

The background image shows two F-35 fighter jets flying over a vast, textured layer of white and grey clouds. The sky above is a mix of blue and orange, with a bright sun setting or rising on the right side, creating a lens flare effect. The jets are dark grey and sleek, with one jet in the foreground and another further back and to the right.

Third Quarter FY'23 Earnings Conference Call

Daniel J. Crowley, Chairman, President and Chief Executive Officer

James F. McCabe Jr., Senior Vice President and Chief Financial Officer

FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are often, but not always, identified by words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “project”, “may”, “will”, “should”, “could”, or similar words suggesting future outcomes or outlooks. These forward-looking statements include, but are not limited to, statements of expectations of or assumptions about strategic actions, objectives, expectations, intentions, aerospace market conditions, aircraft production rates, financial and operational performance, revenue and earnings growth and profitability and earnings results. These statements are based on the current projections, expectations and beliefs of TRIUMPH’s management. These forward looking statements involve known and unknown risks, uncertainties and other factors which could cause actual results to differ materially from any expected future results, performance or achievements, including, but not limited to, competitive and cyclical factors relating to the aerospace industry, dependence on some of TRIUMPH’s business from key customers, requirements of capital, uncertainties relating to the integration of acquired businesses, general economic conditions affecting TRIUMPH’s business segments, product liabilities in excess of insurance, technological developments, limited availability of raw materials or skilled personnel, changes in governmental regulation and oversight and international hostilities and terrorism. Further information regarding the important factors that could cause actual results, performance or achievements to differ from those expressed in any forward-looking statements can be found in TRIUMPH’s reports filed with the SEC, including in the risk factors described in TRIUMPH’s Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

Q3 FY'23 Takeaways

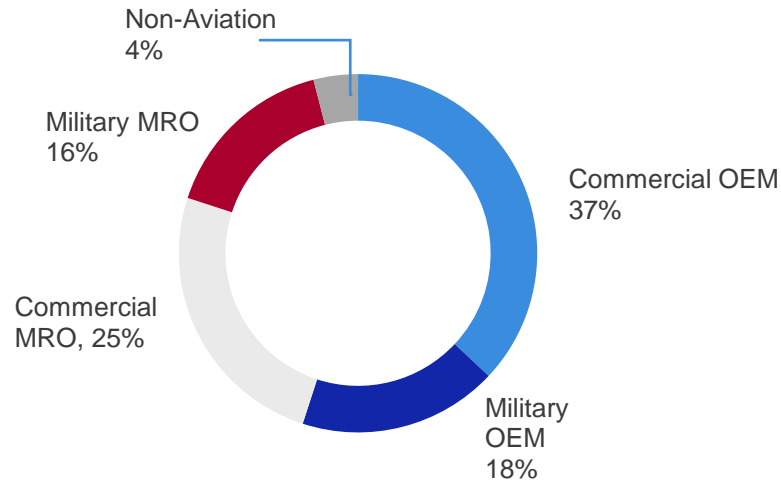


- Organic sales growth...21% quarter over quarter...13% YTD
- Proactively addressing supply chain / inflation risks
- Commenced comprehensive deleveraging plan
- Backlog up 12% on commercial demand
- Strong cash flow generation expected in Q4

CONSOLIDATED HIGHLIGHTS

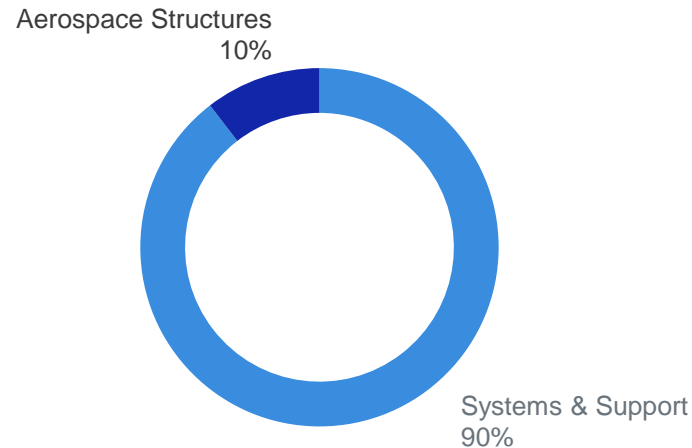
SALES BY ENDMARKET (Q3 FY23)

