Government Services Review
2nd Half 2023

KPMG Corporate Finance LLC

Bill Graf
Managing Director
williamgraf@kpmg.com

M&A Summary (1/3)

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M&A Summary

Falfurrias Capital Partners acquires **Synergy ECP** (Columbia, MD), a provider of software engineering, cybersecurity, and systems engineering services for IC and DoD clients. **Arlington Capital** acquires **Integrated Data Services (IDS)** (El Segundo, CA), a provider of software and technology-enabled support and development for federal government customers. Arlington Capital also acquires **Avenu Insights & Analytics** (Centreville, VA) from **Mill Point Capital.** Avenu provides administrative, revenue enhancement, and payment software to state and local governments. Avenu was formed in 2017 through the combination of PRA's Government Services division and Conduent's Local and Municipal Government Software Solutions business.

Washington Harbour Partners acquires **SixGen** (Annapolis, MD), a provider of cybersecurity products and services to federal and commercial customers. **Capitol Meridian** acquires **Clarity Innovations** (Columbia, MD), a provider of advanced data and cyber analytics services and software to the U.S. National Security community. Clarity acquires **Gray Digital**, a human-centered digital services company to federal customers. **Godspeed Capital** acquires **Crimson Phoenix**, a provider of data and intelligence solutions supporting Intel and U.S. Special Operations Command. Crimson Phoenix has over 400 employees, 90% of whom are cleared at the TS/SCI level. Crimson Phoenix acquires **Cyberspace Solutions** (Herndon, VA), a provider of solutions to U.S. Special Operations Command and DIA.

ManTech (Carlyle) acquires **Definitive Logic** (Arlington, VA), a provider of digital transformation consulting and technology solutions to defense, homeland security, and federal civilian agencies. **Accenture** acquires **Strongbow Consulting** (Ridgewood, NJ), a provider of commercial and technical expertise in infrastructure modernization across hybrid cloud, networking, and end-user compute environments. Strongbow will become part of Accenture Technology Strategy & Advisory in North America.

Amentum agrees to merge with **Jacobs Solutions**, which is comprised of its **Critical Mission Solutions** segment plus the **cyber and intelligence portions of the Divergent Solutions division**. The new public company will be owned 51% by Jacobs shareholders, 7.5-12% by Jacobs, and the remaining 32.5-37% by Amentum. Combined company will have $13 billion in revenue and more than 53,000 employees and a projected $1.1 billion in adjusted EBITDA in 2024.

Bain Capital acquires **Guidehouse** (Veritas Capital) for $5.3 billion. Guidehouse provides management, technology, risk consulting, digital services, and other consulting services to a wide range of industries including defense & security, energy, infrastructure & sustainability, financial services, and health. **Parsons** acquires **Sealing Technologies** (Columbia, MD) for $200 million. Sealing provides defensive cyber operations, AI, and ML-driven integrated mission-solutions, edge computing, and edge access modernization to federal customers. **T-Rex Solutions** acquires **Cyber Cloud Technologies** (Columbia, MD), a provider of enterprise IT services to the federal government.

SMX (OceanSound Partners) acquires **Creoal Consulting** (Arlington, VA), a provider of software development and data management to various federal customers, including DHS and NIH. SMX also acquires **Outside Analytics** (Broomfield, CO), a provider of software and technology services to national security agencies. **Blue Delta Capital** makes minority investment in **Concept Plus** (Fairfax, VA), a provider of Oracle, Cloud Computing, Health IT, and Data Analytics solutions to federal customers. Blue Delta-backed **Acclaim Technical Services (ATS)** acquires **Alder Technology** (Chantilly, VA), a provider of network engineering, network security, and data management services and solutions in support of national security. ATS will now have over 600 employees.

Eqlipse (Arlington Capital) acquires **SR Technologies** (Sunrise, FL), a provider of signals intelligence and electronic warfare technologies to government and commercial organizations. The deal expands Eqlipse's electronic warfare (EW) and signals intelligence (SIGINT) capabilities. **A&M Capital Partners** acquires **VTG** (Chantilly, VA) from **The Jordan Group**. VTG provides force modernization and digital transformation solutions across the modern battlespace and offers engineering and modernization services for both the DoD and IC. **Precise Systems (Bluestone Investment Partners)** acquires **Excet** (Springfield, VA), a provider of scientific research and engineering services to DoD clients including the Army and Navy.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

M&A Summary (2/3)

M&A Summary

01

IntelliBridge (Enlightenment Capital) acquires **RevaComm (RVCM)** (Honolulu, HI), a provider of digital transformation solutions, including DevSecOps, cloud solutioning, cybersecurity, and human-centered design to federal civilian and defense agencies. **FVLCRUM** acquires **Advanced IT Concepts** (Winter Park, FL), a provider of defense and federal agencies with technology solutions including IT infrastructure, medical simulation, cybersecurity, and life training. **Enlightenment Capital** acquires **Ridgeline International** (Tysons Corner, VA), a provider of proprietary intelligence and cyber technology solutions to control data, protection against digital surveillance, and secure communications for the IC and DoD.

Accenture acquires **Strongbow Consulting** (Ridgewood, NJ), a provider of commercial and technical expertise in infrastructure modernization across hybrid cloud, networking, and end-user compute environments. Strongbow will become part of Accenture Technology Strategy & Advisory in North America. **Irys** acquires **Diversified Technical Services, Inc. (DTSI)** (San Antonio, TX), a provider of software development, cybersecurity, and related IT services to customers in defense and government sectors. **BigBear.ai (NYSE: BBAI)** acquires **Pangiam Intermediate Holdings** (McLean, VA), a provider of facial recognition, microservice architectures, biometrics, DevOps, machine learning, and continuous performance monitoring solutions to federal customers.

Redhorse (Blue Delta) acquires **Allied Associates International (A2I)** (Gainesville, VA), a provider of cyber data analytics, software development support, and related services for defense, intelligence community, and federal law enforcement agency customers. **Summit 7 Systems (Westview)** acquires **CSW Systems** (Warrenton, VA), a provider of managed information technology solutions, engineering, building, deploying critical systems, cybersecurity engineering, and other solutions to IC and federal customers. **Arcfield (Veritas Capital)** acquires **Strategic Technology Consulting** (Toms River, NJ), a provider of full-spectrum model-based systems engineering and digital engineering services and solutions. Arcfield also acquires **Orion Space Solutions** (Louisville, CO), a provider of end-to-end space mission capabilities and solutions, including the design, integration, and assembly of SmallSats and CubeSats.

RTX announces that it has sold its cybersecurity, intelligence, and services business unit to an undisclosed buyer for $1.3 billion. **Tyler Technologies (NYSE: TYL)** acquires **ARInspect** (Fairfax, VA), a provider of machine learning tools used in public sector field operations. **Akima (NANA Regional Corp.)** acquires **Pinnacle Solutions (PSI)** (Huntsville, AL), a provider of training device development, modifications, technical publications, and engineering & training services to private sector and U.S. federal aerospace and defense customers. Deal expands Akima's aviation and training capabilities in the defense market.

Owl Cyber Defense (DC Capital) acquires **Big Bad Wolf Security** (Silver Spring, MD), which provides next generation cloud infrastructure security for private sector and U.S. federal clients. **Madison Dearborn** acquires **T2S** (Belcamp, MD), a 250-person provider of R&D, prototyping, engineering, integration, and technology products to DoD, IC, and other government agencies. **BlueHalo (Arlington Capital)** acquires **Ipsolon Research** (Frederick, MD), a manufacturer of radios as ultra-small form factor products to allow for more freedom of movement across land and air.

Arentum (Renovus Capital) acquires **Artemis Consulting** (McLean, VA), a provider of cloud enablement and modernization solutions to DHS and other civilian agencies. **GCOM (Sagewind Capital)** merges with **OnCore Consulting**, a provider of technology modernization and digital transformation services for the public sector in California. **NewSpring Holdings** acquires **Bridge Core**, a provider of visual intelligence, cybersecurity, and other technical solutions to the U.S. government intelligence community. Bridge Core acquires **GeoYeti** (Haymarket, VA), a provider of data science and analytic solutions for government clients. Bridge Core also acquires **teKnoluxion** (Bethesda, MD), a provider of hybrid cloud engineering and full lifecycle cloud development. The deal expands Bridge Core's tools and services it can offer in the IC.

Arlington Capital acquires **Exostar** from **Thoma Bravo**. Exostar provides a cloud-based information-sharing platform designed to help organizations in highly regulated industries mitigate risk and solve identity. **CM Equity** makes an investment in **Dexis** (Washington, DC), a provider of strategic and advisory solutions for federal customers including USAID, DoS, DoD, and DoL. **Deltek (Roper Technologies)** acquires **ProPricer** (Temecula, CA) a provider of software used on proposal pricing used by government contractors and government entities.

M&A Summary (3/3)

01

M&A Summary

22nd Century Technologies acquires **QED** (Woburn, MA), a provider of public safety software, including computer-aided dispatch and records management systems. Deal expands 22nd's offerings across state, local, and federal government sectors. **MSI Consulting Group** acquires **Ascolta** (Hampton, VA), provider of artificial intelligence and DevOps solutions for federal agencies. **System One Holdings (Oaktree Capital Management)** acquires **KeyLogic** (Morgantown, WV), a provider of data analytics, digital transformation, and agile software solutions to federal clients, including DOE and EPA. **Proteus Capital Solutions** acquires **CSSI** (Washington, DC), a provider of transportation solutions, including software development, systems engineering, acquisition and program management, safety management, and other solutions, to federal clients.

Dine Development Corp. (DDC) acquires **Spin Systems** (Falls Church, VA), a provider of big data aggregation, virtualization, predictive modeling, and AI/ML-driven intelligence visualization solutions to federal clients. **Falfurrias Capital Partners** acquires **O2X Human Performance** (Scituate, MA), a provider of custom wellness and performance programs for federal agencies, the military, public safety departments, and commercial customers.

