UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 27, 2026

☐ **Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to
Commission File Number 001-32833

TransDigm Group Incorporated
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

41-2101738
(I.R.S. Employer Identification No.)

1350 Euclid Avenue, Suite 1600, Cleveland, Ohio	**44115**
(Address of principal executive offices)	**(Zip Code)**

(216) 706-2960
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, accelerated filer, non-accelerated filer, smaller reporting company or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	**Trading Symbol:**	**Name of each exchange on which registered:**
Common Stock, $0.01 par value	TDG	New York Stock Exchange

The number of shares outstanding of TransDigm Group Incorporated's common stock, par value $.01 per share, was 55,276,525 as of July 31, 2026.

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PART I: FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share amounts)
(Unaudited)

	June 27, 2026	September 30, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,773	$ 2,808
Trade accounts receivable—Net	1,817	1,617
Inventories—Net	2,586	2,095
Prepaid expenses and other	595	492
Total current assets	7,771	7,012
PROPERTY, PLANT AND EQUIPMENT—NET	1,740	1,579
GOODWILL	12,166	10,612
OTHER INTANGIBLE ASSETS—NET	4,724	3,454
OTHER NON-CURRENT ASSETS	353	252
TOTAL ASSETS	$ 26,754	$ 22,909
LIABILITIES, REDEEMABLE NCI AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 139	$ 124
Short-term borrowings—trade receivable securitization facility	725	724
Accounts payable	434	368
Accrued and other current liabilities	1,276	966
Total current liabilities	2,574	2,182
LONG-TERM DEBT	32,621	29,167
DEFERRED INCOME TAXES	729	759
OTHER NON-CURRENT LIABILITIES	549	480
Total liabilities	36,473	32,588
REDEEMABLE NONCONTROLLING INTERESTS ("NCI")	81	—
TD GROUP STOCKHOLDERS' DEFICIT:		
Common stock - $.01 par value; authorized 224,400,000 shares; issued 62,855,861 and 62,465,317 at June 27, 2026 and September 30, 2025, respectively	1	1
Additional paid-in capital	3,377	3,135
Accumulated deficit	(9,107)	(10,606)
Accumulated other comprehensive loss	(54)	(10)
Treasury stock, at cost; 7,586,058 and 6,089,675 shares at June 27, 2026 and September 30, 2025, respectively	(4,026)	(2,206)
Total TD Group stockholders' deficit	(9,809)	(9,686)
NONCONTROLLING INTERESTS	9	7
Total stockholders' deficit	(9,800)	(9,679)
TOTAL LIABILITIES, REDEEMABLE NCI AND STOCKHOLDERS' DEFICIT	$ 26,754	$ 22,909

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in millions, except per share amounts)
(Unaudited)

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
NET SALES	$ 2,741	$ 2,237	$ 7,569	$ 6,394
COST OF SALES	1,113	905	3,078	2,553
GROSS PROFIT	1,628	1,332	4,491	3,841
SELLING AND ADMINISTRATIVE EXPENSES	332	242	859	689
AMORTIZATION OF INTANGIBLE ASSETS	69	51	185	148
INCOME FROM OPERATIONS	1,227	1,039	3,447	3,004
INTEREST EXPENSE—NET	514	397	1,472	1,152
OTHER EXPENSE (INCOME)	—	7	(10)	(24)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	713	635	1,985	1,876
INCOME TAX PROVISION	173	142	464	411
NET INCOME	540	493	1,521	1,465
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(1)	(1)	(2)	(1)
NET INCOME ATTRIBUTABLE TO TD GROUP	$ 539	$ 492	$ 1,519	$ 1,464
NET INCOME APPLICABLE TO TD GROUP COMMON STOCKHOLDERS	$ 539	$ 492	$ 1,460	$ 1,415
Earnings per share attributable to TD Group common stockholders:				
Earnings per share	$ 9.39	$ 8.47	$ 25.20	$ 24.31
Weighted-average shares outstanding:				
Basic and diluted	57.4	58.1	57.9	58.2

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in millions)
(Unaudited)

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net income	$ 540	$ 493	$ 1,521	$ 1,465
Less: Net income attributable to noncontrolling interests	(1)	(1)	(2)	(1)
Net income attributable to TD Group	$ 539	$ 492	$ 1,519	$ 1,464
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustment	(44)	232	(76)	105
Unrealized gains (losses) on derivatives	11	(13)	33	(15)
Pension and post-retirement benefit plans adjustment	—	—	—	—
Other comprehensive (loss) income, net of tax, attributable to TD Group	(33)	219	(43)	90
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO TD GROUP	$ 506	$ 711	$ 1,476	$ 1,554

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(Amounts in millions, except share amounts)
(Unaudited)

		TD Group Stockholders								
		Common Stock					Treasury Stock			
	Redeemable Noncontrolling Interests	Number of Shares	Par Value	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Number of Shares	Value	Noncontrolling Interests	Total
BALANCE—September 30, 2024	$ —	61,904,833	$ 1	$ 2,819	$ (7,362)	$ (42)	(5,688,639)	$ (1,706)	$ 7	$ (6,283)
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	—	—
Accrued unvested dividend equivalents and other	—	—	—	—	(8)	—	—	—	—	(8)
Compensation expense recognized for employee stock options	—	—	—	33	—	—	—	—	—	33
Stock-based compensation activity	—	118,080	—	35	—	—	—	—	—	35
Stock repurchases under repurchase program	—	—	—	—	—	—	(252,800)	(316)	—	(316)
Net income attributable to TD Group	—	—	—	—	493	—	—	—	—	493
Foreign currency translation adjustment, net of tax	—	—	—	—	—	(227)	—	—	—	(227)
Unrealized gain on derivatives, net of tax	—	—	—	—	—	22	—	—	—	22
Pension and postretirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—December 28, 2024	$ —	62,022,913	$ 1	$ 2,887	$ (6,877)	$ (247)	(5,941,439)	$ (2,022)	$ 7	$ (6,251)
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	—	—
Accrued unvested dividend equivalents and other	—	—	—	—	(9)	—	—	—	—	(9)
Compensation expense recognized for employee stock options	—	—	—	39	—	—	—	—	—	39
Stock-based compensation activity	—	185,035	—	55	—	—	—	—	—	55
Stock repurchases under repurchase program	—	—	—	—	—	—	(42,669)	(53)	—	(53)
Net income attributable to TD Group	—	—	—	—	479	—	—	—	—	479
Foreign currency translation adjustment, net of tax	—	—	—	—	—	100	—	—	—	100
Unrealized loss on derivatives, net of tax	—	—	—	—	—	(24)	—	—	—	(24)
Pension and postretirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—March 29, 2025	$ —	62,207,948	$ 1	$ 2,981	$ (6,407)	$ (171)	(5,984,108)	$ (2,075)	$ 7	$ (5,664)
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	1	1
Accrued unvested dividend equivalents and other	—	—	—	—	(9)	—	—	—	—	(9)
Compensation expense recognized for employee stock options	—	—	—	39	—	—	—	—	—	39
Stock-based compensation activity	—	202,713	—	57	—	—	—	—	—	57
Stock repurchases under repurchase program	—	—	—	—	—	—	(105,567)	(131)	—	(131)
Net income attributable to TD Group	—	—	—	—	492	—	—	—	—	492
Foreign currency translation adjustment, net of tax	—	—	—	—	—	232	—	—	—	232
Unrealized loss on derivatives, net of tax	—	—	—	—	—	(13)	—	—	—	(13)
Pension and post-retirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—June 28, 2025	$ —	62,410,661	$ 1	$ 3,077	$ (5,924)	$ 48	(6,089,675)	$ (2,206)	$ 8	$ (4,996)

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(Amounts in millions, except share amounts)
(Unaudited)

		TD Group Stockholders								
	Redeemable Noncontrolling Interests	Common Stock Number of Shares	Common Stock Par Value	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Treasury Stock Number of Shares	Treasury Stock Value	Noncontrolling Interests	Total
BALANCE—September 30, 2025	$ —	62,465,317	$ 1	$ 3,135	$ (10,606)	$ (10)	(6,089,675)	$ (2,206)	$ 7	$ (9,679)
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	—	—
Accrued unvested dividend equivalents and other	—	—	—	—	(7)	—	—	—	—	(7)
Compensation expense recognized for employee stock options	—	—	—	24	—	—	—	—	—	24
Stock-based compensation activity	—	107,798	—	28	—	—	—	—	—	28
Stock repurchases under repurchase program	—	—	—	—	—	—	(85,212)	(106)	—	(106)
Excise tax on stock repurchases	—	—	—	—	—	—	—	—	—	—
Net income attributable to TD Group	—	—	—	—	445	—	—	—	—	445
Foreign currency translation adjustment, net of tax	—	—	—	—	—	26	—	—	—	26
Unrealized gain on derivatives, net of tax	—	—	—	—	—	6	—	—	—	6
Pension and postretirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—December 27, 2025	$ —	62,573,115	$ 1	$ 3,187	$ (10,168)	$ 22	(6,174,887)	$ (2,312)	$ 7	$ (9,263)
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	1	1
Accrued unvested dividend equivalents and other	—	—	—	—	(6)	—	—	—	—	(6)
Compensation expense recognized for employee stock options	—	—	—	43	—	—	—	—	—	43
Stock-based compensation activity	—	176,680	—	66	—	—	—	—	—	66
Stock repurchases under repurchase program	—	—	—	—	—	—	(602,070)	(723)	—	(723)
Excise tax on stock repurchases	—	—	—	—	—	—	—	(5)	—	(5)
Net income attributable to TD Group	—	—	—	—	535	—	—	—	—	535
Foreign currency translation adjustment, net of tax	—	—	—	—	—	(58)	—	—	—	(58)
Unrealized gain on derivatives, net of tax	—	—	—	—	—	16	—	—	—	16
Pension and postretirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—March 28, 2026	$ —	62,749,795	$ 1	$ 3,296	$ (9,639)	$ (20)	(6,776,957)	$ (3,040)	$ 8	$ (9,394)
Noncontrolling interest assumed related to acquisitions	81	—	—	—	—	—	—	—	—	—
Changes in noncontrolling interest of consolidated subsidiaries, net	—	—	—	—	—	—	—	—	1	1
Accrued unvested dividend equivalents and other	—	—	—	—	(7)	—	—	—	—	(7)
Compensation expense recognized for employee stock options	—	—	—	48	—	—	—	—	—	48
Stock-based compensation activity	—	106,066	—	33	—	—	—	—	—	33
Stock repurchases under repurchase program	—	—	—	—	—	—	(809,101)	(978)	—	(978)
Excise tax on stock repurchases	—	—	—	—	—	—	—	(8)	—	(8)
Net income attributable to TD Group	—	—	—	—	539	—	—	—	—	539
Foreign currency translation adjustment, net of tax	—	—	—	—	—	(45)	—	—	—	(45)
Unrealized gain on derivatives, net of tax	—	—	—	—	—	11	—	—	—	11
Pension and post-retirement benefit plans adjustment, net of tax	—	—	—	—	—	—	—	—	—	—
BALANCE—June 27, 2026	$ 81	62,855,861	$ 1	$ 3,377	$ (9,107)	$ (54)	(7,586,058)	$ (4,026)	$ 9	$ (9,800)

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in millions)
(Unaudited)

	Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025
OPERATING ACTIVITIES:		
Net income	$ 1,521	$ 1,465
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	137	121
Amortization of intangible assets and product certification costs	187	150
Amortization of debt issuance costs, original issue discount and premium	35	28
Gain on sale of businesses, net	—	(17)
Non-cash stock and deferred compensation expense	118	124
Deferred income taxes	(2)	(3)
Changes in assets/liabilities, net of effects from acquisitions and sales of businesses:		
Trade accounts receivable	(126)	(126)
Inventories	(232)	(158)
Income taxes payable (receivable)	14	(101)
Other assets	(96)	(6)
Accounts payable	7	1
Accrued interest	208	195
Accrued and other liabilities	(80)	(142)
Net cash provided by operating activities	1,691	1,531
INVESTING ACTIVITIES:		
Capital expenditures	(205)	(156)
Acquisition of businesses, net of cash acquired	(3,159)	(239)
Other investing transactions, net	(6)	46
Net cash used in investing activities	(3,370)	(349)
FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	116	147
Dividends and dividend equivalent payments	(59)	(4,396)
Repurchases of common stock	(1,807)	(500)
Proceeds from issuance of senior subordinated notes, net	1,686	2,615
Repayments of senior subordinated notes, net	—	(2,650)
Proceeds from term loans, net	1,781	—
Proceeds from trade receivable securitization facility, net	—	163
Repayment on term loans	(56)	(44)
Financing costs and other, net	(9)	(4)
Net cash provided by (used in) financing activities	1,652	(4,669)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(8)	18
NET DECREASE IN CASH AND CASH EQUIVALENTS	(35)	(3,469)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	2,808	6,261
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2,773	$ 2,792
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest, net	$ 1,210	$ 908
Cash paid during the period for income taxes, net of refunds	$ 451	$ 504

See notes to condensed consolidated financial statements

TRANSDIGM GROUP INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
THIRTY-NINE WEEK PERIODS ENDED JUNE 27, 2026 AND JUNE 28, 2025
(UNAUDITED)

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1. BASIS OF PRESENTATION

As used in this Quarterly Report on Form 10-Q, unless the context otherwise indicates, the terms “the Company,” “TD Group,” “TransDigm,” “we,” “us,” “our,” and similar references refer to TransDigm Group Incorporated and its subsidiaries.

Principles of Consolidation

The financial information included herein is unaudited; however, the information reflects all adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary for a fair presentation of the Company’s condensed consolidated financial statements for the interim periods presented. These financial statements and notes should be read in conjunction with the financial statements and related notes for the fiscal year ended September 30, 2025 included in TD Group’s Annual Report on Form 10-K filed on November 12, 2025. As disclosed therein, the Company’s annual consolidated financial statements were prepared in conformity with generally accepted accounting principles in the United States (“U.S. GAAP”). The September 30, 2025 condensed consolidated balance sheet was derived from TD Group’s audited financial statements. The results of operations for the thirty-nine week period ended June 27, 2026 are not necessarily indicative of the results to be expected for the full year.

Reclassifications

Certain reclassifications have been made to the prior year amounts to conform to the current year presentation, none of which are material.

New Accounting Pronouncements Adopted

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures.” ASU 2023-07 expands disclosures about a public business entity's reportable segments and provides for more detailed information about a reportable segment's expenses. Additionally, ASU 2023-07 requires all segment profit or loss and assets disclosures to be provided on an annual and interim basis. This standard is effective for annual periods beginning after December 15, 2023 (fiscal 2025) and interim periods within fiscal years beginning one year later (fiscal 2026). The Company adopted this standard in the fourth quarter of fiscal 2025. Refer to Note 12, “Segments,” for further information.

Recent Accounting Pronouncements Issued

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures,” which requires a public business entity to disclose specific categories in its annual effective tax rate reconciliation and disaggregated information about significant reconciling items by jurisdiction and by nature. The ASU also requires entities to disclose their income tax payments (net of refunds) to international, federal, and state and local jurisdictions. The standard makes several other changes to income tax disclosure requirements. This standard is effective for annual periods beginning after December 15, 2024 (fiscal 2026), and requires prospective application with the option to apply it retrospectively. The Company will adopt this standard in the fourth quarter of fiscal 2026 and expects to apply it prospectively. This standard will expand our annual income tax disclosures, but will not impact our consolidated balance sheets, results of operations or cash flows.

In November 2024, the FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses*.” Additionally, in January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The standard requires, among other items, additional disaggregated disclosures in the notes to financial statements for certain categories of expenses that are included on the face of the statement of income. The standard is effective for fiscal years beginning after December 15, 2026 (fiscal 2028), and for interim periods within fiscal years beginning after December 15, 2027 (fiscal 2029), on a retrospective or prospective basis, with early adoption permitted. The Company is currently evaluating this standard to determine its impact on our disclosures.

2. ACQUISITIONS

Jet Parts Engineering and Victor Sierra Aviation Holdings – On April 7, 2026, the Company completed the acquisition of 95% of the outstanding stock of Jet Parts Engineering ("JPE") and 96% of the outstanding stock of Victor Sierra Aviation Holdings ("VSA") for approximately $2.2 billion in cash. The definitive agreement to acquire JPE and VSA was entered into on January 13, 2026. The remaining 5% and 4%, respectively, of JPE and VSA equity interests continue to be owned by certain members of JPE's and VSA's management teams. Refer to Note 14, "Redeemable Noncontrolling Interests," for further information. The acquisition was financed using cash on hand and the net proceeds from the debt offerings completed in February 2026 (refer to Note 8, "Debt," for further information).

JPE, headquartered in Seattle, Washington, is a leading independent designer and manufacturer of aerospace aftermarket solutions, primarily proprietary original equipment manufacturer ("OEM") alternative parts and repairs. JPE serves commercial, regional and cargo airline customers, as well as maintenance, repair and overhaul providers. JPE's products are highly engineered, proprietary parts manufacturer approval ("PMA") components with a strong presence across major commercial aerospace platforms. VSA is a leading designer, manufacturer, and distributor of proprietary PMA and other aftermarket parts serving the commercial aerospace end market – primarily the general aviation and business aviation sectors. VSA is a leading collection of brands including McFarlane Aviation, Tempest Aero Group, and Aviation Products Systems. VSA offers a complete line of highly engineered PMA, custom design and OEM products, as well as service and repair stations. Nearly all of JPE's and VSA's sales are derived from the commercial aftermarket.

