

**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): November 3, 2021

CURTISS-WRIGHT CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

001-00134

(Commission File
Number)

13-0612970

(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, November 3, 2021, the Company issued a press release announcing financial results for the third quarter ended September 30, 2021. A conference call and webcast presentation will be held on Thursday, November 4, 2021 at 10:00 am ET for management to discuss the Company's third 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. 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 1381614

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 November 3, 2021](#)

[99.2 Presentation shown during investor and securities analyst webcast on November 4, 2021](#)

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: November 3, 2021

Curtiss-Wright Reports Strong Third Quarter 2021 Results and Raises Midpoint of Full-Year 2021 Adjusted EPS Guidance

DAVIDSON, N.C.--(BUSINESS WIRE)--November 3, 2021--Curtiss-Wright Corporation (NYSE: CW) reports financial results for the third quarter ended September 30, 2021.

Third Quarter 2021 Highlights:

- Reported sales of \$621 million, operating income of \$98 million, operating margin of 15.7%, diluted earnings per share (EPS) of \$1.70, and free cash flow (FCF) of \$97 million;
- Adjusted sales of \$614 million, up 12%;
- Adjusted operating income of \$108 million, up 12%;
- Adjusted operating margin of 17.5%, up 10 basis points;
- Adjusted diluted EPS of \$1.88, up 6%;
- New orders of \$617 million, up 13%; and
- Adjusted FCF of \$97 million, up 76%, with 127% free cash flow conversion.

Expansion of Company's Share Repurchase Authorization:

- In September, the Company's Board of Directors authorized an additional \$400 million for future share repurchases, increasing the total available authorization to \$550 million;
- The Company immediately and opportunistically began the repurchase of \$200 million in additional shares via a 10b5-1 program, conducted in concurrence with its existing \$50 million share repurchase program being executed this calendar year; and
- As of November 3, the Company has completed its \$200 million opportunistic share repurchase program, buying back approximately 1.5 million shares, and remains on track to repurchase a total of \$250 million in shares in 2021.

Full-Year 2021 Adjusted Guidance:

- Raised bottom end of Adjusted diluted EPS guidance to new range of \$7.20 to \$7.35 (previously \$7.15 to \$7.35);
- Maintained sales growth of 7% to 9%, Adjusted operating income growth of 9% to 12%, and Adjusted operating margin range of 16.7% to 16.8%, up 40 to 50 basis points compared with the prior year; and
- Maintained Adjusted FCF range of \$330 to \$360 million, representing a free cash flow conversion rate of approximately 116%.

"We delivered strong third quarter results, with double-digit growth in sales and operating income, despite supply chain headwinds, which produced Adjusted diluted EPS of \$1.88 and generated strong free cash flow of approximately \$100 million," said Lynn M. Bamford, President and CEO of Curtiss-Wright Corporation. "Our results reflect the continued execution of our operational excellence initiatives and savings generated by our prior year restructuring actions, which drove operating margin expansion that more than offset the \$4 million in incremental year-over-year research and development investments to support our long-term organic growth."

"In addition, we continued to leverage our strong and healthy balance sheet to implement our balanced capital allocation strategy. We firmly delivered on our commitment to drive solid returns to our shareholders by completing the recently announced \$200 million opportunistic share repurchase program, and we remain devoted to supporting our organic growth with high quality, strategic acquisitions to drive long-term shareholder value."

"Looking ahead to the remainder of 2021, while global supply chain disruption continues to impact many businesses, we will continue to work aggressively to mitigate any negative effects on Curtiss-Wright, leveraging the strength and resilience of our combined portfolio, which has provided us with confidence to raise the midpoint of our Adjusted diluted EPS guidance range."

Third Quarter 2021 Operating Results

<i>(In millions)</i>	Q3-2021	Q3-2020	Change
Reported sales	\$ 620.6	\$ 571.6	9%
Adjustments (1)	(6.8)	(21.7)	
Adjusted sales (1)	\$ 613.8	\$ 549.9	12%
Reported operating income	\$ 97.7	\$ 84.6	15%
Adjustments (1)	9.9	11.2	
Adjusted operating income (1)	\$ 107.5	\$ 95.8	12%
Adjusted operating margin (1)	17.5%	17.4%	10 bps

Amounts may not add due to rounding.

(1) Adjusted results exclude (i) 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; (ii) first year purchase accounting costs in both periods associated with acquisitions; and (iii) one-time costs associated with the relocation of our DRG business in the Naval & Power segment, and restructuring costs in all segments, which impacted the prior year period.

- Adjusted sales of \$614 million, up \$64 million, or 12%;
- Aerospace & Defense (A&D) market sales increased 15%, led by strong growth in commercial aerospace and naval defense, and the contribution from the PacStar acquisition in ground defense;
- Commercial market sales increased 6%, principally due to continued, strong demand in the general industrial market;
- Adjusted operating income of \$108 million, up 12%, while Adjusted operating margin increased 10 basis points to 17.5%, principally reflecting favorable overhead absorption on higher organic revenues in our Aerospace & Industrial segment, as well as the benefits of our prior year restructuring and ongoing company-wide operational excellence initiatives. Those gains were partially offset by \$4 million in higher research and development investments, principally within the Defense Electronics segment; and
- Non-segment expenses of \$9 million increased by \$2 million compared with the prior year, primarily due to higher corporate costs.

Free Cash Flow

<i>(In millions)</i>	Q3-2021	Q3-2020	Change
Net cash provided by operating activities	\$ 107.3	\$ 56.0	92%
Capital expenditures	(10.1)	(7.0)	(44%)
Free cash flow (1)	\$ 97.2	\$ 49.0	98%
Adjustment to capital expenditures (DRG facility investment) (2)	-	0.4	-
Restructuring (2)	-	5.9	-
Adjusted free cash flow (2)	\$ 97.2	\$ 55.3	76%

Amounts may not add due to rounding.

(1) Free cash flow defined as net cash provided by operating activities less capital expenditures

(2) Adjusted free cash flow excludes a capital investment related to the new state-of-the-art naval facility in the Naval & Power segment and the cash impact from restructuring in the prior year period.

