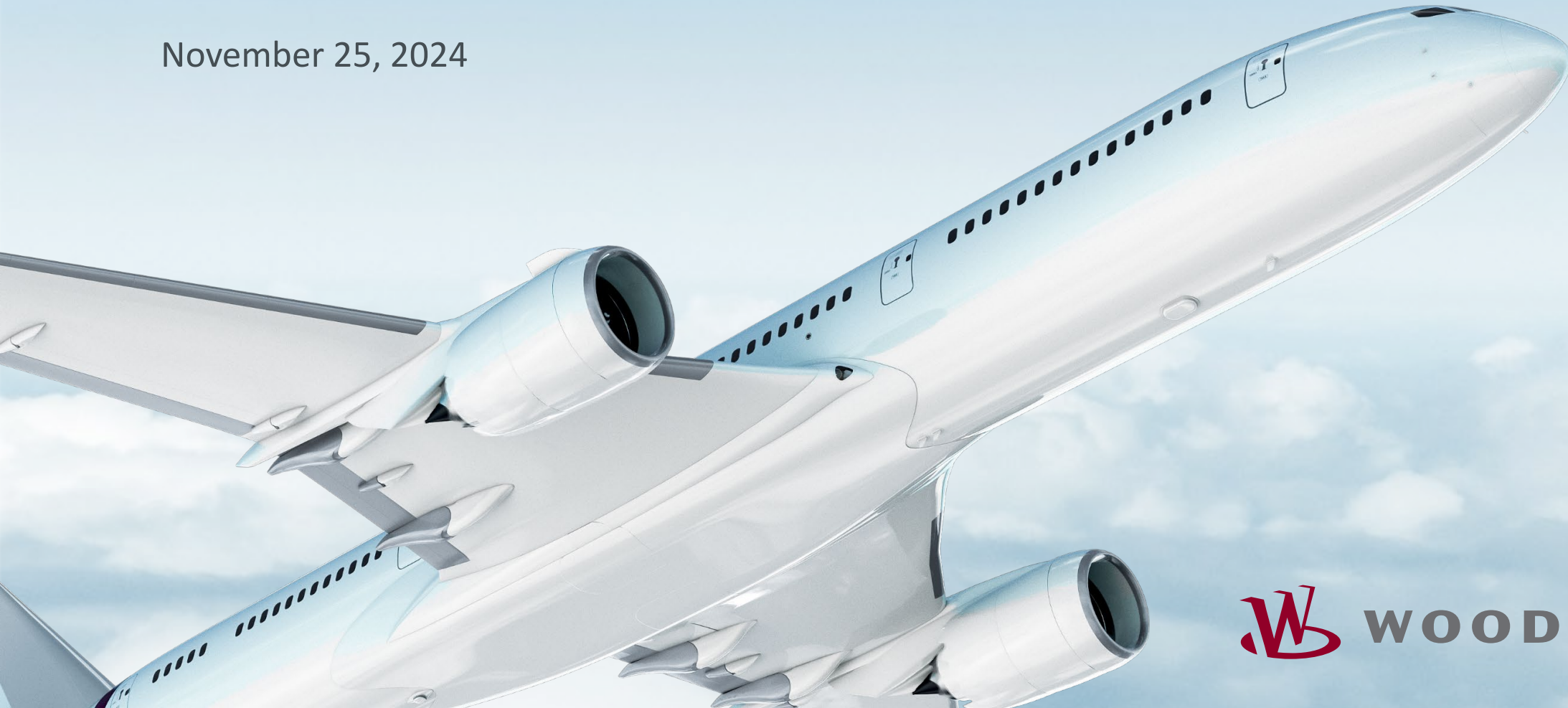


# Fourth Quarter and Fiscal Year 2024 Results

November 25, 2024



## CAUTIONARY STATEMENT

Information in this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, including, but not limited to, anticipated continued strong demand, continued improvements in our operational performance, the results of our ongoing focus on growth, operational excellence and innovation, including whether such focus ultimately leads to long-term term success and enhanced shareholder value, and statements regarding our business and guidance for fiscal year 2025, including our guidance for sales, segment sales as compared to the prior fiscal year, earnings per share, segment earnings margin, effective tax rate, free cash flow, capital expenditures, and diluted weighted average shares outstanding, as well as our assumptions regarding our guidance, anticipated trends in our business and markets, including increased revenue and margin expansion in our Aerospace segment, strength in commercial aerospace markets, defense activity in our Aerospace segment, broad-based market strength in power generation and marine transportation in our Industrial segment, anticipated weakness in the China on-highway natural gas truck market, including our assumptions regarding sales and demand in fiscal 2025. Factors that could cause actual results and the timing of certain events to differ materially from the forward-looking statements include, but are not limited to: (1) global economic uncertainty and instability, including in the financial markets that affect Woodward, its customers, and its supply chain; (2) risks related to constraints and disruptions in the global supply chain and labor markets; (3) Woodward's long sales cycle; (4) risks related to Woodward's concentration of revenue among a relatively small number of customers; (5) Woodward's ability to implement and realize the intended effects of any restructuring efforts; (6) Woodward's ability to successfully manage competitive factors including expenses and fluctuations in sales; (7) changes and consolidations in the aerospace market; (8) Woodward's financial obligations including debt obligations and tax expenses and exposures; (9) risks related to Woodward's U.S. government contracting activities including potential changes in government spending patterns; (10) Woodward's ability to protect its intellectual property rights and avoid infringing the intellectual property rights of others; (11) changes in the estimates of fair value of reporting units or of long-lived assets; (12) environmental risks; (13) Woodward's continued access to a stable workforce and favorable labor relations with its employees; (14) Woodward's ability to manage various regulatory and legal matters; (15) risks from operating internationally; (16) cybersecurity and other technological risks; and other risk factors and risks described in Woodward's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended September 30, 2023, any subsequently filed Quarterly Report on Form 10-Q, as well as its Annual Report on Form 10-K for the year ended September 30, 2024, which we expect to file shortly, and other risks described in Woodward's filings with the Securities and Exchange Commission. The forward-looking statements contained in this press release are made as of the date hereof and Woodward assumes no obligation to update such statements, except as required by applicable law.

# FISCAL YEAR 2024 SUMMARY



**SALES UP  
14% YOY**

- Robust end market demand
- Double digit growth in both Aerospace and Industrial



**OPERATING  
EARNINGS  
IMPROVEMENT**

- Price realization
- Volume growth in both segments



**STRONG  
BALANCE  
SHEET**

- Adjusted free cash flow<sup>1</sup> of \$348M
- 1.4 times leverage



## CAPITAL ALLOCATION

**\$96M**

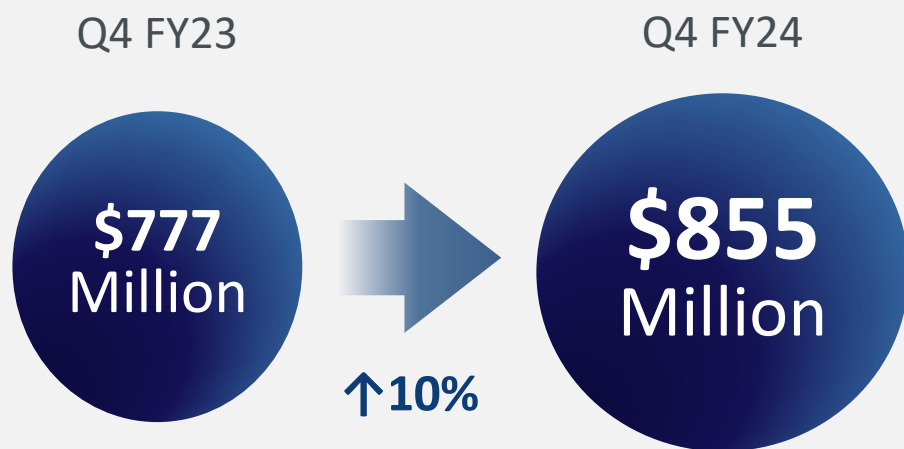
capital expenditures

**\$449M**

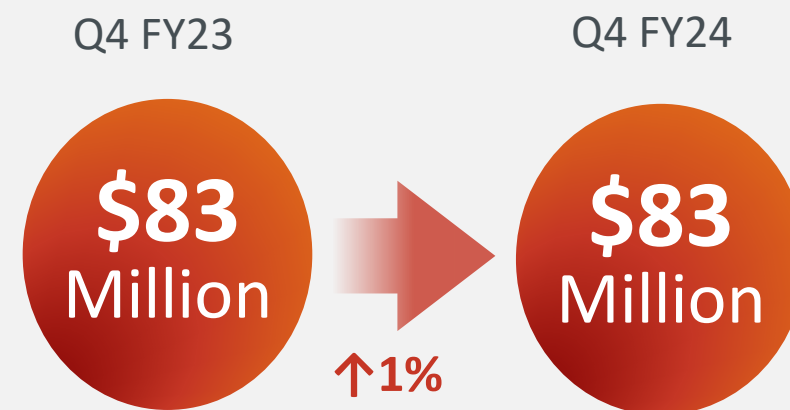
returned to shareholders  
through dividends and share  
repurchases

# Q4 FISCAL YEAR 2024 CONSOLIDATED RESULTS

## NET SALES

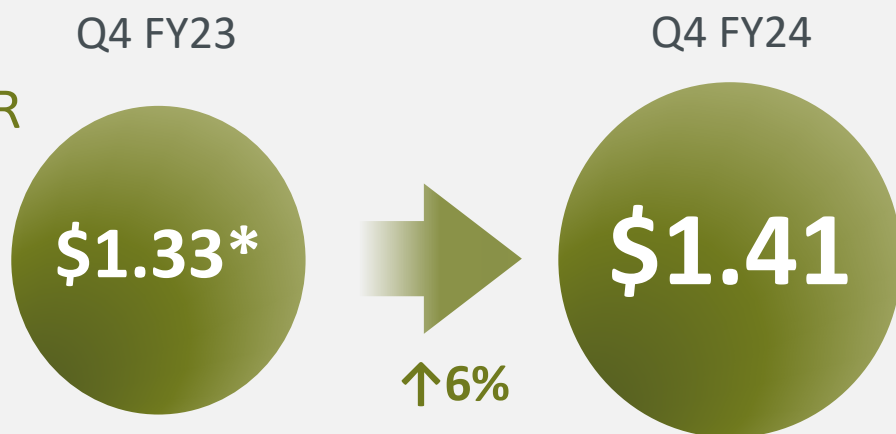


## NET EARNINGS

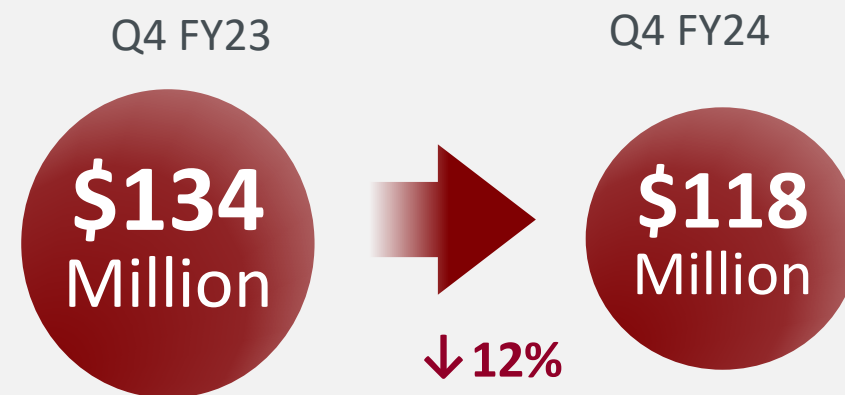


## ADJUSTED EARNINGS PER SHARE (EPS)<sup>1</sup>

REPORTED EPS:  
\$1.36 Q4 FY24



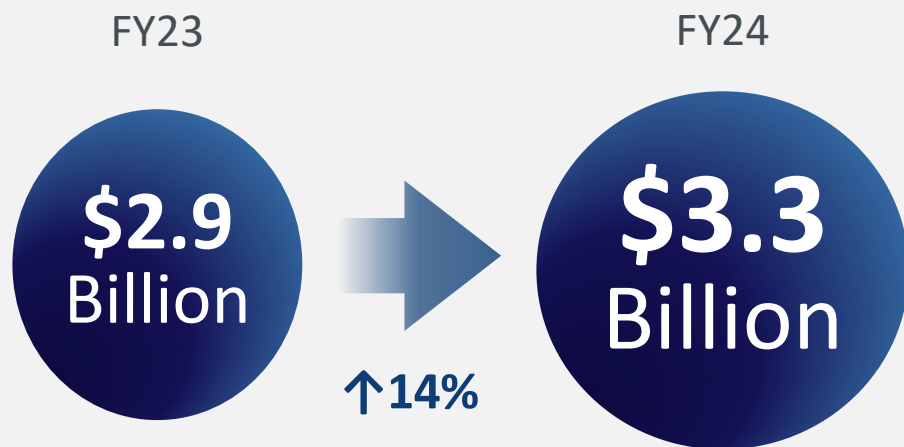
## FREE CASH FLOW



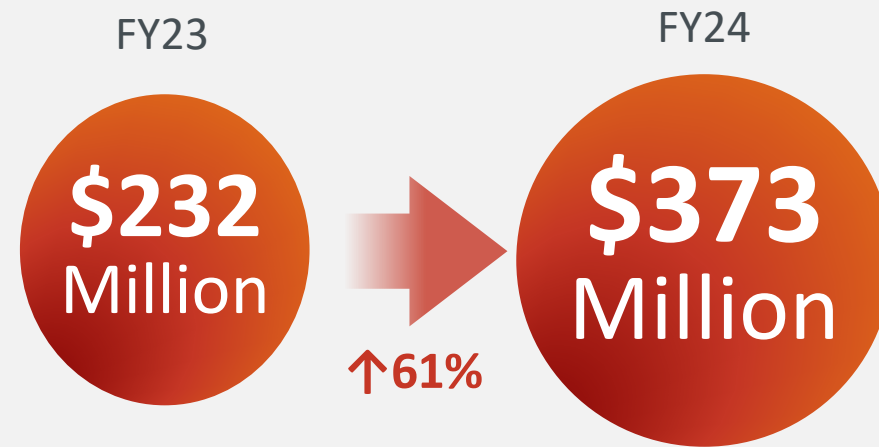
\*No adjustments in Q4 FY23

# FISCAL YEAR 2024 CONSOLIDATED RESULTS

## NET SALES

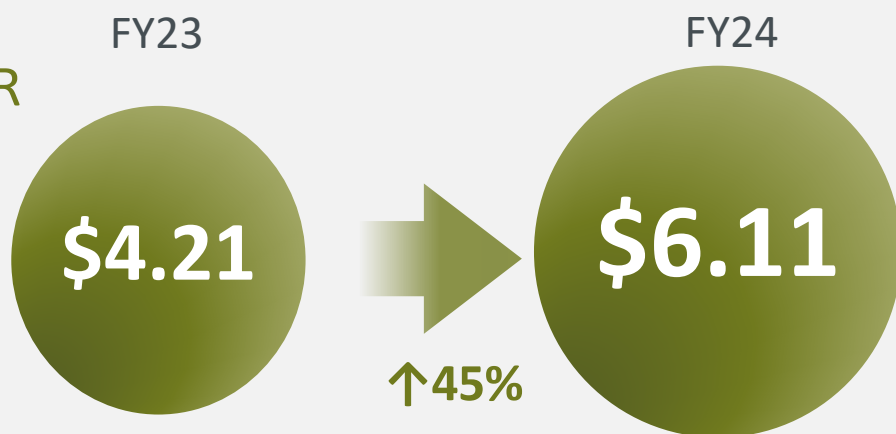


## NET EARNINGS



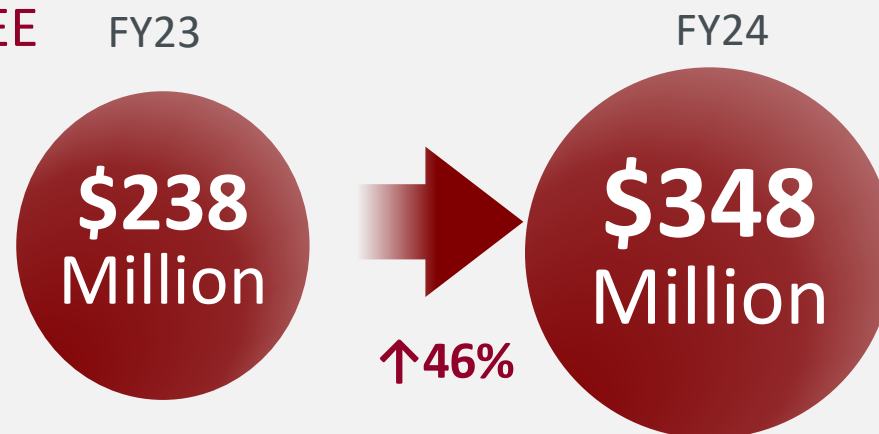
## ADJUSTED EARNINGS PER SHARE (EPS)<sup>1</sup>

