

Creating Tomorrow's **KAMAN** Today



Investor Presentation
September 4, 2019

Forward Looking Statements

KAMAN

FORWARD-LOOKING STATEMENTS

This presentation includes "forward looking statements" relating to the announced transactions and future operations of the Company, which can be identified by the use of words such as "will," "expect," "poise," "believe," "plans," "strategy," "prospects," "estimate," "project," "seek," "target," "anticipate," "intend," "future," "likely," "may," "should," "would," "could," and other words of similar meaning in connection with a discussion of future operating or financial performance or events. Forward-looking statements also may be included in other publicly available documents issued by the Company and in oral statements made by our officers and representatives from time to time. These statements are based on assumptions currently believed to be valid but involve significant risks and uncertainties, many of which are beyond our control, which could cause our actual results to differ from those expressed in the forward looking statements. Such risks and uncertainties include, among others, the ability to implement the anticipated business plans following closing and achieve anticipated benefits and savings; and future and estimated revenues, earnings, cash flow, charges, cost savings and expenditures. Additional risks and uncertainties that could cause our actual results to differ from those expressed in the forward looking statements are identified in our reports filed with the SEC, including our Quarterly Reports on Form 10-Q, our Annual Reports on Form 10-K, and our Current Reports on Form 8-K. The forward looking statements included in this presentation are made only as of the date of this presentation, and the Company does not undertake any obligation to update the forward looking statements to reflect subsequent events or circumstances.

Non-GAAP Figures

Management believes that the Non-GAAP financial measures (i.e. financial measures that are not computed in accordance with Generally Accepted Accounting Principles) identified by an asterisk (*) used in this presentation or in other disclosures provide important perspectives into the Company's ongoing business performance. The Company does not intend for the information to be considered in isolation or as a substitute for the related GAAP measures. Other companies may define the measures differently. Reconciliations from GAAP measures to the Non-GAAP measures are presented herein.

2019 Recent Highlights



Key Events

- Successfully closed the sale of Kaman Distribution to Littlejohn & Co. for \$700 million
- Received Export License for our \$324 million JPF DCS Order
- Announced expansion of our German miniature bearings facility
- Awarded a contract to return the two U.S. Marine Corps K-MAX® aircraft to service
- Record Specialty Bearings & Engineered Products orders in the first six months of 2019

First Half Financial Performance

- Net Sales from continuing operations of \$341 million on gross margin of 31.4%
- Net earnings from continuing operations increased 25.3% to \$12 million
- Diluted earnings per share from continuing operations increased 26.5% to \$0.43
- Cash provided by operating activities of continuing operations of \$11 million
- Total backlog of \$844 million at June 28, 2019

Transaction Overview

KAMAN

Transaction Details

- Sold Distribution segment to Littlejohn & Co. for \$700 million
- Net cash proceeds estimated at approximately \$600 million
 - Less \$30 million in Transaction fees and \$70 Million in taxes
- Purchase price represents 10.6x Distribution's 2018 Adjusted EBITDA*

