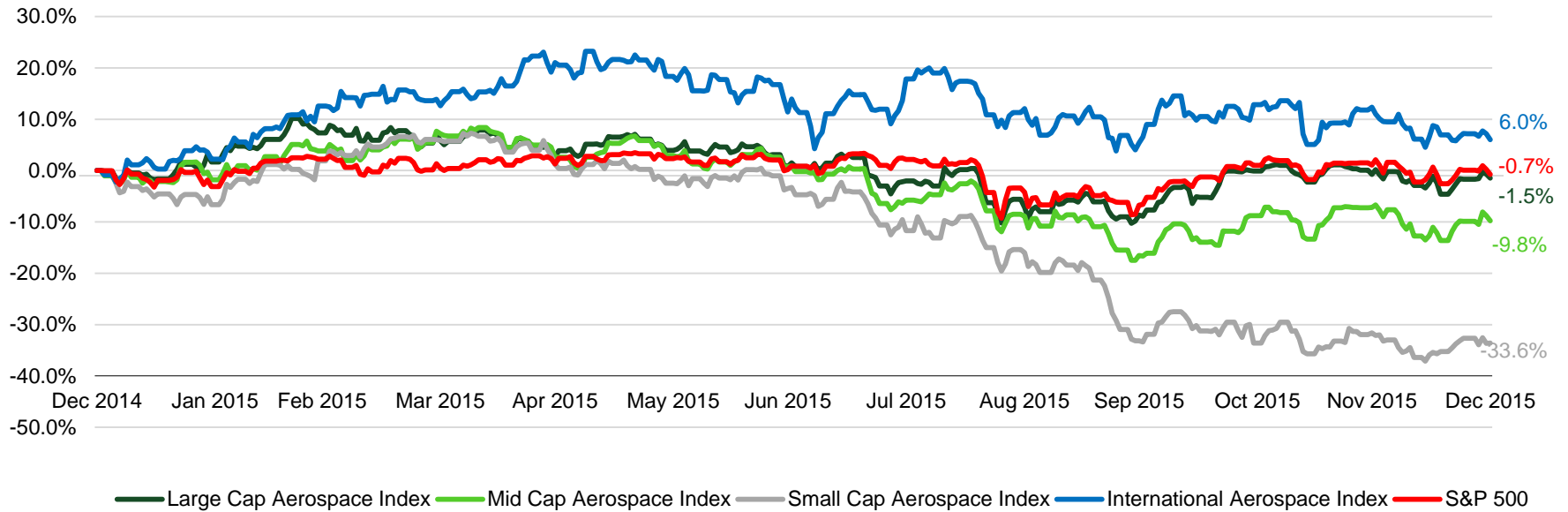


Index Constituents and Stock Price as a % of 52 Week High

Defense Prime Index						
	91%	89%	95%	97%	96%	
Defense Systems Index						
	78%	87%	81%	97%	90%	79%
Diversified Government Services Index						
	98%	89%	66%	95%	86%	82%
Middle Market Index						
	81%	48%	58%	79%	62%	74%



Last 52 Weeks Custom Index Performance

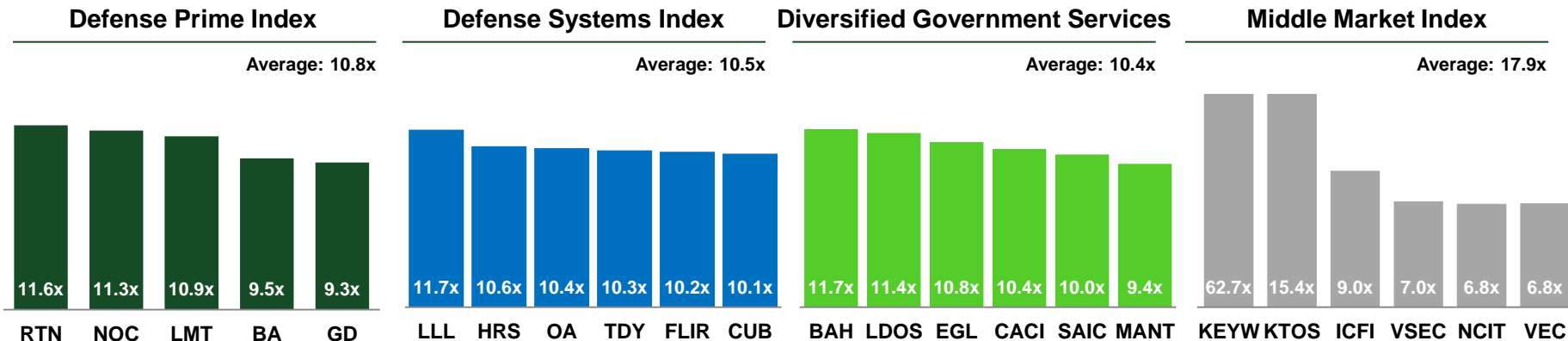


Index Constituents and Stock Price as a % of 52 Week High

<b>Large Cap Aerospace Index</b>	93%	66%	91%	96%	93%	90%	93%	77%
<b>Mid Cap Aerospace Index</b>	88%	44%	67%	85%	85%	78%	86%	56%
<b>Small Cap Aerospace Index</b>	77%	96%	53%	63%	23%	68%	78%	72%
<b>International Aerospace Index</b>	91%	32%	78%	93%	63%	54%	87%	96%

