

 **INDUSTRY RESEARCH**

Aerospace & Defense Report

More deals, smaller check sizes

Q2
2026

REPORT PREVIEW
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through the PitchBook Platform.





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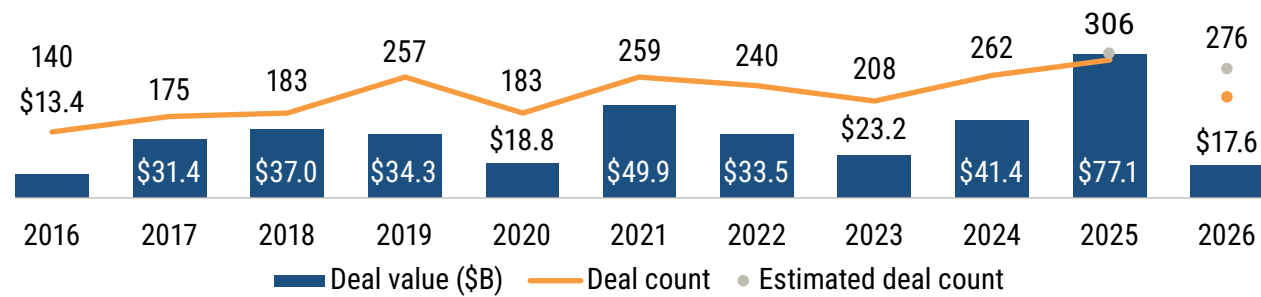
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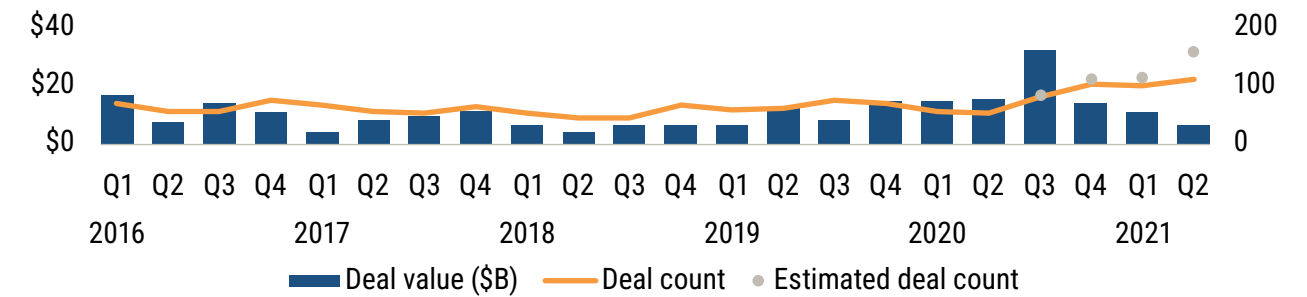
PE activity

Aerospace & defense PE deal activity



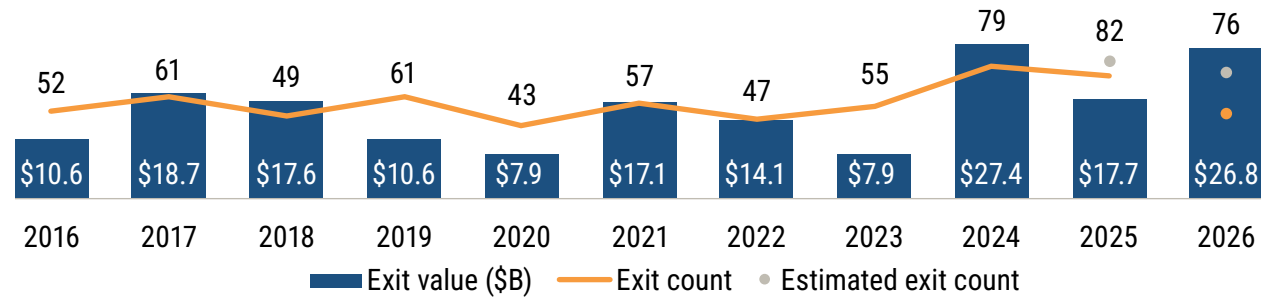
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Aerospace & defense PE deal activity by quarter



