

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

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 1, 2011

OR

- 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: 1-5129

MOOG INC.

(Exact name of registrant as specified in its charter)

New York State

(State or other jurisdiction of incorporation or organization)

16-0757636

(I.R.S. Employer Identification No.)

East Aurora, New York

(Address of principal executive offices)

14052-0018

(Zip Code)

Telephone number including area code: **(716) 652-2000**

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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) 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, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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

The number of shares outstanding of each class of common stock as of February 3, 2011 was:

Class A common stock, \$1.00 par value 41,360,264 shares

Class B common stock, \$1.00 par value 4,078,555 shares

MOOG Inc.
QUARTERLY REPORT ON FORM 10-Q
TABLE OF CONTENTS

	PAGE
<u>PART 1 FINANCIAL INFORMATION</u>	
<u>Item 1</u> Financial Statements:	
<u>Consolidated Condensed Balance Sheets</u> <u>January 1, 2011 and October 2, 2010</u>	3
<u>Consolidated Condensed Statements of Earnings</u> <u>Three Months Ended January 1, 2011 and January 2, 2010</u>	4
<u>Consolidated Condensed Statements of Cash Flows</u> <u>Three Months Ended January 1, 2011 and January 2, 2010</u>	5
<u>Notes to Consolidated Condensed Financial Statements</u>	6-15
<u>Item 2</u> Management's Discussion and Analysis of Financial Condition and Results of Operations	16-27
<u>Item 3</u> Quantitative and Qualitative Disclosures about Market Risk	27
<u>Item 4</u> Controls and Procedures	27
<u>PART II OTHER INFORMATION</u>	
<u>Item 2</u> Unregistered Sales of Equity Securities and Use of Proceeds	28
<u>Item 6</u> Exhibits	28-29
<u>SIGNATURES</u>	30

PART I FINANCIAL INFORMATION
Item 1. Financial Statements.

Moog Inc.
Consolidated Condensed Balance Sheets
(Unaudited)

(dollars in thousands)	January 1, 2011	October 2, 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 104,722	\$ 112,421
Receivables	614,361	619,861
Inventories	471,013	460,857
Other current assets	102,921	99,140
TOTAL CURRENT ASSETS	1,293,017	1,292,279
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of \$470,946 and \$457,916, respectively	486,943	486,944
GOODWILL	701,309	704,816
INTANGIBLE ASSETS, net	198,044	205,874
OTHER ASSETS	21,269	22,221
TOTAL ASSETS	\$2,700,582	\$2,712,134
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable	\$ 5,029	\$ 1,991
Current installments of long-term debt	7,279	5,405
Accounts payable	146,059	154,321
Customer advances	89,424	74,703
Contract loss reserves	42,411	40,810
Other accrued liabilities	196,986	202,244
TOTAL CURRENT LIABILITIES	487,188	479,474
LONG-TERM DEBT, excluding current installments		
Senior debt	328,953	378,707
Senior subordinated notes	378,609	378,613
LONG-TERM PENSION AND RETIREMENT OBLIGATIONS	276,249	281,830
DEFERRED INCOME TAXES	72,468	69,541
OTHER LONG-TERM LIABILITIES	2,851	3,013
TOTAL LIABILITIES	1,546,318	1,591,178
SHAREHOLDERS' EQUITY		
Common stock	51,280	51,280
Other shareholders' equity	1,102,984	1,069,676
TOTAL SHAREHOLDERS' EQUITY	1,154,264	1,120,956
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$2,700,582	\$2,712,134

See accompanying Notes to Consolidated Condensed Financial Statements.

Moog Inc.
Consolidated Condensed Statements of Earnings
(Unaudited)

	Three Months Ended	
	January 1, 2011	January 2, 2010
<i>(dollars in thousands, except per share data)</i>		
NET SALES	\$ 554,434	\$ 495,178
COST OF SALES	389,881	350,776
GROSS PROFIT	164,553	144,402
Research and development	23,475	23,882
Selling, general and administrative	85,783	78,127
Restructuring	58	1,819
Interest	9,211	10,728
Other	246	394
EARNINGS BEFORE INCOME TAXES	45,780	29,452
INCOME TAXES	12,373	7,891
NET EARNINGS	<u>\$ 33,407</u>	<u>\$ 21,561</u>
NET EARNINGS PER SHARE		
Basic	\$ 0.74	\$ 0.48
Diluted	<u>\$ 0.73</u>	<u>\$ 0.47</u>
AVERAGE COMMON SHARES OUTSTANDING		
Basic	45,388,891	45,323,349
Diluted	<u>45,906,552</u>	<u>45,592,874</u>

See accompanying Notes to Consolidated Condensed Financial Statements.

Moog Inc.
Consolidated Condensed Statements of Cash Flows
(Unaudited)

(dollars in thousands)	Three Months Ended	
	January 1, 2011	January 2, 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings	\$ 33,407	\$ 21,561
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	16,151	15,051
Amortization	7,545	7,551
Provisions for non-cash losses on contracts, inventories and receivables	16,316	7,550
Equity-based compensation expense	3,433	2,784
Other	165	(1,913)
Changes in assets and liabilities providing cash, excluding the effects of acquisitions:		
Receivables	5,096	23,093
Inventories	(13,842)	14,720
Accounts payable	(8,710)	(11,123)
Customer advances	14,939	(9,647)
Accrued expenses	(21,001)	(15,778)
Accrued income taxes	7,354	3,851
Pension assets and liabilities	326	(2,105)
Other assets and liabilities	(2,898)	470
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>58,281</u>	<u>56,065</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of businesses, net of acquired cash	(3,073)	(358)
Purchase of property, plant and equipment	(18,126)	(11,628)
Other	—	4
NET CASH USED BY INVESTING ACTIVITIES	<u>(21,199)</u>	<u>(11,982)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from (repayments of) notes payable	3,093	(279)
Net repayments of revolving lines of credit	(45,948)	(22,968)
Payments on long-term debt	(1,039)	(1,747)
Excess tax benefits from equity-based payment arrangements	34	11
Other	(432)	1,153
NET CASH USED BY FINANCING ACTIVITIES	<u>(44,292)</u>	<u>(23,830)</u>
Effect of exchange rate changes on cash	(489)	(445)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(7,699)	19,808
Cash and cash equivalents at beginning of period	112,421	81,493
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$104,722</u>	<u>\$101,301</u>
CASH PAID FOR:		
Interest	\$ 9,365	\$ 10,678
Income taxes, net of refunds	<u>5,050</u>	<u>3,669</u>

See accompanying Notes to Consolidated Condensed Financial Statements.

MOOG Inc.
Notes to Consolidated Condensed Financial Statements
Three Months Ended January 1, 2011
(Unaudited)
(dollars in thousands, except per share data)

Note 1 — Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared by management in accordance with U.S. generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, all adjustments consisting of normal recurring adjustments considered necessary for the fair presentation of results for the interim period have been included. The results of operations for the three months ended January 1, 2011 are not necessarily indicative of the results expected for the full year. The accompanying unaudited consolidated condensed financial statements should be read in conjunction with the financial statements and notes thereto included in our Form 10-K for the fiscal year ended October 2, 2010. All references to years in these financial statements are to fiscal years.

Note 2 — Acquisitions

During the three months ended January 1, 2011, we completed one business combination within our Aircraft Controls segment for \$3,073 in cash. This acquisition complements our military aftermarket business.

In 2010, we completed four business combinations within three of our segments. We completed one acquisition in our Aircraft Controls segment for \$8,100 in cash, issuance of a \$1,200 unsecured note and contingent consideration with an initial fair value of \$1,400. This acquisition complements our military aftermarket business. We acquired two businesses in our Space and Defense Controls segment for \$20,273, net of cash acquired, issuance of a \$1,000 unsecured note and contingent consideration with an initial fair value of \$1,600. One business specializes in turret design, fire control systems and vehicle electronics and the other expands our capabilities in the security and surveillance market. We completed one acquisition in our Industrial Systems segment for \$1,050 in cash and issuance of a \$150 unsecured note. Combined sales of these acquisitions for the 2009 calendar year were approximately \$34,000. The purchase price allocations for the 2010 acquisitions are complete with the exception of income taxes for one of the Space and Defense Controls acquisitions.

Note 3 — Inventories

	January 1, 2011	October 2, 2010
Raw materials and purchased parts	\$178,742	\$179,375
Work in progress	224,148	221,128
Finished goods	68,123	60,354
Total	\$471,013	\$460,857

Note 4 — Goodwill and Intangible Assets

The changes in the carrying amount of goodwill for the three months ended January 1, 2011 are as follows:

	Balance as of October 2, 2010	Adjustment To Prior Year Acquisitions	Foreign Currency Translation	Balance as of January 1, 2011
Aircraft Controls	\$173,507	\$(903)	\$ (924)	\$171,680
Space and Defense Controls	121,623	22	(232)	121,413
Industrial Systems	122,120	41	(1,623)	120,538
Components	160,896	—	600	161,496
Medical Devices	126,670	(138)	(350)	126,182
Total	\$704,816	\$(978)	\$(2,529)	\$701,309

The components of acquired intangible assets are as follows:

	Weighted - Average Life (years)	January 1, 2011		October 2, 2010	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer-related	10	\$148,148	\$(53,195)	\$148,722	\$(49,781)
Program-related	18	62,880	(6,204)	63,796	(5,275)
Technology-related	9	55,039	(23,813)	54,743	(22,117)
Marketing-related	9	22,207	(12,101)	22,256	(11,548)
Contract-related	3	3,243	(1,349)	3,312	(1,104)
Artistic-related	10	25	(23)	25	(22)
Acquired intangible assets	11	\$291,542	\$(96,685)	\$292,854	\$(89,847)

All acquired intangible assets other than goodwill are being amortized. Customer-related intangible assets primarily consist of customer relationships. Program-related intangible assets consist of long-term programs. Technology-related intangible assets primarily consist of technology, patents, intellectual property and engineering drawings. Marketing-related intangible assets primarily consist of trademarks, trade names and non-compete agreements. Contract-related intangible assets consist of favorable operating lease terms.

Amortization of acquired intangible assets was \$6,943 for the three months ended January 1, 2011 and \$7,108 for the three months ended January 2, 2010. Based on acquired intangible assets recorded at January 1, 2011, amortization is expected to be approximately \$27,671 in 2011, \$26,762 in 2012, \$23,079 in 2013, \$20,729 in 2014 and \$17,894 in 2015.

Note 5 — Product Warranties

In the ordinary course of business, we warrant our products against defects in design, materials and workmanship typically over periods ranging from twelve to thirty-six months. We determine warranty reserves needed by product line based on historical experience and current facts and circumstances. Activity in the warranty accrual is summarized as follows:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Warranty accrual at beginning of period	\$14,856	\$14,675
Warranties issued during current period	3,149	1,734
Adjustments to pre-existing warranties	(7)	(98)
Reductions for settling warranties	(1,580)	(2,512)
Foreign currency translation	(113)	(50)
Warranty accrual at end of period	\$16,305	\$13,749

Note 6 — Derivative Financial Instruments

We principally use derivative financial instruments to manage interest rate risk associated with long-term debt and foreign exchange risk related to foreign operations and foreign currency transactions. We enter into derivative financial instruments with a number of major financial institutions to minimize counterparty credit risk.

Derivatives designated as hedging instruments

Interest rate swaps are used to adjust the proportion of total debt that is subject to variable and fixed interest rates. The interest rate swaps are designated as hedges of the amount of future cash flows related to interest payments on variable-rate debt that, in combination with the interest payments on the debt, convert a portion of the variable-rate debt to fixed-rate debt. At January 1, 2011, we had interest rate swaps with notional amounts totaling \$50,000. The interest rate swaps effectively convert this amount of variable-rate debt to fixed-rate debt at 3.1%, including the applicable margin of 200 basis points as of January 1, 2011. The interest will revert back to variable rates based on LIBOR plus the applicable margin upon the maturity of the interest rate swaps in 2012.

We use foreign currency forward contracts as cash flow hedges to effectively fix the exchange rates on future payments. To mitigate exposure in movements between various currencies, primarily the Philippine peso, we had outstanding foreign currency forwards with notional amounts of \$8,711 at January 1, 2011. These contracts mature at various times through the first quarter of 2012.

These interest rate swaps and foreign currency forwards are recorded in the consolidated balance sheet at fair value and the related gains or losses are deferred in shareholders' equity as a component of Accumulated Other Comprehensive Income (Loss) (AOCI). These deferred gains and losses are reclassified into expense during the periods in which the related payments or receipts affect earnings. However, to the extent the interest rate swaps and foreign currency forwards are not perfectly effective in offsetting the change in the value of the payments being hedged, the ineffective portion of these contracts is recognized in earnings immediately. Ineffectiveness was not material in 2011 or 2010.

Activity in AOCI related to these derivatives during the first three months of 2011 is summarized below:

	Pre-tax Amount	Income Tax	After-Tax Amount
Balance at October 2, 2010	\$ 223	\$ (79)	\$144
Net increase in fair value of derivatives	203	(77)	126
Net reclassification from AOCI into earnings	(127)	43	(84)
Accumulated income at January 1, 2011	\$ 299	\$ (113)	\$186

Activity and classification of derivatives are as follows:

	Classification of net gain (loss) recognized in earnings	Net reclassification from AOCI into earnings (effective portion)		Net deferral in AOCI of derivatives (effective portion)	
		Three Months Ended		Three Months Ended	
		January 1, 2011	January 2, 2010	January 1, 2011	January 2, 2010
Interest rate swaps	Interest expense	\$(105)	\$(327)	\$ (28)	\$ 161
Foreign currency forwards	Cost of sales	232	459	231	1,122
Net gain		\$ 127	\$ 132	\$203	\$1,283

Derivatives not designated as hedging instruments

We also have foreign currency exposure on intercompany balances that are denominated in a foreign currency and are adjusted to current values using period-end exchange rates. The resulting gains or losses are recorded in the statements of earnings. To minimize foreign currency exposure, we had foreign currency forwards with notional amounts of \$186,363 at January 1, 2011. The foreign currency forwards are recorded in the consolidated balance sheet at fair value and resulting gains or losses are recorded in the statements of earnings. We recorded a net loss of \$2,324 for the three months ended January 1, 2011 on the foreign currency forwards which are included in other income or expense and generally offset the gains or losses from the foreign currency adjustments on the intercompany balances.

