

Stifel Cross Sector Insight Conference

June 5, 2024



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Non-GAAP Financial Measures

This presentation contains certain financials measures that are not recognized under U.S. generally accepted accounting principles (“GAAP”), including: adjusted sales, adjusted pro forma sales, adjusted operating income, adjusted pro forma operating income, adjusted operating margin, adjusted pro forma operating margin, adjusted diluted earnings per share from continuing operations, adjusted EBITDA, adjusted pro forma EBITDA, net debt, pro forma net debt, net debt to adjusted EBITDA and pro forma net debt to adjusted EBITDA. See the appendix to this presentation for additional information and reconciliations of such non-GAAP financial measures.

Company

Global aerospace and defense aftermarket solutions

Key metrics

Founded 1951	Market cap ~\$2.5B	Pro forma sales \$2.5B
NYSE AIR	Employees ~5,700	Adj. pro forma op. margin 8.9%

Selected customers



Businesses

Parts
Supply

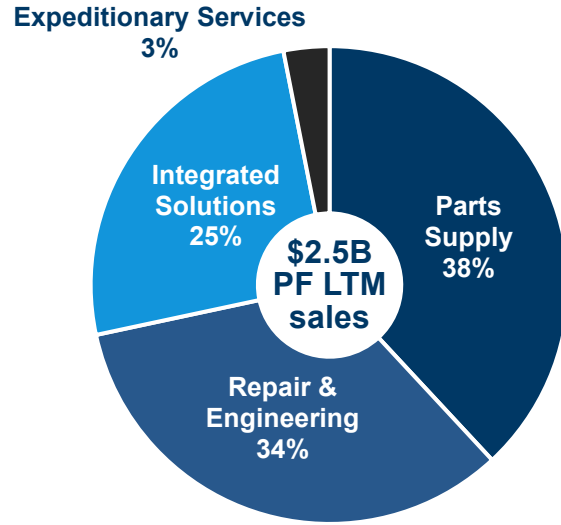
Repair &
Engineering

Integrated
Solutions

Expeditionary
Services

Note: Pro forma sales and adjusted pro forma operating margin are non-GAAP financial measures and reflect results for last twelve months ended February 29, 2024 plus results for the Triumph Product support business acquired on March 1, 2024 for the last twelve months ended December 31, 2023. Employees for fiscal year ended May 31, 2023 plus 700 Triumph Product Support employees. Market cap as of May 31, 2024. See Appendix for reconciliation of non-GAAP financial measures.

Business segment overview



Parts Supply

- Used serviceable material (USM)
- New parts distribution
- Online PAARTSSM Store
- 24/7 global aircraft-on-ground (AOG) service



Integrated Solutions

- Government aircraft maintenance, logistics, and operations support programs
- Commercial flight-hour-based aircraft component support
- Consumable and expendable parts programs
- Trax ERP software for aircraft MRO



Repair & Engineering

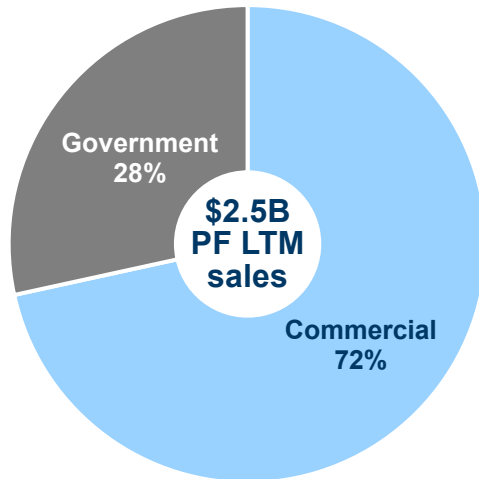
- Airframe maintenance, repair & overhaul (MRO)
- Component Services (including Triumph Product Support) & Landing Gear Overhaul
- Engineering
- Development of proprietary Parts Manufacturer Approval (PMA) parts



Expeditionary Services

Mobility Systems: Rapid deployment sustainment solutions for government applications

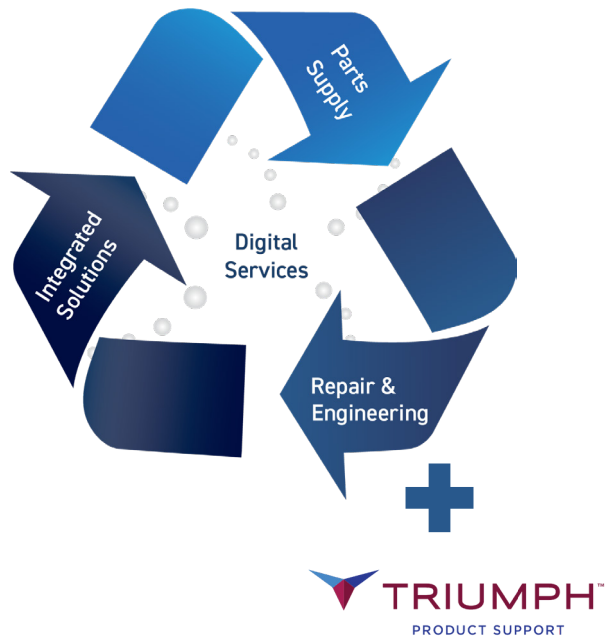
- Pallets for use in military transport aircraft
- Containers for customized air-mobile shipping and storage of equipment
- Shelter systems for military operations



Figures reflect results for last twelve months ended February 29, 2024 plus results for the Triumph Product support business acquired on March 1, 2024 for the last twelve months ended December 31, 2023.

