



Aerospace, Defense, & Government Services

INDUSTRY UPDATE | Q2 2023



Q2 2023 ADGS Industry Update

Key Industry Metrics



Source: DACIS DM&A

Monetary Policy

In its June meeting, the **FOMC decided to pause on interest rate hikes** and maintain the target federal funds rate at 5.00-5.25%, providing time to further evaluate the impacts of the rate-hike cycle that began in 2022.⁴

- Despite the decision to hold on further hikes, committee members on average assigned a 60% probability of a peak federal funds rate being above current levels.
- Given the recent rebound in equities, strong employment numbers, and continued core inflation above 3%, many market participants expect further rate increases this year despite the survey of FOMC members, which points to no rate changes through early 2024.

M&A Activity Summary

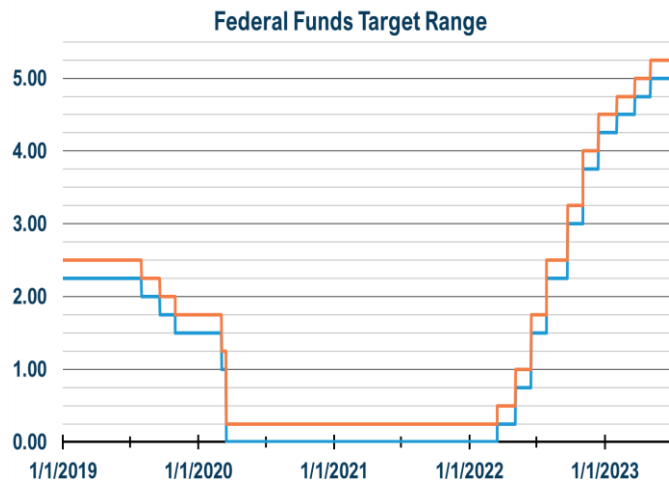
Aerospace, Defense, and Government Services (ADGS) transaction activity in Q2 2023 was down 38% YoY and 8% QoQ, with a total of 65 closed deals in the space compared to 71 in Q1. The number of **transactions involving strategic buyers surged 33%** compared to last quarter, while the number of transactions with private equity buyers fell 26% over last quarter. However, notwithstanding the relative mix shift from Q1, **private equity buyers still executed the majority of transactions** (37 deals), ahead of strategic buyers (28).

- **Transaction activity in the Government Services space once again led the industry**, accounting for 45% of all transactions, with Aerospace comprising 35% and Defense the remaining 20%.
- **Lower middle market transactions (total purchase price under \$100 million) again remained most prevalent in the ADGS space, accounting for just over 50% of all transactions**, a trend that is in line with the broader M&A market (*See pg. 2*).

Budget Outlook

The House and Senate armed services committees (HASC and SASC) both finished work on their respective versions of next year's defense authorization bill, with **the Senate authorizing \$844 billion in discretionary defense spending, and the House authorizing \$842 billion**, matching the Biden Administration's requested amount.²

- The House and Senate found common ground on provisions to enhance the DoD's cyber posture and recruit cybersecurity talent, adopt emerging technologies such as artificial intelligence and machine learning, and endorse the White House's proposed pay raise of 5.2% for military personnel (the largest raise since 2002).³



Source: Federal Reserve Board of St. Louis

Q2 2023 ADGS Industry Update (cont'd)

M&A Transactions Are Getting Smaller

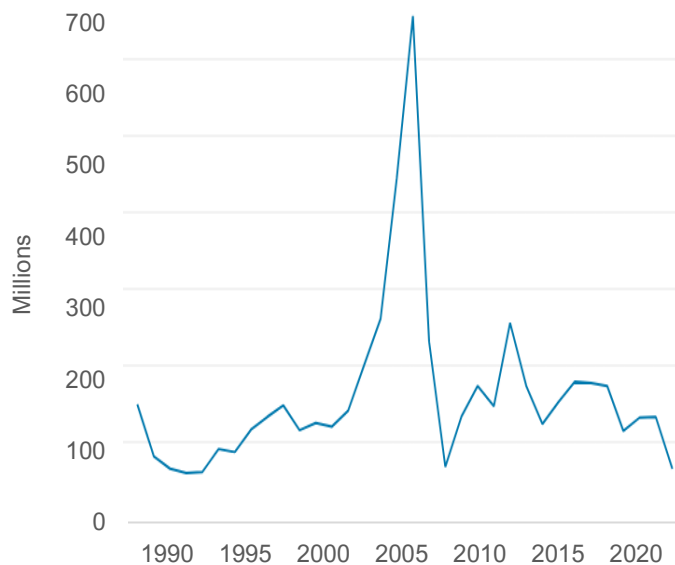
Due to record amounts of dry powder and a more risk-averse lending market, **large buyout funds such as Blackstone and KKR are moving to smaller acquisitions**, where buyers and sellers are often more readily able to agree on valuation in times of economic uncertainty.⁵

- Buyout firms are also taking advantage of portfolio companies that have existing lending facilities locked in at lower rates to lower the cost of bolt-on acquisitions, which is also driving down the average deal size

ADGS Public Company Performance

The average return across ADGS firms tracked by Stout was 7% in Q2, in line with the S&P 500's 8% return, but on a YoY basis, returns were **32% compared to the 16% return of the S&P 500**. Government Services led the way in Q2, with a 13% return, but on a YoY basis, **International Aerospace led with a 59% return** (See pgs. 6 and 11-12 for more information).

Average PE-Backed Deal Size

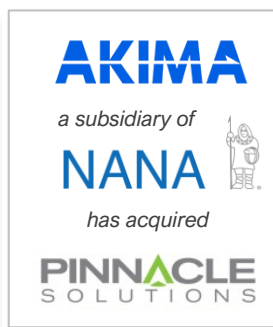


Source: Refinitiv

Alaskan Native Corporations and Tribal Entities M&A Activity

Alaskan Native Corporations (ANCs) and Lower 48 Tribal Entities are unique players in government contracting, given legislation that provides them with unique set-aside status regardless of size standards. They can thus provide a great home for small businesses that still have set-aside work, since an acquisition will not usually affect the target company's ability to continue to win small business contracts. Traditionally, only a smaller subset of the broader ANC and Tribal Entity landscape were active acquirors, but that appears to be changing. **In Q2 alone, there were five transactions with ANCs or Tribal Entities as the buyer**, representing nearly 10% of all ADGS transactions:

- Washington Business Dynamics, LLC was acquired by Chickasaw Nation Industries, Inc..
- ASRC Federal, a subsidiary of Artic Slope Regional Corp. (ASRC), acquired SAIC's Logistics and Supply Chain Business
- ASRC Federal acquired Broadleaf, Inc..
- Akima, LLC, a subsidiary of NANA Regional Corp., acquired Pinnacle Solutions, Inc..
- Chugach Government Solutions, LLC, a subsidiary of Chugach Alaska Corp., acquired Vector Planning & Services, Inc. (VPSI).



