

SPACE MILITARIZATION EXPANDS FRONTIER FOR C4ISR M&A MARKET

C4ISR SECTOR UPDATE | FEBRUARY 2026



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C4ISR

Space Militarization Expands Frontier for C4ISR M&A Market

KEY SECTOR TAKEAWAYS

Capstone Partners' Aerospace, Defense, Government & Security (ADGS) Group is pleased to share its Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) report. International space militarization efforts—backed by the Golden Dome for America—intensified end market demand for C4ISR technologies, incentivizing sector consolidation in 2025. U.S. defense spending continued to expand in 2025 and is expected to deliver outweighed funding to next-generation, technology-enabled C4ISR solutions. Rising geopolitical tensions drove intense global spending on defense, providing direct financial support to the sector that will likely persist amid the normalization of heightened defensive posturing. Public companies have initiated deep structural changes to their businesses, shedding commercially-focused units and committing to expanding defense opportunities. Several key report takeaways are outlined below.

1. C4ISR sector mergers and acquisitions (M&A) rose 27.9% year-over-year (YOY) to 87 deals in 2025, extending 2024 gains.
2. Sector deal multiples displayed impressive stability despite a depressed U.S. M&A market, signaling a strong future for C4ISR dealmaking as macroeconomic pressures ease.
3. Public strategics drove the majority (42.5%) of C4ISR deal activity, pursuing intense inorganic growth initiatives to consolidate smaller solution developers and component manufacturers to align with space-based contracting opportunities.
4. Public companies in Capstone's C4ISR index outperformed the wider Equities market while boasting healthy valuations amid an influx in defense spending.

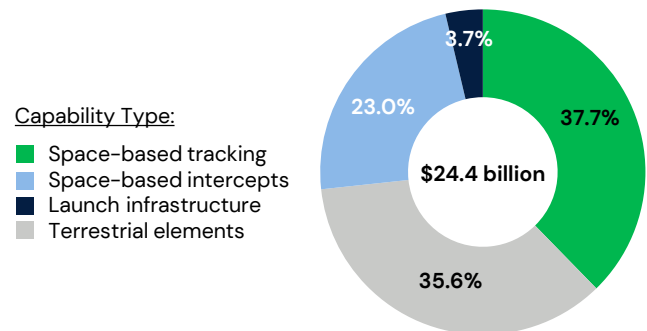
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INTERNATIONAL SPACE MILITARIZATION DRIVES C4ISR DEMAND

Space has rapidly emerged as the newest military frontier. The establishment of the U.S. Space Force (USSF) in December 2019 as the first independent, space-dedicated military branch since the short-lived Russian Space Forces of the early 1990's and 2000's has spurred significant international interest in the domain. Recent proposals and plans to expand U.S. air defense systems with satellite-based radar, sensors, and interceptors via the Golden Dome for America initiated a global arms race to rapidly develop and deploy spaceborne military assets. Across all pockets of the Defense market, the C4ISR sector is well-positioned to experience significant growth from both U.S.- and ally-sourced opportunities.

Reconciliation Bill Offers C4ISR Market Billions in 2026 Golden Dome Opportunities



Source: Center for Space Policy and Strategy and Capstone Partners

The importance of C4ISR technologies in the missile defense kill chain—find, fix, track, engage, and assess (F2T2EA)—has positioned the sector for strong end market demand. A total of \$9.2 billion (37.7%) of the budget approved thus far for the Golden Dome has been directed towards the procurement of space-based tracking systems composed of satellite-based intelligence, surveillance, and reconnaissance (ISR) systems, according to an August 2025 report from the Center for Space Policy and Strategy.¹ Further C4ISR demand will likely be fueled by ground-based radar arrays and command and control (C2) technologies guiding missile intercepts. Cost estimates for the Golden Dome have ranged from \$161 billion to \$542 billion, offering significant end market demand for the C4ISR sector, according to the Congressional Budget Office (CBO).²