REPORTED EPS:  
\$3.78 FY23  
\$6.01 FY24



## ADJUSTED FREE CASH FLOW<sup>1</sup>

REPORTED FREE CASH FLOW:  
\$232 MILLION FY23  
\$343 MILLION FY24

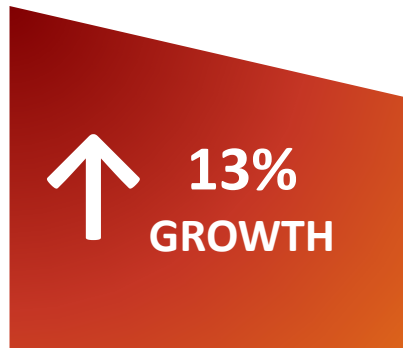




# AEROSPACE OVERVIEW

# AEROSPACE - COMMERCIAL

WWD Commercial  
OEM Sales



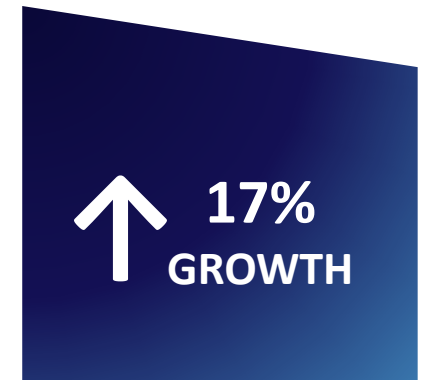
FY23 to FY24

COMMERCIAL  
OEM

Strong ongoing demand  
External supply chain challenges



WWD Commercial  
Aftermarket Sales



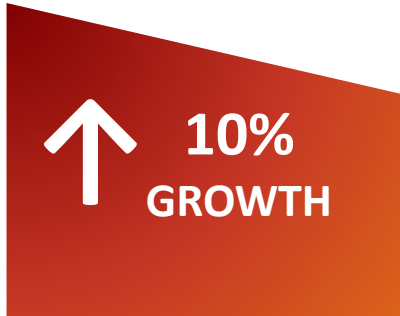
FY23 to FY24

COMMERCIAL  
AFTERMARKET

Strong passenger traffic  
High aircraft utilization

# AEROSPACE - DEFENSE

WWD Defense  
OEM Sales



FY23 to FY24

DEFENSE  
OEM

Improved guided weapons shipments  
Growth in ground vehicles



WWD Defense  
Aftermarket Sales



FY23 to FY24

DEFENSE  
AFTERMARKET

Improved operational execution  
Supply chain stabilization



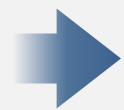
# AEROSPACE SEGMENT Q4 FISCAL YEAR 2024

## SALES

Q4 FY23

Q4 FY24

**\$455**  
Million



**\$553**  
Million

↑22%

## EARNINGS

Q4 FY23

Q4 FY24

**\$78**  
Million



**\$106**  
Million

↑35%

## MARGIN

Q4 FY23

Q4 FY24

17.2%



19.2%

↑200 bps

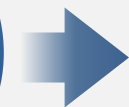
# AEROSPACE SEGMENT FISCAL YEAR 2024

## SALES

FY23

FY24

**\$1.8**  
Billion



**\$2.0**  
Billion

↑15%

## EARNINGS

FY23

FY24

**\$290**  
Million



**\$385**  
Million

↑33%

## MARGIN

FY23

FY24

**16.4%**



**19.0%**

↑260 bps



# INDUSTRIAL OVERVIEW

# INDUSTRIAL MARKETS FY23 VS FY24



## POWER GENERATION

Robust global demand for power generation driving investment in gas powered generation

Growing demand for data centers and associated backup power

Increased demand to support grid stability



## TRANSPORTATION

Weak local economy and narrowing fuel price spread softening demand for heavy duty trucks in China

Healthy global marine market with shipyards at capacity and higher utilization

Increasing demand for alternative fuels across the marine industry



## OIL AND GAS

Indications of softening in overall Oil & Gas demand

Positive outlook related to continued investment in refining and petrochemical activities in China, Middle East, and India

# INDUSTRIAL SEGMENT Q4 FISCAL YEAR 2024

## SALES

Q4 FY23



Q4 FY24



## EARNINGS

Q4 FY23

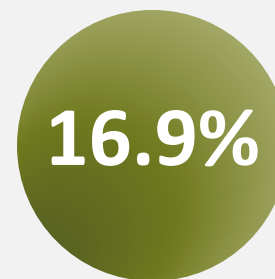


Q4 FY24



## MARGIN

Q4 FY23

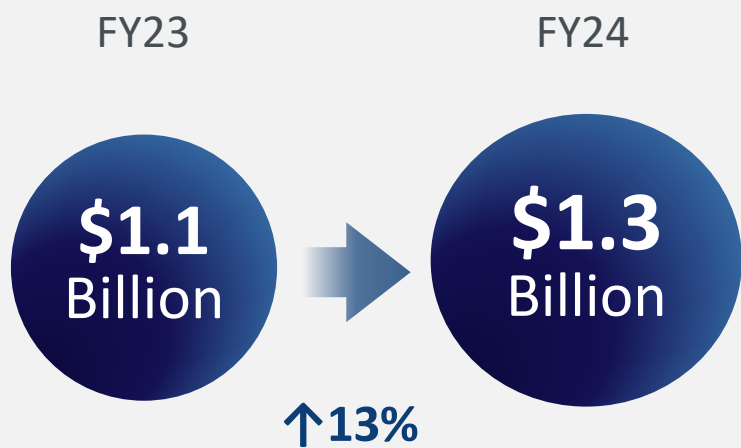


Q4 FY24

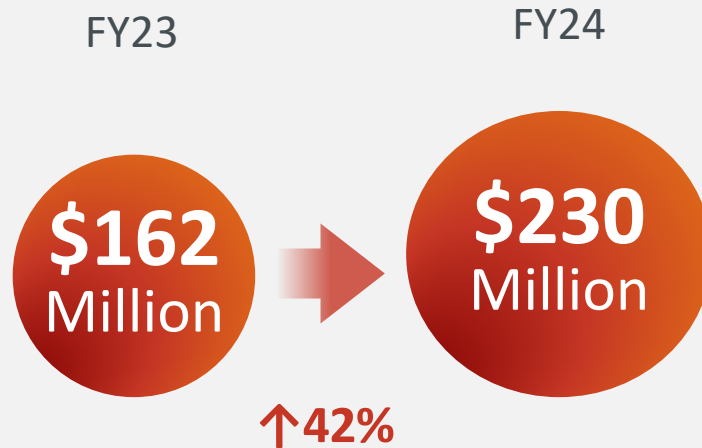


# INDUSTRIAL SEGMENT FISCAL YEAR 2024

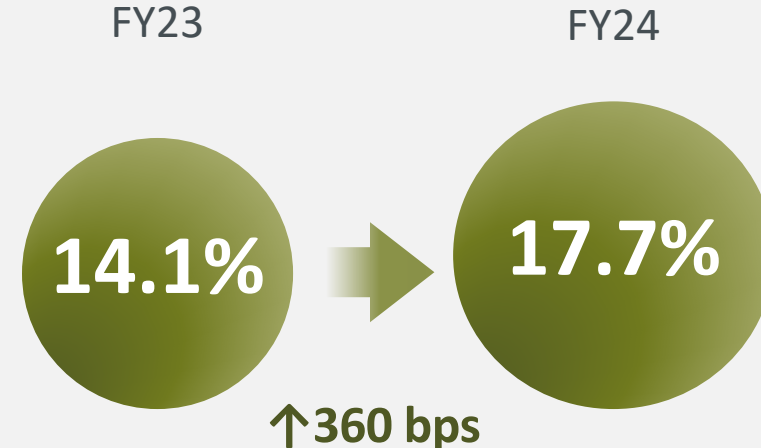
## SALES



## EARNINGS



## MARGIN



## WOODWARD SELECT FINANCIAL RESULTS

	Fourth Quarter			Fiscal Year		
	Q4 FY23	Q4 FY24	CHANGE	FY23	FY24	CHANGE
GROSS MARGIN*	24.4%	24.3%	(10) bps	23.2%	26.4%	320 bps
SG&A EXPENSES: % OF SALES	8.5%	9.1%	60 bps	9.3%	9.3%	0 bps
R&D EXPENSES: % OF SALES	4.1%	4.1%	0 bps	4.5%	4.2%	(30) bps
EFFECTIVE TAX RATE	15.7%	18.0%	230 bps	15.7%	17.8%	210 bps
EBITDA <sup>1</sup> (Million)	\$139	\$142	\$3	\$441	\$612	\$171
ADJUSTED EBITDA <sup>1</sup> (Million)	\$139	\$147	\$8	\$476	\$620	\$144
CASH FROM OPERATIONS (Million)	\$153	\$142	(\$11)	\$309	\$439	\$130
CAPITAL EXPENDITURES (Million)	\$19	\$24	\$5	\$77	\$96	\$19
FREE CASH FLOW <sup>1</sup> (Million)	\$134	\$118	(\$16)	\$232	\$343	\$111
ADJUSTED FREE CASH FLOW <sup>1</sup> (Million)	\$135	\$118	(\$17)	\$238	\$348	\$110

\* Gross margin defined as (Net Sales less Cost of Goods Sold) / (Net Sales)



