

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 8, 2023

TransDigm Group Incorporated

(Exact name of registrant as specified in its charter)

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-32833 <small>(Commission File Number)</small>	41-2101738 <small>(IRS Employer Identification No.)</small>
1301 East 9th Street, Suite 3000, Cleveland, Ohio <small>(Address of principal executive offices)</small>	44114 <small>(Zip Code)</small>	
(216) 706-2960 <small>(Registrant's telephone number, including area code)</small>		
Not Applicable <small>(Former name or former address, if changed since last report.)</small>		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class:
Common Stock, \$0.01 par value

Trading Symbol:
TDG

Name of each exchange on which registered:
New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
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.

Item 7.01. Regulation FD Disclosure.

TransDigm Incorporated (the “Company”) has prepared presentation materials (the “Presentation Materials”) that it intends to use on or after June 8, 2023 in presentations to current and/or potential investors in connection with customary investor meetings. The Presentation Materials are furnished as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated herein by reference. The Presentation Materials are also posted in the Investor Relations section of the Company’s website, <https://www.transdigm.com/investor-relations/presentations/>.

The information in this Item 7.01, including the exhibit attached hereto, is being furnished and shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, unless such subsequent filing specifically references this Current Report on Form 8-K.

The Presentation Materials contain certain non-GAAP financial information. The reconciliation of such non-GAAP financial information to GAAP financial measures is included in the Presentation Materials. Further, the Presentation Materials contain statements intended as “forward-looking statements,” all of which are subject to the cautionary statement about forward-looking statements set forth therein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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 hereunto duly authorized.

TRANSDIGM GROUP INCORPORATED

By: /s/ Jessica L. Warren

Name: Jessica L. Warren

Title: General Counsel, Chief Compliance Officer and Secretary

Dated: June 8, 2023

TransDigm Non-Deal Roadshow

June 2023

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Forward Looking Statements & Special Notice Regarding Pro Forma and Non-GAAP Information

TRANSDIGM
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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. Consequently, such forward looking statements should be regarded solely as our current plans, estimates and beliefs. 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. The Company does not undertake, and specifically declines, any obligation, to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. These risks and uncertainties include but are not limited to: the impact that the COVID-19 pandemic has on our business, results of operations, financial condition and liquidity; 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; current and future geopolitical or other worldwide events; cyber-security threats, natural disasters and climate change-related events; our reliance on certain customers; the U.S. defense budget and risks associated with being a government supplier, including government audits and investigations; failure to maintain government or industry approvals; failure to complete or successfully integrate acquisitions; our indebtedness; potential environmental liabilities; liabilities arising in connection with litigation; climate-related regulations; increases in raw material costs, taxes and labor costs that cannot be recovered in product pricing; risks and costs associated with our international sales and operations; and other risk 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 for the fiscal year ended September 30, 2022 and other reports that TransDigm Group or its subsidiaries have filed with the Securities and Exchange Commission.

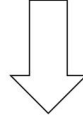
You are cautioned not to place undue reliance on our forward-looking statements. TransDigm Group Incorporated assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SPECIAL NOTICE REGARDING PRO FORMA AND NON-GAAP INFORMATION

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

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

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



+ 15% - 20% / Year on Average

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

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

Financial Snapshot

(\$ in millions)	FY 2023 Guidance Mid-Point ⁽²⁾
Revenue	\$ 6,455
EBITDA as Defined ⁽¹⁾	\$ 3,260
EBITDA as Defined Margin	51%
Formed	1993
Public	2006

Enterprise Value ⁽³⁾ ≈ \$67 Billion

- ⁽¹⁾ EBITDA as Defined is a non-GAAP financial measure. For a historical reconciliation of EBITDA as Defined to Income from Continuing Operations, please see the appendix.
- ⁽²⁾ Revenue and EBITDA As Defined information under FY23 Guidance Mid-point reflects the mid-point of the range for the fiscal year ending 9/30/23 that was issued on 5/9/23. The Company only updates guidance quarterly and this presentation does not confirm or update guidance now.
- ⁽³⁾ Enterprise value calculated as of 5/18/23 equals equity value (shares outstanding as of 4/1/23 multiplied by the TDG closing stock price on 5/18/23 plus pro forma total net debt (total debt less cash)). For a reconciliation of the pro forma total net debt, please see the pro forma capital structure reconciliation on slide 40 of this presentation.

