



Cassel Salpeter & Co.
INVESTMENT BANKING

**Aviation Investment Banking
Q2 2021 Update**

Confidential

Member FINRA | SIPC



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Relevant Experience:

- Investment banking for over 24 years

Representative Assignments:



Bankruptcy
\$363 Sale Airlines



Bankruptcy
\$363 Sale Airlines



M&A Sale MRO



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Relevant Experience:

- Investment banking for over 24 years

Representative Assignments:



Valuation MRO



Valuation MRO



Solvency Opinion Freight & Logistics



Valuation MRO



Joseph "Joey" Smith
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Relevant Experience:

- Investment banking for over 20 years

Representative Assignments:



Capital Raise Aviation Services



Capital Raise Distribution



Capital Raise Distribution



Philip Cassel
Managing Director



Ira Leiderman
Managing Director



Deborah Aghib
Managing Director



Margery Fischbein
Managing Director



Marcus Wai
Vice President



Chris Mansueto
Vice President



Laura Salpeter
Vice President



Edward Kropf
Associate



Tahz Rashid
Analyst



Aaron Schiff
Analyst

Includes projects by our professionals at prior firms.

I

AEROSPACE & DEFENSE REVIEW

II

M&A & PRIVATE PLACEMENTS REVIEW

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PUBLIC MARKETS REVIEW

- In 2020, the estimated impact on airlines was huge with a \$370 billion revenue loss versus 2019. Although that represents a massive hole for the airline industry, that does not include the enormous A&D supply chain and other sectors/subsectors, too.
 - Together, the losses approach half a trillion dollars across the airline and air-travel industries. That loss has impacted the companies, but also the employees, with pilots, flight attendants, mechanics, and a variety of supply-chain workers losing their jobs during the crisis, with many still lacking a clear path back to employment.
- The bounce-back of the industry will most likely depend on our successful battle to eliminate or contain the COVID-19 pandemic, along with the continued government support for the industry.
 - Although recent trends and data are encouraging, the true extent of the recovery may not become apparent until 2022 or 2023, when business and international travel returns, and the pandemic is under control, not just in the U.S., but globally.
- While the Aerospace and Defense (A&D) industry has gone through much uncertainty since 2020 with the COVID-19 pandemic, there have been positive signs that the industry is once again experiencing incremental growth with increased revenues, higher employment and downstream business activities picking up throughout the supply-chain and the related travel ecosystem.
- Whether the full recovery is around the corner or longer term, the support of the A&D industry is not just one of national security, but it represents a major economic driver within the U.S. economy, as we are reminded by the following major statistics:
 - The U.S. holds the largest share of key players in the global aerospace market, with a share of 52%, which is expected to grow an average of 5% through 2031.
 - The industry employs over 13% of the U.S. manufacturing workforce, representing approximately 2.4 million people.
 - The industry enjoys an average salary that is 44% above the national average.
 - The industry accounts for 9% of the U.S.' exports (led by Boeing and the major defense contractors), with five states accounting for over 55% of exports, namely Florida, California, Connecticut, Texas, and Washington.
 - The A&D industry accounts for over 6% of all value-added to the manufacturing industry.

Sources:

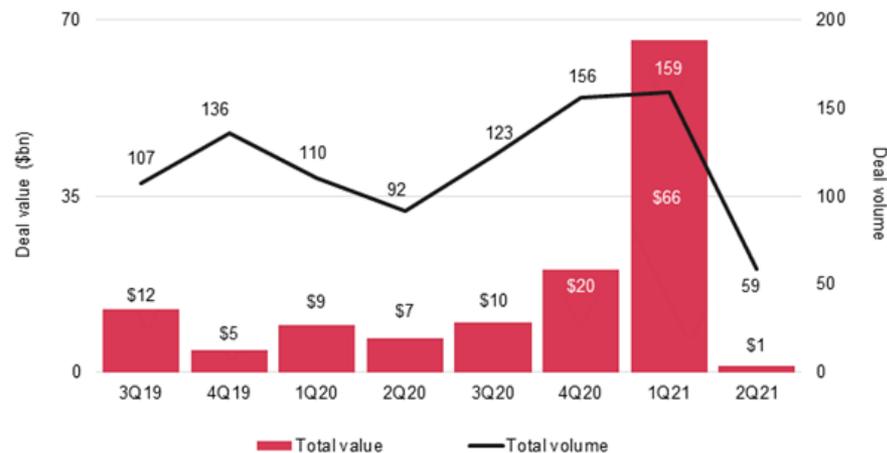
Trends Transforming the Aerospace Industry Outlook, Team Linchpin - June 2021,
McKinsey – Aviation Podcast - May 2021, Ametek Annual report

