SUPPLY-DEMAND IMBALANCE FUELS SECTOR-WIDE COMMERCIAL AEROSPACE M&A

COMMERCIAL AEROSPACE SECTOR UPDATE | AUGUST 2026

CAPSTONE PARTNERS

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Commercial Aerospace

Supply-Demand Imbalance Fuels Sector-Wide Commercial Aerospace M&A

KEY SECTOR TAKEAWAYS

Capstone Partners' Aerospace, Defense, Government & Security (ADGS) Group is pleased to share its inaugural Commercial Aerospace report. The continuation of a supply-demand imbalance within aircraft production has led to increased reliance upon new components, aftermarket parts, and maintenance services to keep fleets flying while heightening demand for aircraft leasing services to supplement the lack of new aircraft deliveries. Airlines have extended the useful lives of existing aircraft in lieu of new replacements, supporting robust growth for maintenance, repair, and overhaul (MRO) and ground support services. In tandem, extended aircraft lifecycles have required newly manufactured components alongside aftermarket parts. Lessors have continued to capture majority control over the global aircraft fleet, with lease renewal rates experiencing healthy growth as operators struggle to fill gaps in their routes. Recent spikes in jet fuel prices have contributed to the collapse of Spirit Airlines (OTCPK:FLYY.Q), highlighting the struggles of regional and low-fare carriers and subsequent consolidation. Several key report takeaways are outlined below.

1. Commercial Aerospace mergers and acquisitions (M&A) have increased 15.3% year-over-year (YOY) in year-to-date (YTD) 2026, continuing a three-year trend of consecutive growth in deal count.
2. Sector-wide transaction multiples have experienced a moderate increase, heavily influenced by both deal size and target segmentation.
3. Aircraft production from Airbus (ENXTPA:AIR) and Boeing (NYSE:BA) has failed to recover to pre-pandemic levels, depressed by lingering supply chain issues and the Federal Aviation Administration's (FAA) restrictions on 737 MAX production.
4. However, both Airbus and Boeing continue to credibly scale as airline demand remains robust with over a decade of backlog at current rates for Boeing and Airbus combined.
5. A combination of thin margins, high oil and labor prices, shifting consumer preferences, and well-established competition has pushed many ultra-low cost carriers (ULCCs) to restructure operations, pursue a sale, or reach insolvency.

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AIRCRAFT PRODUCTION RECOVERY CONTINUES, PRESSURES REMAIN

Disruption within aircraft production has supported strong end market demand across the Commercial Aerospace sector, incentivizing continued consolidation. Production levels have faced compounding challenges in recent years. Pandemic-related supply chain issues on extended procurement and production cycles placed significant, staggered pressure on aircraft output. Boeing labor strikes, 737 MAX groundings, and subsequent production limits on Boeing aircraft output have constrained a full recovery in output. Last year saw an important rebound in Boeing's Commercial Airplanes Programs production numbers (+72.4% YOY to 600 aircraft deliveries), yet output has remained below pre-pandemic levels, according to the company's Q4 2024 and 2025 deliveries reports.[1,2]

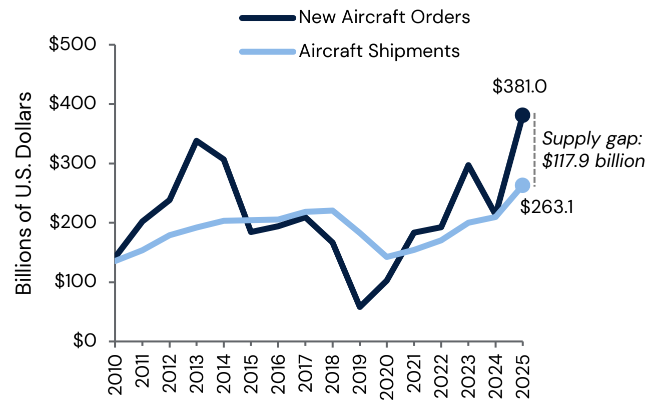
The wider supply-demand imbalance has continued to plague the Aerospace market, with 2025 aircraft shipments reaching $263.1 billion while new aircraft orders peaked to $381 billion ($117.9 billion gap), according to the U.S. Census Bureau.[3] The two leading original equipment manufacturers (OEMs) have struggled to match output levels with demand. Airbus' commercial backlog as of December 2025 stood at 8,748 aircraft, eclipsing Boeing's order intake of 6,713 by 2,035 units, according to Forecast International.[4] Global backlog across OEMs has reached ~17,000 aircraft—equal to an estimated 12 years of production, according to the International Air Transport Association (IATA).[5] Both leading OEMs have continued to operate below historic levels. Airbus has nearly returned to its pre-pandemic production output, delivering 793 aircraft in 2025—seven below 2018 levels, according to company filings.[6] Boeing has remained significantly below the 806 it delivered in 2018 producing just 600 planes in 2025, according to company filings.[7]

Boeing's production cap easing has presented some relief to the space. The FAA increased Boeing's monthly allowance to 47 aircraft per month in May 2026, up from 42 in October 2025, according to reporting from Reuters.[8] The company received FAA certification for its 737-7 variant in August 2026, providing additional runway for production recovery. The near-term continuation of supply-demand will likely sustain M&A interest across sector segments, while providing long-term opportunities for component manufacturers as production returns to normalcy.

Brad Drake,
Managing Director

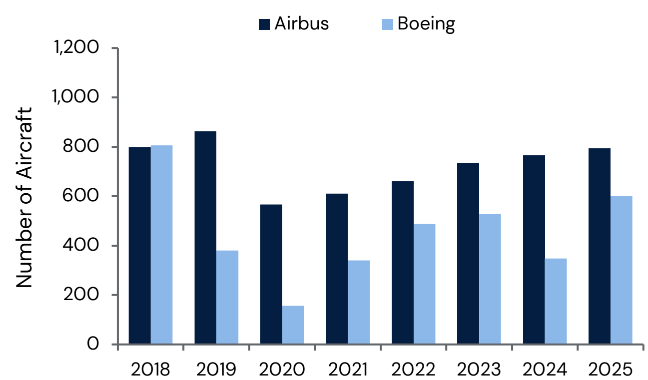
"While the supply chain remains the leading constraint to meeting production demand, suppliers with proprietary capabilities, manufacturing capacity, and a proven track record in ramping up volumes will command a premium in the M&A market."

