



**FLYING
HIGHER**

2018 TransDigm Analyst Day
June 28, 2018

TRANSDIGM
GROUP INC.

Agenda

Time	Event	Presenter
8:30	Registration	
9:00	Start	
	TDG Overview	Nick Howley
	Consistent Operating Model & Customer Value Overview	Kevin Stein
	Management Process & Value Creation	Jorge Valladares
	Mergers & Acquisitions	Bernie Iversen & Mike Lisman
	Recent Acquisitions & Integration	Bob Henderson
	Break	
	Product Presentations Breakout:	
	Recent Acquisitions - DDC, Tactair/Young & Franklin	Roger Jones, Mike Yates
	Product Line Integrations - AeroControlex, AeroFluid, AdamsRite	Mike Hargas, Paula Wheeler, Pete Palmer
	New Business - Hartwell, Schneller, Whippany	Joel Reiss, Alex Feil, Rodrigo Rubiano
	Value Drivers - AmSafe, Champion, HarcoSemco	Herb Mardany, Jason Marlin, Patrick Murphy
	Lunch	
	Financial Review	Jim Skulina
	Q&A	Panel
2:00	End	

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; geopolitical or worldwide events; 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 raw material 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.



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Transdigm Overview
Nick Howley – Executive Chairman

TRANSDIGM
GROUP INC.

Experienced Senior Management Team with Proven Track Record

EXECUTIVE

TITLE

Officers:

Nick Howley	Executive Chairman
Kevin Stein	CEO & President
Bob Henderson	Vice Chairman
Jim Skulina	CFO & Executive VP
Jorge Valladares	COO - Power & Control
Bernie Iversen	Executive VP – M&A
Roger Jones	Executive VP
Pete Palmer	Executive VP
Joel Reiss	Executive VP
Rodrigo Rubiano	Executive VP
Alex Feil	Executive VP
Halle Terrion	General Counsel & CCO
Mike Lisman	VP M&A

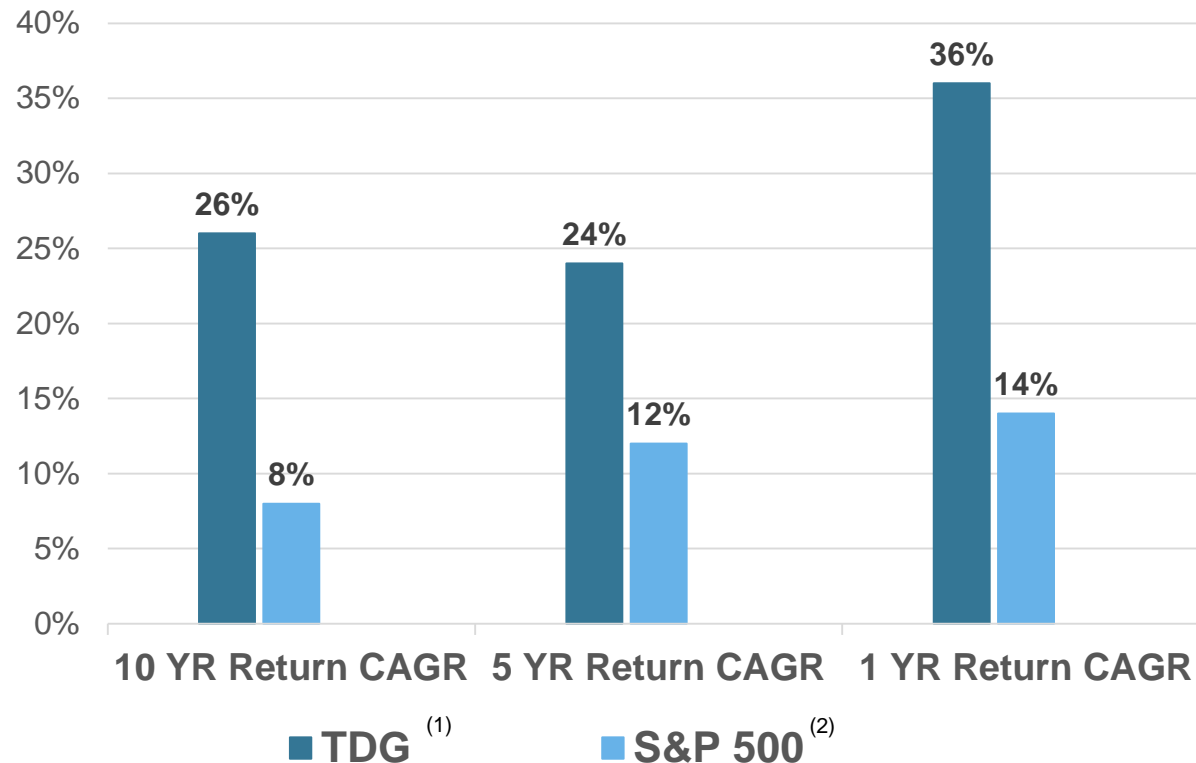
- Proven track record
- Experienced with a leveraged capital structure
- Deep bench
- Shared values and operating strategies
- Management is the largest stakeholder

Operating Unit Management Participating In Analyst Day:

Mike Hargas	President, AeroControlex
Paula Wheeler	President, AeroFluid Products
Herb Mardany	President, AmSafe Restraints
Jason Marlin	President, Champion Aerospace
Patrick Murphy	President, HarcoSemco
Mike Yates	President, Tactair/Young & Franklin

Superior Stock Price Performance

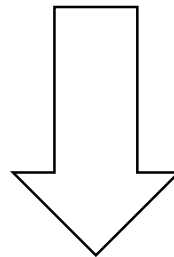
Historical TDG Returns vs. SP 500



(1) TransDigm returns are adjusted for special dividends paid of \$113.50 in 10-year period, \$93.00 in 5-year period and \$22.00 in 1-year period. All returns measured as of 6/1/2018.

(2) S&P adjusted for dividends estimated to be 1%.

**“Private Equity-Like Growth in Value
with Liquidity of a Public Market”**



+ 15% - 20% /year on average

Unique & Consistent Business Strategy Private & Public

TRANSDIGM
GROUP INC.

TransDigm's Consistent Goal – “Private Equity-Like” Returns to Shareholders

- Proprietary Aerospace Products with Significant Aftermarket
- 3-Part Value-Based Operating Strategy
- Decentralized, Organization/ Aligned with Shareholders
- Focused Discipline Acquisition Strategy
- “Private Equity-Like” Capital Structure & Culture

Key Business Events Since Last Investor Day

Continued, Consistent Outstanding Value Creation

- Closed Seven Acquisitions for a Total Purchase Price of ≈ \$1 Billion ⁽¹⁾
- Frequented the Credit Markets to Raise New Debt and/or Refinance ≈ \$17 Billion
 - Extended Debt Maturities
 - Locked in More Favorable Rates
- Returned ≈ \$3 Billion to Shareholders
 - Paid \$46 in Special Dividends
 - Repurchased 1.7 Million Shares
- Increased EBITDA 25%
- Increased Stock Price 51% ⁽²⁾
- New Senior Executive Management Structure: Executive Chairman, President & CEO, Vice-Chairman and COO-Power & Controls

(1) Includes \$90 million for the purchase of Schroth that was later divested.

(2) Compares 30 day average stock price ending 6/15/16 vs 30 day average stock price ending 6/15/18, plus \$46 of dividends paid in FY 17.

Company Overview

Business Snapshot

(\$ in millions)

	2015	2016	2017	FY 2018 Guidance Mid-Point ⁽²⁾	% Change
Revenue	\$ 2,707	\$ 3,171	\$ 3,504	\$ 3,780	+ 40%
EBITDA as Defined ⁽¹⁾	\$ 1,234	\$ 1,495	\$ 1,711	\$ 1,855	+ 50%
EBITDA as Defined margin	46%	47%	49%	49%	
FYE Share Price	\$212	\$289	\$302 ⁽⁴⁾	\$386 ⁽⁴⁾	+ 82%

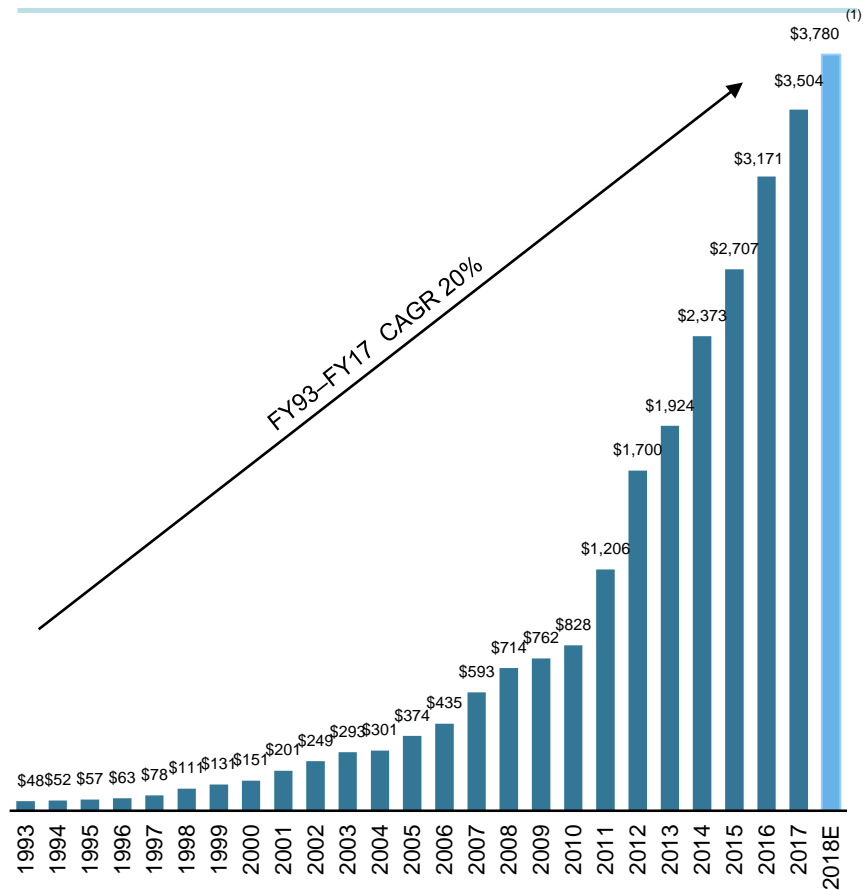
Enterprise Value ⁽³⁾ ≈ \$29 Billion

- (1) EBITDA as Defined is a non-GAAP financial measure. For a historical reconciliation of EBITDA as Defined to Net Income, please see the appendix.
- (2) Revenue and EBITDA As Defined information under FY18 Guidance Mid-Point reflect the mid-point of the guidance range for the fiscal year ending 9/30/18 that was issued on 5/01/18. TransDigm only updates guidance quarterly and this presentation does not confirm or update guidance now.
- (3) Enterprise value calculated as of 6/15/18 equals equity value (shares outstanding as of 3/30/18 multiplied by the TDG closing stock price on 6/15/18) plus pro forma total net debt (total debt less cash).
- (4) TDG closing stock price on 9/30/17 and 6/15/18 plus \$46 dividends paid in fiscal 2017.

Consistent Record of Growth and Margin Expansion

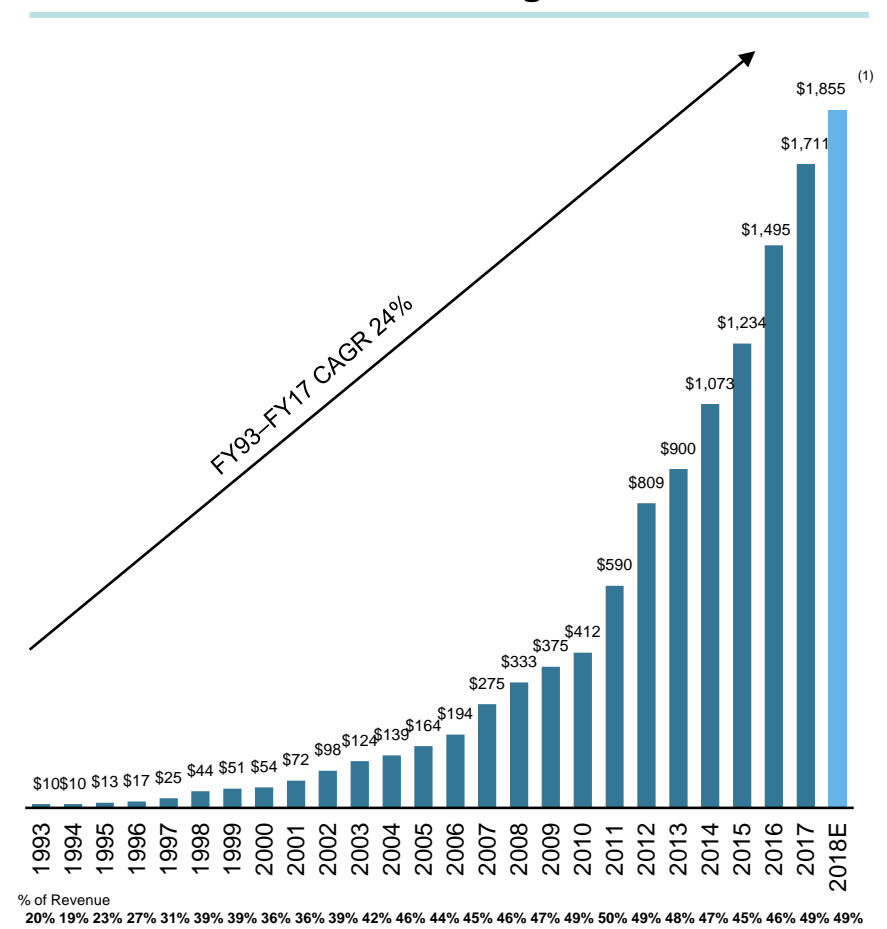
(\$ in millions)

Revenue



(\$ in millions)

EBITDA as Defined and Margin

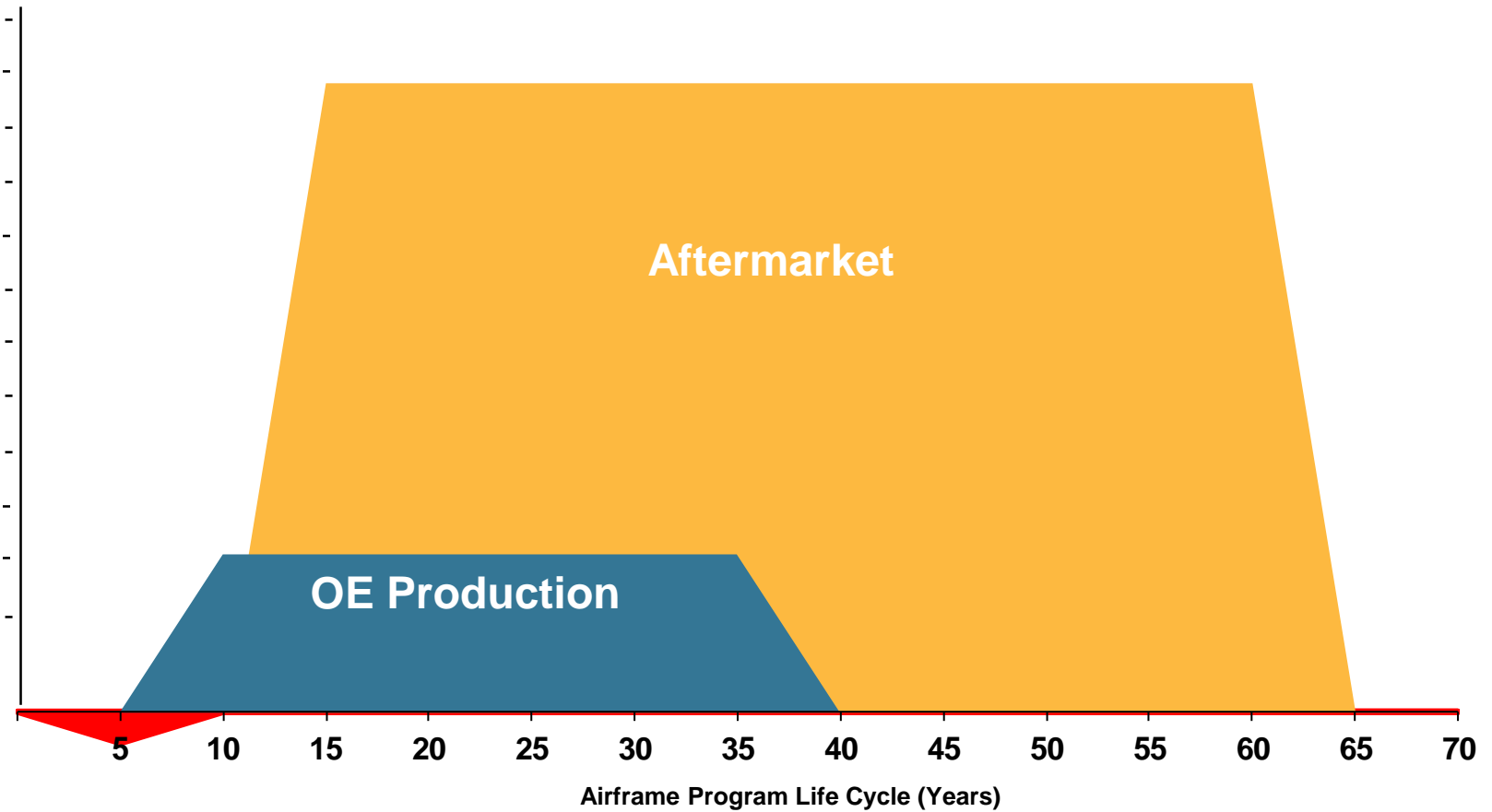


Note: EBITDA as Defined is a non-GAAP financial measure. See the appendix for a historical reconciliation of EBITDA as Defined to Net Income.

(1) Revenue and EBITDA As Defined information under 2018E reflects the mid-point of the guidance range for the fiscal year ending 9/30/18 that was issued on 5/01/18. TransDigm only updates guidance quarterly and this presentation does not confirm or update guidance now.

Recurring Stream of Profitable Aftermarket Revenue

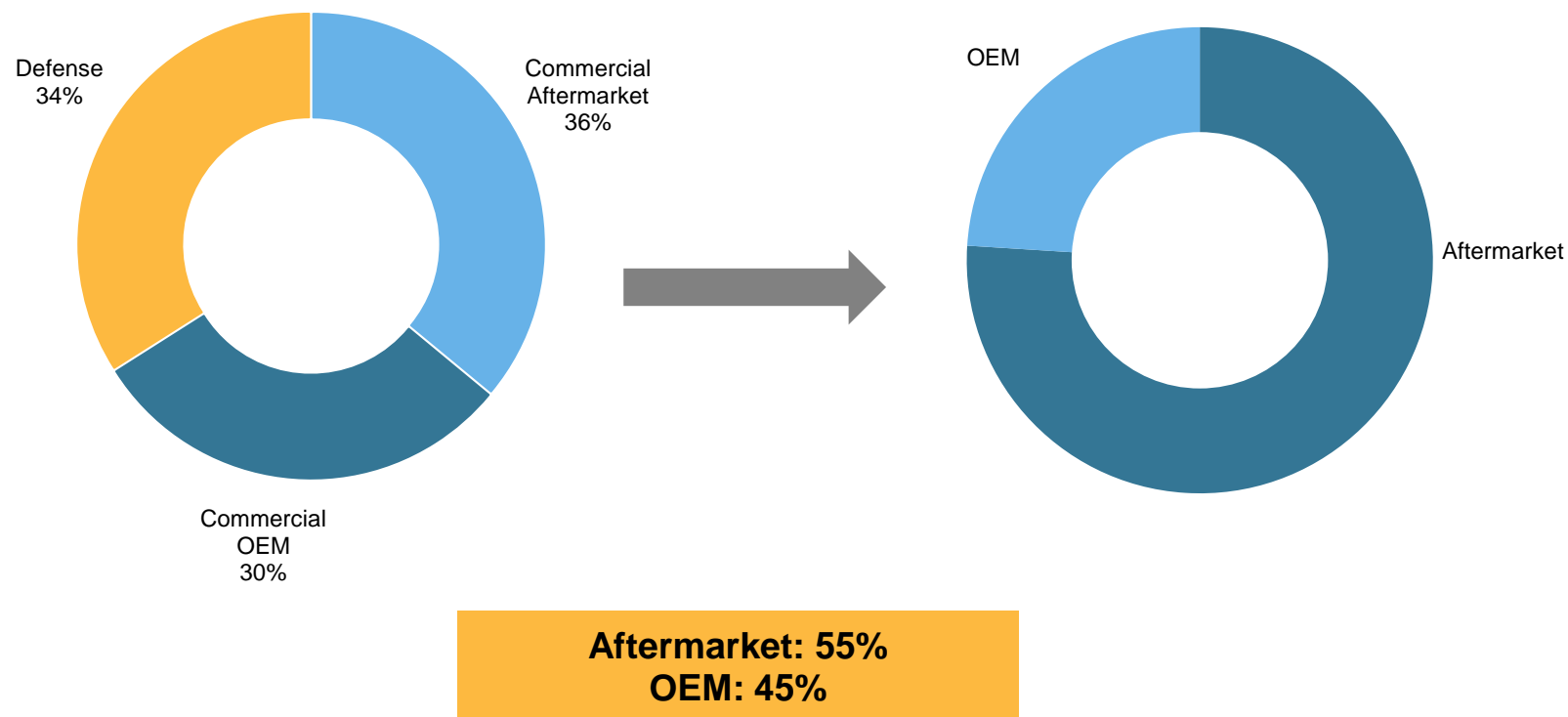
Profitability %



Strong Focus on High-Margin Aftermarket

FY 2017 Pro Forma Revenues⁽¹⁾

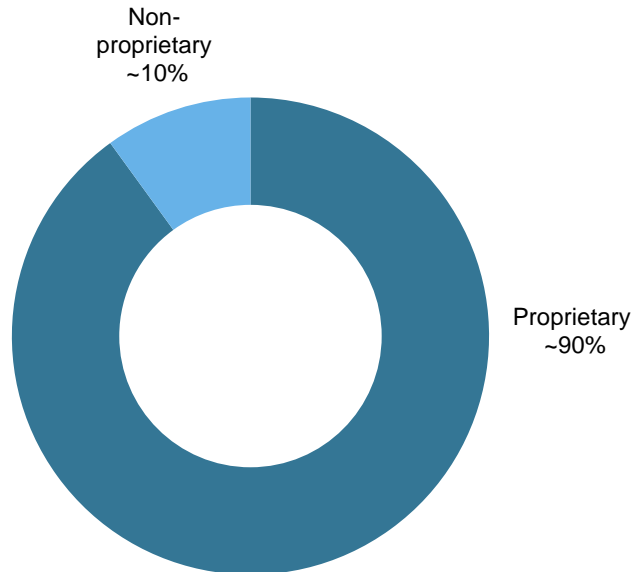
EBITDA As Defined



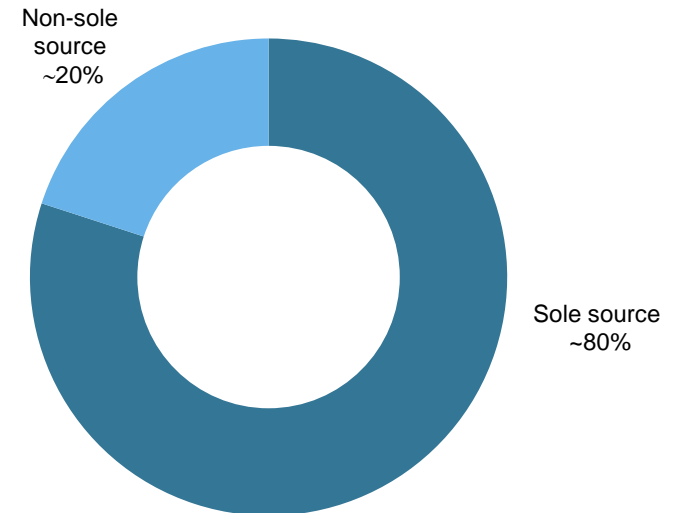
(1) Pro Forma Revenue and EBITDA as Defined for FY2017 includes the full year impact of acquisitions purchased in third quarter of FY 2017, excludes Kirkhill and Extant. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