Allied nations have followed in step., providing further opportunity for the U.S.-based C4ISR sector. The European Space Agency (ESA) strayed from its founding commitment against military involvement and announced the ~\$1.2 billion European Resilience from Space (ERS) program in November 2025, with plans to deploy a network of military reconnaissance satellites, according to a SpaceNews article.³ Despite European Union (EU) supply chain autonomy initiatives, the ESA has continued to rely upon collaboration with U.S. agencies and suppliers. Germany pushed further than its EU counterparts, identifying space as a critical component of regional security. In September 2025, Germany's Defense Minister Boris Pistorius announced plans to invest ~\$40.8 billion in space-related defense initiatives by 2030, according to a Defense News article.⁴ This expansion in spending is expected to bolster existing defensive systems and potentially introduce offensive capabilities in a first for the Bundeswehr's Space Command. These European developments offer significant opportunities for U.S.-based companies, despite EU regulations requiring (at minimum) 65% of components be sourced from the European Economic Area (EEA), Switzerland, or Ukraine in order to receive access to the ~\$175.9 billion Security Action for Europe (SAFE) funding vehicle, according to EU legislation.⁵ Burgeoning opportunities across the Atlantic are likely to incentivize cross-border M&A, as U.S.-based acquirers seek to establish manufacturing footholds in Europe. These efforts are expected to amplify ongoing localization efforts by General Dynamics (NYSE:GD), RTX (NYSE:RTX), and Lockheed Martin (NYSE:LMT). U.S.-domiciled companies with existing European relationships and manufacturing capabilities are likely to become premium assets due to this dynamic, driving valuations upwards.



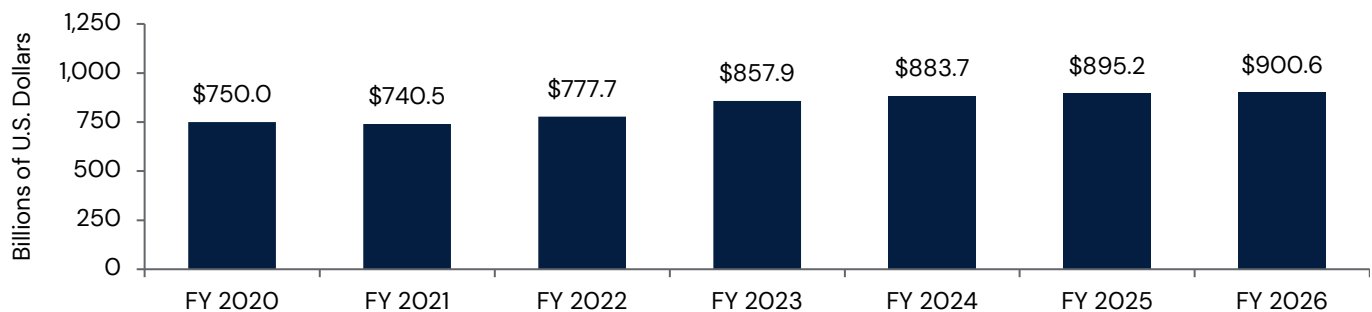
Tess Oxenstierna,
Head of ADGS
Investment Banking

"The Space domain continues to serve as a high growth area for both intelligence, surveillance and reconnaissance (ISR) missions and warfighting operations. Robust C4ISR M&A activity at nearly 30% YOY growth reflects a strategy to consolidate key technologies correlated to defense budget increases in the U.S. and within the NATO alliance."

GOVERNMENT INITIATIVES SPUR DEFENSE MARKET TRANSFORMATION

Recent initiatives across the federal government increased C4ISR end market opportunities, teeing up the sector for rapid consolidation. The ever-growing U.S. defense budget continued to reach new heights, with proposals for fiscal year (FY) 2026 approaching \$1 trillion. The White House has supported expanding this further for FY 2027 to \$1.5 trillion, according to an article from the BBC.⁶ The unprecedented 55.9% YOY jump would align current spending levels with the budget goals of key allies. The North Atlantic Treaty Organization (NATO) has pledged to invest 5% of gross domestic product (GDP) in defense by 2035, according to documentation from NATO.⁷ The Pentagon's current spending level, which has averaged ~3.4% of GDP over the past decade, has bordered all-time lows, according to analysis from the Stockholm Peace Research Institute.⁸ The C4ISR market will likely receive an outsized portion of this expanded budget amid the increasingly important role that complex space-based assets and technology-driven software solutions play in commanding the modern battlefield. Recent reform from the Pentagon is anticipated to build off these tangible increases in funding, easing access to previously-exclusive and hard-to-reach markets.

