

**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 5, 2021

**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 5, 2021, the Company issued a press release announcing financial results for the first quarter ended March 31, 2021. A conference call and webcast presentation will be held on Thursday, May 6, 2021 at 10:00 am ET for management to discuss the Company's first quarter 2021 financial results and updates to 2021 financial guidance. Lynn M. Bamford, President 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](http://www.curtisswright.com). In addition, the Listen-Only dial-in number for domestic callers is (844) 220-4970, while international callers can dial (262) 558-6349. For those unable to participate live, a webcast replay will be available for 90 days on the Company's website beginning one hour after the call takes place. A conference call replay will also be available for seven days.

Conference Call Replay:  
Domestic (855) 859-2056  
International (404) 537-3406  
Passcode 3289007

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 5, 2021

99.2 Presentation shown during investor and securities analyst webcast on May 6, 2021

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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 5, 2021

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EXHIBIT INDEX

Exhibit  
Number

Description

<a href="#">99.1</a>	<a href="#">Press Release dated May 5, 2021</a>
<a href="#">99.2</a>	<a href="#">Presentation shown during investor and securities analyst webcast on May 6, 2021</a>

## Curtiss-Wright Reports First Quarter 2021 Financial Results; Raises Full-Year 2021 Guidance for Sales, Operating Income, Operating Margin and Diluted EPS

DAVIDSON, N.C.--(BUSINESS WIRE)--May 5, 2021--Curtiss-Wright Corporation (NYSE: CW) reports financial results for the first quarter ended March 31, 2021.

### First Quarter 2021 Highlights:

- Reported results include sales of \$597 million, operating income of \$85 million, operating margin of 14.2% and diluted earnings per share (EPS) of \$1.45;
- Adjusted diluted EPS of \$1.51, up 18%;
- Adjusted net sales of \$590 million, up 2%, led by strong 8% growth in our Aerospace & Defense markets;
- Adjusted operating income of \$89 million, up 15%;
- Adjusted operating margin of 15.0%, up 160 basis points, principally reflecting savings generated by our prior year restructuring initiatives;
- New orders of \$571 million, up 3%, led by a strong 1.2x book to bill in our commercial markets;
- Reported free cash flow (FCF) up 83%; Adjusted FCF up 34%; and
- Share repurchases of approximately \$12 million.

### Full-Year 2021 Business Outlook (compared with Adjusted full-year 2020 results):

- Increased Adjusted sales guidance to new range of 7 to 9% growth (previously 6 to 8%) and Adjusted operating income guidance to new range of 9 to 11% growth (previously 7 to 10%);
- Increased Adjusted operating margin guidance to new range of 16.6% to 16.7%, up 30 to 40 basis points compared with the prior year (previously 16.5% to 16.6%, up 20 to 30 basis points); and
- Increased Adjusted diluted EPS guidance by \$0.10 to new range of \$7.10 to \$7.30, up 8 to 11%, mainly due to expectations for higher sales and profitability in the Defense Electronics segment and stronger profitability in the Naval & Power segment.

“We delivered a strong start to the year, which has positioned us to increase our full-year Adjusted guidance for sales, operating income, operating margin and diluted EPS,” said Lynn M. Bamford, President and CEO of Curtiss-Wright Corporation. “First quarter Adjusted diluted EPS of \$1.51 exceeded expectations, as we delivered strong organic defense market sales and improved profitability in the Defense Electronics and Naval & Power segments. In addition, our solid financial performance reflects the continued execution of our cost containment efforts and savings generated by our restructuring actions, as well as investments in strategic research and development projects to drive long-term organic growth.”

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“Looking ahead to the remainder of 2021, we anticipate that our second quarter results will be in line with the first quarter, followed by a steady, sequential improvement in sales, operating margin, diluted EPS and free cash flow through the second half of the year. We continue to execute on our long-term strategy to deliver top-quartile financial performance and significant value for our shareholders. We look forward to communicating our new vision, strategy and long-term financial targets at our upcoming May 26th investor day.”

#### First Quarter 2021 Operating Results

- Please note that the Company’s results and guidance reflect the segment realignment announced earlier in 2021, whereby the Corporation is operating under the following three segments: Aerospace & Industrial, Defense Electronics, and Naval & Power.

<i>(In millions)</i>	Q1-2021	Q1-2020	Change
Sales	\$ 597.1	\$ 601.2	(1%)
Adjustments (1)	(7.1)	(25.6)	
Adjusted sales (1)	\$ 590.0	\$ 575.7	2%
Reported operating income	\$ 85.1	\$ 72.4	17%
Adjustments (1)	3.7	4.5	
Adjusted operating income (1)	\$ 88.8	\$ 76.9	15%
Adjusted operating margin (1)	15.0%	13.4%	160 bps

*Amounts may not add due to rounding.*

*(1) 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; first year purchase accounting costs associated with acquisitions in both periods; and one-time costs associated with the relocation of our DRG business in the Naval & Power segment and restructuring costs, both in the prior year period.*

- Adjusted sales of \$590 million, up \$14 million, or 2%;
- Sales to the Aerospace & Defense markets increased 8%, led by strong organic growth in aerospace and naval defense, as well as the contribution of the PacStar acquisition in ground defense, which more than offset lower commercial aerospace revenues. Commercial sales decreased 7%, principally due to reduced demand in the power and process markets, partially offset by higher general industrial sales. Please refer to the accompanying tables for an overall breakdown of sales by end market;
- Adjusted operating income was \$89 million, up 15%, while Adjusted operating margin increased 160 basis points to 15.0%, reflecting solid organic revenue growth and the contribution from PacStar in the Defense Electronics segment and increased profitability in the Naval & Power segment, partially offset by unfavorable overhead absorption on lower revenues in the Aerospace & Industrial segment;
- In addition, our results reflect the benefits of our 2020 company-wide restructuring initiatives, as well as higher research and development costs; and
- Non-segment expenses of \$9 million decreased by \$3 million compared to the prior year, primarily due to lower foreign currency transactional losses.

