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# Investor Presentation

March 2026



Nasdaq: ATRO

ELEVATING *innovation*

**Peter J. Gundermann**, Chairman, President & CEO

**Nancy L. Hedges**, Vice President & CFO

# Safe Harbor Statement

This presentation contains forward-looking statements as defined by the Securities Exchange Act of 1934. One can identify these forward-looking statements by the use of the words "expect," "anticipate," "plan," "may," "will," "estimate," "feeling" or other similar expressions and include all statements with regard to the Company's 2026 and first quarter revenue outlook, the amount of revenue in the second half of 2026, the ability to deliver high-teens operating margins for the consolidated business, the amount of capital expenditures for 2026 as well as the amount of investment in an ERP system, the amount of backlog to be recognized as revenue over the next twelve months, the strength and length of time associated with tailwinds for the Aerospace segment, the timing of the receipt of production orders for U.S. Army radio test set program and the level of profitability contribution from the Test segment with its onset, the amount of opportunities available to be executed, the ability to achieve high-teen operating margins on a consolidated basis consistently, and statements regarding the strategy of the Company and its outlook. Forward-looking statements also include all statements related to achieving any revenue or profitability expectations, expectations of continued growth, the level of liquidity, the level of cash generation, the level of demand by customers and markets and the amount of expected capital expenditures. Because such statements apply to future events, they are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by the statements. Important factors that could cause actual results to differ materially from what may be stated here include the trend in growth with passenger power and connectivity on airplanes, the state of the aerospace and defense industries, the market acceptance of newly developed products, internal production capabilities, the timing of orders received, the status of customer certification processes and delivery schedules, the demand for and market acceptance of new or existing aircraft which contain the Company's products, the impact of regulatory activity and public scrutiny on production rates of a major U.S. aircraft manufacturer, the need for new and advanced test equipment, customer preferences and relationships, the effectiveness of the Company's supply chain, and other factors which are described in filings by Astronics with the Securities and Exchange Commission. Except as required by applicable law, the Company assumes no obligation to update forward-looking information in this presentation whether to reflect changed assumptions, the occurrence of unanticipated events or changes in future operating results, financial conditions or prospects, or otherwise.

## **Non-GAAP Financial Measures and Forward-looking Preliminary Non-GAAP Financial Measures**

This presentation will discuss some non-GAAP ("adjusted") and forward-looking non-GAAP financial measures which we believe are useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results compared in accordance with GAAP. The non-GAAP ("adjusted") measures are identified and we have provided reconciliations of reported comparable GAAP to non-GAAP measures in tables found in the Supplemental Information portion of this presentation. Forward-looking preliminary GAAP to non-GAAP measures have not been reconciled because sufficient information as to all of the necessary components of such GAAP measure is not available to management as of the date of this presentation and therefore a reconciliation is not available without unreasonable effort.

# Astronics Corporation (Nasdaq: ATRO)

INNOVATION. COLLABORATION. SUCCESS.

Astronics serves the world's aerospace, defense, and other mission critical industries with proven, innovative technology solutions. Our strategy is to grow value by developing technologies, organically or through acquisition, for our targeted markets.



Market Cap	\$2.9 billion
Recent Price	\$80.62
52-Week Range (high/low)	\$81.89/ \$19.51
Average Daily Volume (3 mos.)	730,000
Established/IPO	1968/1972

Shares Out – Common	31.9 million
Shares Out – Class B	3.8 million
Institutional ownership	92.4%
Insider ownership	8.7%
Index membership	Russell 3000 <sup>®</sup> /2000 <sup>®</sup>

Market data as of March 2, 2026 [Source: FactSet]; Shares Outstanding as of February 19, 2026; Ownership as of most recent filings.

Aerospace

Test Systems

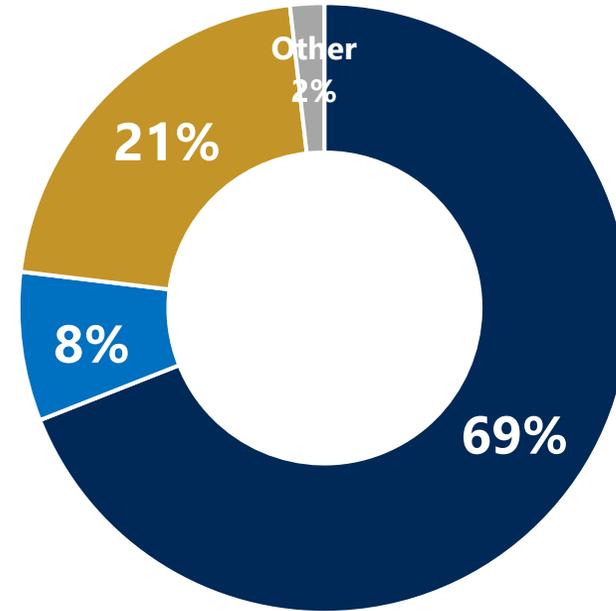
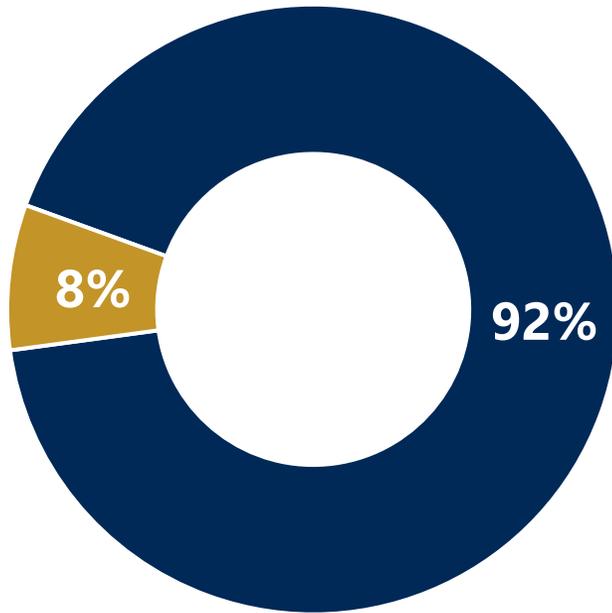
# Solid Franchise with Leading Market Positions