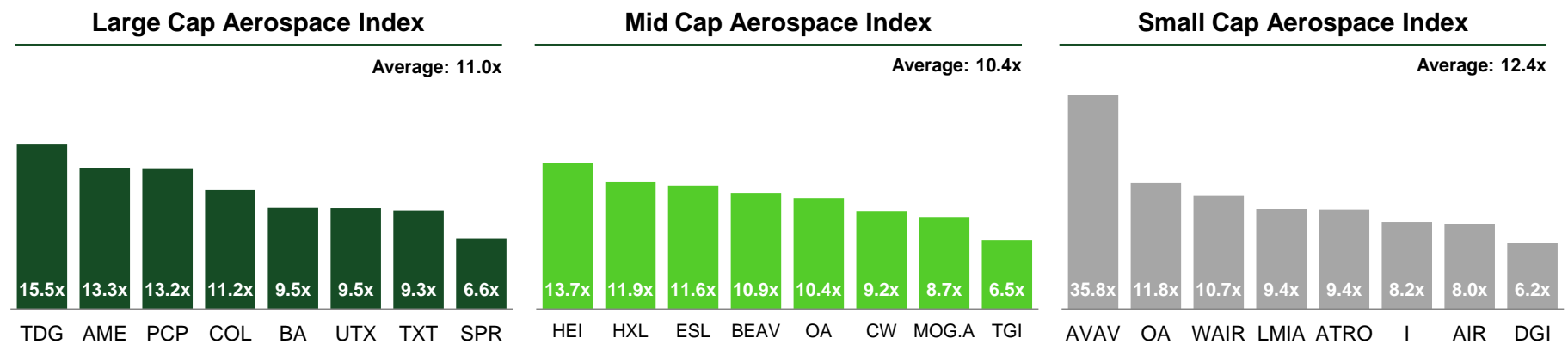
Defense and Government Services

Average: 13.2x  
Median: 10.4x



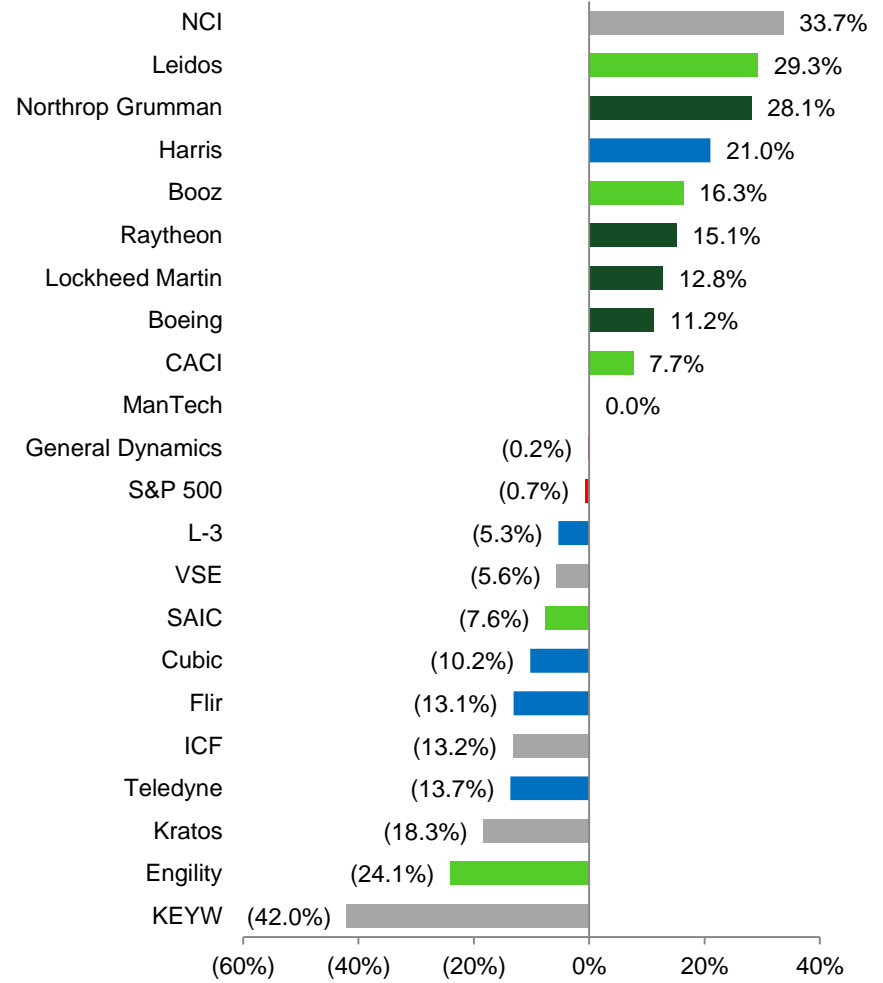
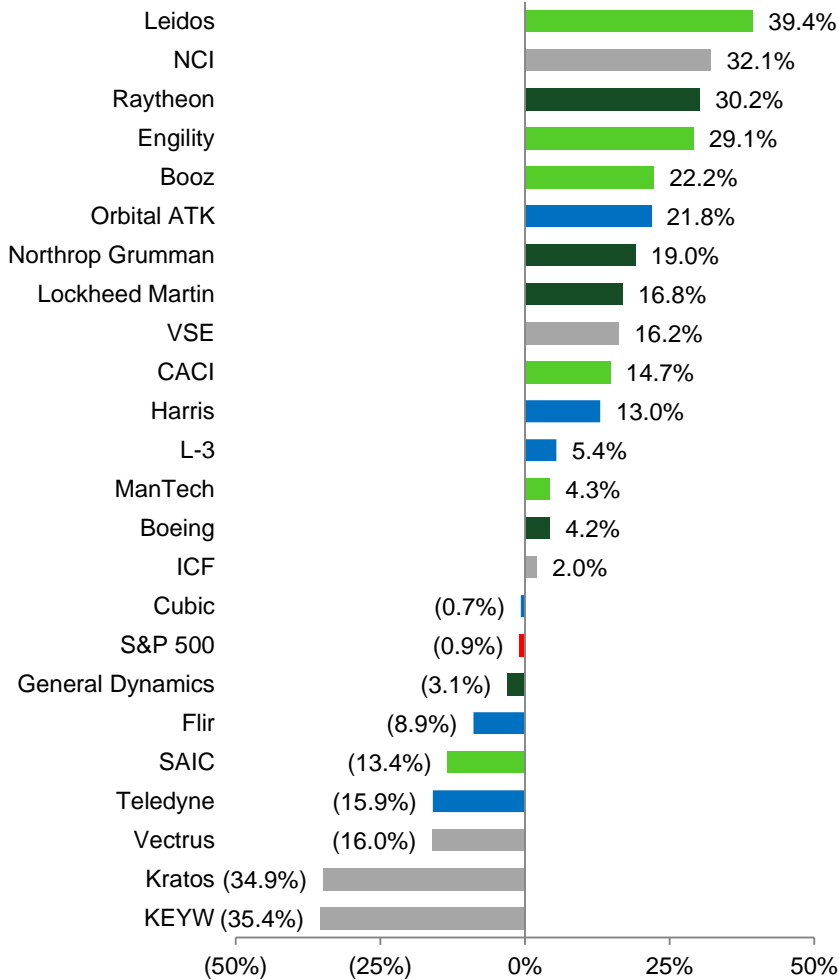
Aerospace

Average: 11.3x  
Median: 10.0x



Second Half 2015

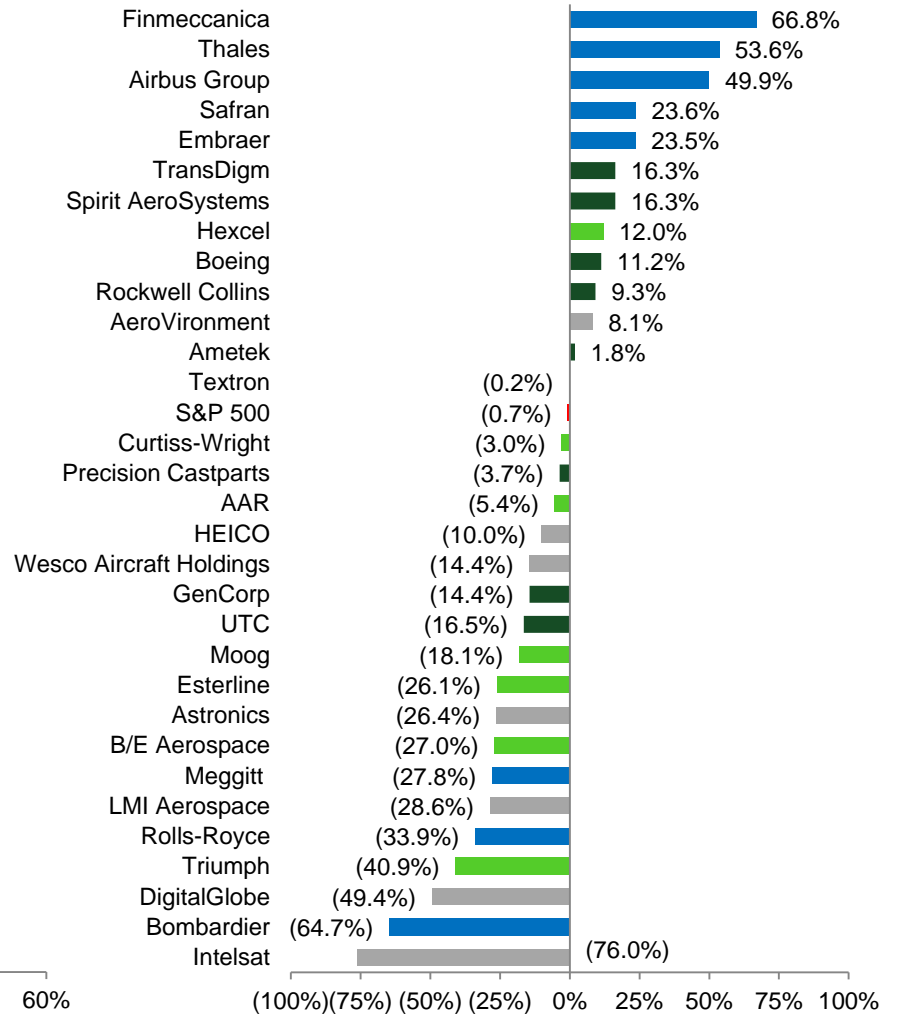
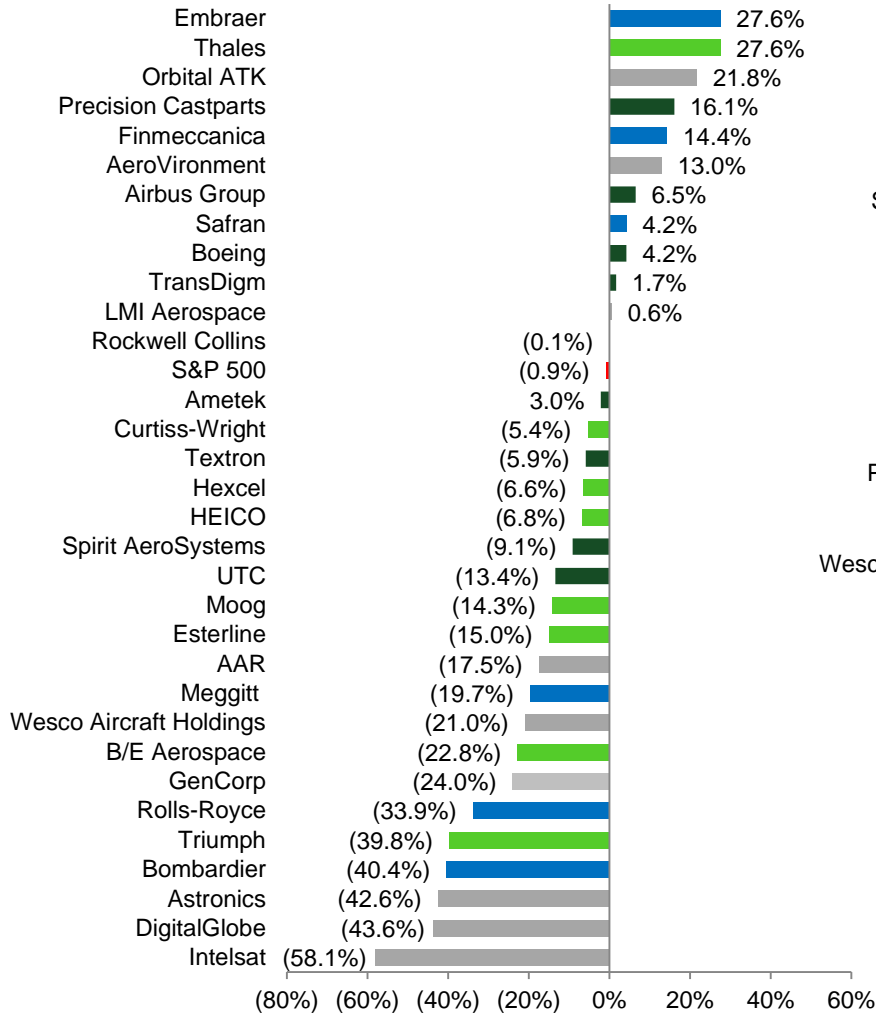
CY 2015



