



AEROSPACE & DEFENSE
MARKET INTELLIGENCE
Q4 2025

- Delivered every quarter to hundreds of seasoned professionals, offering dozens of appealing focuses every year, a constant follow-up of M&A operations (industrial, financial and fund-raising), an update of the indicators of major aerospace and defense players, our report aims at providing a market intelligence on the recent events of aerospace and defense market
- This market report is a testimony to the daily work carried out by a dedicated team of 5 people. Focusing on Aerospace and Defense markets, our team with our international partners from Mergers Alliance are closely interacting on a very regular basis with investors and corporates at a global level. These interactions and our deep involvement within these sectors allow us to better understand the global trends of the industry and to provide high-end quality advisory services to our clients who are benefitting from this knowledge

Global coverage



19
MEMBERS



\$96BN
DEAL VALUE SINCE 2010



1,810
DEALS ADVISED SINCE
2010



\$40-60
AVERAGE ENTERPRISE
VALUE



This quarter at a glance

- According to our database, 2025 has shown a strong volume of M&A transactions in A&D in Europe with a strong acceleration during Q4. We have mapped 261 deals in 2025 compared to 108 in 2024. Part of the difference is probably due to a better identification of deals by our team but most of it certainly comes from the increase of M&A activity in A&D.
- The main drivers of M&A activity are the consolidation of the supply chain and the increase in the demand for both for civil and military platforms and systems. We also notice a strong increase of volumes in two subsegments that are "Drones, Unmanned systems & ISR" and "New Space" that confirms the deep transformation of battlefields.

Contributors



Raphaël Brenier
r.brenier@aurfi.com



Pierre Gohon
p.gohon@aurfi.com



Karim Ouabdelah
k.ouabdelah@aurfi.com



Arthur Mangion
a.mangion@aurfi.com



Clément Delahousse
c.delahousse@aurfi.com

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Q4 2025 selected EU M&A transactions completed in Aerospace & Defense market



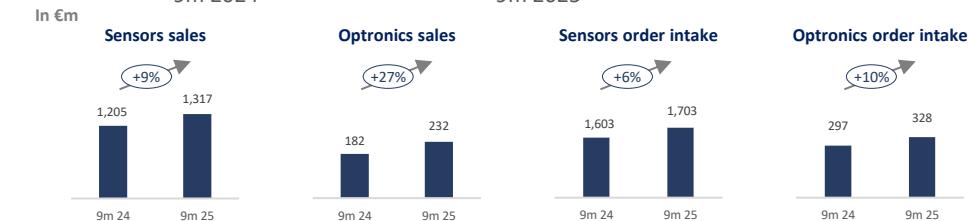
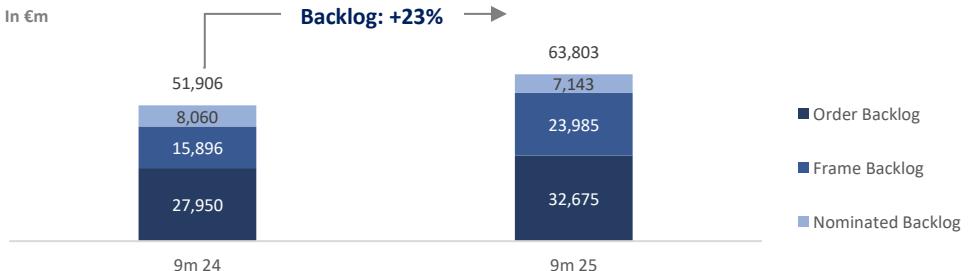
Date	Sector	Target	Buyer	Seller	Description
November 2025	Defense	SAPEM 	 MBO+ 	Management	<ul style="list-style-type: none"> HPS International, a group specialized in the design, production and distribution of complex hydraulic cylinders and lifting solutions, has acquired SAPEM to strengthen its position on the defense and nuclear markets SAPEM is a French specialist in lifting, handling, and safety equipment serving customers like Arquus and Orano
December 2025	Aerospace	ZONE5 TECHNOLOGIES 	 	Management	<ul style="list-style-type: none"> Kongsberg Gruppen has acquired Zone 5 Technologies, a company focusing on government applications, ground control stations, and mission planning software in the aerospace sector Zone 5 Technologies which specializes in developing cutting-edge unmanned aircraft systems (UAS), has 200 employees and generated €89.6m in revenue in 2025
December 2025	Aerospace & defense	WAKE Asset acquisition 	 	 Management	<ul style="list-style-type: none"> Indra Sistemas has acquired Wake Engineering's unmanned aircraft systems (UAS) technology his move will expedite Indra's participation in the Special Modernization Program (PEM), which has secured pre-financing and involves the supply of 49 medium-range Class 1 drones, including some featuring vertical take-off and landing (VTOL) capabilities
December 2025	Aerospace	 	 Specialty Fasteners 	Management	<ul style="list-style-type: none"> Clarendon Specialty Fasteners has acquired Swift Aerospace, a company specialized in the distribution of hardware and fasteners for the aerospace sector Swift Aerospace is providing inventory management and kitting services for manufacturers and maintenance providers
December 2025	Aerospace & defense	 	 	 	<ul style="list-style-type: none"> Tikehau Capital has acquired ScioTep at an EV of €400m. ScioTep designs and manufactures products and services for air traffic control, aviation and defense markets ScioTep specializes in the design and manufacture of advanced visualization and computing solutions. The company employs ~300 people and generated €109m in revenue and €35m in EBITDA in 2024

