



**One name.  
Many solutions.**

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# **Fourth Quarter and Full Year 2010 Earnings Conference Call**

**Richard C. Ill - Chairman and Chief Executive Officer**

**M. David Kornblatt - Executive Vice President,  
Chief Financial Officer & Treasurer**

**April 29, 2010**



**Triumph Group, Inc.**



## Forward-Looking Information is Subject to Risk and Uncertainty

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**Parts of this presentation contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause Triumph's actual results, performance, or achievements to be materially different from any expected future results, performance, or achievements. For more information, see the risk factors described in Triumph's current Form 10-K and other SEC filings.**



## Q4 / FY 2010 in Review

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### **▼ Strong Quarter Despite Headwinds**

- **Year Over Year and Sequential Increase to Sales, Operating Income and Margin**
- **Organic Sales Growth in Aerospace Systems Group**
- **Q4 Results Include Increased Interest Expense and Vought Transaction Costs**

### **▼ Strong Cash Flow**

### **▼ Backlog Remains Strong and Grew \$60 Million in Q4**

### **▼ Strong Balance Sheet**

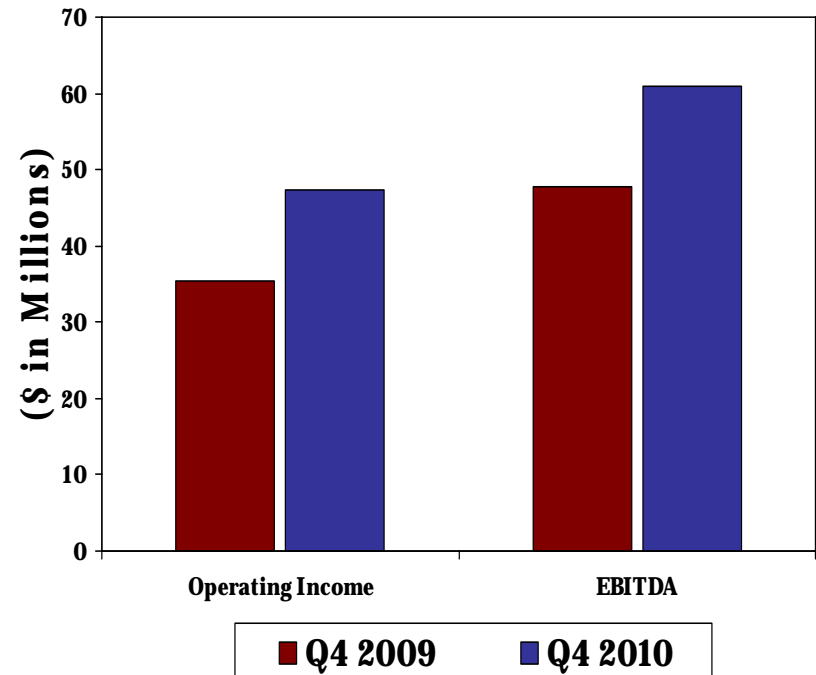


# Financial Performance

## Quarterly Comparison

*(\$ in millions except per share data)*

	Q4		
	2010	2009	Change
<b>Sales</b>	\$ 352.0	\$ 311.2	13%
<b>Operating Income</b>	47.3	35.4	34%
<i>Operating Margin</i>	<i>13.5%</i>	<i>11.4%</i>	
<b>EBITDA</b>	60.9	47.8	27%
<i>EBITDA Margin</i>	<i>17.3%</i>	<i>15.3%</i>	
<b>Income from Continuing Operations</b>	25.0	22.6	11%
<b>Loss from Discontinued Operations</b>	(0.3)	(1.6)	
<b>Net Income</b>	24.7	20.9	18%
<b>Earnings per Share (Diluted): Continuing Operations</b>	\$ 1.49	\$ 1.36	
<b>Discontinued Operations</b>	(0.02)	(0.10)	
<b>Net Income</b>	\$ 1.47	\$ 1.26	



