

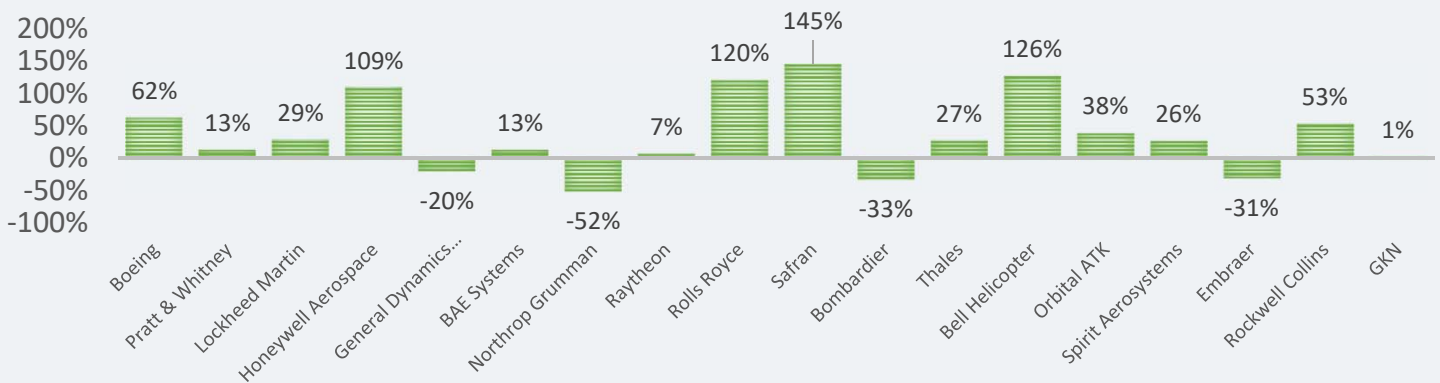


Global Aerospace & Defense Hiring Index

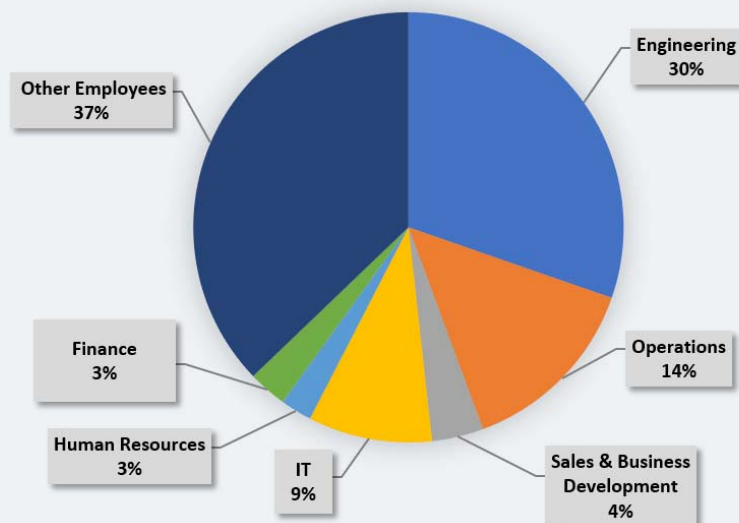
HAPPY AUTUMN! As we get closer to Halloween, we are **treating** you to the second installment of the re-launched Aerospace & Defense Index. This edition is full of tasty tidbits, as the vast majority of news in this sector is positive, with continued health and growth projected for the future. Having been through many terrifying peaks and valleys over the years, it is important to enjoy the hayride, to capitalize on the peaks, while preparing for the valleys.

The number of job openings posted can show the health of an industry, like a long line around the block can show which families are giving out the full size candy bars. There were more than 15,000 current postings for the companies listed below seeking predominantly skilled and experienced employees. In comparison to Q2 (which was not a slouchy quarter) we are still seeing the openings increase in fourteen of the eighteen companies profiled. This shows continued and slightly accelerating hiring in the sector (*insert evil laugh here*).

3 MONTH PERCENTAGE CHANGE NUMBER OF TOTAL POSTED OPENINGS ON INDEED



To assure ourselves that this is a true gain, and not a sign that companies are hiring in some sectors and laying-off in others, we looked at total headcounts for these same eighteen companies over time. Below we graphed the change in headcount from end of Q2 to end of Q3. The total in raw numbers for the companies above was 511,740 employees, growing to 524,483 or 12,743 new employees across the studied companies. Also relevant is that all companies from Q2 to Q3 gained employees or stayed neutral with no losses within the eighteen companies.