■ Defense Prime Index   
 ■ Defense Systems Index   
 ■ Diversified Government Services Index  
■ Middle Market Government Services Index   
 ■ S&P 500 Index

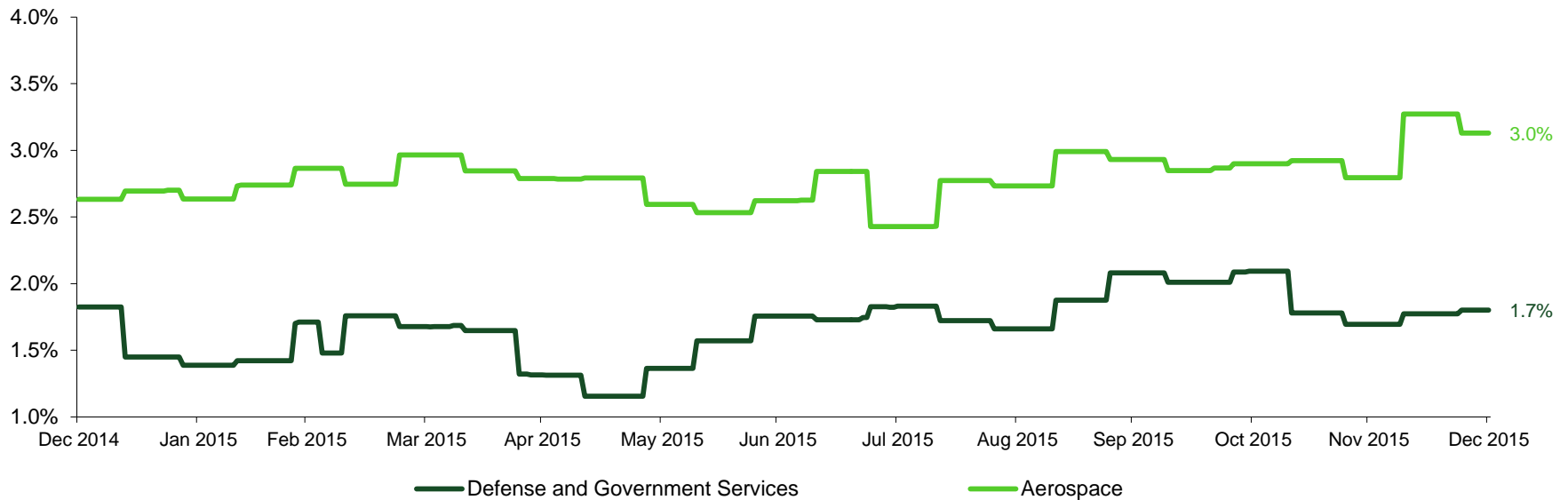
## Second Half 2015

## CY 2015



■ Large Cap Aerospace 
 ■ Mid Cap Aerospace 
 ■ Small Cap Aerospace 
 ■ International Aerospace 
 ■ S&P 500

Last 52 Week Median Short Interest



Short Interest as of December 31, 2015

Defense and Government Services






<b>BOEING</b> 2.9%	<b>GENERAL DYNAMICS</b> 0.7%	<b>LOCKHEED MARTIN</b> 0.8%	<b>NORTHROP GRUMMAN</b> 1.2%	<b>Raytheon</b> 0.9%	<b>Booz   Allen   Hamilton</b> 3.3%	<b>CACI</b> 1.9%	<b>ENGILITY</b> 2.4%
<b>leidos</b> 0.8%	<b>ManTech</b> 1.8%	<b>SAIC</b> 2.6%	<b>ICF</b> 1.7%	<b>KEYW</b> 27.0%	<b>KINOTOS</b> 13.9%	<b>nci</b> 0.1%	<b>VECTRUS</b> 1.5%
<b>VSE CORPORATION</b> 2.1%	<b>Orbital ATK</b> 0.6%	<b>CUBIC</b> 1.3%	<b>FLIR</b> 1.6%	<b>HARRIS</b> 2.0%	<b>B3</b> 2.3%	<b>TELEDYNE TECHNOLOGIES</b> 2.3%	

Aerospace







<b>AMETEK</b> 2.7%	<b>BOEING</b> 2.9%	<b>PCC</b> 1.5%	<b>Rockwell Collins</b> 4.1%	<b>TEXTRON</b> 1.6%	<b>TRANSDIGM GROUP INC.</b> 2.9%	<b>United Technologies</b> 5.7%	
<b>CURTISS WRIGHT</b> 1.4%	<b>DigitalGlobe</b> 6.2%	<b>Esterline</b> 3.2%	<b>HEICO</b> 1.3%	<b>HEXCEL</b> 7.8%	<b>MOOG</b> 1.3%	<b>SPIRIT AEROSYSTEMS</b> 3.2%	<b>Triumph Group, Inc.</b> 4.7%
<b>AAR</b> 3.1%	<b>AIV</b> 4.9%	<b>ASTRONICS CORPORATION</b> 1.6%	<b>GENCORP</b> 9.6%	<b>INTELSAT</b> 7.7%	<b>LMI AEROSPACE, INC.</b> 1.1%	<b>Orbital ATK</b> 0.6%	<b>Wesco Aircraft</b> 4.0%

(\$ millions)







## Defense Prime Index

	 <b>BOEING</b>	 <b>GENERAL DYNAMICS</b>	 <b>LOCKHEED MARTIN</b>	 <b>NORTHROP GRUMMAN</b>	 <b>Raytheon</b>
3x LTM EBITDA	\$29,742.0	\$13,980.0	\$17,844.0	\$10,854.0	\$9,870.0
Less LT Debt	9,016.0	3,413.0	8,412.0	6,527.0	5,334.0
Plus Cash	9,383.0	3,372.0	3,300.0	1,292.0	2,453.0
<b>Dry Powder</b>	<b>\$30,109.0</b>	<b>\$13,939.0</b>	<b>\$12,732.0</b>	<b>\$5,619.0</b>	<b>\$6,989.0</b>