U.S. Defense Funding Levels Approach Unprecedented \$1 Trillion Mark



*FY = fiscal year; Data includes funding for Department of Energy and miscellaneous national security programs
Source: BBC, U.S. Department of War, and Capstone Partners*

The Department of War (DOW) moved to fundamentally shift the method through which the U.S. military approaches acquisitions. Complex requirements, intense risk aversion, and fragmented bureaucratic processes historically bogged down the traditional process through which the military produces, procures, and fields its weapons and technologies. Emerging from the November 2025 Acquisition Transformation Strategy (ATS), the Warfighting Acquisition System (WAS) has prioritized speed, agility, and iterative development. The initiative has favored multi-vendor, commercial off-the-shelf (COTS) processes versus often-delayed, sole-sourced development programs. Of note, 48.6% of 74 acquisition programs from the 21st century ran over schedule, according to the Government Accountability Office (GAO).⁹ Furthermore, the WAS has favored delivery of capabilities over adherence to requirements, presenting the agility of lean companies as a valuable attribute for contract selection. This new approach to acquisition has manifested significant contracting opportunities for smaller companies (both internal and external) to traditional Defense markets. Aversion to single-supplier contracts and vendor lock-in has also increased the subcontracting opportunities available for component developers, allowing suppliers of individual C4ISR technologies to capture greater share of contracts. For the WAS, the cutting-edge innovation that characterizes the C4ISR market, displayed by advancements in quantum camera surveillance and interstellar communication methods, has proven more valuable than scale. Furthermore, the reformed acquisition approach favors software-defined, modular products and services—core attributes of C4ISR technologies—via the Software Fast Track (SWFT) Initiative.

Large strategics will likely ramp up inorganic growth strategies to rapidly obtain the robust COTS solutions required to win contracts amid increased end market competition and aggressive customer demand. The DOW intends to deliver clear demand signals, deliberately emphasized to attract private capital to the domestic military industrial base. This clarity is projected to provide predictable revenue streams for C4ISR vendors, further incentivizing already eager venture capital funding within the Defense market. The crowding of acquirers and equity investors around the same pool of targets is expected to heighten competitive dynamics within the C4ISR M&A market, leading to higher valuations and a frothier dealmaking landscape.

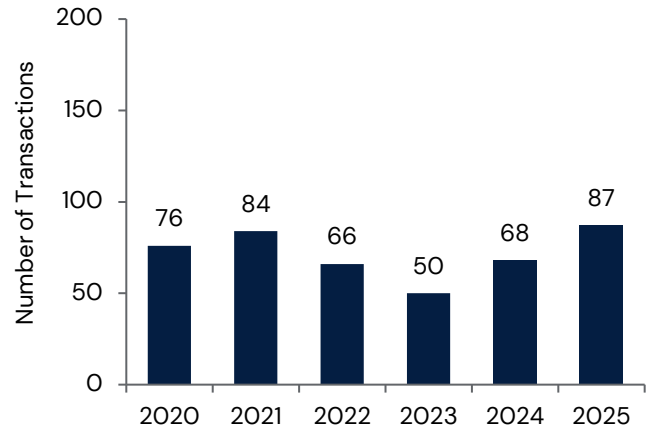
GLOBAL HOSTILITIES SUSTAIN C4ISR M&A MARKET GROWTH

C4ISR M&A volume in 2025 continued to build on 2024 growth, driven by the proliferation and continuation of large-scale global conflicts. Sector M&A activity expanded 27.9% YOY to 87 deals in 2025. Developers of C4ISR technologies benefitted from intense defensive posturing across the EU as member states looked to support Ukraine while preparing for a potential conflict spillover. The rapid adoption of unmanned systems (UxS) positioned C4ISR targets as key contract-winning assets. Space armament efforts expanded the military industrial base to include traditionally commercially-focused companies, offering a new cohort of M&A targets for consolidation within the C4ISR market.