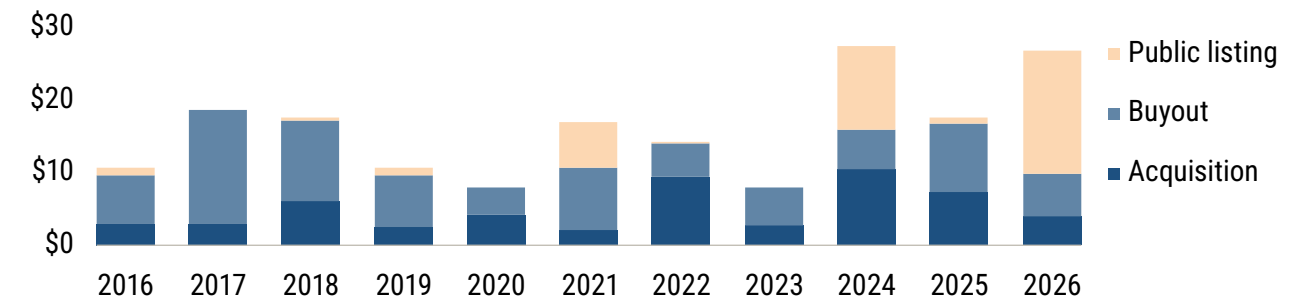
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Aerospace & defense PE exit activity



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Aerospace & defense PE exit value (\$B) by type

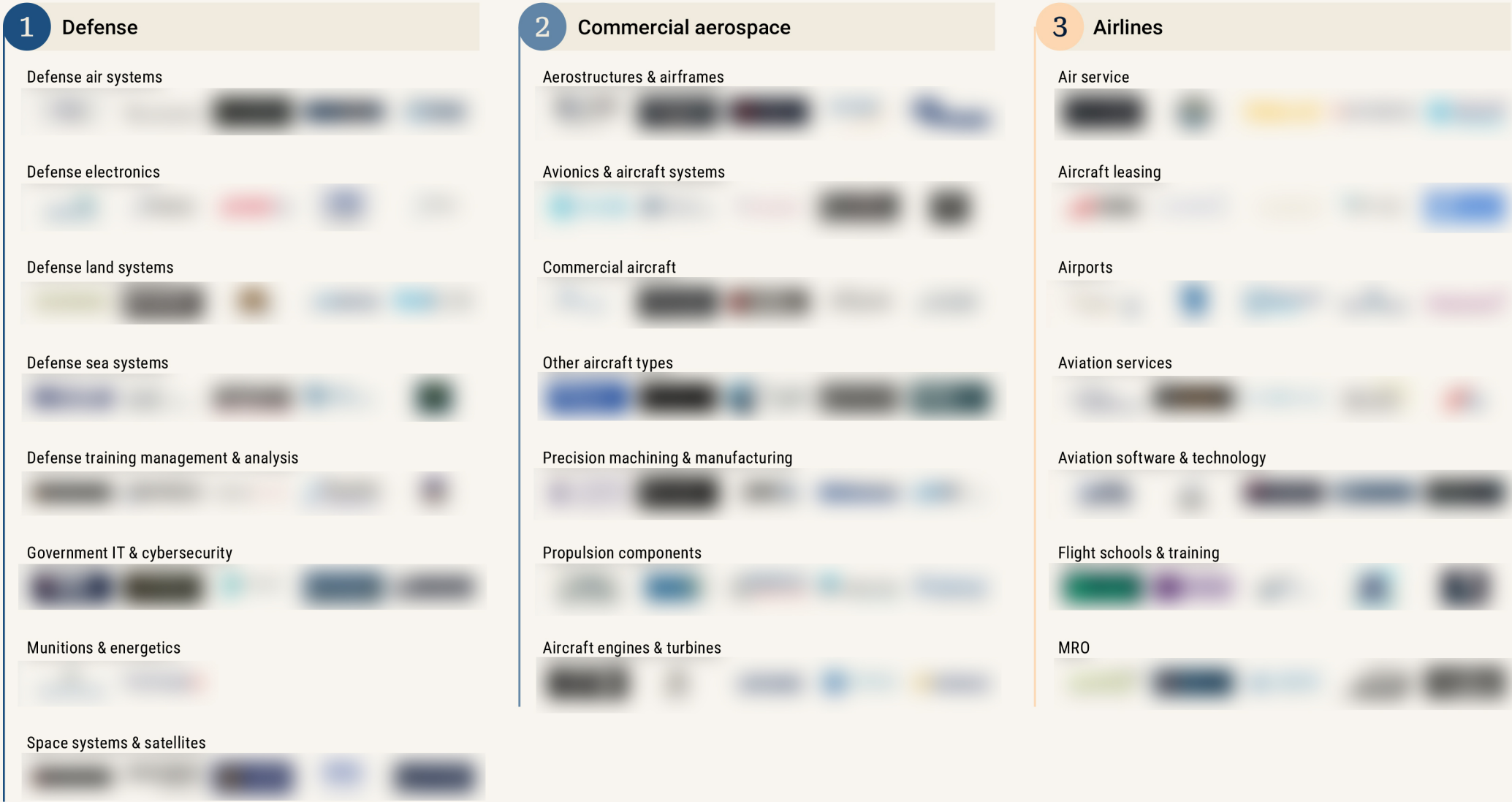


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Aerospace & defense PE ecosystem market map

