

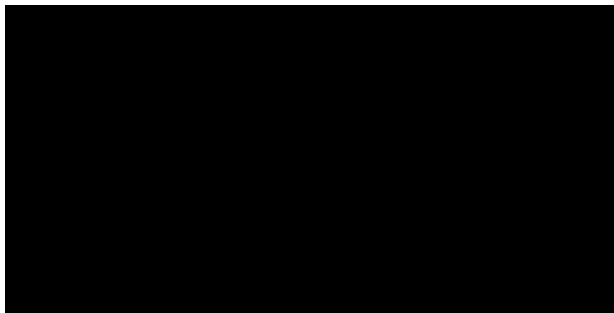
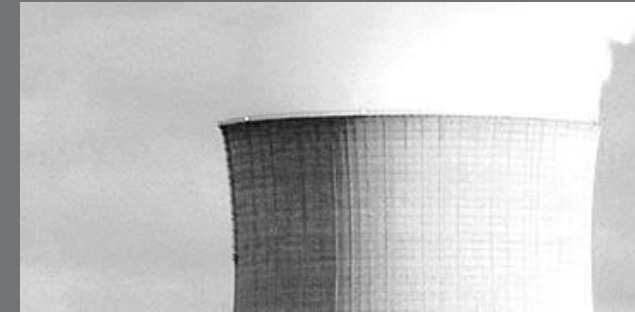


Q1 2021 Earnings Conference Call

May 6, 2021



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This presentation also includes certain non-GAAP financial measures with reconciliations to GAAP financial measures being made available in the earnings release that is posted to our website and furnished with the SEC. We undertake no duty to update this information. More information about potential factors that could affect our business and financial results is included in our filings with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, including, among other sections, under the captions, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," which is on file with the SEC and available at the SEC's website at www.sec.gov.

Strong Start to 2021: First Quarter Performance and Full-Year Guidance Highlights

First Quarter 2021 Highlights

- **Adjusted Net Sales increased 2% overall; Aerospace & Defense markets up 8%**
- **Adjusted Operating Income up 15%; Adjusted Operating Margin up 160 bps to 15.0%**
 - Driven by strong defense market sales and benefits of cost containment and restructuring savings; Continued strategic R&D investments
- **Adjusted Diluted EPS of \$1.51, up 18%**
 - Driven by double-digit increase in operating income and benefit of share repurchase
- **Reported FCF of (\$35M), up 83%; Adjusted FCF up 34%**
- **New orders of \$571M, up 3%, led by a strong 1.2x book to bill in our commercial markets**
- **PacStar acquisition integration going well**

FY 2021 Adjusted Guidance Highlights

- **Raised full-year guidance for Sales, Operating Income, Operating Margin and EPS**
 - Expect sales growth of 7% - 9%, with solid growth in both A&D and commercial end markets
 - Solid operating income growth of 9% - 11% outpacing sales growth, and driving continued margin expansion of 30 - 40 bps to 16.6% - 16.7%
 - Adjusted diluted EPS increased by \$0.10 to new range of \$7.10 - \$7.30, up 8% - 11%
- **Maintained FCF guidance range of \$330 - \$360M; Adj. FCF conversion >110%**

Notes:

- First quarter 2021 Adjusted results and full-year 2021 Adjusted guidance exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited and our German valves business which was classified as held for sale, both in the fourth quarter of 2020 impacting both periods; one-time inventory step-up, backlog amortization and transaction costs for acquisitions in both periods; and restructuring costs in the prior year period. Full-year 2021 Adjusted guidance also excludes a one-time pension settlement charge related to the retirement of two former executives (within non-operating income).