**Free Cash Flow**

<i>(In millions)</i>	<b>Q1-2021</b>	<b>Q1-2020</b>	<b>Change</b>
Net cash used for operating activities	\$ (26.6)	\$ (192.6)	86%
Capital expenditures	(8.5)	(18.6)	54%
Reported free cash flow	\$ (35.1)	\$ (211.2)	83%
Pension payment <sup>(1)</sup>	-	150.0	-
Adjustment to capital expenditures (DRG facility investment) <sup>(1)</sup>	-	7.7	-
Restructuring <sup>(1)</sup>	-	0.7	-
Adjusted free cash flow <sup>(1)</sup>	\$ (35.1)	\$ (52.9)	34%

*Amounts may not add due to rounding.*

*(1) 2020 Adjusted free cash flow excludes a \$150 million voluntary contribution made in January 2020 to the Company's corporate defined benefit pension plan, a capital investment related to the new state-of-the-art naval facility in the Naval & Power segment, and the cash impact from restructuring.*

- Reported free cash flow of (\$35) million, defined as cash flow from operations less capital expenditures, increased \$176 million, or 83%, driven by higher cash earnings and a reduction in capital expenditures, as well as a \$150 million voluntary contribution made to the Company's corporate defined benefit pension plan in the prior year period which did not recur;
- Capital expenditures decreased \$10 million to \$9 million compared to the prior year, primarily due to lower capital investments within the Naval & Power segment; and
- Adjusted free cash flow improved by \$18 million, or 34%, to (\$35) million.

**New Orders and Backlog**

- New orders of \$571 million increased 3% compared with the prior year period, driven by solid demand for defense electronics and the contribution from our PacStar acquisition, while book to bill in our commercial markets was approximately 1.2x, led by solid demand for industrial vehicle products; and
- Backlog of \$2.2 billion improved slightly from December 31, 2020, principally reflecting a rebound in commercial market demand.

**Share Repurchase and Dividends**

- During the first quarter, the Company repurchased 105,489 shares of its common stock for approximately \$12 million; and
- The Company also declared a quarterly dividend of \$0.17 a share, unchanged from the previous quarter.

**Other Items – Business Held for Sale**

- During the fourth quarter of 2020, the Company classified its German valves business (previously within its Commercial/Industrial segment) as held for sale and its results have been adjusted from comparisons between our current and prior year results, and full-year financial guidance.

**First Quarter 2021 Segment Performance****Aerospace & Industrial**

<i>(In millions)</i>	<b>Q1-2021</b>	<b>Q1-2020</b>	<b>Change</b>
Sales	\$ 180.3	\$ 226.7	(20%)
Adjustments (1)	<u>(2.6)</u>	<u>(18.7)</u>	
Adjusted sales (1)	\$ 177.7	\$ 208.0	(15%)
Reported operating income	\$ 19.0	\$ 32.1	(41%)
Adjustments (1)	<u>(0.5)</u>	<u>(3.7)</u>	
Adjusted operating income (1)	\$ 18.5	\$ 28.4	(35%)
Adjusted operating margin (1)	10.4%	13.7%	(330 bps)

*Amounts may not add due to rounding.*

*(1) Adjusted results exclude our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited in the fourth quarter of 2020 impacting both periods and restructuring costs in the prior year period.*

- Reported results include sales of \$180 million, operating income of \$19 million and operating margin of 10.6%;
- Adjusted sales of \$178 million, down \$30 million, or 15%;
- Commercial aerospace market revenue declines reflect reduced OEM sales of actuation and sensors equipment, as well as surface treatment services, due to customer-driven production slowdowns impacting several widebody platforms;
- General industrial market revenue increases were led by solid industrial vehicle demand for on- and off-highway platforms, partially offset by lower industrial automation and services revenue; and
- Adjusted operating income was \$19 million, down 35% from the prior year, while Adjusted operating margin decreased 330 basis points to 10.4%, primarily reflecting reduced absorption on lower commercial aerospace market sales and higher research and development costs, partially offset by the benefits of our cost containment and restructuring initiatives.



**Defense Electronics**

<i>(In millions)</i>	<b>Q1-2021</b>	<b>Q1-2020</b>	<b>Change</b>
Sales	\$ 181.2	\$ 139.6	30%
Adjustments (1)	<u>1.1</u>	<u>-</u>	
Adjusted sales (1)	\$ 182.3	\$ 139.6	31%
Reported operating income	\$ 36.6	\$ 24.1	52%
Adjustments (1)	<u>1.6</u>	<u>2.8</u>	
Adjusted operating income (1)	\$ 38.2	\$ 26.8	42%
Adjusted operating margin (1)	20.9%	19.2%	170 bps

*Amounts may not add due to rounding.*

*(1) Adjusted results exclude first year purchase accounting costs associated with acquisitions in both periods and restructuring costs in the prior year period.*

