

The MOOG logo is displayed in a white, bold, sans-serif font. The background of the slide features a dark blue gradient with a pattern of concentric, wavy white lines that create a sense of motion and depth.

MOOG

# THIRD QUARTER 2024 EARNINGS SUPPLEMENTAL

---

August 2024

Shaping the way our world moves™

# Disclosures

---

## Cautionary Statement Regarding Forward Looking Information

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which can be identified by words such as: “may,” “will,” “should,” “believes,” “expects,” “expected,” “intends,” “plans,” “projects,” “approximate,” “estimates,” “predicts,” “potential,” “outlook,” “forecast,” “anticipates,” “presume,” “assume” and other words and terms of similar meaning (including their negative counterparts or other various or comparable terminology). These forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995, are neither historical facts nor guarantees of future performance and are subject to several factors, risks and uncertainties, the impact or occurrence of which could cause actual results to differ materially from the expected results described in the forward-looking statements. Although it is not possible to create a comprehensive list of all factors that may cause our actual results to differ from the results expressed or implied by our forward-looking statements or that may affect our future results, some of these factors and other risks and uncertainties are described in Item 1A “Risk Factors” of our Annual Report on Form 10-K and in our other periodic filings with the Securities and Exchange Commission (“SEC”) and include, but are not limited to, risks relating to: (i) our operation in highly competitive markets with competitors who may have greater resources than we possess; (ii) our operation in cyclical markets that are sensitive to domestic and foreign economic conditions and events; (iii) our heavy dependence on government contracts that may not be fully funded or may be terminated; (iv) supply chain constraints and inflationary impacts on prices for raw materials and components used in our products; (v) failure of our subcontractors or suppliers to perform their contractual obligations; and (vi) our accounting estimations for over-time contracts and any changes we need to make thereto. You should evaluate all forward-looking statements made in this presentation in the context of these risks and uncertainties. While we believe we have identified and discussed in our SEC filings the material risks affecting our business, there may be additional factors, risks and uncertainties not currently known to us or that we currently consider immaterial that may affect the forward-looking statements we make herein. Given these factors, risks and uncertainties, investors should not place undue reliance on forward-looking statements as predictive of future results. Any forward-looking statement speaks only as of the date on which it is made, and we disclaim any obligation to update any forward-looking statement made in this presentation, except as required by applicable law.

## Non-GAAP Financial Measures

The presentation also includes certain financial information that is not presented in accordance with Generally Accepted Accounting Principles (“GAAP”), including, but not limited to, “Adjusted Operating Margin,” “Adjusted Net Earnings Per Share,” “Adjusted EBITDA” and “Free Cash Flow.” While we believe that these non-GAAP financial measures may be useful in evaluating our financial condition and results of operations, this information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP. Adjustments to operating profit and margin and net earnings per share have included restructuring charges, impairment charges, gains and losses on the sale of buildings and businesses and inventory write-down charges. Reconciliations of the non-GAAP measures to the most directly comparable GAAP measures can be found in the appendix to this presentation.

This presentation also contains forward-looking non-GAAP financial measures regarding “Adjusted Operating Margin,” “Adjusted Net Earnings per Share,” “Adjusted EBITDA” and “Free Cash Flow.” The forward-looking non-GAAP financial measures are expected to include adjustments similar in nature to those described above though could differ materially and adversely from the results anticipated or implied herein. We cannot, without unreasonable effort or expense, reliably predict the necessary components of the most directly comparable GAAP measures and are unable to present a quantitative reconciliation of these forward-looking non-GAAP financial measures.

**Note** – numbers in tables may not add to totals due to rounding.

# Third Quarter 2024 Highlights

---

▶ Achieved strong sales growth driven by defense and commercial end markets

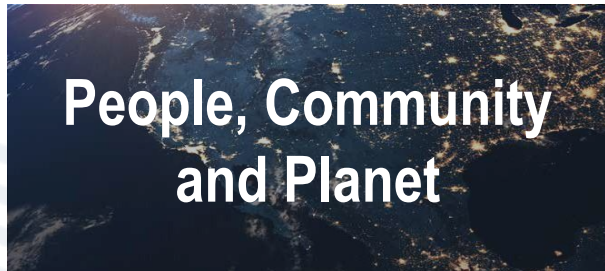
▶ Improved operating margins through better operational performance and sales mix

▶ Confident in delivering full-year results

# Third Quarter 2024 Operational Highlights



- Strong customer engagement at Farnborough, RIAT, Eurosatory
- Once-in-a-generation defense opportunities in pipeline
- Facility clearance enables new classified awards



- Purpose driven employee engagement drives medical devices performance
- Focusing on reducing water consumption is a key environmental priority
- Access to clean water is a community goal for Baguio and Bengaluru