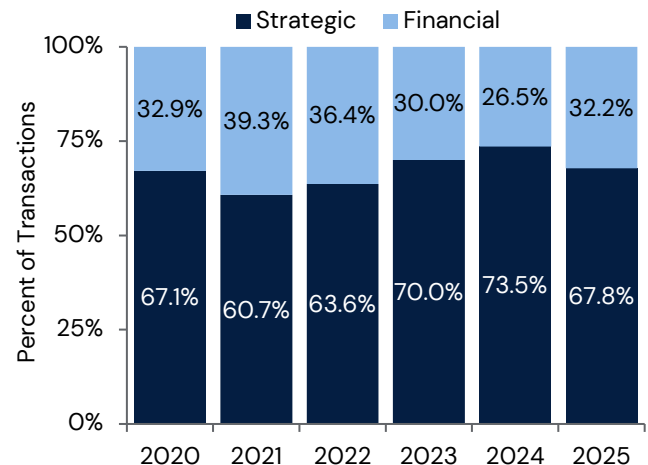
Strategic acquirers dominated the market in 2025. Public strategic M&A increased 27.6% YOY, supported by prime contractor activity. Public companies felt pressure from shareholders to align portfolios with DOW opportunities, incentivizing a boom in dealmaking. Private strategics displayed moderate YOY growth (+4.8%) in deal volume. Acquisition reform presented new opportunities for smaller, privately-owned companies outside of the typical DOW short list; however, competition with public strategics suppressed private-led buying. Private equity (PE) add-ons posted the most significant YOY gains, growing 76.9% to 22 deals in 2025 as platforms looked to roll up valuable manufacturing and intellectual property (IP) assets in pursuit of more attractive portfolios. Platform deals stayed steady YOY at five deals, with sponsors competing for a limited pool of well-established entities versus the standalone solution developers that received aggressive M&A attention as add-on opportunities.

Sector valuations displayed resilience despite a downturn in the broader M&A market. Multiples averaged 11.9x EV/EBITDA from 2023–2025, one turn below the average of 12.9x over the prior three-year period. Revenue multiples showed moderate growth over the same period, averaging 2.5x EV/Revenue versus 2.2x in the prior period. This pricing stability in weak market conditions has suggested a promising 2026 for C4ISR sector valuations. The continuation of bolt-on M&A—the preferred method of repositioning portfolios—is expected to drive deal multiples upward. More favorable lending conditions and expectations for a competitive M&A market in 2026 will likely support premium pricing.

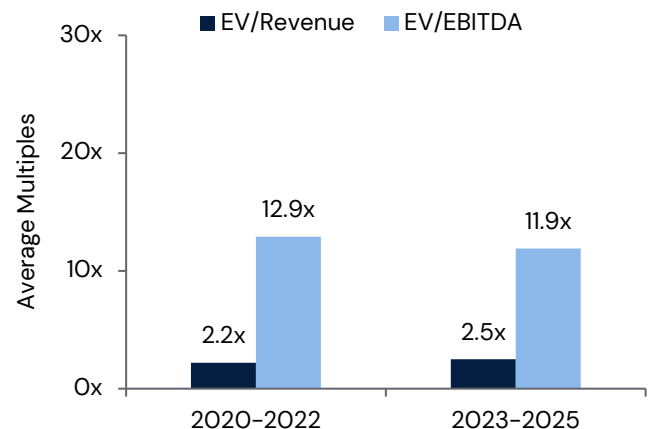
Defense Spending Continues Rebound in C4ISR M&A Volume



Strategic-Led Consolidation at the Forefront of C4ISR Dealmaking



Average C4ISR Sector Valuations Display Long-Term Resilience



Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

NOTABLE C4ISR M&A TRANSACTIONS



TransDigm Group (NYSE:TDG) announced its acquisition of component developer Stellant Systems from Arlington Capital Partners in December 2025 for an enterprise value of \$960 million, equivalent to ~3.2x EV/Revenue. Stellant manufactures critical systems and subsystems used for defense applications, including radiofrequency (RF) and microwave communications power modules and radar control components. Stellant's competitive positioning in Commercial and Military aftermarkets, combined with proprietary components, served as key deal rationale. TransDigm has aggressively pursued eight similar bolt-on transactions since 2023.



Surveillance provider CHAOS Industries acquired Ziva in November 2025 for an undisclosed amount. Ziva develops RF communications, anti-geolocation and anti-jamming solutions, optical technologies, and early-warning sensors and radars for defense and civilian use. Existing customers include multiple DOW branches and federal agencies. The acquisition of Ziva bolsters CHAOS' ambitions to become a leader in counter-drone solutions. Ziva brings key development assets and IP to CHAOS, including advanced solutions for wireless time synchronization for system-wide coordination.



Prime contractor Science Applications International Corporation (Nasdaq:SAIC) acquired SilverEdge Government Solutions from Godspeed Capital in October 2025 for an enterprise value of \$205 million, equivalent to 2.4x EV/Revenue. SilverEdge provides the DOW and intelligence community with general information technology (IT) services and intelligence analysis. The latter area served as a key driver of the deal, aligning with SAIC's Mission Integrator strategy to capture additional Defense market share with real-time battle management and mission support solutions.



