

Investor Presentation

July 2010



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This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995; including forward-looking statements regarding future profitability, expected sales and other matters that are subject to risks and uncertainties. The Company uses words such as “plans,” “seeks,” “projects,” “expects,” “believes,” “may,” “anticipates,” “estimates,” “should,” and similar expressions to identify these forward looking statements. These statements are subject to risks and uncertainties and are based upon the Company’s beliefs and assumptions. There are a number of important factors that may affect the Company’s actual performance and results and the accuracy of its forward-looking statements, many of which are beyond the control of the Company and are difficult to predict. These factors are described in the Company’s annual and quarterly reports filed from time to time with the Securities and Exchange Commission. In addition, the forward-looking statements included in this presentation represent the Company’s expectations and beliefs as of the date of this release. The Company anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while the Company may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation or intention to do so.



EDAC Highlights

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- Precision parts designer/manufacturer with top-tier customers
- Supplier to world-class aerospace programs:
 - Joint Strike Fighter
 - IAE V2500
 - 787 Dreamliner
 - LEAPX program
 - Geared Turbofan
- Well-established industrial tooling business
- Growth strategy focused on:
 - **Diversification** through expanded range of parts/services
 - **Acquisitions** to add depth, consolidate smaller suppliers per major customer preference



EDAC: Focus on a Turnaround

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- 2002:** Sales drop 42% post-9/11, Enron; Company defaults on loans
- 2003:** Dominick Pagano, Board member and interim President since 2002, named President and CEO; debt restructured; divisions consolidated; Company right-sized
- 2004:** Company returns to operating profitability
- 2005:** Debt refinanced
- 2006:** Plant modernized; machinery and equipment added
- 2007:** Position in aerospace, machine tool markets expanded; Company acquires repair unit of MTU Aero Engines-North America
- 2008:** Backlog reaches \$52 million despite Boeing strike, financial crisis; investment in equipment continues
- 2009:** Company acquires manufacturing operations of MTU Aero Engines-NA and Service Network Inc. (SNI) assets; strengthens Board



2009-10 Strategic Accomplishments

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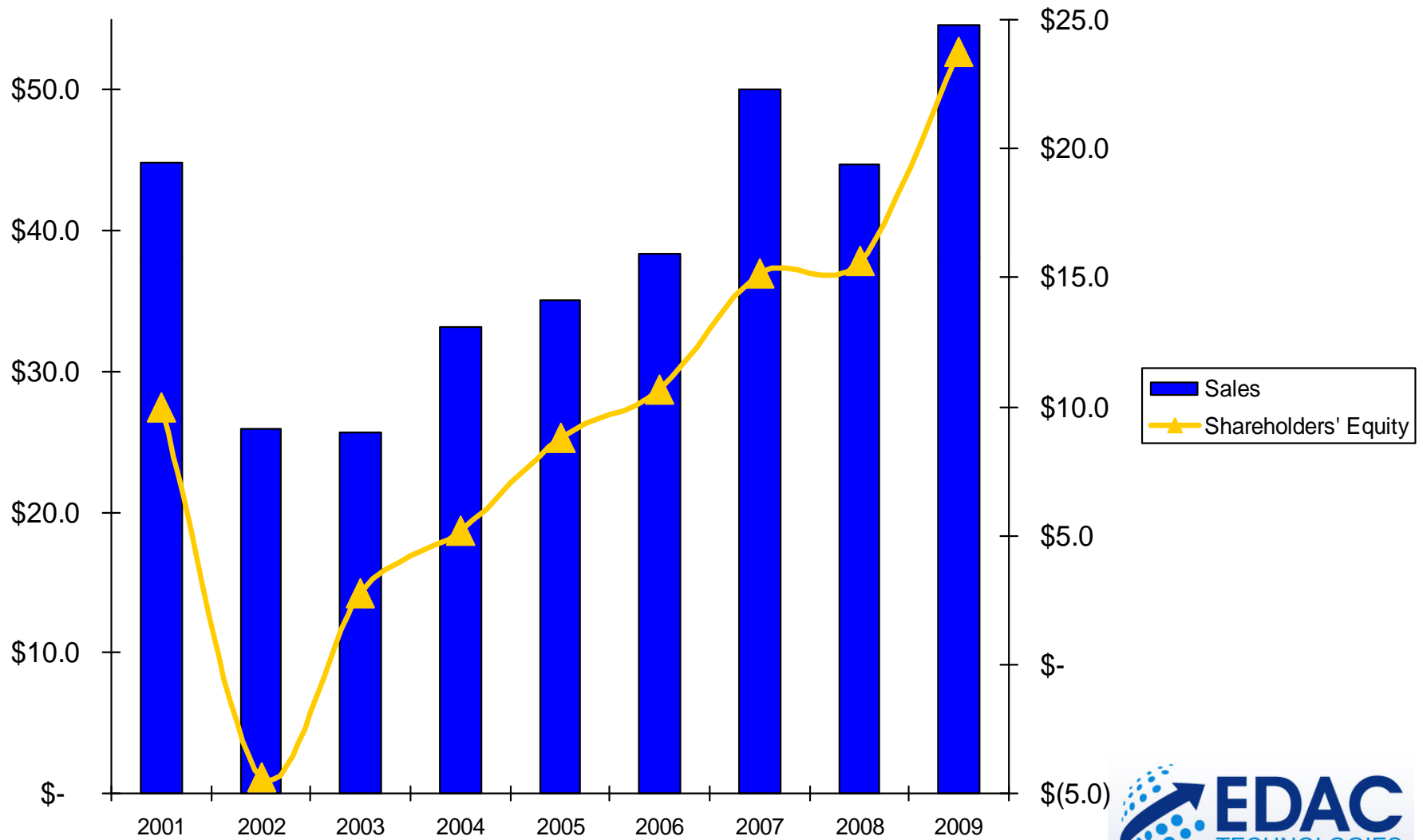
- Acquisition of MTU Aero Engines North America broadens aerospace sector presence
- SNI acquisition extends the EDAC Machinery product line
- Accura Technics acquisition expands grinding systems
- Aerospace product lines reorganized to better serve customers and align resources with opportunities
- Continued investment in new parts development for emerging programs
- Strengthened our Board of Directors with two outstanding individuals



