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Astronics to Receive \$24 Million in Cash from Combination of AMJP and Asset Sale

EAST AURORA, N.Y.--(BUSINESS WIRE)-- [Astronics Corporation](#) (Nasdaq: ATRO), a leading provider of advanced technologies for global aerospace, defense and other mission critical industries, announced that it has closed on the sale of its facility in Ft. Lauderdale, Florida for total consideration of \$9.1 million. Net proceeds were approximately \$8.7 million in cash. The Company expects to record a gain in the fourth quarter of 2021 of approximately \$5.0 million. The sale was a result of the consolidation of the DME lighting and safety operations into its East Aurora, NY operations.

The Company also confirmed that it entered into an agreement with the U.S. Department of Transportation under the Aviation Manufacturing Jobs Protection Program, or AMJP, for a grant of up to \$14.7 million. Astronics received the first installment of \$7.3 million under the grant in September. The Company expects to receive a second installment in the range of \$5 million to \$6 million during the fourth quarter of 2021 and a final installment in the second or third quarter of 2022 upon final confirmation of meeting its grant commitments.

Astronics was required to make several commitments to qualify for the program, including a commitment not to furlough or lay off a defined group of employees during the period of performance. The grant benefit will be recognized ratably over a six-month performance period as an offset to cost of goods sold. The contribution to gross profit by quarter is expected to be \$1.1 million in the third quarter of 2021, \$7.3 million in the fourth quarter of 2021 and \$6.2 million in the first quarter of 2022.

David C. Burney, Chief Financial Officer of Astronics noted, "While we have been confident in our ability to stay in compliance with our lending covenants, the incremental cash and income from the sale of the building and the AMJP grant enhances our financial position and provides a larger cushion for the immediate future."

About Astronics Corporation

Astronics Corporation (Nasdaq: ATRO) serves the world's aerospace, defense, and other mission critical industries with proven, innovative technology solutions. Astronics works side-by-side with customers, integrating its array of power, connectivity, lighting, structures, interiors, and test technologies to solve complex challenges. For over 50 years, Astronics has delivered creative, customer-focused solutions with exceptional responsiveness. Today, global airframe manufacturers, airlines, militaries, completion centers and Fortune 500 companies rely on the collaborative spirit and innovation of Astronics. The Company's strategy is to increase its value by developing technologies and capabilities that provide innovative solutions to its targeted markets.

For more information on Astronics and its solutions, visit [Astronics.com](#).

Safe Harbor Statement

This news release 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” or other similar expressions and include all statements related to remaining in compliance with lending agreement covenants, the amount of the grant available under the AMJP, the gain on the sale of the building and expected cost savings related to the consolidation. 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 impact of a global pandemic and governmental and other actions taken in response, 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 need for new and advanced test and simulation equipment, customer preferences and relationships, and other factors which are described in filings by Astronics with the Securities and Exchange Commission. The Company assumes no obligation to update forward-looking information in this news release whether to reflect changed assumptions, the occurrence of unanticipated events or changes in future operating results, financial conditions or prospects, or otherwise.

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