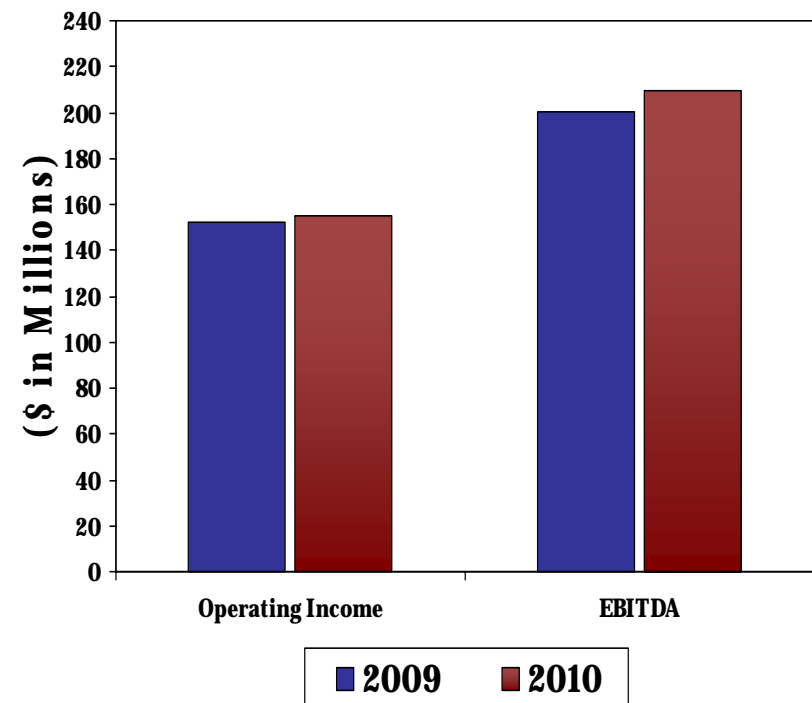


# Financial Performance

## Annual Comparison

*(\$ in millions except per share data)*

	YTD		
	2010	2009	Change
<b>Sales</b>	\$ 1,294.8	\$ 1,240.4	4%
<b>Operating Income</b>	155.3	151.9	2%
<i>Operating Margin</i>	12.0%	12.2%	
<b>EBITDA</b>	209.7	200.5	5%
<i>EBITDA Margin</i>	16.2%	16.2%	
<b>Income from Continuing Operations</b>	85.3	92.7	(8%)
<b>Loss from Discontinued Operations</b>	(17.5)	(4.7)	
<b>Net Income</b>	\$ 67.8	\$ 88.0	(23%)
<b>Earnings per Share (Diluted):</b>			
<b>Continuing Operations</b>	\$ 5.12	\$ 5.59	
<b>Discontinued Operations</b>	\$ (1.05)	\$ (0.29)	
<b>Net Income</b>	\$ 4.07	\$ 5.30	





# Segment Performance

## Aerospace Systems

(\$ in millions)

Aerospace Systems		Q4			YTD		
		2010	2009	Change	2010	2009	Change
	<b>Sales</b>	\$ 294.2	\$ 249.8	18%	\$ 1,073.5	\$ 988.4	9%
	<b>Operating Income</b>	50.4	41.2	23%	170.5	168.0	2%
	<b>Operating Margin</b>	17.1%	16.5%		15.9%	17.0%	
	<b>EBITDA</b>	60.6	50.0	21%	211.2	202.8	4%
	<b>EBITDA Margin</b>	20.6%	20.0%		19.7%	20.5%	