First Quarter 2021 Financial Review

(\$ in millions)	Q1'21 Adjusted	Q1'20 Adjusted	Chg vs. Q1'20	Key Drivers
Aerospace & Industrial	\$178	\$208	(15%)	<ul style="list-style-type: none"> Reduced YOY demand in commercial aerospace (principally widebody jets) Partially offset by higher industrial vehicle sales
Defense Electronics	\$182	\$140	31%	<ul style="list-style-type: none"> Solid 4% organic growth, led by aerospace defense (helicopter and UAV platforms) Strong contribution from PacStar acquisition
Naval & Power	\$230	\$228	1%	<ul style="list-style-type: none"> Strong growth in naval defense (Virginia submarine and CVN-81 aircraft carrier platforms) Mainly offset by lower commercial power generation and process revenues
Total Sales	\$590	\$576	2%	
Aerospace & Industrial <i>Margin</i>	\$19 10.4%	\$28 13.7%	(35%) (330 bps)	<ul style="list-style-type: none"> Benefits of restructuring savings and ongoing cost reduction measures helped to partially mitigate unfavorable absorption on lower sales
Defense Electronics <i>Margin</i>	\$38 20.9%	\$27 19.2%	42% 170 bps	<ul style="list-style-type: none"> Favorable absorption and mix on higher organic sales Acquisition accretive to operating income, but dilutive on operating margin Benefits of cost containment initiatives more than offset by increased R&D
Naval & Power <i>Margin</i>	\$41 17.7%	\$33 14.7%	21% 300 bps	<ul style="list-style-type: none"> Favorable mix on strong naval defense revenues Benefits of restructuring savings
Corporate and Other	(\$9)	(\$12)	27%	<ul style="list-style-type: none"> Lower FX
Total Op. Income <i>CW Margin</i>	\$89 15.0%	\$77 13.4%	15% 160 bps	

Notes: Amounts may not add down due to rounding.

• First quarter 2021 Adjusted results exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited and our German valves business which was classified as held for sale, both in the fourth quarter of 2020 impacting both periods; one-time inventory step-up, backlog amortization and transaction costs for acquisitions in both periods; and restructuring costs in the prior year period. Results also reflect the first quarter 2021 segment reorganization.

2021E End Market Sales Growth (Guidance as of May 5, 2021)

Updated (in blue)

	2021E Growth vs 2020 (Prior)	2021E Growth vs 2020 (Current)	2021E % Sales	2021 Key Drivers
Aero Defense	2% - 4%	2% - 4%	19%	<ul style="list-style-type: none"> Favorable growth on C5ISR and helicopter programs
Ground Defense	100% - 105%	100% - 105%	9%	<ul style="list-style-type: none"> Contribution from PacStar acquisition (HSD growth rate)
Naval Defense	Flat	Flat	28%	<ul style="list-style-type: none"> Solid growth on aircraft carriers offset by lower sub revenues (timing) Long-term growth trend intact following 22% increase in 2020
Commercial Aero	Flat	Flat	10%	<ul style="list-style-type: none"> Core OEM and Aftermarket stabilizing
Total Aerospace & Defense Markets	6% - 8%	7% - 9%	66%	Stronger backlog across Defense markets
Power & Process	3% - 5%	3% - 5%	19%	<ul style="list-style-type: none"> Higher U.S. nuclear aftermarket partially offset by lower CAP1000 program revenues (timing) Solid growth in valves sales in Process market
General Industrial	9% - 11%	9% - 11%	15%	<ul style="list-style-type: none"> Strong rebound across most industrial markets
Total Commercial Markets	6% - 8%	6% - 8%	34%	
Total Curtiss-Wright	6% - 8%	7% - 9%	100%	Organic growth up 2% - 4%

Notes: Amounts may not add down due to rounding. Full-year 2021 Adjusted sales guidance excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020.

2021E Financial Outlook (Guidance as of May 5, 2021)

Updated (in blue)