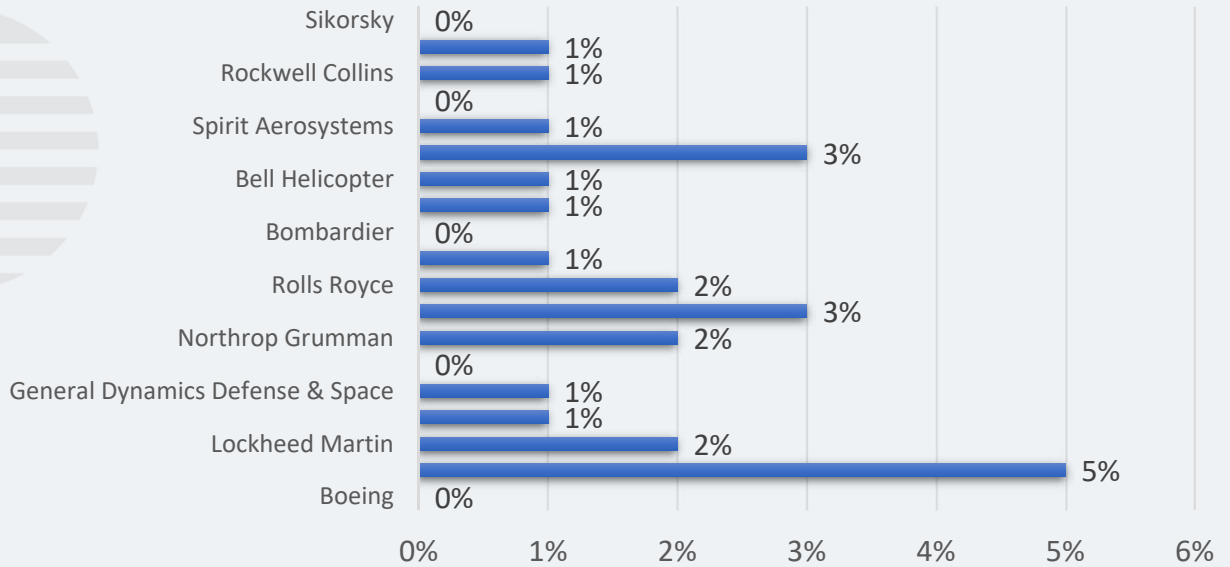


TOTAL EMPLOYEE BREAKDOWN BY TYPE 2017

Engineering hiring is the biggest gainer and the pie chart shows how the average company breaks down in terms of total employees. Below shows the continued positive overall hiring in the past 6 months. Again there were mostly gains and 5 that showed they stayed the same.

Global Aerospace & Defense Hiring Index

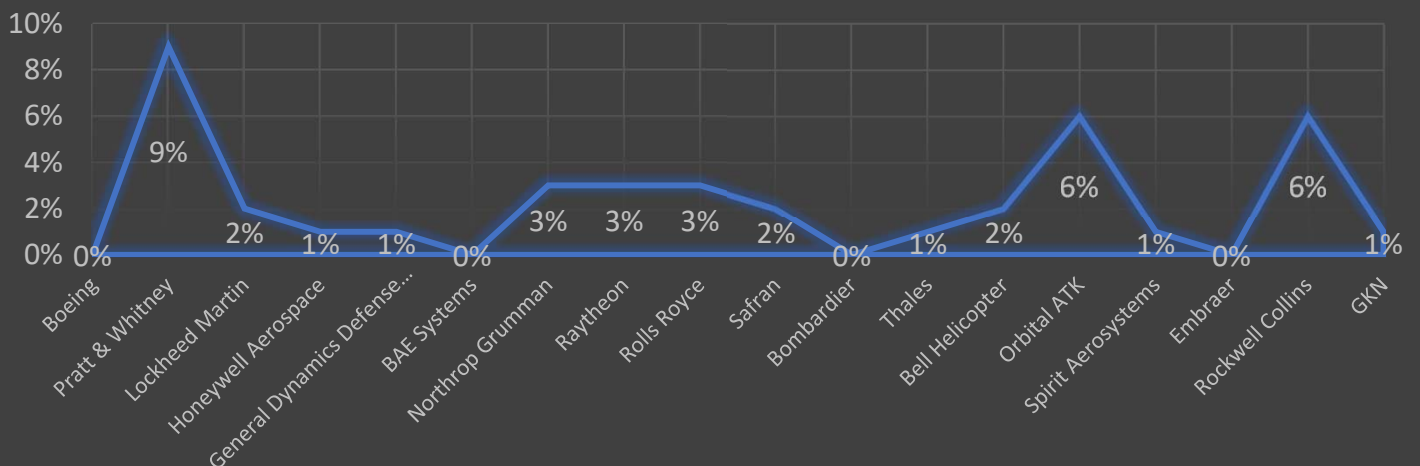
6 Month Headcount Growth



In Engineering the head count growth over the past 6 months was greatest at Pratt & Whitney, however Orbital and Rockwell Collins had significant increases as well. How will their numbers change once Orbital and Rockwell Collins are acquired? We'll have to stay tuned!