Triumph Product Support acquisition

Furthering AAR's Connected Business Model



Acquisition summary:

- ✓ Aggregate purchase price of \$725 million. Net purchase price of \$645 million when adjusted for \$80 million present value of tax benefits
- ✓ Closed March 1, 2024

Anticipated strategic highlights:

- ✓ Significantly accretive to margins with highly attractive overall financial profile
- ✓ Meaningfully scales AAR's proprietary repair capabilities, highly complementary with existing portfolio
- ✓ Thailand facility enables significant expansion of operations and capabilities in APAC
- ✓ Potential benefits of integrating AAR existing parts / trading / integrated solutions volumes with Product Support's facilities and proprietary capabilities
- ✓ Anticipated run-rate cost synergies of ~\$10 million
- ✓ Strong combined free cash flow

Global expertise and reach

Customers in over 150 countries

North America

Headquarters and warehouse near Chicago's O'Hare International Airport; airframe MRO network; component services; landing gear overhaul; Mobility Systems

United Kingdom

Parts Supply sales office in London's Heathrow Airport; Integrated Solutions – commercial and Parts Supply team in Gatwick

Europe

Component services in Amsterdam; warehouse network includes Brussels and Hanover serving EMEA; sales office in Paris

Middle East

Warehouse and sales office in Dubai serving EMEA; Integrated Solutions – government

Asia

Sales office in China; Regional sales office in Singapore; warehouse and engineering for interior modifications

Australasia

Warehouse in Auckland; sales office in Melbourne

Central and South America

Sales office supporting customers in Latin America; Integrated Solutions – government



 **Over 60 AAR sites around the world**

Highly-diversified customer base with longstanding relationships

15+ year relationship with each of top 10 customers

Commercial airlines



Cargo airlines



OEMs



Government



Top customers by sales – FY2023

Customer	% of sales ²
U.S. Government ¹	23%
UNITED	8%
DELTA	6%
AIR CANADA	5%
Southwest	4%
Alaska	3%
MESA AIRLINES	2%
Boeing	2%
MTU Aero Engines	2%
American Airlines	1%

¹ Consists of numerous contracts across the U.S. Navy, U.S. Air Force, U.S. Army, U.S. Defense Logistics Agency and U.S. Department of State | ² Percent of AAR FY2023 sales

Trax acquisition: acquired in March 2023

Software for aircraft maintenance & fleet management

Supports all aspects of maintenance



Materials purchasing



Maintenance management



Technical management



Quality management



Financial management

iOS and Web Apps to support most roles



Task Control



AeroDox



QuickTurn



Visual Check



Line Control



Content Control



EzStock



Production Control



Shop Control



Customer Portal



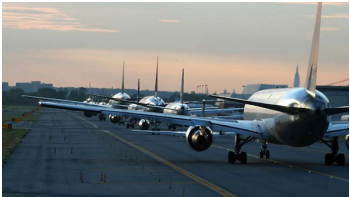
PilotLog



CabinLog

AAR MRO expertise + Trax software = integrated maintenance ecosystem

AAR growth drivers



Large and growing markets with new aircraft delivery constraints extending aftermarket demand, and additional Asia exposure via Triumph acquisition



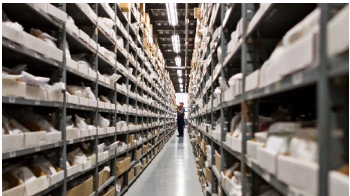
Continuing government demand for commercial best practices approach to supporting its aircraft, which AAR is uniquely positioned to provide



Increasing USM adoption by commercial customers and U.S. Government supported by proprietary AAR supply



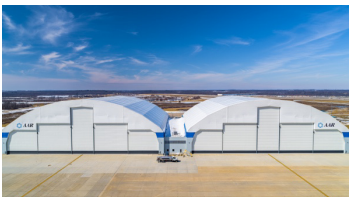
Trax and other digital offerings including Trax's eMRO aviation software and eMobility suite of apps, and investments in eCommerce



Continued market share gain in distribution leveraging technical global sales force delivering value-added "Sales as a Service" to component OEMs



Technology-driven MRO efficiency: paperless hangar initiative, drone-based inspections, wearables to leverage fewer expert technicians



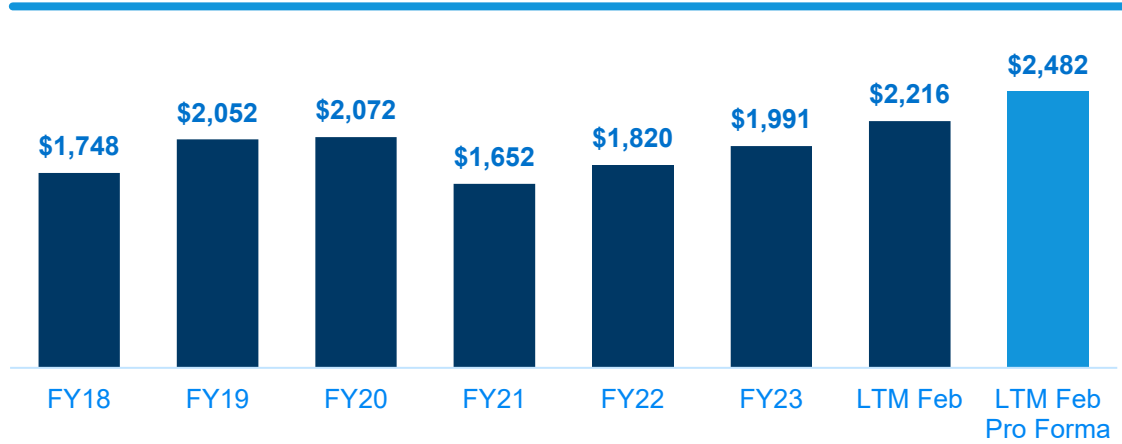
Additional airframe maintenance capacity at existing locations that have deeper labor pools, paired with long-term customer commitments