Acentra Health (Carlyle Group) acquires **Espyr** (Marietta, GA), a provider of counseling and mental health support intended to help people and organizations reach their full potential by supporting mental health, from **Anacapa Partners**. **Saab** acquires **CrowdAI** (San Francisco, CA), provider of artificial intelligence-based data science and analytics solutions to the federal and commercial customers. **MindPetal** acquires **VerticalApps** (Arlington, VA), a provider of software development and data management to various federal customers, including DHS and NIH.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

General / Other M&A

02

General / Other M&A

- **Maxar** splits company into two separate businesses, one focused on spacecraft manufacturing and the other on satellite imagery. **Advent** acquired Maxar for $6.4 billion in 2023.

- **Lockheed Martin Ventures** invests in **Vayu Robotics** (Palo Alto, CA), a developer of robotics technology designed for autonomous systems, including a scalable mobile robotics platform using cutting-edge bio-inspired sensing, scalable machine learning, and purposeful robotic design.

- **NATO** creates $1 billion "multi-sovereign venture capital fund" backed by 23 countries, to fund emerging technology companies.

- **IronNet** ceases operations and plans for bankruptcy filing.

- **Acuity** has established a new Intelligence Business Unit to meet growing demand from IC client.

- **Recorded Future** makes an investment in **Hunt.io**, an advanced adversary hunting company, through its Intelligence Fund.

- **SAIC** launches **ReadyOne**, a rapidly deployable digital engineering (DE) ecosystem that offers an end-to-end digital thread for consistent, traceable, and complete engineering solutions.

- **Nokia** launches Nokia Federal Solutions.

- **Booz Allen Hamilton Ventures** invests in **Second Front Systems**, the creator of a platform that accelerates the accreditation and deployment of commercial software for national security clients.

- **Booz Allen Ventures** invests in **HiddenLayer** (Austin, TX), a developer of a security platform for machine learning (ML) models.

- **Netography** (Annapolis, MD), which supports Netography Fusion, their flagship Network Defense Platform (NDP), has spun off their eBPF-based innovation into a separate entity. **Mango Capital** is an investor in Netography.

- **Heling** (Berlin, Germany), an AI-powered defense technology company, raises $223 million in Series B funding led by **General Catalyst**, joined by Saab.

- **General Paul Nakasone** names **Matteo Martemucci** as deputy chief, Central Security Service.

- **The National Security Agency** is standing up the **AI Security Center**. This center will be part of the NSA's Cybersecurity Collaboration Center and will focus on "leveraging foreign intelligence insights, contributing to the development of best practices, guidelines, principles, evaluation methodology, and risk frameworks for AI security. With an end goal of promoting the secure development, integration, and adoption of AI capabilities within our national security systems, and our defense industrial base," according to Army Gen. Paul Nakasone.

- **Shield Capital** raises $186 million for its inaugural fund focused on early-stage investments focused on defense technology.

- **Lockheed Martin** invests in **HawkEye 360**, a provider of commercial RF geospatial intelligence.

- **Saronic** (Austin, TX), a developer of autonomous defense ships, raises $55 million in Series A funding, led by **Caffeinated Capital**, joined by 8VC, Andreessen Horowitz, Lightspeed Venture Partners, Point72 Ventures, Silent Ventures, Overmatch Ventures, Ensemble VC, Cubit Capital, and the U.S. Innovative Technology Fund.

- **Second Front Systems** raises $40 million in Series B, led by **NEA** along with Moore Strategic Ventures and AE Industrial Partners HorizonX.

- **Turngate** (Ellicott City, MD), a cybersecurity startup, raises $5 million, led by **Paladin Capital**.

- **Vigilant Ops** receives $2 million seed investment from **Datatribe**.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Personnel Changes (1/4)

Personnel Changes

03

- **Andy Maner** named executive chairman of the board of directors at Bridge Core, which is backed by NewSpring. Maner was previously the chairman and CEO of Avantus.

- **Sue Gordon** named to board of directors of Bridge Core. Gordon was the former principal deputy director of National Intelligence.

- **Vice Adm. Bob Sharp** named to board of directors at Bridge Core.

- **Marybeth Wootton** joins board at Synergy ECP. Wootton previously spent time at Novetta, Berico Technologies, BAE Systems, and IBM.

- **Paul Wilkinson** joins Leidos as vice president of strategy and business development operations. Wilkinson was previously chief growth officer at 1901 Group.

- **Marc Sosa** named chief information officer for HII's Mission Technologies division.

- **Adam Lurie** joins Knexus Research Corp. as CEO after investment by Lurie Investments.

- **Jennifer Nelson** joins Finch AI as COO.

- **Bradford Powell** named president of Ultra's I&C (Intelligence & Communications) division.

- **John Steckel** named new president and CEO of American Systems, succeeding Peter Smith. Steckel is currently the VP of corporate development.

- **Babak Nouri** named vice president of corporate development at American Systems, replacing John Steckel.

- **Daniel "Rags" Ragsdale** of Two Six Technologies, joins the Office of the National Cyber Director as deputy assistant director for workforce and education.

- **Jon Darby** named advisor at PFP Cybersecurity. Darby has held several senior leadership roles within the National Security Agency (NSA)/Central Security Service (CSS).

- **Gary Wang** joins DMI as chief technology officer. Wang was previously vice president of cloud and application services at Peraton.

- **Robert Giesler** named strategic advisor at Exovera to help guide the company's technology, data, and business strategies. Giesler is a senior retired member of the U.S. intelligence community.

- **Ahmed Ayad** named CGO of HII's Mission Technologies. Ayad was previously ManTech's vice president and growth lead for the defense sector.

- **Deborah Youmans** joins MITRE as CIO. Youmans was previously vice president and deputy CIO at Booz Allen Hamilton.

- **John West** named vice president of business development and strategy at Tyto Athene. West was previously a vice president at Leidos and managing director of Verizon Enterprise Solutions, Public Sector.

- **Martin Klein** named vice president of analytics and artificial intelligence at ECS Federal. Klein was most recently general manager of C3 AI Federal and senior vice president at C3 AI Global Defense, Intelligence and Cyberspace.

- **Jerry Boegler** named chief growth officer at Axient.

- **Jason Huff** named security ops COO at Cyemptive.

- Peraton names 4 new members to its Advisory Board:
  - Lt. Gen. Bob Ashley, retired, U.S. Army, and former director, DIA
  - George Barnes, former deputy director, NSA
  - Lisa Porter, Ph.D., former deputy under secretary of Defense for Research and Engineering (DUSD(R&E)) and former associate administrator for the Aeronautics Research Mission Directorate at NASA
  - General Joe Votel, retired, U.S. Army, and former commander, U.S. Central Command, and U.S. Special Operations Command

- **Doug Keating** joins Vibrint as vice president of business development.

- **Wendy Noble** named NSA deputy director.

- **Zhenia Klevitsky** named chief growth officer (CGO) at Edgewater Federal Solutions.

- **Mike Byrd** joins Rancher Government Solutions as VP of Ecosystems and Partner Management.

- **Giovanni "GI" Tuck** joins Robbins-Gioia as CEO. Tuck is a retired Air Force lieutenant general with experience in logistics, transportation, distribution, and supply chain strategies.

- **Frankie Velez** joins Peraton as VP & GM of Cyber Intelligence Systems.

- **Alka Bhave** named president of Fearless Digital.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Personnel Changes (2/4)

03

Personnel Changes

- **Dr. John Hillen** joins the advisory board of Enlightenment Capital.

- **Craig Reed** joins Donovan Capital Group as strategic partner.

- **Michele Cook** joins Integral Federal as chief strategy officer. Cook spent time at Booz Allen Hamilton, SOSi, KeyW, and PAE.

- **Audrey Schaffer** joins Slingshot Aerospace as vice president of strategy. Schaffer is a former White House space policy official.

- **Jackie Fendrock** joins ECS as operations and growth vice president.

- **Lauren Knausenberger** joins SAIC as chief innovation officer (CNO). Knausenberger is the former Chief Information Officer of the Department of the Air Force.

- **Tim Turitto** joins SAIC as chief of staff to CEO Toni Townes-Whitley. Turitto spent 7 years at Microsoft, leading its federal subsidiary, while also stand up the $15 billion U.S. regulated industry segment and overseeing product sales strategy.

- **Paul Tartaglione** joins GDIT as chief growth officer (CGO).

- **Lisa Mascolo** named chief executive of board of advisors at GCOM. Mascolo was recently with IBM leading the U.S. public service business unit.

- **Tony Scardino** named vice president and lead of the Federal Business Consulting practice at CGI.

- **Jim McConville** joins AE Industrial as an operating partner.

- **Dana Deasy** named to the board of directors at SAIC. Deasy was previously chief information officer of the Department of Defense; and previous the global CIO of JPMorgan Chase and CIO of BP, General Motors North America, Tyco International, and Siemens Americas.

- **Craig Janus** named chief strategy and revenue officer at Unissant. Janus previously held senior roles at TAG, Xator, URS, Noblis, and SAIC.

- **Robert Fleming** named corporate vice president and president of the space systems sector at Northrop Grumman. Fleming was previously the vice president and general manager of the strategic space systems division in the Space Systems sector.

- **Paul Hovsepian** named vice president of contracts and procurement at Cadmus. Hovsepian was previously the vice president of contracts and subcontracts at Cubic and also held roles at Parsons and Raytheon Technologies.

- **Rob Warren** named vice president of capture at ECS. Warren was previously with CACI for 17 years.

- **Terri Walker-Spoonhour** joins Eqlipse as senior vice president of integration and operations.

- **Michael Perrin** named intelligence SVP at DigiFlight.

- **Cameron Hogan** named COO of Savan Group. Hogan was previously managing director of Deep Water Point & Associates.

- **Rick Wagner** named CEO of Agile Defense. Wagner was recently president of Microsoft Federal and prior to that was president of ManTech's Mission, Cyber & Intelligence Solutions Group.

- **John Hart** named chief growth officer at Agile Defense. Hart was previously at Valiant Integrated Services.

- **Toni Townes-Whitley** succeeds Nazzic Keene as CEO of SAIC.

