



Second Quarter Fiscal 2011 Earnings Conference Call

Richard C. Ill - Chairman and Chief Executive Officer
M. David Kornblatt - Executive Vice President,
Chief Financial Officer & Treasurer

November 3, 2010





Forward-Looking Information is Subject to Risk and Uncertainty

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.



Q2 FY 2011 in Review

▼ Strong Quarter

- **EPS From Continuing Operations of \$1.70 Excluding Integration Costs**
- **Organic Growth in Revenue in All Three Business Segments**
- **Generated Significant Cash Flow**
- **Vought Transaction Accretive in the Quarter**
- **Meaningful Improvement in Aftermarket Services Revenue Growth and Margins**

▼ Integration of Vought Progressing Well

- **On Track to Deliver Synergy Target of \$15 Million Within 12 to 18 Months**

▼ Strong Backlog

▼ Balance Sheet Remains Strong

▼ Positive Momentum in Markets

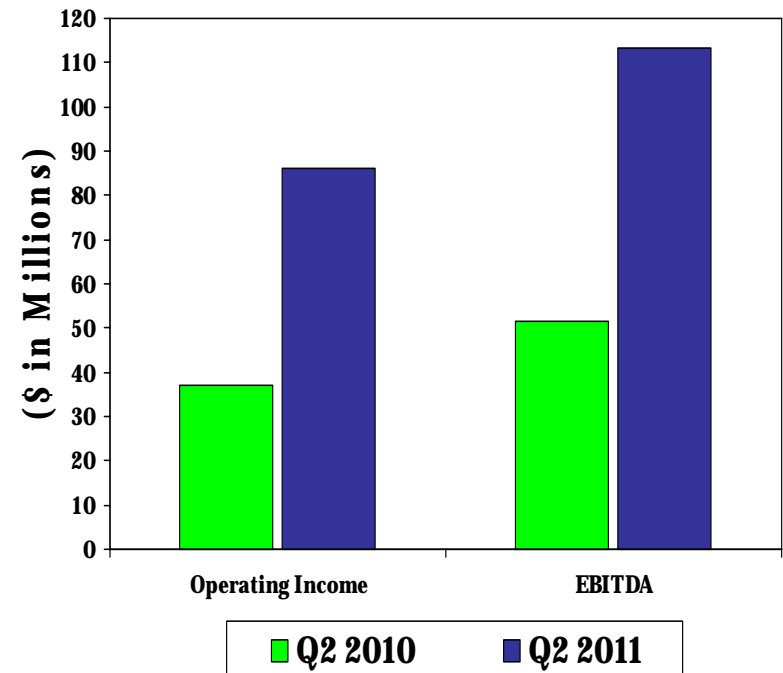


Financial Performance

Quarterly Comparison

(\$ in millions except per share data)

	Q2		
	2011	2010	Change
Sales	\$ 769.1	\$ 313.1	146%
Operating Income	86.1 *	37.1	132%
<i>Operating Margin</i>	11.2%	11.9%	
EBITDA	104.5	51.4	103%
Income from Continuing Operations	41.8	20.7	102%
Loss from Discontinued Operations	(0.3)	(1.3)	
Net Income	41.5	19.4	114%
Earnings per Share (Diluted): Continuing Operations	\$ 1.67	\$ 1.25	
Discontinued Operations	(0.01)	(0.08)	
Net Income	\$ 1.66	\$ 1.17	



* Includes \$1.3 million in integration costs



Segment Performance

Aerostructures

Aerostructures	(in millions)	Q2		
		2011	2010	Change
		Sales	\$ 578.6	\$ 139.6
Operating Income	70.0	20.3	245%	
Operating Margin	12.1%	14.5%		



Segment Performance

Aerospace Systems

Aerospace Systems	(in millions)	Q2		
		2011	2010	Change
		Sales	\$ 123.5	\$ 118.0
Operating Income	17.1	18.8	(9%)	
Operating Margin	13.9%	16.0%		



Segment Performance

Aftermarket Services

Aftermarket Services	(in millions)	Q2		
		2011	2010	Change
		Sales	\$ 68.7	\$ 57.3
Operating Income	8.2	3.5	135%	
Operating Margin	11.9%	6.1%		



Key Financial Assumptions

Triumph Aerostructures-Vought Aircraft Division

Pension / OPEB Analysis	FY 2011 (6/16/2010- 3/31/2011)	FY 2011 Annualized for 12 months	Calendar Year 2009
Pension Expense	≈ \$16 million ¹	≈ \$20 million ¹	\$70 million
Cash Pension Contribution	≈ \$136 million		
OPEB Expense	≈ \$20 million ¹	≈ \$26 million ¹	\$7 million
Cash OPEB Contribution	≈ \$29 million		

Purchase Accounting Impact Compared to Pre-Acquisition Amounts Dr/(Cr)	B/S Impact of Step Up to 6/15/10 Net Book Value	P&L Impact FY 2011	P&L Impact FY 2012
Fixed Assets	\$104 million ¹	(\$7.3) million ^{1, 2}	(\$9.3) million ¹
Amortizable Customer Intangibles	\$213 million ¹	\$6.2 million ^{1, 2}	\$7.8 million ¹
Contract Liabilities	(\$133) million ¹	(\$25) million ¹	(\$31.2) million ¹
Fair Value Leasehold	\$13 million ¹	\$2.7 million ¹	\$3.4 million ¹

**EPS Impact of Q2/YTD Transaction and Integration Costs
based on expected Y/E weighted average share count
of 23.5 million:**

<u>Q2</u>	<u>YTD</u>
\$0.03	\$0.60

**Tax Rate for remainder of FY 2011 excluding tax impact of
non-deductible transaction costs and no R&D tax credit:**

36%

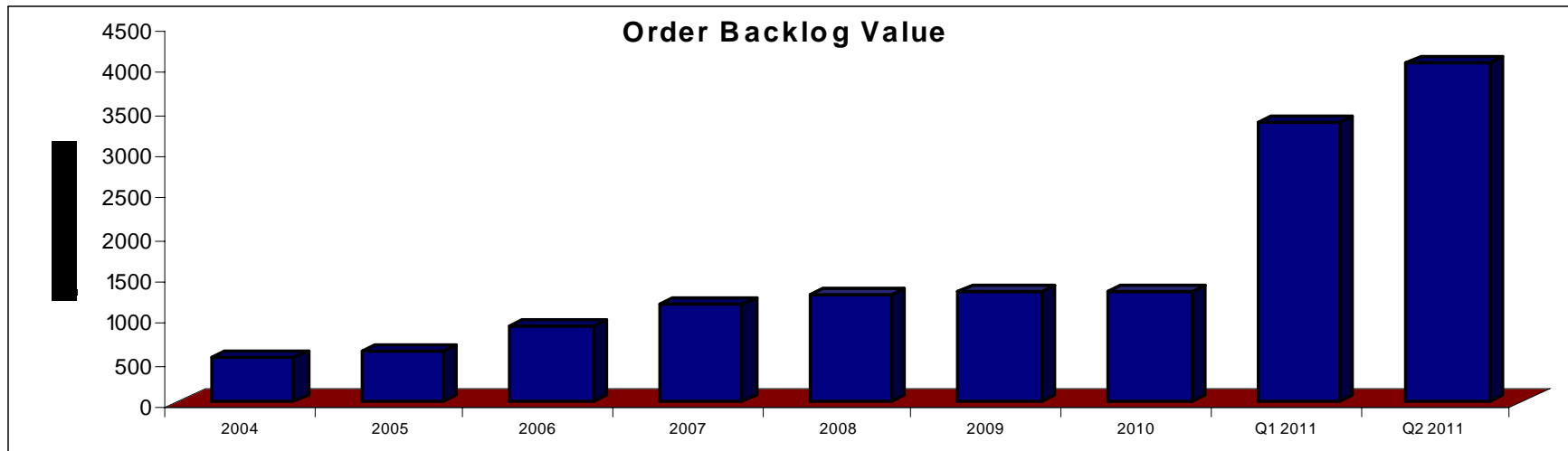
The amounts are subject to change based on finalization of purchase price accounting.

¹ Estimates are based on preliminary purchase price allocation.

² Increase to useful life has offset impact of step up



Backlog



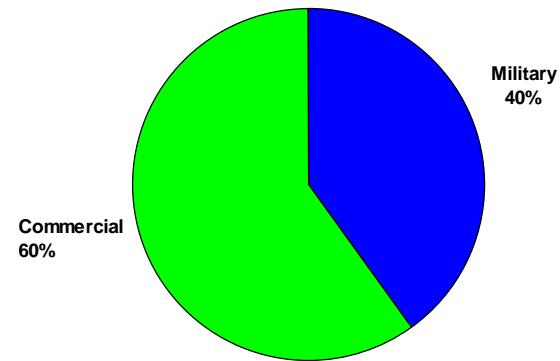
Order Backlog Has Grown to \$4.04 Billion, which Includes Acquired Backlog from Vought of \$2.04 Billion. Same Store Backlog Increased 15% Year Over Year and 5% Sequentially. Military Represents Approximately 34% of Total Backlog.