Timing

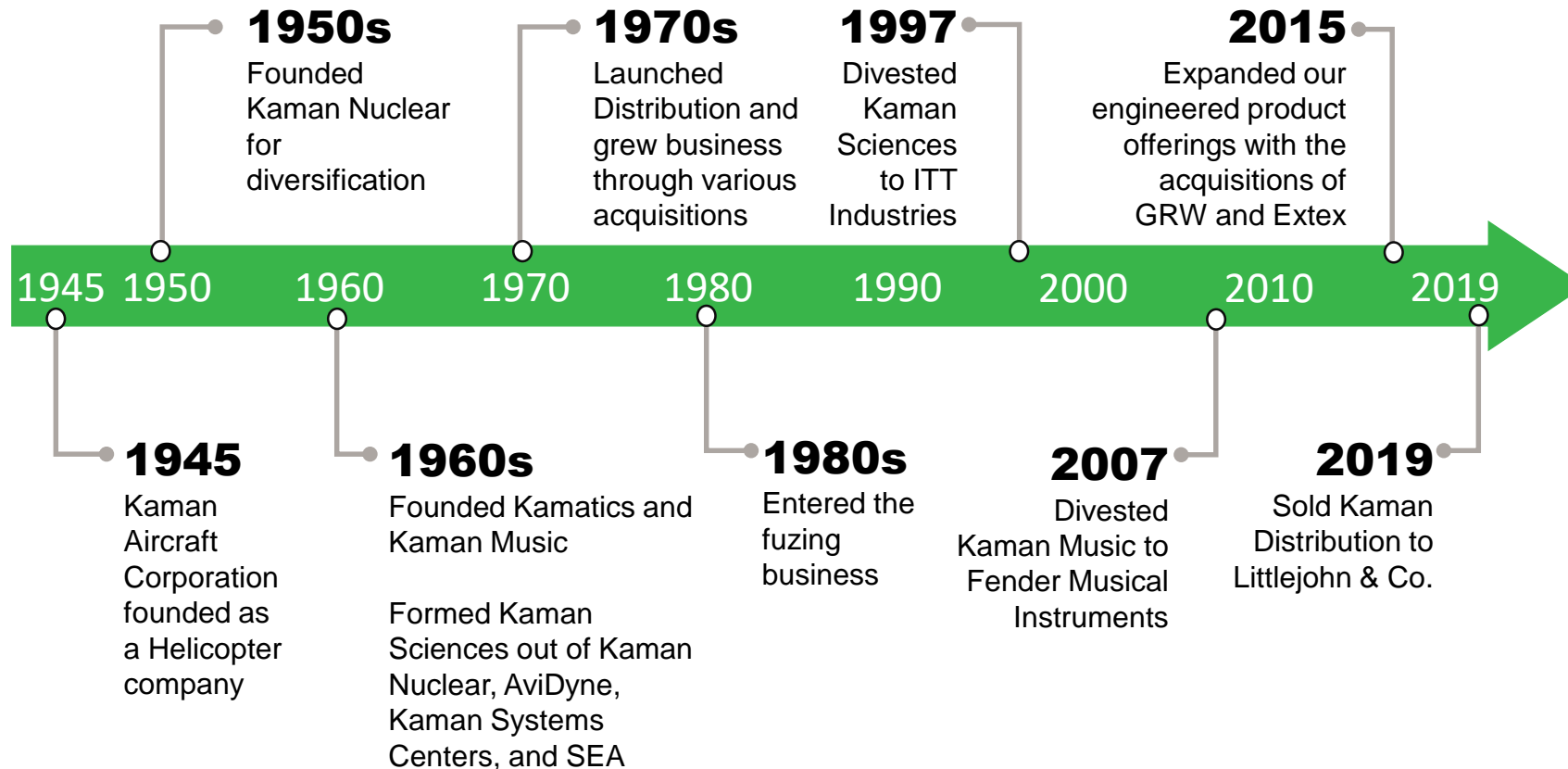
- Transaction closed on August 26, 2019

Provides substantial financial flexibility to enhance shareholder value and expand our engineered product offerings

Continued Evolution of our Strategy

KAMAN

Focused on Growing with Highly Engineered Solutions



2019 and beyond

Build our leading engineered solutions product portfolio through a combination of organic growth and M&A.

Differentiated Products

Technologically differentiated product offering supported by strong end markets

Growth through Innovation

Accelerate internal investments in our products, facilities, and people

Capital Allocation

Expand capabilities through M&A while maintaining a disciplined approach to the return of capital to shareholders

Focus on Cost Savings

Initial cost savings estimated at \$15 - \$20 million exiting 2020 – expect additional cost savings going forward

Strategically Focused on Highly Engineered Products,
Generating Higher Margins with a Strong Free Cash Flow Profile

Growth through M&A

Acquisition Focus

- Focused on growing our highly engineered product offerings
- Remain disciplined in valuation and return metrics
- Sales focused in attractive global end markets (Medical, Industrial, and Aerospace and Defense)
- Attractive historical margins with strong proprietary product portfolio

Spotlight on GRW

Business Overview:

- Manufacturer of high precision miniature bearings
- Locations: Germany and Czech Republic
- Business Acquired: November 2015

Investment Rationale:

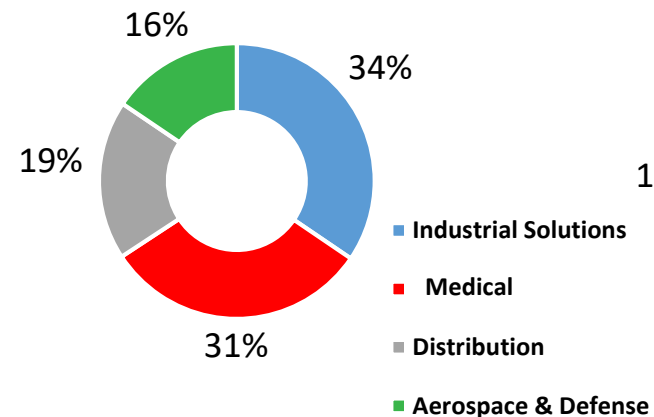
- Leader in high precision miniature bearings
- Exposure to high growth attractive end markets
- Proprietary Machining and Assembly Technologies
- Wide range of miniature bearings products serving a diverse customer base
- Attractive EBITDA Margins

Performance Under Ownership:

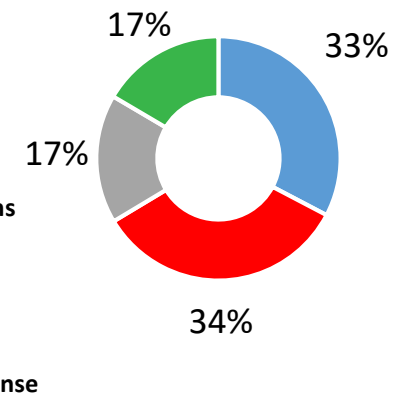
- Annual sales growth with Aerospace and Defense and Healthcare end market achieving a 2019 forecasted CAGR of more than 7% since 2016
- Driving synergies through the consolidation of U.S. sales operations
- Maintaining strong EBITDA Margin performance
- Growth in attractive end markets



FY 2016

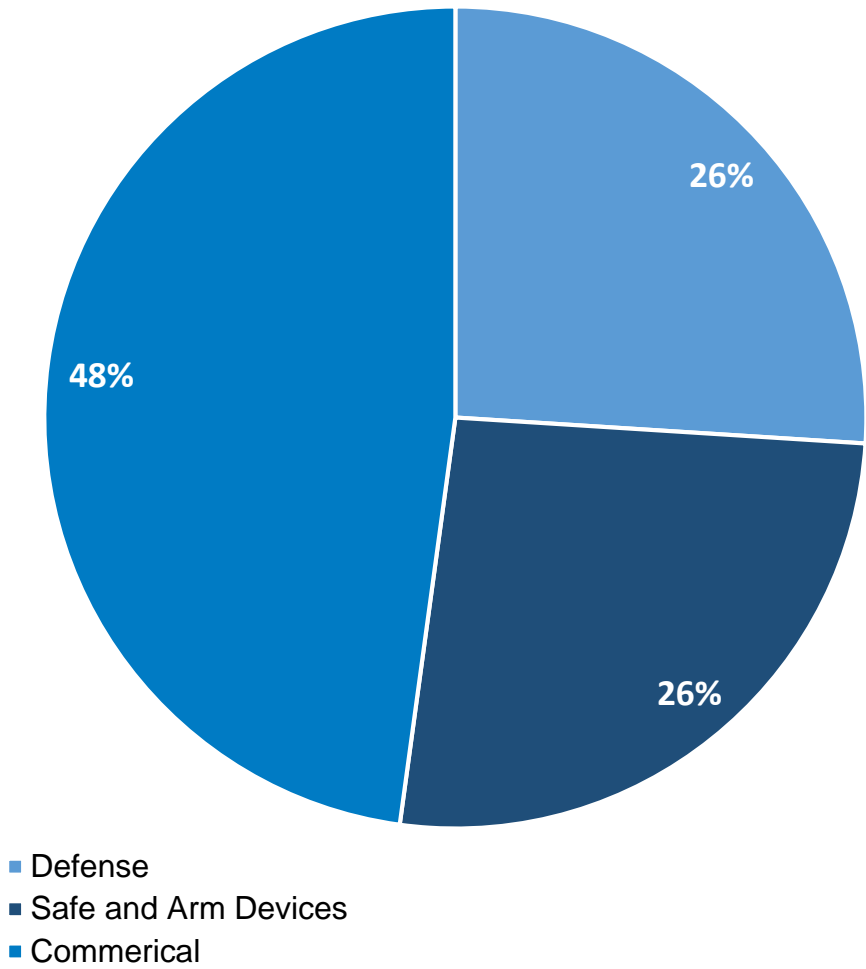


FY 2019 Projected

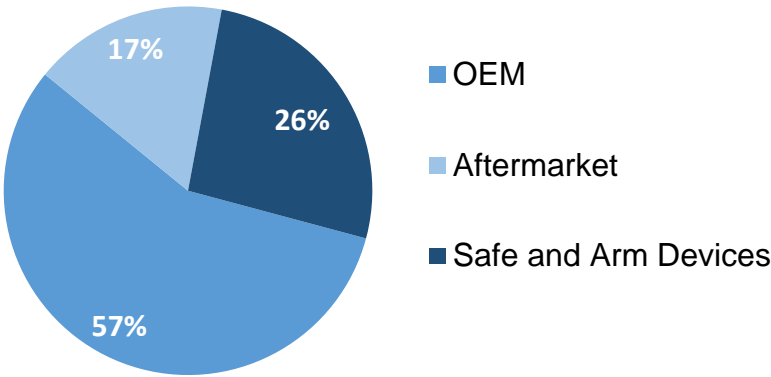


Diversified Mix of Customers & Platforms

2018 Revenues: \$736 Million



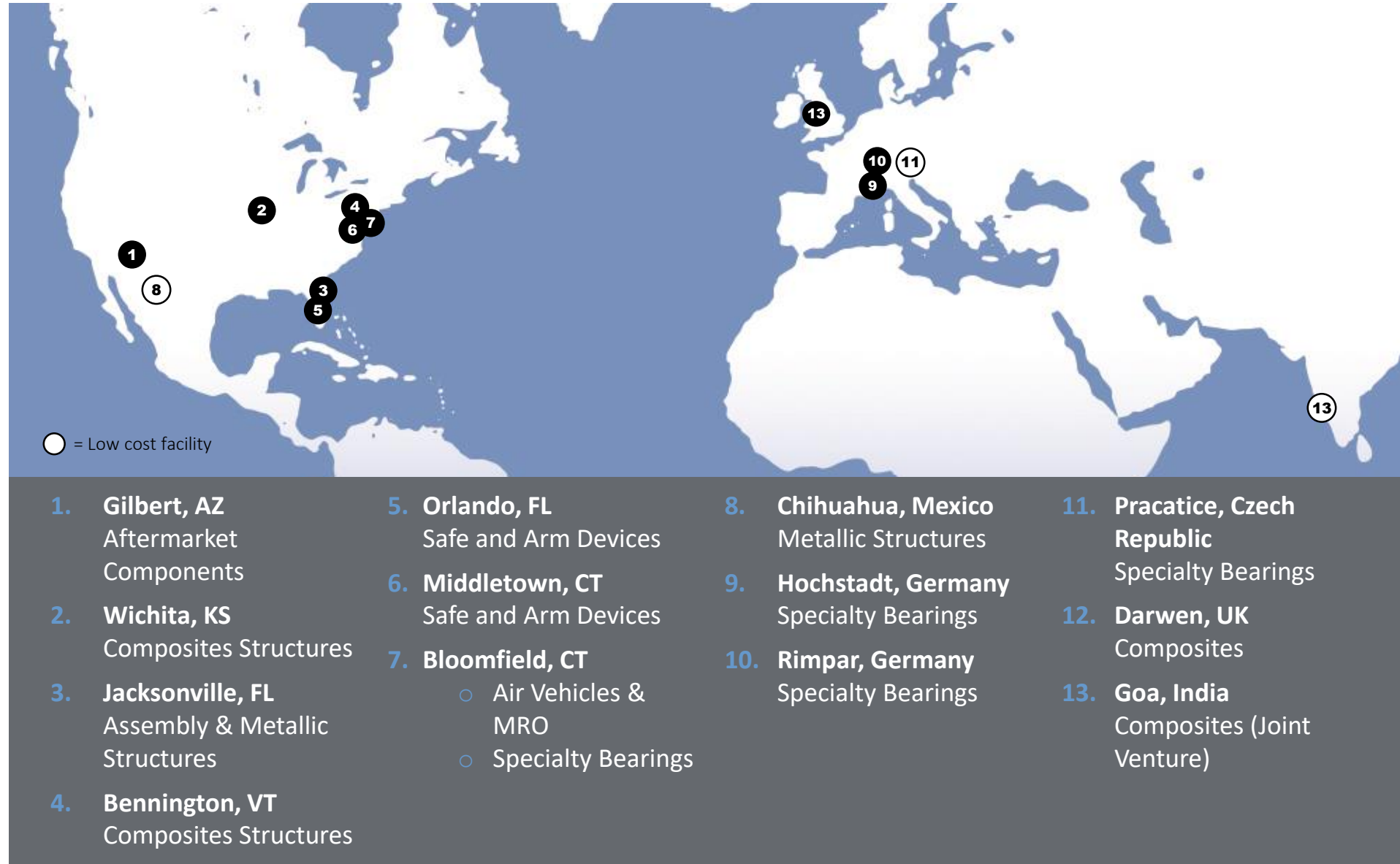
2018 Sales Split



Selected Platforms		
Boeing	Airbus	Fuzing
<ul style="list-style-type: none">787/777737A-10	<ul style="list-style-type: none">A350A330A320	<ul style="list-style-type: none">JPFAMRAAMTomahawk
Bell Helicopter	Sikorsky	Kaman
<ul style="list-style-type: none">AH-1ZRotor Blades	<ul style="list-style-type: none">UH-60CH-53	<ul style="list-style-type: none">SH-2GK-MAX®

Our Footprint

KAMAN








Premier Global Customer Base

KAMAN



Broad Range of Engineered Products Serving Diverse End Markets



Product Offering		Differentiator	End Use Characteristics	Primary End Markets
Self Lubricating Bearings		Karon® Self Lubricating Machinable Liner	High Load, Low RPM Applications	Aerospace, Industrial, Marine, Hydropower, Space, Aftermarket