Q2 2023 ADGS Industry Update (cont'd)

Europe Struggles to Meet Munition Demands

- As the first sustained conventional conflict between major state powers in decades, the Ukraine-Russia war demands high levels of munitions, which Ukraine's European allies have struggled to supply. Ukraine itself completely expended its stockpile of munitions within the first few months of the conflict and is now **fully dependent on being supplied by Western allies**. To make matters worse, Europe produces many varieties of the same caliber of munitions, which sometimes do not work with certain equipment or vary in size, weight, or technical ability – requiring battlefield recalculations that create more challenges for Ukrainian soldiers.
- Due to the continued shortage of munitions, Ukraine has had to adapt its tactics to conserve its ammunition. According to Ukrainian military and government sources, Russia can fire much more ammunition than Ukraine does during high-intensity fighting. On average, Russia fires 60,000 rounds of ammunition at Ukraine each day, whereas Ukraine fires 20,000 rounds.⁶
- The defense supply chain shortages and overall poor levels of industrial base readiness when it comes to munitions and military equipment have motivated **NATO allies to strategize on collaborative purchasing, manufacturing,**⁷ and partnerships with industry. However, these efforts have failed thus far to make significant progress on alleviating immediate shortcomings.

“Cold War” for Chips and AI Tech

- As artificial intelligence continues to be rapidly developed, U.S. policymakers have been concerned with ensuring domestic IP and technology that is exported to foreign adversaries does not pose a risk to national security. The U.S. took first steps to enhancing security measures in August 2022 by **requiring a license to ship advanced chip-manufacturing equipment** and cutting-edge chips used for AI and supercomputing to China.⁸
- In June, **the Biden Administration announced that it is considering further restrictions on exports of AI semiconductor chips to China**. These restrictions would primarily affect chips sold by Nvidia and AMD by addressing workarounds that chip manufacturers employed to get around restrictions. In response, **China has announced that it will restrict exports of rare metals used to manufacture semiconductors**.⁹
- Balancing protection of national security interests, advancing domestic commercial and military technology development, and promoting economic growth will be a challenge over the coming years as the U.S. and China compete for technological dominance.

Strengthening U.S. – India Ties

- President Biden met with Indian Prime Minister Narendra Modi in June to discuss **cooperation in the areas of defense and economic partnership**. India will invest more than \$2 billion in advanced manufacturing in the U.S., join the Artemis Accords to advance space exploration alongside NASA, and purchase \$3 billion worth of MQ-9B reaper drones. U.S.-based Micron Technology will invest more than \$800 million toward a semiconductor facility in India, and the two countries will jointly manufacture General Electric F414 engines for India's next generation of fighter jets.¹⁰
- India is a strategic ally for the U.S., as they share a 2,100-mile border with China. India is also a large buyer of military equipment from Russia, with nearly half of India's defense needs purchased from them, and the U.S. seeks to **reduce India's dependence on Russian military equipment. The increased focus on and investment in India is central to the emerging policy approach of “friendshoring” and redirecting both civil and military investments and infrastructure from China to nearby Asian countries that are less confrontational with the U.S.**

Q2 2023 ADGS Industry Update (cont'd)

SpaceX Inaugural Flight Explosion

- In April, SpaceX's Starship rocket exploded over the Gulf of Mexico four and a half minutes into its uncrewed inaugural test flight, which was intended to last 90 minutes and splash down near Hawaii.¹¹ Although the test ended in catastrophic failure to the spaceship, **SpaceX and NASA employees and leaders deemed the test a success**; it provided valuable insights that will help engineers further develop Starship to be mission-ready. SpaceX is developing a variant of the Starship that NASA will use to transfer astronauts to the Moon and back by 2025 as part of the Artemis program.
- The Starship is a super heavy-lift space vehicle and is the largest and most powerful rocket ever flown, surpassing the thrust of NASA's Space Launch System and Saturn V, as well as the Soviet N1, which had previously held the record.¹² Adding to its impressive characteristics, Starship is being designed to be fully reusable.



Russian Hypersonic Missiles Shot Down by Patriot System

- Prior to the Patriot missile systems deployment in Ukraine, a major perceived drawback to conventional missile defense systems, including the Patriot missile system, was the ability to defend against **hypersonic missile**, which can travel multiple times the speed of sound and change direction during flight.
- Ukraine and U.S. military officials have confirmed that the Patriot missile system has shot down many of Russia's hypersonic Kinzhal missiles. In May, more than a dozen Russian missiles, some hypersonic, were launched towards Kyiv, and the **Patriot missile system was able to intercept all threats**.¹³ The Kinzhal hypersonic missile was believed to be a major competitive advantage for Russia that would be able to strike targets uncontested, but as the Russia-Ukraine war has proven, the Kinzhal is a lot less effective at evading missile defense systems than previously thought.¹⁴

Select Transactions – Satellites and Rocket Fuel

In Q2 there were two major transactions in the satellite operator space: Viasat acquired Inmarsat for \$7.3 billion and Advent International acquired Maxar Technologies for \$6.4 billion.

- Viasat's acquisition was a consolidation play that grew its total satellite fleet size by 14 to 28 total satellites that enable communications across the globe.
- Advent International created a new platform with the acquisition of Maxar Technologies that makes it a significant player in satellite imagery and intelligence, operating four satellites that capture imagery of 60% of the Earth's surface monthly.
- Additionally, Anduril acquired Adranos, a developer of solid rocket motor fuel for conventional and hypersonic missiles. This acquisition helps strengthen Anduril's position in the highly consolidated rocket motor sector. A capable supplier would be welcomed in an industry that has been suffering from supply shortages.