- Free cash flow of \$97 million increased \$48 million, or 98%, principally driven by the timing of tax payments and improvements in working capital;
- Capital expenditures increased \$3 million compared with the prior year, primarily due to higher capital investments within the Naval & Power segment; and
- Adjusted free cash flow of \$97 million increased \$42 million, or 76%.

New Orders and Backlog

- New orders of \$617 million increased 13% compared with the prior year period, generating overall book to bill that exceeded 1.0x, principally driven by solid demand for our commercial aerospace and defense electronics products within our A&D markets, and for industrial vehicle products within our Commercial markets; and
- Backlog of \$2.2 billion, up 2% from December 31, 2020, principally reflects the rebound in commercial market demand.

Share Repurchase and Dividends

- During the third quarter, the Company repurchased 540,643 shares of its common stock for approximately \$67 million;
- Year-to-date through September 30, 2021, the Company repurchased 746,851 shares for approximately \$92 million; and
- The Company also declared a quarterly dividend of \$0.18 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, currently within its Naval & Power 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.
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Third Quarter 2021 Segment Performance**Aerospace & Industrial**

<i>(In millions)</i>	Q3-2021	Q3-2020	Change
Reported sales	\$ 196.3	\$ 188.8	4%
Adjustments (1)	(0.4)	(16.5)	
Adjusted sales (1)	\$ 195.9	\$ 172.2	14%
Reported operating income	\$ 30.9	\$ 23.9	29%
Adjustments (1)	(0.1)	(1.0)	
Adjusted operating income (1)	\$ 30.8	\$ 22.9	34%
Adjusted operating margin (1)	15.7%	13.3%	240 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 reflected sales of \$196 million, operating income of \$31 million and operating margin of 15.7%;
 - Adjusted sales of \$196 million, up \$24 million, or 14%;
 - Higher general industrial market revenue principally reflected the continued strong rebound in industrial vehicle product demand for on- and off-highway platforms in response to the economic recovery;
 - Strong commercial aerospace market revenue growth reflected higher sales of sensors products and surface treatment services on narrowbody platforms, partially offset by lower actuation sales on widebody platforms; and
 - Adjusted operating income of \$31 million, up 34% from the prior year, while Adjusted operating margin increased 240 basis points to 15.7%, reflecting strong absorption on higher sales, and the benefits of our ongoing operational excellence and prior year restructuring initiatives.
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Defense Electronics

<i>(In millions)</i>	Q3-2021	Q3-2020	Change
Reported sales	\$ 181.5	\$ 148.3	22%
Adjustments (1)	1.1	0.7	
Adjusted sales (1)	\$ 182.6	\$ 149.1	22%
Reported operating income	\$ 40.8	\$ 35.1	16%
Adjustments (1)	1.6	3.5	
Adjusted operating income (1)	\$ 42.3	\$ 38.7	9%
Adjusted operating margin (1)	23.2%	25.9%	(270 bps)

Amounts may not add due to rounding.

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

- Reported results reflected sales of \$182 million, operating income of \$41 million and operating margin of 22.5%;
 - Adjusted sales of \$183 million, up \$34 million, or 22%, principally driven by the contribution from the PacStar acquisition for tactical battlefield communications equipment within our ground defense market;
 - Lower aerospace defense market revenue reflected reduced sales of our embedded computing equipment on various Unmanned Aerial Vehicle (UAV) and fighter jet platforms, partially offset by solid growth on various helicopter platforms;
 - Higher commercial aerospace market revenue reflected increased sales of electronic systems and flight test equipment on various domestic and international platforms; and
 - Adjusted operating income of \$42 million, up 9% from the prior year, while Adjusted operating margin decreased 270 basis points to 23.2%, as favorable mix in defense electronics was more than offset by higher research and development investments and unfavorable foreign currency translation.
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Naval & Power

<i>(In millions)</i>	Q3-2021	Q3-2020	Change
Reported sales	\$ 242.8	\$ 234.5	4%
Adjustments (1)	(7.5)	(5.9)	
Adjusted sales (1)	\$ 235.3	\$ 228.6	3%
Reported operating income	\$ 35.5	\$ 33.4	6%
Adjustments (1)	8.4	8.6	
Adjusted operating income (1)	\$ 43.9	\$ 42.0	4%
Adjusted operating margin (1)	18.6%	18.4%	20 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, all impacting the prior year period.

- Reported results reflected sales of \$243 million, operating income of \$35 million and operating margin of 14.6%;
 - Adjusted sales of \$235 million, up \$7 million, or 3%;
 - Strong naval defense market revenue growth primarily reflected higher revenues on the Virginia-class submarine and CVN-81 aircraft carrier programs;
 - Reduced power & process market sales reflected timing of production on the China Direct AP1000 program in the nuclear market, partially offset by solid industrial valve demand in the oil and gas market; and
 - Adjusted operating income of \$44 million, up 4% from the prior year, while Adjusted operating margin increased 20 basis points to 18.6%, driven by solid absorption on higher revenues and the benefits of our prior year restructuring initiatives, partially offset by unfavorable mix in the power & process market.
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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)	2021 Adjusted Non-GAAP Guidance (Current)	2021 Adjusted Chg vs 2020 Restated
Total Sales	\$2,465 - \$2,515	\$2,465 - \$2,515	Up 7% - 9%
Operating Income	\$411 - \$421	\$411 - \$421	Up 9% - 12%
Operating Margin	16.7% - 16.8%	16.7% - 16.8%	Up 40 - 50 bps
Interest Expense	\$41	\$40 - \$41	
Diluted EPS	\$7.15 - \$7.35	\$7.20 - \$7.35	Up 9% - 12%
Diluted Shares Outstanding	41.1	41.0	
Free Cash Flow	\$330 - \$360	\$330 - \$360	
Avg. FCF Conversion	~116%	~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.

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 third quarter 2021 financial results and updates to 2021 guidance at 10:00 a.m. ET on Thursday, November 4, 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.