Diverse Products, Platforms and Markets

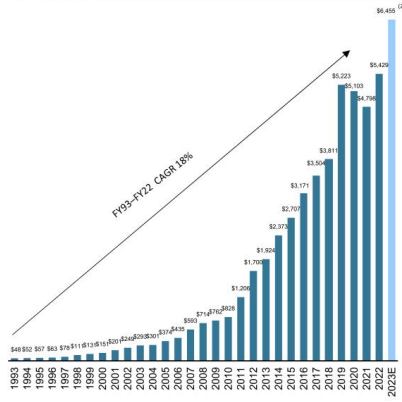
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Ignition Systems & Aircraft Sensors	Pumps	Valves	Motors, Actuators & Controls	Water Filtration Systems	Quick Disconnects, Couplings & Rods	Batteries, Chargers & Power Conditioning	Aircraft Hardware & Cockpit Security Systems	Engineered Composites, Electronics, Thermal Protection & Laminates	Switches & Relay Panels	Audio, Radio & Antenna Systems	Lighting Instrumentation & Cockpit Displays	Safety Beams & Parachutes	Lifting Devices & Cargo Handling Systems

Consistent Record of Growth and Margin Expansion

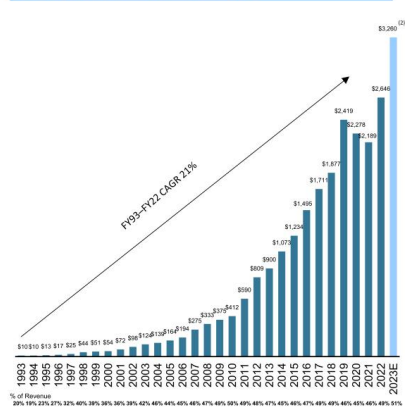
(\$ in millions)

Revenue



(\$ in millions)

EBITDA as Defined and Margin ⁽¹⁾

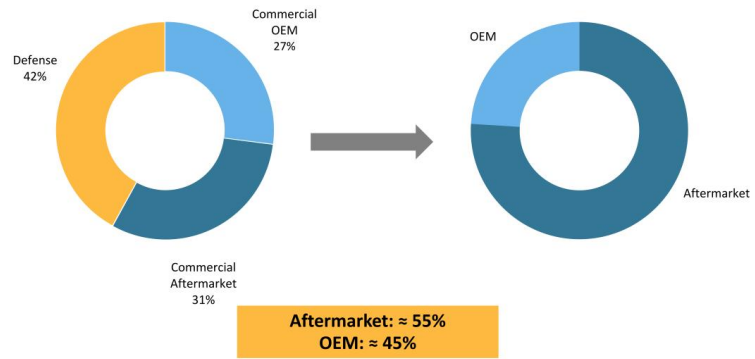


(1) EBITDA as Defined is a non-GAAP financial measure. For a historical reconciliation of EBITDA as Defined to Income from Continuing Operations, please see the appendix.
 (2) Revenue and EBITDA As Defined information for FY23 reflects the mid-point of the guidance range for the fiscal year ending 9/30/23 that was issued on 5/9/23. The Company only updates guidance quarterly and this presentation does not confirm or update guidance now.

Strong Focus on High-Margin Aftermarket

FY 22 Pro Forma Revenues ⁽¹⁾

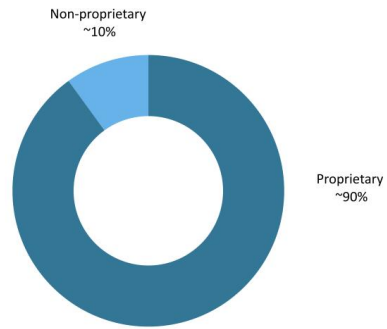
EBITDA As Defined ⁽²⁾



(1) Pro forma revenue is for the fiscal year ended 9/30/2022. Excludes impact of the Calspan Corporation acquisition completed May 2023. Includes full year impact of the DART Aerospace acquisition completed May 2022. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

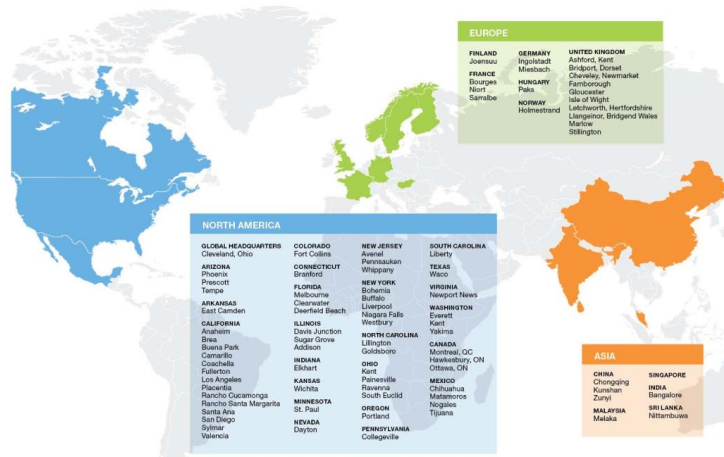
(2) EBITDA As Defined is the primary measurement used by management to review and assess the operating performance of each segment is EBITDA As Defined.

Proprietary Revenue

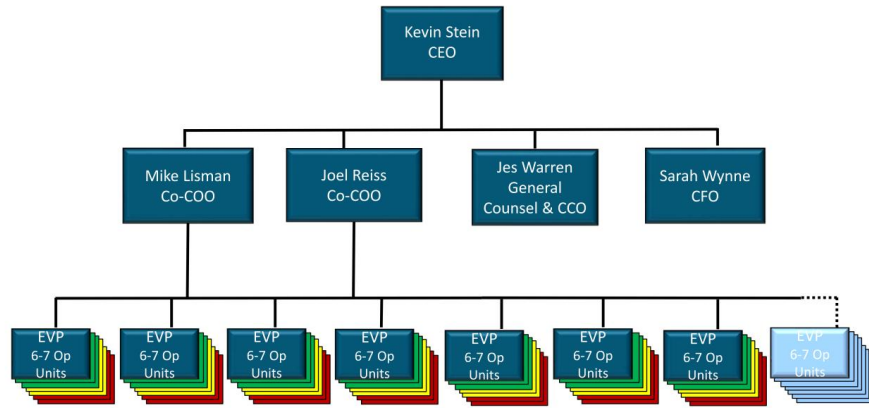


Results in strong market positions and a stable, recurring revenue stream

Note: Based on management estimates of pro forma TransDigm sales for FY2022. Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.



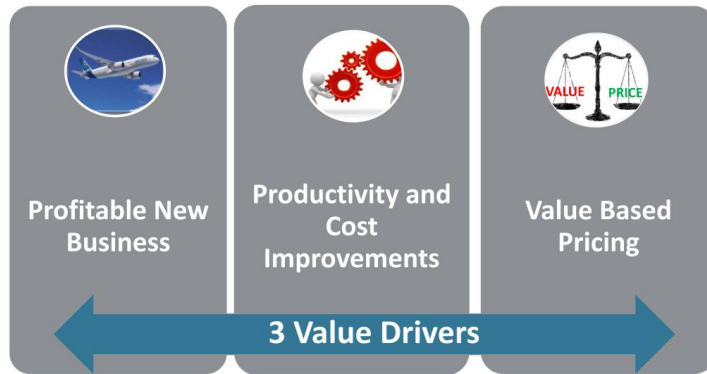
49 Operating Units; 114 Manufacturing Locations



Structure Scalable With Future Growth

Consistent Operating Model

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CORPORATE

Corporate Control



Local Autonomy

Value Generation Strategy

OPERATING UNIT



Structure

Small Operating Units

Focus on Products
and Customers

Few Management Layers

Business Unit Discipline

Price
Productivity
New Business



Focus

VALUE CREATION

Execution

Significant Local
Autonomy

Local Decisions

Front Line Value
Generation



Motivation

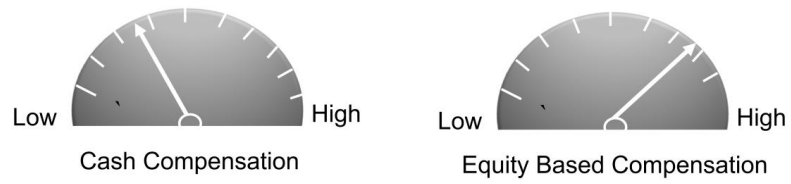
Think Like Owner

Create Value

Lower Cash Comp &
Higher Equity



TDG Ownership



100% Performance Vesting

Very High Shareholder Alignment

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



Highest Value to Customers



Investment

- Highly Engineered Products Require Resourcing
 - ≈ 8-10% of total cost spent on Engineering/R&D



Organization

- Decentralized Execution
- Business Unit Team Concept
- Succession Planning



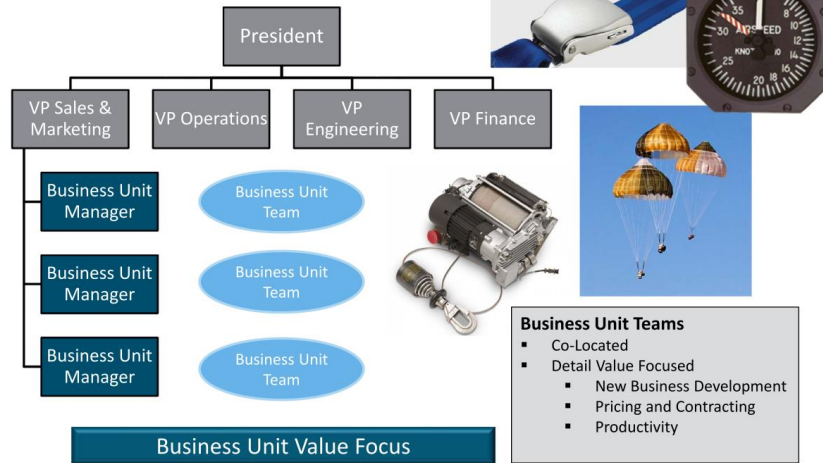
Execution

- Relentless Drive to Create Value



Operating Unit Organization

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Business Unit Teams

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



Value Driver Focus

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



Accountability

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



Business Unit Structure – Driving Value Creation

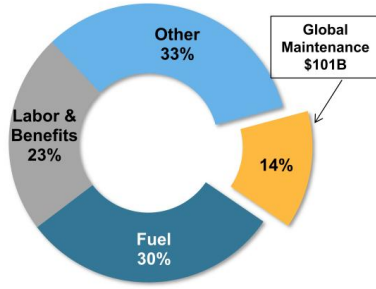


Commercial Aerospace & Defense Market Updates

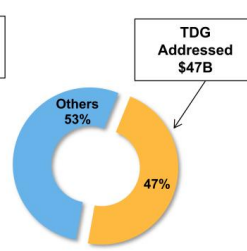
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TransDigm's Addressed Market for Commercial Aftermarket

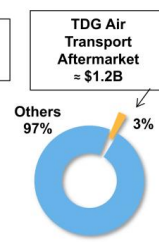
Global Airline Operating Expenses
2022 Total = \$737B



Global Maintenance Spend
2022 Total = \$101B



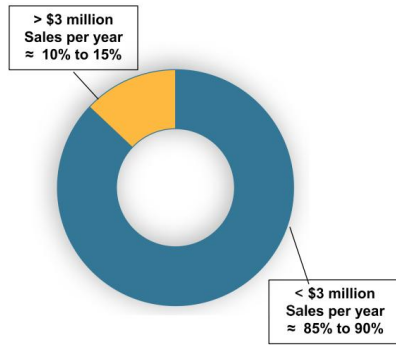
TDG Addressed Market
2022 Total = \$47B



TransDigm's Addressed Market for Air Transport Aftermarket is \$47B of Which We Hold a ≈ 3% Market Share

Source: IATA / AeroDynamic Advisory Analysis / TDG
Addressed market refers to the material market where TDG currently has content on by aircraft model and part type

Total FY 2022 Commercial Aftermarket Worldwide Revenue by Annual Sales \$ Per Part



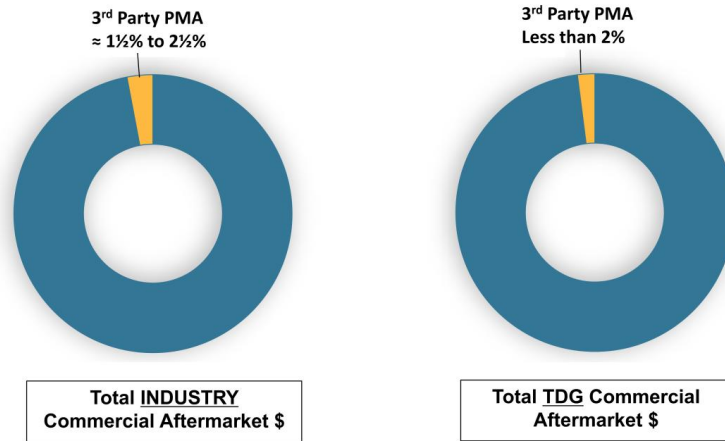
Top 15 Airlines

- American Airlines
- United Airlines
- Delta Airlines
- Lufthansa
- IAG
- AF-KLM
- Ryanair
- Emirates
- Southwest
- Turkish Airlines
- Qatar Airways
- Air Canada
- Singapore Airlines
- China Southern
- LATAM Air

≈ 50%
Worldwide RPM's⁽¹⁾

High SKU Count being Sold Across a Diverse Customer Base

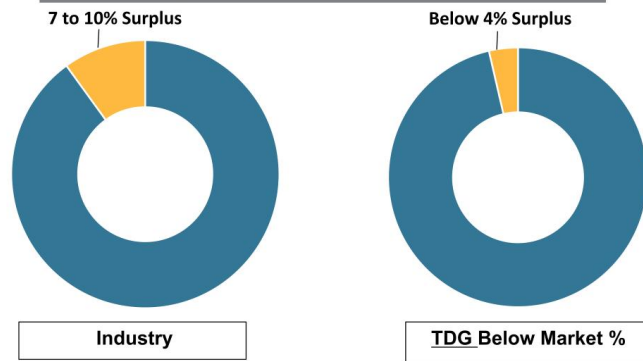
(1) Source: AeroDynamic Advisory



No Significant PMA Threat – At or Below Market Exposure Levels

TDG Parts Tend to be Consumables, Below \$10K Average Sale Price and Away from the Engine – These are Not Typical Surplus Parts Targets

Surplus Sales Market Penetration



No Significant Surplus Market Threat – Though Continue to Monitor



TOP PLATFORMS



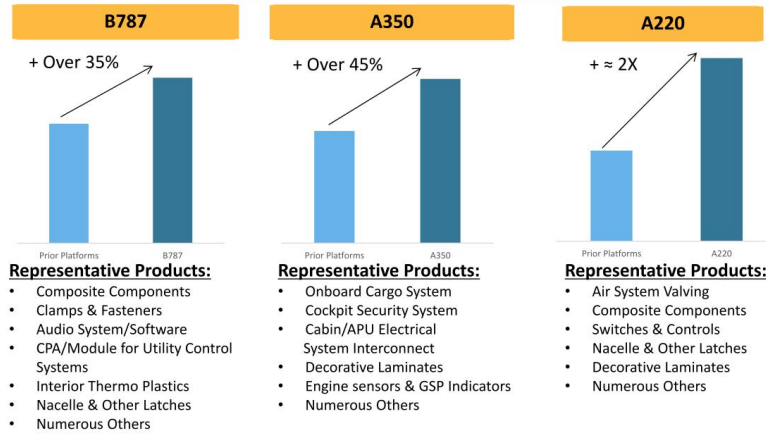
Top 5 Commercial Platforms ≈ 17% Sales		
A320	B737	B747
B757/767	B777	
Top 5 Defense Platforms ≈ 8% Sales		
Blackhawk	C130	F35
F16	A400M	

Note: Based on Management estimates of total revenue for 2022.

Major New Business Content: Commercial Aircraft “New Designs”

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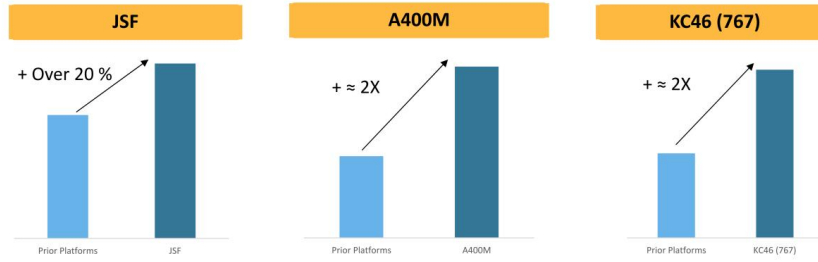
Strong “New Design” \$ / Shipset Growth Over Prior Platforms – “Same Store Basis”



Modest Content Changes for Non “New Design” Commercial Aircraft (i.e., B777X, B737Max, A320neo); A Modest Design Change Typically Equates to a Modest Content Change Given the Majority of the Aircraft is Carryover Design.

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

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



Representative Products:

- Airframe Seals
- Hydraulic Actuators/Valves
- Engine Clamps
- Grommets & Line Supports
- Data Management Processing Boards/Software
- Electric Motors
- Elastomers
- Numerous Others

Representative Products:

- Cargo Loading System
- Composite Components
- Winch/Retrieval System
- Power Distribution Contactors & Relays
- Main Barrier Nets
- Engine Sensors
- Control Panels & Displays
- Numerous Others

Representative Products:

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

Mergers & Acquisitions

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- Aerospace Products



- Proprietary Engineered Products



- Significant Aftermarket Content

Proven Record of Acquisition and Integration

Privately Held

NYSE

1993 – 2006	2006 – 2010	2011 – 2014	2015 – 2018	2019 – 2020	2021 – 2023
<ul style="list-style-type: none"> Adel Aeroproducts Wiggins Controlex Marathon Adams Rite Aerospace Christie Champion Honeywell Lube Pump Fuelcom Norco Avionic Instruments Skurka Fluid Regulators Eaton Motors 	<ul style="list-style-type: none"> Sweeney Electra-Motion CDA InterCorp. Avtech ADS/Transcoil Bruce CEF Unison/GE APC/GE Acme Woodward HRT Dukes Semco Hartwell Electromech Tye TAC⁽⁷⁾ Linread⁽¹⁾ Valley-Todeco⁽¹⁾ AQS⁽¹⁾ 	<ul style="list-style-type: none"> Talley Actuation Schneller Harco AmSafe Passenger Restraints AmSafe Commercial Products AmSafe Cargo Restraints & Specialty Devises Aero-Instruments Beams Aerosonic Arkwin Whippany Actuation Airborne Systems – North America Airborne Systems – Europe Elektro-Metall Export 	<ul style="list-style-type: none"> Telair International AAR Cargo Systems Nordisk Aviation Franke Aquarotter Pexco PneuDrualics Breeze-Eastern DDC Young & Franklin (Tactair) Schroth⁽²⁾ North Hills Cablecraft Aerospace Preece Kirkhill Extant Skandia 	<ul style="list-style-type: none"> Advanced Input Systems⁽³⁾ Armtec Auxitrol Weston Avista⁽⁵⁾ CMC Electronics Darchem Gamesman⁽⁵⁾ Hytek Korry Leach International Leach NA LRE Medical⁽³⁾ Mason NMC Palomar Raca⁽⁶⁾ Scioteq⁽⁷⁾ Souriau Sunbank⁽⁴⁾ TA Aerospace Treality SVS⁽⁷⁾ 	<ul style="list-style-type: none"> Chelton Ltd. Canyon AeroConnect DART Aerospace Calspan Corporation

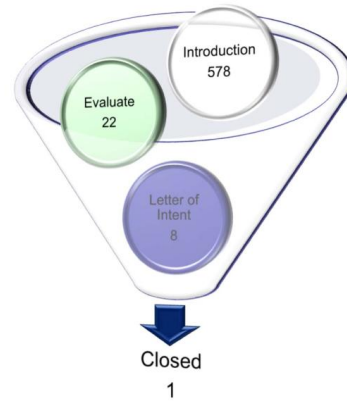
TransDigm has acquired 88 businesses since 1993, including 73 since its IPO.

(1) Divested in Q2 and Q3 of FY2011 (2) Divested in Q2 FY2018 (3) Divested in Q4 FY 2019 (4) Divested in Q1 FY 2020 (5) Divested in Q1 FY2021 (6) Divested in Q2 FY2021 (7) Divested in Q3 FY 2021

FY2022 Results

Current Multiple(s):
12 – 15x EBITDA

Post Acquisition:
50%+ multiple reduction



Acquisition of Esterline

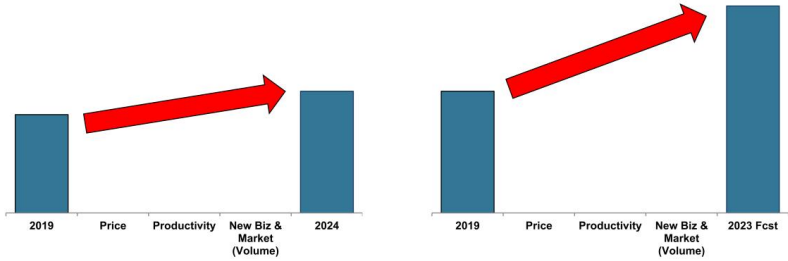
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- Acquisition Date: March 2019
- Purchase Price: ≈ \$4B
- Retained 12 Operating Units
 - ≈ 25% of Esterline was Sold Post-Acquisition
 - Sold 8 Operating Units for ≈ \$1.3B
 - Primarily Non-Aerospace Operating Units or Aerospace Operating Units that did not fit TDG Criteria
- EBITDA Margin Profile
 - As of Acquisition Date: ≈ 15% EBITDA Margin
 - Current: EBITDA Margins well into 30%'s



Acquisition Model EBITDA Bridge

Actual / FCST EBITDA Bridge

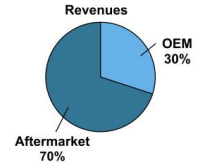
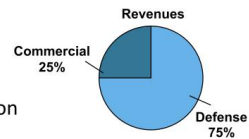


EBITDA hit Year 5 model target in only 1 year of ownership
 EBITDA continues to be well ahead of model (despite pandemic impact)

Acquisition of Cobham Aero Connectivity

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- Acquisition Date: January 2021
- Purchase Price: ≈ \$945M
- Split into Two Operating Units Post-Acquisition
 - Chelton Ltd (Marlow, UK)
 - Canyon AeroConnect (Prescott, AZ)
- EBITDA Margin Profile
 - As of Acquisition Date: ≈ 25% EBITDA Margin
 - Current: EBITDA Margins Nearing 40%
 - EBITDA One Year Ahead of Acquisition Model



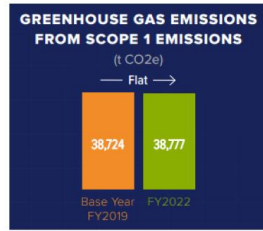
Products – Highly Engineered Antennas & Radios



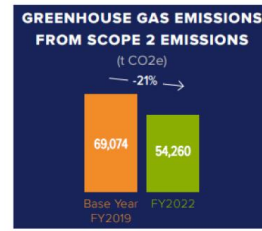
ESG Initiatives

- **Greenhouse Gas Emissions**
 - In March 2022, TransDigm Established Greenhouse Gas Emissions Reduction Goal of 50% Reduction in Scope 1 and Scope 2 Emissions by 2031
- **Diversity Initiatives**
 - BOD Diversity improved to 33% in 2023 versus 9% in 2017
 - Executive Diversity (includes Officers & EVPs) improved to 42% in 2023 versus 10% in 2017
 - Continued efforts at Operating Units to Recruit and Hire Diverse Candidates
 - Implemented Unconscious Bias Training in 2022 for our Board of Directors and Management
- **Community Outreach**
 - Doug Peacock Scholarship Program
 - Focuses on providing scholarships to female and minority high school and college students
 - Sponsorship of a New STEM Classroom at the Great Lakes Science Center
 - Supporting the Manufacturing Advocacy and Growth Network (MAGNET)
 - MAGNET creates pathways to careers in high-tech manufacturing & helps small to mid-size firms thrive in manufacturing
- **TransDigm Stakeholder Report**
 - A full summary of our ESG initiatives can be found in our 2022 Stakeholder Report (see the TransDigm website)

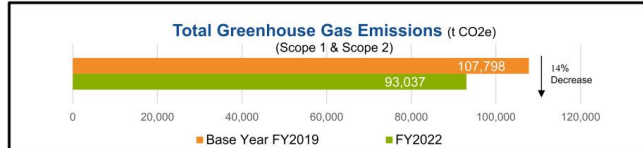
TransDigm is actively investigating options for pursuing the implementation of additional energy efficiency projects at our operations, considering sourcing renewable energy and other solutions that would lower our emissions footprint and achieve our goal of 50% reduction in Scope 1 and Scope 2 greenhouse gas emissions by 2031



Scope 1 includes natural gas and other fuel combustion



Scope 2 includes purchased electricity



Financial Topics

Pro Forma Capital Structure

(\$ in millions)

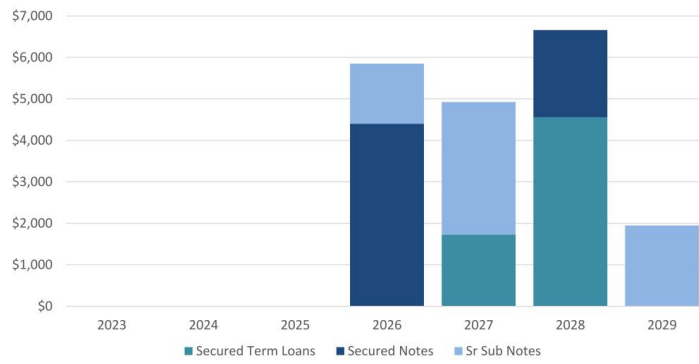
	Actual 4/1/23	Adj.	Pro forma (1) 4/1/23	Rate
Cash	\$3,418	-	\$3,418	
Restricted Cash ⁽¹⁾	1,100	(1,100)	-	
Total Cash	\$4,518		\$3,418	
\$810mm revolver ⁽²⁾	-	-	-	L + 2.50%
\$350mm AR securitization facility	350	-	350	S + 1.30%
First lien term loan H due 2027	1,719	-	1,719	S + 3.25%
First lien term loan I due 2028	4,559	-	4,559	S + 3.25%
Senior secured notes due 2025 ⁽¹⁾	1,100	(1,100)	-	8.00%
Senior secured notes due 2026	4,400	-	4,400	6.250%
Senior secured notes due 2028	2,100	-	2,100	6.750%
Total secured debt	\$14,228		\$13,128	4.4x
Total net secured debt	\$10,810		\$9,710	3.3x
Senior subordinated notes due 2026	950	-	950	6.375%
Senior subordinated notes due 2026	500	-	500	6.875%
Senior subordinated notes due 2027	550	-	550	7.500%
Senior subordinated notes due 2027	2,650	-	2,650	5.500%
Senior subordinated notes due 2029	1,200	-	1,200	4.625%
Senior subordinated notes due 2029	750	-	750	4.875%
Finance Lease Obligations (Gross)	195	-	195	
Total debt	\$21,023		\$19,923	6.7x
Total net debt	\$17,605		\$16,505	5.6x

**FY23 Weighted
Average Interest Rate
6.0%**

(1) Pro forma capital structure reflects the April 2023 repayment of the \$1,100 million of 8.0% Senior Secured Notes due 2025. Restricted cash at period ended April 1, 2023, represents the cash committed from the issuance of the \$1,100 million in 6.75% Senior Secured Notes due August 15, 2028, to redeem the outstanding \$1,100 million in 8.00% Senior Secured Notes due 2025. The notification of the redemption of the \$1,100 million 8.00% Secured Notes due 2025 occurred on March 9, 2023, and the redemption occurred on April 10, 2023.

(2) In June 2023, the reference rate on the existing Revolver will automatically convert from LIBOR to Term SOFR.

Debt Maturity Profile (\$MM)



Note: \$350M AR Securitization renews annually in July

- Interest rates on TDG's \$20Bn of gross Debt is over 75% hedged/fixed rate through fiscal year 2026
- Achieved via a combination of interest rate caps, swaps and collars
- Significantly reduces near-term exposure to any variable rate increases

\$ in millions

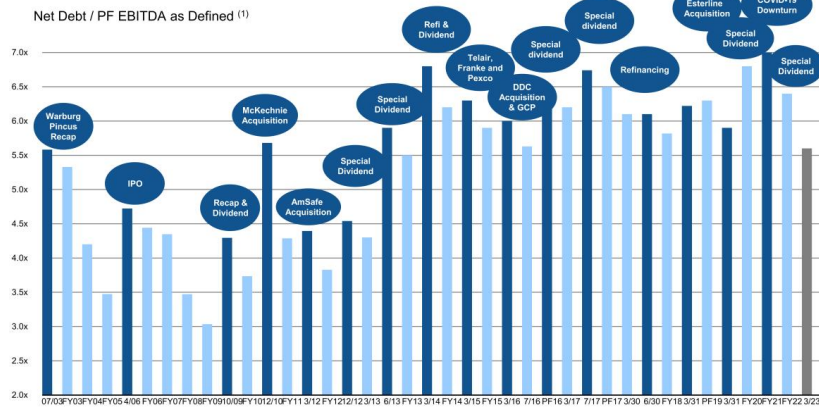
	Current FY 23 Assumptions ⁽³⁾		
AVERAGE VARIABLE RATE % ⁽¹⁾	~ 4.8%	6.0%	7.0%
Interest Expense - Pre-Tax ⁽²⁾	\$1,185	\$1,215	\$1,235
Interest Rate - Pre-Tax	6.0%	6.1%	6.2%

(1) FY Weighted Average Variable Rate % is the average LIBOR and Term SOFR for TDG's 2023 fiscal year based on current consensus and management forward estimates.