- Reported results include sales of \$181 million, operating income of \$37 million and operating margin of 20.2%;
  - Adjusted sales of \$182 million, up \$43 million, or 31%;
  - Higher aerospace defense market revenues were driven by increased sales of embedded computing equipment on various helicopter and Unmanned Aerial Vehicle (UAV) platforms, including the Blackhawk and Global Hawk, respectively;
  - Strong ground defense market revenue growth reflected the contribution from the PacStar acquisition for tactical battlefield communications equipment; and
  - Adjusted operating income was \$38 million, up 42% from the prior year, while Adjusted operating margin increased 170 basis points to 20.9%, reflecting higher absorption and favorable mix on strong defense electronics sales and the benefits of our cost containment initiatives, which more than offset higher research and development costs as we continue to reinvest for long-term growth.
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**Naval & Power**

<i>(In millions)</i>	<b>Q1-2021</b>	<b>Q1-2020</b>	<b>Change</b>
Sales	\$ 235.5	\$ 234.9	0%
Adjustments (1)	<u>(5.6)</u>	<u>(6.9)</u>	
Adjusted sales (1)	\$ 229.9	\$ 228.0	1%
Reported operating income	\$ 38.1	\$ 28.1	35%
Adjustments (1)	<u>2.6</u>	<u>5.4</u>	
Adjusted operating income (1)	\$ 40.6	\$ 33.5	21%
Adjusted operating margin (1)	17.7%	14.7%	300 bps

*Amounts may not add due to rounding.*

*(1) Adjusted results exclude our German valves business which was classified as held for sale in the fourth quarter of 2020 impacting both periods; and first year purchase accounting costs associated with acquisitions, one-time costs associated with the relocation of our DRG business and restructuring costs in the prior year period.*

- Reported results include sales of \$236 million, operating income of \$38 million and operating margin of 16.2%;
  - Adjusted sales of \$230 million, up \$2 million, or 1%;
  - Strong naval defense market revenue growth reflected higher production revenues on the Virginia class submarine and CVN-81 aircraft carrier programs, as well as higher spares and service center sales;
  - Reduced power & process market revenues reflect lower domestic nuclear aftermarket revenues supporting the maintenance of existing operating reactors as well as lower industrial valve revenues principally within the oil and gas market; and
  - Adjusted operating income was \$41 million, up 21%, while Adjusted operating margin increased 300 basis points to 17.7%, driven by improved mix in naval defense related to the timing of fleet spares and service center revenues, as well as the benefits of our prior year restructuring initiatives.
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**Full-Year 2021 Guidance**

The Company is updating its full-year 2021 Adjusted financial guidance as follows:

(In millions, except EPS)	2021 Adjusted Non-GAAP Guidance (Prior)	Changes to Adjusted Guidance	2021 Adjusted Non-GAAP Guidance (Current)	2021 Adjusted Chg vs 2020 Restated
Total Sales	\$2,445 - \$2,495	\$5	\$2,450 - \$2,500	Up 7% - 9%
Operating Income	\$404 - \$414	\$4	\$408 - \$418	Up 9% - 11%
Operating Margin	16.5% - 16.6%	10 bps	16.6% - 16.7%	Up 30 - 40 bps
Diluted EPS	\$7.00 - \$7.20	\$0.10	\$7.10 - \$7.30	Up 8% - 11%
Diluted Shares Outstanding	41.4	(0.1)	41.3	
Free Cash Flow	\$330 - \$360	-	\$330 - \$360	
Avg. FCF Conversion	~117%	-	~116%	

(1) 2021 Adjusted financial guidance used in comparisons to 2020 financial results excludes first year purchase accounting costs associated with acquisitions, as well as 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.

**New Segment / End Market Structure and Realignment:**

- Beginning in the first quarter of 2021, the Corporation realigned its segments, as follows:
  - The Aerospace & Industrial segment is comprised of actuation and sensors products and surface treatment services serving the defense and commercial aerospace markets, as well as electronic components and systems, industrial automation and surface treatment services serving the general industrial market;
  - The Defense Electronics segment is comprised primarily of the electronics businesses serving the aerospace and defense markets; and
  - The Naval & Power segment is comprised of major naval propulsion equipment serving the naval defense market, as well as process and energy solutions serving both the nuclear and process markets.
- The Corporation also realigned its end market structure, as follows:
  - Aerospace & Defense markets represent approximately two-thirds of total 2021 estimated revenue, and includes all Defense market revenues (aerospace, ground, naval) and all Commercial Aerospace market revenues; and
  - Commercial markets represent approximately one-third of total 2021 estimated revenue and is comprised of two major end markets: Power & Process and General Industrial.

A more detailed breakdown of the Company's 2021 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 in the new segment structure for 2020 and 2019 periods 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 first quarter 2021 financial results and updates to 2021 guidance at 10:00 a.m. ET on Thursday, May 6, 2021. A live webcast of the call and the accompanying financial presentation, as well as a 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](http://www.curtisswright.com).

(Tables to Follow)

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

	March 31,		Three Months Ended	
	2021	2020	\$	%
Product sales	\$ 508,975	\$ 497,929	\$ 11,046	2%
Service sales	88,084	103,302	(15,218)	(15%)
Total net sales	<u>597,059</u>	<u>601,231</u>	<u>(4,172)</u>	<u>(1%)</u>
Cost of product sales	329,454	330,813	(1,359)	0%
Cost of service sales	57,848	69,839	(11,991)	(17%)
Total cost of sales	<u>387,302</u>	<u>400,652</u>	<u>(13,350)</u>	<u>(3%)</u>
Gross profit	209,757	200,579	9,178	5%
Research and development expenses	21,863	18,307	3,556	19%
Selling expenses	29,596	31,588	(1,992)	(6%)
General and administrative expenses	73,232	76,658	(3,426)	(4%)
Restructuring expenses	—	1,580	(1,580)	NM
Operating income	<u>85,066</u>	<u>72,446</u>	<u>12,620</u>	<u>17%</u>
Interest expense	9,959	7,489	2,470	(33%)
Other income, net	4,843	5,532	(689)	(12%)
Earnings before income taxes	79,950	70,489	9,461	13%
Provision for income taxes	(20,481)	(18,728)	(1,753)	(9%)
Net earnings	<u>\$ 59,469</u>	<u>\$ 51,761</u>	<u>\$ 7,708</u>	<u>15%</u>
Net earnings per share:				
Basic earnings per share	\$ 1.45	\$ 1.22		
Diluted earnings per share	\$ 1.45	\$ 1.21		
Dividends per share	\$ 0.17	\$ 0.17		
Weighted average shares outstanding:				
Basic	40,933	42,456		
Diluted	41,103	42,770		