Significant Proprietary and Sole Source Revenue Base

Proprietary Revenue



Sole Source Revenue

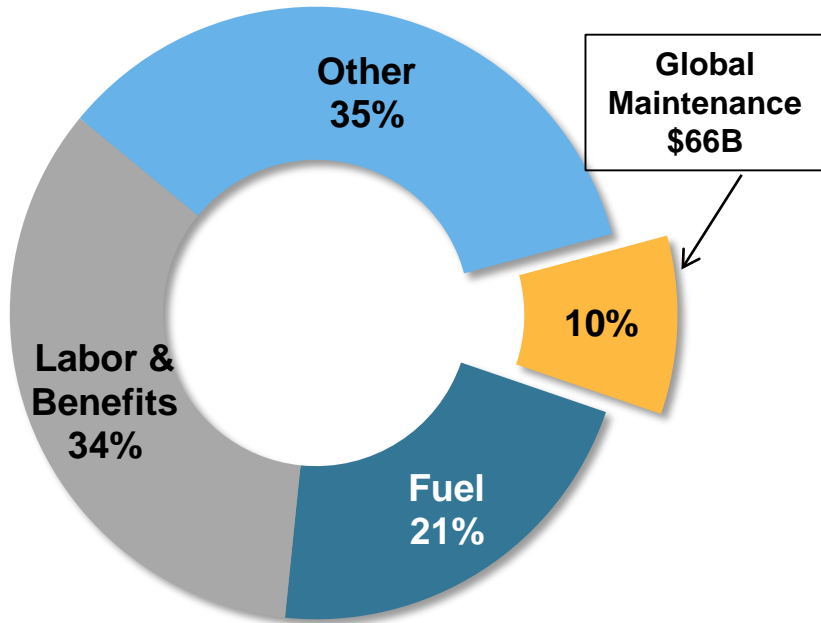


Results in strong market positions and a stable, recurring revenue stream

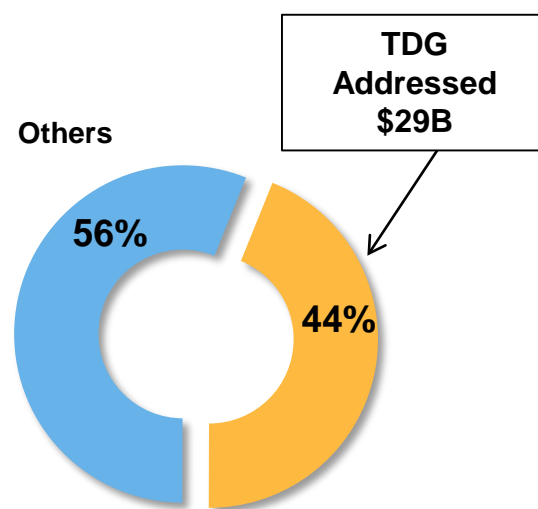
TransDigm's Addressed Market for Commercial Aftermarket

TRANSDIGM
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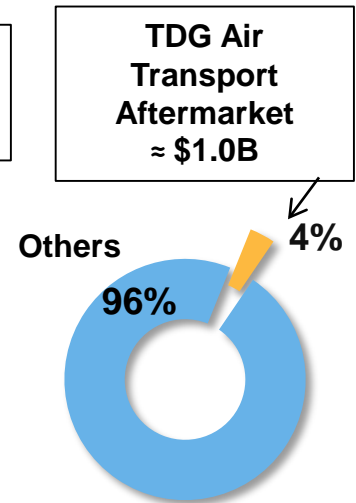
Global Airline Operating Expenses
2017 Total = \$697B



Global Maintenance Spend
2017 Total = \$66B



TDG Addressed Market
2017 Total = \$29B



**TransDigm's Addressed Market for Air Transport Aftermarket is \$29B
of Which We Hold a ≈ 4% Market Share**

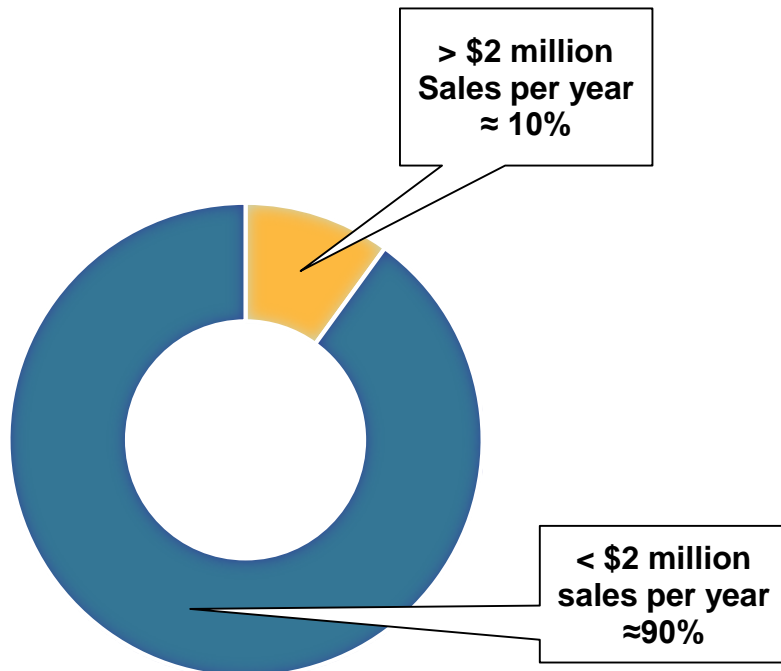
Source: IATA June 2018 / AeroDynamic Advisory Analysis / TDG

Addressed market refers to the material market where TDG currently has content on by aircraft model and part type.

TransDigm's Diverse Commercial Aftermarket Revenue Base

TRANSDIGM
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Total FY 2017 Commercial Aftermarket Worldwide Revenue by Annual Sales \$ Per Part



Top 20 Airlines

American Airlines
Delta Airlines
United Continental
Emirates Airlines
Air France/KLM
China Southern Airlines
Southwest Airlines
British Airways/Iberia
Air China
China Eastern Airlines
Lufthansa
Ryanair
Qatar Airways
Turkish Airlines
Qantas
LATAM Air
Cathay Pacific
Air Canada
Singapore Airlines
Etihad

≈ 50%
**Worldwide
RPM's**

Organizational Philosophy

TRANSDIGM
GROUP INC.

CORPORATE

Corporate
Control



Local
Autonomy

Value Generation Strategy

OPERATING UNIT

Economy
of Scale



Mgmt
Resources

Central
Control



Local
Autonomy

Emp-
loyees



Owners

Structure

Execution

Motivation

Unique Compensation Concept – “Think/act like an owner”

TRANSDIGM
GROUP INC.

TDG Ownership



Cash Compensation



Equity Based Compensation

100% Performance Vesting

Very High Shareholder Alignment

Proven Record of Acquisition & Integration

Privately Held

1993 – 2006

- Adel
- Aeroproducts
- Wiggins
- Controlex
- Marathon
- Adams Rite Aerospace
- Christie
- Champion
- Honeywell Lube Pump
- Fuelcom
- Norco
- Avionic Instruments
- Skurka
- Fluid Regulators
- Eaton Motors

2006 – 2010

- Sweeney
- Electra-Motion
- CDA InterCorp.
- Avtech
- ADS/Transicoil
- Bruce
- CEF
- Unison/GE
- APC/GE
- Acme
- Woodward HRT
- Dukes
- Semco
- Hartwell
- Electromech
- Tyee
- TAC
- Linread⁽¹⁾
- Valley-Todeco⁽¹⁾
- AQS⁽¹⁾

McKechnie

NYSE

2011 – 2014

- Talley Actuation
- Schneller
- Harco
- AmSafe Passenger Restraints
- AmSafe Commercial Products
- AmSafe Cargo Restraints & Specialty Devices
- Aero-Instruments
- Beams
- Aerosonic
- Arkwin
- Whippany Actuation
- Airborne Systems – North America
- Airborne Systems – Europe
- Elektro-Metall Export

AmSafe

2015 – 2018

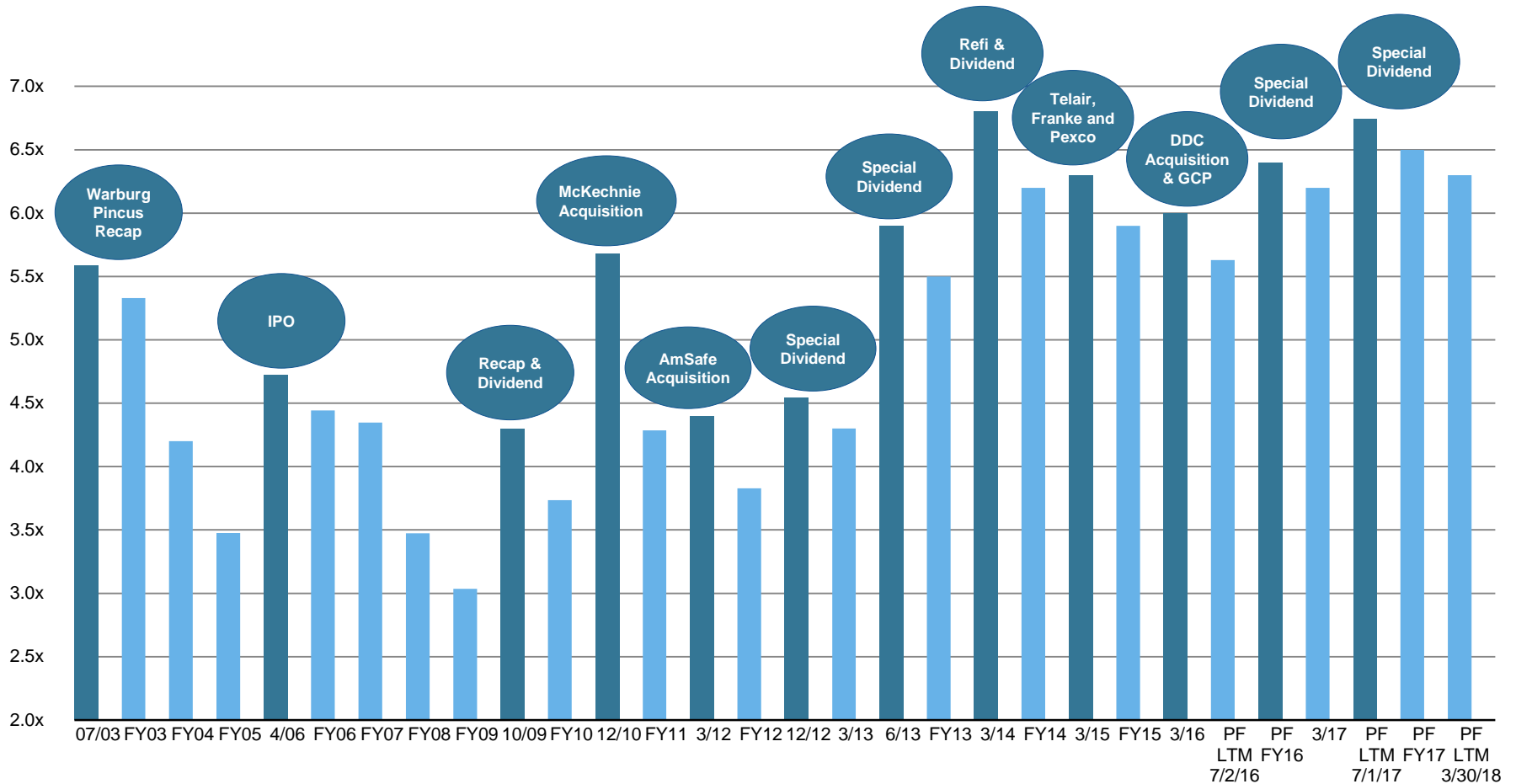
- Telair International
- AAR Cargo Systems
- Nordisk Aviation
- Franke Aquarotter
- Pexco
- PneuDraulics
- Breeze-Eastern
- DDC
- Young & Franklin (Tactair)
- North Hills
- Cablecraft Aerospace
- Preece
- Kirkhill
- Extant

Telair

TransDigm has acquired 64 businesses since 1993, including 49 since its IPO.

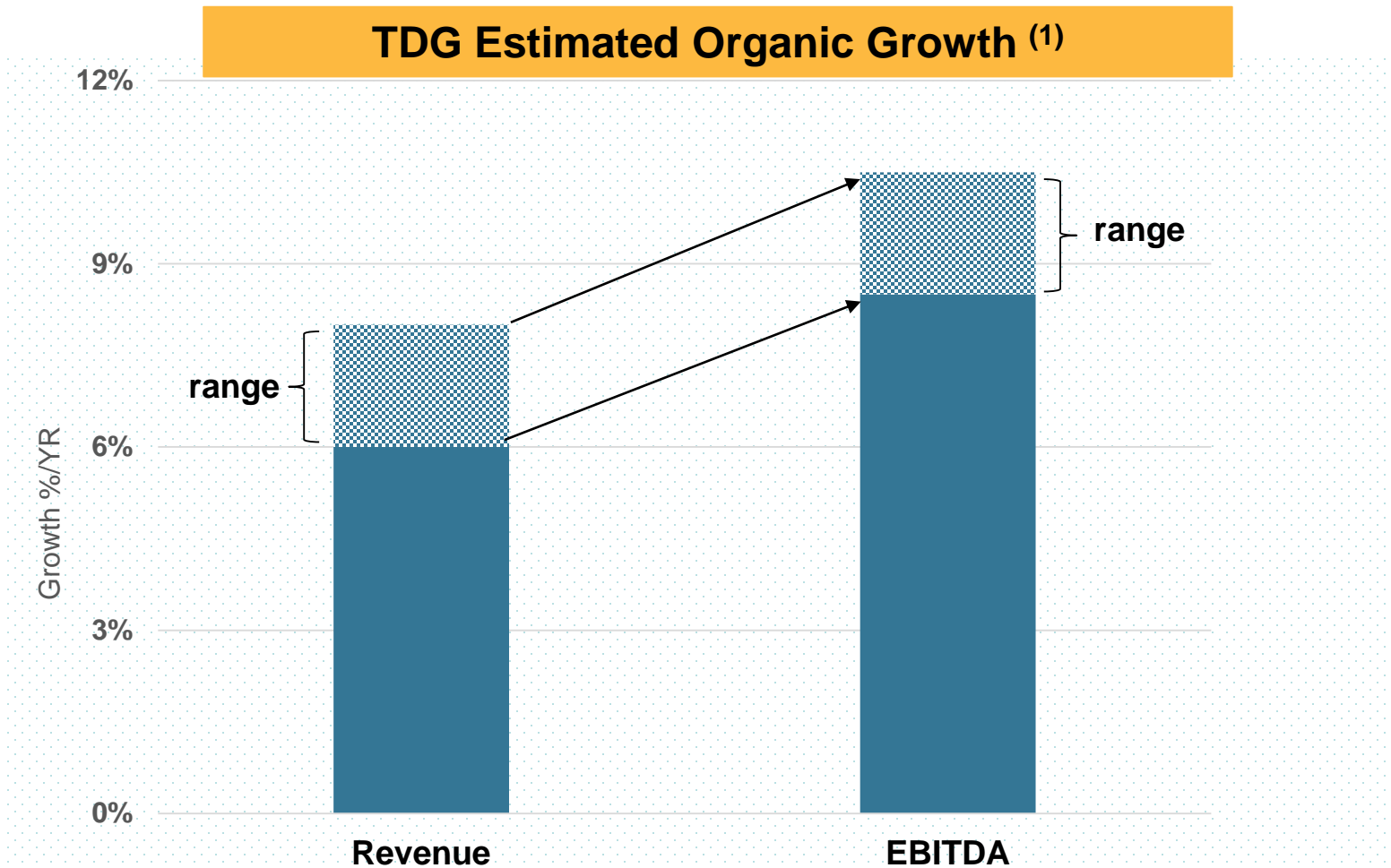
(1) Divested in Q2 and Q3 of FY2011.

TransDigm Delevering Profile (Net Debt / PF EBITDA as Defined)



Note: PF EBITDA as Defined is a non-GAAP financial measure. For a reconciliation of PF EBITDA as Defined to Net Income, please see the appendix. PF LTM 3/30/18 EBITDA as Defined includes the full year impact of the acquisition of Extant, excludes Kirkhill and includes the impact of the financing activities completed in May 2018.

5 Yr Go Forward Estimated Growth (wo/ACQ) %/Yr



(1) Based on market assumptions listed on slide 41. Assuming no additional acquisitions.

Consistent Strategy & Value Creation

TRANSDIGM
GROUP INC.

Proprietary Aerospace and Aftermarket

Value Based Operating Strategy

Decentralized Organization / Aligned with Shareholders

Disciplined Acquisition Strategy

Efficient Capital Structure

**“Private Equity-
Like” Returns
with
Public Liquidity**



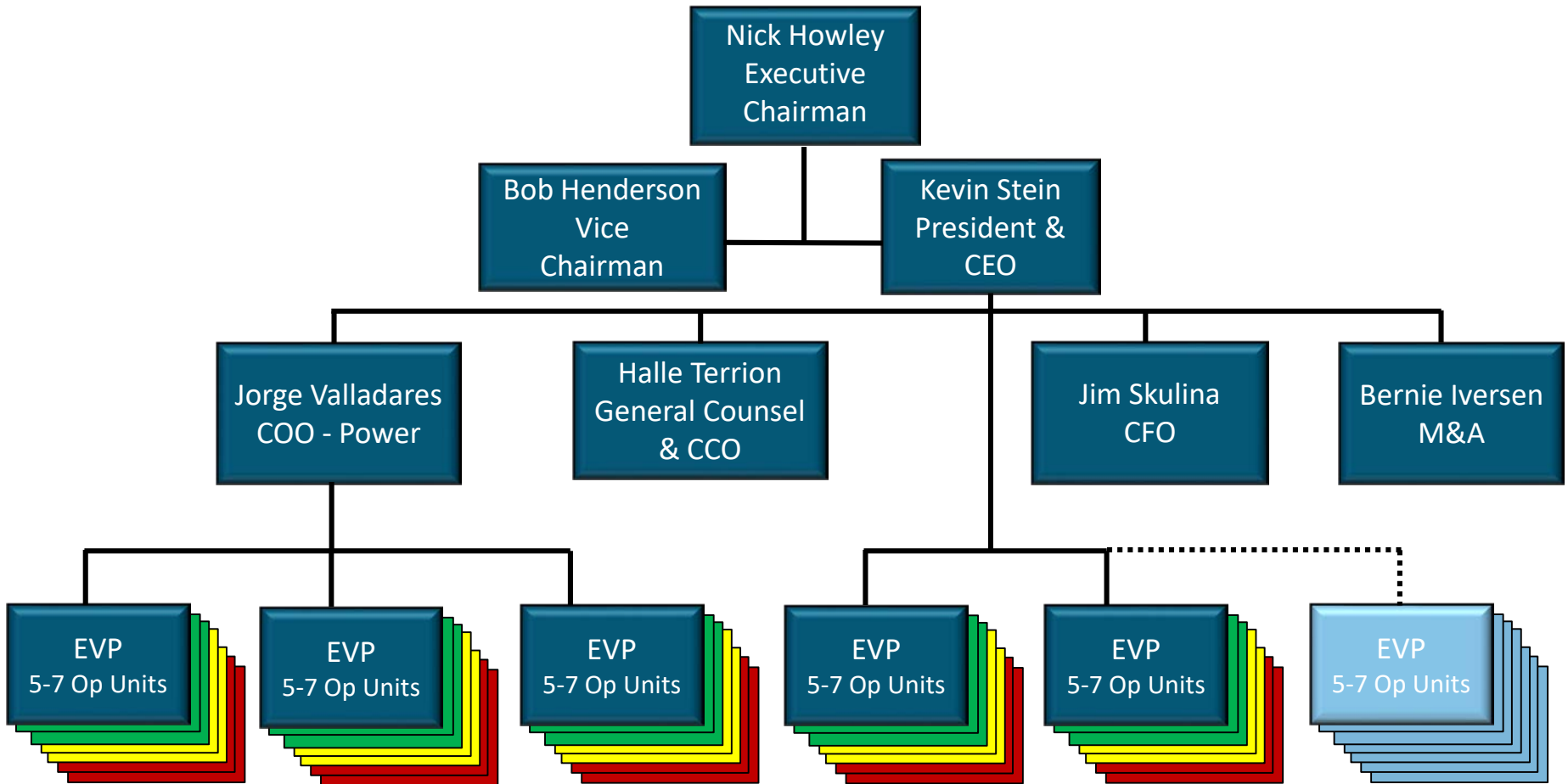
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**Consistent Operating Model &
Customer Value Overview**

