

(USD in millions except for per share data)

	Q3 2020	Q3 2019	Q3 Change	FY 2019 A
Non-GAAP results excluding Q3 2020 charges related to the COVID-19 pandemic				
Sales	\$ 657.5	\$ 741.0	(11%)	\$ 2,904.7
Net Earnings	30.4	46.2	(34%)	174.5
Net Earnings Per Share	\$ 0.93	\$ 1.31	(29%)	\$ 4.96
Segment Sales				
Aircraft Controls	\$ 249.4	\$ 336.7	(26%)	\$ 1,303.0
Space and Defense Controls	183.9	173.0	6%	683.5
Industrial Systems	224.2	231.2	(3%)	918.2
	\$ 657.5	\$ 741.0	(11%)	\$ 2,904.7
Operating Profit				
Aircraft Controls	\$ 10.9	\$ 34.5	(68%)	\$ 122.7
Space and Defense Controls	22.8	24.1	(5%)	89.0
Industrial Systems	20.4	25.5	(20%)	109.5
	\$ 54.1	\$ 84.1	(36%)	\$ 321.1
Operating Margin				
Aircraft Controls	4.4%	10.2%		9.4%
Space and Defense Controls	12.4%	13.9%		13.0%
Industrial Systems	9.1%	11.0%		11.9%
	8.2%	11.4%		11.1%
Effective Tax Rate	6.9%	23.1%		23.1%

Difference between GAAP and Non-GAAP results				
Operating Profit				
Aircraft Controls	\$ (53.0)	\$ -		\$ -
Space and Defense Controls	(0.5)	-		-
Industrial Systems	(2.5)	-		-
	\$ (56.0)	\$ -		\$ -
Operating Margins				
Aircraft Controls	(21.2%)	-		-
Space and Defense Controls	(0.3%)	-		-
Industrial Systems	(1.1%)	-		-
	(8.5%)	-		-
Non-GAAP Net Earnings adjustment for Charges	(43.0)	-		-
Net Earnings	\$ (43.0)	\$ -		\$ -
Non-GAAP Net Earnings Per Share adjustment for Charges	\$ (1.32)	-		-
Net Earnings Per Share	\$ (1.32)	\$ -		\$ -
Effective Tax Rate	(39.2%)	-		-

(USD in millions except for per share data)

	Q3 2020	Q3 2019	Q3 Change	FY 2019 A
GAAP results				
Sales	\$ 657.5	\$ 741.0	(11%)	\$ 2,904.7
Net Earnings (Loss)	(12.6)	46.2	(127%)	174.5
Net Earnings (Loss) Per Share	\$ (0.39)	\$ 1.31	(130%)	\$ 4.96
Segment Sales				
Aircraft Controls	\$ 249.4	\$ 336.7	(26%)	\$ 1,303.0
Space and Defense Controls	183.9	173.0	6%	683.5
Industrial Systems	224.2	231.2	(3%)	918.2
	\$ 657.5	\$ 741.0	(11%)	\$ 2,904.7
Operating Profit (Loss)				
Aircraft Controls	\$ (42.1)	\$ 34.5	(222%)	\$ 122.7
Space and Defense Controls	22.3	24.1	(8%)	89.0
Industrial Systems	17.9	25.5	(30%)	109.5
	\$ (1.9)	\$ 84.1	(102%)	\$ 321.1
Operating Margins				
Aircraft Controls	(16.9%)	10.2%		9.4%
Space and Defense Controls	12.1%	13.9%		13.0%
Industrial Systems	8.0%	11.0%		11.9%
	(0.3%)	11.4%		11.1%
Effective Tax Rate	46.1%	23.1%		23.1%
GAAP results				
Cash Flow from Operations	\$ 107	\$ 20		\$ 181
Capital Expenditures	(17)	(31)		(118)
Free Cash Flow	\$ 90	\$ (11)		\$ 63
Share buybacks	-	-		(23)
Payment of dividends	-	(9)		(35)
Other items	2	(4)		(8)
Decrease (Increase) in Net Debt	\$ 92	\$ (23)		\$ (4)
Net Debt to Total Capitalization	41.5%	35.2%		35.9%
Depreciation and Amortization	\$ 22	\$ 21		\$ 85

Changes in FY 2019 results due to change in accounting principle

In the first quarter of 2020, we made a change in pension accounting principle. This change requires retrospective application. The Net Earnings Per Share impact of adoption for Q3 2019 was (\$0.04) and for FY 2019 was (\$0.15). All periods presented for Net Earnings and Net Earnings Per Share reflect this change in accounting principle, and Operating Profit is not impacted.

Non-GAAP financial measures

We present Non-GAAP adjusted Operating Profit and Margins, Effective Tax Rate, Net Earnings and Net Earnings Per Share which are reconciled in the table above. We also present Free Cash Flow, which is defined as Cash Flow from Operations less Capital Expenditures. Management believes this non-GAAP financial measure provides investors important insight into the Company's ongoing operational performance. The Company does not intend for this information to be considered in isolation, or as a substitute, to the most closely related GAAP measure.

		Q3 2020	Q3 2019	Q3 Change	FY 2019 A	
GAAP results	Military OEM	\$ 107.7	\$ 107.0	1%	\$ 414.7	
	Military Aftermarket	69.7	55.3	26%	207.4	
	Military Aircraft	177.4	162.3	9%	622.1	
	Commercial OEM	54.3	139.5	(61%)	539.8	
	Commercial Aftermarket	17.7	34.9	(49%)	141.1	
	Commercial Aircraft	71.9	174.5	(59%)	680.8	
	Aircraft Controls	\$ 249.4	\$ 336.7	(26%)	\$ 1,303.0	
	Space	\$ 74.3	\$ 55.7	33%	\$ 219.0	
	Defense	109.6	117.3	(7%)	464.5	
	Space and Defense Controls	\$ 183.9	\$ 173.0	6%	\$ 683.5	
	Energy	\$ 31.5	\$ 30.4	4%	\$ 120.8	
	Industrial Automation	94.5	113.8	(17%)	447.5	
	Simulation and Test	24.2	28.1	(14%)	122.9	
Medical	74.0	58.9	26%	227.0		
Industrial Systems	\$ 224.2	\$ 231.2	(3%)	\$ 918.2		

Note - numbers may not add to totals due to rounding