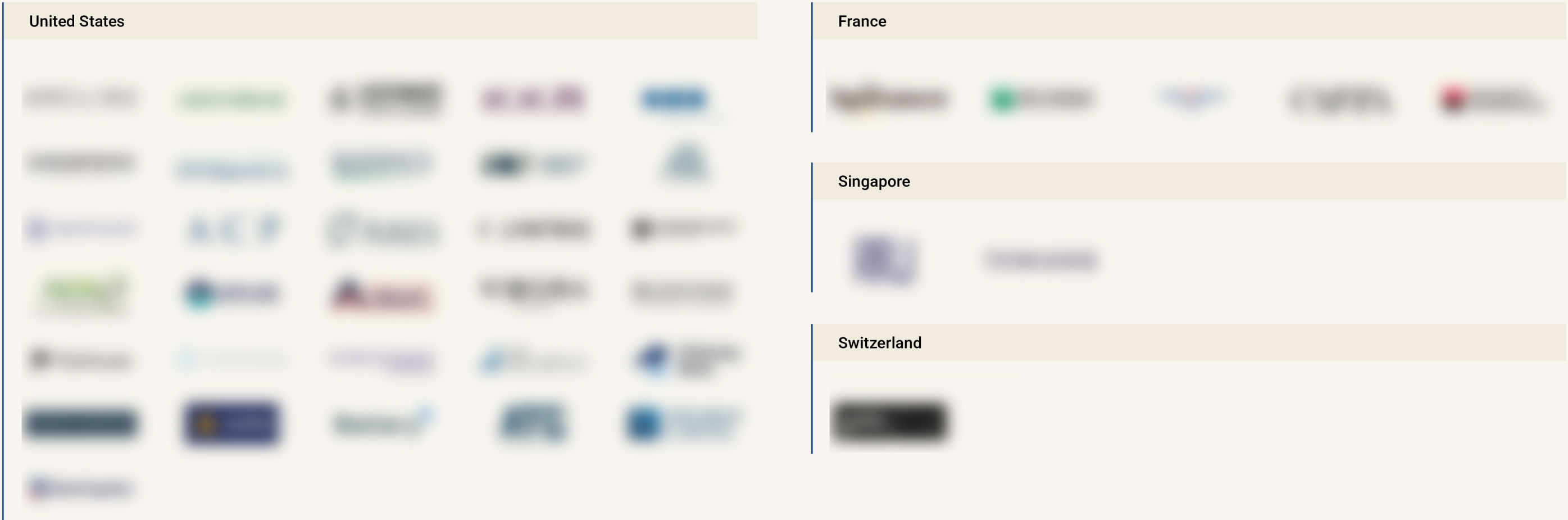
This market map is an overview of PE-backed companies ranked by total capital raised. [Click to view the full map on the PitchBook Platform.](#)





Aerospace & defense PE investor map

Investor map is a representative overview of active investors in global buyouts and growth equity. Investors are classified by the size of the fund out of which they primarily invest in aerospace & defense.





Aerospace & defense PE deal summary

	Quarterly activity					Trailing 12-month activity	
	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2024 to Q2 2025	Q3 2025 to Q2 2026
Deal count	53	82	104	101	112	253	399
QoQ change	-7.0%	54.7%	26.8%	-2.9%	10.9%	9.5%	57.7%
Share of total PE	2.5%	3.5%	4.6%	4.2%	4.7%	2.9%	4.2%
Deal value (\$B)	\$15.3	\$32.6	\$14.3	\$11.1	\$6.5	\$53.0	\$64.5
QoQ change	2.7%	113.1%	-56.1%	-22.4%	-41.4%	67.2%	21.7%
Share of total PE	6.6%	9.6%	4.6%	3.9%	3.7%	5.5%	5.8%
Exit count	22	10	24	23	27	86	84
Public listings	0	0	1	2	5	2	8
Acquisitions	11	4	9	6	7	43	26
Buyouts	11	6	14	15	15	41	50