(\$ in millions)	2021E Adjusted ⁽¹⁾ (Prior)	2021E Adjusted ⁽¹⁾ (Current)	2021E Change vs 2020 Adjusted ^(1,2)	
Aerospace & Industrial	\$745 - 760	\$745 - 760	1% - 3%	<ul style="list-style-type: none"> Strong rebound in general industrial markets; partially offset by lower A&D
Defense Electronics	\$740 - 755	\$745 - 760	22% - 24%	<ul style="list-style-type: none"> Solid organic growth (up 4-6%) driven by higher Aero Defense sales PacStar contributing HSD revenue growth
Naval & Power	\$960 - 980	\$960 - 980	1% - 3%	<ul style="list-style-type: none"> Modest sales increases in Naval and Power & Process markets
Total Sales	\$2,445 - 2,495	\$2,450 - 2,500	7% - 9%	Organic growth up 2% - 4%
Aerospace & Industrial Margin	\$112 - 115 15.0% - 15.2%	\$112 - 115 15.0% - 15.2%	14% - 18% 170 - 190 bps	<ul style="list-style-type: none"> Benefit of PY restructuring savings Segment profitability returning to 2019 levels
Defense Electronics Margin	\$157 - 162 21.2% - 21.4%	\$159 - 164 21.3% - 21.5%	10% - 13% (210 - 230 bps)	<ul style="list-style-type: none"> Benefit of strong organic sales Acquisition accretive to operating income, but dilutive on operating margin Accelerated R&D investments \$6M; Unfavorable mix (more systems work)
Naval & Power Margin	\$172 - 177 18.0% - 18.1%	\$174 - 179 18.2% - 18.3%	2% - 5% 20 - 30 bps	<ul style="list-style-type: none"> Benefit of PY restructuring savings Improved segment profitability despite winding down on CAP1000 program
Corporate and Other	(\$38 - 39)	(\$37 - 39)	<i>~ Flat</i>	
Total Op. Income CW Margin	\$404 - 414 16.5% - 16.6%	\$408 - 418 16.6% - 16.7%	9% - 11% +30 - 40 bps	Remain on path to 17% margin despite R&D increase (\$10M)

Note: Amounts may not add down due to rounding. 2020 financial results and 2021 Adjusted guidance exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020.

1) 2021 Adjusted financials exclude first year purchase accounting costs associated with acquisitions.

2) 2020 Adjusted results exclude restructuring costs, first year purchase accounting costs associated with acquisitions, a non-cash impairment of capitalized development costs related to a commercial aerospace program, and one-time transition and IT security costs related to the relocation of the DRG business.

2021E Financial Outlook (Guidance as of May 5, 2021)

Updated (in blue)

(\$ in millions, except EPS)	2021E Adjusted ⁽¹⁾ (Prior)	2021E Adjusted ⁽¹⁾ (Current)	
Total Operating Income⁽²⁾	\$404 - 414	\$408 - 418	Solid growth, up 9-11%, despite increased R&D (\$10M)
Other Income/(Expense)	\$15 - 17	\$15 - 17	
Interest Expense	(\$41 - 42)	(\$41 - 42)	
Diluted EPS⁽²⁾	\$7.00 - 7.20	\$7.10 - 7.30	Solid growth, up 8-11%, despite increased R&D (\$0.18)
Diluted Shares Outstanding	41.4	41.3	<ul style="list-style-type: none"> Minimum \$50 million in share repurchases
Free Cash Flow	\$330 - 360	\$330 - 360	Maintain solid FCF generation following record 2020
Free Cash Flow Conversion	114% - 121%	113% - 120%	<ul style="list-style-type: none"> Remain above 110% long-term target
Capital Expenditures	\$50 - 60	\$50 - 60	<ul style="list-style-type: none"> Return to normal discretionary spending
Depreciation & Amortization	\$115 - 125	\$115 - 125	

Notes: Amounts may not add down due to rounding. 2020 financial results and 2021 Adjusted guidance exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020. Free Cash Flow is defined as cash flow from operations less capital expenditures. FCF Conversion is calculated as free cash flow divided by net earnings from continuing operations. Adjusted FCF Conversion is calculated as adjusted free cash flow divided by net earnings from continuing operations.

- 1) 2021 Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Income and Diluted EPS under GAAP excluding first year purchase accounting costs associated with acquisitions, and a one-time, \$3 million pension settlement charge related to the retirement of two former executives (within non-operating income).
- 2) 2020 Adjusted results exclude restructuring costs, first year purchase accounting costs associated with acquisitions, a non-cash impairment of capitalized development costs related to a commercial aerospace program, one-time transition and IT security costs related to the relocation of the DRG business, and a \$10 million non-cash currency translation loss (within non-operating income) related to the liquidation of a foreign legal entity.

