

Insights from DSEI 2025

The D.A. Davidson MCF International team attended the 2025 Defense and Security Equipment International (DSEI) Exhibition in London on September 9-12th. Despite the London Tube strike and anti-war protestors at the entrance gates, there was record attendance at DSEI. Bolstered by the surge in defense spending across Europe (with many references to a UK and European “defense dividend”), the show floor and number of exhibitors was considerably larger than in 2023 – over 60,000 visitors (from more than 70 countries) attended the exhibition and over 1,700 exhibitors showcased capabilities across land, air, naval, cyber, and space domains.

We had numerous discussions with many exhibitors and attendees, with our key takeaways highlighted below:

Key Takeaways from D.A. Davidson MCF International at DSEI 2025

- The tense geopolitical climate is still very front and center, as news broke during the conference that Russian attack drones penetrated Polish airspace requiring Poland and Dutch fighters to engage.
- Drones and counter-drones were pervasive throughout the exhibit hall – a clear signal about the future of warfare and lessons learned from the Ukraine battlefield and Middle East conflicts, where drone warfare continues to evolve from single-drone use to swarms and multi-drone operations.
- Big weapon systems are being questioned, as priorities shift to more technology-enabled, cost-effective solutions (directed energy weapons, unmanned aerial systems (UAS), counter-UAS technology, cyber, quantum computing, and AI / Autonomy) that can be mass produced and / or force multipliers.
- Electronic warfare (EW) continues to be the #1 priority atop almost every buyer’s shopping list.
- Tariff challenges and uncertainty with U.S. posture with NATO is driving European militaries to accelerate domestic sources for rearmament; meanwhile, the delegation of U.S. defense companies and investors attending was noticeably larger as they target opportunities to participate in this new wave of European defense spending.
- European manufacturers are facing challenges to increase their production capacity given persistent supply chain issues. Suppliers are looking to make procurement more agile by securing cross border cooperations and targeting opportunities for vertical integration.
- Defense tech darlings are hoping to turn market buzz into landmark program awards, but face challenges to generate meaningful sales due to procurement bureaucracy – how patient will investors be if there are continued delays in program funding or their solutions are not adopted?
- Maritime defense was a domain that received even more attention than compared to prior years at DSEI, as the confluence between military interests and maritime supply chains highlights the importance of naval defense to protect major maritime trade routes, civilian ports of global importance, and sensitive energy infrastructure (e.g., oil rigs and undersea pipelines).

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