(2) Interest expense shown includes \$40M amortization of debt issuance costs and fees and approximately \$85M of Interest income.

(3) Current FY 23 Assumptions reflects the Net Interest Expense guidance for the fiscal year ending 9/30/23 that was issued on 5/9/23. The Company only updates guidance quarterly and this presentation does not confirm or update guidance now.

TransDigm Deleverage Profile



(1) PF EBITDA as Defined is a non-GAAP financial measure. For a historical reconciliation of PF EBITDA as Defined to Income from Continuing Operations, please see the appendix.

APPENDIX: Reconciliation of EBITDA and EBITDA As Defined to Income from Continuing Operations

TRANSDIGM
GROUP INC.

(In millions)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Income (loss) from continuing ops.	(55)	50	51	53	54	(517)	511	514	521	(576)	514	535	525	589	513
Depreciation and amortization	7	7	7	6	7	6	7	9	13	10	18	17	16	24	25
Interest expense, net	5	5	5	3	3	23	28	32	37	43	75	80	77	92	93
Income tax provision (benefit)	(2)	-	2	5	13	(2)	8	9	17	(45)	6	23	16	53	74
Warrant put value adjustment	1	1	2	5	7	-	-	-	-	-	-	-	-	-	-
Extraordinary item	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-
EBITDA	6	13	17	24	44	10	54	64	98	(68)	113	155	134	258	325
Merger expense	-	-	-	-	-	40	-	-	-	176	-	-	-	-	-
Refinancing costs	-	-	-	-	-	-	-	-	-	-	-	-	49	-	-
Acquisition-related costs	4	-	-	1	-	1	-	8	-	15	20	2	1	9	2
Non-cash comp and def comp costs	-	-	-	-	-	-	-	-	-	1	6	7	1	6	6
One-time special bonus	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-
Public offering costs	-	-	-	-	-	-	-	-	-	-	-	-	-	3	2
EBITDA As Defined	\$10	\$13	\$17	\$25	\$44	\$51	\$54	\$72	\$98	\$124	\$139	\$164	\$194	\$275	\$323

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income from continuing ops.	\$163	\$163	\$152	\$325	\$303	\$307	\$447	\$586	\$620	\$962	\$841	\$653	\$681	\$866
Depreciation and amortization	28	30	61	68	73	96	94	122	141	129	226	283	253	253
Interest expense, net	84	112	185	212	271	348	419	484	602	663	859	1,029	1,059	1,076
Income tax provision	88	88	77	163	146	142	189	182	209	24	222	87	34	261
EBITDA	\$363	\$393	\$475	\$768	\$793	\$893	\$1,149	\$1,374	\$1,581	\$1,778	\$2,148	\$2,052	\$2,027	\$2,456
Refinancing costs	-	-	72	-	30	132	18	16	40	6	3	28	37	1
Acquisition-related costs/other	6	12	30	19	26	21	37	57	31	29	169	31	35	18
Non-cash comp and def comp costs	6	7	13	22	49	26	32	48	46	59	93	93	129	184
COVID-19 pandemic restructuring costs	-	-	-	-	-	-	-	-	-	-	-	54	40	0
Gain on sale of businesses	-	-	-	-	-	-	-	-	-	-	-	-	(69)	(7)
Other	-	-	-	-	2	1	(2)	-	13	5	6	20	(30)	(6)
EBITDA As Defined	\$375	\$412	\$590	\$809	\$900	\$1,073	\$1,234	\$1,495	\$1,711	\$1,877	\$2,419	\$2,278	\$2,189	\$2,646

Note: Please see the Special Notice Regarding Pro Forma and Non-GAAP Information.

APPENDIX: Reconciliation of Fiscal 2023 Outlook

TRANSDIGM
GROUP INC.

(\$ in millions)	FY 2023 Guidance Midpoint
Income from continuing operations	\$ 1,166
Adjustments:	
Depreciation and amortization expense	277
Interest expense - net	1,185
Income tax provision	388
EBITDA	3,016
Adjustments:	
Acquisition-related expenses and adjustments ⁽¹⁾	18
Non-cash stock and deferred compensation expense ⁽²⁾	165
Refinancing costs ⁽³⁾	36
Other, net ⁽⁴⁾	25
Gross Adjustments to EBITDA	244
EBITDA As Defined	\$3,260
EBITDA As Defined, Margin ⁽⁵⁾	50.5%

(1) Represents accounting adjustments to inventory associated with acquisitions of businesses and product lines that were charged to cost of sales when 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 for both acquisitions and divestitures comprising deal fees, legal, financial and tax due diligence expenses, and valuation costs that are required to be expensed as incurred.

(2) Represents the compensation expense related to debt financing activities, including new issuances, extinguishments, refinancings and amendments to existing agreements.

(3) Represents costs expensed related to debt financing activities, including new issuances, extinguishments, refinancings and amendments to existing agreements.

(4) Primarily represents foreign currency transaction (gains) or losses, payroll withholding taxes related to dividend equivalent payments and stock option exercises, non-service related pension costs and deferred compensation payments.

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