- 80/20 deployment continues at pace
- Pricing remains a continued focus both top-down and bottom-up
- Nearing completion of the sales of two European businesses

# Third Quarter 2024 Financial Headlines

**\$905M**

Sales

**12.3%**

Adjusted  
Operating  
Margin\*

**\$1.91**

Adjusted  
Earnings  
Per Share\*

**\$(2M)**

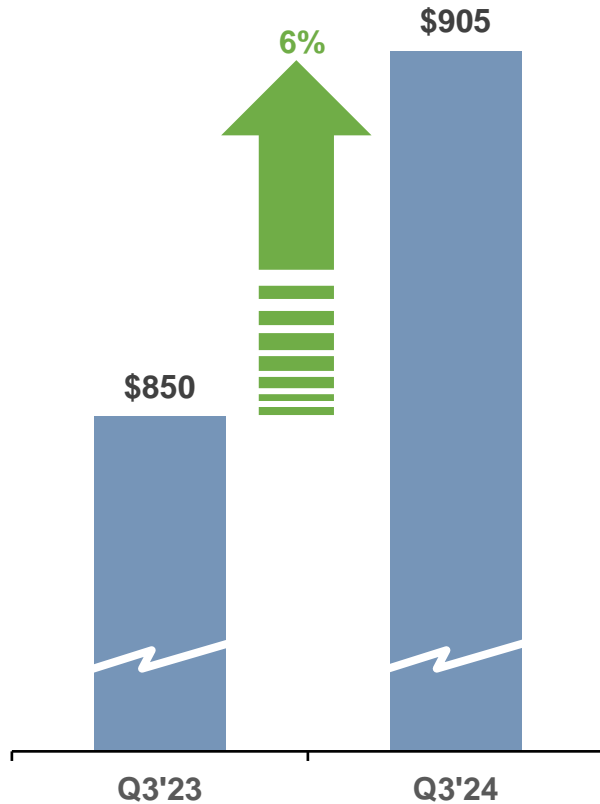
Free Cash  
Flow\*

*\* Non-GAAP measures, see appendix for reconciliations*

▶ Operating performance and sales growth drive 39% EPS\* growth

# Third Quarter 2024 Sales

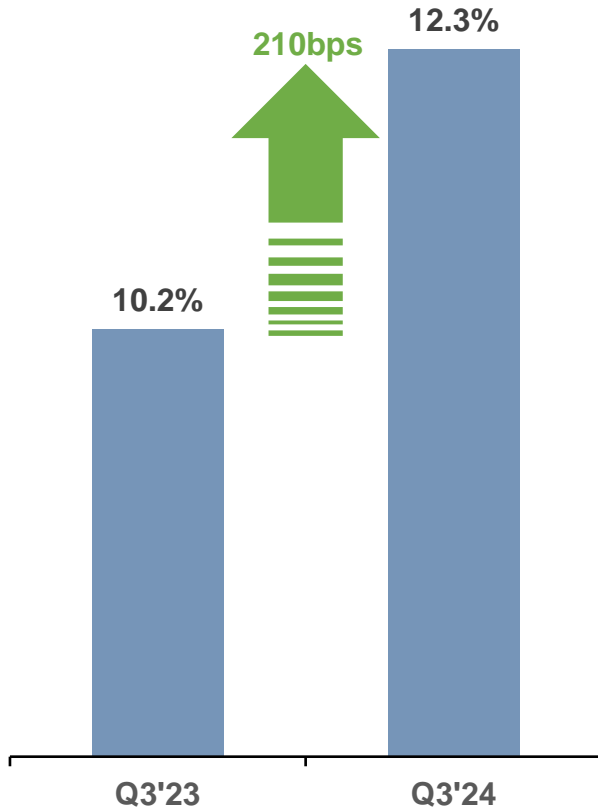
USD in millions



Sales	Q3'24	Q3'23	Delta	Comments
Space and Defense	\$ 258	\$ 242	7%	Strong U.S. and European defense demand
Military Aircraft **	207	176	18%	Ramp of FLRAA and other OEM production programs
Commercial Aircraft **	189	179	6%	Production ramp in widebody business
Industrial	250	253	-1%	Slowdown in industrial automation, mostly offset by demand in other submarkets
<b>Moog</b>	<b>\$ 905</b>	<b>\$ 850</b>	<b>6%</b>	

