MOOG INC
Form DEF 14A
December 16, 2011

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

MOOG, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

MOOG INC., EAST AURORA, NEW YORK 14052

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Moog Inc. will be held in the Auditorium of the Albright-Knox Art Gallery, 1285 Elmwood Avenue, Buffalo, New York, on Wednesday, January 11, 2012, at 9:15 a.m., for the following purposes:

1. To elect FIVE directors of the Company, one of whom will be a Class A director elected by the holders of Class A shares to serve a three year term expiring in 2015, three of whom will be Class B directors elected by the holders of Class B shares to serve a three-year term expiring in 2015, and one of whom will be a Class B director elected by the holders of Class B shares to serve a two year term expiring in 2014, or until the election and qualification of their successors.

2. To consider and ratify the selection of Ernst & Young LLP, independent registered certified public accountants, as auditors of the Company for the 2012 fiscal year.

3. To consider a non-binding advisory vote on executive compensation.

4. To consider a non-binding advisory vote on the Frequency of the executive compensation vote.

5. To consider and transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

The Board of Directors has fixed the close of business on November 30, 2011 as the record date for determining which shareholders shall be entitled to notice of and to vote at such meeting.

SHAREHOLDERS WHO WILL BE UNABLE TO BE PRESENT PERSONALLY MAY ATTEND THE MEETING BY PROXY. SHAREHOLDERS WHO WILL VOTE BY PROXY ARE REQUESTED TO DATE, SIGN AND RETURN THE ENCLOSED PROXY OR USE THE INTERNET OR TELEPHONE VOTING OPTIONS AS DESCRIBED ON THE PROXY CARD. THE PROXY MAY BE REVOKED AT ANY TIME BEFORE IT IS VOTED.

By Order of the Board of Directors

JOHN B. DRENNING, *Secretary*

Dated: East Aurora, New York
December 15, 2011

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD JANUARY 11, 2012:

This proxy statement is available at http://www.moog.com/Home/Investors/Proxies and the 2011 Annual Report to Shareholders is available at http://www.moog.com/Home/Investors/Annual Report.

PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS OF

TO BE HELD IN THE AUDITORIUM OF THE ALBRIGHT-KNOX ART GALLERY

1285 ELMWOOD AVENUE, BUFFALO, NEW YORK

ON JANUARY 11, 2012

This Proxy Statement is furnished to shareholders of record on November 30, 2011 by the Board of Directors of Moog Inc. (the Company), in connection with the solicitation of proxies for use at the Annual Meeting of Shareholders on Wednesday, January 11, 2012, at 9:15 a.m., and at any adjournments thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. This Proxy Statement and accompanying proxy will be mailed to shareholders on or about December 15, 2011.

If the enclosed form of proxy is properly executed and returned, the shares represented thereby will be voted in accordance with the instructions thereon. Unless otherwise specified, the proxy will be deemed to confer authority to vote the shares represented by the proxy in accordance with the recommendations of the Board of Directors.

Any proxy given pursuant to this solicitation may be revoked by the person giving it insofar as it has not been exercised. Any revocation may be made in person at the meeting, or by submitting a proxy bearing a date subsequent to that on the proxy to be revoked, or by written notification to the Secretary of the Company.

GENERAL

The Board of Directors has fixed the close of business on November 30, 2011 as the record date for determining the holders of common stock entitled to notice of and to vote at the meeting. On November 30, 2011, the Company had outstanding and entitled to vote, a total of 41,203,483 shares of Class A common stock (Class A shares) and 4,429,905 shares of Class B common stock (Class B shares). Holders of a majority of each of the Class A and Class B shares issued and outstanding and entitled to vote, present in person or represented by proxy, will constitute a quorum at the meeting.

Holders of Class A shares are entitled to elect at least 25% of the Board of Directors, rounded up to the nearest whole number, so long as the number of outstanding Class A shares is at least 10% of the number of outstanding shares of both classes of common stock. Currently, the holders of Class A shares are entitled, as a class, to elect three directors of the Company, and the holders of the Class B shares are entitled, as a class, to elect the remaining eight directors. Other than on matters relating to the election of directors or as required by law, where the holders of Class A shares and Class B shares vote as separate classes, the record holder of each outstanding Class A share is entitled to a one-tenth vote per share, and the record holder of each outstanding Class B share is entitled to one vote per share on all matters to be brought before the meeting.

The Class A directors and the Class B directors will be elected by a plurality of the votes cast by the respective class. The ratification of the auditors, the non-binding advisory vote on executive compensation and other matters submitted to the meeting that would not require a separate class vote by law may be adopted by a majority of the Class A and Class B votes cast in favor or against the proposal, a quorum of holders of 22,816,695 votes of Class A shares and Class B shares being present. For the non-binding advisory vote on the frequency of the non-binding vote on executive compensation, that option receiving the highest number of the Class A and Class B votes cast in favor of the option will be considered adopted by the holders of the Class A shares and Class B shares, a quorum of holders of 22,816,695 votes of Class A shares and Class B shares being present. While the votes on executive compensation and frequency of the vote on executive compensation are non-binding and advisory in nature, our Executive Compensation Committee and Board of Directors will take into account the outcome of these votes when considering future executive compensation arrangements and in determining which frequency to adopt.