Civil Aerospace Supply-Demand Imbalance Continues



Note: Data includes shipments and new order of Aircraft & Parts, Communications Equipment, and Search & Navigation Equipment
Source: U.S. Census Bureau and Capstone Partners

Commercial Aircraft Output Remains Below Historical Levels

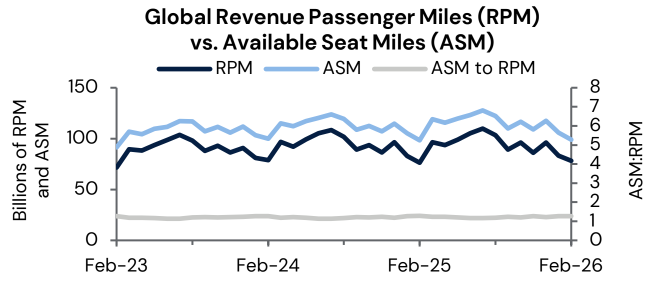


Source: Airbus, Boeing, and Capstone Partners

SEGMENT-SPECIFIC DYNAMICS HIGHLIGHT LIKELY M&A MOVEMENTS

Decline in Travel Demand Exposes Airlines to Near-Term Pressures

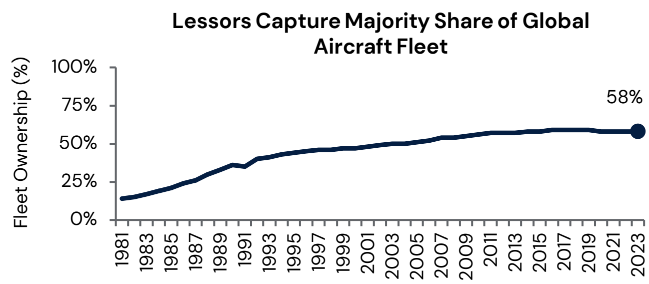
The consequences of the Iran war have softened what has been a strong market for airlines. Route disruptions over the Middle East—combined with soaring oil prices eroding thin margins—have injected renewed volatility into the space. The profitable summer travel period has already been slashed by ~9.3 million seats, according to an article from Forbes.[10] This follows a cut of ~2 million seats in May 2026, equivalent to ~13,000 flights.



Source: U.S. Bureau of Transportation and Capstone Partners

Increasing Renewal Rates Present Attractive Leasing Segment

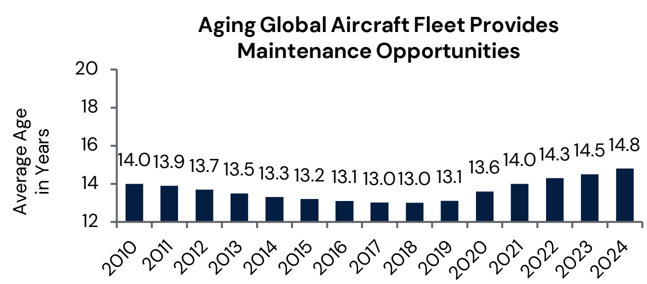
Lessors have expanded their ownership to control 58% of commercial aircraft worldwide at the end of 2023, representing ~40% of North American aircraft and ~70% across the Asia-Pacific, Europe, and Latin America regions, according to a report by IATA.[11] Airlines have embraced leasing as a flexible option to adopt new airframes and increase fleet size while allowing for greater financial flexibility and more agile management of seasonal demand fluctuations.



Source: IATA and Capstone Partners

Aging Global Fleet Supports Robust Maintenance Demand

Airlines have favored extending the useful life of their fleets—evidenced by the continuing decline in global renewal and retirement rates. This dynamic has reinforced the mission-critical role of service providers (e.g., MRO, inspection, engine overhaul). In turn, strategic acquirers have used M&A to expand their geographic reach and better service global fleets, while steady cash flows within the segment have attracted financial buyers.



Source: IATA and Capstone Partners

Market Fragmentation Offers Ripe Manufacturing Consolidation Opportunities

Fragmentation levels have diverged within the Manufacturing segment. Airbus and Boeing have dominated the OEM space, but fragmentation has remained intense at the component level. The long tail of the supply chain consists of numerous manufacturers. Modern aircraft contain hundreds of suppliers for major components. This subsegment of the Manufacturing space has been ripe for consolidation, presenting attractive opportunities for acquirers to capture operational synergies.

Leading Airframes Supplied by Fragmented Sources

OEM	Model	Number of Suppliers
Airbus	A320	644
Boeing	777 series	483
Bombardier	Global series	150

Source: Airframer and Capstone Partners

CONSOLIDATION OF REGIONAL AND BUDGET AIRLINES CONTINUES

A combination of thin margins, high oil and labor prices, shifting consumer preferences, and well-established competition has pushed many ULCCs to adapt operations, pursue a sale, or reach insolvency. The May 2026 collapse of Spirit Airlines was the culmination of multiyear impacts to the Commercial Aerospace sector–one example of several recent cases. Also in May, Mexican low-fare carrier (LCC) Magnicharters filed for bankruptcy. Prior to that, Lufthansa (XTRA:LHA) shuttered its regional feeder carrier CityLine in favor of adopting a lower operating cost model (April) and All Nippon Airways (TSE:9202) ceased operations of its low-cost AirJapan brand due to market conditions (March). Looking further back to 2025, budget airliners Nordica, JetStar Asia, Bees Airlines, and Eastern Airways faced liquidation after failing to repay debts—while Play Airlines, Braathens Airlines, Kachina Air, and Verijet filed for bankruptcy, and Silver Airways and Wizz Air (LSE:WIZZ) ceased operations. These developments have highlighted the challenges of operating in this niche of the sector. Deeper investigation into each case exposes the avenues available to navigate these risks.

Low-Fare and Small-Scale Air Carriers Struggle to Maintain Operational Independence

spirit

Carrier Type: International ULCC
Home Base: Fort Lauderdale-Hollywood International Airport (FLL)
Fleet Size: ~125[12]
Number of Routes: ~353[12]
Corporate Action: Shuttered Operations

- **Spirit Airlines** shuttered operations in May 2026 after failed talks to save the company, including a $500 million government bailout and M&A interest from Jet Blue (Nasdaq:JBLU) and Frontier Airlines (Nasdaq:ULCC), according to a May 2026 article from The Wall Street Journal.[13]
- The company had attempted to avoid a second Chapter 11 bankruptcy by shrinking its fleet size, releasing 73 aircraft in 2025, according to a February 2026 article from Aerospace Global News.[14]

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sun country airlines

Carrier Type: International ULCC and Cargo
Home Base: Minneapolis-Saint Paul International Airport (MSP)
Fleet Size: 64[15]
Number of Routes: 120[15]
Corporate Action: Acquired

- **Sun Country Airlines** (Nasdaq:SNCY) was acquired by Allegiant Travel Company (Nasdaq:ALGT) in January 2026 ($1.4 billion, 1.2x EV/Revenue, 4.5x EV/EBITDA) to diversify and derisk revenues, combining operations into a fleet of 195 aircraft (including outstanding orders of 30 committed units and 80 options) covering 650 routes and serving 175 cities, according to a press release.[16]
- The company had faced difficulty in scaling its Passenger business, seeking to diversify away from its Amazon Prime Air (Nasdaq:AMZN)-concentrated cargo operations.

