

Q1 2026

M&A Insider Report



Defense, Government & Intelligence | Security | Critical Infrastructure | Maritime | Technology & Software | Facility Services | Unmanned Systems | Public Safety

FIRM OVERVIEW

- Founded in 1997 and headquartered in Northern VA; 30-year history of transaction success
- Comprised of 50+ financial professionals across five offices
- Team includes career investment bankers, CPAs, certified business valuation professionals and former industry executives



INDUSTRY FOCUSED M&A

Defense & Government



- Intelligence Community
- Defense Services & Products

Critical Infrastructure



- Water & Wastewater
- Energy Infrastructure

Technology & Software



- Software as a Service (SaaS)
- Information Technology

Unmanned Systems



- Military & Defense
- Commercial Delivery

Security



- Physical Security Services
- Cyber Security

Maritime



- Vessels
- Tier Two & Three Services

Facility Services



- Military Facilities
- Correctional Facilities

Public Safety



- Disaster Response
- Emergency Medical

CORE BUSINESS

Investment Banking

Strategic Advisory Services

- Sell-Side M&A
- Buy-Side M&A
- Debt / Equity Placements
- Employee Stock Ownership Plans
- Leveraged Transactions
- Other Advisory Services

Business Valuation

Valuations and Opinions

- "Fair Value" Financial Reporting
- Fairness Opinions
- PEG Portfolio Valuations
- Purchase Price Allocations
- Estate and Gift

Financial Consulting

Diligence & Advisory Support

- Buy-Side Due Diligence
- Sell-Side Due Diligence
- Transaction Advisory Support

BY THE NUMBERS

15+

Average Annual Transactions

30

Years Supporting Our Clients

200+

Closed M&A Engagements Since 2010

15+

Years Average Senior Team Tenures

93%

Close Rate 2019 - 2025

350+

Annual Valuation Engagements

Major News Stories

**U.S.-Iran Military Escalation & Strait of Hormuz Closure**

- U.S. and Israel launched coordinated strikes on Iranian military sites beginning March 1; Iran closed the Strait of Hormuz, disrupting ~17.8M barrels/day of oil transit.
- Crude surged ~55% in March, reigniting inflation fears and triggering broad equity de-risking; ceasefire talks remained ongoing at quarter-end, and a fragile ceasefire has been implemented in April.

**White House Calls for \$500B+ Defense Spending Increase**

- On January 7, President Trump called for an additional \$500B+ in annual defense spending, sparking an immediate rally in U.S. and global defense equities.
- The budget specifically carves out funding to "broaden opportunities for new entrants" and rapidly mature technology. This signals a lucrative environment for defense tech startups, particularly those focused on AI, unmanned systems.

**Supreme Court Strikes Down IEEPA Tariffs**

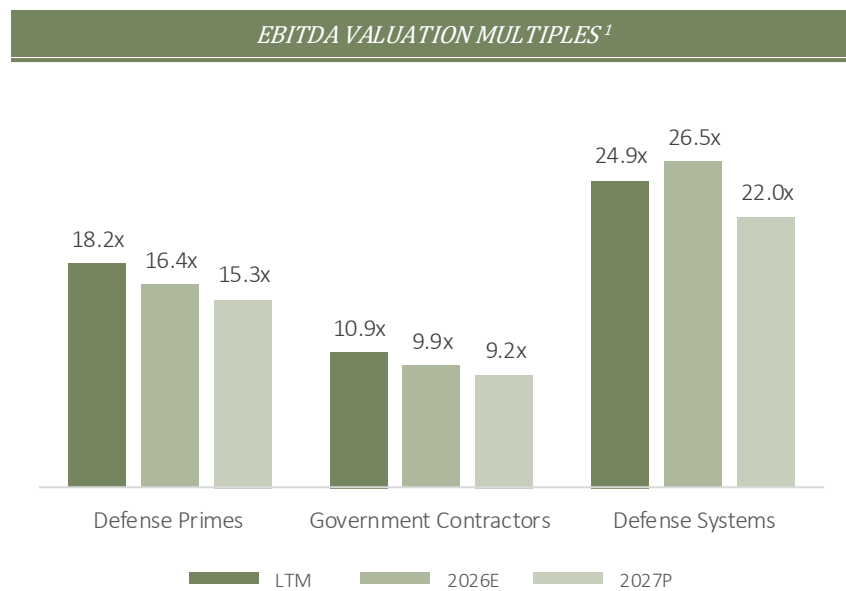
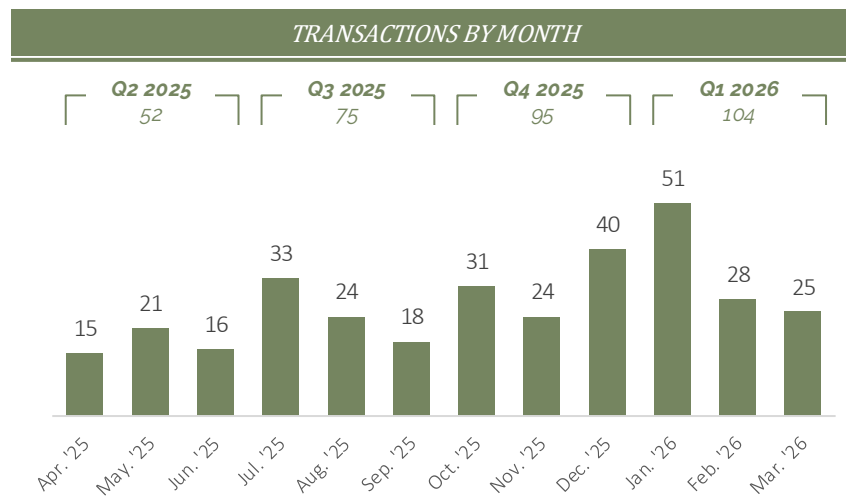
- On February 20, the Supreme Court ruled 6-3 that IEEPA does not authorize tariffs, invalidating the administration's primary trade enforcement tool and triggering \$160B+ in refund claims from over 25,000 importers.
- The administration pivoted to Section 232 and Section 122 authorities to maintain tariff coverage, though at lower effective rates

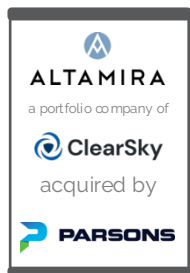
**European Rearmament Acceleration**

- NATO allies scaled procurement throughout Q1, including Poland's Eastern Shield initiative, Baltic border fortifications, and multiple Patriot air defense system orders from Spain, the Netherlands, and Romania.
- The structural shift toward sustained European defense spending now extends well into the next decade, creating multi-year demand visibility for U.S. prime contractors.

