The McLean Group

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M&A Insider Report

August 2026



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Securities transactions conducted through McLean Securities, member FINRA/SIPC

FIRM OVERVIEW

- Founded in 1997 and headquartered in Northern VA; 30-year history of transaction success
- Comprised of 50+ financial professionals across five offices
- Team includes career investment bankers, CPAs, certified business valuation professionals and former industry executives



INDUSTRY FOCUSED M&A

Defense & Government
- Intelligence Community
- Defense Services & Products

Security
- Physical Security Services
- Cyber Security

Critical Infrastructure
- Water & Wastewater
- Energy Infrastructure

Maritime
- Vessels
- Tier Two & Three Services

Technology & Software
- Software as a Service (SaaS)
- Information Technology

Facility Services
- Military Facilities
- Correctional Facilities

Unmanned Systems
- Military & Defense
- Commercial Delivery

Public Safety
- Disaster Response
- Emergency Medical



CORE BUSINESS

Investment Banking
Strategic Advisory Services
- Sell-Side M&A
- Buy-Side M&A
- Debt / Equity Placements
- Employee Stock Ownership Plans
- Leveraged Transactions
- Other Advisory Services

Business Valuation
Valuations and Opinions
- "Fair Value" Financial Reporting
- Fairness Opinions
- PEG Portfolio Valuations
- Purchase Price Allocations
- Estate and Gift

Financial Consulting
Diligence & Advisory Support
- Buy-Side Due Diligence
- Sell-Side Due Diligence
- Transaction Advisory Support

BY THE NUMBERS

$75M Average Transaction Size	30 Years Supporting Our Clients
200+ Closed M&A Engagements Since 2010	15+ Years Average Senior Team Tenures
95% Close Rate 2020 - 2025	350+ Annual Valuation Engagements

Major News Stories



CENTCOM Launches First-Ever Multinational Attack Drone Task Force

- U.S. Central Command announced efforts to establish the first multidomain, multinational attack drone task force, called Task Force Falcon Strike, which will employ one-way attack drones consisting of unmanned systems from above, on, and below the sea
- Falcon Strike's launch occurs nine months after CENTCOM established Task Force Scorpion Strike, the U.S. military's first dedicated one-way attack drone squadron in the Middle East



National Debt Surpassed $40T

- On August 19, U.S. government debt surpassed $40 trillion for the first time, highlighting growing concerns over the country's long-term fiscal trajectory.
- Publicly held debt has approached 100% of GDP, with rising Social Security and Medicare costs, and higher interest expenses expected to push the debt-to-GDP ratio significantly higher in coming decades.



Canada Trade Tensions Escalate

- On August 22, the U.S. imposed 50% tariffs on $27.6 billion of Canadian goods after trade negotiations between the two countries collapsed, significantly heightening tensions with one of America's largest trading partners.
- Canada responded by announcing matching tariffs on $27.6 billion of U.S. imports, targeting products including steel, aluminum, dairy, appliances and agricultural equipment, further growing the trade dispute.



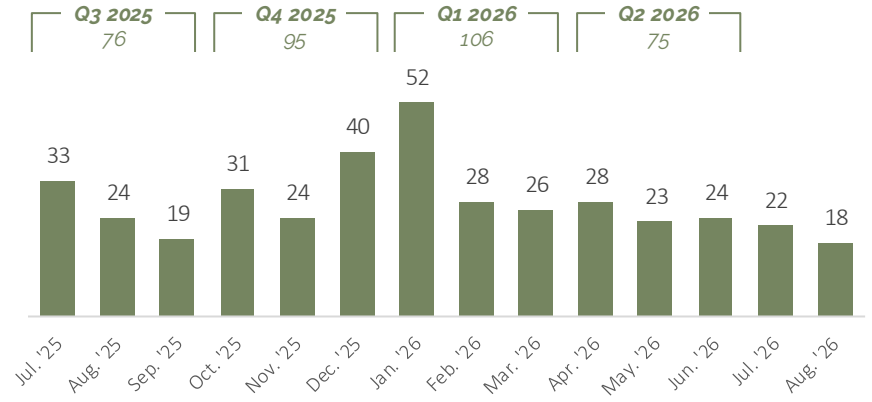
Fed Signals Hawkish Turn at Jackson Hole

- At the Fed's annual Jackson Hole symposium, Chair Kevin Warsh said better-than-expected summer PCE and CPI readings do not signal that underlying inflation trends have improved.
- Markets responded by pricing in higher odds of a rate hike at the September 15-16 meeting, even as pockets of labor market weakness persist.

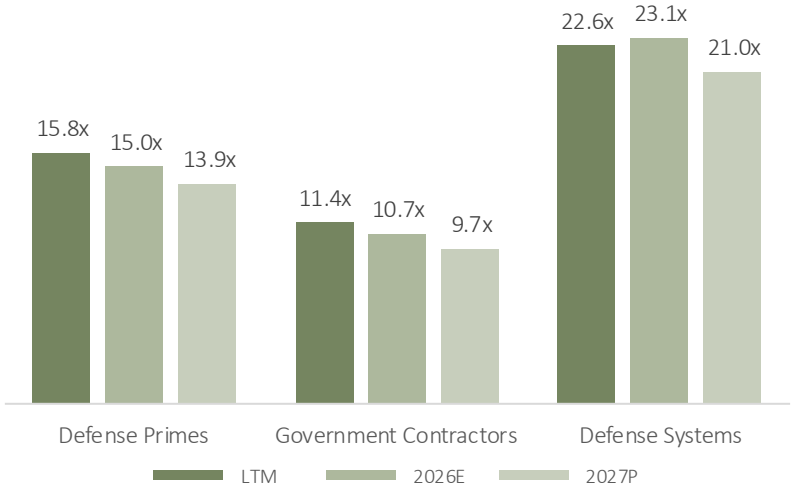
Sources: WSJ, U.S DoW, Congress.gov, Reuters

- The Pentagon is conducting a six-month review of U.S. military forces in Europe as the Trump administration pushes NATO toward a more European-led defense posture. Pentagon policy chief Elbridge Colby told NATO allies that the review is intended to strengthen European responsibility for the continent's conventional defense, while emphasizing that Europe remains strategically important to the U.S. The review is examining U.S. deployments, defense spending, procurement, strategy and allied support for U.S. foreign policy priorities. The Pentagon expects to present Defense Secretary Pete Hegseth with multiple force-posture options by November 6, ahead of the review's December completion deadline. European officials welcomed the consultations but emphasized that increased European burden-sharing and continued NATO unity remain critical.
- A U.S. federal judge permanently blocked the Pentagon's designation of Anthropic as a national security "supply-chain risk," ruling that the action was illegal and baseless. The designation followed Anthropic's refusal to allow its Claude AI models to be used for certain military applications, including autonomous weapons and domestic surveillance. The Pentagon argued that Anthropic's restrictions could create uncertainty around military operations and limit the government's ability to use critical AI technology. Anthropic, meanwhile, argued that the designation was retaliatory and violated its constitutional rights. The ruling marks a significant setback for the Pentagon and establishes an important precedent for government use of AI in defense. The decision could also shape future procurement relationships between the government and leading AI companies.

TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES [1]



Source(s): S&P Capital IQ, Department of War, Congress.gov, NATO, Reuters
1. For composition of indices, see page 21



Date: 08/04/2026
EV: $845.0M
EV/EBITDA: NA

Transaction Details

AE Industrial Partners acquired a stake in L3Harris Technologies' (NYSE: LHX) space propulsion, power and electronics units at an EV of $845M. The carve-out re-establishes the business as a standalone company under the revived Rocketdyne name. Its portfolio spans the RL10 engine, in-space thrusters and nuclear space power systems. AE Industrial plans to modernize RL10 production and scale thruster output.



Date: 08/06/2026
EV: ND*
EV/ Revenue: ND*

Transaction Details

Verix Equity Partners ("Verix"), a lower middle market private equity firm focused on partnering with founder-owned businesses across the national security and technology ecosystems, announced a strategic investment in Syntasa, a sovereign agentic AI and data platform deployed at scale across commercial and government enterprises. The transaction represents Verix's inaugural platform investment.



Date: 08/17/2026
EV: NA
EV/EBITDA: NA

Transaction Details

Noblis, Inc., a nonprofit science and technology organization serving federal missions, announced its acquisition of FTS International. Founded in 2005, FTS provides mission engineering, intelligence analysis, systems integration and operational support to intelligence, defense and space customers. The deal extends Noblis' reach across the intelligence and national security space portfolio.



Date: 08/20/2026
EV: $1,500.0M
EV/EBITDA: NA

Transaction Details

Motorola Solutions, Inc. (NYSE: MSI) completed its acquisition of D-Fend Solutions for $1.5B. The Israeli company's RF cyber-takeover technology detects rogue drones and assumes control of them, landing the aircraft safely rather than jamming or destroying it, with deployments in more than 30 countries. The deal follows Motorola's $4.4B purchase of Silvus and positions it on both sides of the drone market. D-Fend joins Motorola's counter-drone and public safety portfolio.



Date: 08/24/2026
EV: $720.0M
EV/EBITDA: NA

Transaction Details

Booz Allen Hamilton (NYSE: BAH) completed its $720M acquisition of the Ultra I&C Mission Solutions business from Cobham Ultra Group, an Advent International portfolio company. The Austin-based unit builds mission-critical software, encryption and edge-compute products, including the Apex, ADSI, ACTS, Rain and Knox command-and-control systems. The deal pairs those with Booz Allen's AI-driven battle management and edge infrastructure lines.



Date: 08/27/2026
EV: ND*
EV/ EBITDA: ND*

Transaction Details

Inspirit Equity acquired Valiant O&M, the operations and maintenance division of Valiant Integrated Defense Services. The business provides facility operations, maintenance and logistics to government hospitals, medical facilities and research laboratories under long-term contracts. The McLean Group served as the exclusive financial advisor to Valiant O&M.

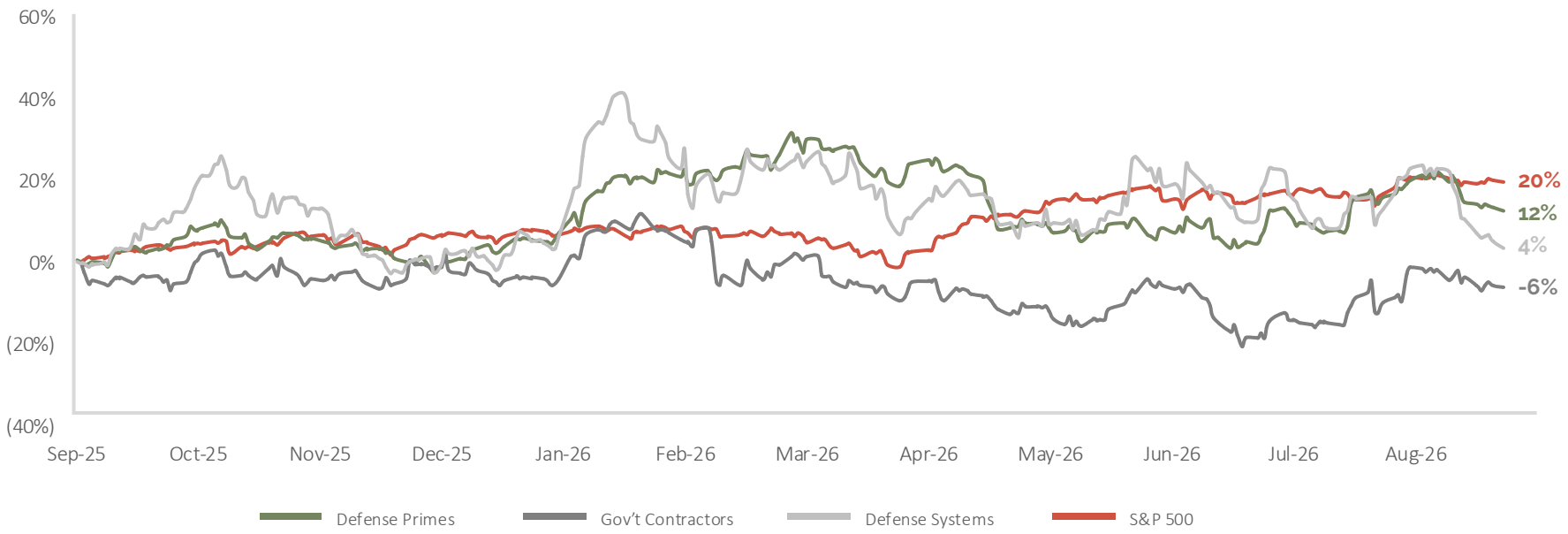
Denotes deals completed by The McLean Group