- Transportation Security Administration (TSA) data during the COVID-19 pandemic can be seen as a proactive tool and proxy for the ensuing recovery of the commercial airline industry.
- The TSA screened 2 million people in June 2021 for first time since coronavirus lockdowns began. As COVID-19 took hold and air travel collapsed, the impact was swift, with passenger screenings down 95% on some days. The last time screening numbers topped 2 million was in early March 2020. The uptick in airport screenings came just ahead of the fourth of July weekend, where we saw a staggering 3.5 million air travelers.
- The recovery in travel still has some way to go. Before the COVID-19 pandemic, an average of 2.5 million people per day would pass through TSA's gates, thus the 2 million number, though notable, represents just three quarters of the volume versus this time two years ago in June 2019.
- The symbolic achievement of the TSA data underscores how air travel is rebounding after more than a year of pandemic restrictions, as Americans get vaccinated, and cities and states relax mask mandates and America continues to reopen. Notwithstanding, the federal mask wearing mandates remain in place in airports and while in-flight, too (causing unfortunate clashes among unruly passengers and the various authorities).
- The TSA has been racing to hire new officers as travel rebounds, offering cash incentives and asking office staff to assist at checkpoints. Some airports have already seen long lines and the TSA is advising passengers to give themselves plenty of time to get through security. With the surge in air travel, the TSA warned that 131 of the largest airports in the U.S. will likely face staffing shortages during the summer.
- Many of the TSA's 50,000 officers continued to work during the pandemic, and 8,119 tested positive for the virus. Sixteen officers have died of COVID-19, along with a screening contractor. We should all applaud the tremendous public service performed by the agency and its dedicated staff during these incredible past couple of years (please thank, as we do, other front-line workers when the opportunity presents itself).
- Overall, TSA numbers are encouraging. For the airline industry, the focus is turning to easing international travel restrictions, especially between the U.S. and major markets like Canada, the United Kingdom and Europe. The Biden Administration is evaluating when it will be safe (especially in light of the engulfing Delta variant) to lift some restrictions on visitors coming to the U.S. from overseas.

Sources: Washington Post, Ian Duncan - June 2021, The Hill – Policy/Transportation

- The A&D industry experienced record deal values and volume in the first quarter of 2021 in large part due to the Special Purpose Acquisition Companies (SPAC) transactions announced and closed in the quarter (many of the transactions were highlighted in our Q1/21 Aviation Update). We believe in the near term, SPACs and venture funding will continue to play a prominent role in advancing innovative technologies in the industry, specifically sustainable air charter, vertical take-off and landing (VTOL) air taxi, space exploration, and satellite technology companies.
- The two most recent quarters tell entirely different stories, with second quarter M&A transactions and volume significantly decreasing from record highs in the first quarter of 2021. Nevertheless, we anticipate positive momentum for renewed M&A for the balance of the year given the underlying improving fundamentals within the industry, the continuing recovery from the effects of COVID-19 (hopefully the Delta variant spread will not ground the industry again), and finally, many business owners seeking to sell prior to potentially higher tax rates in 2022 and beyond.
- The underlying positive momentum can be seen in the commercial air upturn, as COVID-19 largely derailed commercial aerospace dealmaking in 2020, with most of the activity in the defense and government services. However, signs of life in commercial aerospace began to emerge later in the year and, more notably, during the first half of 2021. Look for commercial activity to be bolstered as lower-tier MROs and suppliers damaged during the pandemic present targets for larger, better capitalized entities to consolidate and pick up market share.
- Commercial air traffic has rebounded, but most observers do not expect a full recovery until 2023 or 2024. While aircraft utilization is up, there remains a significant number of parked aircrafts. Production is on the rise, but it is expected to be a relatively slow climb to full rate. Despite these factors, there has not been significant consolidation to date nor a large number of bankruptcies.
- We agree with PwCs assessment that this has resulted in “deferred maintenance” within the tier II/III supplier base which may create acquisition opportunities for original equipment manufacturers (OEMs) and larger players. The need to shore up supply chains and the search for diversification across platforms should contribute to increased M&A activity for the balance of 2021.

Total deal value and volume, last eight quarters



Note: Deals included in this graphic are total announced deals (with disclosed and undisclosed values). There were 103 deals in H1 2021 with disclosed values totaling \$67.4 billion.
Source: Refinitiv

Sources: Washington Post, Ian Duncan - June 2021, The Hill – Policy/Transportation