TAILWIND
FLY THE FAST LANE

Carrier Type: Regional Charter Operator
Home Base: Westchester County Airport (HPN)
Fleet Size: 16[17]
Number of Routes: ~10[17]
Corporate Action: Chapter 11 Bankruptcy

- **Tailwind Air** filed for Chapter 11 bankruptcy protection in January 2026 after losing its FAA Air Operator's Certificate (AOC) in January 2025 and grounding its fleet of business jets and seaplanes, citing liabilities in the range of $5-10 million, according to a January 2026 article from AeroTime.[17] Attempts to secure private investment had failed.
- The company had attempted to transition from a by-the-seat business model to an exclusively charter service approach to achieve profitability, failed to achieve consistent occupancy rates above 50%, according to an April 2025 article from Simple Flying.[18]

MACROECONOMIC & SUPPLY CHAIN TRENDS SUPPORT M&A GROWTH

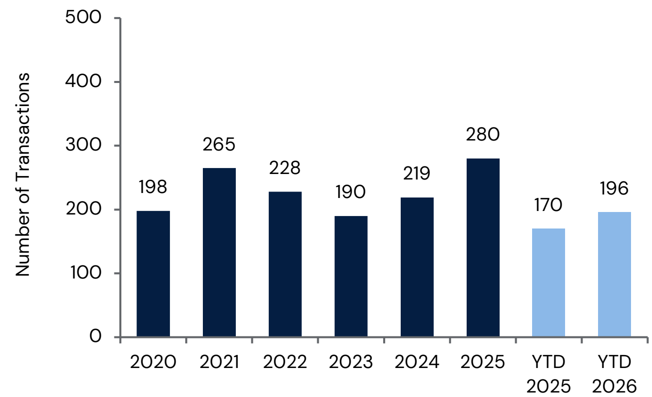
The Commercial Aerospace sector saw strong transaction expansion in 2025, uplifted by heightened end market demand across segments. Total deal volume reached 280 transactions in 2025—a 27.9% YOY increase. This growth has persisted into 2026 as both industry trends (increased lease renewal rates) and macroeconomic dynamics (heightened travel demand) have continued to support strong growth across the space. Sector dealmaking has reached 196 deals (+15.3% YOY) in YTD 2026.

Elevated travel demand—though tempered following the onset of the Iran war—and constrained aircraft supply have increased both average flight hours and fleet age. As a result, Maintenance segment M&A has grown 8.6% YOY to 38 deals in YTD 2026. Clear demand signals have shifted buyer attention to the MRO and Aftermarket Distribution subsegments. The fragmented Manufacturing segment has continued to account for the majority (62.2%) of total sector transactions to date, driven by robust consolidation prospects.

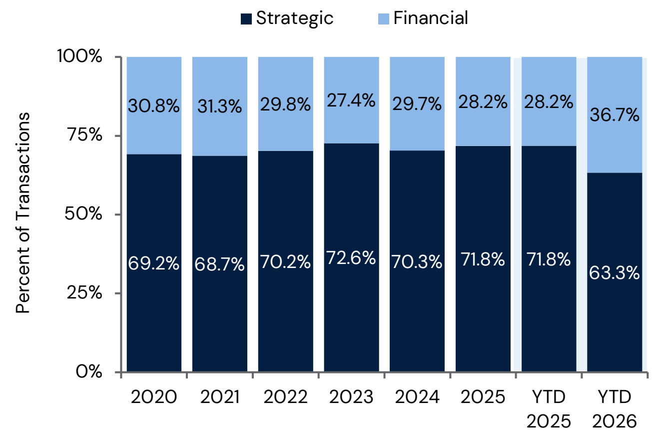
Private equity (PE) M&A activity has grown in both full-year 2025 (+21.5% YOY) and YTD 2026 (+50% YOY). Platform establishment has expanded within the sector to date (+94.1% YOY) while strong add-on activity has continued (+25.8%), setting the stage for future bidding competition. Sponsors have largely targeted the Manufacturing (56.9% of PE volume) and Maintenance (27.8%) segments to date. While strategics have displayed a similar dynamic, they have accounted for the majority (69.4%) of both Flight and Leasing segment M&A. This cohort has remained dominant to date, demanding 63.3% of total sector deal volume.

Sector-wide valuations have remained robust, with M&A multiples averaging 2.7x EV/Revenue and 10.5x EV/EBITDA from 2024–YTD 2026. The space has continued to experience stratification among both enterprise value sizes and target segmentations. Valuation multiples have stepped up with deal size; the lower middle market ($10-$100 million) has averaged 8.0x EV/EBITDA since 2018, while the upper middle market ($251-$500 million) has averaged a premium 13.2x EV/EBITDA multiple. The Flight segment has received the lowest EBITDA multiples over the same period (6.9x), while the Leasing segment has led the sector at 10.9x EV/EBITDA.

Commercial Aerospace Deal Volume Continues Three-Year Expansion

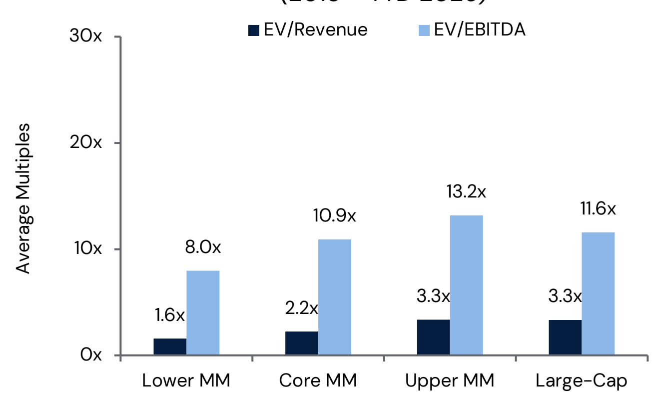


Sponsors Increase Presence through Add-Ons and Platform Establishment



Sector Multiples Step Up Alongside Deal Size

(2018 – YTD 2026)



MM = middle market
Lower: $10 - $100mm enterprise value; Core: $101 - $250mm; Upper: $251 - $500mm; Large-Cap: > $500mm
Year to date (YTD) ended August 3
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

NOTABLE COMMERCIAL AEROSPACE M&A TRANSACTIONS

Strategic

Howmet Aerospace (NYSE:HWM) acquired Consolidated Aerospace Manufacturing (CAM) in April 2026 from Stanley Black & Decker (NYSE:SWK) for an enterprise value of $1.8 billion, equivalent to 4.4x EV/Revenue and ~13x EV/EBITDA. The value of CAM's brand portfolio served as key deal rationale, in addition to CAM's integration within Airbus and Boeing production lines. CAM joins fellow specialized fastener producer Brunner Manufacturing, acquired by HWM in February 2026 for $120 million.

