Forward-Looking Statements

Certain of the matters discussed in this communication which are not statements of historical fact constitute forward-looking statements that involve a number of risks and uncertainties and are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Words such as “strategy,” “expects,” “continues,” “plans,” “anticipates,” “believes,” “will,” “estimates,” “intends,” “projects,” “goals,” “targets” and other words of similar meaning are intended to identify forward-looking statements but are not the exclusive means of identifying these statements.

Important factors that may cause actual results and outcomes to differ materially from those contained in such forward-looking statements include, without limitation, the occurrence of any event, change or other circumstances that could give rise to the right of one or both of Hexcel or Woodward to terminate the merger agreement; the outcome of any legal proceedings that may be instituted against Hexcel, Woodward or their respective directors; the ability to obtain regulatory approvals and meet other closing conditions to the merger on a timely basis or at all, including the risk that regulatory approvals required for the merger are not obtained on a timely basis or at all, or are obtained subject to conditions that are not anticipated or that could adversely affect the combined company or the expected benefits of the transaction; the ability to obtain approval by Hexcel stockholders and Woodward stockholders on the expected schedule; difficulties and delays in integrating Hexcel’s and Woodward’s businesses; prevailing economic, market, regulatory or business conditions, or changes in such conditions, negatively affecting the parties; risks that the transaction disrupts Hexcel’s or Woodward’s current plans and operations; failing to fully realize anticipated cost savings and other anticipated benefits of the merger when expected or at all; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger; the ability of Hexcel or Woodward to retain and hire key personnel; the diversion of management’s attention from ongoing business operations; uncertainty as to the long-term value of the common stock of the combined company following the merger; the continued availability of capital and financing following the merger; the business, economic and political conditions in the markets in which Hexcel and Woodward operate; and the fact that Hexcel’s and Woodward’s reported earnings and financial position may be adversely affected by tax and other factors.

Other important factors that may cause actual results and outcomes to differ materially from those contained in the forward-looking statements included in this communication are described in Hexcel’s and Woodward’s publicly filed reports, including Hexcel’s Annual Report on Form 10-K for the year ended December 31, 2019 and Woodward’s Annual Report on Form 10-K for the year ended September 30, 2019.

Hexcel and Woodward caution that the foregoing list of important factors is not complete and do not undertake to update any forward-looking statements that either party may make except as required by applicable law. All subsequent written and oral forward-looking statements attributable to Hexcel, Woodward or any person acting on behalf of either party are expressly qualified in their entirety by the cautionary statements referenced above.

Additional Information and Where to Find it

In connection with the proposed merger, Woodward will file with the SEC a registration statement on Form S-4 to register the shares of Woodward’s common stock to be issued in connection with the merger. The registration statement will include a preliminary joint proxy statement/prospectus which, when finalized, will be sent to the respective stockholders of Hexcel and Woodward seeking their approval of their respective transaction-related proposals. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED JOINT PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION STATEMENT ON FORM S-4, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC IN THE PROPOSED MERGER, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT HEXCEL, WOODWARD AND THE PROPOSED MERGER.

Investors and security holders may obtain copies of these documents free of charge through the website maintained by the SEC at www.sec.gov or from Hexcel at its website, www.hexcel.com, or from Woodward at its website, www.woodward.com. Documents filed with the SEC by Hexcel will be available free of charge by accessing Hexcel’s website at www.hexcel.com under the heading Investor Relations, or, alternatively, by directing a request by telephone or mail to Hexcel Corporation at 281 Tresser Boulevard Stamford, Connecticut 06901, (203) 352-6826, and documents filed with the SEC by Woodward will be available free of charge by accessing Woodward’s website at www.woodward.com under the heading Investors, or, alternatively, by directing a request by telephone or mail to Woodward, Inc. at PO Box 1519, Fort Collins, Colorado 80522, (970) 498-3580.

Participants In The Solicitation

Hexcel, Woodward and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the respective stockholders of Hexcel and Woodward in respect of the proposed merger under the rules of the SEC. Information about Hexcel’s directors and executive officers is available in Hexcel’s proxy statement dated March 22, 2019 for its 2019 Annual Meeting of Stockholders. Information about Woodward’s directors and executive officers is available in Woodward’s proxy statement dated December 13, 2019 for its 2019 Annual Meeting of Stockholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the joint proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from Hexcel or Woodward using the sources indicated above.

