



# ***CURTISS - WRIGHT***

# Intense Focus. Great Results.

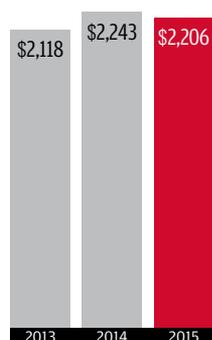
Curtiss-Wright is driven by strong leadership and results-oriented team members dedicated to achieving top quartile financial performance within our peer group. Continuing our journey as **One Curtiss-Wright**, we remain committed to delivering long-term shareholder value.

Curtiss-Wright Corporation is a global diversified industrial company built on long-standing customer relationships, leading market positions and advanced, highly-engineered technologies. Our legacy dates back to 1929 with the merger of companies founded by aviation pioneers Glenn Curtiss and the Wright Brothers.

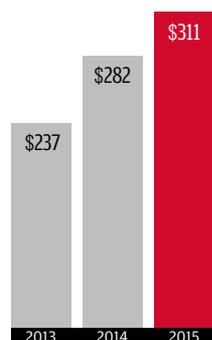
Headquartered in Charlotte, N.C., Curtiss-Wright employs approximately 8,400 men and women dedicated to providing outstanding service and innovative products to customers worldwide.

# Financial Highlights

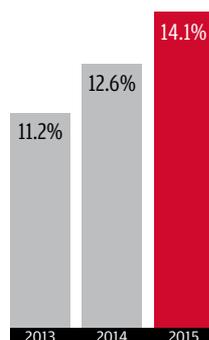
## Net Sales



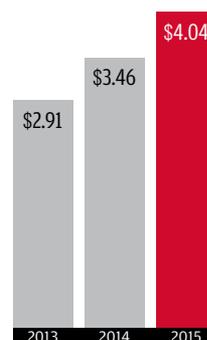
## Operating Income



## Operating Margin (%)



## Diluted Earnings Per Share



## Free Cash Flow\*



All figures reported on a continuing operations basis. Dollars in millions, except per share data.

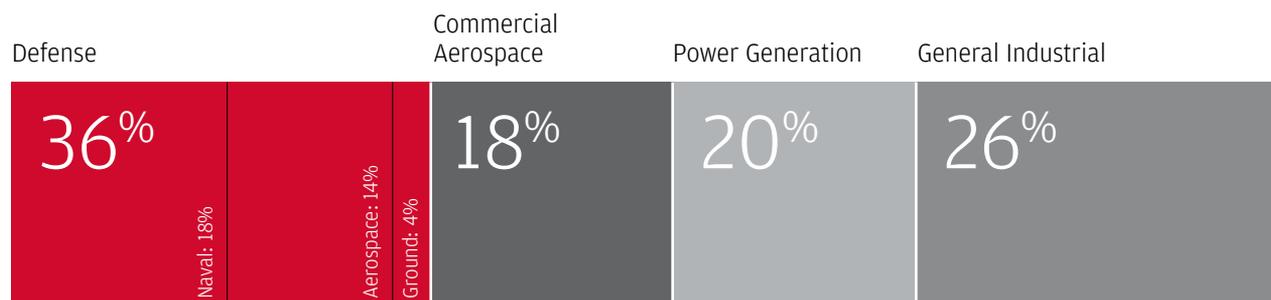
# 14.1%

Operating margin

# \$272 MILLION

Free cash flow\*

## End Market Sales (2015)



\* Free cash flow is defined as cash flow from operations less capital expenditures. 2015 adjusted to remove the \$145 million contribution to the Company's corporate defined benefit pension plan.

# Dear Fellow Shareholders

In 2015, we continued our journey to top quartile performance by producing significant operating margin expansion and strong free cash flow. I'm proud of our team's perseverance in navigating through economic and end market challenges while also achieving new industry-changing, technological milestones. Our team remains intensely focused on opportunities to grow our core business, drive increased operating efficiency and achieve steady cost reductions to ensure that Curtiss-Wright is positioned well for long-term growth.



**David C. Adams**  
Chairman and Chief Executive Officer

As we look to the future, it is essential that we leverage the critical mass of **One Curtiss-Wright** to remain competitive, sustain our technological leadership and improve our efficiency. Over the last few years, we refined our approach to market as a single, aligned company, increasing value to our customers, employees and shareholders. We implemented aggressive cost reduction actions and achieved savings that would not have been possible without unifying the entire business.

We are dedicated to achieving and maintaining our status in the top quartile of our peer group—for all of our key financial metrics. As we continue that journey, we will seek strategic acquisitions to supplement our organic growth while ensuring that we do not undermine the team's strong operational achievements.

## **Key to Our Future: Growing the Core**

Curtiss-Wright is a leading provider of state-of-the-art critical solutions and advanced technologies to the commercial aerospace, defense, general industrial and power generation markets. Sustained innovation and new product development are among Curtiss-Wright's key hallmarks as exemplified by our numerous scientists, engineers and technical teams.

It is crucial that we continue to expand our core technological offering, and accordingly, we are dedicated to reinvesting in our business to drive organic growth. Further, the reliability of Curtiss-Wright's products and services has led to decades-long customer relationships. Through additional investments in Research and Development, we will ensure our technology endures well into the future.

## **Leverage the Scale of a Global Diversified Industrial Company**

Curtiss-Wright has maintained its strategic plan despite challenging economic conditions. With a highly diversified technology portfolio, we manage an extensive suite of advanced engineered products and services, with critical technologies and applications.

We will continue to grow our global footprint, significantly expanding the geographic diversity and competitiveness of our business into key markets throughout Asia, Europe and South America. With 30% of our sales to international customers, it is critical we leverage our relationships and enter new markets to further diversify our business and provide opportunities to expand our overall market share.

**150**bps Improvement in operating margin

**\$300M** in share repurchases

### Key Achievements in 2015

We highlight several of Curtiss-Wright's key accomplishments on the following pages.

One of the most noteworthy achievements involved our reactor coolant pumps (RCPs) on the AP1000 nuclear program. We successfully completed testing, made final design modifications and reached full qualification of our RCP, which led to the receipt of the long-awaited order from China. The China AP1000 RCP order, worth more than \$450 million, is the largest single order ever received by Curtiss-Wright.

We also completed necessary portfolio rationalization, most notably through the divestiture of several oil & gas operations, significantly reducing our direct exposure to the volatile oil industry.

### Financial Performance

We were pleased with our operating performance in 2015, producing solid operating margin expansion and strong free cash flow generation despite lower sales. Net sales of \$2.2 billion decreased 2% from the prior year, driven by weaker economic and market conditions in several of our industrial businesses. We generated a 10% increase in operating income and drove operating margin up 150 basis points on a continuing operations basis to 14.1%, reflecting the benefits of our ongoing operating margin improvement initiatives as well as the new China AP1000 RCP order. Our net earnings from continuing operations grew 13% to \$192 million, or \$4.04 per diluted share.

Our free cash flow was \$272 million, adjusted to remove the \$145 million contribution to the Company's corporate defined benefit pension plan, which equated to 141% free cash flow conversion. Our strong cash flow position was aided by lower capital expenditures and our efforts to steadily reduce working capital. Our balance sheet remains healthy and provides a solid base of financial flexibility to continue the pursuit of our growth strategies. Additionally, our Return on Invested Capital increased 110 basis points to 11.5% due to improved operating performance and stringent capital management.

As a sign of our continued financial success, Curtiss-Wright was added to the S&P MidCap 400 stock market index in early 2016, where previously a constituent in the SmallCap 600 Index.

### Disciplined Capital Allocation Strategy

Curtiss-Wright remains committed to a disciplined and balanced capital allocation strategy that consists of reinvesting in our business, supplementing our organic growth with acquisitions

and providing steady distributions to our shareholders in the form of share repurchases and dividends in order to maximize shareholder value.

During 2015, we maintained an active share repurchase program and by early 2016, we completed the previously authorized \$300 million share repurchase program. We also maintained a steady annual dividend payout of \$0.52 per share. In December 2015, we announced our intent to repurchase at least \$100 million in shares in 2016, under a new \$200 million authorization, which is expected to more than offset the dilution from our compensation plans and also supplement our long-term earnings growth objectives.

Together, these actions reflect the Board of Directors' continued confidence in our ability to deliver solid, profitable growth and strong free cash flow.

### In Recognition

It is with sincere best wishes that we announce the retirement of our colleague, Dr. William W. Sihler, from our Board of Directors. Bill has been an integral member of our Board for more than 25 years, providing a wealth of insight and vital counsel. During his tenure, he served as chairman of the Audit Committee and as a member of the Finance Committee. I personally would like to thank Bill for his dedication and service to Curtiss-Wright and wish him well in his future endeavors.

As always, I would like to thank our 8,400 employees for their untiring efforts and hard work. Their ongoing dedication and commitment will ensure Curtiss-Wright's continued success.

I look forward to Curtiss-Wright's achievements in 2016 and remain excited for the future. We will continue to grow our business both organically and through strategic acquisitions, advancing our critical technologies to ensure industry leadership. We will continue to deliver on the One Curtiss-Wright vision to improve our operational efficiency and support our competitiveness. Finally, we remain committed to driving operating margin expansion, significant free cash flow generation and steady distributions to our shareholders to deliver long-term shareholder value.



**David C. Adams**  
Chairman and Chief Executive Officer

**110** bps Improvement in ROIC

# Major Accomplishments

## AP1000® Reactor Coolant Pumps (RCPs)

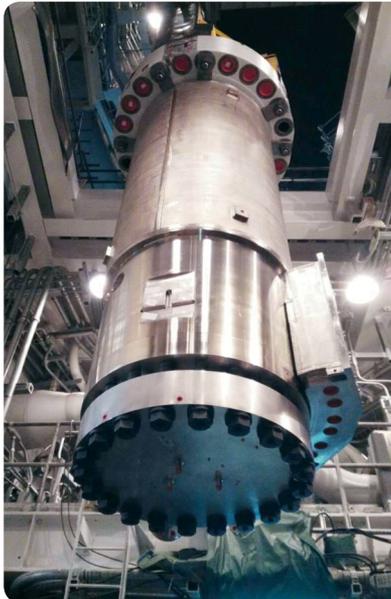


Photo © Sanmen Nuclear Power Company. All rights reserved

Secured order exceeding **\$450<sup>M</sup>** to provide AP1000 plant RCPs to China

### Completed all required RCP testing

**Jun. 2015:** Successfully completed engineering and endurance testing, and implemented final design modifications to support safe and reliable AP1000 plant operation.

### Successfully reached full qualification

**Oct. 2015:** Completed extensive China regulator reviews and post-test inspections confirming that our RCP performed as required during the final performance testing to reach full qualification.

### Began shipment of RCPs

**Nov. 2015:** Began shipping RCPs for Sanmen Unit 1 in China, the world's first AP1000 nuclear power plant. In total, 16 RCPs will be shipped to two plants in China, as well as 16 to two U.S. plants.



### Received new order to supply RCPs to China

**Dec. 2015:** Awarded contracts valued in excess of \$450 million, with a total potential value of approximately \$500 million including incentives, to provide 16 RCPs for Generation III commercial nuclear power plants in China.

## Portfolio Optimization

In December 2013, we committed to improving our operating margins in order to reach upper quartile performance compared to our peer group. One of the key initiatives was portfolio rationalization. We began in 2014 to drive an improved focus on core businesses and better align with our long-term objectives of operating margin expansion and free cash flow generation, while also positioning Curtiss-Wright for sustained future growth.

### By mid-2015, we completed our planned divestitures including:

**Oil & Gas downstream:** Several of our project-oriented downstream oil and gas businesses, where we did not possess sufficient critical mass to achieve leading positions. (The Company previously divested its entire upstream processing operation in 2014.)

Significantly reduced our exposure to the oil & gas market.

**Engineered Packaging:** Provider of electronic packaging solutions for military and aerospace customers.

**Douglas Equipment:** Manufacturer of ground support equipment for the aviation industry.

## Key Contracts

### Pilatus 1st flight

Celebrated the successful first flight of the Pilatus twin-engine PC-24 business jet, which is supported by critical Curtiss-Wright flight control equipment, including the Electro-Mechanical (EM) Spoiler and Flap Actuation System, as well as the Hydraulic Power Generation System.



### Virginia Class submarines

Awarded \$480 million in contracts to supply pumps, valves, generators and propulsors for the U.S. Navy's Block IV Virginia Class Submarine Program.



### U.K. SCOUT TDSS

Received \$49 million contract to provide the Turret Drive Servo System (TDSS), a weapon aiming and stabilization system, for use in the British Army's new SCOUT Reconnaissance vehicle.

### U.S. Army MML

Awarded contract with \$75 million lifetime value to supply elevation and hatch control electromechanical actuators for the U.S. Army's Multi-Mission Launcher (MML) program, a next generation air defense launcher system.

## Balanced Capital Allocation

Curtiss-Wright remains committed to a disciplined and balanced capital allocation strategy that consists of reinvesting in our business, supplementing our organic growth with strategic bolt-on acquisitions, and returning capital to shareholders through share repurchase and dividend distributions to drive long-term shareholder value.

### Active share repurchase program

The Company completed \$300 million in share repurchases in 2015, under a previous program authorized in late 2014, buying back 4.3 million shares of our common stock.

In December 2015, our Board of Directors authorized a new \$200 million share repurchase program, under which the Company expects to repurchase at least \$100 million in stock during 2016.

### Acquisition of Bolt's Metallizing

On March 16, we acquired Bolt's Metallizing, a leading provider of thermal spray coatings for critical aerospace applications, including high velocity oxygen fuel (HVOF) and plasma spray coating capabilities.



## Innovation

### Machine Learning for Advanced System Diagnostics

For large Data Acquisition Systems, sensor and wiring fault tracking is very time consuming and difficult to achieve in a modern accelerated flight test schedule. However, aerospace is an unforgiving environment, and it is absolutely critical to ensure flight test data is valid. Curtiss-Wright developed new ways to reduce time and increase efficiency in ensuring the accuracy of on-board sensor networks.



Our Data Acquisition Instrumentation engineers are radically reducing network testing time by creating automated anomaly detection algorithms based on Machine Learning techniques – a significant departure from current diagnostic approaches.

### Advanced Control Systems Improving Quality of Life

Curtiss-Wright is a leader in the "rehabilitation" wheelchair marketplace, helping provide ways for the severely disabled to better interact with the environment. Our innovative control system manages the speed, direction and other key functions in these sophisticated chairs, including connectivity to appliances and smart devices leveraging Internet of Things technologies.



### Human-Machine Interface in Commercial Vehicles

Curtiss-Wright is driving innovation in the area of Human Machine Interface ("HMI") systems for commercial vehicles – a connector between the operator and the operating environment. Our products are leveraged to extend existing HMI sub-systems by replacing mechanical controls with electro-mechanical solutions in a variety of specialty vehicles. These fully-integrated systems improve safety and efficiency by linking various HMI components, thus reducing the form factor and improving functionality.

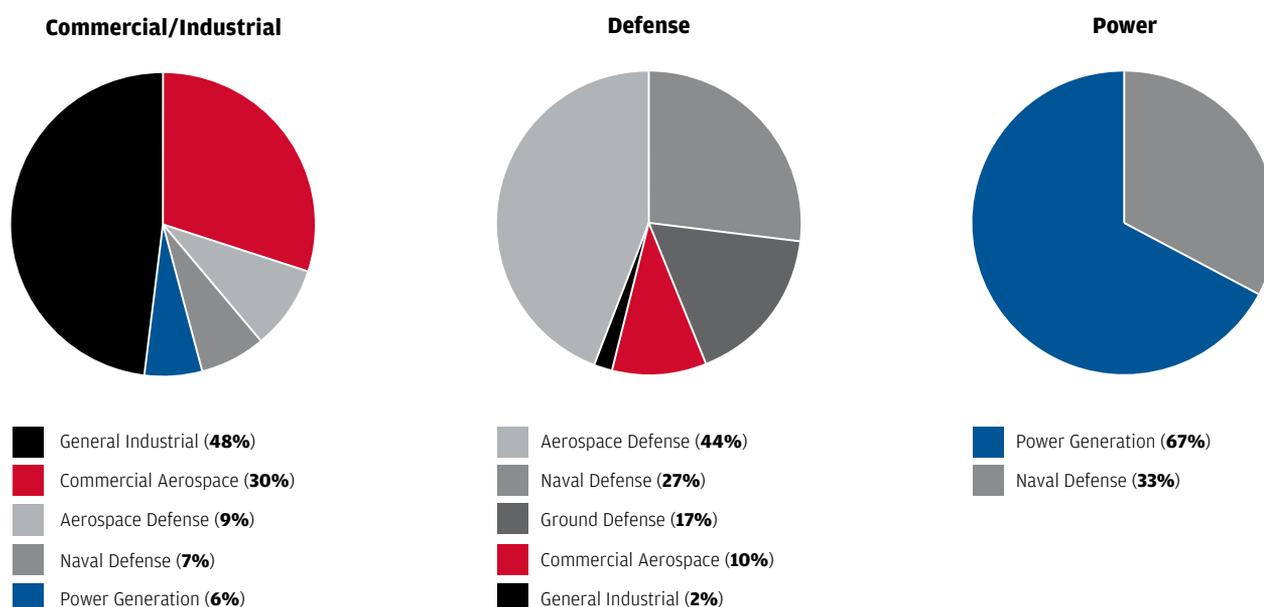
# Segment Financial Information

Year ended December 31 (Dollars in millions, except percentages; unaudited)

	2015	2014	Change
<b>Sales</b>			
Commercial/Industrial	\$ 1,184.8	\$ 1,228.1	(4%)
Defense	477.4	489.9	(3%)
Power	543.5	525.2	3%
<b>Total sales</b>	<b>\$ 2,205.7</b>	<b>\$ 2,243.1</b>	<b>(2%)</b>
<b>Operating income (expense)</b>			
Commercial/Industrial	\$ 171.5	\$ 178.7	(4%)
Defense	98.9	82.6	20%
Power	75.0	51.4	46%
<b>Total segments</b>	<b>\$ 345.4</b>	<b>\$ 312.7</b>	<b>10%</b>
<b>Corporate and other</b>	<b>(34.8)</b>	<b>(30.3)</b>	<b>(15%)</b>
<b>Total operating income</b>	<b>\$ 310.6</b>	<b>\$ 282.4</b>	<b>10%</b>
<b>Operating margins</b>			
Commercial/Industrial	14.5%	14.5%	
Defense	20.7%	16.9%	
Power	13.8%	9.8%	
<b>Segment margins</b>	<b>15.7%</b>	<b>13.9%</b>	
<b>Total operating margin</b>	<b>14.1%</b>	<b>12.6%</b>	

Note: Amounts may not add to the total due to rounding.

## Sales by Segment vs. End Market (2015)



# Historical Financial Performance

## Three-Year Review

For the years ended December 31  
(Dollars in millions, except per share data; unaudited)

	2015	2014	2013
<b>Performance<sup>(1)</sup></b>			
Net sales	\$ 2,205.7	\$ 2,243.1	\$ 2,118.1
Operating income	\$ 310.6	\$ 282.4	\$ 237.1
Operating margin	14.1%	12.6%	11.2%
Net earnings	\$ 192.2	\$ 169.9	\$ 139.4
<b>Earnings per share</b>			
Basic	\$ 4.12	\$ 3.54	\$ 2.97
Diluted	\$ 4.04	\$ 3.46	\$ 2.91
Dividends per share	\$ 0.52	\$ 0.52	\$ 0.39
Return on invested capital <sup>(2)</sup>	11.5%	10.4%	9.5%
New orders	\$ 2,585.0	\$ 2,409.2	\$ 2,161.3
Backlog at year end	\$ 1,928.7	\$ 1,674.1	\$ 1,597.0
<b>Year-end financial position</b>			
Working capital as % of sales <sup>(3)</sup>	25.4%	23.4%	25.5%
Total assets	\$ 3,029.4	\$ 3,399.5	\$ 3,458.3
Total debt	\$ 954.3	\$ 954.3	\$ 959.9
Stockholders' equity	\$ 1,255.4	\$ 1,478.4	\$ 1,552.7
<b>Other year-end data</b>			
Cash flow from operations	\$ 162.5	\$ 331.8	\$ 237.8
Capital expenditures	\$ 35.5	\$ 67.1	\$ 72.2
Free cash flow <sup>(4)</sup>	\$ 272.0	\$ 264.7	\$ 165.6
EBITDA	\$ 411.4	\$ 401.3	\$ 358.6
Depreciation and amortization	\$ 100.8	\$ 118.9	\$ 121.5
Shares of stock outstanding at December 31	44.6	47.9	47.6
Number of registered shareholders <sup>(5)</sup>	4,038	4,321	4,605
Number of employees <sup>(5)</sup>	8,421	8,911	9,761

Note: Amounts may not add due to rounding.

(1) Reported on a continuing operations basis.

(2) Return on invested capital is equal to net operating profit after-tax over two-year average net debt plus equity and excludes equity from discontinued operations.

(3) Working capital is equal to accounts receivable plus inventory minus accounts payable, deferred income and deferred development costs.

(4) Free cash flow is defined as cash flow from operations less capital expenditures. 2015 adjusted to remove the \$145 million contribution to the Company's corporate defined benefit pension plan.

(5) Actual number, not in millions.

## Stock Price Range

Common	2015		2014	
	High	Low	High	Low
First quarter	\$74.63	\$64.40	\$69.90	\$57.72
Second quarter	77.57	70.13	70.33	59.22
Third quarter	73.90	61.59	73.67	60.60
Fourth quarter	71.86	60.73	72.99	63.90

## Dividends per Share

Common	2015	2014
First quarter	\$0.13	\$0.13
Second quarter	0.13	0.13
Third quarter	0.13	0.13
Fourth quarter	0.13	0.13

# Directors

**David C. Adams**

Chairman and Chief Executive Officer

**Dean M. Flatt**

Director, Ducommun, Inc.; Former President and Chief Operating Officer of Honeywell International's Defense and Space Business

**S. Marce Fuller**

Director, Earthlink, Inc.; Former President and Chief Executive Officer of Mirant Corporation, Inc. (formerly known as Southern Energy, Inc.)

**Dr. Allen A. Kozinski**

Former Vice President of Global Refining of British Petroleum PLC

**John R. Myers**

Former Chairman and Chief Executive Officer of Tru-Circle Corporation; Management Consultant; Former Non-Executive Chairman of the Board of Garrett Aviation Services

**John B. Nathman**

Admiral, U.S. Navy (Ret.)

**Robert J. Rivet**

Former Executive Vice President, Chief Operations, and Administrative Officer of Advanced Micro Devices, Inc.

**Dr. William W. Sihler**

Ronald E. Trzcinski Professor of Business Administration, Darden Graduate School of Business Administration, University of Virginia

**Albert E. Smith**

Director, Tetra Tech, Inc.; Former Executive Vice President of Lockheed Martin Corporation

**Stuart W. Thorn**

President and Chief Operating Officer, Southwire Company

# Officers

**David C. Adams**

Chairman and Chief Executive Officer

**Glenn E. Tynan**

Vice President and Chief Financial Officer

**Thomas P. Quinly**

Vice President and Chief Operating Officer

**Paul J. Ferdenzi**

Vice President, General Counsel, and Corporate Secretary

**Harry S. Jakubowitz**

Vice President and Treasurer

**K. Christopher Farkas**

Vice President and Corporate Controller

# Shareholder Information

## Corporate Headquarters

13925 Ballantyne Corporate Place, Suite 400  
Charlotte, NC 28277  
www.curtisswright.com  
Tel: (704) 869-4600

## Annual Meeting

The 2016 annual meeting of stockholders will be held on Friday, May 6, 2016 at 1:30 p.m. local time at The Ballantyne Hotel & Lodge, 10000 Ballantyne Commons Parkway, Charlotte, NC 28277.

## Stock Exchange Listing

The Corporation's common stock is listed and traded on the New York Stock Exchange under the symbol CW.

## Common Shareholders

As of December 31, 2015, the approximate number of registered holders of record of common stock, par value of \$1.00 per share of the Corporation, was 4,038.

## Forward-Looking Statements

This brochure contains not only historical information, but also forward-looking statements regarding expectations of future performance of the Corporation. Forward-looking statements involve risk and uncertainty. Please refer to the Corporation's 2015 Annual Report on Form 10-K for a discussion relating to forward-looking statements contained in this brochure and risk factors that could cause future results to differ from current expectations.

## Stock Transfer Agent and Registrar

For services such as changes of address, replacement of lost certificates or dividend checks, and changes in registered ownership, or for inquiries as to account status, write to Broadridge Corporate Issuer Solutions, Inc., P.O. Box 1342, Brentwood, NY 11717 or overnight to 1155 Long Island Avenue, Brentwood, NY 11717. Please include your name, address and telephone number with all correspondence. Telephone inquiries may be made toll-free to (855) 449-0995, or to (720) 864-4772 internationally. Internet inquiries should be directed to <http://shareholder.broadridge.com/curtisswright> and by email to [shareholder@broadridge.com](mailto:shareholder@broadridge.com). Hearing-impaired shareholders are invited to log on to the website and select the Live Chat option.

## Direct Stock Purchase Plan/ Dividend Reinvestment Plan

A plan is available to purchase or sell shares of Curtiss-Wright common stock. The plan provides a low-cost alternative to the traditional methods of buying, holding and selling stock. The plan also provides for the automatic reinvestment of Curtiss-Wright dividends. For more information, contact our transfer agent, Broadridge Corporate Issuer Solutions, Inc., P.O. Box 1342, Brentwood, NY 11717, toll-free at (855) 449-0995.

## Investor Information

Investors, stockbrokers, security analysts and others seeking information about Curtiss-Wright Corporation should contact James M. Ryan, Director of Investor Relations, at (704) 869-4600 or [investor@curtisswright.com](mailto:investor@curtisswright.com)

## Shareholder Communications

Any stockholder wishing to communicate directly with our Board of Directors should write to Albert E. Smith, c/o Curtiss-Wright Corporation, 13925 Ballantyne Corporate Place, Suite 400 Charlotte, NC 28277.

## Financial Reports

This brochure includes some of the periodic financial information required to be on file with the Securities and Exchange Commission. The Corporation also files an Annual Report on Form 10-K, a copy of which may be obtained free of charge. These reports, as well as additional financial documents such as quarterly shareholder reports, proxy statements, and quarterly reports on Form 10-Q, may be obtained by written request to James M. Ryan, Director of Investor Relations, at the Corporate Headquarters or through the Investor Relations section of the Corporation's website: [www.curtisswright.com](http://www.curtisswright.com).



Photos courtesy of: U.S. Navy/Mass Communication Specialist 1<sup>st</sup> Class Steven Myers/Released; Pilatus Aircraft LTE.



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