\$0.3B



ADJUSTED OPERATING INCOME (Q3 FY23)

\$48M



21%

Organic Growth

1.21:1

TSS Book to Bill Ratio

\$1.6B

Backlog as of 12/31/22

CONSOLIDATED QUARTERLY RESULTS



(\$ IN MILLIONS)	FY'23 Q3	FY'22 Q3
Net Sales	\$329	319
Operating Income	35	28
Operating Margin	11%	9%
Adjusted Operating Income*	36	33
Adjusted Operating Margin	11%	10%

*See Appendix for Non-GAAP reconciliation

Strong organic sales growth, excluding divestitures and sunseting programs

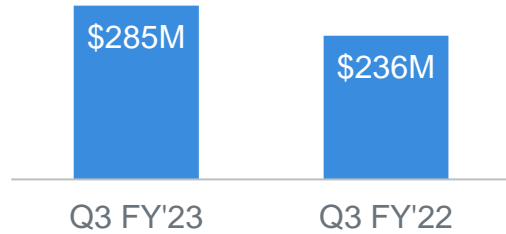
Improving operating income and margins



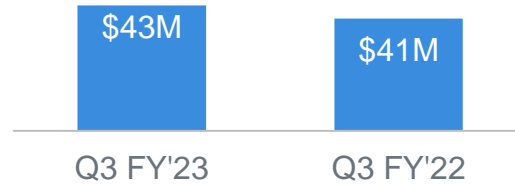
Improvement in Sales and Profitability Year over Year

Financial

REVENUE



OPERATING INCOME



- Organic sales up 21% on commercial narrow-body volume and OEM growth and partial recovery in military revenue

- Operating income up on increased volume
- Margins up, after \$13M in prior period one-time benefits from license transaction, reserve releases and AMJP funding

Highlights

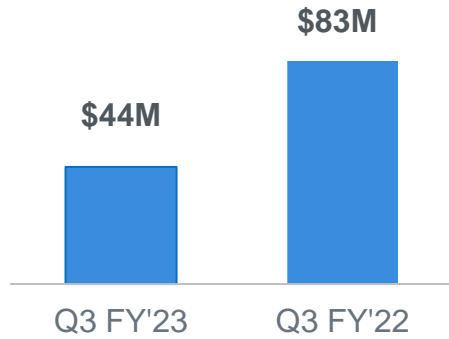
- 19% increase in commercial OEM sales
- 59% increase in commercial MRO sales
- Aftermarket increased from 44% to 48% of total sales



Narrow Body Ramp / Commercial MRO Driving Growth

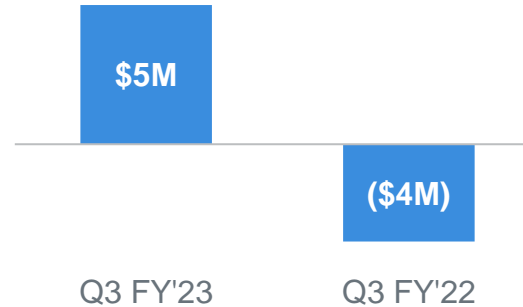
Financial

REVENUE



- Organic revenue increased 21% on 737 & 787 content in Interiors, after adjusting for divestitures and sunsetting programs

OPERATING INCOME



- Operating income improved vs. prior year, as volume increases in Interiors provided margin stability



Highlights

- OEM production rates including 737 Max and 787 provide tail wind to Interiors
- Returned to profitable growth
- Interiors consolidation complete

 **Organic Growth on improving OEM Production Rates**

Free Cash Flow Walk

(\$ IN MILLIONS)	FY'23 Q3	FY'23 YTD
Net Income	\$10	\$107
Non-Cash Items:		
Depreciation & Amortization	9	27
Interest Expense & Other	36	100
Amortization of Acquired Contracts	(1)	(2)
Pension & OPEB Expense (Income)	(9)	(26)
Income Tax Expense	1	4
Loss (Gain) on sale of assets	1	(103)
Other non-cash items	(4)	(4)
Cash Sources (Uses):		
Non-Recurring Cash Drivers	(3)	(24)
Working Capital Change	(11)	(84)
Interest Payments	(27)	(89)
Capital Expenditures	(5)	(12)
Tax Payments, Net	(2)	(3)
Free Cash Use	\$ (5)	\$ (125)