NM - not meaningful

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

	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>Change %</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 147,069	\$ 198,248	(26%)
Receivables, net	617,499	588,718	5%
Inventories, net	446,632	428,879	4%
Assets held for sale	27,055	27,584	(2%)
Other current assets	48,484	57,395	(16%)
Total current assets	<u>1,286,739</u>	<u>1,300,824</u>	(1%)
Property, plant, and equipment, net	369,970	378,200	(2%)
Goodwill	1,465,224	1,455,137	1%
Other intangible assets, net	583,195	609,630	(4%)
Operating lease right-of-use assets, net	143,969	150,898	(5%)
Prepaid pension asset	99,087	92,531	7%
Other assets	32,866	34,114	(4%)
<b>Total assets</b>	<b><u>\$ 3,981,050</u></b>	<b><u>\$ 4,021,334</u></b>	(1%)
<b>Liabilities</b>			
Current liabilities:			
Current portion of long-term and short-term debt	\$ 100,000	\$ 100,000	0%
Accounts payable	160,765	201,237	(20%)
Accrued expenses	108,486	140,200	(23%)
Income taxes payable	18,399	6,633	177%
Deferred revenue	238,742	253,411	(6%)
Liabilities held for sale	9,132	10,141	(10%)
Other current liabilities	99,278	98,755	1%
Total current liabilities	<u>734,802</u>	<u>810,377</u>	(9%)
Long-term debt	957,907	958,292	0%
Deferred tax liabilities, net	114,791	115,007	0%
Accrued pension and other postretirement benefit costs	98,645	98,345	0%
Long-term operating lease liability	126,454	133,069	(5%)
Long-term portion of environmental reserves	15,305	15,422	(1%)
Other liabilities	94,982	103,248	(8%)
Total liabilities	<u>2,142,886</u>	<u>2,233,760</u>	(4%)
<b>Stockholders' equity</b>			
Common stock, \$1 par value	49,187	49,187	0%
Additional paid in capital	119,172	122,535	(3%)
Retained earnings	2,722,829	2,670,328	2%
Accumulated other comprehensive loss	(309,216)	(310,856)	1%
Less: cost of treasury stock	(743,808)	(743,620)	0%
Total stockholders' equity	<u>1,838,164</u>	<u>1,787,574</u>	3%
<b>Total liabilities and stockholders' equity</b>	<b><u>\$ 3,981,050</u></b>	<b><u>\$ 4,021,334</u></b>	(1%)

**CURTISS-WRIGHT CORPORATION and SUBSIDIARIES**  
**SEGMENT INFORMATION (UNAUDITED)<sup>1</sup>**  
(\$'s in thousands)

	Three Months Ended March 31,		
	2021	2020	Change %
<b>Sales:</b>			
Aerospace & Industrial	\$ 180,331	\$ 226,728	(20%)
Defense Electronics	181,212	139,581	30%
Naval & Power	235,516	234,922	0%
<b>Total sales</b>	<b>\$ 597,059</b>	<b>\$ 601,231</b>	<b>(1%)</b>
<b>Operating income (expense):</b>			
Aerospace & Industrial	\$ 19,025	\$ 32,140	(41%)
Defense Electronics	36,623	24,063	52%
Naval & Power	38,057	28,110	35%
<b>Total segments</b>	<b>\$ 93,705</b>	<b>\$ 84,313</b>	<b>11%</b>
Corporate and other	(8,639)	(11,867)	27%
<b>Total operating income</b>	<b>\$ 85,066</b>	<b>\$ 72,446</b>	<b>17%</b>
<b>Operating margins:</b>			
Aerospace & Industrial	10.6%	14.2%	(360 bps)
Defense Electronics	20.2%	17.2%	300 bps
Naval & Power	16.2%	12.0%	420 bps
<b>Total Curtiss-Wright</b>	<b>14.2%</b>	<b>12.0%</b>	<b>220 bps</b>
Segment margins	15.7%	14.0%	170 bps

1. Amounts reported under realigned segment reporting structure.

**CURTISS-WRIGHT CORPORATION and SUBSIDIARIES**  
**SALES BY END MARKET (UNAUDITED)**  
(\$'s in thousands)

	Three Months Ended		
	March 31,		
	2021	2020	Change %
<b>Aerospace &amp; Defense markets:</b>			
Defense Aerospace	\$ 111,016	\$ 101,827	9%
Defense Ground	55,746	22,657	146%
Defense Naval	177,905	165,693	7%
Commercial Aerospace	57,269	100,680	(43%)
<b>Total Aerospace &amp; Defense</b>	<b>\$ 401,936</b>	<b>\$ 390,857</b>	<b>3 %</b>
<b>Commercial markets:</b>			
Power & Process	105,504	123,926	(15%)
General Industrial	89,619	86,448	4%
<b>Total Commercial</b>	<b>\$ 195,123</b>	<b>\$ 210,374</b>	<b>(7 %)</b>
<b>Total Curtiss-Wright</b>	<b>\$ 597,059</b>	<b>\$ 601,231</b>	<b>(1 %)</b>

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#### Use 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 non-GAAP measures provide investors with additional insight into the Company's ongoing business performance. 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.