## Middle Market Defense & Government Services Index

	 <b>Orbital ATK</b>	 <b>CUBIC</b>	 <b>FLIR</b>	 <b>HARRIS</b>	 <b>L3</b>	 <b>TELEDYNE TECHNOLOGIES INCORPORATED</b>
3x LTM EBITDA	\$561.9	\$351.7	\$1,053.5	\$3,696.0	\$3,648.0	\$1,146.3
Less LT Debt	\$1,685.7	186.7	362.7	5,081.0	3,949.0	712.7
Plus Cash	1,537.0	218.5	525.4	320.0	323.0	71.5
<b>Dry Powder</b>	<b>65.1</b>	<b>\$383.5</b>	<b>\$1,216.2</b>	<b>(\$1,065.0)</b>	<b>\$22.0</b>	<b>\$505.1</b>

## Middle Market Defense & Government Services Index







	 <b>Booz   Allen   Hamilton</b>	 <b>CACI</b>	 <b>ENGILITY</b>	 <b>leidos</b>	 <b>ManTech International Corporation</b>	 <b>SAIC</b>
3x LTM EBITDA	\$1,481.6	\$901.7	\$544.3	\$1,254.0	\$350.7	\$885.0
Less LT Debt	1,602.0	1,010.6	1,153.5	1,166.0	10.0	1,123.0
Plus Cash	187.4	29.0	75.9	443.0	51.2	184.0
<b>Dry Powder</b>	<b>\$67.0</b>	<b>(\$79.9)</b>	<b>(\$533.3)</b>	<b>\$531.0</b>	<b>\$391.9</b>	<b>(\$54.0)</b>

## Middle Market Defense & Government Services Index









	 <b>ICF</b>	 <b>KEYW</b>	 <b>KRATOS</b> DEFENSE & SECURITY SOLUTIONS	 <b>nci</b>	 <b>VECTRUS</b>	 <b>VSE CORPORATION</b>
3x LTM EBITDA	\$333.6	-\$8.1	\$150.3	\$81.1	\$123.3	\$209.2
Less LT Debt	332.2	128.2	448.5	11.3	124.8	269.5
Plus Cash	5.7	25.0	35.8	0.0	41.2	0.2
<b>Dry Powder</b>	<b>\$7.2</b>	<b>(\$111.4)</b>	<b>(\$262.4)</b>	<b>\$69.8</b>	<b>\$39.7</b>	<b>(\$60.1)</b>

(\$ millions)









Large Cap Aerospace Index

								
3x LTM EBITDA	\$3,222.0	\$1,542.0	\$29,742.0	\$8,040.0	\$3,594.0	\$4,743.0	\$3,611.5	\$34,722.0
Less LT Debt	1,917.1	2,033.0	9,016.0	4,998.0	2,128.0	3,772.0	8,501.8	22,667.0
Plus Cash	328.0	164.3	9,383.0	632.0	252.0	497.0	714.0	5,477.0
<b>Dry Powder</b>	<b>\$1,632.9</b>	<b>(\$326.7)</b>	<b>\$30,109.0</b>	<b>\$3,674.0</b>	<b>\$1,718.0</b>	<b>\$1,468.0</b>	<b>(\$4,176.3)</b>	<b>\$17,532.0</b>

Mid Cap Aerospace Index

								
3x LTM EBITDA	\$1,144.3	\$1,074.9	\$839.3	\$833.6	\$1,193.1	\$1,009.6	\$3,099.3	\$1,054.4
Less LT Debt	958.9	1,133.9	881.4	367.6	596.4	1,076.2	1,140.7	1,604.1
Plus Cash	247.9	147.6	191.4	33.6	43.2	309.9	1,042.7	39.1
<b>Dry Powder</b>	<b>\$433.4</b>	<b>\$88.6</b>	<b>\$149.3</b>	<b>\$499.6</b>	<b>\$639.9</b>	<b>\$243.3</b>	<b>\$3,001.3</b>	<b>(\$510.5)</b>

Small Cap Aerospace Index

								
3x LTM EBITDA	\$182.7	\$53.2	\$386.8	\$480.9	\$5,540.0	\$116.1	\$561.9	\$269.0
Less LT Debt	170.3	0.0	208.5	661.2	14,938.4	271.2	\$1,685.7	959.9
Plus Cash	62.8	128.0	22.4	243.3	327.8	0.5	1,537.0	82.9
<b>Dry Powder</b>	<b>\$75.2</b>	<b>\$181.2</b>	<b>\$200.7</b>	<b>\$63.0</b>	<b>(\$9,070.6)</b>	<b>(\$154.6)</b>	<b>65.1</b>	<b>(\$608.0)</b>



will acquire



and



**Announced**

December 21, 2015

**Notes**

Cubic signed a definitive agreements to acquire GATR Technologies for \$232.5 million and TerraLogics for \$39 million. GATR is a manufacturer of next-generation deployable satellite communication terminal solutions. TeraLogics is a provider of real-time Full Motion Video Processing, Exploitation and Dissemination (PED) for the DOD and IC. The GATR transaction will close Q1 2016.



will acquire



**Announced**

December 11, 2015

**Notes**

Digital Barriers plc entered into an agreement to acquire privately held Brimtek, Inc for \$45 million. Brimtek is a provider of state-of-the-art technical surveillance solutions to the US defense, homeland security, federal law enforcement and intelligence communities. The McLean Group acted as the exclusive financial advisor to Brimtek on the transaction.



will acquire



National Security Solutions

**Announced**

December 8, 2015

**Notes**

CACI International signed a definitive agreement to acquire L-3 National Security Solutions (L-3 NSS) from L-3 Holdings for \$550 million. L-3 NSS provides enterprise and mission IT solutions, cyber operations support, intelligence operations support, integrated security and big data solutions to the U.S. Government military, intelligence and federal civilian agencies. The transaction is expected to close Q1 2016.





will acquire



**Announced**

November 23, 2015

**Notes**

Comtech Telecommunications signed a definitive merger agreement to acquire TeleCommunication Systems (TCS) for \$430 million. TCS specializes in secure and highly reliable wireless communications; deployable wireless infrastructure; cybersecurity; defense and aerospace components; and applications for mobile location-based services and messaging.



acquired



**Closed**

November 3, 2015

**Notes**

Preferred Systems Solutions (PSS), a portfolio company of CM Equity Partners, acquired GSM Consulting, Inc., a veteran-owned small business. GSM Consulting, Inc. is an Intelligence Community-focused software engineering and cybersecurity services firm. Core capabilities include software development & solutions, systems engineering, systems infrastructure, and network engineering.



Booz | Allen | Hamilton

acquired



**Closed**

November 2, 2015

**Notes**

Booz Allen Hamilton acquired the software services unit of SPARC, LLC, a software development firm using contemporary methodologies such as Agile, DevOps and open source. SPARC provides its services to the Department of Veterans Affairs and additional public and private sector clients. Financial terms of the deal were not disclosed. The McLean Group acted as SPARC's exclusive financial advisor.



acquired

**ForceX**

**Closed**

October 13, 2015

**Notes**

L-3 Communications Corp. acquired privately held ForceX, Inc. for \$60 million, which the company has renamed L-3 ForceX. ForceX specializes in ISR mission management software and geospatial application technology programs, offering advanced products, including cueing system software, hardware and video algorithms, and wide-area sensor integration solutions and software.



acquired

**Peters Software GmbH**

**Closed**

October 12, 2015

**Notes**

Boeing Co. acquired privately held Peters Software GmbH. Peters Software is a market leading provider of European Aviation Safety Agency (EASA) based training content for early stage ("ab-initio") pilot training. Peters Software specializes in curriculum and materials for commercial and private pilots operating in rapidly growing markets aligned with EASA.



acquired

**AXIOS**

**Closed**

October 1, 2015

**Notes**

LGS Innovations (LGS), a portfolio company of private equity firms Madison Dearborn and Covant, acquired privately held Axios, Inc for an undisclosed amount. Axios is a provider of communications and signal processing solutions and mission support services to the DOD and IC.



acquired



Security Systems, LLC

**Closed**

September 30, 2015

**Notes**

Versar, Inc. completed its acquisition of Johnson Controls Security Systems, LLC, the specialized federal security integration business of Johnson Controls, Inc. The purchase price under the purchase agreement consisted of cash paid at closing of \$10.5 million and contingent consideration of up to \$9.5 million, to be paid upon achievement of an agreed upon working capital.



acquired

EM Business Holdings, Inc.