Curtiss-Wright Remains Well-Positioned for Long-Term Profitable Growth

- **Strong revenue growth of 7% - 9% led by solid improvement across A&D and Commercial markets**
 - Solid organic growth (up 2% - 4%) plus PacStar acquisition providing strong boost to top-line
- **Steady adjusted operating margin expansion to reach 16.6% - 16.7%**
 - Increased profitability driven by solid top-line growth and savings generated by restructuring actions
 - Despite additional R&D investments (\$10M)
 - Remain on track to achieve 17% target in 2022
 - Long-term goal: Maintain top quartile performance vs. peers
- **Solid growth in adjusted diluted EPS, up 8% - 11%**
- **Strong adjusted free cash flow of \$330 - \$360M; FCF conversion ~116%**
- **Maintain disciplined and focused capital allocation strategy**
- **Virtual Investor Day scheduled for May 26th**

Appendix

Non-GAAP Financial Results

The company reports its financial performance in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This press release refers to "Adjusted" amounts, which are Non-GAAP financial measures described below.

We utilize a number of different financial measures in analyzing and assessing the overall performance of our business, and in making operating decisions, forecasting and planning for future periods. We consider the use of the non-GAAP measures to be helpful in assessing the performance of the ongoing operation of our business. We believe that disclosing non-GAAP financial measures provides useful supplemental data that, while not a substitute for financial measures prepared in accordance with GAAP, allows for greater transparency in the review of our financial and operational performance.

The Company's presentation of its financials and guidance includes an Adjusted (non-GAAP) view that excludes (i) the results of a build-to-print actuation product line supporting the Boeing 737 MAX program which we exited and a German valves business classified as held for sale, both in the fourth quarter of 2020; (ii) significant restructuring costs in 2020 associated with its operations, including one-time actions taken in response to COVID-19; (iii) a non-cash impairment of capitalized development costs related to a commercial aerospace program in the prior period; (iv) first year purchase accounting costs associated with its acquisitions in both periods, including one-time inventory step-up, backlog amortization, deferred revenue adjustments and transaction costs; and (v) one-time transition and IT security costs, and capital investments, specifically associated with the relocation of the DRG business in the Naval & Power segment in the prior period. Transition costs include relocation of employees and equipment as well as overlapping facility and labor costs associated with the relocation. We believe this Adjusted view will provide improved transparency in order to better measure Curtiss-Wright's ongoing operating and financial performance and better comparisons of our key financial metrics to our peers. Reconciliations of "Reported" GAAP amounts to "Adjusted" non-GAAP amounts are furnished within this presentation and in the earnings press release.

Reconciliations of "Reported" GAAP amounts to "Adjusted" non-GAAP amounts are furnished with this presentation. All per share amounts are reported on a diluted basis.

The following definitions are provided:

Adjusted Operating Income, Operating Margin, Net Earnings and Diluted EPS

These Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Earnings and Diluted Earnings per Share (EPS) under GAAP excluding: (i) the impact of first year purchase accounting costs associated with acquisitions for current and prior year periods, specifically one-time inventory step-up, backlog amortization and transaction costs; (ii) one-time transition and IT security costs associated with the relocation of a business in the current year period; (iii) the non-cash impairment of capitalized development costs related to a commercial aerospace program; and (iv) significant restructuring costs in 2020 associated with its operations, (v) a build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, and (vi) the results of a German valves business classified as held for sale in the fourth quarter of 2020.

Free Cash Flow and Free Cash Flow Conversion

The Corporation discloses free cash flow because it measures cash flow available for investing and financing activities. Free cash flow represents cash available to repay outstanding debt, invest in the business, acquire businesses, return capital to shareholders and make other strategic investments. Free cash flow is defined as cash flow provided by operating activities less capital expenditures. Adjusted free cash flow excludes: (i) a capital investment in the Naval & Power segment related to the new, state-of-the-art naval facility principally for DRG; (ii) a voluntary contribution to the Company's corporate defined benefit pension plan made in the first quarter of 2020; and (iii) the cash impact from restructuring in 2020. The Corporation discloses free cash flow conversion because it measures the proportion of net earnings converted into free cash flow and is defined as free cash flow divided by net earnings from continuing operations. Adjusted free cash flow conversion is defined as Adjusted free cash flow divided by Adjusted net earnings.