Kevin Stein – President & CEO

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TDG Organization



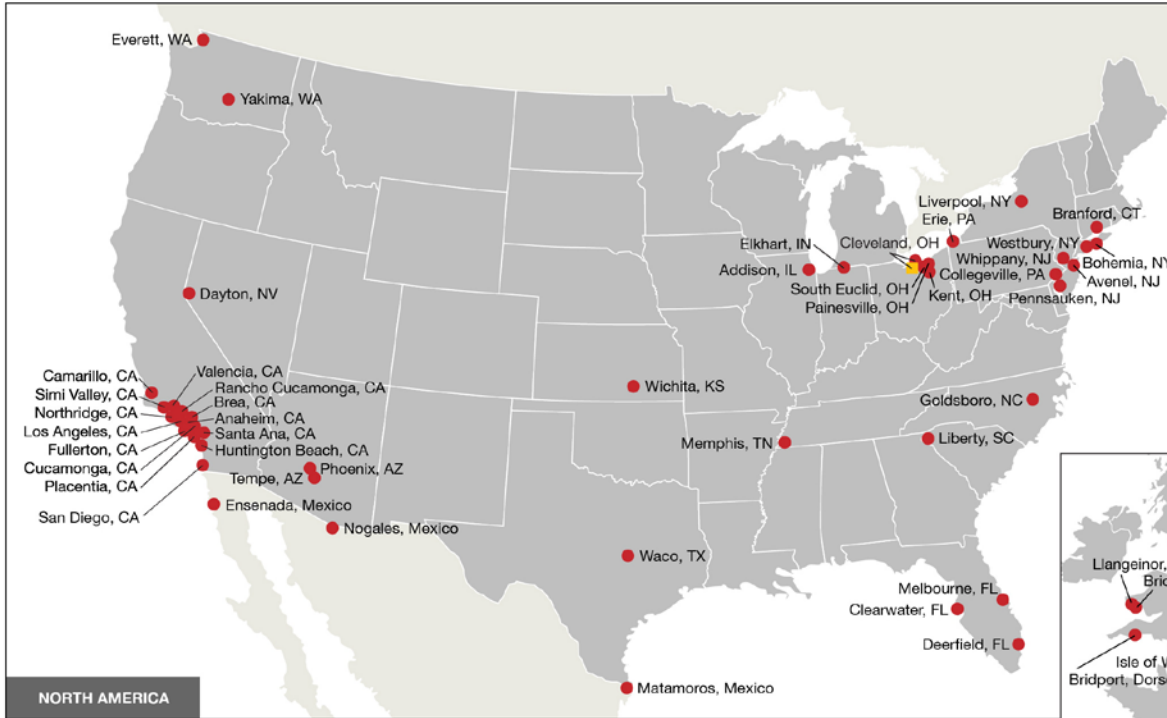
Revised Structure Scalable With Future Growth

Diverse Products, Platforms and Markets

TRANSDIGM
GROUP INC.

Ignition Systems and Engine Sensors	Pumps	Valves	Motors, Actuators and Controls	Water Faucets and Systems	Quick Disconnects, Couplings and Rods	Batteries, Chargers and Power Conditioning	Aircraft Hardware and Cockpit Security Systems	Engineered Composites, Elastomers and Laminants	Audio Systems	Lighting and Instrumentation	Safety Restraints and Parachutes	Lifting Devices and Cargo Handling Systems
												
												
												
												
												
												
												
												

TransDigm – Expanding Global Footprint

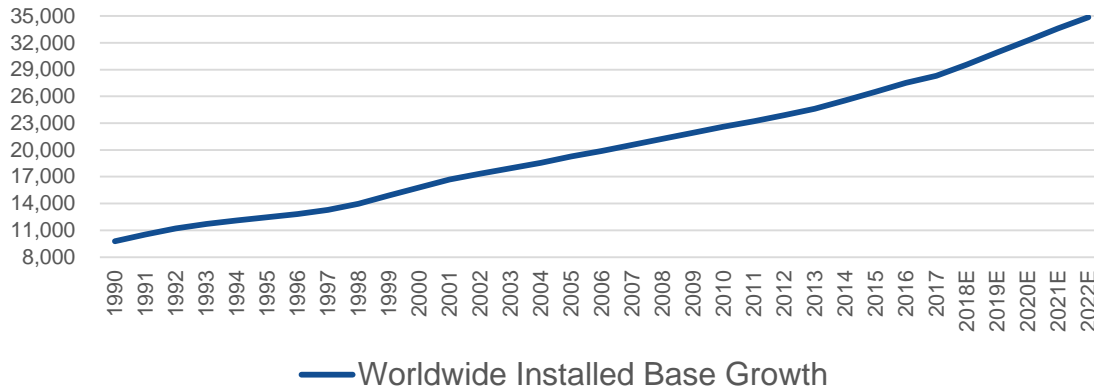


- TransDigm Global Headquarters
- TransDigm Locations



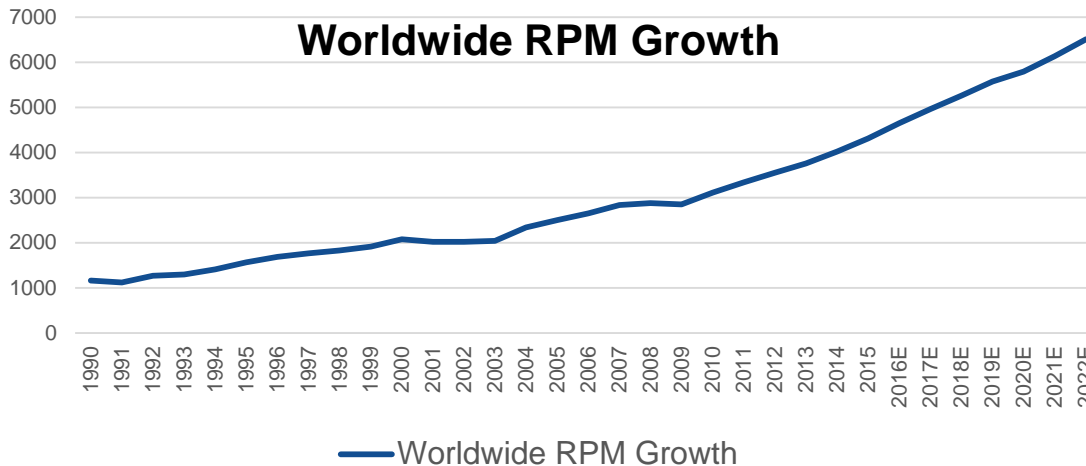
Steady Growth in Passenger Traffic and Installed Base Drives Stable Aftermarket Sales

Worldwide Installed Base Growth



4.1% CAGR

Worldwide RPM Growth

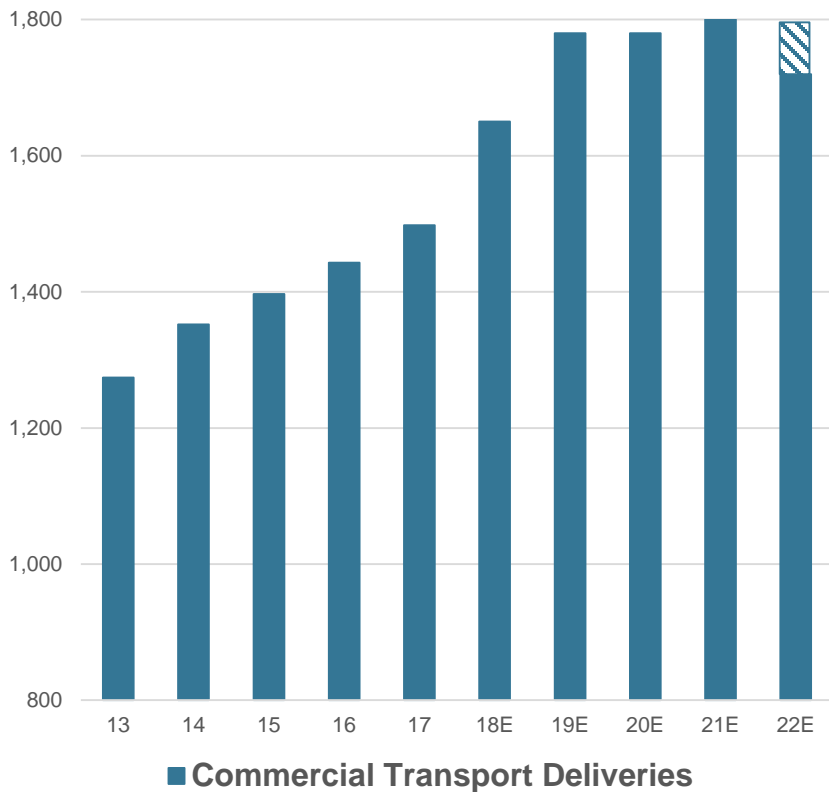


5.5% CAGR

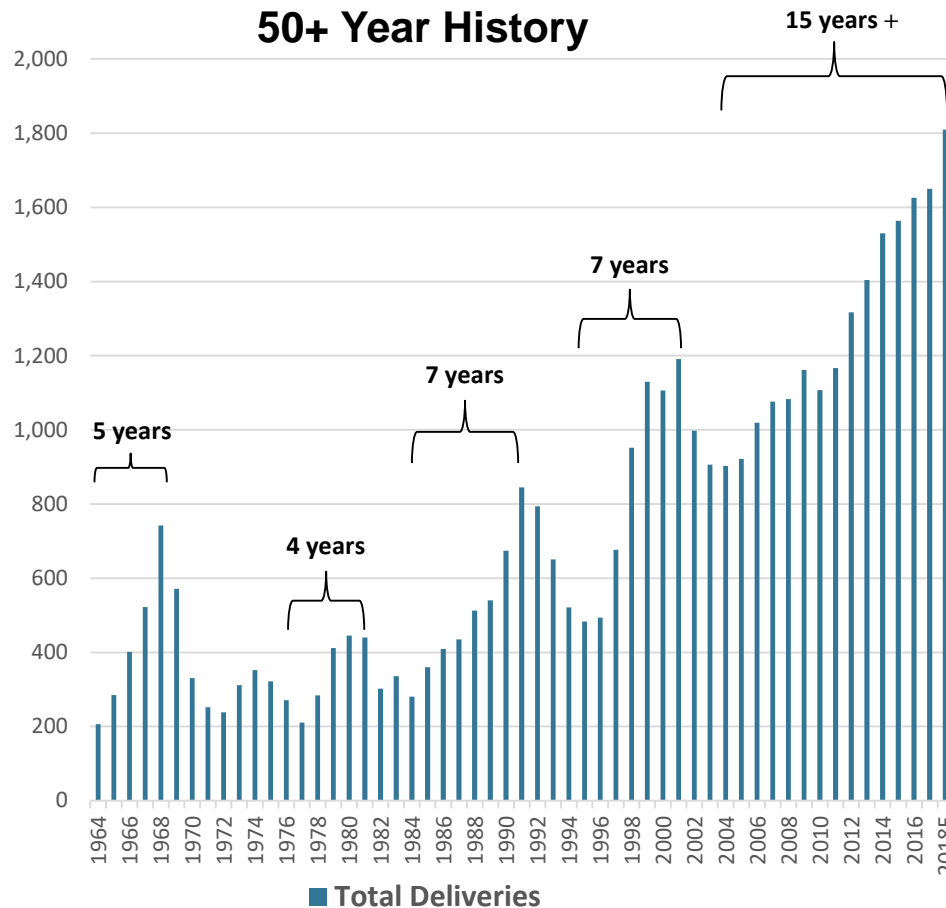
Commercial OEM Market

(units delivered)

Commercial Transports (Boeing & Airbus)



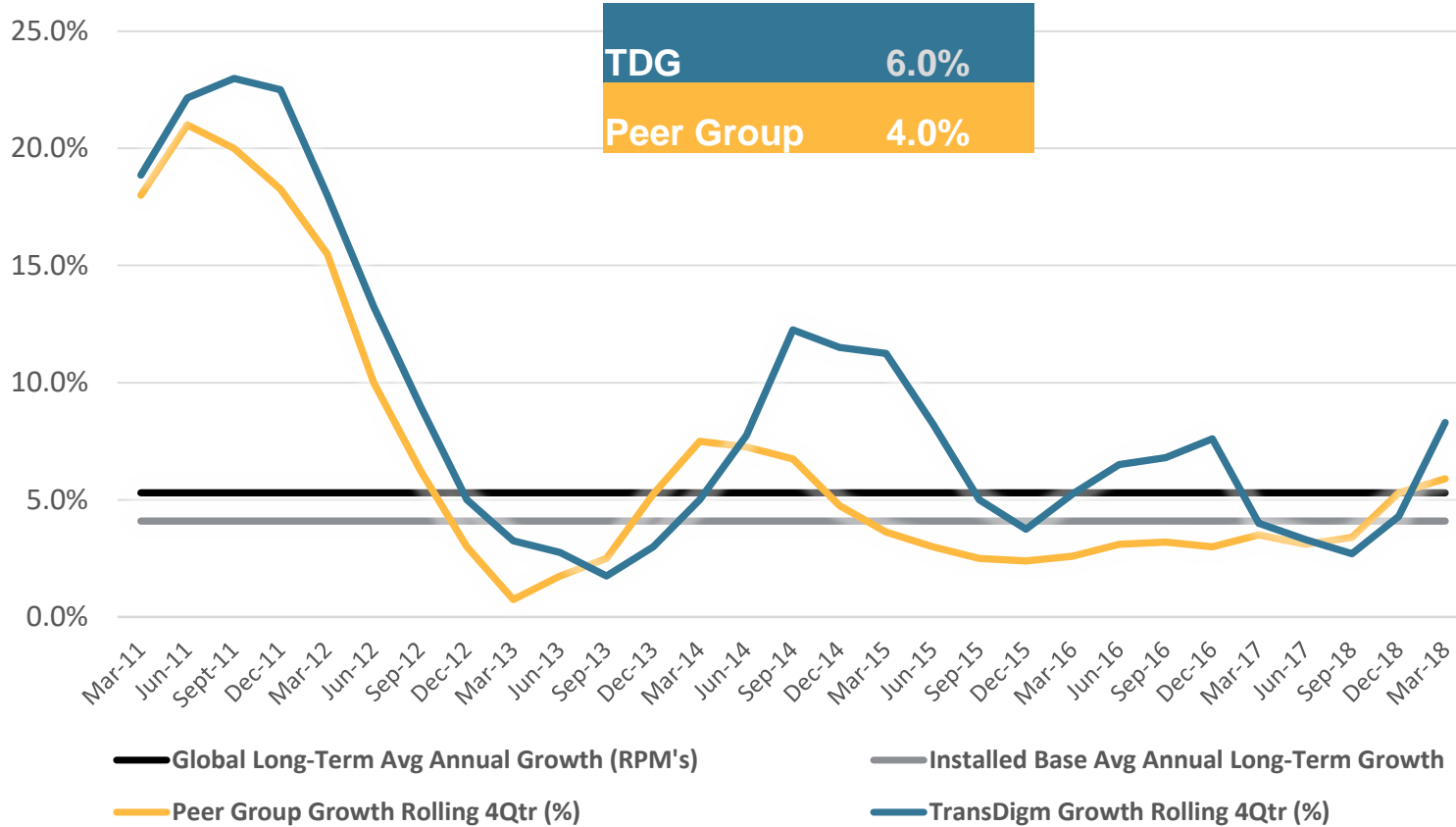
Commercial Transport – Total Deliveries 50+ Year History



Commercial Aftermarket Trends

Commercial Aftermarket Growth

5 Year Average



Sources:

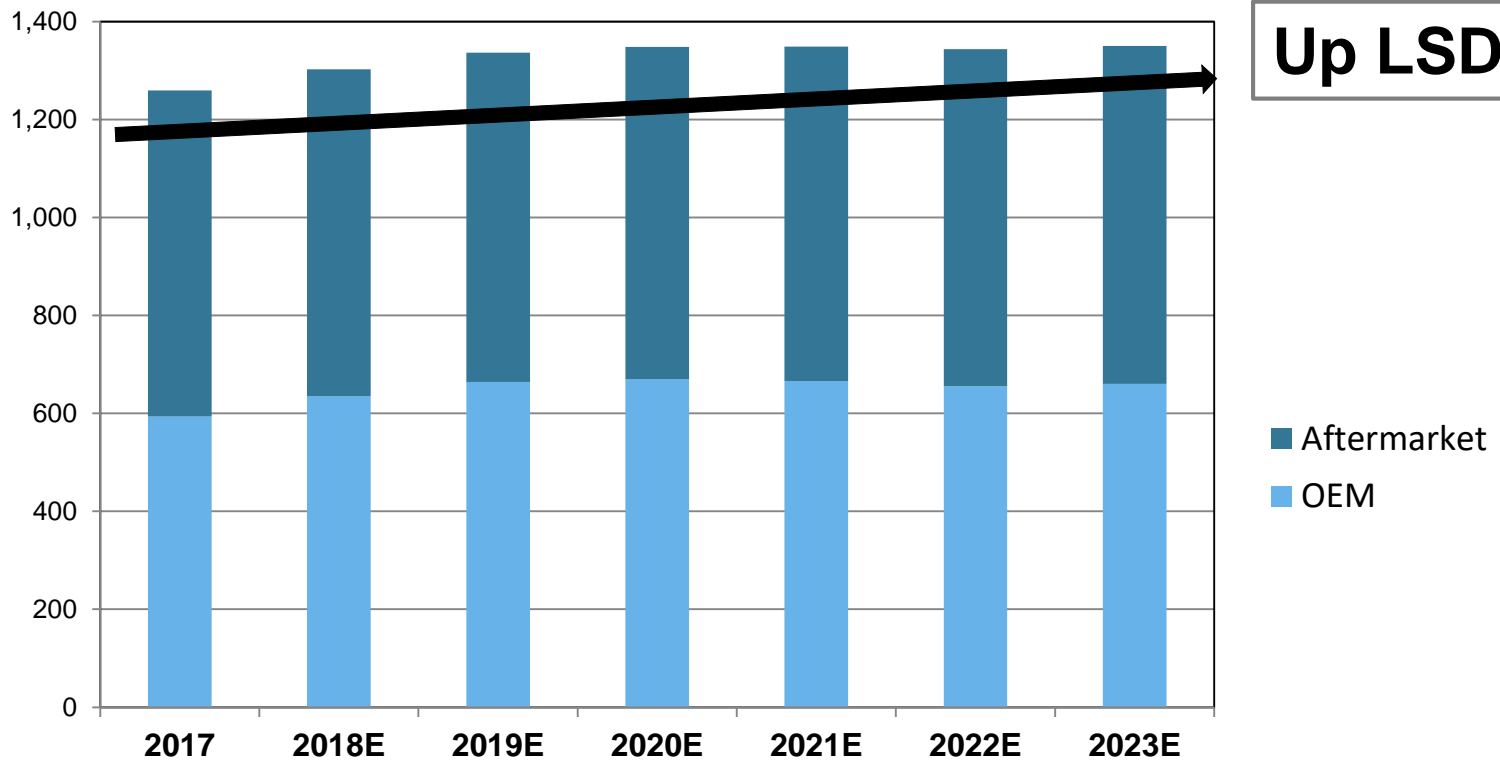
Peer Group: component parts growth rate from Canaccord Genuity and respective company filings (average of Crane CAM, Heico FSG, Honeywell CAM, Meggitt CAM, ROC CAM, UTC CAM)

RPM growth and installed base as reported by Airline Monitor

Military Outlook

\$ Millions (Constant \$)

2017 - 2023 TransDigm Base Military Revenue Forecast*



JSF (F-35) and KC-46 (767) are Military Growth Platforms

*Excludes price increases and based on current products and platforms
Source: AeroDynamic Advisory analysis and management estimates

Strong Positions on Diverse and Growing Platforms

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GROUP INC.

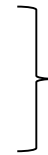


TOP PLATFORMS



A320
A330/A340
A350

B737
B777
B787

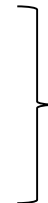


≈32% Sales



B747
C130
Blackhawk
CRJ & C-Series

A400M
B757/767
A380
Gulfstream



≈18% Sales



Proven Operating Strategy

TRANSDIGM
GROUP INC.



**Profitable
New
Business**



**Productivity
and Cost
Improvements**



**Value Based
Pricing**

3 Value Drivers

TDG Operating System: A Detailed Process

Investment

- **Highly Engineered Products Require Resourcing**
 - **≈ 7-9% of total cost spent on Engineering**



Organization

- **Decentralized Execution**
- **BUM Team Concept**
- **Succession Planning**



Execution

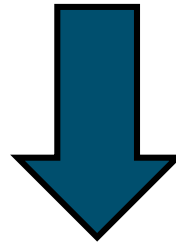
- **Relentless Drive to Create Value**



Customer Value Proposition

TRANSDIGM
GROUP INC.