Traditional Airframe Bearings		Custom Design Capability	Low Friction, High Accuracy, High Speed Applications	Aerospace
Flexible Drive Systems		Patented and Proprietary technology	Integrated Fail-Safe, Mission Critical, High Torque applications	Rotorcraft
High Precision Miniature Bearings		Proprietary design, machining, and assembly	Low Load, High RPM Precision Applications	Medical, Industrial, Aerospace
Engine Aftermarket Components		FAA Parts Manufacturing Authorization	Flight Critical Aerospace Applications	Aerospace

Expect mid to high single digit sales growth over the next five years

Advanced Safe and Arm Devices

KAMAN

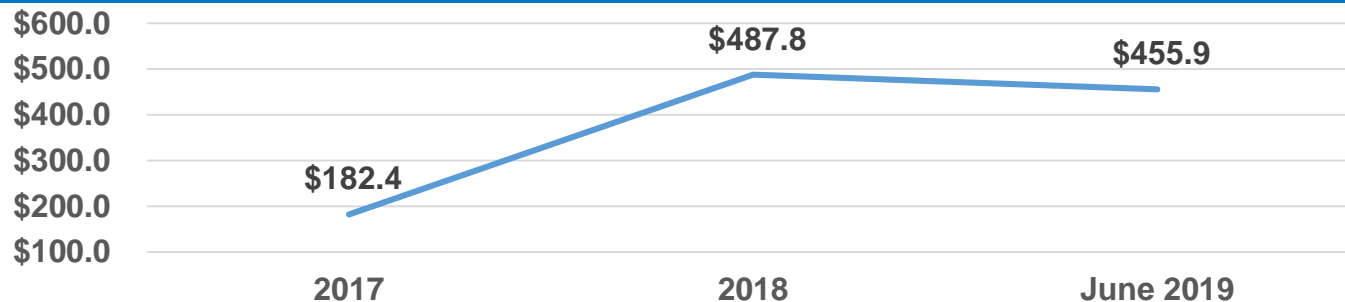
Broad Portfolio of Safe and Arm devices

Key Programs

- Joint Programmable Fuze
- Harpoon
- Maverick
- Tomahawk
- SLAM-ER
- JASSM
- ATACMS
- Standard
- AMRAAM



Significant backlog with strong customer demand



Highlight on JPF

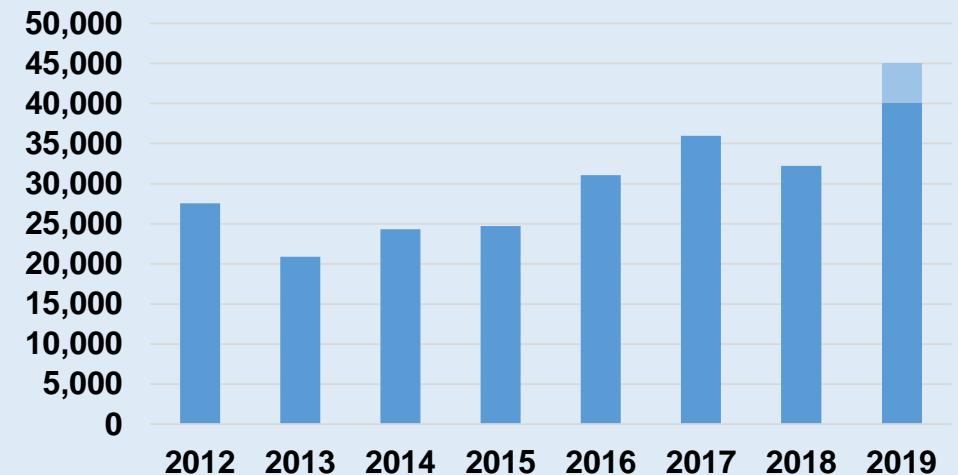
Provides increased mission flexibility and operational effectiveness

Sole source provider to the U.S. Air Force and 38 Foreign militaries

Qualified on 20 U.S. and Foreign Military Aircraft

\$645 million in orders over the past 24 months

JPF Deliveries (units)



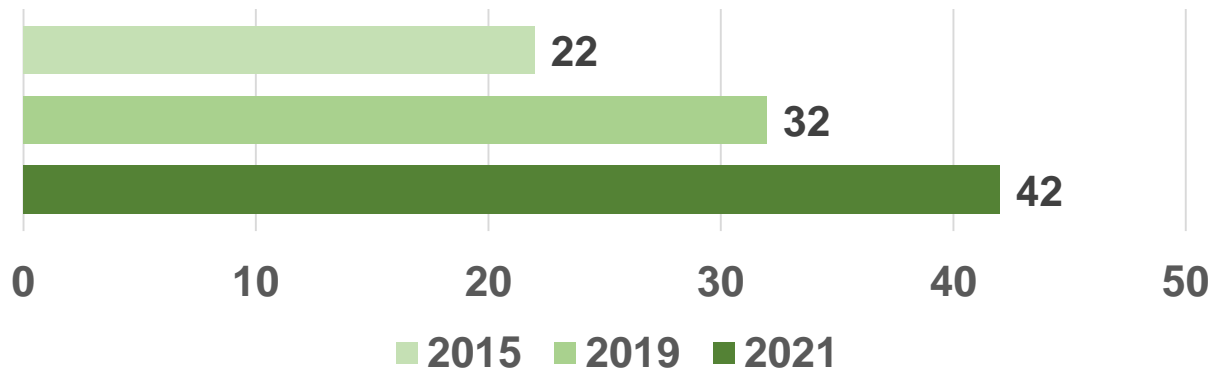
Opportunities for K-MAX[®] continue to increase

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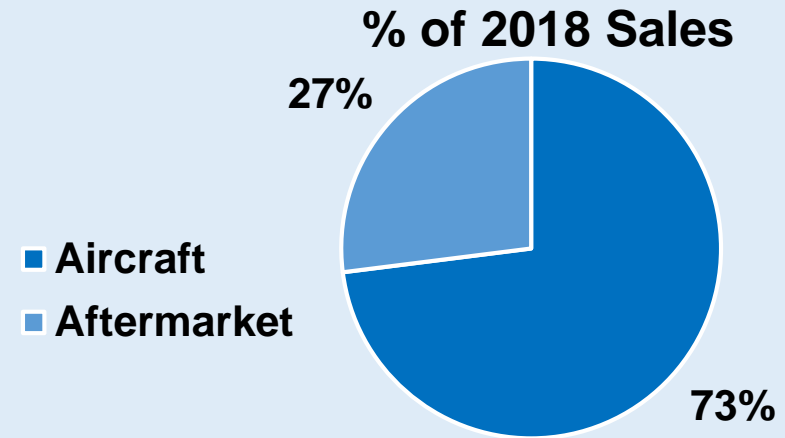
Strong Support for K-MAX[®] Aircraft

- Aircraft meets the diverse needs of our customers
 - Construction, firefighting, logging, humanitarian, and agricultural
- Expect to double fleet size by 2021
- Driving increased service & support revenues
- Strong support from USMC and Congress
 - Secured contract with USMC to reactivate their two aircraft
 - \$18.5 million in funds in DoD budget proposal

K-MAX[®] in Operation



K-MAX[®] Aftermarket Opportunity



Aftermarket sales generally increase
24 – 36 months after initial sale.



Improving Performance on Structures Programs **KAMAN**

Results of Actions to Improve Performance

Action	Status
Increase capacity utilization	Achieved
Disciplined approach to new program opportunities	Achieved
Improve operational efficiency	Achieved
Reduce facility footprint	Continuing
Drive annualized savings of \$4.0 million	Exceeded

Recent Supplier Recognition

“BLACK HAWK SUPPLIER OF THE YEAR”

Sikorsky

“BEST NEW SUPPLIER 2018” “KINECO KAMAN NAMED

Rolls Royce

GOLD TIER SUPPLIER”

BAE Systems

Selected Programs



With a refocused strategy on engineered solutions we are prioritizing our culture of innovation to develop new solutions that address complex customer challenges

Designing new solutions today
to solve our customers toughest challenges



Developing Next
Generation Fuze
Technologies:
Laser Guided
Height of Burst



Evolving
requirements of our
K-MAX® operators:
Next Generation
Unmanned Systems



Innovative Material
Science for new
engineered products:
Titanium Diffusion
Hardening