First Quarter 2021 End Market Sales Growth

	Q1'21 Change	% of Total Sales
Aero Defense	9%	19%
Ground Defense	151%	10%
Naval Defense	7%	30%
Commercial Aero	(33%)	9%
Total Aerospace & Defense Markets	8%	68%
Power & Process	(15%)	17%
General Industrial	4%	15%
Total Commercial Markets	(7%)	32%
Total Curtiss-Wright	2%	100%

Key Drivers

Aerospace & Defense Markets:

- **Aerospace Defense**: Higher defense electronics revenues on helicopter and UAV programs
- **Ground Defense**: Higher tactical battlefield communications equipment revenues (PacStar)
- **Naval Defense**: Higher revenues on Virginia class submarine and CVN-81 aircraft carrier programs, and higher service center revenues; Partially offset by lower CVN-80 revenues
- **Commercial Aerospace**: Lower sales of equipment and surface treatment services, principally on widebody platforms

Commercial Markets:

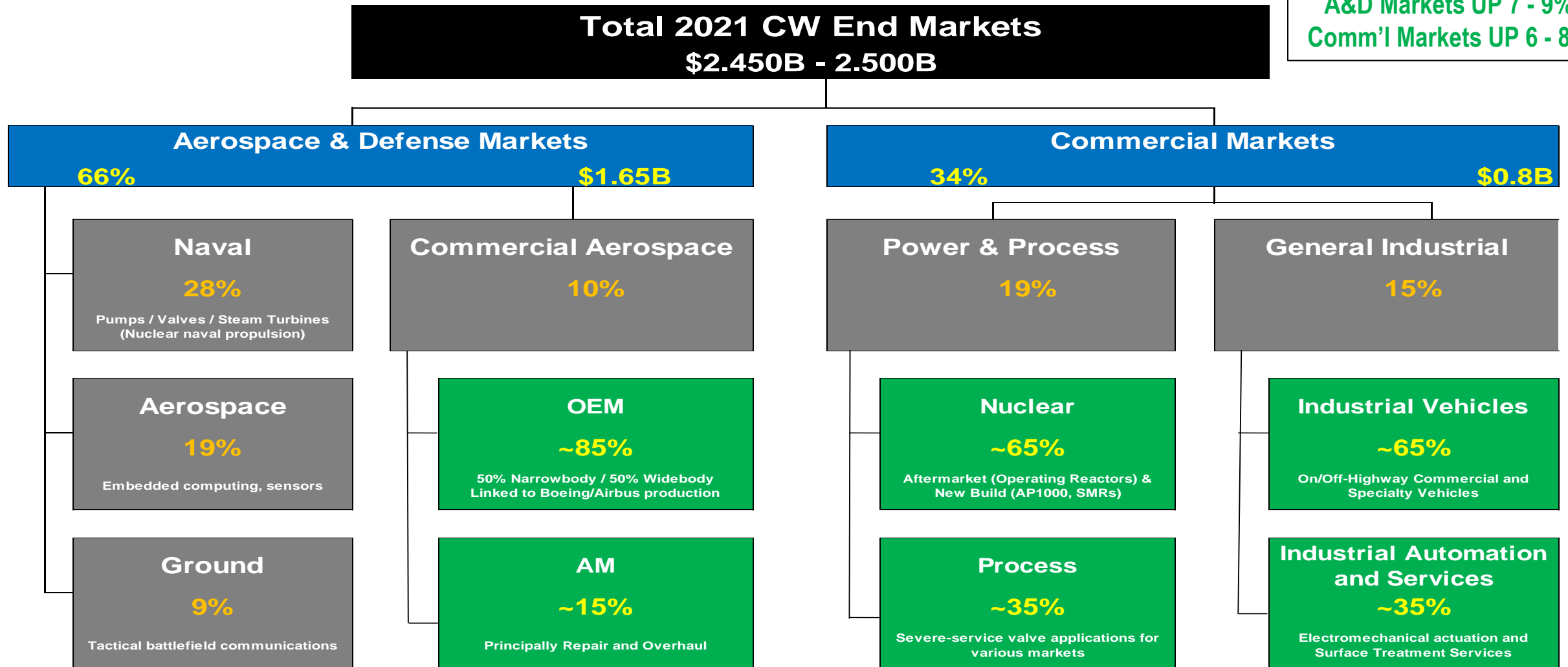
- **Power & Process**: Lower domestic aftermarket power generation revenues; Reduced valves sales to energy markets
- **General Industrial**: Improved demand for industrial vehicles products mainly offset by reduced automation and services sales

Notes:

- Percentages in chart relate to First Quarter 2021 sales compared to the prior year quarter. Amounts may not add due to rounding.

