

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 3, 2023

CURTISS-WRIGHT CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

001-00134

13-0612970

(Commission File
Number)

(IRS Employer
Identification No.)

130 Harbour Place Drive, Suite 300
Davidson, NC
(Address of Principal Executive Offices)

28036
(Zip Code)

Registrant's telephone number, including area code: (704) 869-4600

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

SECTION 2 – FINANCIAL INFORMATION

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On Wednesday, May 3, 2023, the Company issued a press release announcing financial results for the first quarter ended March 31, 2023. A conference call and webcast presentation will be held on Thursday, May 4, 2023 at 10:00 am ET for management to discuss the Company's first quarter 2023 financial performance as well as expectations for 2023 financial performance. Lynn M. Bamford, Chair and Chief Executive Officer, and K. Christopher Farkas, Vice President and Chief Financial Officer, will host the call. A copy of the press release and the webcast slide presentation are attached hereto as Exhibits 99.1 and 99.2.

The financial press release, access to the webcast, and the accompanying financial presentation will be posted on Curtiss-Wright's website at www.curtisswright.com. In addition, the dial-in number for domestic callers is (800) 274-8461, while international callers can dial (203) 518-9843. The PIN code for all participants is CWQ123. For those unable to join the live presentation, a webcast replay will be available within the Investor Relations section on the Company's website beginning one hour after the call takes place.

The information contained in this Current Report, including Exhibits 99.1 and 99.2, are being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this report shall not be incorporated by reference into any filing of the registrant with the SEC, whether made before or after the date hereof, regardless of any general incorporation language in such filings.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Not applicable.

(b) Not applicable.

(c) Exhibits.

99.1 Press Release dated May 3, 2023

99.2 Presentation shown during investor and securities analyst webcast on May 4, 2023

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CURTISS-WRIGHT CORPORATION

By: /s/ K. Christopher Farkas
K. Christopher Farkas
Vice-President and
Chief Financial Officer

Date: May 4, 2023

EXHIBIT INDEX

Exhibit
Number

Description

[99.1](#)
[99.2](#)

[Press Release dated May 3, 2023](#)
[Presentation shown during investor and securities analyst webcast on May 4, 2023](#)

Curtiss-Wright Reports First Quarter 2023 Financial Results and Reaffirms Full-year 2023 Guidance

DAVIDSON, N.C.--(BUSINESS WIRE)--May 3, 2023--Curtiss-Wright Corporation (NYSE: CW) reports financial results for the first quarter ended March 31, 2023.

First Quarter 2023 Highlights:

- Reported and Adjusted sales of \$631 million, up 13% year-over-year;
- Reported operating income of \$79 million, operating margin of 12.5%, and diluted earnings per share (EPS) of \$1.48;
- Adjusted operating income of \$81 million, up 15%;
- Adjusted operating margin of 12.9%, up 20 basis points;
- Adjusted diluted EPS of \$1.53, up 17%; and
- New orders of \$718 million, up 13%, reflected strong demand within our Aerospace & Defense (A&D) and Commercial markets, and a book-to-bill that exceeded 1.1x.

"Curtiss-Wright delivered strong first quarter 2023 results, highlighted by double-digit growth in new orders, sales, operating income and diluted EPS," said Lynn M. Bamford, Chair and CEO of Curtiss-Wright Corporation. "Higher sales in each of our end markets and our continued drive for commercial excellence enabled us to generate 20 basis points in operating margin expansion and achieve 17% growth in Adjusted diluted EPS. Sales in our Aerospace & Defense markets increased 13% during the quarter reflecting some stabilization within the defense electronics supply chain and another solid quarter for our engineered arresting systems business, while sales in our Commercial markets increased 12%, as we continue to benefit from strong demand in our commercial nuclear, process and general industrial markets."

"We are maintaining our full-year 2023 outlook and anticipate steady, sequential improvement in sales, operating margin, diluted EPS and free cash flow as we move through the year. Overall, we continue to successfully execute on our Pivot to Growth strategy, which will enable us to deliver significant long-term value for our stakeholders."

First Quarter 2023 Operating Results

<i>(In millions)</i>	Q1-2023	Q1-2022	Change
Reported			
Sales	\$ 631	\$ 559	13%
Operating income	\$ 79	\$ 61	30%
Operating margin	12.5%	10.8%	170 bps
Adjusted (1)			
Sales	\$ 631	\$ 559	13%
Operating income	\$ 81	\$ 71	15%
Operating margin	12.9%	12.7%	20 bps

(1) Reconciliations of Reported to Adjusted operating results are available in the Appendix.

- Sales of \$631 million, up \$71 million, or 13% compared with the prior year, and included a \$5 million or 1% headwind from unfavorable foreign currency translation, mainly within our Aerospace & Industrial segment;
 - Total A&D market sales increased 13%, while total Commercial market sales increased 12%;
 - In our A&D markets, our results reflected strong sales growth in our defense markets driven by some moderate easing of defense electronics supply chain headwinds, particularly in ground defense, and the contribution from the acquisition of our engineered arresting systems business, as well as strong mid-teens sales growth in the commercial aerospace market;
 - In our Commercial markets, we experienced strong growth in the power & process markets and higher sales in the general industrial market; and
 - Adjusted operating income of \$81 million increased 15%, while Adjusted operating margin increased 20 basis points to 12.9%, principally driven by favorable overhead absorption on higher revenues in our Aerospace & Industrial and Naval & Power segments. These increases were partially offset by unfavorable mix on higher revenues in the Defense Electronics segment.
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First Quarter 2023 Segment Performance**Aerospace & Industrial**

<i>(In millions)</i>	Q1-2023	Q1-2022	Change
Reported			
Sales	\$ 202	\$ 191	6%
Operating income	\$ 27	\$ 25	7%
Operating margin	13.1%	13.0%	10 bps
Adjusted (1)			
Sales	\$ 202	\$ 191	6%
Operating income	\$ 27	\$ 25	7%
Operating margin	13.1%	13.0%	10 bps

(1) Note: There were no adjustments to segment operating results.