Rebuilding Sales and Shareholders' Equity

(\$ in millions)

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EDAC Today

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PRODUCT LINE	DESCRIPTION	KEY PRODUCTS/SERVICES
Aerospace		
EDAC AERO	<ul style="list-style-type: none"> □ Produces components for all major aircraft engine and ground turbine manufacturers □ Covers both hot and cold sections of the engine □ Includes both rotating and static assemblies 	<ul style="list-style-type: none"> □ Low pressure turbine cases, hubs, rings, disks and other complex components □ Precision assembly of jet engine sync rings, aircraft welding/riveting, post-assembly machining and sutton barrel finishing □ Precision machining and repair of selected components
Commercial		
Apex Machine Tool	<ul style="list-style-type: none"> □ Designs and manufactures highly sophisticated components for a diverse range of commercial customers 	<ul style="list-style-type: none"> □ Fixtures, precision gauges and complex composite molds □ Provides exacting quality to customers requiring tolerances to +/- .0001 inches
EDAC Machinery	<ul style="list-style-type: none"> □ Gros-Ite Spindles designs, manufactures and repairs a comprehensive line of standard and OEM spindles, including a patented hydrostatic product line □ Service Network International (SNI), with the addition of Accura Technics, manufactures and services precision grinders 	<ul style="list-style-type: none"> □ Custom spindles for manufacturing applications at speeds over 100,000 RPM □ Repair and recondition precision rolling element spindles □ Computer numerical control (CNC) grinding systems used in the manufacture of precisely engineered parts for a wide range of applications