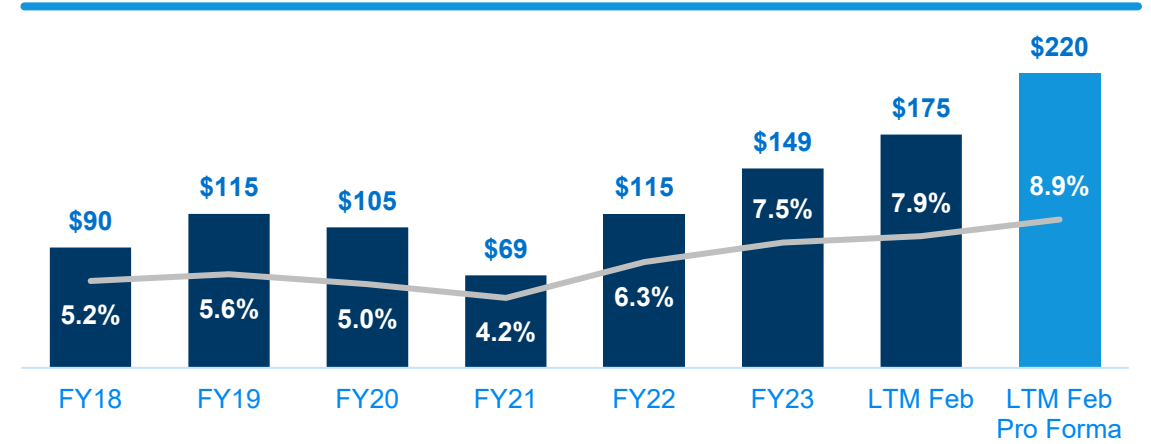
Development of proprietary PMA parts for internal and external consumption based on demand from MRO operations

Historical financial performance

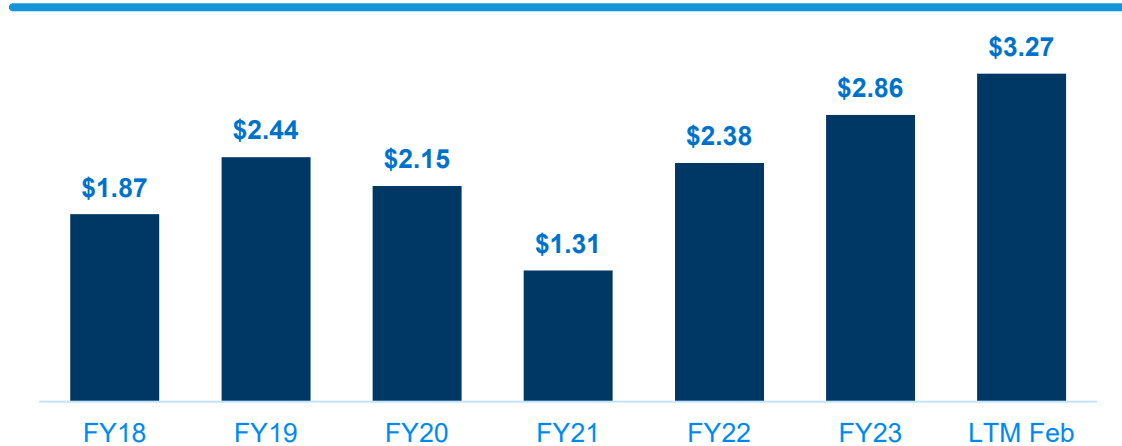
Sales (\$M)



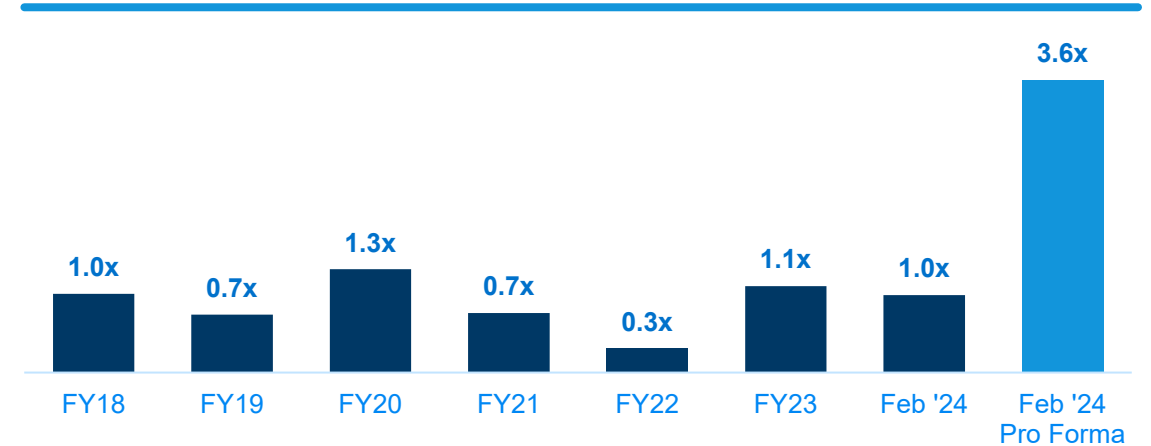
Adjusted operating income (\$M) and margin