Summary of derivatives

The fair value and classification of derivatives on the consolidated balance sheet are summarized as follows:

		January 1, 2011	October 2, 2010
Derivatives designated as hedging instruments:			
Foreign currency forwards	Other current assets	\$ 663	\$ 498
Foreign currency forwards	Other assets	—	92
		\$ 663	\$ 590
Interest rate swaps	Other accrued liabilities	367	381
Interest rate swaps	Other long-term liabilities	—	63
		\$ 367	\$ 444
Derivatives not designated as hedging instruments:			
Foreign currency forwards	Other current assets	\$1,256	\$3,101
Foreign currency forwards	Other assets	—	74
		\$1,256	\$3,175
Foreign currency forwards	Other accrued liabilities	\$2,116	\$2,346
Foreign currency forwards	Other long-term liabilities	—	61
		\$2,116	\$2,407

Note 7 — Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, various techniques and assumptions can be used to estimate fair value. The definition of the fair value hierarchy is as follows:

Level 1 — Quoted prices in active markets for identical assets and liabilities.

Level 2 — Observable inputs other than quoted prices in active markets for similar assets and liabilities.

Level 3 — Inputs for which significant valuation assumptions are unobservable in a market and therefore value is based on the best available data, some of which is internally developed and considers risk premiums that a market participant would require.

Our derivatives are valued using various pricing models or discounted cash flow analyses that incorporate observable market data, such as interest rate yield curves and currency rates, classified as Level 2 within the valuation hierarchy. Our Level 3 fair value liabilities represent contingent consideration recorded for acquisitions to be paid if various financial targets are met. The amounts recorded were calculated for each payment scenario in each period using an estimate of the probability of the future cash outflows. The varying contingent payments were then discounted to the present value at the weighted average cost of capital.

The following table presents the fair values and classification of our financial assets and liabilities measured on a recurring basis as of January 1, 2011:

	Classification	Level 1	Level 2	Level 3	Total
Foreign currency forwards	Other current assets	\$—	\$1,919	\$—	\$1,919
		\$—	\$1,919	\$—	\$1,919
Foreign currency forwards	Other accrued liabilities	\$—	\$2,116	\$—	\$2,116
Interest rate swaps	Other accrued liabilities	—	367	—	367
Acquisition contingent consideration	Other accrued liabilities	—	—	1,301	1,301
Acquisition contingent consideration	Other long-term liabilities	—	—	2,003	2,003
		\$—	\$2,483	\$3,304	\$5,787

During 2010, we recorded contingent purchase price consideration for acquisitions. As of October 2, 2010, the fair value of those liabilities was \$3,112. The change in the fair value for the three months ended January 1, 2011 represents an increase in the discounted future cash flows and is recorded as a component of interest expense.

Our only financial instrument for which the carrying value differs from its fair value is long-term debt. At January 1, 2011, the fair value of long-term debt was \$725,777 compared to its carrying value of \$714,841. The fair value of long-term debt was estimated based on quoted market prices.

Note 8 — Restructuring

In 2009, we initiated restructuring plans to better align our cost structure with lower sales activity associated with the global recession. The restructuring actions taken have resulted in workforce reductions, primarily in the U.S., the Philippines and Europe.

Restructuring expense by segment related to severance is summarized as follows:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Aircraft Controls	\$—	\$1,192
Industrial Systems	58	394
Components	—	239
Medical Devices	—	(6)
Total	\$58	\$1,819

We do not anticipate significant additional amounts for the remainder of 2011. Payments related to these severance benefits are expected to be paid in full by the end of 2011.

Restructuring activity for the three months ended January 1, 2011 is as follows:

	Severance
Restructuring accrual at beginning of period	\$ 3,389
Restructuring charges	107
Expense adjustments for prior year accruals	(49)
Cash payments	(1,580)
Foreign currency translation	(42)
Restructuring accrual at end of period	\$ 1,825

Note 9 — Employee Benefit Plans

Net periodic benefit costs for U.S. pension plans consist of:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Service cost	\$ 5,642	\$ 4,680
Interest cost	7,171	6,767
Expected return on plan assets	(9,772)	(8,836)
Amortization of prior service cost	2	50
Amortization of actuarial loss	2,823	1,237
Pension expense for defined benefit plans	5,866	3,898
Pension expense for defined contribution plans	1,547	1,728
Total pension expense for U.S. plans	\$ 7,413	\$ 5,626

Net periodic benefit costs for non-U.S. pension plans consist of:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Service cost	\$1,172	\$ 818
Interest cost	1,526	1,563
Expected return on plan assets	(954)	(944)
Amortization of prior service credit	(14)	(14)
Amortization of actuarial loss	378	133
Pension expense for defined benefit plans	2,108	1,556
Pension expense for defined contribution plans	1,147	1,430
Total pension expense for non-U.S. plans	\$3,255	\$2,986

Net periodic benefit costs for the post-retirement health care benefit plan consist of:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Service cost	\$123	\$143
Interest cost	276	336
Amortization of transition obligation	99	99
Amortization of prior service cost	—	54
Amortization of actuarial loss	149	210
Total periodic post-retirement benefit cost	\$647	\$842

During the three months ended January 1, 2011, we made contributions to our defined benefit pension plans of \$7,707 to the U.S. plans and \$1,643 to the non-U.S. plans. We anticipate contributing approximately \$24,300 more to the U.S. plans and approximately \$4,900 more to the non-U.S. plans for a total of approximately \$38,500 in 2011.

Note 10 — Income Taxes

The effective tax rates for the three months ended January 1, 2011 and January 2, 2010 of 27.0% and 26.8%, respectively, are lower than would be expected by applying the U.S. federal statutory tax rate to earnings before income taxes as a significant portion of earnings came from foreign operations with lower tax rates.

Note 11 — Shareholders' Equity

The changes in shareholders' equity for the three months ended January 1, 2011 are summarized as follows:

	Amount	Number of Shares	
		Class A Common Stock	Class B Common Stock
COMMON STOCK			
Beginning and end of period	\$ 51,280	43,485,417	7,794,296
ADDITIONAL PAID-IN CAPITAL			
Beginning of period	389,376		
Equity-based compensation expense	3,433		
Issuance of treasury shares at more than cost	183		
Income tax effect of equity-based compensation	(6)		
Adjustment to market — SECT	1,603		
End of period	394,589		
RETAINED EARNINGS			
Beginning of period	880,733		
Net earnings	33,407		
End of period	914,140		
TREASURY STOCK			
Beginning of period	(47,724)	(2,221,635)	(3,305,971)
Issuance of treasury shares	335	62,867	—
Purchase of treasury shares	(294)	(7,777)	—
End of period	(47,683)	(2,166,545)	(3,305,971)
STOCK EMPLOYEE COMPENSATION TRUST (SECT)			
Beginning of period	(13,381)		(374,502)
Purchase of shares	(655)		(18,448)
Adjustment to market — SECT	(1,603)		—
End of period	(15,639)	—	(392,950)
ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME			
Beginning of period	(139,328)		
Foreign currency translation adjustment	(5,315)		
Retirement liability adjustment	2,178		
Increase in accumulated income on derivatives	42		
End of period	(142,423)		
TOTAL SHAREHOLDERS' EQUITY	\$1,154,264	41,318,872	4,095,375

Note 12 — Stock Employee Compensation Trust

The Stock Employee Compensation Trust (SECT) assists in administering and provides funding for equity-based compensation plans and benefit programs, including the Moog Inc. Retirement Savings Plan. The shares in the SECT are not considered outstanding for purposes of calculating earnings per share. However, in accordance with the trust agreement governing the SECT, the SECT trustee votes all shares held by the SECT on all matters submitted to shareholders.

Note 13 — Earnings per Share

Basic and diluted weighted-average shares outstanding are as follows:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Weighted-average shares outstanding — Basic	45,388,891	45,323,349
Dilutive effect of equity-based awards	517,661	269,525
Weighted-average shares outstanding — Diluted	45,906,552	45,592,874

Note 14 — Comprehensive Income

The components of comprehensive income, net of tax, are as follows:

	Three Months Ended	
	January 1, 2011	January 2, 2010
Net earnings	\$33,407	\$21,561
Other comprehensive income (loss):		
Foreign currency translation adjustment	(5,315)	(1,426)
Retirement liability adjustment, net of tax of \$1,262 and \$661, respectively	2,178	975
Increase in accumulated income or loss on derivatives	42	766
Comprehensive income	\$30,312	\$21,876

The components of accumulated other comprehensive income (loss), net of tax, are as follows:

	January 1, 2011	October 2, 2010
Cumulative foreign currency translation adjustment	\$ 37,549	\$ 42,864
Accumulated retirement liability adjustments	(180,158)	(182,336)
Accumulated income on derivatives	186	144
Accumulated other comprehensive loss	\$(142,423)	\$(139,328)

Note 15 — Segment Information

Below are sales and operating profit by segment for the three months ended January 1, 2011 and January 2, 2010 and a reconciliation of segment operating profit to earnings before income taxes. Operating profit is net sales less cost of sales and other operating expenses, excluding interest expense, equity-based compensation expense and other corporate expenses. Cost of sales and other operating expenses are directly identifiable to the respective segment or allocated on the basis of sales, number of employees or profit.

	Three Months Ended	
	January 1, 2011	January 2, 2010
Net sales:		
Aircraft Controls	\$195,951	\$175,060
Space and Defense Controls	95,746	69,491
Industrial Systems	143,745	136,352
Components	86,351	84,906
Medical Devices	32,641	29,369
Net sales	\$554,434	\$495,178
Operating profit (loss) and margins:		
Aircraft Controls	\$ 20,195	\$ 17,610
	10.3 %	10.1 %
Space and Defense Controls	15,815	7,519
	16.5 %	10.8 %
Industrial Systems	14,407	11,181
	10.0 %	8.2 %
Components	14,803	12,122
	17.1 %	14.3 %
Medical Devices	(1,491)	139
	(4.6 %)	0.5 %
Total operating profit	63,729	48,571
	11.5 %	9.8 %
Deductions from operating profit:		
Interest expense	9,211	10,728
Equity-based compensation expense	3,433	2,784
Corporate expenses and other	5,305	5,607
Earnings before income taxes	\$ 45,780	\$ 29,452

Note 16 — Recent Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board (FASB) issued new standards on consolidation as codified in Accounting Standards Codification (ASC) 810-10. The new standard amends the consolidation guidance applicable to variable interest entities and affects the overall consolidation analysis. The new standard is effective for fiscal years beginning after November 15, 2009. We adopted this standard at the beginning of 2011. The adoption of this standard did not have a material impact on our consolidated financial statements.

In October 2009, the FASB issued new standards for allocating revenue to multiple deliverables in a contract as codified in ASC 605-25. The new standard allows entities to allocate consideration in a multiple element arrangement in a manner that better reflects the transaction economics. When vendor specific objective evidence or third party evidence for deliverables in an arrangement cannot be determined, entities will be allowed to develop their best estimate of the selling price for each deliverable and allocate arrangement consideration using the relative selling price method. Additionally, use of the residual method has been eliminated. We adopted this standard at the beginning of 2011. The adoption of this standard did not have a material impact on our consolidated financial statements.

In January 2010, the FASB issued Accounting Standards Update (ASU) No. 2010-06, "Fair Value Measurements and Disclosures (ASC Topic 820) — Improving Disclosures About Fair Value Measurements." This amendment requires new disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements. It also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. This standard is effective for us beginning in the second quarter of 2010 for Level 1 and 2 disclosures and in the first quarter of 2012 for Level 3. Other than requiring additional disclosures, the adoption of this new guidance will not have a material impact on our consolidated financial statements.

In April 2010, the FASB issued ASU 2010-17, "Milestone Method of Revenue Recognition." This ASU allows entities to make a policy election to use the milestone method of revenue recognition and provides guidance on defining a milestone and the criteria that should be met to applying the milestone method. The scope of this ASU is limited to the transactions involving milestones related to research and development deliverables. We adopted this standard at the beginning of 2011. The adoption of this standard did not have a material impact on our consolidated financial statements.

In July 2010, the FASB issued new disclosure requirements about the credit quality of financing receivables and allowance for credit losses, as codified in ASC 310. The objective of the new standard is to facilitate a financial statement users' evaluation of the nature of the credit risk inherent in an entity's portfolio, how that risk is analyzed and assessed in arriving at the allowance for credit losses and explanations for changes in the allowance for credit losses. In addition, the amendment requires entities to disclose credit quality indicators, past due information and modification to financing receivables. The new standard is effective for interim and annual periods ending on or after December 15, 2010. We adopted this standard at the beginning of 2011. The adoption of this standard did not have a material impact on our consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's Form 10-K for the fiscal year ended October 2, 2010. All references to years in this Management's Discussion and Analysis of Financial Condition and Results of Operations are to fiscal years.

OVERVIEW

We are a worldwide designer, manufacturer and integrator of high performance precision motion and fluid controls and control systems for a broad range of applications in aerospace and defense, industrial and medical markets. Our aerospace and defense products and systems include military and commercial aircraft flight controls, satellite positioning controls, controls for steering tactical and strategic missiles, thrust vector controls for space launch vehicles, controls for gun aiming, stabilization and automatic ammunition loading for armored combat vehicles, and security and surveillance products. Our industrial products are used in a wide range of applications, including injection molding machines, pilot training simulators, wind energy, power generation, material and automotive testing, metal forming, heavy industry and oil exploration. Our medical products include infusion therapy pumps, enteral clinical nutrition pumps, slip rings used on CT scanners and motors used in sleep apnea devices. We operate under five segments, Aircraft Controls, Space and Defense Controls, Industrial Systems, Components and Medical Devices. Our principal manufacturing facilities are located in the United States, including facilities in New York, California, Utah, Virginia, North Carolina, Pennsylvania, Ohio, Georgia and Illinois, and in England, Germany, Italy, Japan, the Philippines, Ireland, India and China.

