FY 2016
THIRD QUARTER EARNINGS CONFERENCE CALL

August 9, 2016

Growth, Innovation and Value Creation NONSTOP

TRANSDIGM GROUP INC.

Agenda

- TransDigm Overview — W. Nicholas Howley, Chairman, President and CEO
- Highlights, Market Review, Operating Performance and Outlook — W. Nicholas Howley, Chairman, President and CEO
- Financial Results — Terrance Paradie, Executive Vice President and Chief Financial Officer
- Q&A

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including information regarding our guidance for future periods. These forward-looking statements are based on management's current expectations and beliefs, as well as a number of assumptions concerning future events, many of which are outside of our control. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statement. These risks and uncertainties include but are not limited to: the sensitivity of our business to the number of flight hours that our customers' planes spend aloft and our customers' profitability, both of which are affected by general economic conditions; future terrorist attacks; cyber-security threats and natural disasters; our reliance on certain customers; the U.S. defense budget and risks associated with being a government supplier; failure to maintain government or industry approvals; failure to complete or successfully integrate acquisitions; our substantial indebtedness; potential environmental liabilities; increases in costs that cannot be recovered in product pricing; risks associated with our international sales and operations; and other factors. Further information regarding the important factors that could cause actual results to differ materially from projected results can be found in TransDigm Group's Annual Report on Form 10-K and other reports that TransDigm Group or its subsidiaries have filed with the Securities and Exchange Commission.

You are cautioned not to place undue reliance on our forward-looking statements. TransDigm Group Incorporated assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Special Notice Regarding Pro Forma and Non-GAAP Information

This presentation sets forth certain pro forma financial information. This pro forma financial information gives effect to certain recently completed acquisitions. Such pro forma information is based on certain assumptions and adjustments and does not purport to present TransDigm's actual results of operations or financial condition had the transactions reflected in such pro forma financial information occurred at the beginning of the relevant period, in the case of income statement information, or at the end of such period, in the case of balance sheet information, nor is it necessarily indicative of the results of operations that may be achieved in the future.

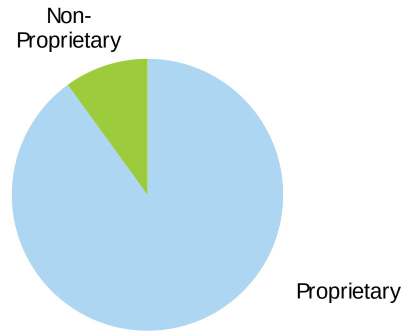
This presentation also sets forth certain non-GAAP financial measures. A presentation of the most directly comparable GAAP measures and a reconciliation to such measures are set forth in the appendix.

TransDigm Overview

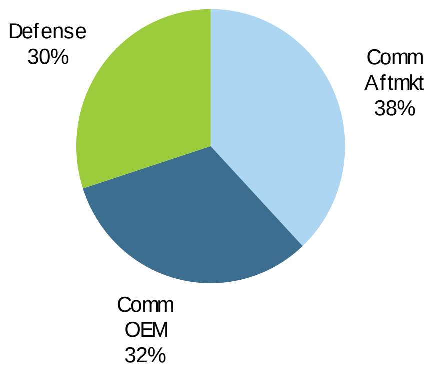
DISTINGUISHING CHARACTERISTICS

- Highly engineered aerospace components
- Proprietary and sole source products
- Significant aftermarket content
- High free cash flow

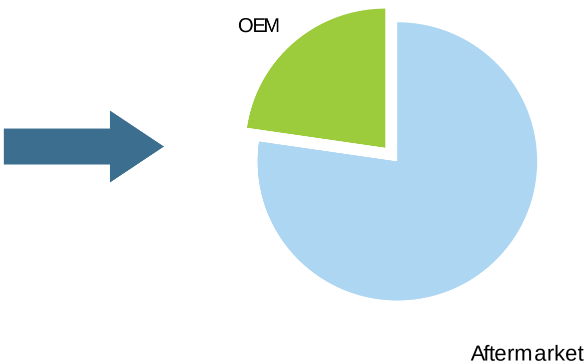
Proprietary Revenues (1)



Pro Forma Revenues (Excluding Non-Aviation Segment) (1)



Pro Forma EBITDA As Defined (1)



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(1) Pro forma revenue is for the fiscal year ended 9/30/15 (excluding the Non-Aviation Segment sales of ≈ $96 million or ≈ 3% of total sales). Includes the full year impact of recent acquisitions of Telair, Franke, Pexco, PneuDraulics and Breeze. Excludes DDC. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

2016 Q3 Financial Performance by Markets – Pro Forma

Highlights[1]

Commercial OEM

- Commercial transport revenue up ≈ 6% in Q3

Commercial Aftermarket

- Commercial transport revenue strong in Q3

Defense

- Bookings slightly ahead of shipments YTD

Q3 Market Review – Pro Forma Revenues[1]

	Actual vs. Prior Year Q3	Actual vs. Prior Year YTD
Commercial OEM:	Up 4%	Up 1%
Commercial Aftermarket:	Up 8%	Up 7%
Defense:	Up 3%	≈ Flat

(1) Information is on a pro forma basis versus the prior year period and includes the recent acquisitions of Telair, Franke, Pexco, PneuDraulics and Breeze. Excludes DDC. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

Fiscal 2016 Outlook

FY 2015 Pro Forma Sales Mix [1]	Market	FY 2016 Expected Growth
32%	Commercial OEM	Up Low Single-Digit %
38%	Commercial Aftermarket	Up Mid to High Single-Digit %
30%	Defense	Flat to Slightly Down

Assumptions

- Full year interest expense ≈ $485 million
- Weighted average shares of 56.2 million

Guidance Summary

($ in millions)	Low	High
Revenues	$ 3,170	$ 3,190
EBITDA As Defined	$ 1,483	$ 1,497
% to sales	*46.8%*	*46.9%*
Net Income	$ 573	$ 583
GAAP EPS	$ 10.14	$ 10.32
Adj. EPS	$ 11.21	$ 11.39

(1) Pro forma revenue is for the fiscal year ended 9/30/15 (excluding the Non-Aviation Segment sales of ≈ $96 million or ≈ 3% of total sales). Includes the full year impact of recent acquisitions of Telair, Franke, Pexco, PneuDraulics and Breeze. Excludes DDC. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

Third Quarter 2016 Results

($ in millions, except per share amounts)	Thirteeen Week Periods Ended		
	July 2, 2016	June 27, 2015	
Revenue	**$797.7**	**$691.4**	**15.4% Increase**
Gross Profit	**$443.5**	**$359.4**	**3.6 Margin Point Increase**
Margin %	*55.6%*	*52.0%*	• Dilutive impact from acquisition operating margins • Lower acquisition-related inventory step-up and integration costs • Strength of our proprietary products and productivity improvements
SG&A	**$94.2**	**$81.9**	
% to Sales	*11.8%*	*11.8%*	
Interest Expense- Net	**$120.8**	**$106.8**	**13.1% Increase** • Outstanding borrowings increased
Net Income	**$140.6**	**$99.1**	**41.9% Increase**
% to Sales	*17.6%*	*14.3%*	
Adjusted EPS	**$3.09**	**$2.26**	**36.7% Increase**

Liquidity & Taxes

($ in millions)

Cash

	YTD 7/2/2016	FY 9/30/2015
Net Cash Provided by Operating Activities	**$444.4**	**$520.9**
Capital Expenditures	**($30.0)**	**($54.9)**
Free Cash Flow	**$414.4**	**$466.0**
Cash on the Balance Sheet	**$1,666.7**	**$714.0**

Taxes

- FY 16 Q3 ETR: 27.6%
- FY 16 Q3 YTD ETR: 29.5%

Liquidity

	Actual 7/2/2016	Net Debt to Pro Forma EBITDA As Defined Multiple	Rate
Cash	$1,667		
$600m revolver	–		L + 3.00%
$250m AR securitization facility	200		L + 0.80%
First lien term loan C due 2020	1,231		L + 3.00%
First lien term loan D due 2021	809		L + 3.00%
First lien term loan E due 2022	1,522		L + 3.00%
NEW- First lien term loan F due 2023	1,740		L + 3.00%
Total senior secured debt	**$5,502**	**2.5x**	
Senior sub notes due 2020	550		5.50%
Senior sub notes due 2021	500		7.50%
Senior sub notes due 2022	1,150		6.00%
Senior sub notes due 2024	1,200		6.50%
Senior sub notes due 2025	450		6.50%
NEW- Senior sub notes due 2026	950		6.375%
Total debt	**$10,302**	**5.7x**	

Reconciliation of GAAP to Adjusted EPS - Guidance

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended		Full Year Guidance Mid-Point
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015	September 30, 2016
Earnings per share	$ 2.52	$ 1.75	$ 6.95	$ 5.34	$ 10.23
Adjustments to earnings per share:					
Dividend equivalent payment	-	-	0.05	0.06	0.05
Non-cash stock compensation expense	0.15	0.12	0.42	0.29	0.57
Acquisition-related expenses / other	0.22	0.16	0.58	0.26	0.88
Refinancing costs	0.20	0.23	0.20	0.22	0.20
Reduction in income tax provision related to adoption of new accounting standard	-	-	-	-	($0.63)
Adjusted earnings per share	$ 3.09	$ 2.26	$ 8.20	$ 6.17	$ 11.30
Weighted-average shares outstanding	55,832	56,608	56,236	56,605	56,200

Appendix - Reconciliation of Net Income to EBITDA and EBITDA As Defined

($ in thousands)