# Segment Performance

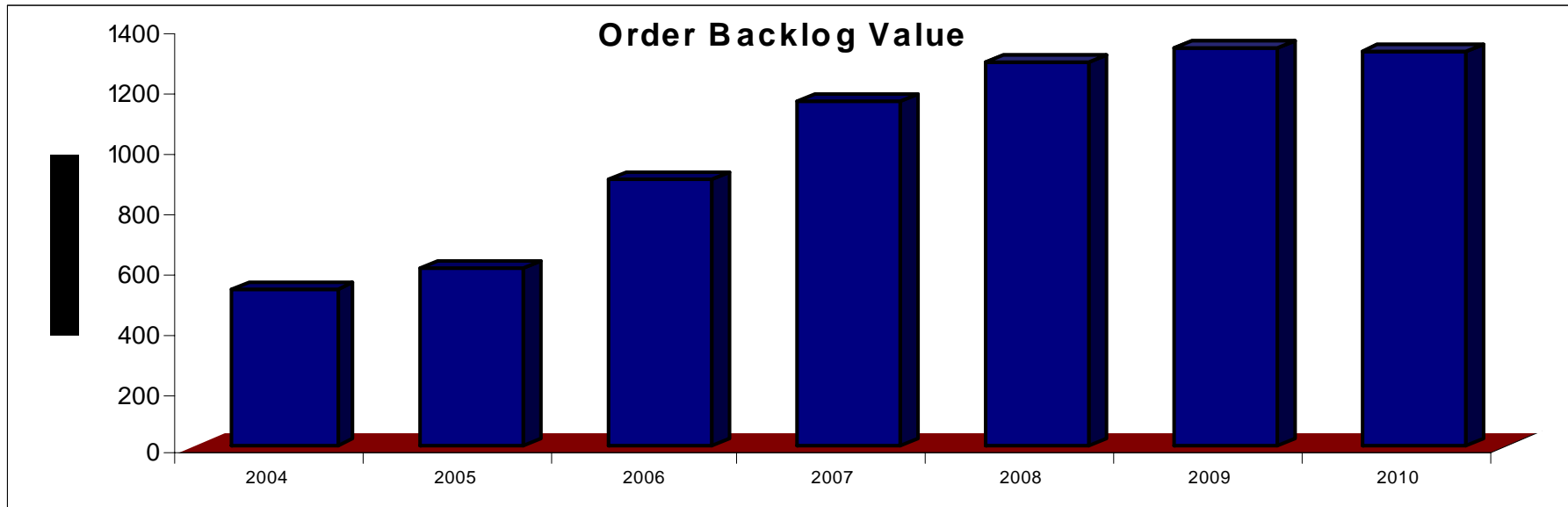
## Aftermarket Services

(\$ in millions)

	Q4			YTD			
	2010	2009	Change	2010	2009	Change	
<b>Aftermarket Services</b>	<b>Sales</b>	\$ 58.5	\$ 62.1	(6%)	\$ 225.0	\$ 254.6	(12%)
	<b>Operating Income</b>	3.8	1.9	104%	11.1	10.9	2%
	<b>Operating Margin</b>	6.5%	3.0%		4.9%	4.3%	
	<b>EBITDA</b>	7.1	5.2	36%	24.0	24.4	(2%)
	<b>EBITDA Margin</b>	12.1%	8.3%		10.7%	9.6%	



# Backlog



**Order Backlog is \$1.31 Billion, a Sequential Increase of 5%.  
Military Represents Approximately 43% of Total Backlog.**

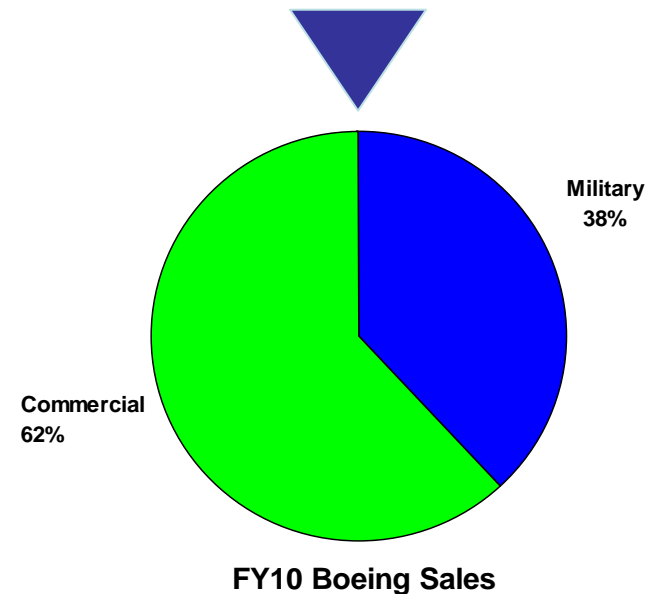




# Top 10 Programs

Top Programs
1. Boeing 777
2. Boeing 737 NG
3. V-22 Osprey
4. Boeing 787
5. CH-47 Chinook
6. UH-60 Black Hawk
7. Lockheed Martin C-130
8. Boeing 747
9. Boeing C-17
10. Boeing F-15

>10% Customers	FY10 % of Sales	FY09 % of Sales
Boeing	30.0%	23.0%



Boeing is the only customer with >10% of sales.



