

press information

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release date Immediate
April 30, 2010

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MOOG REPORTS INCREASED EARNINGS FORECAST

Moog Inc. (NYSE: MOG.A and MOG.B) today announced second quarter earnings of \$25 million, a 6% increase over last year's second quarter. Earnings per share of \$.55 were equal to last year's since the Company sold 2.7 million additional shares of Class A common stock at the end of last year. Total sales of \$510 million were up 13% from a year ago.

Total aircraft sales in the quarter of \$189 million were up \$27 million from a year ago. The Company's recent acquisition of the General Electric Actuation Systems business in Wolverhampton, U.K. provided almost all of the sales growth. Military aircraft sales of \$114 million were up \$12 million from last year. On-going production programs including the F-18 fighter, the V-22 tilt rotor aircraft and the Blackhawk helicopter provided all of the increase. Revenue on the F-35 Joint Strike Fighter was down \$2 million as the development nears completion and the production program has just begun to ramp-up. Military aftermarket sales in the quarter were flat at \$35 million.

The Company's commercial aircraft sales in the quarter at \$65 million were up \$11 million from last year. Sales to Boeing and Airbus totaled \$33 million in the quarter, a \$17 million increase. The Wolverhampton acquisition provided \$12 million of that sales increase. Revenue on business jet programs was significantly lower in the quarter at \$5 million. Commercial aftermarket sales at \$21 million were up almost \$3 million and the Company's navigation aids product line, with sales of \$10 million, provided a \$4 million increase.

The Space and Defense segment had a very strong quarter. Sales at \$79 million were up \$11 million from a year ago. Revenues on Orbital Sciences' Taurus II launch vehicle were \$3.4 million compared to only \$300K a year ago. Sales on the Hellfire missile at \$4 million were twice last year's level. Revenue on NASA's Constellation program was nearly \$5 million, up \$1.5 million from last year. In the defense controls product line, the Driver's Vision Enhancer program generated \$7 million in sales, up \$5 million from a year ago.

The Company's Industrial Systems segment is making a steady recovery from last year's global recession. Sales in the quarter of \$120 million increased \$16

million from the prior year. The Company's recent wind energy acquisitions generated \$26 million in revenue. Sales of controls for capital equipment and most of the Company's other major industrial product lines improved from last quarter but still haven't recovered to last year's level.

Sales for the Components Group of \$90 million were up \$5 million from last year's second quarter. Within this segment, the aircraft, space and defense, industrial and medical product lines all produced sales increases. The largest sales increase was in military aircraft where revenue was up \$5 million to over \$31 million reflecting hardware deliveries for Eurofighter, the Blackhawk helicopter, and the V-22 tilt rotor programs. The defense controls product line was also up substantially as a result of sales on the Common Remotely Operated Weapons Station (CROWS). The Company's marine product line is used primarily in off-shore oil exploration and sales in this market have declined along with the price of oil. Sales in this quarter were \$6 million, down from \$11 million a year ago.

The Medical Devices segment had sales of \$32 million, down 5% from last year. Sales of I.V. and enteral pumps were down \$3.4 million from last year's record sales levels. Administration set revenues were up \$2.0 million and sales of sensors and hand pieces were up \$1.2 million.

The Company's twelve month backlog of \$1.1 billion is up over 20% from a year ago.

The Company has updated its guidance for the year. Sales for the year will be down very slightly from \$2.12 billion to \$2.1 billion, but the Company increased its forecast for net earnings and earnings per share. Net earnings are now projected at \$107.4 million and earnings per share at \$2.35, an increase of 19% over the previous fiscal year.

"The Company's second quarter results exceeded our plan, particularly in Aircraft and in Space and Defense," said R.T. Brady, Chairman and CEO. "Our Components Group delivered another solid performance. Wind energy and Medical Devices sales are developing a little more slowly than we'd planned but both show signs of improvement. The overall result will be a year better than our original forecast and we're now forecasting a 19% improvement in earnings per share."

Moog Inc. is a worldwide designer, manufacturer, and integrator of precision control components and systems. Moog's high-performance systems control military and commercial aircraft, satellites and space vehicles, launch vehicles, missiles, automated industrial machinery, wind energy, marine and medical equipment. Additional information about the Company can be found at www.moog.com.