We have long-term contracts with some of our customers. These contracts are predominantly within Aircraft Controls and Space and Defense Controls and represent approximately one-third of our sales. We recognize revenue on these contracts using the percentage of completion, cost-to-cost method of accounting as work progresses toward completion. The remainder of our sales are recognized when the risks and rewards of ownership and title to the product are transferred to the customer, principally as units are delivered or as service obligations are satisfied. This method of revenue recognition is predominantly used within the Industrial Systems, Components and Medical Devices segments, as well as with aftermarket activity.

We concentrate on providing our customers with products designed and manufactured to the highest quality standards. In achieving a leadership position in the high performance, precision controls market, we have capitalized on our strengths, which include:

- superior technical competence and customer intimacy breeding market leadership,
- customer diversity and broad product portfolio,
- well-established international presence serving customers worldwide, and
- proven ability to successfully integrate acquisitions.

We intend to increase our revenue base and improve our profitability and cash flows from operations by building on our market leadership positions, by strengthening our niche market positions in the principal markets we serve and by extending our participation on the platforms we supply by providing more systems solutions. We also expect to maintain a balanced, diversified portfolio in terms of markets served, product applications, customer base and geographic presence. Our strategy to achieve our objectives includes:

- maintaining our technological excellence by building upon our systems integration capabilities while solving our customers' most demanding technical problems,
- taking advantage of our global capabilities,
- growing our profitable aftermarket business,
- capitalizing on strategic acquisitions and opportunities,
- entering and developing new markets, and
- striving for continuing cost improvements.

Challenges facing us include improving shareholder value through increased profitability while experiencing pricing pressures from customers, strong competition, increases in costs such as retirement and health care benefits and adjusting to global economic conditions. We address these challenges by focusing on strategic revenue growth and by continuing to improve operating efficiencies through various process, manufacturing and restructuring initiatives and using low cost manufacturing facilities without compromising quality.

Acquisitions

All of our acquisitions are accounted for under the purchase method and, accordingly, the operating results for the acquired companies are included in the consolidated statements of earnings from the respective dates of acquisition. Under purchase accounting, we record assets and liabilities at fair value on the balance sheet. The purchase price described for each acquisition below is net of any cash acquired and includes debt issued or assumed.

During the three months ended January 1, 2011, we completed one business combination within our Aircraft Controls segment for a purchase price of \$3 million. This acquisition complements our military aftermarket business.

In 2010, we completed four business combinations within three of our segments. We completed one acquisition in our Aircraft Controls segment for \$11 million. This acquisition complements our military aftermarket business. We completed two acquisitions in our Space and Defense Controls segment for a total of \$23 million. One business specializes in turret design, fire control systems and vehicle electronics and the other expands our capabilities in the security and surveillance market. We completed one acquisition in our Industrial Systems segment for \$1 million.

CRITICAL ACCOUNTING POLICIES

There have been no changes in critical accounting policies in the current year from those disclosed in our 2010 Form 10-K.

Reviews for Impairment of Goodwill

Our most recent test of goodwill for impairment was our annual test as of the beginning of our fourth quarter in 2010. The results of that test indicated that goodwill was not impaired and the fair value of each reporting unit exceeded its carrying value by over 10%.

The most significant assumptions in determining fair value are projected revenue growth rates, operating profit margins and cash flows, the terminal growth rate and the discount rate. Management projects revenue growth rates, operating margins and cash flows based on each reporting unit's current business, expected developments and operational strategies over a five-year period. In estimating the terminal growth rate, we consider our historical and projected results, as well as the economic environment in which our reporting units operate. Significant program delays, changes in demand due to economic pressures or unfavorable terms in our contracts could have a negative effect on the fair value of a reporting unit.

RECENT ACCOUNTING PRONOUNCEMENTS

In January 2010, the FASB issued ASU No. 2010-06, "Fair Value Measurements and Disclosures (ASC Topic 820) — Improving Disclosures About Fair Value Measurements." This amendment requires new disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements. It also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. This standard is effective for us beginning in the second quarter of 2010 for Level 1 and 2 disclosures and in the first quarter of 2012 for Level 3. Other than requiring additional disclosures, the adoption of this new guidance will not have a material impact on our consolidated financial statements.

In December 2010, the FASB issued ASU No. 2010-28, "Intangibles-Goodwill and Other (ASC Topic 350) — When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts." This amendment modifies the criteria for performing Step 2 of the goodwill impairment test for reporting units with zero or negative carrying amounts, and it requires performing Step 2 if qualitative factors indicate that it is more likely than not that an impairment exists. The new standard is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. Any goodwill impairment resulting from the initial adoption of the amendments should be recorded as a cumulative-effect adjustment to beginning retained earnings. Any goodwill impairments occurring after the initial adoption of the amendments should be included in earnings. We will adopt this standard in the first quarter of 2012. We do not expect the adoption of this standard will have a material impact on our consolidated financial statements.

In December 2010, the FASB issued ASU No. 2010-29, "Business Combinations (ASC Topic 805) — Disclosure of Supplementary Pro Forma Information for Business Combinations." This amendment expands the supplemental pro forma disclosures to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. This amendment is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. Early adoption is permitted. We will adopt this standard in 2012. Other than requiring additional disclosures, the adoption of this amendment will not have a material impact on our consolidated financial statements.

CONSOLIDATED RESULTS OF OPERATIONS AND OUTLOOK

(dollars in millions, except per share data)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales	\$554.4	\$495.2	\$59.2	12 %
Gross margin	29.7 %	29.2 %		
Research and development expenses	\$ 23.5	\$ 23.9	\$ (0.4)	(2 %)
Selling, general and administrative expenses as a percentage of sales	15.5 %	15.8 %		
Restructuring expense	\$ 0.1	\$ 1.8	\$ (1.7)	(95 %)
Interest expense	\$ 9.2	\$ 10.7	\$ (1.5)	(14 %)
Effective tax rate	27.0 %	26.8 %		
Net earnings	\$ 33.4	\$ 21.6	\$11.8	55 %
Diluted earnings per share	\$ 0.73	\$ 0.47	\$0.26	55 %

Net sales increased in the first quarter of 2011 compared to the first quarter of 2010. We had increases in all of our segments with the largest increases coming from the Space and Defense Controls and Aircraft Controls segments.

Our gross margin was higher in the first quarter of 2011 compared to 2010, reflecting a more favorable product mix, offset by additions to contract loss reserves, which were \$8 million higher in 2011 compared to 2010, primarily related to our Aircraft Controls segment.

Research and development expenses remained relatively unchanged as increases in multiple programs, including the Airbus A350 program, were offset by a \$3 million reimbursement for a commercial transport program.

Selling, general and administrative expenses decreased as a percentage of sales, primarily from efficiencies gained as a result of the higher sales volume.

Interest expense decreased from the same period in 2010 as a result of lower average interest rates.

2011 Outlook — We expect sales in 2011 to increase by 6% to approximately \$2.25 billion reflecting increases in all of our segments except for Components. We expect operating margins to improve to 10.9% in 2011 compared to 10.2% in 2010. We expect operating margins to increase in Medical Devices, Industrial Systems, Space and Defense Controls and Aircraft Controls and decrease in Components. We expect net earnings to increase to \$127 million and diluted earnings per share to increase by 17% to \$2.75.

SEGMENT RESULTS OF OPERATIONS AND OUTLOOK

Operating profit, as presented below, is net sales less cost of sales and other operating expenses, excluding interest expense, equity-based compensation expense and other corporate expenses. Cost of sales and other operating expenses are directly identifiable to the respective segment or allocated on the basis of sales, number of employees or profit. Operating profit is reconciled to earnings before income taxes in Note 15 of the Notes to Consolidated Condensed Financial Statements included in this report.

Aircraft Controls

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales — military aircraft	\$114.1	\$108.7	\$ 5.4	5 %
Net sales — commercial aircraft	74.3	57.3	17.0	30 %
Net sales — navigation aids	7.5	9.0	(1.5)	(17 %)
	\$195.9	\$175.0	\$20.9	12 %
Operating profit	\$ 20.2	\$ 17.6	\$ 2.6	15 %
Operating margin	10.3 %	10.1 %		
Backlog	\$560.6	\$519.7	\$40.9	8 %

Military aircraft sales increased on the V-22 program in aftermarket and OEM by \$10 million partially offset by a \$3 million decrease on the F-15 program and a \$1 million decrease on the F-35 program as it shifts from development to production. Commercial aircraft sales were strong as sales increased \$8 million in aftermarket, due to both an unusual order in 2011 and depressed levels in 2010. In addition, sales increased \$6 million for Boeing, mostly from the ramp up of production on the 787, and \$2 million for Airbus. Navigation aids decreased due to delays in contract awards.

Our operating margin was comparable in 2011 and 2010. The 2011 period benefitted from higher volume and sales mix changes toward higher margin business such as aftermarket. In addition, research and development spending declined in 2011, the result of a \$3 million reimbursement on a commercial transport program. These favorable results were mostly offset by \$7 million more of contract loss reserves recorded in 2011 on various commercial programs.

The higher level of twelve-month backlog for Aircraft Controls at January 1, 2011 compared to January 2, 2010 reflects strong military aircraft orders.

2011 Outlook for Aircraft Controls — We expect sales in Aircraft Controls to increase 5% to \$797 million in 2011. Military aircraft sales are expected to increase 1% to \$461 million. We expect a sales increase in military aftermarket, in part due to recent acquisitions, offset by a decrease on the F-15 program. Commercial aircraft sales are expected to increase 14% to \$298 million with increases in almost all product lines, including Boeing 787, aftermarket and business jets. Navigation aids are expected to increase \$1 million. We expect our operating margin to be 10.4% in 2011, an improvement from 10.1% in 2010, reflecting a more favorable sales mix.

Space and Defense Controls

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales	\$ 95.7	\$ 69.5	\$26.2	38 %
Operating profit	\$ 15.8	\$ 7.5	\$ 8.3	111 %
Operating margin	16.5 %	10.8 %		
Backlog	\$209.7	\$201.6	\$ 8.1	4 %

Net sales in Space and Defense Controls increased significantly, primarily in three main areas, the Driver's Vision Enhancer (DVE) program, tactical missiles and security and surveillance. Sales on the DVE program were \$15 million in the quarter, compared to \$1 million in 2010. Tactical missiles increased \$8 million as a result of a large order for an aircraft stores management system and replenishment of missile inventory being used in the Middle East. In addition, sales increased \$5 million in security and surveillance, primarily a result of our Pieper acquisition in Germany in the third quarter of 2010.

Our operating margin for Space and Defense Controls increased significantly in 2011. We benefitted from the strong volume and profitability of the DVE program sales in 2011. In addition, we had been waiting for export approval on the stores management application, which resulted in an adjustment of the profit rate.

The higher level of twelve-month backlog at January 1, 2011 compared to January 2, 2010 relates to increased orders for tactical missiles, offset by decreases in defense controls programs.

2011 Outlook for Space and Defense Controls — We expect sales in Space and Defense Controls to increase \$32 million, or 10%, to \$358 million in 2011. We expect sales increases in tactical missiles and in security and surveillance, primarily from the Pieper acquisition, which will offset a decline in satellites. We expect our operating margin in 2011 to increase to 12.0% from 11.0% in 2010, primarily the result of the strong first quarter and the forecasted sales increase.

Industrial Systems

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales	\$143.7	\$136.4	\$ 7.3	5 %
Operating profit	\$ 14.4	\$ 11.2	\$ 3.2	29 %
Operating margin	10.0 %	8.2 %		
Backlog	\$245.1	\$190.2	\$54.9	29 %

Net sales in Industrial Systems reflect increases in all of our major markets except for wind energy. The broad-based sales recovery reflects the strengthening of business in all of our major geographic markets. Sales increased \$3 million each in controls for metal forming presses, distribution and power generation and \$2 million each in plastics making machinery, test equipment and motion simulation. Offsetting those increases was a decrease in wind energy of \$14 million, primarily due to the Chinese market, where large customers had built up inventory, allowing them to slow their orders.

Our operating margin for Industrial Systems increased as a result of the higher sales volume in 2011 associated with the economic recovery.

The higher level of twelve-month backlog for Industrial Systems at January 1, 2011 compared to January 2, 2010 is due primarily to increased demand in most of our major markets due to improving global economic conditions.

2011 Outlook for Industrial Systems — We expect sales in Industrial Systems to increase 11% to \$606 million in 2011. We expect sales increases in most major markets, with the largest increases in test equipment, motion simulators and metal forming presses, offset by a small decline in wind energy. We expect that our operating margin will increase to 10.4% in 2011 from 8.8% in 2010 as a result of the higher sales volume associated with the economic recovery.

Components

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales	\$ 86.4	\$ 84.9	\$ 1.5	2 %
Operating profit	\$ 14.8	\$ 12.1	\$ 2.7	22 %
Operating margin	17.1 %	14.3 %		
Backlog	\$162.4	\$176.3	\$(13.9)	(8 %)

Net sales in Components increased marginally from last year; however, we experienced a sales shift between markets. Sales increased \$4 million in our industrial business from the general automation and closed circuit TV surveillance markets. Medical sales increased \$2 million, primarily from sales to Respironics for sleep apnea equipment. Sales in the marine market, which is closely tied to off shore oil exploration, also increased \$2 million. Sales in the aircraft market were relatively unchanged as a \$2 million decline in military aircraft was offset by increased sales in the commercial market. Sales for space and defense controls declined \$7 million, mostly a result of slowing demand for various military vehicles such as the Bradley Fighting Vehicle and a \$2 million fiber optic modem order we supplied in 2010 which did not repeat in 2011.

Our operating margin increased as a result of the sales mix shift toward higher margin industrial and marine markets and away from defense controls.

The lower level of twelve-month backlog at January 1, 2011 compared to January 2, 2010 primarily relates to slowing orders for space and defense controls and military aircraft programs.