- **The New Paradigm of Warfare: AI, Absolute Resolve, and Epic Fury:** The first quarter of 2026 redefined the pace and scale of modern U.S. military engagement with two major, contrasting operations. On January 3rd, Operation Absolute Resolve stunned the international community when U.S. Special Operations forces, backed by a massive suppression of enemy air defenses, captured Venezuelan President Nicolás Maduro in a rapid, two-and-a-half-hour strike. Weeks later, on February 28th, the U.S. initiated Operation Epic Fury, a massive, theater-wide air and naval campaign against Iran designed to raze its ballistic missile production, eliminate its navy, and permanently neutralize its nuclear ambitions. While distinct in their execution, both operations highlight a critical shift in the Pentagon's warfighting strategy: the heavy integration of Artificial Intelligence and advanced autonomous technologies.
- **Accelerated Intelligence Gathering:** Operation Absolute Resolve was the culmination of a five-month intelligence phase. AI-assisted analysis was widely used to identify defense blind spots and integrate persistent intelligence, surveillance, and reconnaissance data with electronic warfare, enabling the ground force to achieve complete surprise.
- **GenAI.mil & Battle Management:** To handle the immense flow of data from operations like Epic Fury, the Defense Department's ongoing deployment of the GenAI.mil platform is providing a crucial edge. The bespoke generative AI system allows military analysts and commanders to parse satellite imagery, target data, and intercepts at unprecedented speeds, shifting decision-making from reactive to predictive.
- **The Autonomous Push:** The rise in threats and the high cost of traditional precision munitions have prompted the Pentagon to shift towards low-cost, autonomous systems. The military has actively deployed the LUCAS (Low-cost Uncrewed Combat Attack System), a cost-effective one-way attack drone based on the Iranian Shahed-136. LUCAS has been used to overwhelm air defenses and conduct swarm attacks in Iran. These inexpensive, AI-coordinated drones are changing the dynamics of modern warfare. Meanwhile, the Department of Defense is swiftly acquiring advanced AI-driven sensors and air defense systems to protect U.S. installations from similar swarm tactics employed by adversaries.
- **The Anthropic Dispute:** The Pentagon's aggressive integration of commercial AI has sparked intense friction in Silicon Valley. In early Q1, the Department of Defense abruptly terminated a major logistics and data-parsing contract with AI startup Anthropic. The cancellation came after Anthropic leadership refused Pentagon demands to lift internal safety restrictions prohibiting its Claude models from being used in lethal operations. In a major escalation, the DoD designated the firm a "supply chain risk" to force a pivot to rival OpenAI, prompting a high-profile civil lawsuit from Anthropic.

- Following the intense kinetic military actions of Q1, the White House has unveiled a staggering \$1.5T defense budget proposal for Fiscal Year 2027. Representing a massive 44% increase over the FY26 budget, defense analysts note that when adjusted for inflation, this proposed topline surpasses even the defense spending peaks of World War II.
- The budget is heavily geared toward replenishing munitions expended during recent Middle Eastern operations while investing aggressively in next-generation technology, autonomous systems, and warfighter readiness. Notably, the U.S. Navy has requested a 1,200% increase in Tomahawk missile procurement to replenish stockpiles.
- Major Procurements & Tech: A cornerstone of the new budget is a \$17.5 billion request for the "Golden Dome" missile defense shield. The proposal also aggressively funds the Air Force's F-47 sixth-generation fighter program, space domain awareness, and AI-driven combat medicine platforms.
- Troop Compensation: Emphasizing readiness and retention, the budget includes substantial pay increases for military personnel. The proposal outlines a 7% pay boost for enlisted personnel ranked E-5 and below, a 6% bump for E-6 to O-3, and a 5% raise for O-4 and above.
- The dramatic surge in defense spending is being paired with proposed 10% cuts to domestic spending and environmental programs, setting the stage for fierce congressional budget battles heading into Q2.





Transaction Details

Parsons acquired Altamira, a provider of analytics, signals intelligence (SIGINT), cyber, missile warning, and space capabilities to U.S. national security customers. The acquisition enhances Parsons’ defense and intelligence portfolio with Altamira’s ISR and analytics capabilities, space-based mission solutions, and greater presence at Intelligence Community (IC) customers.

Date: 01/15/2026
EV: \$375M
EV/EBITDA: 12.8x



Transaction Details 

Fuel Consulting helps IC agencies lead complex transitions, implement governance and performance frameworks, and operationalize advanced capabilities that deliver clear mission impact. B/CORE combines technical depth with mission experience to solve hard problems across the IC and DoW. The addition of Fuel extends that reach to the mission professionals who define requirements and validate outcomes.

Date: 01/22/2026
EV: ND
EV/EBITDA: ND



Transaction Details

VSE Corporation (NASDAQ: VSEC) completed its acquisition of Precision Aviation Group, a global provider of aviation maintenance, repair, and overhaul (“MRO”) services, distribution, and supply chain solutions serving commercial, business, and general aviation (“B&GA”), rotorcraft, and defense end markets. The acquisition represents a major milestone for VSE’s strategy to build a scaled, higher-margin aviation aftermarket platform.

Date: 01/29/2026¹
EV: \$2,150M
EV/EBITDA: 13.5x



Transaction Details

Karman Space & Defense (NYSE: KRMN) completed its acquisition of Seemann Composites, a manufacturer of composite structures and components for marine, defense, aerospace, and industrial applications. The acquisition combines Seemann and its subsidiary MSC with Karman’s existing maritime programs to form Karman’s Maritime Defense Systems (MDS) end market.

Date: 02/03/2026
EV: \$221M
EV/EBITDA: NA



Transaction Details

Arcline completed its acquisition of Novaria Group, a holding company for providers of engineered aerospace components and specialty processes for commercial and government markets, from KKR, according to a February 9 press release in which Novaria was described as a portfolio company of Arcline, although no official announcement of the closing was made. Arcline originally announced its plans for the acquisition in Q4 2025.

Date: 02/09/2026
EV: \$2,200M
EV/EBITDA: NA



Transaction Details

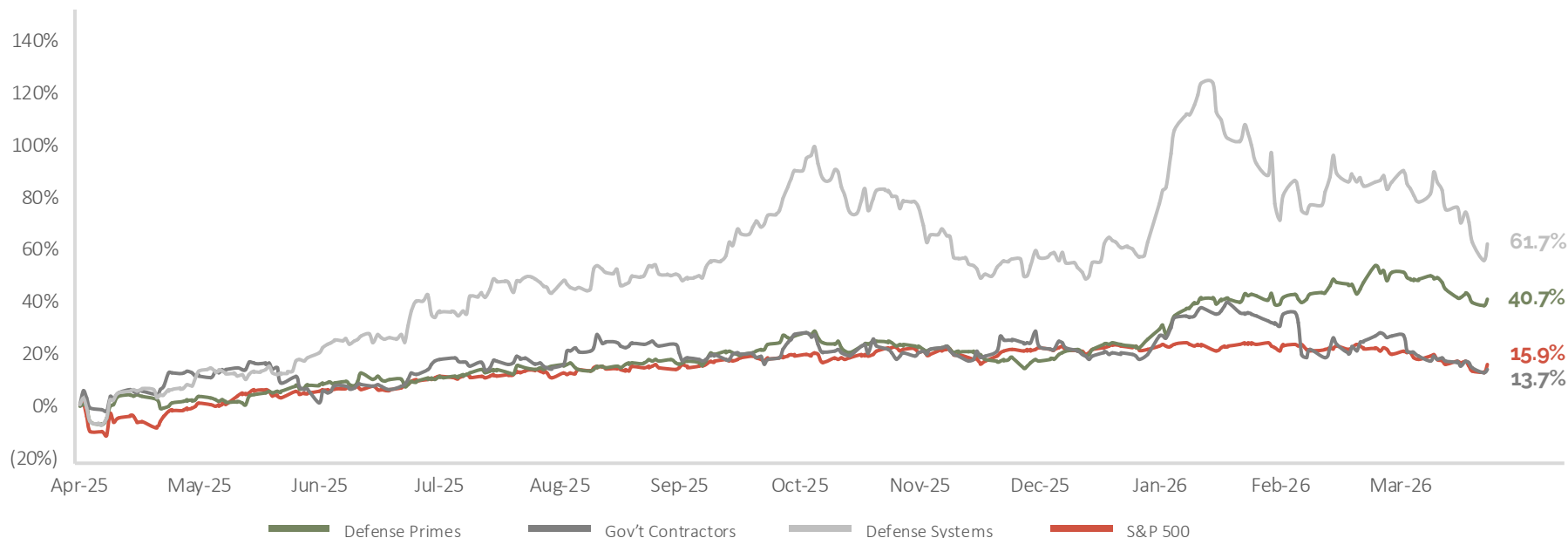
Iveco Group’s defense business, which includes the IDV and ASTRA vehicle brands, operates six manufacturing sites located in Italy, Germany, Romania, and Brazil. The business employs approximately 2,000 people and has 12 commercial offices across Europe, the United States, and Brazil. Together, IDV and ASTRA provide comprehensive integrated solutions, combining IDV’s wheeled and tracked platforms with Leonardo’s electronic systems.