Q2 2023 ADGS Industry Update (cont'd)

Defense Acquisition Reform

On June 23rd, a letter was submitted to the Secretary of Defense calling for defense acquisition reform, claiming that the “**United States does not have an innovation problem, it has an innovation *adoption* problem.**”¹⁵ The letter claims that the **commercial sector is capable of rapid innovation** and has the cutting-edge technologies necessary for the conflicts of the 21st century; however the current procurement strategies utilized by the federal government do not allow for this technology to be **efficiently deployed at scale**. The letter highlights several areas for suggested acquisition reforms:¹⁵

- **Provide the Defense Innovation Unit (DIU) with the necessary staffing and resources** to effectively engage the nontraditional defense intelligence base, as well as acquisition organizations, science and technology organizations, and combatant commands.
- **Strengthen the alignment of capital markets to DoD outcomes** by allowing SBIR programs to generate direct-to-Phase III SBIR grants, enable flexible contract vehicles, and removing existing barriers for small businesses with backing by venture capital groups or publicly traded companies.
- **Incentivize tech companies to do business with the DoD** by decreasing barriers, such as raising the cost accounting standards threshold to at least \$100 million, and making investments in modernizing SAM.gov, streamlining the security clearance process, and creating a team to map R&D to new or existing acquisitions.
- **Establishing a bridge fund for demonstrated technologies** to scale and accelerate those that have already been successfully deployed at a smaller scale.

T4NG2

In June, three lawsuits were filed within a week of each other to protest T4NG2, the \$60 billion recompetes of the Veterans Affairs Department’s primary vehicle for technology solutions and services. The judge who was assigned to the three cases has decided that the arguments are similar enough that they can be consolidated into a single matter. Oral arguments are now scheduled for August.¹⁶



OASIS+

The General Services Administration has issued its final RFP for OASIS+, the follow-on to OASIS, which will include eight separate performance areas and have both unrestricted and set-aside tracks for small business, 8(a), SDVOSB, WOSB, and HUBZone certified businesses. Proposals are due September 13.¹⁷



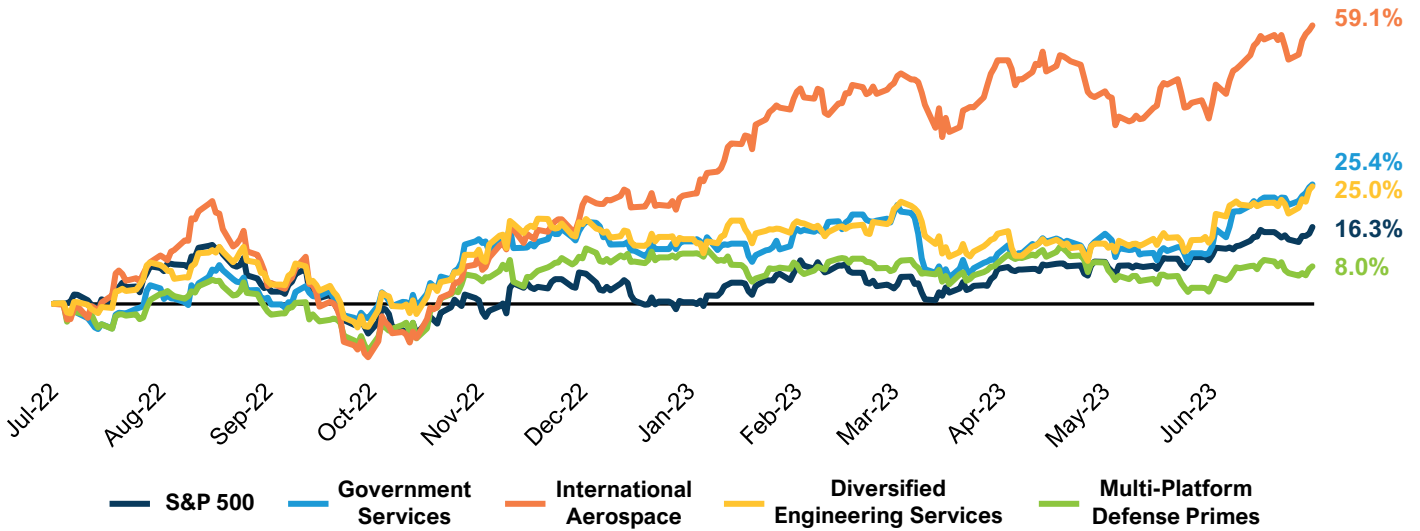
Arms Sale to Poland

The State Department approved a possible \$15 billion sale of an air and missile defense system to Poland, which will include 48 Patriot launch stations from Raytheon Technologies (RTX), 644 Lockheed Martin Patriot missiles, and 12 Lower Tier Air and Missile Defense Sensors from RTX. This move underscores the heightened concerns and motives for defense spending across the European continent following the invasion of Ukraine, and an increased emphasis on the need for advanced missile defense systems.¹⁸



ADGS Capital Markets Performance

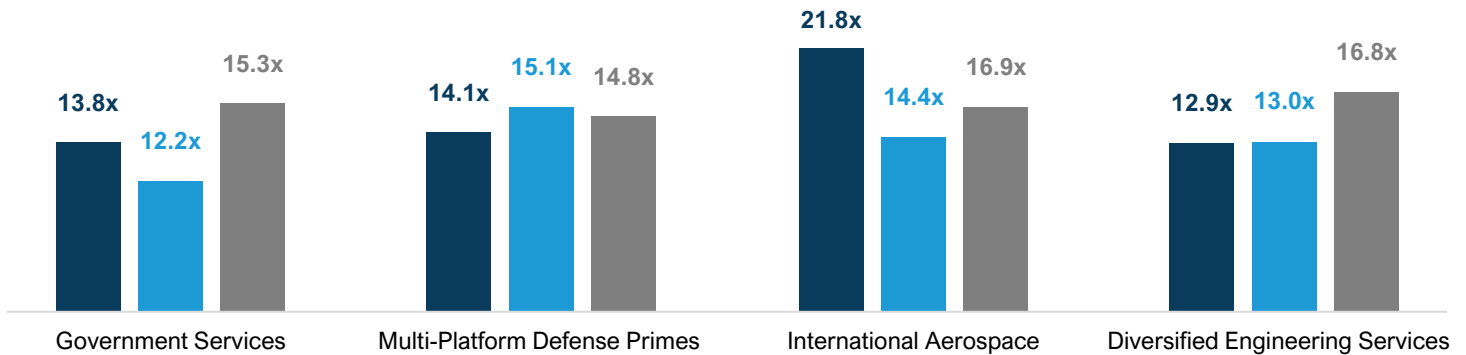
Subsector Indices (See pgs. 11-12 for companies that comprise each subsector)