# Sales by Market

(\$ in Millions)	FY2010		FY 2009	
	Sales	% of Total	Sales	% of Total
<b>Commercial</b>	<b>\$ 626</b>	<b>48%</b>	<b>\$ 529</b>	<b>43%</b>
<b>Military</b>	<b>483</b>	<b>37%</b>	<b>450</b>	<b>36%</b>
<b>Regional Jets</b>	<b>48</b>	<b>4%</b>	<b>73</b>	<b>6%</b>
<b>Business Jets</b>	<b>68</b>	<b>5%</b>	<b>109</b>	<b>9%</b>
<b>Non-Aviation</b>	<b>70</b>	<b>6%</b>	<b>79</b>	<b>6%</b>
<b>Total Sales</b>	<b>\$ 1,295</b>	<b>100%</b>	<b>\$ 1,240</b>	<b>100%</b>
<b>OEM</b>		<b>72%</b>		<b>67%</b>
<b>Aftermarket</b>		<b>23%</b>		<b>27%</b>
<b>Other</b>		<b>5%</b>		<b>6%</b>
<b>Total</b>		<b>100%</b>		<b>100%</b>



# Sales Trends

Same Store Sales						
<i>(in millions)</i>	Q4			YTD		
	2010	2009	Change	2010	2009	Change
Aerospace Systems	\$ 255.1	\$ 248.2	3%	\$ 948.9	\$ 986.7	(4%)
Aftermarket Services	\$ 58.2	\$ 62.1	(6%)	\$ 224.7	\$ 254.6	(12%)
<b>Total Same Store Sales</b>	<b>\$ 313.3</b>	<b>\$ 310.3</b>	<b>1%</b>	<b>\$1,173.6</b>	<b>\$1,241.3</b>	<b>(5%)</b>

Export Sales						
<i>(in millions)</i>	Q4			YTD		
	2010	2009	Change	2010	2009	Change
Export Sales	\$ 72.2	\$ 62.8	15%	\$ 256.0	\$ 266.6	(4%)



# Cash Flow

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*(\$ in millions)*

	Q4		YTD	
	2010	2009	2010	2009
<b>Cash Flow from Operations</b>	\$ 43.2	\$ 58.2	\$ 169.6	\$ 135.0
<b>CAPEX</b>	\$ 9.9	\$ 14.2	\$ 31.7	\$ 45.4



# Current Capitalization

<i>(\$ in millions)</i>	<b><u>3/31/2010</u></b>
<b>Cash</b>	<b>(\$157.2)</b>
<b>Revolver</b>	<b>-</b>
<b>Convertible Debt</b>	<b>169.6</b>
<b>Securitized Debt</b> (Accounts Receivables & Capital Leases)	<b>144.6</b>
<b>Senior Subordinated Promissory Notes</b>	<b>172.5</b>
<b>Other Debt</b>	<b>29.6</b>
<b>Net Debt</b>	<b><u>\$359.1</u></b>
<b>Shareholders' Equity</b>	<b><u>860.7</u></b>
<b>Total Book Capitalization</b>	<b><u><u>\$1,219.8</u></u></b>

**Net Debt-to-Capitalization**

**29%**



# Fiscal 2011 Outlook

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- ▼ Backlog Remains Strong**
- ▼ Tracking Toward Late June/Early July Close for Vought Acquisition**
  - **Focusing on Integration**
- ▼ FY 2011 Guidance, Based on Current Production Schedules is:**
  - **Revenue of \$1.3 to \$1.4 Billion**
  - **EPS From Continuing Operations of Approximately \$4.65 Per Share**
  - **Share Count of 17.2 Million Shares**
  - **Full Year Impact of November 2009 High Yield Debt Offering**
  - **\$2.5 Million of Mexico Start-Up Costs**
  - **Assumes a Tax Rate of 34%**
  - **Reflects TGI on a Stand-Alone Basis and Excludes Expected Integration and Transaction Costs Associated with the Vought Acquisition**
- ▼ Will Update FY 2011 Guidance to Include Vought Upon Closing of Acquisition**



# Appendix

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# EBITDA Disclosure

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**FINANCIAL DATA (UNAUDITED)  
TRIUMPH GROUP, INC. AND SUBSIDIARIES  
(dollars in thousands)**

**Non-GAAP Financial Measure Disclosures**

We prepare and publicly release quarterly unaudited financial statements prepared in accordance with GAAP. In accordance with recent Securities and Exchange Commission (the "SEC") guidance on Compliance and Disclosure Interpretations, we also disclose and discuss certain non-GAAP financial measures in our public releases. Currently, the non-GAAP financial measure that we disclose is EBITDA, which is our income from continuing operations before interest, income taxes, depreciation and amortization. We disclose EBITDA on a consolidated and an operating segment basis in our earnings releases, investor conference calls and filings with the SEC. The non-GAAP financial measures that we use may not be comparable to similarly titled measures reported by other companies. Also, in the future, we may disclose different non-GAAP financial measures in order to help our investors more meaningfully evaluate and compare our future results of operations to our previously reported results of operations.