Date: 03/18/2026
EV: \$1,845M
EV/EBITDA: NA

Contract Value (\$M)	Award Date	End Date	Customer	Awardee	Type	Contract Scope
20,000	3/13/2026	3/12/2036	U.S. Army	Anduril Industries	FFP	Enterprise contract for AI-enabled Lattice platform, hardware, software
15,383	3/18/2026	6/30/2035	U.S. Navy	GD Electric Boat	CPIF/CPFF	Columbia-class submarine design, production, industrial base expansion
8,410	3/18/2026	10/29/2029	Missile Defense Agency	RTX (Raytheon)	FFP/CPFF (Ceiling Increase)	SM-3 Block missile variants production, sustainment, FMS support
5,644	01/26/2026	06/26/2035	U.S. Army	Salesforce	FFP, IDIQ	Establish a decentralized enterprise agreement for Salesforce products and outcome-based services for the Dept. of War (DoW)
3,500	2/10/2026	2/10/2035	U.S. Coast Guard (USCG)	Davie Defense	FFP	Design and construct five Arctic Security Cutters (ASCs)
2,240	3/10/2026	TBD	DHS / CBP	AMI Metals (Reliance)	FFP	Steel and logistics support for border wall construction
1,900	2/27/2026	2/28/2039	U.S. Air Force (USAF)	Lockheed Martin	IDIQ	Produce, modernize, sustain and support C-130J training systems
1,419	01/13/2026	02/25/2031	U.S. Army Corps of Engineers (USACE)	Accenture Federal Services	CPAF	Provide Cyber Automation Systems Technology and Lifecycle Enterprise Network (CASTLE-NET) services for USACE OCIO/G-6
1,269	2/27/2026	2/27/2033	U.S. Army	Elbit Systems L3Harris Photonis Defense	FFP, IDIQ	Produce and test Binocular Night Observation Devices (BiNOD) systems for U.S. Army Product Manager Soldier Maneuver Sensors (PdM SMS)

Source(s): DACIS

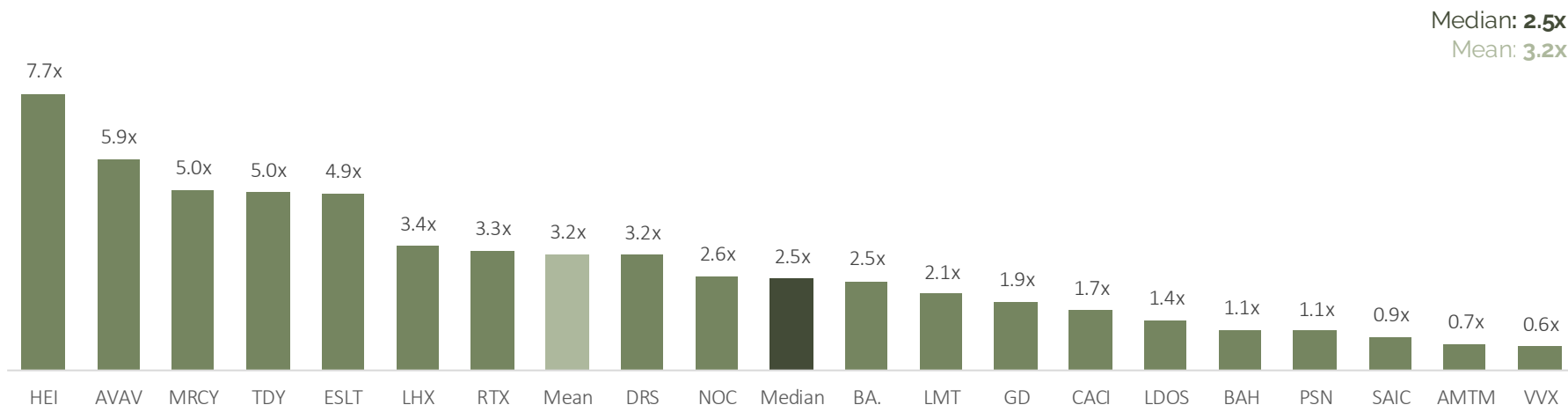
TRAILING TWELVE MONTHS (TTM) PUBLIC EQUITY INDEX CHART¹



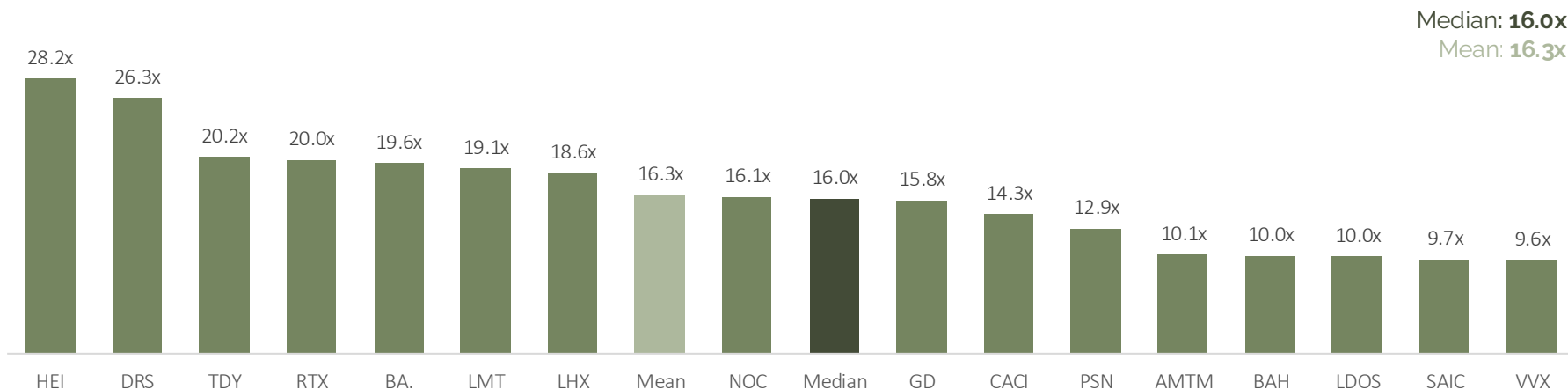
Market Commentary

- Defense indices sharply diverged from broader equities in Q1 as escalating U.S.–Iran tensions and accelerating defense spending momentum fueled a sector-specific rally, while the S&P 500 fell 5.1% in March on oil-driven inflation fears and broad risk-off positioning
- Defense Primes surged +18.7pp in Q1, driven by accelerating European rearmament orders and record backlogs; the index peaked near +53% in early March as U.S. military operations in the Middle East escalated
- Gov't Contractors declined 3.9pp despite the defense spending tailwind, as ongoing DOGE-led contract terminations weighed heavily on IT services and consulting-dependent firms, offsetting gains from weapons and platform spending

TTM REVENUE VALUATION MULTIPLES



TTM EBITDA VALUATION MULTIPLES¹



DEFENSE GOVERNMENT & INTELLIGENCE

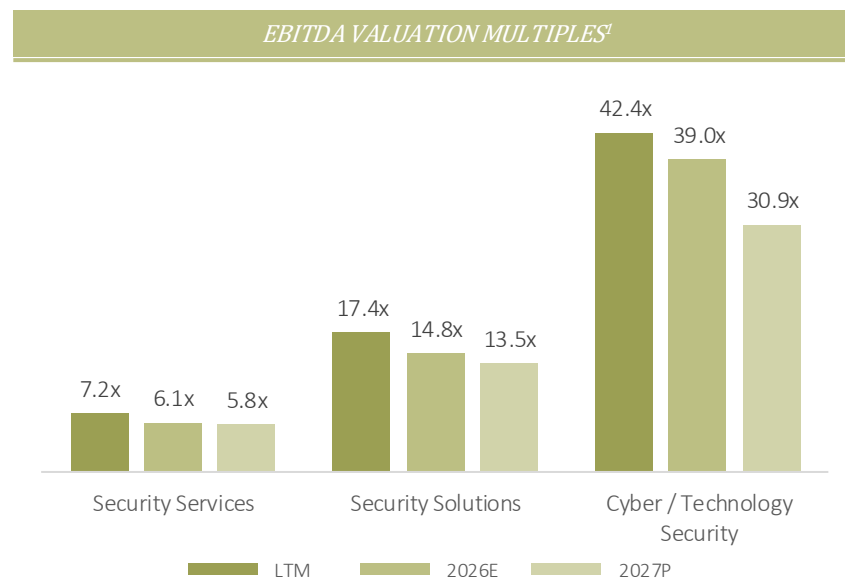
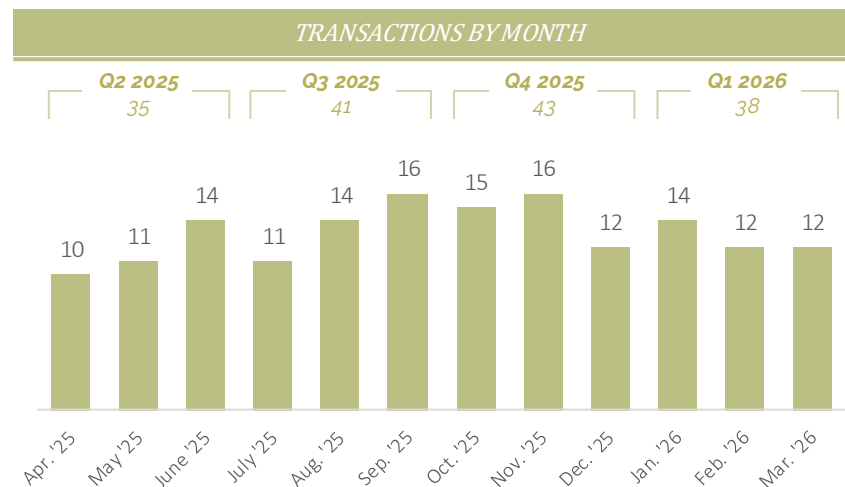
	Stock Price 3/31/2026	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Primes												
BAE Systems	29.05	94,540	43,780	6,131	14%	47,160	6,686	14%	2.16x	15.42x	2.00x	14.14x
General Dynamics	343.22	100,276	54,755	6,632	12%	57,265	7,163	13%	1.83x	15.12x	1.75x	14.00x
L3Harris Technologies	345.15	75,298	23,427	4,262	18%	25,216	4,578	18%	3.21x	17.67x	2.99x	16.45x
Lockheed Martin	604.39	157,939	79,105	11,282	14%	82,956	11,745	14%	2.00x	14.00x	1.90x	13.45x
Northrop Grumman	682.24	109,823	43,881	6,187	14%	46,595	6,611	14%	2.50x	17.75x	2.36x	16.61x
RTX Corporation	192.90	294,052	93,457	15,759	17%	99,750	17,126	17%	3.15x	18.66x	2.95x	17.17x
Average	\$366.16	\$138,655	\$56,401	\$8,375	15%	\$59,824	\$8,985	15%	2.48x	16.44x	2.33x	15.30x
Gov't Contractors												
Amentum	26.08	10,156	14,306	1,141	8%	14,780	1,231	8%	0.71x	8.90x	0.69x	8.25x
Booz Allen	78.03	12,665	11,449	1,220	11%	12,073	1,350	11%	1.11x	10.38x	1.05x	9.38x
CACI International	543.87	14,977	10,106	1,249	12%	10,570	1,421	13%	1.48x	11.99x	1.42x	10.54x
Leidos	155.52	23,864	18,170	2,483	14%	19,048	2,567	13%	1.31x	9.61x	1.25x	9.30x
Parsons	54.17	6,833	6,682	651	10%	7,193	711	10%	1.02x	10.49x	0.95x	9.61x
SAIC	94.92	6,645	7,152	711	10%	7,292	727	10%	0.93x	9.35x	0.91x	9.14x
V2X	68.50	2,910	4,769	344	7%	5,031	371	7%	0.61x	8.46x	0.58x	7.84x
Average	\$145.87	\$11,150	\$10,376	\$1,114	10%	\$10,855	\$1,197	11%	1.02x	9.88x	0.98x	9.15x

DEFENSE GOVERNMENT & INTELLIGENCE												
	Stock Price 3/31/2026	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Defense Systems												
AeroVironment	183.05	9,462	2,104	367	17%	2,519	453	18%	4.50x	25.81x	3.76x	20.91x
Elbit Systems	835.21	39,019	8,907	1,094	12%	9,726	1,262	13%	4.38x	35.66x	4.01x	30.91x
HEICO	274.20	35,721	5,196	1,414	27%	5,697	1,558	27%	6.87x	25.26x	6.27x	22.92x
Kratos Defense & Security	70.51	12,753	1,664	166	10%	2,046	225	11%	7.66x	NM	6.23x	NM
Leonardo DRS	44.52	11,658	3,906	519	13%	4,161	582	14%	2.98x	22.47x	2.80x	20.04x
Mercury Systems	72.91	4,720	992	153	15%	1,143	240	21%	4.76x	30.81x	4.13x	19.64x
Teledyne Technologies	605.01	30,312	6,386	1,617	25%	6,714	1,731	26%	4.75x	18.74x	4.51x	17.51x
Average	\$297.92	\$20,521	\$4,165	\$761	17%	\$4,572	\$864	19%	5.13x	26.46x	4.53x	21.99x
Low	\$26.08	\$2,910	\$992	\$153	7%	\$1,143	\$225	7%	0.61x	8.46x	0.58x	7.84x
Mean	\$265.17	\$52,681	\$22,010	\$3,169	14%	\$23,347	\$3,417	15%	2.90x	17.19x	2.63x	15.15x
Median	\$169.29	\$19,421	\$9,507	\$1,235	13%	\$10,148	\$1,386	14%	2.33x	15.42x	2.18x	14.14x
High	\$835.21	\$294,052	\$93,457	\$15,759	27%	\$99,750	\$17,126	27%	7.66x	35.66x	6.27x	30.91x

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
01/13/2026	Intuitive Machines	Lanteris Space	Designs and manufactures satellites, spacecraft, and related infrastructure	669	1.1x	NA
01/15/2026	Parsons	Altamira	Provides analytics, engineering, and data science services to national security missions	375	NA	12.8x
01/22/2026	Bcore	Fuel Consulting	Offers IC mission advisory, organizational transformation, and governance frameworks	ND	ND	ND
01/23/2026	Eaton Corporation	Ultra PCS	Provides high integrity control products for aerospace, vehicle and soldier applications	1,550	NA	NA
01/29/2026*	VSE	Precision Aviation Group	Provider of aviation MRO, distribution, and supply chain services	2,150	NA	13.5x
02/03/2026	Karman Holdings	Seemann Composites	Manufactures composite structures and components for marine applications	221	NA	NA
02/09/2026	Arcline Investment Management	Novaria Holdings	Offers components and specialty processes for commercial and government markets	2,200	NA	NA
02/10/2026	By Light Professional IT Services	Dignitas Technologies	Develops open-source Modeling, Simulation, and Training solutions for defense customers	NA	NA	NA
02/17/2026*	Booz Allen Hamilton	DeFY Security	Provides cybersecurity, technology and staffing services to commercial customers	NA	NA	NA
02/24/2026*	Arcline Investment Management	Hydraulics International	Designs and manufactures hydraulic systems and aerospace ground support equipment	NA	NA	NA
03/18/2026	Leonardo	Defense Business of Iveco Group	Develops and manufactures wheeled and tracked defense vehicles	1,845	NA	NA
03/23/2026*	Ondas Holdings	World View Enterprises	Developer of high-altitude balloon ISR and stratospheric remote sensing solutions	150	NA	NA
03/26/2026*	Shield AI	Aechelon	Provider of technology such as simulation image generators and realistic 3D models	NA	NA	NA
03/30/2026	Leidos	Entrust Solutions Group	Offers engineering and consulting solutions for utility and industrial markets	2,400	NA	NA

Source(s): S&P CapIQ
* Announced

- In early 2026, the fintech lending platform Figure suffered a data breach affecting nearly a million users after attackers used social engineering to trick an employee into granting system access. The breach exposed personal data, including email and physical addresses, phone numbers, and dates of birth. This incident highlights that even with strong technical perimeters, continuous employee security training remains essential to combat human-centric manipulation tactics.
- Throughout the first quarter of 2026, Google rushed to patch three separate zero-day vulnerabilities in its Chrome browser that were actively being exploited in the wild. These flaws, which included an out-of-bounds write and an implementation issue, allowed attackers to trigger crashes and execute arbitrary code on affected machines. The rapid succession of these exploits serves as a stark reminder for enterprises to prioritize aggressive, automated patch management across all endpoints.