Provide Reliable, Well Engineered
Products & Deliver Them On-Time

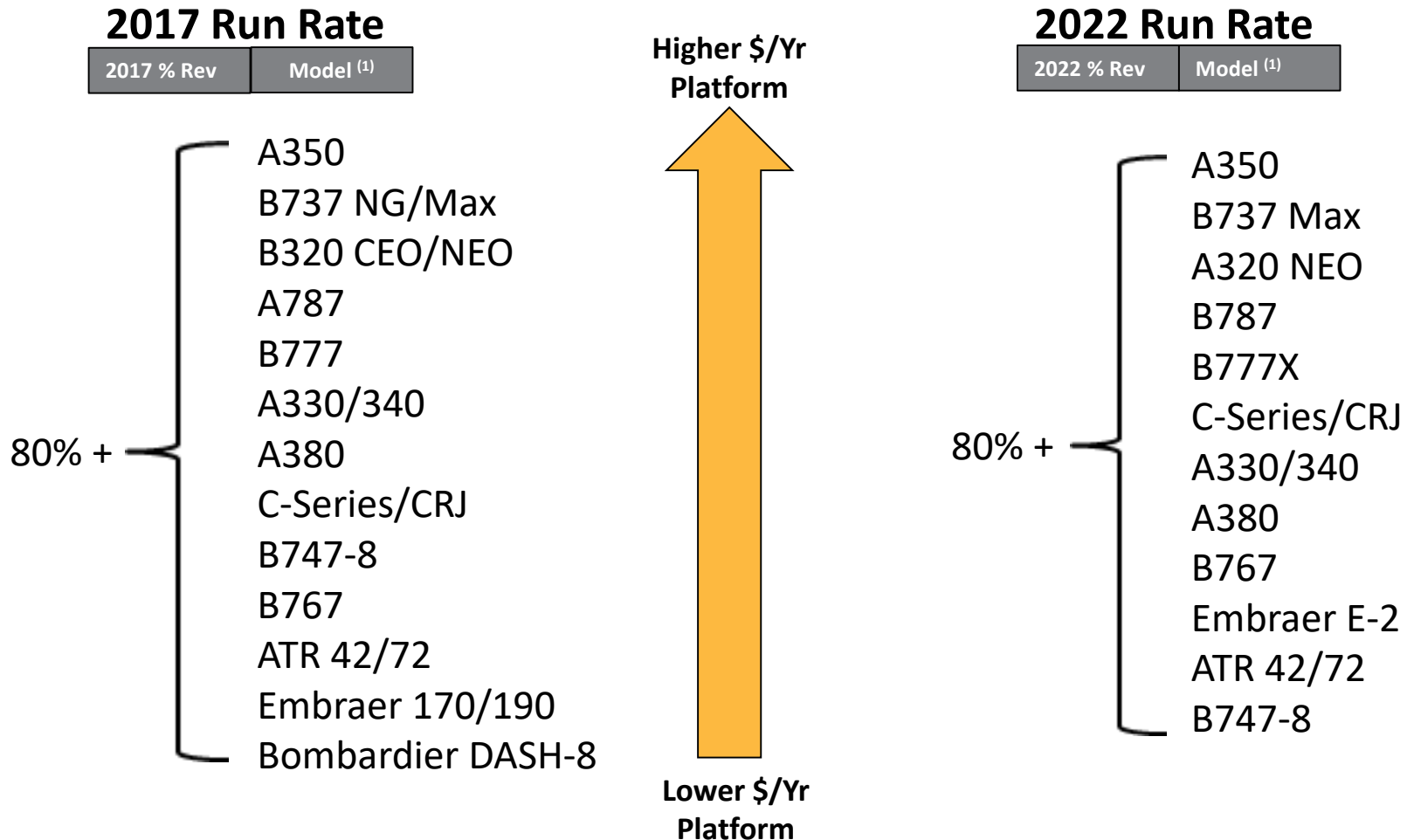


Highest Value to Customers



TDG Commercial Transport OEM By Platform

Well Positioned For Growth

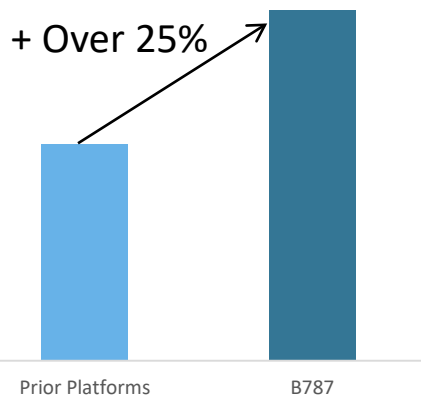


(1) Constant dollars and based on current TDG estimated ship set content

Major New Business Content: Commercial Aircraft “New Designs”

\$ / Shipset Growth Over Prior Platforms – “Same Store Basis”

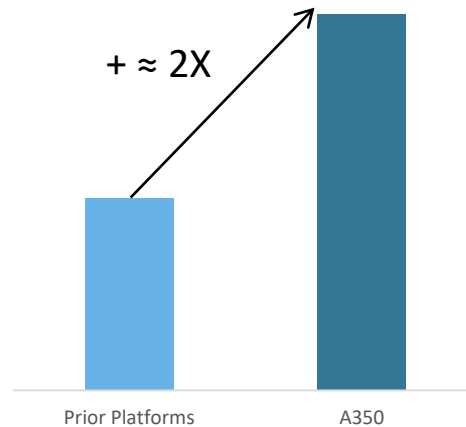
B787



Representative Products:

- Composite Components
- Audio System/Software
- Interior Thermo Plastics
- Nacelle & Other Latches
- Numerous Others

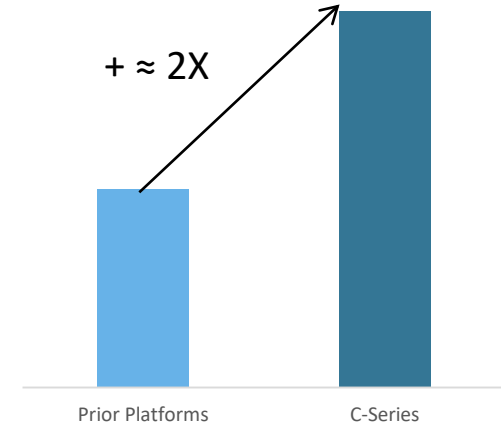
A350



Representative Products:

- Onboard Cargo System
- Cockpit Security System
- Cabin/APU Electrical System Interconnect
- Decorative Laminates
- Numerous Others

C-Series



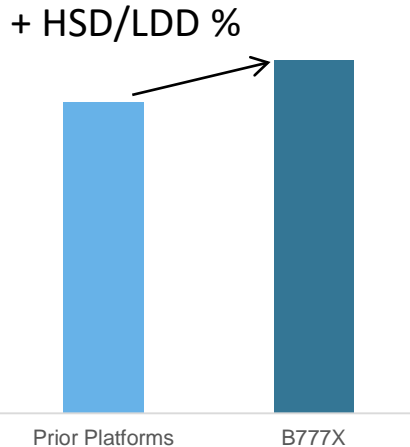
Representative Products:

- Air System Valving
- Nacelle & Other Latches
- Composite Components
- Decorative Laminates
- Numerous Others

Modest Design Change = Modest Content Change

\$ / Shipset Growth Over Prior Platforms – “Same Store Basis”

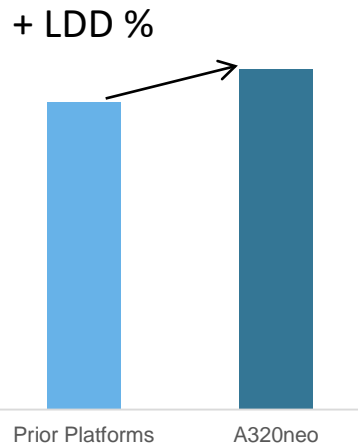
B777X



Representative Products:

- Composite Components
- Communication Management Boards/Software
- Fuselage Latches
- Flight Control Actuators
- Numerous Others

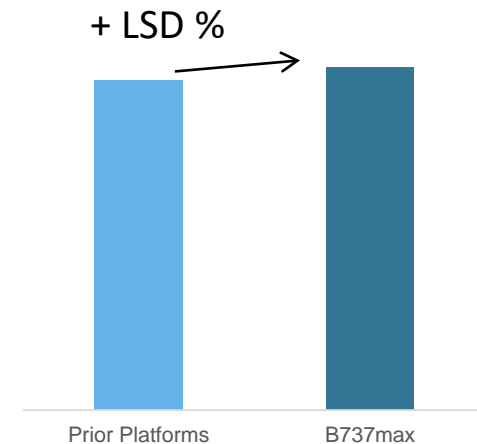
A320neo



Representative Products:

- Flight Control Valving
- Cargo Loading System
- Structural Rods
- Nacelle/Fuselage Latches
- Numerous Others

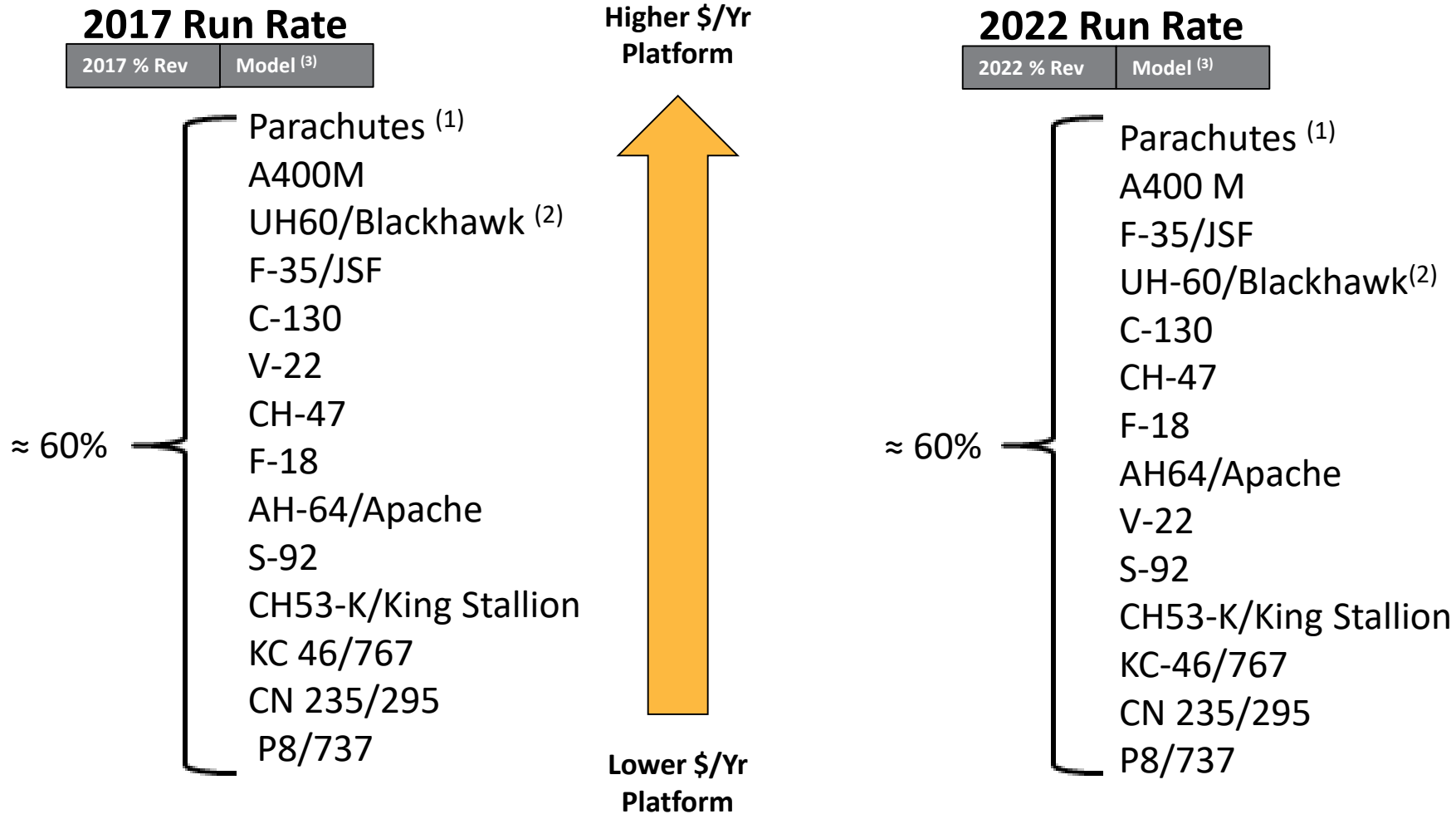
B737Max



Representative Products:

- Nacelle/Fuselage Latches
- Audio Control Panel
- Interior Thermo Plastics
- Fuel Line Connectors
- Numerous Others

TDG Defense OEM By Platform



(1) Cargo & Personnel

(2) Includes various derivatives

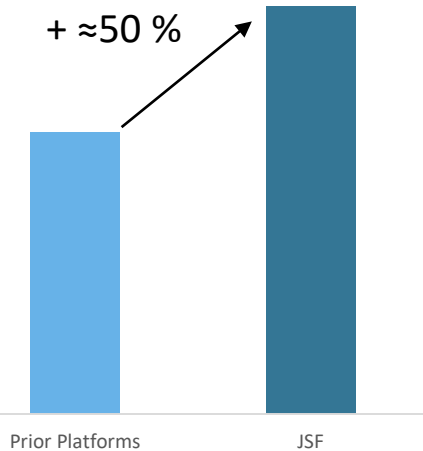
(3) Constant dollars and based on TDG estimated current ship set content

New Defense Platforms – New Designs – “Same Store Basis”

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\$ / Shipset Growth Over Prior Platforms – “Same Store Basis”

JSF



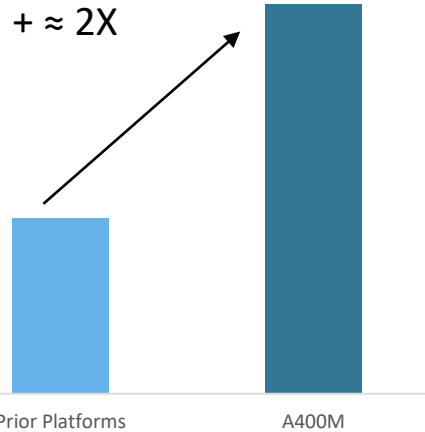
Prior Platforms

JSF

Representative Products:

- Hydraulic Actuators/Valves
- Engine Clamps
- Data Management Processing Boards/Software
- Electric Motors
- Elastomers
- Numerous Others

A400M



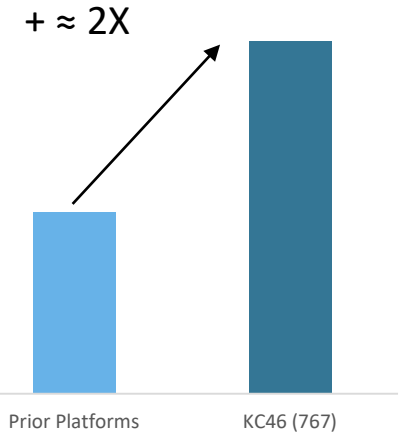
Prior Platforms

A400M

Representative Products:

- Cargo Loading System
- Composite Components
- Winch/Retrieval System
- Main Barrier Nets
- Numerous Others

KC46 (767)



Prior Platforms

KC46 (767)

Representative Products:

- Refueling Connectors
- Main Deck Barrier Nets
- Nacelle & Other Latches
- Ram Air Actuator
- Numerous Others

TDG PMA SKU's – Growing Substantially

≈20,000

Average New TDG
PMAs / Yr - Last 5
years



Compared to

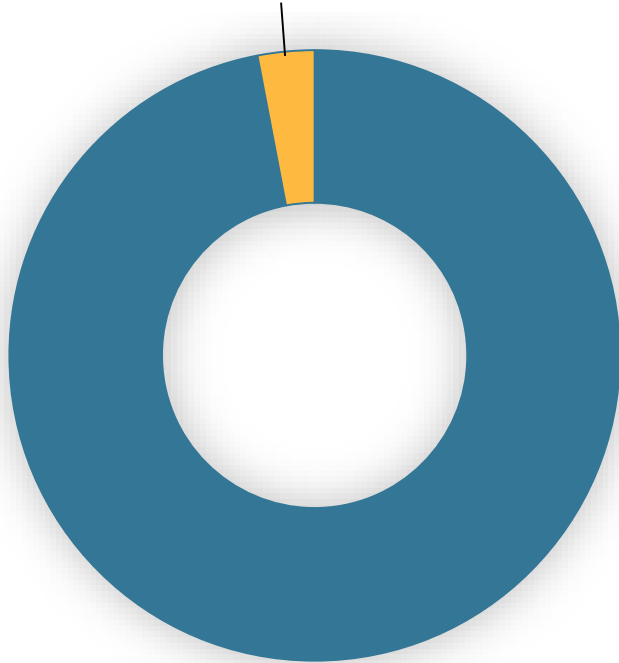
≈130

Average of New
3rd Party PMAs on
TDG Parts / Yr -
Last 5 years

- (1) Total PMA – assemblies, parts and sub-assemblies currently on FAA site or approved waiting to be listed – adjusted to reflect Components Maintenance Manual components.
- (2) Total PMA & part numbers that sell w/some regularity.

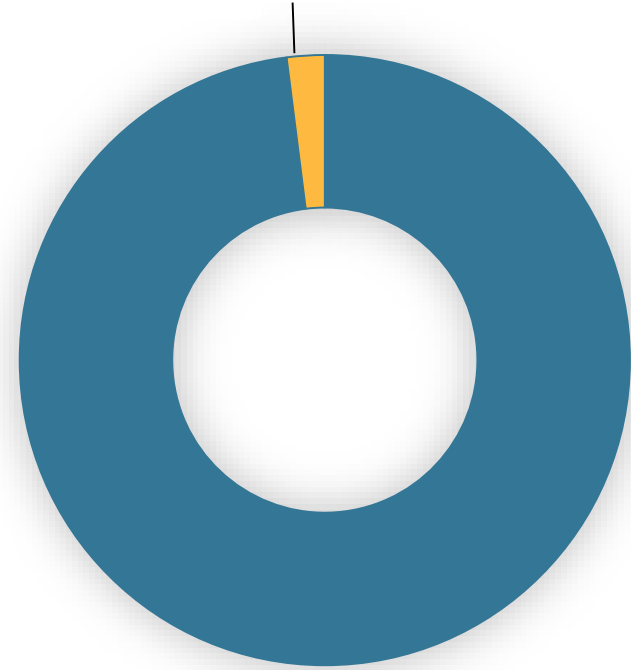
PMA Market Penetration

3rd Party PMA
≈ 2½% to 3%



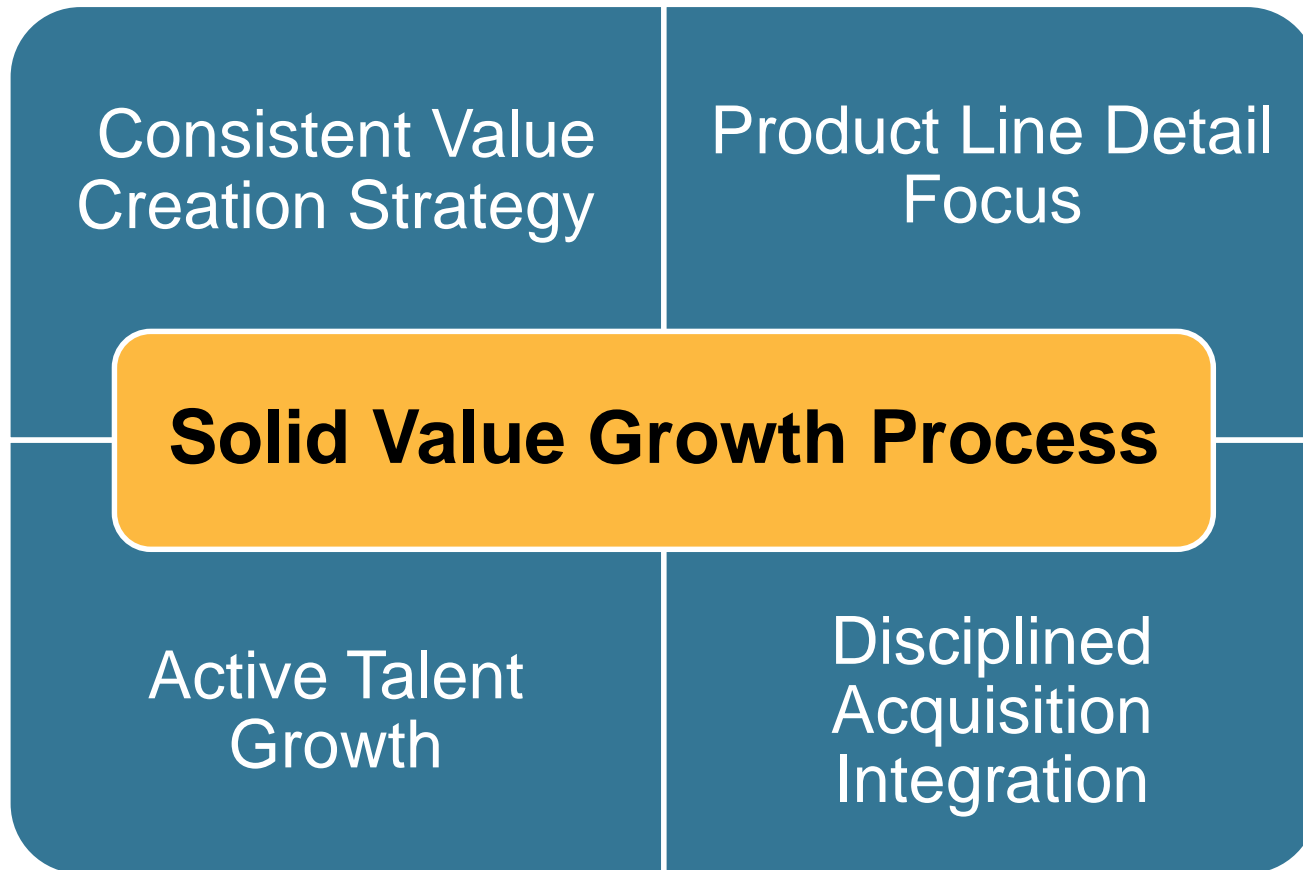
Total INDUSTRY
Commercial Aftermarket \$

