

A vertical photograph of a Space Shuttle Columbia during launch. The shuttle is white with black and grey markings, ascending straight up. At the bottom, a large, bright orange and yellow flame and smoke plume from the engines is visible. The background is a clear blue sky with some wispy clouds near the horizon.

April 2025

AEROSPACE

industry snapshot



M&A Overview

AEROSPACE



M&A
Volume



M&A
Valuations



Buyer
Sentiment

Most Active
Buyer Type

PRIVATE EQUITY

M&A activity in the aerospace and defense sector remains strong in 2025, building on steady momentum from 2024. As of April, 87 deals have been announced across the U.S. and Canada, reflecting continued interest from both strategic buyers and private equity. While deal volume has moderated from 2021 highs, public valuations remain healthy at a median of 9.7x EV/EBITDA, underscoring the sector's resilient fundamentals – long-cycle government contracts and consistent demand across commercial and defense markets.

The industry continues to navigate complex macroeconomic and geopolitical headwinds, particularly around tariffs and trade policy. Newly implemented duties on key aerospace materials – including semiconductors, electronic components, and steel – are driving up costs and straining supply chains, prompting firms like Boeing, Airbus, and SpaceX to reassess sourcing strategies and adjust pricing amid rising global demand.

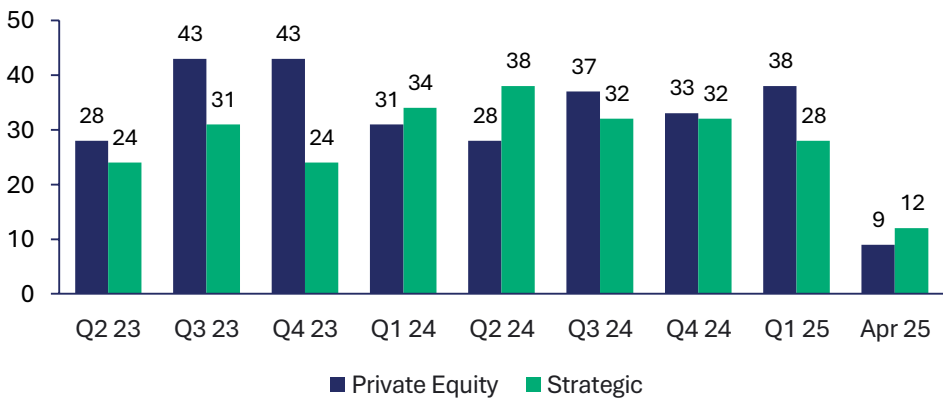
Looking ahead, despite near-term challenges, the aerospace industry is expected to see continued deal activity fueled by increased defense spending and the growing commercialization of space. As major contractors and emerging space companies pursue inorganic growth to scale operations and secure critical capabilities, M&A will remain a key lever for growth and strategic positioning throughout 2025.

Summary of M&A Data

Deals & Multiples¹

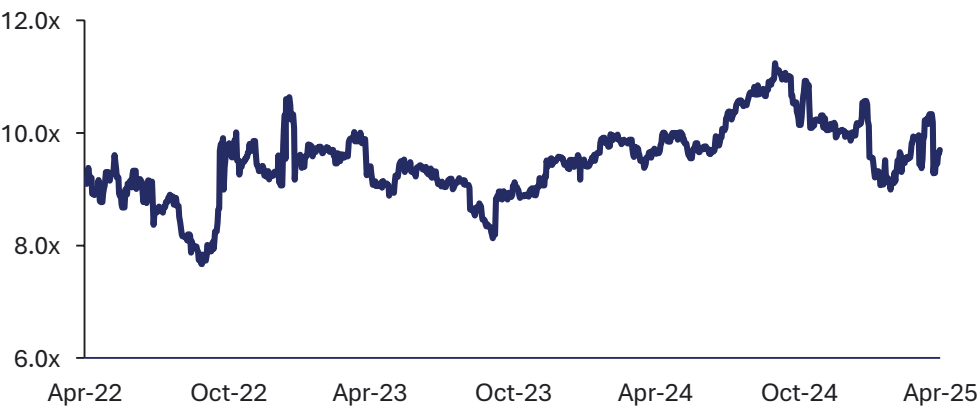


Aerospace Deal Count (US & Canada)



M&A activity is showing strength early in 2025 with Q1 deal count building on a robust 2024. ArkMalibu expects continued activity as firms seek to meet growing demand and increase technological capabilities.