VSE Corporation (Nasdaq:VSEC) acquired MRO service provider Precision Aviation Group (PAG) in January 2026 ($2.2 billion, 3.5x EV/Revenue). The transaction is expected to increase VSE's revenue by ~50% and scale VSE's footprint via 29 global locations, according to a deal press release.[19]

"PAG adds a differentiated parts and services model…a scaled MRO footprint, deep technical expertise, and strong customer and supplier relationships," stated VSE CEO John Cuomo, in the press release.

TransDigm Group (NYSE:TDG) acquired the combined operations of Victor Sierra Aviation (VSA) and Jet Parts Engineering (JPE) in January 2026 for an enterprise value of $2.2 billion (7.9x EV/Revenue). TransDigm purchased the companies from PE firm Vance Street Capital, who invested in VSA in August 2024 and JPE in July 2018 (both undisclosed). Combined with the July 2026 acquisition of Prince & Izant ($1.1 billion), this latest transaction displays TDG's investments across the value chain, spanning aftermarket parts, repair services to component manufacturing.

Financial

Greenbriar Equity Group-backed West Star Aviation acquired DCJet Services (March 2026, undisclosed). The transaction expands West Star's MRO and aircraft-on-ground (AOG) services. DCJet boosts West Star's personnel count to 250 technicians (+25%) while adding presence in Virginia, Illinois, Florida, Washington, and Puerto Rico, according to Aviation International News.[20] Greenbriar acquired West Star from The Sterling Group in May 2025 (undisclosed), with plans to geographically expand the platform.

In January 2026, ATL Partners acquired refueling vehicle manufacturer Rampmaster (undisclosed). The transaction was announced alongside the acquisition of SkyMark (undisclosed) to establish a robust ground support equipment (GSE) platform for commercial and general aviation customers.

"ATL identified the ground support equipment market as a compelling growth opportunity approximately two years ago," stated Caleb Clark, Senior Partner at ATL Partners, according to a deal press release.[21]

Arcline Investment Management announced its intent to acquire Novaria Holdings from KKR (NYSE:KKR) for an enterprise value of ~$2.2 billion (November 2025). Novaria is a leading provider of specialty aerospace components, with its parts found in most modern Airbus and Boeing aircraft models. Novaria's strong supply chain management and niche manufacturing operations were cited as key deal rationale. KKR purchased the company in November 2019 (undisclosed) and scaled the platform with 13 add-on transactions, according to a blog from KKR.[22]

SELECT M&A TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM Revenue	EV / LTM EBITDA
07/27/26	Prince & Izant	TransDigm Group (NYSE:TDG)	Manufactures brazing filler metals and precious materials.	$1,066.0	–	–
07/23/26	Graco Supply	Tinicum	Distributes specialty chemicals.	–	–	–
07/22/26	Astrodyne TDI	TE Connectivity (NYSE:TEL)	Develops power electronics for Aerospace and adjacent markets.	$1,400.0	5.6x	–
07/10/26	Heartland Precision Fasteners	SFS Group (SWX:SFSN)	Produces and supplies structural fasteners	–	–	–
06/29/26	Premier Forge Group	H.I.G. Capital	Manufactures precision forged components.	–	–	–
05/21/26	Commercial & Defense Aerospace Business of CIRCOR	Parker-Hannifin (NYSE:PH)	Designs and develops fluid and motion control products.	$2,550.0	–	–
04/08/26	Precision Aerospace Holdings	Precinmac	Machines components for Aerospace and Defense markets.	–	–	–
04/06/26	Consolidated Aerospace Manufacturing	Howmet	Manufactures fitting systems and supplies components.	$1,800.0	4.4x	13.0x
03/03/26	MW Industries	Rosebank Industries (LSE:ROSE)	Manufactures fitting systems and supplies components.	$950.0	1.9x	10.0x
03/03/26	DCJet Services	West Star Aviation	Provides aircraft MRO services.	–	–	–
02/17/26	Tenax Aerospace	Air Industries Group (NYSEAM:AIRI)	Offers aircraft modification services.	$301.1	6.3x	–
02/12/26	Kadex Aero Supply	Chorus Aviation (TSX:CHR)	Distributes aircraft parts and provides MRO services.	$36.7	0.8x	–
02/09/26	Velocity Maintenance Solutions	Learjet	Provides MRO services for corporate and private aircraft.	–	–	–
02/05/26	Eclipse Aerospace	Lockheed Martin (NYSE:LMT)	Develops light jet aircraft and provides MRO services.	$40.0	–	–
02/02/26	MnM Aircraft Component Holdings	Exchange Income Corporation (TSX:EIF)	Operates as an aircraft components distributor.	$43.0	–	–
01/29/26	Precision Aviation Group	VSE (Nasdaq:VSEC)	Manufactures aircraft parts and provides MRO services.	$2,150.0	3.5x	–
01/26/26	Marathon Asset Management	CVC Capital Partners (ENXTAM:CVC)	Provides aircraft leasing services.	$1,200.0	–	–
01/22/26	Harper Engineering Company	Loar Holdings (NYSE:LOAR)	Manufactures aircraft components.	$250.0	–	–
01/16/26	Victor Sierra/Jet Parts Engineering	TransDigm Group (NYSE:TDG)	Designs aftermarket parts and offers MRO services.	$2,200.0	7.9x	–
01/11/26	Sun Country Airlines (Nasdaq:SNCY)	Allegiant Travel (Nasdaq:ALGT)	Offers air carrier services.	$1,384.8	1.2x	4.5x
01/07/26	Rampmaster	ATL Partners	Provides aircraft refueling solutions.	–	–	–