Adjusted diluted EPS



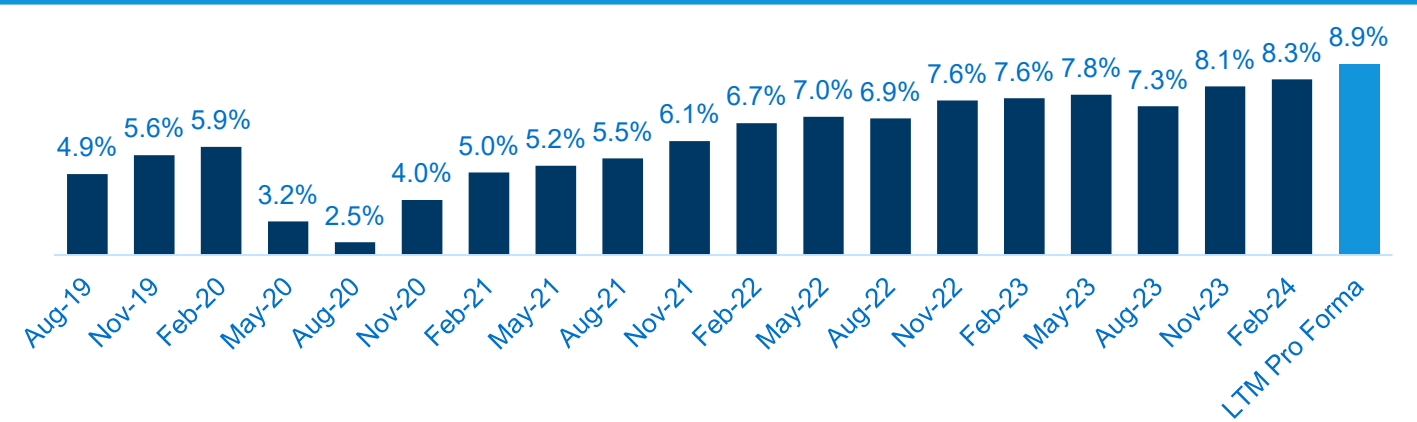
Net debt / adjusted EBITDA



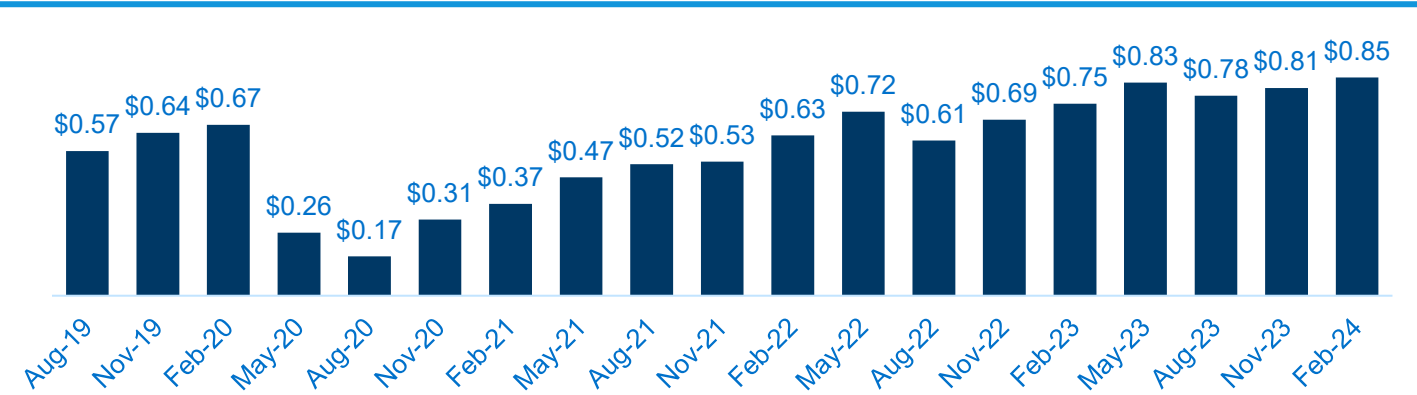
Note: FY ends May 31; adjusted figures are non-GAAP financial measures; figures reflect continuing operations; pro forma sales reflect results for last twelve months ended February 29, 2024 plus results for the Triumph Product support business acquired on March 1, 2024 for the last twelve months ended December 31, 2023; adjusted pro forma operating income, adjusted pro forma operating margin and pro forma net debt/adjusted EBITDA are non-GAAP financial measures and reflect results for last twelve months ended February 29, 2024 plus results for the Triumph Product support business acquired on March 1, 2024 for the last twelve months ended December 31, 2023. See Appendix for reconciliation of non-GAAP financial measures.

Actions taken have yielded consistent financial improvement

Quarterly adjusted operating margin



Quarterly adjusted EPS



- ✓ Consolidated footprint to optimize cost base and preferred customer support
- ✓ Exited underperforming product lines and contracts
- ✓ Reduced selected headcount
- ✓ Eliminated non-essential spend
- ✓ Used market dislocation and relative strength to take share
- ✓ Leveraging fixed cost base
- ✓ Added differentiated capability

Note: FY ends May 31; Adjusted EPS is a non-GAAP financial measure and reflects dilution; figures reflect continuing operations; LTM pro forma figure is a non-GAAP financial measure and reflects results for last twelve months ended February 29, 2024 plus results for the Triumph Product Support business acquired on March 1, 2024 for the last twelve months ended December 31, 2023. See Appendix for reconciliation of non-GAAP financial measures.

Capital allocation framework

Maintain flexible balance sheet

- Pro forma net leverage of 3.6x at closing of Triumph acquisition*
- Portion of acquisition consideration funded with prepayable debt
- Upsized Revolver to provide greater operational flexibility and liquidity

Organic investment to drive growth

- Support new business wins in Parts Supply via inventory in USM and Distribution
- Select airframe maintenance expansion and new component repair capabilities
- Development of proprietary PMA parts

Opportunistic acquisitions

- Adherence to strategic filters and financial criteria
- Focused on expanding in core Parts Supply, R&E, and Integrated Solutions
- Increase intellectual property in portfolio

* Non-GAAP financial measure. See Appendix for reconciliation.



Appendix

Non-GAAP financial measures

Adjusted sales, pro forma sales, adjusted operating income, adjusted pro forma operating income, adjusted operating margin, adjusted pro forma operating margin, adjusted diluted earnings per share from continuing operations, adjusted EBITDA, adjusted pro forma EBITDA, net debt, pro forma net debt, net debt to adjusted EBITDA, and pro forma net debt to adjusted EBITDA are “non-GAAP financial measures” as defined in Regulation G of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). We believe these non-GAAP financial measures are relevant and useful for investors as they illustrate our core operating performance unaffected by the impact of certain items that management does not believe are indicative of our ongoing and core operating activities. When reviewed in conjunction with our GAAP results and the accompanying reconciliations, we believe these non-GAAP financial measures provide additional information that is useful to gain an understanding of the factors and trends affecting our business and provide a means by which to compare our operating performance and leverage against that of other companies in the industries we compete. These non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Our non-GAAP financial measures reflect adjustments for certain items including, but not limited to, the following:

- Investigation and remediation compliance costs comprised of legal and professional fees related to addressing potential violations of the U.S. Foreign Corrupt Practices Act, which we self-reported to the U.S. Department of Justice and other agencies.
- Contract termination/restructuring costs comprised of gains and losses that are recognized at the time of modifying, terminating, or restructuring certain customer and vendor contracts, including adjustments for forward loss provisions on long-term contracts.
- Customer bankruptcy and credit charges (recoveries) reflecting the impact of bankruptcies and other credit charges primarily resulting from the significant impact of the COVID-19 pandemic on the commercial aviation industry.
- Costs related to strategic projects consisting of professional fees for significant projects related to strategic financings and acquisitions, including due diligence costs.
- Expenses associated with recent acquisition activity including professional fees for legal, due diligence, and other acquisition activities, bridge financing fees, intangible asset amortization, and compensation expense related to contingent consideration and retention agreements.
- Legal judgments related to or impacted by the Russian/Ukraine conflict.

Pursuant to the requirements of Regulation G of the Exchange Act, we are providing the following tables that reconcile the above-mentioned non-GAAP financial measures to the most directly comparable GAAP financial measures:

Non-GAAP financial measures

Adjusted sales, adjusted operating income and adjusted operating margin

(\$ in millions)

	Last Twelve Months																											
	FY18	FY19	FY20	FY21	FY22	FY23	AAR Q3 FY24	Product Support 12/31/23	Pro Forma	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24
Sales	\$1,748.3	\$2,051.8	\$2,072.0	\$1,652.3	\$1,820.0	\$1,990.5	\$2,215.7	\$266.5	\$2,482.2	\$541.5	\$560.9	\$553.1	\$416.5	\$400.8	\$403.6	\$410.3	\$437.6	\$455.1	\$436.6	\$452.2	\$476.1	\$446.3	\$469.8	\$521.1	\$553.3	\$549.7	\$545.4	\$567.3
Contract termination/restructuring & loss provision, net	-	-	17.3	(1.3)	(2.9)	0.1	-	-	-	-	-	9.8	7.5	1.9	(2.3)	1.5	(2.4)	1.0	(2.5)	(0.2)	(1.2)	0.1	-	-	-	-	-	-
Customer bankruptcy charge	-	-	-	0.4	-	-	-	-	-	-	-	-	-	-	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted sales	\$1,748.3	\$2,051.8	\$2,089.3	\$1,651.4	\$1,817.1	\$1,990.6	\$2,215.7	\$266.5	\$2,482.2	\$541.5	\$560.9	\$562.9	\$424.0	\$402.7	\$401.7	\$411.8	\$435.2	\$456.1	\$434.1	\$452.0	\$474.9	\$446.4	\$469.8	\$521.1	\$553.3	\$549.7	\$545.4	\$567.3
Operating income	\$86.0	\$98.3	\$41.3	\$85.2	\$106.9	\$133.9	\$132.9	\$29.6	\$162.5	\$22.8	\$28.1	\$5.3	(\$14.9)	\$3.2	\$21.6	\$39.7	\$20.7	\$15.1	\$30.1	\$30.3	\$31.4	\$31.2	\$32.4	\$34.0	\$36.3	\$25.3	\$38.3	\$33.0
Investigation and remediation costs	-	3.5	10.0	4.4	3.7	4.7	7.3	-	7.3	3.1	2.4	2.7	1.8	1.3	2.8	0.3	-	0.2	0.8	1.6	1.1	0.8	1.1	1.2	1.6	1.1	2.6	2.0
Acquisition and amortization costs	-	-	-	-	-	7.0	23.2	-	23.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.9	5.1	2.8	3.1	12.2
Customer bankruptcy and credit charges	-	12.4	1.6	4.9	1.0	1.5	-	-	-	-	-	-	1.6	0.2	1.3	1.0	2.4	-	1.0	-	-	-	(0.3)	1.8	-	-	-	-
Government subsidies	-	-	(2.8)	(56.2)	(4.9)	(1.6)	-	-	-	-	-	-	(2.8)	(11.1)	(18.7)	(24.6)	(1.8)	(0.3)	(2.5)	(1.0)	(1.1)	(0.7)	-	(0.9)	-	-	-	-
Facility consolidation and repositioning costs	-	0.9	4.9	4.5	0.2	-	-	-	-	-	-	-	4.9	2.0	0.4	-	2.1	0.1	0.1	-	-	-	-	-	-	-	-	-
Russian bankruptcy court judgement	-	-	-	-	-	1.8	11.2	-	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.8	-	11.2	-	-
Contract termination/restructuring & loss provision, net	-	-	31.3	9.3	0.9	2.0	-	-	-	-	-	24.7	6.6	2.2	4.5	4.0	(1.4)	6.7	(4.4)	(1.1)	(0.3)	(0.3)	2.3	-	-	-	-	-
Asset impairment and exit charges	-	-	11.0	7.0	3.5	-	-	1.4	1.4	-	-	-	11.0	5.8	1.2	-	-	2.3	0.6	0.5	0.1	-	-	-	-	-	-	-
Severance and furlough costs	4.5	0.2	7.1	9.0	2.0	0.1	-	-	-	0.7	0.9	0.5	5.0	6.0	2.2	0.1	0.7	0.9	0.8	0.2	0.1	0.1	-	-	-	-	-	-
Costs related to strategic projects	-	-	0.4	1.0	1.8	(0.2)	-	-	-	-	-	-	0.4	0.3	0.7	-	-	-	-	-	1.8	(0.2)	-	-	-	-	-	-
Allocated Triumph corporate costs unrelated to the Product Support Business	-	-	-	-	-	-	-	14.7	14.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted operating income	\$90.5	\$115.3	\$104.8	\$69.1	\$115.1	\$149.2	\$174.6	\$45.7	\$220.3	\$26.6	\$31.4	\$33.2	\$13.6	\$9.9	\$16.0	\$20.5	\$22.7	\$25.0	\$26.5	\$30.5	\$33.1	\$30.9	\$35.5	\$39.8	\$43.0	\$40.4	\$44.0	\$47.2
Adjusted operating margin	5.2%	5.6%	5.0%	4.2%	6.3%	7.5%	7.9%	17.1%	8.9%	4.9%	5.6%	5.9%	3.2%	2.5%	4.0%	5.0%	5.2%	5.5%	6.1%	6.7%	7.0%	6.9%	7.6%	7.6%	7.8%	7.3%	8.1%	8.3%