- Sales of \$202 million, up \$11 million, or 6% overall, and included a \$4 million or 2% headwind from unfavorable foreign currency translation;
 - Higher commercial aerospace market revenue reflected strong demand for sensors products and surface treatment services on narrowbody and widebody platforms;
 - Higher general industrial market revenue was principally driven by increased sales of industrial vehicle products serving on- and off-highway platforms, as well as higher sales of surface treatment services;
 - Aerospace defense market revenue declines reflected lower sales of actuation equipment on various fighter jet programs; and
 - Operating income was \$27 million, up 7% from the prior year, while operating margin increased 10 basis points to 13.1%, mainly reflecting solid absorption on higher sales.
-

Defense Electronics

<i>(In millions)</i>	Q1-2023	Q1-2022	Change
Reported			
Sales	\$ 162	\$ 143	13%
Operating income	\$ 23	\$ 23	0%
Operating margin	14.4%	16.3%	(190 bps)
Adjusted (1)			
Sales	\$ 162	\$ 143	13%
Operating income	\$ 23	\$ 23	0%
Operating margin	14.4%	16.3%	(190 bps)

(1) Note: There were no adjustments to segment operating results.

- Sales of \$162 million, up \$19 million, or 13%;
 - Aerospace defense market revenue declines principally reflected the timing of sales of our embedded computing equipment on various helicopter and unmanned aerial vehicle programs;
 - Strong revenue growth in the ground defense market reflected higher sales of tactical battlefield communications equipment; and
 - Operating income was \$23 million, essentially flat compared with the prior year, while operating margin decreased 190 basis points to 14.4%, as favorable absorption on higher revenues was offset by unfavorable mix on defense electronics products and higher investment in research and development.
-

Naval & Power

<i>(In millions)</i>	Q1-2023	Q1-2022	Change
Reported			
Sales	\$ 266	\$ 225	18%
Operating income	\$ 38	\$ 27	39%
Operating margin	14.3%	12.1%	220 bps
Adjusted (1)			
Sales	\$ 266	\$ 225	18%
Operating income	\$ 41	\$ 33	24%
Operating margin	15.3%	14.5%	80 bps

(1) Reconciliations of Reported to Adjusted operating results are available in the Appendix.

- Adjusted sales of \$266 million, up \$41 million, or 18%;
- Higher aerospace defense market revenues reflected a solid contribution from the arresting systems acquisition, including increased sales to international customers;
- Naval defense market revenue increases principally reflected higher revenues on the Columbia-class submarine and CVN-81 aircraft carrier programs, partially offset by timing of revenues on the CVN-80 aircraft carrier program;
- Strong double-digit revenue growth in the power & process market reflected solid growth in nuclear aftermarket revenues supporting the maintenance of existing operating reactors and higher industrial valve sales in the process market; and
- Adjusted operating income was \$41 million, up 24% from the prior year, while adjusted operating margin increased 80 basis points to 15.3%, driven by favorable absorption on higher organic revenues and a solid contribution from the arresting systems acquisition.

Free Cash Flow

<i>(In millions)</i>	Q1-2023	Q1-2022	Change
Net cash used for operating activities	\$ (92)	\$ (124)	26%
Capital expenditures	(11)	(11)	2%
Reported free cash flow	\$ (102)	\$ (135)	24%
Adjusted free cash flow ⁽¹⁾	\$ (92)	\$ (112)	18%

(1) A reconciliation of Reported to Adjusted free cash flow is available in the Appendix.

- Reported free cash flow of (\$102) million increased \$33 million, primarily due to higher cash earnings and improved working capital in part due to the collection of the remaining \$20 million cash payment on the China Direct AP1000 program; Those increases were partially offset by higher tax payments;
- Adjusted free cash flow of (\$92) million increased \$20 million; and
- Capital expenditures were essentially flat compared with the prior year.

New Orders and Backlog

- New orders of \$718 million increased 13% compared with the prior year and generated an overall book-to-bill that exceeded 1.1x, principally driven by strong demand for defense electronics and actuation products within our A&D markets, and for industrial valve and commercial nuclear products within our Commercial markets; and
- Backlog of \$2.7 billion, up 3% from December 31, 2022, reflects higher demand in both our A&D and Commercial markets.

Share Repurchase and Dividends

- During the first quarter, the Company repurchased 73,152 shares of its common stock for approximately \$12 million; and
 - The Company declared a quarterly dividend of \$0.19 a share.
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Full-Year 2023 Guidance

The Company is maintaining its full-year 2023 Adjusted financial guidance ⁽¹⁾ as follows:

(In millions, except EPS)	2023 Adjusted Non-GAAP Guidance	% Chg vs 2022
Total Sales	\$2,655 - \$2,710	Up 4% - 6%
Operating Income	\$463 - \$477	Up 5% - 8%
Operating Margin	17.4% - 17.6%	Up 10 - 30 bps
Diluted EPS	\$8.65 - \$8.90	Up 6% - 10%
Free Cash Flow	\$360 - \$400	Up 22% - 36%

⁽¹⁾ Reconciliations of Reported to Adjusted 2022 operating results and 2023 financial guidance are available in the Appendix, and exclude first year purchase accounting costs in both periods associated with acquisitions.