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Net income	$ 140,597	$ 99,112	$ 394,126	$ 305,539
Adjustments:				
Depreciation and amortization expense	29,564	26,921	85,101	67,767
Interest expense - net	120,812	106,796	344,083	305,623
Income tax provision	53,579	39,629	164,896	131,604
EBITDA	344,552	272,458	988,206	810,533
Adjustments:				
Acquisition-related expenses and adjustments[1]	9,849	12,271	34,696	19,288
Non-cash stock compensation expense[2]	11,371	9,841	33,819	23,435
Refinancing costs [3]	15,654	18,159	15,654	18,159
Other - net [4]	2,451	126	(480)	(763)
Gross Adjustments to EBITDA	39,325	40,397	83,689	60,119
EBITDA As Defined	$ 383,877	$ 312,855	$ 1,071,895	$ 870,652
EBITDA As Defined, Margin [5]	48.1%	45.2%	46.7%	45.9%

[1] Represents accounting adjustments to inventory associated with acquisitions of businesses and product lines that were charged to cost of sales when the inventory was sold: costs incurred to integrate acquired businesses and product lines into TD Group's operations, facility relocation costs and other acquisition-related costs; transaction-related costs comprising deal fees; legal, financial and tax due diligence expenses; and valuation costs that are required to be expensed as incurred.

[2] Represents the compensation expense recognized by TD Group under our stock incentive plans.

[3] For the periods ended July 2, 2016, represents debt issuance costs expensed in conjunction with the refinancing or our 2013 term loans in June 2016. For the periods ended June 27, 2015, represents debt issuance costs expensed in conjunction with the refinancing of our 2013 term loans in May 2015.

[4] Primarily represents foreign currency transaction gain or loss on interompany loans to be settled and gain or loss on sale of fixed assets.

[5] The EBITDA As Defined margin represents the amount of EBITDA As Defined as a percentage of sales.

Appendix - Reconciliation of Reported EPS to Adjusted EPS

($ in thousands, except per share amounts)

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
Reported Earnings Per Share	**July 2, 2016**	**June 27, 2015**	**July 2, 2016**	**June 27, 2015**
Net income	$ 140,597	$ 99,112	$ 394,126	$ 305,539
Less: dividends on participating securities	-	-	(3,000)	(3,365)
Net income applicable to common stock - basic and diluted	$ 140,597	$ 99,112	$ 391,126	$ 302,174
Weighted-average shares outstanding under the two-class method:				
Weighted-average common shares outstanding	53,076	53,361	53,339	52,937
Vested options deemed participating securities	2,756	3,247	2,924	3,668
Total shares for basic and diluted earnings per share	55,832	56,608	56,263	56,605
Basic and diluted earnings per share	$ 2.52	$ 1.75	$ 6.95	$ 5.34
Adjusted Earnings Per Share				
Net income	$ 140,597	$ 99,112	$ 394,126	$ 305,539
Gross adjustments to EBITDA	39,325	40,397	83,689	60,119
Purchase accounting backlog amortization	4,387	835	11,385	2,801
Tax adjustment	(12,061)	(12,257)	(28,044)	(18,942)
Adjusted net income	$ 172,248	$ 128,087	$ 461,156	$ 349,517
Adjusted diluted earnings per share under the two-class method	$ 3.09	$ 2.26	$ 8.20	$ 6.17

Appendix - Reconciliation of Net Cash Provided by Operating Activities to EBITDA and EBITDA As Defined

($ in thousands)

	Thirty-Nine Week Periods Ended	
	July 2, 2016	June 7, 2015
Net cash provided by operating activities	$ 444,436	$ 373,427
Adjustments:		
Changes in assets and liabilities, net of effects from acquisitions of businesses	62,724	6,766
Interest expense - net (1)	332,372	293,634
Income tax provision - current	160,407	127,720
Non-cash equity compensation (2)	(33,819)	(23,435)
Excess tax benefit from exercise of stock options	37,740	50,580
Refinancing costs (4)	(15,654)	(18,159)
EBITDA	988,206	810,533
Adjustments:		
Acquisition-related expenses and adjustments (3)	34,696	19,288
Non-cash stock compensation expense (2)	33,819	23,435
Refinancing costs (4)	15,654	18,159
Other, net (5)	(480)	(763)
EBITDA As Defined	$ 1,071,895	$ 870,652

(1) Represents interest expense excluding the amortization of debt issue costs and premium and discount on debt.

(2) Represents the compensation expense recognized by TD Group under our stock incentive plans.

(3) Represents accounting adjustments to inventory associated with acquisitions of businesses and product lines that were charged to cost of sales when the inventory was sold; costs incurred to integrate acquired businesses and product lines into TD Group's operations, facility relocation costs and other acquisition-related costs; transaction-related costs comprising deal fees; legal, financial and tax due diligence expenses and valuation costs that are required to be expensed as incurred.

(4) For the periods ended July 2, 2016, represents debt issuance costs expensed in conjunction with the refinancing or our 2013 term loans in June 2016. For the periods ended June 27, 2015, represents debt issuance costs expensed in conjunction with the

(5) Primarily represents foreign currency transaction gain or loss on intercompany loans to be settled and gain or loss on sale of fixed assets.