Select Q1 Transactions



acquired by





acquired by





acquired by*





acquired by



Sources: Strategic Market Research, S&P Capital IQ, CISA.gov, WSJ
 1. For composition of indices, see page 25
 2. Announced, not closed

PHYSICAL & CYBER SECURITY

	Stock Price 3/31/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Security Services												
Securitas AB	16.58	12,910	15,671	1,599	10.2%	16,185	1,679	10.4%	0.82x	8.07x	0.80x	7.69x
The Brink's Company	103.63	7,267	5,646	1,071	19.0%	5,888	1,139	19.3%	1.29x	6.79x	1.23x	6.38x
Prosegur	2.98	2,981	6,060	707	11.7%	6,253	756	12.1%	0.49x	4.22x	0.48x	3.95x
Loomis AB	44.99	3,999	3,223	738	22.9%	3,292	758	23.0%	1.24x	5.42x	1.21x	5.27x
Average	\$42.05	\$6,789	\$7,650	\$1,029	15.9%	\$7,904	\$1,083	16.2%	0.96x	6.12x	0.93x	5.82x
Security Solutions												
Honeywell International	226.03	167,441	39,551	10,033	25.4%	41,898	10,887	26.0%	4.23x	16.69x	4.00x	15.38x
Johnson Controls	130.95	89,332	25,557	4,672	18.3%	27,135	5,248	19.3%	3.50x	19.12x	3.29x	17.02x
Motorola Solutions	433.97	80,509	12,698	4,294	33.8%	13,456	4,610	34.3%	6.34x	18.75x	5.98x	17.46x
ADT	6.57	13,009	5,140	2,665	51.8%	5,294	2,743	51.8%	2.53x	4.88x	2.46x	4.74x
Allegion plc	145.29	14,310	4,321	1,092	25.3%	4,522	1,158	25.6%	3.31x	13.11x	3.16x	12.36x
Alarm.com Holdings.	43.19	2,293	1,057	214	20.3%	1,105	232	21.0%	2.17x	10.70x	2.07x	9.86x
Napco Security Technologies	39.39	1,295	212	64	30.0%	NA	74	NA	6.12x	20.36x	NA	17.51x
Average	\$146.48	\$52,598	\$12,648	\$3,291	29.3%	\$15,568	\$3,565	29.7%	4.03x	14.80x	3.49x	13.48x

PHYSICAL & CYBER SECURITY









	Stock Price 3/31/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Cyber Security												
Palo Alto Networks	160.32	125,943	12,693	3,877	30.5%	14,379	4,601	32.0%	9.92x	32.49x	8.76x	27.37x
CrowdStrike Holdings	390.41	94,648	5,907	1,739	29.4%	7,182	2,231	31.1%	16.02x	54.43x	13.18x	42.41x
Cloudflare	206.34	72,045	2,801	605	21.6%	3,569	818	22.9%	25.72x	NA	20.19x	88.08x
Fortinet	81.72	57,946	7,598	2,763	36.4%	8,401	3,085	36.7%	7.63x	20.97x	6.90x	18.79x
Zscaler	140.29	20,911	3,628	976	26.9%	4,323	1,226	28.4%	5.76x	21.42x	4.84x	17.05x
Check Point Software	142.85	12,749	2,894	1,199	41.4%	3,068	1,272	41.5%	4.41x	10.64x	4.16x	10.02x
Okta	78.71	11,821	3,184	831	26.1%	3,483	953	27.3%	3.71x	14.23x	3.39x	12.41x
Average	\$171.52	\$56,580	\$5,529	\$1,713	30.3%	\$6,343	\$2,027	31.4%	10.45x	25.70x	8.77x	30.88x
Low	\$2.98	\$1,295	\$212	\$64	10%	\$1,105	\$74	10%	0.49x	4.22x	0.48x	3.95x
Mean	\$133.01	\$43,967	\$8,769	\$2,174	27%	\$9,967	\$2,415	27%	5.85x	16.61x	5.06x	18.54x
Median	\$117.29	\$13,659	\$5,393	\$1,145	26%	\$5,888	\$1,249	26%	3.97x	14.23x	3.39x	13.89x
High	\$433.97	\$167,441	\$39,551	\$10,033	52%	\$41,898	\$10,887	52%	25.72x	54.43x	20.19x	88.08x

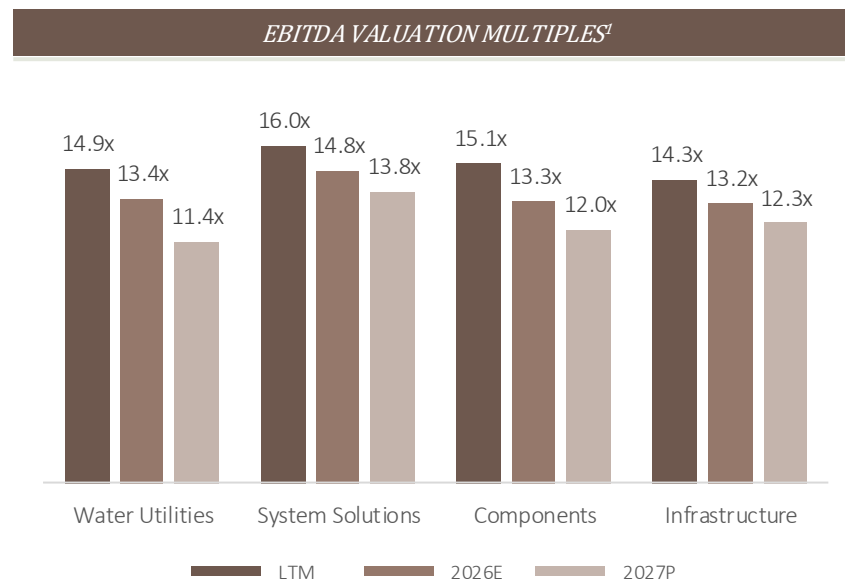
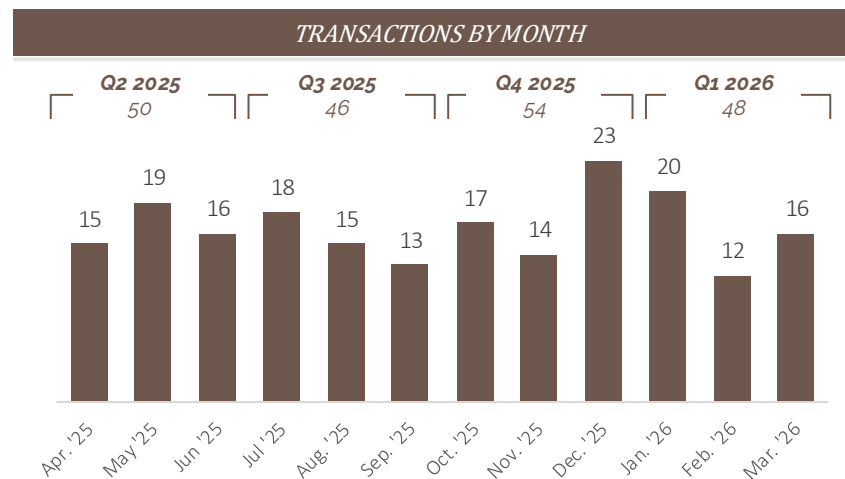
Sources: S&P Capital IQ
 \$USD, Millions besides Stock Price