Source(s): S&P Capital IQ, press releases

Contract Value ($M)	Award Date	End Date	Customer	Awardee(s)	Type	Contract Scope
131,230.0	08/24/2026	08/31/2037	U.S. Air Force	Boeing	IDIQ	"F-15 Eagle Crest" production, integration, modernization and sustainment of aircraft for the Air Force and other DoW customers
65,000.0	08/13/2026	12/31/2034	U.S. Navy	Integrity Technologies (WEXMAC multi-award team)	Multiple-Award FFP IDIQ	Worldwide expeditionary logistics support — theater opening, sustainment, distribution and stability operations
5,712.5	08/19/2026	09/30/2030	U.S. Transportation Command	FedEx; UPS; Polar Air Cargo	IDIQ; FFP	Next Generation Delivery Service-2 — domestic and international express and ground small-package delivery
2,700.0	08/21/2026	08/31/2031	U.S. Transportation Command	7 carriers, incl. American Roll-On Roll-Off Carrier, Farrell Lines	Multiple-Award IDIQ, FP	Global short-term dry cargo time/voyage charter using Ro-Ro, multi-purpose and vehicle carrier vessels
997.0	08/21/2026	08/31/2031	U.S. Navy	10 firms, incl. Aptim Federal Services, Bristol Engineering Services	Multiple-Award FFP IDIQ	Construction, maintenance, repair and engineering for petroleum, oil and lubricant pipelines, fuel storage tanks and facilities
992.4	08/10/2026	09/30/2031	U.S. Air Force	Torch Technologies	Cost-Plus-Fixed-Fee IDIQ	Technical and management advisory services for aerospace research, development, test and evaluation at Eglin AFB, Florida
986.9	08/27/2026	08/30/2030	U.S. Army	Brasfield & Gorrie	FFP	Four facilities for component remanufacture, missile maintenance, paint and storage at Anniston Army Depot, Alabama
682.4	08/27/2026	12/31/2031	U.S. Navy	1080 Constructors	FFP w/ Economic-Price-Adjustment	Power reliability and water resiliency upgrades at Portsmouth Naval Shipyard, Kittery, Maine
567.9	08/11/2026	08/11/2031	Dept. of Homeland Security	Oracle America	IDIQ (Cumulus cloud vehicle)	Commercial cloud computing services (IaaS/PaaS/SaaS) under DHS's Cumulus cloud acquisition program

Source(s): Department of War

TRAILING TWELVE MONTHS (TTM) PUBLIC EQUITY INDEX CHART [1]

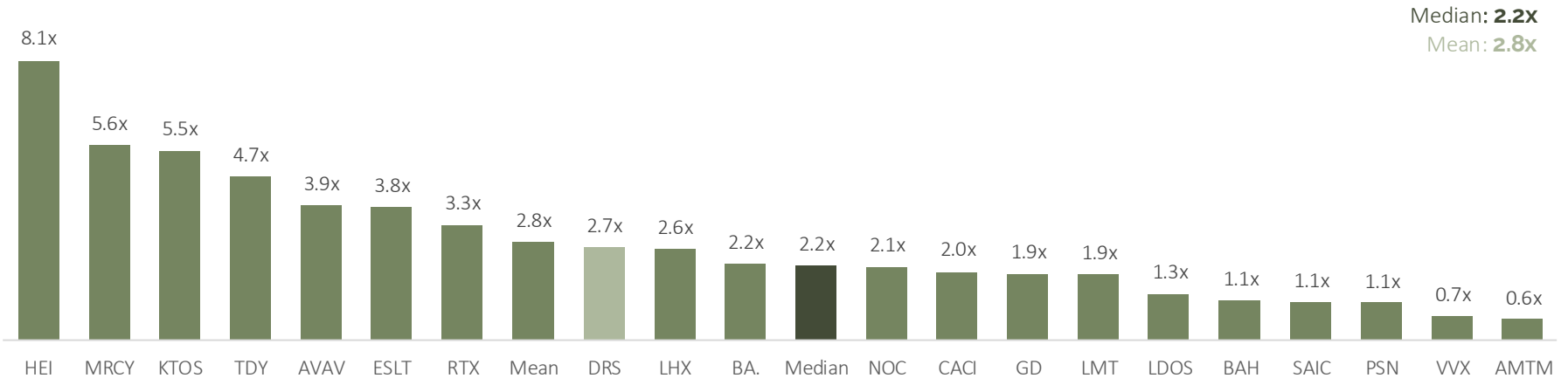


Market Commentary

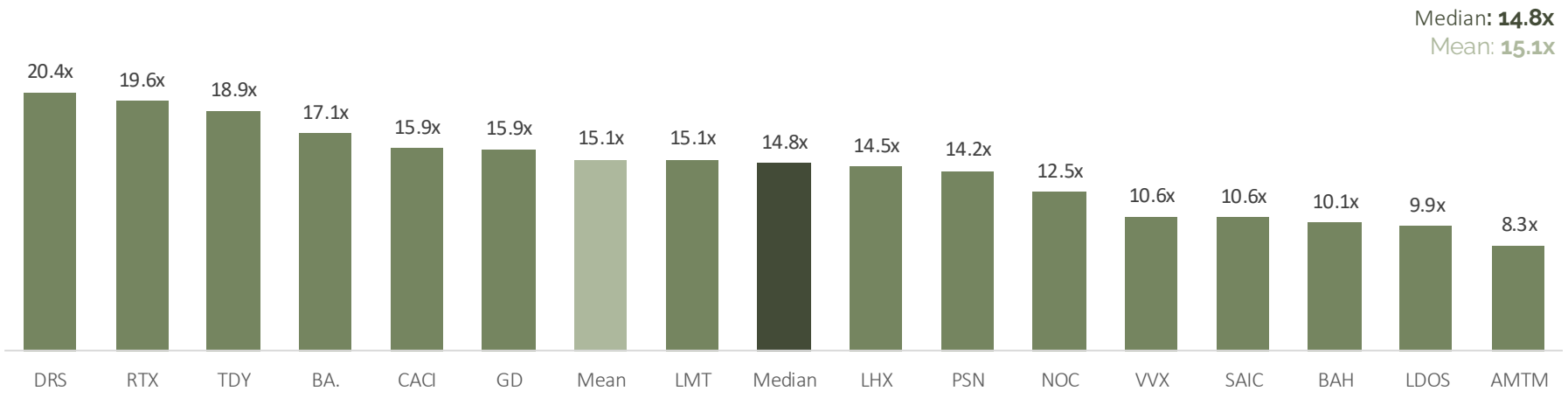
- Treasury yields surged to multi-year highs in August 2026 as persistent fiscal pressures and energy price spikes collided with shifting monetary policy expectations. The 10-year U.S. Treasury yield hit 4.77% (a 19-month high), while the 30-year yield reached 5.34%, marking the highest levels since 2007. Hawkish Fed commentary interspersed with softer inflation and employment reports left uncertainty on the timing of future central bank adjustments.
- Defense Primes constituents Lockheed Martin, RTX, General Dynamics, and Northrop Grumman slid mid-single digit percentages in August as missile production capacity to replace depleted inventories amid heightened global conflict is slower to ramp up than expected. Over the TTM, however, RTX (+31%) outperformed the overall Defense Primes index, bolstered by expanded Tomahawk cruise missile production under a multi-year Navy framework and successful altitude testing for the F-35 Enhanced Power and Cooling System (EPACS).