(Tables to Follow)

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Product sales	\$ 528,339	\$ 493,398	\$ 1,552,706	\$ 1,457,772
Service sales	92,280	78,216	286,467	265,120
Total net sales	<u>620,619</u>	<u>571,614</u>	<u>1,839,173</u>	<u>1,722,892</u>
Cost of product sales	328,424	305,921	989,759	945,886
Cost of service sales	55,187	52,872	177,930	177,580
Total cost of sales	<u>383,611</u>	<u>358,793</u>	<u>1,167,689</u>	<u>1,123,466</u>
Gross profit	237,008	212,821	671,484	599,426
Research and development expenses	21,618	17,587	66,675	54,163
Selling expenses	30,067	24,869	89,227	81,650
General and administrative expenses	78,998	77,251	229,608	230,515
Impairment of assets held for sale	8,656	—	8,656	—
Restructuring expenses	—	8,541	—	20,730
Operating income	97,669	84,573	277,318	212,368
Interest expense	9,955	9,055	30,094	25,059
Other income, net	3,627	5,417	8,910	6,844
Earnings before income taxes	91,341	80,935	256,134	194,153
Provision for income taxes	(21,638)	(16,315)	(65,554)	(46,754)
Net earnings	<u>\$ 69,703</u>	<u>\$ 64,620</u>	<u>\$ 190,580</u>	<u>\$ 147,399</u>
Net earnings per share:				
Basic earnings per share	\$ 1.71	\$ 1.56	\$ 4.66	\$ 3.52
Diluted earnings per share	\$ 1.70	\$ 1.55	\$ 4.64	\$ 3.49
Dividends per share	\$ 0.18	\$ 0.17	\$ 0.53	\$ 0.51
Weighted average shares outstanding:				
Basic	40,769	41,545	40,865	41,926
Diluted	40,950	41,797	41,040	42,190

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

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 234,416	\$ 198,248
Receivables, net	670,867	588,718
Inventories, net	433,140	428,879
Assets held for sale	20,215	27,584
Other current assets	65,171	57,395
Total current assets	<u>1,423,809</u>	<u>1,300,824</u>
Property, plant, and equipment, net	360,314	378,200
Goodwill	1,461,313	1,455,137
Other intangible assets, net	552,514	609,630
Operating lease right-of-use assets, net	140,524	150,898
Prepaid pension asset	111,906	92,531
Other assets	32,921	34,114
Total assets	<u>\$ 4,083,301</u>	<u>\$ 4,021,334</u>
Liabilities		
Current liabilities:		
Current portion of long-term and short-term debt	100,000	100,000
Accounts payable	158,196	201,237
Accrued expenses	142,169	146,833
Deferred revenue	249,671	253,411
Liabilities held for sale	13,215	10,141
Other current liabilities	101,892	98,755
Total current liabilities	<u>765,143</u>	<u>810,377</u>
Long-term debt	957,101	958,292
Deferred tax liabilities, net	121,491	115,007
Accrued pension and other postretirement benefit costs	98,122	98,345
Long-term operating lease liability	124,362	133,069
Long-term portion of environmental reserves	15,096	15,422
Other liabilities	101,926	103,248
Total liabilities	<u>2,183,241</u>	<u>2,233,760</u>
Stockholders' equity		
Common stock, \$1 par value	49,187	49,187
Additional paid in capital	124,532	122,535
Retained earnings	2,839,294	2,670,328
Accumulated other comprehensive loss	(308,810)	(310,856)
Less: cost of treasury stock	(804,143)	(743,620)
Total stockholders' equity	<u>1,900,060</u>	<u>1,787,574</u>
Total liabilities and stockholders' equity	<u>\$ 4,083,301</u>	<u>\$ 4,021,334</u>

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
SEGMENT INFORMATION (UNAUDITED)⁽¹⁾
(\$'s in thousands)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2021	2020	Change %	2021	2020	Change %
Sales:						
Aerospace & Industrial	\$ 196,296	\$ 188,768	4%	\$ 576,340	\$ 592,907	(3%)
Defense Electronics	181,504	148,324	22%	525,067	427,518	23%
Naval & Power	242,819	234,522	4%	737,766	702,467	5%
Total sales	\$ 620,619	\$ 571,614	9%	\$ 1,839,173	\$ 1,722,892	7%
Operating income (expense):						
Aerospace & Industrial	\$ 30,872	\$ 23,880	29%	\$ 81,874	\$ 65,635	25%
Defense Electronics	40,762	35,103	16%	106,656	83,902	27%
Naval & Power	35,483	33,367	6%	116,635	90,623	29%
Total segments	\$ 107,117	\$ 92,350	16%	\$ 305,165	\$ 240,160	27%
Corporate and other	(9,448)	(7,777)	(21%)	(27,847)	(27,792)	0%
Total operating income	\$ 97,669	\$ 84,573	15%	\$ 277,318	\$ 212,368	31%
Operating margins:						
Aerospace & Industrial	15.7%	12.7%	300 bps	14.2%	11.1%	310 bps
Defense Electronics	22.5%	23.7%	(120 bps)	20.3%	19.6%	70 bps
Naval & Power	14.6%	14.2%	40 bps	15.8%	12.9%	290 bps
Total Curtiss-Wright	15.7%	14.8%	90 bps	15.1%	12.3%	280 bps
Segment margins	17.3%	16.2%	110 bps	16.6%	13.9%	270 bps

(1) Amounts reported under realigned segment reporting structure.