\*\* Prior year amounts reflect current organization

# Third Quarter 2024 Adjusted Operating Margin\*



Adjusted Operating Margins*	Q3'24	Q3'23	Delta (bps)	Comments
Space and Defense	12.7%	7.8%	490	Improved performance on space vehicle programs
Military Aircraft **	11.9%	10.5%	140	Cost absorption on the FLRAA program
Commercial Aircraft **	13.1%	11.2%	190	Benefits from pricing and increased sales volume, as well as mix
Industrial	11.7%	11.5%	20	Benefits from pricing initiatives, offset by an unfavorable sales mix and planned product transfers
<b>Moog</b>	<b>12.3%</b>	<b>10.2%</b>	<b>210</b>	

\* Non-GAAP measures, see appendix for reconciliations

\*\* Prior year amounts reflect current organization

# Third Quarter 2024 Free Cash Flow\*

USD in millions

Free Cash Flow includes	Q3'24	Comments
Adjusted Net Earnings*	\$ 62	Operating profit associated with strong margin expansion and higher sales
Net Working Capital	(51)	Work-down of customer advances; unfavorable timing of collections; physical inventories relatively flat
Depreciation and Amortization	24	
Other	(5)	
Capital Expenditures	(32)	Lower than typical levels and anticipated to return to normal levels next quarter
<b>Free Cash Flow*</b>	<b>\$ (2)</b>	

\* Non-GAAP measures, see appendix for reconciliations



# Current Year Guidance: Segment Sales

USD in millions

## Current Year Guidance vs Prior Year

	FY'24 (F) As of Jul'24	FY'23	Delta	Comments
Space and Defense	\$ 1,010	\$ 947	7%	Strong broad based defense demand
Military Aircraft	790	720	10%	Full year of FLRAA activity
Commercial Aircraft	785	669	17%	Production ramps on widebody and other programs
Industrial	990	983	1%	Growth in other sub-markets, offset by softening in industrial automation
<b>Moog</b>	<b>\$ 3,575</b>	<b>\$ 3,319</b>	<b>8%</b>	

# Change in Current Year Guidance: Segment Sales & Margins

USD in millions

FY'24 (F) Sales			
	As of Jul'24	As of Apr'24	Delta
Space and Defense	\$ 1,010	\$ 1,000	\$ 10
Military Aircraft	790	775	15
Commercial Aircraft	785	825	(40)
Industrial	990	950	40
<b>Moog</b>	<b>\$ 3,575</b>	<b>\$ 3,550</b>	<b>\$ 25</b>

FY'24 (F) Adjusted Operating Margin*			
	As of Jul'24	As of Apr'24	Delta (bps)
Space and Defense	13.0%	13.4%	(40)
Military Aircraft	11.9%	12.0%	(10)
Commercial Aircraft	12.0%	11.1%	90
Industrial	12.5%	12.6%	(10)
<b>Moog</b>	<b>12.4%</b>	<b>12.4%</b>	<b>-</b>

\* Non-GAAP measures, see appendix for reconciliations

Raising sales and affirming adjusted operating margin guidance

# Change in Current Year Guidance

USD in millions, except for EPS

FY 2024 Forecasted:	As of Jul'24	As of Apr'24
Total Sales	\$ 3,575	\$ 3,550
Adjusted Operating Profit*	\$ 443	\$ 438
Adjusted Operating Margin*	12.4%	12.4%
Interest	\$ 71	\$ 69
Tax Rate	23%	24%
Adjusted EPS*,***	\$ 7.40	\$ 7.25
Depreciation and Amortization	\$ 99	\$ 101
Adjusted EBITDA*	\$ 480	\$ 478
Free Cash Flow*	Minimal	Modest

- ▶ Lower commercial outlook, growth across other segments
- ▶ Contribution from higher sales
- ▶ Benefit of lower Q3'24 effective tax rate
- ▶ Lower tax rate and higher operating profit, offset by higher non-operating costs
- ▶ Pressured further

\* Non-GAAP measures, see appendix for reconciliations

\*\*\* Midpoint of ±\$0.10 range

# Third Quarter 2024 Key Takeaways

▶ Strong sales across businesses, meeting customers' needs

▶ Focused margin enhancement, through pricing and simplification

▶ Full-year guidance aligns with Investor Day goals

▶ Pursuing new opportunities that secure long-term business growth

# Appendix

---

# Reconciliation of Net Earnings to Adjusted EBITDA

USD in millions

	FY 2023	FY 2024 Outlook
Net earnings	\$ 171	\$ 221
Add back (deduct):		
Income taxes	45	67
Interest	64	71
Depreciation	79	88
Amortization	12	11
Restructuring and other	9	14
Asset impairments	15	7
Pension settlement	13	—
Gain on sale of buildings	(10)	—
Loss on sale of businesses	1	—
Inventory write-down	4	2
<b>Adjusted EBITDA</b>	<b>\$ 401</b>	<b>\$ 480</b>

Amounts may not reconcile when totaled due to rounding.