FY 2025 Sales:  
\$862.1 million

Commercial Aerospace

General Aviation

Defense & Government\*



**Commercial Aerospace**

*~50/50 Line Fit/Retrofit*

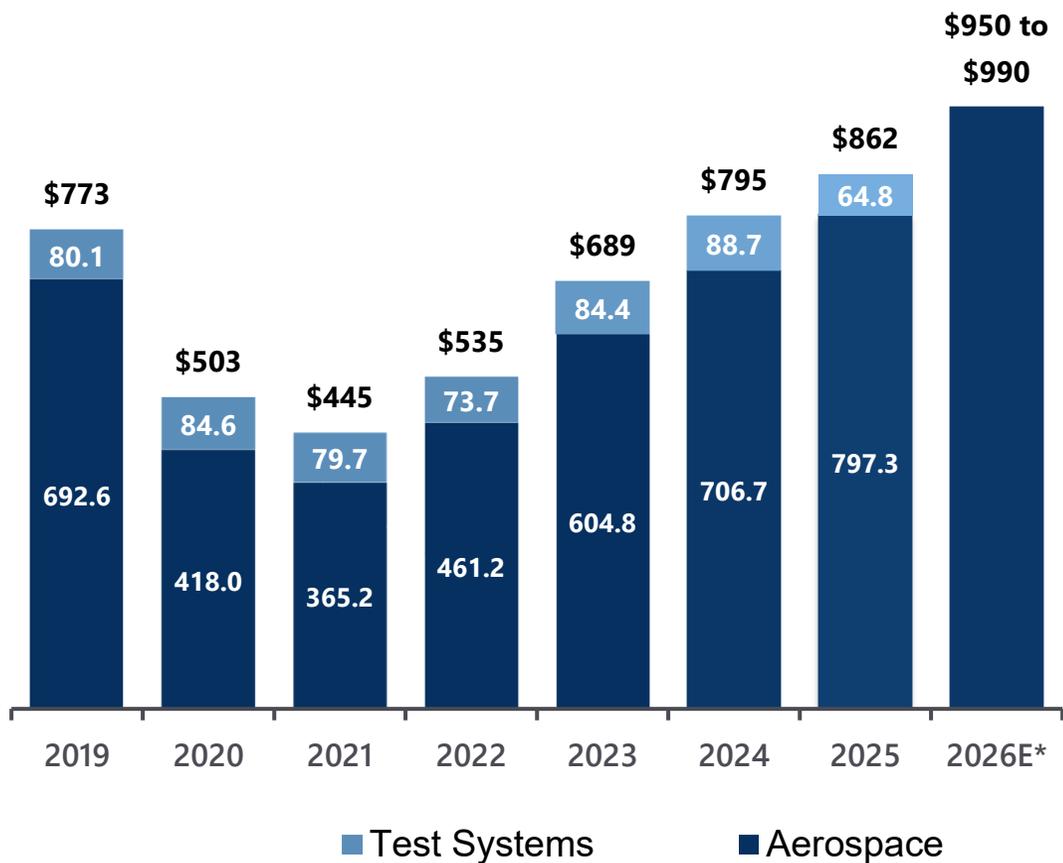
*~50/50 Narrowbody/Widebody*

\*Includes Test and Aerospace sales

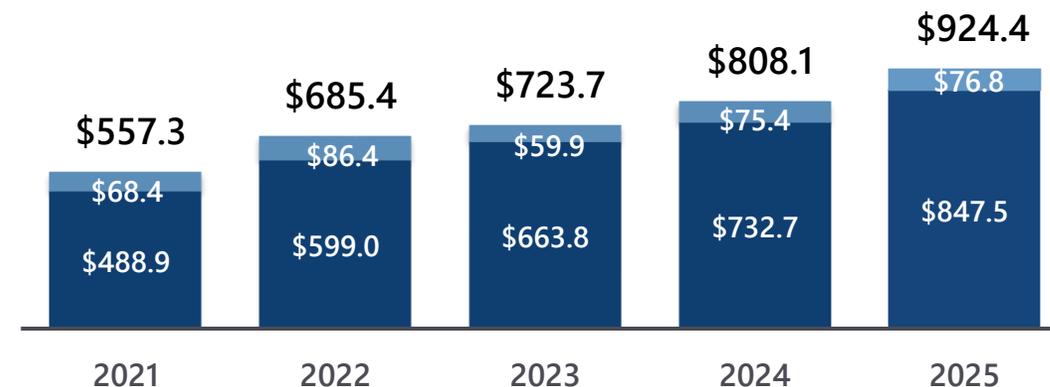
# Recovery Complete: Entering Next Phase of Growth

(\$ in millions)

## Revenue 2019 to 2026E



## Bookings



## Backlog



# Astronics Strategic Thrusts

Elevating Innovation

## PRODUCT LINES

- Electrical Power & Motion
- Lighting & Safety
- Avionics/Systems Certification
- Structures
- Test Solutions
- Other

## STRATEGIC THRUSTS

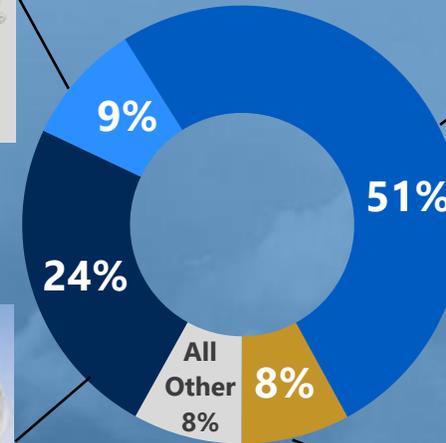
FY 2025 Sales:  
\$862.1 million



Flight Critical  
Electrical Power



Aircraft Lighting & Safety



Inflight Entertainment &  
Connectivity (IFEC)



Test Solutions

# Aircraft Inflight Entertainment & Connectivity



Aircraft Data Systems



IFC Outside Airframe Equipment



Power for Passengers and Crew



Inflight Entertainment Systems Hardware

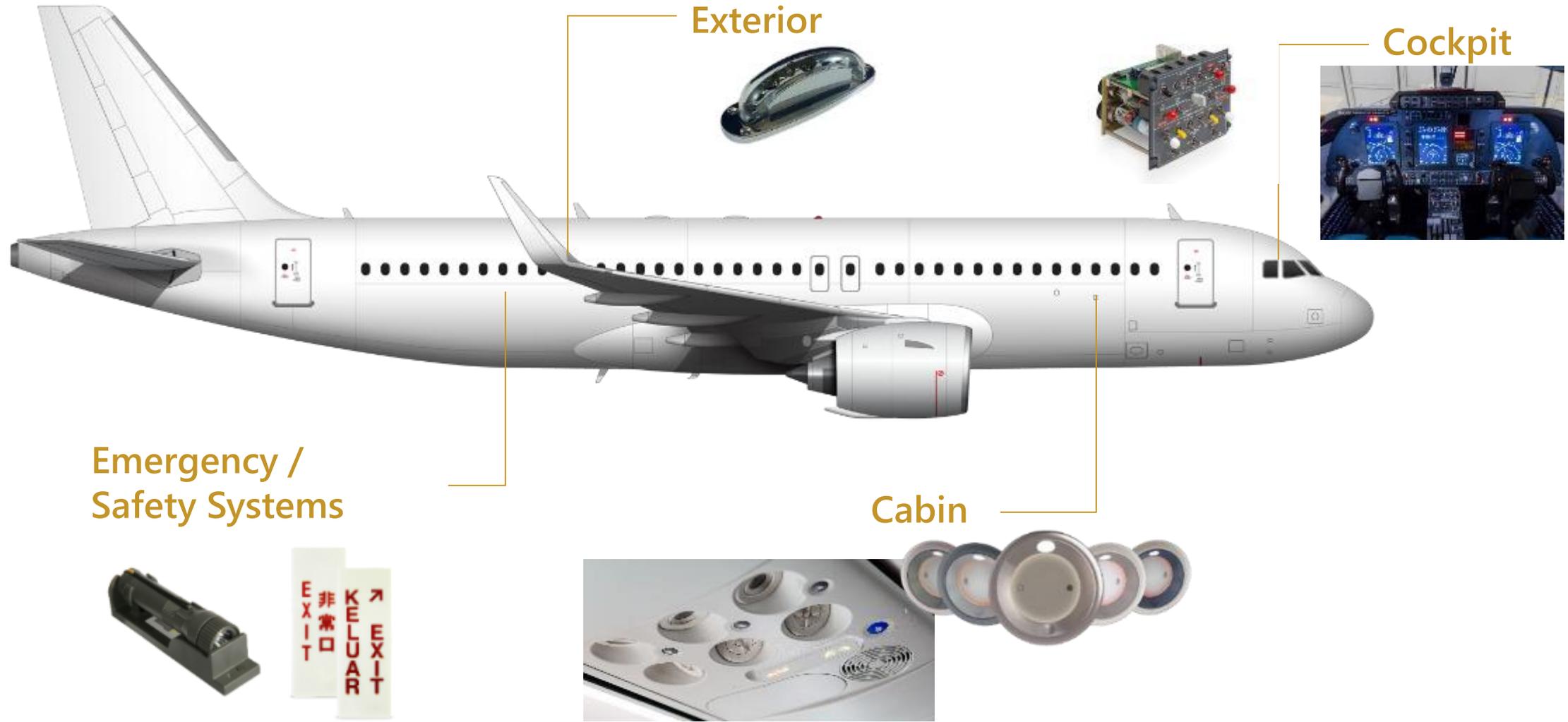


# IFEC: IN-SEAT POWER SYSTEM (ISPS)

- » In-seat power, line-fit and retrofit, now powering 2+ million seats on over 290 airlines worldwide
- » System provides power to personal electronics and seat-back displays
- » High barriers to entry: ~90%+ market share
- » ASP: ~\$550-\$850 per seat
- » Market penetration seats\*: ~90% wide body and ~65% narrow body



# Lighting & Safety Solutions



# Aircraft Lighting Systems

Industry Leader in Aircraft Lighting

A complete array of innovative, lightweight, reliable, solid-state lighting systems

## Products

- » Exterior lighting systems
- » Cabin lighting systems
- » Cockpit lighting systems

## Markets

- » Commercial transport
- » Military
- » Business and general aviation



Illuminating commercial, business and military aircraft, including Airbus, Boeing, Embraer, Lockheed and Textron

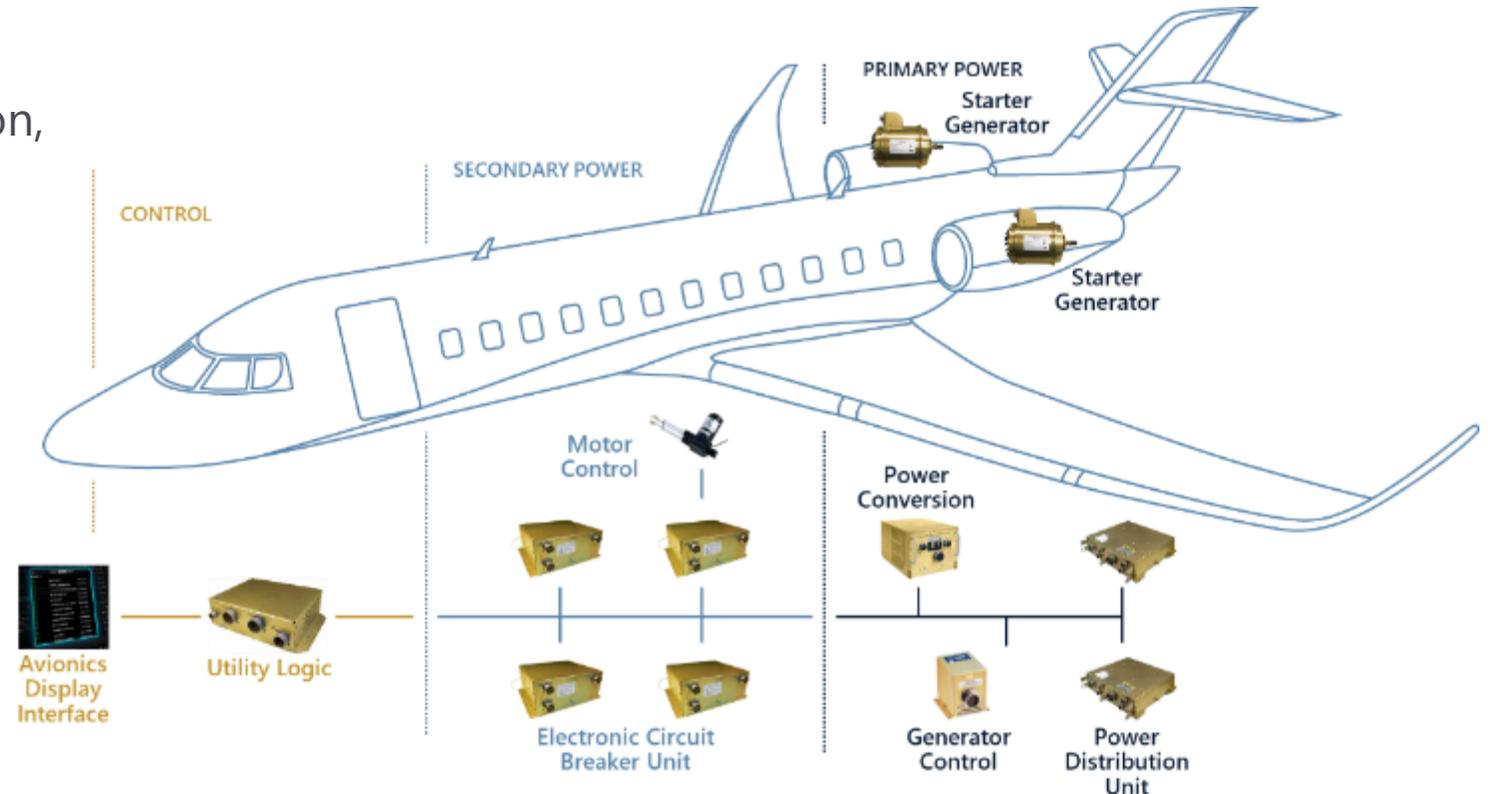
# Flight Critical Electrical Power

First Mover Advantage: Establishing leadership in small aircraft airframe power

The technology for the future of small aircraft: Solid-state power distribution systems replace extensive wiring and traditional electromechanical components with modular electronics and software

✓ Selected for the U.S. Army Future Long-Range Assault Aircraft (FLRAA) program

- » Intelligent systems for power generation, distribution and conversion
- » Increased reliability
- » Reduced weight
- » Automation, flexibility
- » Lower life cycle cost
- » Reduces pilot workload



# Addressing Trends: Modernization of Aircraft

## Clean, Streamlined Cockpit



**Traditional Cockpit with Mechanical Circuit Breakers  
Learjet 45**



**Modern Cockpit with Electronic Circuit Breakers  
Pilatus PC-24**

# Flight Critical Electrical Power Programs of Record

## Electronic Circuit Breaker Units and Long-Life Starter Generator

### Announced Program Wins

- » Daher TBM 900
- » Bell 505, 525
- » Pilatus PC-24
- » Beechcraft Denali
- » FLRAA: Bell V-280 Valor\*
- » Boeing MQ-25 Stingray

\*Future Long-Range Assault Aircraft (FLRAA)



# U.S. Army Future Long-Range Assault Aircraft Program

## Employs Astronics CorePower® family of solutions

### Selected by Bell Textron to Develop Electrical Power Distribution System for MV-75

- With roughly twice the range and twice the speed, the MV-75 brings unmatched combat capability to the war fighter
- First flight expected in 2026; evaluating acceleration of program
- \$70B program across lifespan potentially replaces 2,000 Black Hawk utility helicopters
- Expect Astronics' shipset content of approximately \$1 million

### CorePower Benefits

- » Clean, intelligent, and efficient power to improve aircraft performance
- » Reduces overall system weight
- » Supports the U.S. Army Modular Open Systems Architecture (MOSA) initiatives

### Currently in engineering and development

- » ~\$100 million development effort 2024 through mid-2027



# Flight Critical Electrical Power

## Emerging Market Opportunities with Drones and eVTOL Aircraft

### Drones

- » Generators, Primary & Secondary Power Distribution
- » Electronic Circuit Breakers & High Reliability Generation
- » 28 & 270 Volt DC typical
- » Ideal for remotely controlled & autonomous aircraft
- » Numerous development programs underway
- » Typical shipset content \$60k to \$300k

### eVTOL

- » Power Conversion, Secondary Distribution, System Control
- » Electronic Circuit Breakers, Dissimilar Topologies
- » 800 to 1000 Volt DC
- » Expertise in certification of safety critical aircraft components
- » Numerous development programs underway
- » Typical shipset content \$50k to \$100k

# Aerospace

## Well Positioned on Wide Range of High-Profile Aircraft

**BFE: Buyer-Furnished Equipment**

Transport	Business Aircraft	Military
<b>777/777X</b> <ul style="list-style-type: none"> <li>~\$325K in content (<i>PSUs, fuel access doors, exterior, cockpit and emergency exit lighting</i>)</li> <li>~\$350K in IFEC content (<i>BFE</i>)</li> </ul>	<b>Embraer Phenom 100/300</b> <ul style="list-style-type: none"> <li>Exterior lighting</li> </ul>	<b>F-35 JSF</b> <ul style="list-style-type: none"> <li>~\$100K in content (<i>Exterior lighting system, lighting controls</i>)</li> </ul>
<b>737</b> <ul style="list-style-type: none"> <li>~\$100K in content (<i>PSUs, fuel access doors, exterior and cockpit lighting</i>)</li> <li>Potential \$100K to \$150K IFEC content (<i>BFE</i>)</li> </ul>	<b>Cessna Citation</b> <ul style="list-style-type: none"> <li>Exterior and cockpit lighting</li> </ul>	<b>UH-60 Blackhawk</b> <ul style="list-style-type: none"> <li>Exterior &amp; cockpit lighting</li> </ul>
<b>787</b> <ul style="list-style-type: none"> <li>~\$65K in content (<i>fuel access doors, lighting</i>)</li> <li>~\$200K in IFEC content (<i>BFE</i>)</li> </ul>	<b>Beechcraft Denali</b> <ul style="list-style-type: none"> <li>\$85K in content (<i>Induction starter generator, electronic circuit breakers and passenger power</i>)</li> </ul>	<b>Bell V280/MV-75: FLRAA program</b> <ul style="list-style-type: none"> <li>~\$1M in content (<i>Airframe power, lighting &amp; safety</i>)</li> </ul>
<b>A350</b> <ul style="list-style-type: none"> <li>~\$50K in content (<i>Emergency exit lighting</i>)</li> <li>~\$200K in IFEC content (<i>BFE</i>)</li> </ul>	<b>Pilatus PC-24</b> <ul style="list-style-type: none"> <li>\$170K in content (<i>Airframe power and induction starter generator</i>)</li> </ul>	<b>Boeing MQ-25 Stingray</b> <ul style="list-style-type: none"> <li>~\$230K in content (<i>Airframe power, exterior lighting</i>)</li> </ul>
<b>A320 &amp; other narrow body Airbus/Boeing aircraft</b> <ul style="list-style-type: none"> <li>Potential \$100K to \$150K IFEC content (<i>BFE</i>)</li> </ul>	<b>Bell 505</b> <ul style="list-style-type: none"> <li>Airframe power, lighting &amp; safety</li> </ul>	
<b>A220</b> <ul style="list-style-type: none"> <li>~\$100K in content (<i>PSUs, cockpit lighting</i>)</li> <li>Potential \$100K to \$150K IFEC content (<i>BFE</i>)</li> </ul>	<b>eVTOL Aircraft</b> <ul style="list-style-type: none"> <li>\$50K to \$100K, subject to number of loads and architecture: conversion, distribution and/or control</li> </ul>	
<b>Embraer E2</b> <ul style="list-style-type: none"> <li>~\$65K in content (<i>PSUs, emergency lighting</i>)</li> <li>Potential \$75K to \$125K IFEC (<i>BFE</i>)</li> </ul>		

# Tuck-in Acquisitions

Adding capabilities and expanding market share

## Augments FAA Certification Services

- Acquired Envoy Aerospace June 2025
- Adds FAA Organization Designation Authorization
  - Streamlines certification process
  - Benefit from pent up certification demand for connectivity, cabin reconfigurations and lease returns
- Purchase price ~\$8 million including \$1.8 million in earnout

## Expands Market Position in Premium Seating Motion Control

- Acquired Bühler Motor Aviation in October 2025
- Captures larger share of seat motion actuation market
  - 2/3 of market self served through vertical integration
  - Combination makes ATRO leader in remaining 1/3 of market
- Expect \$20 million to \$25 million in revenue in 2026
- Cash purchase price of ~\$18 million



# Test Systems: A&D, Transit and Radio Testing for Mission-Critical Industries

## Award-winning test solutions

- » Validate operating performance on multiple top-priority defense communications and weapons systems platforms
- » Executing on \$40 million, 5-year IDIQ contract for the U.S. Marine Corps' Handheld Radio Test Sets program
- » Expect production order for ~\$215 million, 5-year IDIQ contract for the U.S. Army Radio Test Set 4549/T in 1H 2026
- » Diversified into metro rail test system support:
  - › MARTA and NYCT: Train manufacturers - Stadler and Kawasaki
  - › Metro programs challenged with mass transit budget issues, contract structure and drawn-out development program

## Restructured business to deliver profitability

- » Closed three facilities in 2024
- » Restructuring brought business to about breakeven at just ~\$19 million in sales
- » Expect 2026 Test revenue around \$90 million to \$100 million including approximately \$20 million for 4549/T program

## Solutions Designed for the Unique Requirements of Mass Transit



Next-gen radio test set that combines 16+ field test capabilities in one device

Freedom 2 Universal Functional Tester

# ***ASTRONICS***

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## FINANCIALS

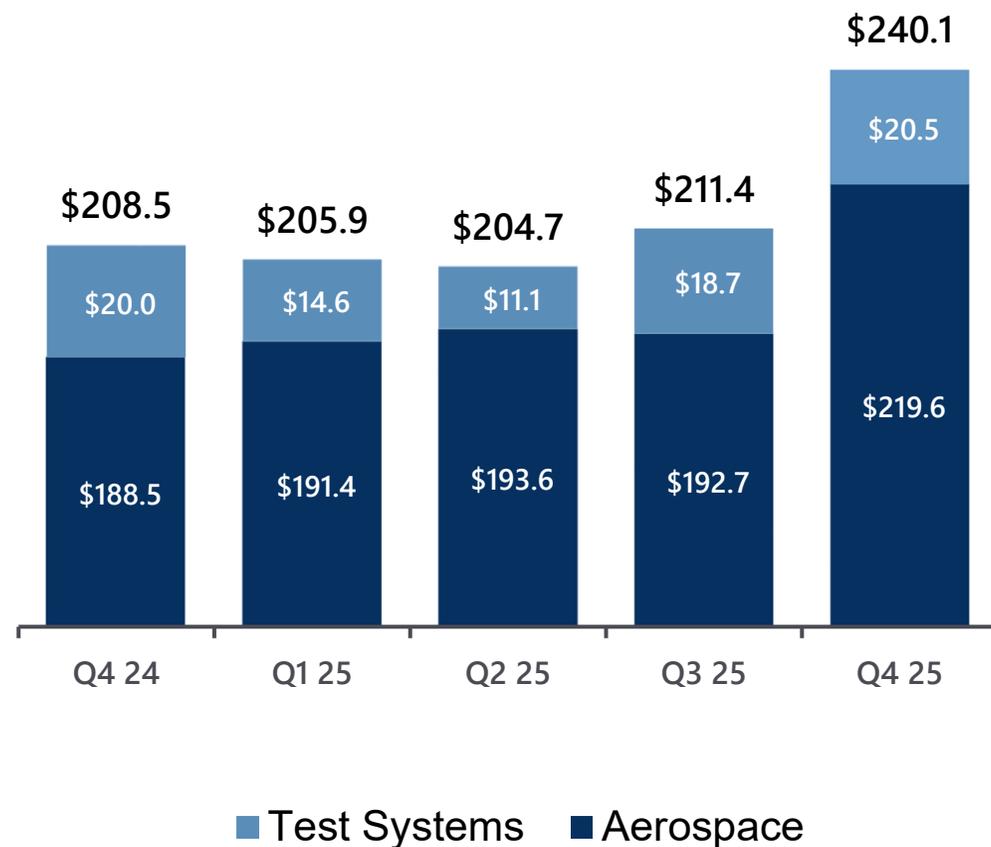


INNOVATION. COLLABORATION. SUCCESS.

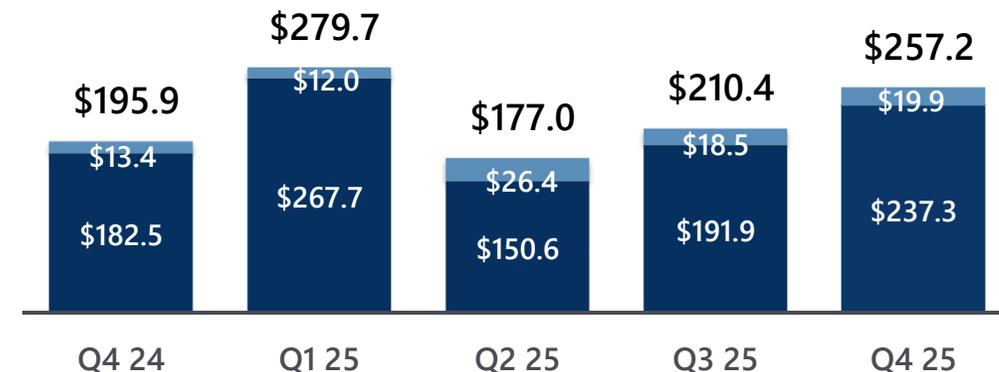
# Sales, Bookings & Backlog

(\$ in millions)

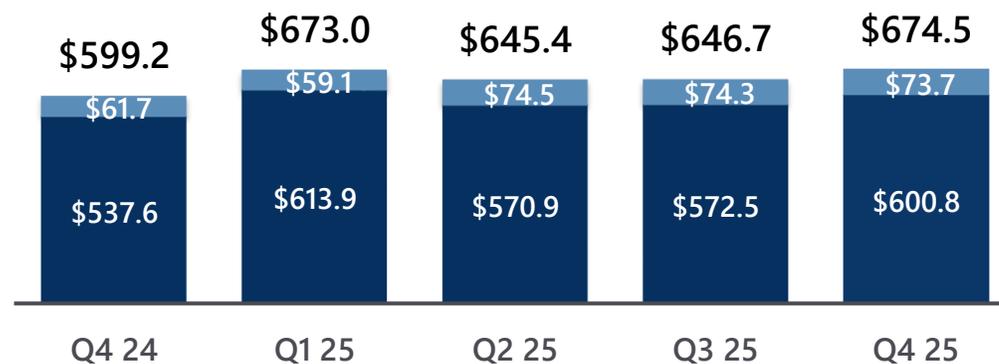
## Sales



## Bookings



## Backlog



# Profit and Margins

(\$ in millions)

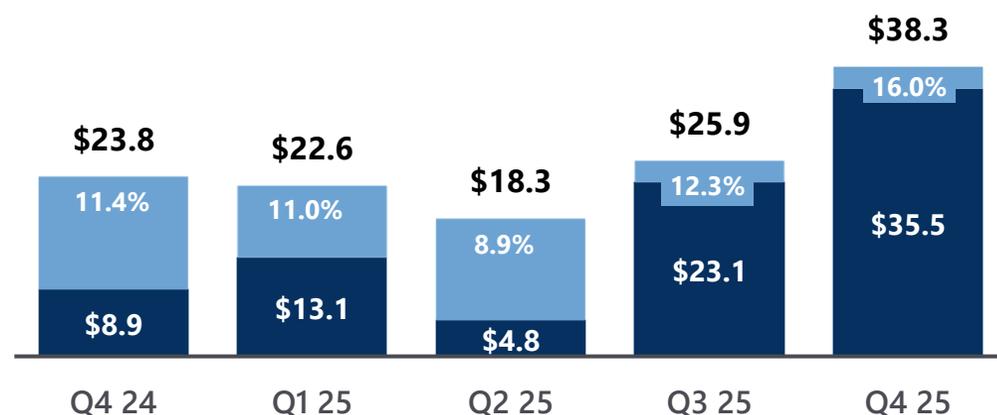
GAAP

Non-GAAP

## Gross Profit and Margin



## Operating Profit & Adj. Operating Profit & Margin<sup>1</sup>



## Margin Expansion on Volume, Price, Productivity

- » Higher volume, favorable mix with large Aerospace spares order, true up pricing and productivity drive margin expansion
  - » Aerospace segment achieved 19% operating margin
  - » More than offset \$2.9 million tariff increase
  - » \$9.0 million lower litigation expense reduced SG&A to 14.1% of sales
  - » R&D at normalized 4.4% of sales, subject to new opportunities
- » Operational improvements
  - » Test segment achieved 5.4% margin on \$20.5 million in revenue; poised for margin expansion with Army radio test program

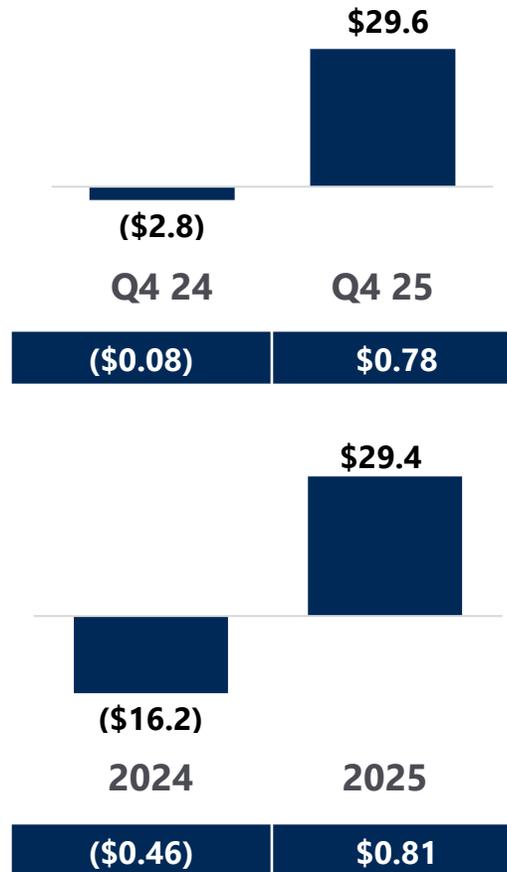
<sup>1</sup>Adjusted gross profit and margin and adjusted operating profit and margin are non-GAAP financial measures. Please see supplemental slides for a reconciliation of these measures and other important disclosures regarding the use of non-GAAP financial metrics.

\*During the first quarter of 2025, the Company changed the presentation of research and development costs. These costs were previously included within Cost of Products Sold and were a factor in arriving at Gross Profit and are now excluded in all periods presented for comparability purposes.

# EPS and EBITDA

(\$ in millions; except EPS)

## Net Loss and Diluted EPS



## Adj. Net Income and Adj. Diluted EPS<sup>1</sup>



## Adjusted EBITDA<sup>1</sup> and Margin



<sup>1</sup>Adjusted EBITDA, adj. net income and adj. diluted EPS are a non-GAAP financial measures. Please see supplemental slides for a reconciliation of these measures and other important disclosures regarding the use of non-GAAP financial metrics. These metrics are as stated in Q1 2025 and are not restated to reflect the impact of the recent Convertible Senior Notes offering.

# Cash Flow and Capital Structure

(\$ in millions)

Cash Flow	Three Months Ended		Year Ended	
	12/31/25	12/31/24	12/31/25	12/31/24
Net cash provided by operating activities	\$ 27.6	\$ 26.4	\$ 74.8	\$ 30.6
Capital expenditures	(11.8)	(3.2)	(31.7)	(8.4)
Free cash flow (FCF) <sup>1</sup> (Non-GAAP)	\$ 15.8	\$ 23.2	\$ 43.1	\$ 22.2

Capitalization	at	
	12/31/25	12/31/24
Cash and Equivalents (incl. restricted)	\$ 18.2	\$ 18.4
Total Debt	343.0	175.0
Shareholders' equity	140.1	256.1
Total capitalization <sup>2</sup>	\$ 483.1	\$ 431.1

Totals may differ due to rounding.

<sup>1</sup>Free cash flow is a non-GAAP financial measure defined as cash from operations less capital expenditures. The Company believes this frequently used metric is helpful to understand the Company's performance.

<sup>2</sup>Total Capitalization is a non-GAAP financial measure defined as the sum of the Company's total debt and shareholders' equity.

<sup>3</sup>Available liquidity as of February 24, 2026

## Strong Liquidity & Financial Flexibility

- » 2026 capex expected to be \$40 million to \$50 million for consolidation and capacity expansion in Redmond operations
- » Will invest \$14 million to \$18 million for ERP system (cash outflow) in 2026
- » Financing actions reduced cost of debt, added liquidity and improved flexibility
  - » \$225 million convertible note at 0.0% with capped call at \$83.41
  - » \$300 million senior secured cash flow revolver (currently SOFR + 200 bps)
- » \$230.9 million in total liquidity<sup>3</sup>
  - » \$212.7 million available on revolver + \$18.2 million in available cash)
- » Decline in shareholders' equity result of premium paid on repurchase of 5.5% Notes and purchase of capped call on new 0% Notes

# New 0% Convertible Senior Notes

## Capped call increases conversion price 90%

5-Year 0% Convertible Note and Capped Call	
Issuance and maturity	\$225.0 million / January 15, 2031
Annual coupon	0.00%
Conversion prem and price	25.0% and \$54.87
Settlement method	Net share settlement (4.1 million underlying shares)
Capped Call upper strike (Up % / \$)	90% / \$83.41
Capped Call Net cost (% of deal size / \$mm)	11.95% / \$26.9 million

- ✓ Why the second convert?
  - + \$165M 5.5% 2030 Notes were deep in the money
  - + Favorable market conditions
- ✓ Issued \$225M 2031 0% Notes, borrowed \$85M from ABL and used \$11M of cash on hand
- ✓ Repurchased 80% of 5.5% 2030 Notes for \$286 million
  - + Removed ~\$132 million in principal equating to ~5.8 million underlying shares
- ✓ Resulting potential share dilution
  - + 1.4 million potential share dilution with remaining \$33 million of 5.5% 2030 Notes
  - + No potential dilution on new 0% Notes until stock price exceeds \$83.41
- ✓ Dilution impact on GAAP EPS
  - + No dilution on 0% 2031 Notes until stock price exceeds \$54.87; then only shares associated with premium given net share settlement
  - + 1.4 million shares for remaining 5.5% 2030 Notes



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# Investor Presentation

March 2026



Nasdaq: ATRO

ELEVATING *innovation*

**Peter J. Gundermann**, Chairman, President & CEO

**Nancy L. Hedges**, Vice President & CFO

# Astronics Corporation

SUPPLEMENTAL  
INFORMATION



INNOVATION. COLLABORATION. SUCCESS.

# Potential Dilution Impact from 2024 and 2025 Convertible Bonds

Stock Price at Maturity	Original Potential Dilution from 2024 Convertible Bond	Potential Dilution Repurchased September 2025	Remaining Potential Dilution from 2024 Convertible Bond	Potential Dilution from 2025 Convertible Bond on Premium Above Conversion Price	Shares Receivable from Capped Call Hedge	Net Potential Share Dilution on 2025 Convertible Bond	Total Potential Share Dilution from 2024 and 2025 Bonds
\$43.8974	7.2	(5.8)	1.4	0.0	0.0	0.0	1.4
\$50.00	7.2	(5.8)	1.4	0.0	0.0	0.0	1.4
\$60.00	7.2	(5.8)	1.4	0.4	(0.4)	0.0	1.4
\$70.00	7.2	(5.8)	1.4	0.9	(0.9)	0.0	1.4
\$80.00	7.2	(5.8)	1.4	1.3	(1.3)	0.0	1.4
\$90.00	7.2	(5.8)	1.4	1.6	(1.3)	0.3	1.7
\$100.00	7.2	(5.8)	1.4	1.9	(1.2)	0.7	2.1
\$110.00	7.2	(5.8)	1.4	2.1	(1.1)	1.0	2.4
\$120.00	7.2	(5.8)	1.4	2.2	(1.0)	1.3	2.7
\$130.00	7.2	(5.8)	1.4	2.4	(0.9)	1.5	2.9
\$140.00	7.2	(5.8)	1.4	2.5	(0.8)	1.7	3.1