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

	Three Months Ended September 30, 2021			Three Months Ended September 30, 2020			2021 vs. 2020
	Reported Sales	Adjustments	Adjusted Sales	Reported Sales	Adjustments	Adjusted Sales	Change in Adjusted Sales
Aerospace & Defense markets:							
Aerospace Defense (1)	\$ 116,853	\$ —	\$ 116,853	\$ 121,987	\$ 748	\$ 122,735	(5%)
Ground Defense (1)	55,124	1,080	56,204	20,519	—	20,519	174%
Naval Defense	175,800	—	175,800	165,524	—	165,524	6%
Commercial Aerospace (2)	67,461	(381)	67,080	70,943	(16,524)	54,419	23%
Total Aerospace & Defense	\$ 415,238	\$ 699	\$ 415,937	\$ 378,973	\$ (15,776)	\$ 363,197	15%
Commercial markets:							
Power & Process (3)	112,736	(7,472)	105,264	113,919	(5,896)	108,023	(3%)
General Industrial	92,645	—	92,645	78,722	—	78,722	18%
Total Commercial	205,381	(7,472)	197,909	192,641	(5,896)	186,745	6%
Total Curtiss-Wright	\$ 620,619	\$ (6,773)	\$ 613,846	\$ 571,614	\$ (21,672)	\$ 549,942	12%
Nine Months Ended							
	September 30, 2021			September 30, 2020			2021 vs. 2020
	Reported Sales	Adjustments	Adjusted Sales	Reported Sales	Adjustments	Adjusted Sales	Change in Adjusted Sales
Aerospace & Defense markets:							
Aerospace Defense (1)	\$ 327,847	\$ —	\$ 327,847	\$ 333,120	\$ 949	\$ 334,069	(2%)
Ground Defense (1)	159,090	3,240	162,330	63,205	—	63,205	157%
Naval Defense	531,429	—	531,429	496,157	—	496,157	7%
Commercial Aerospace (2)	196,285	(8,764)	187,521	242,708	(46,929)	195,779	(4%)
Total Aerospace & Defense	\$ 1,214,651	\$ (5,524)	\$ 1,209,127	\$ 1,135,190	\$ (45,980)	\$ 1,089,210	11%
Commercial markets:							
Power & Process (3)	343,573	(20,468)	323,105	350,632	(18,604)	332,028	(3%)
General Industrial	280,949	—	280,949	237,070	—	237,070	19%
Total Commercial	\$ 624,522	\$ (20,468)	\$ 604,054	\$ 587,702	\$ (18,604)	\$ 569,098	6%
Total Curtiss-Wright	\$ 1,839,173	\$ (25,992)	\$ 1,813,181	\$ 1,722,892	\$ (64,584)	\$ 1,658,308	9%

(1) Excludes first year purchase accounting adjustments.

(2) Excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited in the fourth quarter of 2020.

(3) Excludes our German valves business which was classified as held for sale in the fourth quarter of 2020.

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; (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 in both periods associated with its acquisitions, 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 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 (EPS) under GAAP excluding: (i) the impact of first year purchase accounting costs in both periods associated with acquisitions, 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; (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.

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 September 30, 2021 vs. 2020							
		Aerospace & Industrial		Defense Electronics		Naval & Power		Total Curtiss-Wright	
		Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Organic		3%	19%	(3%)	(2%)	3%	11%	1%	7%
Acquisitions		0%	0%	25%	21%	0%	0%	7%	9%
Impairment of assets held for sale		0%	0%	0%	0%	0%	(26%)	0%	(10%)
Restructuring		0%	13%	0%	1%	0%	22%	0%	13%
Foreign Currency		1%	(3%)	0%	(4%)	1%	(1%)	1%	(4%)
Total		4%	29%	22%	16%	4%	6%	9%	15%

		Nine Months Ended September 30, 2021 vs. 2020							
		Aerospace & Industrial		Defense Electronics		Naval & Power		Total Curtiss-Wright	
		Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Organic		(5%)	12%	(2%)	14%	4%	22%	0%	19%
Acquisitions		0%	0%	25%	16%	0%	0%	6%	6%
Impairment of assets held for sale		0%	0%	0%	0%	0%	(10%)	0%	(4%)
Restructuring		0%	14%	0%	4%	0%	18%	0%	13%
Foreign Currency		2%	(1%)	0%	(7%)	1%	(1%)	1%	(3%)
Total		(3%)	25%	23%	27%	5%	29%	7%	31%

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 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 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 September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net cash provided by operating activities	\$ 107,285	\$ 55,993	\$ 155,761	\$ 3,784
Capital expenditures	(10,087)	(7,017)	(27,858)	(36,341)
Free cash flow	<u>\$ 97,198</u>	<u>\$ 48,976</u>	<u>\$ 127,903</u>	<u>\$ (32,557)</u>
Voluntary pension contribution	—	—	—	150,000
Adjustment to capital expenditures (DRG facility investment)	—	437	—	10,112
Restructuring	—	5,935	—	10,676
Adjusted free cash flow	<u>\$ 97,198</u>	<u>\$ 55,348</u>	<u>\$ 127,903</u>	<u>\$ 138,231</u>
Adjusted free cash flow conversion	<u>127%</u>	<u>75%</u>	<u>63%</u>	<u>76%</u>

CURTISS-WRIGHT CORPORATION
2021 Guidance (New Segment Structure)
As of November 3, 2021