- **Shawn Mural** hired as CFO at V2X. Mural previously in the same capacity with RTX and its predecessor companies for 24 years.

- **Randy Guard** joins Appian as chief marketing officer. Guard was previously with SAS.

- **Joey Lauffer** named chief growth officer (CGO) at BTI360. Lauffer was previously director at Google and spent time at GDIT before that.

- **Frank Varga** named COO at Apogee.

- **Kay Kapoor** joins board of directors at Frontier Technology. Kapoor is the founder and CEO of Arya Technologies, and previously led AT&T's Global Public Sector organization as its president and served as chair and CEO of Accenture Federal Services.

- **Navy Adm. Craig S. Faller** named to the board of directors at HII. Faller retired from the Navy in 2021 after 38 years of service. He was most recently commander of the U.S. Southern Command.

- **David Affeldt** named to strategic advisory role at DLH Holdings Corp. Affeldt is the former president and CEO of Grove Resource Solutions, Inc., which was acquired by DLH.

- **Gregg Melanson** named CGO at Acuity. Melanson was previously the chief growth officer at Iluminate and CyberCore before that.

- **Derrick Lee** named intelligence director at SOSi.

- **Kevin Phillips** named Executive Partner at Bluestone Investment Partners.

- **Tim Massey** named chief growth officer at Radiance.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Personnel Changes (3/4)

Personnel Changes

03

- **Bill Mertz** named SVP and chief procurement officer at Peraton.
- **Jim** Scanlon named president of Radiance.
- **Tessa Baerlocher** named VP at LinQuest.
- **Jon Paul Kiwus** named national security program manager at Constellis.
- **John Avalos** named chief operating officer at Arcfield. Avalos was previously COO at SOSi.
- **Viveca Pavon-Harr** named chief data scientist at Accenture Federal Services.
- **Dan Smoot** named CEO of Maxar Intelligence.
- **Dave Marlowe** named vice president and client executive at Amentum. Marlowe is the former deputy director of CIA for operations.
- **Ryan Moore** named chief information security officer at Serco. Moore was most recently CISO and supervisory criminal investigator at the U.S. Secret Service.
- **Christian Malone** named chief architect at Intact Technology. Malone was most recently principal solutions architect at ServiceNow, and before that had technical leadership roles at NASA's Goddard Space Flight Center, Apple, Chesapeake Systems, and Discovery Communications.
- **Bill Cull** named vice president of federal at SpyCloud.
- **Jeanmarie Brown** named operations chief at Raft. Brown was formerly a leader at Novetta, and Iomaxis, CACI, and ManTech before that.
- **Joel Abrahams** promoted to vice president of the Air Force Business Unit at Axient.
- **David Broadbent** named new president for Intelsat's global government business.
- **Tanya Skeen** named senior vice president of corporate strategy and development at CACI. Skeen was previously the acting assistant defense secretary for acquisition.
- **Vishal Luthra** named chief growth officer at TechSur Solutions.
- **Digital Harmonic** (Ellicott City, MD), a developer of video enhancement software, names Anita Antenucci, Leslie Armitage, and David Dupree to its board of directors.
- **Ray Williams** named executive vice president at iNovex. Williams was most recently vice president and general manager for Maxar's Intelligence and Combatant Command business unit.
- **Chris Pateras** named account executive, Special Operations Command, at SOSi.

- **Noelle Russell** named data and artificial intelligence market lead at Accenture Federal Services.
- **Jim Robb** named chief strategy officer at Vibrint.
- **Daniel Wilbricht** named new president at Optiv+ClearShark.
- **Calvin Butler** and **Jeff Edwards** join Battelle board of directors.
- **Andrew Boyd, Seth Jones** and **Elizabeth Sizeland** named senior advisers at Tripoint Solutions.
- **Ken Bedingfield** named chief financial officer at L3Harris Technologies. Bedingfield was previously CEO of Epirus, and whose career also including time as CFO of Northrop Grumman.
- **Scott Rosebush** named president as Fuse Integration.
- **Joseph Votel** named to board of directors at AeroVironment. Votel is a retired U.S. Army general, who is a four-star general and was commander of the U.S. Central Command (CENTCOM).
- **Nitin Vartak** named CTO at Alpha Omega.
- **Jeffrey Kruse** confirmed as Direct of DIA.
- **Mitch Stevison** named president and CEO at Frontgrade.
- **Robert Lee**, the CEO of Dragos, joins DataTribe as Venture Partner.
- **Heather Newlin** named chief strategy officer at SkyePoint Decisions. Newlin most recently held COO and strategic advisor roles at Northrop Grumman, BAE Systems, and Jacobs.
- **Mohamed Elansary** named chief growth officer at Concept Plus. Elansary was most recently chief growth officer at Buchanan & Edwards.
- **Ken Sharp** named chief financial officer at Peraton. Sharp was previously the CFO at Peraton.
- **Nabil Aitoumeziane** named president of FSi Strategies.
- **Christopher Calio** named the next CEO of RTX, replacing Greg Hayes.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.
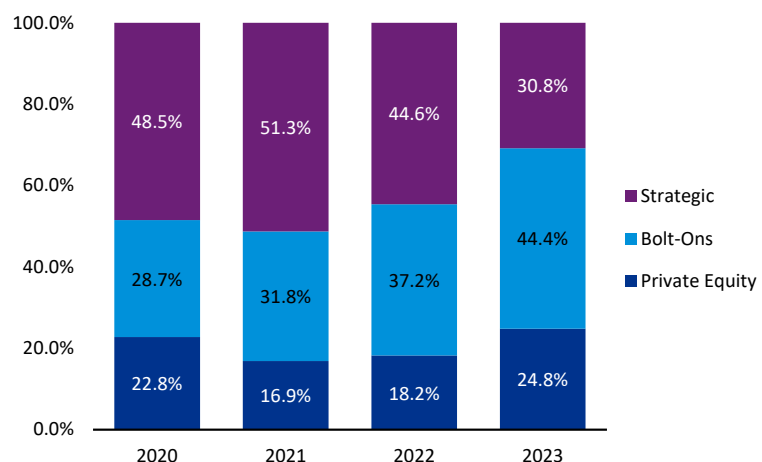
Personnel Changes (4/4)

03

Personnel Changes

- **Nancy Norton** named to board of directors of Leidos. Norton, a retired Navy vice admiral was most recently the director of the Defense Information Systems Agency.

- **Joseph Boeckx** named Executive Vice President/Chief Growth Officer at QinetiQ US.

- **Ben FitzGerald** named CEO of Rebellion Defense.

- **Jon Estridge** named vice president of operations at York Space Systems. Estridge is a former staff member of the Senate Select Committee on Intelligence.

- **Matthew Ford** named president and chief operating officer at iNovex.

- **Kent Wilcher** promoted to chief growth officer of the U.S. government business arm of KBR.

- **Chris Cleary** named vice president of its global cyber practice at ManTech.

- **Sonny Hashmi** named public sector team lead at Unqork. Hashmi was the commissioner of GSA's Federal Acquisition Service.

- **Mark Russell**, CTO of RTX retires, and will be replaced by Juan de Bedout.

- **Jacob Sapp** named CFO at NetCentrics.

- **Timothy Barton** named chief technology officer at DESE Research.

- **Phil Jasper** named president of Raytheon. Jasper succeeds Wesley D. Kremer who is retiring.

- **John Lambeth** named chief information officer at Analytic Services (ANSER). Lambeth was most recently CIO at Maximus, and PAE and Qinetiq North America before that.

- **Joe Winthrop** named CFO at ASRC Federal. Winthrop was previously the senior vice president of finance at SAIC.

- **Rick Schult** named chief operating officer at Amyx.

- **Scott Crane** named CFO at Crimson Phoenix. Crane was previously with Illuminate, Polaris Alpha, and EOIR Technologies.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services – M&A Activity

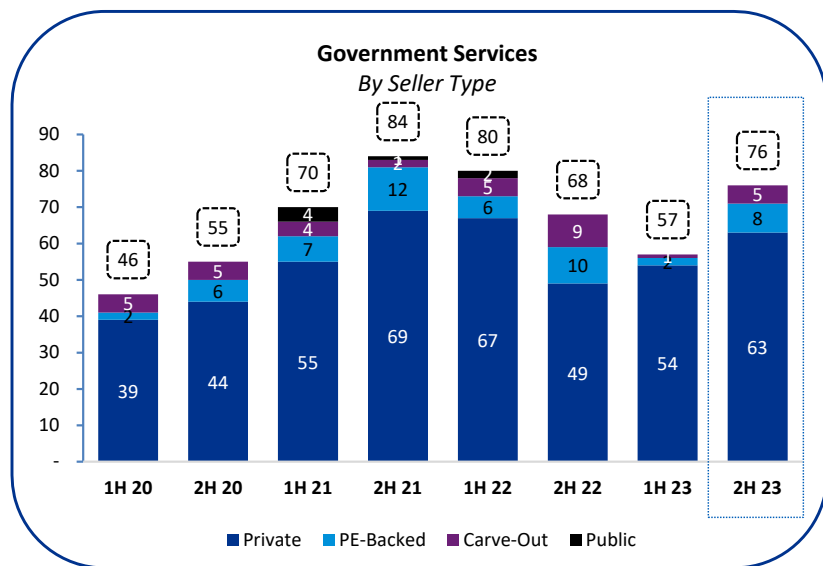## Quarterly Government Services – By Buyer Type

2020 — **101** Deals
2021 — **154** Deals
2022 — **148** Deals
2023 — **133** Deals

Legend: Strategic, PE-Backed, Private Equity

	1Q 20	2Q 20	3Q 20	4Q 20	1Q 21	2Q 21	3Q 21	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	3Q 23	4Q 23
Total	28	18	17	38	41	29	44	40	36	44	34	34	31	26	37	39
Private Equity	7	2	4	10	6	3	8	9	5	8	6	8	8	2	7	16
PE-Backed	7	7	4	11	16	6	14	13	16	14	11	14	15	13	16	15
Strategic	14	9	9	17	19	20	22	18	15	22	17	12	8	11	14	8

