

ON THE ATTACK:

Stephens Inc.

AEROSPACE AND DEFENSE INVESTMENT BANKING



ARMING COMPANIES FOR ACTION

\$20 Billion in Recent A&D Deals
Longstanding Industry Relationships
Experienced Investment Banking Team

Stephens Inc.
Investment Bankers



THE AEROSPACE & DEFENSE INDUSTRY is on a strong long term growth trajectory and well positioned to take advantage of opportunities just over the horizon. However, competition is intense and aggressive operators are on the move, acquiring targets in new areas to strengthen their strategic position and raising capital to improve tactically.

This inherent competition has created a global appetite for Aerospace & Defense M&A. In 2006, disclosed transactions in the industry reached \$33 billion – the highest level since 2000. Competition, combined with increasing private equity interest in the sector, should fuel M&A activity to even greater levels in the near future. Additionally, despite some recent tightening, the capital markets are still some of the most accessible in history.

Stephens Inc. has a dedicated investment banking practice focused on providing advisory services to companies in the aerospace, defense, federal IT and homeland security sectors. Through our strong industry relationships and extensive transaction experience, we can assist you in originating, structuring and executing the transactions that can allow you to take advantage of the current industry environment.

Over the last five years, Stephens Inc. has advised or managed Aerospace & Defense transactions valued at more than \$20 billion.

Stephens' clients have included top government contractors, A&D companies and homeland security firms. We have also built strong working relationships with private equity investors who deploy capital in the A&D sector.

MERGERS AND ACQUISITIONS:

- Stephens advised on 102 transactions with a combined valuation of over \$101 billion since 2002.
- 15 deals greater than \$1 billion.
- More than 60 professionals in investment banking firm wide assist clients by providing financial, strategic and tactical advice.
- Serve as a trusted advisor on all aspects of M&A:

Mergers

Acquisitions

Divestitures

Recapitalizations

CAPITAL MARKETS:

- Led or co-managed 86 public offerings firm wide raising over \$25 billion since 2002
- Offer value-added industry specific insight to the public and private capital markets including:

Preferred/common equity

Secured/unsecured senior notes

Equity-linked subordinated debt structures

Stephens' Security & Defense IT Research Coverage

   • L-1 Identity Solutions

 SAIC
From Science to Solutions

 FLIR
THE WORLD LEADER IN INFRARED TECHNOLOGY

 nci

 ManTech
International Corporation

 SI
INTERNATIONAL

 COMTECH

 STANLEY

 CACI
EVER VIGILANT

 SRA
INTERNATIONAL

Stephens' Commercial Aerospace & Defense Research Coverage

 CURTISS
WRIGHT

 AAR

 MOOG

 B/E
AEROSPACE

 NORTHROP GRUMMAN

 Esterline

 PCC
Precision Castparts Corp.

 LADISH CO., INC.

 LOCKHEED MARTIN
We never forget who we're working for™

• Herley Industries

• General Dynamics



If you are looking for growth, liquidity, or seeking to make an acquisition or divestiture, we can help accomplish this mission.

Our Aerospace & Defense team is led by Chad Crank. He has worked on deals totaling over \$70 billion since 2003, including some of our largest and most complex transactions. Prior to joining Stephens, Chad worked at Alltel and served as an Armored Cavalry Officer in the U.S. Army after graduating from West Point. He also holds graduate degrees in Public Administration from Harvard's Kennedy School of Government and in Finance and Engineering from Northwestern's Kellogg School of Management.

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Stephens Inc.
Investment Bankers

Stephens Inc. is a full service investment banking firm headquartered in Little Rock, Arkansas. Founded in 1933, Stephens Inc. serves a broad client base which includes corporations, state and local governments, financial institutions, institutional investors and individual investors throughout the United States and overseas. Stephens' services include investment banking, money management, wealth management, securities underwriting, equity research, general securities brokerage and trading. Today, Stephens maintains 22 offices across the country, and in London. For more information, please visit www.stephens.com.

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