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
1/14/2026	Arteris	Cycurity	Provides hardware security verification for semiconductor chips	45.00	NA	NA
1/8/2026*	CrowdStrike Holdings	SGNL.ai	Offers identity-first security through continuous authorization and dynamic privileged access mgmt	740.00	NA	NA
1/26/2026	Radware	Pynt	Automated security platform that discovers and secures APIs and LLMs	NA	NA	NA
1/28/2026	Mitsubishi Electric	Nozomi Networks	Provides visibility and threat detection for critical industrial infrastructure	949.46	12.71x	NA
1/29/2026	Palo Alto Networks	Chronosphere	Platform designed to manage and control massive volumes of metrics and logs for containers	3,350.00	NA	NA
2/2/2026	API Group	CertaSite	Fire and life safety provider of professional inspection & maintenance for safety compliance	150.00	NA	NA
2/3/2026*	Varonis Systems	AllTrue.ai	AI trust and risk management platform for visibility and governance over enterprise AI systems	NA	NA	NA
2/11/2026	Palo Alto Networks	CyberArk Software	Identity security, specializing in privileged access management to protect critical enterprise assets	24,614.59	20.51x	NM
2/12/2026*	Check Point Software	Cyclops Security	Contextual search platform for cybersecurity that unifies data across the security stack	85.00	NA	NA
2/12/2026	Proofpoint	Acuvity	AI security and governance platform enabling enterprises to safely adopt and manage AGI	NA	NA	NA
2/19/2026	Morgan Stanley Private Equity	Security Franchisors	Provides integrated commercial security solutions like access control and surveillance	NA	NA	NA
3/9/2026*	OpenAI	Promptfoo	Open-source evaluation and pentesting framework used to test and secure LLM applications	NA	NA	NA
3/11/2026	Google	Wiz	Provider of unified visibility and risk assessment across complex multi-cloud environments	32,000.00	NA	NA
3/26/2026	Rapid7	Kenzo Security	AI security platform that modernizes security ops and automates incident detection / response	NA	NA	NA

- In late Q1, top government security agencies issued a warning of Iran-affiliated cyber-attacks on critical infrastructure across the United States. In a joint statement, the agencies said municipalities should be on the lookout for unusual activity, specifically around water and energy facilities. The notice did not specify whether any specific facilities had been targeted or whether any damage had been sustained. The agencies that issued the warning include the EPA, FBI, Cybersecurity and Infrastructure Security Agency, NSA, DOE, and U.S. Cyber Command
- Throughout Q1 of 2026, the digital infrastructure sector continued to experience significant expansion and investment. While the current demand for data center capacity is primarily driven by the compute and power-intensive needs of AI training, future stages will utilize AI inference. Amazon, Microsoft, Google, and Meta are expected to deploy more than \$600B in 2026, an additional \$230B compared to 2025

Select Q1 Transactions

 United Utility acquired by 	 TRC acquired by 	 Intersect Power acquired by 	 CALPINE acquired by 
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Source(s): Reuters, CBRE
 1. For composition of indices, see page 25

CRITICAL INFRASTRUCTURE

	Stock Price 3/31/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Water Utilities												
American Water	136.09	42,352	5,401	3,103	57%	5,792	3,410	59%	7.84x	13.65x	7.31x	12.42x
Essential Utilities	40.27	19,710	2,529	1,423	56%	2,599	1,573	61%	7.79x	13.85x	7.58x	12.53x
California Water Service Group	45.34	4,272	1,091	390	36%	1,154	446	39%	3.91x	10.94x	3.70x	9.58x
American States Water	75.62	3,875	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
H2O America	58.67	4,410	871	352	40%	888	368	41%	5.06x	12.55x	4.97x	12.00x
Consolidated Water	33.12	413	135	24	17%	193	36	19%	3.06x	17.58x	2.14x	11.51x
Global Water Resources	7.59	353	63	29	46%	68	33	49%	5.59x	12.10x	5.17x	10.63x
Average	\$56.67	10,769	1,682	887	42%	1,782	978	44%	5.54x	13.44x	5.14x	11.44x
System Solutions												
Danaher	189.60	149,268	25,623	8,202	32%	27,009	8,830	33%	5.83x	18.20x	5.53x	16.90x
Xylem	119.50	30,320	9,206	2,131	23%	9,621	2,310	24%	3.29x	14.23x	3.15x	13.13x
Dover	208.45	30,006	8,567	2,004	23%	8,959	2,146	24%	3.50x	14.98x	3.35x	13.98x
Pentair	87.11	15,742	4,310	1,194	28%	4,522	1,282	28%	3.65x	13.19x	3.48x	12.27x
IDEX	189.55	15,454	3,569	957	27%	3,719	1,012	27%	4.33x	16.14x	4.16x	15.27x
A. O. Smith Corporation	65.94	9,126	3,966	856	22%	4,115	901	22%	2.30x	10.66x	2.22x	10.13x
Watts Water Technologies.	290.29	9,564	2,695	594	22%	2,838	640	23%	3.55x	16.10x	3.37x	14.95x
Average	\$164.35	37,069	8,277	2,277	25%	8,683	2,446	26%	3.78x	14.78x	3.61x	13.81x

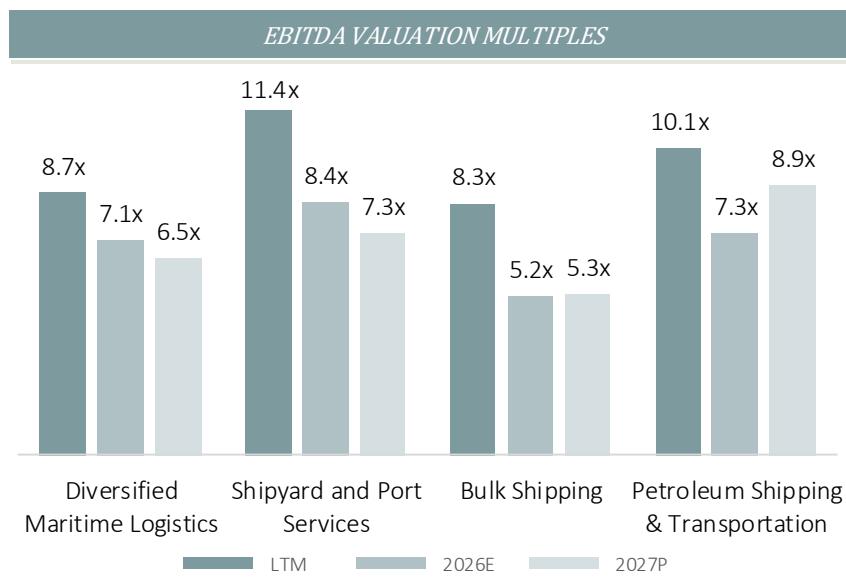
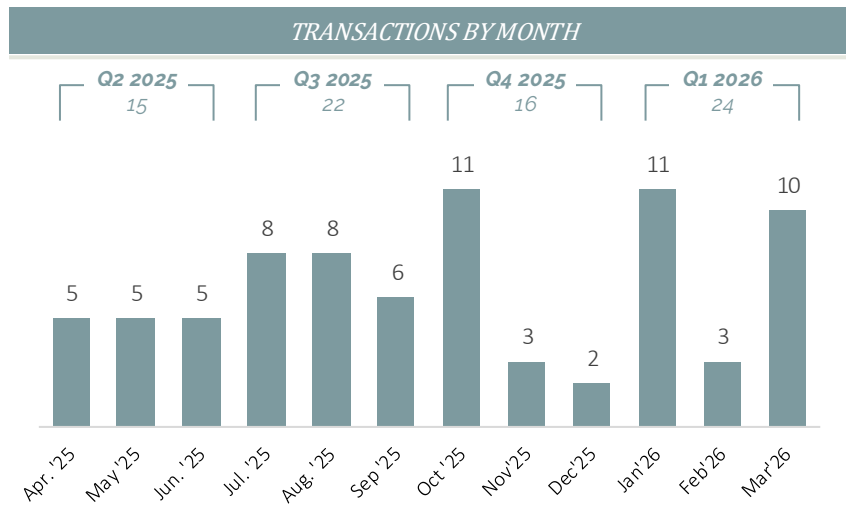
Sources: S&P Capital IQ
\$USD, Millions besides Stock Price