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

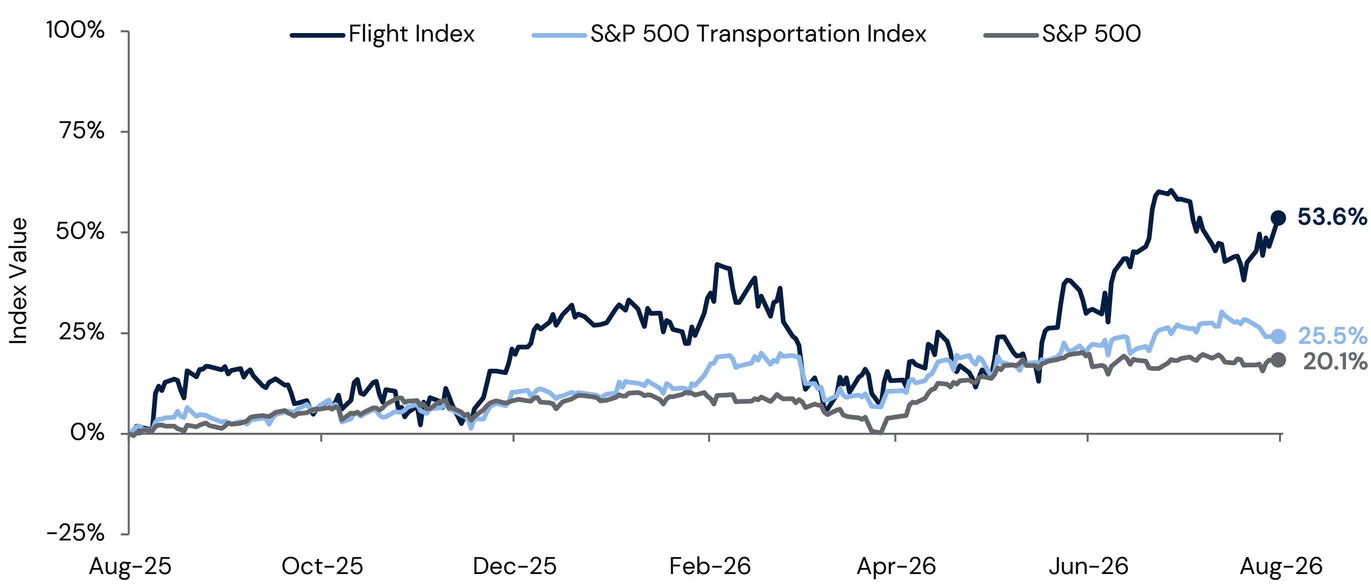
FLIGHT OPERATORS SEE STRONG SHARE PRICE PERFORMANCE

FLIGHT: AIRLINES & GROUND SUPPORT

Company	Price 08/03/26	% 52 Wk High	Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	LTM Margin	EV/LTM Revenue	EV/LTM EBITDA
Air Canada	$0.00	0.0%	$5,058.7	$9,054.4	$16,449.4	$2,185.7	13.3%	0.6x	4.1x
Alaska Air Group, Inc.	$50.21	76.2%	$5,601.8	$10,555.8	$14,763.0	$1,814.0	12.3%	0.7x	5.8x
Allegiant Travel Company	$103.48	83.7%	$2,763.4	$3,715.0	$2,639.9	$383.1	14.5%	1.4x	9.7x
American Airlines Group Inc.	$16.04	85.4%	$10,618.0	$37,986.0	$58,337.0	$8,386.0	14.4%	0.7x	4.5x
Delta Air Lines, Inc.	$91.59	95.7%	$59,906.2	$76,325.2	$68,287.0	$12,293.0	18.0%	1.1x	6.2x
Exchange Income Corporation	$89.50	92.0%	$5,043.7	$6,749.8	$2,490.1	$565.1	22.7%	2.7x	11.9x
Frontier Group Holdings, Inc.	$7.69	91.5%	$1,770.4	$6,057.4	$4,154.0	$877.0	21.1%	1.5x	6.9x
JetBlue Airways Corporation	$6.23	95.8%	$2,350.7	$9,716.7	$9,503.0	$802.0	8.4%	1.0x	12.1x
SkyWest, Inc.	$111.38	89.9%	$4,324.7	$6,107.8	$4,190.4	$997.3	23.8%	1.5x	6.1x
Southwest Airlines Co.	$47.07	85.4%	$23,027.0	$26,125.0	$30,073.0	$4,967.0	16.5%	0.9x	5.3x
United Airlines Holdings, Inc.	$128.39	92.5%	$41,673.3	$58,704.3	$62,902.0	$12,202.0	19.4%	0.9x	4.8x
Mean							**15.6%**	**1.2x**	**7.7x**
Median							**14.4%**	**1.1x**	**6.6x**
Harmonic Mean							**14.3%**	**1.0x**	**6.6x**

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

Capstone's Flight Index Outperforms Wider Transportation Equities Market



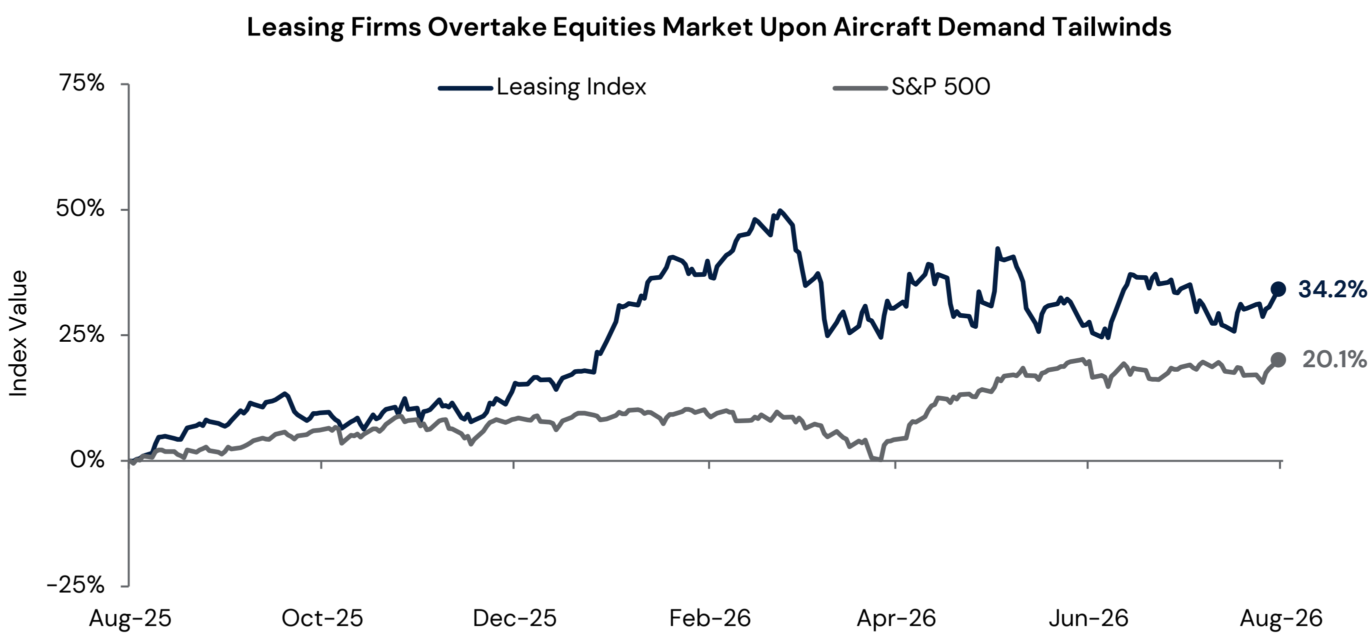
Note: S&P 500 Transportation Index includes Air Freight & Logistics, Airport Services, Cargo Ground Transportation, Passenger Airlines, Passenger Ground Transportation, Rail Transportation, Highways & Rail Tracks, and Marine Transportation
Flight Index includes: AAL, AC, ALGT, ALK, DAL, EIF, FLYY.Q, JBLU, LUV, SKYW, UAL, ULCC
Source: Capital IQ and Capstone Partners as of August 3, 2026