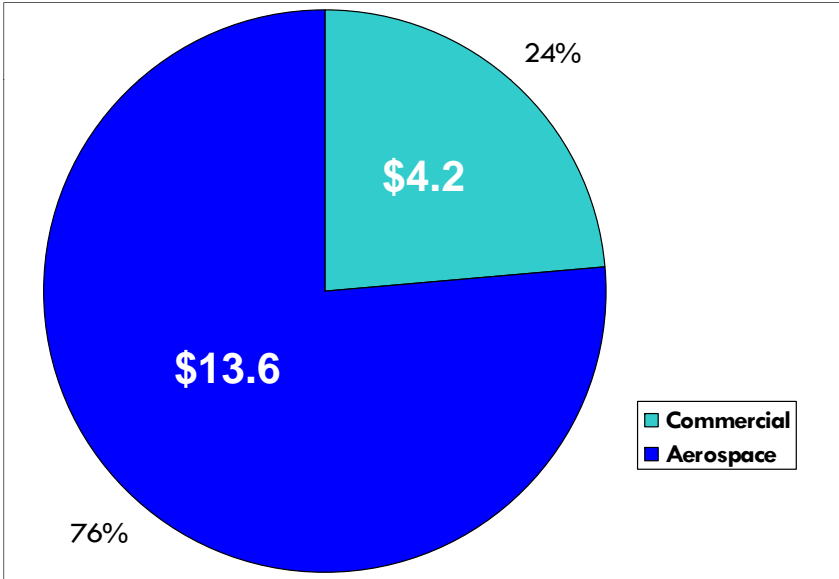
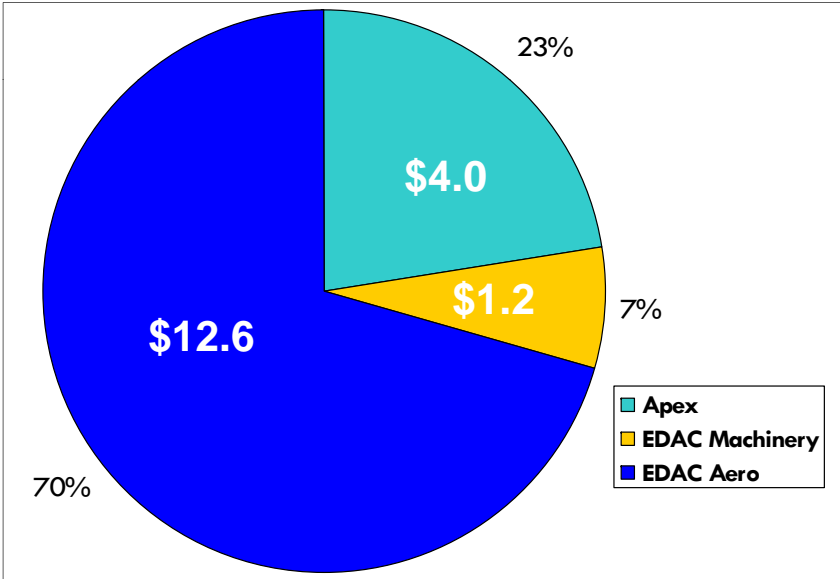


Sales Profile – 1Q10

PRODUCT LINE

CUSTOMER CATEGORY

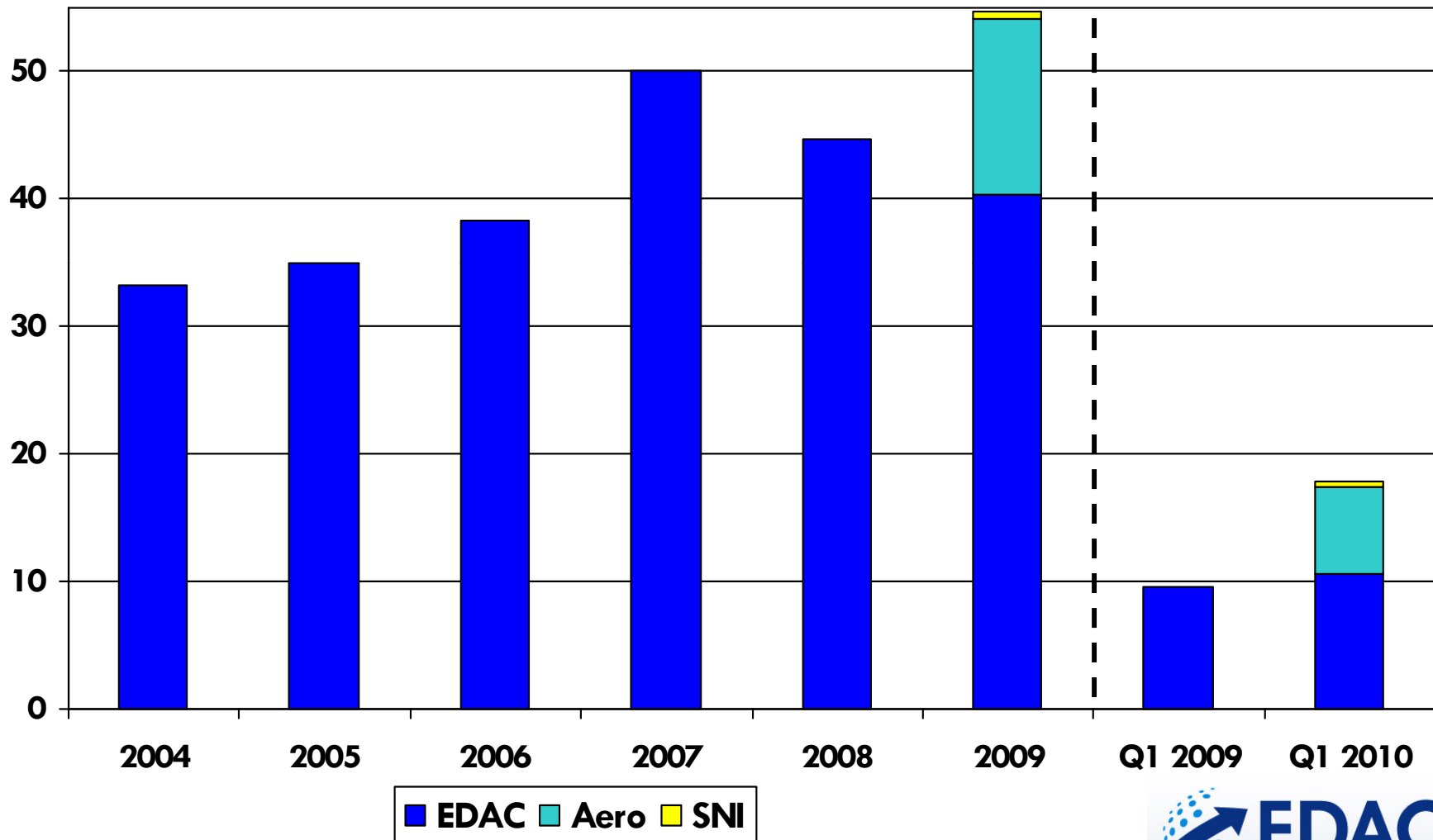
(\$ in millions)



Acquisitions Contribute to Sales








(\$ in millions)

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Developing Program Activity

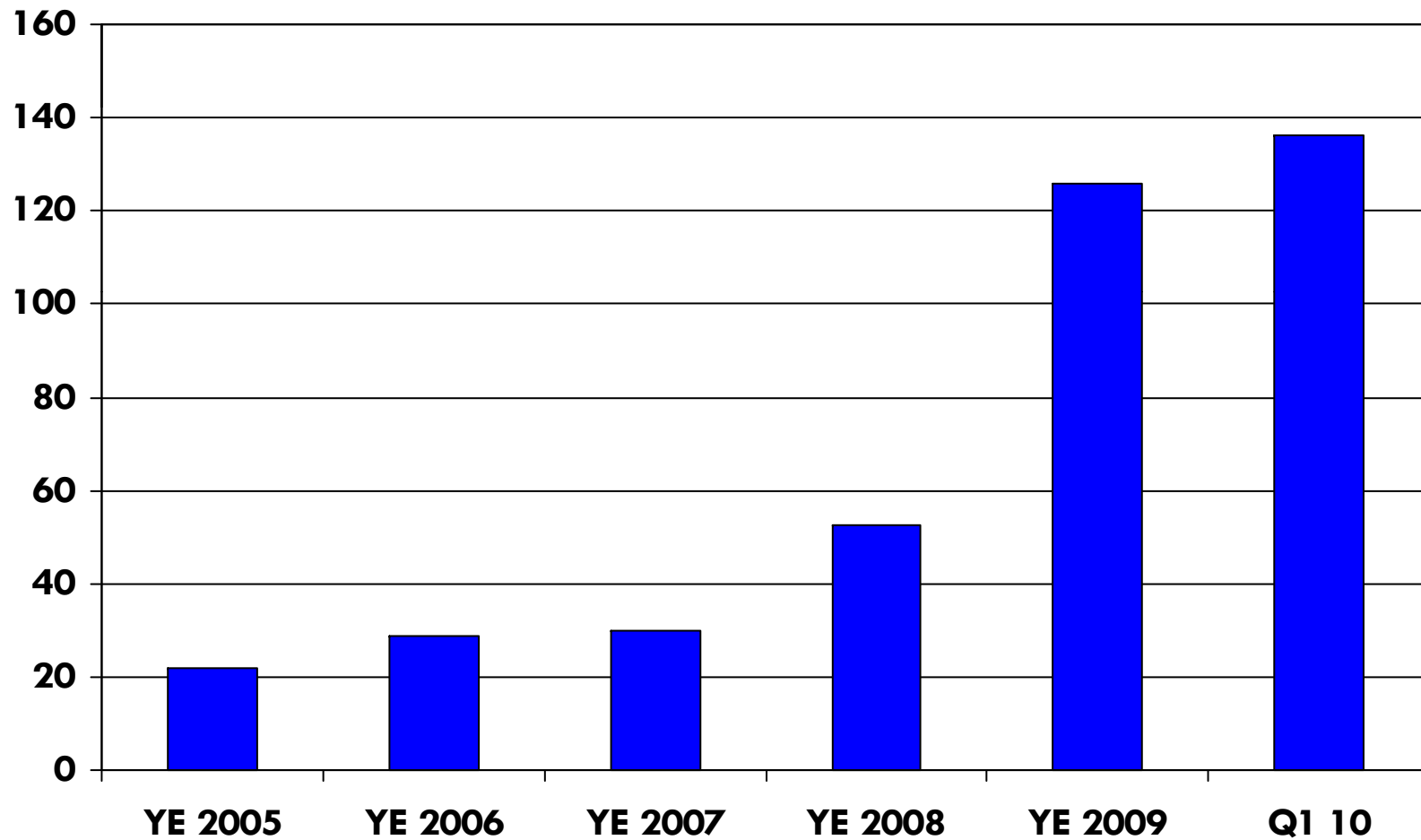
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PROGRAM		EDAC CONTENT
IAE V2500		<ul style="list-style-type: none"> <input type="checkbox"/> Low pressure turbine disks <input type="checkbox"/> Seals
JOINT STRIKE FIGHTER		<ul style="list-style-type: none"> <input type="checkbox"/> Compressor Integrated Blade Rotors (IBR) <input type="checkbox"/> Compressor Fan Case <input type="checkbox"/> High Pressure Turbine Rotor (F136)
GEARED TURBOFAN		<ul style="list-style-type: none"> <input type="checkbox"/> High Pressure Compressor Hubs <input type="checkbox"/> Diffuser Cases - Spacers <input type="checkbox"/> Intermediate Fan Case <input type="checkbox"/> Turbine Disks
LEAP-X ENGINE		<ul style="list-style-type: none"> <input type="checkbox"/> High Pressure Compressors Disks, Shaft, Hub <input type="checkbox"/> Seals, Blade Retainers Rings
ADVENT ENGINE		<ul style="list-style-type: none"> <input type="checkbox"/> Fan Blisk
BOEING DREAMLINER		<ul style="list-style-type: none"> <input type="checkbox"/> Fan Cowl <input type="checkbox"/> Fan Blisk
GE 38 ENGINE		<ul style="list-style-type: none"> <input type="checkbox"/> Combustor Case <input type="checkbox"/> Impeller- Turbine Disks