No Offer Or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.
ADVANCED COMPOSITES LEADERSHIP

• INNOVATIVE SOLUTIONS
• PROVEN EXECUTION
• STRONG SALES & EARNINGS GROWTH
• EXPANDING CASH GENERATION

Leading, sole source positions in key markets with high barriers to entry
Sustainable competitive advantage
Excellent customer relationships
Increasing share of long-term growth markets
Long history of creating shareholder value

2019 SALES | $2.36 billion
**HXL – AT A GLANCE**

- Leader in expanding markets undergoing secular growth
- Broadest aerospace composite solution portfolio globally
  - Intellectual property and manufacturing processes are differentiators and barriers to entry
- #1 in aerospace composites – by sales & capacity
  - Leveraging scale | Manufacturing in nine countries
- Culture of continuous improvement and excellence

**Lightweighting for high performance applications**

- Stronger and lighter than metals
- Superior life cycle costs to metals

**Markets**

- **COMMERCIAL AEROSPACE** 68%*
  - Wings, Fuselage
  - Secondary & Interior structures
  - Engines & Nacelles

- **SPACE & DEFENSE** 19%*
  - Rotorcraft
  - Fixed Wing
  - Launchers & Satellites

- **INDUSTRIAL** 13%*
  - Wind Energy
  - Automotive
  - Recreation, Marine & Other

* FY 2019 sales
We propel the future of flight, energy generation, transportation and recreation through **excellence in advanced material solutions** that create a better world for us all.

**OUR HEXCEL PURPOSE**

- **CUSTOMER EXCELLENCE**
- **OPERATIONAL EXCELLENCE**
- **PEOPLE EXCELLENCE**
UNRIVALED PRODUCT RANGE

Everything from carbon fibers, reinforcement fabrics, and resins to prepregs, honeycomb core, tooling materials and more... from raw materials to fly-away parts... vertical integration is a strength and a differentiator.

**Carbon Fiber & Prepregs**
- PAN Polyacrylonitrile precursor
- CARBON FIBER Continuous and Chopped
  - A320neo sharklets | F-35 wings | LEAP fan blades/case
- CARBON PREPREGS
  - A350 fuselage and wings
  - GE90 fan blade
- ADDITIVE MANUFACTURING
  - Thermoplastic, carbon fiber reinforced 3D printed parts for Aerospace
- GLASS PREPREGS
  - Wind turbine blades
  - Aerospace secondary structures
- HONEYCOMB
  - Rotorcraft blades
  - Aircraft flooring
  - Nacelle structures
  - Acoustic-Cap®
- ENGINEERED PRODUCTS
  - Structural assemblies
  - Machine/shaped core
  - Tooling system

**Strong | stiff | lightweight | fatigue resistant | corrosion resistant**
WE DELIVER WHAT OUR CUSTOMERS WANT

Advanced composite solutions that are stronger, lighter and tougher – optimizing total life cycle costs

Carbon fiber is **5x stronger** than aluminum

Carbon fiber is **30% lighter** than aluminum

Our products are **tougher, stiffer** and **more durable**

Our products offer **lower lifecycle cost** *(operating & maintenance costs)*
HEXCEL INNOVATION DRIVING GROWTH

New ideas, processes, and solutions leading the development of world-class products

1. ORGANIC GROWTH
   Driven by Innovation
   - Duxford, U.K.
   - Dublin, CA
   - Salt Lake City, UT
   - Les Avenières, France
   - Decatur, AL

2. ACQUISITIONS
   Strategic Business & Technology
   - January 2019
     Microwave/radio frequency absorbing materials
   - December 2017
     Aerospace additive manufacturing
   - October 2017
     Next-generation aerospace composite solutions
   - January 2016
     Non-crimp & multi-axial composite fabrics

3. INVESTMENTS
   Joint Ventures & Collaborations
   - July 2018: Joint Venture
     Aerospace kitting services
   - March 2018: Strategic Alliance
     Carbon fiber reinforced thermoplastic tape
   - May 2016: Investment
     Carbon fiber recycling