Bottom-left chart (percentages by year):

	2020	2021	2022	2023
Strategic	48.5%	51.3%	44.6%	30.8%
Bolt-Ons	28.7%	31.8%	37.2%	44.4%
Private Equity	22.8%	16.9%	18.2%	24.8%

Constant Technological Change in Warfare	While China remains the pacing threat technically & geopolitically, Russia-Ukraine, Iran and its proxies, Israel-Hamas, North Korea and other constant threats require continued vigilance. Key investment themes remain aligned with these threats: cybersecurity, AI, hypersonics, space, intelligence collection & analysis, and other defense technologies.
Continued Private Equity Interest	Private Equity continued to play a key role in Government Services M&A contributing 2/3 of all Government Services M&A activity in 2023 (Platforms: 24.6%, Bolt-Ons: 44.6%). The 2nd Half of 2023 saw 21 new platforms (32 in all 2023) backed by both established and new financial players.
Deal Dynamics	2023 saw a significant volume of deals however many were <$100m. While strategics were moderately engaged in M&A in 2023, the market expects them to be more active in 2024 as existing PE platforms mature to have the size and scale that larger strategics will find more compelling.
National Defense Industrial Strategy (NDIS)	DoD releases National Defense Industrial Strategy (NDIS) document which notes key themes including fortifying and hardening supply chains, enhancing workforce readiness, improving acquisition strategies, and strengthening economic deterrence, among other key initiatives.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services – M&A Activity

Government Services
By Buyer Type

Strategic ■ **PE-Backed** ■ **Private Equity**
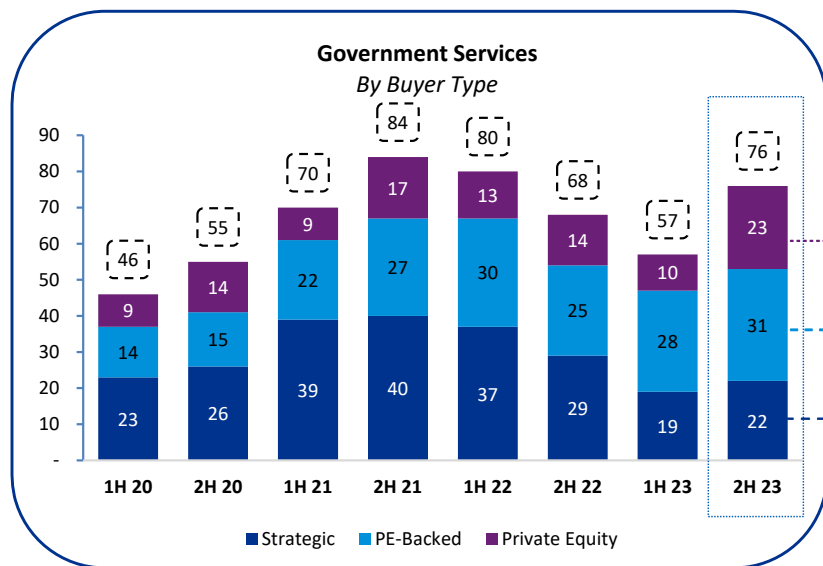
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Government Services
By Seller Type

Private ■ **PE-Backed** ■ **Carve-Out** ■ **Public**

Notable PE Bolt-Ons

Buyer	Fund	Bolt-On
Precise Systems	Bluestone Investment Partners	Excet
Acclaim Technical Services	Blue Delta Capital	Alder Technology
Clarity Innovations	Capitol Merdian	Gray Digital
Arcfield	Veritas Capital	Orion Space Solutions
BlueHalo	Arlington Capital	Ipsolon Research
System One Holdings	Oaktree Capital	KeyLogic Systems
Amentum Holdings	Lindsay Goldberg/American Sec	Jacob Solutions (CMS and Cyber/Intel)
SMX	OceanSound Partners	Outside Analytics
C3 Integrated Solutions	M/C Partners	Ingalls Information Security
IntelliBridge	Enlightenment Capital	RevaComm (RVCM)
Summit 7 Systems	Westview Capital Partners	CSW Systems
Eqlipse Technologies	Arlington Capital	SR Technologies
Redhorse	Blue Delta Capital	Allied Associates International (A2I)
SMX	OceanSound Partners	Creoal Consulting
Bridge Core Federal	NewSpring	teKnoluxion
SPA	Arlington Capital	PRKK
Bridge Core Federal	NewSpring	GeoYeti
GCOM Software	Sagewind Capital	OnCore Consulting (Merger)
Forward Slope	Trive Capital	Soar Technology
Owl Cyber Defense Solutions	DC Capital Partners	Big Bad Wolf Security
Forward Slope	Trive Capital Holdings	Hypergiant Industries
Arentum	Renovus Capital	Artemis Consulting
Converged Security Solutions	Hillcrest Holdings	Solutions By Design (SBD)
Arcfield	Veritas Capital	Strategic Technology Consulting
ManTech	Carlyle Group	Definitive Logic
Eqlipse	Arlington Capital	UES

Notable Strategic Buyers

Public Buyers		Private Buyers
Accenture		Dine Development Corp (DDC)
BigBear ai		Yulistia Holding
Parsons		22nd Century Technologies
Saab AB		T-Rex Solutions
Deltek		RSC2
		The Swift Group
		Chickasaw Nation Industries (CNI)
		Mission1st Group

Notable PE Exits

| Company	Sponsor	Buyer	Acquired	Sold	Hold (Yrs)
Guidehouse	Veritas Capital	Bain Capital	May-18	Dec-23	5.6
KeyLogic	Proteus Capital	System One (Oaktree)	Jun-19	Nov-23	4.5
Pangiam	AE Industrial	BigBear.ai	Oct-20	Nov-23	3.0
Avenu Insights & Analytics	Mill Point Capital	Arlington Capital	Jan-17	Oct-23	6.7
VTG	The Jordan Company	A&M Capital	Oct-17	Sep-23	5.9

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research; data does not include the announced acquisition of the RTX's Cybersecurity, Intel & Services Unit by an unnamed private equity firm

Government Services – Private Equity Platforms

- The 2nd Half of 2023 saw a flurry of Private Equity Government Services platforms with **21 new platforms**, backed by both established and new players.

- In total, for 2023, there were **32** new Government Services platforms.

- There are currently **over 100** PE-Backed Government Services platforms.

- The average tenure of PE exits in 2023 was **4.3 years** and included some notable exits, including:
  - Bain Capital acquired Guidehouse (Veritas Capital) – *Hold = 5.6 yrs.*
  - BigBear.ai acquired Pangiam (AE Industrial) – *Hold = 3.0 yrs.*
  - A&M Capital acquires VTG (The Jordan Company) – *Hold = 5.9 yrs.*
  - System One acquires KeyLogic (Proteus) – *Hold = 4.5 yrs.*

Current PE Platforms

Government Services
PE Platforms - by Vintage Year

Before 2017	2017	2018	2019	2020	2021	2022	2023
3	7	5	11	12	22	14	32

2023: 21 2nd Half / 11 1st Half

PE Exits

Government Services
Avg. Tenure by Exit Year (yrs.)

2021	2022	2023
4.5	3.6	4.3

2nd Half 2023 – Notable Private Equity Platform Activity

Date	Sponsor	Platform	Bolt-Ons
Dec-23	CM EQUITY PARTNERS	dexis	
Dec-23	ENLIGHTENMENT CAPITAL	RIDGELINE INTERNATIONAL	
Dec-23	H.I.G. CAPITAL	Mainline INFORMATION SYSTEMS	
Dec-23	Capitol Meridian Partners	CLARITY	GRAY (Dec-23)
Nov-23	MDP	T2S SOLUTIONS	
Nov-23	GODSPEED CAPITAL		
Nov-23	ACP	EXOSTAR We build trust.	
Nov-23	WASHINGTON HARBOUR	SIXGEN	
Nov-23	BlueDelta CAPITAL PARTNERS	CONCEPT PLUS	
Nov-23	BainCapital	Guidehouse	
Oct-23	CenterGate CAPITAL	CTi	
Oct-23	FALFURRIAS CAPITAL	SYNERGY ecp	
Oct-23	ACP	AVENU	
Oct-23	FVLCRUM	AITC	
Sep-23	A&M CAPITAL PARTNERS	VTG	
Sep-23	PROTEUS CAPITAL SOLUTIONS	CSSI, INC.	
Sep-23	LURIE	KNEXUS	
Aug-23	ACP	CDS	
Jul-23	NEWSPRING HOLDINGS	bcore	GeoYeti (Sep-23), teknoluxion (Oct-23)
Jul-23	IMB PARTNERS	eTel.	
Jul-23	ENLIGHTENMENT CAPITAL	RED ALPHA	
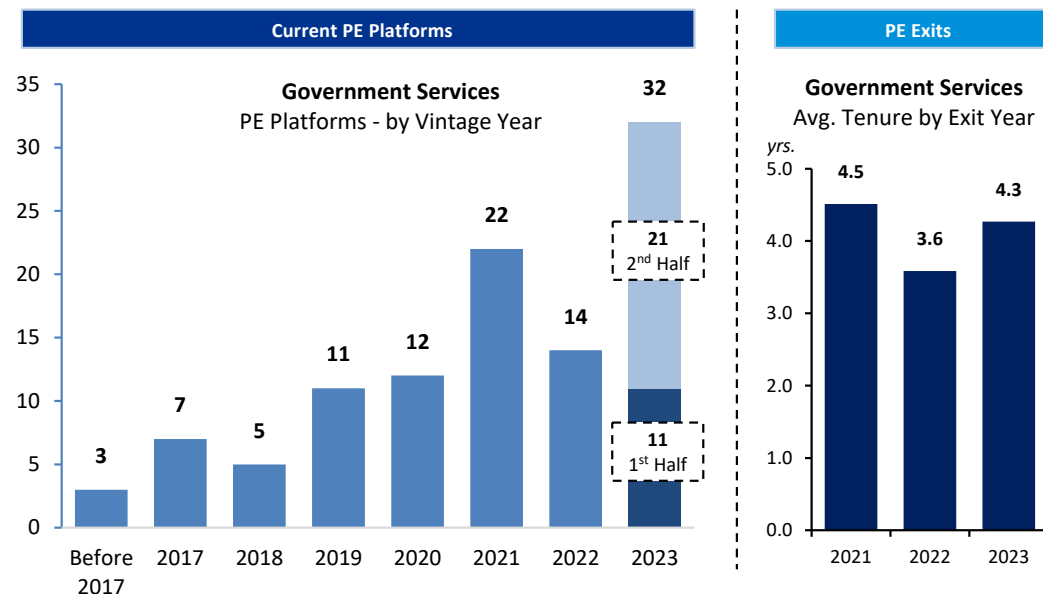
Sources: KPMG Database, CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services – Capital Market