Q4 2025 selected EU VC transactions completed in Aerospace & Defense market



Date	Target	Country ⁽¹⁾	Amount (m)	Currency	Business	Investors	Business description / deal rational
October 2025	DEFENDEC	EST	n.a	n.a	tank	n.a	Defendec develops remote premise surveillance technology to prevent smuggling, illegal trafficking, and sabotage
October 2025	REFLEX AEROSPACE	DEU	50.0	€	satellite	ALPINE SPACE VENTURES HE HTGF	Reflex Aerospace manufactures multi-mission satellites designed to support sustainable space infrastructure and serves both commercial and government space projects with strong ISR applications for NATO, the EU and the German government
October 2025	ohm space	ITA	2.5	€	satellite	cdp S Deep GALAXIA oblo	OhmSpace develops spacecraft propulsion systems, specializing in resistojet thrusters using low-pressure water as propellant
October 2025	U-SPACE	FR	24.0	€	satellite	ALIS KAROT CAPITAL Blast. bpifrance DGA	U-Space manufactures high-performance, commercial-grade multi-mission satellite constellations, specializing in fast, low-cost, custom-built nanosatellites
October 2025	INFINITE ORBITS	FR	40.0	€	satellite	matterwave ventures irdi CAPITAL INVESTMENT Balnord newfund European Innovation Council wind CAPITAL	Infinite Orbits develops a satellite maintenance platform that enables on-orbit servicing and upgrades to extend the operational lifetime of GEO telecommunication satellites and reduce replacement costs
October 2025	lean space	USA	10.0	€	satellite	KARISTA Qwaltec isai 4CAP	Leanspace develops an integrated cloud platform to streamline the management of ground infrastructures for space missions, helping companies unify operations and improve data flow
October 2025	HYPRSPACE	FR	21.0	€	satellite	bpifrance EXPANSION DeepTech RED RIVER WEST CHARENTE-PERIGORD EXPANSION	Hyprspace (HPS) manufactures rockets for dedicated microsatellite launches and related orbital services. The company offers microsatellite deployment, satellite replacement, orbital debris removal, and defense system integration
October 2025	PYTHOM	CH	8.0	CHF	satellite	SAAB	Pythom Space develops small launch vehicles designed to place satellites into orbit efficiently and cost-effectively. The company focuses on flexible, rapid deployment solutions for commercial and scientific missions
October 2025	RIFT	FR	4.6	€	drone	OVNI AlleyCorp	The company offers an autonomous drone platform for rapid surveillance and response, with remote piloting, real-time video, automated deployment, and long-endurance VTOL drones
October 2025	NestAi	DEU	100.0	€	drone	NOKIA Tesi	The company develops modular AI platforms for unmanned vehicles and command-and-control systems, enabling defense and critical infrastructure organizations to deploy resilient, data-driven autonomous solutions
October 2025	Xcert	CH	1.1	CHF	drone	SPICEHAUS PARTNERS	Xcert AI is a compliance automation platform that uses AI to streamline aerospace certification, cut costs, and accelerate timelines

⁽¹⁾American counterparts involve at least one European investor



Aurfi A&D Valuation Index – EU & US Aerospace & Defense companies

- We have compiled a non-exhaustive stock market index of the main U.S. and European groups active in the aerospace and defense sectors
- We have therefore selected an extract of leading European and American groups and divided them into three groups according to their respective specialization in order to compare the performance of European and American DTIBs over the short and long-term and the consequences on their respective valuations
- With this index of, we wanted to highlight trends in valuation of the main American and European groups and the influence of the global geopolitical situation on both areas