Adjusted EBITDA is defined as net earnings before income taxes, interest, depreciation, amortization, and other adjustments. Adjusted EBITDA is not a measure determined in accordance with GAAP and may not be comparable with the measures as used by other companies, however management believes this adjusted financial measure may be useful in evaluating the financial condition and results of operations of the Company. This information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP.

# Reconciliation to Adjusted Net Earnings and Diluted Earnings Per Share

USD in millions, except for EPS

	FY 2023 Q3	FY 2024 Q3	FY 2023	FY 2024 Outlook
Net earnings	\$ 42	\$ 56	\$ 171	\$ 221
Add back (deduct):				
Loss on sale of businesses	—	—	1	—
Gain on sale of buildings	—	—	(10)	—
Pension settlement	—	—	13	—
Asset impairments	—	—	15	7
Restructuring and other charges	2	6	9	14
Inventory write-down	—	—	4	2
Tax effect of adjustments	—	—	(5)	(4)
Adjusted net earnings	\$ 44	\$ 62	\$ 197	\$ 240
Average diluted shares outstanding	32,067,391	32,409,370	32,044,226	32,350,000
<b>Adjusted diluted net earnings per share</b>	<b>\$ 1.37</b>	<b>\$ 1.91</b>	<b>\$ 6.15</b>	<b>\$ 7.40 *</b>

\*FY 2024 Outlook adjusted diluted net earnings per share are forecasted to be within a range of \$7.30 to \$7.50.

Amounts may not reconcile when totaled due to rounding.

Results shown above have been adjusted to exclude impacts associated with the sale of our Navigation Aids business formerly in Aircraft Controls; the sale of buildings formerly used in Industrial Systems, a one-time pension settlement charge stemming from those participants that opted to take a one time lump sum distribution in lieu of continuing monthly payments; asset impairment resulting from inventory write-downs, an announced program retirement; as well as, restructuring and other charges related to the impact of continued portfolio shaping activities and the Ukraine crisis. While management believes that these adjusted financial measures may be useful in evaluating the financial condition and results of operations of the Company, this information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP.

# Reconciliation to Adjusted Operating Profit and Margin

USD in millions

	FY 2023 Q3	FY 2024 Q3	FY 2023	FY 2024 Outlook
Space and Defense operating profit - as reported	\$ 19	\$ 33	\$ 96	\$ 131
Restructuring	—	—	3	—
Space and Defense operating profit - as adjusted	\$ 19	\$ 33	\$ 99	\$ 132
	7.8 %	12.7 %	10.5 %	13.0 %
Military Aircraft operating profit - as reported	\$ 18	\$ 24	\$ 60	\$ 83
Inventory write-down	—	—	2	—
Asset impairment	—	—	1	6
Loss on sale of business	—	—	1	—
Restructuring and other	—	1	—	4
Military Aircraft operating profit - as adjusted	\$ 19	\$ 25	\$ 65	\$ 94
	10.5 %	11.9 %	9.0 %	11.9 %
Commercial Aircraft operating profit - as reported	\$ 20	\$ 24	\$ 84	\$ 93
Asset impairment	—	—	1	—
Commercial Aircraft operating profit - as adjusted	\$ 20	\$ 25	\$ 85	\$ 94
	11.2 %	13.1 %	12.7 %	12.0 %
Industrial operating profit - as reported	\$ 28	\$ 24	\$ 102	\$ 113
Inventory write-down	—	2	3	2
Asset impairment	—	—	13	—
Gain on sale of buildings	—	—	(10)	—
Restructuring and other	1	3	6	9
Industrial operating profit - as adjusted	\$ 29	\$ 29	\$ 113	\$ 124
	11.5 %	11.7 %	11.5 %	12.5 %
Total operating profit - as adjusted	\$ 87	\$ 111	\$ 362	\$ 443
	10.2 %	12.3 %	10.9 %	12.4 %
Amounts may not reconcile when totaled due to rounding.				



## Reconciliation to Free Cash Flow

USD in millions

	FY 2023 Q3	FY 2024 Q3	FY 2023
Net cash provided by operating activities	\$ 16	\$ 30	\$ 136
Purchase of property, plant and equipment	(35)	(32)	(173)
<b>Free cash flow</b>	<b>\$ (19)</b>	<b>\$ (2)</b>	<b>\$ (37)</b>

Amounts may not reconcile when totaled due to rounding.

Free cash flow is defined as net cash provided by operating activities less capital expenditures. Free cash flow is not a measure determined in accordance with GAAP and may not be comparable with the measures as used by other companies, however management believes these adjusted financial measures may be useful in evaluating the financial condition and results of operations of the Company. This information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP.