



Fourth Quarter and Fiscal Year 2025 Results

November 24, 2025



Cautionary Statement

Information in this presentation contains forward-looking statements regarding future events and our future results within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, including, but not limited to, to the extent to which we will be successful winning content on the next generation of aircraft and energy systems, the results of our ongoing focus on and investments in growth, operational excellence and innovation, including whether such focus ultimately leads to long-term sustained success and enhanced shareholder value, the anticipated timing of shipments and sales for recently acquired product lines, the timing and amount of capital expenditures related to the construction of new or enhanced facilities and the results of strategic investments related to manufacturing improvements, the extent to which we are successful increasing manufacturing automation levels in our facilities through increased investments and greater emphasis, and the impact of that automation on our expected demand for labor and associated costs, our efforts to improve and stabilize our supply chain, statements regarding our capital allocation strategy and our execution of it, including anticipated amounts to be returned to shareholders, and statements regarding our business and guidance for fiscal year 2026, including our guidance for sales, earnings per share, segment sales growth rates, segment earnings margin growth rates, effective tax rate, free cash flow, capital expenditures, and diluted weighted average shares outstanding, as well as our assumptions regarding our guidance, anticipated trends in our business and markets, including our assumptions regarding sales and demand in fiscal 2026. Factors that could cause actual results and the timing of certain events to differ materially from the forward-looking statements include, but are not limited to: (1) global economic uncertainty and instability, including in the financial markets that affect Woodward, its customers, and its supply chain; (2) risks related to constraints and disruptions in the global supply chain and labor markets; (3) Woodward's long sales cycle; (4) risks related to Woodward's concentration of revenue among a relatively small number of customers; (5) Woodward's ability to implement and realize the intended effects of any restructuring efforts; (6) Woodward's ability to successfully manage competitive factors including expenses and fluctuations in sales; (7) changes and consolidations in the aerospace market; (8) Woodward's financial obligations including debt obligations and tax expenses and exposures; (9) risks related to Woodward's U.S. government contracting activities including potential changes in government spending patterns; (10) volatility with respect to the China on-highway natural gas truck market; (11) Woodward's ability to protect its intellectual property rights and avoid infringing the intellectual property rights of others; (12) changes in the estimates of fair value of reporting units or of long-lived assets; (13) environmental risks; (14) Woodward's continued access to a stable workforce and favorable labor relations with its employees; (15) Woodward's ability to manage various regulatory and legal matters; (16) risks from operating internationally; (17) cybersecurity and other technological risks; and other risk factors and risks described in Woodward's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended September 30, 2024, any subsequently filed Quarterly Report on Form 10-Q, as well as its Annual Report on Form 10-K for the year ended September 30, 2025, which we expect to file shortly, and other risks described in Woodward's filings with the Securities and Exchange Commission. The forward-looking statements contained in this press release are made as of the date hereof and Woodward assumes no obligation to update such statements, except as required by applicable law.

Value Driver Pillars Deliver Differentiated Value For Shareholders

Growth



Operational Excellence



Innovation



Capital Allocation



“

Woodward delivered another year of record sales in fiscal 2025, driven by strong demand and disciplined execution that expanded earnings and strengthened our foundation for growth. We remain focused on growth, operational excellence, and innovation to drive sustained performance and long term shareholder value.”

— Chip Blankenship
Chairman and Chief Executive Officer

Fiscal Year 2025 Summary



Sales Up 7% YOY

Aerospace growth in Commercial Services and Defense OEM

Core Industrial growth in Oil & Gas, Power Generation and Marine Transportation

China On-Highway lower as expected



Net Earnings Up 19% YOY

Price realization

Higher Aerospace volume

Lower China On-Highway volume

Unfavorable mix



Strong Balance Sheet

Free Cash Flow¹ of \$340M

1.0 times leverage

Fiscal Year 2025 Summary



Capital Allocation

\$131M

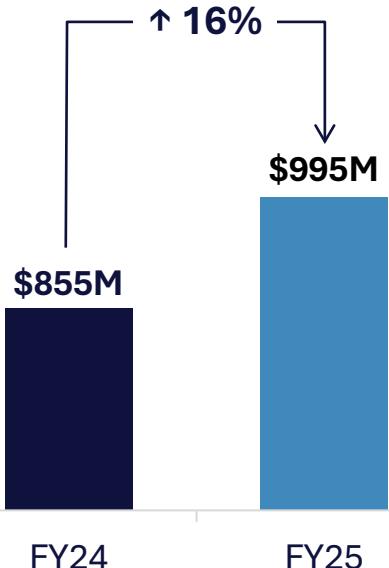
Capital Expenditures

\$238M

Returned to Stockholders
through dividends and share repurchases

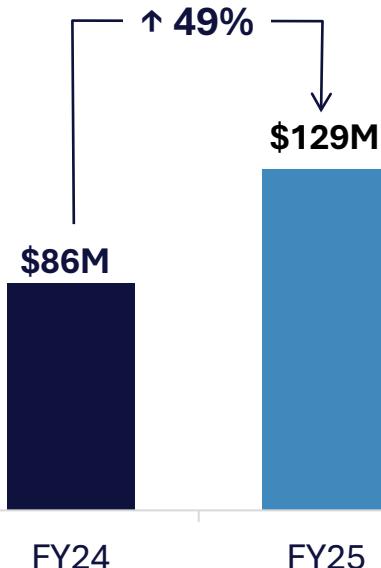
Q4 Fiscal Year 2025 Consolidated Results

Net Sales



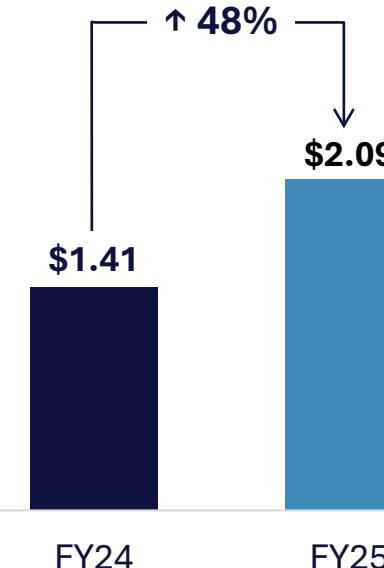
Adjusted Net Earnings¹

Reported Net Earnings
\$83M Q4 FY24; \$138M Q4 FY25

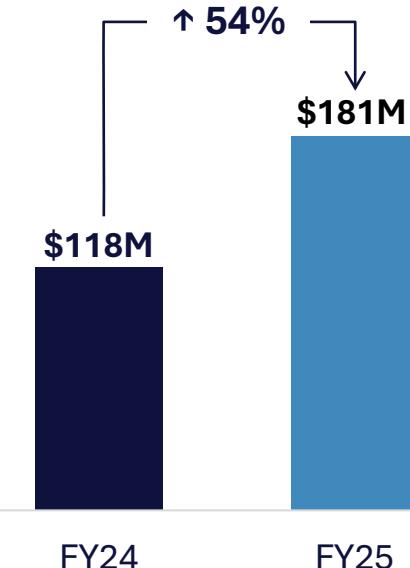


Adjusted EPS¹

Reported EPS
\$1.36 Q4 FY24; \$2.23 Q4 FY25

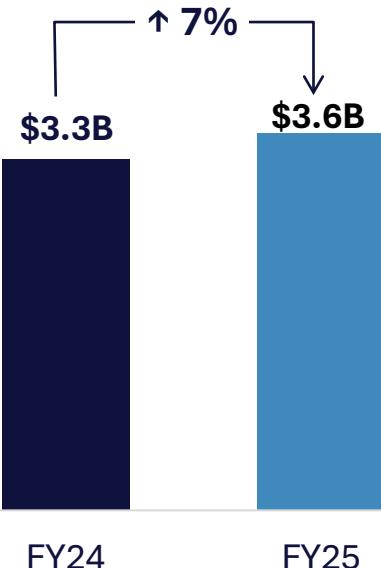


Free Cash Flow



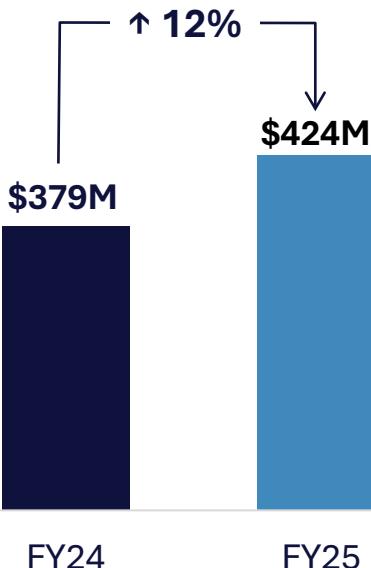
Fiscal Year 2025 Consolidated Results

Net Sales



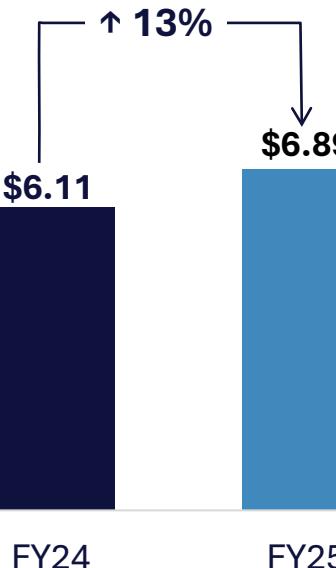
Adjusted Net Earnings¹

Reported Net Earnings
\$373M FY24; \$442M FY25

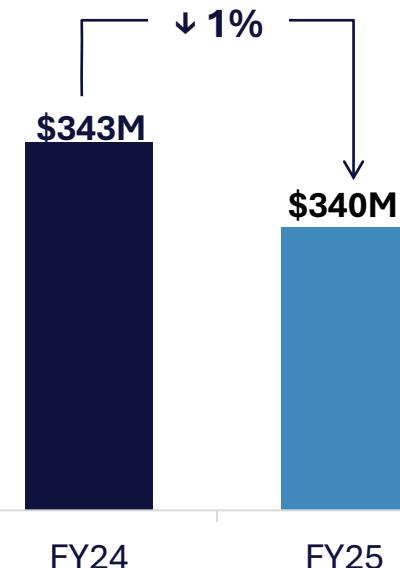


Adjusted EPS¹

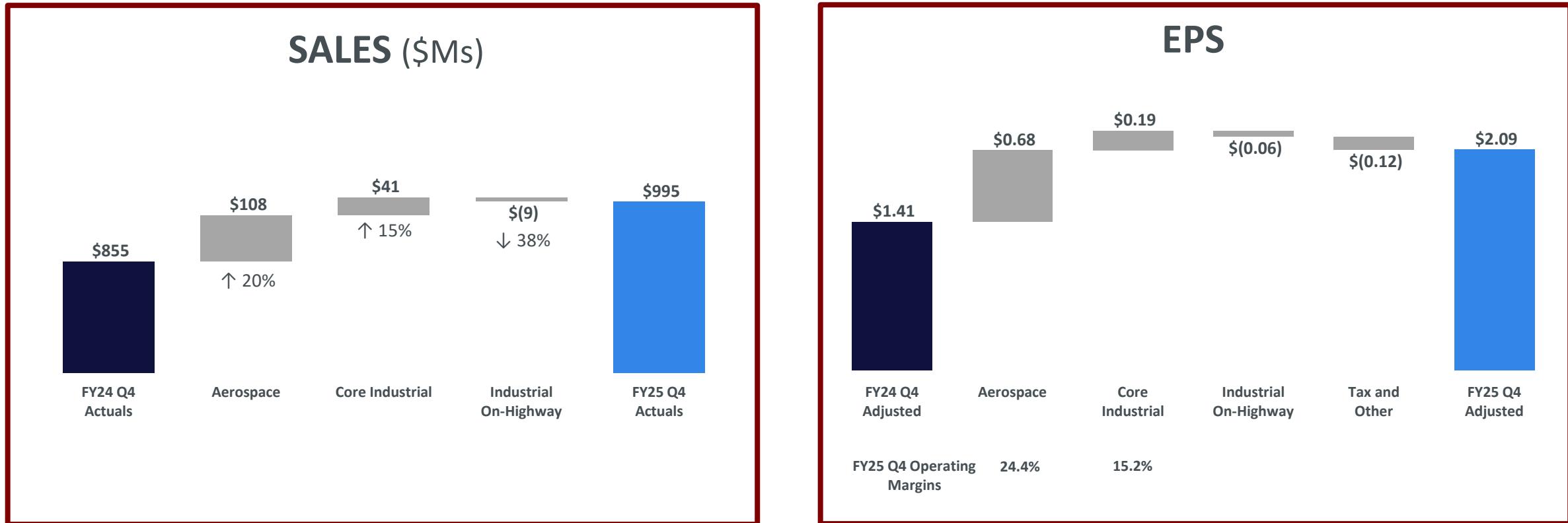
Reported EPS
\$6.01 FY24; \$7.19 FY25



Free Cash Flow

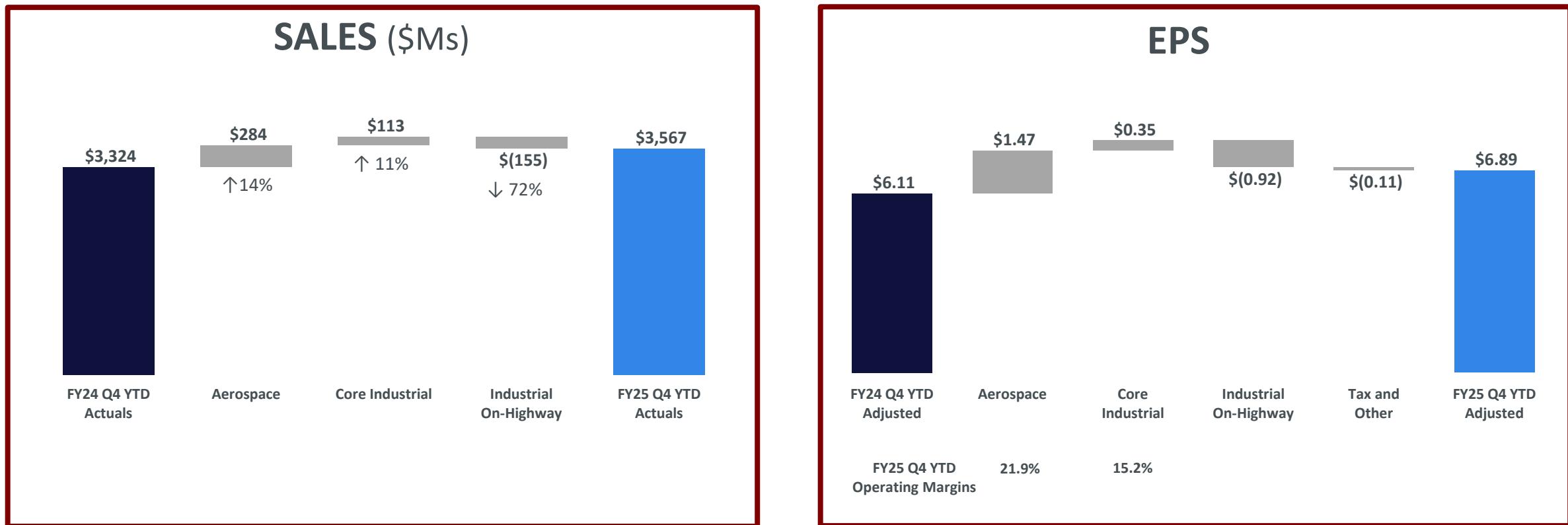


Q4 Fiscal Year 2025 Sales & EPS Bridge



GROWTH IN AEROSPACE AND CORE INDUSTRIAL
PARTIALLY OFFSET BY CHINA ON-HIGHWAY DECLINE

Fiscal Year 2025 Sales & Adjusted EPS Bridge



GROWTH IN AEROSPACE AND CORE INDUSTRIAL
PARTIALLY OFFSET BY CHINA ON-HIGHWAY DECLINE

Aerospace Overview



Q4 Fiscal Year 2025 Aerospace Segment

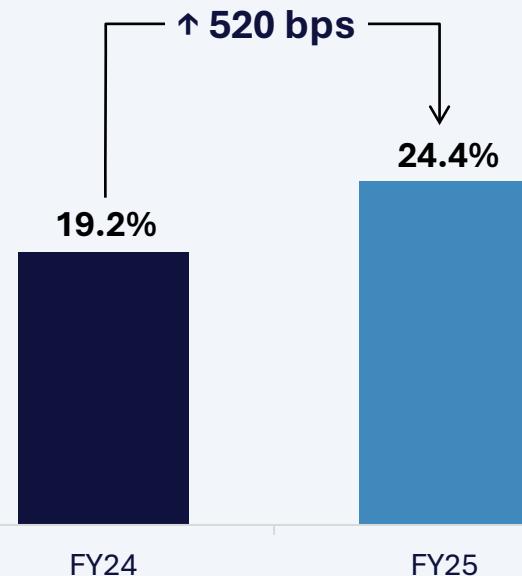
Sales



Earnings



Margin

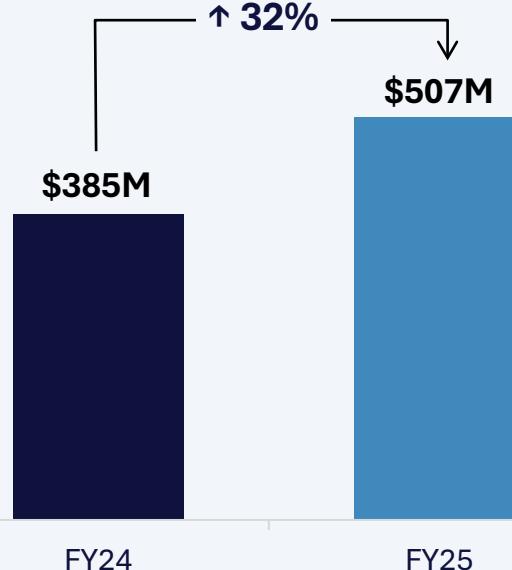


Fiscal Year 2025 Aerospace Segment

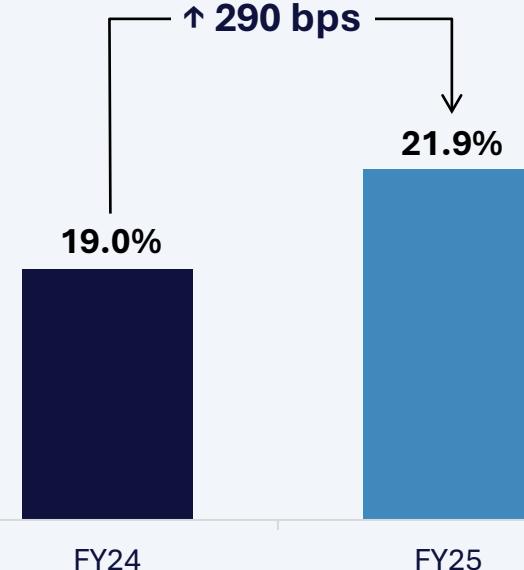
Sales



Earnings



Margin



Aerospace Commercial

Woodward Commercial
OEM Sales
FY24 to FY25

6%
Decline

Commercial OEM
Market Update

- OEM build rates continue to improve
- Industry supply chain challenges
- OEMs managing inventory



Woodward Commercial
Services Sales
FY24 to FY25

29%
Growth

Commercial Services
Market Update

- Air traffic remains solid
- High legacy aircraft utilization
- Current generation MRO ramping

Aerospace Defense

Woodward Defense
OEM Sales
FY24 to FY25

38%
Growth

Defense OEM
Market Update

- Strong demand for defense products
- Robust smart defense order activity



Woodward Defense
Services Sales
FY24 to FY25

2%
Decline

Defense Services
Market Update

- Solid demand environment
- Steady operations tempo

Industrial Overview



Q4 Fiscal Year 2025 Industrial Segment

Sales



Earnings



Margin

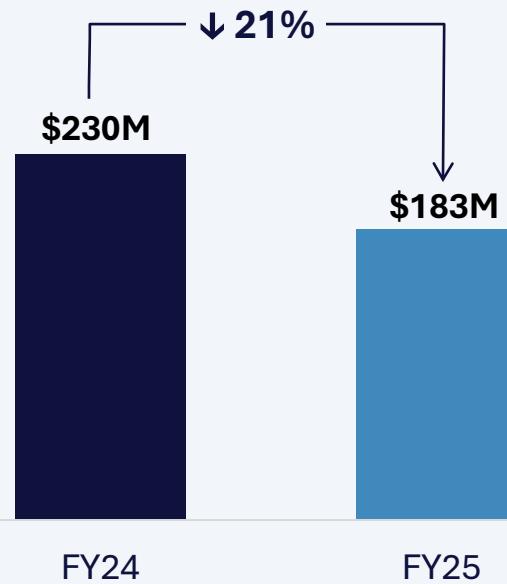


Fiscal Year 2025 Industrial Segment

Sales



Earnings



Margin



Q4 Fiscal Year 2025 Core Industrial

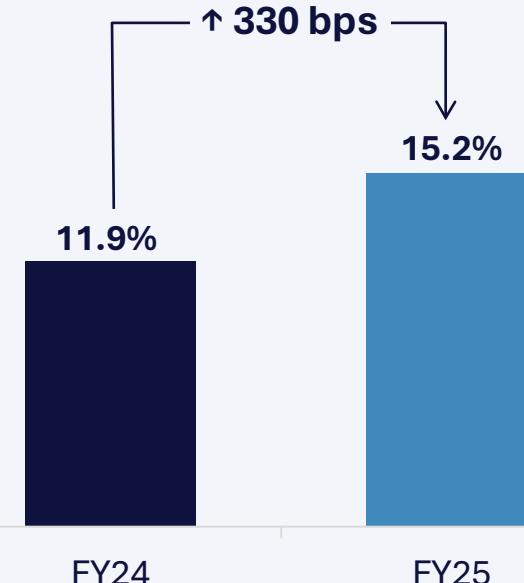
Sales



Earnings



Margin

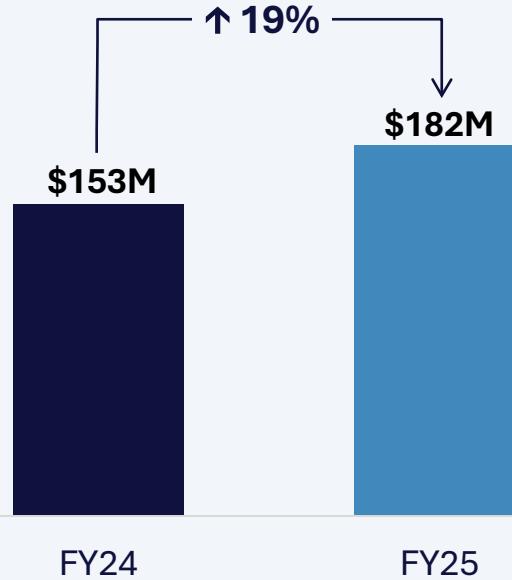


Fiscal Year 2025 Core Industrial

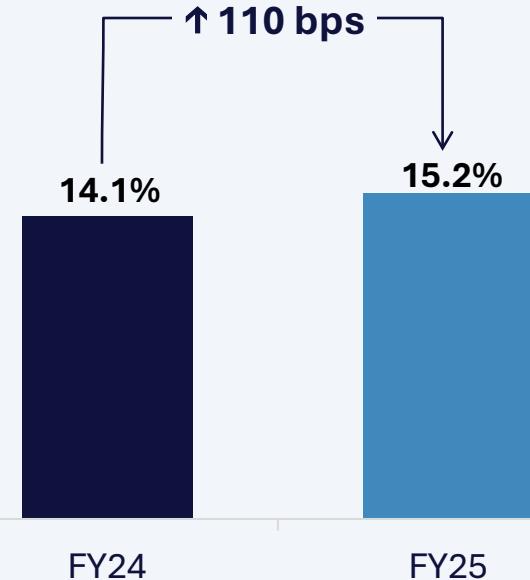
Sales



Earnings



Margin



Industrial



10% Growth

Woodward Power Gen Sales
FY24 to FY25

Power Generation

Market Update

- Robust global demand for power generation
- Increasing investment in gas-powered generation for both primary and backup power for grid stability
- Growing demand for data centers and associated backup power



19% Decline

Woodward Transportation Sales
FY24 to FY25

Transportation

Market Update

- Healthy global marine market with shipyards at capacity and high utilization
- Alternative fuel orders strong
- Dampened demand for heavy duty trucks in China



14% Growth

Woodward Oil & Gas Sales
FY24 to FY25

Oil & Gas

Market Update

- Recent oil production declines on lower commodity prices
- Production efficiency gains impacting upstream services
- Positive outlook related to continued investment in refining and petrochemical activities in China, Middle East, and India

Woodward Select Financial Results

In millions, except bps and percentages

	Q4 FY24	Q4 FY25	Change	FY24	FY25	Change
Gross Margin: % of Sales	24.3%	27.9%	360 bps	26.4%	26.8%	20 bps
SG&A Expenses: % of Sales	9.1%	8.8%	(30) bps	9.3%	9.2%	(10) bps
R&D Expenses: % of Sales	4.1%	3.9%	(20) bps	4.2%	4.1%	(10) bps
Effective Tax Rate	18.0%	13.9%	(410) bps	17.8%	15.2%	(260) bps
Adjusted Effective Tax Rate ¹	18.4%	22.3%	390 bps	18.0%	17.7%	(30) bps
EBITDA ¹	\$142	\$198	\$56	\$612	\$676	\$64
Adjusted EBITDA ¹	\$147	\$205	\$58	\$620	\$670	\$50
Cash From Operations	\$142	\$233	\$91	\$439	\$471	\$32
Capital Expenditures	\$24	\$52	\$28	\$96	\$131	\$35
Free Cash Flow	\$118	\$181	\$63	\$343	\$340	(\$3)

Fiscal Year 2026 Guidance



Fiscal Year 2026 Guidance

In millions, except EPS and percentages

Woodward	Sales Growth	Up 7-12%
	EPS	\$7.50-\$8.00
	Free Cash Flow ³	\$300-\$350
	Capital Expenditures	~\$290
	Shares	~61
	Effective Tax Rate	~22%
Aerospace	Sales Growth	Up 9-15%
	Segment Earnings (% of Sales)	22-23%
Industrial	Sales Growth	Up 5-9%
	Segment Earnings (% of Sales)	14.5-15.5%

Appendix

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to Adjusted Net Earnings¹ (Unaudited – In thousands, except per share amounts)

	Three Months Ended September 30,			
	2025		2024	
	Net Earnings	Earnings Per Share	Net Earnings	Earnings Per Share
Net Earnings (U.S. GAAP)	\$ 137,623	\$ 2.23	\$ 83,296	\$ 1.36
Non-U.S. GAAP Adjustments				
Specific charge for excess and obsolete inventory ^a	6,536	0.11	-	-
Non-recurring charge related to a previous acquisition ^b	-	-	4,378	0.07
Tax Effect of Non-U.S. GAAP Net Earnings Adjustments	(1,618)	(0.03)	(1,249)	(0.02)
Total non-U.S. GAAP Adjustments	4,918	0.08	3,129	0.05
German corporate tax rate reduction impact ^c	(13,392)	(0.22)	-	-
Adjusted Net Earnings (Non-U.S. GAAP)	\$ 129,149	\$ 2.09	\$ 86,425	\$ 1.41

- A. Presented in the line item "Cost of goods sold" in Woodward's Condensed Consolidated Statement of Earnings.
- B. Presented in the line item "Selling, general, and administrative expenses" in Woodward's Condensed Consolidated Statement of Earnings.
- C. Presented in the line item "Income tax expense" in Woodward's Condensed Consolidated Statement of Earnings.

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to Adjusted Net Earnings¹ (Unaudited – In thousands, except per share amounts)

	Years Ended September 30,			
	2025		2024	
	Net Earnings	Earnings Per Share	Net Earnings	Earnings Per Share
Net Earnings (U.S. GAAP)	\$ 442,111	\$ 7.19	\$ 372,971	\$ 6.01
Non-U.S. GAAP Adjustments				
Product rationalization ^a	(20,524)	(0.33)	-	-
Business development activities ^b	7,310	0.12	5,902	0.10
Specific charge for excess and obsolete inventory ^c	6,536	0.11	-	-
Non-recurring gain related to a previous acquisition ^a	-	-	(4,803)	(0.08)
Non-recurring charge related to a previous acquisition ^b	-	-	4,378	0.07
Certain non-restructuring separation costs ^b	-	-	2,666	0.04
Tax Effect of Non-U.S. GAAP Net Earnings Adjustments	1,512	0.02	(1,978)	(0.03)
Total non-U.S. GAAP Adjustments	(5,166)	(0.08)	6,165	0.10
German corporate tax rate reduction impact ^d	(13,392)	(0.22)	-	-
Adjusted Net Earnings (Non-U.S. GAAP)	\$ 423,553	\$ 6.89	\$ 379,136	\$ 6.11

- A. Presented in the line item "Other income, net" in Woodward's Condensed Consolidated Statement of Earnings.
- B. Presented in the line item "Selling, general, and administrative expenses" in Woodward's Condensed Consolidated Statement of Earnings.
- C. Presented in the line item "Cost of goods sold" in Woodward's Condensed Consolidated Statement of Earnings.
- D. Presented in the line item "Income tax expense" in Woodward's Condensed Consolidated Statement of Earnings.

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to EBIT¹ (Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
Net Earnings (U.S. GAAP)	\$ 137,623	\$ 83,296
Income Tax Expense	22,135	18,235
Interest Expense	10,225	13,477
Interest Income	(953)	(1,964)
EBIT (Non-U.S. GAAP)	169,030	113,044
Total non-U.S. GAAP Adjustments	6,536	4,378
Adjusted EBIT (Non-U.S. GAAP)	\$ 175,566	\$ 117,422

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to EBIT¹ and Adjusted EBIT¹ (Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
Net Earnings (U.S. GAAP)	\$ 442,111	\$ 372,971
Income Tax Expense	79,300	81,000
Interest Expense	45,689	47,959
Interest Income	(4,189)	(6,458)
EBIT (Non-U.S. GAAP)	562,911	495,472
Total non-U.S. GAAP Adjustments	(6,678)	8,143
Adjusted EBIT (Non-U.S. GAAP)	\$ 556,233	\$ 503,615

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to EBITDA¹ and Adjusted EBITDA¹ (Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
Net Earnings (U.S. GAAP)	\$ 137,623	\$ 83,296
Income Tax Expense	22,135	18,235
Interest Expense	10,225	13,477
Interest Income	(953)	(1,964)
Amortization of intangible assets	7,366	8,244
Depreciation Expense	21,816	21,084
EBITDA (Non-U.S. GAAP)	198,212	142,372
Total non-U.S. GAAP Adjustments	6,536	4,378
Adjusted EBITDA (Non-U.S. GAAP)	\$ 204,748	\$ 146,750

Woodward, Inc. and Subsidiaries

Reconciliation of Net Earnings to EBITDA¹ and Adjusted EBITDA¹ (Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
Net Earnings (U.S. GAAP)	\$ 442,111	\$ 372,971
Income Tax Expense	79,300	81,000
Interest Expense	45,689	47,959
Interest Income	(4,189)	(6,458)
Amortization of Intangible Assets	28,224	33,592
Depreciation Expense	85,054	82,578
EBITDA (Non-U.S. GAAP)	676,189	611,642
Total non-U.S. GAAP Adjustments	(6,678)	8,143
Adjusted EBITDA (Non-U.S. GAAP)	\$ 669,511	\$ 619,785

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries
Reconciliation of Income Tax Expense
to Adjusted Income Tax Expense¹
(Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
Income tax expense (U.S. GAAP)	\$ 22,135	\$ 18,235
Tax Effect of Non-U.S. GAAP Net Earnings Adjustments	15,010	1,249
Adjusted Income Tax Expense (Non-U.S. GAAP)	\$ 37,145	\$ 19,484
Adjusted Effective Income Tax Rate (Non-U.S. GAAP)	22.3%	18.4%

Woodward, Inc. and Subsidiaries
Reconciliation of Income Tax Expense
to Adjusted Income Tax Expense¹
(Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
Income tax expense (U.S. GAAP)	\$ 79,300	\$ 81,000
Tax Effect of Non-U.S. GAAP Net Earnings Adjustments	11,880	1,978
Adjusted Income Tax Expense (Non-U.S. GAAP)	\$ 91,180	\$ 82,978
Adjusted Effective Income Tax Rate (Non-U.S. GAAP)	17.7%	18.0%

Woodward, Inc. and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities
to Free Cash Flow¹
(Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
Net cash provided by operating activities (U.S. GAAP)	\$ 233,318	\$ 141,760
Payments for property, plant, and equipment	(52,391)	(24,087)
Free cash flow (Non-U.S. GAAP)	\$ 180,927	\$ 117,673

Woodward, Inc. and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities
to Free Cash Flow¹
(Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
Net cash provided by operating activities (U.S. GAAP)	\$ 471,294	\$ 439,089
Payments for property, plant, and equipment	(130,928)	(96,280)
Free cash flow (Non-U.S. GAAP)	\$ 340,366	\$ 342,809

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries
Reconciliation of Non-Segment Expenses
to Adjusted Non-Segment Expenses¹
(Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
Non-Segment Expenses (U.S. GAAP)	\$ 41,240	\$ 31,036
Specific charge for excess and obsolete inventory	(6,536)	-
Non-recurring charge related to a previous acquisition	-	(4,378)
Adjusted Non-Segment Expenses (Non-U.S. GAAP)	\$ 34,704	\$ 26,658