**Closed**

August 17, 2015

**Notes**

AMERICAN SYSTEMS Corp. acquired privately held EM Business Holdings, Inc. EMBH is a provider of engineering, IT, and professional services. EMBH has been providing engineering, science and advanced technology solutions for the defense, security, and intelligence markets since 2000. EMBH has 160 employees.

BERKSHIRE HATHAWAY INC.

will acquire



**Announced**

August 10, 2015

**Notes**

Berkshire Hathaway Inc. entered into a definitive agreement to acquire Precision Castparts Corp. for \$32.3 billion in cash, representing an implied enterprise value of \$36.9 billion. Portland, Ore.-based Precision Castparts Corp is a worldwide, diversified manufacturer of complex metal components and products. The deal is expected to close Q1 2016.



Government Solutions

acquired



**Closed**

November 30, 2015

**Notes**

Computer Sciences Services Inc. entered into a definitive agreement to acquire SRA Companies, Inc. in cash and stock. The cash portion of the merger consideration is \$390 million multiplied by dissenter's factor and stock portion comprises of 15.32% of Computer Sciences GS total common stock. The combined company, named CSRA, is now the largest pure-play government IT service provider with estimated revenue of \$6 billion. The transaction closed in November.

THE CARLYLE GROUP

acquired



**Closed**

October 31, 2015

**Notes**

Carlyle Partners VI, L.P. of The Carlyle Group LP agreed to acquire Novetta Solutions, LLC from Arlington Capital Partners. Novetta Solutions, LLC provides advanced analytics software and solutions to detect threat and fraud, and protect high value networks for government and commercial enterprises worldwide. The transaction closed in October.



acquired



**Closed**

August 24, 2015

**Notes**

Veritas Capital signed a definitive agreement to acquire Alion Science and Technology Corp. Alion Science and Technology Corporation provides engineering, information technology, naval architecture, and operational solutions for defense, civilian government, foreign governments, and commercial industries worldwide.



merged with



**Closed**

August 21, 2015

**Notes**

MicroPact Inc. and firm Enlightenment Capital, merged with Iron Data Solutions, Inc., a portfolio company of Arlington Capital Partners. Iron Data has experience building highly specialized, vertically-oriented, applications and solutions for complex regulatory, licensing and human services case management requirements.



acquired



Composites Businesses

**Closed**

November 25, 2015

**Notes**

Meggitt plc announced an agreement to acquire Composites Businesses of Cobham plc for \$200 million in cash. Cobham plc offers a range of technologies and services to commercial, defense, and security markets worldwide. The company operates through four segments: Communications and Connectivity, Mission Systems, Advanced Electronic Solutions, and Aviation Services. Composites Businesses reported revenue of \$81.1 million at the year end.



acquired



**Closed**

August 6, 2015

**Notes**

Rockwell Collins Inc. acquired International Communications Group, Inc. for \$64 million. International Communications Group, Inc. designs, develops, and manufactures communications systems and solutions.

**SILVERLAKE**

invested in



**Closed**

August 25, 2015

**Notes**

Motorola Solutions, Inc. (NYSE:MSI) announced that it has entered into investment agreement for private placement of 2% convertible senior notes due 2020 for gross proceeds of \$1 billion. Motorola Solutions, Inc. provides mission-critical communication infrastructure, devices, software, and services in North America, Latin America, the Asia Pacific, the Middle East, Europe, and Africa.

**accenture**

acquired



**Closed**

August 4, 2015

**Notes**

Accenture plc acquired FusionX and will join and augment Accenture's growing global Security team. FusionX LLC provides cyber attack simulation, threat modeling, cyber investigations, and security risk advisory services.

**CHART CAPITAL  
PARTNERS**

merged with



**Closed**

August 4, 2015

**Notes**

Tempus Applied Solutions Holdings, Inc. announced that it has entered into securities purchase agreement of 250,000 common shares at \$4 per share for gross proceeds of \$1,000,000. Tempus Applied Solutions Holdings, Inc., through its subsidiaries, provides customized engineering, integration, and operations solutions to support aircraft mission requirements.

The McLean Group



acquired



**Closed**

July 31, 2015

**Notes**

Privately held ECS Federal, LLC acquired privately held System Planning Corp. (SPC). SPC focuses on high end engineering, electronic systems, prototyping, and manufacturing radar systems. The company's customer base includes federal, state and local government agencies, major defense contractors, and other commercial enterprises. TMG advised SPC in its sale.



Cyber Solutions International

divested to



**Closed**

July 27, 2015

**Notes**

CounterTack, Inc. acquired ManTech Cyber Solutions International, Inc. from ManTech International Corporation. CounterTack, Inc. provides real-time endpoint threat detection and response solutions to enterprises and government organizations. CounterTack provides visibility and context around endpoint behavior to targeted, persistent threats to improve incident response and threat detection, enterprise-wide.



THE RADIANT GROUP  
INTELLIGENCE. INNOVATION. INTEGRITY.

acquired



**Closed**

July 15, 2015

**Notes**

The Radiant Group, Inc. acquired The Human Geo Group, LLC in cash and stock. The Human Geo Group, LLC is a technology company that focuses on providing data, services, and products in the areas of big data applications, social media analytics, and geospatial visualization. The Radiant Group, Inc. provides technical solutions and systems engineering and services to defense and government sector.



acquired



**Closed**

July 8, 2015

**Notes**

Dubai Aerospace Enterprise (DAE) Ltd sold 100% of StandardAero to Veritas Capital Fund V, LP for an undisclosed amount. StandardAero has approximately 3,400 employees and global service network of 13 primary facilities in the United States, Canada, Europe, Singapore and Australia.



acquired



**Closed**

July 3, 2015

**Notes**

Teledyne Technologies, Inc. acquired an additional interest in privately held Ocean Aero, Inc. to an ownership interest of approximately 37%. San Diego, Calif.-based Ocean Aero is designing unmanned surface vehicles that will also have the ability to descend subsea. Ocean Aero is designing unmanned underwater and surface vessels capable of operating in both surface and sub-surface environments.



acquired



**Closed**

June 25, 2015

**Notes**

Herndon Products, Inc., a portfolio company of private equity firm HCI Equity Partners, acquired privately held MS Inserts & Fasteners Corp. and its wholly-owned subsidiary, Thread Kits Co. Herndon's 2014 revenue was \$76 million, and management expects the company's revenue to grow to close to \$100 million due to this acquisition.



**ManTech**  
International Corporation

acquired

KNOWLEDGEE  
consulting groupup  
**KCGI**

**Closed**

June 16, 2015

**Notes**

ManTech International Corp. acquired Knowledge Consulting Group, Inc. (KCG), for an undisclosed amount. Knowledge Consulting Group is a rapidly growing cybersecurity advisor in both the public and private sectors focused on anticipating threats and implementing defensive countermeasures.

 **GLOBAL**™  
GLOBAL STRATEGIES GROUP

acquired

**STG**

**Closed**

November 23, 2015

**Notes**

Global Defense & National Security Systems Inc. announced it entered into an agreement to acquire STG, Inc. through a cash and stock transaction valued at approximately \$165.5 million. STG, Inc. is a specialist provider of cyber, software and intelligence solutions supporting more than 50 US federal agencies. The transaction closed in November.