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GROWING COMPOSITES PENETRATION

Continued secular penetration with each succeeding platform:
- Primary structure
- Secondary structure
- Engines and nacelles

Replacement of legacy aircraft:
Today – Primary structure composite aircraft (i.e. A350 & 787) are <5% of total global commercial fleet

Shipset values are estimates and may vary based on production rates and aircraft configurations.
Growing composites secular penetration

Strong global demand – eight-year aircraft backlog (Airbus & Boeing)

Growing build rates for narrow body programs; increased shipset content for A320neo and B737 MAX over legacy programs
Growing passenger traffic globally supports strong aircraft demand

Global Commercial Fleet Forecasted to Double in 20 years
Source: Boeing Commercial Market Outlook 2018-2038

Airbus & Boeing backlog is worth more than $9 billion to Hexcel

**Backlog & Demand Forecast**

Airbus & Boeing backlog is worth more than $9 billion to Hexcel.

**OEM BACKLOG | DEMAND FORECAST**

Airbus & Boeing backlog is worth more than $9 billion to Hexcel.

**Airbus**
- A220/320 single aisle 6,563
- A330 twin aisle 331
- A350 twin aisle 579
- A380 twin-aisle 9

**Boeing**
- 737 single aisle 4,585
- 747 twin-aisle 17
- 767 twin aisle 94
- 777, 777X twin aisle 383
- 787 twin aisle 546

**Backlog to Demand Forecast**

Airbus & Boeing backlog is worth more than $9 billion to Hexcel.
Well-positioned, diverse applications
Hexcel carbon fiber is the defense industry standard
Rotorcraft are ~40% of S&D sales
Hexcel content is significant on key programs such as JSF F-35, A400M, V-22, CH-53K, Black Hawk & Wide Chord Blades
ARC Technologies, acquired January 2019, is a leader in microwave absorbing composites
INDUSTRIAL
Wind Energy | Automotive | Recreation | Infrastructure | Marine

- Broad range of performance applications
- Wind energy comprises ~60% of the total
  - Strong wind growth in 2018 and 2019
  - Multi-year contract with Vestas
- Automotive accelerating composite adoption

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<tbody>
<tr>
<td>Millions</td>
<td>$264</td>
<td>$238</td>
<td>$253</td>
<td>$220</td>
<td>$294</td>
<td>$313</td>
</tr>
</tbody>
</table>
PROVEN PERFORMANCE

Record results and well positioned for growth

$ millions, except EPS
THE JOURNEY FROM CASH INVESTMENT TO CASH GENERATION

Invest in leading-edge technology → built assets to deliver future revenue growth → generate strong ROIC and growing free cash flow

On track to deliver $1 billion of free cash flow from 2016-2020
FINANCIAL GUIDANCE

Sales growth
• Secular penetration in growing markets
• Technology leadership supports adoption

EPS growth
• Strong EPS growth > Sales growth
  — Sustainable competitive advantage
  — Operational Excellence

Free cash flow growth
• Maximizing cash generation
• Growing strong ROIC

2020 GUIDANCE

Sales
Flat to low single digit sales growth
Comm. Aerospace: Down low-to-mid-single digit
Space & Defense: Up high-single-digit
Industrial: Up mid-single-digit
Assumes 200 shipsets supplied for Boeing 737 MAX in 2020

Adjusted diluted EPS
Low to mid-single digit EPS growth

Cap-Ex
$100 - $120 million

Free cash flow
>$300 million

Shareholder return
>50% of net income
Note: Share repurchase temporarily suspended due to MOE

Growing sales, expanding margins and significant free cash flow generation
REASONS TO INVEST IN HEXCEL

Investing in Innovation | Achieving Operational Excellence | Growing Shareholder Return

Leadership in Attractive Markets
Unrivaled product portfolio
Investments in markets with long-term growth potential

Culture of Innovation
Technology and innovation for sustained growth

Operational Excellence
Driving productivity through optimized performance

Increasing Shareholder Value
ROIC well above cost of capital
70% increase in quarterly dividends since 2015
>50% of net income returned to shareholders

Proven execution, strong earnings growth, exceptional cash generation
Transformative Merger of Equals

Unites global industry leaders in advanced materials and control systems to create a premier integrated systems provider focusing on technology-rich innovations that deliver smarter, cleaner, and safer customer solutions.