2021E End Market Sales Waterfall (as of May 5, 2021)

FY'21 Guidance:
 Overall UP 7 - 9%
 A&D Markets UP 7 - 9%
 Comm'l Markets UP 6 - 8%



Notes:

- Power & Process market sales concentrated in Naval & Power segment
- General Industrial sales concentrated in Aerospace & Industrial segment

Non-GAAP Reconciliation – 2020 vs 2021 (Adjusted)

CURTISS-WRIGHT CORPORATION

2021 Segment Reorganization

As of May 5, 2021

(\$'s in millions, except per share data)

	2020 Adjusted (Non-GAAP)	Division Realignment	Exiting Non-Core Operations	2020 Adjusted ^(2,3) (Non-GAAP)	2021 Adjusted Guidance ^(2,4) (Non-GAAP)			
					(Prior Structure)	(New Segment Structure)	(New Segment Structure)	Low
Sales:								
Commercial/Industrial	\$ 950	\$ (144)	\$ (67)	\$ 738	Aerospace & Industrial	\$ 745	\$ 760	1 - 3%
Defense	736	(125)	-	611	Defense Electronics	745	760	22 - 24%
Power	708	269	(26)	951	Naval & Power	960	980	1 - 3%
Total sales	\$ 2,393	\$ -	\$ (93)	\$ 2,300	Total sales	\$ 2,450	\$ 2,500	7 to 9%
Operating income:								
Commercial/Industrial	\$ 138	\$ (24)	\$ (16)	\$ 98	Aerospace & Industrial	\$ 112	\$ 115	14 - 18%
Defense	166	(22)	-	144	Defense Electronics	159	164	10 - 13%
Power	125	46	-	171	Naval & Power	174	179	2 - 5%
Total segments	429	-	(16)	413	Total segments	445	458	
Corporate and other	(38)	-	-	(38)	Corporate and other	(37)	(39)	
Total operating income	\$ 391	\$ -	\$ (16)	\$ 375	Total operating income	\$ 408	\$ 418	9 to 11%
Interest expense	\$ (36)	\$ -	\$ -	\$ (36)	Interest expense	\$ (41)	\$ (42)	
Other income, net	21	-	-	21	Other income, net	15	17	
Earnings before income taxes	377	-	(16)	361	Earnings before income taxes	382	394	
Provision for income taxes	(88)	-	4	(85)	Provision for income taxes	(90)	(92)	
Net earnings	\$ 289	\$ -	\$ (12)	\$ 277	Net earnings	\$ 293	\$ 301	
Diluted earnings per share	\$ 6.87	\$ -	\$ (0.29)	\$ 6.59	Diluted earnings per share	\$ 7.10	\$ 7.30	8 to 11%
<i>Diluted shares outstanding</i>	<i>42.0</i>			<i>42.0</i>	<i>Diluted shares outstanding</i>	<i>41.3</i>	<i>41.3</i>	
<i>Effective tax rate</i>	<i>23.4%</i>			<i>23.4%</i>	<i>Effective tax rate</i>	<i>23.5%</i>	<i>23.5%</i>	
Operating margins:								
Commercial/Industrial	14.5%	NM	NM	13.3%	Aerospace & Industrial	15.0%	15.2%	170 to 190 bps
Defense	22.6%	NM	NM	23.6%	Defense Electronics	21.3%	21.5%	(210 to 230 bps)
Power	17.6%	NM	NM	18.0%	Naval & Power	18.2%	18.3%	20 to 30 bps
Total operating margin	16.3%	NM	NM	16.3%	Total operating margin	16.6%	16.7%	30 to 40 bps
Free cash flow⁽⁵⁾	\$ 394	\$ -	\$ -	\$ 394	Free cash flow	\$ 330	\$ 360	

Notes:

(1) Full year amounts may not add due to rounding

(2) The above supplemental financial information by reportable segment for the 2020 and 2021 reporting periods reflects the Corporation's first quarter 2021 segment reorganization.