A more detailed breakdown of the Company's 2023 financial guidance by segment and by market, as well as all reconciliations of Reported GAAP amounts to Adjusted non-GAAP amounts, can be found in the accompanying schedules. Historical financial results are available in the Investor Relations section of Curtiss-Wright's website.

Conference Call & Webcast Information

The Company will host a conference call to discuss its first quarter 2023 financial results and business outlook at 10:00 a.m. ET on Thursday, May 4, 2023. A live webcast of the call and the accompanying financial presentation, as well as a webcast replay of the call, will be made available on the internet by visiting the Investor Relations section of the Company's website at www.curtisswright.com.

(Tables to Follow)

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)
(S's in thousands, except per share data)

	Three Months Ended	
	March 31,	
	2023	2022
Product sales	\$ 524,881	\$ 453,421
Service sales	105,979	106,040
Total net sales	630,860	559,461
Cost of product sales	343,757	294,527
Cost of service sales	65,695	63,532
Total cost of sales	409,452	358,059
Gross profit	221,408	201,402
Research and development expenses	22,024	20,549
Selling expenses	32,425	28,092
General and administrative expenses	88,344	87,600
Loss on divestiture	—	4,651
Operating income	78,615	60,510
Interest expense	12,944	9,530
Other income, net	7,767	2,997
Earnings before income taxes	73,438	53,977
Provision for income taxes	(16,592)	(13,292)
Net earnings	\$ 56,846	\$ 40,685
Net earnings per share:		
Basic earnings per share	\$ 1.48	\$ 1.06
Diluted earnings per share	\$ 1.48	\$ 1.05
Dividends per share	\$ 0.19	\$ 0.18
Weighted average shares outstanding:		
Basic	38,303	38,456
Diluted	38,516	38,668

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(\$'s in thousands, except par value)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 130,659	\$ 256,974
Receivables, net	720,248	724,603
Inventories, net	527,937	483,113
Other current assets	67,415	52,623
Total current assets	1,446,259	1,517,313
Property, plant, and equipment, net	340,313	342,708
Goodwill	1,549,148	1,544,635
Other intangible assets, net	605,217	620,897
Operating lease right-of-use assets, net	145,017	153,855
Prepaid pension asset	227,547	222,627
Other assets	48,624	47,567
Total assets	\$ 4,362,125	\$ 4,449,602
Liabilities		
Current liabilities:		
Current portion of long-term and short term debt	\$ —	\$ 202,500
Accounts payable	207,573	266,525
Accrued expenses	153,678	177,536
Deferred revenue	234,487	242,483
Other current liabilities	76,452	82,395
Total current liabilities	672,190	971,439
Long-term debt, net	1,229,619	1,051,900
Deferred tax liabilities	122,607	123,001
Accrued pension and other postretirement benefit costs	58,062	58,348
Long-term operating lease liability	124,025	132,275
Long-term portion of environmental reserves	13,171	12,547
Other liabilities	88,292	107,973
Total liabilities	\$ 2,307,966	\$ 2,457,483
Stockholders' equity		
Common stock, \$1 par value	\$ 49,187	\$ 49,187
Additional paid in capital	126,909	134,553
Retained earnings	3,223,944	3,174,396
Accumulated other comprehensive loss	(244,442)	(258,916)
Less: cost of treasury stock	(1,101,439)	(1,107,101)
Total stockholders' equity	2,054,159	1,992,119
Total liabilities and stockholders' equity	\$ 4,362,125	\$ 4,449,602

Use and Definitions of Non-GAAP Financial Information (Unaudited)

The Corporation supplements its financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial information. Curtiss-Wright believes that these Adjusted (non-GAAP) measures provide investors with 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. These non-GAAP measures should not be considered in isolation or as a substitute for the related GAAP measures, and other companies may define such measures differently. Curtiss-Wright encourages investors to review its financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. Reconciliations of "Reported" GAAP amounts to "Adjusted" non-GAAP amounts are furnished within this release.

The following definitions are provided:

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

These Adjusted financials are defined as Reported Sales, Operating Income, Operating Margin, Net Earnings and Diluted Earnings per Share under GAAP excluding: (i) the impact of first year purchase accounting costs associated with acquisitions, specifically one-time inventory step-up, backlog amortization, deferred revenue adjustments and transaction costs; (ii) the sale or divestiture of a business or product line; (iii) pension settlement charges; and (iv) significant legal settlements, impairment costs, and costs associated with shareholder activism, as applicable.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
RECONCILIATION OF AS REPORTED TO ADJUSTED (UNAUDITED)
(\$'s in thousands)