In December 2025, CACI International (NYSE:CACI) announced its acquisition of ARKA Group for an enterprise value of \$2.6 billion. ARKA develops reconnaissance and communication systems for government, military, and commercial use cases. The deal demonstrates the newfound Space market ambitions among prime contractors, marking CACI's largest disclosed transaction value in the past decade.

"ARKA demonstrates a deliberate step in executing our market strategy for space," stated CACI CEO John Mengucci, according to a company conference call.¹⁰



Hughes Network Systems, a subsidiary of EchoStar (Nasdaq:SATS), acquired Anderson Connectivity in October 2025 (undisclosed). Anderson designs and manufactures airborne and spaceborne in-flight entertainment and connectivity (IFEC) and satellite communications (SATCOM) systems and components. As part of the deal, Hughes will take over Anderson's Federal Aviation Agency (FAA)-certified Florida-based aerospace manufacturing assets. Hughes plans to use the facility as a hub for research and development and rapid prototyping, aligning with the acquisition demands of the current DOW agenda.



Rocket Lab (Nasdaq:RKLB) entered a definitive agreement to acquire Germany-based Mynaric for an enterprise value of \$150 million (September 2025). Mynaric manufactures optical communications terminals for air, ground, and space. The company is an innovator in laser communications, bringing with it valuable IP as the USSF seeks alternatives to RF. The transaction also saw Rocket Lab's EU market entry, which the company has been targeting via ESA contracts. Mynaric incorporates valuable EU-manufactured products into Rocket Lab's portfolio.

SELECT C4ISR M&A TRANSACTIONS

| Date | Target | Acquirer | Target Business Description | Enterprise Value (mm) |
|----------|-------------------------------------|---|---|-----------------------|
| 12/31/25 | Stellant Systems | TransDigm Group (NYSE:TDG) | Manufactures systems and components for military communications, radar, electronic warfare, and satellite operations. | \$960.0 |
| 12/22/25 | ARKA Group | CACI International (NYSE:CACI) | Develops reconnaissance satellites, electro-optical solutions, and communication systems. | \$2,600.0 |
| 12/18/25 | Innovative Signal Analysis | HawkEye 360 | Provides signal intelligence and surveillance services. | - |
| 12/16/25 | Zone 5 Technologies | Kongsberg Gruppen (OB:KOG) | Develops unmanned aerial vehicles (UAV), counter-UAV solutions, and command and control systems for surface- and air-launched missiles. | - |
| 12/10/25 | Bedrock Research | Planet Labs (NYSE:PL) | Offers solutions for advanced remote sensing missions and collecting and analyzing intelligence. | - |
| 11/25/25 | Robo-Team NA | Ondas Networks | Manufactures unmanned systems and an AI-powered command and control platform for autonomous fleets. | \$80.0 |
| 11/19/25 | Spathe Systems | Quiet Professionals | Offers services across C4ISR, mission support, and intelligence. | - |
| 11/17/25 | GuideTech | Palladyne AI (Nasdaq:PDYN) | Designs flight software, navigation solutions, and control systems for unmanned vehicles, space, and missile platforms. | \$45.9 |
| 11/13/25 | Ziva Corporation | CHAOS Industries | Develops RF and optical technologies for military communications and anti-intelligence purposes. | - |
| 11/07/25 | Antenna Associates | Diamond Antenna and Microwave Corporation | Provides identification friend or foe (IFF) and secondary surveillance radar (SSR) antenna systems. | - |
| 11/05/25 | Scitec | Firefly Aerospace (Nasdaq:FLY) | Offers technology services including advanced sensor systems and signal processing to homeland security and defense agencies. | \$604.1 |
| 10/22/25 | Anderson Connectivity | Hughes Network Systems | Manufactures airborne and spaceborne connectivity systems. | - |
| 10/16/25 | Smiths Interconnect | Molex | Provides components, subsystems, microwave, optical, and RF products for threat detection, energy, and communications. | \$1,744.4 |
| 10/06/25 | SilverEdge Government Solutions | SAIC (Nasdaq:SAIC) | Offers cybersecurity products, IT services, and intelligence software and analysis. | \$205.0 |
| 10/02/25 | InField Scientific | Calian Group (TSX:CGY) | Specializes in the analysis and control of electromagnetic environments (EME), radar cross section (RCS), and radiation hazards. | - |
| 09/17/25 | Vector Atomic | IonQ (NYSE:IONQ) | Manufactures quantum sensors for positioning, navigation, communications, computing, and timing. | \$391.9 |
| 08/07/25 | KinetX Aerospace | Intuitive Machines (Nasdaq:LUNR) | Offers aerospace engineering services, including solutions for navigation, satellite operation, C2, and communications. | \$30.0 |
| 07/16/25 | Dorreean | Applied Information Sciences | Provides intelligence services to law enforcement and national security customers. | - |
| 07/08/25 | Woot Tech Aerospace | Wakeb | Designs unmanned systems for security and surveillance, loitering munitions, ISR systems, and control systems. | - |
| 07/07/25 | Cotsworks | Moog (NYSE:MOG.A) | Manufactures optical components and subsystems for military navigation, threat detection, and control. | \$63.0 |
| 06/30/25 | Chesapeake Technology International | Parsons (NYSE:PSN) | Develops software and offers services for command and control, electronic warfare, and cyber-spectral operations. | \$89.0 |
| 06/23/25 | Digital Global Systems | Casa Del Fuego Family Office & Trust | Manufactures software-based spectrum analysis and spectrum management solutions. | \$5,000.0 |

Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

DEFENSE CONTRACTORS REPOSITION FOR TENSE GEOPOLITICAL STAGE

Defense contractors complemented inorganic growth by refining business strategies in response to heightened geopolitical tensions and renewed international commitments to defense spending in 2025. Leading firms—including Honeywell (Nasdaq:HON), L3Harris (NYSE:LHX), and Rheinmetall (XTRA:RHM)—have initiated significant corporate restructuring maneuvers to align with increased defense-focused demand. Alongside a combined 11 transactions announced or completed in 2025—largely targeting specialized manufacturers and providers of essential defense systems and components—the following public players have spun-off, partially divested, or completely exited their commercial-focused business divisions.

Prime Contractors Modify Operations in Pursuit of Defense Market Share



Ticker: Nasdaq:HON
Headquarters: Charlotte, North Carolina
2024 Defense Revenue: \$34.5 Billion¹¹

Honeywell initiated a corporate restructuring in February 2025 with the intention of spinning off its Aerospace Technologies unit into a separate public entity. The action is intended to allow more agile development and delivery of defense technologies while separating the successful Aerospace business from Honeywell's less profitable ventures. Honeywell Aerospace will be led by domain experts and obtain greater control over capital allocation and strategy. Honeywell intends to pursue Golden Dome-related opportunities across command, control, and communications (C3). The restructuring is expected to be finalized in the first half of 2026, according to a press release.¹²



Ticker: NYSE:LHX
Headquarters: Melbourne, Florida
2024 Defense Revenue: \$17.0 Billion¹¹

L3Harris divested its Space Propulsion and Power Systems business unit, selling the entity to PE firm AE Industrial Partners in January 2026 for an enterprise value of \$845 million. As part of the agreement, L3Harris will hold onto its RS-25 rocket engine and retain a ~40% ownership stake in its former entity, which AE Industrial plans to rename Rocketdyne, according to a press release.¹³

"L3Harris is strongly committed to the [DOW's] vision for a faster, more agile defense industrial base," stated L3Harris Chairman and CEO Christopher Kubasik, according to the press release.



Ticker: XTRA:RHM
Headquarters: Düsseldorf, Germany
2024 Defense Revenue: \$8.2 Billion¹¹

Rheinmetall announced its intent to fully exit the Civil market in December 2025 with the immediate discontinuation and sale of its Power Systems division. The company will continue as a pure-play defense contractor, aligning operations with EU rearmament priorities. This development follows the May 2025 establishment of a joint venture with ICEYE, in which Rheinmetall converted existing automotive production facilities into defense manufacturing assets. The partnership, focused on the burgeoning EU Military Space market, was awarded its first contract—valued at ~\$2 billion—in December 2025 to provide satellite-based reconnaissance to the German Army, according to a press release.¹⁴