(3) 2020 Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Income and Diluted EPS under GAAP excluding restructuring costs, first year purchase accounting costs, specifically one-time backlog amortization and transaction costs associated with acquisitions, a non-cash impairment of capitalized development costs related to a commercial aerospace program, and one-time transition and IT security costs related to the relocation of the DRG business, as well as a \$10 million non-cash currency translation loss (within non-operating income) related to the liquidation of a foreign legal entity. 2020 financial results excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020.

(4) 2021 Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Income and Diluted EPS under GAAP excluding the first quarter 2021 segment reorganization, our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020, first year purchase accounting costs, specifically one-time backlog amortization and transaction costs associated with acquisitions, and a one-time, \$3 million pension settlement charge related to the retirement of two former executives (within non-operating income).

(5) Free Cash Flow is defined as cash flow from operations less capital expenditures. 2020 Adjusted Free Cash Flow guidance excludes a \$150 million voluntary contribution made in January to the Company's corporate defined benefit pension plan, a \$20 million cash impact from restructuring, and a \$10 million capital investment related to the new, state-of-the-art naval facility principally for DRG.

Non-GAAP Reconciliation – 2020 vs 2021 (Adjusted)

CURTISS-WRIGHT CORPORATION
2021 Guidance (New Segment Structure)
As of May 5, 2021
(\$'s in millions, except per share data)

	2020 Adjusted ^(1,3) (Non-GAAP)	2021 Reported Guidance (GAAP)		Exiting Non- Core Operations	2021 Adjustments ⁽²⁾ (Non-GAAP)	2021 Adjusted Guidance ⁽²⁾ (Non-GAAP)		2021 Chg vs 2020 Adjusted
		Low	High			Low	High	
Sales:								
Aerospace & Industrial	\$ 738	\$ 759	\$ 774	\$ (14)	\$ -	\$ 745	\$ 760	1 - 3%
Defense Electronics	611	745	760	-	-	745	760	22 - 24%
Naval & Power	951	991	1,011	(31)	-	960	980	1 - 3%
Total sales	\$ 2,300	\$ 2,495	\$ 2,545	\$ (45)	\$ -	\$ 2,450	\$ 2,500	7 to 9%
Operating income:								
Aerospace & Industrial	\$ 98	\$ 114	\$ 117	\$ (2)	\$ -	\$ 112	\$ 115	14 - 18%
Defense Electronics	144	153	158	-	6	159	164	10 - 13%
Naval & Power	171	176	181	(2)	-	174	179	2 - 5%
Total segments	413	443	456	(4)	6	445	458	
Corporate and other	(38)	(37)	(39)	-	-	(37)	(39)	
Total operating income	\$ 375	\$ 406	\$ 416	\$ (4)	\$ 6	\$ 408	\$ 418	9 to 11%
Interest expense	\$ (36)	\$ (41)	\$ (42)	\$ -	\$ -	\$ (41)	\$ (42)	
Other income, net	21	12	13	-	3	15	17	
Earnings before income taxes	361	377	388	(4)	9	382	394	
Provision for income taxes	(85)	(88)	(91)	1	(2)	(90)	(92)	
Net earnings	\$ 277	\$ 289	\$ 297	\$ (3)	\$ 7	\$ 293	\$ 301	
Diluted earnings per share	\$ 6.59	\$ 7.00	\$ 7.20	\$ (0.07)	\$ 0.17	\$ 7.10	\$ 7.30	8 to 11%
<i>Diluted shares outstanding</i>	42.0	41.3	41.3			41.3	41.3	
<i>Effective tax rate</i>	23.4%	23.5%	23.5%			23.5%	23.5%	
Operating margins:								
Aerospace & Industrial	13.3%	15.0%	15.1%	+10 bps	-	15.0%	15.2%	170 to 190 bps
Defense Electronics	23.6%	20.5%	20.7%	-	+80 bps	21.3%	21.5%	(210 to 230 bps)
Naval & Power	18.0%	17.8%	17.9%	+40 bps	-	18.2%	18.3%	20 to 30 bps
Total operating margin	16.3%	16.2%	16.4%	+20 bps	+20 bps	16.6%	16.7%	30 to 40 bps
Free cash flow	\$ 394	\$ 330	\$ 360	-	-	\$ 330	\$ 360	

Notes: Full year amounts may not add due to rounding. All financial information by reportable segment for the 2020 and 2021 reporting periods reflects the Corporation's first quarter 2021 segment reorganization.