The operating results of JPE and VSA are included within TransDigm's Power & Control segment.

The Company accounted for the JPE and VSA acquisition using the acquisition method of accounting and a third-party valuation appraisal and included the results of operations of the acquisition in its condensed consolidated financial statements from the effective date of the acquisition. The total purchase price was allocated to the underlying assets acquired and liabilities and redeemable noncontrolling interests assumed based upon the estimated fair values at the date of acquisition. To the extent the purchase price exceeded the fair value of the net identifiable tangible and intangible assets acquired, such excess was allocated to goodwill. These amounts reflect various preliminary fair value estimates and assumptions, including preliminary work performed by a third-party valuation specialist, and are subject to change within the measurement period as the valuation is finalized. The allocation of the purchase price is preliminary and will likely change in future periods, perhaps materially, as fair value estimates of the assets acquired, particularly intangible assets, are finalized.

Significant assumptions include the discount rates and certain assumptions that form the basis of the forecasted results of the acquired business including revenue, earnings before interest, taxes, depreciation and amortization ("EBITDA"), growth rates, royalty rates and technology obsolescence rates. These assumptions are forward looking and could be affected by future economic and market conditions. The fair value of the noncontrolling interests was determined using a Monte Carlo simulation and included the put and call options available pursuant to the purchase agreement. Refer to Note 14, "Redeemable Noncontrolling Interests," for further information on the put and call options.

The allocation of the estimated fair value of the assets acquired and liabilities and redeemable noncontrolling interests assumed has resulted in $1,134 million of goodwill and $953 million of other intangible assets recognized as of June 27, 2026. The other intangible assets consist of $601 million of customer relationships (amortized over 20 years), $268 million of technology (amortized over 20 years) and $84 million of trademarks and trade names (indefinite-lived). $1,085 million of the acquired goodwill and $898 million of the acquired other intangible assets are expected to be deductible for tax purposes over 15 years.

As of June 27, 2026, the measurement period (not to exceed one year) is open; therefore, the assets acquired and liabilities and redeemable noncontrolling interests assumed related to the acquisition of JPE and VSA are subject to adjustment until the end of the respective measurement period.

Simmonds Precision Products, Inc. – On October 6, 2025, the Company completed the acquisition of all the outstanding stock of the Simmonds Precision Products, Inc. Business ("Simmonds") of Goodrich Corporation for approximately $757 million in cash. The acquisition was financed using cash on hand. Simmonds, headquartered in Vergennes, Vermont, is a leading global designer and manufacturer of fuel & proximity sensing and structural health monitoring solutions for the aerospace and defense end markets. Simmonds' products are highly engineered, proprietary components with significant aftermarket content and a strong presence across major aerospace and defense platforms. The operating results of Simmonds are included within TransDigm's Power & Control segment.

The allocation of the estimated fair value of the assets acquired and liabilities assumed has resulted in $331 million of goodwill and $425 million of other intangible assets recognized as of June 27, 2026. The other intangible assets consist of $219 million of technology (amortized over 20 years), $160 million of customer relationships (amortized over 20 years) and $46 million of trademarks and trade names (indefinite-lived). All of the goodwill and other intangible assets recognized for the acquisition are expected to be deductible for tax purposes over 15 years.

As of June 27, 2026, the measurement period (not to exceed one year) is open; therefore, the assets acquired and liabilities assumed are subject to adjustment until the end of the measurement period. No adjustments are expected to be material to the condensed consolidated financial statements.

Servotronics, Inc. – On June 2, 2025, the Company launched a tender offer to acquire all the issued and outstanding stock of Servotronics, Inc. (“Servotronics”), at a price of $47.00 per share in cash. On July 1, 2025, the tender offer expired, resulting in all issued and outstanding stock of Servotronics being canceled and Servotronics becoming a wholly owned subsidiary of the Company. The total purchase price was approximately $133 million in cash, which was financed through cash on hand. Servotronics, headquartered in Elma, New York, is a leading global designer and manufacturer of servo controls and other advanced technology components for aerospace and defense applications. Its products are highly engineered, proprietary components with significant aftermarket content and a strong presence across major aerospace and defense platforms. The operating results of Servotronics are included within TransDigm’s Power & Control segment.

Based on the fair value of the assets acquired and liabilities assumed, $76 million of goodwill and $46 million of other intangible assets was recognized, none of which is deductible for tax purposes.

Other Acquisitions – For the thirty-nine week period ended June 27, 2026, the Company completed several acquisitions consisting of substantially all of the assets and technical data rights of certain product lines or all the outstanding stock of certain businesses (collectively, referred to herein as the “Other Acquisitions”), each meeting the definition of a business, for a total aggregate purchase price of $257 million in cash. Each of the acquisitions was financed using cash on hand. These acquisitions represent bolt-ons to existing TransDigm operating units. Of the $111 million of goodwill recognized, $79 million is expected to be deductible for tax purposes over 15 years. Of the $93 million of other intangible assets recognized, $70 million is expected to be deductible for tax purposes over 15 years. As of June 27, 2026, the measurement period (not to exceed one year) is open for the fiscal 2026 Other Acquisitions; therefore, the assets acquired and liabilities assumed are subject to adjustment until the end of the respective measurement period. No adjustments are expected to be material to the condensed consolidated financial statements.

For the fiscal year ended September 30, 2025, the Company completed a number of Other Acquisitions, each meeting the definition of a business, for a total aggregate purchase price of $284 million in cash. Each of the acquisitions was financed using cash on hand. These acquisitions represent bolt-ons to existing TransDigm operating units. The Company expects that all of the approximately $147 million of goodwill and $90 million of other intangible assets recognized for the acquisitions will be deductible for tax purposes over 15 years. As of June 27, 2026, the measurement period (not to exceed one year) is open for certain fiscal 2025 Other Acquisitions; therefore, the assets acquired and liabilities assumed are subject to adjustment until the end of the respective measurement period. No adjustments are expected to be material to the condensed consolidated financial statements.

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Pro forma net sales and results of operations for the acquisitions, had they occurred at the beginning of the thirty-nine week periods ended June 27, 2026 or June 28, 2025 are not material. Net sales and results of operations for the fiscal 2026 acquisitions included in the condensed consolidated statements of income for the thirteen and thirty-nine week period ended June 27, 2026 are not material.

The acquisitions completed by the Company strengthen and expand the Company’s position to design, produce and supply highly engineered proprietary aerospace components in niche markets with significant aftermarket content and provide opportunities to create value through the application of our three core value-driven operating strategy (obtaining profitable new business, continually improving our cost structure, and providing highly engineered value-added products to customers). The purchase prices paid reflect the current EBITDA As Defined and cash flows, as well as the future EBITDA As Defined and cash flows expected to be generated by the businesses, which are driven in most cases by the recurring aftermarket consumption over the life of a particular aircraft, estimated to be approximately 25 to 30 years. The primary items that generate the goodwill recognized are the premiums paid by the Company for the future earnings potential of the businesses acquired and the value of their assembled workforces that do not qualify for separate recognition.

Subsequent Event – Stellant Systems, Inc. – On December 30, 2025, the Company entered into a definitive agreement to acquire all the outstanding stock of Stellant Systems, Inc. (“Stellant”) for approximately $960 million in cash. On July 13, 2026, the Company announced that it elected to withdraw from its proposed acquisition of Stellant.

Subsequent Event – Prince & Izant – On July 27, 2026, the Company announced its definitive agreement to acquire all the outstanding stock of Prince & Izant for approximately $1.1 billion in cash. The acquisition is subject to regulatory approvals in the United States and customary closing conditions.

3. REVENUE RECOGNITION

TransDigm’s sales are concentrated in the aerospace and defense industry. The Company’s customers include: distributors of aerospace components, commercial airlines, large commercial transport and regional and business aircraft OEMs, various armed forces of the United States (“U.S.”) and friendly foreign governments, defense OEMs, system suppliers, and various other industrial customers.

The Company recognizes revenue from contracts with customers using the five step model prescribed in ASC 606. A substantial portion of the Company’s revenue is recorded at a point in time basis. Revenue is recognized from the sale of products or services when obligations under the terms of the contract are satisfied and control of promised goods or services has transferred to the customer. Control is transferred when the customer has the ability to direct the use of and obtain benefits from the goods or services. Revenue is measured at the amount of consideration the Company expects to be paid in exchange for goods or services.

In a limited number of contracts, control transfers to the customer over time, primarily in contracts where the customer is required to pay for the cost of both the finished and unfinished goods at the time of cancellation plus a reasonable profit relative to the work performed for products that were customized for the customer. Therefore, we recognize revenue over time for those agreements that have a right to margin and where the products being produced have no alternative use.

Based on our production cycle, it is generally expected that goods related to the revenue will be shipped and billed within twelve months. For revenue recognized over time, we estimate the amount of revenue attributable to a contract earned at a given point during the production cycle based on certain costs, such as materials and labor incurred to date, plus the expected profit, which is a cost-to-cost input method.

We consider the contractual consideration payable by the customer and assess variable consideration that may affect the total transaction price. Variable consideration is included in the estimated transaction price when there is a basis to reasonably estimate the amount, including whether the estimate should be constrained in order to avoid a significant reversal of revenue in a future period. These estimates are based on historical experience, anticipated performance under the terms of the contract and our best judgment at the time.

When contracts are modified to account for changes in contract specifications and requirements, the Company considers whether the modification either creates new or changes the existing enforceable rights and obligations. Contract modifications that are for goods or services that are not distinct from the existing contract, due to the significant integration with the original good or service provided, are accounted for as if they were part of that existing contract. The effect of a contract modification to an existing contract on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue on a cumulative catch-up basis. When the modifications include additional performance obligations that are distinct and at relative stand-alone selling price, they are accounted for as a new contract and performance obligation, which are recognized prospectively.

The Company’s payment terms vary by the type and location of the customer and the products or services offered. The Company does not offer any payment terms that would meet the requirements for consideration as a significant financing component.

Shipping and handling fees and costs incurred in connection with products sold are recorded in cost of sales in the consolidated statements of income, and are not considered a performance obligation to our customers.

The Company pays sales commissions that relate to contracts for products or services that are satisfied at a point in time or over a period of one year or less and are expensed as incurred. These costs are reported as a component of selling and administrative expenses in the condensed consolidated statements of income.

We have elected to adopt the practical expedient to not disclose the aggregate amount of transaction price allocated to performance obligations that are unsatisfied as of the end of the reporting period for performance obligations that are part of a contract with an original expected duration of one year or less.

Contract Assets and Liabilities – Contract assets reflect revenue recognized and performance obligations satisfied in advance of customer billing or reimbursable costs related to a specific contract. Contract liabilities (Deferred revenue) relate to payments received in advance of the satisfaction of performance under the contract. We receive payments from customers based on the terms established in our contracts. The following table summarizes our contract assets and liabilities balances (in millions):

	June 27, 2026	September 30, 2025
Contract assets, current [(1)]	$ 342	$ 280
Contract assets, non-current [(2)]	122	94
Total contract assets	464	374
Contract liabilities, current [(3)]	155	143
Contract liabilities, non-current [(4)]	6	7
Total contract liabilities	161	150
Net contract assets	$ 303	$ 224

(1) Included in prepaid expenses and other on the condensed consolidated balance sheets.

(2) Included in other non-current assets on the condensed consolidated balance sheets.

(3) Included in accrued and other current liabilities on the condensed consolidated balance sheets.

(4) Included in other non-current liabilities on the condensed consolidated balance sheets.

The increase in the Company's current contract assets at June 27, 2026 compared to September 30, 2025 is primarily due to the fiscal 2026 acquisitions and also the timing and status of work in process and/or milestones of certain contracts. For the thirty-nine week period ended June 27, 2026, the revenue recognized that was included in the contract liability balance at the beginning of the fiscal year was approximately $96 million.

Refer to Note 12, "Segments," for disclosures related to the disaggregation of revenue.

4. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (in millions, except per share data) using the two-class method:

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Numerator for earnings per share:				
Net income	$ 540	$ 493	$ 1,521	$ 1,465
Less: Net income attributable to noncontrolling interests	(1)	(1)	(2)	(1)
Net income attributable to TD Group	539	492	1,519	1,464
Less: Dividends paid on participating securities	—	—	(59)	(49)
Net income applicable to TD Group common stockholders—basic and diluted	$ 539	$ 492	$ 1,460	$ 1,415
Denominator for basic and diluted earnings per share under the two-class method:				
Weighted-average common shares outstanding	55.7	56.2	56.1	56.2
Vested options deemed participating securities	1.7	1.9	1.8	2.0
Total shares for basic and diluted earnings per share	57.4	58.1	57.9	58.2
Earnings per share—basic and diluted [(1)]	$ 9.39	$ 8.47	$ 25.20	$ 24.31

(1) Figures in the table may not recalculate exactly due to rounding. Earnings per share is calculated using unrounded numbers.

5. STOCK REPURCHASE PROGRAM

On January 27, 2022, the Board of Directors of the Company (the "Board") authorized a new stock repurchase program permitting repurchases of our outstanding shares not to exceed $2.2 billion in the aggregate (referred to herein as the "existing stock repurchase program"), subject to any restrictions specified in the Second Amended and Restated Credit Agreement dated as of June 4, 2014 (the "Credit Agreement") and indentures governing the existing Subordinated and Secured Notes, replacing the $650 million stock repurchase program. In November 2025, the Board authorized an additional $5.0 billion in share repurchases of common stock permissible under the Company's existing stock repurchase program. There is no expiration date for the existing stock repurchase program.

During the third quarter of fiscal 2026, the Company repurchased 809,101 shares of common stock at an average price of $1,208.20 per share for a total amount of $978 million. For the thirty-nine week period ended June 27, 2026, the Company repurchased 1,496,383 shares of common stock at an average price of $1,207.50 per share for a total amount of $1,807 million. The repurchased shares of common stock are classified as treasury stock in the statement of changes in stockholders' deficit. As of June 27, 2026, $3,981 million remains available for repurchase under the existing stock repurchase program.

6. INVENTORIES

Inventories are stated at the lower of cost or net realizable value. Cost of inventories is generally determined by the average cost and the first-in, first-out ("FIFO") methods and includes material, labor and overhead related to the manufacturing process.

Inventories consist of the following (in millions):

	June 27, 2026	September 30, 2025
Raw materials and purchased component parts	$ 1,545	$ 1,295
Work-in-progress	703	543
Finished goods	338	257
Inventories—Net	$ 2,586	$ 2,095

7. GOODWILL AND INTANGIBLE ASSETS

The following is a summary of changes in the carrying value of goodwill by segment from September 30, 2025 through June 27, 2026 (in millions):

	Power & Control	Airframe	Non-aviation	Total
Balance at September 30, 2025	$ 5,273	$ 5,260	$ 79	$ 10,612
Goodwill acquired during the period	1,516	60	—	1,576
Purchase price allocation adjustments	21	—	—	21
Currency translation adjustments and other	(25)	(18)	—	(43)
Balance at June 27, 2026	$ 6,785	$ 5,302	$ 79	$ 12,166

Other intangible assets–net in the condensed consolidated balance sheets consist of the following (in millions):

	June 27, 2026			September 30, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Trademarks and trade names	$ 1,295	$ —	$ 1,295	$ 1,162	$ —	$ 1,162
Technology	3,158	1,232	1,926	2,647	1,137	1,510
Order backlog	70	50	20	59	28	31
Customer relationships	1,755	276	1,479	971	225	746
Other	12	8	4	12	7	5
Total	$ 6,290	$ 1,566	$ 4,724	$ 4,851	$ 1,397	$ 3,454

The estimated fair value of the net identifiable tangible and intangible assets acquired is based on the acquisition method of accounting. The fair value of the net identifiable tangible and intangible assets acquired will be finalized within the measurement period (not to exceed one year). Intangible assets acquired during the thirty-nine week period ended June 27, 2026 are summarized in the table below (in millions):

	Gross Amount	Amortization Period
Intangible assets not subject to amortization:		
Trademarks and trade names	$ 138	
Intangible assets subject to amortization:		
Technology & Other	532	10 to 20 years
Order backlog	12	1 to 3 years
Customer relationships	789	10 to 20 years
	1,333	
Total	$ 1,471	

The Company performs its annual impairment test for goodwill and other intangible assets as of the first day of the fourth fiscal quarter of each year, or more frequently, if events or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. We have assessed the changes in events and circumstances through the third quarter of fiscal 2026 and concluded that no triggering events occurred that required an interim test.

8. DEBT

The Company's debt consists of the following (in millions):

	June 27, 2026			
	Gross Amount	Debt Issuance Costs	Original Issue (Discount) or Premium	Net Amount
Short-term borrowings—trade receivable securitization facility	$ 725	$ —	$ —	$ 725
Term loans	$ 12,868	$ (54)	$ (31)	$ 12,783
6.750% secured notes due 2028 ("2028 Secured Notes")	2,100	(8)	(4)	2,088
4.625% senior subordinated notes due 2029 ("4.625% 2029 Notes")	1,200	(4)	—	1,196
6.375% secured notes due 2029 ("2029 Secured Notes")	2,750	(14)	(1)	2,735
4.875% senior subordinated notes due 2029 ("4.875% 2029 Notes")	750	(2)	—	748
6.875% secured notes due 2030 ("2030 Secured Notes")	1,450	(9)	—	1,441
7.125% secured notes due 2031 ("2031 Secured Notes")	1,000	(7)	(5)	988
6.625% secured notes due 2032 ("2032 Secured Notes")	2,200	(15)	—	2,185
6.000% secured notes due 2033 ("2033 Secured Notes")	1,500	(11)	—	1,489
6.375% senior subordinated notes due 2033 ("6.375% 2033 Notes")	2,650	(12)	(18)	2,620
6.250% secured notes due 2034 ("2034 Secured Notes")	500	(4)	—	496
6.750% senior subordinated notes due 2034 ("6.750% 2034 Notes")	2,000	(17)	—	1,983
6.125% senior subordinated notes due 2034 ("6.125% 2034 Notes")	1,700	(15)	2	1,687
Government refundable advances	8	—	—	8
Finance lease obligations	313	—	—	313
	32,989	(172)	(57)	32,760
Less: current portion	140	(1)	—	139
Long-term debt	$ 32,849	$ (171)	$ (57)	$ 32,621

Accrued interest, which is classified as a component of accrued and other current liabilities on the condensed consolidated balance sheets, was $416 million and $208 million as of June 27, 2026 and September 30, 2025, respectively.