3rd Party PMA
Less than 2%



Total TDG Commercial
Aftermarket \$

TDG 3rd Party PMA – Below Market % & Declining



5 YR- Go Forward Market Estimates - CAGR (Unit Growth – w/o Price)

Next 5 Years TDG % Unit Growth / Yr

Commercial Aftermarket



Up LSD to MSD %
Gradual Recovery

Commercial Transport OEM



Up LSD %

Business Jet / Helicopter OEM*



Up LSD to MSD %

Defense



Up LSD %

Potentially Richer Mix



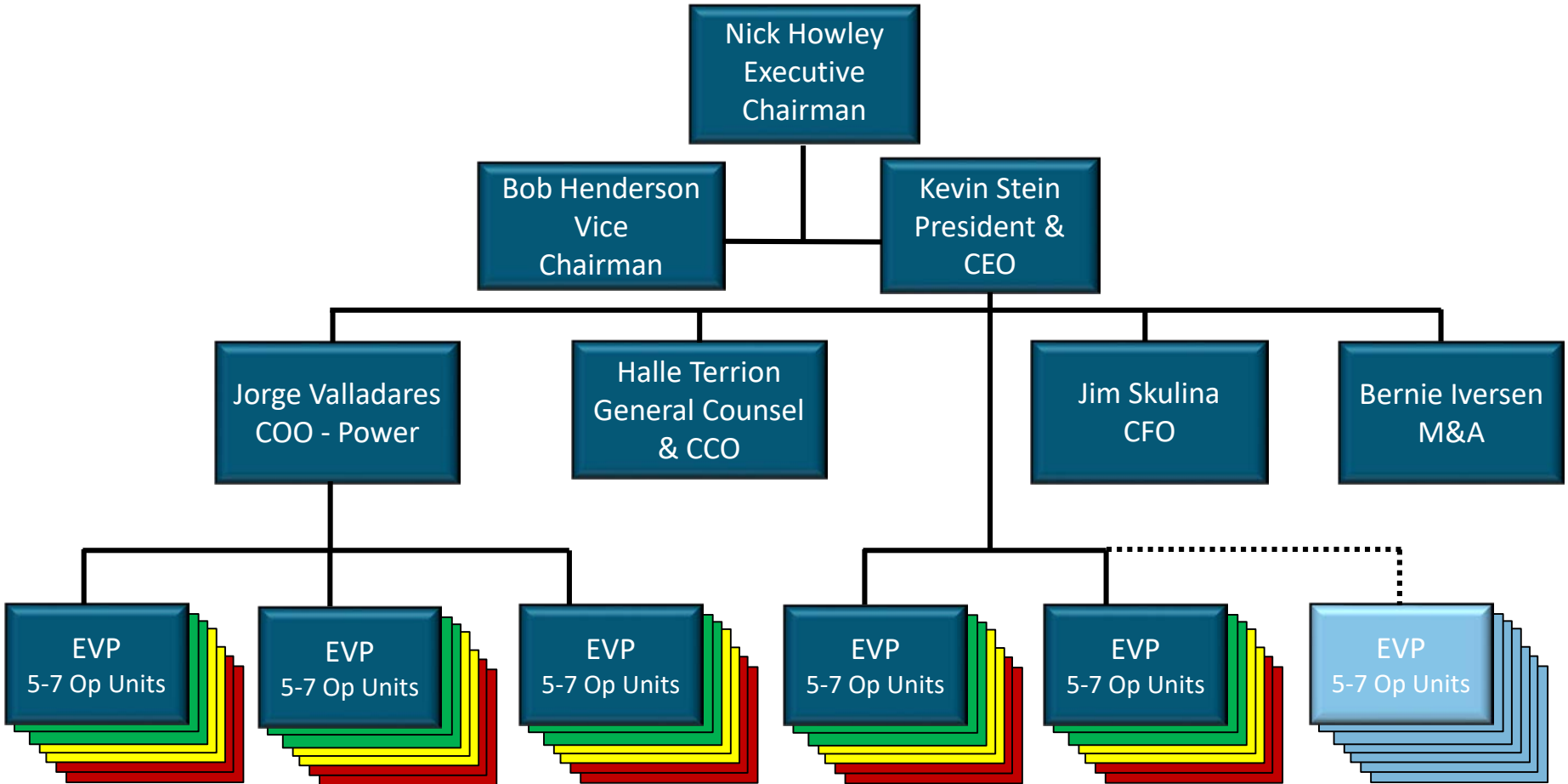
**FLYING
HIGHER**

Management Process and Value Creation

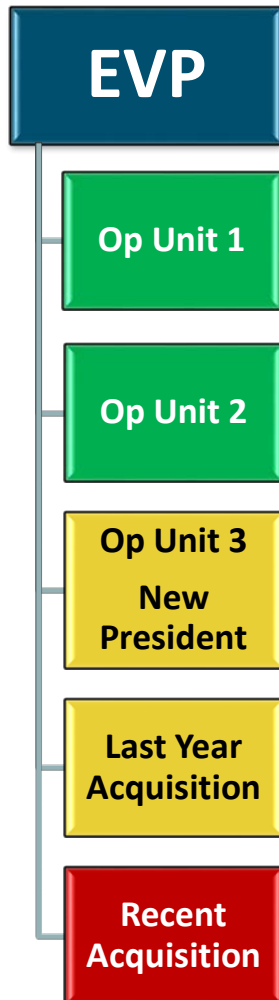
Jorge Valladares – COO Power & Control

TRANSDIGM
GROUP INC.

TDG Organization



EVP Role Scalable With Future Growth



Value Creation Driver/Culture Carrier

Op Unit Business Guidance

- Quarterly Reviews
- Presidential “coaching”
- Value Driver Emphasis

Talent Development

- President/Staff
- Weed & Feed

Acquisition Value Creation

- Assist Due Diligence
- Guide Integration Process
- Assess Revise Management

Organizational Philosophy

Structure

Small Operating Units

Focus on Products and Customers

Few Management Layers

Business Unit Discipline



Price
Productivity
New Business

VALUE CREATION

Execution

Significant Local
Autonomy

Local Decisions

Front Line Value
Generation



Motivation

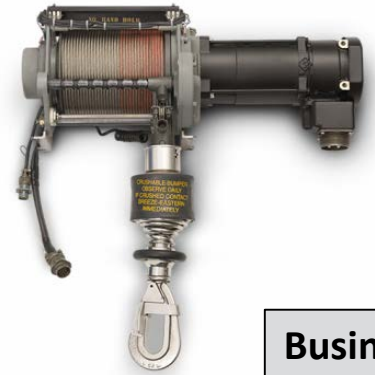
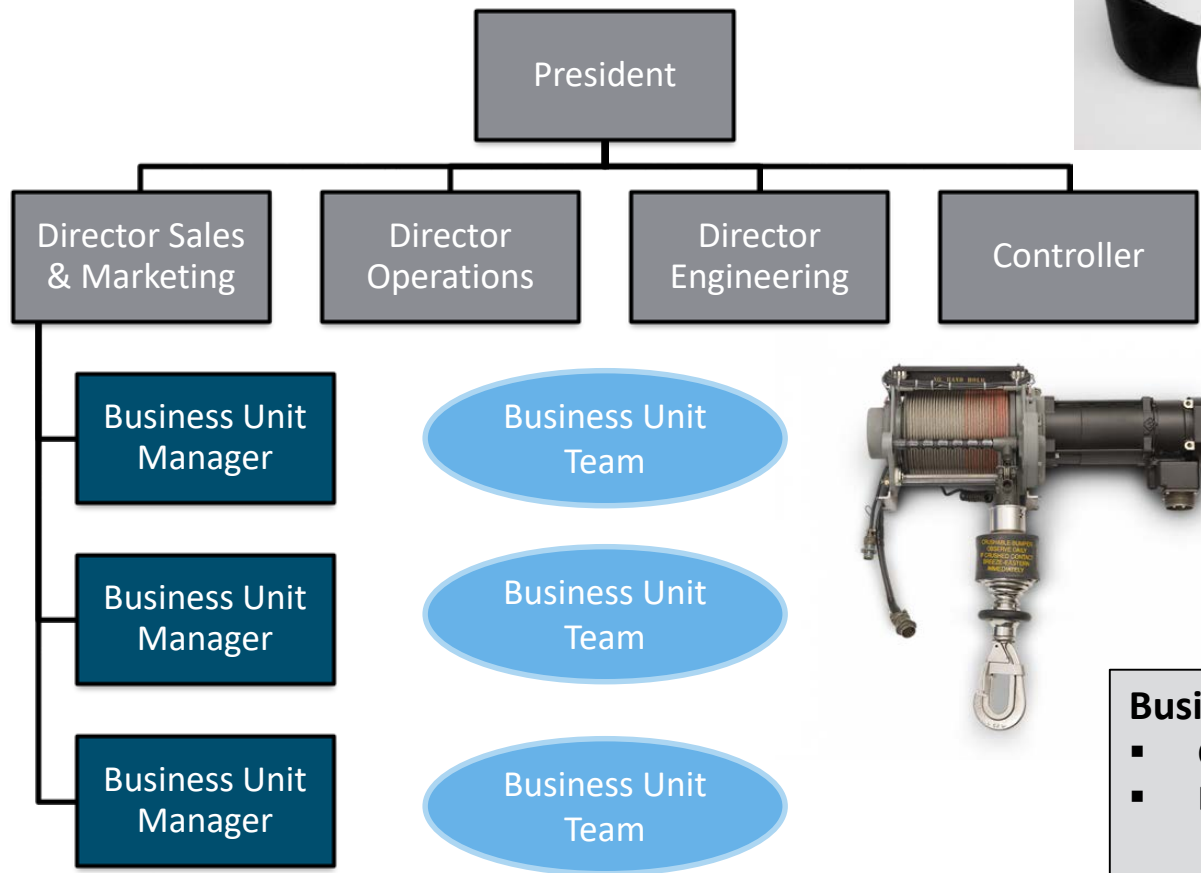
Think Like Owner

Create Value

Lower Cash Comp &
Higher Equity



Operating Unit Organization



Business Unit Value Focus

- Business Unit Teams**
- Co-Located
 - Detail Value Focused
 - New Business Development
 - Pricing and Contracting
 - Productivity

Business Unit Value Focus

TRANSDIGM
GROUP INC.



Adams Rite Aerospace



TACTAIR



BREEZE EASTERN
Be Ready. Be Sure.



34 Operating Units



85+ Business Units



Proven Operating Strategy

TRANSDIGM
GROUP INC.



**Profitable New
Business**



**Productivity and
Cost
Improvements**



**Value Based
Pricing**

3 Value Drivers

Business Unit Value Creation

Business Unit Teams

- Grouping of Related Products
- Integrated Cross Functional Team
- Business Unit Manager Drives Performance



Value Driver Focus

- Profitable New Business
- Productivity and Cost Improvement
- Value-based Pricing



Accountability

- Standardized Business Metrics Across Operating Units
- Quarterly Reviews and Mid-Year Reviews
- Ownership of Results



Drives Organic Growth

Focus on *Profitable*
New Business

Customer-Driven Business Opportunities

Innovative State of the Art Solutions

Responsive and Agile Development

New Business “How We Do It”

Customer Relationships

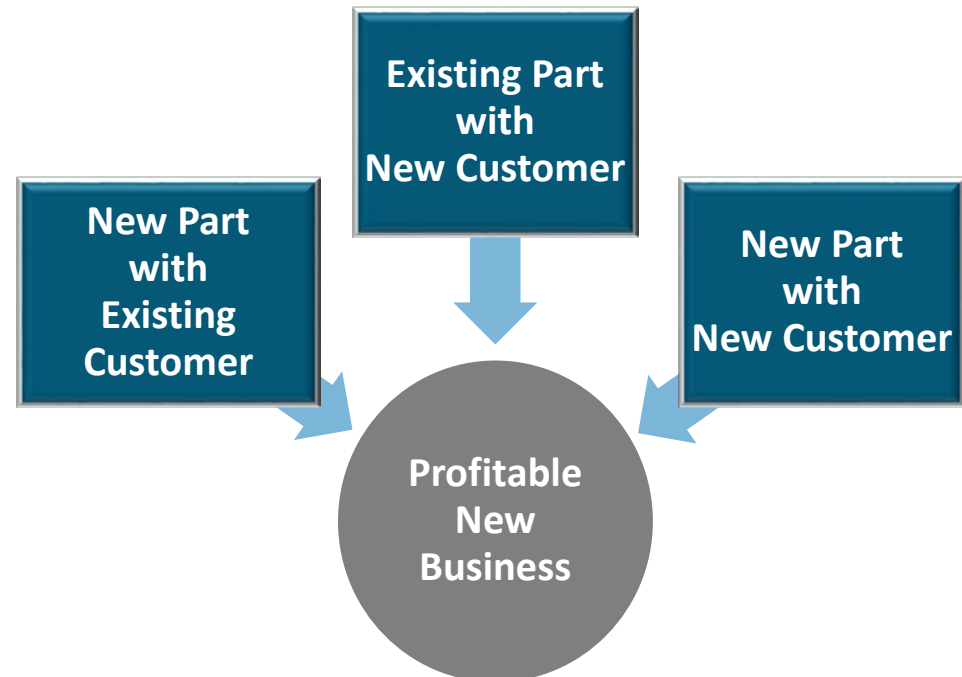
- Strong Operational Performance
- Engineer to Engineer Selling
- Solve Customer Technical Issues

Innovation

- New Technology/Processes
- Rapid Prototype Development

Product Development

- Dedicated Business Unit Teams
- Concurrent Engineering
- Phase Gate Process



New Business Modeling

Analytical Approach

- Data Driven
- Realistic OEM Production Rates
- Historical NRE Investment Estimates
- Actual-cost Production Cost Estimates
- Cumulative Cash Flow Analysis
- Takes Emotion out of Decisions



EXAMPLE ONLY

New Business Model Excerpt

	2018	2019	2020	2021	2022	2023
<i>Annual Data</i>						
Production Sales	NRE	\$507	\$765	\$968	\$1,318	\$1,536
Production COS	(\$475)	(\$448)	(\$656)	(\$815)	(\$1,065)	(\$1,166)
Product Margin		\$59	\$109	\$153	\$253	\$370
Margin %		12%	14%	16%	19%	24%
SG&A %		-12%	-12%	-12%	-12%	-12%
EBITDA Margin		0%	2%	4%	7%	12%
Spares Sales		\$116	\$263	\$837	\$1,362	\$2,660
Spares COS		(\$56)	(\$121)	(\$360)	(\$545)	(\$1,011)
Spares Margin		\$60	\$142	\$477	\$817	\$1,649
Spare Margin %		52%	54%	57%	60%	62%
SG&A %		-12%	-12%	-12%	-12%	-12%
EBITDA Margin		40%	42%	45%	48%	50%
Total Sales		\$623	\$1,028	\$1,805	\$2,680	\$4,196
Total COS		(\$504)	(\$777)	(\$1,175)	(\$1,610)	(\$2,177)
Product Margin		\$119	\$251	\$630	\$1,070	\$2,019
Margin %		19%	24%	35%	40%	48%
SG&A %		-12%	-12%	-12%	-12%	-12%
EBITDA Margin		7%	12%	23%	28%	36%
Net Cash flow	(\$475)	\$45	\$128	\$413	\$749	\$1,516
Cum Cash flow	(\$475)	(\$430)	(\$303)	\$111	\$859	\$2,375

Focus: Profitable New Business

Return on Investment 6 yrs 56%

Annual Productivity Improvements to Offset Inflation



Across Total Cost Base

Detailed Cost Reduction Planning

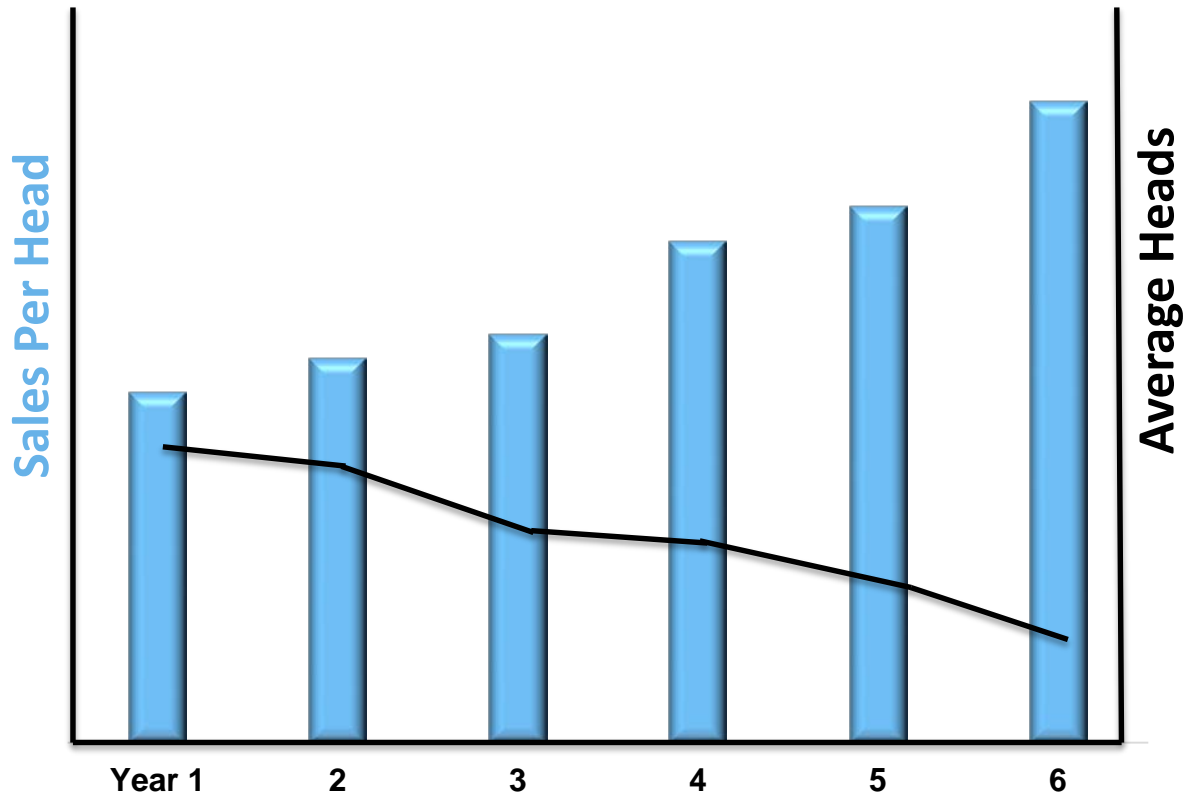
Projects	YTD Plan	YTD Enacted	Plan	FY Forecast
Vendor LTAs / Resourcing	525	764	700	764
Commodity Hedge	75	44	100	75
Various Purchasing Initiatives	338	444	450	550
Purchasing Savings	938	1252	1,250	1,389
Outsourcing Domestic	47	0	62	62
Offshore Mfg (in-house)	200	200	200	200
Offshore Intercompany	-	0	-	-
Offshore 3rd Party	19	48	25	48
Outsourcing / Offshore Savings	265	248	287	310
RIF / Plant Consolidation	1,800	1800	1,800	1,800
Compensation Reduction	-	0	-	-
Mfg Projects (Automation)	75	23	100	100
Other Labor Projects	38	50	50	75
Labor Savings	1,913	1873	1,950	1,975
Scrap Reduction	38	0	50	50
Assembly Projects	75	30	100	100
Eng / Quality Projects	75	187	100	225
Warranty / Rework / Repairs	-	0	-	-
Rent / Utility / Engery Savings	19	0	25	15
Mainten, tooling expense reduction	8	0	10	10
VIP Ideas	113	203	150	200
Other Spending Reduction	470	18	627	500
Other Spending Reduction	797	438	1,062	1,100
Total Productivity Savings	3,912	3,811	4,549	4,774
Productivity as a % of Total Cost	3.3%	3.2%	3.8%	4.0%

- Measure the Goals
- Schedule and Savings
- Challenge Delays
- Trust but Validate



Note: For Illustration Only

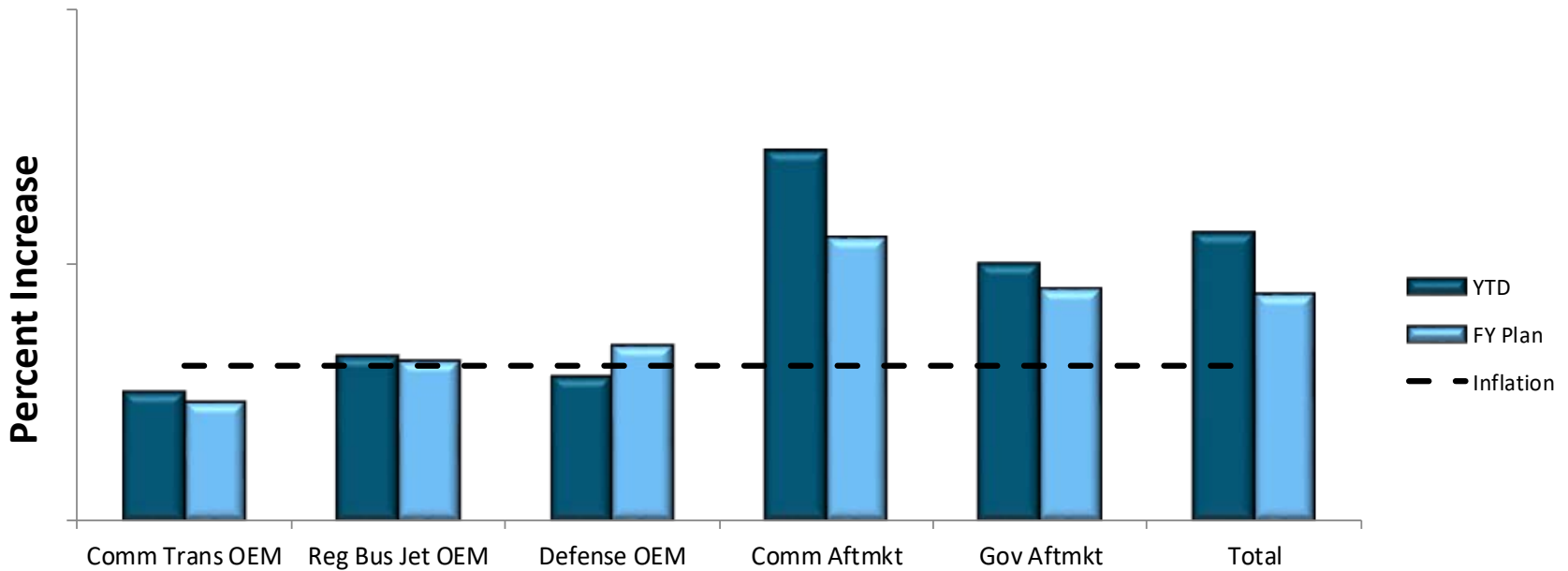
Sales Per Head



Improving Trends

Note: For Illustration Only

YTD Product Line "A" Pricing Results



Note: For Illustration Only

Business Unit – Income Statement

TRANSDIGM
GROUP INC.