CONSTRAINED AIRCRAFT SUPPLY SUPPORTS LEASING OUTPERFORMANCE

LEASING

Company	Price 05/26/26	% 52 Wk High	Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	LTM Margin	EV/LTM Revenue	EV/LTM EBITDA
AerCap Holdings N.V.	$153.65	98.3%	$23,728.2	$64,842.1	$8,961.8	$5,506.1	61.4%	NM	11.8x
BOC Aviation Limited	$9.98	85.2%	$6,929.4	$23,597.2	$2,296.2	$2,149.4	93.6%	NM	11.0x
Bohai Leasing Co., Ltd.	$0.67	81.1%	$4,155.9	$31,711.0	$6,488.9	$3,318.4	51.1%	4.9x	9.6x
FTAI Aviation Ltd.	$225.15	69.6%	$23,124.5	$26,283.7	$3,112.9	$1,009.2	32.4%	NM	26.0x
Mitsubishi HC Capital Inc.	$9.12	92.8%	$13,101.9	$74,122.2	$13,932.8	$4,084.0	29.3%	NM	18.1x
Sky Harbour Group Corporation	$10.93	97.8%	$376.9	$961.5	$30.7	NM	NA	NM	NM
Sunward Intelligent Equipment Co., Ltd.	$1.10	35.6%	$1,186.6	$2,511.6	$1,064.6	$88.5	8.3%	2.4x	28.4x
Tokyo Century Corporation	$16.12	92.7%	$7,876.4	$38,315.8	$9,218.9	$2,926.7	31.7%	4.2x	13.1x
Willis Lease Finance Corporation	$72.64	89.1%	$1,535.0	$3,842.7	$750.9	$413.4	55.1%	NM	9.3x
Mean							**45.4%**	**3.8x**	**15.9x**
Median							**41.8%**	**4.2x**	**12.4x**
Harmonic Mean							**28.4%**	**3.5x**	**13.5x**

NA = not applicable
NM = not meaningful
EV = enterprise value; LTM = last twelve-month
$ in millions, except per share data



Leasing Index includes: SCZE: 000415; 002097, SCZE: 2588; TSE: 8439; TSE: 8593; AER, FTAI, SKYH, WLFC
Source: Capital IQ and Capstone Partners as of August 3, 2026

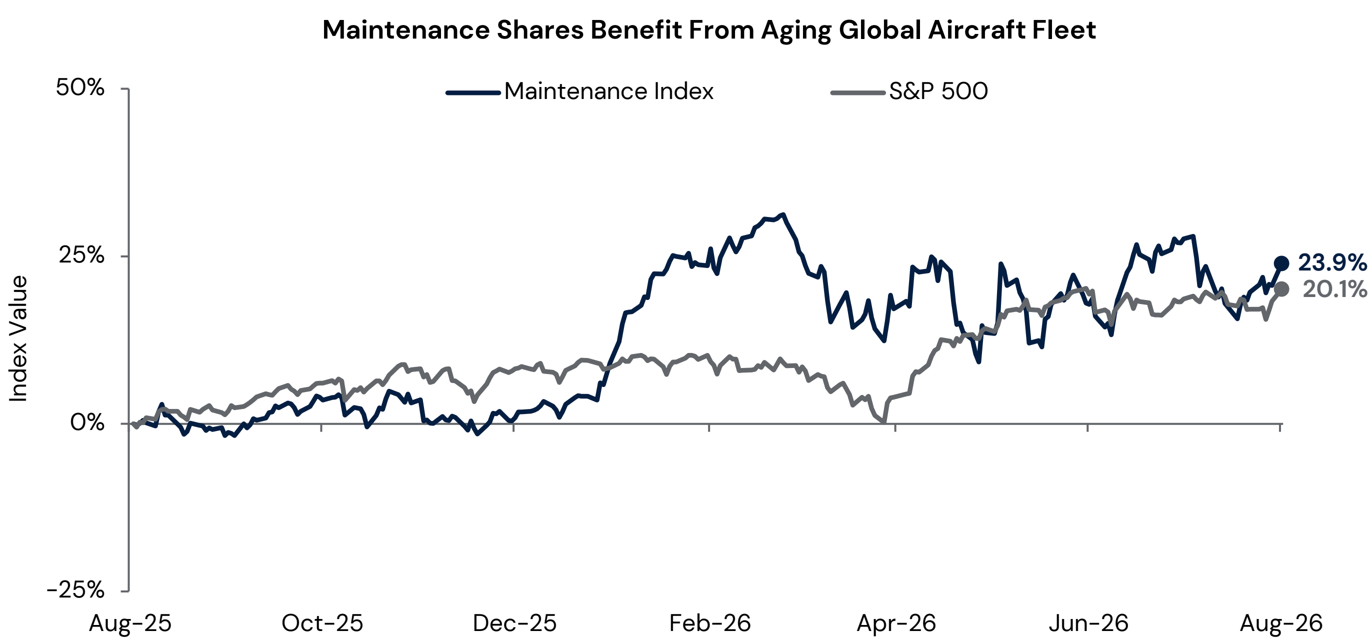
END MARKET TAILWINDS LIFT MAINTENANCE SHARES