We view EBITDA as an operating performance measure and as such we believe that the GAAP financial measure most directly comparable to it is income from continuing operations. In calculating EBITDA, we exclude from income from continuing operations the financial items that we believe should be separately identified to provide additional analysis of the financial components of the day-to-day operation of our business. We have outlined below the type and scope of these exclusions and the material limitations on the use of these non-GAAP financial measures as a result of these exclusions. EBITDA is not a measurement of financial performance under GAAP and should not be considered as a measure of liquidity, as an alternative to net income (loss), income from continuing operations, or as an indicator of any other measure of performance derived in accordance with GAAP. Investors and potential investors in our securities should not rely on EBITDA as a substitute for any GAAP financial measure, including net income (loss) or income from continuing operations. In addition, we urge investors and potential investors in our securities to carefully review the reconciliation of EBITDA to income from continuing operations set forth below, in our earnings releases and in other filings with the SEC and to carefully review the GAAP financial information included as part of our Quarterly Reports on Form 10-Q and our Annual Reports on Form 10-K that are filed with the SEC, as well as our quarterly earnings releases, and compare the GAAP financial information with our EBITDA.

EBITDA is used by management to internally measure our operating and management performance and by investors as a supplemental financial measure to evaluate the performance of our business that, when viewed with our GAAP results and the accompanying reconciliation, we believe provides additional information that is useful to gain an understanding of the factors and trends affecting our business. We have spent more than 15 years expanding our product and service capabilities partially through acquisitions of complementary businesses. Due to the expansion of our operations, which included acquisitions, our income from continuing operations has included significant charges for depreciation and amortization. EBITDA excludes these charges and provides meaningful information about the operating performance of our business, apart from charges for depreciation and amortization. We believe the disclosure of EBITDA helps investors meaningfully evaluate and compare our performance from quarter to quarter and from year to year. We also believe EBITDA is a measure of our ongoing operating performance because the isolation of non-cash charges, such as depreciation and amortization, and non-operating items, such as interest and income taxes, provides additional information about our cost structure, and, over time, helps track our operating progress. In addition, investors, securities analysts and others have regularly relied on EBITDA to provide a financial measure by which to compare our operating performance against that of other companies in our industry.

Set forth below are descriptions of the financial items that have been excluded from our income from continuing operations to calculate EBITDA and the material limitations associated with using this non-GAAP financial measure as compared to income from continuing operations:

- Amortization expenses may be useful for investors to consider because it represents the estimated attrition of our acquired customer base and the diminishing value of product rights and licenses. We do not believe these charges necessarily reflect the current and ongoing cash charges related to our operating cost structure.
- Depreciation may be useful for investors to consider because they generally represent the wear and tear on our property and equipment used in our operations. We do not believe these charges necessarily reflect the current and ongoing cash charges related to our operating cost structure.
- The amount of interest expense and other we incur may be useful for investors to consider and may result in current cash inflows or outflows. However, we do not consider the amount of interest expense and other to be a representative component of the day-to-day operating performance of our business.
- Income tax expense may be useful for investors to consider because it generally represents the taxes which may be payable for the period and the change in deferred income taxes during the period and may reduce the amount of funds otherwise available for use in our business. However, we do not consider the amount of income tax expense to be a representative component of the day-to-day operating performance of our business.





# EBITDA Disclosure

(Continued)

## FINANCIAL DATA (UNAUDITED)

### TRIUMPH GROUP, INC. AND SUBSIDIARIES

(dollars in thousands)

#### Non-GAAP Financial Measure Disclosures, continued

Management compensates for the above-described limitations of using non-GAAP measures by using a non-GAAP measure only to supplement our GAAP results and to provide additional information that is useful to gain an understanding of the factors and trends affecting our business.

The following table shows our EBITDA reconciled to our income from continuing operations for the indicated periods (in thousands):

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	2010	2009	2010	2009
<b>Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):</b>				
Income from Continuing Operations	\$24,996	\$22,569	\$85,288	\$92,741
Add-back:				
Income Tax Expense	12,079	10,508	41,167	43,124
Gain on Early Extinguishment of Debt	0	(299)	(39)	(880)
Interest Expense and Other	10,270	2,663	28,865	16,929
Depreciation and Amortization	13,560	12,326	54,418	48,611
Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$60,905	\$47,767	\$209,699	\$200,525
Net Sales	\$351,982	\$311,188	\$1,294,780	\$1,240,378
EBITDA Margin	17.3%	15.3%	16.2%	16.2%