# Extensive List of Customers

## Representative List

280+ Airlines

Airbus

AMAC Aerospace

Bell Helicopter

Boeing

Bombardier

Cessna

Cirrus Aircraft

Collins Aerospace

Comlux

Dassault Aviation

Delta Flight Products

Embraer

General Dynamics

Gulfstream

Honda Aircraft

Honeywell

Hughes

Intelsat

Jet Aviation

Kawasaki

L3Harris

Leonardo

Lockheed Martin

NASA

Northrup Grumman

Panasonic Avionics

Pilatus

Raytheon Technologies

Safran

Sikorsky

Textron Aviation

Thales

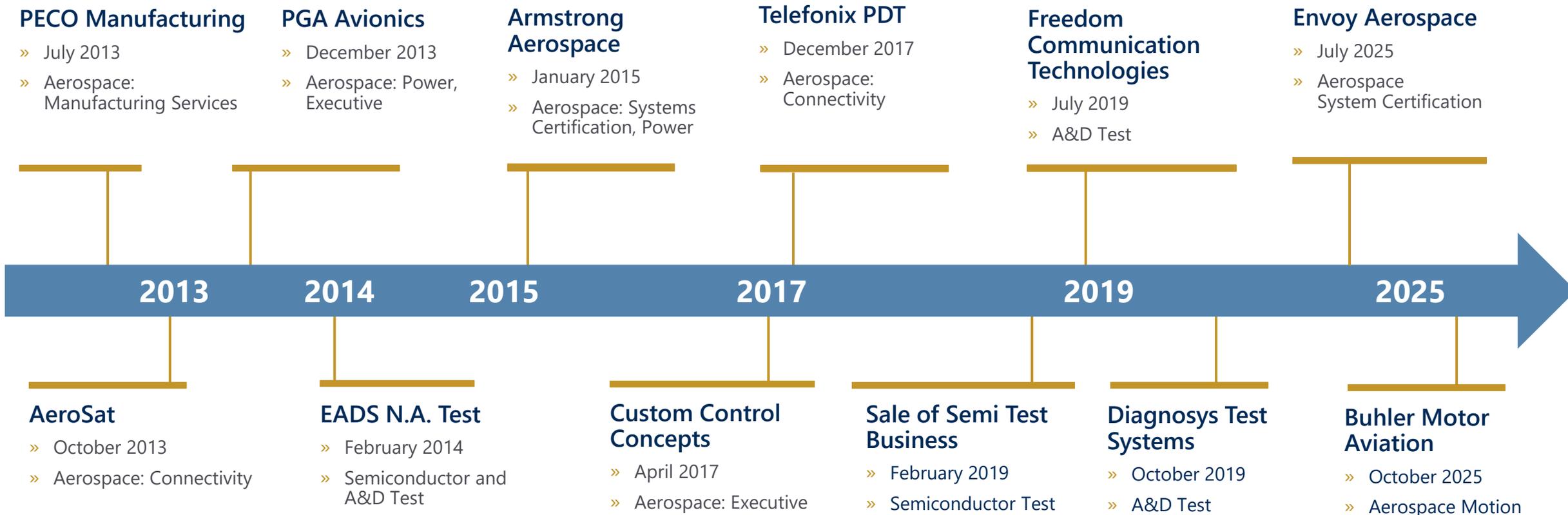
Thompson Aero Seating

U.S. Army/Navy/Air Force/Marines

Viasat



# Created a Portfolio for Growth



# Select Competitors

## ELECTRICAL POWER

- » Airbus KID – Systeme
- » Burrana
- » Collins Aerospace
- » Crane Aerospace
- » Meggitt
- » Safran
- » Ametek
- » Transdigm

## LIGHTING & SAFETY

- » Safran
- » Honeywell
- » Transdigm
- » Collins Aerospace
- » Whelan
- » Diehl Aerospace

## AVIONICS

- » Kontron
- » Panasonic

## TEST SOLUTIONS

- » Viavi
- » Lockheed
- » National Instruments
- » Teradyne
- » Ametek
- » Keysight
- » Rhode & Schwartz

# Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
<b>GAAP Consolidated Net Income (Loss)</b>	<b>(\$ 2,832)</b>	<b>\$ 9,528</b>	<b>\$ 1,314</b>	<b>(\$ 11,098)</b>	<b>\$ 29,615</b>
Interest expense	4,166	3,150	3,097	2,920	3,394
Income tax expense (benefit)	3,408	646	537	(1,226)	2,629
Depreciation and amortization	5,894	5,588	5,378	5,163	5,709
Equity-based compensation expense	2,157	2,345	1,557	1,439	1,458
Early retirement penalty waiver	624	-	-	-	-
Simplification and restructuring initiatives	1,411	279	6,229	359	-
Legal reserve, settlements and recoveries	4,762	6,228	3,504	-	-
Litigation related legal expenses	6,066	2,975	2,753	1,270	1,875
Acquisition-related expenses	-	-	-	1,247	586
Loss on settlement of debt	3,161	-	-	32,644	-
Non-cash reserves for customer bankruptcy	1,032	-	-	-	-
Warranty reserve	1,690	-	1,039	-	407
<b>Adjusted EBITDA</b>	<b>\$ 31,539</b>	<b>\$ 30,739</b>	<b>\$ 25,408</b>	<b>\$ 32,718</b>	<b>\$ 45,673</b>

## *Reconciliation to Non-GAAP Performance Measures*

In addition to reporting net income, a U.S. generally accepted accounting principle ("GAAP") measure, we present Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, non-cash equity-based compensation expense, goodwill, intangible and long-lived asset impairment charges, equity investment income or loss, legal reserves, settlements and recoveries, restructuring charges, loss on extinguishment of debt, unusual specific warranty reserves, and customer bankruptcy reserve) which is a non-GAAP measure. The Company's management believes Adjusted EBITDA is an important measure of operating performance because it allows management, investors and others to evaluate and compare the performance of its core operations from period to period by removing the impact of the capital structure (interest), tangible and intangible asset base (depreciation and amortization), taxes, equity-based compensation expense, goodwill, and other items as noted previously which are not commensurate with the core activities of the reporting period in which it is included. As such, the Company uses Adjusted EBITDA as a measure of performance when evaluating its business and as a basis for planning and forecasting. Adjusted EBITDA is not a measure of financial performance under GAAP and is not calculated through the application of GAAP. As such, it should not be considered as a substitute for the GAAP measure of net income and, therefore, should not be used in isolation of, but in conjunction with, the GAAP measure. Adjusted EBITDA, as presented, may produce results that vary from the GAAP measure and may not be comparable to a similarly defined non-GAAP measure used by other companies.

# Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA

	<b>Consolidated</b>			
	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>12/31/2025</b>	<b>12/31/2024</b>	<b>12/31/2025</b>	<b>12/31/2024</b>
<b>GAAP Consolidated Net Income (loss)</b>	<b>\$ 29,615</b>	<b>(\$ 2,832)</b>	<b>\$ 29,359</b>	<b>(\$ 16,215)</b>
Interest expense	3,394	4,166	12,561	21,998
Income tax expense	2,629	3,408	2,586	8,348
Depreciation and amortization expense	5,709	5,894	21,838	24,466
Equity-based compensation expense	1,458	2,157	6,799	8,571
Early retirement penalty waiver	-	624	-	624
Non-cash 401K contribution and quarter bonus accrual <sup>1</sup>	-	-	-	3,454
Simplification and restructuring initiatives	-	1,411	6,867	2,444
Legal reserve, settlements and recoveries	-	4,762	9,732	4,430
Litigation-related legal expenses	1,875	6,066	8,873	19,746
Acquisition-related expenses	586	-	1,833	-
Loss on settlement of debt	-	3,161	32,644	10,148
Non-cash reserves for customer bankruptcy	-	1,032	-	3,235
Warranty reserve	407	1,690	1,446	5,217
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$ 45,673</b>	<b>\$ 31,539</b>	<b>\$ 134,538</b>	<b>\$ 96,466</b>
Sales	\$ 240,067	\$ 208,540	\$ 862,128	\$ 795,426
Adjusted EBITDA margin %	19.0 %	15.1 %	15.6 %	12.1 %

