

TTM Technologies, Inc. Announces Acquisition of Telephonics Corporation

Investor Presentation

4/18/2022



Inspiring Innovation

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Overview of TTM's Acquisition of Telephonics

- **Complementary portfolio and skills expected to enhance TTM's strategic capabilities and growth opportunities in Aerospace & Defense**
 - Anticipate significant benefits to our customers driven by accelerated innovation, new capabilities, and enhanced manufacturing discipline
 - Expands RF/Microwave product strategy and builds upon prior acquisition of Anaren
- **Significant value creation potential from revenue and cost synergies**
 - Strong revenue synergies projected from new business opportunities, particularly in communications, surveillance, radar, and electronic warfare
 - Meaningful cost synergies expected from organizational alignment, corporate and back office integration, manufacturing and supply chain, product and technology alignment
- **Compelling financial benefits**
 - Immediately accretive to non-GAAP EPS
 - \$12M of estimated annual run-rate cost synergies by the end of 2024

Transaction Highlights

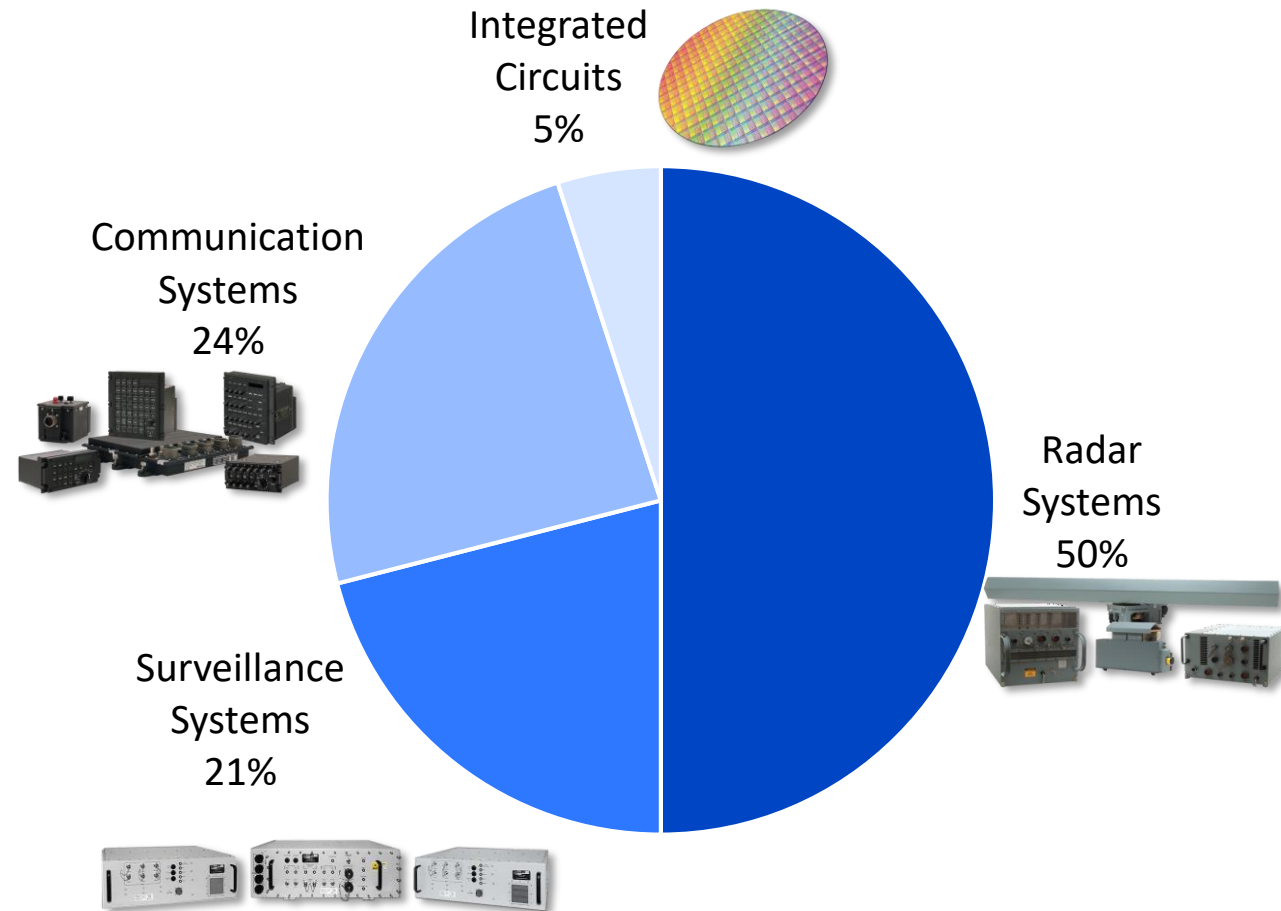
Transaction consideration	<ul style="list-style-type: none">• \$330M purchase price for 100% of the equity of Telephonics Corporation, on a cash-free, debt-free basis subject to working capital adjustment at closing• 100% cash consideration, financed with cash on hand• Represents forward multiple of approximately 9x adjusted EBITDA of Telephonics, including full impact of cost synergies
Financial Impact	<ul style="list-style-type: none">• Projected to be immediately accretive to TTM's non-GAAP EPS• Expected to achieve \$12M run rate in cost synergies by the end of 2024
Pro-forma capitalization at closing	<ul style="list-style-type: none">• Projected Net Debt / LTM adjusted EBITDA of 2.5x at closing• Rapid de-leveraging with the goal of achieving target net leverage of 2.0x adjusted EBITDA
Timing / Approvals	<ul style="list-style-type: none">• Transaction has been approved by the TTM Board of Directors• Subject to customary regulatory reviews• Estimated close in Q2 2022