## FY25 GUIDANCE

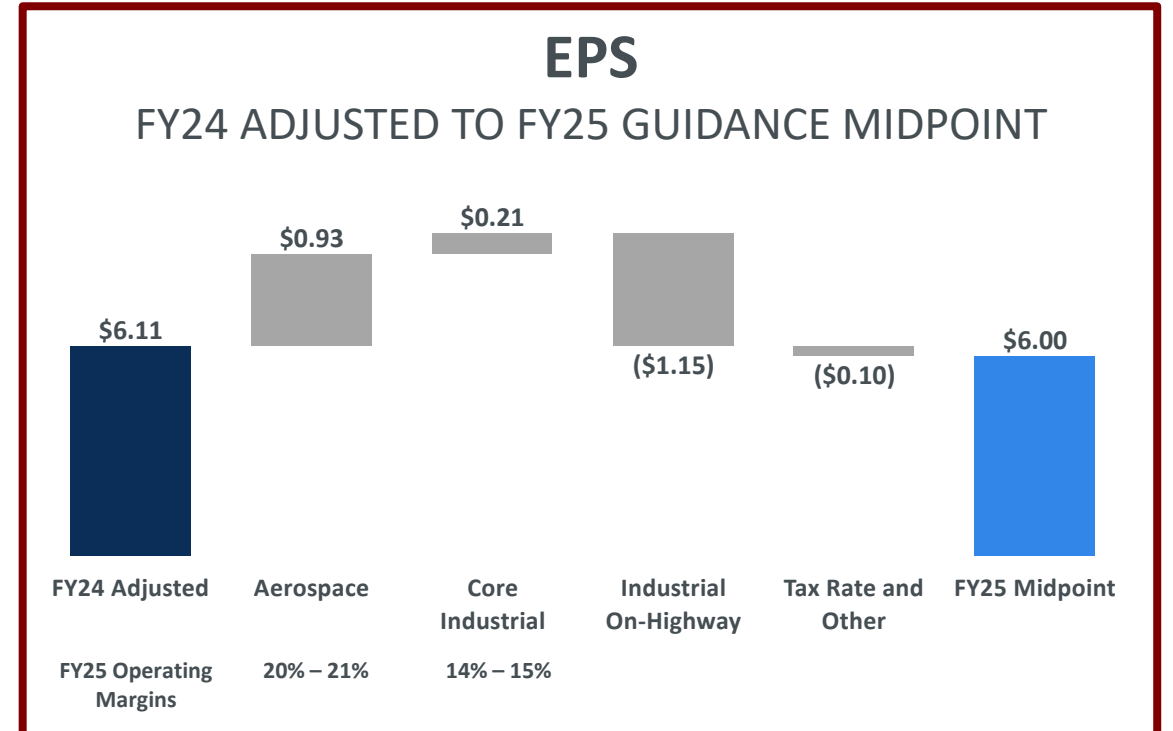
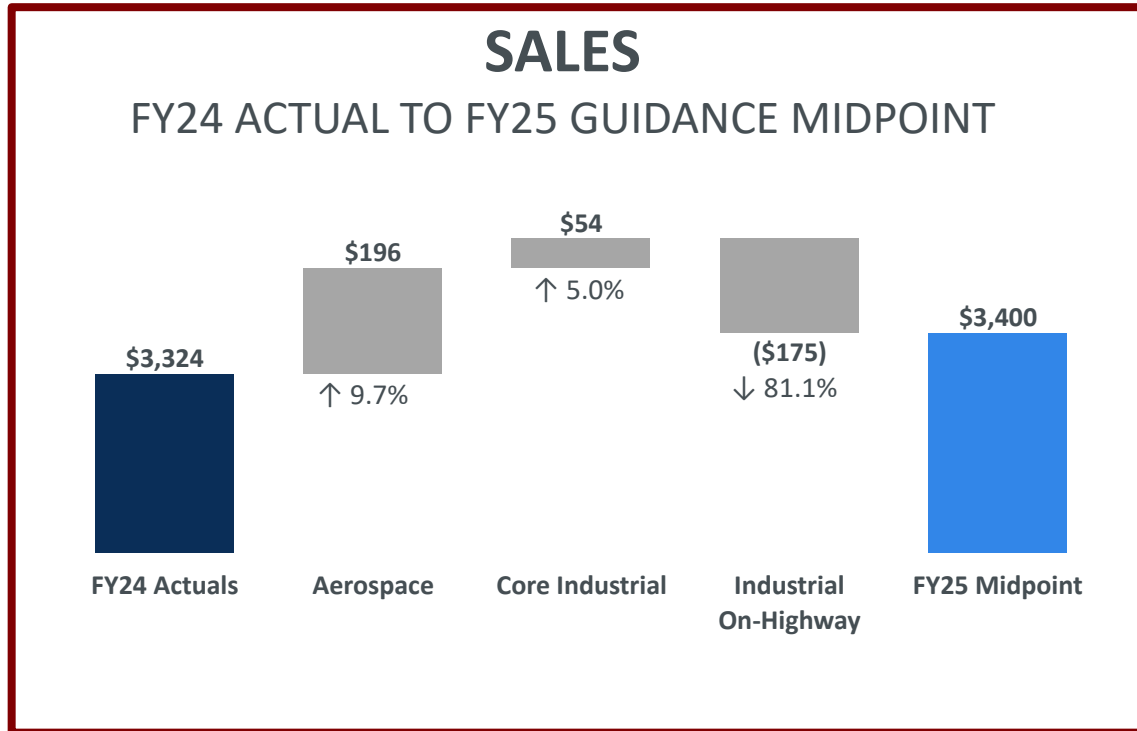


# FISCAL 2025 GUIDANCE

(in millions, except EPS and percentages)

WOODWARD	Sales	\$3,300 – \$3,500
	Effective Tax Rate	~20%
	Free Cash Flow	\$350 – \$400
	Capital Expenditures	~\$115
	Shares	~61.5
	EPS	\$5.75 – \$6.25
AEROSPACE	Sales	Up 6–13%
	Segment Earnings (% of Sales)	20–21%
INDUSTRIAL	Sales	Down 7–11%
	Segment Earnings (% of Sales)	13–14%

# FISCAL 2025 GUIDANCE



GROWTH IN AEROSPACE AND CORE INDUSTRIAL<sup>1</sup> OFFSET BY CHINA ON HIGHWAY DECLINE

# Appendix



## NON-U.S. GAAP RECONCILIATIONS

*Woodward, Inc. and Subsidiaries*  
**RECONCILIATION OF EARNINGS TO ADJUSTED NET EARNINGS<sup>1</sup>**  
*(Unaudited - in thousands, except per share amounts)*

	<i>Three Months Ended September 30, 2024</i>			<i>Three Months Ended September 30, 2023</i>		
	<i>Before Income</i>	<i>Net of Income</i>	<i>Per Share, Net of</i>	<i>Before Income</i>	<i>Net of Income</i>	<i>Per Share, Net of</i>
	<i>Tax</i>	<i>Tax</i>	<i>Income Tax</i>	<i>Tax</i>	<i>Tax</i>	<i>Income Tax</i>
<b>Net Earnings (U.S. GAAP)</b>	\$ 101,531	\$ 83,296	\$ 1.36	\$ 98,040	\$ 82,652	\$ 1.33
Non-U.S. GAAP adjustments:						
Non-recurring gain related to a previous acquisition	-	-	-	-	-	-
Business development activities	-	-	-	-	-	-
Non-recurring charge related to a previous acquisition	4,378	3,129	0.05	-	-	-
Certain non-restructuring separation costs	-	-	-	-	-	-
Specific charge for excess and obsolete inventory	-	-	-	-	-	-
Product rationalization	-	-	-	-	-	-
Non-recurring charge related to customer collections	-	-	-	-	-	-
Restructuring charges	-	-	-	-	-	-
<b>Total non-U.S. GAAP adjustments</b>	<u>4,378</u>	<u>3,129</u>	<u>0.05</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Adjusted net earnings (Non-U.S. GAAP)</b>	<u>\$ 105,909</u>	<u>\$ 86,425</u>	<u>\$ 1.41</u>	<u>\$ 98,040</u>	<u>\$ 82,652</u>	<u>\$ 1.33</u>