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SELECTED M&A TRANSACTIONS

Selected Transactions Review											
(\$ in millions)											
Date		Transaction			Enterprise Value	Metrics			Valuation Benchmarks		
Closed	Anncd.	Target	Acquirer	Target Revenue		Trailing Twelve Months (TTM) EBITDA %	EBIT %	Implied Enterprise Value (EV) /			
								Revenue	EBITDA	EBIT	
2021 2nd Quarter M&A Transactions											
30-Jun-21	1-Mar-21	ScioTeq and TREALITY Simulation Visual Systems Businesses of TransDigm Group	IQTR717983126	\$ 200.0	\$ 135.0	na	147.9%	1.48x	na	na	
24-Jun-21	24-Jun-21	Operating Assets of Camtronics LLC	IQTR717669499	na	na	na	na	na	na	na	
1-Jun-21	1-Jun-21	Barber-Nichols Inc.	Graham Corporation	\$ 84.2	\$ 56.0	13.7%	na	1.50x	11.00x	na	
1-Jun-21	1-Feb-21	Cobham Mission Systems Wimborne Limited	Eaton Corporation plc	\$ 2,830.0	\$ 700.0	na	na	4.04x	na	na	
31-May-21	22-Jun-21	Columbia Avionics & Aircraft Services, Inc. (nka:Blackhawk Aerospace Technologies,	Blackhawk Modifications, Inc.	na	na	na	na	na	na	na	
25-May-21	8-Feb-21	Cubic Corporation	Veritas Capital Fund Management, L.L.C.; Evergreen Coast Capital Corp.	\$ 3,477.1	\$ 1,488.1	15.9%	na	2.34x	14.67x	29.8x	
19-May-21	20-May-21	Keystone Turbine Services LLC	Precision Aviation Group, Inc.	na	na	na	na	na	na	na	
7-May-21	7-May-21	Aviation Station, Inc.	Premier Air, Inc.	na	na	na	na	na	na	na	
4-May-21	4-May-21	Full Flight Simulators Located in DFW, Texas	Pan Am International Flight Academy, Inc.	na	na	na	na	na	na	na	
4-May-21	23-Feb-21	Vero Beach Flight Training Academy, Inc.	Skyborne Aviation Limited	na	na	na	na	na	na	na	
3-May-21	3-May-21	The Birken Manufacturing Company LLC	Enjet Aero, LLC	na	na	na	na	na	na	na	
30-Apr-21	30-Apr-21	Beraneq, Inc.	J&E Precision Tool, Inc.	na	na	na	na	na	na	na	
29-Apr-21	22-Mar-21	Abaco Systems Inc.	AMETEK, Inc.	\$ 1,350.0	\$ 325.0	na	na	4.15x	na	na	
27-Apr-21	27-Apr-21	Assets of Applied Aerodynamics, Inc.	Spirit AeroSystems Holdings, Inc.	na	na	na	na	na	na	na	
26-Apr-21	16-Feb-21	Whitney, Bradley & Brown, Inc.	Serco Group plc	\$ 295.0	\$ 212.0	13.7%	na	1.39x	10.17x	na	
12-Apr-21	12-Apr-21	TestVronics, Inc.	Raptor Scientific LLC	na	na	na	na	na	na	na	
1-Apr-21	1-Apr-21	Area-I Inc.	Anduril Industries, Inc.	na	na	na	na	na	na	na	
na	8-Jun-21	Used Serviceable Materials of Next Level Aviation	Pratt & Whitney Company, Inc.	na	na	na	na	na	na	na	
na	7-Jun-21	Atlantic Aviation FBO Inc.	KKR & Co. Inc.	\$ 4,475.0	na	na	na	na	na	na	
na	7-Jun-21	Apollo Fusion, Inc.	Astra Space, Inc.	\$ 135.0	na	na	na	na	na	na	
na	10-May-21	Sting Industries Ltd.	Iconic Labs Plc	na	na	na	na	na	na	na	
				Mean	\$ 1,605.8	\$ 486.0	14.4%	147.9%	2.48x	11.95x	29.8x
				Median	\$ 822.5	\$ 268.5	13.7%	147.9%	1.92x	11.00x	29.8x

Sources of Information: S&P Capital IQ and Pitchbook.

Selected Private Placements Review

(\$ in millions)

Close Date	Target	Investors	Raise	Round Type	Round Number
2021 2nd Quarter Private Placements					
30-Jun-21	Volatus Aerospace Corp.	Undisclosed	\$ 6.9	Venture	1
29-Jun-21	Sagotech Avionics, Inc.	Due West Partners LLC	12.0	Venture	1
17-Jun-21	Anduril Industries, Inc.	General Catalyst Group Management, LLC; Lux Capital Management, LLC; Valor Management Corp.; Founders Fund, Inc.; Andreessen Horowitz LLC; Eight Partners VC, LLC; D1 Capital Partners L.P.	450.0	Series D	2
8-Jun-21	Relativity Space, Inc.	BlackRock, Inc.; Baillie Gifford & Co.; Fidelity Management & Research Company LLC; Coatue Management, L.L.C.; Tiger Global Management LLC; Soroban Capital Partners LP	650.0	Series E	8
8-Jun-21	Savion Aerospace Corp.	Antler Innovation Pte. Ltd.	0.1	Accelerator	1
3-Jun-21	LeoLabs, Inc.	Insight Venture Management, LLC; Velvet Sea Ventures	65.0	Series B	3
2-Jun-21	Launcher Inc.	Boost VC	11.7	Series A	1
1-Jun-21	RED 6 INC.	Snowpoint ventures	30.0	Series A	3
26-May-21	Dawn Aerospace	Movac Limited	na	Growth	2
4-May-21	Firefly Aerospace Inc.	Reuben Brothers; DaDa Holdings, LLC; XBTO Ventures, LLC; Astera Institute; Canon Ball LLC; SMS Capital Investment, LLC	75.0	Series A	1
29-Apr-21	Advanced Aircraft Company	CIT GAP Funds	na	Growth	2
22-Apr-21	Albedo Space Corp.	Initialized Capital Management, LLC; Soma Capital Management, LLC; Liquid 2 Ventures; Jetstream	10.0	Seed	2
20-Apr-21	Frontier Aerospace Corporation	American Pacific Corporation	na	Growth	1
14-Apr-21	Boom Technology, Inc.	Prime Movers Lab	45.0	Growth	10
14-Apr-21	H3X Technologies Inc.	Infinite Capital Partners, LLC; Metaplanet Holdings OÜ; Zillionize Angel; Soma Capital Management, LLC; Liquid 2 Ventures; Psion Capital LLC; LombardStreet.io Llc; Pegasus Tech Ventures	3.8	Seed	2
12-Apr-21	HawkEye 360, Inc.	Advance Publications, Inc.; Environmental Systems Research Institute, Inc.; Adage Capital Management, L.P.; Razor's Edge Management, LLC; Night Dragon Security; Shield Capital Partners	55.0	Series C	4
na	OneWeb	Bharti Global Limited	500.0	Growth	3
na	Exo-Space, Inc.	Undisclosed	1.0	Crowd-Funding	1
na	Launchpoint Electric Propulsion Solutions, Inc.	Undisclosed	na	Venture	2
na	Vertical Aerospace Ltd	American Airlines Group Inc.; Rolls-Royce Holdings plc; Honeywell International Inc.; 40 North, Inc.; M12; Avolon Holdings Limited	89.0	Growth	2
		<i>Mean</i>	\$ 125.3		
		<i>Median</i>	\$ 37.5		