Non-GAAP financial measures

Adjusted diluted earnings per share from continuing operations

	LTM																													
	FY18	FY19	FY20	FY21	FY22	FY23	Feb	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24				
Diluted earnings (loss) per share from continuing operations	\$2.11	\$2.40	\$0.71	\$1.30	\$2.16	\$2.52	\$1.70	\$0.49	\$0.57	\$0.07	(\$0.43)	(\$0.40)	\$0.41	\$0.87	\$0.41	\$0.31	\$0.58	\$0.63	\$0.66	\$0.62	\$0.64	\$0.62	\$0.66	(\$0.02)	\$0.67	\$0.39				
Deferred tax re-measurement from the Tax Cuts and Jobs Act	(\$0.41)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Investigation and remediation costs	-	0.08	0.22	0.10	0.07	0.13	0.21	0.07	0.05	0.06	0.04	0.03	0.06	0.01	-	0.01	0.01	0.03	0.02	0.02	0.03	0.04	0.04	0.03	0.08	0.06				
(Gain) loss on sale/exit of business/asset	-	-	-	0.44	0.04	0.02	0.07	-	-	-	-	0.42	-	-	0.02	-	0.03	-	0.01	-	-	0.01	0.01	0.02	0.02	0.02				
Acquisition and amortization expenses	-	-	-	-	-	0.21	0.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	0.15	0.08	0.09	0.52				
Contract termination/restructuring & loss provision, net	0.14	-	0.68	0.20	0.02	0.04	-	-	-	0.53	0.15	0.05	0.10	0.08	(0.03)	0.14	(0.09)	(0.02)	(0.01)	(0.01)	0.05	-	-	-	-	-				
Customer bankruptcy and credit charges (recoveries)	-	0.27	0.04	0.10	0.02	0.04	-	-	-	-	0.04	-	0.04	0.02	0.05	-	0.02	-	-	-	(0.01)	0.05	-	-	-	-				
Loss (gain) on equity investments	-	-	-	-	-	0.01	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.02)	-	-	-	-	-				
Asset impairment charges	-	-	0.25	0.15	0.07	-	-	-	-	-	0.25	0.13	0.02	-	-	0.05	0.01	0.01	-	-	-	-	-	-	-	-				
Government subsidies	-	-	(0.06)	(1.22)	(0.10)	(0.05)	-	-	-	-	(0.06)	(0.24)	(0.41)	(0.53)	(0.04)	(0.01)	(0.05)	(0.02)	(0.02)	(0.02)	-	(0.03)	-	-	-	-				
State income tax benefit	(0.06)	(0.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Recognition of previously reserved income tax benefits	-	(0.19)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Russian bankruptcy court judgement	-	-	-	-	-	0.05	0.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	0.32	-	-				
Facility consolidation and repositioning costs	-	0.02	0.11	0.09	0.01	-	-	-	-	-	0.11	0.04	0.01	-	0.04	-	0.01	-	-	-	-	-	-	-	-	-				
Severance, furlough & pension settlement costs	0.09	0.01	0.19	0.22	0.07	-	0.76	0.01	0.02	0.01	0.15	0.13	0.07	0.01	0.02	0.02	0.01	0.02	0.02	-	-	-	-	0.76	-					
Gain on settlement of purchase accounting liabilities	-	-	-	-	(0.02)	-	-	-	-	-	-	-	-	-	-	-	-	(0.02)	-	-	-	-	-	-	-	-				
Gain on legal settlement	-	-	-	(0.09)	-	-	-	-	-	-	-	-	-	(0.09)	-	-	-	-	-	-	-	-	-	-	-	-				
Costs related to strategic projects	-	-	0.01	0.02	0.04	-	-	-	-	-	0.01	0.01	0.01	-	-	-	-	-	0.04	-	-	-	-	-	-	-				
Tax effect on adjustments ^(a)	-	-	-	-	-	(0.11)	(0.66)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.05)	(0.06)	(0.41)	(0.05)	(0.14)				
Adjusted diluted EPS from continuing operations	\$1.87	\$2.44	\$2.15	\$1.31	\$2.38	\$2.86	\$3.27	\$0.57	\$0.64	\$0.67	\$0.26	\$0.17	\$0.31	\$0.37	\$0.47	\$0.52	\$0.53	\$0.63	\$0.72	\$0.61	\$0.69	\$0.75	\$0.83	\$0.78	\$0.81	\$0.85				

^(a) Calculation uses estimated statutory tax rates on non-GAAP adjustments except for the tax effect of the pension settlement charge, which includes income taxes previously recognized in accumulated other comprehensive loss. Began reporting tax effects separately in Q3 FY23.