Issuance of $1,200 Million of Senior Subordinated Notes due 2034 – On February 13, 2026, the Company entered into a purchase agreement in connection with a private offering of $1,200 million in aggregate principal amount of 6.125% senior subordinated due 2034 (the “$1,200 million 6.125% 2034 Notes”) at an issue price of 100% of the principal amount. The $1,200 million 6.125% 2034 Notes were issued pursuant to an indenture, dated as of February 13, 2026, amongst TransDigm Inc., as issuer, TransDigm Group and the other subsidiaries of TransDigm Inc. named therein, as guarantors. The $1,200 million 6.125% 2034 Notes bear interest at the rate of 6.125% per annum, which accrues from February 13, 2026 and is payable in arrears on January 31 and July 31 of each year, commencing on July 31, 2026. The $1,200 million 6.125% 2034 Notes mature on July 31, 2034, unless earlier redeemed or repurchased, and are subject to the terms and conditions set forth in the related indenture.

Issuance of $500 Million of Senior Subordinated Notes due 2034 – On April 17, 2026, the Company entered into a purchase agreement in connection with a private offering of an additional $500 million in aggregate principal amount of 6.125% senior subordinated due 2034 (the “$500 million 6.125% 2034 Notes”) at an issue price of 100.375%, or a premium of approximately $2 million, of the principal amount. The $500 million 6.125% 2034 Notes were issued pursuant to a supplemental indenture, dated as of April 17, 2026, which is substantially the same as the terms and conditions that apply to the $1,200 million 6.125% 2034 Notes indenture dated as of February 13, 2026 (collectively, the $500 million 6.125% 2034 Notes and the $1,200 million 6.125% 2034 Notes are referred to herein as the “6.125% 2034 Notes”).

The Company capitalized approximately $16 million in debt issuance costs associated with the 6.125% 2034 Notes during the thirty-nine week period ended June 27, 2026.

Amendment No. 20 and Incremental Term Loan Assumption Agreement – On February 13, 2026, the Company entered into Amendment No. 20 and Incremental Term Loan Assumption Agreement (herein, “Amendment No. 20”), pursuant to which the Company, among other things, incurred $800 million in Tranche N term loans (the “Initial Tranche N term loans”). The other terms and conditions that apply to the Initial Tranche N term loans are substantially the same as the terms and conditions that apply to the other term loans existing under the Term Loans Facility. The Initial Tranche N term loans were fully drawn on February 13, 2026.

Amendment No. 21 and Incremental Term Loan Assumption Agreement – On April 17, 2026, the Company entered into Amendment No. 21 and Incremental Term Loan Assumption Agreement (herein, “Amendment No. 21”), pursuant to which the Company, among other things, incurred $1,000 million in additional Tranche N term loans (the “Additional Tranche N term loans”). The other terms and conditions that apply to the Additional Tranche N term loans are substantially the same as the terms and conditions that apply to the other term loans existing under the Term Loans Facility (collectively, the Additional Tranche N term loans and the Initial Tranche N term loans are referred to herein as the “Tranche N term loans”). The Additional Tranche N term loans were fully drawn on April 17, 2026.

Principal payments for the Tranche N term loans commenced on June 30, 2026, with approximately $4.5 million to be paid on a quarterly basis up to the February 13, 2033 maturity date. The Tranche N term loans bear interest at the rate of Term SOFR plus 2.50% per annum, which accrued from February 13, 2026, and is payable in arrears on March 31, June 30, September 30, and December 31 of each year, commencing on June 30, 2026.

The Company capitalized approximately $17 million in debt issuance costs associated with Amendments No. 20 and No. 21 during the thirty-nine week period ended June 27, 2026.

Use of Proceeds

The Company used the net proceeds from the February 13, 2026 issuances of the $1,200 million 6.125% 2034 Notes and the Initial Tranche N terms loans, along with cash on hand, to fund the purchase price of the acquisition of JPE and VSA and for related transaction fees and expenses.

The Company intended to use the net proceeds from the April 17, 2026 issuances of the $500 million 6.125% 2034 Notes and the Additional Tranche N terms loans, along with cash on hand, to fund the purchase price of the proposed acquisition of Stellant, common stock repurchases (refer to Note 5, “Stock Repurchase Program”) and for general corporate purposes. Notwithstanding the July 13, 2026 announcement that the Company elected to withdraw from its proposed acquisition of Stellant, there was no special mandatory redemption of the April 17, 2026 debt issuances and they remain outstanding.

Trade Receivable Securitization Facility – The Company’s trade receivable securitization facility (the “Securitization Facility”) effectively increases the Company’s borrowing capacity depending on the amount of the domestic operations’ trade accounts receivable. The Securitization Facility includes the right for the Company to exercise annual one year extensions as long as there have been no termination events as defined by the agreement. The Company uses the proceeds from the Securitization Facility as an alternative to other forms of debt, effectively reducing borrowing costs. As of June 27, 2026, the Securitization Facility, with borrowing capacity of $725 million, was fully drawn and the applicable interest rate was 5.03%.

Subsequent Event – Trade Receivable Securitization Facility – On July 10, 2026, the Company amended the Securitization Facility to, among other things, (i) increase the borrowing capacity from $725 million to $1,000 million; and (ii) extend the maturity date to July 9, 2027. The Company subsequently drew $25 million available under the Securitization Facility in July 2026.

9. INCOME TAXES

At the end of each reporting period, TD Group makes an estimate of its annual effective income tax rate. The estimate used in the year-to-date period may change in subsequent periods.

During the thirteen week periods ended June 27, 2026 and June 28, 2025, the effective income tax rate was 24.3% and 22.4%, respectively. During the thirty-nine week periods ended June 27, 2026 and June 28, 2025, the effective income tax rate was 23.4% and 21.9%, respectively. The Company's higher effective income tax rate for the thirteen and thirty-nine week periods ended June 27, 2026, was primarily due to a less significant benefit associated with share-based payments when compared to the same period in fiscal 2025. The Company's effective income tax rate for the thirteen and thirty-nine week periods ended June 27, 2026 was higher than the federal statutory rate of 21% primarily due to an increase in the valuation allowance applicable to the Company's net interest deduction limitation, a higher effective tax rate on non-U.S. earnings, partially offset by the discrete impact of excess tax benefits associated with share-based payments.

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction and various state, local and foreign jurisdictions. The Company is no longer subject to U.S. federal examinations for years before fiscal 2022. The Company is currently under examination for its federal income taxes in Canada for fiscal years 2018 through 2019, in France for fiscal years 2020 through 2022, and in Germany for fiscal years 2017 through 2024. In addition, the Company is subject to state income tax examinations for fiscal years 2015 and later.

Unrecognized tax benefits at June 27, 2026 and September 30, 2025 were not material.

On July 4, 2025, H.R. 1, commonly referred to as the One Big Beautiful Bill Act (the "Act"), was signed into law. It contains a broad range of tax reform provisions affecting businesses. The majority of these provisions will impact us starting in fiscal year 2027. We continue to evaluate the future effects of the Act on our effective tax rate and cash tax position. The impact of the legislation on our operating results for the thirteen and thirty-nine week periods ended June 27, 2026 was not material.

10. FAIR VALUE MEASUREMENTS

The following table presents our assets and liabilities that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy, as well as our debt instruments which are recorded at carrying value and for which fair value only is disclosed. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following summarizes the carrying amounts and fair values of financial instruments (in millions):

		June 27, 2026		September 30, 2025	
	Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:					
Cash and cash equivalents	1	$ 2,773	$ 2,773	$ 2,808	$ 2,808
Interest rate swap agreements (1)	2	5	5	3	3
Interest rate collar agreements (1)	2	2	2	4	4
Interest rate swap agreements (2)	2	27	27	5	5
Interest rate collar agreements (2)	2	17	17	3	3
Liabilities:					
Foreign currency forward exchange contracts (3)	2	2	2	2	2
Interest rate collar agreements (4)	2	—	—	3	3
Short-term borrowings - trade receivable securitization facility (5)	2	725	725	724	724
Long-term debt, including current portion:					
Term loans (5)	2	12,783	12,893	11,048	11,120
2028 Secured Notes (5)	1	2,088	2,118	2,083	2,139
4.625% 2029 Notes (5)	1	1,196	1,181	1,195	1,175
2029 Secured Notes (5)	1	2,735	2,788	2,732	2,812
4.875% 2029 Notes (5)	1	748	739	747	739
2030 Secured Notes (5)	1	1,441	1,490	1,440	1,501
2031 Secured Notes (5)	1	988	1,035	986	1,041
2032 Secured Notes (5)	1	2,185	2,255	2,183	2,263
2033 Secured Notes (5)	1	1,489	1,515	1,488	1,517
6.375% 2033 Notes (5)	1	2,620	2,677	2,616	2,686
2034 Secured Notes (5)	1	496	510	495	514
6.750% 2034 Notes (5)	1	1,983	2,048	1,982	2,068
6.125% 2034 Notes (5)	1	1,687	1,700	—	—
Government refundable advances	2	8	8	12	12
Finance lease obligations	2	313	313	284	284

(1) Included in prepaid expenses and other on the condensed consolidated balance sheets.

(2) Included in other non-current assets on the condensed consolidated balance sheets.

(3) Included in accrued and other current liabilities on the condensed consolidated balance sheets.

(4) Included in other non-current liabilities on the condensed consolidated balance sheets.

(5) The carrying amount of the debt instrument is presented net of debt issuance costs, original issue discount and premium.

The Company values its financial instruments using an industry standard market approach, in which prices and other relevant information are generated by market transactions involving identical or comparable assets or liabilities. No financial instruments were recognized or disclosed using unobservable inputs (i.e., Level 3).

The Company's derivatives consist of interest rate swap and collar agreements and foreign currency exchange contracts. The fair values of the interest rate swap and collar agreements were derived by taking the net present value of the expected cash flows using observable market inputs (Level 2) such as SOFR rate curves, futures, volatilities and basis spreads (when applicable). The fair values of the foreign currency exchange contracts were derived by using Level 2 inputs based on observable spot and forward exchange rates in active markets. There has not been any impact to the fair value of derivative liabilities due to the Company's own credit risk. Similarly, there has not been any material impact to the fair value of derivative assets based on the Company's evaluation of counterparties' credit risks.

The estimated fair value of the Company's term loans was based on information provided by the agent under the Company's Credit Agreement. The estimated fair values of the Company's notes were based upon quoted market prices.

The fair value of cash and cash equivalents, trade accounts receivable-net and accounts payable approximated carrying value due to the short-term nature of these instruments at June 27, 2026 and September 30, 2025.

11. DERIVATIVES AND HEDGING ACTIVITIES

The Company is exposed to, among other things, the impact of changes in foreign currency exchange rates and interest rates in the normal course of business. The Company's risk management program is designed to manage the exposure and volatility arising from these risks, and utilizes derivative financial instruments to offset a portion of these risks. The Company uses derivative financial instruments only to the extent necessary to hedge identified business risks and does not enter into such transactions for trading purposes. The Company generally does not require collateral or other security with counterparties to these financial instruments and is therefore subject to credit risk in the event of nonperformance; however, the Company monitors credit risk and currently does not anticipate nonperformance by other parties. These derivative financial instruments do not subject the Company to undue risk, as gains and losses on these instruments generally offset gains and losses on the underlying assets, liabilities, or anticipated transactions that are being hedged. The Company has agreements with each of its swap, cap and collar counterparties that contain a provision whereby if the Company defaults on the Credit Agreement, the Company could also be declared in default on its swaps, cap and collars resulting in an acceleration of settlement under the swaps, cap and collars.

All derivative financial instruments are recorded at fair value in the condensed consolidated balance sheets. For a derivative that has not been designated as an accounting hedge, the change in the fair value is recognized immediately through earnings. For a derivative that has been designated as an accounting hedge of an existing asset or liability (a fair value hedge), the change in the fair value of both the derivative and underlying asset or liability is recognized immediately through earnings. For a derivative designated as an accounting hedge of an anticipated transaction (a cash flow hedge), the change in the fair value is recorded on the condensed consolidated balance sheets in accumulated other comprehensive loss to the extent the derivative is effective in mitigating the exposure related to the anticipated transaction. The change in the fair value related to the ineffective portion of the hedge, if any, is immediately recognized in earnings. The amount recorded within accumulated other comprehensive loss is reclassified into earnings in the same period during which the underlying hedged transaction affects earnings.

Interest Rate Swap, Cap and Collar Agreements – Interest rate swap, cap and collar agreements are used to manage interest rate risk associated with floating rate borrowings, specifically the term loans, under our Credit Agreement. These agreements involve the receipt of floating rate amounts in exchange for fixed rate interest payments over the term of the agreements without an exchange of the underlying principal amount. The agreements utilized by the Company effectively modify the Company's exposure to interest rate risk by converting a portion of the Company's floating rate debt to a fixed rate basis from the effective date through the maturity date of the respective interest rate swap, cap and collar agreements, thereby reducing the impact of interest rate movements on future interest expense.

During the fourth quarter of fiscal 2025, the Company entered into forward starting interest rate collar agreements and interest rate swap agreements. The interest rate collar agreements, aggregating to a notional amount of $2,750 million, establish a range where we will pay the counterparties if the elected tenor's Term SOFR rate falls below the established floor rate, and the counterparties will pay us if the elected tenor's Term SOFR rate exceeds the ceiling rate as summarized in the table below. The collar will settle quarterly from the effective date through the maturity date. No payments or receipts will be exchanged on the interest rate collar contracts unless interest rates rise above or fall below the contracted ceiling or floor rates. The interest rate swap agreements hedge the variable interest rates on the Company's floating rate debt exposures for a fixed rate based on an aggregate notional amount of $2,750 million. The swap will settle quarterly from the effective date through the maturity date.

During the third quarter of fiscal 2026, the Company entered into new interest rate collar agreements aggregating to a notional amount of $800 million with an effective date of June 30, 2026 and maturity date of September 30, 2030. The rate floor is 2.50% and cap is 4.50%. The terms are similar to the Company's existing interest rate collar agreements. The Company does not have any interest rate cap agreements as of June 27, 2026.

The tables below summarize the key terms of the swaps and collars as of June 27, 2026 (aggregated by effective date).

Interest rate swap agreements:

Aggregate Notional Amount (in millions)	Effective Date	Maturity Date	Conversion of Related Variable Rate Debt subject to Term SOFR to Fixed Rate of:
$700	9/30/2025	9/30/2027	3.22% plus applicable margin percentage
$125	9/30/2027	9/30/2029	3.11% plus applicable margin percentage
$1,025	9/30/2027	9/30/2029	3.12% plus applicable margin percentage
$900	9/30/2027	9/30/2029	3.14% plus applicable margin percentage

Interest rate collar agreements:

Aggregate Notional Amount (in millions)	Effective Date	Maturity Date	Offsets Variable Rate Debt Attributable to Fluctuations Below and Above:
$1,100	3/31/2025	9/30/2026	Three-month Term SOFR rate of 2.00% (floor) and 3.50% (cap)
$500	9/30/2025	9/30/2026	Three-month Term SOFR rate of 2.00% (floor) and 3.50% (cap)
$1,338	9/30/2025	9/30/2027	Three-month Term SOFR rate of 2.50% (floor) and 4.50% (cap)
$700	9/30/2025	9/30/2027	Three-month Term SOFR rate of 2.00% (floor) and 3.91% (cap)
$800	6/30/2026	9/30/2030	Three-month Term SOFR rate of 2.50% (floor) and 4.50% (cap)
$1,550	9/30/2026	9/30/2027	Three-month Term SOFR rate of 2.50% (floor) and 4.50% (cap)
$2,050	9/30/2027	9/30/2029	Three-month Term SOFR rate of 2.21% (floor) and 4.25% (cap)

These derivative instruments qualify as effective cash flow hedges under U.S. GAAP. For our cash flow hedges, the effective portion of the gain or loss from the financial instruments is initially reported as a component of accumulated other comprehensive loss in stockholders' deficit and subsequently reclassified into earnings in the same line as the hedged item in the same period or periods during which the hedged item affects earnings. As interest rate swap, cap and collar agreements are used to manage interest rate risk, any gains or losses from the derivative instruments that are reclassified into earnings are recognized in interest expense-net in the condensed consolidated statements of income. Cash flows related to the derivative contracts are included in cash flows from operating activities on the condensed consolidated statements of cash flows.