(1) 2020 Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Income and Diluted EPS under GAAP excluding restructuring costs, first year purchase accounting costs, specifically one-time backlog amortization and transaction costs associated with acquisitions, a non-cash impairment of capitalized development costs related to a commercial aerospace program, and one-time transition and IT security costs related to the relocation of the DRG business, as well as a \$10 million non-cash currency translation loss (within non-operating income) related to the liquidation of a foreign legal entity. 2020 financial results excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020.

(2) 2021 Adjusted financials are defined as Reported Operating Income, Operating Margin, Net Income and Diluted EPS under GAAP excluding our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, as well as our German valves business which was classified as held for sale, both in the fourth quarter of 2020, first year purchase accounting costs, specifically one-time backlog amortization and transaction costs associated with acquisitions, and a one-time, \$3 million pension settlement charge related to the retirement of two former executives (within non-operating income).

(3) Free Cash Flow is defined as cash flow from operations less capital expenditures. 2020 Adjusted Free Cash Flow guidance excludes a \$150 million voluntary contribution made in January to the Company's corporate defined benefit pension plan, a \$20 million cash impact from restructuring, and a \$10 million capital investment related to the new, state-of-the-art naval facility principally for DRG.

Non-GAAP Reconciliations – Q1 2021 Results

(In millions, except EPS)	Q1-2021	Q1-2020	Change
Net sales	\$ 597.1	\$ 601.2	(1%)
Adjustments ⁽¹⁾	<u>(7.1)</u>	<u>(25.6)</u>	
Adjusted net sales	\$ 590.0	\$ 575.7	2%
Reported operating income (GAAP)	\$ 85.1	\$ 72.4	17%
Adjustments ⁽¹⁾	<u>3.7</u>	<u>4.5</u>	
Adjusted operating income (Non-GAAP)	\$ 88.8	\$ 76.9	15%
Adjusted operating margin (Non-GAAP)	15.0%	13.4%	160 bps
Reported net earnings (GAAP)	\$ 59.5	\$ 51.8	15%
Adjustments, net of tax ⁽¹⁾	<u>2.8</u>	<u>3.3</u>	
Adjusted net earnings (Non-GAAP)	\$ 62.3	\$ 55.1	13%
Reported diluted EPS (GAAP)	\$ 1.45	\$ 1.21	20%
Adjustments, net of tax ⁽¹⁾	<u>0.07</u>	<u>0.08</u>	
Adjusted diluted EPS (Non-GAAP)	\$ 1.51	\$ 1.29	18%

Amounts may not add due to rounding.

(1) First quarter 2021 Adjusted results exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited and our German valves business which was classified as held for sale, both in the fourth quarter of 2020 impacting both periods; one-time inventory step-up, backlog amortization and transaction costs for acquisitions in both periods; and one-time transition and IT security costs associated with the relocation of our DRG business and restructuring costs in the prior year period.

Non-GAAP Reconciliation – Organic Results

Three Months Ended

March 31,

2021 vs. 2020

	<u>Aerospace & Industrial</u>		<u>Defense Electronics</u>		<u>Naval & Power</u>		<u>Total Curtiss-Wright</u>	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Organic	(22%)	(41%)	4%	43%	(1%)	38%	(8%)	15%
Acquisitions	0%	0%	25%	16%	1%	(1%)	6%	5%
Foreign Currency	2%	0%	1%	(7%)	0%	(2%)	1%	(3%)
Total	(20%)	(41%)	30%	52%	0%	35%	(1%)	17%

Organic Sales and Organic Operating Income

The Corporation discloses organic sales and organic operating income because the Corporation believes it provides investors with insight as to the Company's ongoing business performance. Organic sales and organic operating income are defined as revenue and operating income excluding the impact of restructuring costs, impairment of assets held for sale, foreign currency fluctuations and contributions from acquisitions made during the last twelve months.

Note: Amounts may not add due to rounding