Strategic Rationale

- Complementary capabilities build upon previous acquisition of Anaren with addition of RF-based integrated systems for key defense mission areas
- Continues TTM's journey to become a larger provider of custom designed solutions and highly-engineered products
- Projected to increase TTM's A&D end-market exposure to approximately 40% of TTM's revenues, or approximately \$1 billion
- Expands TTM's defense customer base through international opportunities and establishes TTM as a Tier 1 supplier to DoD
- Strong engineering talent with extensive experience in critical specialties
- Meaningful value creation opportunity with significant expected cost and revenue synergies

Telephonics Overview

- Leading designer and manufacturer of defense electronics for maritime surveillance and other critical missions
- Strong installed base of integrated systems across diverse range of platforms and customers
- Product and technology roadmaps focused on next-gen platforms as well as existing modernization programs
- Systems engineering expertise in RF/microwave based integrated systems
- Approximately 625 Employees, 25% engineers
- 100+ Platforms; majority sole sourced
- 95% of revenues from the aerospace and defense end market with ~25% international



Source: Griffon 10k for fiscal year 2021

Complementary Programs and Customers

Key TTM Defense Programs



F-35 JSF



LTAMDS



AN/SPY-6

Key Telephonics Defense Programs



UH-60 Blackhawk



MH-60 Romeo



P-8

Key TTM Defense Customers



Key Telephonics Defense Customers



Complementary Capabilities

	TTM Technologies	Telephonics
Tier 1 & Tier 2 integrated RF/MW systems		✓
Tier 3 & tier 4 RF/MW components & assemblies	✓	
PCBs and PCBA's	✓	
Custom integrated circuit design		✓
Microelectronics manufacture / assembly	✓	
Platform integration / aftermarket support		✓
Systems integration & software engineering		✓
Classified test	✓	✓

Creating a Comprehensive, Vertically Integrated Solutions Provider

Significant Shareholder Value Creation Potential

Revenue Synergies	<ul style="list-style-type: none">• New business opportunities<ul style="list-style-type: none">– RF/Microwave integrated subsystems and complex assemblies– Radar, electronic warfare, surveillance, communications, and space mission segments
Cost Savings	<ul style="list-style-type: none">• Estimated to achieve \$12M run-rate by end of 2024<ul style="list-style-type: none">– Corporate and back-office integration– Organizational alignment– Customer coordination– Manufacturing & supply chain– Product & technology strategies
Financial Impact	<ul style="list-style-type: none">– Telephonics is expected to be 10% of combined company revenues– Expected to be immediately accretive to non-GAAP EPS

Key Takeaways

- Strengthens TTM's differentiated position in attractive A&D market
- Complements existing RF and microwave business and enhances TTM's A&D overall product offering through integrated system solutions
- Meaningful value creation opportunity driven by strategic fit and synergies
- Transaction expected to be immediately accretive to non-GAAP EPS



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