2011 Outlook for Components — We expect sales in Components to decrease by \$10 million in 2011. We expect sales will decrease in both aircraft and space and defense controls as several major military aircraft and vehicle programs wind down. Partially offsetting those declines are expected sales increases in industrial, marine and medical markets. We expect our operating margin in 2011 to be 15.2%, lower than the 16.7% we achieved in 2010 due to the lower sales volume.

Medical Devices

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net sales	\$32.6	\$29.4	\$ 3.2	11 %
Operating (loss) profit	\$ (1.5)	\$ 0.1	\$(1.6)	N/A
Operating margin	(4.6 %)	0.5 %		
Backlog	\$12.9	\$10.1	\$ 2.8	28 %

Net sales in Medical Devices increased primarily from strength in the sensors and hand pieces market, which increased \$2 million, and administration sets, which increased \$1 million. Sales of pumps declined \$1 million as we held shipments on one of our infusion pumps pending resolution of a software issue.

Our operating margin declined in 2011 relative to 2010 despite the sales increase. We recorded a \$1 million reserve in connection with a voluntary software upgrade related to an infusion pump to improve its reliability in response to customer feedback. In addition, our costs have increased as a result of our investments in a more extensive direct sales force to broaden our channels to market.

Twelve-month backlog for Medical Devices is not as substantial relative to sales as in our other segments, reflecting the shorter order-to-shipment cycle for this line of business.

2011 Outlook for Medical Devices — We expect sales in Medical Devices to increase \$13 million, or 11%, to \$140 million in 2011. We expect sales increases from new product offerings, including increases in administration sets, pumps and sensors and hand pieces. We expect our operating margin to be 2.1%, a significant improvement from 2010 as a result of the sales volume increases and cost improvements.

FINANCIAL CONDITION AND LIQUIDITY

(dollars in millions)	Three Months Ended			
	January 1, 2011	January 2, 2010	\$ Variance	% Variance
Net cash provided (used) by:				
Operating activities	\$ 58.3	\$ 56.1	\$ 2.2	4 %
Investing activities	(21.2)	(12.0)	(9.2)	77 %
Financing activities	(44.3)	(23.8)	(20.5)	86 %

Our available borrowing capacity and our cash flow from operations provide us with the financial resources needed to run our operations, reinvest in our business and make strategic acquisitions.

Operating activities

Net cash provided by operating activities increased slightly in 2011 compared to 2010. The increase is attributable to higher earnings and customer advances received on tactical missile programs in our Space and Defense segment in 2011. Offsetting those increases were higher working capital requirements, largely in inventory, compared to 2010 which was impacted by lower sales as we began to recover from the recession.

Investing activities

Net cash used by investing activities in the first three months of 2011 increased by \$9 million, primarily from increased capital expenditures, including test equipment on the A350, and \$3 million for a small acquisition to complement our military aftermarket business in Aircraft Controls.

Financing activities

Net cash used by financing activities in the first three months of 2011 increased by \$20 million, primarily reflecting larger paydowns on our U.S. credit facility.

Off Balance Sheet Arrangements

We do not have any material off balance sheet arrangements that have or are reasonably likely to have a material future effect on our results of operations or financial condition.

Contractual Obligations and Commercial Commitments

Our contractual obligations and commercial commitments have not changed materially from the disclosures in our 2010 Form 10-K.

CAPITAL STRUCTURE AND RESOURCES

We maintain bank credit facilities to fund our short and long-term capital requirements, including for acquisitions. From time to time, we also sell equity and debt securities to fund acquisitions or take advantage of favorable market conditions.

Our largest credit facility is our U.S. credit facility, which matures on March 14, 2013. It consists of a \$750 million revolver and had an outstanding balance of \$325 million at January 1, 2011. Interest on the outstanding credit facility borrowings is based on LIBOR plus the applicable margin, which was 200 basis points at January 1, 2011 and will decrease to 175 basis points during the second quarter of 2011. The credit facility is secured by substantially all of our U.S. assets.

The U.S. credit facility contains various covenants. The covenant for minimum net worth, defined as total shareholders' equity adjusted to maintain the amounts of accumulated other comprehensive loss at the level in existence as of September 30, 2006, is \$600 million. The covenant for minimum interest coverage ratio, defined as the ratio of EBITDA to interest expense for the most recent four quarters, is 3.0. The covenant for the maximum leverage ratio, defined as the ratio of net debt, including letters of credit, to EBITDA for the most recent four quarters, is 4.0. The covenant for maximum senior leverage ratio, defined as the ratio of net senior debt to consolidated EBITDA for the most recent four quarters is 2.75. The covenant for maximum capital expenditures is \$100 million annually. We are in compliance with all covenants. EBITDA is defined in the loan agreement as (i) the sum of net income, interest expense, income taxes, depreciation expense, amortization expense, other non-cash items reducing consolidated net income and non-cash equity-based compensation expenses minus (ii) other non-cash items increasing consolidated net income.

We are required to obtain the consent of lenders of the U.S. credit facility before raising significant additional debt financing. In recent years, we have demonstrated our ability to secure consents to access debt markets. We have also been successful in accessing equity markets from time to time. We believe that we will be able to obtain additional debt or equity financing as needed.

At January 1, 2011, we had \$428 million of unused borrowing capacity, including \$414 million from the U.S. credit facility after considering standby letters of credit.

Net debt to capitalization was 35% at January 1, 2011 and 36% at October 2, 2010. The decrease in net debt to capitalization is primarily due to debt reductions funded by our positive cash flow and net earnings in the first three months of 2011.

We believe that our cash on hand, cash flows from operations and available borrowings under short and long-term lines of credit will continue to be sufficient to meet our operating needs.

ECONOMIC CONDITIONS AND MARKET TRENDS

We operate within the aerospace and defense, industrial and medical markets. Our aerospace and defense markets are affected by market conditions and program funding levels, while our industrial markets are influenced by general capital investment trends. Our medical markets are influenced by economic conditions, population demographics, medical advances and patient demand. A common factor throughout our markets is the continuing demand for technologically advanced products.

Aerospace and Defense

Approximately 62% of our 2010 sales were generated in aerospace and defense markets. The military aircraft market is dependent on military spending for development and production programs. Production programs are typically long-term in nature, offering predictability as to capacity needs and future revenues. We maintain positions on numerous high priority programs, including the F-35 Joint Strike Fighter, F/A-18E/F Super Hornet and V-22 Osprey. The large installed base of our products leads to attractive aftermarket sales and service opportunities. Aftermarket revenues are expected to continue to grow due to a number of scheduled military retrofit programs and increased flight hours resulting from increased military commitments.

The commercial OEM market has historically exhibited cyclical swings and sensitivity to economic conditions. The aftermarket is driven by usage of the existing aircraft fleet, the age of the installed fleet and is currently being impacted by fleet re-sizing programs for passenger and cargo aircraft. Changes in aircraft utilization rates affect the need for maintenance and spare parts and impact aftermarket sales. Boeing and Airbus have historically adjusted production in line with air traffic volume.

The military and government space market is primarily dependent on the authorized levels of funding for satellite communications. Government spending on military satellites has risen in recent years as the military's need for improved intelligence gathering has increased. The commercial space market is comprised of large satellite customers, traditionally telecommunications companies. Trends for this market, as well as for commercial launch vehicles, follow the telecommunications companies' need for increased capacity and the satellite replacement lifecycle of 7-10 years. Our position on NASA programs are impacted by the uncertainty and delays resulting from the Administration's re-definition of those programs; however, they hold the potential to be long-run production programs.

The tactical missile, missile defense and defense controls markets are dependent on many of the same market conditions as military aircraft, including overall military spending and program funding levels. Our homeland security product line is dependent on government funding at federal and local levels, as well as private sector demand.

Industrial

Approximately 30% of our 2010 sales were generated in industrial markets. The industrial markets we serve are influenced by several factors, including capital investment, product innovation, economic growth, cost-reduction efforts and technology upgrades. We are experiencing challenges from current global economic conditions. This includes reacting to the demands for industrial automation equipment and steel and automotive manufacturing. Those markets were impacted by the global recession in 2009 and have continued to recover since then.

Medical

Approximately 8% of our 2010 sales were generated in medical markets. The medical markets we serve are influenced by economic conditions, hospital and outpatient clinic spending on equipment, population demographics, medical advances, patient demands and the need for precision control components and systems. Advances in medical technology and medical treatments have had the effect of extending the average life span, in turn resulting in greater need for medical services. These same technology and treatment advances also drive increased demand from the general population as a means to improve quality of life. Greater access to medical insurance, whether through government funded health care plans or private insurance, also increases the demand for medical services.

Foreign Currencies

We are affected by the movement of foreign currencies compared to the U.S. dollar, particularly in Industrial Systems. About one-third of our 2010 sales were denominated in foreign currencies. During the first three months of 2011, foreign currencies generally weakened against the U.S. dollar compared to the first three months of 2010. The translation of the results of our foreign subsidiaries into U.S. dollars decreased sales by \$5 million compared to the same period one year ago.

Cautionary Statement

Information included or incorporated by reference in this report 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 expected results described in the forward-looking statements. These important factors, risks and uncertainties include:

- fluctuations in general business cycles for commercial aircraft, military aircraft, space and defense products, industrial capital goods and medical devices;
- our dependence on government contracts that may not be fully funded or may be terminated;
- our dependence on certain major customers, such as The Boeing Company and Lockheed Martin, for a significant percentage of our sales;
- delays by our customers in the timing of introducing new products, which may affect our earnings and cash flow;
- the possibility that the demand for our products may be reduced if we are unable to adapt to technological change;
- intense competition, which may require us to lower prices or offer more favorable terms of sale;
- our indebtedness, which could limit our operational and financial flexibility;
- the possibility that new product and research and development efforts may not be successful, which could reduce our sales and profits;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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;
- our dependence on our management team and key personnel;
- the possibility of a catastrophic loss of one or more of our manufacturing facilities;
- the possibility that future terror attacks, war or other civil disturbances could negatively impact our business;
- that our operations in foreign countries could expose us to political risks and adverse changes in local, legal, tax and regulatory schemes;
- the possibility that government regulation could limit our ability to sell our products outside the United States;
- 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;
- 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;
- changes in medical reimbursement rates of insurers to medical service providers, which could affect sales of our medical products;
- the possibility that litigation results may be unfavorable to us;
- 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;
- foreign currency fluctuations in those countries in which we do business and other risks associated with international operations;
- the cost of compliance with environmental laws;
- 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;
- the inability to modify, to refinance or to utilize amounts presently available to us under our credit facilities given uncertainties in the credit markets;
- 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

- our customer's inability to continue operations or to pay us due to adverse economic conditions or their inability to access available credit.

These factors are not exhaustive. New factors, risks and uncertainties may emerge from time to time that may affect the forward-looking statements made herein. Given these factors, risks and uncertainties, investors should not place undue reliance on forward-looking statements as predictive of future results. We disclaim any obligation to update the forward-looking statements made in this report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Refer to the Company's Annual Report on Form 10-K for the year ended October 2, 2010 for a complete discussion of our market risk. There have been no material changes in the current year regarding this market risk information.

Item 4. Controls and Procedures.

- (a) Disclosure Controls and Procedures. We carried out an evaluation, under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that these disclosure controls and procedures are effective as of the end of the period covered by this report, to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.
- (b) Changes in Internal Control over Financial Reporting. There have been no changes in our internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) The following table summarizes our purchases of our common stock for the quarter ended January 1, 2011.

Period	(a) Total Number of Shares Purchased (1)(2)	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	(d) Maximum Number (or Approximate Dollar Value) of Shares that May yet be Purchased Under the Plans or Programs (3)
October 3, 2010 - October 31, 2010	15,148	\$35.15	—	766,400
November 1, 2010 - November 30, 2010	4,199	\$36.60	—	766,400
December 1, 2010 - January 1, 2011	6,878	\$38.31	—	766,400
Total	26,225	\$36.21	—	766,400

- (1) Purchases in October consisted of 15,148 shares of Class B common stock from the Moog family and others at \$35.15 per share. Purchases in December included 3,301 shares of Class B common stock from others at \$37.14 per share.
- (2) In connection with the exercise of stock options, we accept, from time to time, delivery of shares to pay the exercise price of employee stock options. During November, we accepted the delivery of 4,199 shares at \$36.60 per share in connection with the exercise of stock options. During December, we accepted the delivery of 3,577 shares at \$39.41 per share in connection with the exercise of stock options.
- (3) In October 2008, the Board of Directors authorized a share repurchase program. The program permits the purchase of up to 1,000,000 Class A or Class B common shares in open market or privately negotiated transactions at the discretion of management.

Item 6. Exhibits

(a) Exhibits

- 10.1 Amended and Restated Employment Termination Benefits Agreement between Moog Inc. and Employee-Officers, as amended on August 23, 2006 and December 1, 2010.**
- 10.2 1998 Stock Option Plan, as amended and restated, effective January 11, 2011.**
- 10.3 2003 Stock Option Plan, as amended and restated, effective January 11, 2011.**
- 31.1 Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101.INS XBRL Instance Document.*
- 101.SCH XBRL Taxonomy Extension Schema Document.*
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document.*
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document.*
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document.*
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document.*

* Submitted electronically herewith.

** Identifies a management contract or compensatory plan or arrangement.

Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language):

- (i) Consolidated Condensed Statements of Earnings for the three months ended January 1, 2011 and January 2, 2010,
- (ii) Consolidated Condensed Balance Sheets at January 1, 2011 and October 2, 2010, (iii) Consolidated Condensed Statements of Cash Flows for the three months ended January 1, 2011 and January 2, 2010 and (iv) Notes to Consolidated Condensed Financial Statements for the three months ended January 1, 2011.

In accordance with Rule 406T of Regulation S-T, the XBRL related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section and shall not be part of any registration or other document filed under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**AMENDED AND RESTATED
EMPLOYMENT TERMINATION BENEFITS AGREEMENT**

AGREEMENT, as adopted on November 11, 1999 and amended on August 23, 2006 and December 1, 2010, made this ____ day of _____, 20____, and effective the ____ day of _____, 20____, between MOOG INC., a New York corporation with an office and place of business at Jamison Road, East Aurora, New York 14052 (the 'Company'), and _____, _____, New York, _____, ("Executive").