Prior Year Actual	% to SIs		Q2 Actual	% to SIs	YTD Actual	% to SIs	YTD Plan	% to SIs
36,814	100.0%	Sales	9,819	100%	26,216	100%	25,974	100%
		<u>Product Costs:</u>						
8,870	24.1%	Material	2,326	23.7%	6,229	23.8%	6,284	24.2%
2,812	7.6%	Direct Labor	730	7.4%	1,984	7.6%	1,924	7.4%
7,000	19.0%	Overhead	1,801	18.3%	4,865	18.6%	4,932	19.0%
947	2.6%	Depreciation	215	2.2%	623	2.4%	628	2.4%
-	0.0%	Other	-	0.0%	-	0.0%	-	0.0%
19,629	53.3%	Total Product Costs	5,072	51.7%	13,701	52.3%	13,768	53.0%
17,185	46.7%	Gross Profit	4,746	48.3%	12,515	47.7%	12,206	47.0%
		<u>G&A Costs:</u>						
61	0.2%	Engineering	16	0.2%	46	0.2%	40	0.2%
681	1.9%	Sales	188	1.9%	549	2.1%	562	2.2%
1,249	3.4%	Admin	273	2.8%	637	2.4%	641	2.5%
(41)	-0.1%	Other	-	0.0%	-	0.0%	-	0.0%
64	0.2%	Depreciation	17	0.2%	50	0.2%	20	0.1%
2,015	5.5%	Total G&A Costs	494	5.0%	1,282	4.9%	1,263	4.9%
16,181	44.0%	Product Line EBITDA	4,485	45.7%	11,906	45.4%	11,591	44.6%

Business Unit Structure – Driving Value Creation



Growing Value Requires Growing Talent

TRANSDIGM
GROUP INC.

Talent Demand



Organic Growth &
Mgt. Turnover



Acquired Growth &
Mgt. Transitions

Growth Requires Talent

Talent Distribution

Talent Pool



**Develop
Expand
Test**

Weed-out

Promote

Low

High

Talent Development

Financial Competency

Income
Statement

Balance
Sheet

Value Creation



Value Pricing



New Business
Modeling



Productivity
Management

Contracting

Risk Management

I.P. Protection

Aftermarket Access

Pricing

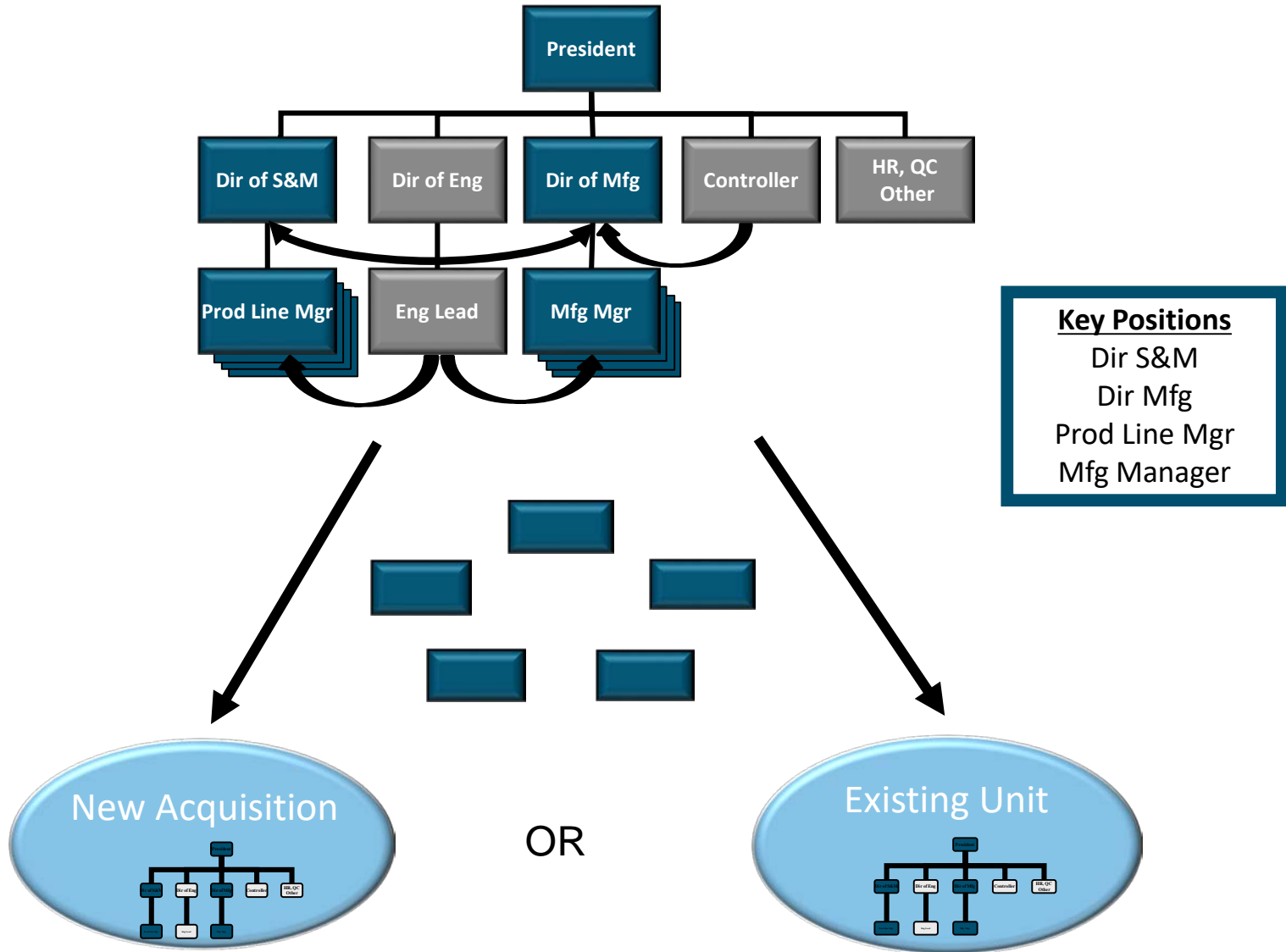
Business Unit Reviews



Site Visits & Operational Reviews



Succession, Development, Promotion



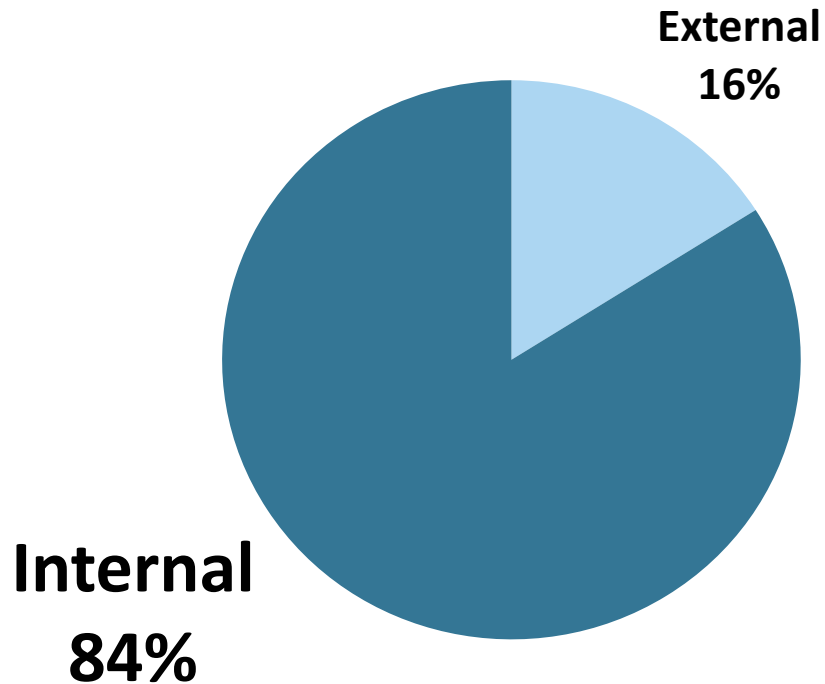
TRANSDIGM
GROUP INC.

USC Marshall
School of Business
Executive Education

Leadership Development Program

- (30) High Potential Sr. Managers
- Customized Curriculum
- Team Based Action Learning Projects
- Individual Development Plan
- Formal Mentoring Program

LTM Promotions Source



Solid Value Growth Process

- Consistent Value Creation Strategy
- Business Unit Detail Focus
- Active Talent Growth





**FLYING
HIGHER**

Mergers & Acquisitions

Bernie Iversen – Executive VP – M&A

Mike Lisman – Vice President – M&A

TRANSDIGM
GROUP INC.

Focused Acquisition Strategy



- Aerospace products



- Proprietary engineered products



- Significant aftermarket content

Acquisition History

Fiscal Year	\$ Invested
FY '08	\$156 M
FY '09	\$156 M
FY '10	\$170 M
FY '11	\$1.65 B
FY '12	\$869 M
FY '13	\$484 M
FY '14	\$298 M
FY '15	\$1.62 B
FY '16	\$1.44 B
FY '17	\$105 M
FY '18F	\$575 M*

Annual Average = \$676 M per Year

**FY18 includes \$50M for Kirkhill and \$525M for Extant*

FY17 and FY18 in Review

Invested \$680M
Stayed within Acquisition Criteria



2017
Price: \$105M
Sellers: Various



KIRKHILL

2018
Price: \$50M
Seller: Esterline

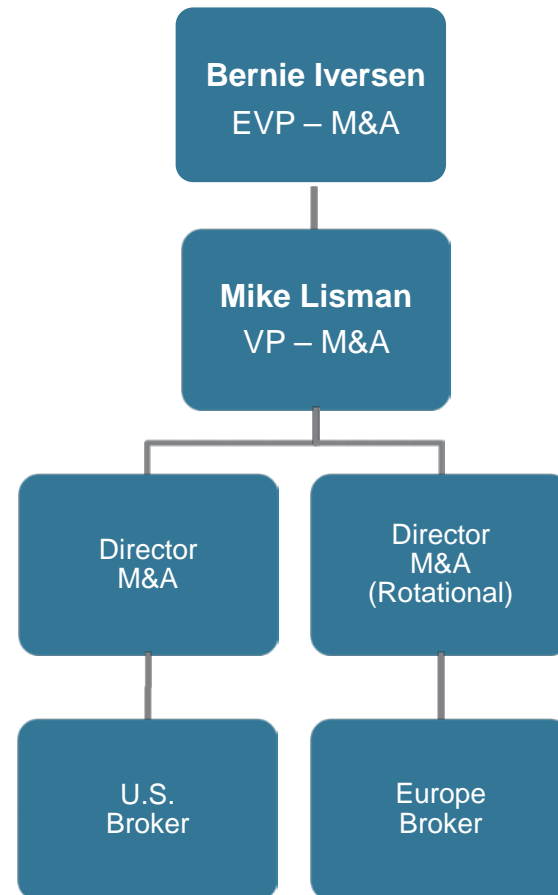


2018
Price: \$525M
Seller: Warburg Pincus



M&A Org Chart

- Strong and stable team
- Rotational Director role
- Utilize Brokers to assist in US & Europe



Maintain Active Pipeline of Potential M&A Targets

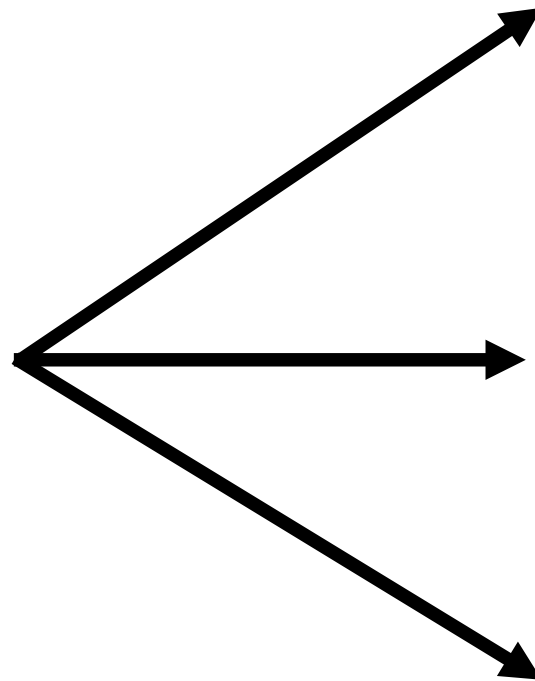
Visit, Visit, Visit!



Conferences / Shows



Networking



Privately Held /
Family-Owned

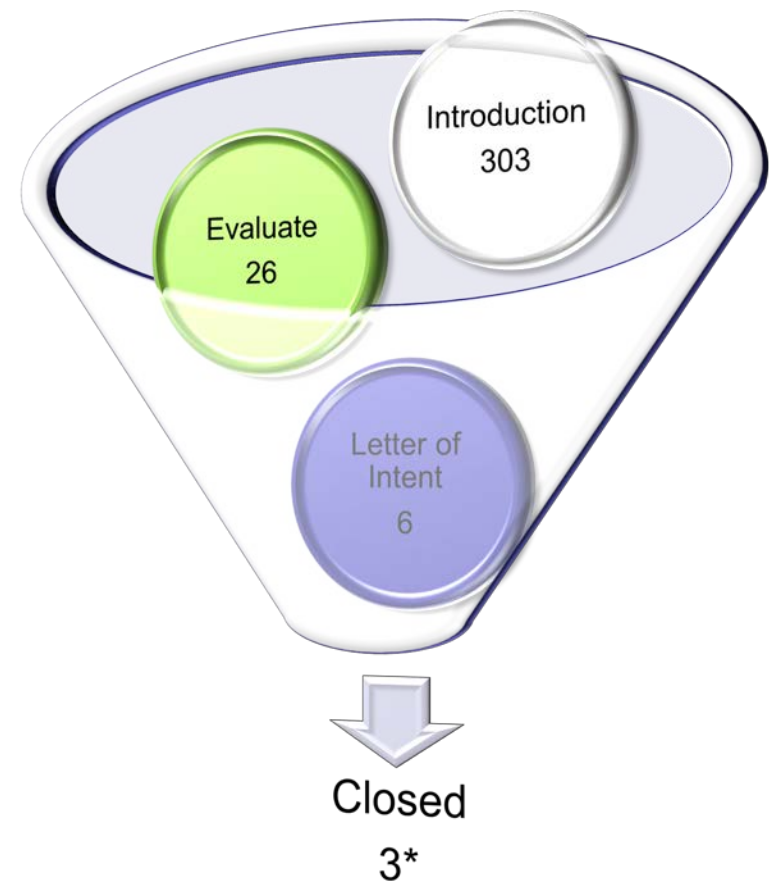
Private Equity
Ownership

Strategic
Owners

Typical Multiple:
9 – 12x EBITDA

Post Acquisition:
Significant multiple reduction

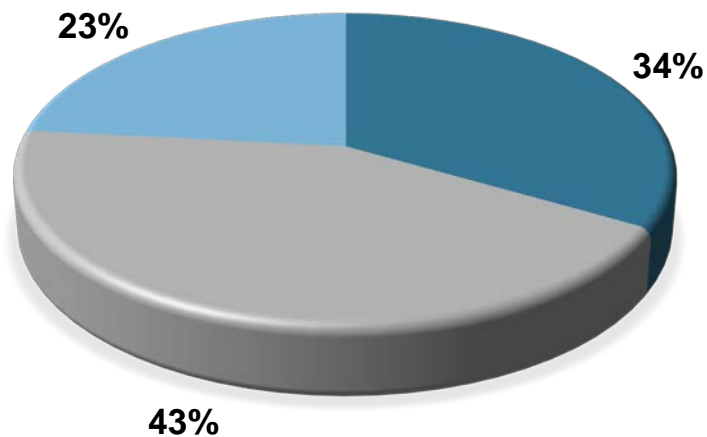
Typical Results



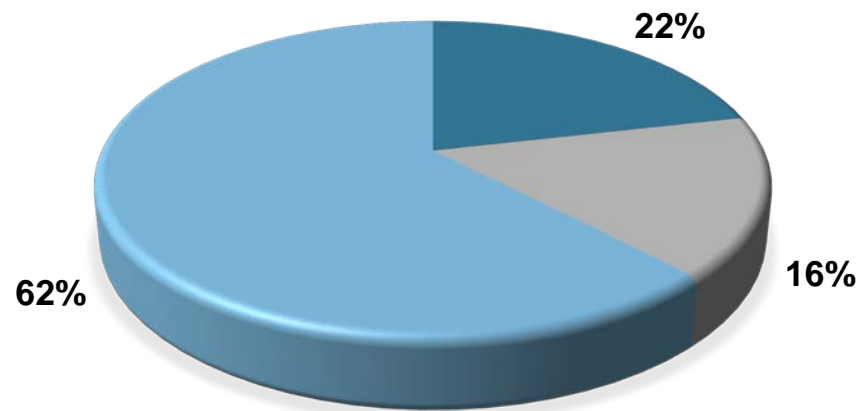
* Note: Excludes Schroth.

Acquisition Sourcing – Since IPO

Number of Businesses



EBITDA at Time of Acquisition



■ Strategic ■ Private Holder ■ Private Equity

Note: Statistics include businesses acquired but later divested.

Proven Record of Acquisition & Integration

Privately Held

1993 – 2006

- Adel
- Aeroproducts
- Wiggins
- Controlex
- Marathon
- Adams Rite Aerospace
- Christie
- Champion
- Honeywell Lube Pump
- Fuelcom
- Norco
- Avionic Instruments
- Skurka
- Fluid Regulators
- Eaton Motors

2006 – 2010

- Sweeney
- Electra-Motion
- CDA InterCorp.
- Avtech
- ADS/Transicoil
- Bruce
- CEF
- Unison/GE
- APC/GE
- Acme
- Woodward HRT
- Dukes
- Semco
- Hartwell
- Electromech
- Tyee
- TAC
- Linread⁽¹⁾
- Valley-Todeco⁽¹⁾
- AQS⁽¹⁾

McKechnie

NYSE

2011 – 2014

- Talley Actuation
- Schneller
- Harco
- AmSafe Passenger Restraints
- AmSafe Commercial Products
- AmSafe Cargo Restraints & Specialty Devices
- Aero-Instruments
- Beams
- Aerosonic
- Arkwin
- Whippany Actuation
- Airborne Systems – North America
- Airborne Systems – Europe
- Elektro-Metall Export

AmSafe

2015 – 2018

- Telair International
- AAR Cargo Systems
- Nordisk Aviation
- Franke Aquarotter
- Pexco
- PneuDraulics
- Breeze-Eastern
- DDC
- Young & Franklin (Tactair)
- North Hills
- Cablecraft Aerospace
- Preece
- Kirkhill
- Extant

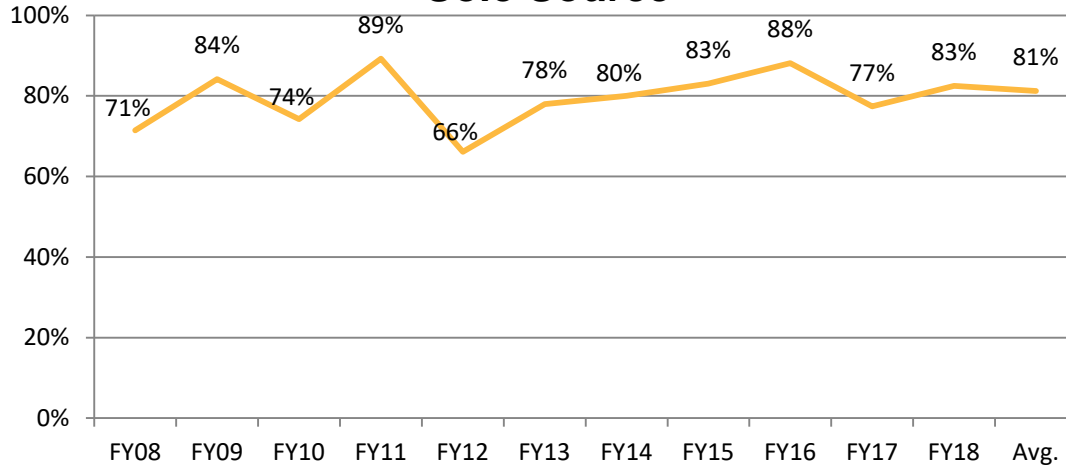
Telair

TransDigm has acquired 64 businesses since 1993, including 49 since its IPO.