	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022			% Change	
	As			As			Reported	Adjusted
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted		
Sales:								
Aerospace & Industrial	\$ 202,447	\$ —	\$ 202,447	\$ 191,112	\$ —	\$ 191,112	6%	6%
Defense Electronics	162,154	—	162,154	143,069	—	143,069	13%	13%
Naval & Power	266,259	—	266,259	225,280	—	225,280	18%	18%
Total sales	\$ 630,860	\$ —	\$ 630,860	\$ 559,461	\$ —	\$ 559,461	13%	13%
Operating income (expense):								
Aerospace & Industrial	\$ 26,545	\$ —	\$ 26,545	\$ 24,853	\$ —	\$ 24,853	7%	7%
Defense Electronics	23,368	—	23,368	23,290	—	23,290	—%	—%
Naval & Power ⁽¹⁾⁽²⁾	37,937	2,676	40,613	27,288	5,427	32,715	39%	24%
Total segments	\$ 87,850	\$ 2,676	\$ 90,526	\$ 75,431	\$ 5,427	\$ 80,858	16%	12%
Corporate and other ⁽³⁾	(9,235)	—	(9,235)	(14,921)	4,876	(10,045)	38%	8%
Total operating income	\$ 78,615	\$ 2,676	\$ 81,291	\$ 60,510	\$ 10,303	\$ 70,813	30%	15%
Operating margins:								
	As Reported		Adjusted	As Reported		Adjusted	Reported	Adjusted
Aerospace & Industrial	13.1%		13.1%	13.0%		13.0%	10 bps	10 bps
Defense Electronics	14.4%		14.4%	16.3%		16.3%	(190 bps)	(190 bps)
Naval & Power	14.3%		15.3%	12.1%		14.5%	220 bps	80 bps
Total Curtiss-Wright	12.5%		12.9%	10.8%		12.7%	170 bps	20 bps
Segment margins	13.9%		14.3%	13.5%		14.5%	40 bps	(20 bps)

(1) Excludes first year purchase accounting adjustments in the current period.

(2) Excludes the results of operations from our German valves business, which was sold in January 2022, and the loss on divestiture in the prior year period.

(3) Excludes costs associated with shareholder activism in the prior year period.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
RECONCILIATION OF AS REPORTED SALES TO ADJUSTED SALES BY END MARKET (UNAUDITED)
(\$'s in thousands)

	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022			2023 vs. 2022	
	Reported Sales	Adjustments	Adjusted Sales	Reported Sales	Adjustments	Adjusted Sales	Change in Reported Sales	Change in Adjusted Sales
Aerospace & Defense markets:								
Aerospace Defense	\$ 99,879	\$ —	\$ 99,879	\$ 98,004	\$ —	\$ 98,004	2%	2%
Ground Defense	66,256	—	66,256	39,108	—	39,108	69%	69%
Naval Defense	171,956	—	171,956	162,967	—	162,967	6%	6%
Commercial Aerospace	70,490	—	70,490	60,892	—	60,892	16%	16%
Total Aerospace & Defense	\$ 408,581	\$ —	\$ 408,581	\$ 360,971	\$ —	\$ 360,971	13%	13%
Commercial markets:								
Power & Process	120,339	—	120,339	104,788	—	104,788	15%	15%
General Industrial	101,940	—	101,940	93,702	—	93,702	9%	9%
Total Commercial	\$ 222,279	\$ —	\$ 222,279	\$ 198,490	\$ —	\$ 198,490	12%	12%
Total Curtiss-Wright	\$ 630,860	\$ —	\$ 630,860	\$ 559,461	\$ —	\$ 559,461	13%	13%

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
RECONCILIATION OF AS REPORTED TO ADJUSTED DILUTED EARNINGS PER SHARE (UNAUDITED)

	Three Months Ended	
	March 31,	
	2023	2022
Diluted earnings per share - As Reported	\$ 1.48	\$ 1.05
First year purchase accounting adjustments	0.05	—
Divested German valves business	—	0.11
Costs associated with shareholder activism	—	0.10
Former executive pension settlement expense	—	0.05
Diluted earnings per share - Adjusted ⁽¹⁾	\$ 1.53	\$ 1.31

(1) All adjustments are presented net of income taxes.

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 sales and operating income, excluding contributions from acquisitions and results of operations from divested businesses or product lines during the last twelve months, loss from sale of our industrial valves business in Germany, and foreign currency fluctuations.

	Three Months Ended							
	March 31,							
	2023 vs. 2022							
	Aerospace & Industrial		Defense Electronics		Naval & Power		Total Curtiss-Wright	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
As Reported	6%	7%	13%	0%	18%	39%	13%	30%
Less: Acquisitions	0%	0%	0%	0%	(7%)	0%	(3%)	0%
Loss on divestiture	0%	0%	0%	0%	0%	(20%)	0%	(9%)
Foreign Currency	2%	(3%)	1%	(7%)	0%	(1%)	1%	(5%)
Organic	8%	4%	14%	(7%)	11%	18%	11%	16%

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 net cash provided by operating activities less capital expenditures. Adjusted free cash flow excludes: (i) payments associated with the Westinghouse legal settlement in both the current and prior year periods and (ii) executive pension payments in the prior year period. The Corporation discloses adjusted free cash flow conversion because it measures the proportion of net earnings converted into free cash flow and is defined as adjusted free cash flow divided by adjusted net earnings.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
NON-GAAP FINANCIAL DATA (UNAUDITED)
(S's in thousands)

	Three Months Ended	
	March 31,	
	2023	2022
Net cash used for operating activities	\$ (91,599)	\$ (124,315)
Capital expenditures	(10,661)	(10,896)
Free cash flow	\$ (102,260)	\$ (135,211)
Westinghouse legal settlement	10,000	15,000
Pension payment to former executive	—	8,214
Adjusted free cash flow	\$ (92,260)	\$ (111,997)
Adjusted free cash flow conversion	(157%)	(221%)

CURTISS-WRIGHT CORPORATION
2023 Guidance
As of May 3, 2023
(\$'s in millions, except per share data)