Government Services IT Index v. S&P 500
(2022-YTD 2024 Performance)

Jan22-YTD24 Performance

| Gov't IT Index |
| 23.5% |

| S&P 500 Index |
| (0.4%) |

Legend: —— S&P 500   —— Government Services IT Index
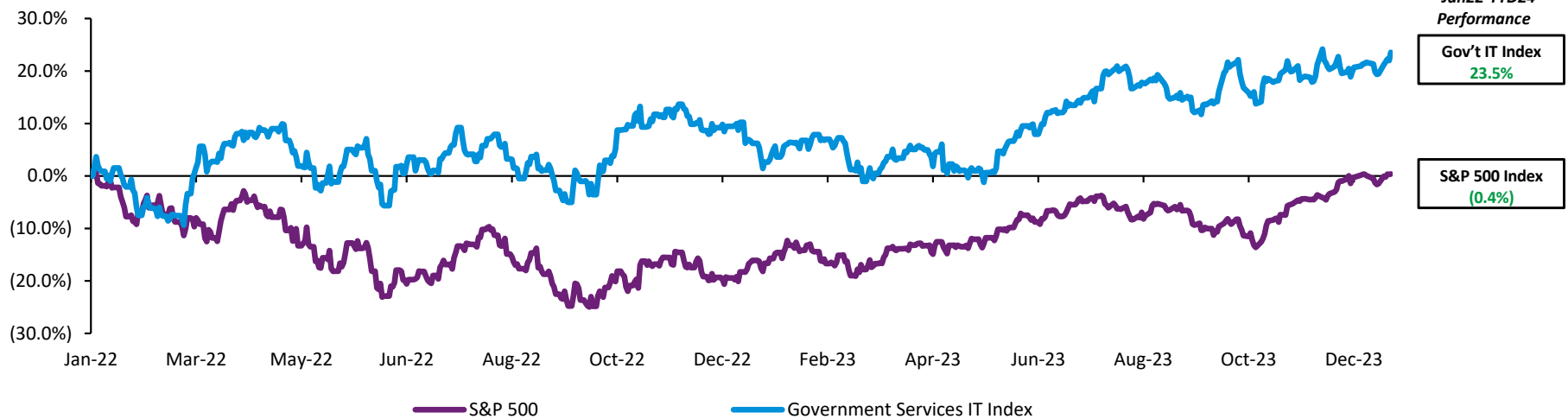
Government Services IT Index v. S&P 500
EV/EBITDA (2022-YTD 2024)

16.7x

16.1x

15.1x

13.5x

Legend: —— S&P 500   —— Government Services IT Index
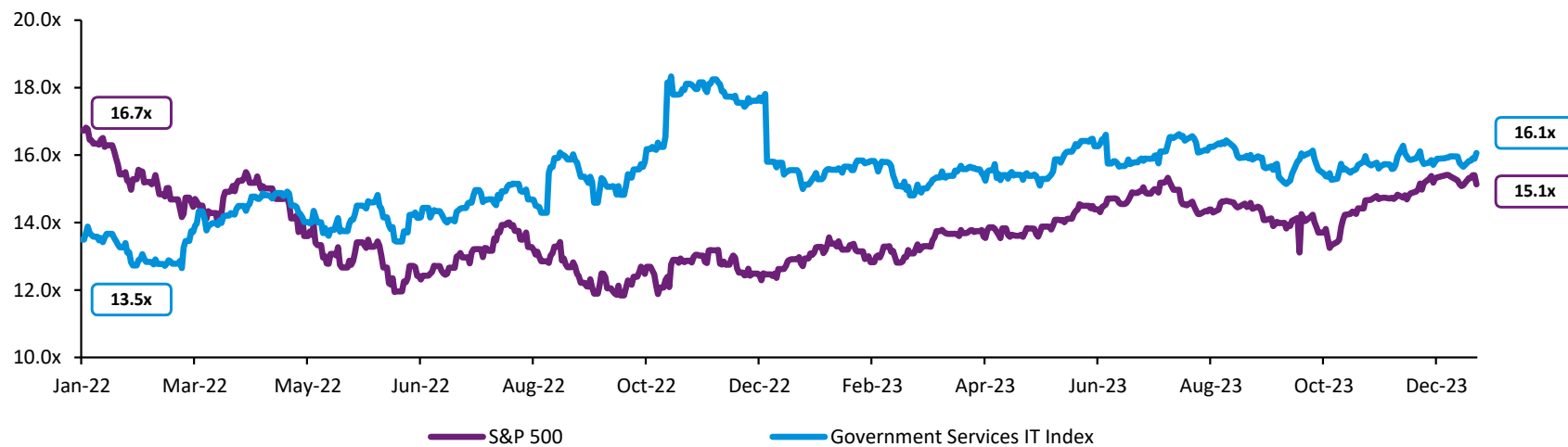
Note: YTD is through 1/12/24.

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research. Government Services IT Index: Index: BAH, CACI, ICFI, J, KBR, LDOS, PSN, SAIC, VVX.

Government Services – Stock Price Performance – Last 12 Months
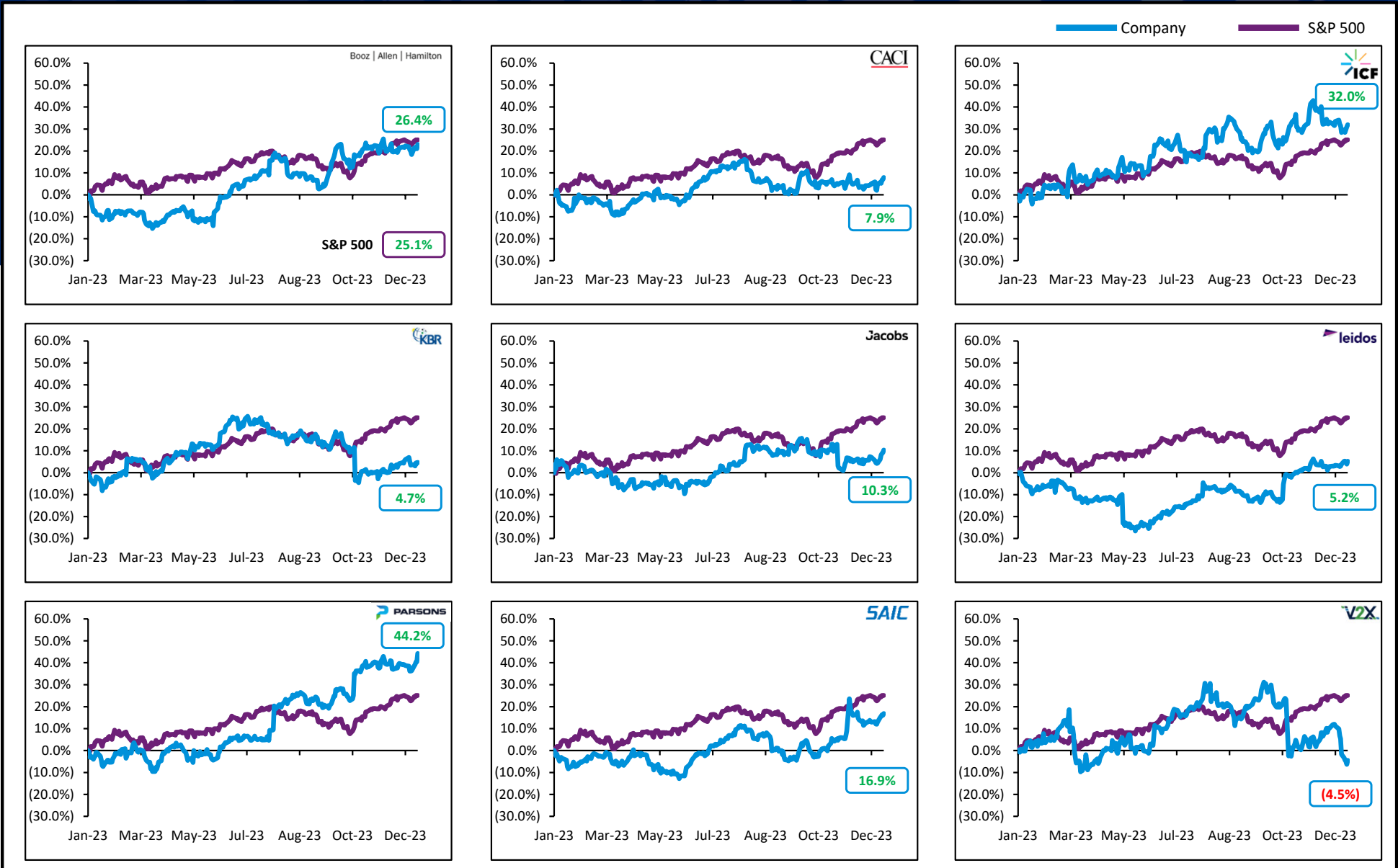
Legend: ▬ Company ▬ S&P 500

Booz | Allen | Hamilton — **26.4%**, S&P 500 **25.1%**

CACI — **7.9%**

ICF — **32.0%**

KBR — **4.7%**

Jacobs — **10.3%**

leidos — **5.2%**

PARSONS — **44.2%**

SAIC — **16.9%**

V2X — **(4.5%)**

Source: CapitalIQ. Market data as of 1/12/24.