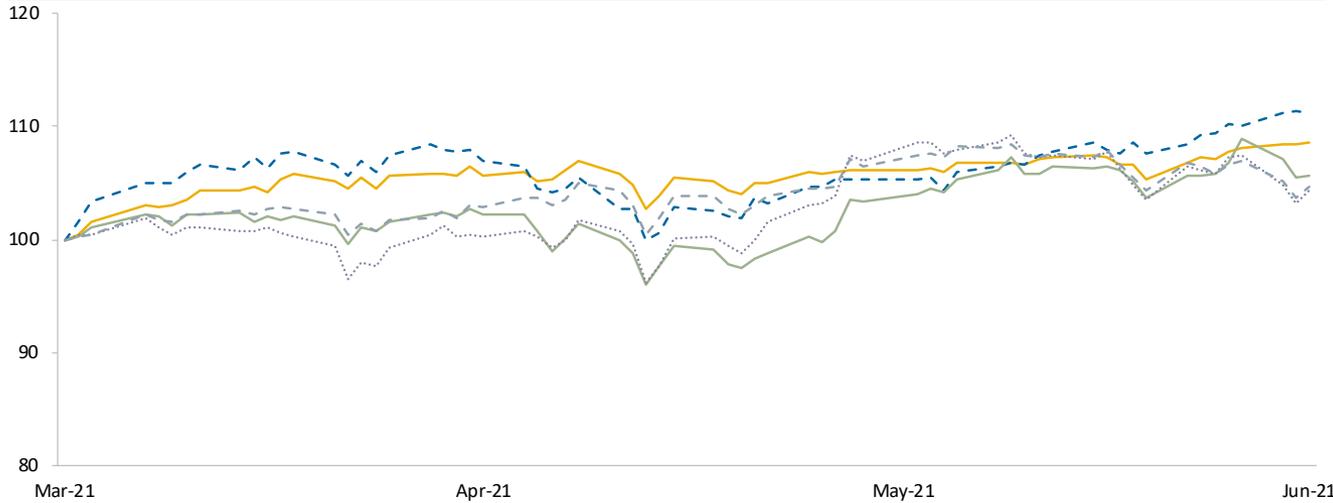
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Relative Trading Performance

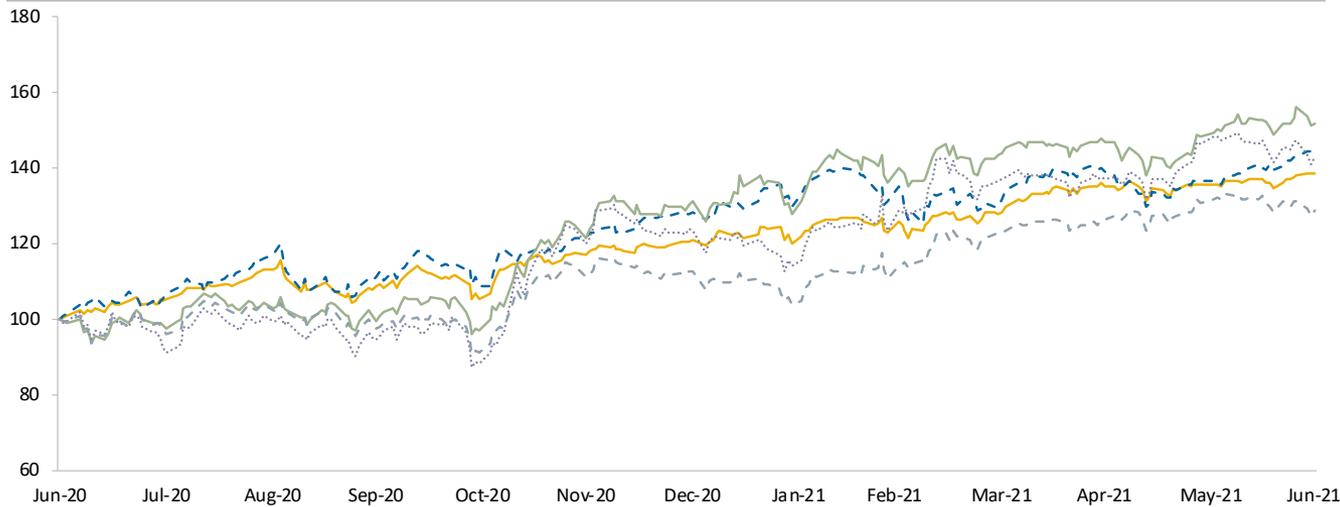
Last Three Months - Mar 30, 2021 to Jun 30, 2021 (Chart 1)