Certain derivative asset and liability balances are offset where master netting agreements provide for the legal right of setoff. For classification purposes, we record the net fair value of each type of derivative position that is expected to settle in less than one year with each counterparty as a net current asset or liability and each type of long-term position as a net non-current asset or liability. The amounts shown in the table below represent the gross amounts of recognized assets and liabilities, the amounts offset in the condensed consolidated balance sheets and the net amounts of assets and liabilities presented therein (in millions):

	June 27, 2026		September 30, 2025	
	Asset	Liability	Asset	Liability
Interest rate collar agreements	$ 19	$ —	$ 7	$ 3
Interest rate swap agreements	32	—	8	—
Net derivatives as classified in the condensed consolidated balance sheets (1)	$ 51	$ —	$ 15	$ 3

(1) Refer to Note 10, "Fair Value Measurements," for the condensed consolidated balance sheets classification of the Company's interest rate swap and collar agreements.

Based on the fair value amounts determined as of June 27, 2026, the estimated net amount of existing losses (gains) and caplet amortization expected to be reclassified into interest expense-net within the next twelve months is approximately $1 million.

Foreign Currency Forward Exchange Contracts – The Company transacts business in various foreign currencies, which subjects the Company's cash flows and earnings to exposure related to changes in foreign currency exchange rates. These exposures arise primarily from purchases or sales of products and services from third parties. Foreign currency forward exchange contracts provide for the purchase or sale of foreign currencies at specified future dates at specified exchange rates, and are used to offset changes in the fair value of certain assets or liabilities or forecasted cash flows resulting from transactions denominated in foreign currencies. At June 27, 2026, the Company has outstanding foreign currency forward exchange contracts to sell U.S. dollars with notional amounts of $30 million. The maximum duration of the Company's foreign currency cash flow hedge contracts at June 27, 2026 is three months. These notional values consist of contracts for the Canadian dollar and the euro and are stated in U.S. dollar equivalents at spot exchange rates at the respective trade dates. Amounts related to foreign currency forward exchange contracts included in accumulated other comprehensive loss in stockholders' deficit are reclassified into net sales when the hedged transaction settles. As of June 27, 2026, the Company expects to record a net loss of approximately $2 million on foreign currency forward exchange contracts designated as cash flow hedges to net sales over the next twelve months. On June 29, 2026, the Company entered into additional foreign currency forward exchange contracts to sell U.S. dollars with notional amounts of $128 million with a maximum duration of twelve months.

12. SEGMENTS

The Company's businesses are organized and managed in three reporting segments: Power & Control, Airframe and Non-aviation. Refer to Note 15, "Segments," in Part IV, Item 15. *Exhibits and Financial Statement Schedules*, of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed on November 12, 2025, for further information on the composition of the Company's segments.

The Company's segments are reported on the same basis used internally by our Chief Operating Decision Maker ("CODM") for evaluating performance and for allocating resources. The Company's CODM is collectively the President and Chief Executive Officer and Co-Chief Operating Officers. The primary measurement used internally by our CODM and management to review and assess the operating performance of each segment is EBITDA As Defined. Actual results are compared to plan, forecast and prior year on a monthly basis. The Company defines EBITDA As Defined as earnings before interest, taxes, depreciation and amortization plus certain non-operating items recorded as corporate expenses including non-cash compensation charges incurred in connection with the Company's stock incentive or deferred compensation plans, foreign currency gains and losses, acquisition-integration costs, acquisition transaction-related expenses, and refinancing costs. Acquisition transaction and integration-related expenses represent costs incurred to integrate acquired businesses into TD Group's operations; facility relocation costs and other acquisition-related costs; transaction and valuation-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses; amortization expense of inventory step-up recorded in connection with the purchase accounting of acquired businesses.

EBITDA As Defined is not a measurement of financial performance under U.S. GAAP. Although the Company uses EBITDA As Defined to assess the performance of its business and for various other purposes, the use of this non-GAAP financial measure as an analytical tool has limitations, and it should not be considered in isolation or as a substitute for analysis of the Company's results of operations as reported in accordance with U.S. GAAP.

The accounting policies for each segment are the same as those described in Note 1, "Summary of Significant Accounting Policies," in Part IV, Item 15. *Exhibits and Financial Statement Schedules*, of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed on November 12, 2025. Intersegment sales and transfers are recorded at values based on market prices, which creates intercompany profit on intersegment sales or transfers that is eliminated in consolidation. Intersegment sales were immaterial for the periods presented below. Corporate consists of our corporate offices. Corporate expenses consist primarily of compensation, benefits, professional services and other administrative costs incurred by the corporate offices. Corporate assets consist primarily of cash and cash equivalents. Corporate expenses and assets reconcile reportable segment data to the consolidated totals. An immaterial amount of corporate expenses is allocated to the operating segments.

The following table sets forth, for the periods indicated, certain financial information by reportable segment, which includes a reconciliation of EBITDA As Defined to consolidated income from continuing operations before income taxes (in millions):

	Thirteen Week Period Ended June 27, 2026			
	Power & Control	Airframe	Non-aviation	Total
Net sales to external customers				
Commercial and non-aerospace OEM	$ 293	$ 346		$ 639
Commercial and non-aerospace aftermarket	483	425		908
Defense	733	415		1,148
Non-aviation	—	—	46	46
Net sales	1,509	1,186	46	2,741
Less:				
Other segment expenses [1]	701	541	25	
Total segment EBITDA As Defined	808	645	21	1,474
Less: Unallocated corporate EBITDA As Defined				27
Depreciation and amortization expense				118
Interest expense-net				514
Acquisition transaction and integration-related expenses				35
Non-cash stock and deferred compensation expense				65
Other, net				2
Income from continuing operations before income taxes				$ 713

(1) Primarily represents cost of sales, selling expenses, general and administrative expenses, research and development, and miscellaneous income or expense. Excludes depreciation and amortization; non-cash stock and deferred compensation expense; foreign currency transaction gains or losses and acquisition transaction and integration-related expenses.

	Thirty-Nine Week Period Ended June 27, 2026			
	Power & Control	Airframe	Non-aviation	Total
Net sales to external customers				
Commercial and non-aerospace OEM	$ 818	$ 960		$ 1,778
Commercial and non-aerospace aftermarket	1,285	1,193		2,478
Defense	1,996	1,187		3,183
Non-aviation	—	—	130	130
Net sales	4,099	3,340	130	7,569
Less:				
Other segment expenses [1]	1,902	1,532	74	
Total segment EBITDA As Defined	2,197	1,808	56	4,061
Less: Unallocated corporate EBITDA As Defined				80
Depreciation and amortization expense				324
Interest expense-net				1,472
Acquisition transaction and integration-related expenses				66
Non-cash stock and deferred compensation expense				118
Other, net				16
Income from continuing operations before income taxes				$ 1,985

(1) Primarily represents cost of sales, selling expenses, general and administrative expenses, research and development, and miscellaneous income or expense. Excludes depreciation and amortization; non-cash stock and deferred compensation expense; foreign currency transaction gains or losses; acquisition transaction and integration-related expenses and payroll withholding taxes related to dividend equivalent payments.

	Thirteen Week Period Ended June 28, 2025			
	Power & Control	Airframe	Non-aviation	Total
Net sales to external customers				
Commercial and non-aerospace OEM	$ 233	$ 303		$ 536
Commercial and non-aerospace aftermarket	331	367		698
Defense	575	388		963
Non-aviation	—	—	40	40
Net sales	1,139	1,058	40	$ 2,237
Less:				
Other segment expenses [1]	493	489	23	
Total segment EBITDA As Defined	646	569	17	1,232
Less: Unallocated corporate EBITDA As Defined				15
Depreciation and amortization expense				91
Interest expense-net				397
Acquisition transaction and integration-related expenses				9
Non-cash stock and deferred compensation expense				51
Other, net				34
Income from continuing operations before income taxes				$ 635

(1) Primarily represents cost of sales, selling expenses, general and administrative expenses, research and development, and miscellaneous income or expense. Excludes depreciation and amortization; non-cash stock and deferred compensation expense; foreign currency transaction gains or losses and acquisition transaction and integration-related expenses.

	Thirty-Nine Week Period Ended June 28, 2025			
	Power & Control	Airframe	Non-aviation	Total
Net sales to external customers				
Commercial and non-aerospace OEM	$ 659	$ 886		$ 1,545
Commercial and non-aerospace aftermarket	1,012	1,057		2,069
Defense	1,603	1,064		2,667
Non-aviation	—	—	113	113
Net sales	3,274	3,007	113	$ 6,394
Less:				
Other segment expenses [1]	1,406	1,394	68	
Total segment EBITDA As Defined	1,868	1,613	45	3,526
Less: Unallocated corporate EBITDA As Defined				85
Depreciation and amortization expense				271
Interest expense-net				1,152
Acquisition transaction and integration-related expenses				32
Non-cash stock and deferred compensation expense				124
Other, net				(14)
Income from continuing operations before income taxes				$ 1,876

(1) Primarily represents cost of sales, selling expenses, general and administrative expenses, research and development, and miscellaneous income or expense. Excludes depreciation and amortization; non-cash stock and deferred compensation expense; foreign currency transaction gains or losses; acquisition transaction and integration-related expenses and payroll withholding taxes related to dividend equivalent payments.

The following table presents capital expenditures and depreciation and amortization by segment (in millions):

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Capital expenditures				
Power & Control	$ 39	$ 27	$ 105	$ 76
Airframe	33	26	92	72
Non-aviation	1	4	7	7
Corporate [(1)]	1	1	1	1
	$ 74	$ 58	$ 205	$ 156
Depreciation and amortization				
Power & Control	67	45	177	130
Airframe	49	45	142	136
Non-aviation	2	1	4	4
Corporate [(1)]	—	—	1	1
	$ 118	$ 91	$ 324	$ 271

The following table presents total assets by segment (in millions):

	June 27, 2026	September 30, 2025
Total assets		
Power & Control	$ 13,626	$ 9,859
Airframe	10,497	10,267
Non-aviation	214	202
Corporate [(1)]	2,417	2,581
	$ 26,754	$ 22,909

(1) Corporate consists of our corporate offices and does not constitute an operating segment. These amounts are included to reconcile to total consolidated assets.

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the total changes by component in accumulated other comprehensive income (loss), net of taxes, for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 (in millions):

	Unrealized gains (losses) on derivatives [1]	Pension and post-retirement benefit plans adjustment [2]	Foreign currency translation adjustment [3]	Total
Balance at September 30, 2025	$ (4)	$ (2)	$ (4)	$ (10)
Net current-period other comprehensive income (loss) [4]	33	—	(77)	(44)
Balance at June 27, 2026	$ 29	$ (2)	$ (81)	$ (54)
Balance at September 30, 2024	$ 19	$ 1	$ (62)	$ (42)
Net current-period other comprehensive (loss) income [4]	(15)	—	105	90
Balance at June 28, 2025	$ 4	$ 1	$ 43	$ 48

(1) Represents unrealized gains (losses) on derivatives designated and qualifying as cash flow hedges, net of tax (expense) benefit, of \$3 million and \$4 million for the thirteen week periods ended June 27, 2026 and June 28, 2025, respectively, and \$10 million and \$5 million for the thirty-nine week periods ended June 27, 2026 and June 28, 2025, respectively.

(2) There were no material pension liability adjustments, net of taxes, related to activity for the defined pension plans and postretirement benefit plans for the thirteen and thirty-nine week periods ended June 27, 2026 and June 28, 2025.

(3) Represents gains (losses) resulting from foreign currency translation of financial statements, including gains (losses) from certain intercompany transactions, into U.S. dollars at the rates of exchange in effect at the balance sheet dates.

(4) Presented net of reclassifications out of accumulated other comprehensive income (loss) into earnings, specifically net sales and interest expense-net, for realized gains (losses) on derivatives designated and qualifying as cash flow hedges of \$(2) million (net of taxes of \$(1) million) and \$10 million (net of taxes of \$3 million), respectively, for the thirty-nine week period ended June 27, 2026 and \$(1) million (net of taxes of less than \$(1) million) and \$34 million (net of taxes of \$11 million), respectively, for the thirty-nine week period ended June 28, 2025.

14. REDEEMABLE NONCONTROLLING INTERESTS

The purchase agreement of JPE and VSA includes a series of put and call options through fiscal year 2033. The put options are held by the minority owners, which provide the right to sell up to 100% of their remaining interest to the Company. The call options are held by the Company and provide it with the right to acquire from the minority owners up to 100% of their remaining interest. The options provide that the cash consideration to be paid for the equity interests (redemption value) is primarily based on a formula using certain EBITDA adjusted metrics and a specified multiple.

The noncontrolling interests are considered redeemable noncontrolling interests due to the put options of the minority owners, which creates a right by the Company to purchase their equity, and are presented outside the permanent equity on the Company's condensed consolidated balance sheets. The rollforward of this equity is presented in the Company's condensed consolidated statements of changes in stockholders' deficit.

Redeemable noncontrolling interests are initially recorded at the issuance date fair value, which represents the acquisition date of JPE and VSA. When a redeemable noncontrolling interest is currently redeemable, or probable of becoming redeemable, it is subsequently adjusted to the greater of current redemption value or initial carrying value. The difference between the carrying value and redemption value as of June 27, 2026 was not material.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-looking Statements

The following discussion of the Company's financial condition and results of operations should be read together with TD Group's condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q. References in this section to "TransDigm," "the Company," "we," "us," "our," and similar references refer to TD Group, TransDigm Inc. and TransDigm Inc.'s subsidiaries, unless the context otherwise indicates.

This Quarterly Report on Form 10-Q contains both historical and "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and 27A of the Securities Act of 1933, as amended. All statements other than statements of historical fact included that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements, including, in particular, the statements about our plans, objectives, strategies and prospects regarding, among other things, our financial condition, results of operations and business. We have identified some of these forward-looking statements with words like "believe," "may," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate" or "continue" and other words and terms of similar meaning. These forward-looking statements may be contained throughout this Quarterly Report on Form 10-Q. These forward-looking statements are based on current expectations about future events affecting us and are subject to uncertainties and factors relating to, among other things, our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we do not know whether our expectations will prove correct. They can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties, including the risks described in Item 1A, "Risk Factors," of the Annual Report on Form 10-K. Since our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements, we cannot give any assurance that any of the events anticipated by these forward-looking statements will occur or, if any of them does occur, what impact they will have on our business, results of operations and financial condition. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. We do not undertake any obligation to update these forward-looking statements or the risk factors contained in this Quarterly Report on Form 10-Q to reflect new information, future events or otherwise, except as may be required under federal securities laws.

Important factors that could cause actual results to differ materially from the forward-looking statements made in this Quarterly Report on Form 10-Q 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; supply chain constraints; increases in raw material costs, taxes and labor costs that cannot be recovered in product pricing; failure to complete or successfully integrate acquisitions; our indebtedness; current and future geopolitical or other worldwide events, including, without limitation, wars or conflicts and public health crises; cybersecurity threats; risks related to the transition or physical impacts of climate change and other natural disasters or meeting regulatory requirements; our reliance on certain customers; the United States ("U.S.") defense budget and risks associated with being a government supplier including government audits and investigations; failure to maintain government or industry approvals; risks related to changes in laws and regulations, including increases in compliance costs and potential changes in trade policies and tariffs; potential environmental liabilities; liabilities arising in connection with litigation; risks and costs associated with our international sales and operations; and other factors. Refer to Part II, Item 1A included in this Quarterly Report on Form 10-Q and to Part I, Item 1A of the Annual Report on Form 10-K for additional information regarding the foregoing factors that may affect our business.

Overview

We believe we are a leading global designer, producer and supplier of highly engineered proprietary aerospace components with significant aftermarket content. We seek to develop highly customized products to solve specific needs for aircraft operators and manufacturers. We attempt to differentiate ourselves based on engineering, service and manufacturing capabilities. We believe that our products have strong brand names within the industry and that we have a reputation for high quality, reliability and strong customer support. We believe we have achieved steady, long-term growth in sales and improvements in operating performance due to our competitive strengths and through execution of our value-driven operating strategy. More specifically, focusing our businesses on our value-driven operating strategy of obtaining profitable new business, carefully controlling the cost structure via productivity and cost improvements and pricing our highly engineered value-added products to fairly reflect the value we provide and the resources required to do so has historically resulted in improvements in gross profit and income from operations over the long-term.

Our selective acquisition strategy has also been an important contribution to the growth of our business. We maintain a selective acquisition strategy, concentrating on proprietary commercial aerospace component businesses with significant aftermarket content where we see a clear path to value creation through the application of our three core value drivers. The integration of acquisitions into our existing businesses combined with implementing our proven operating strategy has historically resulted in improvements in the financial performance of the acquired businesses.

For the third quarter of fiscal 2026, we generated net sales of $2,741 million and net income attributable to TD Group of $539 million. EBITDA As Defined was $1,447 million, or 52.8% of net sales. Refer to the "Non-GAAP Financial Measures" section for certain information regarding EBITDA and EBITDA As Defined, including reconciliations of EBITDA and EBITDA As Defined to net income and net cash provided by operating activities.

Commercial aftermarket sales increased in the first nine months of fiscal 2026 compared to fiscal 2025 primarily due to the overall demand for air travel - both domestic and international in the first nine months of the fiscal year. Passenger load factors remain strong. Our commercial aftermarket demand remains strong despite the softening in overall industry capacity and RPMs arising from the conflict in the Middle East. We are monitoring the ongoing conflict in the Middle East and the adverse impact to global energy supplies and prices, global supply chains, inflationary pressures and commercial air travel. To date, we have not seen a significant change in commercial aftermarket order activity relative to levels prior to the start of the conflict. We continue to monitor the evolving macroeconomic environment; however, at this time we do not expect these factors to result in a material adverse effect on our business, financial condition and results of operations for at least the duration of fiscal 2026.

