TRANSDIGM GROUP INC.

HOW WE MEASURE SUCCESS

FY 2013 Fourth Quarter Earnings Call

November 14, 2013

Agenda

■ TransDigm Overview	W. Nicholas Howley Chairman and CEO
■ Highlights, Market Review, Operating Performance and Outlook	W. Nicholas Howley Chairman and CEO
■ Operations and Value Creation	Raymond F. Laubenthal President and COO
■ Financial Results	Gregory Rufus Executive Vice President and CFO
■ Q&A	

Forward Looking Statements

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

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

Special Notice Regarding Pro Forma and Non-GAAP Information

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

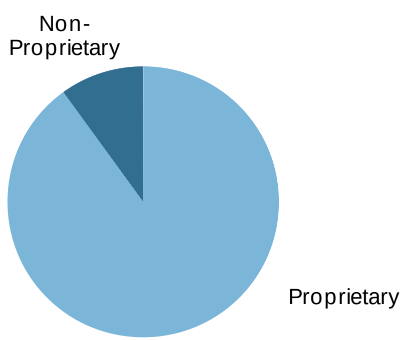
This presentation also sets forth certain non-GAAP financial measures. A presentation of the most directly comparable GAAP measures and a reconciliation to such measures are set forth in the appendix.

TransDigm Overview

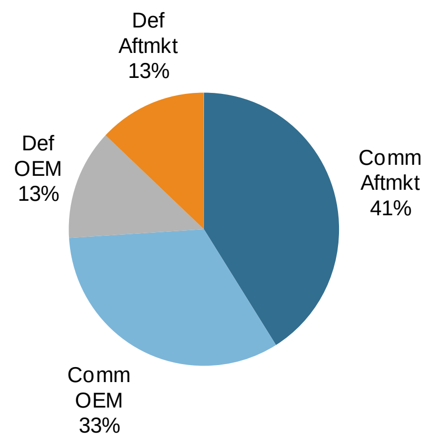
DISTINGUISHING CHARACTERISTICS

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

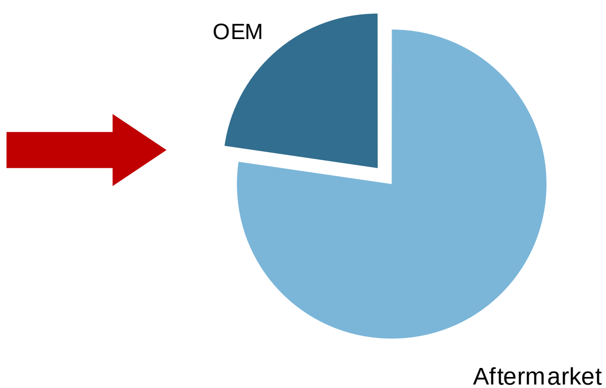
Proprietary Revenues (1)



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



Pro Forma EBITDA As Defined (1)



(1) Pro forma revenue for the fiscal year ended 9/30/13 includes the impact of FY13 acquisitions of A erosonic, Arwkin and Whippany (excluding the Non-Aviation Segment sales of ≈ $104 million or ≈ 5% of total sales). Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

2013 Q4 Financial Performance by Markets – Pro Forma

Highlights[(1)]

- Commercial OEM
  - Finished the year ahead of original expectations
  - Prior fiscal year growth of ≈23%
- Commercial Aftermarket:
  - Mixed results across business; more operating units up than down
  - Bookings exceeded sales modestly
  - Underlying trends up
- Defense:
  - Continued to perform significantly better than anticipated
  - Tarian UK order represents ≈2% of fiscal year sales increase

Q4 Market Review – Pro Forma Revenues[(1)]

	Actual vs. Prior Year Q4 2013
Commercial OEM:	**Up 10%** (commercial transport production rates)
Commercial Aftermarket:	**Up Mid-Single-Digit %** (normalized) **Flat** (pro forma)
Defense:	**Up 11%** (Tarian UK shipment ≈ 5% of increase)

(1) Information is on a pro forma basis versus the prior year period. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