Premier integrated systems provider accelerating innovation in aerodynamics, propulsion and energy efficiency

- ~$5.3 billion sales
  - ~$1.1 billion EBITDA (21% margin) pro forma FY19
- ~$1.0 billion FCF annually & growing

- $125 million+ in annual cost synergies by second full fiscal year post-closing
- Strong balance sheet ~1.4x leverage ratio at closing

Global Leader in Control Solutions for Aerospace, Defense and Industrial

Global Leader in Advanced Composites Technology for Aerospace, Defense and Industrial
## Transaction Overview

### Transaction Structure
- All-stock merger of equals
- Hexcel shareholders will receive 0.625 shares in Woodward Hexcel for each share of Hexcel
- Woodward shareholders will own ~55% and Hexcel shareholders will own ~45% of combined company

### Financial Profile and Policies
- ~$1.5 billion share repurchase program within 18 months of closing
- Strong balance sheet
- Targeting investment grade rating
- Competitive dividend yield with an initial target of 1%
- Woodward is increasing its quarterly cash dividend to $0.28 a share starting with its next dividend
- ~$1 billion of free cash flow in the first full fiscal year -- and growing

### Expected Synergies
- More than $125 million of annual cost synergies by the second full fiscal year post-closing
- Improved customer access and cross-selling opportunities

### Leadership and Governance
- Executive Chairman: Tom Gendron
- Chief Executive Officer: Nick Stanage
- 10 total directors, 5 each from Woodward and Hexcel (including Gendron and Stanage)

### Company Name and Headquarters
- Combined company to be named Woodward Hexcel
- Woodward Hexcel to be headquartered in Fort Collins, Colorado

### Timing and Closing
- Transaction approved by Boards of Directors of both companies
- Closing expected in the third calendar quarter of 2020, subject to customary closing conditions including regulatory and shareholder approvals
## Compelling Financial Benefits

### Key Metrics

<table>
<thead>
<tr>
<th></th>
<th>Woodward</th>
<th>Hexcel</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>~$2.9 b</td>
<td>$2.3 - $2.4 b</td>
<td>~$5.3 b</td>
</tr>
<tr>
<td><strong>EBITDA</strong>1 % Margin</td>
<td>~$550 m 2</td>
<td>~$570 m 2</td>
<td>~$1.1 b 2</td>
</tr>
<tr>
<td><strong>Five-Year Cumulative FCF</strong>3</td>
<td>~$2 b</td>
<td>~$1.8 b</td>
<td>~$4 b</td>
</tr>
<tr>
<td><strong>Current Dividend Yield</strong></td>
<td>0.5%4</td>
<td>0.9%</td>
<td>Targeting 1%</td>
</tr>
<tr>
<td><strong>Leverage Ratio</strong>1</td>
<td>~1.8x</td>
<td>~1.8x</td>
<td>~1.4x5</td>
</tr>
</tbody>
</table>

(1) Respective 2019 fiscal years.
(2) Adjusted EBITDA, including stock-based compensation expense.
(3) Pro forma cumulative FCF defined as total of Woodward and Hexcel 2019-2023.
(4) In connection with the transaction, Woodward is increasing its quarterly cash dividend to $0.28 a share.
(5) Leverage at close, assuming third calendar quarter of 2020 close.

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**Premier integrated systems provider in aerospace and industrial markets**

**Industry-leading margin profile**

**Combined free cash flows ~$1 billion annually and growing; more balanced cash flow across product lifecycles**

**Commitment to disciplined, ongoing shareholder returns**

**Strong balance sheet with investment grade metrics, supports share repurchase program**
Highly Strategic Combination

- Well positioned to deliver advanced technologies to address critical customer challenges
- Accelerates innovation and growth through greater scale and combined R&D capabilities
- Well-balanced portfolio across customers, end markets, and investment cycles
- Complementary cultures and operating philosophies
- Strong balance sheet, significant free cash flow, disciplined capital allocation strategy
- Significant shareholder value creation opportunities