Discounted Median NTM EV/EBITDA Public Multiples







Trading multiples for public aerospace companies have experienced volatility in 2025, driven by stock price swings in response to tariffs. Growth expectations remain intact, with analysts forecasting 8.7% median revenue growth in the next 12 months.

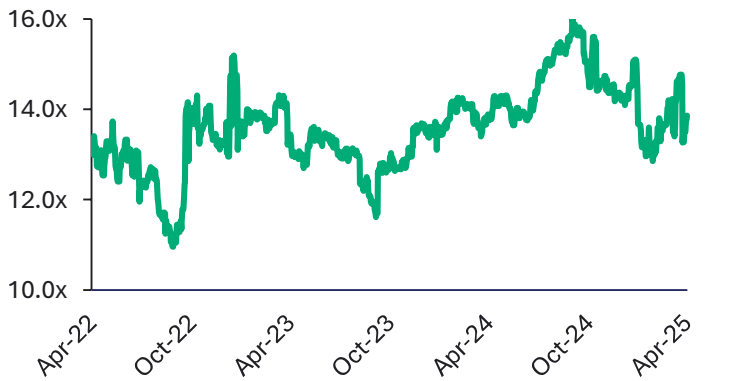
Public Comparables

The companies listed below derive revenue from aerospace, defense, and space technologies.

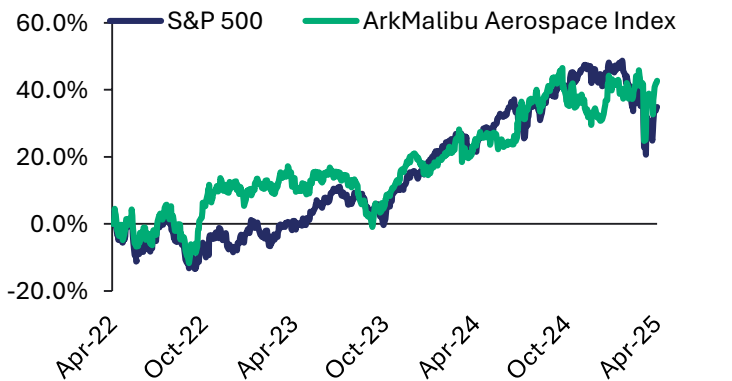
Public Companies	LTM EV/EBITDA	NTM EV/EBITDA
 NORTHROP GRUMMAN	12.6x	13.9x
 L3HARRIS	12.6x	13.2x
 GE Aerospace	21.4x	23.2x
 ROCKET LAB	NM	NM

Public Companies	LTM EV/EBITDA	NTM EV/EBITDA
 LOCKHEED MARTIN	14.5x	12.3x
 BOEING	NM	32.6x
 RTX	15.1x	15.5x
 MDA	18.6x	10.6x