*Woodward, Inc. and Subsidiaries*  
**RECONCILIATION OF EARNINGS TO ADJUSTED NET EARNINGS<sup>1</sup>**  
*(Unaudited - in thousands, except per share amounts)*

	<i>Year Ended September 30, 2024</i>			<i>Year Ended September 30, 2023</i>		
	<i>Before Income</i>	<i>Net of Income</i>	<i>Per Share, Net of</i>	<i>Before Income</i>	<i>Net of Income</i>	<i>Per Share, Net of</i>
	<i>Tax</i>	<i>Tax</i>	<i>Income Tax</i>	<i>Tax</i>	<i>Tax</i>	<i>Income Tax</i>
<b>Net Earnings (U.S. GAAP)</b>	\$ 453,971	\$ 372,971	\$ 6.01	\$ 275,768	\$ 232,368	\$ 3.78
Non-U.S. GAAP adjustments:						
Non-recurring gain related to a previous acquisition	(4,803)	(3,433)	(0.06)	-	-	-
Business development activities	5,902	4,456	0.07	-	-	-
Non-recurring charge related to a previous acquisition	4,378	3,129	0.05	-	-	-
Certain non-restructuring separation costs	2,666	2,013	0.04	2,208	1,661	0.03
Specific charge for excess and obsolete inventory	-	-	-	11,995	9,016	0.15
Product rationalization	-	-	-	10,504	7,896	0.13
Non-recurring charge related to customer collections	-	-	-	4,997	3,761	0.06
Restructuring charges	-	-	-	5,172	3,874	0.06
<b>Total non-U.S. GAAP adjustments</b>	<u>8,143</u>	<u>6,165</u>	<u>0.10</u>	<u>34,876</u>	<u>26,208</u>	<u>0.43</u>
<b>Adjusted net earnings (Non-U.S. GAAP)</b>	<u>\$ 462,114</u>	<u>\$ 379,136</u>	<u>\$ 6.11</u>	<u>\$ 310,644</u>	<u>\$ 258,576</u>	<u>\$ 4.21</u>

## NON-U.S. GAAP RECONCILIATIONS

*Woodward, Inc. and Subsidiaries*  
**RECONCILIATION OF NET EARNINGS TO EBIT<sup>1</sup> AND ADJUSTED EBIT<sup>1</sup>**  
*(Unaudited - in thousands)*

	<i>Three Months Ended September 30,</i>		<i>Year Ended September 30,</i>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net earnings (U.S. GAAP)	\$ 83,296	\$ 82,652	\$ 372,971	\$ 232,368
Income taxes	18,235	15,388	81,000	43,400
Interest expense	13,477	11,736	47,959	47,898
Interest income	(1,964)	(1,361)	(6,458)	(2,751)
<b>EBIT (Non-U.S. GAAP)</b>	<u>113,044</u>	<u>108,415</u>	<u>495,472</u>	<u>320,915</u>
Non-U.S. GAAP adjustments*	4,378	-	8,143	34,876
<b>Adjusted EBIT (Non-U.S. GAAP)</b>	<u>\$ 117,422</u>	<u>\$ 108,415</u>	<u>\$ 503,615</u>	<u>\$ 355,791</u>

\*See Reconciliation of Net Earnings to Adjusted Net Earnings<sup>1</sup> tables above for the list of Non-U.S. GAAP adjustments made in the applicable periods.

*Woodward, Inc. and Subsidiaries*  
**RECONCILIATION OF NET EARNINGS TO EBITDA<sup>1</sup> AND ADJUSTED EBITDA<sup>1</sup>**  
*(Unaudited - in thousands)*

	<i>Three Months Ended September 30,</i>		<i>Year Ended September 30,</i>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net earnings (U.S. GAAP)	\$ 83,296	\$ 82,652	\$ 372,971	\$ 232,368
Income taxes	18,235	15,388	81,000	43,400
Interest expense	13,477	11,736	47,959	47,898
Interest income	(1,964)	(1,361)	(6,458)	(2,751)
Amortization of intangible assets	8,244	9,500	33,592	37,589
Depreciation expense	21,084	20,942	82,578	82,154
<b>EBITDA (Non-U.S. GAAP)</b>	<u>142,372</u>	<u>138,857</u>	<u>611,642</u>	<u>440,658</u>
Non-U.S. GAAP adjustments*	4,378	-	8,143	34,876
<b>Adjusted EBITDA (Non-U.S. GAAP)</b>	<u>\$ 146,750</u>	<u>\$ 138,857</u>	<u>\$ 619,785</u>	<u>\$ 475,534</u>

\*See Reconciliation of Net Earnings to Adjusted Net Earnings<sup>1</sup> tables above for the list of Non-U.S. GAAP adjustments made in the applicable periods.

## NON-U.S. GAAP RECONCILIATIONS

*Woodward, Inc. and Subsidiaries*RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES TO FREE CASH FLOW<sup>1</sup> AND ADJUSTED FREE CASH FLOW<sup>1</sup>*(Unaudited - in thousands)*

	<i>Three Months Ended September 30,</i>		<i>Year Ended September 30,</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Net cash provided by operating activities (U.S. GAAP)	\$ 141,760	\$ 152,913	\$ 439,089	\$ 308,543
Payments for property, plant and equipment	(24,087)	(19,358)	(96,280)	(76,500)
<b>Free cash flow (Non-U.S. GAAP)</b>	<b>117,673</b>	<b>133,555</b>	<b>342,809</b>	<b>232,043</b>
Cash received for a non-recurring matter related to a previous acquisition	-	-	(4,803)	-
Cash paid for business development activities	-	-	5,902	-
Cash paid for non-recurring matter unrelated to the ongoing operations of the businesses	-	-	2,725	-
Cash paid for certain non-restructuring separation costs	-	-	985	977
Cash paid for restructuring charges	-	1,613	-	5,207
<b>Adjusted free cash flow (Non-U.S. GAAP)</b>	<b>117,673</b>	<b>135,168</b>	<b>347,618</b>	<b>238,227</b>