	2022 Reported (GAAP)	2022 Adjustments (Non-GAAP) (1,3)	2022 Adjusted (Non-GAAP) (1,3)	2023 Reported Guidance (GAAP)		2023 Adjustments (Non-GAAP) (2,3)	2023 Adjusted Guidance (Non-GAAP)(2,3)		Chg vs 2022 Adjusted
				Low	High		Low	High	
Sales:									
Aerospace & Industrial	\$ 836	\$ —	\$ 836	\$ 845	\$ 860	\$ —	\$ 845	\$ 860	1 - 3%
Defense Electronics	690	—	690	725	750	—	725	750	5 - 9%
Naval & Power	1,031	—	1,031	1,085	1,100	—	1,085	1,100	5 - 7%
Total sales	\$ 2,557	\$ —	\$ 2,557	\$ 2,655	\$ 2,710	\$ —	\$ 2,655	\$ 2,710	4 to 6%
Operating income:									
Aerospace & Industrial	\$ 137	\$ 1	\$ 138	\$ 143	\$ 148	\$ —	\$ 143	\$ 148	4 - 7%
Defense Electronics	155	—	155	165	172	—	165	172	7 - 11%
Naval & Power	178	14	192	182	186	8	190	194	(1) - 1%
Total segments	469	15	484	490	506	8	498	514	
Corporate and other	(46)	5	(41)	(35)	(38)	—	(35)	(38)	
Total operating income	\$ 423	\$ 20	\$ 443	\$ 455	\$ 469	\$ 8	\$ 463	\$ 477	5 to 8%
Interest expense	\$ (47)	\$ —	\$ (47)	\$ (52)	\$ (54)	\$ —	\$ (52)	\$ (54)	
Other income, net	13	4	17	27	28	—	27	28	
Earnings before income taxes	389	24	413	430	443	8	438	451	
Provision for income taxes	(95)	(4)	(99)	(103)	(106)	(2)	(105)	(108)	
Net earnings	\$ 294	\$ 20	\$ 314	\$ 327	\$ 336	\$ 6	\$ 333	\$ 343	
Diluted earnings per share	\$ 7.62	\$ 0.51	\$ 8.13	\$ 8.49	\$ 8.74	\$ 0.16	\$ 8.65	\$ 8.90	6 to 10%
Diluted shares outstanding	38.6		38.6	38.5	38.5		38.5	38.5	
Effective tax rate	24.4%		24.0%	24.0%	24.0%		24.0%	24.0%	
Operating margins:									
Aerospace & Industrial	16.4%		16.5%	17.0%	17.2%		17.0%	17.2%	50 to 70 bps
Defense Electronics	22.4%		22.4%	22.7%	22.9%		22.7%	22.9%	30 to 50 bps
Naval & Power	17.2%		18.6%	16.7%	16.9%		17.5%	17.7%	(110) to (90) bps
Total operating margin	16.6%		17.3%	17.1%	17.3%		17.4%	17.6%	10 to 30 bps
Free cash flow	\$ 257	\$ 39	\$ 296	\$ 350	\$ 390	\$ 10	\$ 360	\$ 400	

Notes: Full year amounts may not add due to rounding.

(1) 2022 Adjusted financials exclude the impact of first year purchase accounting adjustments, the loss on sale of our German valves business, costs associated with shareholder activism and pension settlement charges related to the retirement of two former executives.

(2) 2023 Adjusted financials exclude the impact of first year purchase accounting adjustments.

(3) Free Cash Flow is defined as cash flow from operations less capital expenditures. 2022 Adjusted Free Cash Flow excluded one-time pension settlement payments of \$24 million and a legal settlement payment of \$15 million. 2023 Adjusted Free Cash Flow guidance excludes a legal settlement payment of \$10 million.

CURTISS-WRIGHT CORPORATION
2023 Sales Growth Guidance by End Market
As of May 3, 2023

	2023 % Change vs 2022 Adjusted ⁽¹⁾	% Total Sales
<u>Aerospace & Defense Markets</u>		
Aerospace Defense	9 - 11%	20%
Ground Defense	4 - 6%	9%
Naval Defense	4 - 6%	27%
Commercial Aerospace	5 - 7%	11%
Total Aerospace & Defense	6 - 8%	67%
<u>Commercial Markets</u>		
Power & Process	Flat	18%
General Industrial	2 - 4%	16%
Total Commercial	0 - 2%	33%
Total Curtiss-Wright Sales	4 - 6%	100%

Note: Sales percentages may not add due to rounding.

⁽¹⁾ 2023 and 2022 Sales include the contribution from the engineered arresting systems business, acquired on June 30, 2022, to the Aerospace Defense market.

About Curtiss-Wright Corporation

Curtiss-Wright Corporation (NYSE:CW) is a global integrated business that provides highly engineered products, solutions and services mainly to Aerospace & Defense markets, as well as critical technologies in demanding Commercial Power, Process and Industrial markets. We leverage a workforce of approximately 8,100 highly skilled employees who develop, design and build what we believe are the best engineered solutions to the markets we serve. Building on the heritage of Glenn Curtiss and the Wright brothers, Curtiss-Wright has a long tradition of providing innovative solutions through trusted customer relationships. For more information, visit www.curtisswright.com.

Certain statements made in this press release, including statements about future revenue, financial performance guidance, quarterly and annual revenue, net income, operating income growth, future business opportunities, cost saving initiatives, the successful integration of the Company's acquisitions, and future cash flow from operations, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements present management's expectations, beliefs, plans and objectives regarding future financial performance, and assumptions or judgments concerning such performance. Any discussions contained in this press release, except to the extent that they contain historical facts, are forward-looking and accordingly involve estimates, assumptions, judgments, and uncertainties. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Such risks and uncertainties include but are not limited to: a reduction in anticipated orders; an economic downturn; changes in the competitive marketplace and/or customer requirements; a change in government spending; an inability to perform customer contracts at anticipated cost levels; and other factors that generally affect the business of aerospace, defense contracting, electronics, marine, and industrial companies. Such factors are detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and subsequent reports filed with the Securities and Exchange Commission.