LINDSAY GOLDBERG

**PAE**

acquired

**A-T Solutions**  
RELENTLESS

**Closed**

June 1, 2015

**Notes**

PAE, a portfolio company of private equity firm Lindsay Goldberg, acquired A-T Solutions Corporate Holdings Prime, Inc. for an undisclosed amount. A-T Solutions assists the US government and allied nations in investigating, preventing and defeating attacks by providing training and identity operations solutions, full lifecycle forensic and biometric support, identification and analysis of asymmetric threats, and data management solutions.



acquired



Divestiture: Electronic Products Division

**Closed**

August 21, 2015

**Notes**

Ultra Electronics announced it entered into an agreement to acquire the Electronic Products Division (EPD) of Kratos Defense & Security Solutions, Inc. for a cash consideration of up to \$265 million, consisting of \$260 million in cash at closing, and up to another \$5 million in cash expected to be paid during the next 12 months. The deal closed in August.



acquired



**Closed**

May 27, 2015

**Notes**

L-3 Communications Corp. acquired CTC Aviation Group Ltd for approximately \$220 million. CTC Aviation Group is a high-quality, global airline pilot training and crew resourcing specialist that offers customized and innovative solutions to major airlines and retail customers globally. The company has approximately 265 employees in Southampton, United Kingdom.

TRIVE CAPITAL



acquired



Divestiture Operation of: San Carlos

**Closed**

May 19, 2015

**Notes**

Valence Surface Technologies, a portfolio company of Trive Capital, acquired Flextronics San Carlos for an undisclosed amount. Flextronics San Carlos provides a full range of surface treatments for the semiconductor, aerospace, laser, microwave, and medical device industries and operates a state of the art 30,000 square foot facility with more than 60 employees.



acquired



**Closed**

May 18, 2015

**Notes**

Magellan Aerospace Corp. acquired all of the outstanding ordinary shares of Euravia Engineering & Supply Co. Limited for total net consideration of approximately \$56.5 million, net of cash acquired of \$15.0 million. Euravia is an aviation company that provides maintenance, repair, and overhaul (MRO) solutions for a wide range of aircraft and helicopter gas turbine engines.



acquired



**Closed**

May 14, 2015

**Notes**

TransDigm Group, Inc. acquired Pexco LLC for \$336 million. Pexco Aerospace is a manufacturer of extruded plastic interior parts for use in the commercial aerospace industry. The company has approximately 300 employees in two locations in Yakima, Washington and Huntington Beach, California.



H-D Advanced  
Manufacturing

acquired

**PrecisionAero**



**Closed**

May 12, 2015

**Notes**

H-D Advanced Manufacturing Company, a portfolio company of private equity firm The Riverside Company, acquired Precision Aero Corporation for an undisclosed amount. Precision Aero manufactures high-precision machined products that are mostly used in the aerospace industry. The company is a leader in machined products for aerospace wheel and brake assemblies.



acquired



**Closed**

May 31, 2015

**Notes**

Constellis Group, backed by Forte Capital USTC Holdings, LLC, announced that it entered into an agreement to acquire privately held Olive Group. Olive Group is a leading provider in mission-critical security, training and specialist services. Financial terms of the transaction were not disclosed.



acquired



**Closed**

May 4, 2015

**Notes**

Marlin Equity Partners acquired Fidelis CyberSecurity Solutions, Inc. from General Dynamics Corp. Fidelis Cybersecurity provides a robust, comprehensive portfolio of products, services, and expertise to help prevent and combat today's sophisticated cybersecurity threats. General Dynamics acquired Fidelis in 2012 for \$261 million.



acquired



**Closed**

May 1, 2015

**Notes**

SolAero Technologies acquired Alliance Spacesystems, LLC for an undisclosed amount. Alliance Spacesystems manufactures and designs composite structures for spacecraft and other high-tech applications where strength-to-weight ratio, superior stiffness and dimensional stability are key requirements. The combined company will employ about 400 professionals with revenue more than \$100 million from commercial and government customers worldwide.

The McLean Group



ESOP buyout financed for



**Closed**

April 28, 2015

**Notes**

Charlotte, NC-based Mosaic Capital Partners engaged in a successful leveraged Employee Stock Ownership Plan (ESOP) buyout of Linxx Global Solutions, Inc. Linxx is a rapidly growing global provider of highly-specialized training, security, information assurance, and program management services to US government customers. The McLean Group served as the transaction advisor for Linxx.



acquired



**Closed**

April 28, 2015

**Notes**

ManTech International acquired Welkin Associates for \$34 million in cash. Welkin delivers mission-centric services in high-end systems engineering and advanced national security technology and business services. The acquisition strategically positions ManTech to pursue large engineering and support opportunities throughout the Intelligence Community and DoD.



acquired



**Closed**

June 11, 2015

**Notes**

Havelsan, Inc. announced it will acquire flight simulation business assets of Quantum3d, Inc. for an undisclosed amount. Quantum3d develops visual computing solutions for government and commercial applications. Quantum3d was founded in 1995 and has offices in San Jose, California and Orlando, Florida. The transaction closed in June.



acquired



**Closed**

April 23, 2015

**Notes**

Sierra Nevada Corp. acquired Kutta Technologies for an undisclosed amount. Kutta develops mission-critical C2 UAS solutions aimed at improving situational awareness, forward operator safety, and communication links. Kutta also develops proprietary solutions to address manned/unmanned teaming.



Debt refinancing for



**Closed**

April 21, 2015

**Notes**

Imperatis Corp. completed a debt refinancing with Sandton Capital Partners to support ongoing working capital requirements and future growth initiatives. Imperatis specializes in delivering innovative and technical solutions in the areas of cyber security, advanced network infrastructure, C4ISR, information assurance, and intelligence analysis in support of national security initiatives. The McLean Group advised Imperatis Corp. in its recapitalization.

LINDSAY GOLDBERG



acquired



**Closed**

April 17, 2015

**Notes**

ECS Federal acquired Information Systems Worldwide Corporation (i\_SW). Based out of Arlington, VA i\_SW provides high-end advanced technical, integration, engineering and analysis solutions to the US Government and other customers.



acquired



**Closed**

April 16, 2015

**Notes**

SRA International, Inc. acquired Qbase, LLC for an undisclosed amount. Qbase, LLC is a software products and services company supporting customers in the intelligence, national security, government, healthcare, and energy arenas. The company has approximately 230 employees and operations in Springfield, Ohio.



acquired



**Closed**

April 14, 2015

**Notes**

Acorn Growth Company (AGC) acquired Aerospheres (UK) Ltd. for an undisclosed amount. Aerospheres is a chemical and composite repair supplier to the commercial airline and MRO markets. The UK-based firm will plug into Acorn's growing AGC Aerospace & Defense business.



acquired



**Closed**

April 9, 2015

**Notes**

Boeing acquired 2d3 Sensing, Inc. for \$24.8 million. 2d3 Sensing specializes in motion imagery processing of critical intelligence, surveillance and reconnaissance data generated from aerial platforms. 2d3 Sensing's software and services are used by the US Air Force and other government and commercial customers.

*LINDSAY GOLDBERG*

acquired an equity stake in



**Closed**

April 9, 2015

**Notes**

Lindsay Goldberg acquired an equity stake in ECS Federal for an undisclosed amount. ECS Federal provides technology solutions and engineering services to more than 30 Department of Defense and Federal Agencies. ECS has operations at more than fifty locations on five continents.



acquired



**Closed**

April 6, 2015

**Notes**

Wencor Group acquired PHS/MWA Aviation Services for an undisclosed amount. PHS/MWA Aviation Services is a certified FAA/EASA Repair Station and provider of aircraft repair solutions in cargo and interior systems, hydraulics, and power and controls. PHS is currently operating six internal repair shops with state-of-the-art testing facilities and offers onsite engineering support in Temecula, California.



acquired



**Closed**

April 2, 2015

**Notes**

CACI International, Inc. acquired LTC Engineering Associates, Inc. for an undisclosed amount. LTC is a highly specialized provider of technical engineering solutions and services to the Intelligence and Department of Defense communities in the areas of software engineering, cybersecurity, signals intelligence and communications intelligence, and digital signals processing. LTC employs approximately 50 employees.