## Reconciliation to Non-GAAP Performance Measures

In addition to reporting net income, a U.S. generally accepted accounting principle ("GAAP") measure, we present Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, non-cash equity-based compensation expense, goodwill, intangible and long-lived asset impairment charges, equity investment income or loss, legal reserves, settlements and recoveries, restructuring charges, gains or losses associated with the sale of businesses and grant benefits recorded related to the AMJP program), which is a non-GAAP measure. The Company's management believes Adjusted EBITDA is an important measure of operating performance because it allows management, investors and others to evaluate and compare the performance of its core operations from period to period by removing the impact of the capital structure (interest), tangible and intangible asset base (depreciation and amortization), taxes, equity-based compensation expense, goodwill and other items as noted previously, which are not commensurate with the core activities of the reporting period in which it is included. As such, the Company uses Adjusted EBITDA as a measure of performance when evaluating its business and as a basis for planning and forecasting. Adjusted EBITDA is not a measure of financial performance under GAAP and is not calculated through the application of GAAP. As such, it should not be considered as a substitute for the GAAP measure of net income and, therefore, should not be used in isolation of, but in conjunction with, the GAAP measure. Adjusted EBITDA, as presented, may produce results that vary from the GAAP measure and may not be comparable to a similarly defined non-GAAP measure used by other companies.

<sup>1</sup> Adjusted EBITDA is defined as net income before interest expense, income taxes, depreciation, amortization, and other adjustments. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by sales. Adjusted EBITDA and Adjusted EBITDA Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted EBITDA and Adjusted EBITDA Margin as used by other companies. Nevertheless, the Company believes that providing nonGAAP financial measures, such as Adjusted EBITDA and Adjusted EBITDA Margin, are important for investors and other readers of the Company's financial statements.

# Reconciliation of Operating Income to Adjusted Operating Income

	<b>Consolidated</b>			
	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>12/31/2025</b>	<b>12/31/2024</b>	<b>12/31/2025</b>	<b>12/31/2024</b>
<b>Income from operations</b>	<b>\$ 35,462</b>	<b>\$ 8,876</b>	<b>\$ 76,412</b>	<b>\$ 26,466</b>
Add back:				
Simplification and restructuring initiatives	-	1,411	6,867	2,444
Legal reserve, settlements and recoveries	-	4,762	9,732	4,430
Litigation related legal expenses	1,875	6,066	8,873	19,746
Acquisition-related expenses	586	-	1,833	-
Non-cash reserves for customer bankruptcy	-	1,032	-	3,235
Warranty reserve	407	1,690	1,446	5,217
<b>Adjusted operating income</b>	<b>\$ 38,330</b>	<b>\$ 23,837</b>	<b>\$ 105,163</b>	<b>\$ 61,538</b>
Sales	\$ 240,067	\$ 208,540	\$ 862,128	\$ 795,426
Operating margin	14.8 %	4.3 %	8.9 %	3.3 %
Adjusted operating margin	16.0 %	11.4 %	12.2 %	7.7 %

## **Reconciliation to Non-GAAP Performance Measures**

Adjusted Operating Income is defined as income from operations as reported, adjusted for certain items. Adjusted Operating Margin is defined as Adjusted Operating Income divided by sales. Adjusted Operating Income and Adjusted Operating Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted Operating Income and Adjusted Operating Margin as used by other companies. Nevertheless, the Company believes that providing non-GAAP financial measures, such as Adjusted Operating Income and Adjusted Operating Margin, are important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current periods' income from operations to the historical periods' income from operations and operating margin, as well as facilitates a more meaningful comparison of the Company's income from operations and operating margin to that of other companies.

# Reconciliation of Net Income and Diluted Earnings per Share to Adjusted Net Income and Adjusted Diluted Earnings per Share

	Consolidated			
	Three Months Ended		Years Ended	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
<b>Net income (loss)</b>	<b>\$ 29,615</b>	<b>(\$ 2,832)</b>	<b>\$ 29,359</b>	<b>(\$ 16,215)</b>
Add back (deduct):				
Amortization of intangibles	2,909	3,143	11,505	12,871
Simplification and restructuring initiatives	-	1,411	6,867	2,444
Early retirement penalty waiver	-	624	-	624
Legal reserve, settlements and recoveries	-	4,762	9,732	4,430
Litigation related legal expenses	1,875	6,066	8,873	19,746
Acquisition-related expenses	586	-	1,833	-
Loss on settlement of debt	-	3,161	32,644	10,148
Non-cash reserves for customer bankruptcy	-	1,032	-	3,235
Warranty reserve	407	1,690	1,446	5,217
Normalize tax rate <sup>1</sup>	(6,876)	(2,208)	(23,625)	(4,364)
<b>Adjusted net income</b>	<b>\$ 28,516</b>	<b>\$ 16,849</b>	<b>\$ 78,634</b>	<b>\$ 38,136</b>
Convertible notes interest, net	358	590	5,409	590
<b>Adjusted net income - diluted</b>	<b>\$ 28,874</b>	<b>\$ 17,439</b>	<b>\$ 84,043</b>	<b>\$ 38,726</b>
Weighted average diluted shares outstanding (in thousands) <sup>2</sup>	38,481	35,255	36,463	35,037
Diluted earnings (loss) per share	\$ 0.78	\$ (0.08)	\$ 0.81	\$ (0.46)
Adjusted diluted earnings per share <sup>3</sup>	\$ 0.75	\$ 0.46	\$ 2.01	\$ 1.08

## Reconciliation to Non-GAAP Performance Measures

Adjusted Net Income and Adjusted Diluted EPS are defined as net income and diluted EPS as reported, adjusted for certain items, including amortization of intangibles, and also adjusted for a normalized tax rate. Adjusted Net Income and Adjusted Diluted EPS are not measures determined in accordance with GAAP and may not be comparable with the measures used by other companies. Nevertheless, the Company believes that providing non-GAAP financial measures, such as Adjusted Net Income and Adjusted Diluted EPS, are important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current periods' net income and diluted EPS to the historical periods' net income and diluted EPS, as well as facilitates a more meaningful comparison of the Company's net income and diluted EPS to that of other companies. The Company believes that presenting Adjusted Diluted EPS provides a better understanding of its earnings power inclusive of adjusting for the non-cash amortization of intangible assets, reflecting the Company's strategy to grow through acquisitions as well as organically.

<sup>1</sup> Applies a normalized tax rate of 25% to GAAP pre-tax income and non-GAAP adjustments above, which are each pre-tax.

<sup>2</sup> In addition to incremental shares from stock awards, weighted average diluted shares for the quarter ended December 31, 2025, reflects 1.442 million shares underlying the remaining 5.5% convertible bonds. For the year ended December 31, 2025, the diluted EPS calculation excludes the effect of the 5.5% Notes because the effect is anti-dilutive. No weighted average diluted shares were associated with the 0% convertible bonds because the average share price for both the quarter and year ended December 31, 2025, was below the \$54.87 stated conversion price. Note that because of the capped call, there is no effective dilution to shareholders unless and until the share price exceeds \$83.41

<sup>3</sup> Net income for purposes of calculating adjusted diluted earnings per share includes addback of interest expense on the 5.5% convertible notes, net of income taxes, as required under the if-converted method.

# ***ASTRONICS***

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