Indices

	Chart 1	Chart 2
<i>S&P 500</i>	8.6%	38.6%
<i>NASDAQ Composite</i>	11.2%	44.2%
<i>S&P A&D Select Industry</i>	5.6%	51.6%
<i>Nasdaq US Aerospace</i>	4.4%	42.7%
<i>DJ U.S. A&D</i>	4.7%	28.6%

1 Year - Jun 30, 2020 to Jun 30, 2021 (Chart 2)



Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks			
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA	
		30-Jun-21	High-Low	Value	LTM	LTM	LTM Margin	2022 E Growth	LTM	2021 E	LTM	2021 E
Airlines												
Alaska Air Group, Inc.	ALK	\$ 60.31	81.2% - 181.5%	\$ 9,128.6	\$ 2,727.0	\$ (1,719.0)	-63.0%	618.2%	3.35x	1.53x	na	40.5x
Allegiant Travel Company	ALGT	\$ 194.00	71.5% - 193.8%	4,440.8	860.0	(120.8)	-14.0%	65.9%	5.16x	2.71x	na	12.1x
American Airlines Group Inc.	AAL	\$ 21.21	81.3% - 199.5%	47,588.7	12,830.0	(10,763.0)	-83.9%	-283.1%	3.71x	1.69x	na	na
Delta Air Lines, Inc.	DAL	\$ 43.26	82.7% - 177.4%	50,001.1	12,653.0	(9,579.0)	-75.7%	1332.9%	3.95x	1.82x	na	101.7x
Frontier Group Holdings, Inc.	ULCC	\$ 17.04	75.1% - 104.2%	5,897.9	977.0	(693.0)	-70.9%	201.5%	6.04x	2.62x	na	19.8x
Hawaiian Holdings, Inc.	HA	\$ 24.37	77.7% - 211.9%	2,077.2	467.9	(361.9)	-77.4%	-1065.9%	4.44x	1.22x	na	na
JetBlue Airways Corporation	JBLU	\$ 16.78	76.4% - 172.6%	8,007.2	2,102.0	(1,971.0)	-93.8%	-583.6%	3.81x	1.43x	na	na
Mesa Air Group, Inc.	MESA	\$ 9.33	53.6% - 333.2%	971.7	428.8	18.7	4.4%	16.5%	2.27x	1.82x	52.0x	4.9x
SkyWest, Inc.	SKYW	\$ 43.07	70.4% - 172.3%	4,723.0	1,931.7	57.5	3.0%	23.7%	2.44x	1.84x	82.1x	6.6x
Southwest Airlines Co.	LUV	\$ 53.09	82.0% - 175.6%	30,706.4	6,866.0	(5,146.0)	-74.9%	473.4%	4.47x	2.02x	na	41.7x
Spirit Airlines, Inc.	SAVE	\$ 30.44	74.7% - 207.8%	6,492.7	1,500.2	(840.8)	-56.0%	333.6%	4.33x	2.01x	na	27.8x
Sun Country Airlines Holdings, Inc.	SNCY	\$ 37.01	83.9% - 119.3%	2,345.0	348.8	(14.7)	-4.2%	213.0%	6.72x	4.03x	na	26.1x
United Airlines Holdings, Inc.	UAL	\$ 52.29	82.1% - 178.9%	39,173.6	10,597.0	(8,867.0)	-83.7%	-424.3%	3.70x	1.67x	na	na
		<i>Mean</i>	76.4% - 186.8%	\$ 16,273.4	\$ 4,176.1	\$ (3,076.9)	-53.1%	70.9%	4.18x	2.03x	67.1x	31.2x
		<i>Median</i>	77.7% - 178.9%	\$ 6,492.7	\$ 1,931.7	\$ (840.8)	-70.9%	65.9%	3.95x	1.82x	67.1x	26.1x

Market value equals price per share times number of diluted shares outstanding. Enterprise value equals market value plus debt, preferred stock, and non controlling interests, less cash.

Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks				
		Closing Price 30-Jun-21	% of 52-week High-Low	Enterprise Value	Revenue LTM	EBITDA LTM	EBITDA LTM Margin	EBITDA 2022 E Growth	EV / Revenue		EV / EBITDA		
									LTM	2021 E	LTM	2021 E	
Aerostructures & Component Manufacturers													
Air Industries Group	AIRI	\$ 1.30	52.8% - 138.5%	\$ 71.0	\$ 50.4	\$ 1.3	2.6%	27.7%	1.41x	1.17x	54.8x	12.1x	
Allegheny Technologies Incorporated	ATI	\$ 20.85	83.3% - 259.3%	3,991.8	2,719.1	140.4	5.2%	62.6%	1.47x	1.48x	28.4x	17.4x	
Astronics Corporation	ATRO	\$ 17.51	83.7% - 278.0%	700.3	450.9	3.2	0.7%	148.7%	1.55x	1.44x	218.8x	27.6x	
CPI Aerostructures, Inc.	CVU	\$ 3.55	50.7% - 162.8%	75.2	87.6	1.1	1.2%	na	0.86x	0.76x	69.6x	na	
Hexcel Corporation	HXL	\$ 62.40	96.0% - 201.0%	6,072.2	1,271.7	133.2	10.5%	67.7%	4.77x	4.38x	45.6x	30.4x	
Honeywell International Inc.	HON	\$ 219.35	93.7% - 155.7%	163,286.3	32,628.0	7,649.0	23.4%	8.9%	5.00x	4.69x	21.3x	18.5x	
Howmet Aerospace Inc.	HWM	\$ 34.47	95.7% - 237.4%	18,463.3	4,834.0	1,002.0	20.7%	24.3%	3.82x	3.56x	18.4x	15.8x	
Ducommun Incorporated	DCO	\$ 54.56	83.4% - 179.2%	962.0	612.6	73.4	12.0%	13.3%	1.57x	1.47x	13.1x	10.5x	
FACC AG	WBAG:FACC	\$ 11.13	78.3% - 206.4%	802.6	527.7	(47.1)	-8.9%	46.8%	1.52x	1.34x	na	18.4x	
Héroux-Devtek Inc.	TSX:HRX	\$ 14.41	94.4% - 195.7%	659.3	453.7	60.3	13.3%	4.9%	1.45x	1.42x	10.9x	9.1x	
Innovative Solutions and Support, Inc.	ISSC	\$ 6.27	76.1% - 130.1%	102.1	22.2	3.8	16.9%	na	4.59x	na	27.2x	na	
JAMCO Corporation	TSE:7408	\$ 9.96	85.4% - 193.9%	700.1	452.6	(76.3)	-16.8%	na	1.55x	na	na	na	
Kaman Corporation	KAMN	\$ 50.40	84.3% - 133.1%	1,480.2	748.8	109.8	14.7%	22.0%	1.98x	1.98x	13.5x	15.5x	
Latécoère S.A.	ENXTPA:LAT	\$ 2.19	73.0% - 181.0%	411.6	506.1	(70.0)	-13.8%	-157.0%	0.81x	0.93x	na	na	
Lisi S.A.	ENXTPA:FII	\$ 32.67	91.8% - 210.6%	1,993.8	1,552.9	176.1	11.3%	35.5%	1.28x	1.36x	11.3x	10.1x	
Magellan Aerospace Corporation	TSX:MAL	\$ 8.43	89.1% - 166.4%	515.3	542.1	40.5	7.5%	35.5%	0.95x	0.87x	12.7x	7.8x	
Meggitt PLC	MGGT	\$ 6.37	86.4% - 188.2%	6,024.8	2,299.3	369.3	16.1%	26.0%	2.62x	2.69x	16.3x	13.5x	
Moog Inc.	MOG.A	\$ 84.06	91.4% - 184.1%	3,695.5	2,784.8	285.8	10.3%	3.3%	1.33x	1.28x	12.9x	10.7x	
RBC Bearings Incorporated	ROLL	\$ 199.42	95.8% - 175.9%	4,809.9	609.0	153.5	25.2%	6.6%	7.90x	7.34x	31.3x	29.0x	
Senior plc	LSE:SNR	\$ 2.09	81.1% - 369.5%	1,152.9	1,001.6	(174.8)	-17.4%	38.4%	1.15x	1.26x	na	15.6x	
SIFCO Industries, Inc.	SIF	\$ 10.07	63.9% - 294.4%	96.7	106.8	7.5	7.0%	na	0.91x	na	12.9x	na	
Spirit AeroSystems Holdings, Inc.	SPR	\$ 47.19	88.0% - 273.4%	7,253.5	3,228.3	(378.9)	-11.7%	359.0%	2.25x	1.80x	na	65.5x	
Triumph Group, Inc.	TGI	\$ 20.75	91.4% - 348.2%	2,737.9	1,869.7	212.1	11.3%	38.8%	1.46x	1.67x	12.9x	17.0x	
TransDigm Group Incorporated	TDG	\$ 647.29	94.1% - 159.8%	51,914.1	4,496.0	1,704.0	37.9%	17.0%	11.55x	10.35x	30.5x	23.0x	
Woodward, Inc.	WWD	\$ 122.88	94.0% - 170.4%	8,514.4	2,174.0	351.7	16.2%	14.4%	3.92x	3.45x	24.2x	17.9x	
				<i>Mean</i>									
			83.9% - 207.7%	\$ 11,459.5	\$ 2,641.2	\$ 469.2	7.8%	40.2%	2.71x	2.58x	34.3x	19.3x	
				<i>Median</i>									
			86.4% - 188.2%	\$ 1,480.2	\$ 748.8	\$ 73.4	10.5%	26.0%	1.55x	1.47x	19.9x	16.4x	