CRITICAL INFRASTRUCTURE												
Components	Stock Price	Enterprise	CY2026E			2027P			TEV/2026E		TEV/2027P	
	3/31/26	Value	Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Graco	84.65	13,462	2,365	772	33%	2,477	822	33%	5.69x	17.43x	5.44x	16.38x
Flowserve	73.51	10,418	5,006	886	18%	5,311	973	18%	2.08x	11.76x	1.96x	10.70x
Franklin Electric	92.17	4,213	2,213	346	16%	2,309	372	16%	1.90x	12.16x	1.82x	11.32x
Mueller Water Products	27.49	4,292	1,494	362	24%	1,565	390	25%	2.87x	11.84x	2.74x	11.01x
Gorman-Rupp	62.13	1,929	720	134	19%	754	141	19%	2.68x	14.40x	2.56x	13.65x
Energy Recovery	10.07	466	120	38	32%	146	53	36%	3.90x	12.25x	3.19x	8.84x
Average	\$58.34	5,796	1,987	423	23%	2,094	458	25%	3.19x	13.31x	2.95x	11.98x
Infrastructure												
AECOM	84.82	13,265	16,868	1,321	8%	17,589	1,402	8%	0.79x	10.04x	0.75x	9.46x
Tetra Tech	30.12	8,645	4,314	648	15%	NA	684	NA	2.00x	13.35x	NA	12.65x
Clean Harbors	286.73	17,482	6,237	1,240	20%	6,525	1,335	20%	2.80x	14.10x	2.68x	13.10x
EMCOR Group	738.31	32,242	18,160	1,908	11%	19,489	2,068	11%	1.78x	16.90x	1.65x	15.59x
Arcosa	106.14	6,579	2,981	613	21%	3,194	651	20%	2.21x	10.74x	2.06x	10.11x
Primoris	143.04	8,173	8,092	571	7%	8,714	634	7%	1.01x	14.31x	0.94x	12.89x
Average	\$231.53	14,398	9,442	1,050	13%	11,102	1,129	13%	1.76x	13.24x	1.62x	12.30x
Low	\$7.59	\$353	\$63	\$24	7%	\$68	\$33	7%	0.79x	10.04x	0.75x	8.84x
Mean	\$126.40	\$17,540	\$5,464	\$1,204	26%	\$5,815	\$1,300	28%	3.58x	13.74x	3.41x	12.44x
Median	\$84.74	\$9,345	\$3,569	\$772	23%	\$3,457	\$822	24%	3.29x	13.65x	3.17x	12.42x
High	\$738.31	\$149,268	\$25,623	\$8,202	57%	\$27,009	\$8,830	61%	7.84x	18.20x	7.58x	16.90x


Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV /	
					Rev.	EBITDA
1/5/2026	Lane42 Investment Partners	Aqua Terra Water Management	Provides environmentally friendly water management solutions	NA	NA	NA
1/7/2026	Constellation Energy Corporation	Calpine	Wholesale power generation company	28,864.00	2.3x	7.8x
1/9/2026	Kemira Oyj	AquaBlue	Water treatment and chemicals provider	10	NA	NA
1/14/2026	Two Roads Partners	Uniserve Facilities Services	Facilities maintenance and services provider	NA	NA	NA
1/17/2026	Encon Evaporators	Apollos Waters	Provides down stream by-product management solutions for waste streams	NA	NA	NA
1/20/2026	Sylmar Group Partners	Atlantic Water Management	Manufacturer of water treatment chemicals	NA	NA	NA
2/11/2026	Azuria Water Solutions	Caligula	General engineering contractor specializing in heavy civil construction	NA	NA	NA
2/17/2026	Azuria Water Solutions	Infrastructure Systems	Operates water and sewer pipeline rehabilitation and construction	NA	NA	NA
2/24/2026	WSP Global	TRC Companies	Provides engineering, consulting, and construction management solutions	3,300.00	2.2x	15.9x
2/26/2026	Glenn O. Hawbaker	HRI	Construction services provider	NA	NA	NA
3/2/2026	Sandbrook Capital Management	United Utility Services	Leading provider of essential infrastructure services for North America's power grid	1,000.00	NA	NA
3/10/2026	Google	Intersect Power	Energy and data center infrastructure solutions provider	4,750.00	NA	NA
3/17/2026	Canfor Corporation	Canfor Pulp Products	Leader in the manufacturing of low-carbon forest products worldwide	14.7	0.2x	5.1x
3/26/2026	Lone Star Americas Acquisitions	Alliance Ground International	Provides airline cargo handling services	NA	NA	NA

Sources: S&P Capital IQ, DACIS, press releases


- The first quarter of 2026 commenced on a stable footing with constrained capacity in January before experiencing a downturn in February driven by seasonal Chinese New Year lulls. By March, escalating tensions related to the U.S.-Iran conflict contributed to rising energy costs and introduced heightened market uncertainty
- Ongoing Red Sea and Suez Canal diversions continue to absorb approximately 9% of global container capacity. Fleet growth of only 3% remains well below the 6% historical average, maintaining tight effective supply conditions
- The global maritime freight market, valued at approximately \$600 billion in 2025, is projected to reach \$632 billion in 2026 (5.4% CAGR). Port services are expected to approach \$100 billion
- Port infrastructure investment remains substantial, highlighted by \$489M in U.S. PIDP grants, \$667M from AD Ports, and a record \$45B NY/NJ capital plan




Select Q1 Transactions





acquired by







acquired by






acquired by ¹





acquired by



MARITIME TRANSPORT & FACILITIES												
	Stock Price 3/31/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Diversified Maritime Logistics												
Kirby Corporation	132.88	8,184	3,454	772	22%	3,676	854	23%	2.37x	10.61x	2.23x	9.59x
Matson, Inc.	163.94	5,572	3,431	690	20%	3,579	739	21%	1.62x	8.08x	1.56x	7.54x
ArcBest Corporation	98.36	2,533	4,173	311	7%	4,443	387	9%	0.61x	8.14x	0.57x	6.55x
Navios Maritime Partners L.P.	67.48	3,930	1,356	895	66%	1,398	885	63%	2.90x	4.39x	2.81x	4.44x
Diana Shipping Inc.	2.50	673	283	154	54%	283	153	54%	2.38x	4.37x	2.38x	4.40x
Average	\$93.03	4,178	2,539	564	34%	2,676	603	34%	1.98x	7.12x	1.91x	6.50x
Shipyard & Port Services												
International Container	11.34	26,745	3,715	2,409	65%	4,087	2,638	65%	7.20x	11.10x	6.54x	10.14x
DEME Group NV	212.61	5,877	4,892	1,043	21%	5,073	1,071	21%	1.20x	5.64x	1.16x	5.49x
Tidewater Inc.	83.55	4,245	1,452	592	41%	1,620	694	43%	2.92x	7.17x	2.62x	6.11x
Tutor Perini Corporation	77.19	3,855	6,355	432	7%	7,011	505	7%	0.61x	8.93x	0.55x	7.64x
Orion Group Holdings, Inc.	10.90	500	915	56	6%	991	69	7%	0.55x	8.96x	0.50x	7.27x
Average	\$79.12	8,244	3,466	906	28%	3,756	995	29%	2.50x	8.36x	2.28x	7.33x
Dry Bulk Shipping												
Star Bulk Carriers Corp.	22.97	3,303	1,088	542	50%	1,054	575	54%	3.04x	6.09x	3.13x	5.75x
Costamare Inc.	16.90	3,031	800	587	73%	785	571	73%	3.79x	5.16x	3.86x	5.31x
Danaos Corporation	112.64	2,048	1,011	716	71%	944	618	66%	2.03x	2.86x	2.17x	3.31x
Global Ship Lease, Inc.	37.23	1,548	736	507	69%	700	483	69%	2.10x	3.05x	2.21x	3.20x

