



To get the full report, please contact Raphaël Brenier (r.brenier@aurfi.com)

- 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



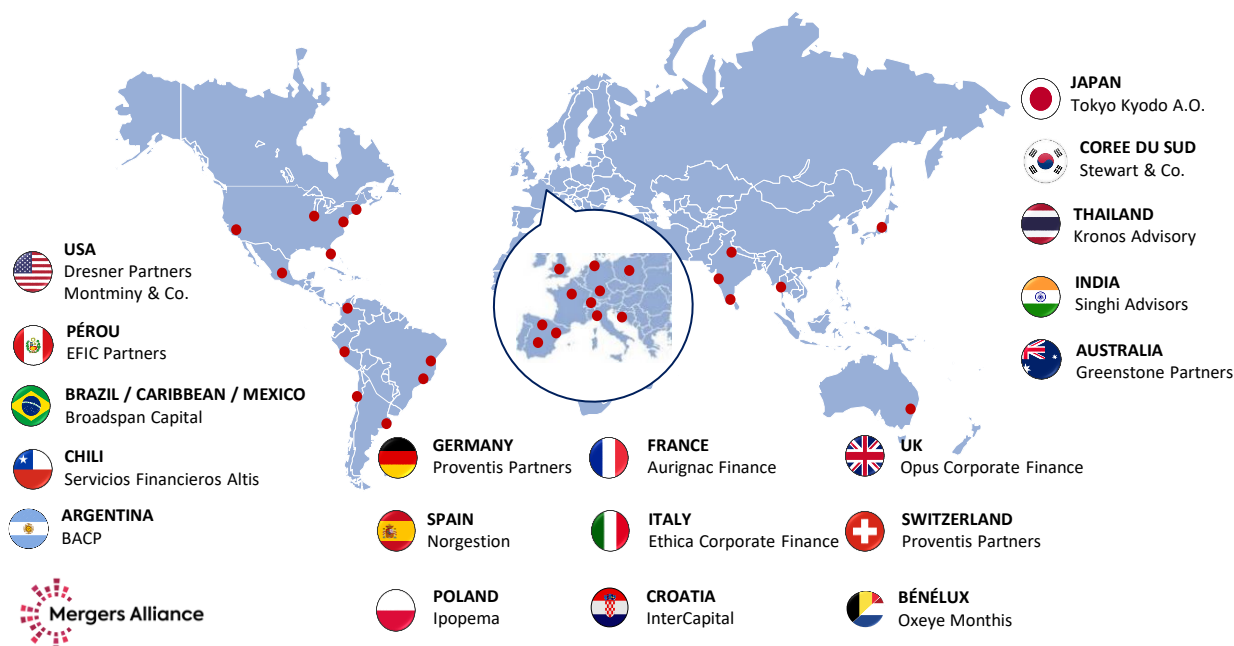
1,810

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.

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

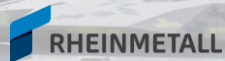


Date	Sector	Target	Buyer	Seller	Description
November 2025	Defense 	SAPEM 	 MBO+ 	Management	<ul style="list-style-type: none"> HPS International, a group specialized in the design, production and distribution of complex hydraulic cylinders and lifting solutions, has acquired SAPEM to strengthen its position 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 	ZONE 5 TECHNOLOGIES 	 KONGSBERG 	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 	 indra 	 CP Aviation 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 I drones, including some featuring vertical take-off and landing (VTOL) capabilities
December 2025	Aerospace 	 SWIFT AEROSPACE 	 Clarendon 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 	ScioTep 	 TIKEHAU CAPITAL 	 GREENHAWK CORPORATION  OPENGATE CAPITAL 	<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 Scioteq 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		n.a	n.a		n.a	Defendec develops remote premise surveillance technology to prevent smuggling, illegal trafficking, and sabotage
October 2025	REFLEX AEROSPACE		50.0	€		 HE	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	ohmspace		2.5	€		 CDP Venture Capital SpA S Jeep GALAXIA obl	OhmSpace develops spacecraft propulsion systems, specializing in resistojet thrusters using low-pressure water as propellant
October 2025	U-SPACE		24.0	€		 AIS KAROT CAPITAL Blast DGA bpi france	U-Space manufactures high-performance, commercial-grade multi-mission satellite constellations, specializing in fast, low-cost, custom-built nanosatellites
October 2025	INFINITE ORBITS		40.0	€		 matterwave irdi Balnord European Innovation Council wind	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	leanspace		10.0	€		 KARISTA Qwaltec isai CAP	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		21.0	€		 bpi france EXPANSION CAPITAL MINA ICO DEEPTech 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		8.0	CHF			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		4.6	€		 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		100.0	€		 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		1.1	CHF		 SPICEHAUS PARTNERS	Xcert AI is a compliance automation platform that uses AI to streamline aerospace certification, cut costs, and accelerate timelines



FY25 objectives



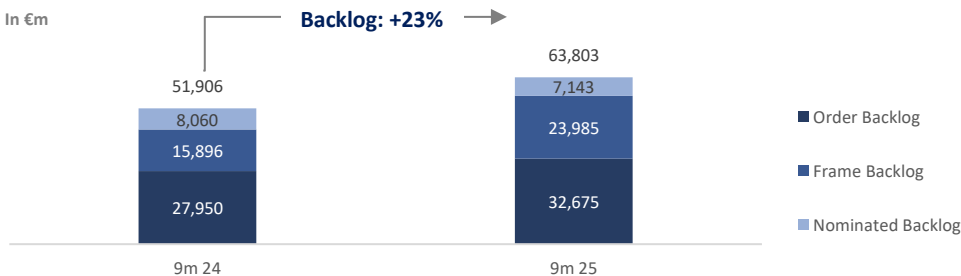
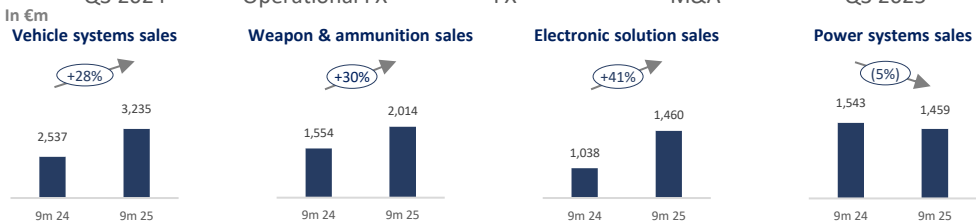
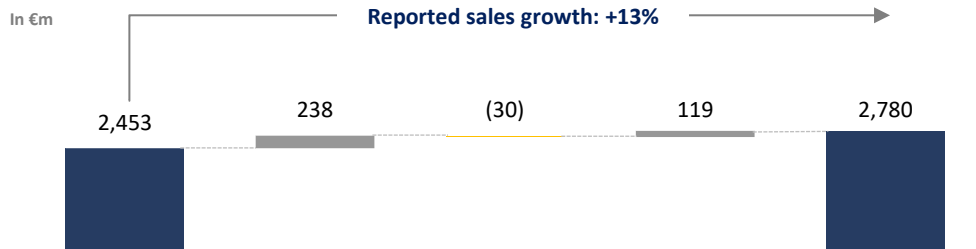
FY Sales
€13.1bn
+34% vs. FY24



FY EBITDA
€2.6bn



Backlog
€80bn+



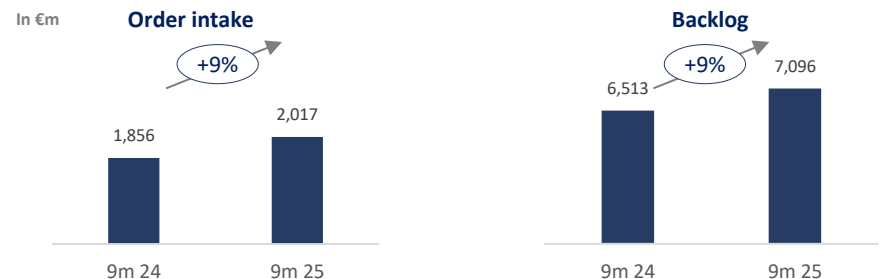
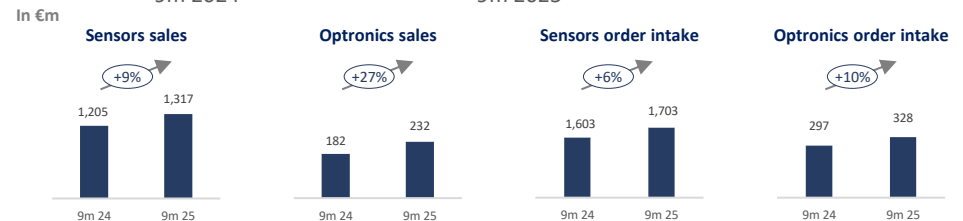
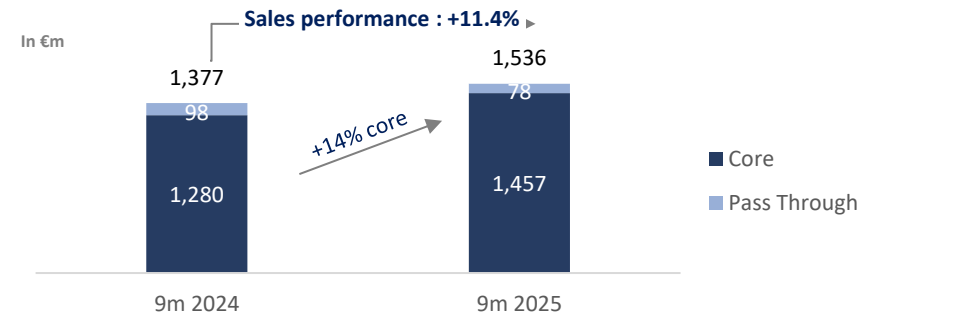
FY25 objectives



FY Sales
€2.5-2.6bn
+15% vs. FY24



FY EBITDA
€0.5bn

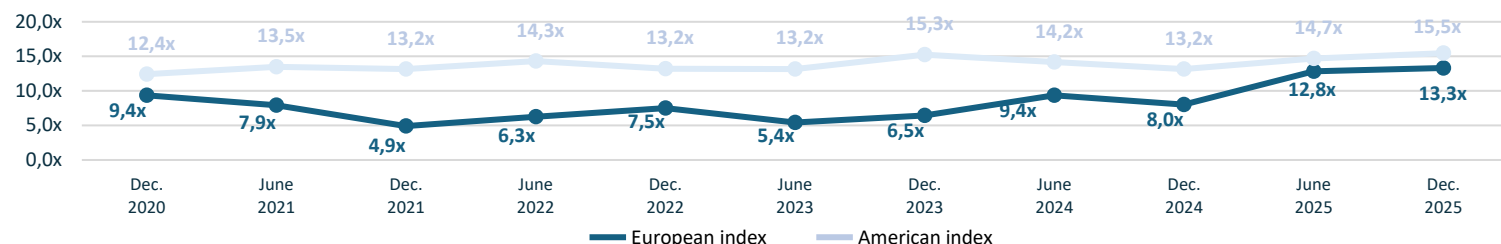


Aurfi A&D Valuation Index – EU & US Aerospace & Defense companies

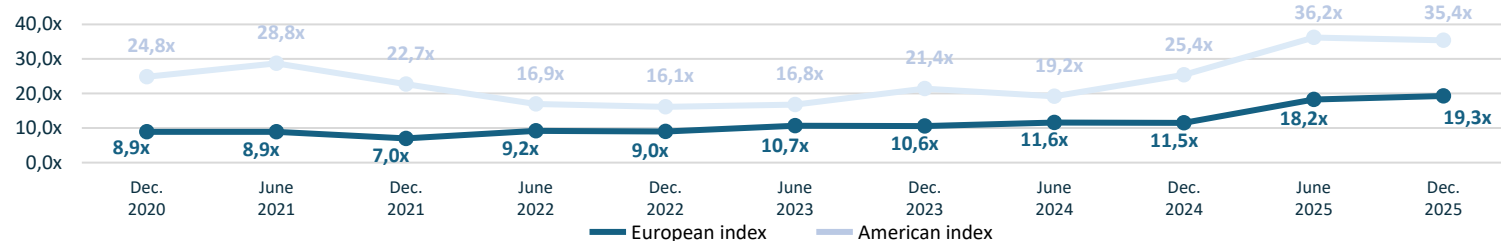
- We have compiled a non-exhaustive stock market index of the main U.S. and European groups active in the aerospace and defense sectors
- We have therefore selected an extract of leading European and American groups and divided them into three groups according to their respective specialization in order 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