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Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks			
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA	
		30-Jun-21	High-Low	Value	LTM	LTM	LTM Margin	2022 E Growth	LTM	2021 E	LTM	2021 E
MRO, Parts & Supply Chain												
AAR Corp.	AIR	\$ 38.75	85.2% - 234.4%	\$ 1,533.1	\$ 1,631.2	\$ 49.7	3.0%	29.6%	0.94x	0.89x	30.8x	11.4x
AerSale Corporation	ASLE	\$ 12.46	67.9% - 132.4%	509.9	210.2	9.0	4.3%	39.1%	2.43x	1.49x	56.5x	9.0x
HEICO Corporation	HEI	\$ 139.42	93.6% - 150.8%	18,351.6	1,697.1	425.7	25.1%	18.2%	10.81x	9.28x	43.1x	34.9x
MTU Aero Engines AG	XTRA:MTX	\$ 247.69	92.9% - 161.3%	14,400.3	4,334.5	416.7	9.6%	23.5%	3.32x	2.74x	34.6x	17.6x
Singapore Technologies (ST Aerospace)	SGX:S63	\$ 2.88	94.4% - 121.7%	10,171.4	5,415.7	666.4	12.3%	8.4%	1.88x	1.79x	15.3x	13.7x
TAT Technologies Ltd.	TATT	\$ 5.96	71.5% - 175.3%	50.3	69.1	(0.6)	-0.8%	na	0.73x	na	na	na
VSE Corporation	VSEC	\$ 49.42	92.5% - 181.0%	906.8	649.2	71.8	11.1%	20.8%	1.40x	1.30x	12.6x	11.2x
		<i>Mean</i>	85.4% - 165.3%	\$ 6,560.5	\$ 2,001.0	\$ 234.1	9.2%	23.3%	3.07x	2.91x	32.1x	16.3x
		<i>Median</i>	92.5% - 161.3%	\$ 1,533.1	\$ 1,631.2	\$ 71.8	9.6%	22.1%	1.88x	1.64x	32.7x	12.5x
Aviation Services & Other												
AerCap Holdings N.V.	AER	\$ 51.21	80.7% - 232.9%	\$ 33,909.4	\$ 4,350.8	\$ 2,246.2	51.6%	78.0%	7.79x	8.15x	15.1x	9.5x
Air Lease Corporation	AL	\$ 41.74	78.8% - 165.0%	19,659.9	1,978.9	na	na	20.9%	9.93x	9.30x	na	9.9x
Air T, Inc.	AIRT	\$ 24.71	57.6% - 276.1%	163.1	175.1	(5.9)	-3.4%	na	0.93x	na	na	na
Air Transport Services Group, Inc.	ATSG	\$ 23.23	71.6% - 106.3%	3,222.0	1,557.4	482.4	31.0%	8.8%	2.07x	1.87x	6.7x	6.1x
AST SpaceMobile, Inc.	ASTS	\$ 12.94	83.6% - 185.9%	772.4	6.1	(30.3)	-492.9%	42.7%	125.69x	128.73x	na	na
Atlas Air Worldwide Holdings, Inc.	AAWW	\$ 68.11	89.4% - 156.8%	4,002.1	3,428.9	848.6	24.7%	-12.1%	1.17x	1.05x	4.7x	4.6x
Blade Air Mobility, Inc.	BLDE	\$ 10.50	88.5% - 163.8%	922.1	29.0	(8.3)	-28.5%	138.6%	31.78x	23.82x	na	na
CAE Inc.	TSX:CAE	\$ 30.82	96.8% - 206.4%	10,291.1	2,370.6	362.2	nm	38.2%	nm	nm	28.4x	17.7x
Gogo Inc.	GOGO	\$ 11.38	66.0% - 411.6%	2,009.7	272.7	97.5	35.8%	18.9%	7.37x	6.32x	20.6x	16.8x
Virgin Galactic Holdings, Inc.	SPCE	\$ 46.00	73.2% - 322.4%	10,541.6	na	(286.1)	na	-45.6%	na	3634.45x	na	na
		<i>Mean</i>	78.6% - 222.7%	\$ 8,549.3	\$ 1,574.4	\$ 411.8	-54.5%	32.1%	23.34x	476.71x	15.1x	10.8x
		<i>Median</i>	79.7% - 196.1%	\$ 3,612.1	\$ 1,557.4	\$ 97.5	24.7%	20.9%	7.58x	8.73x	15.1x	9.7x

Market value equals price per share times number of diluted shares outstanding. Enterprise value equals market value plus debt, preferred stock, and non controlling interests, less cash.

Sources of information: S&P Capital IQ.

SELECTED PUBLIC COMPANY TRADING DATA

Selected Companies Review

(\$ in thousands, except per security)