RECITALS:

- A. Executive is presently employed by Company; and
- B. The Board of Directors of Company (the "Board") recognizes that Executive's contribution to the growth and success of Company has been substantial; and
- C. Board desires to provide for continued employment of Executive and to establish appropriate employment arrangements which Board has determined will reinforce and encourage Executive's continued attention and dedication to the Company's business and success as a member of the Company's management, furthering the best interest of the Company and its Shareholders; and
- D. Executive is willing to commit himself to continue to serve Company on the terms and conditions herein provided.

NOW, THEREFORE, in consideration of the mutual promises and the respective covenants and agreements of the parties herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I.
DEFINITIONS

Section 1.1. Terms Defined. In addition to words and terms elsewhere defined herein, the following words and terms shall have the meanings indicated below unless the context or use indicates a different meaning:

(a) "CAUSE" shall mean:

(1) Any harmful act or omission that constitutes a willful and a continuing material failure by the Executive to perform the material and essential obligations under this Agreement (other than as a result of death or total or partial incapacity due to physical or mental illness); or

(2) The Executive's conviction of a felony, or any willful perpetration by the Executive of a common law fraud upon the Company; or

(3) Any willful misconduct or bad faith omission by the Executive constituting dishonesty, fraud or immoral conduct, which is materially injurious to the financial condition or business reputation of the Company.

Anything in this definition to the contrary notwithstanding, the termination of the Executive's employment by the Company is not considered to have been for cause if the termination resulted from: Bad judgment or mere negligence on the part of the Executive; or an act or omission by the Executive without intending to gain, directly or indirectly, a substantial personal profit to which the Executive was not legally entitled; or an act or omission by the Executive that the Executive believed in good faith to have been in the interests of the Company or not opposed to such interests.

(b) A “CHANGE OF CONTROL” shall mean the transfer in one or more transactions, extending over a period of not more than 24 months of Common Stock of the Company possessing 25% or more of the total combined voting power of all Class A and Class B Shares of Common Stock. A transfer shall be deemed to occur if shares of Common Stock are either transferred or made the subject of options, warrants, or similar rights granting a third party the opportunity to acquire ownership or voting control of such Common Stock.

(c) “COMMON STOCK” shall mean the Class A and Class B \$100 par value shares of the capital stock of the Company, as well as all other securities with voting rights or convertible into securities with voting rights.

(d) “COMPENSATION” shall mean the base pay plus profit share and any bonus paid to Executive in any one fiscal year; provided, however, that if any profit share was not paid but would have been payable under the terms of the Profit Share Plan, Compensation shall include the amount of such unpaid profit share calculated in accordance with the terms of the profit share plan. “AVERAGE ANNUAL COMPENSATION” shall mean the average of the Compensation paid to Executive for the three highest years of the five years preceding termination. “MONTHLY PAYMENT” shall mean the average Annual Compensation divided by 12.

(e) “COMPENSATION COMMITTEE” shall mean the Executive Compensation Committee of Board, as it is constituted from time to time.

(f) “COMPANY” shall mean MOOG INC., as well as any successors or assigns of MOOG INC., whether by transfer, merger, consolidation, acquisition of all or substantially all of the business assets, change in identity, or otherwise by operation of law and

for purposes of employment of Executive shall also mean any parent, subsidiary or affiliated entity to whom Executive's services may be assigned.

(g) "DISABILITY" shall mean the inability of Executive to perform a substantial portion of his duties hereunder for a continuous period of 6 months or more.

(h) "EFFECTIVE DATE" shall mean the date of this Agreement.

(i) "INVOLUNTARY TERMINATION OF EMPLOYMENT" shall mean a severance of the Executive's employment relationship prior to age 65, other than for death, Disability, Retirement, or Cause, by or at the instigation of Company or by or at the instigation of Executive where Executive's pay has been diminished or reduced to a greater extent than any diminution or reduction of Company's Executives generally, or where there has been a Change of Control, Involuntary Termination of Employment shall also include a termination of the employment relationship by Executive (whether before or after age 65), within two years of the Change of Control, in those circumstances where the duties, responsibilities, status, base pay or perquisites of office and employment have been diminished or downgraded, or substantially increased (other than base pay) without Executive's actual or implied consent; provided, however, that a general increase or decrease in base pay which is approved by a majority of those executives who are parties to agreements similar to this Agreement will be considered as having been consented to for purposes of this Agreement.

(j) "RETIREMENT" shall mean the election of Executive to retire from active employment with Company at the end of the month in which Executive attains 65 years of age or thereafter. Retirement shall also mean a similar election by Executive prior to age 65, where Executive elects to receive early Retirement benefits under the Moog Inc. Employees' Retirement Plan or any successor Company Retirement Plan.

(k) "TERM OF EMPLOYMENT" means the period commencing on the effective date and expiring on the earliest to occur of (i) Executive's death, Disability or Retirement, (ii) the Voluntary Termination of Employment by Executive, or (iii) Termination for Cause of Executive's employment.

(l) "TERMINATION FOR CAUSE" shall mean severance of the Employment relationship based upon or brought about by Cause as defined in paragraph (a) above.

(m) "VOLUNTARY TERMINATION OF EMPLOYMENT" shall mean a severance of the Employment relationship by or at the instigation of Executive, other than a termination occurring upon a Change of Control as defined in paragraph (b) above, or upon death, Disability or Retirement.

(n) "YEAR OF SERVICE" shall have the same meaning as defined in the Moog Inc. Employees' Retirement Plan for benefit accrual purposes.

ARTICLE II.

EMPLOYMENT, TERM, DUTIES

Section 2.1. Employment. Company hereby hires Executive, and Executive agrees to serve Company, for a term beginning on the Effective Date of this Agreement, and ending on the last day of the Term of this Agreement.

Section 2.2. Term. The term of this Agreement shall begin on the Effective Date, and shall end as provided in Section 5.1. Unless benefits under this Agreement are being provided at that time, this Agreement shall also end upon Executive's attainment of age 65; provided, however, that upon the request of Executive, the Company in its sole discretion may agree to year-by-year continuations of this Agreement after Executive's attainment of age 65.

Section 2.3. Capacity. Executive shall serve in such Executive or Managerial capacity as the Board of Directors or the Chief Executive Officer of the Company shall determine, and shall have all of the duties, responsibilities, obligations and privileges commensurate with such position.

Section 2.4. Duties. Executive agrees to devote his full business time and energy to the business and affairs of Company and to utilize his best efforts, skill and abilities to promote such interest, performing such duties as may be assigned on the executive level. Company agrees that Executive shall have such powers and authority as shall reasonably be required to enable Executive to discharge his duties in an efficient manner.

Section 2.5. Base of Operations. Company agrees that Executive's base of operations shall be Executive's location as of the effective date of this Agreement. Although Executive recognizes that substantial traveling may be required in connection with employment, Executive shall not be required to operate from any other area without Executive's prior consent.

ARTICLE III.

COMPENSATION AND BENEFITS

Section 3.1. Base Salary and Profit Share. During the Term of Employment, Company shall pay Executive for all services to be rendered as set forth herein, a base salary as determined from time to time by the Compensation Committee, plus a Management Profit Share Award under the Profit Share Plan. The base salary shall be payable in periodic installments not less frequently than on a monthly basis. Any Profit Share Award shall be payable annually in the month of January.

This Agreement shall not be deemed abrogated or terminated if Company, in its discretion, shall determine to modify the base compensation of Executive for any period of time,

and Executive accepts such modification, but nothing herein contained shall be deemed to obligate Company to make any increase in base compensation.

Section 3.2. Other Employment Benefits. Executive shall be entitled to all rights and benefits for which he shall be eligible under any Retirement, Profit Sharing, Employee Stock Purchase Plan, Savings and Investment Plan, Business Travel, Group Life, Disability, Accident or Health Insurance, Vacation, and other benefit plans which Company provides for its employees generally, as well as for any Stock Option, Incentive Compensation, Deferred Compensation, Extended Vacation, Supplemental Retirement, Club Memberships, Supplemental Medical and Life Insurance coverages and similar benefit plans which Company provides for executive personnel having duties and responsibilities similar to those of Executive.

Section 3.3. Reimbursement of Expenses. Company shall provide Executive with an automobile or an allowance for automobile use and shall pay or reimburse Executive for all reasonable traveling or other expenses incurred or paid by Executive in connection with the performance of his services under this Agreement upon presentation of expense statements or vouchers, and such other supporting information as it may from time to time request.

Section 3.4. Death Benefit. Company agrees that in the event of the death of Executive during the continuation of the term of employment hereunder, Executives base salary shall continue to be paid to Executive's widow, or to Executive's estate, for a period of six months following the date of such demise.

ARTICLE IV.

NON COMPETITION, CONFIDENTIAL DATA

Section 4.1. Non-Competition. During the term of this Agreement, and in the event of Involuntary Termination upon a Change in Control until the last payment of any

benefits to Executive under this Agreement, Executive will not directly or indirectly enter the employ of, or render any service to any customer or former customer, or any other person, partnership, association or corporation engaged in any business engaged in by Company during the term of this Agreement, and Executive will not engage in any such business on his own account, nor become interested in any such business, directly or indirectly as an individual, partner, shareholder, director, officer, principal, agent, employee, trustee, consultant, or in any other relationship or capacity.

Section 4.2. Confidential Information. Executive agrees, during the term of this Agreement and thereafter, not to use or make use of nor to divulge to anyone other than authorized personnel or representatives of Company, any information or knowledge relating to the business, business methods or techniques of Company including, without being limited to, information about accounting procedures, training methods or techniques, data, processes, research manufacturing formulae, costing, sales prospects, customers' or suppliers' lists, bidding formulae, sales, profits or costs, except to the extent that Executive can establish the same to be generally known to the public or recognized as standard practice in the business in which Company is engaged or to the extent Executive is required to divulge such information or knowledge in connection with any legal proceeding.

Section 4.3. Patents and Inventions. Executive agrees that any patents, inventions, improvements, discoveries, formulae or processes which he may obtain, make or conceive during the period of employment hereunder, shall be the sole and exclusive property of Company, and that he will sign and execute any and all applications, assignments or other instruments necessary or appropriate to assign, convey or otherwise make available exclusively to Company all such patents, inventions, improvements, discoveries, formulae or processes.

Section 4.4. Enforcement. Executive agrees that in the event of a breach or threatened breach by Executive of any provision of this Article, Company may institute legal proceedings to compel Employee compliance hereunder, including injunctive relief and any other remedy provided in law or equity. If the scope of any restriction contained in this Agreement is too broad to permit enforcement of such restriction to its full extent, then such restriction shall be enforced to the maximum extent permitted by law, and Executive hereby consents and agrees that such scope may be judicially modified accordingly in any proceeding brought to enforce such restriction.

In the event of such judicial modification, Company may, if it determines in its sole judgment that such action is contrary to the best interests of Company, within ten days after notification of such modification, terminate all obligations of Company under this Agreement by giving Executive not less than 15 days notice of such termination.

ARTICLE V.

TERMINATION

Section 5.1. Termination of Employment. Executives employment by Company shall terminate on the earliest to occur of (a) Executive's death, Disability or Retirement, (b) Voluntary Termination of Employment by Executive, or (c) Termination for Cause of Executives employment. In any such event this Agreement shall also terminate other than for the provisions of Articles IV, VI and VII and Section 3.4, which shall survive such Termination.

The existence of Disability, as defined herein, shall be determined in the sole judgment of the Compensation Committee, and effective upon delivery to Executive of written notice that such determination has been made, Executive's employment shall be terminated and Executive shall be removed from all positions, as an Officer or Director, with Company.

Section 5.2. Effect of Involuntary Termination. This Agreement shall survive an Involuntary Termination of Employment.

Section 5.3. Executive Obligations Upon Termination. Executive agrees that upon termination of services under this Agreement, for any cause whatsoever, he will deliver to Company all documents, drawings, papers, computer tapes or discs, notes, memoranda, handbooks, manuals, and all other tangible material on which information is stored or recorded, and all copies thereof which Executive has in his control or possession in any way related to the business of Company, its customers, suppliers or affiliates.

ARTICLE VI.

BENEFITS UPON TERMINATION

Section 6.1. Death, Disability, Retirement. In the event of termination upon death, Executive's surviving spouse or estate shall be entitled to the benefit provided in Section 3.04, life insurance benefits, the limited right (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) to exercise any outstanding options owned within the one year period after the date of death but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid, any death benefits which may be provided under any Company Retirement Plan or Supplemental Retirement Plan, the limited right to receive a payment in cash for any unutilized vacation benefits accrued for Executive, as well as any other benefits provided generally by Company to its executives upon death.

Termination of the employment relationship by virtue of Retirement of Executive shall entitle Executive to all retirement benefits provided generally by Company to its Executives upon retirement including benefits under any Company Retirement Plan or Supplemental

Retirement Plan, insurance benefits provided upon Retirement, the limited right (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) to exercise any stock options previously granted to Executive within the one year period after the date of Retirement but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid, and the limited right to receive a payment in cash for any unutilized vacation benefits accrued for Executive.

In the event that employment is terminated by virtue of Disability as determined under Section 5.01. Executive shall be entitled to all basic and long term Disability benefits which may be provided generally under Plans made available by Company to its executives, including any rights which may be available upon disability under any Company Retirement Plan or Supplemental Retirement Plan, as well as the limited right (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) to exercise any stock options previously granted to Executive within the one year period after becoming disabled but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid, and the limited right to receive a payment in cash for any unutilized vacation benefits accrued for Executive.

Section 6.2. Termination For Cause. Upon termination of Executive's employment for Cause, Executive shall be entitled to his base salary up to the date of such termination, as well as any vested benefits under any Company Retirement Plan or Supplemental Retirement Plan. Under such termination, Executive shall not be entitled to participate in any Profit Share Award or Incentive Compensation payable after the date of termination, but will be eligible to receive a payment in cash for any unutilized vacation benefits accrued for Executive.

Unless otherwise provided by law, Executive shall not have the right or privilege of exercising any stock options held by Executive and issued under any stock option plan of the Company.