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

	2020 Adjusted (Non-GAAP)(1)	Exiting Non-Core Operations	2020 Adjusted (2,4) (Non-GAAP)	2021 Reported Guidance (GAAP)		Exiting Non-Core Operations	2021 Adjustments (3) (Non-GAAP)	2021 Adjusted Guidance (3) (Non-GAAP)		2021 Chg vs 2020 Adjusted
				Low	High			Low	High	
Sales:										
Aerospace & Industrial	\$ 805	\$ (67)	\$ 738	\$ 774	\$ 789	\$ (14)	\$ -	\$ 760	\$ 775	3 - 5%
Defense Electronics	611	-	611	742	756	-	4	745	760	22 - 24%
Naval & Power	977	(26)	951	991	1,011	(31)	-	960	980	1 - 3%
Total sales	\$ 2,393	\$ (93)	\$ 2,300	\$ 2,507	\$ 2,556	\$ (45)	\$ 4	\$ 2,465	\$ 2,515	7 to 9%
Operating income:										
Aerospace & Industrial	\$ 114	\$ (16)	\$ 98	\$ 117	\$ 120	\$ (2)	\$ -	\$ 115	\$ 118	17 - 21%
Defense Electronics	144	-	144	153	158	-	6	159	164	10 - 13%
Naval & Power	171	-	171	166	171	8	-	174	179	2 - 5%
Total segments	429	(16)	413	436	449	6	6	448	461	
Corporate and other	(38)	-	(38)	(37)	(39)	-	-	(37)	(39)	
Total operating income	\$ 391	\$ (16)	\$ 375	\$ 398	\$ 409	\$ 6	\$ 6	\$ 411	\$ 421	9 to 12%
Interest expense	\$ (36)	\$ -	\$ (36)	\$ (40)	\$ (41)	\$ -	\$ -	\$ (40)	\$ (41)	
Other income, net	21	-	21	13	13	-	3	16	17	
Earnings before income taxes	377	(16)	361	372	381	6	9	387	397	
Provision for income taxes	(88)	4	(85)	(89)	(92)	(1)	(2)	(93)	(95)	
Net earnings	\$ 289	\$ (12)	\$ 277	\$ 283	\$ 290	\$ 5	\$ 7	\$ 295	\$ 302	
Diluted earnings per share	\$ 6.87	\$ (0.29)	\$ 6.59	\$ 6.91	\$ 7.06	\$ 0.11	\$ 0.17	\$ 7.20	\$ 7.35	9 to 12%
<i>Diluted shares outstanding</i>	<i>42.0</i>		<i>42.0</i>	<i>41.0</i>	<i>41.0</i>			<i>41.0</i>	<i>41.0</i>	
<i>Effective tax rate</i>	<i>23.4%</i>		<i>23.4%</i>	<i>24.0%</i>	<i>24.0%</i>			<i>24.0%</i>	<i>24.0%</i>	
Operating margins:										
Aerospace & Industrial	14.2%	NM	13.3%	15.1%	15.2%	+10 bps	-	15.1%	15.3%	180 to 200 bps
Defense Electronics	23.6%	NM	23.6%	20.6%	20.8%	-	+70 bps	21.3%	21.5%	(210 to 230 bps)
Naval & Power	17.5%	NM	18.0%	16.8%	16.9%	+140 bps	-	18.2%	18.3%	20 to 30 bps
Total operating margin	16.3%	NM	16.3%	15.9%	16.0%	+60 bps	+20 bps	16.7%	16.8%	40 to 50 bps
Free cash flow	\$ 394	\$ -	\$ 394	\$ 330	\$ 360	-	-	\$ 330	\$ 360	

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

(1) A reconciliation of our 2020 GAAP to our 2020 Non-GAAP Adjusted figures are provided in our February 24, 2021 press release.

(2) 2020 Adjusted financials are defined as Reported Sales 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; 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. 2020 financial results excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, and the results of our German valves business which was classified as held for sale in the fourth quarter of 2020 and resulted in an impairment loss of \$33 million.

(3) 2021 Adjusted financials are defined as Reported Sales, 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; the results of our German valves business which was classified as held for sale in the fourth quarter of 2020 and resulted in an additional impairment loss of \$9 million; the impact of 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).

(4) 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 November 3, 2021

<u>Aerospace & Defense Markets</u>	2021 % Change vs 2020	<u>Current</u>	<u>% Total Sales</u>
Aerospace Defense		2 - 4%	19%
Ground Defense		100 - 105%	9%
Naval Defense		0 - 2%	28%
Commercial Aerospace		Flat	10%
Total Aerospace & Defense		7 - 9%	66%
<u>Commercial Markets</u>			
Power & Process		1 - 3%	18%
General Industrial		15 - 17%	15%
Total Commercial		6 - 8%	34%
Total Curtiss-Wright Sales		7 - 9%	100%

Note: Amounts may not add due to rounding.

(1) This table reflects the Company's first quarter 2021 End Market Structure and Realignment, where all Commercial Aerospace market revenues shifted into a newly defined Total Aerospace & Defense market.

(2) The Power & Process end market is comprised of a) Nuclear and b) Process, while the 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 Aerospace & Industrial segment, and the majority of the Company's nuclear and process revenues operate within the 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.

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.

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**Q3 2021
EARNINGS CONFERENCE CALL**

NOVEMBER 4, 2021

Listen-Only dial-in numbers:
(844) 220-4970 (domestic)
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Conference ID: 1381614

Conference Call Replay:
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Conference ID: 1381614

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. Any references to organic growth exclude the effects of prior year restructuring costs, impairment of assets held for sale, 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.

STRONG THIRD QUARTER PERFORMANCE SUPPORTS FULL-YEAR OUTLOOK

Third Quarter 2021 Highlights

- **Adjusted Sales increased 12% overall**
 - A&D markets up 15%; Commercial markets up 6%
- **Adjusted Operating Income up 12%; Adjusted Operating Margin of 17.5%**
 - Strong profitability driven by sales growth in all segments
 - Continue to invest strategically
- **Adjusted EPS of \$1.88 exceeded expectations**
- **Adjusted FCF grew 76% to \$97M; 127% FCF conversion**
- **Strong 13% growth in New Orders; Book-to-bill > 1.0x**

Recent News and FY 2021 Guidance

- **Expanded share repurchase authorization by \$400M; Completed \$200M opportunistic program**
 - Remain on track to complete \$250M in repurchases in 2021; Expect to repurchase approximately 2.0M total shares
 - \$350M open repurchase authorization remaining
- **Maintained full-year guidance for Sales, Operating Income, Operating Margin and FCF**
- **Raised bottom end of Adjusted EPS range**
 - Now \$7.20 - \$7.35, up 9% - 12%
 - Tightening range, despite global supply chain disruptions

Notes:
• Third 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 in both periods associated with acquisitions; one-time costs associated with the relocation of our DRG business in the Naval & Power segment, 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).