Source: S&P CapIQ

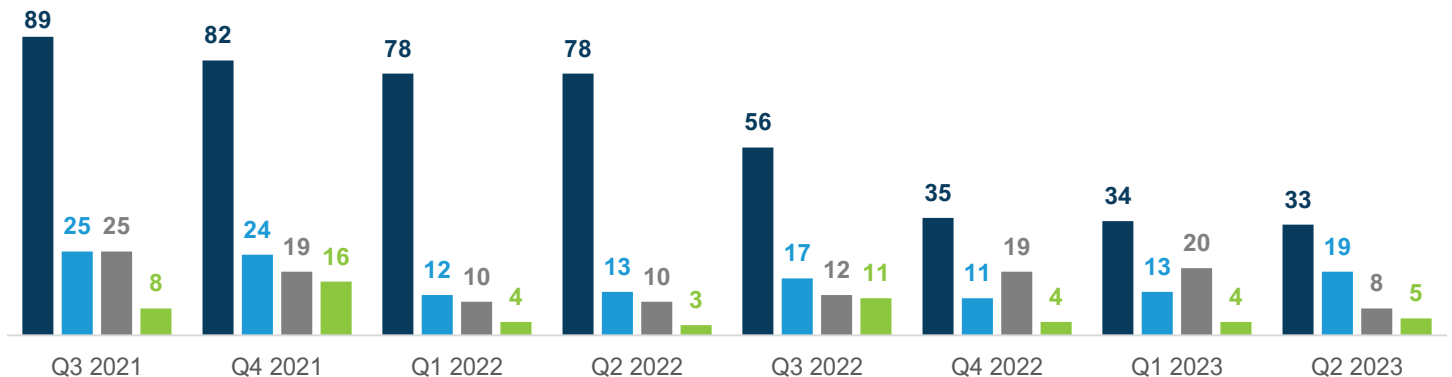
Historical EV/EBITDA Multiples

06/30/2021 06/30/2022 06/30/2023



Global ADGS M&A Activity by Transaction Size

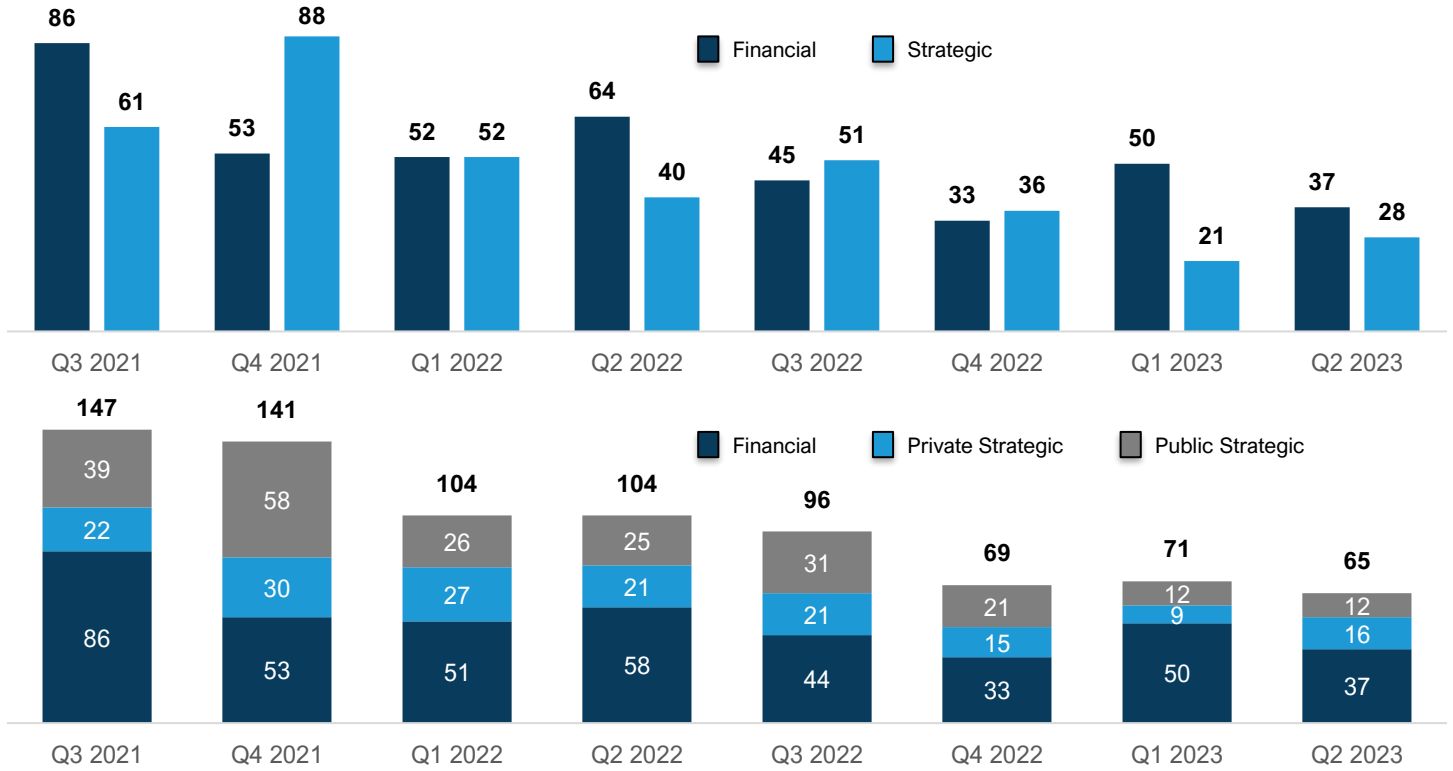
Lower Middle Market Middle Market Large Mega