Section 6.3. Voluntary Termination of Employment. In the event of Executive's Voluntary Termination of Employment with Company, Executive shall be entitled to his employment benefits up to the date of termination, including any vested benefits under any Company Retirement Plan or Supplemental Retirement Plan, but unless any Profit Share Award or Incentive Compensation is payable prior to such termination, Executive shall not receive any such payment. Executive shall receive a payment in cash for any unutilized vacation benefits accrued for Executive. Executive shall have the limited right (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) to exercise any stock options previously granted to Executive within three months after the date of such Voluntary Termination of Employment but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid. Notwithstanding the foregoing, if Executive dies within three months from the date of the Voluntary Termination of Employment, his stock options (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) may be exercised within the one year period after the date of such Voluntary Termination of Employment but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid.

Section 6.4. Involuntary Termination of Employment. In the event of the Involuntary Termination of Employment of Executive, Executive shall be entitled to any vested benefits under any Company Retirement Plan or Supplemental Retirement Plan, Executive shall be entitled to continue at Company's expense for one year Club Memberships held by Executive

for which reimbursement was provided by Company, Executive, for a period of one year, will continue to be provided with an automobile, or reimbursement of automobile expense, Executive shall be entitled to receive full Profit Share and Incentive Compensation for credited service and Company performance up to the date of termination. Executive shall have the right (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) to exercise any stock options held by Executive at the date of termination within the one year period after the date of such Involuntary Termination of Employment but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid. Executive shall also receive for one year after Termination the same Health, Life and Disability Insurance coverages, for which he was eligible during employment. Executive shall also receive a payment in cash for any unutilized vacation benefits accrued for Executive. In addition, Executive shall be provided with Company paid professional Out-Placement Service to assist Executive in securing other employment; provided, however, that all out-placement expenses covered under this arrangement must be incurred and paid or reimbursed before the end of the second calendar year following the calendar year in which the termination occurs. Notwithstanding the foregoing, if the Executive dies within three months from the date of the Involuntary Termination of Employment, his stock options (to the extent permitted by the terms of the applicable stock option plan or the grant thereunder) may be exercised within the one year period after the date of such Involuntary Termination of Employment but not later than the expiration date(s) of such stock options or if such exercise is not permitted an amount equal to the bargain element of such options shall be paid.

Section 6.5. Continuation of Compensation. In addition to the benefits of Section 6.04, upon Involuntary Termination of Employment Executive shall continue to receive

Monthly Payments for that number of months set forth in the table below, based upon the Years of Service of Executive with Company.

YEARS OF SERVICE		MONTHS OF COMPENSATION CONTINUATION
More Than	Less Than	
0	10 years	12 months
10	11 years	13 months
11	12 years	14 months
12	13 years	15 months
13	14 years	16 months
14	15 years	17 months
15	16 years	18 months
16	17 years	19 months
17	18 years	20 months
18	19 years	21 months
19	20 years	22 months
20	21 years	24 months
21	22 years	25 months
22	23 years	26 months
23	24 years	27 months
24	25 years	28 months
25	26 years	30 months
26	27 years	31 months
27	28 years	32 months
28	29 years	33 months
29	30 years	34 months
more than 30 years		36 months

Section 6.6. Involuntary Termination — Change of Control. In the event that an Involuntary Termination of Employment of Executive occurs by virtue of a Change of Control, Executive shall receive all of the benefits set out in Section 6.4 above. Executive shall receive Monthly Payments for the number of months indicated in the table below.

YEARS OF SERVICE		MONTHS OF COMPENSATION CONTINUATION
More Than	Less Than	
0	3 years	12 months
3	10 years	24 months
10	15 years	27 months
15	20 years	30 months
more than 20 years		36 months

Section 6.7. Timing of Option Payment. If it is determined that the limited right to exercise stock options for an extended period under Sections 6.1, 6.3 and 6.4 is not permitted, resulting in a payment to the Executive of an amount equal to the bargain element of the options, that payment, subject to Section 6.8, will be made in a single lump sum cash payment as soon as practicable following the Executive's termination on account of death, Retirement, Disability, Voluntary Termination of Employment, or Involuntary Termination of Employment, as the case may be.

Section 6.8. Six-Month Delay. Notwithstanding any other provision in this Agreement, if it is determined that the Executive is a Specified Employee and that any amount, fringe benefit or reimbursement payable under this Agreement (a) is subject to Section 409A of the Internal Revenue Code of 1986 (the "Code"), and (b) is payable solely because the Executive has "separated from service" within the meaning of Code Section 409A, no payments or reimbursements will be paid prior to the date that is six months after the date of separation from service (or, if earlier, the date of death of the Executive). Payments, including reimbursements, to which an Executive would otherwise be entitled during the first six months following the date of separation from service will be accumulated and paid, along with any interest, on the day that is six months after the date of separation from service. During the period of payment suspension,

all amounts accumulated will earn interest. Interest will be calculated using the average of the monthly borrowing rate under the Company's principal U.S. credit facilities or its equivalent for the six months prior to termination of service. Interest due the Executive will be determined by multiplying each delayed payment by the interest rate as determined, with the product then multiplied by a fraction, the numerator of which is the number of months each payment was delayed and the denominator of which is 12. For purposes of this Section a "Specified Employee" is an employee who is determined to be a "specified employee" within the meaning of Code Section 409A and related guidance, based on an identification date of December 31. If the Executive is a Specified Employee at any time during a 12-month period ending on December 31, he will be deemed to be a Specified Employee for the 12-month period commencing the following April 1.

ARTICLE VII.

ARTICLE VII- MISCELLANEOUS

Section 7.1. Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when received, if personally delivered, electronically transmitted, or mailed, first class postage prepaid, addressed to Company at Jamison Road and Seneca Street, East Aurora, New York 14052 (with a copy to Hodgson Russ LLP, attention John B. Drenning, Esq., 140 Pearl Street, Suite 100, Buffalo, New York 14202-4040), or to Executive at the address on the first page, or such other address as may be designated by notice in accordance with the provisions of this Section.

Section 7.2. Arbitration. All disputes, differences and controversies arising under or in connection with this Agreement, including but not limited to its interpretation,

construction, performance or application, shall be settled and finally determined by arbitration in the City of Buffalo, New York, under the then existing rules of the American Arbitration Association.

Section 7.3. Entire Agreement. This instrument contains the entire agreement of the parties with respect to its subject matter, and supersedes and replaces any prior agreement or understanding, and no amendment, modification or waiver of any provision hereof shall be valid unless it be in writing and signed by Company and Executive.

Section 7.4. Non-Waiver. The waiver of, or failure to take action with regard to, any breach of any term or condition of this Agreement shall not be deemed to constitute a continuing waiver or a waiver of any other breach of the same or any other term or condition.

Section 7.5. Paragraph and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way, the meaning or interpretation of this Agreement.

Section 7.6. Gender and Number. The masculine gender used herein shall be deemed to include the feminine and neuter genders, and vice versa, and the singular or plural, shall be deemed to include the plural or singular, as the case may be, when required by the context, and the word "person" shall include corporation, firm, partnership or other form of association.

Section 7.7. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any of which shall be deemed an original, and all of which together shall constitute one and the same instrument, notwithstanding that all of the parties are not signatory to the original or the same counterpart.

Section 7.8. Persons Bound — Non-Assignment. This Agreement and all of the provisions hereof shall be binding upon the parties hereto, their legal representatives, heirs, distributees, successors and assigns. Except as expressly stated herein, nothing in this Agreement is intended to confer upon any other person any rights or remedies under or by reason of this Agreement. Neither this Agreement nor any rights hereunder shall be assignable by Executive.

Section 7.9. Guarantee of Company. If Executive's services are assigned to any parent, subsidiary or affiliate of Company, Company shall remain liable as a guarantor of the obligations hereunder.

Section 7.10. Inconsistent Provisions. If any provision of this Agreement is inconsistent with any provision or any Plan or Resolution (including the Severance Pay Resolution) providing benefits substantially similar to those provided by this Agreement or any other document required or executed pursuant to this Agreement, the provisions of this Agreement shall be controlling.

Section 7.11. Severability. If any provision of this Agreement or the application thereof to any person or circumstances is held invalid, the remainder of this Agreement and the application of such provision to the other person and circumstances shall not be affected thereby and each term and condition of the Agreement shall be valid and enforced to the fullest extent permitted by law.

Section 7.12. Choice of Law. This Agreement shall be construed as to both validity and performance and enforced in accordance with and governed by the laws of the State of New York, without giving effect to the choice of law principles of those laws.

Section 7.13. No Conflicting Agreement. Executive represents and warrants to Company that he is not a party to, or bound by, any agreement, understanding or plan which

would interfere with or prevent performance under this Agreement. Company similarly represents and warrants to Executive.

Section 7.14. Attorney's Fees. In the event that any dispute or difference arising under or in connection with this Agreement results in arbitration or litigation, Company shall reimburse Executive for all reasonable Attorney's Fees and expenses if Executive prevails in such proceeding.

Section 7.15. Authorization. Company represents to Executive that this Agreement has been duly approved by its Board of Directors and execution by an appropriate officer duly authorized.

Section 7.16. Code Section 409A Savings Clause. Notwithstanding any other provision in this Agreement, to the extent any amounts payable under this Agreement (a) are subject to Code Section 409(A), and (b) the time or form of payment of those amounts would not be in compliance with Code Section 409A, then, to the extent possible, payment of those amounts will be made at such time and in such a manner that payment will be in compliance with Code Section 409A. If the time or form of payment cannot be modified in such a way as to be in compliance with Code Section 409A, then the payment will be as otherwise provided in this Plan, disregarding the provisions of this Section.

Section 7.17. 409A Liability Limitation. Benefits under the Agreement are intended to comply with the rules of Code Section 409A and will be construed accordingly. However, the Company will not be liable to any Executive or beneficiary with respect to any benefit related adverse tax consequences arising under Section 409A or other provision of the Code.

IN WITNESS WHEREOF, the undersigned parties hereto have duly executed this Agreement as of the day and year first above written.

MOOG INC.

WITNESS:

By _____

WITNESS:

[NAME], Executive

**MOOG INC.
AMENDED AND RESTATED
1998 STOCK OPTION PLAN**

I. PURPOSE

1.1 *General.* Moog Inc., a New York corporation (the “Company”), established this 1998 Stock Option Plan (the “Plan”) to further the Company’s growth and development by providing to non-employee directors and officers and other key employees who are in a position to contribute materially to the prosperity of the Company, through ownership of stock of the Company, an incentive to increase their interest in the Company’s welfare and continue their services and to afford a means through which the Company can attract to its service other employees of outstanding ability. The Plan was amended effective May 13, 1999, to provide for accelerated vesting and an extension of the exercise period under certain circumstances. The Company now amends and restates the Plan, effective January 11, 2011, to further extend the exercise period for non-qualified stock options and to incorporate all amendments into a single document.

1.2 *Form of Options.* Options granted under the Plan may be “incentive stock options” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”) or non-qualified stock options (*i.e.*, stock options which are not incentive stock options), or a combination of both, as determined by the Committee (as defined below) at the time of grant.

II. ADMINISTRATION

2.1 *Stock Option Committee.* The Plan shall generally be administered by the Stock Option Committee (“Committee”) of the Board of Directors of the Company (“Board”). The Committee shall consist of not less than two members of the Board, each of whom is a “Disinterested Board Member”. For purposes of the Plan, the term “Disinterested Board Member” means a member of the Board who (a) is not a current employee of the Company or any subsidiary of the Company (“Subsidiary”), (b) is not a former employee of the Company or a Subsidiary who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year, (c) has not been an officer of the Company, (d) does not receive remuneration from the Company or a Subsidiary, either directly or indirectly, in any capacity other than as a director, and (e) does not possess an interest in any other transaction, and is not engaged in a business relationship, for which disclosure would be required pursuant to Item 404(a) or (b) of Regulation S-K under the Securities Act of 1933, as amended. The term “Disinterested Board Member” shall be interpreted in such manner as shall be necessary to conform to the requirements of Section 162(m) of the Code and Rule 16b-3 promulgated under the Securities Exchange Act of 1934 (“Exchange Act”). Except as otherwise provided herein, the Committee, to be appointed by the Board, shall have full and complete power and authority to do all things necessary and proper for the administration of the Plan, including the power to interpret and construe its terms and provisions and to determine the individuals selected to receive options, the times when they shall receive them, the number and class of shares to be

subject to each option, whether any option is an incentive stock option or a non-qualified stock option, and the option price. Notwithstanding any other provision of the Plan, non-employee directors may only be granted non-qualified stock options under the Plan, the Board must approve any grant of non-qualified stock options to a non-employee director and such non-employee director must abstain from voting on such grant.

2.2 Rules and Regulations. The Committee, as it may deem advisable, may issue rules and regulations for the administration of the Plan. When so directed by the Committee, appropriate officers of the Company shall execute and deliver on behalf of the Company such options, agreements and other instruments as the Committee may determine necessary to the implementation of the Plan. The Committee may adopt and/or construe an appropriate form for any such options or agreements and instruments, which forms shall contain such provisions or conditions as the Committee deems necessary or advisable in carrying out the purposes of the Plan, provided, however, that no such provision or condition shall be inconsistent with the Plan.

2.3 Defects or Omissions. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any option or agreement in the manner and to the extent it shall deem expedient to carry it into effect, and shall be the sole and final judge of such expediency. The Committee's determination shall be conclusive.

III. STOCK SUBJECT TO THE PLAN

3.1 Number of Shares. Shares of the Company's Class A Common Stock, \$1.00 par value ("Class A Common Stock") shall be subject to the Plan. The total number of shares of Class A Common Stock which may be sold pursuant to options granted under the Plan shall not exceed 600,000 shares, as adjusted as provided in Section 3.2. The shares sold under the Plan may either be authorized and unissued shares or issued shares reacquired by the Company. Unless and until the Board shall determine to purchase shares in the market for the purpose of the Plan or to use treasury shares, the shares sold under the Plan shall be authorized and unissued shares reserved for such purpose. In the event that any options granted under the Plan shall terminate or expire for any reason without having been exercised in full, the shares not purchased under those options shall be available again for the purpose of the Plan.