Cautionary Statement

Information included or incorporated by reference herein that does not consist of historical facts, including statements accompanied by or containing words such as “may,” “will,” “should,” “believes,” “expects,” “expected,” “intends,” “plans,” “projects,” “approximate,” “estimates,” “predicts,” “potential,” “outlook,” “forecast,” “anticipates,” “presume” and “assume,” are forward-looking statements. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance and are subject to several factors, risks and uncertainties, the impact or occurrence of which could cause actual results to differ materially from the results described in the forward-looking statements. These important factors, risks and uncertainties include:

- i. fluctuations in general business cycles for commercial aircraft, military aircraft, space and defense products, industrial capital goods and medical devices;
- ii. our dependence on government contracts that may not be fully funded or may be terminated;
- iii. our dependence on certain major customers, such as The Boeing Company and Lockheed Martin, for a significant percentage of our sales;
- iv. delays by our customers in the timing of introducing new products, which may affect our earnings and cash flow;
- v. the possibility that the demand for our products may be reduced if we are unable to adapt to technological change;
- vi. intense competition, which may require us to lower prices or offer more favorable terms of sale;
- vii. our indebtedness, which could limit our operational and financial flexibility;
- viii. the possibility that new product and research and development efforts may not be successful, which could reduce our sales and profits;
- ix. increased cash funding requirements for pension plans, which could occur in future years based on assumptions used for our defined benefit pension plans, including returns on plan assets and discount rates;
- x. a write-off of all or part of our goodwill or intangible assets, which could adversely affect our operating results and net worth and cause us to violate covenants in our bank agreements;
- xi. the potential for substantial fines and penalties or suspension or debarment from future contracts in the event we do not comply with regulations relating to defense industry contracting;
- xii. the potential for cost overruns on development jobs and fixed-price contracts and the risk that actual results may differ from estimates used in contract accounting;
- xiii. the possibility that our subcontractors may fail to perform their contractual obligations, which may adversely affect our contract performance and our ability to obtain future business;
- xiv. our ability to successfully identify and consummate acquisitions, and integrate the acquired businesses and the risks associated with acquisitions, including that the acquired businesses do not perform in accordance with our expectations, and that we assume unknown liabilities in connection with acquired businesses for which we are not indemnified;
- xv. our dependence on our management team and key personnel;
- xvi. the possibility of a catastrophic loss of one or more of our manufacturing facilities;
- xvii. the possibility that future terror attacks, war or other civil disturbances could negatively impact our business;
- xviii. that our operations in foreign countries could expose us to political risks and adverse changes in local, legal, tax and regulatory schemes;
- xix. the possibility that government regulation could limit our ability to sell our products outside the United States;
- xx. product quality or patient safety issues with respect to our medical devices business that could lead to product recalls, withdrawal from certain markets, delays in the introduction of new products, sanctions, litigation, declining sales or actions of regulatory bodies and government authorities;
- xxi. the impact of product liability claims related to our products used in applications where failure can result in significant property damage, injury or death and in damage to our reputation;
- xxii. changes in medical reimbursement rates of insurers to medical service providers, which could affect sales of our medical products;
- xxiii. the possibility that litigation results may be unfavorable to us;

- xxiv. our ability to adequately enforce our intellectual property rights and the possibility that third parties will assert intellectual property rights that prevent or restrict our ability to manufacture, sell, distribute or use our products or technology;
- xxv. foreign currency fluctuations in those countries in which we do business and other risks associated with international operations;
- xxvi. the cost of compliance with environmental laws;
- xxvii. the risk of losses resulting from maintaining significant amounts of cash and cash equivalents at financial institutions that are in excess of amounts insured by governments;
- xxviii. the inability to modify, to refinance or to utilize amounts presently available to us under our credit facilities given uncertainties in the credit markets;
- xxix. our ability to meet the restrictive covenants under our credit facilities since a breach of any of these covenants could result in a default under our credit agreements; and
- xxx. our customers' inability to continue operations or to pay us due to adverse economic conditions or their inability to access available credit.