*See Appendix for Non-GAAP reconciliation

Significant Improvement in Cash Flow

FY'23 YTD Non-Recurring Cash Drivers

- (\$17M) Stuart, FL Q1 free cash use
- (\$7M) Structures shut-down costs; (\$3M) in Q3 (\$24M) YTD



Forecasting Positive Free Cash Flow Over the Balance of the Year

Net Debt & Liquidity

(\$ IN MILLIONS)

Q3 FY'23

8.875% First Lien Notes due Jun 2024

\$544

Receivable Securitization

\$35

Finance Leases

\$15

6.250% Senior Notes due Sept 2024

\$525

7.750% Senior Notes due Aug 2025

\$500

Less: Cash

(\$116)

Net Debt

\$1,503



Cash & Availability
~\$127M



Commenced
Comprehensive
Deleveraging Plan



Stable Cash & Availability; Increasing through Year End



Sales Trending Upward

Improving Profitability YoY

Raising Full Year Revenue,
Free Cash Flow and Adjusted
EPS Guidance

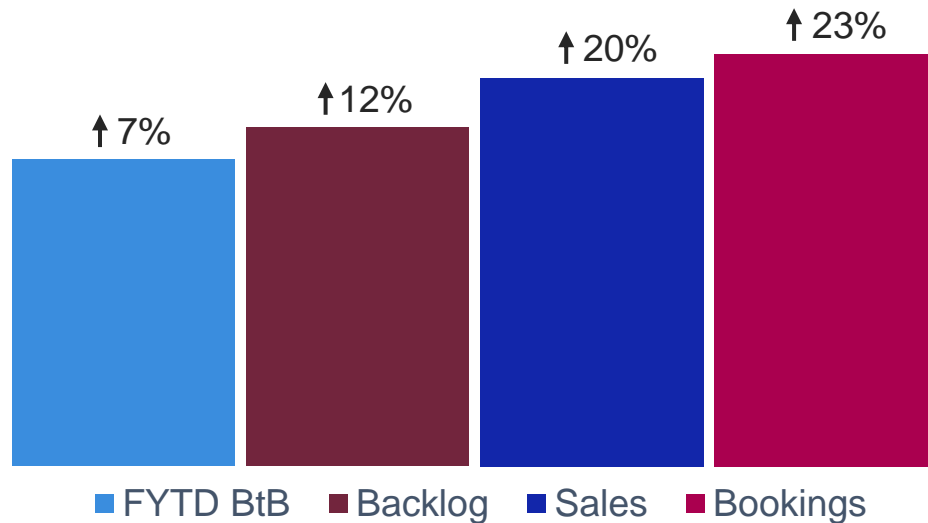
(\$ IN MILLIONS, EXCEPT WHERE NOTED)

FY 23 RANGES

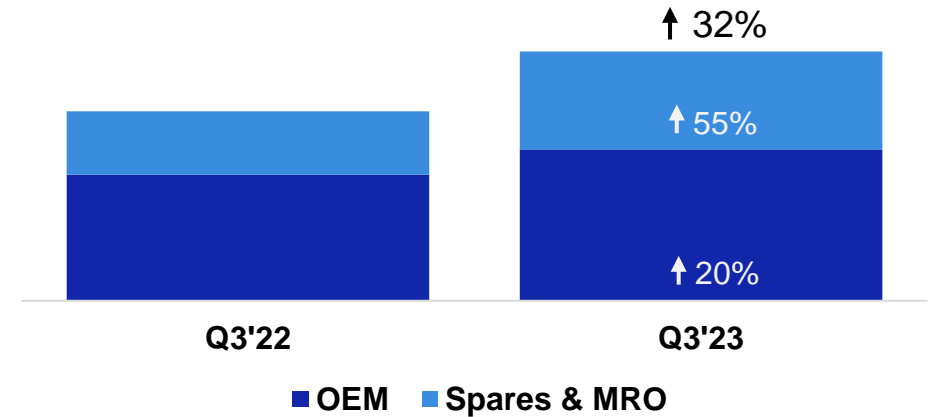
Revenue (\$B)	~\$1.3 \$1.30 - \$1.35
Cash used in operations - GAAP	(\$30) – (\$40)
Capital expenditures	~\$30 ~\$25
Free Cash Flow - non-GAAP	(\$60) – (\$70) (\$55) – (\$65)
Interest Expense	~\$129 ~\$130
Income Taxes	~\$7
Earnings (\$) per Share – GAAP	\$1.66 – \$1.86 \$1.59 - \$1.79
Earnings (\$) per Share – non-GAAP	\$0.40 – \$0.60 \$0.48 - \$0.68

Strong Growth Across Commercial & Military End Markets

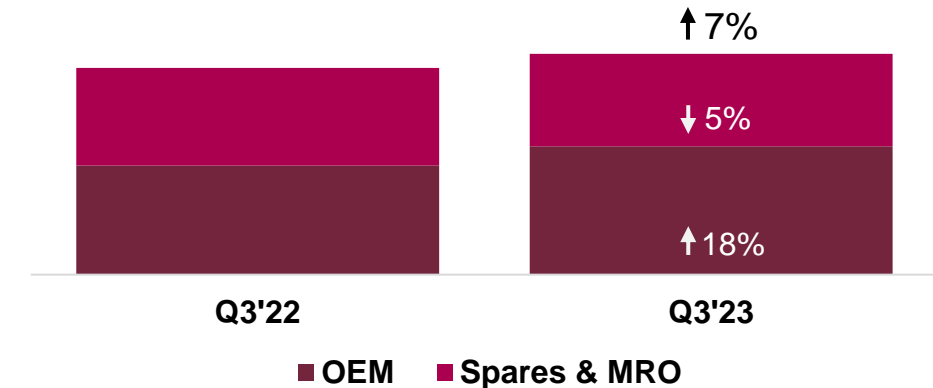
Q3 YOY IMPROVEMENTS



COMMERCIAL SALES




MILITARY SALES



Book to Bill YTD: 1.21



 **Significant Diversity Across Fixed Wing, Rotorcraft, Commercial, and Military Platforms**

New Business Wins

- Sanad V2500 Accessories Offload
- Royal Navy Frigate RMVA
- Dream Chaser Landing Gear System
- F-22 Actuator Overhaul
- UAV Cooling System
- eVTOL Main & Nose Landing Gear

Customer

- Turbine Services & Solutions
- Score Marine
- Sierra Nevada Space Systems
- L3 Technologies
- General Atomics
- Private eVTOL OEM

Follow-on Business

- A320 Nacelle Maintenance
- V-22 Pylon Conversion Actuators
- AWACS Rotodome Repair
- F-16 Hydraulic Motor
- M777 Howitzer Magazine Assemblies
- 737NG Engine Accessory Gearbox

Customer

- JetStar Asia
- US Navy
- Japan Military
- Eaton
- BAE
- Southwest

RECENT STRATEGIC INITIATIVES



Winning Across Market Regions, Missions, and Platforms



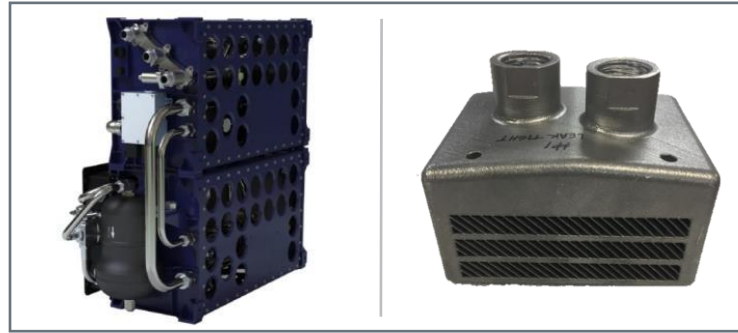
LANDING GEAR SOLUTIONS

Actuation Products & Services

Working with our customer partners on new clean sheet design and/or reconfiguration of various types of landing gears across the space, fighter, and eVTOL markets

Notably working with an emerging U.S. based eVTOL manufacturer to design both the aircraft's nose and main landing gears

Providing landing gear system design and build for second Sierra Space Dream Chaser vehicle



THERMAL SOLUTIONS

Systems, Electronics & Controls

TRIUMPH's thermal capabilities continue to expand to meet emerging aircraft thermal requirements