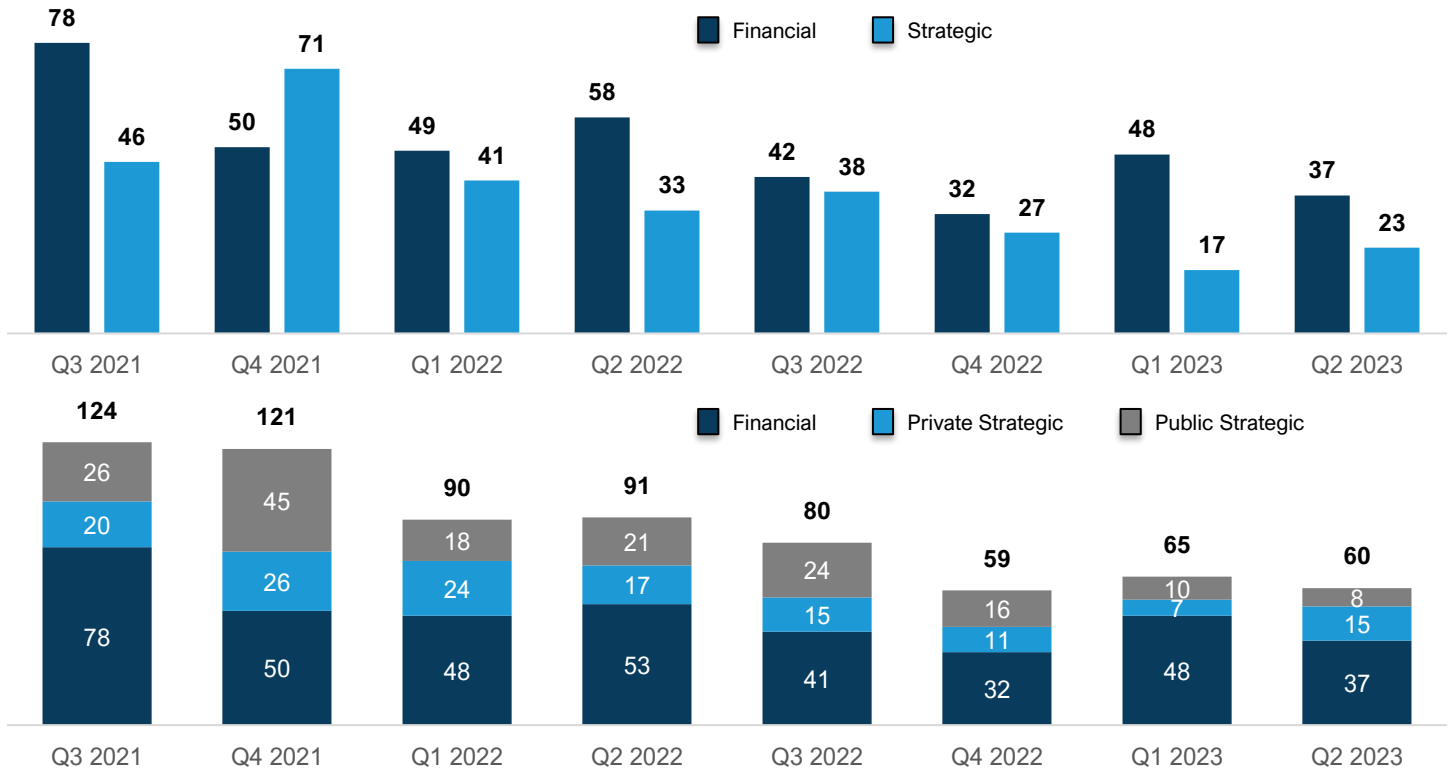
Source: DACIS DM&A

ADGS M&A Deal Volume Metrics

Global M&A Activity by Buyer Type



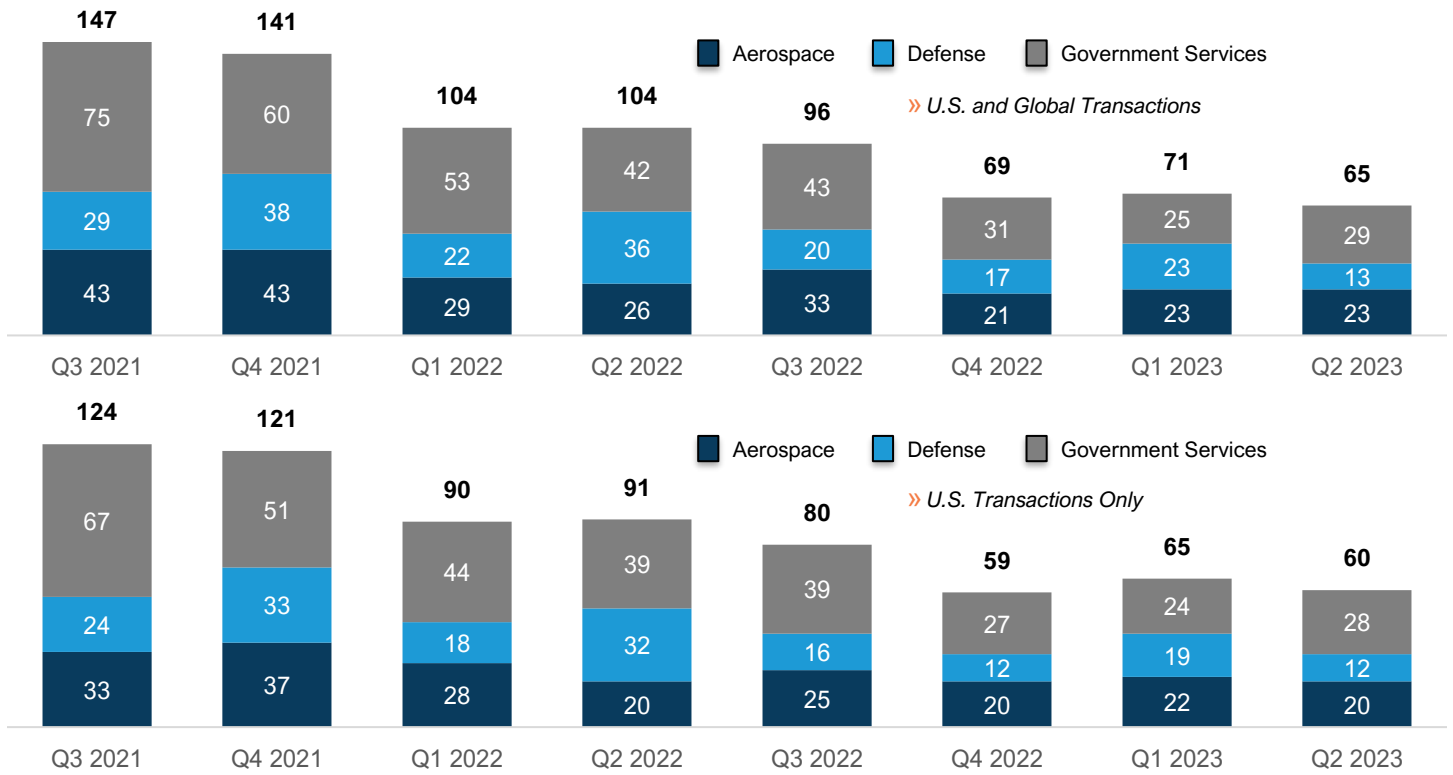
U.S. M&A Activity by Buyer Type



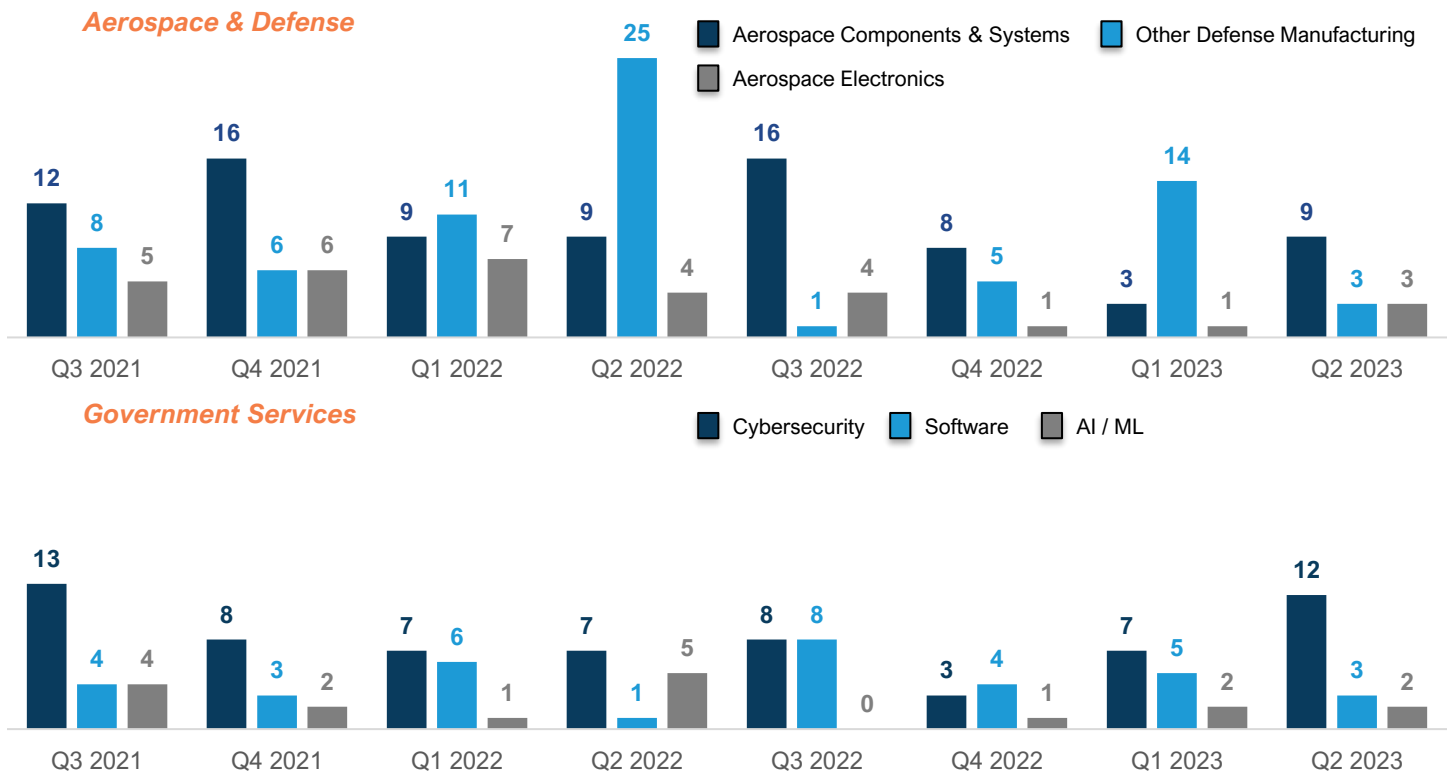
Source: DACIS DM&A

ADGS M&A Deal Volume Metrics (cont'd)

M&A Activity By Industry Sector



Select ADGS M&A Subsector Trends (All Buyers)



Source: DACIS DM&A

Notable Transactions

Aerospace



Indicates a transaction involving a private equity buyer or seller



RELEVANT STATISTICS

Advent International Corp. completed its acquisition of Maxar Technologies. The acquisition will enhance flexibility and build on Maxar's foundation to further scale operations and capture significant opportunities in a rapidly expanding market.

- > **Date:** May 2023
- > **EV:** \$6,400mm
- > **Subsector:** Satellite Imagery & Geolnt



RELEVANT STATISTICS

Firefly Aerospace, a portfolio company of AE Industrial Partners, acquired Spaceflight, Inc. The addition of Spaceflight brings added capabilities that complement Firefly's vertically integrated product line, including launch, lunar, and in-space vehicles.

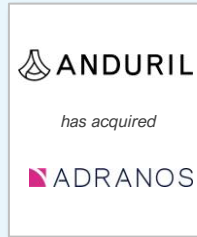
- > **Date:** June 2023
- > **EV:** \$683.3mm
- > **Subsector:** Satellites & Space



RELEVANT STATISTICS

Viasat completed its acquisition of Inmarsat from Connect Bidco, a consortium formed by Apax Partners, Warburg Pincus, and two Canadian pension funds. The combination brings together technology and spectrum resources to better connect the world.

- > **Date:** May 2023
- > **EV:** \$7,300mm
- > **Subsector:** Satellite Communications



RELEVANT STATISTICS

Anduril Industries, Inc. acquired Adranos Energetics LLC. Through this acquisition, Anduril will become a merchant supplier of solid rocket motors to prime contractors delivering missiles, hypersonics, and other propulsion systems for the DoD.

