

News

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Parsons to Acquire QRC Technologies

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CENTREVILLE, VA – Parsons Corporation (NYSE:[PSN](#)) announced today that it has entered into an agreement to acquire QRC, LLC ("QRC Technologies" or "QRC"), from private equity firm DC Capital Partners, for \$215 million in cash, increasing its product market offerings in the radio frequency environment and signals intelligence market. The strategic acquisition is Parsons' first as a public company and its third acquisition in the past 14 months. Parsons plans to leverage its existing artificial intelligence and data analytics core competencies to further differentiate QRC's product portfolio and expedite actionable intelligence for its customers.

The transaction is consistent with the company's transformation strategy of acquiring high-growth, defense and intelligence technology companies with hardware and intellectual property that enhance its technology and transactional revenue growth and margin profile.

"Bringing QRC into the Parsons family complements our existing portfolio, increases our presence in the high-growth markets of spectrum awareness and surveillance, adds critical intellectual property that complements and expands our available capabilities for the Special Operations and Intelligence Communities," said Chuck Harrington, Parsons' Chairman and CEO. "Our expansion into military hardware will provide significant value for both our shareholders and customers across federal solutions and critical infrastructure."

QRC is an agile, disruptive product company headquartered in Fredericksburg, Va., that specializes in radio frequency spectrum survey, record and playback; signals intelligence; and electronic warfare missions for the U.S. Special Operations Command, U.S. Intelligence Community, U.S. Navy, U.S. Marine Corps and international customers.

"We are excited to join the Parsons team and look forward to accelerating their strategy, leveraging existing protocols, reaching additional customers, and getting products to new markets and customers faster," said Larry Swift, QRC Technologies' CEO. "Parsons brings scale to QRC, including increased investments, expanded pipelines, existing protocols, and additional business development resources which will result in additional speed and value to our current and future customers."

The transaction is valued at approximately \$185 million, including the net present value of a \$30 million transaction-related tax benefit. For 2020, QRC is expected to generate approximately \$56 million in revenue and \$18 million in EBITDA before considering any revenue or cost synergies. The transaction is expected to be accretive to 2020 earnings per share, excluding one-time transaction costs. Parsons was advised by Goldman Sachs & Co LLC and Latham & Watkins LLP. QRC was advised by Arnold & Porter Kaye Scholer LLP.

Parsons

Parsons (NYSE:[PSN](#)) is a leading disruptive technology provider for the future of global defense, intelligence and critical infrastructure across cybersecurity and intelligence, missile defense, space, connected communities and physical infrastructure. For more information regarding Parsons please visit parsons.com.

About DC Capital Partners

DC Capital Partners is a private equity investment firm headquartered in Alexandria, Virginia focused on making control investments in middle market, U.S.-based, Government Services and Engineering & Construction Services businesses. Learn more at www.dccapitalpartners.com.