Investments include the development of a high-capacity vapor cycle system compressor, construction of a consolidated thermal laboratory, and the provisioning of new test equipment

Recent wins include thermal systems spanning UAV, and next-gen fighters and special mission POD ECS with customers such as General Atomics, Lockheed Martin, and Northrop Grumman



UAE MRO ALLIANCE

Product Support

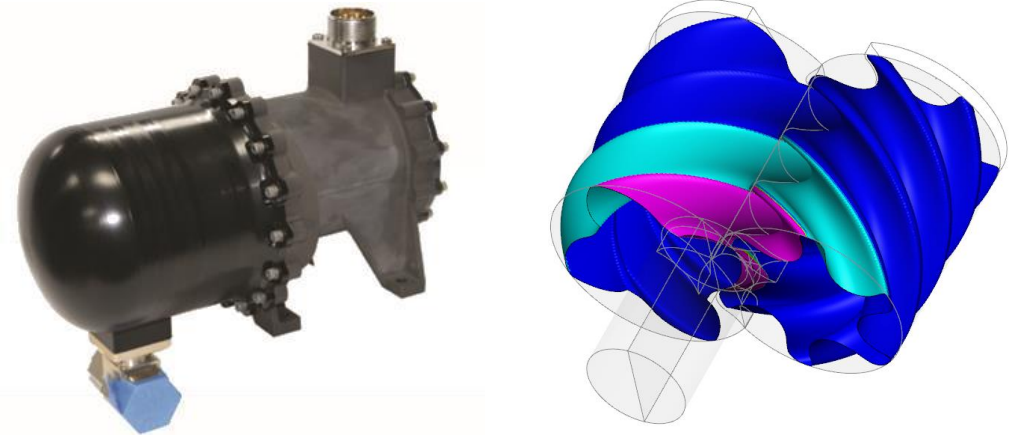
TRIUMPH and Sanad have completed the first milestone of the previously announced maintenance alliance by transitioning the existing Sanad competitive accessory baseload

Engine repairs will be completed in Grand Prairie, Texas until a dedicated JV facility is established creating local capabilities and increasing TRIUMPH's exposure to the Middle Eastern region with customers such as Turkish Technic, IAI, Emirates, and Qatar Airways