Woodward, Inc. and Subsidiaries
Reconciliation of Non-Segment Expenses
to Adjusted Non-Segment Expenses¹
(Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
Non-Segment Expenses (U.S. GAAP)	\$ (126,226)	\$ (119,745)
Product rationalization	(20,524)	-
Business development activities	7,310	5,902
Specific charge for excess and obsolete inventory	6,536	-
Non-recurring gain related to a previous acquisition	-	(4,803)
Non-recurring charge related to a previous acquisition	-	4,378
Certain non-restructuring separation costs	-	2,666
Adjusted Non-Segment Expenses (Non-U.S. GAAP)	\$ (132,904)	\$ (111,602)

Non-U.S. GAAP Reconciliations

Woodward, Inc. and Subsidiaries

Reconciliation of Industrial Net Sales (Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
China on highway natural gas truck sales	\$ 13,833	\$ 22,380
Core Industrial sales	320,226	279,317
Industrial segment net sales (U.S. GAAP)	\$ 334,059	\$ 301,697

Woodward, Inc. and Subsidiaries

Reconciliation of Industrial Segment Earnings (Unaudited – In thousands)

	Three Months Ended September 30,	
	2025	2024
China on highway natural gas truck earnings	\$ 74	\$ 4,740
Core Industrial earnings	48,664	33,274
Industrial segment earnings (U.S. GAAP)	\$ 48,738	\$ 38,014

Woodward, Inc. and Subsidiaries

Reconciliation of Industrial Net Sales (Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
China on highway natural gas truck sales	\$ 60,971	\$ 215,770
Core Industrial sales	1,193,287	1,079,861
Industrial segment net sales (U.S. GAAP)	\$ 1,254,258	\$ 1,295,631

Woodward, Inc. and Subsidiaries

Reconciliation of Industrial Segment Earnings (Unaudited – In thousands)

	Years Ended September 30,	
	2025	2024
China on highway natural gas truck earnings	\$ 885	\$ 77,184
Core Industrial earnings	181,639	152,673
Industrial segment earnings (U.S. GAAP)	\$ 182,524	\$ 229,857

Non-U.S. GAAP Measures

¹Adjusted and Non-U.S. GAAP Financial Measures: Adjusted net earnings, adjusted earnings per share, adjusted income tax expense, adjusted effective income tax rate, EBIT, adjusted EBIT, EBITDA, adjusted EBITDA, and adjusted nonsegment expenses exclude, as applicable, (i) product rationalization, (ii) costs related to business development activities, (iii) a specific charge for excess and obsolete inventory, (iv) a non-recurring gain related to a previous acquisition, (v) a non-recurring charge related to a previous acquisition, (vi) certain non-restructuring separation costs, and (vii) the impact of a German corporate tax rate reduction. The product rationalization adjustment pertains to the elimination and divestiture of certain product lines. The specific charge for excess and obsolete inventory relates to the intended disposal of certain inventory in our Industrial segment due in part to an unexpected shift in sales patterns. This non-recurring charge is not related to product rationalization and reflects an isolated event. The Company believes that these excluded items are short-term in nature, not directly related to the ongoing operations of the business, and therefore, the exclusion of them illustrates more clearly how the underlying business of Woodward is performing.

EBIT (earnings before interest and taxes), adjusted EBIT, EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted EBITDA, free cash flow, adjusted net earnings, adjusted earnings per share, adjusted income tax expenses, adjusted effective income tax rate, and adjusted nonsegment expenses are financial measures not prepared and presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Management uses EBIT and adjusted EBIT to evaluate Woodward's operating performance without the impacts of financing and tax related considerations. Management uses EBITDA and adjusted EBITDA in evaluating Woodward's operating performance, making business decisions, including developing budgets, managing expenditures, forecasting future periods, and evaluating capital structure impacts of various strategic scenarios. Management also uses free cash flow, which is derived from net cash provided by or used in operating activities less payments for property, plant, and equipment in reviewing the financial performance of Woodward's business segments and evaluating cash generation levels. Securities analysts, investors, and others frequently use EBIT, EBITDA and free cash flow in their evaluation of companies, particularly those with significant property, plant, and equipment, and intangible assets that are subject to amortization. The use of any of these non-U.S. GAAP financial measures is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with U.S. GAAP. Because adjusted net earnings, adjusted earnings per share, EBIT, EBITDA, adjusted EBIT, and adjusted EBITDA exclude certain financial information compared with net earnings, the most comparable U.S. GAAP financial measure, users of this financial information should consider the information that is excluded. Free cash flow does not necessarily represent funds available for discretionary use and is not necessarily a measure of our ability to fund our cash needs. Management's calculations of EBIT, EBITDA, adjusted net earnings, adjusted earnings per share, adjusted EBIT, adjusted EBITDA, adjusted effective income tax rate, adjusted nonsegment expenses, and free cash flow may differ from similarly titled measures used by other companies, limiting their usefulness as comparative measures.

²Website, Facebook: Woodward has used, and intends to continue to use, its Investor Relations website and its Facebook page as means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

³FY26 Free Cash Flow: Information reconciling our FY26 free cash flow guidance to forward-looking net cash provided by operating activities is not available without unreasonable effort primarily due to uncertainty of timing for capital expenditures.



Powering a clean future

 **WOODWARD**