Public Company Key Statistics (1/2)

	Government Services		**Multi-Platform / Systems Integrators**

Mean: 12.6x

Mean: 14.6x

Government Services (EV/2023 EBITDA): 16.4x, 11.4x, 14.3x, 12.7x, 10.9x, 11.7x, 15.5x, 12.8x, 7.8x

Multi-Platform / Systems Integrators (EV/2023 EBITDA): 11.0x, 13.1x, 11.3x, 26.5x, 13.4x, 13.0x, 13.5x, 14.9x, 11.5x, 17.5x
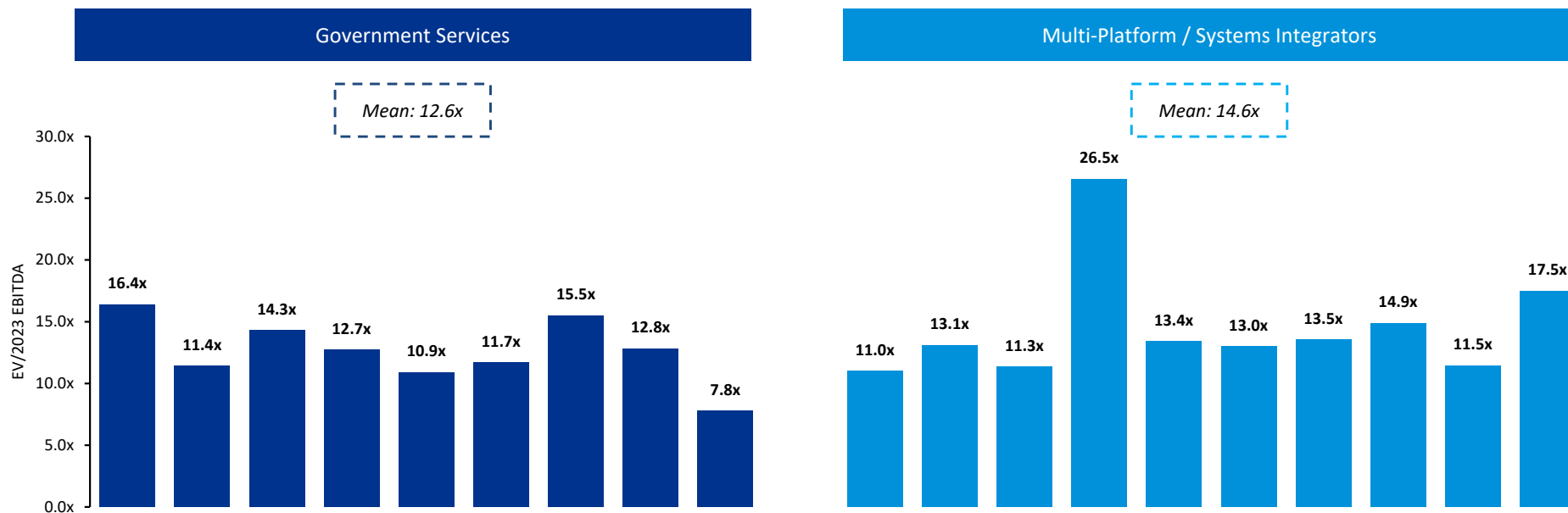
Company	Booz Allen Hamilton / CACI	ICF	Jacobs	KBR	leidos	PARSONS	SAIC	V2X	BAE SYSTEMS	GENERAL DYNAMICS	HII	KRATOS	L3HARRIS	LOCKHEED MARTIN	mercury	NORTHROP GRUMMAN	RTX	TETRA TECH
Ticker	BAH	CACI	ICFI	J	KBR	LDOS	PSN	SAIC	VVX	BA	GD	HII	KTO	LHX	LMT	GRC	NOC	RTX	TTEK
% of 52 week High	98.0%	92.5%	91.2%	94.8%	83.1%	98.9%	99.9%	94.5%	70.3%	99.9%	97.5%	97.4%	88.5%	94.8%	91.2%	54.7%	96.8%	79.3%	96.6%
Enterprise Value ($MM)	$19,857	$9,401	$3,234	$20,235	$9,031	$19,671	$7,714	$8,781	$2,365	$50,510	$79,057	$12,688	$2,768	$53,259	$128,752	$2,483	$85,736	$156,833	$9,833
EBITDA Margin	6.6%	10.3%	9.6%	9.0%	8.3%	10.4%	7.3%	9.1%	6.8%	12.3%	11.6%	9.7%	5.6%	14.9%	15.2%	6.9%	18.5%	13.5%	12.8%

Source: CapitalIQ. Market data as of 1/12/24.

Public Company Key Statistics (2/2)

Company	HQ Country	Market Data				LTM Financials			Enterprise Value To:		
		Market Cap(1)	Enterprise Value($mm)(1)	Share Price(2)	% 52-Wk High	Revenue ($mm)	Gross Margin %	EBITDA Margin %	LTM EBITDA(3)	CY 2024 EBITDA(3)	NTM EBITDA(3)
Government Services											
Booz Allen Hamilton Holding Corporation	US	$16,771	$19,857	$128.63	98.0%	$10,031	22.8%	6.6%	29.9x	16.4x	16.9x
CACI International Inc	US	$7,406	$9,401	$332.45	92.5%	$6,947	33.5%	10.3%	13.2x	11.4x	11.8x
ICF International, Inc.	US	$2,494	$3,234	$132.55	91.2%	$1,960	35.7%	9.6%	17.1x	14.3x	14.8x
Jacobs Solutions Inc.	US	$16,905	$20,235	$133.83	94.8%	$16,352	21.4%	9.0%	13.7x	12.7x	12.9x
KBR, Inc.	US	$7,386	$9,031	$54.71	83.1%	$6,834	13.8%	8.3%	15.9x	10.9x	11.3x
Leidos Holdings, Inc.	US	$15,152	$19,671	$110.19	98.9%	$15,155	14.3%	10.4%	12.5x	11.7x	11.9x
Parsons Corporation	US	$6,841	$7,714	$65.22	99.9%	$5,052	21.4%	7.3%	20.8x	15.5x	15.7x
Science Applications International Corporation	US	$6,697	$8,781	$128.63	94.5%	$7,675	11.8%	9.1%	12.5x	12.8x	12.7x
V2X, Inc.	US	$1,245	$2,365	$39.90	70.3%	$3,901	9.0%	6.8%	8.9x	7.8x	7.9x
Mean					**91.5%**		**20.4%**	**8.6%**	**16.1x**	**12.6x**	**12.9x**
Median					**94.5%**		**21.4%**	**9.0%**	**13.7x**	**12.7x**	**12.7x**
Multi-Platform / Systems Integrators											
BAE Systems plc	GB	$45,904	$50,510	$15.18	99.9%	$28,613	63.1%	12.3%	14.3x	11.0x	11.5x
General Dynamics Corporation	US	$69,412	$79,057	$254.81	97.5%	$41,455	15.9%	11.6%	16.4x	13.1x	13.2x
Huntington Ingalls Industries, Inc.	US	$10,117	$12,688	$254.68	97.4%	$11,089	13.5%	9.7%	11.7x	11.3x	11.6x
Kratos Defense & Security Solutions, Inc.	US	$2,445	$2,768	$18.96	88.5%	$1,013	25.5%	5.6%	NM	26.5x	28.8x
L3Harris Technologies, Inc.	US	$39,386	$53,259	$207.80	94.8%	$18,657	26.6%	14.9%	19.1x	13.4x	13.6x
Lockheed Martin Corporation	US	$114,914	$128,752	$463.18	91.2%	$67,688	12.7%	15.2%	12.5x	13.0x	13.2x
Mercury Systems, Inc.	US	$1,916	$2,483	$32.32	54.7%	$927	31.2%	6.9%	39.1x	13.5x	14.8x
Northrop Grumman Corporation	US	$72,543	$85,736	$481.08	96.8%	$38,685	20.4%	18.5%	12.0x	14.9x	15.3x
RTX Corporation	US	$123,856	$156,833	$86.33	79.3%	$67,086	17.4%	13.5%	17.3x	11.5x	11.6x
Tetra Tech, Inc.	US	$8,913	$9,833	$167.38	96.6%	$3,751	19.3%	12.8%	20.4x	17.5x	17.9x
Mean					**89.7%**		**24.6%**	**12.1%**	**18.1x**	**14.6x**	**15.2x**
Median					**95.7%**		**19.9%**	**12.6%**	**16.4x**	**13.3x**	**13.4x**

Sources: CapitalIQ and company filings. Note: All figures in USD, where applicable, converted at rates as of January 12, 2024.
(1) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents as of closing price January 12, 2024.
(2) Closing share prices as of January 12, 2024.
(3) EBITDA equals Earnings before Interest Expense, Income Taxes, D&A.