# EBITDA Disclosure

(Continued)

## FINANCIAL DATA (UNAUDITED)

### TRIUMPH GROUP, INC. AND SUBSIDIARIES (dollars in thousands)

#### Non-GAAP Financial Measure Disclosures (continued)

#### Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):

	Three Months Ended March 31, 2010			
	Total	Segment Data		
		Aerospace Systems	Aftermarket Services	Corporate / Eliminations
Income from Continuing Operations	\$24,996			
Add-back:				
Income Tax Expense	12,079			
Gain on Early Extinguishment of Debt	0			
Interest Expense and Other	10,270			
Operating Income (Expense)	\$47,345	\$50,436	\$3,815	(\$6,906)
Depreciation and Amortization	13,560	10,116	3,244	200
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$60,905	\$60,552	\$7,059	(\$6,706)
Net Sales	\$351,982	\$294,218	\$58,486	(\$722)
EBITDA Margin	17.3%	20.6%	12.1%	n/a

#### Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):

	Twelve Months Ended March 31, 2010			
	Total	Segment Data		
		Aerospace Systems	Aftermarket Services	Corporate / Eliminations
Income from Continuing Operations	\$85,288			
Add-back:				
Income Tax Expense	41,167			
Gain on Early Extinguishment of Debt	(39)			
Interest Expense and Other	28,865			
Operating Income (Expense)	\$155,281	\$170,457	\$11,109	(\$26,285)
Depreciation and Amortization	54,418	40,789	12,894	735
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$209,699	\$211,246	\$24,003	(\$25,550)
Net Sales	\$1,294,780	\$1,073,494	\$224,991	(\$3,705)
EBITDA Margin	16.2%	19.7%	10.7%	n/a



# EBITDA Disclosure

(Continued)

## FINANCIAL DATA (UNAUDITED)

### TRIUMPH GROUP, INC. AND SUBSIDIARIES

(dollars in thousands)

#### Non-GAAP Financial Measure Disclosures (continued)

##### Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):

	Three Months Ended March 31, 2009			
	Total	Segment Data		
		Aerospace Systems	Aftermarket Services	Corporate / Eliminations
Income from Continuing Operations	\$22,569			
Add-back:				
Income Tax Expense	10,508			
Gain on Early Extinguishment of Debt	(299)			
Interest Expense and Other	2,663			
Operating Income (Expense)	\$35,441	\$41,152	\$1,874	(\$7,585)
Depreciation and Amortization	12,326	8,896	3,309	121
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$47,767	\$50,048	\$5,183	(\$7,464)
Net Sales	\$311,188	\$249,807	\$62,082	(\$701)
EBITDA Margin	15.3%	20.0%	8.3%	n/a

##### Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):

	Twelve Months Ended March 31, 2009			
	Total	Segment Data		
		Aerospace Systems	Aftermarket Services	Corporate / Eliminations
Income from Continuing Operations	\$92,741			
Add-back:				
Income Tax Expense	43,124			
Gain on Early Extinguishment of Debt	(880)			
Interest Expense and Other	16,929			
Operating Income (Expense)	\$151,914	\$168,006	\$10,876	(\$26,968)
Depreciation and Amortization	48,611	34,784	13,515	312
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$200,525	\$202,790	\$24,391	(\$26,656)
Net Sales	\$1,240,378	\$988,359	\$254,638	(\$2,619)
EBITDA Margin	16.2%	20.5%	9.6%	n/a



# EBITDA Disclosure

(Continued)

## FINANCIAL DATA (UNAUDITED)

### TRIUMPH GROUP, INC. AND SUBSIDIARIES (dollars in thousands)

#### Non-GAAP Financial Measure Disclosures

We use "Net Debt to Capital" as a measure of financial leverage. The following table sets forth the computation of Net Debt to Capital:

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
<b><u>Calculation of Net Debt</u></b>		
Current portion	\$ 91,929	\$ 89,085
Long-term debt	424,351	370,311
Total debt	<u>516,280</u>	<u>459,396</u>
Less: Cash and cash equivalents	157,218	14,478
Net debt	<u>\$ 359,062</u>	<u>\$ 444,918</u>
<b><u>Calculation of Capital</u></b>		
Net debt	\$ 359,062	\$ 444,918
Stockholders' equity	860,686	788,563
Total capital	<u>\$ 1,219,748</u>	<u>\$ 1,233,481</u>
Percent of net debt to capital	29.4%	36.1%

#####



**Triumph Group, Inc.**