

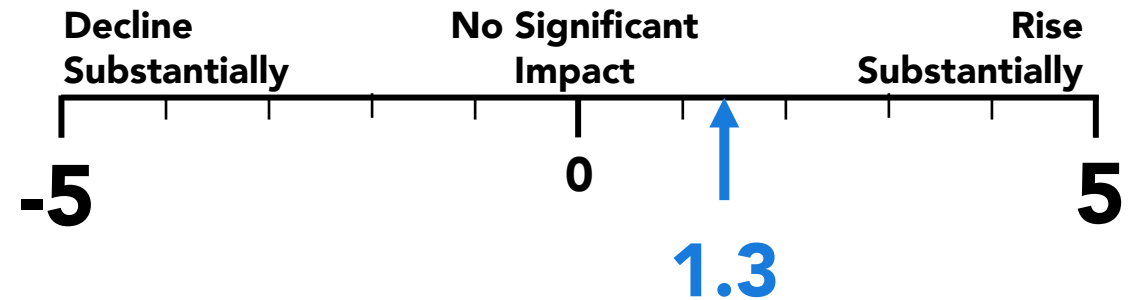
Impact on M&A Values in 2025

This Quarter's Survey

In this survey, we asked M&A professionals and company executives what they believe the impact will be on M&A values assuming the Fed reduces rates by 0.25% - 0.50%. The survey was delivered to strategic buyers, financial buyers, and operators of middle-market A&D companies. Of note, this survey was completed before the Fed lowered interest rates by 50 basis points on September 18th, 2024.

Information Regarding Our Surveys

Our surveys are conducted in-house by the team at Alderman & Company, utilizing collection methods including our proprietary database of more than 15,000 senior executives and professionals worldwide who are associated with mergers and acquisitions in the middle market of the aerospace and defense industry.



Our Interpretation of the Data

- Reduced rates will likely increase M&A volume and overall pricing optimism
 - Buyers will likely have a larger appetite for deals due to reduced costs of debt
 - Sellers may be more inclined to sell to achieve greater exit values