Source(s): S&P Capital IQ
1. For composition of indices, see page 21

TTM REVENUE VALUATION MULTIPLES



TTM EBITDA VALUATION MULTIPLES [1]



Source(s): S&P Capital IQ
[1]AVAV, ESLT, HEI, KTOS, and MRCY excluded

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Defense Primes												
RTX Corporation	207.73	312,288	96,145	16,205	*17%*	103,175	17,642	*17%*	3.25x	19.27x	3.03x	17.70x
Lockheed Martin	561.23	146,274	80,961	11,272	*14%*	85,415	11,869	*14%*	1.81x	12.98x	1.71x	12.32x
General Dynamics	371.35	105,466	55,923	6,830	*12%*	58,537	7,393	*13%*	1.89x	15.44x	1.80x	14.27x
Northrop Grumman	539.70	90,988	44,056	6,201	*14%*	47,011	6,662	*14%*	2.07x	14.67x	1.94x	13.66x
BAE Systems	27.70	85,379	45,117	6,412	*14%*	49,247	7,013	*14%*	1.89x	13.32x	1.73x	12.17x
L3Harris Technologies	266.25	60,026	23,611	4,277	*18%*	25,201	4,597	*18%*	2.54x	14.03x	2.38x	13.06x
Average	**$328.99**	**$133,403**	**$57,635**	**$8,533**	***15%***	**$61,431**	**$9,196**	***15%***	**2.24x**	**14.95x**	**2.10x**	**13.86x**
Gov't Contractors												
Leidos Holdings	140.21	23,477	18,322	2,465	*13%*	19,184	2,489	*13%*	1.28x	9.53x	1.22x	9.43x
CACI International	623.01	18,960	10,135	1,252	*12%*	11,161	1,472	*13%*	1.87x	15.14x	1.70x	12.88x
Booz Allen Hamilton	75.65	12,720	11,207	1,254	*11%*	11,804	1,319	*11%*	1.13x	10.14x	1.08x	9.64x
Amentum Holdings	19.99	8,348	13,964	1,136	*8%*	14,099	1,179	*8%*	0.60x	7.35x	0.59x	7.08x
Science Applications	128.22	7,951	7,231	748	*10%*	7,315	757	*10%*	1.10x	10.64x	1.09x	10.51x
Parsons	48.64	6,691	6,359	522	*8%*	6,721	667	*10%*	1.05x	12.81x	1.00x	10.02x
V2X	77.16	3,315	4,978	358	*7%*	5,235	386	*7%*	0.67x	9.25x	0.63x	8.59x
Average	**$158.98**	**$11,637**	**$10,314**	**$1,105**	***10%***	**$10,788**	**$1,181**	***10%***	**1.10x**	**10.69x**	**1.04x**	**9.74x**

Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

DEFENSE GOVERNMENT & INTELLIGENCE

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Defense Systems												
HEICO Corporation	331.15	41,925	5,613	1,618	*29%*	6,191	1,781	*29%*	7.47x	25.91x	6.77x	23.54x
Elbit Systems	703.63	32,854	9,106	1,125	*12%*	10,165	1,304	*13%*	3.61x	29.20x	3.23x	25.20x
Teledyne Technologies	612.95	30,101	6,557	1,643	*25%*	6,923	1,768	*26%*	4.59x	18.32x	4.35x	17.02x
Leonardo DRS	38.00	10,139	3,947	534	*14%*	4,216	590	*14%*	2.57x	18.98x	2.40x	17.19x
Kratos Defense & Security	50.98	8,326	1,794	177	*10%*	2,216	241	*11%*	4.64x	NM	3.76x	NM
AeroVironment	148.35	7,682	2,151	335	*16%*	2,475	406	*16%*	3.57x	22.96x	3.10x	18.92x
Mercury Systems	87.33	5,540	1,029	168	*16%*	1,145	232	*20%*	5.38x	NM	4.84x	23.85x
Average	**$281.77**	**$19,510**	**$4,314**	**$800**	***17%***	**$4,762**	**$903**	***18%***	**4.55x**	**23.08x**	**4.07x**	**20.95x**
Low	$19.99	$3,315	$1,029	$168	*7%*	$1,145	$232	*7%*	0.60x	7.35x	0.59x	7.08x
Mean	$252.96	$50,922	$22,410	$3,227	*14%*	$23,872	$3,488	*15%*	2.65x	15.55x	2.42x	14.58x
Median	$144.28	$21,219	$9,620	$1,253	*13%*	$10,663	$1,396	*14%*	1.98x	14.35x	1.87x	13.06x
High	$703.63	$312,288	$96,145	$16,205	*29%*	$103,175	$17,642	*29%*	7.47x	29.20x	6.77x	25.20x

Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

Date	Acquirer(s)	Target(s)	Target Description	EV ($M)	EV / Rev.	EV / EBITDA
08/04/2026	AE Industrial Partners	Space Propulsion & Power Systems business of L3Harris	Manufactures in-space propulsion, solid rocket motors and satellite power systems	845.0	NA	NA
08/05/2026	Precise Systems, Inc.	Ternion Corporation	Provides modeling, simulation and interoperability test services to the DoD	NA	NA	NA
08/06/2026	Verix Equity Partners	Syntasa	Provides behavioral data science and analytics software to federal agencies	NA	NA	NA
08/10/2026	Reply S.p.A.	FedTec, LLC	Provides IT modernization, cloud and cybersecurity services to civilian agencies	NA	NA	NA
08/12/2026	CesiumAstro	Jariet Technologies, Inc.	Develops ultra-wideband RF transceivers for electronic warfare and radar applications	NA	NA	NA
08/17/2026	Noblis, Inc.	FTS International, LLC	Provides scientific, engineering and mission support services to government customers	NA	NA	NA
08/17/2026	Arxis, Inc.	Omnetics Connector Corporation	Manufactures ruggedized micro and nano-miniature connectors for defense and space	764.8	NA	NA
08/17/2026	Antin Infrastructure Partners	Vigor Industrial LLC	Operates shipyards providing naval vessel construction, repair and modernization	NA	NA	NA
08/20/2026	Motorola Solutions	D-Fend Solutions AD Ltd.	Develops RF cyber-takeover counter-drone systems for defense and homeland security	1,500.0	NA	NA
08/24/2026	Booz Allen Hamilton	Ultra Electronics Advanced Tactical Systems	Develops tactical data link and battlefield command-and-control systems	720.0	NA	NA
08/26/2026	Arcline Investment Management	AstroNova, Inc.	Manufactures ruggedized airborne printers and flight deck data acquisition systems	275.4	1.81x	24.17x
08/26/2026	IBM	HRL Laboratories, LLC	Conducts advanced R&D in sensors, quantum computing and materials science	NA	NA	NA
08/27/2026	Inspirit Equity	Valiant O&M Business	Provides base operations, maintenance and logistics support to military installations	NA	NA	NA

Source(s): S&P Capital IQ, DACIS
* Announced

- On August 27, a coalition of over 100 global companies, including OpenAI, Anthropic, Google, Microsoft, and Amazon, warned that companies and governments may have only months to prepare for AI-enabled cyberattacks. The group highlighted the growing threat to critical infrastructure, including hospitals and water treatment plants, as AI makes sophisticated cyber capabilities faster and more accessible to attackers. They urged organizations to strengthen defenses to keep pace with the evolving threat landscape.
- The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) confirmed a major data breach after ransomware group Qilin claimed responsibility for compromising a system containing sensitive information on targets of federal investigations. While the affected system was isolated from other ATF networks and quickly shut down, the incident raised concerns over the exposure of sensitive law enforcement data and highlighted the continued threat ransomware groups pose to U.S. government agencies and national security.