- > **Date:** May 2023
- > **EV:** Not Disclosed
- > **Subsector:** Missiles and Hypersonics

Defense



RELEVANT STATISTICS

Lone Star Funds acquired Titan Acquisition Holdings from The Carlyle Group and Stellex Capital Management. Titan provides ship repair, fabrications, and heavy complex fabrication via Vigor Industrial, MHI Holdings, and Continental Maritime of San Diego, LLC.

- > **Date:** June 2023
- > **EV:** \$434.7mm
- > **Subsector:** Shipbuilding



RELEVANT STATISTICS

AMETEK, Inc. acquired privately held Bison Gear & Engineering Corp. Bison is an excellent acquisition for AMETEK and a highly complementary fit with its motion control and automation solutions businesses.

- > **Date:** May 2023
- > **EV:** Not Disclosed
- > **Subsector:** Defense Manufacturing



RELEVANT STATISTICS

APCT, Inc., a portfolio company of Industrial Growth Partners, acquired San Diego PCB Design, a subsidiary of Milwaukee Electronics. This combination enables San Diego PCB to leverage APCT's quick turn prototyping and production fabrication.

- > **Date:** April 2023
- > **EV:** Not Disclosed
- > **Subsector:** Defense Electronics



RELEVANT STATISTICS

Kymera International, LLC, a portfolio company of Palladium Equity Partners, LLC, acquired Thermal Spray Solutions, Inc. The addition of TSS accelerates Kymera's expansion into surface technologies and value-added specialty materials.


- > **Date:** May 2023
- > **EV:** Not Disclosed
- > **Subsector:** Thermal Protection

Source: DACIS DM&A

Notable Transactions (cont'd)

Government Services

 Indicates a transaction involving a private equity buyer or seller

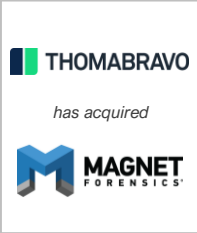


H.I.G. CAPITAL
has acquired
TOWER ENGINEERING PROFESSIONALS

RELEVANT STATISTICS

H.I.G. acquired Tower Engineering Professionals, Inc. (TEP). TEP is a full-service provider of engineering and maintenance services to private sector and U.S. federal government tower, mobile network, and other telecom infrastructure markets.

- > **Date:** April 2023
- > **EV:** Not Disclosed
- > **Subsector:** Civil Engineering




THOMABRAVO
has acquired
MAGNET FORENSICS

RELEVANT STATISTICS

Thoma Bravo completed its acquisition of Magnet Forensics, integrating Magnet Forensics with Grayshift. The complementary capabilities of both companies create a major player in digital forensics and cybersecurity.

- > **Date:** April 2023
- > **EV:** \$1,346mm
- > **Subsector:** Cybersecurity



ASRC FEDERAL
has acquired
SAIC
Supply Chain and Logistics Business

RELEVANT STATISTICS

ASRC Federal, a subsidiary of ASRC, acquired the Logistics and Supply Chain Business of SAIC. The acquisition builds upon ASRC Federal's procurement, logistics, and warehousing services at military locations throughout the United States.

- > **Date:** May 2023
- > **EV:** \$350.0mm
- > **Subsector:** Supply Chain & Logistics



iNovex
a portfolio company of
ENLIGHTENMENT CAPITAL
has acquired
INNOPLEX

RELEVANT STATISTICS

iNovex Information Systems., a portfolio company of Enlightenment Capital, acquired INNOPLEX. The addition of INNOPLEX will position iNovex as one of the largest middle-market technology solution providers to the IC and DoD, with over \$2 billion in combined prime awards and 1,000 employees.

- > **Date:** May 2023
- > **EV:** Not Disclosed
- > **Subsector:** Enterprise IT




TRANSDIGM GROUP INC.
has acquired
Calspan

RELEVANT STATISTICS

TransDigm Group, Inc. completed its acquisition of privately held Calspan Corp. The acquisition will enhance the Company's established positions across a diverse range of aftermarket-focused aerospace & defense development and testing services.

- > **Date:** May 2023
- > **EV:** \$725.0mm
- > **Subsector:** Flight Testing and Research



Chickasaw NATION INDUSTRIES
has acquired
WBD
Washington Business Dynamics

RELEVANT STATISTICS

Tribally-owned Chickasaw Nation Industries, Inc. (CNI) acquired Washington Business Dynamics, LLC. WBD will augment CNI's existing consulting practice with new customer relationships and top tier experts and allow the WBD team to quickly scale.

- > **Date:** June 2023
- > **EV:** Not Disclosed
- > **Subsector:** Management Consulting



RENOVUS CAPITAL
has acquired
Miracle Systems

RELEVANT STATISTICS

Renovus Capital Partners acquired Miracle Systems. With its acquisition of Miracle Systems, Renovus Capital forms Aretum and integrates Miracle Systems and current existing Renovus portfolio company Panum Group underneath the Aretum platform.

- > **Date:** April 2023
- > **EV:** Not Disclosed
- > **Subsector:** Enterprise IT



SILVERLAKE & CPP INVESTMENT BOARD
has acquired
qualtrics

RELEVANT STATISTICS

Silver Lake Partners and the Canada Pension Plan Investment Board acquired Qualtrics International, Inc. Qualtrics is a provider of experience management (XM) software solutions for private sector and U.S. federal government markets.