Non-GAAP financial measures

Adjusted EBITDA

(\$ in millions)

	12 Months Ended																																										
	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24																
Net income (loss)	\$56.5	\$15.6	\$7.5	\$4.4	\$35.8	\$78.7	\$90.2	\$4.4	\$14.2	\$2.3	(\$16.5)	(\$14.5)	\$8.2	\$28.1	\$14.0	\$11.5	\$20.8	\$22.5	\$23.9	\$22.7	\$22.5	\$21.8	\$23.2	(\$0.6)	\$23.8	\$14.0	(\$3.2)	\$4.0	\$43.7	(\$14.5)	(\$20.5)	\$5.3	\$61.8	\$74.4	\$68.8	\$89.9	\$91.6	\$90.9	\$66.9	\$68.2	\$60.4		
(Income) loss from discontinued operations	(4.5)	58.1	76.6	20.4	10.5	(0.2)	(0.4)	12.7	5.9	0.3	1.5	0.6	6.2	3.0	0.7	(0.3)	-	0.1	-	(0.4)	-	-	-	-	-	-	85.5	87.2	22.7	8.3	8.6	11.3	9.6	3.4	0.5	(0.3)	(0.3)	(0.4)	-	-	-		
Income tax expense (benefit)	25.1	3.5	4.9	5.6	18.2	26.6	31.4	3.4	6.0	0.2	(4.0)	(3.8)	5.2	12.0	4.8	3.9	7.9	8.2	6.6	8.1	8.3	8.0	7.0	(6.9)	7.9	6.5	6.0	9.0	9.8	(1.6)	(2.4)	9.4	25.9	28.6	24.8	30.8	31.2	31.0	16.4	16.0	14.5		
Other (income) expense, net	-	0.9	0.8	2.1	(4.3)	(2.2)	0.8	0.2	0.2	0.2	1.5	(0.2)	0.7	(4.4)	(0.4)	(0.7)	(0.3)	(1.1)	(0.1)	(0.2)	(0.5)	0.3	1.2	-	0.1	0.2	1.4	1.4	1.0	1.7	2.2	(2.4)	(4.8)	(5.8)	(2.5)	(1.7)	(1.9)	(0.5)	1.0	1.6	1.5		
Interest expense, net	5.2	7.9	8.5	8.8	4.8	2.3	11.2	2.1	1.8	2.3	2.6	1.6	1.3	1.0	0.9	0.7	0.4	0.6	0.6	1.0	2.0	3.5	4.7	5.4	5.6	11.3	9.0	8.4	8.3	8.3	7.8	6.5	3.9	3.0	2.6	2.6	4.2	7.1	15.6	19.2	27.0		
Depreciation and amortization	35.7	40.5	42.8	43.7	36.3	33.1	27.9	10.8	11.0	11.0	10.9	9.0	9.2	8.9	9.2	8.9	8.9	7.7	7.6	6.8	6.5	6.9	7.7	8.4	8.7	8.8	43.5	44.1	44.3	41.9	40.1	38.0	36.2	35.9	34.7	31.0	28.6	27.8	29.5	31.7	33.6		
Investigation and remediation costs	-	-	3.5	10.1	4.4	3.7	4.7	3.1	2.4	2.7	1.8	1.3	2.8	0.3	4.4	0.2	0.8	1.6	1.1	0.8	1.1	1.2	1.6	1.1	2.6	2.0	6.6	8.8	10.5	8.3	8.7	6.2	3.3	1.3	2.6	4.3	4.6	4.2	5.0	6.5	7.3		
Losses related to sale and exit of business	(2.6)	-	-	-	20.2	1.7	0.7	-	-	-	-	19.5	-	-	0.7	-	1.3	-	0.4	-	0.1	0.4	0.2	0.7	0.9	1.0	-	-	-	19.5	19.5	19.5	0.7	2.0	2.0	1.7	0.5	0.9	1.4	2.2	2.8		
Acquisition-related expenses	-	-	-	-	-	-	6.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.9	4.3	1.8	-	11.2	-	-	-	-	-	-	-	-	-	-	-	1.9	8.0	8.0	17.3	
Asset impairment and exit charges	-	-	-	11.0	7.0	3.5	-	-	-	-	11.0	5.8	1.2	-	-	2.3	0.6	0.5	0.1	-	-	-	-	-	-	-	-	-	-	-	16.8	18.0	18.0	3.5	2.9	3.4	1.2	0.6	0.1	-	-	-	
Contract termination/restructuring & loss provision, net	-	7.1	-	31.3	9.3	0.9	2.0	-	-	24.7	6.6	2.2	4.5	4.0	(1.4)	6.7	(4.4)	(1.1)	(0.3)	(0.3)	2.3	-	-	-	-	-	-	-	-	24.7	33.5	38.0	17.3	13.8	4.9	(0.2)	(6.1)	0.6	1.7	2.3	-	-	
Facility consolidation and repositioning costs	-	-	0.9	4.9	4.5	0.2	-	-	-	-	4.9	2.0	0.4	-	2.1	0.1	0.1	-	-	-	-	-	-	-	-	-	-	0.9	0.9	0.9	6.9	7.3	7.3	2.6	2.3	2.3	0.1	-	-	-	-	-	-
Severance and furlough costs	0.8	4.5	0.2	7.1	9.0	2.0	0.1	0.7	0.9	0.5	5.0	6.0	2.2	0.1	0.7	0.9	0.8	0.2	0.1	0.1	-	-	-	-	-	-	1.0	1.9	2.2	12.4	13.7	13.3	3.9	2.5	2.6	1.2	0.4	0.2	-	-	-		
Customer bankruptcy and credit charges	-	-	12.4	1.6	4.9	1.0	1.5	-	-	-	1.6	0.2	1.3	1.0	2.4	-	1.0	-	-	-	(0.3)	1.8	-	-	-	-	12.4	-	-	1.8	3.1	4.1	4.7	4.4	3.4	1.0	(0.3)	1.5	1.5	1.8	-	-	
Government subsidies	-	-	-	(2.8)	(56.2)	(4.9)	(1.6)	-	-	-	(2.8)	(11.1)	(18.7)	(24.6)	(1.8)	(0.3)	(2.5)	(1.0)	(1.1)	(0.7)	-	(0.9)	-	-	-	-	-	-	-	(13.9)	(32.6)	(57.2)	(45.4)	(29.2)	(5.6)	(5.3)	(2.8)	(2.7)	(0.9)	(0.9)	-	-	
Pension settlement charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26.7	26.7	26.7
Russian bankruptcy court judgement	-	-	-	-	-	-	1.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.8	-	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.8	13.0	13.0	11.2
Costs related to strategic projects	-	-	-	0.4	1.0	1.8	(0.2)	-	-	-	0.4	0.3	0.7	-	-	-	-	-	1.8	(0.2)	-	-	-	-	2.1	-	-	-	-	0.7	1.4	1.4	0.7	-	-	1.6	1.6	-	2.1	2.1	-	-	
Stock-based compensation	11.0	15.3	13.5	7.3	9.2	8.2	13.5	4.3	2.8	3.2	(3.0)	2.7	1.8	2.3	2.4	3.1	1.6	1.1	2.4	4.1	2.8	3.5	3.1	4.3	3.6	3.6	13.8	15.4	15.0	5.7	4.7	3.8	9.6	9.4	8.2	9.2	10.4	12.8	13.7	14.5	14.6		
Adjusted EBITDA	\$127.2	\$153.4	\$171.6	\$185.9	\$114.6	\$156.4	\$189.8	\$41.7	\$46.2	\$47.4	\$21.6	\$21.6	\$27.0	\$31.7	\$34.3	\$37.0	\$37.0	\$39.3	\$43.1	\$41.8	\$44.8	\$50.2	\$53.0	\$52.1	\$55.3	\$58.6	\$176.9	\$181.1	\$183.1	\$135.8	\$117.6	\$101.8	\$130.0	\$140.0	\$147.6	\$161.2	\$169.0	\$179.9	\$200.1	\$210.6	\$219.0		