THIRD QUARTER 2021 FINANCIAL REVIEW

(\$ in millions)	Q3'21 Adjusted	Q3'20 Adjusted	Chg vs. Q3'20	Key Drivers
Aerospace & Industrial	\$196	\$172	14%	<ul style="list-style-type: none"> Strong sales growth in commercial aerospace (OEM / AM) and general industrial (vehicles)
Defense Electronics	\$183	\$149	22%	<ul style="list-style-type: none"> Strong contribution from PacStar acquisition in ground defense Solid growth on helicopter platforms more than offset by timing on fighter jets and UAVs
Naval & Power	\$235	\$229	3%	<ul style="list-style-type: none"> Strong growth in naval defense (Virginia-class submarine and CVN-81 aircraft carrier platforms) Solid growth in process market (O&G)
Total Sales	\$614	\$550	12%	
Aerospace & Industrial <i>Margin</i>	\$31 15.7%	\$23 13.3%	34% 240 bps	<ul style="list-style-type: none"> Favorable absorption on strong organic sales growth Benefits of prior year restructuring initiatives
Defense Electronics <i>Margin</i>	\$42 23.2%	\$39 25.9%	9% (270 bps)	<ul style="list-style-type: none"> Profitability reflects favorable mix on defense electronics revenues, offset by higher investments in R&D and unfavorable FX PacStar acquisition accretive to operating income, but dilutive to operating margin
Naval & Power <i>Margin</i>	\$44 18.6%	\$42 18.4%	4% 20 bps	<ul style="list-style-type: none"> Favorable absorption on higher naval defense revenues Benefits of prior year restructuring initiatives
Corporate and Other	(\$9)	(\$8)	(21%)	<ul style="list-style-type: none"> Higher Corporate costs
Total Op. Income <i>CW Margin</i>	\$108 17.5%	\$96 17.4%	12% 10 bps	Q3'21 results include \$4M incrementally higher investments in R&D (70 bps impact)

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Notes: Amounts may not add down due to rounding. Third quarter 2021 Adjusted results exclude (i) our build-to-print actuation product line supporting the Boeing T37 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; (ii) first year purchase accounting costs in both periods associated with acquisitions; and (iii) one-time costs associated with the relocation of our DRG business in the Naval & Power segment, and restructuring costs, which impacted the prior year period.

Q3 2021 Earnings Presentation 4

2021E END MARKET SALES GROWTH (Guidance as of November 3, 2021)

	2021E Growth vs 2020 (Current)	2021E % Sales	2021 Key Drivers
Aerospace Defense	2% - 4%	19%	<ul style="list-style-type: none"> Favorable growth on fighter jets and helicopter programs (C5ISR)
Ground Defense	100% - 105%	9%	<ul style="list-style-type: none"> Contribution from PacStar acquisition (HSD growth rate)
Naval Defense	0% - 2%	28%	<ul style="list-style-type: none"> Solid growth on aircraft carriers offset by timing of submarine revenues Long-term growth trend intact following 22% increase in 2020
Commercial Aero	Flat	10%	<ul style="list-style-type: none"> Core OEM and Aftermarket stabilizing; Narrowbody sales improving in H2
Total A&D Markets	7% - 9%	66%	
Power & Process	1% - 3%	18%	<ul style="list-style-type: none"> Higher U.S. nuclear aftermarket mainly offset by winding down on CAP1000 program Strong growth in valves sales to process market
General Industrial	15% - 17%	15%	<ul style="list-style-type: none"> Strong rebound in industrial markets, led by on- and off-highway vehicles
Total Commercial Markets	6% - 8%	34%	Growing backlog across Commercial markets
Total Curtiss-Wright	7% - 9%	100%	Organic growth up 2% - 4%

2021E FINANCIAL OUTLOOK (Guidance as of November 3, 2021)

(\$ in millions)	2021E Adjusted ⁽¹⁾ (Current)	2021E Change vs 2020 Adjusted ^(1,2)	
Aerospace & Industrial	\$760 - 775	3% - 5%	<ul style="list-style-type: none"> Strong rebound in general industrial markets Commercial aerospace market stabilizing
Defense Electronics	\$745 - 760	22% - 24%	<ul style="list-style-type: none"> Higher A&D sales driven by strong backlog; Caution remains on supply chain PacStar contributing HSD revenue growth
Naval & Power	\$960 - 980	1% - 3%	<ul style="list-style-type: none"> Solid growth on aircraft carriers partially offset by timing of Virginia class submarines Higher nuclear aftermarket and process sales partially offset by winding down on CAP1000 program
Total Sales	\$2,465 - 2,515	7% - 9%	Organic growth up 2% - 4%
Aerospace & Industrial Margin	\$115 - 118 15.1% - 15.3%	17% - 21% 180 - 200 bps	<ul style="list-style-type: none"> Strong absorption on higher sales; Segment profitability exceeding 2019 levels Benefit of prior year restructuring savings and pricing initiatives to mitigate supply chain headwinds
Defense Electronics Margin	\$159 - 164 21.3% - 21.5%	10% - 13% (210 - 230 bps)	<ul style="list-style-type: none"> Benefit of higher A&D sales (weighted to Q4) PacStar acquisition accretive to operating income, but dilutive to operating margin \$8M YOY increase in R&D investments
Naval & Power Margin	\$174 - 179 18.2% - 18.3%	2% - 5% 20 - 30 bps	<ul style="list-style-type: none"> Benefit of prior year restructuring savings Improved segment profitability despite unfavorable mix on lower CAP1000 program revenues
Corporate and Other	(\$37 - 39)	~ Flat	
Total Op. Income CW Margin	\$411 - 421 16.7% - 16.8%	9% - 12% +40 - 50 bps	Strong margin expansion; \$12M YOY increase in R&D (40 bps)

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.

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Q3 2021 Earnings Presentation 6

(\$ in millions, except EPS)	2021E Adjusted ⁽¹⁾ (Prior)	2021E Adjusted ⁽¹⁾ (Current)	
Total Operating Income⁽²⁾	\$411 - 421	\$411 - 421	Solid growth, up 9% - 12%
Other Income	\$16 - 17	\$16 - 17	
Interest Expense	~(\$41)	(\$40 - 41)	
Effective Tax Rate	24%	24%	
Diluted EPS⁽²⁾	\$7.15 - 7.35	\$7.20 - 7.35	Solid growth, up 9% - 12%, includes incremental R&D (\$0.22)
Diluted Shares Outstanding	41.1	41.0	▪ Benefit of \$250 million in share repurchases
Free Cash Flow	\$330 - 360	\$330 - 360	Maintain solid FCF generation following <u>record</u> 2020
Free Cash Flow Conversion	~116%	~116%	▪ Remain above 110% long-term target
Capital Expenditures	\$50 - 60	\$50 - 60	▪ Return to normal discretionary spending
Depreciation & Amortization	\$115 - 125	\$115 - 125	

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

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 other income, net).

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.