Top 10 Programs

Top Programs
1. Boeing 747
2. Gulfstream G450, G550
3. Boeing 777
4. Boeing C-17
5. V-22
6. Boeing 737 NG
7. Lockheed C-130
8. UH60
9. Airbus A330
10. Boeing 787

>10% Customers	Q2 FY11 % of Sales	Q2 FY10 % of Sales
Boeing	44.9%	30.3%



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



Sales by Market

(\$ in Millions)	Q2 FY 2011		FY 2010	
	Sales	% of Total	Sales	% of Total
Commercial	\$ 350	45%	\$ 626	48%
Military	299	39%	483	37%
Business Jets	88	12%	68	5%
Regional Jets	11	1%	48	4%
Non-Aviation	21	3%	70	6%
Total Sales	\$ 769	100%	\$ 1,295	100%
OEM		86%		72%
Aftermarket		11%		23%
Other		3%		5%
Total		100%		100%



Sales Trends

Same Store Sales			
<i>(in millions)</i>	Q2		
	2011	2010	Change
Aerostructures	\$ 147.6	\$ 139.6	6%
Aerospace Systems	\$ 120.6	\$ 118.0	2%
Aftermarket Services	\$ 68.7	\$ 57.3	20%
Total Same Store Sales	\$ 336.9	\$ 314.9	7%

Export Sales			
<i>(in millions)</i>	Q2		
	2011	2010	Change
Export Sales	\$ 99.3	\$ 61.0	63%



Cash Flow

(\$ in millions)

	Q2	
	2011	2010
Cash Flow from Operations	\$95.0 *	\$40.8
CAPEX	\$24.3	\$7.0

* Includes \$71.6 million pension contribution



Current Capitalization

<i>(\$ in millions)</i>	<u>9/30/2010</u>
Cash	(\$57.4)
Revolver	97.1
Convertible Debt	172.8
Securitized Debt (Accounts Receivables & Capital Leases)	144.1
2009 Senior Subordinated Notes Due 2017	172.7
2010 Senior Notes Due 2018	347.5
Term Note	348.3
Other Debt	13.1
Net Debt	\$1,238.2
Shareholders' Equity	1,419.5
Total Book Capitalization	\$2,657.7

Net Debt-to-Capitalization	46.6%
-----------------------------------	--------------



FUTURE OUTLOOK

- ▼ Backlog Remains Strong**

- ▼ Remain Focused on Improving Execution, Driving Integration and Controlling Costs**

- ▼ Raising Earnings Guidance- EPS From Continuing Operations Approximately \$6.60, Excluding Transaction and Integration Costs, Based on:**
 - **Current Production Schedule**
 - **Preliminary Purchase Accounting Results**
 - **Weighted Average Shares of 23.5 Million, Which Includes Estimate of Shares From Convertible Debt**
 - **Tax Rate of 36% for Q3 and Q4**



Appendix



EBITDA Disclosure

(Continued)

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 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, amortization of acquired contract liabilities, 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 income and expenses, such as amortization of acquired contract liabilities, 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

- Amortization of acquired contract liabilities may be useful for investors to consider because it represents the non-cash earnings on the fair value of below market contracts acquired through the acquisition of Vought. We do not believe these earnings necessarily reflect the current and ongoing cash earnings related to our 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.

-More-



EBITDA Disclosure

(Continued)

FINANCIAL DATA (UNAUDITED)

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

Non-GAAP Financial Measure Disclosures (continued)

- 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.

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 September 30,		Six Months Ended September 30,	
	2010	2009	2010	2009
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):				
Income from Continuing Operations	\$41,821	\$20,718	\$53,401	\$42,239
Add-back:				
Income Tax Expense	20,837	10,948	30,316	21,971
Gain on Early Extinguishment of Debt	0	(39)	0	(39)
Interest Expense and Other	23,459	5,501	35,250	10,827
Amortization of Acquired Contract Liabilities	(8,722)	0	(9,581)	0
Depreciation and Amortization	27,079	14,297	41,877	28,373
Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA")	<u>\$104,474</u>	<u>\$51,425</u>	<u>\$151,263</u>	<u>\$103,371</u>
Net Sales	<u>\$769,059</u>	<u>\$313,139</u>	<u>\$1,175,409</u>	<u>\$629,269</u>
EBITDA Margin	<u>13.6%</u>	<u>16.4%</u>	<u>12.9%</u>	<u>16.4%</u>