Select August Transactions

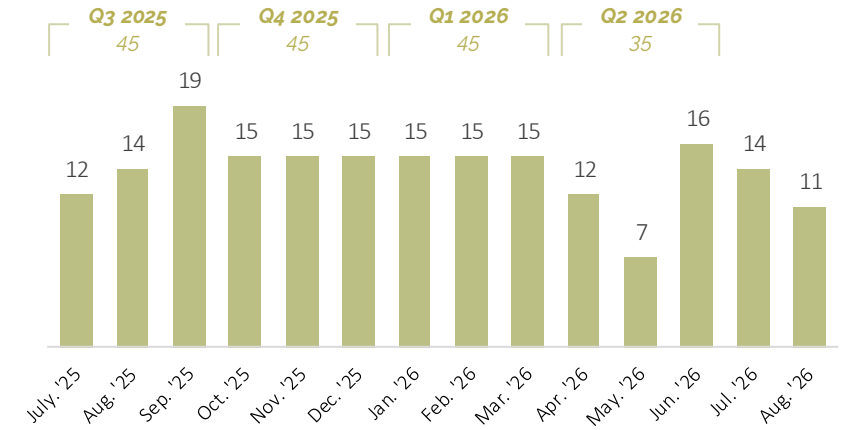
JetStream SOFTWARE acquired by NetApp

Virtue AI acquired by FORTINET

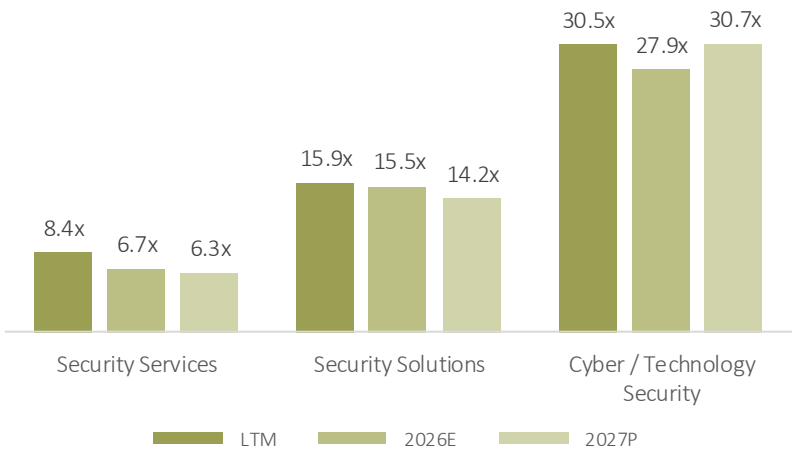
PRO-VIGIL acquired by GARDAWORLD a portfolio company of BC PARTNERS

Scarsdale SECURITY SYSTEMS acquired by everon a portfolio company of GTCR

TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES[1]



Source(s): Cyber Security News, Reuters, NYT

1. For composition of indices, see page 21

PHYSICAL & CYBER SECURITY

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Security Services												
Securitas AB	15.87	12,623	15,811	1,580	*10%*	16,403	1,671	*10%*	0.80x	7.99x	0.77x	7.55x
The Brink's Company	108.93	7,516	5,583	1,061	*19%*	5,787	1,126	*19%*	1.35x	7.08x	1.30x	6.68x
Loomis AB	56.52	4,945	3,340	786	*24%*	3,601	864	*24%*	1.48x	6.29x	1.37x	5.72x
Prosegur Compañía	3.35	3,806	6,014	694	*12%*	6,243	735	*12%*	0.63x	5.48x	0.61x	5.18x
Average	**$46.17**	**$7,223**	**$7,687**	**$1,030**	***16%***	**$8,009**	**$1,099**	***16%***	**1.06x**	**6.71x**	**1.01x**	**6.28x**
Security Solutions												
Honeywell International	213.53	93,755	20,162	4,368	*22%*	20,628	5,106	*25%*	4.65x	21.47x	4.55x	18.36x
Johnson Controls International	138.24	92,605	26,023	4,908	*19%*	27,891	5,634	*20%*	3.56x	18.87x	3.32x	16.44x
Motorola Solutions	485.30	89,239	12,991	4,548	*35%*	13,925	4,819	*35%*	6.87x	19.62x	6.41x	18.52x
Allegion	155.25	15,104	4,414	1,103	*25%*	4,638	1,179	*25%*	3.42x	13.69x	3.26x	12.81x
ADT	7.39	13,148	5,222	2,678	*51%*	5,361	2,723	*51%*	2.52x	4.91x	2.45x	4.83x
Alarm.com Holdings	57.56	2,958	1,083	222	*20%*	1,134	239	*21%*	2.73x	13.32x	2.61x	12.36x
Napco Security Technologies	36.24	1,164	210	69	*33%*	227	73	*32%*	5.55x	16.83x	5.13x	15.95x
Average	**$156.22**	**$43,996**	**$10,015**	**$2,557**	***29%***	**$10,543**	**$2,825**	***30%***	**4.19x**	**15.53x**	**3.96x**	**14.18x**

Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

PHYSICAL & CYBER SECURITY

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Cyber Security												
Palo Alto Networks	382.13	310,455	12,926	4,561	*35%*	14,748	5,551	*38%*	24.02x	NA	21.05x	55.93x
CrowdStrike Holdings	231.00	232,373	6,006	1,858	*31%*	7,329	2,327	*32%*	NA	NA	NA	NA
Fortinet	170.93	121,905	8,119	3,082	*38%*	9,009	3,481	*39%*	15.01x	39.56x	13.53x	35.02x
Cloudflare	305.11	108,010	2,872	699	*24%*	3,694	954	*26%*	NA	NA	29.24x	NA
Zscaler	188.39	28,793	3,608	986	*27%*	4,213	1,209	*29%*	7.98x	29.19x	6.83x	23.81x
Okta	173.04	28,005	3,224	863	*27%*	3,546	975	*27%*	8.69x	32.45x	7.90x	28.73x
Check Point Software	138.91	11,954	2,803	1,141	*41%*	2,970	1,193	*40%*	4.27x	10.47x	4.02x	10.02x
Average	**$227.07**	**$120,214**	**$5,651**	**$1,884**	***32%***	**$6,501**	**$2,241**	***33%***	**11.99x**	**27.92x**	**13.76x**	**30.70x**
Low	$3.35	$1,164	$210	$69	*10%*	$227	$73	*10%*	0.63x	4.91x	0.61x	4.83x
Mean	$159.32	$65,464	$7,801	$1,956	*27%*	$8,408	$2,214	*28%*	5.85x	16.48x	6.73x	17.37x
Median	$147.08	$21,554	$5,402	$1,122	*26%*	$5,574	$1,201	*27%*	3.91x	13.69x	4.02x	14.38x
High	$485.30	$310,455	$26,023	$4,908	*51%*	$27,891	$5,634	*51%*	24.02x	39.56x	29.24x	55.93x