REMAIN ON TRACK TO DELIVER PROFITABLE GROWTH IN 2021

Revenue Growth

7% - 9%

Adj. Operating Margin

16.7% - 16.8%

Adj. Diluted EPS

\$7.20 - 7.35

Robust FCF Generation

\$330 - 360M

KEY TAKEAWAYS

- Organic growth 2% - 4%
- A&D Markets up 7% - 9%, including PacStar
- Commercial Markets up 6% - 8%
- Solid growth in Operating Income, up 9% - 12%
- Operating Margin Expansion of 40 - 50 bps
- Savings generated by prior year restructuring actions
- Increase in YOY R&D investments (\$12M or 40 bps)
- Strong growth of 9% - 12%
- Raised bottom end of range
- Increase in YOY R&D investments (\$0.22)
- Expect minimum \$250M in share repurchases
- Maintain disciplined capital allocation strategy
- Acquisitions remain a top priority
- Return to normal discretionary spending (Cap Ex ~2% of Sales)
- Targeting 9th consecutive year >100% conversion



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 in both periods associated with acquisitions, 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 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 (EPS) under GAAP excluding: (i) the impact of first year purchase accounting costs in both periods associated with acquisitions, 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; (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 net cash 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 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.

THIRD QUARTER 2021 END MARKET SALES GROWTH

	Q3'21 Change	% of Total Sales
Aerospace Defense	(5%)	19%
Ground Defense	174%	9%
Naval Defense	6%	29%
Commercial Aero	23%	11%
Total Aerospace & Defense Markets	15%	68%
Power & Process	(3%)	17%
General Industrial	18%	15%
Total Commercial Markets	6%	32%
Total Curtiss-Wright	12%	100%

Key Drivers

Aerospace & Defense Markets: 4% Organic Growth

- **Aerospace Defense:** Lower defense electronics revenue on UAVs and fighter jet programs (timing), partially offset by higher sales on helicopter programs
- **Ground Defense:** Higher tactical battlefield communications equipment revenues (PacStar)
- **Naval Defense:** Higher revenues on Virginia-class submarine and CVN-81 aircraft carrier platforms
- **Commercial Aerospace:** Higher sales of sensors and flight test equipment on narrowbody platforms

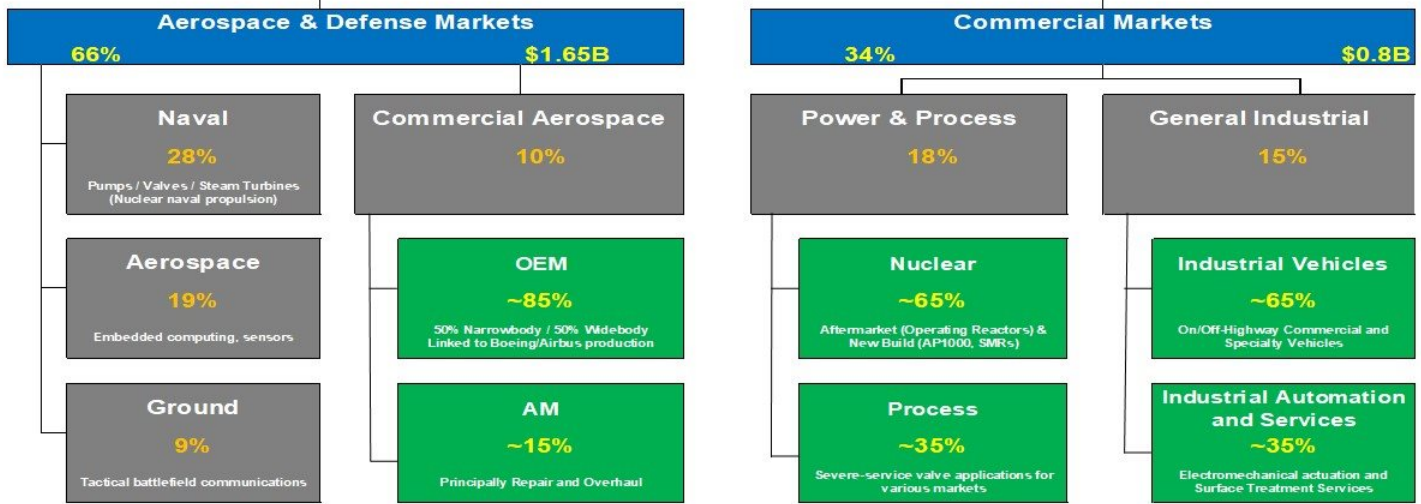
Commercial Markets: 5% Organic Growth

- **Power & Process:** Improved valves sales to process markets (oil & gas), more than offset by lower power generation revenues (winding down on CAP1000)
- **General Industrial:** Strong growth for industrial vehicles products (on- and off-highway, and specialty vehicles) driven by economic rebound

2021E END MARKET SALES WATERFALL (as of November 3, 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
\$2.465B - 2.515B



Note: Amounts may not add down due to rounding.

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

NON-GAAP RECONCILIATIONS – Q3 2021 RESULTS

(In millions, except EPS)	Q3-2021	Q3-2020	Change
Net sales	\$ 620.6	\$ 571.6	9%
Adjustments ⁽¹⁾	(6.8)	(21.7)	
Adjusted net sales	\$ 613.8	\$ 549.9	12%
Reported operating income (GAAP)	\$ 97.7	\$ 84.6	15%
Adjustments ⁽¹⁾	9.9	11.2	
Adjusted operating income (Non-GAAP)	\$ 107.5	\$ 95.8	12%
Adjusted operating margin (Non-GAAP)	17.5%	17.4%	10 bps
Reported net earnings (GAAP)	\$ 69.7	\$ 64.6	8%
Adjustments, net of tax ⁽¹⁾	7.1	9.5	
Adjusted net earnings (Non-GAAP)	\$ 76.8	\$ 74.1	4%
Reported diluted EPS (GAAP)	\$ 1.70	\$ 1.55	10%
Adjustments, net of tax ⁽¹⁾	0.17	0.23	
Adjusted diluted EPS (Non-GAAP)	\$ 1.88	\$ 1.77	6%

Amounts may not add due to rounding.

