



DEFENSE ELECTRONICS

March 2024

C4ISR & Electronic Warfare Rugged Electronics RF & Microwave Embedded Computing Connectors & Cables Microelectronics & Semiconductor Test & Measurement

Key Defense Electronics Deals Announced

Target	Buyer	Description
 a portfolio company of 	 a portfolio company of 	<ul style="list-style-type: none"> ▪ Target: Deer Park, NY-based PLX is a developer of high-quality monolithic optics that can withstand and perform under the harshest environmental conditions and maintain their accuracy over time. The company's products include Monolithic Optical Structure Technology™ (M.O.S.T™) and Hollow Retroreflectors. ▪ Buyer: Hiram, OH-based Luxium Solutions, LLC is a provider of high-performance crystals used in photonics and radiation detection applications in private sector and U.S. federal government agricultural, defense, and nuclear markets. The company is fully vertically integrated with crystal purification, growth, cutting & finishing, packaging, and electronics integration capabilities. ▪ Terms: Transaction announced on March 4, 2024. Terms not disclosed.
		<ul style="list-style-type: none"> ▪ Target: United Kingdom-based Valeport is a designer and manufacturer of underwater sensors for environmental, energy, construction and defense applications. The company provides complementary underwater sensors including sound velocity probes, current and flow meters, and conductivity, temperature and depth sensors. ▪ Buyer: Thousand Oaks, CA-based Teledyne (NYSE: TDY) is a provider of aerospace and defense technology. The company's products and capabilities include monitoring and control instrumentation, harsh environment interconnects, electronic test and measurement equipment, and digital imaging sensors and cameras. ▪ Terms: Transaction announced on March 12, 2024. Terms not disclosed.
 a portfolio company of 		<ul style="list-style-type: none"> ▪ Target: Cypress, CA-based Mission Microwave is a developer of next generation Solid-State Power Amplifiers (SSPAs) and Block Upconverters (BUCs) to support ground-based, airborne, and space-based applications in private sector and U.S. federal government markets. The company utilizes advanced GaN transistors, unique power combining technology, and novel full-system designs. ▪ Buyer: New York, NY-based J.F. Lehman is a middle-market private equity firm focused exclusively on the defense, aerospace and maritime sectors. The firm focuses on making control investments in lower middle market companies with unique engineering competencies and technology-driven products and services whose performance is critical. ▪ Terms: Transaction announced on March 14, 2024. Terms not disclosed.
		<ul style="list-style-type: none"> ▪ Target: Italy-based Civitanavi is a provider of high-tech inertial navigation and stabilization systems for private sector and international government aerospace, defense, and industrial markets. The company is a vertically integrated inertial system supplier with proprietary and ITAR free FOG (Fiber Optic Gyroscope) in house manufacturing processes, advanced Navigation and inertial sensor fusion algorithms. ▪ Buyer: Charlotte, NC-based Honeywell (NasdaqGS: HON) is a diversified technology and manufacturing company providing aerospace products and services, control technologies for buildings, homes and industry, automotive products, power generation systems, fibers, and advanced materials. ▪ Terms: Transaction announced on March 27, 2024. Terms not disclosed. The purchase price is expected to be \$216.6M, 4.4x and 15.0x FY2023 revenue and EBITDA, respectively.



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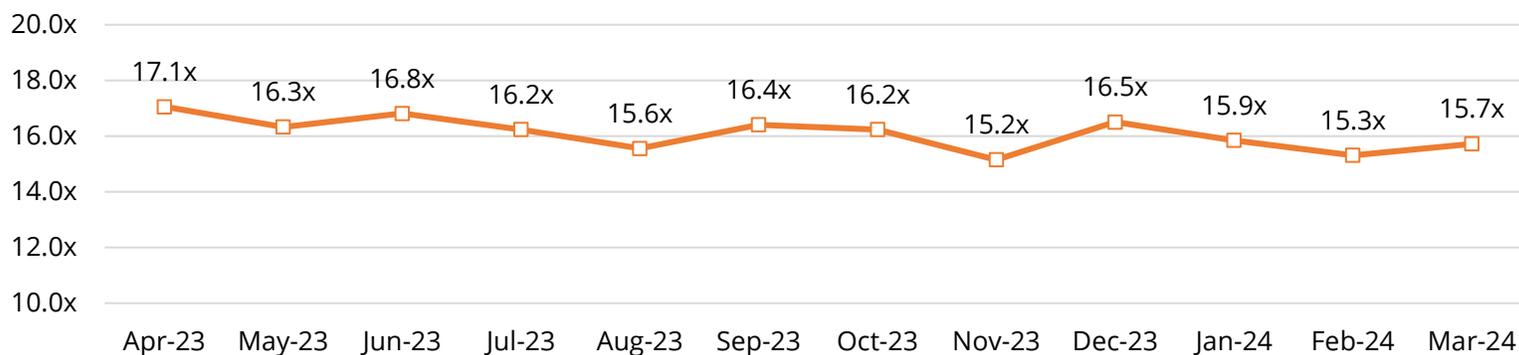
Defense Electronics Public Trading Comparables