Pro forma for Triumph Product Support acquisition:

Triumph Product Support adjusted EBITDA for the twelve months ended December 31, 2023

Net income	\$18.1
Income tax expense	4.6
Other expense, net	6.8
Depreciation and intangible amortization	4.3
Asset impairment and exit charges	1.4
Allocated Triumph corporate costs unrelated to the Product Support Business	14.7
Triumph Product Support adjusted EBITDA for the twelve months ended December 31, 2023	\$49.9
Adjusted EBITDA pro forma for Triumph Product Support acquisition	\$268.9

Non-GAAP financial measures

Net debt / adjusted EBITDA

(\$ in millions)	FY18	FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY24	Q1 FY24	Q2 FY24	Q3 FY24
Total debt	\$178.9	\$142.9	\$203.3	\$198.3	\$208.1	\$602.0	\$257.0	\$222.1	\$207.6	\$135.2	\$129.0	\$104.5	\$104.5	\$100.0	\$115.0	\$198.0	\$188.0	\$272.0	\$307.0	\$277.0	\$277.0
Less: cash and cash equivalents	(31.1)	(21.3)	(39.9)	(38.2)	(37.0)	(404.7)	(107.7)	(110.0)	(99.2)	(51.8)	(48.8)	(42.7)	(40.6)	(53.5)	(44.3)	(49.0)	(52.7)	(68.4)	(70.3)	(65.1)	(69.2)
Net debt	\$147.8	\$121.6	\$163.4	\$160.1	\$171.1	\$197.3	\$149.3	\$112.1	\$108.4	\$83.4	\$80.2	\$61.8	\$63.9	\$46.5	\$70.7	\$149.0	\$135.3	\$203.6	\$236.7	\$211.9	\$207.8
Trax acquisition purchase price	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120.0	-	-	-	-
Triumph Product Support consideration plus fees of \$30.3 million	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pro forma net debt	\$147.8	\$121.6	\$163.4	\$160.1	\$171.1	\$197.3	\$149.3	\$112.1	\$108.4	\$83.4	\$80.2	\$61.8	\$63.9	\$46.5	\$70.7	\$149.0	\$255.3	\$203.6	\$236.7	\$211.9	\$963.1
Adjusted EBITDA	153.4	171.6	176.9	181.1	183.1	155.9	135.8	117.6	101.8	114.6	130.0	140.0	147.6	156.4	161.2	169.0	179.9	189.8	200.1	210.6	219.0
Net debt to Adjusted EBITDA	1.0x	0.7x	0.9x	0.9x	0.9x	1.3x	1.1x	1.0x	1.1x	0.7x	0.6x	0.4x	0.4x	0.3x	0.4x	0.9x	0.8x	1.1x	1.2x	1.0x	0.95x

Adjusted EBITDA pro forma for Triumph Product Support acquisition
 Pro forma net debt to Adjusted EBITDA

268.9
3.58x