3.2 Adjustments. Notwithstanding any provision of the Plan, in the event of any change in any shares of the outstanding Class A Common Stock or Class B Common Stock of the Company by reason of a stock dividend, recapitalization, merger, consolidation, split-up, combination or exchange of shares, or action of like nature, the aggregate number and class of shares as to which options may be granted to any individual and the number and class of shares subject to each outstanding option and the option prices shall be appropriately adjusted by the Committee, whose determination shall be conclusive.

IV. ELIGIBILITY AND PARTICIPATION

4.1 Participants. Options may be granted only to non-employee directors, full-time salaried officers and key employees of the Company or any of its subsidiaries.

4.2 Annual Limitations. To the extent that the aggregate fair market value (determined

as of the time the option is granted) of the shares of Class A Common Stock of the Company with respect to which options are exercisable for the first time by any individual during any calendar year under the Plan (and incentive stock options under all plans of the Company or of any "parent corporation" or "subsidiary corporation," as defined in Sections 424(e) and (f) of the Code) exceeds \$100,000, such options shall be treated as non-qualified stock options. The maximum number of shares of Class A Common Stock with respect to which any optionee may be granted options during any calendar year shall not exceed 15,000 shares.

4.3 Voting Power Limitation Applicable to Incentive Stock Options. If an incentive stock option is to be granted to an individual who at the time the option is granted owns stock possessing more than 10 percent of the total combined voting power of all classes of stock of the Company (as determined under Section 424(d) of the Code), the option price set out in the applicable portion of Section 5.1 hereof shall read "but shall not be less than 110 percent of its 'Fair Market Value'" and the period of exercise set out in the applicable portion of Section 6.1 hereof shall read "and ending not more than 5 years after the date on which option is granted".

V. PRICE

5.1 Determination. The purchase price of a share of Class A Common Stock under each option granted to an officer or key employee shall be determined by the Committee, but shall not be less than 100% of its Fair Market Value at the time of granting of the option, as determined in good faith by the Committee. The purchase price of a share of Class A Common Stock under each option granted to a non-employee director shall be determined by the Board, but shall not be less than 100% of its Fair Market Value at the time of granting of the option, as determined in good faith by the Board and the non-employee director shall abstain from voting on such determination.

5.2 Payment. Upon exercise of the option the purchase price of the shares being purchased shall be paid in full with cash or with stock of the Company.

5.3 Use of Proceeds. The proceeds from the issuance of Class A Common Stock upon the exercise of an option are to be added to the funds of the Company available for its general corporate purposes.

VI. EXERCISE OF OPTION

6.1 Period of Exercise. Each option granted under the Plan shall be exercisable only during such period as the Committee (or the Board in the case of an option granted to a non-employee director) may determine beginning not less than one year and ending not more than ten years after the date upon which the option is granted, except as such period may be modified under the provisions of Sections 6.2 or Articles VIII or XIX hereof. Within such limits each option shall provide, as determined by the Committee (or the Board in the case of an option granted to a non-employee director), the time or times at which and the number of shares of Class A Common Stock for which it may be exercised. Unless otherwise provided in the Committee's or the Board's action, each option shall be exercisable in whole at any time, or in part from time to time (in blocks of 25 shares or any multiple thereof) during the term of the option. The holder of an option shall have no rights as a shareholder with respect to shares subject to the option until such shares shall have been issued to him upon exercise of the option.

6.2 *Change in Control.*

(a) In the event of a “Change in Control” (as defined below) of the Company, all outstanding, unexpired options shall become exercisable as of the date of the Change in Control.

(b) A “Change in Control” shall be deemed to have occurred if:

(i) any “person,” as such term is used in Section 13(d) and 14(d) of the Exchange Act (other than (a) the Company or (b) any corporation owned, directly or indirectly, by the Company or the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company’s then-outstanding securities;

(ii) during any period of two consecutive years, there is elected 25% or more of the members of the Board of the Company without the approval or the nomination of such members by a majority of that portion of the Board consisting of members who were serving at the beginning of the two-year period;

(iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than (a) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent more than 80% of the combined voting power of the voting securities of the Company, or such surviving entity, outstanding immediately after such consolidation; or (b) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no “person” (as defined above) acquires more than 25% of the then-outstanding securities; or

(iv) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company’s assets.

VII. LIMITATIONS ON TRANSFERABILITY OF OPTIONS

7.1 *General.* Except as otherwise provided herein and in the option agreement, no option granted under the Plan shall be transferable otherwise than by will or the laws of descent and distribution, and an option may be exercised, during his lifetime, only by the optionee.

7.2 *Discretion to Permit Certain Transfers.* Notwithstanding Section 7.1 of the Plan, the Committee (or the Board in the case of an option granted to a non-employee director) may, in its sole discretion authorize all or a portion of the options granted to an optionee to be on terms which permit the transfer by such optionee to (a) the spouse, children, grandchildren, brothers or sisters of the optionee (“Immediate Family Members”), (b) a trust or trusts for the benefit of one or more of such Immediate Family Members, or (c) a partnership in which any of such Immediate Family Members are the only partners; provided, however, that (i) there may be no consideration for such transfer and the option agreement pursuant to which such options are granted must be approved by the Committee (or the Board in the case of an option granted to a

non-employee director) and (ii) subsequent transfers of transferred options shall be prohibited except transfers by will or the laws of descent and distribution. Following transfer, any transferred options shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer and the effects of termination of employment or termination of directorship of non-employee directors described in Article VIII or XIX, whichever is applicable, shall continue to apply to such options with respect to the original optionee or holder of the option and following any such termination, transferred options shall be exercisable by the transferee only to the extent and for the periods specified in Article VIII or XIX, whichever is applicable. Optionees transferring options in accordance with this Section 7.2 remain subject to the withholding tax requirements of Section 13.3 with respect to the transferred options.

VIII. ACCELERATION OF VESTING

8.1 *Acceleration of Vesting.* Upon the occurrence of any of the following events or circumstances (“Acceleration Event”), all options granted pursuant to this Plan will thereupon vest and become immediately exercisable:

- (a) death of an officer or key employee while in the employ of the Company;
- (b) death of a non-employee director while serving as a director of the Company;
- (c) Disability (within the meaning of Section 22(e)(3) of the Code) of an officer, a key employee, or a non-employee director;
- (d) except as hereinafter otherwise provided, retirement or termination of employment with the Company by an officer or key employee for any reason;
- (e) termination of a non-employee director’s service as a director of the Company for any reason; and
- (f) Change in Control within the meaning of Section 6.2.

8.2 *Exercise Following Acceleration Event.* Upon the occurrence of an Acceleration Event, outstanding incentive stock options may be exercised by the holder or by the legal representative of the option holder’s estate for a period of one year from the occurrence of the Acceleration Event, but in no event after the expiration date of the option. If an incentive stock option is exercised by an option holder more than three months after the option holder’s termination of employment with the Company for any reason other than for death or Disability, the option will be treated for tax purposes as a non-qualified stock option, in accordance with Sections 421 and 422 of the Code. Upon the occurrence of an Acceleration Event, outstanding non-qualified stock options may be exercised by the holder or by the legal representative of the option holder’s estate for a period of two years from the occurrence of the Acceleration Event, but in no event after the expiration date of the option.

8.3 *Termination for Cause.* Notwithstanding the foregoing, if the employment with the Company of an officer or key employee holding options is terminated for cause, as to which the Committee will be the sole and exclusive judge, the options shall expire immediately.

IX. AMENDMENT AND TERMINATION

9.1 *Term.* Unless the Plan has been terminated as hereinafter provided, the Plan shall terminate on November 13, 2007 and no option shall be granted under it thereafter. The Board may, at any time prior to that date, terminate the Plan.

9.2 *Amendment* The Board may also amend the Plan by making such changes and additions to it as the Board shall deem advisable; provided, however, that the Board may not, without further approval by the shareholders of the Company, adopt any amendment which, if not approved by shareholders, would cause the Plan or grants made hereunder not to be exempt from Section 16(b) of the Exchange Act pursuant to Rule 16b-3 promulgated thereunder, or any successor rule. No termination or amendment of the Plan may, without the consent of the holder of an option then existing, terminate his option or materially and adversely affect his rights under the option.

X. EFFECTIVE DATE

10.1 *Shareholder Approval.* The Plan shall become effective when it shall have been approved by the vote of the holders of a majority of the shares of Class A Common Stock and Class B Common Stock of the Company outstanding and entitled to vote at a meeting of shareholders.

XI. TIME OF GRANTING OF OPTIONS

11.1 *Formal Granting.* Nothing contained in the Plan or in any resolution adopted or to be adopted by the Board or the shareholders of the Company shall constitute the granting of an option hereunder. The granting of an option pursuant to the Plan and the acquisition of any rights as an option holder shall take place only when the Committee (or the Board in the case of an option granted to a non-employee director) authorizes the issuance of an option, and a formal, written and executed option agreement is delivered to the holder of the option.

11.2 *Ten Year Limit.* Options may be granted under the Plan within ten years from the date the Plan is adopted by the Board or the date the Plan is approved by the shareholders of the Company, whichever is earlier.

XII. MISCELLANEOUS PROVISIONS

12.1 *Option Date.* An option shall have been deemed to have been granted on the date fixed in the resolution of the Committee (or the Board in the case of an option granted to a non-employee director) authorizing the granting of such option, provided such date shall not be prior to the date of the adoption of such resolution. If no date is fixed by such resolution, the option shall be deemed to have been granted on the date of adoption of the resolution, provided that the agreement relating to the option shall be executed and delivered within thirty days therefrom, otherwise the option shall be deemed to have been granted on the date of delivery of such agreement to the optionee.

12.2 *Indemnification of Board and Committee.* Without limiting any other rights of

indemnification, the members of the Board and the Committee shall be indemnified by the Company against the reasonable expenses (including attorneys' fees, judgments, fines, and amounts paid in settlement) actually incurred as a result of any action, suit or proceeding, or any appeal therein ("such claim"), to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, and against all amounts paid by them in settlement of such claim, to the full extent permissible under Sections 721 through 726 of the Business Corporation Law of the State of New York; provided that within sixty days after institution of any such claim, the Board or Committee member involved offers the Company in writing the opportunity, at its own expense, to handle and defend the same.

12.3 *Taxes.* The Company shall be entitled to deduct from any payment under the Plan, regardless of the form of such payment, the amount of all applicable income and employment taxes required by law to be withheld with respect to such payment or may require the optionee to pay to it the amount of such taxes prior to and as a condition of making such payment. The Committee (or the Board in the case of an option granted a non-employee director) may allow an optionee to pay the amount of such taxes by withholding from the shares of Common Stock to be delivered upon exercise of an option, a number of shares of Common Stock with a Fair Market Value, as determined in good faith by the Committee (or the Board in the case of an option granted to a non-employee director), equal to the amount of such taxes, or by permitting the optionee to deliver to the Company shares of Common Stock having a Fair Market Value, as determined in good faith by the Committee (or the Board in the case of an option granted to a non-employee director), equal to the amount of such taxes.

**MOOG INC.
AMENDED AND RESTATED
2003 STOCK OPTION PLAN**

I. PURPOSE

1.1 *General.* Moog Inc., a New York corporation (the “Company”), established this 2003 Stock Option Plan (the “Plan”) to further the Company’s growth and development by providing to non-employee directors and officers and other key employees who are in a position to contribute materially to the prosperity of the Company, through ownership of stock of the Company, an incentive to increase their interest in the Company’s welfare and continue their services and to afford a means through which the Company can attract to its service other employees of outstanding ability. The Company now amends and restates the Plan, effective January 11, 2011, to extend the exercise period for non-qualified stock options under certain circumstances.

1.2 *Form of Options.* Options granted under the Plan may be “incentive stock options” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”), or non-qualified stock options (*i.e.*, stock options which are not incentive stock options), or a combination of both, as determined by the Committee (as defined below) at the time of grant.

II. ADMINISTRATION

2.1 *Stock Option Committee.* The Plan shall generally be administered by the Stock Option Committee (“Committee”) of the Board of Directors of the Company (“Board”). The Committee shall consist of not less than two members of the Board, each of whom is a “Disinterested Board Member.” For purposes of the Plan, the term “Disinterested Board Member” means a member of the Board who (a) is not a current employee of the Company or any subsidiary of the Company (“Subsidiary”), (b) is not a former employee of the Company or a Subsidiary who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year, (c) has not been an officer of the Company or a Subsidiary, (d) does not receive remuneration from the Company or a Subsidiary, either directly or indirectly, in any capacity other than as a director, and (e) does not possess an interest in any other transaction, and is not engaged in a business relationship, for which disclosure would be required pursuant to Item 404(a) or (b) of Regulation S-K under the Securities Act of 1933, as amended. The term “Disinterested Board Member” shall be interpreted in such manner as shall be necessary to conform to the requirements of Section 162(m) of the Code and Rule 16b-3 promulgated under the Securities Exchange Act of 1934 (“Exchange Act”). Except as otherwise provided herein, the Committee, to be appointed by the Board, shall have full and complete power and authority to do all things necessary and proper for the administration of the Plan, including the power to interpret and construe its terms and provisions and to determine the individuals selected to receive options, the times when they shall receive them, the number and class of shares to be subject to each option, whether any option is an incentive stock option or a non-qualified stock option, and the option price. Notwithstanding any other provision of the Plan, non-employee directors may only be granted non-qualified stock options under the Plan,

the Board must approve any grant of non-qualified stock options to a non-employee director and such non-employee director must abstain from voting on such grant.

2.2 Rules and Regulations. The Committee, as it may deem advisable, may issue rules and regulations for the administration of the Plan. When so directed by the Committee, appropriate officers of the Company shall execute and deliver on behalf of the Company such options, agreements and other instruments as the Committee may determine necessary to the implementation of the Plan. The Committee may adopt and/or construe an appropriate form for any such options or agreements and instruments, which forms shall contain such provisions or conditions as the Committee deems necessary or advisable in carrying out the purposes of the Plan, provided, however, that no such provision or condition shall be inconsistent with the Plan.