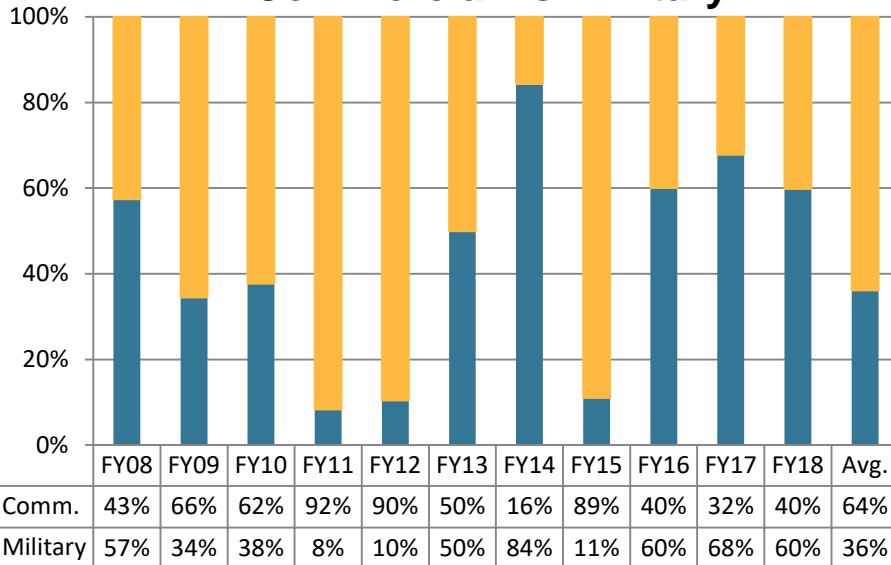
Acquisition Metrics – Weighted Historical Values

(Excluding Divestitures)

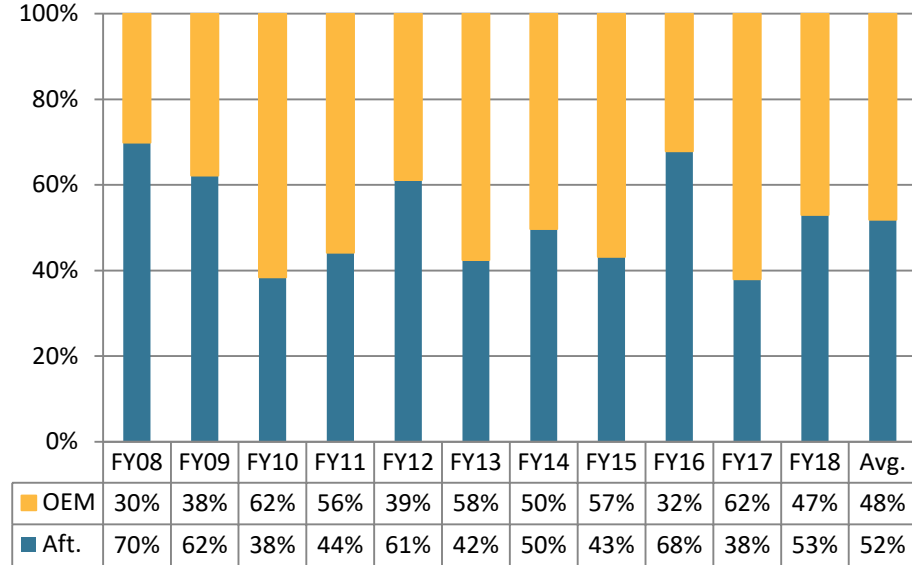
Sole Source



Commercial vs. Military



OEM vs. Aftermarket



What We Don't Look For

- Synergy
- Market share
- Fill out product line
- Excess capacity
- Access to markets
- Blah, Blah, blah

- Bigger is better
- Globalization
- Diversify
- Consolidating Industry
- Spend \$ to make \$
- Blah, Blah, blah

- Name in Paper
- Increase salary
- Get promoted
- Be fun
- Bigger Boss
- Bragging Rights

- Get fee
- Get promoted

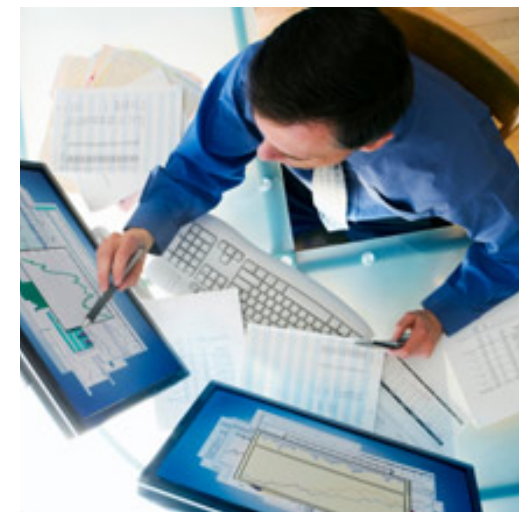


What We DO Look For



Investment Evaluation

Purchase Price / Capital Structure	
EBITDA	\$ 16,500
Multiple	10.0
Purchase Price	\$165,000
Fees	\$1,750
Total Purchase Price	\$166,750
Debt 5.5x Current Year EBITDA	\$90,750
Equity Required	\$76,000
Total	\$166,750



Debt & Equity

Investment	Year 1	Year 2	Year 3	Year 4	Year 5
(\$76,000)					
EBITDA	\$18,405	\$22,530	\$26,426	\$30,161	\$34,243
Multiple	10.0	10.0	10.0	10.0	10.0
TEV	\$184,053	\$225,304	\$264,265	\$301,608	\$342,430
Less debt	\$ (91,631)	\$ (89,571)	\$ (86,086)	\$ (81,439)	\$ (75,399)
Market Value	\$92,422	\$135,732	\$178,179	\$220,170	\$267,031
IRR	0	0	0	\$0	\$267,031 28.6%

SAMPLE

Common Issues Identified During Diligence



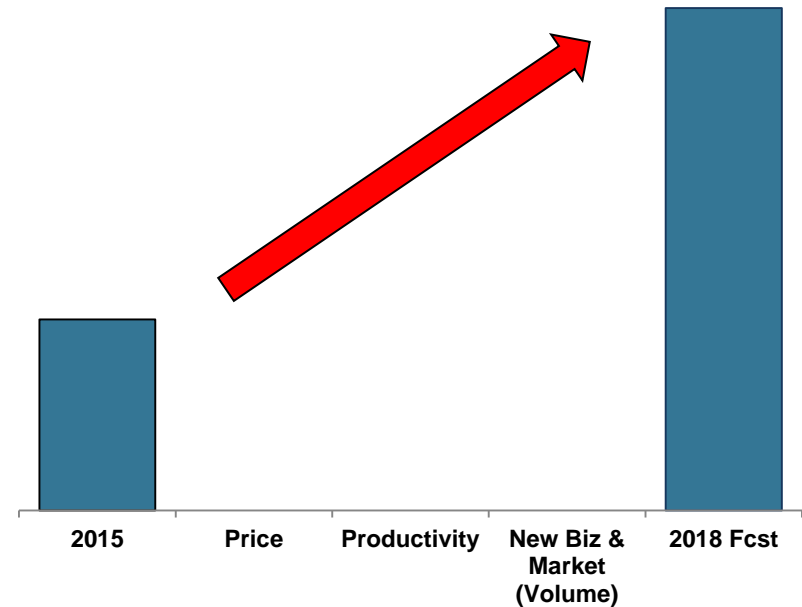
- Excessive costs
- Sub optimal pricing
- Unfocused new business process

Actual Performance – Example 1

Acquisition Model EBITDA Bridge



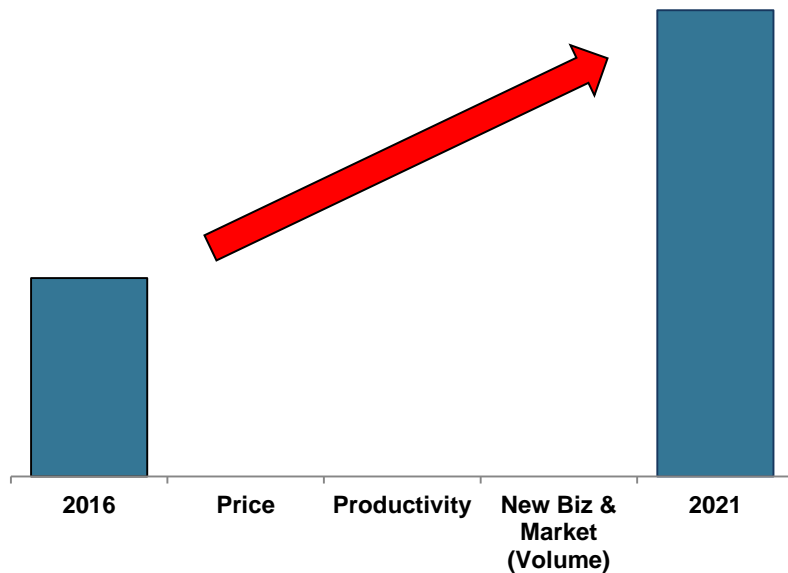
Actual / FCST EBITDA Bridge



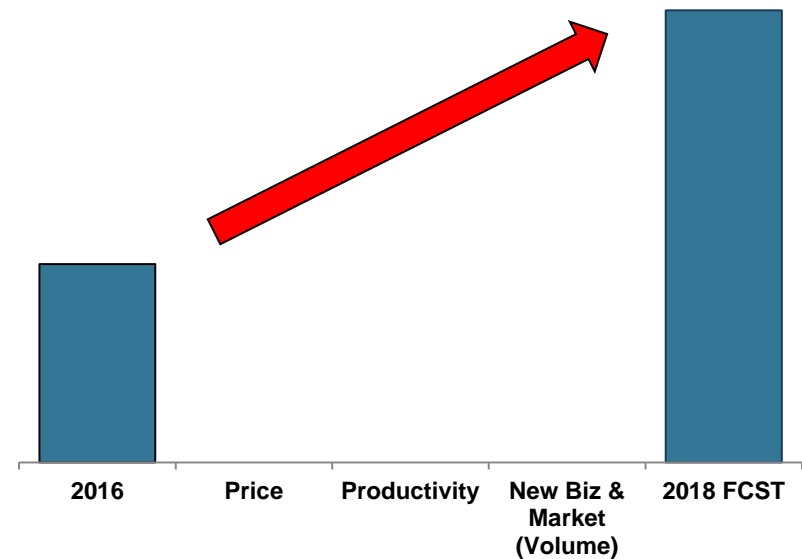
EBITDA already considerably ahead of model – creating significant value

Actual Performance – Example 2

Acquisition Model EBITDA Bridge



Actual / FCST EBITDA Bridge



EBITDA will be just below Year 5 model target in only 2.5 years of ownership



**FLYING
HIGHER**

Acquisition Process & Integration

Bob Henderson – Vice Chairman

TRANSDIGM
GROUP INC.

Now That We Own It

WHAT DO WE DO?!

Basics – All Acquisitions are Different

- Past Operating History Impacts Model and Integration Needs/Process
- Different Value Generation Approaches in Acquisition Model
 - Consolidate or Stand Alone – Productivity Opportunities
 - Contractual Opportunities & Constraints
 - New Business Pipeline
- Strength in Senior Management Varies Wildly

However, There is Significant Commonality in Our Actions

Acquisition Integration Process - Timeline

<u>Actions - General</u>	<u>Time After Acquisition (days)</u>
➤ Present TransDigm, Our Culture and Value Generation Strategy	0 - 15
➤ Control Working Capital and Establish Financial Plan	0 - 90
➤ Evaluate Key Staff Personnel Competency	0 - 30
➤ Review OE/AM Contracts and Effect Actions	15 - 45
➤ Implement Productivity Plan (Business Wide) and Ongoing Production Improvement Processes	0 - 90
➤ Organize Company into Business Units	30 - 180
➤ Review New Business Projects – Weed & Focus	30 - 60
➤ Various HR, Legal & Accounting Reviews/Activities	0 - 120



Integration Activities First 180 Days

Young & Franklin Inc. / Tactair

TRANSDIGM
GROUP INC.

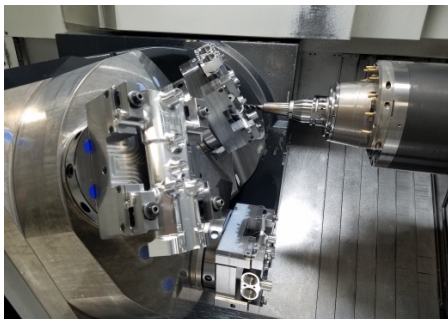
YF Young & Franklin Inc.

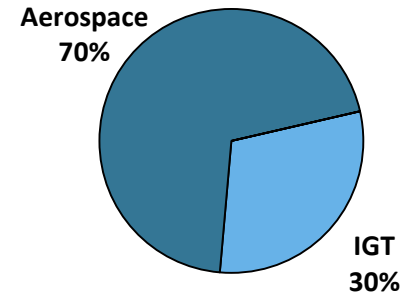
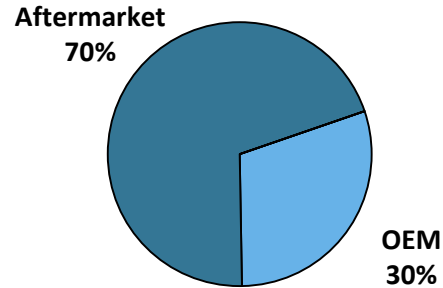
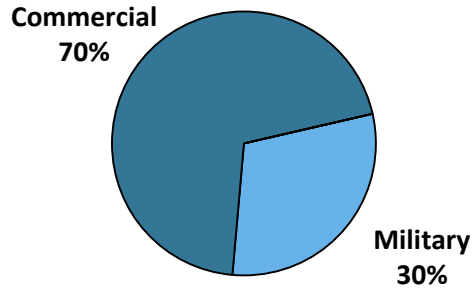


September 2016
Headquartered in
Liverpool, NY

Revenue: \approx \$75 M
Employees: \approx 320

TACTAIR





Key Platforms

MRJ	C 130J
E2	E2D
CL300	CH47
Global family	T6
Legacy family	IGT – GE family
AW609	IGT – Solar family

Key Activities / Observations

- Privately owned. HQ outside Syracuse, NY
- Two business segments & two facilities:
 - Tactair (70% of sales) – Hydraulic and pneumatic actuators for aviation
 - Young & Franklin (30% of sales) – Valves & actuators for industrial gas turbines “IGT”

Products – Hydraulic & Electric Controls



FY 2017 “Bolt-On” Acquisitions ≈ \$32 M Revenue

TRANSDIGM
GROUP INC.



- Private Party Seller
- Moved to AdelWiggins
- Connectors and hose assemblies for fluid and pneumatic systems



- Private Equity Seller
- Moved to AeroControlex
- Control Cable Assemblies



- Private Party Seller
- Moved to DDC- part of DDC’s Beta Transformer Technology Corporation
- Measurement and Connectivity Solutions- Wideband transformers



Kirkhill Inc.

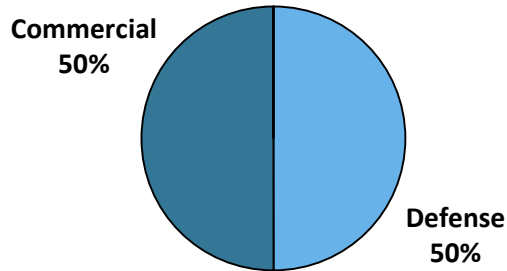
TRANSDIGM
GROUP INC.



March 2018
Headquartered in Brea, CA

Revenue: \approx \$90 M
Employees: \approx 800





Key Activities / Observations

- Esterline divested of Kirkhill
- \$50M PP (0.5x Sales multiple)
- Good positions on Next Generation Aircraft
- Opportunities to improve profitability
- Primarily proprietary, soul source with significant aftermarket

Key Platforms

777X
787
737Max
A350
JSF
Leap Engine

Products – High temp Elastomers, Aerodynamic Seals, Radar absorbing materials, Canopy seals and various elastomer seals

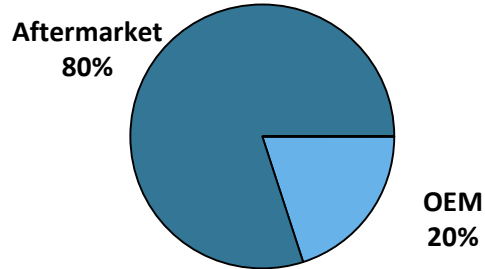
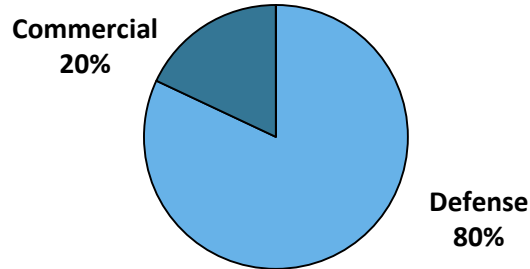


Extant Aerospace

April 2018
Headquartered in
Melbourne, FL

Revenue: \approx \$85 M
Employees: more than 170





Key Platforms

F-16	AH64
F-18	MD 900/902
F-15	B747
UH-60	B757
Apache	B777
C-130	KingAir
Chinook	

Key Activities / Observations

- Warburg Pincus was owner
- Manufactures legacy aerospace and defense products
- Exclusively acquires licenses or product lines from OEMs
- Operates entirely in the avionics and electronics segment
- One facility in Melbourne, FL currently undergoing expansion to accommodate growth

Products – Data Transfer Modules, Voice and Data Recorders, Power Conversion, Attitude Indicators, Switch and Cable Products



Product Presentation Breakout

TRANSDIGM
GROUP INC.

Presentations

Starting Location

Roger Jones Mike Yates	DDC Tactair/Young & Franklin	EVP President, Tactair/Y&F	Group – A Ballroom (Main Floor)
Mike Hargas Paula Wheeler Pete Palmer	AeroControlex AeroFluid Products AdamsRite	President, AeroControlex President, AeroFluid Products EVP	Group – B Ballroom (Main Floor)
Joel Reiss Alex Feil Rodrigo Rubiano	Hartwell Schneller Whippany	EVP EVP EVP	Group – C Arcade (Downstairs)
Herb Mardany Jason Marlin Patrick Murphy	AmSafe Restraints Champion Aerospace HarcoSemco	President, AmSafe Restraints President, Champion Aerospace President, HarcoSemco	Group – D Arcade (Downstairs)

Hold Non-Presentation Related Questions for the Panel Q&A



**FLYING
HIGHER**

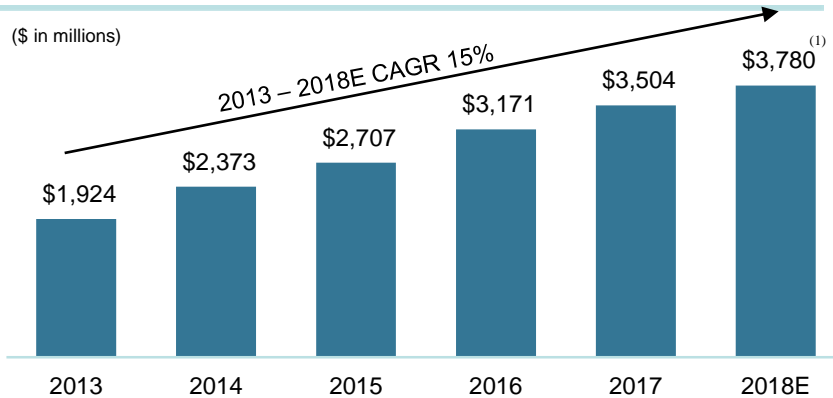
Financial Overview

Jim Skulina - CFO

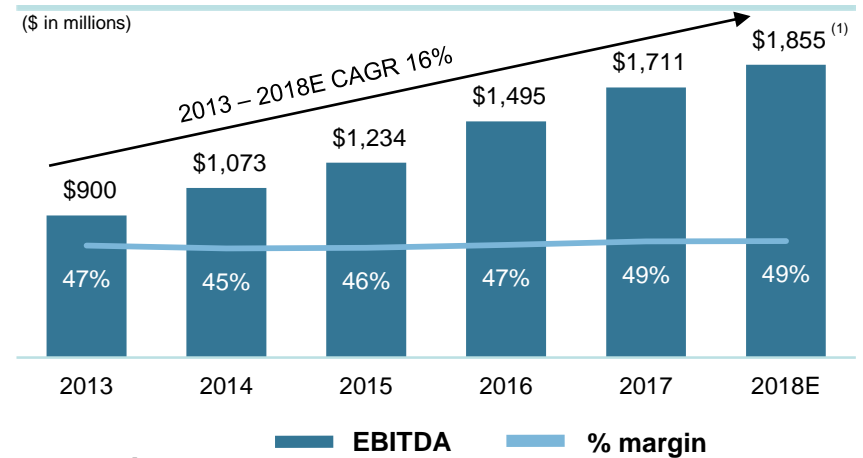
TRANSDIGM
GROUP INC.