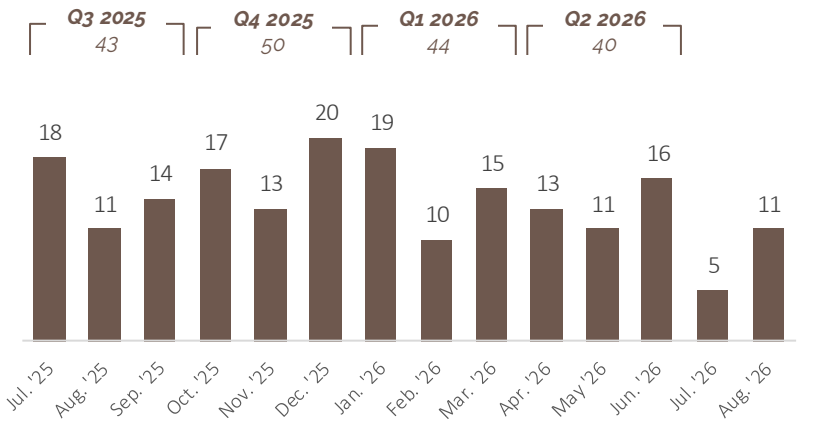
Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

- On August 26th President Trump signed an executive order declaring a national emergency and restricting the use of certain foreign equipment in the U.S. electricity grid. The order bars U.S. entities from purchasing or installing certain foreign produced bulk power system equipment, including associated critical software and digital capabilities, that could pose cybersecurity or operational risks. The order also directs the Energy Secretary to identify potentially vulnerable equipment already operating in the U.S. and take steps to monitor and secure those components.
- In early August, hackers targeted water systems in 12 states, including Michigan, Minnesota, Georgia, New Jersey, and South Dakota. The attacks disrupted remote-control capabilities at several utilities and forced operators to manually control pumps, valves, and water pressure. Federal officials suspect Iran-backed hackers carried out the attacks, although investigators have not formally attributed them. The FBI, EPA, and CISA urged water and wastewater utilities to disconnect operating systems from the internet and strengthen password protections and firewalls.

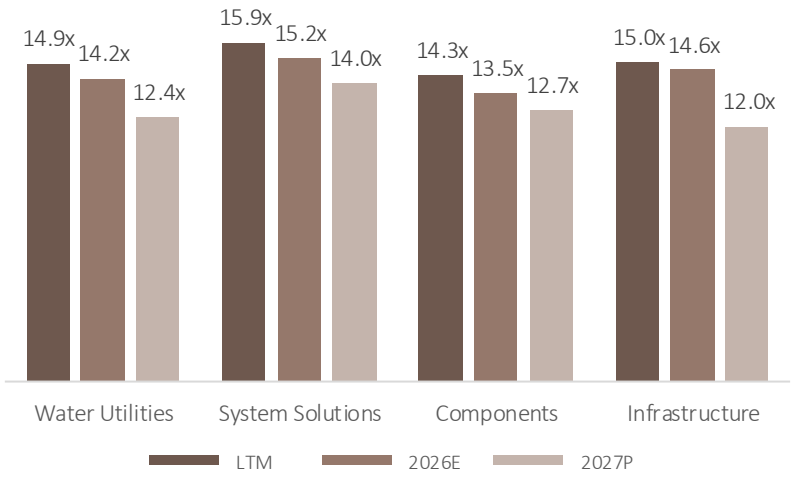
Select August Transactions

acquired by PENNSYLVANIA AMERICAN WATER	acquired by Bernhard Capital Partners	acquired by UNITEDFLOW TECHNOLOGIES	acquired by APOLLO

TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES[1]



Source(s): Reuters, DOE, CBS News
1. For composition of indices, see page 21

CRITICAL INFRASTRUCTURE

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Water Utilities												
American Water Works	138.23	43,311	5,395	3,085	*57%*	5,757	3,405	*59%*	8.03x	14.04x	7.52x	12.72x
Essential Utilities	41.17	20,213	2,477	1,431	*58%*	2,654	1,575	*59%*	8.16x	14.13x	7.62x	12.83x
California Water Service Group	49.97	4,727	1,087	394	*36%*	1,165	450	*39%*	4.35x	11.99x	4.06x	10.51x
American States Water	89.29	4,435	709	283	*40%*	738	302	*41%*	6.26x	15.70x	6.01x	14.69x
H2O America	63.37	4,440	869	342	*39%*	933	377	*40%*	5.11x	12.99x	4.76x	11.77x
Consolidated Water	29.77	352	128	22	*17%*	188	33	*18%*	2.76x	16.31x	1.87x	10.67x
Global Water Resources	9.20	405	61	28	*46%*	63	30	*47%*	6.61x	14.34x	6.44x	13.64x
Average	**$60.14**	**11,126**	**1,532**	**798**	***42%***	**1,643**	**882**	***43%***	**5.90x**	**14.21x**	**5.47x**	**12.40x**
System Solutions												
Danaher	213.56	173,651	26,345	8,307	*32%*	28,464	9,142	*32%*	6.59x	20.90x	6.10x	19.00x
Xylem	110.11	27,733	9,206	2,136	*23%*	9,630	2,308	*24%*	3.01x	12.98x	2.88x	12.01x
Dover	194.23	27,663	8,661	2,010	*23%*	9,100	2,161	*24%*	3.19x	13.76x	3.04x	12.80x
Pentair	60.46	11,325	3,929	1,033	*26%*	4,291	1,150	*27%*	2.88x	10.96x	2.64x	9.85x
IDEX	228.64	18,118	3,691	1,003	*27%*	3,900	1,070	*27%*	4.91x	18.07x	4.65x	16.93x
A. O. Smith	59.13	8,532	3,895	801	*21%*	4,048	854	*21%*	2.19x	10.65x	2.11x	9.99x
Watts Water Technologies.	365.75	12,074	2,826	640	*23%*	2,997	697	*23%*	4.27x	18.85x	4.03x	17.33x
Average	**$175.98**	**39,871**	**8,365**	**2,276**	***25%***	**8,919**	**2,483**	***25%***	**3.86x**	**15.17x**	**3.63x**	**13.99x**

Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

CRITICAL INFRASTRUCTURE

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Components												
Graco Inc.	77.43	12,085	2,351	771	*33%*	2,472	809	*33%*	5.14x	15.67x	4.89x	14.94x
Flowserve Corporation	79.09	11,709	4,868	877	*18%*	5,210	971	*19%*	2.41x	13.35x	2.25x	12.06x
Franklin Electric Co., Inc.	100.09	4,640	2,262	352	*16%*	2,370	378	*16%*	2.05x	13.18x	1.96x	12.28x
Mueller Water Products, Inc.	24.14	3,726	1,485	375	*25%*	1,561	402	*26%*	2.51x	9.93x	2.39x	9.27x
The Gorman-Rupp Company	75.40	2,223	724	144	*20%*	765	157	*20%*	3.07x	15.42x	2.91x	14.20x
Energy Recovery, Inc.	7.71	309	74	(17)	*-23%*	111	23	*21%*	4.20x	NA	2.78x	13.52x
Average	**$60.64**	**5,782**	**1,961**	**417**	***15%***	**2,081**	**456**	***22%***	**3.23x**	**13.51x**	**2.86x**	**12.71x**
Infrastructure												
AECOM	67.43	11,181	15,378	964	*6%*	17,466	1,402	*8%*	0.73x	11.59x	0.64x	7.97x
Tetra Tech	36.14	10,047	4,390	664	*15%*	4,564	708	*NA*	2.29x	15.13x	2.20x	14.19x
Clean Harbors	315.25	19,374	6,532	1,393	*21%*	6,824	1,419	*21%*	2.97x	13.91x	2.84x	13.65x
EMCOR Group	734.54	32,025	20,320	2,202	*11%*	22,326	2,428	*11%*	1.58x	14.54x	1.43x	13.19x
Arcosa	145.30	8,212	2,589	558	*22%*	2,839	610	*21%*	3.17x	14.71x	2.89x	13.47x
Primoris Services	72.11	4,943	7,256	280	*4%*	8,072	535	*7%*	0.68x	17.67x	0.61x	9.25x
Average	**$228.46**	**14,297**	**9,411**	**1,010**	***13%***	**10,348**	**1,184**	***14%***	**1.90x**	**14.59x**	**1.77x**	**11.95x**
Low	$7.71	$309	$61	-$17	*-23%*	$63	$23	*7%*	0.68x	9.93x	0.61x	7.97x
Mean	**$130.29**	**$18,364**	**$5,289**	**$1,157**	***24%***	**$5,712**	**$1,284**	***27%***	**3.81x**	**14.43x**	**3.52x**	**12.80x**
Median	**$76.42**	**$10,614**	**$3,258**	**$718**	***23%***	**$3,449**	**$759**	***24%***	**3.12x**	**14.13x**	**2.89x**	**12.82x**
High	$734.54	$173,651	$26,345	$8,307	*58%*	$28,464	$9,142	*59%*	8.16x	20.90x	7.62x	19.00x

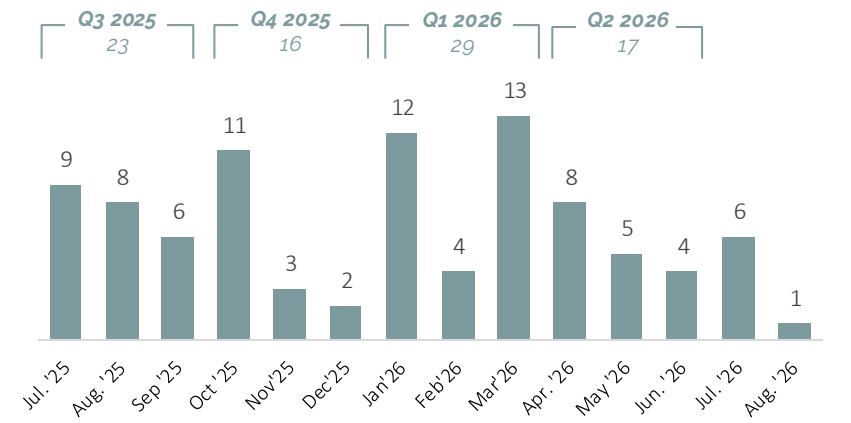
Source(s): S&P Capital IQ
$USD, Millions besides Stock Price

- On August 31, Iran continued to apply pressure on the Strait of Hormuz by attacking two oil tankers carrying Saudi crude, raising concerns over the security of one of the world's most critical shipping routes. The attacks came as U.S. forces began striking Iranian Revolutionary Guard targets following attempted attacks on commercial shipping and American personnel. The incidents also raised concerns that Saudi shipping company Bahri was changing the names and flags of some tankers to obscure their identities and potentially facilitate passage through the increasingly contested waterway.
- On August 10, the White House extended its Jones Act waiver for another 90 days, to help alleviate transportation bottlenecks and fuel-price pressures stemming from the Iran conflict. The waiver allows certain foreign-flagged vessels to transport oil and commodities between U.S. ports, making this a significant development for the domestic maritime transportation industry.

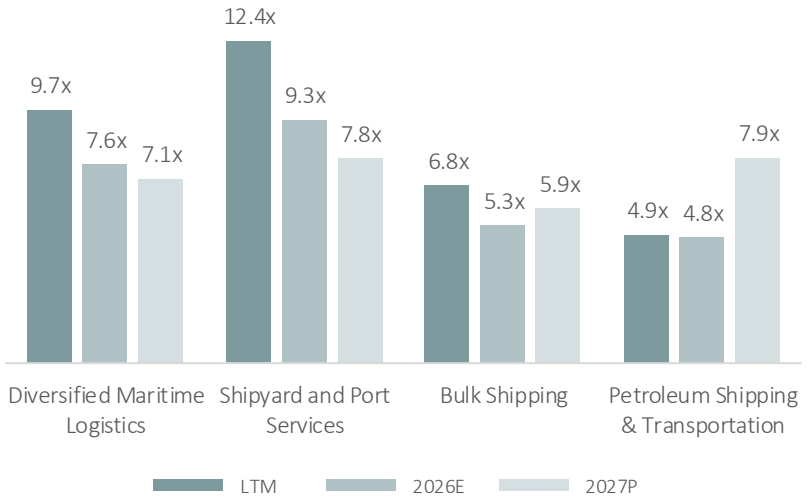
Select August Transaction

VIGOR MARINE GROUP
acquired by
ANTIN INFRASTRUCTURE PARTNERS

TRANSACTIONS BY MONTH



EBITDA VALUATION MULTIPLES



Source(s): Bloomberg; Maritime Executive; NYT
For composition of indices, see page 21