Our commercial transport original equipment manufacturer ("OEM") shipments and revenues generally run ahead of aircraft delivery schedules. Consistent with prior years, our first nine months of fiscal 2026 shipments were a function of, among other things, the estimated 2025 and 2026 commercial aircraft production rates for Boeing and Airbus. Airline demand for new aircraft remains high and the OEMs, particularly Boeing and Airbus, continue to steadily increase aircraft production in recent quarters. Commercial OEM sales increased in the first nine months of fiscal 2026 compared to fiscal 2025 primarily due to the aircraft production increases by Boeing and Airbus.

Our defense business fluctuates from year-to-year, and is dependent, to a degree, on government budget constraints, the timing of orders, macro and micro dynamics with respect to the U.S. Department of War ("DOW") procurement policy and the extent of global conflicts. Likewise, delays in government spending outlays and government funding reprioritization can impact demand. For a variety of reasons, the military spending outlook is very uncertain, though recent DOW budgets have trended upwards due to recent geopolitical challenges and conflicts, and current military modernization efforts. Defense sales increased in the first nine months of fiscal 2026 compared to fiscal 2025 primarily due to continued growth in defense spending in both domestic and international markets.

Critical Accounting Policies and Estimates

The preparation and fair presentation of the consolidated unaudited interim financial statements and accompanying notes included in this report are the responsibility of management. The financial statements and footnotes have been prepared in conformity with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial statements and contain certain amounts that were based upon management's best estimates, judgments and assumptions that were believed to be reasonable under the circumstances. On an ongoing basis, we evaluate the accounting policies and estimates used to prepare financial statements. Estimates are based on historical experience, judgments and assumptions believed to be reasonable under current facts and circumstances. Actual amounts and results could differ from these estimates used by management.

A comprehensive discussion of the Company's critical accounting policies and management estimates and significant accounting policies followed in the preparation of the financial statements is included in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed on November 12, 2025. Refer to Note 1, "Basis of Presentation," in the notes to the condensed consolidated financial statements included herein for further disclosure of accounting standards recently adopted or required to be adopted in the future.

Acquisitions

Recent acquisitions are described in Note 2, "Acquisitions," in the notes to the condensed consolidated financial statements included herein.

Results of Operations

The following table sets forth, for the periods indicated, certain operating data of the Company, including presentation of the amounts as a percentage of net sales (amounts in millions, except per share data):

	Thirteen Week Periods Ended			
	June 27, 2026	% of Net Sales	June 28, 2025	% of Net Sales
Net sales	$ 2,741	100.0 %	$ 2,237	100.0 %
Cost of sales	1,113	40.6 %	905	40.5 %
Selling and administrative expenses	332	12.1 %	242	10.8 %
Amortization of intangible assets	69	2.5 %	51	2.3 %
Income from operations	1,227	44.8 %	1,039	46.4 %
Interest expense-net	514	18.8 %	397	17.7 %
Other expense	—	— %	7	0.3 %
Income tax provision	173	6.3 %	142	6.3 %
Income from continuing operations	540	19.7 %	493	22.0 %
Less: Net income attributable to noncontrolling interests	(1)	— %	(1)	— %
Net income attributable to TD Group	$ 539	19.7 %	$ 492	22.0 %
Net income applicable to TD Group common stockholders	$ 539 (1)	19.7 %	$ 492 (1)	22.0 %
Earnings per share attributable to TD Group common stockholders:				
Basic and diluted	$ 9.39 (2)		$ 8.47 (2)	
Weighted-average shares outstanding—basic and diluted	57.4		58.1	
Other Data:				
EBITDA	$ 1,345 (3)		$ 1,123 (3)	
EBITDA As Defined	$ 1,447 (3)	52.8 %	$ 1,217 (3)	54.4 %

(1) Net income applicable to TD Group common stockholders represents net income attributable to TD Group less special dividends declared or paid on participating securities, including dividend equivalents. No special dividends were declared or paid on participating securities, including dividend equivalent payments, for the thirteen week periods ended June 27, 2026 and June 28, 2025.

(2) Earnings per share is calculated by dividing net income applicable to TD Group common stockholders by the basic and diluted weighted average common shares outstanding. Figures in the table may not recalculate exactly due to rounding. Earnings per share is calculated using unrounded numbers.

(3) Refer to "Non-GAAP Financial Measures" in this discussion and analysis for additional information and limitations regarding these non-GAAP financial measures, including a reconciliation to the comparable U.S. GAAP financial measure.

	Thirty-Nine Week Periods Ended			
	June 27, 2026	% of Net Sales	June 28, 2025	% of Net Sales
Net sales	$ 7,569	100.0 %	$ 6,394	100.0 %
Cost of sales	3,078	40.7 %	2,553	39.9 %
Selling and administrative expenses	859	11.3 %	689	10.8 %
Amortization of intangible assets	185	2.4 %	148	2.3 %
Income from operations	3,447	45.5 %	3,004	47.0 %
Interest expense-net	1,472	19.4 %	1,152	18.0 %
Other income	(10)	(0.1)%	(24)	(0.4)%
Income tax provision	464	6.1 %	411	6.4 %
Income from continuing operations	1,521	20.1 %	1,465	22.9 %
Less: Net income attributable to noncontrolling interests	(2)	— %	(1)	— %
Net income attributable to TD Group	$ 1,519	20.1 %	$ 1,464	22.9 %
Net income applicable to TD Group common stockholders	$ 1,460 (1)	19.3 %	$ 1,415 (1)	22.1 %
Earnings per share attributable to TD Group common stockholders:				
Basic and diluted	$ 25.20 (2)		$ 24.31 (2)	
Weighted-average shares outstanding—basic and diluted	57.9		58.2	
Other Data:				
EBITDA	$ 3,781 (3)		$ 3,299 (3)	
EBITDA As Defined	$ 3,981 (3)	52.6 %	$ 3,441 (3)	53.8 %

(1) Net income applicable to TD Group common stockholders represents net income attributable to TD Group less special dividends declared or paid on participating securities, including dividend equivalent payments of $59 million and $49 million for the thirty-nine week periods ended June 27, 2026 and June 28, 2025, respectively.

(2) Earnings per share is calculated by dividing net income applicable to TD Group common stockholders by the basic and diluted weighted average common shares outstanding. Figures in the table may not recalculate exactly due to rounding. Earnings per share is calculated using unrounded numbers.

(3) Refer to "Non-GAAP Financial Measures" in this discussion and analysis for additional information and limitations regarding these non-GAAP financial measures, including a reconciliation to the comparable U.S. GAAP financial measure.

Changes in Results of Operations

Thirteen week period ended June 27, 2026 compared with the thirteen week period ended June 28, 2025

Total Company

- ***Net Sales.*** Net organic sales and acquisition sales and the related dollar and percentage changes for the thirteen week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirteen Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change Net Sales
Organic sales	$ 2,521	$ 2,237	$ 284	12.6 %
Acquisition sales	220	—	220	9.8 %
Net sales	$ 2,741	$ 2,237	$ 504	22.5 %

Organic sales represent net sales from existing businesses owned by the Company, excluding sales from acquisitions. Acquisition sales represent net sales from acquired businesses for the period up to one year from the respective acquisition date. We believe this measure provides investors with a supplemental understanding of underlying sales trends by providing sales growth on a consistent basis. Refer to Note 2, "Acquisitions," in the notes to the condensed consolidated financial statements included herein for information on the Company's recent acquisitions.

The increase in organic sales of $284 million for the thirteen week period ended June 27, 2026 compared to the thirteen week period ended June 28, 2025 is related to increases in commercial aftermarket, commercial OEM and defense sales.

- ***Cost of Sales and Gross Profit.*** Cost of sales increased by $208 million, or 23.0%, to $1,113 million for the thirteen week period ended June 27, 2026 compared to $905 million for the thirteen week period ended June 28, 2025. Cost of sales and the related percentage of net sales for the thirteen week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirteen Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change
Cost of sales - excluding costs below	$ 1,061	$ 846	$ 215	25.4 %
% of net sales	38.7 %	37.8 %		
Depreciation	41	35	6	17.1 %
% of net sales	1.5 %	1.6 %		
Acquisition transaction and integration-related expenses	14	3	11	366.7 %
% of net sales	0.5 %	0.1 %		
Foreign currency (gains) losses	(3)	21	(24)	(114.3)%
% of net sales	(0.1)%	0.9 %		
Total cost of sales	$ 1,113	$ 905	$ 208	23.0 %
% of net sales	40.6 %	40.5 %		
Gross profit (Net sales less Total cost of sales)	$ 1,628	$ 1,332	$ 296	22.2 %
Gross profit percentage (Gross profit / Net sales)	59.4 %	59.5 %		

Cost of sales during the thirteen week period ended June 27, 2026 slightly increased as a percentage of net sales. This was primarily due to the dilutive impact of the fiscal 2026 and 2025 acquisitions. Excluding the dilutive impact from these acquisitions, cost of sales as a percentage of net sales decreased due to sales mix (higher commercial aftermarket sales as a percentage of net sales compared to prior year), the application of our three core value-driven operating strategy (obtaining profitable new business, continually improving our cost structure and providing highly engineered value-added products to customers) coupled with fixed overhead costs spread over a higher production volume.

- ***Selling and Administrative Expenses.*** Selling and administrative expenses increased by $90 million to $332 million for the thirteen week period ended June 27, 2026. The related percentage of net sales for the thirteen week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirteen Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change
Selling and administrative expenses - excluding costs below	$ 253	$ 190	$ 63	33.2 %
% of net sales	9.2 %	8.5 %		
Non-cash stock and deferred compensation expense	59	46	13	28.3 %
% of net sales	2.2 %	2.1 %		
Acquisition transaction and integration-related expenses	20	6	14	233.3 %
% of net sales	0.7 %	0.3 %		
Total selling and administrative expenses	$ 332	$ 242	$ 90	37.2 %
% of net sales	12.1 %	10.8 %		

Selling and administrative expenses during the thirteen week period ended June 27, 2026 increased as a percentage of net sales. This was primarily due to the dilutive impact of the fiscal 2026 and 2025 acquisitions and costs incurred to support the higher net sales growth and general and administrative expenses.

- ***Interest Expense-net.*** Interest expense-net includes interest on borrowings outstanding, amortization of debt issuance costs, original issue discount, premium, revolving credit facility fees, finance leases, interest income and the impact of interest rate swaps and collars designated and qualifying as cash flow hedges. Interest expense-net increased $117 million, or 29.5%, to $514 million for the thirteen week period ended June 27, 2026 from $397 million for the comparable thirteen week period in the prior fiscal year. The increase in interest expense-net was primarily due to an increase in outstanding borrowings. The weighted average interest rate for cash interest payments on total borrowings outstanding was 6.2% for the thirteen week periods ended June 27, 2026 and June 28, 2025.

- ***Income Tax Provision.*** Income tax expense as a percentage of income before income taxes was approximately 24.3% for the thirteen week period ended June 27, 2026 compared to 22.4% for the thirteen week period ended June 28, 2025. Refer to Note 9, “Income Taxes”, in the notes to the condensed consolidated financial statements included herein for additional information.

- ***Earnings per Share.*** Basic and diluted earnings per share was $9.39 for the thirteen week period ended June 27, 2026 and $8.47 for the thirteen week period ended June 28, 2025.

Business Segments

- ***Segment Net Sales.*** Net sales by segment for the thirteen week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirteen Week Periods Ended					
	June 27, 2026	% of Net Sales	June 28, 2025	% of Net Sales	Change	% Change
Power & Control	$ 1,509	55.0 %	$ 1,139	50.9 %	$ 370	32.5 %
Airframe	1,186	43.3 %	1,058	47.3 %	128	12.1 %
Non-aviation	46	1.7 %	40	1.8 %	6	15.0 %
Net sales	$ 2,741	100.0 %	$ 2,237	100.0 %	$ 504	22.5 %

Net sales for the Power & Control segment increased $370 million primarily from increases in sales in commercial aftermarket, commercial OEM and defense.

Net sales for the Airframe segment increased $128 million primarily from increases in sales in commercial aftermarket, commercial OEM and defense.

- ***EBITDA As Defined.*** Refer to "Non-GAAP Financial Measures" in this discussion and analysis for additional information and limitations regarding these non-GAAP financial measures, including a reconciliation to the comparable U.S. GAAP financial measure. EBITDA As Defined by segment for the thirteen week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirteen Week Periods Ended					
	June 27, 2026	% of Segment Net Sales	June 28, 2025	% of Segment Net Sales	Change	% Change
Power & Control	$ 808	53.5 %	$ 646	56.7 %	$ 162	25.1 %
Airframe	645	54.4 %	569	53.8 %	76	13.4 %
Non-aviation	21	45.7 %	17	42.5 %	4	23.5 %
Total segment EBITDA As Defined	1,474	53.8 %	1,232	55.1 %	242	19.6 %
Less: Unallocated corporate EBITDA As Defined	27	1.0 % [1]	15	0.7 % [1]	12	80.0 %
Total Company EBITDA As Defined	$ 1,447	52.8 % [1]	$ 1,217	54.4 % [1]	$ 230	18.9 %

(1) Calculated as a percentage of consolidated net sales.

EBITDA As Defined for the Power & Control and Airframe segments increased $162 million and $76 million, respectively, due to the increase in net sales described above, along with our application of our three core value-driven operating strategy.

Unallocated corporate EBITDA As Defined consists primarily of corporate expenses which includes compensation, benefits, professional services and other administrative costs incurred by our corporate offices.

Thirty-nine week period ended June 27, 2026 compared with the thirty-nine week period ended June 28, 2025

Total Company

- ***Net Sales.*** Net organic sales and acquisition sales and the related dollar and percentage changes for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirty-Nine Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change Net Sales
Organic sales	$ 7,063	$ 6,394	$ 669	10.5 %
Acquisition sales	506	—	506	7.9 %
Net sales	$ 7,569	$ 6,394	$ 1,175	18.4 %

Organic sales represent net sales from existing businesses owned by the Company, excluding sales from acquisitions. Acquisition sales represent net sales from acquired businesses for the period up to one year from the respective acquisition date. We believe this measure provides investors with a supplemental understanding of underlying sales trends by providing sales growth on a consistent basis. Refer to Note 2, "Acquisitions," in the notes to the condensed consolidated financial statements included herein for information on the Company's recent acquisitions.

The increase in organic sales of $669 million for the thirty-nine week period ended June 27, 2026 compared to the thirty-nine week period ended June 28, 2025 is related to increases in commercial aftermarket, commercial OEM and defense sales.

- ***Cost of Sales and Gross Profit.*** Cost of sales increased by $525 million, or 20.6%, to $3,078 million for the thirty-nine week period ended June 27, 2026 compared to $2,553 million for the thirty-nine week period ended June 28, 2025. Cost of sales and the related percentage of net sales for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirty-Nine Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change
Cost of sales - excluding costs below	$ 2,931	$ 2,422	$ 509	21.0 %
% of net sales	38.7 %	37.9 %		
Depreciation	116	104	12	11.5 %
% of net sales	1.5 %	1.6 %		
Acquisition transaction and integration-related expenses	31	16	15	93.8 %
% of net sales	0.4 %	0.3 %		
Foreign currency losses	—	11	(11)	(100.0)%
% of net sales	— %	0.2 %		
Total cost of sales	$ 3,078	$ 2,553	$ 525	20.6 %
% of net sales	40.7 %	39.9 %		
Gross profit (Net sales less Total cost of sales)	$ 4,491	$ 3,841	$ 650	16.9 %
Gross profit percentage (Gross profit / Net sales)	59.3 %	60.1 %		

Cost of sales during the thirty-nine week period ended June 27, 2026 increased as a percentage of net sales. This was primarily due to the dilutive impact of the fiscal 2026 and 2025 acquisitions. Excluding the dilutive impact from these acquisitions, cost of sales as a percentage of net sales decreased due to sales mix (higher commercial aftermarket sales as a percentage of net sales compared to prior year), the application of our three core value-driven operating strategy (obtaining profitable new business, continually improving our cost structure and providing highly engineered value-added products to customers) coupled with fixed overhead costs spread over a higher production volume.

- ***Selling and Administrative Expenses.*** Selling and administrative expenses increased by $170 million to $859 million for the thirty-nine week period ended June 27, 2026. The related percentage of net sales for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirty-Nine Week Periods Ended			
	June 27, 2026	June 28, 2025	Change	% Change
Selling and administrative expenses - excluding costs below	$ 718	$ 561	$ 157	28.0 %
% of net sales	9.5 %	8.8 %		
Non-cash stock and deferred compensation expense	107	112	(5)	(4.5)%
% of net sales	1.4 %	1.8 %		
Acquisition transaction and integration-related expenses	34	16	18	112.5 %
% of net sales	0.4 %	0.3 %		
Total selling and administrative expenses	$ 859	$ 689	$ 170	24.7 %
% of net sales	11.3 %	10.8 %		

Selling and administrative expenses during the thirty-nine week period ended June 27, 2026 increased as a percentage of net sales. This was primarily due to the dilutive impact of the fiscal 2026 and 2025 acquisitions and costs incurred to support the higher net sales growth and general and administrative expenses.

- ***Interest Expense-net.*** Interest expense-net includes interest on borrowings outstanding, amortization of debt issuance costs, original issue discount, premium, revolving credit facility fees, finance leases, interest income and the impact of interest rate swaps and collars designated and qualifying as cash flow hedges. Interest expense-net increased $320 million, or 27.8%, to $1,472 million for the thirty-nine week period ended June 27, 2026 from $1,152 million for the comparable thirty-nine week period in the prior fiscal year. The increase in interest expense-net was primarily due to an increase in outstanding borrowings. The weighted average interest rate for cash interest payments on total borrowings outstanding was 6.2% for the thirty-nine week periods ended June 27, 2026 and June 28, 2025.