- > **Date:** June 2023
- > **EV:** \$12,500mm
- > **Subsector:** Software Development

Public Markets Performance

Company Name	Ticker	Share Price		Ent. Value	Revenue	EBITDA Margin	EV / Rev		EV / EBITDA	
		6/30/23	% 52 High				LTM	LTM	NTM	
Government Services										
Booz Allen Hamilton Holding Corporation	BAH	\$111.60	99.2%	\$17,015.9	\$9,258.9	6.6%	1.8x	28.0x	15.5x	
CACI International Inc	CACI	340.84	99.4	9,468.1	6,641.7	10.2	1.4	13.9	12.7	
ICF International, Inc.	ICFI	124.39	96.7	2,946.4	1,849.8	9.5	1.6	16.7	13.6	
Leidos Holdings, Inc.	LDOS	88.48	79.8	16,826.6	14,601.0	9.9	1.2	11.6	10.8	
Maximus, Inc.	MMS	84.51	97.4	6,374.5	4,758.9	8.9	1.3	15.1	11.5	
Science Applications International Corporation	SAIC	112.48	95.4	8,002.6	7,736.0	8.9	1.0	11.6	11.9	
VSE Corporation	VSEC	54.69	92.5	1,056.1	974.0	9.0	1.1	12.1	9.7	
V2X, Inc.	VVX	49.56	97.2	2,783.5	3,377.8	6.1	0.8	13.4	8.9	
Group Median			96.9%	\$7,188.6	\$5,700.3	9.0%	1.2x	13.7x	11.7x	
Group Mean			94.7%	\$8,059.2	\$6,149.8	8.6%	1.3x	15.3x	11.8x	
Multi-Platform Defense Primes										
BAE Systems plc	LSE:BA	\$11.78	89.4%	\$39,306.5	\$21,258.0	11.9%	1.8x	15.6x	12.1x	
The Boeing Company	BA	211.16	94.3	167,760.7	70,538.0	2.9	2.4	82.0	31.0	
General Dynamics Corporation	GD	215.15	83.8	67,598.7	39,896.0	13.3	1.7	12.7	12.3	
Honeywell International Inc.	HON	207.50	93.9	151,358.1	35,954.0	23.3	4.2	18.1	15.7	
L3Harris Technologies, Inc.	LHX	195.77	76.7	45,798.9	17,430.0	15.9	2.6	16.6	12.6	
Lockheed Martin Corporation	LMT	460.38	90.6	129,752.4	66,146.0	13.1	2.0	15.0	13.1	
Northrop Grumman Corporation	NOC	455.80	81.9	81,574.5	37,106.0	20.2	2.2	10.9	15.0	
Raytheon Technologies Corporation	RTX	97.96	90.0	173,492.4	68,572.0	17.3	2.5	14.6	13.3	
Group Median			89.7%	\$105,663.5	\$38,501.0	14.6%	2.3x	15.3x	13.2x	
Group Mean			87.6%	\$107,080.3	\$44,612.5	14.7%	2.4x	23.2x	15.7x	

Note: \$ in millions, except share price; Enterprise Value ("EV") equals Market Value plus straight/convertible debt, preferred stock, minority interest, less cash and short-term investments

Source: S&P Capital IQ as of 6/30/2022

Public Markets Performance (cont'd)

Company Name	Ticker	Share Price		Ent. Value	Revenue	EBITDA Margin	EV / Rev		EV / EBITDA	
		6/30/23	% 52 High				LTM	LTM	NTM	
International Aerospace										
AAR Corp.	AIR	\$57.76	99.0%	\$2,134.3	\$1,913.3	8.5%	1.1x	13.1x	10.5x	
Airbus SE	PAR:AIR	144.50	98.8	108,417.0	58,526.0	11.6	1.9	16.0	12.0	
AMETEK, Inc.	AME	161.88	99.5	39,340.8	6,289.1	29.7	6.3	21.0	19.4	
Astronics Corporation	ATRO	19.86	96.1	814.0	575.3	0.0	1.4	Excl.	13.3	
Bombardier Inc.	BBD.B	49.32	87.7	9,950.2	7,120.0	9.2	1.4	15.2	8.3	
Embraer S.A.	EMBR3	3.85	87.2	18,362.3	24,098.7	(0.5)	0.8	Excl.	30.7	
Moog Inc.	MOG.A	108.43	97.7	4,365.3	3,137.8	11.6	1.4	12.0	10.3	
MTU Aero Engines AG	ETR:MTX	259.17	96.9	14,491.1	5,330.0	12.4	2.7	21.9	12.6	
Safran SA	PAR:SAF	156.62	98.6	66,102.6	19,674.0	19.0	3.4	17.6	14.4	
Spirit AeroSystems Holdings, Inc.	SPR	29.19	75.7	6,377.9	5,286.3	(1.5)	1.2	Excl.	12.3	
TransDigm Group Incorporated	TDG	894.17	99.4	66,490.2	5,897.0	47.1	11.3	23.9	19.3	
Triumph Group, Inc.	TGI	12.37	73.3	2,274.5	1,379.1	14.1	1.6	11.7	10.2	
Group Median			97.3%	\$12,220.7	\$5,613.5	11.6%	1.5x	16.0x	12.5x	
Group Mean			92.5%	\$28,260.0	\$11,602.2	13.4%	2.9x	16.9x	14.5x	
Diversified Engineering Services										
ABM Industries Incorporated	ABM	\$42.65	85.0%	\$4,135.2	\$7,947.8	5.7%	0.5x	9.2x	7.8x	
AECOM	ACM	84.69	91.9	13,050.0	13,540.3	6.7	1.0	14.3	12.8	
Dycom Industries, Inc.	DY	113.65	93.1	4,070.9	3,977.6	10.1	1.0	10.1	8.7	
EMCOR Group, Inc.	EME	184.78	99.5	8,713.0	11,374.0	6.4	0.8	11.9	11.0	
Fluor Corporation	FLR	29.60	77.5	3,125.3	14,374.0	0.6	0.2	37.7	5.6	
Jacobs Solutions Inc.	J	118.89	86.1	18,058.0	15,585.1	8.7	1.2	13.3	11.7	
KBR, Inc.	KBR	65.06	99.1	10,173.2	6,553.0	8.2	1.6	19.0	13.4	
MasTec, Inc.	MTZ	117.97	99.7	12,212.5	10,408.3	6.9	1.2	17.0	10.2	
Parsons Corporation	PSN	48.14	96.0	5,667.1	4,419.7	7.2	1.3	17.7	13.7	
Serco Group plc	LSE:SRP	1.98	78.2	2,819.8	4,534.0	5.5	0.6	11.3	7.4	
Tetra Tech, Inc.	TTEK	163.74	96.5	9,583.0	3,162.7	12.7	3.0	23.8	19.0	
Group Median			93.1%	\$8,713.0	\$7,947.8	6.9%	1.0x	14.3x	11.0x	
Group Mean			91.1%	\$8,328.0	\$8,716.1	7.2%	1.1x	16.8x	11.0x	

Note: \$ in millions, except share price; Enterprise Value ("EV") equals Market Value plus straight/convertible debt, preferred stock, minority interest, less cash and short-term investments

Source: S&P Capital IQ as of 6/30/2022

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