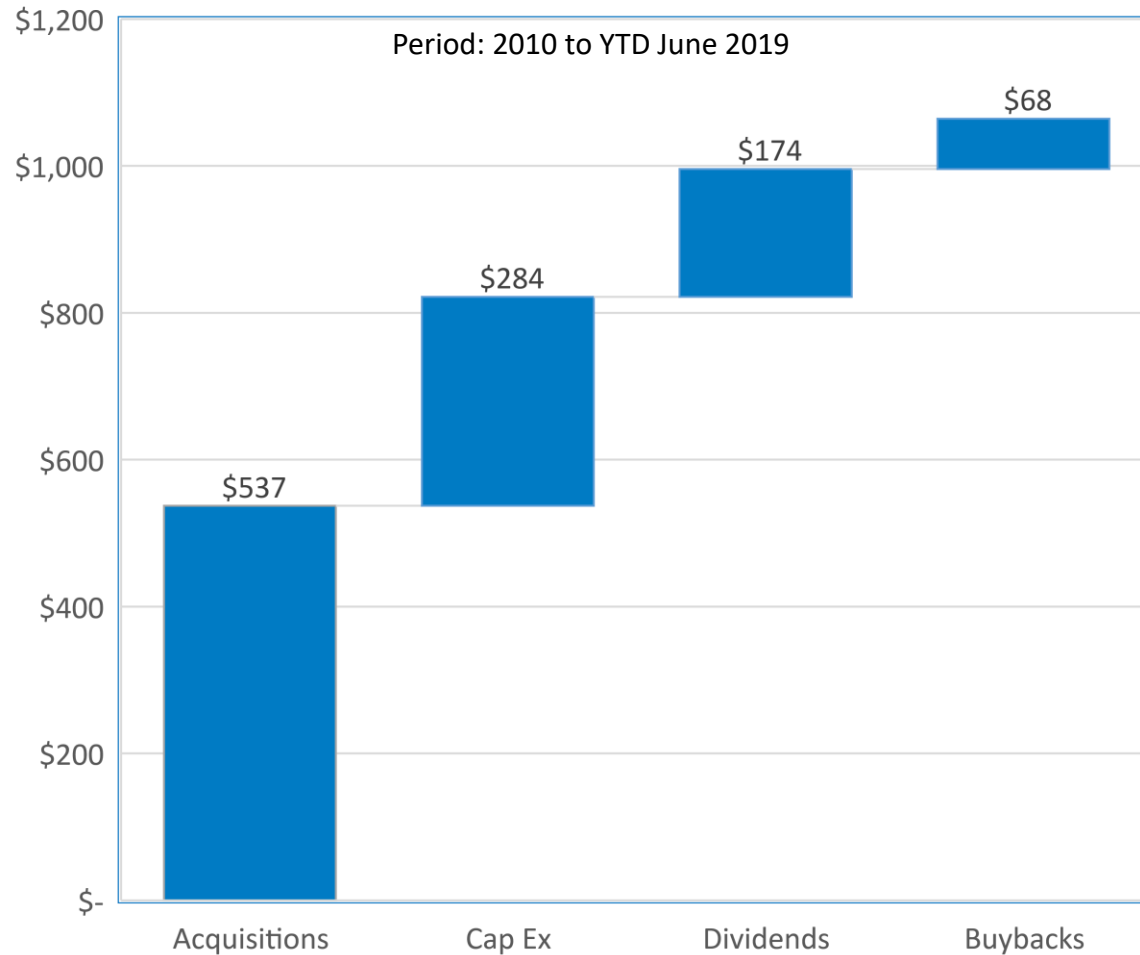


Continuing to evolve
our state-of-art
Technology:
Tufflex® Couplings
and Drive Shafts

Capital Deployment Framework – Looking Back

KAMAN

Total Capital Deployed of \$1.1 Billion



Investing for Growth

Infrastructure investments across our full range of specialty bearing and engineered products.

Product	Investment	Status
Traditional Airframe Bearings	New facility to support new products for key customer platforms	Complete
Self Lubricating Bearings / Flexible Drive Systems	Expansion to support growth and new applications	Complete
Engine Aftermarket Components	New facility to increase capacity to support sales growth	Complete
Test Facility	New facility to expand test capabilities and reduce time to market	Expected Completion Q4 2019
High Precision Miniature Bearings	New facility to increase capacity and support future growth	Expected Completion 2021

Capital Deployment Framework – Looking Ahead **KAMAN**

Capital Deployment Priorities Moving Forward

- Value Creating Investments
 - High return internal investments
 - Strategic acquisitions to grow our portfolio of highly engineered products
- Return of capital to shareholders
 - Maintain competitive dividend
 - Offset management share grants with our current \$100 million share repurchase authorization
- Long term leverage target of 2 – 3X

Up to \$1.0 billion of total available capital for redeployment

Questions

Non-GAAP Reconciliation

KAMAN

Adjusted Operating Income / Segment Adjusted EBITDA

Adjusted Operating Income is defined as operating income, less items that are not indicative of the operating performance of the Company's segments or corporate function for the period presented. Segment Adjusted EBITDA is defined as Adjusted Operating Income plus Depreciation and Amortization. Management uses these measures to evaluate performance period over period, to analyze underlying trends in our businesses and to assess their performance relative to their competitors. We believe that this information is useful for investors and financial institutions seeking to analyze and compare companies on the basis of operating performance.

		YTD December 31, 2018
Distribution Segment (in thousands)		
GAAP Operating Income		\$51,529
Restructuring and severance		655
Adjusted Operating Income	a	\$52,184
Depreciation and Amortization	b	14,154
Segment Adjusted EBITDA	a + b	\$66,338

Valuation Multiple		
Purchase price		\$700,000
Segment Adjusted EBITDA		\$66,338
Multiple		10.6x