Source: Capital IQ, and Capstone Partners

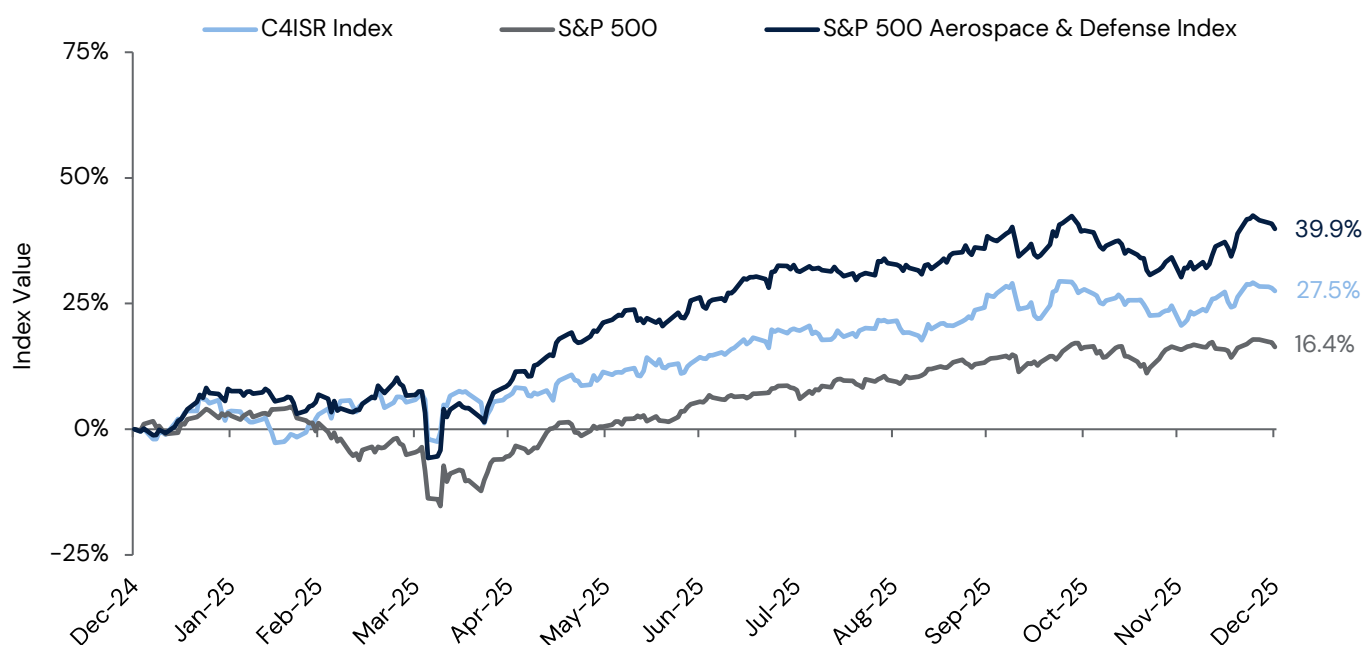


HEALTHY VALUATIONS, STRONG MARGINS FUEL PUBLIC C4ISR MARKET

| Company | Price | % 52 Wk | Market Cap | Enterprise Value | LTM | | | EV / LTM | |
|--|------------|---------|-------------|------------------|------------|------------|----------------------|--------------|-------------|
| | 12/31/25 | High | | | Revenue | EBITDA | Margin | Revenue | EBITDA |
| Booz Allen Hamilton Holding Corporation | \$82.44 | 55.0% | \$10,000.1 | \$13,345.1 | \$11,706.0 | \$1,378.5 | 11.8% | 1.1x | 9.7x |
| CACI International Inc. | \$612.25 | 96.8% | \$13,518.3 | \$16,588.1 | \$8,858.6 | \$1,115.4 | 12.6% | 1.9x | 14.9x |
| General Dynamics Corporation | \$336.66 | 93.4% | \$90,802.6 | \$98,158.6 | \$51,509.0 | \$6,654.8 | 12.9% | 1.9x | 14.8x |
| Hexcel Corporation | \$73.90 | 93.3% | \$5,882.9 | \$6,549.4 | \$1,876.4 | \$336.7 | 17.9% | 3.5x | 19.5x |
| Jacobs Solutions Inc. | \$132.46 | 78.6% | \$15,642.0 | \$18,142.2 | \$12,029.8 | \$1,265.0 | 10.5% | 1.5x | 14.3x |
| Leidos Holdings, Inc. | \$180.40 | 87.7% | \$23,065.1 | \$27,365.1 | \$17,332.0 | \$2,335.0 | 13.5% | 1.6x | 11.7x |
| L3Harris Technologies, Inc. | \$293.57 | 95.3% | \$54,913.1 | \$66,416.1 | \$21,740.0 | \$4,077.0 | 18.8% | 3.1x | 16.3x |
| Lockheed Martin Corporation | \$483.67 | 93.7% | \$111,920.2 | \$130,639.2 | \$73,349.0 | \$7,257.0 | 9.9% | 1.8x | 18.0x |
| Northrop Grumman Corporation | \$570.21 | 89.0% | \$81,380.4 | \$96,398.4 | \$40,928.0 | \$6,577.0 | 16.1% | 2.4x | 14.7x |
| RTX Corporation | \$183.40 | 97.6% | \$245,897.6 | \$282,519.6 | \$85,988.0 | \$14,462.0 | 16.8% | 3.3x | 19.5x |
| Science Applications International Corporation | \$100.66 | 81.1% | \$4,542.5 | \$7,104.5 | \$7,350.0 | \$655.0 | 8.9% | 1.0x | 10.8x |
| TransDigm Group Incorporated | \$1,329.85 | 81.9% | \$74,895.3 | \$102,175.3 | \$8,831.0 | \$4,566.0 | 51.7% | NM | 22.4x |
| Viasat, Inc. | \$34.46 | 79.1% | \$4,661.2 | \$10,558.7 | \$4,582.8 | \$1,415.4 | 30.9% | 2.3x | 7.5x |
| | | | | | | | Mean | 17.9% | 2.1x |
| | | | | | | | Median | 13.5% | 1.8x |
| | | | | | | | Harmonic Mean | 14.3% | 1.8x |