Government Services M&A Transactions (1/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV ($MM)	Revenue ($MM)	EBITDA ($MM)	Employees	EBITDA Multiple
Dec 23	CM Equity Partners	Dexis Consulting Group	New York, NY / Washington, DC	Provides professional services for global political, social, and economic challenges for federal customers, including USAID, DoS, DoD, and DoL.					
Dec 23	Enlightenment Capital	Ridgeline International	Chevy Chase, MD / Tysons Corner, VA	Provides proprietary intelligence and cyber technology solutions to control data, protect against digital surveillance, and secure communications for the IC and DoD.					
Dec 23	Dine Development Corp. (DDC)	Spin Systems	Albuquerque, NM / Falls Church, VA	Provides big data aggregation, virtualization, predictive modeling, and AI/ML-driven intelligence visualization solutions to federal clients.					
Dec 23	HIG Capital	Mainline Information Systems	Miami, FL / Tallahassee, FL	Provides IT infrastructure, cloud, hybrid-cloud, security, governance and risk, and other IT solutions to commercial and public sector clients.					
Dec 23	Yulista Holding (ANC)	Dsoft Technology	Huntsville, AL / Colorado Springs, CO	Provides .NET, Umbraco, Drupal, and open source technology solutions.					
Dec 23	Irys	Diversified Technical Services, Inc. (DTSI)	Alamo City, TX / San Antonio, TX	Provides software development, cybersecurity, and related IT services to customers in defense and government sectors.					
Dec 23	Precise Systems (Bluestone Investment Partners)	Excet	Lexington Park, MD / Springfield, VA	Provides scientific research and engineering services to DoD clients including the Army and Navy.				100	
Dec 23	Acclaim Technical Services (Blue Delta Capital Partners)	Alder Technology	Reston, VA / Chantilly, VA	Provides network engineering, network security, and data management services and solutions in support of national security.					
Dec 23	Clarity Innovations (Capitol Merdian)	Gray Digital	Columbia, MD /	Provides human-centered digital services company to federal customers.					
Dec 23	Capitol Merdian	Clarity Innovations	Washington, DC / Columbia, MD	Provides advanced data and cyber analytics services and software to the U.S. National Security community.					
Nov 23	Madison Dearborn Partners	T2S	Chicago, IL / Belcamp, MD	Provides R&D, prototyping, engineering, integration, and technology products to DoD, IC, and other government agencies.				250	
Nov 23	Arcfield (Veritas Capital)	Orion Space Solutions	Chantilly, VA / Louisville, CO	Provides end-to-end space mission capabilities and solutions, including the design, integration, and assembly of SmallSats and CubeSats.					
Nov 23	BlueHalo (Arlington Capital)	Ipsolon Research	Arlington, VA / Frederick, MD	Provides radios as ultra-small form factor products to allow for more freedom of movement across land and air.					
Nov 23	Accenture (NYSE: ACN)	Incapsulate	Arlington, NJ / Washington, DC	Provides Salesforce services and implementations for both public sector and financial services clients.				275	
Nov 23	Godspeed Capital	Crimson Phoenix	Washington, DC / Carlisle, OH	Provides data and intelligence solutions supporting Intel and U.S. Special Operations Command.				400	
Nov 23	System One Holdings (Oaktree Capital)	KeyLogic Systems	Pittsburgh, PA / Morgantown, WV	Provides data analytics, digital transformation, and agile software solutions to federal clients, including DOE and EPA.				700	
Nov 23	Arlington Capital Partners	Exostar (Thoma Bravo)	Bethesda, MD / Herndon, VA	Provides a cloud-based information-sharing platform designed to help organizations in highly regulated industries mitigate risk and solve identity.					
Nov 23	Amentum Holdings (Lindsay Goldberg, American Securities)	Jacob Solutions (Critical Mission Solutions and Cyber and Intelligence Government Services)	Chantilly, VA	Provides technical consulting, applied science research, training, intelligent asset management, and program management to government customers with a focus on space, national security, and nuclear remediation.					
Nov 23	SMX (OceanSound Partners)	Outside Analytics	Herndon, VA / Broomfield, CO	Provides software and technology services to national security agencies.					

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services M&A Transactions (2/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV ($MM)	Revenue ($MM)	EBITDA ($MM)	Employees	EBITDA Multiple
Nov 23	Washington Harbour Partners	SixGen (Chart National LP)	Arlington, VA / Annapolis, MD	Provides cybersecurity products and services to federal and commercial customers.					
Nov 23	C3 Integrated Solutions (M/C Partners) (merger)	Ingalls Information Security	Arlington, VA / Woodworth, LA	Provides digital forensics, incident response, security operations center, and managed detection and response capabilities.					
Nov 23	Tyler Technologies (NYSE: TYL)	ARInspect	Tyler, TX / McLean, VA	Provides machine learning tools used in public sector field operations.					
Nov 23	Blue Delta Capital (minority investment)	Concept Plus	McLean, VA / Fairfax, VA	Provides Oracle, Cloud Computing, Health IT, and Data Analytics solutions to federal customers.				160	
Nov 23	BigBear.ai (NYSE: BBAI)	Pangiam (AE Industrial)	Columbia, MD / McLean, VA	Provides facial recognition, microservice architectures, biometrics, DevOps, machine learning, and continuous performance monitoring solutions to federal customers.	$70.0				
Nov 23	Bain Capital	Guidehouse (Veritas Capital)	Boston, MA / McLean, VA	Provides management, technology, risk consulting, digital services, and other consulting services to a wide range of industries including defense & security, energy, infrastructure & sustainability, financial services, and health.	$5,300.0			17,000	
Nov 23	IntelliBridge (Enlightenment Capital)	RevaComm (RVCM)	McLean, VA / Honolulu, HI	Provides digital transformation solutions, including DevSecOps, cloud solutioning, cybersecurity, and human-centered design to federal civilian and defense agencies.				200	
Nov 23	Summit 7 Systems (Westview)	CSW Systems	Huntsville, AL / Warrenton, VA	Provides managed information technology solutions, engineering, building, deploying critical systems, cybersecurity engineering, and other solutions to IC and federal customers.					
Nov 23	Eqlipse Technologies (Arlington Capital)	SR Technologies	Annapolis Junction, MD / Sunrise, FL	Provides signals intelligence and electronic warfare technologies to government and commercial organizations.					
Oct 23	Redhorse (Blue Delta Capital)	Allied Associates International (A2I)	Arlington, VA / Gainesville, VA	Provides cyber data analytics, software development support and related services for defense, intelligence community, and federal law enforcement agency customers.					
Oct 23	Undisclosed	RTX's Cybersecurity, Intel & Services Unit	Arlington, VA	Provides specialized high-end cyber and intelligence solutions for U.S. government platforms and military systems.					
Oct 23	CenterGate Capital	Cartridge Technologies (CTI) (Broadtree Partners)	Austin, TX / Rockville, MD	Provides managed print services and customized solutions to federal customers including DoD, DHS, and DHHS.					
Oct 23	22nd Century Technologies	QED	McLean, VA / Woburn, MA	Provides public safety software, including computer-aided dispatch and records management systems.					
Oct 23	MindPetal	VerticalApps	Vienna, VA / Arlington, VA	Provides software development and data management to various federal customers, including DHS and NIH.					
Oct 23	SMX (OceanSound Partners)	Creoal Consulting	Herndon, VA / Washington, DC	Provides digital transformation services, including Oracle enterprise applications for government and public sector clients.				130	
Oct 23	Falfurrias Capital Partners	Synergy ECP	Charlotte, NC / Columbia, MD	Provides software engineering, cybersecurity, and systems engineering services for IC and DoD clients.					
Oct 23	Bridge Core Federal (NewSpring)	teKnoluxion	McLean, VA / Bethesda, MD	Provides hybrid cloud engineering and full lifecycle cloud development.					
Oct 23	Arlington Capital Partners	Avenu Insights & Analytics (Mill Point Capital)	Bethesda, MD / Centreville, VA	Provides administrative, revenue enhancement, and payment software to state and local governments.				600	
Oct 23	TPG Capital	Forcepoint's Global Governments and Critical Infrastructure (G2CI) cybersecurity business (Francisco Partners)		Provides cybersecurity platforms to defense, intelligence, and critical infrastructure customers.	$2,450.0			600	

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services M&A Transactions (3/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV ($MM)	Revenue ($MM)	EBITDA ($MM)	Employees	EBITDA Multiple
Oct 23	FVLCRUM	Advanced IT Concepts (AITC)	Rockville, MD / Winter Springs, FL	Provides defense and federal agencies with technology solutions including IT infrastructure, medical simulation, cybersecurity, and life training.					
Sep 23	A&M Capital Partners	VTG (The Jordan Company)	Greenwich, CT / Chantilly, VA	Provides force modernization and digital transformation solutions across the modern battlespace and offers engineering and modernization services for both the DoD and IC.					
Sep 23	Proteus Capital Solutions	CSSI	Potomac, MD / Washington, DC	Provides transportation solutions, including software development, systems engineering, acquisition and program management, safety management, and other solutions, to federal clients, specifically FAA.				175	
Sep 23	Capgemini (ENXTPA: CAP)	Exiger Financial Crime Compliance (FCC) division	France / McLean, VA	Provides advisory, analytics, and managed services relating to anti-money laundering and other types of suspicious activities; clients include banking, capital markets, and fintech companies.					
Sep 23	First Advantage (NASDAQ: FA)	Infinite ID (Enlightenment Capital)	Atlanta, GA / Hicksville, NY	Provides fingerprinting and background screening, professional live scan and ink fingerprinting services, face scan, signature pads, and other services to public and private sector clients.	$41.0				
Sep 23	Saab AB (STO: SAAB B)	CrowdAI	Sweden / San Francisco, CA	Provides artificial intelligence-based data science and analytics solutions to the federal and commercial customers.					
Sep 23	Lurie Investments	Knexus Research Corp.	Chicago, IL / National Harbor, MD	Provides artificial intelligence-based research and development solutions for federal and commercial clients.					
Sep 23	SPA (Arlington Capital Partners)	PRKK	Alexandria, VA / Stuart, FL	Provides rapid warfighter-solutions, system engineering, threat intel analysis, and tailored MS&A solutions for private sector and U.S. federal clients.					
Sep 23	Bridge Core Federal (NewSpring)	GeoYeti	McLean, VA / Haymarket, VA	Provides data science and analytics firm focused on the government.					
Aug 23	GCOM Software (Sagewind Capital)	OnCore Consulting (Merger)	Columbia, MD / Rancho Cordova, CA	Provides technology modernization and digital transformation services for the public sector in California.					
Aug 23	Scout Space (Noblis/Decisive Point/Others)	Free Space	Alexandria, VA / Cambridge, MA	Provides space domain awareness and space security solutions for private sector and U.S. federal aerospace and defense markets.					
Aug 23	Sentar (Qomplx)	Waterfront Technical Services	Huntsville, AL / Decatur, AL	Provides business development consulting and mission support services.					
Aug 23	Michael Baker (DC Capital)	Tidal Basin Government Consulting	Pittsburgh, PA / Utica, NY	Provides preparedness, mitigation, response, recovery, and program management functions for disasters and other public emergencies.					
Aug 23	Forward Slope (Trive Capital)	Soar Technology	San Diego, CA / Ann Arbor, MI	Provides cognitive software for complex problems in training, modeling & simulation, intelligence analysis, command and control, robotics, and medical informatics for private sector and federal aerospace, defense, and transportation markets.					
Aug 23	Parsons (NYSE: PSN)	Sealing Technologies	Centreville, VA / Columbia, MD	Provides defensive cyber operations, AI and ML-driven integrated mission-solutions, edge computing, and edge access modernization to federal customers.				150	
Aug 23	Owl Cyber Defense Solutions (DC Capital)	Big Bad Wolf Security	Columbia, MD / Silver Spring, MD	Provides next generation cloud infrastructure security for private sector and U.S. federal clients.					
Aug 23	Deltek (Roper Technologies)	Replicon	Herndon, VA / Canada	Provides unified time tracking solutions for private sector, international, and U.S. federal civilian and defense customers.					
Aug 23	Forward Slope (Trive Capital Holdings)	Hypergiant Industries	San Diego, CA / Dallas, TX	Provides AI-enabled, cloud-based command-and-control technologies, and deployed solutions for commercial and federal clients.				150	
Aug 23	Arentum (Renovus Capital)	Artemis Consulting	Bethesda, MD / McLean, VA	Provides cloud enablement and modernization solutions to DHS and other civilian agencies.					