-More-



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 September 30, 2010				
	Segment Data				
	<u>Total</u>	<u>Aerostructures</u>	<u>Aerospace Systems</u>	<u>Aftermarket Services</u>	<u>Corporate / Eliminations</u>
Income from Continuing Operations	\$41,821				
Add-back:					
Income Tax Expense	20,837				
Gain on Early Extinguishment of Debt	0				
Interest Expense and Other	23,459				
Operating Income (Expense)	\$86,117	\$69,964	\$17,149	\$8,163	(\$9,159)
Amortization of Acquired Contract Liabilities	(8,722)	(8,722)	0	0	0
Depreciation and Amortization	<u>27,079</u>	<u>19,632</u>	<u>4,213</u>	<u>3,043</u>	<u>191</u>
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	<u>\$104,474</u>	<u>\$80,874</u>	<u>\$21,362</u>	<u>\$11,206</u>	<u>(\$8,968)</u> *
Net Sales	<u>\$769,059</u>	<u>\$578,559</u>	<u>\$123,500</u>	<u>\$68,686</u>	<u>(\$1,686)</u>
EBITDA Margin	<u>13.6%</u>	<u>14.0%</u>	<u>17.3%</u>	<u>16.3%</u>	<u>n/a</u>
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA):	Six Months Ended September 30, 2010				
	Segment Data				
	<u>Total</u>	<u>Aerostructures</u>	<u>Aerospace Systems</u>	<u>Aftermarket Services</u>	<u>Corporate / Eliminations</u>
Income from Continuing Operations	\$53,401				
Add-back:					
Income Tax Expense	30,316				
Gain on Early Extinguishment of Debt	0				
Interest Expense and Other	<u>35,250</u>				
Operating Income (Expense)	\$118,967	\$106,030	\$35,497	\$12,284	(\$34,844)
Amortization of Acquired Contract Liabilities	(9,581)	(9,581)	0	0	0
Depreciation and Amortization	41,877	26,818	8,403	6,086	570
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$151,263	\$123,267	\$43,900	\$18,370	(\$34,274) *
Net Sales	\$1,175,409	\$809,035	\$240,933	\$128,483	(\$3,042)
EBITDA Margin	12.9%	15.2%	18.2%	14.3%	n/a

* Includes \$1,283 and \$18,650 of acquisition-related expenses associated with the acquisition of Vought, respectively.

-More-



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 September 30, 2009				
	Total	Segment Data			Corporate / Eliminations
		Aerostructures	Aerospace Systems	Aftermarket Services	
Income from Continuing Operations	\$20,718				
Add-back:					
Income Tax Expense	10,948				
Gain on Early Extinguishment of Debt	(39)				
Interest Expense and Other	5,501				
Operating Income (Expense)	\$37,128	\$20,262	\$18,824	\$3,481	(\$5,439)
Depreciation and Amortization	<u>14,297</u>	<u>6,501</u>	<u>4,387</u>	<u>3,182</u>	<u>227</u>
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$51,425	\$26,763	\$23,211	\$6,663	(\$5,212)
Net Sales	<u>\$313,139</u>	<u>\$139,570</u>	<u>\$117,984</u>	<u>\$57,313</u>	<u>(\$1,728)</u>
EBITDA Margin	<u>16.4%</u>	<u>19.2%</u>	<u>19.7%</u>	<u>11.6%</u>	n/a

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

	Six Months Ended September 30, 2009				
	Total	Segment Data			Corporate / Eliminations
		Aerostructures	Aerospace Systems	Aftermarket Services	
Income from Continuing Operations	\$42,239				
Add-back:					
Income Tax Expense	21,971				
Gain on Early Extinguishment of Debt	(39)				
Interest Expense and Other	<u>10,827</u>				
Operating Income (Expense)	\$74,998	\$43,768	\$37,163	\$5,904	(\$11,837)
Depreciation and Amortization	<u>28,373</u>	12,885	8,705	6,439	344
Earnings (Losses) before Interest, Taxes, Depreciation and Amortization ("EBITDA")	\$103,371	\$56,653	\$45,868	\$12,343	(\$11,493)
Net Sales	\$629,269	\$282,000	\$237,003	\$115,097	(\$4,831)
EBITDA Margin	16.4%	20.1%	19.4%	10.7%	n/a

-More-



EBITDA Disclosure

(Continued)

FINANCIAL DATA (UNAUDITED)

TRIUMPH GROUP, INC. AND SUBSIDIARIES

(dollars in thousands)

Non-GAAP Financial Measure Disclosures (continued)

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>September 30, 2010</u>	<u>March 31, 2010</u>
<u>Calculation of Net Debt</u>		
Current portion	\$ 94,664	\$ 91,929
Long-term debt	1,200,908	413,851
Total debt	<u>1,295,572</u>	<u>505,780</u>
Less: Cash	57,411	157,218
Net debt	<u>\$ 1,238,161</u>	<u>\$ 348,562</u>
<u>Calculation of Capital</u>		
Net debt	\$ 1,238,161	\$ 348,562
Stockholders' equity	1,419,461	860,686
Total capital	<u>\$ 2,657,622</u>	<u>\$ 1,209,248</u>
Percent of net debt to capital	46.6%	28.8%

#####



Triumph Group, Inc.