Company	Ticker	Market Statistics			Metrics				Valuation Benchmarks			
		Closing Price	% of 52-week	Enterprise	Revenue	EBITDA	EBITDA	EBITDA	EV / Revenue		EV / EBITDA	
		30-Jun-21	High-Low	Value	LTM	LTM	LTM Margin	2022 E Growth	LTM	2021 E	LTM	2021 E
Airframe & Engine OEM												
Airbus SE	ENXTPA:AIR	\$ 128.57	93.5% - 187.4%	\$ 99,511.7	\$ 58,381.5	\$ 4,842.7	8.3%	40.9%	1.70x	1.62x	20.5x	15.3x
The Boeing Company	BA	\$ 239.56	86.0% - 169.2%	182,273.9	56,467.0	(5,408.0)	-9.6%	92.3%	3.23x	2.32x	na	38.3x
Bombardier Inc.	TSX:BBD.B	\$ 0.94	88.6% - 450.0%	7,962.9	6,306.0	(63.0)	-1.0%	43.5%	1.26x	1.36x	na	14.6x
Dassault Aviation SA	ENXTPA:AM	\$ 1,176.19	94.2% - 146.3%	5,874.9	6,726.1	477.5	7.1%	-1.9%	0.87x	0.73x	12.3x	7.9x
Embraer S.A.	BOVESPA:EMBR3	\$ 3.76	87.5% - 327.0%	5,190.0	3,753.9	(132.0)	-3.5%	62.5%	1.38x	1.18x	na	16.8x
General Electric Company	GE	\$ 13.46	93.4% - 227.0%	167,633.5	77,248.0	5,654.0	7.3%	39.0%	2.17x	2.18x	29.6x	22.3x
Rolls-Royce Holdings plc	LSE:RR.	\$ 1.37	32.3% - 152.5%	16,897.7	16,143.3	(1,622.0)	-10.0%	51.8%	1.05x	1.03x	na	11.2x
Safran SA	ENXTPA:SAF	\$ 138.63	91.5% - 145.0%	63,407.7	20,526.0	3,368.8	16.4%	27.4%	3.09x	3.36x	18.8x	17.3x
Textron Inc.	TXT	\$ 68.77	97.3% - 228.8%	18,108.0	11,753.0	1,094.0	9.3%	14.0%	1.54x	1.42x	16.6x	13.2x
		<i>Mean</i>	<i>84.9% - 225.9%</i>	<i>\$ 62,984.5</i>	<i>\$ 28,589.4</i>	<i>\$ 912.5</i>	<i>2.7%</i>	<i>41.0%</i>	<i>1.81x</i>	<i>1.69x</i>	<i>19.6x</i>	<i>17.4x</i>
		<i>Median</i>	<i>91.5% - 187.4%</i>	<i>\$ 18,108.0</i>	<i>\$ 16,143.3</i>	<i>\$ 477.5</i>	<i>7.1%</i>	<i>40.9%</i>	<i>1.54x</i>	<i>1.42x</i>	<i>18.8x</i>	<i>15.3x</i>
Defense Contractors												
AeroVironment, Inc.	AVAV	\$ 100.15	69.7% - 169.4%	\$ 2,526.7	\$ 394.9	\$ 69.5	17.6%	34.4%	6.40x	4.91x	36.3x	27.3x
BAE Systems plc	LSE:BA.	\$ 7.21	95.6% - 131.9%	29,328.0	26,318.9	2,906.7	11.0%	7.3%	1.11x	0.99x	10.1x	7.8x
Elbit Systems Ltd.	TASE:ESLT	\$ 129.48	86.1% - 112.5%	6,784.7	4,709.6	483.9	10.3%	13.6%	1.44x	1.36x	14.0x	13.0x
General Dynamics Corporation	GD	\$ 187.07	94.7% - 144.8%	65,955.0	38,565.0	5,115.0	13.3%	5.5%	1.71x	1.69x	12.9x	13.2x
Herkules S.A.	HRS	\$ 0.37	68.8% - 127.6%	33.5	38.1	8.5	22.2%	na	0.88x	na	4.0x	na
Huntington Ingalls Industries, Inc.	HII	\$ 210.75	94.0% - 154.5%	9,919.0	9,376.0	1,083.0	11.6%	8.2%	1.06x	1.07x	9.2x	12.4x
Kratos Defense & Security Solutions, Inc.	KTOS	\$ 28.49	83.5% - 197.8%	3,544.1	773.0	56.2	7.3%	29.2%	4.58x	4.23x	63.1x	41.0x
L3Harris Technologies, Inc.	LHX	\$ 216.15	96.2% - 136.7%	51,625.9	18,135.0	3,629.0	20.0%	6.4%	2.85x	2.76x	14.2x	12.9x
Leonardo S.p.a.	BIT:LDO	\$ 8.08	85.0% - 170.1%	10,310.7	15,973.0	1,859.2	11.6%	9.6%	0.65x	0.62x	5.5x	5.5x
Lockheed Martin Corporation	LMT	\$ 378.35	94.0% - 118.3%	114,407.3	66,005.0	10,213.0	15.5%	3.7%	1.73x	1.67x	11.2x	10.9x
Mercury Systems, Inc.	MRCY	\$ 66.28	74.5% - 126.5%	3,843.5	890.5	159.8	17.9%	12.1%	4.32x	3.88x	24.1x	18.1x
Northrop Grumman Corporation	NOC	\$ 363.43	95.9% - 128.5%	68,726.1	37,336.0	5,466.0	14.6%	-24.2%	1.84x	1.92x	12.6x	10.3x
Raytheon Technologies Corporation	RTX	\$ 85.31	94.8% - 164.3%	154,846.5	60,478.0	7,008.0	11.6%	19.7%	2.56x	2.37x	22.1x	14.5x
Thales S.A.	ENXTPA:HO	\$ 102.02	96.3% - 156.4%	25,022.7	20,781.5	2,265.2	10.9%	13.4%	1.20x	1.19x	11.0x	8.4x
		<i>Mean</i>	<i>87.8% - 145.7%</i>	<i>\$ 39,062.4</i>	<i>\$ 21,412.5</i>	<i>\$ 2,880.2</i>	<i>14.0%</i>	<i>10.7%</i>	<i>2.31x</i>	<i>2.20x</i>	<i>17.9x</i>	<i>15.0x</i>
		<i>Median</i>	<i>94.0% - 140.8%</i>	<i>\$ 17,666.7</i>	<i>\$ 17,054.0</i>	<i>\$ 2,062.2</i>	<i>12.5%</i>	<i>9.6%</i>	<i>1.72x</i>	<i>1.69x</i>	<i>12.7x</i>	<i>12.9x</i>

Market value equals price per share times number of diluted shares outstanding. Enterprise value equals market value plus debt, preferred stock, and non controlling interests, less cash.

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