Defense Electronics Comparable Companies

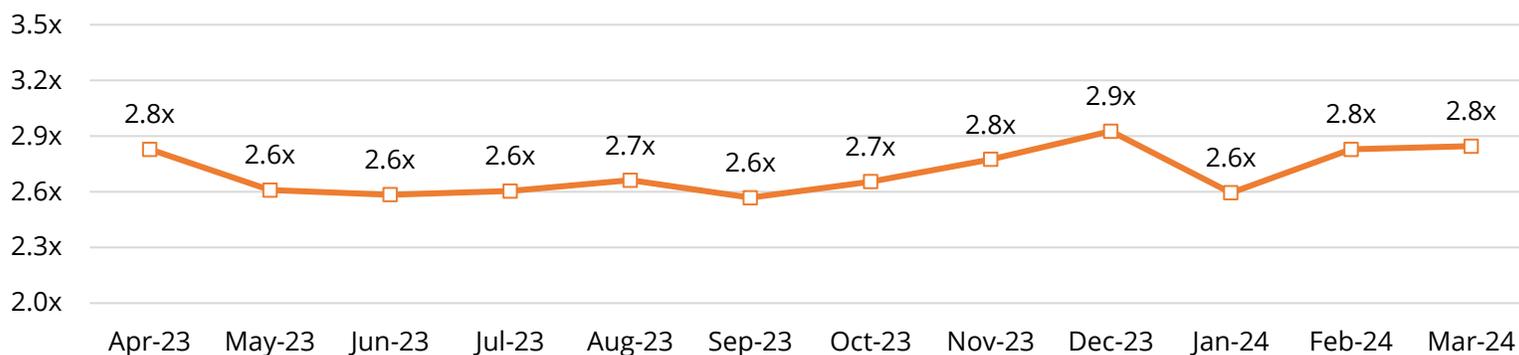
(\$M)	AMETEK NYSE:AME	TELEDYNE TECHNOLOGIES NYSE:TDY	Elbit Systems NASDAQ:ESLT	CURTISS-WRIGHT NYSE:CW	Tt Electronics LSE:TTG	L3HARRIS NYSE:LHX	TTM Technologies NASDAQ:TTMI	AV AeroVironment NASDAQ:AVAV	KRATOS NASDAQ:KTOS	mercury NASDAQ:MRCY
TEV	\$45,436	\$23,096	\$10,514	\$10,598	\$515	\$53,962	\$2,161	\$4,247	\$3,020	\$2,291
Market Cap	\$42,289	\$20,342	\$9,253	\$9,797	\$355	\$40,508	\$1,593	\$4,285	\$2,742	\$1,751
Revenue	\$6,597	\$5,636	\$5,975	\$2,845	\$775	\$19,419	\$2,233	\$706	\$1,037	\$895
EBITDA	\$2,120	\$1,407	\$651	\$674	\$34	\$3,690	\$283	\$140	\$81	\$23
Margin	32%	25%	11%	24%	4%	19%	13%	20%	8%	3%

Median Valuation Trends By Month

Median TEV/EBITDA by Month



Median TEV/Revenue by Month



Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases

Notes: Market valuations and LTM financials from public data available as of 3/31/2024. Excludes TEV/EBITDA multiples >30.0x.