This press release and additional information are available at www.curtisswright.com.

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Q1 2023

EARNINGS CONFERENCE CALL

May 4, 2023

Conference Call Dial-in numbers:
(800) 274-8461 (domestic)
(203) 518-9843 (international)
Conference code: CWQ123

SAFE HARBOR STATEMENT

Please note that the information provided in this presentation is accurate as of the date of the original presentation. The presentation will remain posted on this website from one to twelve months following the initial presentation, but content will not be updated to reflect new information that may become available after the original presentation posting. The presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and the Private Securities Litigation-Reform Act of 1995. Such forward-looking statements only speak as of the date of this report and Curtiss-Wright Corporation assumes no obligation to update the information included in this report. Such forward-looking statements include, among other things, management's estimates of future performance, revenue and earnings, our management's growth objectives, our management's ability to integrate our acquisition, and our management's ability to produce consistent operating improvements. These forward-looking statements are based on expectations as of the time the statements were made only, and are subject to a number of risks and uncertainties which could cause us to fail to achieve our then-current financial projections and other expectations, including the impact of a global pandemic or national epidemic.

This presentation also includes certain non-GAAP financial measures with reconciliations to GAAP financial measures being made available in the earnings release and this presentation that are 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 FIRST QUARTER PERFORMANCE SUPPORTS FULL-YEAR 2023 OUTLOOK

First Quarter 2023 Highlights

- **Sales of \$631M, up 13% overall, including 11% organic growth**
 - A&D markets up 13%, reflecting some easing in defense electronics supply chain and mid-teens growth in Commercial Aerospace
 - Commercial markets up 12%, reflecting strong growth in Commercial Nuclear, Process and General Industrial end markets
- **Operating Income up 15%, driving continued Operating Margin expansion**
 - Higher profitability in A&I and Naval & Power segments; Successful integration of arresting systems acquisition
- **Diluted EPS of \$1.53, up 17%**
- **Adjusted Free Cash Flow up 18%**
- **New Orders of \$718M, up 13%, reflecting 1.1x Book-to-Bill**
 - Continued strong demand for defense electronics, commercial aerospace, valves and commercial nuclear products

Full-Year 2023 Guidance Reaffirmed

- **Strong backlog and supply chain management driving expectations for MSD Sales growth and 6% - 10% EPS growth**
- **Maintained Adj. FCF guidance range of \$360 - \$400M; Adj. FCF conversion >110%**

FIRST QUARTER 2023 FINANCIAL REVIEW

(\$ in millions)	Q1'23 Adjusted	Q1'22 Adjusted	Change	Key Drivers
Aerospace & Industrial	\$202	\$191	6%	<ul style="list-style-type: none"> Double-digit growth in Commercial Aerospace and HSD growth in General Industrial (industrial vehicles and surface treatment services); Partially offset by timing in Aerospace Defense and FX (2%)
Defense Electronics	\$162	\$143	13%	<ul style="list-style-type: none"> Strong growth in Ground Defense (tactical communications equipment) partially offset by timing in Aerospace Defense (C5/ISR programs)
Naval & Power	\$266	\$225	18%	<ul style="list-style-type: none"> Contribution from arresting systems acquisition and solid growth in Naval Defense (higher Columbia-class submarine and CVN-81 aircraft carrier revenues) Strong growth in Commercial Nuclear aftermarket and Process
Total Sales	\$631	\$559	13%	Higher sales across all A&D and Commercial markets
Aerospace & Industrial <i>Margin</i>	\$27 <i>13.1%</i>	\$25 <i>13.0%</i>	7% <i>10 bps</i>	<ul style="list-style-type: none"> Favorable absorption on solid sales growth
Defense Electronics <i>Margin</i>	\$23 <i>14.4%</i>	\$23 <i>16.3%</i>	0% <i>(190) bps</i>	<ul style="list-style-type: none"> Favorable absorption on higher A&D revenues offset by unfavorable mix and investment in R&D
Naval & Power <i>Margin</i>	\$41 <i>15.3%</i>	\$33 <i>14.5%</i>	24% <i>80 bps</i>	<ul style="list-style-type: none"> Favorable absorption on higher revenues and strong contribution from arresting systems acquisition
Corporate and Other	(\$9)	(\$10)	8%	
Total Op. Income <i>CW Margin</i>	\$81 <i>12.9%</i>	\$71 <i>12.7%</i>	15% <i>20 bps</i>	Operating Income Growth > Sales Growth

2023 END MARKET SALES GROWTH GUIDANCE (As of May 3, 2023)

	2023E Growth vs 2022	2023E % Sales	
Aerospace Defense	9% - 11%	20%	<ul style="list-style-type: none"> ▪ Solid organic growth in defense electronics revenues on various C5/ISR programs; Contribution from arresting systems acquisition
Ground Defense	4% - 6%	9%	<ul style="list-style-type: none"> ▪ Higher tactical communications equipment revenues
Naval Defense	4% - 6%	27%	<ul style="list-style-type: none"> ▪ Solid revenue growth on Columbia-class and CVN-81 aircraft carrier programs, partially offset by lower CVN-80 aircraft carrier revenues
Commercial Aerospace	5% - 7%	11%	<ul style="list-style-type: none"> ▪ Solid growth in OEM (narrowbody and widebody); Up 7% - 9% excl. FX impact
Total Aerospace & Defense	6% - 8%	67%	Strong backlog driving steady growth in Defense markets
Power & Process	Flat <i>[Up >5% excl CAP1000]</i>	18%	<ul style="list-style-type: none"> ▪ Solid MSD growth in both Commercial Nuclear (U.S. aftermarket and Gen IV SMRs) and Process (valves and subsea pump development to oil & gas market) ▪ Growth offset by lower CAP1000 program revenues (wind down)
General Industrial	2% - 4%	16%	<ul style="list-style-type: none"> ▪ Solid growth in industrial vehicles and surface treatment services; Up 3% - 5% excl. FX
Total Commercial	0% - 2%	33%	Continued solid demand, up 3% - 5% excl. CAP1000
Total Curtiss-Wright	4% - 6%	100%	Organic sales of 3% - 5%