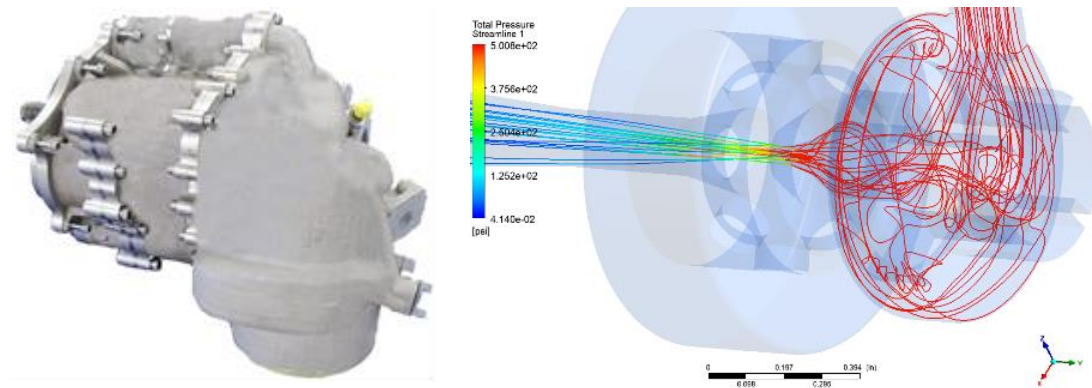
ADDITIVE MANUFACTURING



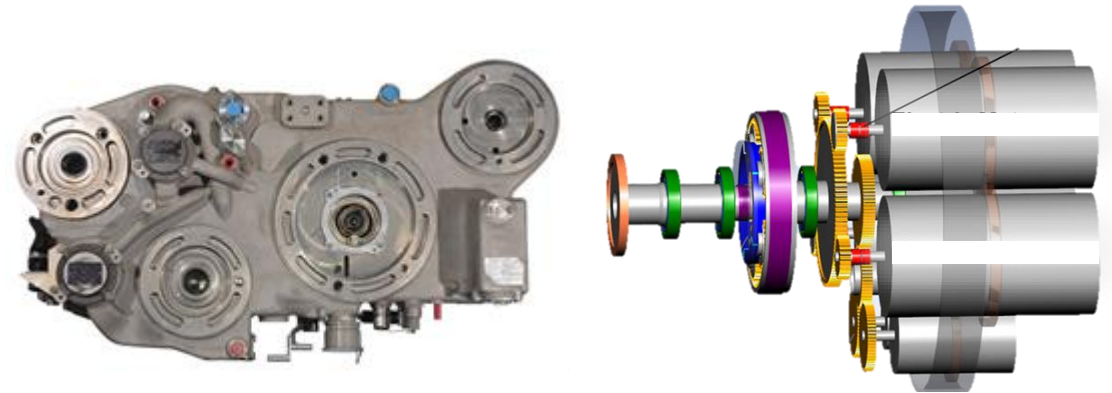
HIGH CAPACITY THERMAL SOLUTIONS



HIGH-PRESSURE, HIGH-VOLUME FUEL PUMPS



EFFICIENT GEARBOX SOLUTIONS – MILITARY & EVTOL



IP Solutions for JSF upgrades, 6th gen fighters, UAVs, eVTOL and space vehicles

VISION

AS ONE TEAM, we enable the safety and prosperity of the world.

MISSION

WE PARTNER WITH OUR CUSTOMERS to triumph over their hardest aerospace, defense and industrial challenges to deliver value to our stakeholders.

VALUES

INTEGRITY

Do the right thing for our stakeholders. We value safety, diversity and respect.

CONTINUOUS IMPROVEMENT

Pursue zero defect quality. Attack problems and relentlessly raise the bar.

TEAMWORK

Win as One Team-One Company. Solicit help and assist others.

INNOVATION

Passion for growing the business. Lead through ingenuity and entrepreneurship.

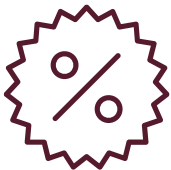
ACT WITH VELOCITY

Partner, anticipate and communicate. Proactively solve problems.