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 release.

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, deferred revenue adjustments and transaction costs; (ii) one-time transition and IT security costs associated with the relocation of a business in the prior year period; (iii) the non-cash impairment of capitalized development costs related to a commercial aerospace program in the prior year period; 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.

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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 the impact of restructuring costs, impairment of assets held for sale, foreign currency fluctuations and contributions from acquisitions made during the last twelve months.

**Three Months Ended****March 31,****2021 vs. 2020**

	<b>Aerospace &amp; Industrial</b>		<b>Defense Electronics</b>		<b>Naval &amp; Power</b>		<b>Total Curtiss-Wright</b>	
	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%

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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 for 2020 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.

**CURTISS-WRIGHT CORPORATION and SUBSIDIARIES**  
**NON-GAAP FINANCIAL DATA (UNAUDITED)**

(\$'s in thousands)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2021</b>	<b>2020</b>
Net cash provided by operating activities	\$ (26,603)	\$ (192,576)
Capital expenditures	(8,537)	(18,637)
Free cash flow	<u>\$ (35,140)</u>	<u>\$ (211,213)</u>
Voluntary pension contribution	—	150,000
Adjustment to capital expenditures (DRG facility investment)	—	7,677
Restructuring	—	665
Adjusted free cash flow	<u>\$ (35,140)</u>	<u>\$ (52,871)</u>
Adjusted free cash flow conversion	(58%)	(92%)

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**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)			2021 Chg vs 2020 Adjusted
					(Prior Structure)	(New Segment Structure)	(New Segment Structure)	
<b>Sales:</b>								
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%
<b>Total sales</b>	<b>\$ 2,393</b>	<b>\$ -</b>	<b>\$ (93)</b>	<b>\$ 2,300</b>	<b>Total sales</b>	<b>\$ 2,450</b>	<b>\$ 2,500</b>	<b>7 to 9%</b>
<b>Operating income:</b>								
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%
<b>Total segments</b>	<b>429</b>	<b>-</b>	<b>(16)</b>	<b>413</b>	<b>Total segments</b>	<b>445</b>	<b>458</b>	
Corporate and other	(38)	-	-	(38)	Corporate and other	(37)	(39)	
<b>Total operating income</b>	<b>\$ 391</b>	<b>\$ -</b>	<b>\$ (16)</b>	<b>\$ 375</b>	<b>Total operating income</b>	<b>\$ 408</b>	<b>\$ 418</b>	<b>9 to 11%</b>
Interest expense	\$ (36)	\$ -	\$ -	\$ (36)	Interest expense	\$ (41)	\$ (42)	
Other income, net	21	-	-	21	Other income, net	15	17	
	377	-	(16)	361		382	394	
<b>Earnings before income taxes</b>					<b>Earnings before income taxes</b>			
Provision for income taxes	(88)	-	4	(85)	Provision for income taxes	(90)	(92)	
<b>Net earnings</b>	<b>\$ 289</b>	<b>\$ -</b>	<b>\$ (12)</b>	<b>\$ 277</b>	<b>Net earnings</b>	<b>\$ 293</b>	<b>\$ 301</b>	
<b>Diluted earnings per share</b>	<b>\$ 6.87</b>	<b>\$ -</b>	<b>\$ (0.29)</b>	<b>\$ 6.59</b>	<b>Diluted earnings per share</b>	<b>\$ 7.10</b>	<b>\$ 7.30</b>	<b>8 to 11%</b>
<i>Diluted shares outstanding</i>	42.0			42.0	<i>Diluted shares outstanding</i>	41.3	41.3	
<i>Effective tax rate</i>	23.4%			23.4%	<i>Effective tax rate</i>	23.5%	23.5%	
<b>Operating margins:</b>					<b>Operating margins:</b>			
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
<b>Total operating margin</b>	<b>16.3%</b>	<b>NM</b>	<b>NM</b>	<b>16.3%</b>	<b>Total operating margin</b>	<b>16.6%</b>	<b>16.7%</b>	<b>30 to 40 bps</b>
<b>Free cash flow (5)</b>	<b>\$ 394</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 394</b>	<b>Free cash flow</b>	<b>\$ 330</b>	<b>\$ 360</b>	

**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.

**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	
<b>Sales:</b>								
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%
<b>Total sales</b>	<b>\$ 2,300</b>	<b>\$ 2,495</b>	<b>\$ 2,545</b>	<b>\$ (45)</b>	<b>\$ -</b>	<b>\$ 2,450</b>	<b>\$ 2,500</b>	<b>7 to 9%</b>
<b>Operating income:</b>								
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%
<b>Total segments</b>	<b>413</b>	<b>443</b>	<b>456</b>	<b>(4)</b>	<b>6</b>	<b>445</b>	<b>458</b>	
Corporate and other	(38)	(37)	(39)	-	-	(37)	(39)	
<b>Total operating income</b>	<b>\$ 375</b>	<b>\$ 406</b>	<b>\$ 416</b>	<b>\$ (4)</b>	<b>\$ 6</b>	<b>\$ 408</b>	<b>\$ 418</b>	<b>9 to 11%</b>
Interest expense	\$ (36)	\$ (41)	\$ (42)	\$ -	\$ -	\$ (41)	\$ (42)	
Other income, net	21	12	13	-	3	15	17	
<b>Earnings before income taxes</b>	<b>361</b>	<b>377</b>	<b>388</b>	<b>(4)</b>	<b>9</b>	<b>382</b>	<b>394</b>	
Provision for income taxes	(85)	(88)	(91)	1	(2)	(90)	(92)	
<b>Net earnings</b>	<b>\$ 277</b>	<b>\$ 289</b>	<b>\$ 297</b>	<b>\$ (3)</b>	<b>\$ 7</b>	<b>\$ 293</b>	<b>\$ 301</b>	
<b>Diluted earnings per share</b>	<b>\$ 6.59</b>	<b>\$ 7.00</b>	<b>\$ 7.20</b>	<b>\$ (0.07)</b>	<b>\$ 0.17</b>	<b>\$ 7.10</b>	<b>\$ 7.30</b>	<b>8 to 11%</b>
<i>Diluted shares outstanding</i>	<i>42.0</i>	<i>41.3</i>	<i>41.3</i>			<i>41.3</i>	<i>41.3</i>	
<i>Effective tax rate</i>	<i>23.4%</i>	<i>23.5%</i>	<i>23.5%</i>			<i>23.5%</i>	<i>23.5%</i>	
<b>Operating margins:</b>								
Aerospace & Industrial	13.3%	15.0%	15.1%	+10 bps	-	15.0%	15.2%	170 to 190 bps (210 to 230 bps)
Defense Electronics	23.6%	20.5%	20.7%	-	+80 bps	21.3%	21.5%	
Naval & Power	18.0%	17.8%	17.9%	+40 bps	-	18.2%	18.3%	20 to 30 bps
<b>Total operating margin</b>	<b>16.3%</b>	<b>16.2%</b>	<b>16.4%</b>	<b>+20 bps</b>	<b>+20 bps</b>	<b>16.6%</b>	<b>16.7%</b>	<b>30 to 40 bps</b>
<b>Free cash flow</b>	<b>\$ 394</b>	<b>\$ 330</b>	<b>\$ 360</b>	<b>-</b>	<b>-</b>	<b>\$ 330</b>	<b>\$ 360</b>	

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.

**CURTISS-WRIGHT CORPORATION**  
**2021 Sales Growth Guidance by End Market**  
As of May 5, 2021

<u>Aerospace &amp; Defense Markets</u>	<u>2021 % Change vs 2020</u>	<u>% Total Sales</u>
Aerospace Defense	2 - 4%	19%
Ground Defense	100 - 105%	9%
Naval Defense	Flat	28%
Commercial Aerospace	Flat	10%
<b>Total Aerospace &amp; Defense</b>	<b>7 - 9%</b>	<b>66%</b>
<u>Commercial Markets</u>		
Power & Process	3 - 5%	19%
General Industrial	9 - 11%	15%
<b>Total Commercial</b>	<b>6 - 8%</b>	<b>34%</b>
<b>Total Curtiss-Wright Sales</b>	<b>7 - 9%</b>	<b>100%</b>

**Notes:**

- (1) This table reflects the Company's new End Market Structure and Realignment effective Q1 2021, with all Commercial Aerospace market revenues shifted into a newly defined Total Aerospace & Defense market.
  - (2) The new Power & Process end market is comprised of a) Nuclear and b) Process, while the new General Industrial end market is comprised of a) Industrial Vehicles and b) Industrial Automation and Services.
  - (3) Based on these changes, all of our general industrial businesses operate within the new Aerospace & Industrial segment, and the majority of the Company's nuclear and process revenues operate within the new Naval & Power segment.
-

## About Curtiss-Wright Corporation

Curtiss-Wright Corporation (NYSE:CW) is a global innovative company that delivers highly engineered, critical function products and services to the Aerospace and Defense markets, and to the Commercial markets including Power, Process and General Industrial. Building on the heritage of Glenn Curtiss and the Wright brothers, Curtiss-Wright has a long tradition of providing reliable solutions through trusted customer relationships. The company employs approximately 8,200 people worldwide. For more information, visit [www.curtisswright.com](http://www.curtisswright.com).

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*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, future cash flow from operations, and potential impacts of the COVID-19 pandemic are 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. 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; the impact of a global pandemic or national epidemic, 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, 2020 and subsequent reports filed with the Securities and Exchange Commission.*

*This press release and additional information are available at [www.curtisswright.com](http://www.curtisswright.com).*

## Contacts

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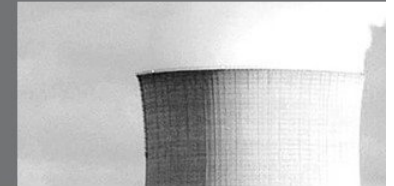


# Q1 2021 Earnings Conference Call

May 6, 2021



Listen-Only dial-in numbers:  
(844) 220-4970 (domestic)  
(262) 558-6349 (international)  
Conference ID: 3289007



NYSE: CW





## Safe Harbor Statement

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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. Any references to organic growth exclude the effects of restructuring costs, foreign currency fluctuations, acquisitions and divestitures, unless otherwise noted.

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

Notes: Amounts may not add exactly 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"> <li>Favorable growth on C5ISR and helicopter programs</li> </ul>
Ground Defense	100% - 105%	100% - 105%	9%	<ul style="list-style-type: none"> <li>Contribution from PacStar acquisition (HSD growth rate)</li> </ul>
Naval Defense	Flat	Flat	28%	<ul style="list-style-type: none"> <li>Solid growth on aircraft carriers offset by lower sub revenues (timing)</li> <li>Long-term growth trend intact following 22% increase in 2020</li> </ul>
Commercial Aero	Flat	Flat	10%	<ul style="list-style-type: none"> <li>Core OEM and Aftermarket stabilizing</li> </ul>
<b>Total Aerospace &amp; Defense Markets</b>	<b>6% - 8%</b>	<b>7% - 9%</b>	<b>66%</b>	<b>Stronger backlog across Defense markets</b>
Power & Process	3% - 5%	3% - 5%	19%	<ul style="list-style-type: none"> <li>Higher U.S. nuclear aftermarket partially offset by lower CAP1000 program revenues (timing)</li> <li>Solid growth in valves sales in Process market</li> </ul>
General Industrial	9% - 11%	9% - 11%	15%	<ul style="list-style-type: none"> <li>Strong rebound across most industrial markets</li> </ul>
<b>Total Commercial Markets</b>	<b>6% - 8%</b>	<b>6% - 8%</b>	<b>34%</b>	
<b>Total Curtiss-Wright</b>	<b>6% - 8%</b>	<b>7% - 9%</b>	<b>100%</b>	<b>Organic growth up 2% - 4%</b>

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

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.

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

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- **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%
<b>Total Aerospace &amp; Defense Markets</b>	<b>8%</b>	<b>68%</b>
Power & Process	(15%)	17%
General Industrial	4%	15%
<b>Total Commercial Markets</b>	<b>(7%)</b>	<b>32%</b>
<b>Total Curtiss-Wright</b>	<b>2%</b>	<b>100%</b>

### 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

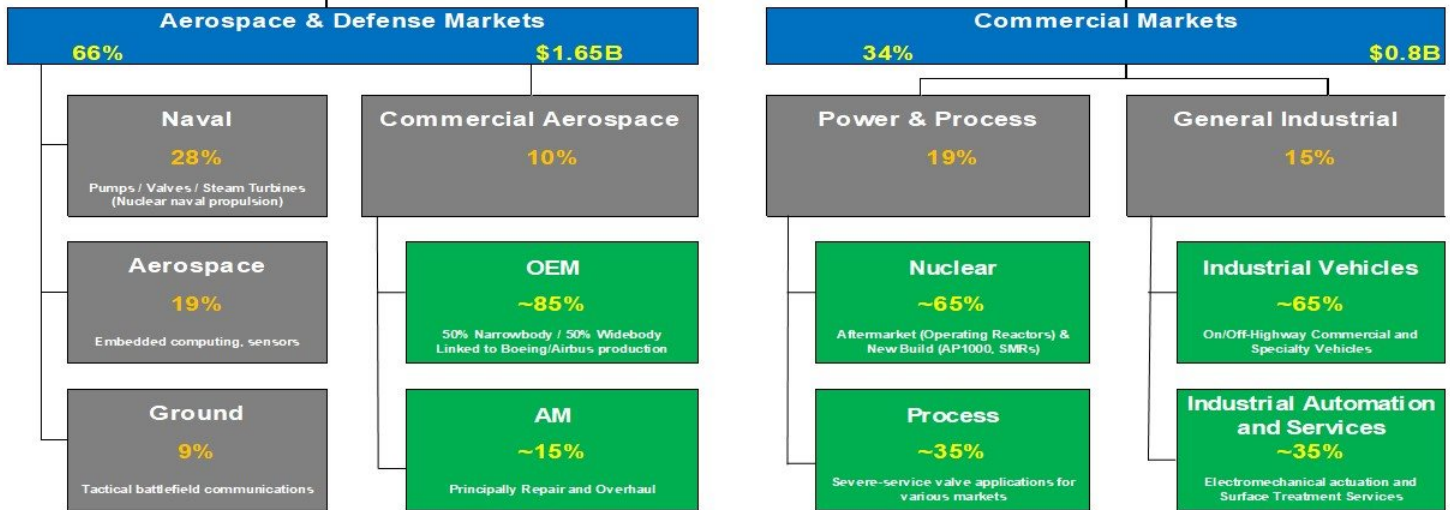
Notes:

- 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%

**Total 2021 CW End Markets**  
**\$2.450B - 2.500B**



**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 Realignments	Exiting Non-Core Operations	2020 Adjusted <sup>(2,4)</sup> (Non-GAAP)	2021 Adjusted Guidance <sup>(2,4)</sup> (Non-GAAP)		2021 Chg vs 2020 Adjusted
					(New Segment Structure)	(New Segment Structure)	
<b>Sales:</b>							
Commercial/Industrial	\$ 950	\$ (144)	\$ (67)	\$ 738	\$ 745	\$ 760	1 - 3%
Defense	736	(125)	-	611	745	760	22 - 24%
Power	708	269	(26)	951	960	980	1 - 3%
<b>Total sales:</b>	<b>\$ 2,393</b>	<b>\$ -</b>	<b>\$ (93)</b>	<b>\$ 2,300</b>	<b>\$ 2,450</b>	<b>\$ 2,500</b>	<b>7 to 9%</b>
<b>Operating income:</b>							
Commercial/Industrial	\$ 138	\$ (24)	\$ (16)	\$ 98	\$ 112	\$ 115	14 - 18%
Defense	166	(22)	-	144	159	164	10 - 13%
Power	125	46	-	171	174	179	2 - 5%
<b>Total segments:</b>	<b>429</b>	<b>-</b>	<b>(16)</b>	<b>413</b>	<b>445</b>	<b>458</b>	
Corporate and other	(38)	-	-	(38)	(37)	(39)	
<b>Total operating income</b>	<b>\$ 391</b>	<b>\$ -</b>	<b>\$ (16)</b>	<b>\$ 375</b>	<b>\$ 408</b>	<b>\$ 418</b>	<b>9 to 11%</b>
Interest expense	\$ (36)	\$ -	\$ -	\$ (36)	\$ (41)	\$ (42)	
Other income, net	21	-	-	21	15	17	
<b>Earnings before income taxes:</b>	<b>377</b>	<b>-</b>	<b>(16)</b>	<b>361</b>	<b>382</b>	<b>394</b>	
Provision for income taxes	(88)	-	(4)	(82)	(90)	(92)	
<b>Net earnings:</b>	<b>\$ 289</b>	<b>\$ -</b>	<b>\$ (12)</b>	<b>\$ 277</b>	<b>\$ 293</b>	<b>\$ 301</b>	
<b>Diluted earnings per share</b>	<b>\$ 6.87</b>	<b>\$ -</b>	<b>\$ (0.29)</b>	<b>\$ 6.59</b>	<b>\$ 7.10</b>	<b>\$ 7.30</b>	<b>\$ to 11%</b>
<i>Diluted shares outstanding</i>	42.0	-	-	42.0	41.3	41.3	
<i>Effective tax rate</i>	23.4%	-	-	23.4%	23.5%	23.5%	
<b>Operating margin:</b>							
Commercial/Industrial	14.5%	NM	NM	13.3%	15.0%	15.2%	170 to 190 bps
Defense	22.6%	NM	NM	23.6%	21.3%	21.5%	(210 to 230 bps)
Power	17.6%	NM	NM	18.0%	18.2%	18.3%	20 to 30 bps
<b>Total operating margin</b>	<b>16.3%</b>	<b>NM</b>	<b>NM</b>	<b>16.3%</b>	<b>16.6%</b>	<b>16.7%</b>	<b>30 to 40 bps</b>
<b>Free cash flow<sup>(5)</sup></b>	<b>\$ 394</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 394</b>	<b>\$ 330</b>	<b>\$ 360</b>	

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  
(\$ in millions, except per share data)

	2020 Adjusted (Non-GAAP) <sup>(1,2)</sup>	2021 Reported Guidance (GAAP)		Exiting Non- Core Operations	2021 Adjustments: (Non-GAAP) <sup>(2)</sup>	2021 Adjusted Guidance <sup>(2)</sup> (Non-GAAP)		2021 Chg vs 2020 Adjusted
		Low	High			Low	High	
<b>Sales:</b>								
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%
<b>Total sales:</b>	<b>\$ 2,300</b>	<b>\$ 2,495</b>	<b>\$ 2,545</b>	<b>\$ (45)</b>	<b>\$ -</b>	<b>\$ 2,450</b>	<b>\$ 2,500</b>	<b>7 to 9%</b>
<b>Operating income:</b>								
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%
<b>Total segments:</b>	<b>413</b>	<b>443</b>	<b>456</b>	<b>(4)</b>	<b>6</b>	<b>445</b>	<b>458</b>	
Corporate and other	(38)	(37)	(39)	-	-	(37)	(39)	
<b>Total operating income</b>	<b>\$ 375</b>	<b>\$ 406</b>	<b>\$ 416</b>	<b>\$ (4)</b>	<b>\$ 6</b>	<b>\$ 408</b>	<b>\$ 418</b>	<b>9 to 11%</b>
Interest expense	\$ (36)	\$ (41)	\$ (42)	\$ -	\$ -	\$ (41)	\$ (42)	
Other income, net	21	12	13	-	3	15	17	
<b>Earnings before income taxes:</b>	<b>361</b>	<b>377</b>	<b>388</b>	<b>(4)</b>	<b>9</b>	<b>382</b>	<b>394</b>	
Provision for income taxes	(85)	(88)	(91)	1	(2)	(90)	(92)	
<b>Net earnings:</b>	<b>\$ 277</b>	<b>\$ 289</b>	<b>\$ 297</b>	<b>\$ (3)</b>	<b>\$ 7</b>	<b>\$ 293</b>	<b>\$ 301</b>	
<b>Diluted earnings per share</b>	<b>\$ 6.59</b>	<b>\$ 7.00</b>	<b>\$ 7.20</b>	<b>\$ (0.07)</b>	<b>\$ 0.17</b>	<b>\$ 7.10</b>	<b>\$ 7.30</b>	<b>8 to 11%</b>
<i>Diluted shares outstanding</i>	<i>42.0</i>	<i>41.3</i>	<i>41.3</i>			<i>41.3</i>	<i>41.3</i>	
<i>Effective tax rate</i>	<i>23.4%</i>	<i>23.5%</i>	<i>23.5%</i>			<i>23.5%</i>	<i>23.5%</i>	
<b>Operating margins:</b>								
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
<b>Total operating margin</b>	<b>16.3%</b>	<b>16.2%</b>	<b>16.4%</b>	<b>+20 bp</b>	<b>+20 bp</b>	<b>16.6%</b>	<b>16.7%</b>	<b>30 to 40 bp</b>
<b>Free cash flow</b>	<b>\$ 394</b>	<b>\$ 330</b>	<b>\$ 360</b>	<b>-</b>	<b>-</b>	<b>\$ 330</b>	<b>\$ 360</b>	

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

Amounts may not add due to rounding.

<sup>(1)</sup> 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

	<b>Aerospace &amp; Industrial</b>		<b>Defense Electronics</b>		<b>Naval &amp; Power</b>		<b>Total Curtiss-Wright</b>	
	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