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Note: Amounts shown for % of Total Sales may not add due to rounding. 2022 results included partial year sales contribution from engineered arresting systems acquisition.

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2023 FINANCIAL GUIDANCE (As of May 3, 2023)

(\$ in millions)	2023E Adjusted	Change vs 2022 Adjusted	
Aerospace & Industrial	\$845 - 860	1% - 3%	<ul style="list-style-type: none"> ▪ Solid demand in Commercial Aerospace mainly offset by reduced Defense (timing of programs) and FX (1%)
Defense Electronics	\$725 - 750	5% - 9%	<ul style="list-style-type: none"> ▪ Strong Defense market growth driven by record backlog; Expecting supply chain improvement in H2'23 ▪ Higher Aerospace Defense (embedded computing) and Ground Defense (tactical communications)
Naval & Power	\$1,085 - 1,100	5% - 7%	<ul style="list-style-type: none"> ▪ LSD Naval Defense growth driven by Columbia-class submarine and CVN-81 aircraft carrier programs ▪ MSD growth in Commercial Nuclear and Process, partially offset by wind down on CAP1000 program ▪ MSD sales growth contribution from arresting systems acquisition
Total Sales	\$2,655 - 2,710	4% - 6%	Organic sales of 3% - 5%, driven by strong growth in A&D markets
Aerospace & Industrial Margin	\$143 - 148 17.0% - 17.2%	4% - 7% 50 - 70 bps	<ul style="list-style-type: none"> ▪ Favorable absorption on Commercial Aerospace and General Industrial sales, partially offset by timing of defense revenues ▪ Benefit of ongoing commercial and operational excellence initiatives
Defense Electronics Margin	\$165 - 172 22.7% - 22.9%	7% - 11% 30 - 50 bps	<ul style="list-style-type: none"> ▪ Strong absorption on higher A&D revenues
Naval & Power Margin	\$190 - 194 17.5% - 17.7%	(1)% - 1% (90 - 110) bps	<ul style="list-style-type: none"> ▪ Favorable absorption on organic sales (Defense, Commercial Nuclear and Process) ▪ Solid contribution from acquisition (Expected to be in-line with overall CW operating margin) ▪ Profitability offset by wind down on CAP1000 program and shift to development contracts (subsea pump)
Corporate and Other	(\$35 - 38)	8% - 15%	<ul style="list-style-type: none"> ▪ Principally due to lower pension and FX
Total Op. Income CW Margin	\$463 - 477 17.4% - 17.6%	5% - 8% +10 - 30 bps	Delivering Operating Margin expansion while continuing to grow engineering spend

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Note: 2022 results included partial year sales contribution from engineered arresting systems acquisition.


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2023 FINANCIAL GUIDANCE (As of May 3, 2023)

(\$ in millions, except EPS)	2022 Adjusted	2023E Adjusted	Change vs 2022	
Total Sales	\$2,557	\$2,655 - 2,710	4% - 6%	Operating Income Growth > Sales Growth (aligns w/ Investor Day)
Total Operating Income	\$443	\$463 - 477	5% - 8%	
Other Income	\$17	\$27 - 28		<ul style="list-style-type: none"> Higher pension income
Interest Expense	(\$47)	(\$52 - 54)		<ul style="list-style-type: none"> Impact of higher interest rates
Diluted EPS	\$8.13	\$8.65 - 8.90	6% - 10%	Line of sight to achieve 3-year target of double-digit growth
Diluted Shares Outstanding	38.6	~38.5		Min. \$50M share repurchase in '23
Free Cash Flow	\$296	\$360 - 400	22% - 36%	Strong FCF from Operations, incl. Supply Chain Management
FCF Conversion	94%	>110% (at midpt)		<ul style="list-style-type: none"> Continued solid FCF conversion
Capital Expenditures	\$38	\$50 - 60		<ul style="list-style-type: none"> Expect return to more normalized levels Average ~2% of Sales (over time)
Depreciation & Amortization	\$112	\$110 - 115		

CURTISS-WRIGHT REMAINS WELL POSITIONED TO DELIVER LONG-TERM PROFITABLE GROWTH

- **FY23 outlook reflects continued execution of Pivot to Growth strategy**
- **Sales growth of 4% - 6%, driven by strength in A&D markets**
 - Benefiting from multi-year growth in Defense markets
 - Anticipate continued ramp up in Commercial Aerospace production
 - Strong alignment to favorable long-term secular growth trends in Commercial markets
 - Strong backlog exiting 2022 provides visibility and confidence in long-term outlook
- **Continued Operating Margin expansion, Expect 10 - 30 bps increase to 17.4% - 17.6%**
 - Solid foundation in Operational Excellence and the advancement of our Commercial Excellence initiatives
- **Strong balance sheet and long-term FCF outlook support our commitment to a disciplined capital allocation strategy**
- **Maintain line of sight to Investor Day financial targets for 2023**



Appendix

NON-GAAP FINANCIAL INFORMATION

The Corporation supplements its financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial information. Curtiss-Wright believes that these Adjusted (non-GAAP) measures provide investors with 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. These non-GAAP measures should not be considered in isolation or as a substitute for the related GAAP measures, and other companies may define such measures differently. Curtiss-Wright encourages investors to review its financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. Reconciliations of "Reported" GAAP amounts to "Adjusted" non-GAAP amounts are furnished within the Company's earnings press release.