APPENDIX

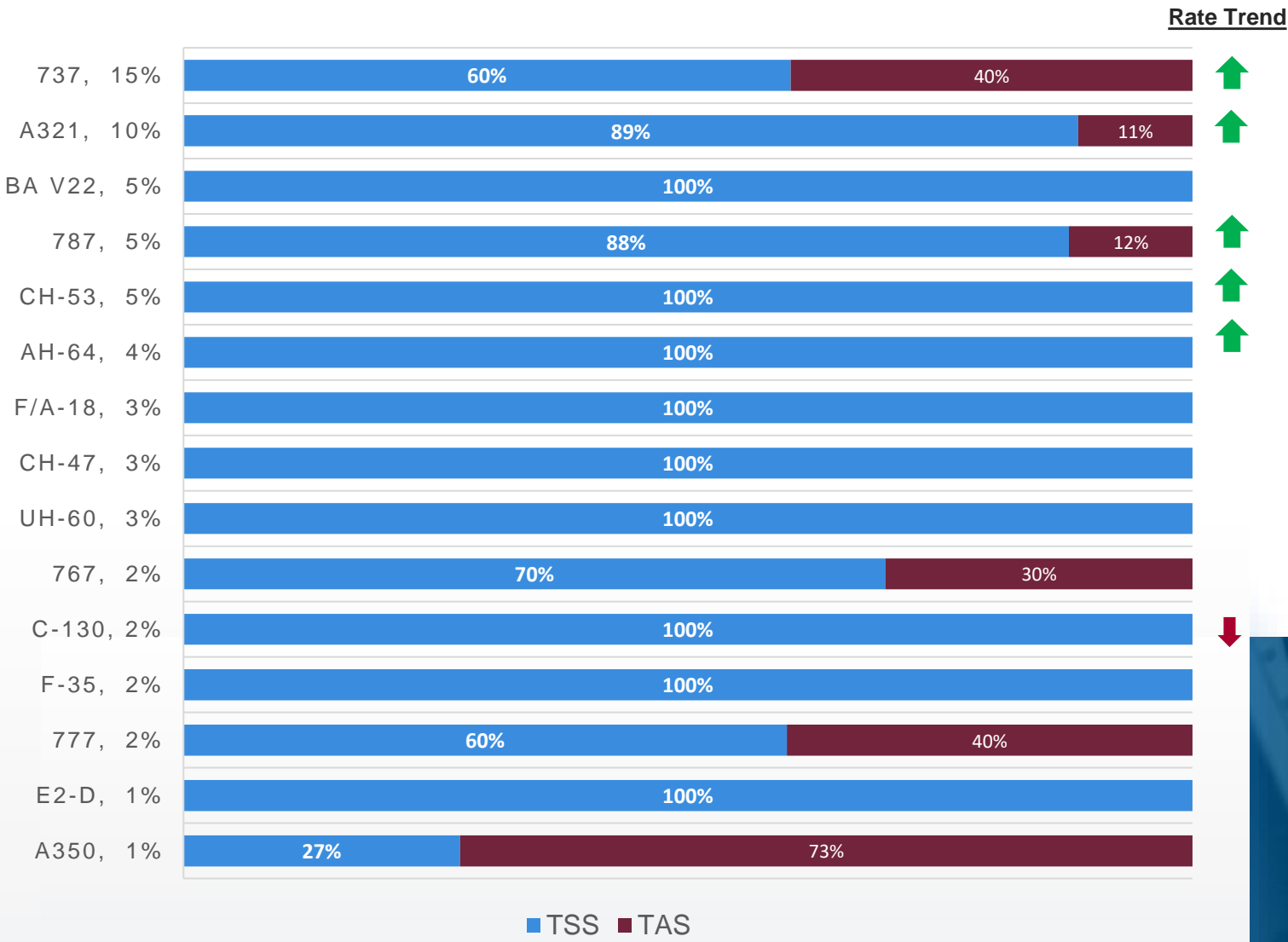
TOP PROGRAMS IN BACKLOG



5 of Top 6 Programs in backlog growing

Backlog up 12%

Top 15 Programs = 63% of total backlog of \$1.6B as of Dec 31st



(% of consolidated)	Q3 FY'22	Q3 FY'23
Commercial OEM	45%	37%
Military OEM	19%	18%
Commercial Aftermarket	17%	25%
Military Aftermarket	17%	16%
Other	2%	4%

Commercial Recovery Expected to Drive Growth Over Balance of FY 23

Adjusted Operating Income is defined as GAAP Operating Income, less expenses/gains associated with the Company's transformation, such as restructuring expenses, gains/losses on divestitures, defined benefit plan gains/losses from curtailments, settlements, etc; impairments of goodwill and other assets. Management believes that this is useful in evaluating operating performance, but this measure should not be used in isolation. The following table reconciles our Operating income to Adjusted Operating income as noted above.

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2022	2021	2022	2021
Operating income - GAAP	\$ 35,041	\$ 28,197	\$ 181,941	\$ 65,480
Adjustments:				
Loss (gain) on sale of assets and businesses, net	720	—	(103,163)	13,629
Restructuring costs	—	4,649	2,851	13,031
Consideration payable to customer related to divestiture	—	—	17,185	—
<u>Adjusted operating income - non-GAAP</u>	<u>\$ 35,761</u>	<u>\$ 32,846</u>	<u>\$ 98,814</u>	<u>\$ 92,140</u>

Non-GAAP Disclosure



Cash provided by operations, is provided for consistency and comparability. We also use free cash flow as a key factor in planning for and consideration of strategic acquisitions and the repayment of debt. This measure should not be considered in isolation, as a measure of residual cash flow available for discretionary purposes, or as an alternative to operating results presented in accordance with GAAP. The following table reconciles cash provided by operations to free cash flow.

	Three Months Ended December 31,		Nine Months Ended December 31,		Fiscal 2023 Guidance
\$ in millions	2022	2021	2022	2021	
Cash used in operating activities	\$ 0.1	\$ 15.5	\$ (112.3)	\$ (170.0)	\$ (40.0) - \$ (30.0)
Less:					
Capital expenditures	(5.1)	(8.3)	(12.3)	(15.8)	~ \$ (25.0)
Free cash use	<u>\$ (5.0)</u>	<u>\$ 7.2</u>	<u>\$ (124.6)</u>	<u>\$ (185.8)</u>	<u>\$ (65.0) - \$ (55.0)</u>