MARITIME TRANSPORT & FACILITIES												
	Stock Price 3/31/26	Enterprise Value	CY2026E			2027P			TEV/2026E		TEV/2027P	
			Revenue	EBITDA	Margin	Revenue	EBITDA	Margin	Revenue	EBITDA	Revenue	EBITDA
Dry Bulk Shipping												
Safe Bulkers	6.33	1,029	279	150	54%	282	148	52%	3.69x	6.84x	3.65x	6.97x
Pangaea Logistics	7.08	777	710	115	16%	711	121	17%	1.09x	6.77x	1.09x	6.40x
Genco Shipping & Trading	22.55	1,117	338	188	56%	348	178	51%	3.30x	5.95x	3.21x	6.27x
Average	\$32.24	1,836	709	401	55%	689	385	55%	2.72x	5.25x	2.76x	5.32x
Petroleum Products Transportation												
Scorpio Tankers	74.66	3,389	908	503	55%	832	419	50%	3.73x	6.74x	4.07x	8.09x
International Seaways	72.88	4,011	910	545	60%	804	445	55%	4.41x	7.36x	4.99x	9.01x
DHT Holdings	18.27	3,298	514	408	79%	456	356	78%	6.41x	8.09x	7.24x	9.25x
Teekay Tankers	73.32	1,734	682	350	51%	580	264	45%	2.54x	4.96x	2.99x	6.57x
Nordic American Tankers	5.86	1,619	268	178	66%	237	147	62%	6.03x	9.08x	6.82x	11.03x
Ardmore Shipping	15.25	704	211	91	43%	194	74	NA	3.34x	7.78x	3.63x	9.58x
Average	\$43.37	2,459	582	346	59%	517	284	58%	4.41x	7.33x	4.96x	8.92x
Low	\$2.50	\$500	\$211	\$56	6%	\$194	\$69	7%	0.55x	2.86x	0.50x	3.20x
Mean	\$58.55	\$3,901	\$1,673	\$532	46%	\$1,743	\$539	45%	2.95x	6.87x	3.04x	6.95x
Median	\$37.23	\$3,031	\$910	\$503	54%	\$832	\$445	52%	2.90x	6.84x	2.81x	6.57x
High	\$212.61	\$26,745	\$6,355	\$2,409	79%	\$7,011	\$2,638	78%	7.20x	11.10x	7.24x	11.03x

Closed Date	Acquirer(s)	Target(s)	Target Description	EV (\$M)	EV	
					Rev.	EBITDA
1/6/2026	Greenbriar Equity Group, L.P.	eShipping, LLC	U.S. tech-driven freight brokerage, multimodal solutions	NA	NA	NA
1/6/2026	EPS Ventures Ltd	Cool Company Ltd.	LNG carrier operator; delisted after EPS merger (Jan '26)	\$207.60	NA	NA
1/13/2026	DIMOTRANS Group, SAS	Moldtrans, SL	Spanish freight forwarding and customs brokerage	NA	NA	NA
1/20/2026	SAFEEN Drydocks	Astilleros Balenciaga S.A.	Spanish shipbuilder; commercial and fishing vessels	\$11.20	NA	NA
2/10/2026	A.Hartrodt (Ireland) Limited	Horner Agencies Limited	Irish freight forwarding and shipping agency	NA	NA	NA
2/19/2026	ASDR Canada Inc.	Acadian Dredging Ltd.	Canadian marine/industrial dredging services provider	NA	NA	NA
3/6/2026	Fr. Meyer's Sohn (GmbH & Co.) KG	Front Shipping AS	Norwegian freight forwarding company (est. 2023)	NA	NA	NA
3/18/2026	Caledonian Maritime Assets Limited	Ardrossan Harbour Company Limited	Scottish port facilities operator at Ardrossan	NA	NA	NA
3/19/2026	Edison Chouest Offshore, LLC	Champagne Energy Solutions, LLC	Marine construction and energy project support services	NA	NA	NA
3/24/2026	DiMillo's Yacht Sales and Service, LLC	Hunt Yachts LLC	U.S. yacht sales; Hunt deep-V hull series (56-76 ft)	NA	NA	NA
3/31/2026	Ceva Logistics SA	Fagioli S.p.A.	Italian heavy transport and project logistics provider	NA	NA	NA

Sources: S&P Capital IQ, DACIS, press releases

Defense, Government & Intelligence

Defense Primes

BAE Systems	BA.
General Dynamics	GD
L3Harris Technologies	LHX
Lockheed Martin	LMT
Northrop Grumman	NOC
RTX Corporation	RTX

Government Contractors

Amentum	AMTM
Booz Allen Hamilton	BAH
CACI International	CACI
Leidos	LDOS
Parsons	PSN
SAIC	SAIC
V2X	VVX

Defense Systems

AeroVironment	AVAV
Elbit Systems	ESLT
HEICO	HEI
Kratos Defense & Security	KTOS
Leonardo DRS	DRS
Mercury Systems	MRCY
Teledyne Technologies	TDY

Physical & Cyber Security

Security Services

Securitas AB	SECU B
The Brink's Company	BCO
Prosegur	PSG
Loomis AB	LOOMIS

Security Solutions

Honeywell International	HON
Johnson Controls International	JCI
Motorola Solutions	MSI
ADT	ADT
Allegion	ALLE
Alarm.com Holdings	ALRM
Napco Security Technologies	NSSC

Cyber Security

Palo Alto Networks	PANW
CrowdStrike	CRWD
Fortinet	FTNT
Zscaler	ZS
Cloudflare	NET
Check Point	CHKP
Okta	OKTA

Critical Infrastructure

Water Utilities

American Water Works	AWK
Essential Utilities	WTRG
California Water Service	CWT
American States Water	AWR
SJW Group	SJW
Consolidated Water	CWCO
Global Water Resources	GWRS

System Solutions

Danaher	DHR
Dover	DOV
Xylem	XYL
IDEX	IEX
Pentair	PNR
A. O. Smith	AOS
Watts Water Technologies	WTS

Components

Graco	GGG
Flowserve	FLS
Franklin Electric	FELE
Badger Meter	BMI
SPX FLOW	FLOW
Mueller Water Products	MWA
The Gorman-Rupp	GRC
Energy Recovery	ERII

Infrastructure

AECOM	ACM
Tetra Tech	TTEK
Clean Harbors	CLH
EMCOR Group	EME
Arcosa	ACA
Primoris Services	PRIM

Maritime Transport & Facilities

Diversified Maritime Logistics

Kirby Corporation	KEX
Matson, Inc.	MATX
ArcBest Corporation	ARCB
Navios Maritime Partners L.P.	NMM
Diana Shipping Inc.	DSX

Shipyard & Port Services

International Container Serv.	ICT
Tutor Perini Corporation	TPC
Tidewater	TDW
Orion Group	ORN
DEME Group NV	DEME

Dry Bulk Shipping

Star Bulk Carriers Corp.	SBLK
Costamare Inc.	CMRE
Danaos Corporation	DAC
Global Ship Lease, Inc.	GSL
Safe Bulkers, Inc.	SB
Pangaea Logistics Solutions	PANL
Genco Shipping & Trading	GNK

Petroleum Products Transportation

Scorpio Tankers	STNG
International Seaways	INSW
Teekay Tankers	TNK
DHT Holdings	DHT
Nordic American Tankers	NAT
Ardmore Shipping	ASC



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