(1) Third quarter 2021 and 2020 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 in both periods associated with acquisitions; and a non-cash impairment of capitalized development costs related to a commercial aerospace program, one-time costs associated with the relocation of our DRG business in the Naval & Power segment, and restructuring costs in the prior year period.

NON-GAAP RECONCILIATION – ORGANIC RESULTS

	Three Months Ended							
	September 30,							
	2021 vs. 2020							
	Aerospace & Industrial		Defense Electronics		Naval & Power		Total Curtiss-Wright	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Organic	3%	19%	(3%)	(2%)	3%	11%	1%	7%
Acquisitions	0%	0%	25%	21%	0%	0%	7%	9%
Impairment of assets held for sale	0%	0%	0%	0%	0%	(26%)	0%	(10%)
Restructuring	0%	13%	0%	1%	0%	22%	0%	13%
Foreign Currency	1%	(3%)	0%	(4%)	1%	(1%)	1%	(4%)
Total	4%	29%	22%	16%	4%	6%	9%	15%

	Nine Months Ended							
	September 30,							
	2021 vs. 2020							
	Aerospace & Industrial		Defense Electronics		Naval & Power		Total Curtiss-Wright	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Organic	(5%)	12%	(2%)	14%	4%	22%	0%	19%
Acquisitions	0%	0%	25%	16%	0%	0%	6%	6%
Impairment of assets held for sale	0%	0%	0%	0%	0%	(10%)	0%	(4%)
Restructuring	0%	14%	0%	4%	0%	18%	0%	13%
Foreign Currency	2%	(1%)	0%	(7%)	1%	(1%)	1%	(3%)
Total	(3%)	25%	23%	27%	5%	29%	7%	31%

Note: Amounts may not add due to rounding.

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

NON-GAAP RECONCILIATION – 2020 VS 2021 (ADJUSTED)

CURTISS-WRIGHT CORPORATION
2021 Guidance (New Segment Structure)
As of November 3, 2021
(\$ in millions, except per share data)

	2020		2021		2021		2021		2021 Chg vs. 2020 Adjusted	
	Adjusted	Existing	Adjusted	2021	Existing	2021	Adjusted Guidance			
	(Non-GAAP) ⁽¹⁾	Non-Core Operations	(Non-GAAP) ^(2,4)	Reported Guidance (GAAP)	Non-Core Operations	Adjustments ⁽³⁾ (Non-GAAP)	Low	High		
				Low	High					
Sales:										
Aerospace & Industrial	\$ 805	\$ (67)	\$ 738	\$ 774	\$ 789	\$ (14)	\$ -	\$ 760	\$ 775	3 - 5%
Defense Electronics	611	-	611	742	756	-	4	745	760	22 - 24%
Naval & Power	977	(26)	951	991	1,011	(31)	-	960	980	1 - 3%
Total sales	\$ 2,393	\$ (93)	\$ 2,300	\$ 2,507	\$ 2,556	\$ (45)	\$ 4	\$ 2,465	\$ 2,515	7 to 9%
Operating income:										
Aerospace & Industrial	\$ 114	\$ (16)	\$ 98	\$ 117	\$ 120	\$ (2)	\$ -	\$ 115	\$ 118	17 - 21%
Defense Electronics	144	-	144	153	158	-	6	159	164	10 - 13%
Naval & Power	171	-	171	166	171	8	-	174	179	2 - 5%
Total segments	429	(16)	413	436	449	6	6	448	461	
Corporate and other	(38)	-	(38)	(37)	(39)	-	-	(37)	(39)	
Total operating income	\$ 391	\$ (16)	\$ 375	\$ 398	\$ 409	\$ 6	\$ 6	\$ 411	\$ 421	9 to 12%
Interest expense	\$ (36)	\$ -	\$ (36)	\$ (40)	\$ (41)	\$ -	\$ -	\$ (40)	\$ (41)	
Other income, net	21	-	21	13	13	-	3	16	17	
Earnings before income taxes	377	(16)	361	372	381	6	9	387	397	
Provision for income taxes	(88)	4	(85)	(89)	(92)	(1)	(2)	(93)	(95)	
Net earnings	\$ 289	\$ (12)	\$ 277	\$ 283	\$ 289	\$ 5	\$ 7	\$ 295	\$ 302	
Diluted earnings per share	\$ 6.87	\$ (0.29)	\$ 6.59	\$ 6.91	\$ 7.06	\$ 0.11	\$ 0.17	\$ 7.20	\$ 7.35	9 to 12%
Diluted shares outstanding	42.0	-	42.0	41.0	41.0	-	-	41.0	41.0	
Effective tax rate	23.4%	-	23.4%	24.0%	24.0%	-	-	24.0%	24.0%	
Operating margin:										
Aerospace & Industrial	14.2%	NM	13.3%	15.1%	15.2%	+10 bps	-	15.1%	15.3%	180 to 200 bps
Defense Electronics	23.6%	NM	23.6%	20.6%	20.8%	-	+70 bps	21.3%	21.5%	(210 to 230 bps)
Naval & Power	17.5%	NM	18.0%	16.8%	16.9%	+140 bps	-	18.2%	18.3%	20 to 30 bps
Total operating margin	16.3%	NM	16.3%	15.9%	16.0%	+60 bps	+20 bps	16.7%	16.8%	40 to 50 bps
Free cash flow	\$ 394	\$ -	\$ 394	\$ 330	\$ 360	-	-	\$ 330	\$ 360	

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

(1) A reconciliation of our 2020 GAAP to our 2020 Non-GAAP Adjusted figures are provided in our February 24, 2021 press release.

(2) 2020 Adjusted financials are defined as Reported Sales, 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; 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. 2020 financial results excludes our build-to-print actuation product line supporting the Boeing 737 MAX program which we exited, and the results of our German valves business which was classified as held for sale in the fourth quarter of 2020 and resulted in an impairment loss of \$33 million.

(3) 2021 Adjusted financials are defined as Reported Sales, 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; the results of our German valves business which was classified as held for sale in the fourth quarter of 2020 and resulted in an additional impairment loss of \$9 million; the impact of 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).

(4) 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.