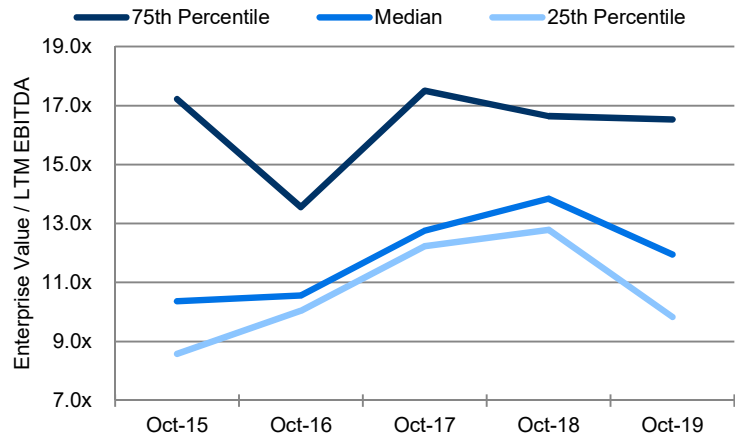


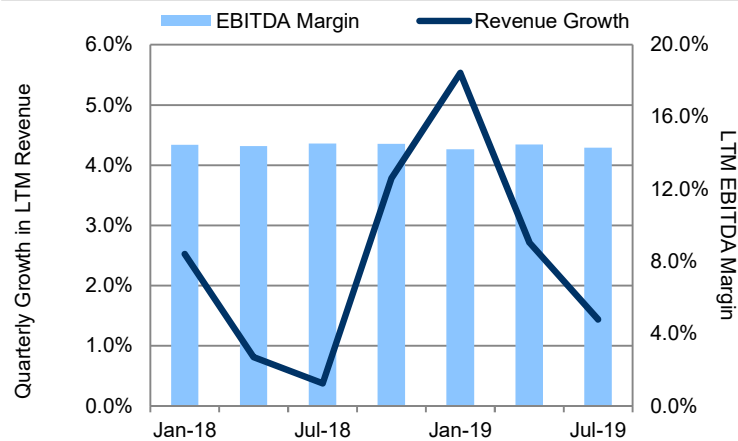
**Industry Highlights**

- On September 30, 2019, Jet Support Services acquired Tracware, a maintenance, repair and overhaul software provider for third-party MRO operations. This is the latest in a series of acquisitions for Jet Support Services which includes Conklin & de Decker and S3 Aero Specialists. Terms of the Tracware deal were not disclosed.
- On September 23, 2019, STS Aviation Group, a leading global aviation solutions company, announced it had acquired world-wide MRO organization Apple Aviation. The transaction continues STS's global expansion after acquiring Triumph Aviation Services' NAAS Division in March 2019.
- On September 3, 2019, AE Industrial Partners, a private equity firm specializing in Aerospace, Defense & Government Services, announced that it had acquired distribution, supply chain, and repair management company Triman Industries, Inc. The West Berlin, New Jersey-based Triman provides a broad range of products and services to the global military aftermarket.
- In June, 2019, AerSale, a global supplier of aircraft, engines, used serviceable material, and MRO services, announced it had acquired aircraft parts distributor Qwest Air Parts, Inc. Based in Memphis, Tennessee, Qwest is a leader in aircraft dismantlement and the refurbishment and resale of used serviceable materials.
- On June 26, 2019, Kaman Corporation agreed to sell its distribution segment to Littlejohn & Co. LLC for \$700 million. Kaman's distribution unit handles more than six million items including electro-mechanical bearings, power transmission, motion control, and electrical and fluid power components. The transaction represents a multiple of 10.4x TTM adjusted EBITDA for the distribution segment.
- In 2019, Dassault Aviation has been actively seeking to expand its worldwide service network through acquisitions as it looks to capture additional revenues over the full service life of its aircraft. In April, 2019, Dassault acquired ExecuJet's worldwide maintenance network of MRO centers across Africa, Asia-Pacific, Europe, Latin America and the Middle East followed by the acquisition of TAG Aviation's European maintenance activities in September 2019.
- TransDigm Group, a supplier and producer of aircraft components, completed its \$4.3 billion acquisition of Esterline Technologies in 1Q19. The addition of Esterline, a supplier of products to the global aerospace and defense industry, will expand TransDigm's platform of proprietary content while also providing aftermarket exposure.