*Woodward, Inc. and Subsidiaries*RECONCILIATION OF NONSEGMENT EXPENSES TO ADJUSTED NONSEGMENT EXPENSES<sup>1</sup>*(Unaudited - in thousands)*

	<i>Three Months Ended September 30,</i>		<i>Year Ended September 30,</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
Nonsegment expenses (U.S. GAAP)	\$ 31,036	\$ 24,317	\$ 119,745	\$ 130,811
Non-recurring gain related to a previous acquisition	-	-	4,803	-
Business development activities	-	-	(5,902)	-
Non-recurring charge related to a previous acquisition	(4,378)	-	(4,378)	-
Certain non-restructuring separation costs	-	-	(2,666)	(2,208)
Specific charge for excess and obsolete inventory	-	-	-	(11,995)
Product rationalization	-	-	-	(10,504)
Restructuring charges	-	-	-	(5,172)
Non-recurring charge related to customer collections	-	-	-	(4,997)
<b>Adjusted nonsegment expenses (Non-U.S. GAAP)</b>	<b>\$ 26,658</b>	<b>\$ 24,317</b>	<b>\$ 111,602</b>	<b>\$ 95,935</b>

## NON-U.S. GAAP RECONCILIATIONS

*Woodward, Inc. and Subsidiaries*  
**RECONCILIATION OF INDUSTRIAL SEGMENT SALES**  
*(Unaudited - in thousands)*

	<i>Three Months Ended September 30,</i>		<i>Year Ended September 30,</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
China on highway natural gas truck sales	\$ 22,380	\$ 45,000	\$ 215,770	\$ 126,455
Core Industrial sales	279,317	277,200	1,079,861	1,020,008
<b>Industrial segment net sales (U.S. GAAP)</b>	<b><u>301,697</u></b>	<b><u>322,200</u></b>	<b><u>1,295,631</u></b>	<b><u>1,146,463</u></b>

# NON-U.S. GAAP MEASURES

<sup>1</sup>Adjusted and Non-U.S. GAAP Financial Measures: Adjusted net earnings, adjusted earnings per share, adjusted EBIT, adjusted EBITDA, adjusted effective tax rate, and adjusted nonsegment expenses exclude, as applicable, (i) a non-recurring gain related to a previous acquisition, (ii) costs related to business development activities, (iii) non-recurring charge related to a previous acquisition, (iv) certain non-restructuring separation costs, (v) a specific charge for excess and obsolete inventory, (vi) product rationalization, (vii) a non-recurring charge related to customer collections, and (viii) restructuring charges. The product rationalization adjustment pertains to a non-recurring write-off of inventory and assets related to the elimination of certain product lines. The specific charge for excess and obsolete inventory pertains to a non-recurring process change that resulted in the identification and write down of certain excess inventory unrelated to product rationalization. The non-recurring charge related to customer collections pertains to a discrete process issue that was identified and corrected. The Company believes that these excluded items are short-term in nature, not directly related to the ongoing operations of the business, and therefore, the exclusion of them illustrates more clearly how the underlying business of Woodward is performing. Adjusted free cash flow is free cash flow (defined below) plus cash received for a non-recurring matter related to a previous acquisition, minus cash paid for (i) business development activities, (ii) a non-recurring matter unrelated to the ongoing operations of the business, (iii) certain non-restructuring separation costs and (iv) restructuring charges. Management believes these adjustments to free cash flow better portray Woodward's operating performance.

EBIT (earnings before interest and taxes), EBITDA (earnings before interest, taxes, depreciation and amortization), free cash flow, adjusted free cash flow, adjusted net earnings, adjusted earnings per share, adjusted EBIT, adjusted EBITDA, adjusted effective tax rate, and adjusted nonsegment expenses are financial measures not prepared and presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Management uses EBIT and adjusted EBIT to evaluate Woodward's operating performance without the impacts of financing and tax related considerations. Management uses EBITDA and adjusted EBITDA in evaluating Woodward's operating performance, making business decisions, including developing budgets, managing expenditures, forecasting future periods, and evaluating capital structure impacts of various strategic scenarios. Management also uses free cash flow, which is derived from net cash provided by or used in operating activities

less payments for property, plant, and equipment, as well as adjusted free cash flow (as described above), in reviewing the financial performance of Woodward's various business segments and evaluating cash generation levels. Securities analysts, investors, and others frequently use EBIT, EBITDA and free cash flow in their evaluation of companies, particularly those with significant property, plant, and equipment, and intangible assets that are subject to amortization. The use of any of these non-U.S. GAAP financial measures is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with U.S. GAAP. Because adjusted net earnings, adjusted earnings per share, EBIT, EBITDA, adjusted EBIT, and adjusted EBITDA exclude certain financial information compared with net earnings, the most comparable U.S. GAAP financial measure, users of this financial information should consider the information that is excluded. Free cash flow and adjusted free cash flow do not necessarily represent funds available for discretionary use and is not necessarily a measure of our ability to fund our cash needs. Woodward's calculations of EBIT, EBITDA, adjusted net earnings, adjusted earnings per share, adjusted EBIT, adjusted EBITDA, adjusted effective tax rate, adjusted nonsegment expenses, free cash flow, and adjusted free cash flow may differ from similarly titled measures used by other companies, limiting their usefulness as comparative measures.

<sup>2</sup>Website, Facebook, X: Woodward has used, and intends to continue to use, its Investor Relations website, LinkedIn page, Facebook page, and X handle as means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.