HII To Acquire Alion Science and Technology

NEWPORT NEWS, Va. – Huntington Ingalls Industries has entered into a definitive agreement to acquire Alion Science and Technology for $1.65 billion in cash from Veritas Capital, subject to customary adjustments, HII announced in a July 6 release.

Alion will become part of Huntington Ingalls Industries' Technical Solutions division. The transaction is expected to close in the second half of 2021, subject to customary closing conditions.

Alion provides advanced engineering and research and development services in the areas of intelligence, surveillance and reconnaissance, military training and simulation, cyber, data analytics and other next-generation technology-based solutions to the Department of Defense and intelligence community customers, with the U.S. Navy representing about one third of current annual revenues.

Alion is poised for continued strong growth with over $3 billion in backlog today, with more than $5 billion in estimated contract value and a robust opportunity pipeline, Huntington Ingalls said. Alion has more than 3,200 employees with over 80% of employees maintaining security clearances.

"We established the Technical Solutions division in 2016 with a vision and strategy focused on partnering with our customers to solve their most pressing challenges," said Mike Petters, HII's president and CEO. "Today's announcement, coupled with our previous investments in leading edge technologies, such as cybersecurity and autonomous systems, reflects our commitment to stay on the cutting edge of critical, high-growth national security solutions and generate significant long-term value

for our shareholders.”

“The combination of Alion and our Technical Solutions business represents a significant value creation opportunity that broadens our capabilities and customer access in our target markets,” said Andy Green, HII executive vice president and president of Technical Solutions. “The experienced Alion team and the highly complementary solutions and products they provide are consistent with the strategic vision we have articulated for the Technical Solutions business, and we are excited about the significant growth potential this combination represents.”