MAINTENANCE: MRO & AFTERMARKET PARTS

Company	Price 08/03/26	% 52 Wk High	Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	LTM Margin	EV/LTM Revenue	EV/LTM EBITDA
AAR Corp.	$143.06	97.5%	$5,634.6	$6,562.6	$3,308.0	$343.3	10.4%	2.0x	19.1x
Deutsche Lufthansa AG	$10.63	89.8%	$12,747.5	$18,948.1	$46,445.3	$4,887.6	10.5%	0.4x	3.9x
Exchange Income Corporation	$89.50	92.0%	$5,043.7	$6,749.8	$2,490.1	$565.1	22.7%	2.7x	11.9x
FTAI Aviation Ltd.	$225.15	69.6%	$23,124.5	$26,283.7	$3,112.9	$1,009.2	32.4%	NM	26.0x
MTU Aero Engines AG	$425.15	91.3%	$22,903.2	$22,990.7	$10,547.2	$1,903.3	18.0%	2.2x	12.1x
SIA Engineering Company Limited	$2.46	82.7%	$2,747.5	$2,450.4	$1,104.0	$181.4	16.4%	2.2x	13.5x
Singapore Technologies Engineering Ltd	$7.92	87.4%	$24,701.8	$28,290.3	$9,598.9	$1,321.1	13.8%	2.9x	21.4x
StandardAero, Inc.	$29.97	86.9%	$9,964.2	$12,333.3	$6,253.8	$756.7	12.1%	2.0x	16.3x
Swire Pacific Limited	$12.49	97.9%	$15,055.1	$31,858.4	$11,623.0	$2,504.5	21.5%	2.7x	12.7x
TAT Technologies Ltd.	$39.25	60.9%	$509.6	$475.2	$177.0	$22.3	12.6%	2.7x	21.3x
VSE Corporation	$207.11	86.1%	$5,810.9	$4,974.3	$1,180.8	$180.0	15.2%	4.2x	27.6x

	Margin	EV/LTM Revenue	EV/LTM EBITDA
Mean	**17.5%**	**2.4x**	**16.7x**
Median	**15.2%**	**2.5x**	**16.3x**
Harmonic Mean	**15.3%**	**1.7x**	**12.4x**

NM = not meaningful
EV = enterprise value; LTM = last twelve-month
$ in millions, except per share data



Maintenance Index includes: SEHK: 19; AIR, EIF, FTAI, LHA, MTX, S59, S63, SARO, TATT, VSEC
Source: Capital IQ and Capstone Partners as of August 3, 2026

AIRCRAFT MANUFACTURING ATTRACTS HEALTHY TRADING MULTIPLES

MANUFACTURING: OEM & COMPONENT MANUFACTURING

	Price	% 52 Wk	Market	Enterprise	LTM			EV/LTM	
Company	08/03/26	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Air Industries Group*	$2.66	67.3%	$12.9	$44.5	$47.4	$2.7	5.6%	0.9x	16.7x
Airbus SE	$239.33	94.0%	$189,423.5	$190,844.5	$87,953.8	$10,962.0	12.5%	2.2x	17.4x
Albany International Corp.	$75.12	97.6%	$2,130.0	$2,490.3	$1,223.5	$63.4	5.2%	2.0x	NM
Astronics Corporation	$71.12	80.2%	$3,057.7	$3,425.0	$886.8	$123.8	14.0%	3.9x	27.7x
Bombardier Inc.	$240.75	89.4%	$23,922.8	$27,362.5	$9,750.0	$1,301.0	13.3%	2.8x	21.0x
CPI Aerostructures, Inc.	$4.90	86.9%	$64.9	$92.4	$71.2	$3.2	4.5%	1.3x	28.9x
Curtiss-Wright Corporation	$747.67	92.5%	$27,619.8	$28,424.7	$3,606.4	$823.8	22.8%	NM	NM
Dassault Systèmes SE	$23.88	68.3%	$31,607.6	$28,987.6	$7,090.4	$1,683.5	23.7%	4.1x	17.2x
Ducommun Incorporated	$182.83	93.0%	$2,758.1	$3,058.8	$841.4	$117.8	14.0%	3.6x	26.0x
Embraer S.A.	$17.62	84.9%	$12,540.6	$13,685.8	$8,254.7	$4,176.5	50.6%	1.7x	3.3x
FACC AG	$19.63	86.6%	$898.8	$1,094.1	$1,166.4	$61.3	5.3%	0.9x	17.8x
General Dynamics Corporation	$382.43	95.6%	$103,313.5	$108,459.5	$54,861.0	$7,062.0	12.9%	2.0x	15.4x
GE Aerospace	$368.93	96.3%	$382,787.9	$393,299.9	$50,639.0	$12,102.0	23.9%	NM	NM
HEICO Corporation	$360.44	97.6%	$42,033.5	$45,029.9	$4,911.3	$1,373.6	28.0%	NM	NM
Honeywell International Inc.	$246.77	49.7%	$78,211.3	$104,290.3	$38,057.0	$8,512.0	22.4%	2.7x	12.3x
Loar Holdings Inc.	$71.96	86.3%	$6,737.2	$7,602.6	$537.7	$192.8	35.9%	NM	NM
Magellan Aerospace Corporation	$24.71	90.8%	$1,410.2	$1,444.6	$765.8	$122.0	15.9%	1.9x	11.8x
Melrose Industries PLC	$6.22	67.6%	$7,750.6	$10,238.3	$4,964.8	$640.0	12.9%	2.1x	16.0x
Moog Inc.	$395.88	92.0%	$12,541.5	$13,592.5	$4,318.0	$630.0	14.6%	3.1x	21.6x
Park Aerospace Corp.	$35.59	89.3%	$774.1	$685.0	$76.2	$17.0	22.3%	NM	NM
Parker-Hannifin Corporation	$997.52	96.4%	$125,773.7	$134,887.7	$20,987.0	$5,479.0	26.1%	NM	24.6x
Rolls-Royce Holdings plc	$20.23	98.3%	$167,875.9	$165,080.8	$30,735.0	$7,215.1	23.5%	NM	22.9x
RTX Corporation	$216.65	97.9%	$291,991.8	$324,309.8	$93,500.0	$16,426.5	17.6%	3.5x	19.7x
Saab AB (publ)	$64.29	82.1%	$34,630.2	$34,839.6	$9,098.7	$10,826.0	119.0%	3.8x	3.2x
Safran SA	$404.21	97.4%	$167,563.3	$166,486.3	$38,351.4	$7,445.4	19.4%	4.3x	22.4x
SIFCO Industries, Inc.	$26.48	95.2%	$165.6	$183.1	$95.3	$12.7	13.4%	1.9x	14.4x
TAT Technologies Ltd.	$39.25	60.9%	$509.6	$475.2	$177.0	$22.3	12.6%	2.7x	21.3x
Textron Inc.	$86.39	85.1%	$14,857.9	$17,632.9	$15,299.0	$1,680.0	11.0%	1.2x	10.5x
The Boeing Company	$233.49	91.8%	$184,543.5	$213,631.5	$93,995.0	NM	NA	2.3x	NM
The Timken Company	$141.75	96.8%	$9,850.8	$11,869.5	$4,760.3	$837.6	17.6%	2.5x	14.2x
TransDigm Group Incorporated	$1,285.56	79.5%	$71,906.0	$100,026.0	$9,503.0	$4,851.0	51.0%	NM	20.6x