Fiscal 2014 Outlook

Sales Mix [1]	Market	Expected Growth[1]
33%	Commercial OEM	Up High Single-Digit %
41%	Commercial Aftermarket	Up High Single-Digit %
26%	Defense	Flat

Assumptions

- Worldwide RPM growth ≈ 4% to 5%
- OEM production rate increases proceeding
- Defense assumes no significant sequestration impact
- Full year tax rate ≈ 34%
- Weighted average shares of 57.2 million

Guidance Summary

($ in millions)

	Low		High	
Revenues	$	2,155	$	2,215
EBITDA As Defined	$	1,004	$	1,032
% to sales		*46.6%*		*46.6%*
Net Income	$	372	$	390
GAAP EPS	$	6.16	$	6.48
Adj. EPS	$	7.00	$	7.32

(1) Pro forma revenue for the fiscal year ended 9/30/13 (excluding Non-Aviation Segment sales of ≈ $104 million or ≈ 5% of combined sales).

Fourth Quarter 2013 Results

($ in millions)

	Q4 FY13	Q4 FY12	
Revenue	**$539.7**	**$462.6**	**16.7% Increase**
Gross Profit	**$282.7**	**$256.8**	**Flat Margins**
Margin %	***52.4%***	***55.5%***	● Dilutive impact of acquisitions ≈2% ● Higher non-operating acquisition-related costs ≈1.5% ● Unfavorable OEM vs aftermarket product mix ● Strength of our proprietary products & productivity improvements
SG&A	**$61.1**	**$54.3**	● Lower non-cash stock comp. expense as a % of sales
% to Sales	***11.3%***	***11.7%***	● Higher acquisition-related costs
Interest Expense- Net	**$81.2**	**$55.2**	**47.3% Increase** ● Outstanding borrowings increased to $5.7B from $3.6B ● Weighted avg. cash interest rate decreased to 5.4% vs. 5.7% prior year quarter
Net Income	**$84.0**	**$87.9**	**4.4% Decrease**
% to Sales	***15.6%***	***19.0%***	
EBITDA As Defined	**$248.2**	**$215.1**	**15.4% Increase**
	46.0%	***46.5%***	
Adjusted EPS	**$1.75**	**$1.72**	**1.7% Increase**

Liquidity & Taxes

($ in millions)

Cash

	FY 9/30/2013	FY 9/30/2012
Net Cash Provided by Operating Activities	**$470.2**	**$413.9**
Capital Expenditures	**($35.5)**	**($25.2)**
Free Cash Flow	**$434.7**	**$388.7**
Cash on the Balance Sheet	**$564.7**	**$440.5**

Liquidity

	Actual 9/30/2013	EBITDA As Defined multiple	Rate (1)
Cash	$565		
Revolver	–	–	L + 3.00%
Existing Term Loan B	496	0.5x	L + 2.75%
Existing Term Loan C	1,687	1.8x	L + 3.00%
New Term Loan C	898	1.0x	L + 3.00%
Total senior secured debt	**3,081**	**3.3x**	
Existing Senior Sub Notes	1,600	1.7x	7.75%
Existing Senior Sub Notes	550	0.6x	5.50%
New Senior Sub Notes	500	0.5x	7.50%
Total Debt	**5,731**	**6.1x**	
Net Debt to EBITDA As Defined		**5.5x**	

(1) LIBOR floor on revolver and term loan at .75%

Taxes

- FY 13 Full Year ETR 32.5%

Reconciliation of GAAP to Adjusted EPS - Guidance

($ in millions)

	Thirteen Week Periods Ended		Fiscal Years Ended		Full Year Guidance Mid-Point
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	September 30, 2014
Earnings (loss) per share	$ (0.20)	$ 1.63	$ 2.39	$ 5.97	$ 6.32
Adjustments to earnings per share:					
Dividend equivalent payment	1.67	-	3.11	0.06	0.33
Refinancing costs & other non-recurring charges	0.02	-	0.39	-	-
Non-cash compensation costs	0.03	0.09	0.60	0.27	0.30
Acquisition-related expenses	0.23	-	0.41	0.37	0.21
Adjusted earnings per share	$ 1.75	$ 1.72	$ 6.90	$ 6.67	$ 7.16
Weighted-average shares outstanding	56,862	53,882	55,080	53,882	57,200