Valuation index – EV/Adjusted EBITDA median value – as of 31/12/2025

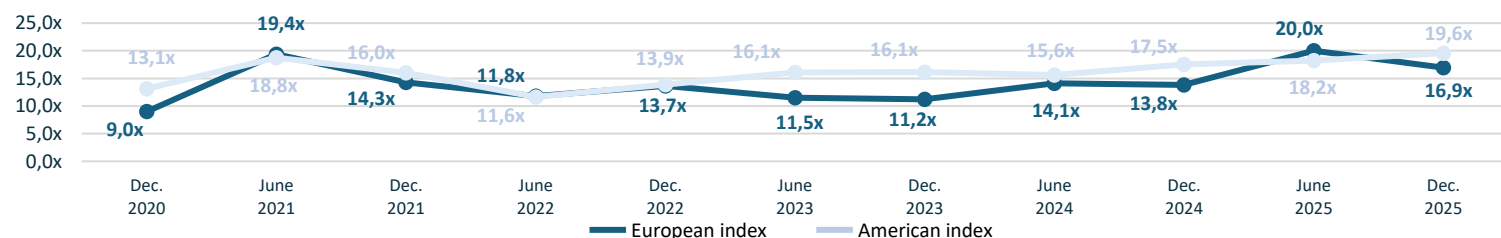
Multi-platform OEMs



Aerospace & Defense Technology (1)



Aerospace & Defense Equipment OEMs



A very comprehensive French DTIB

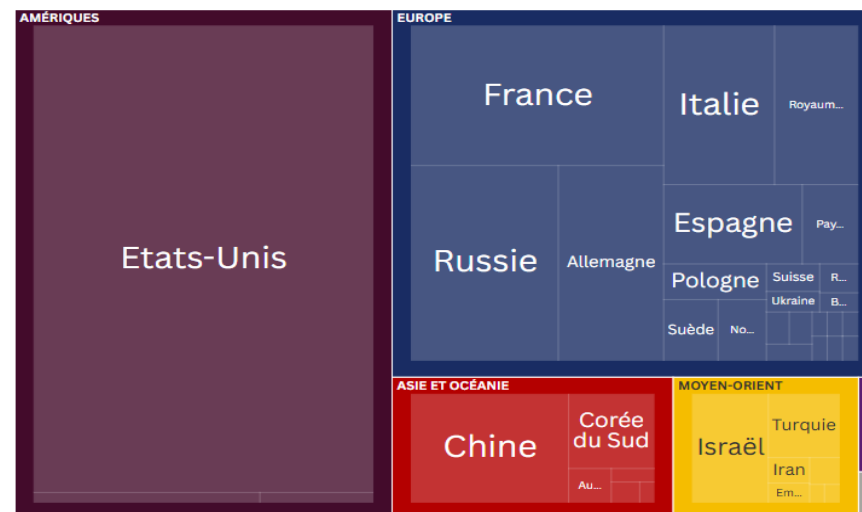
- 4,500 companies, including around 2,000 SMEs and mid-sized firms (explicitly identified in DITB financial studies, excluding micro-enterprises), structured around nine major prime contractors holding leading positions at European and international level
- These companies cover all major domains: land, 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	€4.9bn	100%	#27
KNDS	€3.8bn	100%	#37	SAFRAN	€27.7bn	39%	#30
anacgroup	€2.5bn	n.a	n.a.	NAVAL GROUP	€4.3bn	n.a	#32
ARQUE	€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



53
Deals realized
in 2025

44%
Of cross-border
deals

79%
Companies active
in defense



39
Deals realized
in 2025

59%
Of cross-border
deals

67%
Companies active
in defense



19
Deals realized
in 2025

53%
Of cross-border
deals

47%
Companies active
in defense



19
Deals realized
in 2025

74%
Of cross-border
deals

53%
Companies active
in defense



18
Deals realized
in 2025

44%
Of cross-border
deals

100%
Companies active
in defense



35
Deals realized
in 2025

66%
Of cross-border
deals

71%
Companies active
in defense



9
Deals realized
in 2025

67%
Of cross-border
deals

33%
Companies active
in defense



7
Deals realized
in 2025

71%
Of cross-border
deals

14%
Companies active
in defense



7
Deals realized
in 2025

43%
Of cross-border
deals

14%
Companies active
in defense



9
Deals realized
in 2025

78%
Of cross-border
deals

33%
Companies active
in defense



46
Deals realized
in 2025

74%
Of cross-border
deals

26%
Companies active
in defense

261
Deals realized
in 2025

60%
Of cross-border
deals

57%
Companies active
in defense

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