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

Government Services M&A Transactions (4/4)

Announced	Buyer / Investor	Target	Location (Buyer / Target)	Target Description	EV ($MM)	Revenue ($MM)	EBITDA ($MM)	Employees	EBITDA Multiple
Aug 23	Sidus Space (NASDAQ: SIDU)	Exo-Space	Merritt Island, FL / Pasadena, CA	Provides edge artificial intelligence software and hardware for space applications.					
Aug 23	Converged Security Solutions (CSS) (Akoya Capital)	Solutions By Design (SBD)	Reston, VA / Vienna, VA	Provides cybersecurity, application development, DevSecOps, and cloud solutions for commercial and government clients.					
Aug 23	AOC Connect (JLC Infrastructure)	Core Technologies	Chantilly, VA / Peachtree Corners, GA	Provides design, engineering, procurement, installation, and maintenance of audio and visual communications, wire and cable infrastructure, carrier services, and other solutions to federal customers.					
Aug 23	Versar (Kingswood Capital)	Louis Berger Services (LBS) (from WSP)	Springfield, VA / Greenville, SC	Provides logistics, airfield operations, vehicular overhaul, engineering, and technical staffing services.				1,400	
Aug 23	Arcfield (Veritas Capital)	Strategic Technology Consulting	Chantilly, VA / Toms River, NJ	Provides full-spectrum model-based systems engineering and digital engineering services and solutions.				130	
Aug 23	Arlington Capital Partners	Integrated Data Services (IDS)	Bethesda, MD / El Segundo, CA	Provides software and technology-enabled support and development for federal government customers. Clients include Air Force, Army, Space Force, and other DoD and FedCiv agencies.				275	
Aug 23	T-Rex Solutions	Cloud Cyber Technologies	Greenbelt, MD / Columbia, MD	Provides enterprise IT services to the federal government.					
Aug 23	ManTech (Carlyle Group)	Definitive Logic	Herndon, VA / Arlington, VA	Provides digital transformation consulting and technology solutions to defense, homeland security, and federal civilian agencies.				330	
Jul 23	Accenture (NYSE: ACN)	Strongbow Consulting	Arlington, NJ / Ridgewood, NJ	Provides commercial and technical expertise in infrastructure modernization across hybrid cloud, networking, and end-user compute environments.				60	
Jul 23	NewSpring Holdings	Bridge Core	Radnor, PA / McLean, VA	Provides visual intelligence, cybersecurity, and other technical solutions to the IC.					
Jul 23	RSC2	Navigant Systems	Baltimore, MD / Island Heights, NJ	Provides systems engineering, logistics, and operations support for aerospace, defense, and Intel clients.					
Jul 23	Eqlipse (Arlington Capital Partners)	UES	Annapolis Junction, MD / Dayton, OH	Provides research and development (R&D) services, specializing in materials modification, and processing and the physics of heat transfer and thermal energy.					
Jul 23	NeuroFlow	Capital Solution Design	Philadelphia, PA / Arlington, VA	Provides measurement-based care (MBC) services for the VA.					
Jul 23	IMB Partners	eTelligent Group (eTel)	Bethesda, MD / Leesburg, VA	Provides digital transformation services primarily to the IRS including agile software development, DevSecOps, IT PMO, cybersecurity, web services, and big data.					
Jul 23	Enlightenment Capital	Red Alpha	Chevy Chase, MD / Annapolis Junction, MD	Provides cybersecurity, cloud computing, enterprise web applications, large-scale systems engineering, and large-scale distributed/virtual systems administration to defense clients.					
Jul 23	The Swift Group	OPS Consulting	Reston, VA / Hanover, MD	Provides SETA, software and systems development, and information assurance to IC clients.					
Jul 23	Mission1st Group	Ardent Management Consulting	Arlington, VA / Tulsa, OK	Provides digital transformation, location intelligence, and data science & analytics to federal customers.					
Jul 23	Chickasaw Nation Industries (CNI)	Washington Business Dynamics (WBD)	Norman, OK / Washington, DC	Provides business optimization services, mission management, and strategic solutions to federal customers in the civilian and defense sectors.					
Jul 23	Akima (NANA Regional Corp.)	Pinnacle Solutions (PSI)	Herndon, VA / Huntsville, AL	Provides training device development, modifications, technical publications, and engineering & training services to private sector and U.S. federal aerospace and defense customers.				500	

Sources: CapitalIQ, Pitchbook, Press Releases, and Market Research.

KPMG Corporate Finance[1]

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Bill Graf
KPMG CF LLC
Managing Director
Government Services

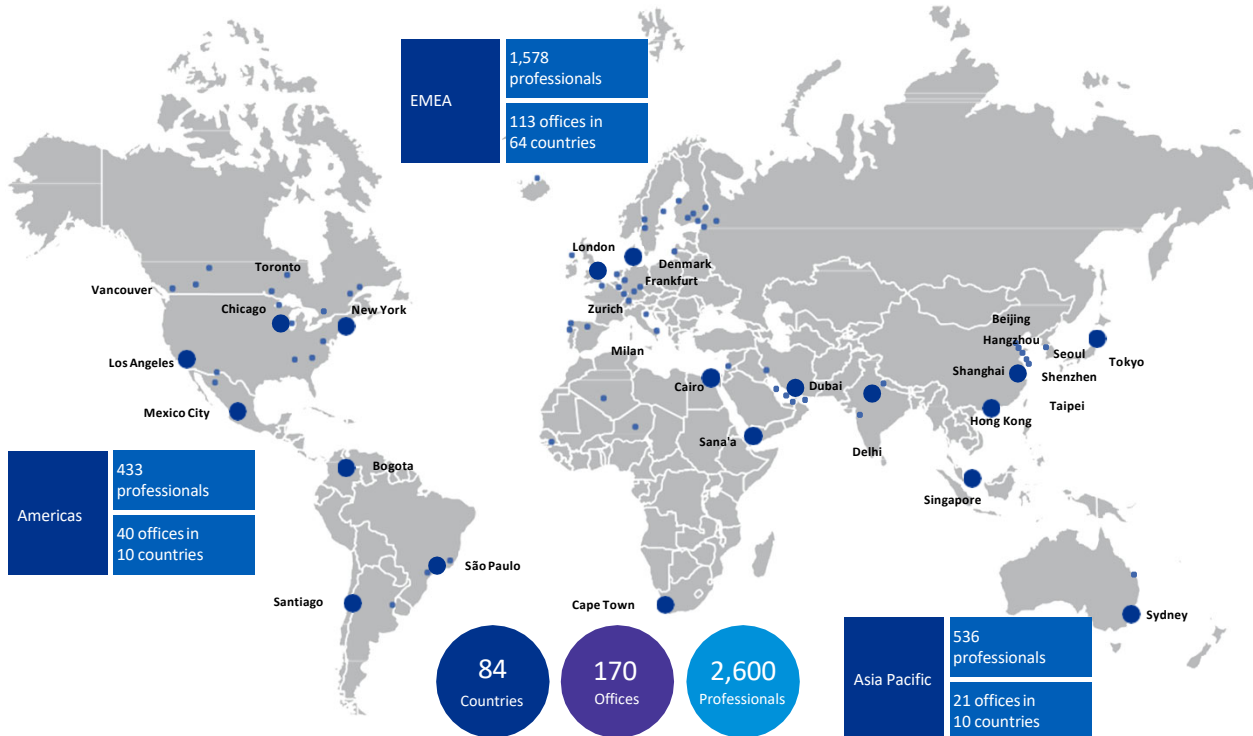**Meg Welch**
KPMG CF LLC
Managing Director
Aerospace &
Defense

Paul Diven
KPMG CF LLC
Vice President

Laura Gottschalk
KPMG CF LLC
Senior Associate

Drew Kersse
KPMG LLP
Partner, A&D
Lead Financial
Due Diligence

Worldwide Completed Advisor Ranking*

2003 - 2022		No. of deals
1	**KPMG**[1]	**9,112**
2	PwC	8,447
3	Houlihan Lokey	6,340
4	Deloitte	5,887
5	Ernst & Young LLP	5,359
6	Rothschild & Co	5,176
7	Goldman Sachs & Co	3,747
8	Lazard	3,717
9	JP Morgan	3,684
10	Morgan Stanley	3,446

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- Long-standing relationships with every strategic and financial buyer across the ADG market – unmatched insight into buyer priorities and "must-have" attributes driving premium valuations.

EMEA
1,578 professionals
113 offices in 64 countries

Americas
433 professionals
40 offices in 10 countries

Asia Pacific
536 professionals
21 offices in 10 countries

84 Countries
170 Offices
2,600 Professionals

*Note *: Thomson Reuters SDC; Each set of figures is taken from the league table press releases issued for that year. Middle-market is defined as deals less than USD$500 million.*
[1]Represents the global Corporate Finance practice of KPMG International's network of independent member firms.

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