Median NTM EV/EBITDA Public Multiples



Three-Year Indexed Stock Performance



Public Commentary

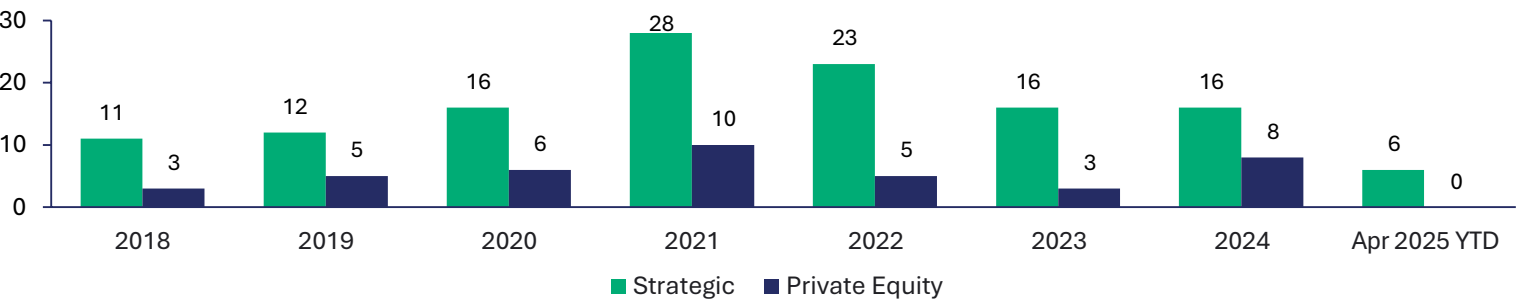


Kathy Warden
Chair, CEO, President
Northrop Grumman

“In the U.S., we continue to see signs that defense spending will increase, driven by a few ongoing developments. The first is finalization of a continuing resolution for the 2025 defense budget... Meanwhile, there is a potential for additional funding through the reconciliation process, which could add up to \$150 billion to the defense budget to be allocated over multiple years. Both the House and the Senate have passed initial legislation that lays the groundwork for this additional funding. We believe much of this will be used to support investments to maintain our nation's edge against evolving global threats.”







The Space Economy

Space Technology M&A Deal Count (North America & Europe)



After a resurgence in 2024, space technology M&A held steady to begin 2025 with 6 strategic deals announced across North America and Europe through April. Commercial space companies continue to pursue high-value assets aligned with national security, satellite communications, and emerging defense technologies. The deal landscape reflects growing confidence in the sector’s long-term trajectory, as commercial interest in space accelerates and governments expand investment in orbital infrastructure. While private equity activity has been muted early in the year, investors cite pent-up demand from 2024, held back by stalled government contracts and high interest rates, as a potential driver of renewed momentum in 2025.

Key Players

Company Leadership	Commentary	Highlights
<div><div>Kenneth Bedingfield, CFO Aerojet Rocketdyne</div><div></div></div>	<p>“We are maintaining our guidance for Space and Airborne Systems with revenue expected in the range of \$6.9 billion to \$7.1 billion, reflecting government fiscal year 2025 budget constraints in the space sector that we expect to abate by 2026.”</p> <p>- 2025 Q1 Earnings Call</p>	<div><div>-8.0% YoY</div><div>Decrease in Q1 2025 Revenue for Space and Airborne Systems Division</div></div>
<div><div>Michael Greenley CEO</div><div></div></div>	<p>“We were guiding towards \$1 billion of revenue last year. And we’re coming into ‘25 now with like a \$5 billion backlog... just execution of our signed contracts is going to cause continued growth in the business as we go through time with a large pipeline to keep hopefully filling, replacing, expanding that backlog.”</p> <p>- Citi’s 2025 Global Industrial Tech and Mobility Conference</p>	<div><div>+42.0% YoY</div><div>Increase in Q4 2024 Backlog</div></div>
<div><div>Stephen Altemus, Co-founder & CEO</div><div></div></div>	<p>“We have a continuing process of review for opportunistic M&A where we review what capabilities as a company we want to add on... We also want to think about markets and opening up a new customer and diversifying our revenue stream.”</p> <p>- 2024 Q4 Earnings Call</p>	<div><div>+78.7% YoY</div><div>Increase in Q4 2024 Revenue</div></div>

Select Transactions

April 2025 – Platform Creation; \$285M TEV

TINICUM

ACQUIRED



Private equity firm Tinicum has reached a definitive agreement to acquire the Aerospace Products division of Leggett & Platt through an LBO. Leggett & Platt is a diversified manufacturer that designs and produces engineered components for use in bedding, furniture, seating, homes, offices, airplanes, and automobiles. Its aerospace division specializes in mission-critical parts for both commercial and military aircraft, including engine components, structural assemblies, and high-tolerance metalwork. This divestiture is part of an ongoing strategic business review, aimed at determining which businesses are long-term fits for the company.