- ***Income Tax Provision.*** Income tax expense as a percentage of income before income taxes was approximately 23.4% for the thirty-nine week period ended June 27, 2026 compared to 21.9% for the thirty-nine week period ended June 28, 2025. Refer to Note 9, "Income Taxes", in the notes to the condensed consolidated financial statements included herein for additional information.
- ***Earnings per Share.*** Basic and diluted earnings per share was $25.20 for the thirty-nine week period ended June 27, 2026 and $24.31 for the thirty-nine week period ended June 28, 2025. Net income attributable to TD Group for the thirty-nine week period ended June 27, 2026 of $1,519 million was decreased by dividend equivalent payments of $59 million, or $1.02 per share, resulting in net income applicable to TD Group common stockholders of $1,460 million. Net income attributable to TD Group for the thirty-nine week period ended June 28, 2025 of $1,464 million was decreased by dividend equivalent payments of $49 million, or $0.83 per share, resulting in net income applicable to TD Group common stockholders of $1,415 million.

Business Segments

- ***Segment Net Sales.*** Net sales by segment for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirty-Nine Week Periods Ended					
	June 27, 2026	% of Net Sales	June 28, 2025	% of Net Sales	Change	% Change
Power & Control	$ 4,099	54.2 %	$ 3,274	51.2 %	$ 825	25.2 %
Airframe	3,340	44.1 %	3,007	47.0 %	333	11.1 %
Non-aviation	130	1.7 %	113	1.8 %	17	15.0 %
Net sales	$ 7,569	100.0 %	$ 6,394	100.0 %	$ 1,175	18.4 %

Net sales for the Power & Control segment increased $825 million primarily from increases in sales in commercial aftermarket, commercial OEM and defense.

Net sales for the Airframe segment increased $333 million primarily from increases in sales in commercial aftermarket, commercial OEM and defense.

- ***EBITDA As Defined.*** Refer to "Non-GAAP Financial Measures" in this discussion and analysis for additional information and limitations regarding these non-GAAP financial measures, including a reconciliation to the comparable U.S. GAAP financial measure. EBITDA As Defined by segment for the thirty-nine week periods ended June 27, 2026 and June 28, 2025 were as follows (amounts in millions):

	Thirty-Nine Week Periods Ended					
	June 27, 2026	% of Segment Net Sales	June 28, 2025	% of Segment Net Sales	Change	% Change
Power & Control	$ 2,197	53.6 %	$ 1,868	57.1 %	$ 329	17.6 %
Airframe	1,808	54.1 %	1,613	53.6 %	195	12.1 %
Non-aviation	56	43.1 %	45	39.8 %	11	24.4 %
Total segment EBITDA As Defined	4,061	53.7 %	3,526	55.1 %	535	15.2 %
Less: Unallocated corporate EBITDA As Defined	80	1.1 % [(1)]	85	1.3 % [(1)]	(5)	(5.9)%
Total Company EBITDA As Defined	$ 3,981	52.6 % [(1)]	$ 3,441	53.8 % [(1)]	$ 540	15.7 %

(1) Calculated as a percentage of consolidated net sales.

EBITDA As Defined for the Power & Control and Airframe segments increased approximately $329 million and $195 million, respectively, due to the increase in net sales described above, along with our application of our three core value-driven operating strategy.

Unallocated corporate EBITDA As Defined consists primarily of corporate expenses which includes compensation, benefits, professional services and other administrative costs incurred by our corporate offices.

Liquidity and Capital Resources

We historically maintained a capital structure comprising a mix of equity and debt financing. We vary our leverage both to optimize our equity return and to pursue acquisitions. We expect to meet our current debt obligations as they come due through internally generated funds from current levels of operations and/or through refinancing in the debt markets prior to the maturity dates of our debt.

The following tables present selected balance sheet, cash flow and other financial data relevant to the liquidity or capital resources of the Company for the periods specified below (amounts in millions):

	June 27, 2026	September 30, 2025
Selected Balance Sheet Data:		
Cash and cash equivalents	$ 2,773	$ 2,808
Working capital (Total current assets less total current liabilities)	5,197	4,830
Total assets	26,754	22,909
Total debt [1]	33,485	30,015
TD Group stockholders' deficit	(9,809)	(9,686)

(1) Includes debt issuance costs, original issue discount and premium. Reference Note 8, "Debt," in the notes to the condensed consolidated financial statements included herein for additional information.

	Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025
Selected Cash Flow and Other Financial Data:		
Cash flows provided by (used in):		
Operating activities	$ 1,691	$ 1,531
Investing activities	(3,370)	(349)
Financing activities	1,652	(4,669)
Capital expenditures	205	156
Ratio of earnings to fixed charges [1]	2.3x	2.6x

(1) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income from continuing operations before income taxes plus fixed charges. Fixed charges consist of interest expense, amortization of debt issuance costs, original issue discount and premium and the "interest component" of rental expense.

Significant Transactions of Fiscal 2026 and Subsequent Events

Acquisitions

- On October 6, 2025, the Company completed the acquisition of all the outstanding stock of Simmonds for approximately $757 million in cash. The acquisition was financed using cash on hand.
- On April 7, 2026, the Company completed the acquisition of approximately 95% of the outstanding stock of Jet Parts Engineering ("JPE") and approximately 96% of the outstanding stock of Victor Sierra Aviation Holdings ("VSA") for approximately $2.2 billion in cash. The definitive agreement to acquire JPE and VSA was entered into on January 13, 2026. The acquisition was financed using cash on hand and the net proceeds from the debt offerings completed in February 2026 (as further described below).
- During the first nine months of fiscal 2026, the Company completed several acquisitions consisting of substantially all of the assets and technical data rights of certain product lines or all the outstanding stock of certain businesses (collectively, referred to herein as the "Other Acquisitions"), each meeting the definition of a business, for a total aggregate purchase price of $257 million in cash. These acquisitions represent bolt-ons to existing TransDigm operating units. Each of the acquisitions was financed using cash on hand.
- On July 13, 2026, the Company announced that it elected to withdraw from its proposed $960 million acquisition of Stellant Systems, Inc. ("Stellant"). The Company had previously entered into a definitive agreement to acquire all the outstanding stock of Stellant on December 30, 2025.

- On July 27, 2026, the Company announced its definitive agreement to acquire all the outstanding stock of Prince & Izant for approximately $1.1 billion in cash. The acquisition is subject to regulatory approvals in the United States and customary closing conditions.

Debt Financing

- On February 13, 2026, the Company completed $2,000 million in new debt issuances. The new debt was comprised of $1,200 million in aggregate principal amount of senior subordinated notes due 2034 at an issue price of 100% that bear interest at a rate of 6.125% (the "$1,200 million 6.125% 2034 Notes") and $800 million of Tranche N term loans (the "Initial Tranche N term loans") that bear interest at a rate of Term SOFR plus 2.50%.

  The net proceeds from the February 13, 2026 new debt issuances were used, along with cash on hand, to fund the purchase price of the acquisition of JPE and VSA and for related transaction fees and expenses.

- On April 17, 2026, the Company completed $1,500 million in new debt issuances. The new debt was comprised of an additional $500 million in aggregate principal amount of additional senior subordinated notes due 2034 at an issue price of 100.375%, or a premium of approximately $2 million, that bear interest at a rate of 6.125% (the "$500 million 6.125% 2034 Notes" which collectively; along with the $1,200 million 6.125% 2034 Notes, are referred to herein as the "6.125% 2034 Notes") and $1,000 million in Tranche N term loans (the "Additional Tranche N term loans") that bear interest at a rate of Term SOFR plus 2.50% (collectively, the Additional Tranche N term loans and the Initial Tranche N term loans are referred to herein as the "Tranche N term loans").

  The net proceeds from the April 17, 2026 new debt issuances were intended to be used, along with cash on hand, to fund the purchase price of the proposed acquisition of Stellant, common stock repurchases (as further described below) and for general corporate purposes. Notwithstanding the July 13, 2026 announcement that the Company elected to withdraw from its proposed acquisition of Stellant, there was no special mandatory redemption of the April 17, 2026 debt issuances and they remain outstanding.

- On July 10, 2026, the Company amended its trade receivable securitization facility (the "Securitization Facility") to, among other things, (i) increase the borrowing capacity from $725 million to $1,000 million; and (ii) extend the maturity date to July 9, 2027. The Company subsequently drew $25 million available under the Securitization Facility in July 2026. Prior to the amendment, the Securitization Facility was fully drawn.

Common Stock Repurchases

- For the thirty-nine week period ended June 27, 2026, the Company repurchased, in aggregate, 1,496,383 shares of common stock at an average price of $1,207.50 per share for a total amount of $1,807 million. The repurchased shares of common stock are classified as treasury stock in the statement of changes in stockholders' deficit. Whether the Company undertakes additional stock repurchases or other aforementioned activities will depend on prevailing market conditions, the Company's liquidity requirements, contractual restrictions and other factors.

* * * * *

If the Company has excess cash, it generally prioritizes allocating the excess cash in the following manner: (1) capital spending at existing businesses, (2) acquisitions of businesses, (3) payment of a special dividend and/or repurchases of our common stock and (4) prepayment of indebtedness or repurchase of debt.

The Company's ability to make scheduled interest payments on, or to refinance, the Company's indebtedness, or to fund non-acquisition related capital expenditures and research and development efforts, will depend on the Company's ability to generate cash in the future. This is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond its control.

The Company's objective is to maintain an allocation of at least 75% fixed rate and 25% variable rate debt thereby limiting its exposure to changes in near-term interest rates. Interest rate swaps, caps and collars used to hedge and offset, respectively, the variable interest rates on our term loans are further described in Note 11, "Derivatives and Hedging Activities," in the notes to the condensed consolidated financial statements included herein. As of June 27, 2026, approximately 75% of our gross debt was fixed rate.

As of June 27, 2026, the Company has significant cash liquidity as illustrated in the table presented below (in millions):

	As of June 27, 2026
Cash and cash equivalents	$ 2,773
Availability on revolving credit facility	864
Cash liquidity	$ 3,637

We believe our significant cash liquidity will allow us to meet our anticipated funding requirements. We expect to meet our short-term cash liquidity requirements (including interest obligations and capital expenditures) through net cash from operating activities, cash on hand and, if needed, draws on the revolving credit facility. Long-term cash liquidity requirements consist primarily of obligations under our long-term debt agreements. There is no maturity on any tranche of term loans or notes until August 2028 (fiscal 2028).

In connection with the continued application of our three core value-driven operating strategy, we expect our efforts will continue to generate strong margins and provide sufficient cash from operating activities to meet our interest obligations and liquidity needs. We believe our cash provided by operating activities and available borrowing capacity will enable us to make strategic business acquisitions, pay dividends to our shareholders and make opportunistic investments in our own stock, subject to any restrictions in our existing Second Amended and Restated Credit Agreement dated as of June 4, 2014 (the "Credit Agreement") and market conditions.

The Company may issue additional debt if prevailing market conditions are favorable to doing so. In addition, the Company may increase its borrowings in connection with acquisitions, if cash flow from operating activities becomes insufficient to fund current operations or for other short-term cash needs or for common stock repurchases or dividends. Our future leverage will also be impacted by the then current conditions of the credit markets.

Operating Activities. The Company generated $1,691 million of net cash from operating activities during the thirty-nine week period ended June 27, 2026 compared to $1,531 million during the thirty-nine week period ended June 28, 2025.

The change in accounts receivable during the thirty-nine week periods ended June 27, 2026 and June 28, 2025 was a use of cash of $126 million due to the timing of sales and related cash collections. The Company actively manages its accounts receivable, the related agings and collection efforts.

The change in inventories during the thirty-nine week period ended June 27, 2026 was a use of cash of $232 million compared to a use of cash of $158 million during the thirty-nine week period ended June 28, 2025. The increase is due to an increase in raw materials to support the fiscal 2026 sales demand. The Company manages inventory levels in support of customer needs.

The change in accounts payable during the thirty-nine week period ended June 27, 2026 was a source of cash of $7 million compared to a source of cash of $1 million during the thirty-nine week period ended June 28, 2025. The change is due to the timing of payments to suppliers.

Investing Activities. Net cash used in investing activities was $3,370 million during the thirty-nine week period ended June 27, 2026, consisting of the acquisitions of Simmonds, JPE and VSA and other acquisitions of businesses aggregating to $3,159 million, capital expenditures of $205 million and other investing transactions outflows of $6 million.

Net cash used in investing activities was $349 million during the thirty-nine week period ended June 28, 2025, consisting of acquisitions of businesses aggregating to $239 million and capital expenditures of $156 million; partially offset by other investing transactions inflows of $46 million.

Financing Activities. Net cash provided by financing activities was $1,652 million during the thirty-nine week period ended June 27, 2026. The source of cash was attributable to the net proceeds from the February and April 2026 new debt issuances, including fees, aggregating to $3,467 million plus proceeds from stock option exercises of $116 million; partially offset by repurchases of common stock of $1,807 million, repayments on term loans plus other financing costs aggregating to $65 million, and dividend equivalent payments of $59 million.

Net cash used in financing activities was $4,669 million during the thirty-nine week period ended June 28, 2025. The use of cash was attributable to dividend and dividend equivalent payments of $4,396 million, repurchases of common stock of $500 million and repayments on term loans plus other financing costs aggregating to $48 million; partially offset by proceeds from stock option exercises of $147 million and the net proceeds of short-term and long-term debt transactions, including fees, of $128 million.

Description of Senior Secured Term Loans and Indentures

Senior Secured Term Loans Facilities

TransDigm has $12,868 million in fully drawn term loans (the "Term Loans Facility") as of June 27, 2026 and a $910 million revolving credit facility. The Term Loans Facility consists of five tranches of term loans with maturity dates ranging from March 22, 2030 to February 13, 2033, and requires quarterly aggregate principal payments of $32 million.

The revolving commitments consist of two tranches which include up to $139 million of multicurrency revolving commitments. At June 27, 2026, the Company had $46 million in letters of credit outstanding and $864 million in borrowings available under the revolving commitments. Draws on the revolving commitments are subject to an interest rate of 2.25%. The unused portion of the revolving commitments is subject to a fee of 0.50% per annum. The maturity date of the revolving credit facility is February 27, 2029.

The interest rates per annum applicable to the Term Loans Facility under the Credit Agreement are, at TransDigm's option, equal to either an alternate base rate or an adjusted Term SOFR for one, three or six-month interest periods chosen by TransDigm, in each case plus an applicable margin percentage. The adjusted Term SOFR related to the Term Loans Facility are not subject to a floor. Refer to Note 11, "Derivatives and Hedging Activities," in the notes to the condensed consolidated financial statements included herein for information about how our interest rate swaps, caps and collar agreements are used to hedge and offset, respectively, the variable interest rate portion of our debt.

Indentures

The following table represents the senior subordinated and secured notes outstanding as of June 27, 2026:

Description	Aggregate Principal	Maturity Date	Interest Rate
2028 Secured Notes (2)	$2,100 million	August 15, 2028	6.750%
4.625% 2029 Notes (1)	$1,200 million	January 15, 2029	4.625%
2029 Secured Notes (2)	$2,750 million	March 1, 2029	6.375%
4.875% 2029 Notes (1)	$750 million	May 1, 2029	4.875%
2030 Secured Notes (2)	$1,450 million	December 15, 2030	6.875%
2031 Secured Notes (2)	$1,000 million	December 1, 2031	7.125%
2032 Secured Notes (2)	$2,200 million	March 1, 2032	6.625%
2033 Secured Notes (2)	$1,500 million	January 15, 2033	6.000%
6.375% 2033 Notes (1)	$2,650 million	May 31, 2033	6.375%
2034 Secured Notes (2)	$500 million	January 31, 2034	6.250%
6.750% 2034 Notes (1)	$2,000 million	January 31, 2034	6.750%
6.125% 2034 Notes (1)	$1,700 million	July 31, 2034	6.125%

(1) Collectively, referred to as the "Subordinated Notes" herein.

(2) Collectively, referred to as the "Secured Notes" herein.

The Subordinated Notes and Secured Notes do not require principal payments prior to their maturity. Interest under the Subordinated Notes and Secured Notes is payable semi-annually. The Subordinated Notes represent our unsecured obligations ranking subordinate to our senior debt, as defined in the applicable indentures. The Secured Notes represent our secured obligations ranking equally to all existing and future senior debt, as defined in the applicable indentures. The Subordinated Notes and Secured Notes contain many of the restrictive covenants included in the Credit Agreement. TransDigm is in compliance with all of the covenants contained in the Subordinated Notes and Secured Notes.