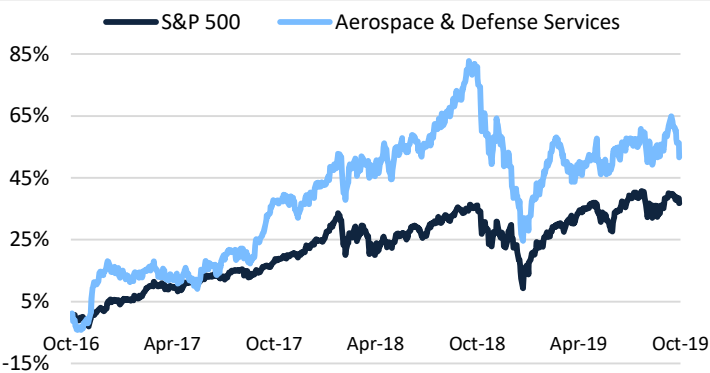
**Trend in Industry EBITDA Multiples<sup>1</sup>**



**Trends in Revenue Growth and EBITDA Margins<sup>1</sup>**

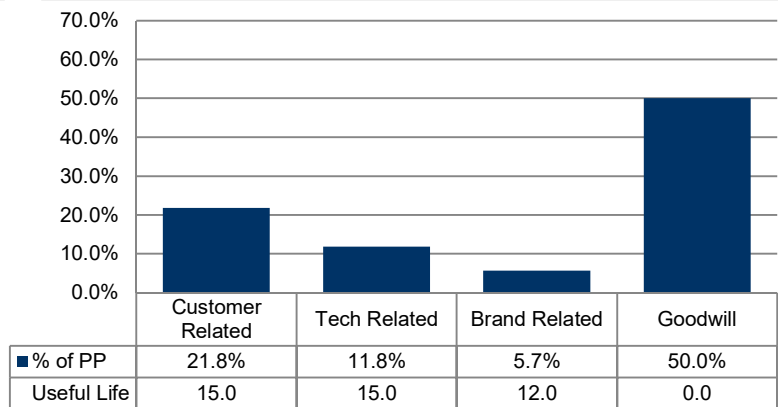


**Relative Stock Price Returns<sup>2</sup>**



<sup>1</sup> Calculated using data for WAIR, AIR, LSE:BBA, KAMN, ENXTPA:AM, HEI, TGI, SPR, CW, AVAV, AIT, TXT, B, SGX:S63.  
<sup>2</sup> A&D Services (MRO) Industry is a custom, equal-weighted index constructed with the aforementioned companies.

**Purchase Price Allocation % from Recent Transactions**



**Notable M&A Deals**



The Carlyle Group's acquisition of StandardAero from Veritas Capital was completed in April 2019. The value of the deal was not disclosed; however estimates point toward a deal value of \$5 billion including debt. Founded in 1911, StandardAero is one of the largest independent MRO providers.



In August 2019, Wesco Aircraft, one of the world's leading distributors and providers of comprehensive supply chain management services, announced it had entered into a definitive merger agreement to be acquired by supply chain service provider Pattonair, an affiliate of Platinum Equity, for approximately \$1.9 billion.



In July 2019, BBA Aviation announced that it had entered into an agreement for the sale of Ontic, a leading provider of high-quality, OEM-licensed parts for legacy aerospace platforms, to CVC Capital for an enterprise value of \$1.365 billion. This represents an 11.4x FY18 EBITDA multiple.