January 2025 – Platform Creation; \$3.5B TEV; 15.0x TEV/EBITDA

APOLLO

ACQUIRED



Apollo has acquired Barnes Group through a public-to-private LBO. Barnes Group is a global manufacturer and repair service provider for aerospace components and differentiated industrial technologies. The company has 6,500+ employees and specializes in the production and servicing of intricate fabricated and precision-machined components for commercial and military subsectors. Apollo's take-private acquisition seeks to accelerate Barnes' growth, enhance capabilities, broaden product offerings, and create new opportunities for innovation.

January 2025 – Terms Not Disclosed



GE Aerospace

ACQUIRED



GE Aerospace has reached a definitive agreement to acquire Northstar Aerospace. Northstar Aerospace is a leading independent manufacturer of components and assemblies for the global aerospace industry. The company's products include gears, transmissions, accessory gearbox assemblies, and rotorcraft drive systems for helicopters and fixed-wing aircraft. GE Aerospace stated the acquisition will complement its existing operations – particularly enhancing its Avio Aero business – by adding programs and capabilities to deliver complex, flight-critical parts and strengthen its position in aerospace and defense.

January 2025 – \$925M TEV; 12.8x TEV/EBITDA



ACQUIRED



Redwire has acquired Edge Autonomy. Edge Autonomy, formed in 2021 through the merger of UAV Factory and Jennings Aeronautics, specializes in uncrewed airborne system (UAS) technology, advanced optics, and resilient energy solutions. Its products, including the Stalker and Penguin series, are optimized for long-endurance reconnaissance missions and are utilized by the U.S. Department of Defense, Special Operations Forces, and allied governments. This acquisition is expected to transform Redwire, a leader in space infrastructure, into a global player in multi-domain autonomous technology.

About ArkMalibu

Sell-Side Only Matters

ArkMalibu is a boutique M&A advisory firm dedicated solely to guiding private business owners through the sale of their companies. We focus on achieving “maximum value,” a concept unique to each owner that goes beyond securing top-dollar. For most, the right deal blends price, culture fit, and respect for legacy.

Our “sell-side only” focus affords us uncommon flexibility to craft a highly-tailored and more comprehensive deal search, underscored by a core commitment to being a fully independent and unrelenting advocate for our clients’ interests.



David Clark, Director

- Experienced M&A deal lead in distribution, services, and manufacturing
- Over \$1B in closed transaction value across the industrials sector



John Horack, Senior Advisor

- Professor and Chair in Aerospace Policy at the Ohio State University
- Board Member of Keystone Space Collaborative
- Director of Science and Mission Systems Office at the NASA Marshall Space Flight Center

Selected Recent Transactions by ArkMalibu



Has Acquired



The Undersigned Represented the Seller






Has Acquired





The Undersigned Represented the Seller






Has Acquired



The Undersigned Represented the Seller






Has Acquired




The Undersigned Represented the Seller






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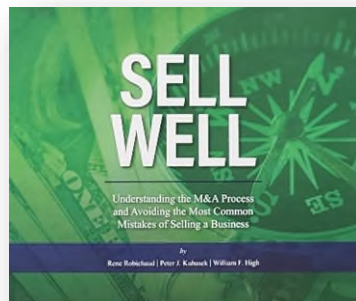
NOTES & SOURCES

1 – EBITDA multiples can provide a benchmark for what a private company can expect in terms of value on the M&A market by multiplying the company's EBITDA by the midpoint of the multiples seen here. Strong companies may outperform and exceed this value. Public multiples are discounted 30% to compare more accurately to private transactions based on a lack of liquidity when investing privately versus publicly.

2 – LTM = Last Twelve Months; NTM = Next Twelve Months; NM = Not Meaningful; TTM = Trailing Twelve Month; EV = Enterprise Value

Sources: SpaceNews, Public Press Releases, Pitchbook, and S&P CapIQ data as of market close on 4/30/2025

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COLUMBUS

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BOSTON