Guarantor Information

The Subordinated Notes are subordinated to all of our existing and future senior secured debt, including indebtedness under TransDigm's existing senior secured credit facilities, rank equally with all of our existing and future senior subordinated debt and rank senior to all of our future debt that is expressly subordinated to the Subordinated Notes. The 4.625% 2029 Notes and the 4.875% 2029 Notes are fully and unconditionally guaranteed on a senior subordinated unsecured basis by TransDigm Group, TransDigm UK and TransDigm Inc.'s Domestic Restricted Subsidiaries (as defined in the applicable indentures). The 6.375% 2033 Notes, 6.750% 2034 Notes and the 6.125% 2034 Notes are guaranteed, on a senior subordinated basis, by TransDigm Group and each of TransDigm Inc.'s direct and indirect restricted subsidiaries that is a borrower or guarantor under TransDigm's senior secured credit facilities or that issues or guarantees any capital markets indebtedness of TransDigm or any of the guarantors in an aggregate principal amount of at least $200 million. The table set forth in Exhibit 22.1 filed with this Form 10-Q details the primary obligors and guarantors. The guarantees of the Subordinated Notes are subordinated to all of the guarantors' existing and future senior debt, rank equally with all of their existing and future senior subordinated debt and rank senior to all of their future debt that is expressly subordinated to the guarantees of the Subordinated Notes. The Subordinated Notes are structurally subordinated to all of the liabilities of TransDigm Group's non-guarantor subsidiaries.

The Secured Notes are senior secured debt of TransDigm and rank equally in right of payment with all of TransDigm's existing and future senior secured debt, including indebtedness under TransDigm's existing senior secured credit facilities, and are senior in right of payment to all of TransDigm's existing and future senior subordinated debt, including the Subordinated Notes. The 2028 Secured Notes are guaranteed on a senior secured basis by TransDigm Group, TransDigm UK and TransDigm Inc.'s Domestic Restricted Subsidiaries (as defined in the applicable indentures). The 2029 Secured Notes, 2030 Secured Notes, 2031 Secured Notes, 2032 Secured Notes, 2033 Secured Notes and 2034 Secured Notes are guaranteed on a senior secured basis by TransDigm Group and each of TransDigm Inc.'s direct and indirect Restricted Subsidiaries (as defined in the applicable indenture) that is a borrower or guarantor under TransDigm's senior secured credit facilities or that issues or guarantees any capital markets indebtedness of TransDigm Inc. or any of the guarantors in an aggregate principal amount of at least $200 million. As of the date of this Form 10-Q, the guarantors of the 2029 Secured Notes, 2030 Secured Notes, 2031 Secured Notes, 2032 Secured Notes, 2033 Secured Notes and 2034 Secured Notes are the same as the guarantors of the 2028 Secured Notes. The table set forth in Exhibit 22.1 filed with this Form 10-Q details the primary obligors and guarantors. The guarantees of the Secured Notes rank equally in right of payment with all of the guarantors' existing and future senior secured debt and are senior in right of payment to all of their existing and future senior subordinated debt. The Secured Notes are structurally subordinated to all of the liabilities of TransDigm's non-guarantor subsidiaries.

Separate financial statements of TransDigm Inc. are not presented because the Subordinated Notes and Secured Notes are fully and unconditionally guaranteed on a senior subordinated unsecured basis (if Subordinated Notes) and senior secured basis (if Secured Notes) by TransDigm Group, TransDigm UK and all of TransDigm Inc.'s Domestic Restricted Subsidiaries. TransDigm Group has no significant operations or assets separate from its investment in TransDigm Inc.

The financial information presented is that of TransDigm Group, TransDigm Inc. and the other Guarantors, which includes TransDigm UK, on a combined basis and the financial information of non-issuer and non-guarantor subsidiaries has been excluded. Intercompany balances and transactions between TransDigm Group, TransDigm Inc. and the other Guarantors have been eliminated, and amounts due from, amounts due to, and transactions with non-issuer and non-guarantor subsidiaries have been presented separately.

(in millions)	As of June 27, 2026	As of September 30, 2025
Current assets	$ 4,916	$ 4,494
Goodwill	9,915	8,340
Other non-current assets	5,534	4,003
Current liabilities	1,419	1,048
Non-current liabilities	33,515	30,014
Redeemable noncontrolling interests	81	—
Amounts due (from) to subsidiaries that are non-issuers and non-guarantors-net	(2,584)	(2,316)

(in millions)	Thirty-Nine Week Period Ended June 27, 2026
Net sales	$ 6,103
Sales to subsidiaries that are non-issuers and non-guarantors	27
Cost of sales	2,457
Expense from subsidiaries that are non-issuers and non-guarantors-net	30
Income from operations	1,020
Net income attributable to TD Group	1,019

Certain Restrictive Covenants in Our Debt Documents

The Credit Agreement and the indentures governing the Subordinated Notes and Secured Notes contain restrictive covenants that, among other things, limit the incurrence of additional indebtedness, the payment of special dividends, transactions with affiliates, asset sales, acquisitions, mergers and consolidations, liens and encumbrances, and prepayments of certain other indebtedness.

The restrictive covenants included in the Credit Agreement are subject to amendments executed periodically. The most recent amendment that impacted the restrictive covenants contained in the Credit Agreement is Amendment No. 15, executed on March 22, 2024.

Under the terms of the Credit Agreement, TransDigm is entitled, on one or more occasions, to request additional term loans or additional revolving commitments to the extent that the existing or new lenders agree to provide such incremental term loans or additional revolving commitments provided that, among other conditions, our consolidated net leverage ratio would be no greater than 7.25x and the consolidated secured net debt ratio would be no greater than 5.00x, in each case, after giving effect to such incremental term loans or additional revolving commitments.

If any such default occurs, the lenders under the Credit Agreement and the holders of the Subordinated Notes and Secured Notes may elect to declare all outstanding borrowings, together with accrued interest and other amounts payable thereunder, to be immediately due and payable. The lenders under the Credit Agreement also have the right in these circumstances to terminate any commitments they have to provide further borrowings. In addition, following an event of default under the Credit Agreement, the lenders thereunder and the holders of the Secured Notes will have the right to proceed against the collateral granted to them to secure the debt, which includes our available cash, and they will also have the right to prevent us from making debt service payments on the Notes.

With the exception of the revolving credit facility, the Company has no maintenance covenants in its existing term loan and indenture agreements. Under the Credit Agreement, if the usage of the revolving credit facility exceeds 40% (or, currently, $364 million) of the total revolving commitments, the Company is required to maintain a maximum consolidated net leverage ratio of net debt to trailing four-quarter EBITDA As Defined of 7.50x (or, solely with respect to the first four fiscal quarters ending after the consummation of any material acquisition, 8.00x) as of the last day of the fiscal quarter.

As of June 27, 2026, the Company was in compliance with all of its debt covenants and expects to remain in compliance with its debt covenants in subsequent periods.

Trade Receivable Securitization Facility

During fiscal 2014, the Company established the Securitization Facility. The Company's Securitization Facility effectively increases the Company's borrowing capacity depending on the amount of the domestic operations' trade accounts receivable. The Securitization Facility includes the right for the Company to exercise annual one year extensions as long as there have been no termination events as defined by the agreement. The Company uses the proceeds from the Securitization Facility as an alternative to other forms of debt, effectively reducing borrowing costs.

As of June 27, 2026, the Securitization Facility, with borrowing capacity of $725 million, was fully drawn and the applicable interest rate was 5.03%. The Securitization Facility is collateralized by substantially all of the Company's domestic operations' trade accounts receivable.

On July 10, 2026, the Company amended the Securitization Facility to, among other things, (i) increase the borrowing capacity from $725 million to $1,000 million; and (ii) extend the maturity date to July 9, 2027. The Company subsequently drew $25 million available under the Securitization Facility in July 2026.

Contractual Obligations

We have future obligations under various contracts relating to debt and interest payments, finance and operating leases, pension and post-retirement benefit plans and purchase obligations. During the thirty-nine week period ended June 27, 2026, other than the debt financing activities disclosed in Note 8, "Debt," in the notes to the condensed consolidated financial statements included herein, there were no material changes to these obligations as reported in our Annual Report on Form 10-K for the fiscal year ended September 30, 2025.

Dividend and Dividend Equivalent Payments

Pursuant to the Fourth Amended and Restated TransDigm Group Incorporated 2006 Stock Incentive Plan Dividend Equivalent Plan, the Amended and Restated 2014 Stock Option Plan Dividend Equivalent Plan and the 2019 Stock Option Plan Dividend Equivalent Plan, all of the vested options granted under the existing stock option plans, except for grants to the members of the Board of Directors, are entitled to certain dividend equivalent payments in the event of the declaration of a dividend by the Company.

No dividends were declared in the thirty-nine week period ended June 27, 2026. Dividend equivalent payments are made during the Company's first fiscal quarter each year and also upon payment of any dividends declared. Total dividend equivalent payments in the first quarter of fiscal 2026 were approximately $59 million.

Off-Balance Sheet Arrangements

The Company utilizes letters of credit to back certain payment and performance obligations. Letters of credit are subject to limits based on amounts outstanding under the Company's revolving credit facility. As of June 27, 2026, the Company had $46 million in letters of credit outstanding.

Non-GAAP Financial Measures

We present below certain financial information based on our EBITDA and EBITDA As Defined. References to “EBITDA” mean earnings before interest, taxes, depreciation and amortization, and references to “EBITDA As Defined” mean EBITDA plus, as applicable for each relevant period, certain adjustments as set forth in the reconciliations of net income to EBITDA and EBITDA As Defined and the reconciliations of net cash provided by operating activities to EBITDA and EBITDA As Defined presented below.

Neither EBITDA nor EBITDA As Defined is a measurement of financial performance under U.S. GAAP. We present EBITDA and EBITDA As Defined because we believe they are useful indicators for evaluating operating performance and liquidity.

Our management believes that EBITDA and EBITDA As Defined are useful as indicators of liquidity because securities analysts, investors, rating agencies and others use EBITDA to evaluate a company’s ability to incur and service debt. In addition, EBITDA As Defined is useful to investors because the revolving credit facility under our senior secured credit facility requires compliance under certain circumstances, on a pro forma basis, with a financial covenant that measures the ratio of the amount of our secured indebtedness to the amount of our Consolidated EBITDA defined in the same manner as we define EBITDA As Defined herein.

In addition to the above, our management uses EBITDA As Defined to review and assess the performance of the management team in connection with employee incentive programs and to prepare its annual budget and financial projections. Moreover, our management uses EBITDA As Defined to evaluate acquisitions.

Although we use EBITDA and EBITDA As Defined as measures to assess the performance of our business and for the other purposes set forth above, the use of these non-GAAP financial measures as analytical tools has limitations, and you should not consider any of them in isolation, or as a substitute for analysis of our results of operations as reported in accordance with U.S. GAAP. Some of these limitations are:

- neither EBITDA nor EBITDA As Defined reflects the significant interest expense, or the cash requirements, necessary to service interest payments on our indebtedness;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and neither EBITDA nor EBITDA As Defined reflects any cash requirements for such replacements;
- the omission of the substantial amortization expense associated with our intangible assets further limits the usefulness of EBITDA and EBITDA As Defined;
- neither EBITDA nor EBITDA As Defined includes the payment of taxes, which is a necessary element of our operations; and
- EBITDA As Defined excludes the cash expense we have incurred to integrate acquired businesses into our operations, which is a necessary element of certain of our acquisitions.

Because of these limitations, EBITDA and EBITDA As Defined should not be considered as measures of discretionary cash available to us to invest in the growth of our business. Management compensates for these limitations by not viewing EBITDA or EBITDA As Defined in isolation and specifically by using other U.S. GAAP measures, such as net income, net sales and operating profit, to measure our operating performance. Neither EBITDA nor EBITDA As Defined is a measurement of financial performance under U.S. GAAP, and neither should be considered as an alternative to net income or cash flow from operations determined in accordance with U.S. GAAP. Our calculation of EBITDA and EBITDA As Defined may not be comparable to the calculation of similarly titled measures reported by other companies.

The following table sets forth a reconciliation of net income to EBITDA and EBITDA As Defined (in millions):

	Thirteen Week Periods Ended		Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net Income	$ 540	$ 493	$ 1,521	$ 1,465
Adjustments:				
Depreciation and amortization expense	118	91	324	271
Interest expense-net	514	397	1,472	1,152
Income tax provision	173	142	464	411
EBITDA	1,345	1,123	3,781	3,299
Adjustments:				
Acquisition transaction and integration-related expenses (1)	35	9	66	32
Non-cash stock and deferred compensation expense (2)	65	51	118	124
Other, net (3)	2	34	16	(14)
EBITDA As Defined	$ 1,447	$ 1,217	$ 3,981	$ 3,441

(1) Represents costs incurred to integrate acquired businesses into our operations; facility relocation costs and other acquisition-related costs; transaction and valuation-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses; and amortization expense of inventory step-up recorded in connection with the purchase accounting of acquired businesses.

(2) Represents the compensation expense recognized under our stock option plans and deferred compensation plans.

(3) Primarily represents foreign currency transaction gains or losses, costs expensed related to debt financing activities, including new issuances, extinguishments, refinancings and amendments to existing agreements, payroll withholding taxes related to dividend equivalent payments and stock option exercises, non-service related pension costs, deferred compensation payments and other miscellaneous income or expense, such as gain on sale of business.

The following table sets forth a reconciliation of net cash provided by operating activities to EBITDA and EBITDA As Defined (in millions):

	Thirty-Nine Week Periods Ended	
	June 27, 2026	June 28, 2025
Net cash provided by operating activities	$ 1,691	$ 1,531
Adjustments:		
Changes in assets and liabilities, net of effects from acquisitions and sales of businesses	305	337
Interest expense-net [(1)]	1,437	1,124
Income tax provision-current	466	414
Gain on sale of businesses, net	—	17
Non-cash stock and deferred compensation expense [(2)]	(118)	(124)
EBITDA	3,781	3,299
Adjustments:		
Acquisition transaction and integration-related expenses [(3)]	66	32
Non-cash stock and deferred compensation expense [(2)]	118	124
Other, net [(4)]	16	(14)
EBITDA As Defined	$ 3,981	$ 3,441

(1) Represents interest expense, net of interest income, excluding the amortization of debt issuance costs and premium and discount on debt.

(2) Represents the compensation expense recognized under our stock option plans and deferred compensation plans.

(3) Represents costs incurred to integrate acquired businesses into our operations; facility relocation costs and other acquisition-related costs; transaction and valuation-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses; and amortization expense of inventory step-up recorded in connection with the purchase accounting of acquired businesses.

(4) Primarily represents foreign currency transaction gains or losses, costs expensed related to debt financing activities, including new issuances, extinguishments, refinancings and amendments to existing agreements, payroll withholding taxes related to dividend equivalent payments and stock option exercises, non-service related pension costs, deferred compensation payments and other miscellaneous income or expense, such as gain on sale of business.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The information called for by this item is provided under the caption "*Description of Senior Secured Term Loans and Indentures*" in Part I, Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations.* Market risks are described more fully within *Quantitative and Qualitative Disclosures About Market Risk* in Part II, Item 7A of our most recent Annual Report on Form 10-K (for the fiscal year ended September 30, 2025, filed on November 12, 2025). These market risks have not materially changed for the third quarter of fiscal year 2026.

ITEM 4. CONTROLS AND PROCEDURES

As of June 27, 2026, TD Group carried out an evaluation, under the supervision and with the participation of TD Group's management, including its President and Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), of the effectiveness of the design and operation of TD Group's disclosure controls and procedures. Based upon that evaluation, the President and Chief Executive Officer and Chief Financial Officer concluded that TD Group's disclosure controls and procedures are effective to ensure that information required to be disclosed by TD Group in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified by the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to TD Group's management, including its President and Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, TD Group's management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in designing and evaluating the controls and procedures.

During the thirty-nine week period ended June 27, 2026, the Company completed the acquisitions of Simmonds, JPE and VSA. The Company is currently integrating the acquisitions into its operations, compliance programs and internal control processes. As permitted by SEC rules and regulations, the Company has excluded the acquisitions from management's evaluation of internal controls over financial reporting as of June 27, 2026.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred during the fiscal quarter ended June 27, 2026, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II: OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is involved in various claims and legal actions arising in the ordinary course of business. We believe that the outcome of these matters will not have a material adverse effect on our financial position, results of operations, or cash flows. From time to time, we are involved in matters that involve governmental authorities as a party under federal, state and local laws that have been enacted or adopted regulating the discharge of materials into the environment or primarily for the purpose of protecting the environment. We will report such matters that exceed, or that we reasonably believe may exceed, $1 million or more in monetary sanctions.

Information with respect to our legal proceedings is contained in Note 13, “Commitments and Contingencies,” in Part IV, Item 15. *Exhibits and Financial Statement Schedules*, of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed on November 12, 2025. There have been no material changes to this information.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the risk factors disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed on November 12, 2025. There have been no material changes to the risk factors described in the Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS: PURCHASES OF EQUITY SECURITIES BY THE ISSUER

The following table presents information about repurchases of TransDigm Group Inc. common stock made by the Company during the third quarter of fiscal year 2026 (in millions, except shares and average price per share data):

Period	Total Number of Shares Repurchased	Average Price Paid Per Share	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs [(1)]
March 29, 2026 - April 25, 2026	66,537	$ 1,138.88	66,537	$ 4,883
April 26, 2026 - May 23, 2026	342,183	1,193.40	342,183	4,474
May 24, 2026 - June 27, 2026	400,381	1,232.36	400,381	3,981
Total	809,101	$ 1,208.20	809,101	

(1) On January 27, 2022, our Board of Directors authorized a new stock repurchase program permitting repurchases of our outstanding shares not to exceed $2.2 billion in the aggregate, subject to any restrictions specified in the Credit Agreement and indentures governing the existing Subordinated and Secured Notes (referred to herein as the “existing stock repurchase program”), replacing the $650 million stock repurchase program. In November 2025, the Board of Directors authorized an additional $5.0 billion in share repurchases of common stock permissible under the Company’s existing stock repurchase program. There is no expiration date for the existing stock repurchase program.