Historical Financial Highlights

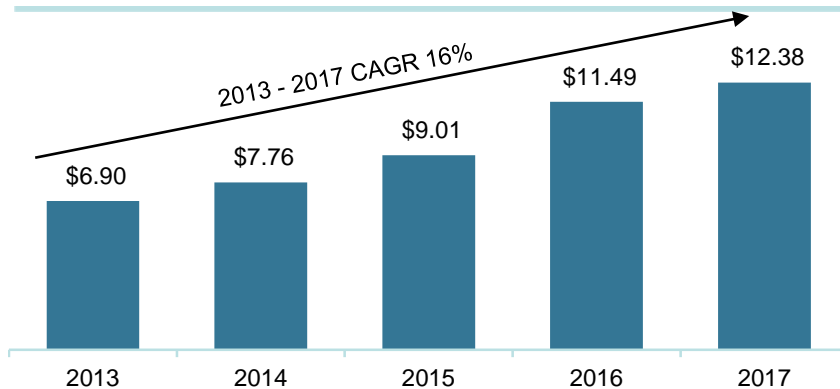
Revenue



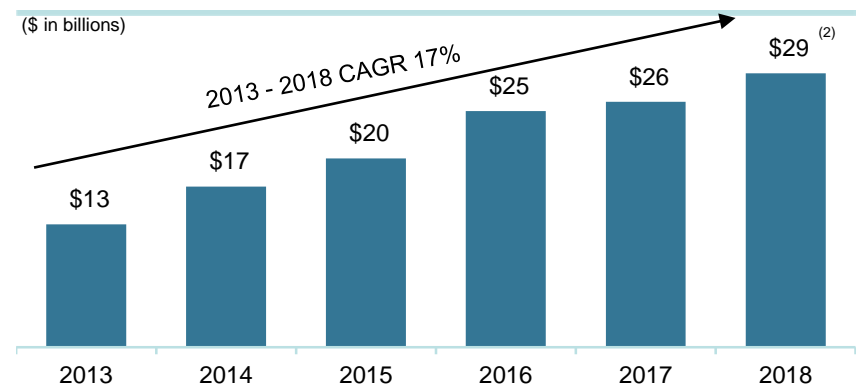
EBITDA as Defined



Adjusted Earnings Per Share



Enterprise Value



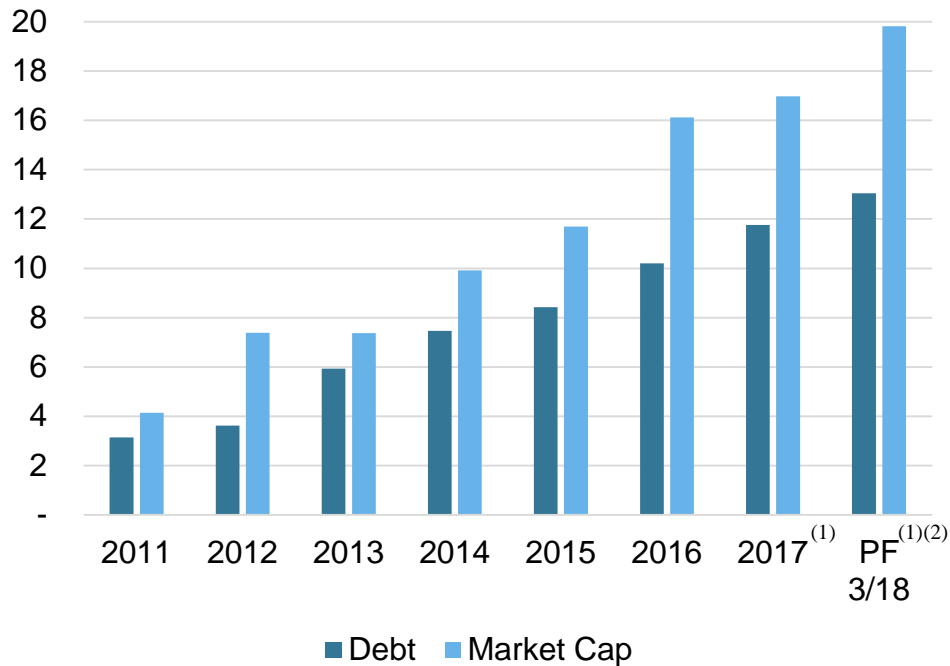
TransDigm Continues to Grow and Generate Significant Cash

Note: EBITDA as Defined is a non-GAAP financial measure. See the appendix for a historical reconciliation of EBITDA as Defined to Net Income.

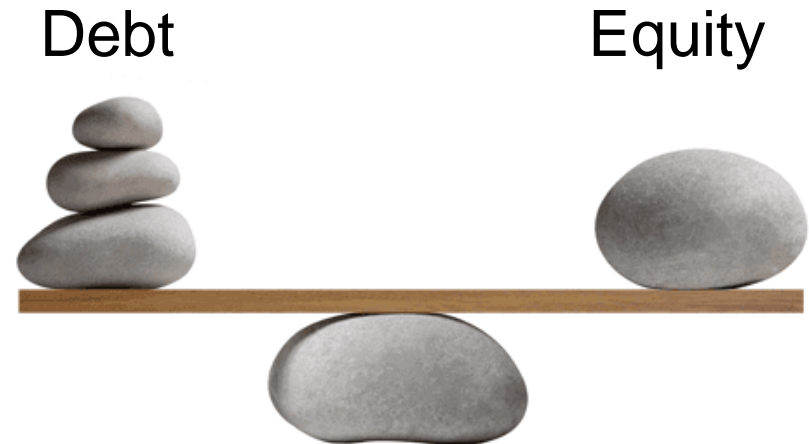
- (1) Revenue and EBITDA As Defined information under 2018E reflects the mid-point of the guidance range for the fiscal year ending 9/30/18 that was issued on 5/01/18. TransDigm only updates guidance quarterly and this presentation does not confirm or update guidance now.
- (2) 2018 Enterprise value calculated as of 6/15/18 equals equity value (shares outstanding as of 3/30/18 multiplied by the TDG closing stock price on 6/15/18) plus pro forma total net debt (total debt less cash).

“Private Equity-Like Capital Structure”

Total Debt vs Market Cap (in billions)



Financial Leverage

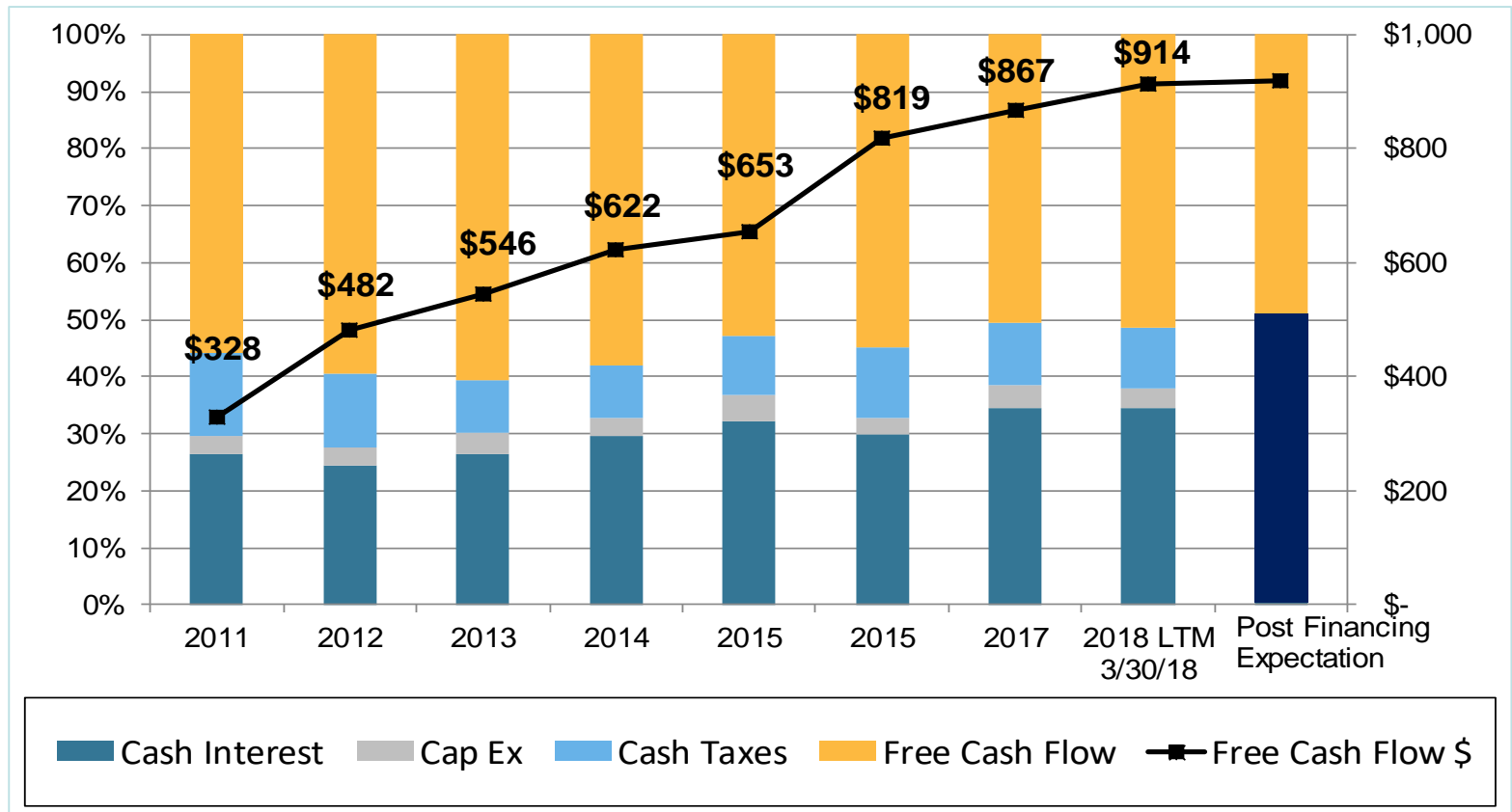


(1) FY17 & PF 3/18 stock prices are adjusted for \$46 of special dividends paid in FY 2017.

(2) PF Total Debt includes the impact of the financing activities completed in May 2018.

Significant Free Cash Flow

Free Cash Flow Before Working Capital Exceeds 50% of EBITDA As Defined



Note: Free Cash Flow before WC IS a non-GAAP financial measure. Please see appendix for a reconciliation of Free Cash Flow before WC.

November 2017

- Repriced Term Loans E & F

February 2018

- Repriced Term Loan G

May 2018

- Issued \$500M of new senior subordinated notes in the UK due 2026
- Issued new \$700M to Term Loan E
- Extended Term Loan E to 2025
- Repriced \$5.1B of existing Term Loans E & F

June 2018

- Entered into additional hedges to align with the new term loans and the extended maturities on existing debt

Pro Forma Capitalization Structure

TRANSDIGM
GROUP INC.

Pro forma capitalization (\$ in millions)	3/30/18		Adj.	Pro forma 3/30/18 ⁽¹⁾	Rate	Maturity
Cash	<u>\$1,011</u>		\$654	<u>\$1,665</u>		
\$600mm revolver	–		–	–	L + 3.000%	Feb-20
\$350mm AR securitization facility	300		–	300	L + 0.900%	Aug-18
First lien term loan E due 2025	1,496		759	2,255	L + 2.500%	May-25
First lien term loan F due 2023	3,637		(59)	3,578	L + 2.500%	Jun-23
First lien term loan G due 2024	1,805		–	1,805	L + 2.500%	Aug-24
Total secured debt	\$7,238	4.1x		\$7,938	4.4x	
Total net secured debt	\$6,227	3.5x		\$6,273	3.4x	
Senior subordinated notes due 2020	550		–	550	5.500%	Oct-20
Senior subordinated notes due 2022	1,150		–	1,150	6.000%	Jul-22
Senior subordinated notes due 2024	1,200		–	1,200	6.500%	Jul-24
Senior subordinated notes due 2025	750		–	750	6.500%	May-25
Senior subordinated notes due 2026	950		–	950	6.375%	Jun-26
Senior subordinated notes due 2026	–		500	500	6.875%	May-26
Total debt	\$11,838	6.7x		\$13,038	7.2x	
Total net debt	\$10,827	6.1x		\$11,373	6.3x	

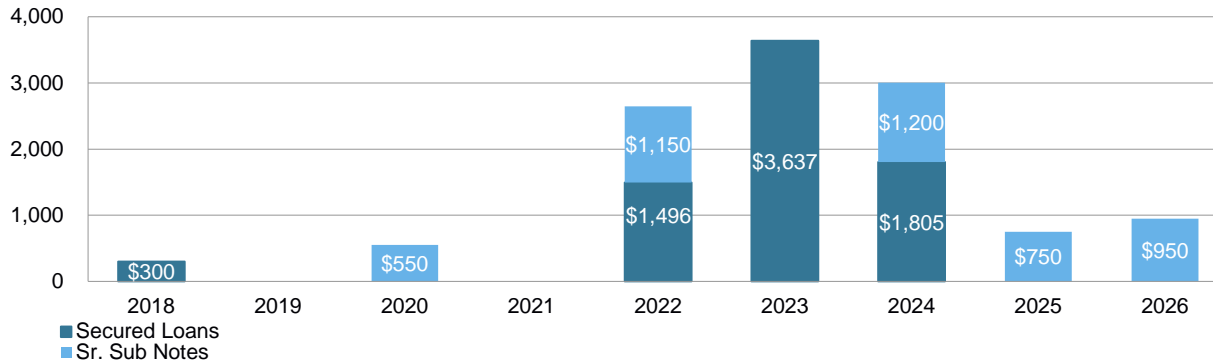
(1) Pro forma cash, total debt and net debt reflect the impact of the financing activities completed in May 2018. Total debt and net debt ratios are calculated using the LTM 3/30/18 EBITDA As Defined including the full year impact of Extant, excludes Kirkhill.

Note: EBITDA as Defined is a non-GAAP financial measure. See the appendix for a historical reconciliation of EBITDA as Defined to Net Income.

Debt Maturity Profile and Interest Rates

Old Debt Maturity Profile

(\$MM)

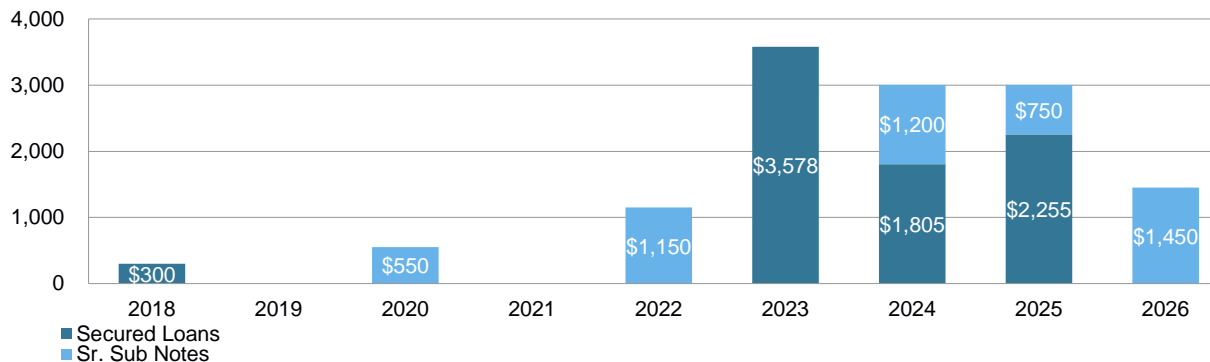


**Weighted Average
Interest Rate**

**Pre-Financing
5.3%**

New Debt Maturity Profile

(\$MM)



**Weighted Average
Interest Rate**

**Post-Financing
5.2%**

Fixed Debt 75% Post-Financing

Sources and Uses of Recent Financing

Sources & Uses

(\$ in millions)

Sources

Incremental first lien loan E/F	\$700
New senior subordinated notes	500
Total sources	\$1,200

Uses

Acquisition of Extant	\$525
Cash to the balance sheet	654
Financing related fees	21
Total uses	\$1,200

Dry Powder Available for Acquisitions

TRANSDIGM
GROUP INC.

Dry Powder in Excess of \$2 B Available

Pro Forma Cash 3/30/2018	\$ 1,665
Undrawn Revolver	600
Dry Powder Available for Acquisitions	\$ 2,265

** Does not include New Debt on Acquisition Target EBITDA

Shareholder Return

TRANSDIGM
GROUP INC.

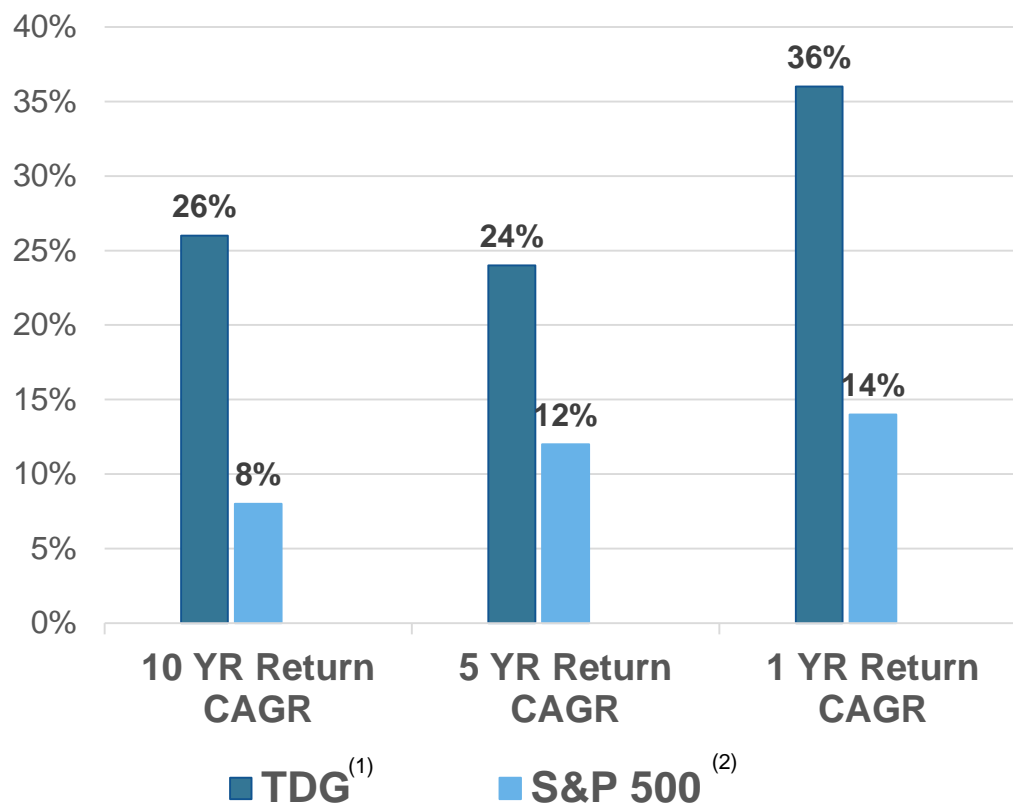


Operational Performance

Financial Leverage

Historical TDG Returns vs. SP 500

**“Private Equity-
Like” Returns
with
Public Liquidity**



(1) TransDigm returns are adjusted for special dividends paid of \$113.50 in 10-year period, \$93.00 in 5-year period and \$22.00 in 1-year period.

All returns measured as of 6/01/018.

(2) S&P adjusted for dividends estimated to be 1%.

APPENDIX: Reconciliation of EBITDA and EBITDA As Defined to Net Income

TRANSDIGM
GROUP INC.

(\$ in millions)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		
Income from continuing ops.	(\$5)	\$0	\$1	\$3	\$14	(\$17)	\$11	\$14	\$31	(\$76)	\$14	\$35		
Depreciation and amortization	7	7	7	6	7	6	7	9	13	10	18	17		
Interest expense, net	5	5	5	3	3	23	28	32	37	43	75	80		
Income tax provision	(2)	-	2	5	13	(2)	8	9	17	(45)	6	23		
Warrant put value adjustment	1	1	2	5	7	-	-	-	-	-	-	-		
Extraordinary item	-	-	-	2	-	-	-	-	-	-	-	-		
EBITDA, excluding discontinued operations	6	13	17	24	44	10	54	64	98	(68)	113	155		
Merger expense	-	-	-	-	-	40	-	-	-	176	-	-		
Acquisition-related costs/other	4	-	-	1	-	1	-	8	-	15	20	2		
Non-cash comp and def comp costs	-	-	-	-	-	-	-	-	-	1	6	7		
EBITDA As Defined	\$10	\$13	\$17	\$25	\$44	\$51	\$54	\$72	\$98	\$124	\$139	\$164	(1)	(2)
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	LTM 3/30 2018	Est 2018
Income from continuing ops.	\$25	\$89	\$133	\$163	\$163	\$152	\$325	\$303	\$307	\$447	\$586	\$629	\$868	\$920
Depreciation and amortization	16	24	25	28	30	61	68	73	96	94	122	141	130	130
Interest expense, net	77	92	93	84	112	185	212	271	348	419	484	602	631	650
Income tax provision	16	53	74	88	88	77	163	146	142	189	182	209	54	57
EBITDA, excluding discontinued operations	134	258	325	\$363	\$393	\$475	\$768	\$793	\$893	\$1,149	\$1,374	\$1,581	\$1,683	\$1,757
Merger expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition-related costs/other	1	9	2	6	12	30	19	26	22	35	58	44	37	48
Non-cash comp and deferred comp costs	1	6	6	6	7	13	22	49	26	32	48	46	47	48
One-time special bonus	6	-	-	-	-	-	-	-	-	-	-	-	-	-
Public offering costs	3	2	-	-	-	-	-	-	-	-	-	-	-	-
Refinancing costs	49	-	-	-	-	72	-	32	132	18	16	40	6	2
EBITDA As Defined	\$194	\$275	\$333	\$375	\$412	\$590	\$809	\$900	\$1,073	\$1,234	\$1,496	\$1,711	\$1,773	\$1,855
Acquisitions														33
PF EBITDA As Defined														\$1,806

(1) Pro Forma EBITDA As Defined for the LTM period ending 3/30/18 includes the full year impact of acquisitions, excluding Kirkhill.

(2) EBITDA As Defined information under EST 2018 reflects the mid-point of the guidance range for the fiscal year ending 9/30/18 that was issued on 5/01/18. TransDigm only updates guidance quarterly and this presentation does not confirm or update guidance now.

Please see the Special Notice Regarding Pro Forma and Non – GAAP Information.

APPENDIX: Reconciliation Net Income to Adjusted Net Income and Significant Free Cash Flow

TRANSDIGM
GROUP INC.

(in millions)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net income from continuing operations	\$ 303	\$ 307	\$ 447	\$ 586	\$ 629
Gross adjustments from EBITDA to EBITDA as Defined	107	181	84	121	130
Purchase accounting backlog amortization	7	17	5	19	23
Tax adjustment	<u>(37)</u>	<u>(63)</u>	<u>(26)</u>	<u>(81)</u>	<u>(95)</u>
Adjusted net income	<u>\$ 380</u>	<u>\$ 442</u>	<u>\$ 510</u>	<u>\$ 645</u>	<u>\$ 687</u>

(\$ in millions)	<u>Fiscal year ended September 30,</u>							<u>LTM</u>
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>3/30/18</u>
EBITDA as Defined	\$590	\$809	\$900	\$1,073	\$1,234	\$1,495	\$1,711	\$1,772
Capex	(18)	(25)	(36)	(34)	(55)	(44)	(71)	(63)
Cash interest expense	(156)	(198)	(237)	(319)	(399)	(449)	(588)	(609)
Cash taxes	(88)	(104)	(81)	(98)	(127)	(183)	(185)	(186)
Free cash flow	\$328	\$482	\$546	\$622	\$653	\$819	\$867	\$914
<i>% of EBITDA as Defined</i>	56%	60%	61%	58%	53%	55%	51%	52%