

	Q2 2015	Q2 2014	% Change	FY 2015 F	FY 2014 A	FY'15 v '14 Change
Sales	\$ 637.2	\$ 649.9	(2%)	\$ 2,540.1	\$ 2,648.4	(4%)
Net Earnings	32.1	37.7	(15%)	142.1	158.2	(10%)
Earnings Per Share	\$ 0.80	\$ 0.82	(2%)	\$ 3.55	\$ 3.52	1%
Segment Sales						
Aircraft Controls	\$ 274.4	\$ 274.8	(0%)	\$ 1,090.4	\$ 1,117.7	(2%)
Space and Defense Controls	93.3 ¹	95.3	(2%)	389.0 ¹	394.5	(1%)
Industrial Systems	129.1	151.2	(15%)	530.0	591.0	(10%)
Components	108.7	101.2	7%	410.0	425.1	(4%)
Medical Devices	31.7 ²	27.4	16%	120.8 ²	120.1	1%
	<u>\$ 637.2</u>	<u>\$ 649.9</u>	<u>(2%)</u>	<u>\$ 2,540.1</u>	<u>\$ 2,648.4</u>	<u>(4%)</u>
Operating Profit						
Aircraft Controls	\$ 22.3	\$ 25.9	(14%)	\$ 108.7	\$ 115.7	(6%)
Space and Defense Controls	4.9	9.0	(45%)	35.2	26.1	35%
Industrial Systems	12.7	14.9	(15%)	56.9	58.1	(2%)
Components	14.0	13.5	3%	55.9	65.2	(14%)
Medical Devices	2.7	1.4	93%	12.6	10.6	19%
	<u>\$ 56.5</u>	<u>\$ 64.7</u>	<u>(13%)</u>	<u>\$ 269.3</u>	<u>\$ 275.7</u>	<u>(2%)</u>
Operating Margins						
Aircraft Controls	8.1%	9.4%		10.0%	10.4%	
Space and Defense Controls	5.3%	9.4%		9.1%	6.6%	
Industrial Systems	9.8%	9.9%		10.7%	9.8%	
Components	12.8%	13.4%		13.6%	15.3%	
Medical Devices	8.4%	5.0%		10.4%	8.8%	
	<u>8.9%</u>	<u>10.0%</u>		<u>10.6%</u>	<u>10.4%</u>	
Cash Flow from Operations						
Cash Flow from Operations	\$ 53	\$ 48		\$ 280	\$ 287	
Capital Expenditures	(18)	(15)		(90)	(79)	
Free Cash Flow	<u>\$ 35</u>	<u>\$ 32</u>		<u>\$ 190</u>	<u>\$ 208</u>	
Share buyback	(81)	(19)		(187)	(266)	
Senior note offering	-	-		(5)	-	
Senior subordinated notes redemption activity	-	-		-	(16)	
Other Items	(12)	(4)		(29)	(17)	
Decrease (Increase) in Net Debt	<u>\$ (58)</u>	<u>\$ 9</u>		<u>\$ (31)</u>	<u>\$ (91)</u>	
Net Debt to Total Capitalization	40.0%	24.3%		35.5%	32.3%	
Depreciation and Amortization	\$ 27	\$ 28		\$ 109	\$ 109	
Effective Tax Rate	22.5%	29.6%		29.2%	27.7%	

Note - numbers may not add to totals due to rounding

1 : Includes \$8.3 for an out-of-period accounting correction.

2 : Includes \$1.2 due to the loss on the sale of a business.

Non-GAAP Financial Measures

We present Free Cash Flow, a non-GAAP measure. Free Cash Flow is defined as Cash Flow from Operations less Capital Expenditures. Management believes this non-GAAP financial measure provides investors important insight and measurement into the company's ongoing operational performance. The company does not intend for the information to be considered in isolation or as substitutes to the most closely related GAAP measures.

Cautionary Statement Regarding Forward Looking Information

The forecasts, projections and estimates contained in these materials, which can be identified by the use of forward looking terms, such as "project," "estimate," "2015 F," or variations thereon or comparable terminology, are forward looking statements made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995.

(USD in millions except for per share data)

	Q2 2015	Q2 2014	% Change	FY 2015 F	FY 2014 A	FY'15 v '14 Change
F-35	\$ 24.2	\$ 20.1	20%	\$ 75.9	\$ 82.2	(8%)
Helicopters	20.1	17.4	16%	68.6	71.0	(3%)
Military OEM - Other	35.8	44.7	(20%)	174.5	195.7	(11%)
Military OEM	80.2	82.2	(2%)	319.1	348.9	(9%)
Military Aftermarket	54.1	58.7	(8%)	208.8	223.0	(6%)
Military Aircraft	134.2	140.9	(5%)	527.9	571.9	(8%)
Boeing OEM	63.7	57.7	10%	245.0	242.9	1%
Airbus	22.0	17.3	27%	100.7	73.2	38%
Business Jets	14.0	10.8	30%	49.7	47.8	4%
Commercial OEM - Other	11.0	12.9	(15%)	51.7	51.7	(0%)
Commercial OEM	110.7	98.7	12%	447.0	415.7	8%
Commercial Aftermarket	29.5	35.3	(16%)	115.5	130.1	(11%)
Commercial Aircraft	140.2	133.9	5%	562.5	545.8	3%
Aircraft Controls	\$ 274.4	\$ 274.8	(0%)	\$ 1,090.4	\$ 1,117.7	(2%)
Satellites	\$ 31.4	\$ 35.4	(12%)	\$ 127.5	\$ 140.2	(9%)
Launch Vehicles and NASA	17.6	16.5	6%	73.0	78.9	(8%)
Space	48.9	52.0	(6%)	200.4	219.2	(9%)
Defense	44.3	43.3	2%	188.5	175.3	8%
Space and Defense Controls	93.3	95.3	(2%)	\$ 389.0	\$ 394.5	(1%)
Wind Energy	\$ 17.2	\$ 19.0	(10%)	\$ 71.0	\$ 76.5	(7%)
Energy - Other	15.5	19.9	(22%)	67.6	81.3	(17%)
Energy	32.7	38.9	(16%)	138.6	157.9	(12%)
Industrial Automation	68.2	80.2	(15%)	270.2	307.0	(12%)
Simulation and Test	28.2	32.0	(12%)	121.2	126.1	(4%)
Industrial Systems	\$ 129.1	\$ 151.2	(15%)	\$ 530.0	\$ 591.0	(10%)
Aircraft	\$ 30.4	\$ 29.6	3%	\$ 120.3	\$ 123.1	(2%)
Space and Defense	15.8	12.2	29%	60.5	56.3	7%
Aerospace and Defense	46.2	41.8	11%	180.8	179.4	1%
Energy	20.1	19.0	6%	61.5	84.4	(27%)
Medical	16.5	16.7	(1%)	66.0	67.3	(2%)
Industrial	25.9	23.7	9%	101.7	94.1	8%
Non Aerospace and Defense	62.5	59.3	5%	229.2	245.7	(7%)
Components	\$ 108.7	\$ 101.2	7%	\$ 410.0	\$ 425.1	(4%)
Pumps	\$ 10.0	\$ 8.3	20%	\$ 38.0	\$ 38.3	(1%)
Sets	11.8	9.5	23%	44.0	40.6	8%
Other	9.9	9.5	4%	38.8	41.3	(6%)
Medical Devices	\$ 31.7	\$ 27.4	16%	\$ 120.8	\$ 120.1	1%

Note - numbers may not add to totals due to rounding