Source: PitchBook • Geography: Global • As of June 30, 2026

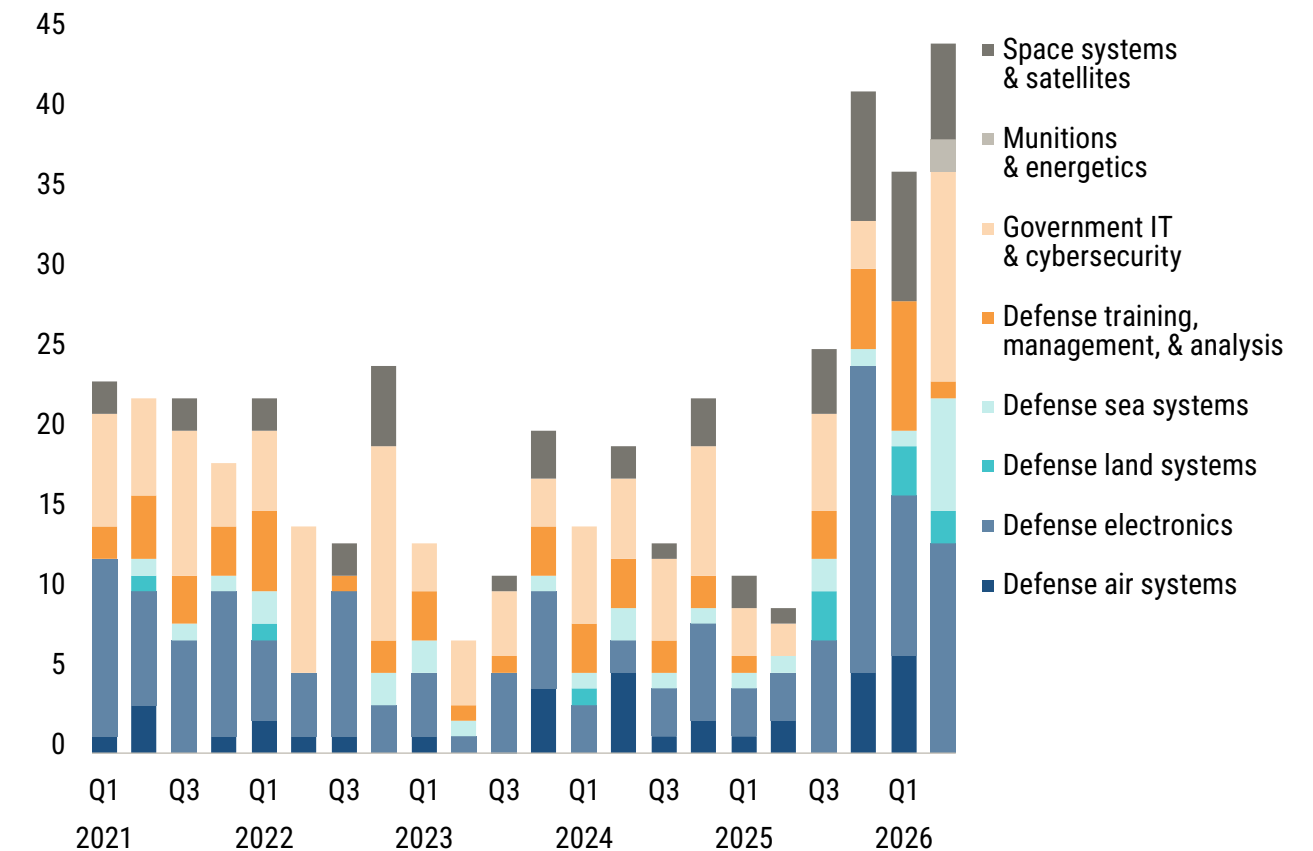


Defense

Defense deal count jumped to 44 in Q2 2026 from nine in Q2 2025, up 388.9%. First-half deal count came in at 80 for 2026 versus 20 in the first half of 2025, up 300%. It is worth flagging that these are small numbers, so a jump from single digits to double digits produces a huge percentage even though the absolute change, 35 deals for the quarter, is more modest in dollar terms than the percentage suggests. Last year, defense deals stalled in Q2 as the new (at the time) Trump administration started to roll out its defense spending strategy. This reversed in the second half of 2025 once the new defense budget proposal was announced. Deal activity continues to roll on in 2026, as the wars in Iran, Ukraine, and Gaza have led to increased militarization globally and sharp increases in defense budgets. PE, seeing this hard-to-miss trend, has stepped up investing accordingly.

Defense deal value came in at \$2.4 billion in Q2 2026 versus \$1.1 billion in Q2 2025, up 106.5%. First-half value was \$5.8 billion in 2026 versus \$2.4 billion in 2025, up 144.5%. So, deal value roughly doubled to two-and-a-half times while deal count nearly quintupled, meaning average deal size in defense actually shrank across both windows, the same smaller checks pattern we have seen at the total A&D level, just more pronounced here since defense count growth outran airline and commercial aerospace.

Defense PE deal count by segment



Source: PitchBook • Geography: Global • As of June 30, 2026



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