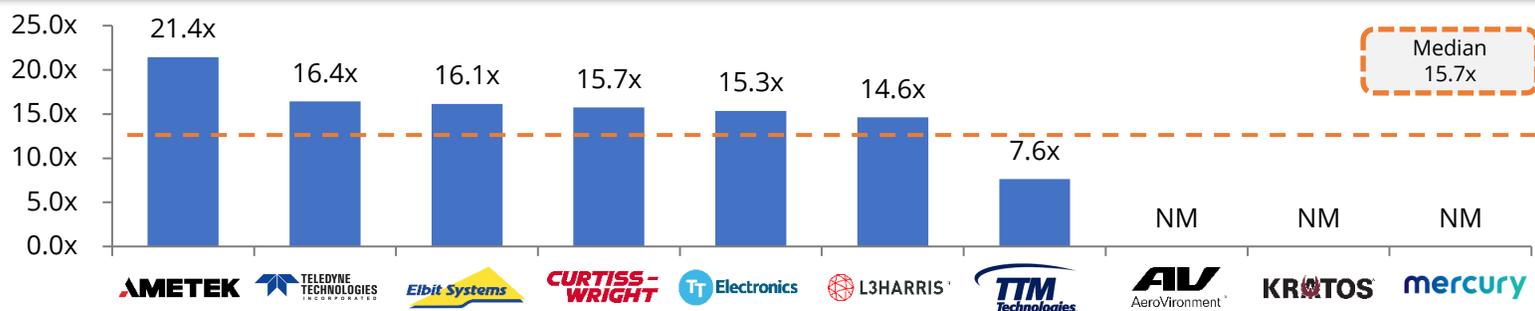
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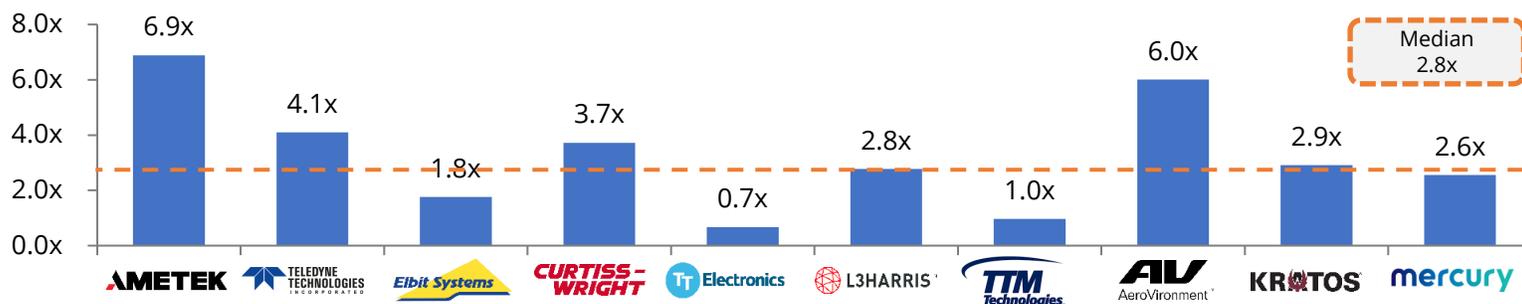
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Defense Electronics Public Trading Comparables (continued)