**MOTOROLA**  
SOLUTIONS

acquired



**Closed**

April 1, 2015

**Notes**

Motorola Solutions, Inc. acquired Public Engines, Inc. for an undisclosed amount. Public Engines is a provider of cloud-based solutions that deliver crime analysis, predictive policing and citizen engagement capabilities for law enforcement agencies, governments and other organizations. The company has more than 2,000 customers and is based out of Salt Lake City, Utah.



acquired



**Closed**

April 1, 2015

**Notes**

ITT Corp. acquired Hartzell Aerospace Group for an undisclosed amount. Hartzell Aerospace Group is a leading manufacturer of highly engineered and customized solutions for aerospace environmental control systems on a wide range of high-growth, next-generation aircraft platforms. The company was founded in 1948, and is located in Valencia and Perris, California.



acquired



**Closed**

April 1, 2015

**Notes**

TransDigm Group, Inc. acquired the aerospace business of Franke Aquarotter GmbH for approximately \$75 million. The Ludwigsfelde, Germany-based business manufactures proprietary faucets and related products for use on commercial transports and regional jets. Franke aquarotter GmbH has approximately 50 employees.



acquired



**Closed**

April 24, 2015

**Notes**

RBC Bearings, Inc. acquired the Sargent Aerospace & Defense business of Dover Corp. for cash consideration of \$500.0 million. Sargent manufactures precision-engineered products, solutions and repairs for aircraft airframes and engines, rotorcraft, submarines and land vehicles. Sargeant is based in Tucson, Arizona.



acquired



**Closed**

April 1, 2015

**Notes**

MAXIMUS, Inc. acquired Acentia, LLC from Snow Phipps Group, LLC for cash consideration of \$300.0 million. Acentia provides systems modernization, software development, program management and other information technology services and solutions to US federal government and civilian agencies. Acentia is based in Falls Church, Virginia.



acquired



**Closed**

March 26, 2015

**Notes**

TransDigm Group, Inc. acquired Telair Cargo Group from AAR Corp. for a cash consideration of \$725.0 million. Telair manufactures and sells baggage and cargo handling systems for commercial aircraft interiors, as well as some electromechanically aircraft components. Telair has more than 600 employees globally.



acquired



**Closed**

March 26, 2015

**Notes**

Accenture Federal Services, a wholly-owned subsidiary of Accenture LLP, acquired Agilex Technologies, Inc. for an undisclosed amount. Agilex is a provider of digital solutions for the Federal government. Agilex is based in Chantilly, Virginia.



acquired



**Closed**

March 13, 2015

**Notes**

KEYW Corp. acquired Ponte Technologies, LLC for an undisclosed amount. Ponte Technologies is focused on cybersecurity engineering and research with skills in network, host, and application security, cryptography, security automation, vulnerability assessment, penetration testing, and malware analysis. Ponte Technologies is based in Ellicott City, Maryland.



acquired



**Closed**

March 12, 2015

**Notes**

Onex Corporation acquired Survitec Group Ltd, a portfolio company of Warburg Pincus, for cash consideration of \$680.0 million. Survitec Group manufactures a range of safety and survival equipment for military and civil uses. Survitec Group has more than 2,000 employees and is based in Southampton, United Kingdom.



acquired



**Closed**

March 10, 2015

**Notes**

Air Industries Group acquired Sterling Engineering Corp. for an undisclosed amount. Sterling manufactures components for aircraft and land-based gas turbines for Pratt & Whitney, General Electric and Siemens, among others. Sterling is based in Barkhamsted, Connecticut.



acquired



**Closed**

March 10, 2015

**Notes**

Field Aviation, Inc. acquired ARINC Aerospace Systems Engineering and Support (ASES LLC) from Rockwell Collins, Inc. for an undisclosed amount. ARINC Aerospace provides aircraft modification, integration and maintenance services for Department of Defense, government and commercial customers. ARINC Aerospace is based in Oklahoma City, Oklahoma.



acquired



**Closed**

July 23, 2015

**Notes**

Alcoa, Inc. signed a definitive agreement to acquire RTI International Metals, Inc. in a stock-for-stock transaction with an enterprise value of \$1.5 billion. RTI is a vertically integrated global supplier of titanium and specialty metal products and services for the commercial aerospace, defense, energy and medical device markets. RTI brings proven midstream and downstream capabilities in titanium, the world's fastest-growing aerospace metal.



acquired



**Closed**

March 5, 2015

**Notes**

OGSystems, LLC, a portfolio company of venture capital and private equity firm General Catalyst Partners, acquired privately-held Urban Robotics, Inc., a provider of advanced airborne military Intelligence, Surveillance, and Reconnaissance (ISR) solutions. The company provides solutions to create high-resolution 3D models for Special Operations mission planning.



acquired



**Closed**

May 4, 2015

**Notes**

SAIC will acquire Scitor Corp. from Leonard Green & Partners for cash consideration of \$790 million. Scitor provides engineering, management consulting and information services to customers in the Intelligence Community, Department of Defense, other government agencies and commercial industry. Scitor is based in Reston, Virginia. SAIC closed on its purchase of Scitor on May 4, 2015.



acquired



**Closed**

February 27, 2015

**Notes**

Extant Components Group Holdings, Inc., a portfolio company of Warburg Pincus, acquired the SkyWatch line of Traffic Advisory and Collision Avoidance Systems from L-3 Communications Avionics Systems, Inc. for an undisclosed amount. The SkyWatch system is designed to provide aircraft operators with a range of powerful, reliable and cost effective solutions to monitor surrounding airspace and traffic conditions.



acquired



**Closed**

May 29, 2015

**Notes**

Harris Corp. and Exelis, Inc. announced that they had entered into a definitive agreement under which Harris will acquire Exelis in a cash and stock transaction valued at \$23.75 per share, or an approximately \$4.75 billion enterprise value. The agreement has been unanimously approved by the Boards of Directors of both companies. The transaction closed May 29 2015.



acquired



**Closed**

February 27, 2015

**Notes**

Sierra Nevada Corp. acquired 328 Support Services GmbH for an undisclosed amount. 328 Support Services owns the type certificate and IP rights for design, manufacturing, maintenance, and certification of the 200 existing Dornier 328 prop and jet aircraft. 328 Support Services is based in the United Kingdom and Germany.



acquired



**Closed**

February 2, 2015

**Notes**

On Feb. 2, 2015 Qualcomm Technologies, Inc. acquired KMeI Robotics, LLC for an undisclosed amount. KMeI specializes in hardware design and high-performance control, developing high-end research platforms that push the limits of experimental robotics. KMeI's UAV hardware design and controls range from autopilot to onboard image processing. KMeI is based in Philadelphia, PA.



acquired



Undersea Solutions Group

**Closed**

January 30, 2015

**Notes**

Huntington Ingalls Industries, Inc. acquired the Engineering Solutions division of The Columbia Group, Inc. for an undisclosed amount. The division will operate as Undersea Solutions Group. Undersea Solutions builds and maintains swimmer delivery vehicles (SDVs) for military use. Undersea Solutions is based in Newport News, Virginia.

MILLSTEIN & Co.

acquired



**Closed**

January 30, 2015

**Notes**

Millstein & Co. acquired DLT Solutions, LLC from TZP Group, LLC for an undisclosed amount. DLT Solutions is a value-added reseller in government information technology software and services, specializing in cloud computing, data center consolidation, geospatial data systems and computer-aided design for transportation, utilities and manufacturing. DLT Solutions is based in Herndon, Virginia.



acquired

**BOMBARDIER**

Military Aviation Training Division

**Closed**

October 1, 2015

**Notes**

CAE, Inc. announced that it has agreed to acquire the Military Aviation Training (MAT) unit of Bombardier for CAD\$ 19.8 million. Bombardier's MAT unit is a provider of aviation training service to military pilots. The unit is based in Mirabel, Quebec, Canada and includes approximately 200 employees.



acquired



**Closed**

January 20, 2015

**Notes**

Raytheon Company acquired Sensintel, Inc. for an undisclosed amount. Sensintel is a provider of unmanned aircraft systems (UAS) solutions to the intelligence and special operations markets and will become part of Raytheon's Missile Systems business. Sensintel has approximately 50 employees and is based in Tucson, Arizona.

Kanders & Company, Inc.



acquired



**Closed**

January 20, 2015

**Notes**

The Safariland Group, a Kanders & Company portfolio company, acquired Atlantic Tactical. Based in Pennsylvania, Atlantic Tactical distributes equipment and uniforms for public safety professionals. Atlantic Tactical began doing business with Safariland in 1989 and became an exclusive Safariland armor distributor in 1995.



acquired



**Closed**

January 20, 2015

**Notes**

HEICO Corporation acquired 80% of the equity of Aeroworks International Holdings, B.V. for an undisclosed amount. Aeroworks is a manufacturer of composite and metal parts primarily used in aircraft interior applications. Aeroworks International is based in Middenmeer, The Netherlands and has approximately 600 employees globally.