(1): Corrected of one extreme value in June 2025

Extract Q4-2025

Sources: Calepin DGA 2025, Pitchbook, Aurignac Finance analysis

A very comprehensive French DTIB

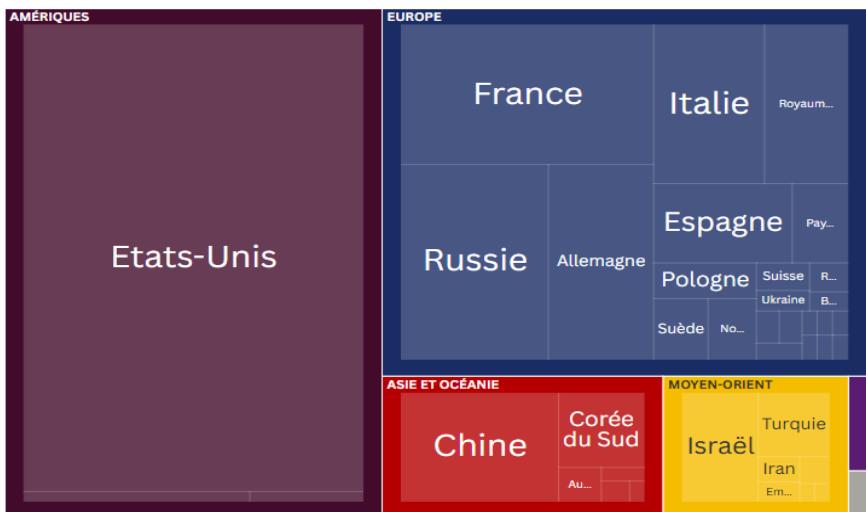
- 4,500 companies, including around 2,000 SMEs and mid-sized firms (explicitly identified in DTIB financial studies, excluding micro-enterprises), structured around nine major prime contractors holding leading positions at European and international level
- These companies cover all major domains: land, naval, aeronautics, space, nuclear, electronics, cyber, intelligence, munitions and missiles
- They account for 6% of industrial employment and nearly 25% of national private R&D expenditure
- In H1 2025, out of nine net openings of industrial sites in France, eight were related to the defense industry, including 40% in military aeronautics
- A typical BITD company is an SME with about 50 employees, generating €6-8m in revenue, of which less than 20% comes from defense activity

9 majors French groups

Group	Sales	% defense	# top 100	Group	Sales	% defense	# top 100
AIRBUS	€69.2bn	17%	#14	THALES	€20.6bn	88%	#10
 Dassault Aviation	€6.2bn	64%	#35	 MBDA MISSILE SYSTEMS	€4.9bn	100%	#27
KNDS	€3.8bn	100%	#37	 SAFRAN	€27.7bn	39%	#30
 Aeronegroup	€2.5bn	n.a.	n.a.	 NAVAL GROUP	€4.3bn	n.a.	#32
 Arcus	€0.6bn	100%	n.a.				

France – the world's second-largest weapons exporter

- For the period 2020–2024, SIPRI identified 64 states as arms exporters. The United States tops this ranking, accounting for 43% of global arms exports
- France ranks second, supplying 9.6% of the world's exported arms between 2020 and 2024, shipping to 65 different countries
- The combined share of all European countries over the same period is 40.7%



A defense industry covering all domains – Selected French Programs (non-exhaustive)

Nuclear deterrence and strategic missiles

- Triomphant-class SSBN, followed by a 3rd-generation (3G) SSBN
- Oceanic component: M51.3 missiles, followed by M51.4
- Airborne component: ASMPA, followed by ASN4G

Air combat and helicopters

- Rafale
- Helicopters (Tigre, NH90, H160M Guépard, etc.)
- A400M

Land Forces – SCORPION Program and Artillery

- Griffon, Jaguar, Serval, Leclerc tank, etc.
- Caesar cannon, etc.

Naval combat and high seas operations

- Barracuda-class SSN (Suffren class)
- Defense and Intervention Frigates (FDI) and Multi-Mission Frigates with Enhanced Air Defense Capability (FREMM/FRÉDA)
- Aircraft carrier (CdG, PANG)

Air defense and new domains

- Next-Generation Medium-Range Surface-to-Air/Land System "Mamba" - Drones
- Space & Cyber: Syracuse 4A and 4B, Athena-Fidus, Optical Space Component, Pléiade, CO3D, IRIS2

In-depth #5 – 2025 deal summary – Global

- Over the year 2025, we have listed a non-exhaustive number of 261 M&A, LBO and venture capital deals in the aerospace and defense sectors involving at least one European counterpart
- Cross-border transactions accounted for around 60% of total transactions over the year
- Within the A&D industry, different sectors benefited from strong momentum. We segmented the various transactions recorded over the year into 11 sub-sectors:

 Precision Machining & Equipment Manufacturing

 Electronics & Embedded Systems

 Engineering, Intelligence & Consulting

 Cybersecurity, AI & Software

 Armament, Defense Systems & Military Equipment

 Drones, Unmanned Systems & ISR

 Aircrafts, Spacecrafts & Defense Vehicles OEMs

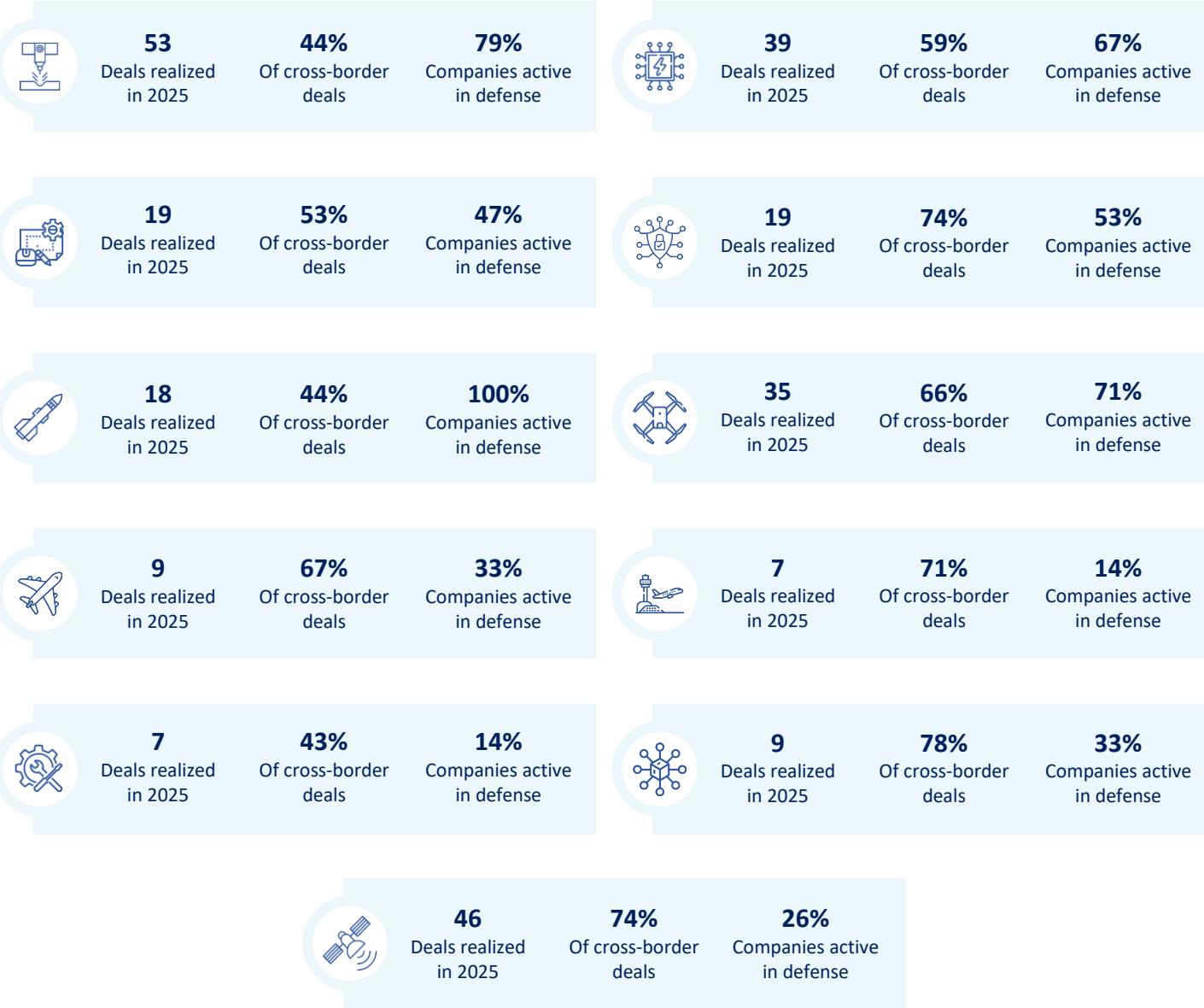
 Airlines, Leasing & Airport Services

 MRO, MOC, Aerial Intervention & Services

 Distribution

 New Space


261 Deals realized in 2025 **60%** Of cross-border deals **57%** Companies active in defense



Note: average figures are based on available information

Extract Q4-2025

Sources: Cnews, Epsilon, Press, Companies, Pitchbook, Aurignac Finance database

Aurignac Finance

153 boulevard Haussmann
75008 Paris
Tel.:+33 (0)1 43 12 55 10
www.aurfi.com

Raphaël Brenier
Partner
+33 (0)6 65 49 07 47
r.brenier@aurfi.com

Pierre Gohon
Vice President
+33 (0)7 71 91 39 37
p.gohon@aurfi.com

Karim Ouabdelah
Associate
+33 (0)7 71 91 39 25
k.ouabdelah@aurfi.com

Arthur Mangion
Associate
+33 (0)1 43 12 55 10
a.mangion@aurfi.com

Clément Delahousse
Analyst
+33 (0)1 43 12 55 10
c.delahousse@aurfi.com