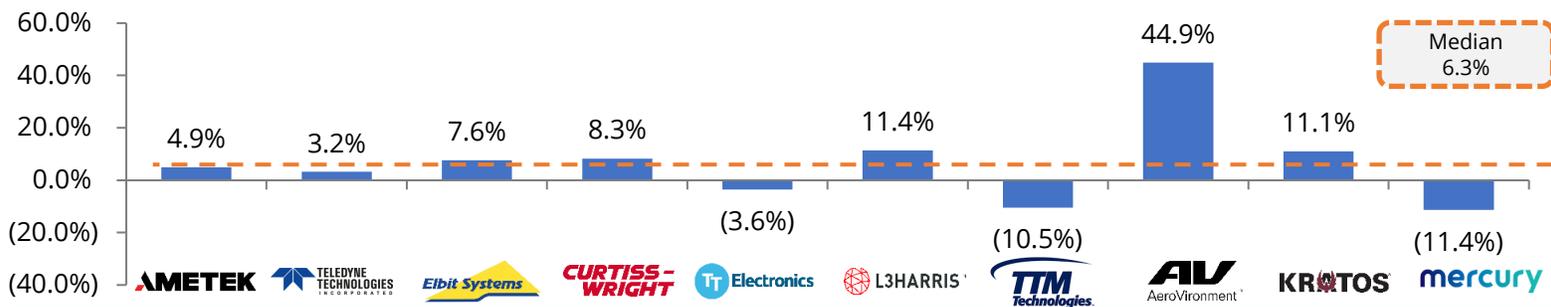
TEV/LTM EBITDA by Company



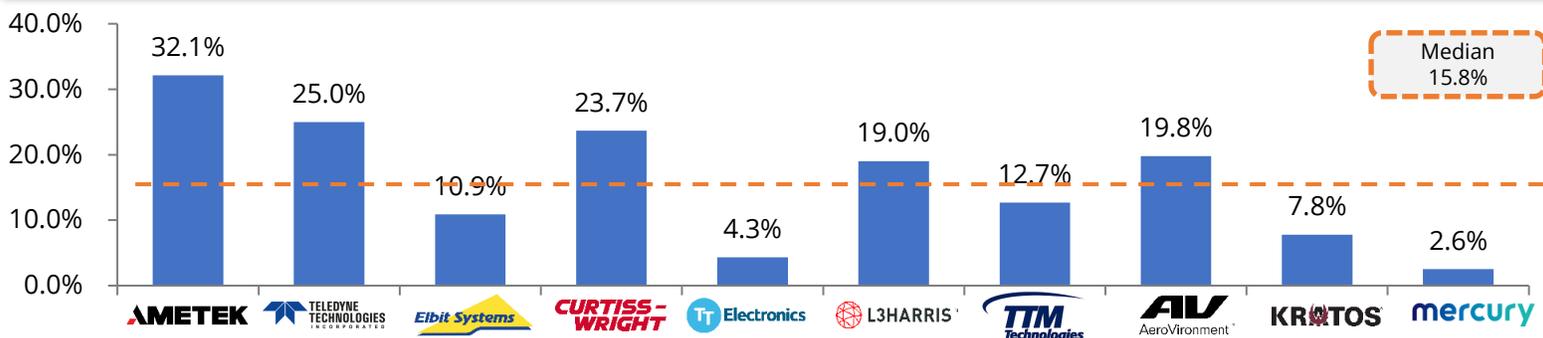
TEV/LTM Revenue by Company



LTM Revenue Y/Y Growth by Company



LTM EBITDA Margin by Company



Sources: CapIQ; Dacis, Investor Presentations, company websites and press releases

Notes: Market valuations and LTM financials from public data available as of 3/31/2024. Excludes TEV/EBITDA multiples >30.0x.



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Selected Janes Capital Partners Defense Electronics Experience

SAFRAN

has acquired

Syrlinks

ADVISOR TO SELLER

CPI Communications & Power Industries
a portfolio company of

ODYSSEY ADVISORY PARTNERS, LLC

has acquired

TMD

ADVISOR TO SELLER

SPECTRA

a platform formed by

VANCE STREET CAPITAL

has acquired

ARGON

ADVISOR TO SELLER

AMETEK

has acquired

INTELLIPOWER
High Reliability in Demanding Environments

ADVISOR TO SELLER
\$115 million

GENERAL DYNAMICS
Mission Systems

has acquired

Advatech Pacific
CROSS DOMAIN SOLUTIONS

ADVISOR TO SELLER

KRATOS
DEFENSE & SECURITY SOLUTIONS

has acquired

CEI

ADVISOR TO SELLER
\$170 million

NORTHROP GRUMMAN

has acquired

SCALED COMPOSITES

ADVISOR TO SELLER

BOEING

has acquired

FRONTIER SYSTEMS, INC.

ADVISOR TO SELLER

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Based in Irvine, CA, Janes Capital Partners is a leading investment banking firm focused solely on the Aerospace and Defense industry. The firm provides mergers and acquisition advisory services and assists clients in executing growth strategies and liquidity events. The members of Janes Capital Partners have completed more than 80 successful A&D transactions and \$5.5 billion in closed transaction value. Securities transactions are conducted through JCP Securities, Inc., a registered Broker/Dealer, member FINRA/SIPC, and registered Investment Advisor. Janes Capital Partners is an independent financial advisory firm that is affiliated with Oaklins International Inc. Oaklins is the world's most experienced mid-market M&A advisor, with 850 professionals globally and 15 dedicated industry teams in 45 countries.