Management Team

acquired



**Closed**

January 20, 2015

**Notes**

Sarcos LC, a consortium including Sarcos management, acquired Raytheon Sarcos, a division of Raytheon Co., for an undisclosed amount. Sarcos is a leading developer of robotics and micro-electro-mechanical technologies. Sarcos is based in Salt Lake City, Utah.



acquired



**Closed**

January 16, 2015

**Notes**

On March 18, 2015 KEYW announced its acquisition of Milestone Intelligence Group, Inc. on January 16, 2015. Milestone supports national-level Intelligence Community customers with core competencies in cybersecurity, cloud computing, software engineering, and test and evaluation engineering. Milestone is based in Hanover, Maryland.



acquired



Global Security & Solutions  
Business

**Closed**

January 16, 2015

**Notes**

PAE, a portfolio company of Lindsay Goldberg, announced its acquisition of the Global Security and Solutions (GS&S) business unit of US Investigations Services, LLC (USIS) for an undisclosed amount. The GS&S unit of USIS provides mission support services for litigation support, biometric capture and enrollment, construction surveillance and security consulting. The business unit is based in Falls Church, Virginia.



acquired



**Closed**

January 13, 2015

**Notes**

Compusearch Software Systems, Inc., a portfolio company of Arlington Capital Partners and JMI Equity, acquired TopVue Defense, Inc. for an undisclosed amount. TopVue Defense provides program management solutions to the federal government and its suppliers. TopVue is based in Clearfield, Utah.



acquired



**Closed**

January 13, 2015

**Notes**

Textron, Inc. acquired the Douglas Equipment business of Curtiss-Wright Corp. for an undisclosed amount. Douglas Equipment is a supplier of commercial aviation ground support vehicles, including towbarless and conventional aircraft tractors, and runway friction measuring devices. Douglas Equipment is based in Cheltenham, England.



acquired



**Closed**

January 16, 2015

**Notes**

Meggitt plc acquired Precision Engine Controls Corp. (PECC) from United Technologies Corp. for cash consideration of \$44.2 million. PECC is a supplier of actuation systems and fuel metering valves to manufacturers of small-frame gas turbines. PECC has 78 employees and will be integrated into the Meggitt Control Systems division.



acquired



**Closed**

January 16, 2015

**Notes**

CENTRA Technology, Inc. acquired TATE, Inc. for an undisclosed amount. TATE is a provider of Personnel Recovery and Survival, Evasion, Resistance and Escape (“SERE”) training solutions. The company has approximately 230 employees and operations in North Carolina, Virginia, and Washington.



acquired



**Closed**

January 12, 2015

**Notes**

RLJ Equity Partners acquired Phase One Consulting Group, LLC for an undisclosed amount. Phase One provides a range of strategic solutions addressing IT strategy, organizational transformation, strategic communications, process and business analysis, solution architecture and engineering, agile development, and cybersecurity.



acquired



**Closed**

January 5, 2015

**Notes**

Arlington Capital Partners acquired United Flexible Group for an undisclosed amount. United Flexible Group designs, develops, manufactures and supports critical flexible engineered solutions for transfer of fluids and gases in extreme environments. United Flexible has more than 330 employees and operations in the United States, Great Britain, The Netherlands, and Sweden.

- The McLean Group's Aerospace, Defense & Government (ADG) industry group is one of the largest, most experienced, and most capable investment banking teams focused exclusively on the defense and government services industry.

## Deep Government Market Expertise

Aerospace Hardware & Services

C4ISR

Cyber Security Products & Services

Defense Electronics

Healthcare IT

Intelligence Community

IT, Software & Consulting Services

Logistics & Training

Technical & Professional Services

## Discriminators

- One of the largest ADG teams in the country – 15 bankers that cover the sector
- Leadership team averages more than 10 years of exclusive focus on the sector
- Longstanding relationships with virtually every strategic and financial buyer in the sector
- 57 closed transactions in the government sector since 2010
- As an independent investment bank, we avoid potential conflicts of interest and are able to provide honest advice to best support our clients

Recent  
Representative  
Buyers / Clients



- As a core competency and complement to our M&A practice, The McLean Group provides formal business valuation services for a variety of transaction, financial reporting, litigation, and tax purposes.

### Financial Reporting

- Purchase price allocations (ASC 805)
- Goodwill impairment tests (ASC 350)
- Analysis of long-lived assets (ASC 360)
- Stock option expense (ASC 718)
- Fresh start accounting (ASC 852)

### Equity Incentive Plans & Tax Compliance

- Employee Stock Ownership Plans (ESOPs)
- Private company equity incentive plans
- Section 409A valuations
- S corporation conversions
- Estate and gift tax valuations

### Litigation Support

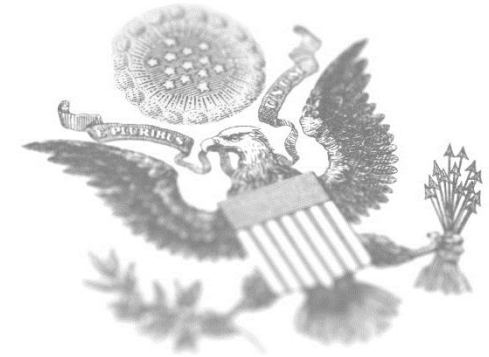
- Dissenting/oppressed shareholders
- Lost profits and lost asset values
- Wrongful death and personal injury
- Buy/sell agreements and dispute resolution

### Transaction Advisory

- Fairness opinions
- Valuation due diligence
- Business modeling and forecasting
- Exit planning



 <p>acquired by</p>  <p>Agile Software Development Government Services</p>	 <p>merged with</p>  <p>a company of</p>  <p>Specialized Environmental &amp; Government Services</p>	 <p>to be acquired by</p>  <p>Federal Contracting</p>	 <p>ADAMS COMMUNICATION &amp; ENGINEERING TECHNOLOGY</p> <p>recapitalization</p>	 <p>acquired by</p> <p>Booz   Allen   Hamilton</p> <p>Agile Software Development Government Services</p>	 <p>Development &amp; Training Services, Inc.</p> <p>acquired by</p>  <p>MAKE IT POSSIBLE</p> <p>Federal Contracting</p>	 <p>acquired by</p>  <p>People-Values-Purpose</p> <p>Federal Contracting</p>
 <p>ESOP buyout financed by</p>  <p>Federal Contracting</p>	 <p>debt refinancing by</p>  <p>Defense and Government Services</p>	 <p>AGENCY CONSULTING GROUP</p> <p>acquired by</p>  <p>INTELLIGENCE &amp; TECHNOLOGY SOLUTIONS</p> <p>Federal Contracting</p>	 <p>Experts Engaged in Your Success</p> <p>acquired by</p>  <p>PREFERRED SYSTEMS SOLUTIONS</p> <p>a portfolio company of: <b>CM EQUITY PARTNERS</b></p> <p>Federal Contracting</p>	 <p>acquired by</p>  <p>a portfolio company of: <b>Arlington Capital Partners</b></p> <p>Data Analytics</p>	 <p>acquired by</p>  <p>a portfolio company of: <b>Arlington Capital Partners</b></p> <p>Signals Intelligence &amp; Analysis</p>	 <p>acquired by</p>  <p>a portfolio company of: <b>the edgewater funds</b></p> <p>Network Management &amp; Security</p>
 <p>has acquired</p>  <p>Company Of: <b>FedCap</b> <b>Waud Capital</b></p> <p>Federal Contracting</p>	 <p>acquired by</p>  <p>Federal Contracting Naval Technology Solutions</p>	 <p>acquired by</p>  <p>Mobile Interoperability for Mission-Critical Communications</p>	 <p>has acquired</p>  <p>International Development Consultancy</p>	 <p>received investment from</p>  <p>Federal Contracting Satellite-Communications Solutions</p>	 <p>has acquired</p>  <p>Federal Contracting Financial IT Services</p>	 <p>acquired by</p>  <p>Federal Contracting IT, Staffing and Professional Services</p>



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