MARITIME TRANSPORT & FACILITIES

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Diversified Maritime Logistics												
Kirby Corporation	141.86	8,681	3,618	801	*22%*	3,865	879	*23%*	2.40x	10.84x	2.25x	9.87x
Matson	224.81	7,320	3,646	823	*23%*	3,765	836	*22%*	2.01x	8.89x	1.94x	8.76x
Navios Maritime Partners	88.33	4,551	1,467	974	*66%*	1,488	961	*65%*	3.10x	4.67x	3.06x	4.74x
ArcBest Corporation	137.97	3,375	4,486	377	*8%*	4,835	460	*10%*	0.75x	8.94x	0.70x	7.34x
Diana Shipping	2.73	715	283	154	*54%*	283	153	*54%*	2.53x	4.64x	2.53x	4.67x
Average	**$119.14**	**4,928**	**2,700**	**626**	***35%***	**2,847**	**658**	***35%***	**2.16x**	**7.60x**	**2.09x**	**7.08x**
Shipyard & Port Services												
International Container	14.18	34,032	3,907	2,526	*65%*	4,332	2,838	*66%*	8.71x	13.47x	7.86x	11.99x
DEME Group NV	202.79	5,511	4,895	1,088	*22%*	4,968	1,105	*22%*	1.13x	5.07x	1.11x	4.99x
Tidewater Inc.	93.12	4,668	1,451	582	*40%*	1,682	739	*44%*	3.22x	8.02x	2.77x	6.32x
Tutor Perini Corporation	88.52	4,249	6,380	461	*7%*	7,188	594	*8%*	0.67x	9.22x	0.59x	7.15x
Orion Group Holdings	9.40	541	930	49	*5%*	1,003	62	*6%*	0.58x	10.93x	0.54x	8.78x
Average	**$81.60**	**9,800**	**3,513**	**941**	***28%***	**3,835**	**1,067**	***29%***	**2.86x**	**9.34x**	**2.57x**	**7.85x**
Dry Bulk Shipping												
Star Bulk Carriers	30.87	4,127	1,127	703	*62%*	1,022	601	*59%*	3.66x	5.87x	4.04x	6.87x
Costamare	15.28	2,992	833	585	*70%*	831	595	*72%*	3.59x	5.12x	3.60x	5.03x
Danaos Corporation	151.48	2,737	1,062	792	*75%*	1,094	731	*67%*	2.58x	3.45x	2.50x	3.74x
Global Ship Lease	44.55	1,755	769	519	*67%*	715	464	*65%*	2.28x	3.38x	2.45x	3.78x

Sources: S&P Capital IQ
$USD, Millions besides Stock Price

MARITIME TRANSPORT & FACILITIES

	Stock Price 8/31/26	Enterprise Value	CY2026E Revenue	CY2026E EBITDA	CY2026E *Margin*	2027P Revenue	2027P EBITDA	2027P *Margin*	TEV/2026E Revenue	TEV/2026E EBITDA	TEV/2027P Revenue	TEV/2027P EBITDA
Dry Bulk Shipping												
Genco Shipping & Trading	26.23	1,397	376	226	*60%*	366	198	*54%*	3.72x	6.18x	3.81x	7.06x
Safe Bulkers	8.63	1,256	318	190	*60%*	284	153	*54%*	3.95x	6.60x	4.42x	8.20x
Pangaea Logistics Solutions	8.12	822	745	131	*18%*	742	121	*16%*	1.10x	6.26x	1.11x	6.78x
Average	**$40.74**	**2,155**	**747**	**450**	***59%***	**722**	**409**	***55%***	**2.98x**	**5.27x**	**3.13x**	**5.92x**
Petroleum Products Transportation												
International Seaways	98.64	5,129	1,335	917	*69%*	998	523	*52%*	3.84x	5.59x	5.14x	9.80x
DHT Holdings	19.60	3,440	815	723	*89%*	530	422	*80%*	4.22x	4.76x	6.49x	8.15x
Scorpio Tankers	78.86	2,477	1,206	729	*60%*	841	416	*50%*	2.05x	3.40x	2.95x	5.95x
Teekay Tankers	89.64	1,935	1,038	620	*60%*	753	350	*47%*	1.86x	3.12x	2.57x	5.52x
Nordic American Tankers	6.83	1,720	311	219	*70%*	280	179	*64%*	5.53x	7.87x	6.14x	9.59x
Ardmore Shipping	17.39	697	268	171	*64%*	176	85	*NA*	2.61x	4.08x	3.97x	8.23x
Average	**$51.83**	**2,566**	**829**	**563**	***69%***	**596**	**329**	***58%***	**3.35x**	**4.80x**	**4.54x**	**7.87x**
Low	$2.73	$541	$268	$49	5%	$176	$62	6%	0.58x	3.12x	0.54x	3.74x
Mean	$69.56	$4,527	$1,794	$624	*49%*	$1,828	$585	*45%*	2.87x	6.54x	3.15x	7.10x
Median	$44.55	$2,992	$1,062	$585	*60%*	$998	$464	*53%*	2.58x	5.87x	2.77x	7.06x
High	$224.81	$34,032	$6,380	$2,526	*89%*	$7,188	$2,838	*80%*	8.71x	13.47x	7.86x	11.99x

Sources: S&P Capital IQ
$USD, Millions besides Stock Price

Defense, Government & Intelligence

Defense Primes

BAE Systems	BA
General Dynamics	GD
L3Harris Technologies	LHX
Lockheed Martin	LMT
Northrop Grumman	NOC
RTX Corporation	RTX

Government Contractors

Amentum	AMTM
Booz Allen Hamilton	BAH
CACI International	CACI
Leidos	LDOS
Parsons	PSN
SAIC	SAIC
V2X	VVX

Defense Systems

AeroVironment	AVAV
Elbit Systems	ESLT
HEICO	HEI
Kratos Defense & Security	KTOS
Leonardo DRS	DRS
Mercury Systems	MRCY
Teledyne Technologies	TDY

Physical & Cyber Security

Security Services

Securitas AB	SECU B
The Brink's Company	BCO
Prosegur	PSG
Loomis AB	LOOMIS

Security Solutions

Honeywell International	HON
Johnson Controls International	JCI
Motorola Solutions	MSI
ADT	ADT
Allegion	ALLE
Alarm.com Holdings	ALRM
Napco Security Technologies	NSSC

Cyber Security

Palo Alto Networks	PANW
CrowdStrike	CRWD
Fortinet	FTNT
Zscaler	ZS
Cloudflare	NET
Check Point	CHKP
Okta	OKTA

Critical Infrastructure

Water Utilities

American Water Works	AWK
Essential Utilities	WTRG
California Water Service	CWT
American States Water	AWR
SJW Group	SJW
Consolidated Water	CWCO
Global Water Resources	GWRS

System Solutions

Danaher	DHR
Dover	DOV
Xylem	XYL
IDEX	IEX
Pentair	PNR
A. O. Smith	AOS
Watts Water Technologies	WTS

Components

Graco	GGG
Flowserve	FLS
Franklin Electric	FELE
Badger Meter	BMI
SPX FLOW	FLOW
Mueller Water Products	MWA
The Gorman-Rupp	GRC
Energy Recovery	ERII

Infrastructure

AECOM	ACM
Tetra Tech	TTEK
Clean Harbors	CLH
EMCOR Group	EME
Arcosa	ACA
Primoris Services	PRIM

Maritime Transport & Facilities

Diversified Maritime Logistics

ArcBest	ARCB
Matson	MATX
Kirby	KEX
Navios Maritime	NMM
Diana Shipping	DSX

Shipyard & Port Services

International Container Serv.	ICT
Great Lakes Dredge & Dock	GLDD
Tidewater	TDW
Orion Group	ORN
DEME Group NV	DEME

Dry Bulk Shipping

Costamare	CMRE
Star Bulk Carriers	SBLK
Danaos	DAC
Global Ship Lease	GSL
Safe Bulkers	SB
Pangaea Logistics	PANL
Genco Shipping & Trading	GNK

Petroleum Products Transportation

Scorpio Tankers	STNG
International Seaways	INSW
Teekay Tankers	TNK
DHT Holdings	DHT
Nordic American Tankers	NAT
Ardmore Shipping	ASC

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