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Appendix

Reconciliation of Net Income to EBITDA and EBITDA As Defined

($ in thousands)

	Thirteen Week Periods Ended		Fiscal Years Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Net income	$ 84,027	$ 87,866	$ 302,789	$ 324,969
Adjustments:				
Depreciation and amortization expense	23,680	17,582	73,515	68,227
Interest expense, net	81,246	55,152	270,685	211,906
Income tax provision	40,500	48,400	145,700	162,900
EBITDA	229,453	209,000	792,689	768,002
Adjustments:				
Acquisition related expenses and adjustments (1)	13,877	(1,676)	26,433	18,866
Non-cash stock compensation expense(2)	2,904	7,758	48,884	22,151
Refinancing costs and other non-recurring charges(3)	1,991	-	32,272	-
Gross Adjustments to EBITDA	18,772	6,082	107,589	41,017
EBITDA As Defined	$ 248,225	$ 215,082	$ 900,278	$ 809,019
EBITDA As Defined, Margin (4)	46.0%	46.5%	46.8%	47.6%

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

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

(3) Represents debt issue costs expensed in conjunction with the refinancing of our 2010 Credit Facility and 2011 Credit Facility in February 2013 and other recurring charges.

(4) The EBITDA As Defined margin represents the amount of EBITDA As Defined as a percentage of sales.

Reconciliation of Reported EPS to Adjusted EPS

($ in thousands, except per share amounts)

	Thirteen Week Periods Ended		Fiscal Years Ended	
Reported Earnings Per Share	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Net income	$ 84,027	$ 87,866	$ 302,789	$ 324,969
Less: dividends on participating securities	(95,137)	-	(171,243)	(3,299)
Net income (loss) applicable to common stock - basic and diluted	$ (11,110)	$ 87,866	$ 131,546	$ 321,670
Weighted-average shares outstanding under the two-class method:				
Weighted average common shares outstanding	52,580	51,535	52,258	50,996
Vested options deemed participating securities	4,282	2,347	2,822	2,886
Total shares for basic and diluted earnings per share	56,862	53,882	55,080	53,882
Basic and diluted earnings (loss) per share	$ (0.20)	$ 1.63	$ 2.39	$ 5.97
Adjusted Earnings Per Share				
Net income	$ 84,027	$ 87,866	$ 302,789	$ 324,969
Gross adjustments to EBITDA	18,772	6,082	107,589	41,017
Purchase accounting backlog amortization	4,515	2,113	6,976	11,056
Tax adjustment	(7,578)	(3,098)	(37,219)	(17,387)
Adjusted net income	$ 99,736	$ 92,963	$ 380,135	$ 359,655
Adjusted diluted earnings per share under the two-class method	$ 1.75	$ 1.72	$ 6.90	$ 6.67

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

($ in thousands)

	Fiscal Years Ended September 30, 2013	Fiscal Years Ended September 30, 2012
Net Cash Provided by Operating Activities	$ 470,205	$ 413,885
Adjustments:		
Changes in assets and liabilities, net of effects from acquisitions of businesses	(71,618)	(11,749)
Interest expense - net [(1)]	258,752	199,362
Income tax provision - current	148,314	138,100
Non-cash stock compensation expense [(2)]	(48,884)	(22,151)
Excess tax benefit from exercise of stock options	66,201	50,555
Refinancing costs [(4)]	(30,281)	-
EBITDA	792,689	768,002
Adjustments:		
Acquisition related expenses [(3)]	26,433	18,866
Non-cash stock compensation expense [(2)]	48,884	22,151
Refinancing costs and other non-recurring charges [(4)]	32,272	-
EBITDA As Defined	$ 900,278	$ 809,019

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

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

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

[(4)] Represents debt issue costs expensed in conjunction with the refinancing of our 2010 Credit Facility and 2011 Credit Facility in February 2013 and other nonrecurring charges.

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