The following definitions are provided:

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

These Adjusted financials are defined as Reported Sales, Operating Income, Operating Margin, Net Earnings and Diluted Earnings per Share under GAAP excluding: (i) the impact of first year purchase accounting costs associated with acquisitions in the prior year, specifically one-time inventory step-up, backlog amortization, deferred revenue adjustments and transaction costs; (ii) the sale or divestiture of a business or product line; (iii) pension settlement charges; and (iv) significant legal settlements, impairment costs, and costs associated with shareholder activism, as applicable.

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 sales and operating income, excluding contributions from acquisitions made during the last twelve months, loss on divestiture of the German valves business, and foreign currency fluctuations.

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 net cash provided by operating activities less capital expenditures. Adjusted free cash flow excludes: (i) payments associated with the Westinghouse legal settlement in both the current and prior year periods and (ii) executive pension payments in the prior year period. The Corporation discloses adjusted free cash flow conversion because it measures the proportion of net earnings converted into free cash flow and is defined as adjusted free cash flow divided by adjusted net earnings.

FIRST QUARTER 2023: END MARKET SALES GROWTH

(\$ in millions)	Q1'23 Adjusted	Q1'22 Adjusted	Change	Key Drivers
Aerospace Defense	\$100	\$98	2%	Higher revenues of arresting systems equipment (acquisition) mainly offset by timing in Aerospace Defense (actuation and embedded computing products)
Ground Defense	\$66	\$39	69%	Higher tactical communications equipment revenues
Naval Defense	\$172	\$163	6%	Higher Columbia-class submarine and CVN-81 aircraft carrier revenues
Commercial Aerospace	\$70	\$61	16%	Strong OEM demand for sensors and services on narrowbody and widebody platforms
Total A&D Markets	\$409	\$361	13%	
Power & Process	\$120	\$105	15%	Strong growth in commercial nuclear and process markets
General Industrial	\$102	\$94	9%	Higher sales of surface treatment services and industrial vehicles products
Total Commercial Markets	\$222	\$198	12%	
Total Curtiss-Wright	\$631	\$559	13%	

2023E END MARKET SALES WATERFALL (as of May 3, 2023)

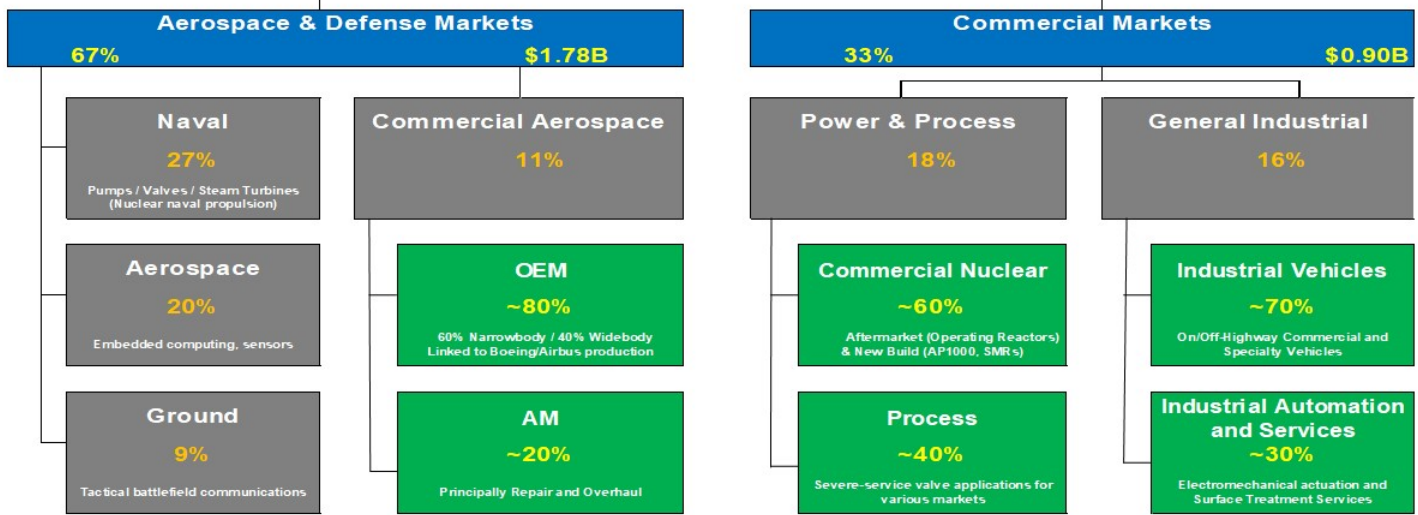
FY'23 Adjusted Guidance:

Overall UP 4 - 6%

A&D Markets UP 6 - 8%

Comm'l Markets UP 0 - 2%

Total 2023 CW End Markets
\$2.655B - 2.710B



Note: Amounts shown for % of Total Sales may not add due to rounding.
 ▪ Power & Process market sales concentrated in Naval & Power segment
 ▪ General Industrial sales concentrated in Aerospace & Industrial segment