	Margin	EV/LTM Revenue	EV/LTM EBITDA
Mean	**22.4%**	**2.5x**	**17.8x**
Median	**16.7%**	**2.3x**	**17.6x**
Harmonic Mean	**13.7%**	**2.1x**	**12.9x**

NA = not applicable
NM = not meaningful
EV = enterprise value; LTM = last twelve-month
$ in millions, except per share data

**Pending merger agreement between Air Industries Group and Tenax Aerospace*
Source: Capital IQ and Capstone Partners as of August 3, 2026

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Brad is a Managing Director within Capstone's Aerospace, Defense, Government & Security Group and has over 20 years of experience in the industry.

For over a decade, he has advised founder-owned businesses, financial sponsors, and public companies on complex M&A, financing, and strategic advisory engagements across the industry, with a particular focus on the Commercial Aerospace sector.

Prior to joining Capstone, Brad specialized in Aerospace & Defense at Lincoln International, leading and executing M&A transactions involving precision machining and manufacturing, advanced materials, and aftermarket businesses.

Brad started his investment banking career in the Global Industrials Group at Credit Suisse, where he advised multinational corporations and financial sponsors across diversified industrials and aerospace & defense sectors. Earlier in his career, he gained experience as a computer engineer for the U.S. Army at the Armament Research, Development and Engineering Center (ARDEC). Brad earned an MBA from the Leonard N. Stern School of Business at New York University, a Master of Engineering degree from Stevens Institute of Technology, and a Bachelor of Science in Electrical and Computer Engineering from Lafayette College.

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FIRM AWARDS & ACCOLADES

2024
INVESTMENT BANKING FIRM OF THE YEAR
THE M&A ATLAS AWARDS

2023
INVESTMENT BANKING FIRM OF THE YEAR
THE M&A ATLAS AWARDS

2022
INVESTMENT BANKING FIRM OF THE YEAR
THE M&A ADVISOR

2022
INVESTMENT BANKING FIRM OF THE YEAR
M&A TODAY GLOBAL AWARDS 2022 WINNER

FIRM TRACK RECORD

ctl HAS BEEN ACQUIRED UNDER CHAPTER 11 BY **DavidsonKempner** Capital Management LP

Precision Aerospace Holdings a portfolio company of **CIC Partners** / **Juniper Capital Management** HAS BEEN ACQUIRED BY **PRECINMAC** a portfolio company of **Centerbridge**

UEC United Electronics Company a portfolio company of **AlbionRiver** HAS BEEN ACQUIRED BY **Chimney Rock**

StanleyBlack&Decker HAS ACQUIRED **CAM** a portfolio company of **TINICUM**

TPC The Partner Companies HAS RECEIVED A $100M GROWTH EQUITY INVESTMENT FROM **TENSILE** Capital Management

Textech Industries a portfolio company of **ACP** HAS ACQUIRED **FMI** a portfolio company of **Spirit AeroSystems**

Insight Equity HAS REFINANCED **Precision Holdings**

MC² HAS BEEN ACQUIRED BY **HEICO**

PRECIPART HAS AGREED TO A STRATEGIC INVESTMENT FROM **KKR**

DESSER Aerospace a portfolio company of **Graham Partners** HAS BEEN ACQUIRED BY **VSE Corporation**

DELAVAN A subsidiary of **Collins Aerospace** HAS BEEN ACQUIRED BY **Beckett Corporation**

Metalcraft Technologies HAS BEEN ACQUIRED BY **ARCH** a portfolio company of **MDP**

CirComp Competence in Composites HAS BEEN ACQUIRED BY **Albany International**

SELECT AEROSTRUCTURES AND AFTERMARKET SERVICES BUSINESSES OF **Bombardier** HAVE BEEN ACQUIRED BY **Spirit AeroSystems**

The Carlyle Group HAS ACQUIRED **StandardAero** a portfolio company of **Veritas Capital**

sonaca HAS ACQUIRED **LMI aerospace**

Note: Transactions include those completed by Capstone Advisors prior to joining the Capstone Platform.

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 2026 Middle Market Business Owners Survey indicated growth strategies are a priority for 2027, the lion's share (40.8%) of owners anticipate a need for growth strategy support services. Similarly, 29.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Notably, 27.8% 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, 18.8% of business owners have sought fairness/solvency opinion and dispute resolution support to mitigate litigation exposure and ensure fiduciary duties for transactions are fulfilled.

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

40.8%
Instituting a growth strategy

38.2%
Accounting & audit support

29.1%
Raising equity capital

27.8%
Accessing relevant industry research

20.7%
Corporate Restructuring

18.8%
Fairness/solvency opinions & dispute resolutions

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): 309

ENDNOTES

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CAPSTONE PARTNERS

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.

254
M&A Transactions in 2025

$16bn+
Transaction Value in 2025

33%
Cross-Border Deals

7th
Globally Ranked for Deals < $500M

450+
Team of IMAP Professionals Worldwide

15
Industry Verticals with Global Expertise

2,400+
Historical Completed Transactions

United States

~300+ professionals
9 offices

Atlanta · Boston · Denver · Chicago · Dallas · Detroit · Irvine · New York · Tampa

International

~550+ professionals
60+ offices in 51 countries

Asia: China · India · Japan
Africa: Congo · Cameroon · Ghana · Mauritius · Morocco · Senegal · South Africa · Uganda · Zimbabwe
Americas: USA · Canada · Argentina · Brazil · Chile · Colombia · Mexico · Panama & Central America · Paraguay · Peru
Europe: Belgium · Bosnia & Herzegovina · Croatia · Czech Republic · Denmark · Finland · France · Germany · Hungary · Ireland · Italy · Netherlands · Poland · Portugal · Romania · Serbia · Slovakia · Slovenia · Spain · Sweden · Turkey · United Kingdom
Middle East: Egypt · Oman · Qatar · Saudi Arabia · United Arab Emirates