MOOG Inc.
CONSOLIDATED STATEMENTS OF EARNINGS
(dollars in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	April 3, 2010	March 28, 2009	April 3, 2010	March 28, 2009
Net sales	\$ 510,488	\$ 453,335	\$ 1,005,666	\$ 899,423
Cost of sales	362,587	317,563	713,363	625,803
Gross profit	147,901	135,772	292,303	273,620
Research and development	25,504	24,192	49,386	49,322
Selling, general and administrative	76,098	68,806	154,225	138,005
Restructuring expense	1,320	-	3,139	-
Interest	9,248	9,422	19,976	19,023
Equity in earnings of LTI and other	236	(3,150)	630	(5,605)
Earnings before income taxes	35,495	36,502	64,947	72,875
Income taxes	10,494	12,810	18,385	18,913
Net earnings	\$ 25,001	\$ 23,692	\$ 46,562	\$ 53,962
Net earnings per share				
Basic	\$ 0.55	\$ 0.56	\$ 1.03	\$ 1.27
Diluted	\$ 0.55	\$ 0.55	\$ 1.02	\$ 1.26
Average common shares outstanding				
Basic	45,374,912	42,535,691	45,349,131	42,571,490
Diluted	45,730,252	42,823,791	45,661,564	42,904,940

MOOG Inc.
CONSOLIDATED SALES AND OPERATING PROFIT
(dollars in thousands)

	Three Months Ended		Six Months Ended	
	April 3, 2010	March 28, 2009	April 3, 2010	March 28, 2009
Net Sales				
Aircraft Controls	\$ 188,753	\$ 162,025	\$ 363,813	\$ 325,173
Space and Defense Controls	79,084	68,320	148,575	139,702
Industrial Systems	120,441	104,512	256,793	214,547
Components	89,839	84,504	174,745	166,008
Medical Devices	32,371	33,974	61,740	53,993
Net sales	<u>\$ 510,488</u>	<u>\$ 453,335</u>	<u>\$ 1,005,666</u>	<u>\$ 899,423</u>
Operating Profit (Loss) and Margins				
Aircraft Controls	\$ 19,575 10.4%	\$ 14,519 9.0%	\$ 37,185 10.2%	\$ 28,019 8.6%
Space and Defense Controls	8,678 11.0%	9,806 14.4%	16,197 10.9%	23,386 16.7%
Industrial Systems	8,139 6.8%	10,860 10.4%	19,320 7.5%	22,359 10.4%
Components	14,396 16.0%	15,049 17.8%	26,518 15.2%	30,050 18.1%
Medical Devices	12 0.0%	(77) (0.2%)	151 0.2%	(2,301) (4.3%)
Total operating profit	<u>50,800</u> 10.0%	<u>50,157</u> 11.1%	<u>99,371</u> 9.9%	<u>101,513</u> 11.3%
Deductions from Operating Profit				
Interest expense	9,248	9,422	19,976	19,023
Equity-based compensation expense	894	1,031	3,678	3,620
Corporate expenses and other	5,163	3,202	10,770	5,995
Earnings before Income Taxes	<u>\$ 35,495</u>	<u>\$ 36,502</u>	<u>\$ 64,947</u>	<u>\$ 72,875</u>

MOOG Inc.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	<u>April 3,</u> <u>2010</u>	<u>October 3,</u> <u>2009</u>
Cash	\$ 88,598	\$ 81,493
Receivables	570,270	547,571
Inventories	465,829	484,261
Other current assets	99,121	97,073
Total current assets	<u>1,223,818</u>	<u>1,210,398</u>
Property, plant and equipment	475,605	481,726
Goodwill and intangible assets	890,905	918,770
Other non-current assets	20,169	23,423
Total assets	<u>\$ 2,610,497</u>	<u>\$ 2,634,317</u>
Notes payable	\$ 3,341	\$ 16,971
Current installments of long-term debt	1,413	1,541
Contract loss reserves	38,799	50,190
Other current liabilities	391,611	377,559
Total current liabilities	<u>435,164</u>	<u>446,261</u>
Long-term debt	775,466	814,574
Other long-term liabilities	295,609	308,449
Total liabilities	<u>1,506,239</u>	<u>1,569,284</u>
Shareholders' equity	1,104,258	1,065,033
Total liabilities and shareholders' equity	<u>\$ 2,610,497</u>	<u>\$ 2,634,317</u>