2.3 Defects or Omissions. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any option or agreement in the manner and to the extent it shall deem expedient to carry it into effect, and shall be the sole and final judge of such expediency. The Committee's determination shall be conclusive.

III. STOCK SUBJECT TO THE PLAN

3.1 Number of Shares. Shares of the Company's Class A Common Stock, \$1.00 par value ("Class A Common Stock") shall be subject to the Plan. The total number of shares of Class A Common Stock which may be sold pursuant to options granted under the Plan shall not exceed 600,000 shares, as adjusted as provided in Section 3.2. The shares sold under the Plan may either be authorized and unissued shares or issued shares reacquired by the Company. Unless and until the Board determines to purchase shares in the market for the purpose of the Plan or to use treasury shares, the shares sold under the Plan shall be authorized and unissued shares reserved for such purpose. In the event that any options granted under the Plan terminate or expire for any reason without having been exercised in full, the shares not purchased under those options shall be available again for the purpose of the Plan.

3.2 Adjustments. Notwithstanding any provision of the Plan, in the event of any change in any shares of the outstanding Class A Common Stock or Class B Common Stock of the Company by reason of a stock dividend, recapitalization, merger, consolidation, split-up, combination or exchange of shares, or action of like nature, the aggregate number and class of shares as to which options may be granted to any individual and the number and class of shares subject to each outstanding option and the option prices shall be appropriately adjusted by the Committee, whose determination shall be conclusive.

IV. PARTICIPATION AND LIMITATIONS

4.1 Participants. Options may be granted only to non-employee directors, full-time salaried officers and key employees of the Company or any Subsidiary.

4.2 Annual Limitations. To the extent that the aggregate fair market value (determined as of the time the option is granted) of the shares of Class A Common Stock of the Company with respect to which options are exercisable for the first time by any individual during any calendar year under the Plan (and incentive stock options under all plans of the Company or of any "parent corporation" or "subsidiary corporation," as defined in Sections

424(e) and (f) of the Code) exceeds \$100,000, such options shall be treated as non-qualified stock options. The maximum number of shares of Class A Common Stock with respect to which any optionee may be granted options during any calendar year shall not exceed 30,000 shares.

4.3 *Voting Power Limitation Applicable to Incentive Stock Options.* If an incentive stock option is to be granted to an individual who at the time the option is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company (as determined under Section 424(d) of the Code), the option price set out in the applicable portion of Section 5.1 hereof shall read “but shall not be less than 110% of its Fair Market Value” and the period of exercise set out in the applicable portion of Section 6.1 hereof shall read “and ending not more than five years after the date on which option is granted.”

V. PURCHASE PRICE AND PAYMENT

5.1 *Determination.* The purchase price of a share of Class A Common Stock under each option granted to an officer or key employee shall be determined by the Committee, but shall not be less than 100% of its Fair Market Value at the time of granting of the option, as determined in good faith by the Committee. The purchase price of a share of Class A Common Stock under each option granted to a non-employee director shall be determined by the Board, but shall not be less than 100% of its Fair Market Value at the time of granting of the option, as determined in good faith by the Board, and the non-employee director shall abstain from voting on such determination.

5.2 *Payment.* Upon exercise of the option the purchase price of the shares being purchased shall be paid in full with cash or with stock of the Company.

5.3 *Use of Proceeds.* The proceeds from the issuance of Class A Common Stock upon the exercise of an option are to be added to the funds of the Company available for its general corporate purposes.

VI. EXERCISE OF OPTION AND HOLDING PERIOD

6.1 *Period of Exercise* Each option granted under the Plan shall be exercisable only during such period as the Committee (or the Board in the case of an option granted to a non-employee director) may determine, provided the period ends not more than ten years after the date upon which the option is granted, except as such period may be modified under the provisions of Articles VII or IX. Within such limits each option shall provide, as determined by the Committee (or the Board in the case of an option granted to a non-employee director), the time or times at which and the number of shares of Class A Common Stock for which it may be exercised. Unless otherwise provided in the Committee’s or the Board’s action, each option shall be exercisable in whole or in part (in blocks of 25 shares or any multiple thereof) at any time during the term of the option. The holder of an option shall have no rights as a shareholder with respect to shares subject to the option until such shares have been issued to him upon exercise of the option.

6.2 *Holding Period.* As a condition to the grant of an option under the Plan, and subject to Section 6.3, except for options exercised on account of death, Disability (as defined in Section 6.3), termination of employment, termination of service as a director, or a Change in

Control (as defined in Section 7.2), all shares of stock received on exercise of an option must be held by the individual exercising the option for not less than three years from the date of exercise. If the option holder pays the purchase price on exercise with shares of Company stock, the holding period will not be imposed, and the individual will be permitted to sell or otherwise dispose of the shares acquired on exercise.

6.3 *Termination of Holding Period.* Upon the occurrence of any of the following events or circumstances, the holding period imposed under Section 6.2 will terminate and the individual (or the legal representative of the individual's estate) holding the shares acquired upon the exercise of an option under this Plan will be permitted to sell or otherwise dispose of the shares of stock:

- (a) death of the shareholder;
- (b) disability within the meaning of Section 22(e)(3) of the Code ("Disability") of a shareholder;
- (c) a Change in Control (as defined in Section 7.2); or
- (d) the shareholder's termination of employment with the Company or termination of service as a director of the Company.

VII. CHANGE IN CONTROL.

7.1 *Acceleration of Exercisability.* In the event of a Change in Control of the Company, all outstanding, unexpired options shall become exercisable as of the date of the Change in Control.

7.2 *Definition.* A "Change in Control" shall be deemed to have occurred if:

(a) any "person," as such term is used in Section 13(d) and 14(d) of the Exchange Act (other than (i) the Company or (ii) any corporation owned, directly or indirectly, by the Company or the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then-outstanding securities;

(b) during any period of two consecutive years, there is elected 25% or more of the members of the Board of the Company without the approval or the nomination of such members by a majority of that portion of the Board consisting of members who were serving at the beginning of the two-year period;

(c) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than (i) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent more than 80% of the combined voting power of the voting securities of the Company, or such surviving entity, outstanding immediately after such consolidation; or (ii) a merger or

consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no “person” (as defined above) acquires more than 25% of the then-outstanding securities; or

(d) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company’s assets.

VIII. LIMITATIONS ON TRANSFERABILITY OF OPTIONS

8.1 *General.* Except as otherwise provided herein and in the option agreement, no option granted under the Plan shall be transferable otherwise than by will or the laws of descent and distribution, and an option may be exercised, during his lifetime, only by the optionee.

8.2 *Discretion to Permit Certain Transfers.* Notwithstanding Section 8.1 of the Plan, the Committee (or the Board in the case of an option granted to a non-employee director) may, in its sole discretion, for non-qualified stock options only, authorize all or a portion of the options granted to an optionee to be on terms which permit the transfer by such optionee to (a) the spouse, children, grandchildren, brothers or sisters of the optionee (“Immediate Family Members”), (b) a trust or trusts for the benefit of one or more of such Immediate Family Members, or (c) a partnership in which any of such Immediate Family Members are the only partners; provided, however, that (i) there may be no consideration for such transfer and the option agreement pursuant to which such options are granted must be approved by the Committee (or the Board in the case of an option granted to a non-employee director) and (ii) subsequent transfers of transferred options shall be prohibited except transfers by will or the laws of descent and distribution. Following transfer, any transferred options shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, and the effects of termination of employment or termination of directorship of non-employee directors, described in Article IX, shall continue to apply to such options with respect to the original optionee or holder of the option and following any such termination, transferred options shall be exercisable by the transferee only to the extent and for the periods specified in Article IX. Optionees transferring options in accordance with this Section 8.2 remain subject to the withholding tax requirements of Section 13.3 with respect to the transferred options. Transferees will be subject to the same three year holding period described in Section 6.2 as originally applied to the optionee who transferred the options.

IX. ACCELERATION OF VESTING

9.1 *Acceleration of Vesting.* Upon the occurrence of any of the following events or circumstances (“Acceleration Event”), all options granted pursuant to this Plan will thereupon vest and become immediately exercisable:

- (a) death of an officer or key employee while in the employ of the Company;
- (b) death of a non-employee director while serving as a director of the Company;
- (c) Disability (as defined in Section 6.3) of an officer, a key employee, or a non-employee director;

(d) except as hereinafter otherwise provided, retirement or termination of employment with the Company by an officer or key employee for any reason;

(e) termination of a non-employee director's service as a director of the Company for any reason; and

(f) Change in Control within the meaning of Section 7.2.

9.2 Exercise Following Acceleration Event. Upon the occurrence of an Acceleration Event, outstanding incentive stock options may be exercised by the holder or by the legal representative of the option holder's estate for a period of one year from the occurrence of the Acceleration Event, but in no event after the expiration date of the option. If an incentive stock option is exercised by an option holder more than three months after the option holder's termination of employment with the Company for any reason other than for death or Disability, the option will be treated for tax purposes as a non-qualified stock option, in accordance with Sections 421 and 422 of the Code. Upon the occurrence of an Acceleration Event, outstanding non-qualified stock options may be exercised by the holder or by the legal representative of the option holder's estate for a period of two years from the occurrence of the Acceleration Event, but in no event after the expiration date of the option.

9.3 Termination for Cause. Notwithstanding the foregoing, if the employment with the Company of an officer or key employee holding options is terminated for cause, as to which the Committee will be the sole and exclusive judge, the options shall expire immediately.

X. AMENDMENT AND TERMINATION OF PLAN

10.1 Term. Unless the Plan has been terminated as hereinafter provided, the Plan shall terminate on November 26, 2012 and no option shall be granted under it thereafter. The Board may, at any time prior to that date, terminate the Plan.

10.2 Amendment. The Board may also amend the Plan by making such changes and additions to it as the Board deems advisable; provided, however, that the Board may not, without further approval by the shareholders of the Company, adopt any amendment which, if not approved by shareholders, would cause the Plan or grants made hereunder not to be exempt from Section 16(b) of the Exchange Act pursuant to Rule 16b-3 promulgated thereunder, or any successor rule. No termination or amendment of the Plan may, without the consent of the holder of an option then existing, terminate his option or materially and adversely affect his rights under the option.

XI. EFFECTIVE DATE

11.1 Shareholder Approval. The Plan shall become effective when it has been approved by the vote of the holders of a majority of the shares of Class A Common Stock and Class B Common Stock of the Company outstanding and entitled to vote at a meeting of shareholders.

XII. TIME OF GRANTING OF OPTIONS

12.1 *Formal Granting.* Nothing contained in the Plan or in any resolution adopted or to be adopted by the Board or the shareholders of the Company shall constitute the granting of an option hereunder. The granting of an option pursuant to the Plan and the acquisition of any rights as an option holder shall take place only when the Committee (or the Board in the case of an option granted to a non-employee director) authorizes the issuance of an option, and a formal, written and executed option agreement is delivered to the holder of the option.

12.2 *Ten Year Limit.* Options may be granted under the Plan within ten years from the date the Plan is adopted by the Board or the date the Plan is approved by the shareholders of the Company, whichever is earlier.

XIII. MISCELLANEOUS PROVISIONS

13.1 *Option Date.* An option shall be deemed to have been granted on the date fixed in the resolution of the Committee (or the Board in the case of an option granted to a non-employee director) authorizing the granting of such option, provided such date is not prior to the date of the adoption of such resolution. If no date is fixed by such resolution, the option shall be deemed to have been granted on the date of adoption of the resolution, provided that the agreement relating to the option is executed and delivered within thirty days therefrom, otherwise the option shall be deemed to have been granted on the date of delivery of such agreement to the optionee.

13.2 *Indemnification of Board and Committee.* Without limiting any other rights of indemnification, the members of the Board and the Committee shall be indemnified by the Company against the reasonable expenses (including attorneys' fees, judgments, fines, and amounts paid in settlement) actually incurred as a result of any action, suit or proceeding, or any appeal therein ("such claim"), to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, and against all amounts paid by them in settlement of such claim, to the full extent permissible under Sections 721 through 726 of the Business Corporation Law of the State of New York; provided that within sixty days after institution of any such claim, the Board or Committee member involved offers the Company in writing the opportunity, at its own expense, to handle and defend the same.

13.3 *Taxes.* The Company shall be entitled to deduct from any payment under the Plan, regardless of the form of such payment, the amount of all applicable income and employment taxes required by law to be withheld with respect to such payment or may require the optionee to pay to it the amount of such taxes prior to and as a condition of making such payment. The Committee (or the Board in the case of an option granted to a non-employee director) may allow an optionee to pay the amount of such taxes by withholding from the shares of Common Stock to be delivered upon exercise of an option, a number of shares of Common Stock with a Fair Market Value, as determined in good faith by the Committee (or the Board in the case of an option granted to a non-employee director), equal to the amount of such taxes, or by permitting the optionee to deliver to the Company shares of Common Stock having a Fair Market Value, as determined in good faith by the Committee (or the Board in the case of an option granted to a non-employee director), equal to the amount of such taxes.

**Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a) as adopted
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Robert T. Brady, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Moog Inc.;
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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 registrant's board of directors (or persons performing equivalent functions):
 - 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 February 9, 2011

/s/ Robert T. Brady

Robert T. Brady
Chief Executive Officer

**Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a) as adopted
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Donald R. Fishback, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Moog Inc.;
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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 registrant's board of directors (or persons performing equivalent functions):
 - 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 February 9, 2011

/s/ Donald R. Fishback

Donald R. Fishback
Chief Financial Officer

**Certification pursuant to
18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of Moog Inc. (the "Company") hereby certify that:

The Company's Quarterly Report on Form 10-Q for the quarter ended January 1, 2011 fully complies with the requirements of section 13(a) or 15(d) of the Securities and Exchange Act of 1934 and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 9, 2011

/s/ Robert T. Brady

Robert T. Brady
Chief Executive Officer

/s/ Donald R. Fishback

Donald R. Fishback
Chief Financial Officer

This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by the Company into such filing.