ITEM 6. EXHIBITS

Exhibit No.	Description	Filed Herewith or Incorporated by Reference From
10.1	Twentieth Amendment to the Receivables Purchase Agreement dated as of July 10, 2026, among TransDigm Receivables LLC, TransDigm Inc., PNC Bank, National Association, as a Committed Purchaser, as Purchaser Agent for its Purchaser Group and as Administrator, and Wells Fargo Bank, National Association, as a Committed Purchaser and as Purchaser Agent for its Purchaser Group*	Filed Herewith
22.1	Listing of Subsidiary Guarantors	Filed Herewith
31.1	Certification by Principal Executive Officer of TransDigm Group Incorporated pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith
31.2	Certification by Principal Financial Officer of TransDigm Group Incorporated pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith
32.1	Certification by Principal Executive Officer of TransDigm Group Incorporated pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished Herewith
32.2	Certification by Principal Financial Officer of TransDigm Group Incorporated pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished Herewith
101.INS	Inline XBRL Instance Document: The XBRL Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	Filed Herewith
101.SCH	Inline XBRL Taxonomy Extension Schema	Filed Herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase	Filed Herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase	Filed Herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase	Filed Herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase	Filed Herewith
104	Cover Page Interactive Data File: the cover page XBRL tags are embedded within the Inline XBRL document and are contained within Exhibit 101	Filed Herewith

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish on a supplemental basis a copy of any omitted schedule or exhibit upon request by the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRANSDIGM GROUP INCORPORATED

SIGNATURE	TITLE	DATE
/s/ Michael Lisman Michael Lisman	President and Chief Executive Officer (Principal Executive Officer)	August 4, 2026
/s/ Sarah Wynne Sarah Wynne	Chief Financial Officer (Principal Financial Officer)	August 4, 2026

TWENTIETH AMENDMENT TO THE RECEIVABLES PURCHASE AGREEMENT

This TWENTIETH AMENDMENT TO THE RECEIVABLES PURCHASE AGREEMENT (this "Amendment"), dated as of July 10, 2026, is entered into by and among the following parties:

(i) TRANSDIGM RECEIVABLES LLC, a Delaware limited liability company, as Seller;

(ii) TRANSDIGM INC., a Delaware corporation, as Servicer;

(iii) PNC BANK, NATIONAL ASSOCIATION, as a Committed Purchaser, as Purchaser Agent for its Purchaser Group and as Administrator ("PNC"); and

(iv) WELLS FARGO BANK, NATIONAL ASSOCIATION ("Wells Fargo"), as a Committed Purchaser and as Purchaser Agent for its Purchaser Group.

(v) Capitalized terms used but not otherwise defined herein (including such terms used above) have the respective meanings assigned thereto in the Receivables Purchase Agreement described below.

BACKGROUND

A. The parties hereto and PNC Capital Markets LLC, as structuring agent, have entered into a Receivables Purchase Agreement, dated as of October 21, 2013 (as amended, restated, amended and restated, supplemented or otherwise modified through the date hereof, the "Receivables Purchase Agreement").

B. Concurrently herewith, the parties hereto are entering into that certain Ninth Amended and Restated Fee Letter in connection herewith (the "Amended Fee Letter").

C. The parties hereto desire to amend the Receivables Purchase Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Rebalancing of Capital. On the date hereof, the Seller will repay a portion of the outstanding Capital in the amounts for each Purchaser specified in the flow of funds memorandum attached hereto as Exhibit B; provided that all accrued and unpaid Discount with respect to such Capital so repaid shall be payable by PNC to Wells Fargo on the next occurring Settlement Date. The Seller hereby requests that PNC fund a Purchase on the date hereof in an amount set forth in Exhibit B hereto. Such Purchase shall be funded by PNC on the date hereof in accordance with the terms of the Receivables Purchase Agreement and upon satisfaction of all conditions precedent thereto specified in the Receivables Purchase Agreement; provided, however, that no Purchase Notice shall be required therefor. For administrative convenience, the Seller hereby instructs PNC to fund the foregoing Purchase by paying the proceeds thereof directly to Wells Fargo to the accounts and in the amounts specified in Exhibit B hereto to be applied as the foregoing repayment of Wells Fargo's Capital (as applicable) on the Seller's behalf. The Seller shall be deemed to have received the proceeds of such Purchase from PNC for all purposes immediately upon receipt thereof by Wells Fargo. Wells Fargo shall notify Seller upon receipt of such proceeds from PNC.

SECTION 2. Amendments to the Receivables Purchase Agreement. The Receivables Purchase Agreement is hereby amended to reflect the marked changes shown on Exhibit A to this Amendment.

SECTION 3. Representations and Warranties of the Seller and Servicer. Each of the Seller and the Servicer hereby represents and warrants, as to itself, to the Administrator, each Purchaser and each Purchaser Agent, as follows:

(a) *Representations and Warranties*. Immediately after giving effect to this Amendment, the representations and warranties made by such Person in the Transaction Documents to which it is a party are true and correct as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations or warranties were true and correct as of such earlier date).

(b) *Enforceability*. This Amendment and each other Transaction Document to which it is a party, as amended hereby, constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(c) *No Termination Event*. No event has occurred and is continuing, or would result from the transactions contemplated hereby, that constitutes a First Tier Purchase and Sale Termination Event (as defined in the First Tier Purchase and Sale Agreement), a Second Tier Purchase and Sale Termination Event (as defined in the Second Tier Purchase and Sale Agreement), a Termination Event or an Unmatured Termination Event.

SECTION 4. Effect of Amendment. All provisions of the Receivables Purchase Agreement and the other Transaction Documents, as expressly amended and modified by this Amendment, shall remain in full force and effect. After this Amendment becomes effective, all references in the Receivables Purchase Agreement (or in any other Transaction Document) to "this Receivables Purchase Agreement", "this Agreement", "hereof", "herein" or words of similar effect referring to the Receivables Purchase Agreement shall be deemed to be references to the Receivables Purchase Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Receivables Purchase Agreement other than as set forth herein.

SECTION 5. Effectiveness. This Amendment shall become effective as of the date hereof upon the satisfaction of the following conditions precedent:

(a) The Administrator shall have received counterparts of this Amendment, duly executed by each of the parties hereto.

(b) The Administrator shall have received counterparts of the Amended Fee Letter duly executed by each of the parties thereto.

(c) The Administrator shall have received confirmation that the “Closing Fees” set forth in the Amended Fee Letter have been paid in accordance with the terms thereof.

(d) The Administrator shall have received such other agreements, documents, certificates, instruments and opinions listed on the closing memorandum attached as Exhibit C hereto.

SECTION 6. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or e-mail transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 7. GOVERNING LAW. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).

SECTION 8. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Receivables Purchase Agreement or any provision hereof or thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their duly authorized officers as of the date first above written.

TRANSDIGM RECEIVABLES LLC,
as Seller

By: /s/ Liza A. Sabol
Name: Liza A. Sabol
Title: Treasurer

TRANSDIGM INC.,
as Initial Servicer

By: /s/ Liza A. Sabol
Name: Liza A. Sabol
Title: Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser, as a Purchaser Agent and as Administrator

By: /s/ Michael Ferragonio
Name: Michael Ferragonio
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser and as Purchaser Agent for its Purchaser Group

By: /s/ Chance Hausler
Name: Chance Hausler
Title: Executive Director

Exhibit A

[See Attached]

<u>Exhibit B</u>

Funds Flow Memorandum

[See Attached]

<u>Exhibit C</u>

Closing Memorandum

[See Attached]

LISTING OF SUBSIDIARY GUARANTORS

The following series of senior subordinated and secured notes issued by TransDigm Inc., a wholly owned subsidiary of TransDigm Group Incorporated, are unconditionally guaranteed, on a joint and several basis, by TransDigm Group Incorporated and each of the subsidiaries listed below under "Subsidiary Guarantors."

Description
6.750% senior secured notes due 2028 ("2028 Secured Notes")
4.625% senior subordinated notes due 2029 ("4.625% 2029 Notes")
6.375% senior secured notes due 2029 ("2029 Secured Notes")
4.875% senior subordinated notes due 2029 ("4.875% 2029 Notes")
6.875% senior secured notes due 2030 ("2030 Secured Notes")
7.125% senior secured notes due 2031 ("2031 Secured Notes")
6.625% senior secured notes due 2032 ("2032 Secured Notes")
6.000% senior secured notes due 2033 ("2033 Secured Notes")
6.375% senior subordinated notes due 2033 ("6.375% 2033 Notes")
6.250% senior secured notes due 2034 ("2034 Secured Notes")
6.750% senior subordinated notes due 2034 ("6.750% 2034 Notes")
6.125% senior subordinated notes due 2034 ("6.125% 2034 Notes")

Subsidiary Guarantors	Jurisdiction of Incorporation or Organization
4455 Genesee Properties, LLC	Delaware
4455 Genesee Street, LLC	Delaware
17111 Waterview Pkwy LLC	Delaware
Acme Aerospace, Inc.	Delaware
Adams Rite Aerospace, Inc.	California
AeroControlex Group, Inc.	Delaware
Aero Accessories, LLC	North Carolina
Aero Aviation Company LLC	Illinois
Aero Group Holdings LLC	North Carolina
Aero Parts Mart, Inc.	Texas
Aerosonic LLC	Delaware
Aerotech of Louisville LLC	Delaware
Airborne Acquisition, Inc.	Delaware
Airborne Global, Inc.	Delaware
Airborne Holdings, Inc.	Delaware
Airborne Systems NA Inc.	Delaware
Airborne Systems North America Inc.	Delaware
Airborne Systems North America of CA Inc.	Delaware
Airborne Systems North America of NJ Inc.	New Jersey
Airforms LLC	Delaware
Airframes Alaska LLC	Delaware
Airline Component Parts, LLC	Texas
Alcor, LLC	North Carolina
American Fuel Cell and Coated Fabrics Company, LLC	Delaware
AmSafe Global Holdings, Inc.	Delaware
AmSafe, Inc.	Delaware
Angus Electronics Co.	Delaware

Subsidiary Guarantors	Jurisdiction of Incorporation or Organization
Apical Industries, Inc.	California
APS Mfg LLC	Delaware
Arkwin Industries, Inc.	New York
Armtec Countermeasures Co.	Delaware
Armtec Countermeasures TNO Co.	Delaware
Armtec Defense Products Co.	Delaware
Ashford Properties, LLC	Delaware
Auxitrol Weston USA, Inc.	Delaware
AV8 MRO LLC	Texas
AV8 PMA LLC	Texas
Aviation Products Systems LLC	Delaware
Aviation Technologies, Inc.	Delaware
Avionic Instruments LLC	Delaware
Avionics Specialties, Inc.	Virginia
AvtechTyee, Inc.	Washington
Beta Transformer Technology LLC	Delaware
Breeze-Eastern LLC	Delaware
Bridport Erie Aviation, Inc.	Delaware
Bridport Holdings, Inc.	Delaware
Bridport-Air Carrier, Inc.	Washington
Bruce Aerospace Inc.	Delaware
Calspan Air Facilities, LLC	New York
Calspan Air Services, LLC	New York
Calspan ASE Portugal, Inc.	Minnesota
Calspan Holdings, LLC	New York
CALSPAN JETS LLC	Delaware
Calspan Technology Acquisition LLC	Delaware
Calspan, LLC	New York
CDA InterCorp LLC	Florida
CEF Industries, LLC	Delaware
Champion Aerospace LLC	Delaware
Chelton Avionics Holdings, Inc.	Delaware
Chelton Avionics, Inc.	Delaware
Chelton Defense Products, Inc.	Delaware
CIMA Aviation LLC	Delaware
CJ Aviation Products, LLC	Kansas
CMC Electronics Aurora LLC	Delaware
Consolidated Fuel Systems LLC	North Carolina
CPI EDB Intermediate Holdings, Inc.	Delaware
CPI Electron Device Business, Inc.	Delaware
CTHC LLC	New York
Dart Aerospace USA, Inc.	Washington
Dart Buyer, Inc.	Delaware
Dart Helicopter Services, Inc.	Delaware

Subsidiary Guarantors	Jurisdiction of Incorporation or Organization
Dart Intermediate, Inc.	Delaware
Dart TopCo, Inc.	Delaware
Data Device Corporation	Delaware
Dukes Aerospace, Inc.	Delaware
Eastern OptX, Inc.	New Jersey
Electromech Technologies LLC	Delaware
Esterline Europe Company LLC	Delaware
Esterline International Company	Delaware
Esterline Technologies Corporation	Delaware
Esterline Technologies SGIP LLC	Delaware
FPT Industries LLC	Delaware
Genesee Holdings II, LLC	New York
Genesee Holdings III, LLC	New York
Genesee Holdings, LLC	New York
Gibson Accumulator LLC	North Carolina
Great River Technology Incorporated	New Mexico
HarcoSemco LLC	Connecticut
Hartwell Corporation	California
Horizon, LLC	Kansas
Hytek Finishes Co.	Delaware
Iceman Holdco, Inc.	Delaware
ILC Holdings, Inc.	Delaware
In-Phase Technologies, Incorporated	New Jersey
Janco Corporation	California
Jet Parts Engineering LLC	Delaware
Johnson Liverpool LLC	Delaware
JPE Holdings LLC	Delaware
King Nutronics, LLC	Delaware
Kirkhill Inc.	Delaware
Korry Electronics Co.	Delaware
Leach Holding Corporation	Delaware
Leach International Corporation	Delaware
Leach Mexico Holding LLC	Delaware
Leach Technology Group, Inc.	Delaware
Liquid Measurement Systems	Vermont
MarathonNorco Aerospace, Inc.	Delaware
Marvel-Schebler Aircraft Carburetors LLC	North Carolina
Mason Electric Co.	Delaware
McFarlane Aviation, LLC	Kansas
McKechnie Aerospace DE, Inc.	Delaware
McKechnie Aerospace Holdings, Inc.	Delaware
McKechnie Aerospace US LLC	Delaware
Medtherm Labs, LLC	Delaware
Microwave Power Products, Inc.	Delaware

Subsidiary Guarantors	Jurisdiction of Incorporation or Organization
Mitchell PMA LLC	Illinois
NAT Seattle Inc.	Delaware
NMC Group, Inc.	California
Nordisk Aviation Products LLC	Delaware
Northeast Aero Compressor Corp	New York
North Hills Signal Processing Corp.	Delaware
North Hills Signal Processing Overseas LLC	Delaware
Norwich Aero Products Inc.	New York
Offshore Helicopter Support Services, Inc.	Louisiana
Oppenheimer Precision Products, Inc.	Pennsylvania
Palomar Products, Inc.	Delaware
Percival Aviation Inc.	Delaware
Pexco Aerospace, Inc.	Delaware
PG Aerotech LLC	Delaware
PMA Products LLC	Delaware
PneuDraulics, Inc.	California
Power Device Corporation	New York
Precision Airmotive, LLC	North Carolina
Raptor Labs HoldCo, LLC	Delaware
Raptor Labs Intermediate, LLC	Delaware
Schneller LLC	Delaware
Semco Instruments, Inc.	Delaware
Sensor Concepts, LLC	Delaware
Servotronics, Inc.	Delaware
Shield Restraint Systems, Inc.	Delaware
Simmonds Precision Products, Inc.	New York
Simplex Manufacturing Co.	Oregon
Skandia, Inc.	Illinois
Skurka Aerospace Inc.	Delaware
Space Electronics LLC	Delaware
Stratus Tool Technologies, LLC	North Carolina
Symetrics Industries, LLC	Florida
TA Aerospace Co.	California
Tactair Fluid Controls, Inc.	New York
TDG ESL Holdings Inc.	Delaware
TEAC Aerospace Technologies, Inc.	Delaware
Telair US LLC	Delaware
Tempest Aero Group, LLC	North Carolina
TestVonics, Inc.	New Hampshire
Texas Rotronics, Inc.	Texas
TransDigm UK Holdings Limited	United Kingdom
Transicoil LLC	Delaware
Turn and Bank Holdings, LLC	North Carolina
Victor Sierra Aviation Holdings LLC	Delaware

Subsidiary Guarantors	Jurisdiction of Incorporation or Organization
VSC Aviation Acquisition LLC	Delaware
VSC Aviation Holdings Intermediate LLC	Delaware
VSC III MA, Inc.	Delaware
VSC JPE, Inc.	Delaware
Whippany Actuation Systems, LLC	Delaware
Young & Franklin Inc.	New York

Exhibit 31.1

CERTIFICATION

I, Michael Lisman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TransDigm Group Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's third fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors:

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2026

/s/ Michael Lisman
Name: Michael Lisman
Title: President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Sarah Wynne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TransDigm Group Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s third fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s Board of Directors:

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 4, 2026

/s/ Sarah Wynne

Name: Sarah Wynne
Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of TransDigm Group Incorporated (the “Company”) for the quarter ended June 27, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Lisman, President and Chief Executive Officer (Principal Executive Officer), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

2. The information contained in the Report fairly presents in all material respects, the financial condition of the Company as of the dates indicated and results of operations of the Company for the periods indicated.

Date: August 4, 2026

/s/ Michael Lisman
Name: Michael Lisman
Title: President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of TransDigm Group Incorporated (the “Company”) for the quarter ended June 27, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Sarah Wynne, Chief Financial Officer (Principal Financial Officer), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and

2. The information contained in the Report fairly presents in all material respects, the financial condition of the Company as of the dates indicated and results of operations of the Company for the periods indicated.

Date: August 4, 2026

/s/ Sarah Wynne
Name: Sarah Wynne
Title: Chief Financial Officer
(Principal Financial Officer)