Backlog

(\$ in millions)

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Growth Drivers

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- Continued ramp-up of developmental programs
- Orders for new parts reach critical mass
- Accretive acquisitions
- Greater scale drives improved operating efficiency and productivity

Financial Summary

(\$ in thousands)

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	<u>Q1 2010</u>	<u>Q1 2009</u>	<u>FY 2009</u>	<u>FY 2008</u>
Sales	\$17,787	\$ 9,584	\$54,643	\$44,677
Cost of Sales	<u>15,646</u>	<u>8,503</u>	<u>48,716</u>	<u>38,805</u>
Gross Profit	2,141	1,080	5,927	5,872
SG&A	<u>1,730</u>	<u>861</u>	<u>4,850</u>	<u>3,492</u>
Income from Operations	410	219	1,076	2,380
Non-Operating Income (Expense)	<u>134</u>	<u>(133)</u>	<u>11,112</u>	<u>(558)</u>
Pre-Tax Income	544	86	12,188	1,822
Provision for Taxes	<u>184</u>	<u>30</u>	<u>4,562</u>	<u>683</u>
Net Income	<u>\$ 360</u>	<u>\$ 56</u>	<u>\$ 7,626</u>	<u>\$ 1,138</u>
Diluted EPS	<u>\$ 0.07</u>	<u>\$ 0.01</u>	<u>\$ 1.54</u>	<u>\$ 0.23</u>



Balance Sheet Highlights

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(\$ in millions)	April 3, 2010 (Unaudited)	2009	2008
Current assets	\$ 35.3	\$ 33.5	\$ 19.0
Total assets	58.0	56.1	31.4
Current liabilities	16.0	14.3	9.3
Working capital	19.3	19.2	9.7
Long-term liabilities	17.8	18.1	6.5
Shareholders' equity	24.2	23.8	15.7

EDAC Summary

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- Proven ability to meet the needs of exacting blue chip customers for specialized, high-precision products
- Growing product lines with diversified revenue-generation capacity
- Opportunity to grow via acquisitions; successful M&A track record
- Demands of major customers driving consolidation of small suppliers