Engineering HC Growth

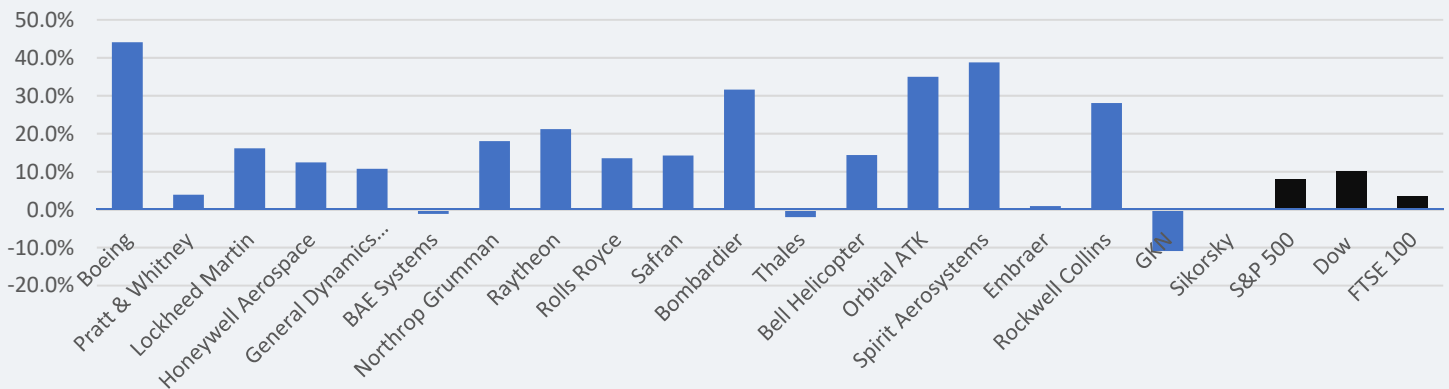


Global Aerospace & Defense Hiring Index

Stock Price Growth:

The crazy volume of mergers and acquisitions is making the Index harder to produce, as new companies must be selected when the existing companies being tracked are purchased and absorbed. Just in our selected top 18 list -UTAS is buying Rockwell Collins and Northrop Grumman is buying Orbital. In hindsight, both saw great stock jumps when they were announced within the past 6 months; Orbital is up 14% and RC is up 20%. The good news is that many of you reading this have good investments in your own company stock, and the vast majority have far surpassed the S&P 500 and Dow Jones averages for the same period. GKN, Thales and BAE Systems were the only non-gainers in the past 6 months, and it is interesting to note that they are not US companies and are listed on foreign stock exchanges.

STOCK PRICES - 6 MONTH CHANGE



ZRG Partners Managing Directors Aerospace & Defense Team



SAMANTHA FOSTER

+1.860.561.8499 • sfoster@zrgpartners.com

- 12 years executive search
- 10 years aerospace & defense industry experience
- BS in Mechanical Engineering
- US and International search experience, including expat



ROB WOLGEMUTH

+1.630.462.1840 • rwolgemuth@zrgpartners.com

- Consumer / Industrial / Oil and Gas Focus
- Financial Markets / Hedge Fund Expertise
- Extensive Consulting Experience with Change Management / Human Performance Concentration



DAVID HART

+1.917.903.1423 • dhart@zrgpartners.com

- 30+ years in senior-level PE executive search
- Guru of the Z Score process and how to use each unique tool
- Understands exactly how leadership style and culture will affect each company's performance



ALLEN BRADY

+1.206.769.4274 • abrady@zrgpartners.com

- 17+ years experience in Primary Sectors: Global Industrial, Aerospace / Defense, and Technology
- Functional expertise: HR, Operations, Manufacturing, IT, Finance, General Management



RICH HERMAN

+1.202.621.7935 • rherman@zrgpartners.com

- Former head of talent management for large middle-market PE fund – experience on both sides of the desk
- Deep experience with leadership of middle-market PE owned portfolio companies



PHOEBE HENDERSON

+1.703.822.1408 • phenderson@zrgpartners.com

- Niche executive search experience in Government Contracting, Satellite / Telecom, Geo-Spatial, C4ISR, IT
- Functional experience in Engineering & Technical, Key Intelligence, Business Development, Program Managers



REBECCA WAREING

+1.508.714.1982 • rwareing@zrgpartners.com

- 8+ years of recruiting experience working from the COO and Vice President level, managers & skilled individual contributors.
- Extensive experience working with clients in aerospace, industrial automation, consumer products, and nonprofit.



www.zrgpartners.com