EV = enterprise value; LTM = last twelve-month
\$ in millions, except per share data

Capstone's C4ISR Index Outperforms Wider Equities Market, Trails Overall A&D Industry



C4ISR Index includes: BAH, CACI, GD, HXL, J, LDO, LHX, LMT, NOC, RTX, SAIC, TDG, VSAT
Source: Capital IQ and Capstone Partners as of December 31, 2025

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Tess is a Managing Director and Head of Capstone's ADGS Group with over 35 years of experience across the ADGS industry, government policy arena, and financial services sector. Tess holds deep domain knowledge and has closed transactions in high-growth markets of C4ISR and ALSS Systems. Prior to joining Capstone, Tess founded the Aerospace and Defense practice at a middle market boutique investment bank, focusing on private and public corporate clients with diverse products such as command and control (C2) software for aerial drones, satellite-based force tracking systems, and electronic warfare devices used in Afghanistan and Iraq. She has also served as Global Head of Equities Strategy at Lehman Brothers—responsible for strategy development leveraging competitive intelligence, market analysis, and acquisitions across Americas, Europe, and Asia—and Director of Corporate Development and Strategy at Raytheon. Prior to joining the industry, she served in the Reagan White House, U.S. Department of State, and NATO Headquarters. Tess has spoken at the Satellite Show, MILSAT Symposium, ACG NY, Thompson Reuters' A&D Summit, Int'l AUVSI Conferences, New York Capital Roundtable, and appeared on ABC's Government Matters. She serves on the Board of the National Medal of Honor Leadership & Education Center, the U.S. Navy League – Connecticut Council, and is a Commander, U.S. Navy Reserve (ret.). She was awarded the Investment Banker of the Year, 2024, M&A Atlas Awards.

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FIRM AWARDS & ACCOLADES



FIRM TRACK RECORD

Capstone has a proven track record of providing advisory services to highly innovative and disruptive technology companies across the ADGS industry, including businesses within the C4ISR sector. Several of these transactions are highlighted below.



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The Capstone deal team, led by Tess Oxenstierna, drove the M&A process with finessed negotiation skill and a determined focus to find the right strategic partner. Capstone's knowledge of the Military Space sector coupled with government contracting expertise delivered an outstanding result. //

Mark Stafford
President & CEO, Delta Solutions & Strategies

CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2025 Middle Market Business Owners Survey indicated growth strategies are a priority for 2026, the lion's share (44.0%) of owners anticipate a need for growth strategy support services. Similarly, nearly one-third of CEOs require equity capital advisory services to support operational initiatives and business expansion. Notably, 27.7% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space. In addition, 23.7% of business owners have sought sell-side advisory support as they plan for retirement or position themselves for a liquidity event.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2026



44.0%

Instituting a growth strategy



30.6%

Accounting & audit support



29.9%

Raising equity capital



27.7%

Accessing relevant industry research



27.3%

Raising debt capital



23.7%

Sell-side advisory

*Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 300*

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Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~300+ professionals in the U.S. with 550+ professionals across 51 countries.