Shares held in a brokerage account or by another nominee are considered held in street name by the shareholder. A broker or nominee holding shares for a shareholder in street name may not vote on matters relating to the election of directors unless the broker or nominee receives specific voting instructions from the shareholder. As a result, absent specific instructions, brokers or nominees may not vote a shareholder s shares on Proposal 1, the election of directors, and such shares will be considered broker non-votes for such proposal. Broker non-votes in connection with the election of one or more nominees for director will not be counted and will have no effect. **Therefore, it is particularly important for shareholders holding shares in street name to instruct their brokers as to how they wish to vote their shares.** In accordance with New York law, abstentions and broker non-votes are not counted in determining the votes cast in favor or against Proposal 2, the ratification of the selection of Ernst & Young LLP as independent auditors of the Company for the 2012 fiscal year; Proposal 3, the non-binding advisory vote on executive compensation; or Proposal 4, the non-binding advisory vote on the frequency of the non-binding advisory vote on executive compensation.

CERTAIN BENEFICIAL OWNERS

Security Ownership

The only persons known by the Company to own beneficially more than five percent of the Class A shares or Class B shares as of November 30, 2011 are set forth below.

	Class A Common Stock		Class B Common Stock (1)	
Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class	Amount and Nature of Beneficial Ownership	Percent of Class
Capital Research Global Investors 333 South Hope St. 55th FLE Los Angeles, California 90071	3,546,035	8.6	0	0
Fidelity Management and Research 82 Devonshire Street Boston, MA 02109	3,197,350	7.8	0	0
Columbia Wanger Asset Management 227 W. Monroe Street Chicago, IL 60606	2,677,000	6.5	0	0
Wellington Management 1625 Energy Park Drive Suite 100 St. Paul, MN 55108	2,146,829	5.2	0	0
Vanguard Group Inc. 100 Vanguard Blvd. Malvern, PA 19355	2,135,515	5.2	0	0
Moog Inc. Retirement Savings Plan (2) c/o Moog Inc. Jamison Rd. East Aurora, NY 14052	768,204	1.9	1,955,618	44.1
All directors and officers as a group (3) (See Proposal 1 Election of Directors , Particularly footnotes 8 and 18 to the table beginning on page 5)	1,459,572	3.5	247,588	5.6
Moog Family Agreement as to Voting (4) c/o Moog Inc. Jamison Rd. East Aurora, NY 14052	275,222	0.7	273,786	6.2
Moog Inc. Employee Retirement Plan (5) c/o Moog Inc. Jamison Rd. East Aurora, NY 14052	149,022	0.4	1,001,034	22.6
Moog Stock Employee Compensation Trust (6) c/o Moog Inc. Jamison Rd. East Aurora, NY 14052	0	0	400,878	9.0

(1) Class B shares are convertible into Class A shares on a share-for-share basis.

(2)

These shares are allocated to individual participants under the Plan and are voted by JPMorgan Chase, New York, New York, the Trustee as of the record date, as directed by the participants to whom such shares are allocated. Any allocated shares as to which voting instructions are not received will be voted in accordance with instructions on the proxy card. As of November 30, 2011, 11,294 of the allocated Class A shares and 57,784 of the allocated Class B shares were allocated to accounts of officers and are included in the share totals in the table on page 5 for all directors and officers as a group.

(3) See the table and related footnotes appearing on pages 6-9 containing information concerning the shareholdings of directors and officers of the Company.

(4) See Moog Family Agreement as to Voting for an explanation as to how the shares shown in the table as beneficially owned are voted. Included in the total are 122,582 Class A and 92,263 Class B shares owned by Richard A. Aubrecht, which shares are also included with All directors and officers as a group .

(5) Shares held are voted by the Trustee, Manufacturers and Traders Trust Company, Buffalo, New York, as directed by the Moog Inc. Retirement Plan Committee.

(6) The Moog SECT acquires Class A shares and Class B shares that become available for subsequent use in the Moog Inc. Retirement Savings Plan or other Moog Inc. employee benefit plans. The Trust will terminate on the earlier of (a) the date the Trust no longer holds any assets or (b) a date specified in a written notice given by the Board of Directors to the Trustee. During the 2011 fiscal year, the Moog SECT purchased 57,631 Class B shares from, and sold 73,611 Class B shares to, the Moog Inc. Retirement Savings Plan.

The Trustee of the Moog SECT is G. Wayne Hawk. The Trustee s powers and rights include, among others, the right to retain or sell SECT assets; borrow from the Company upon direction from an administrative committee and enter into related loan agreements; vote or give consent with respect to securities held by the Moog SECT in the Trustee s sole discretion; employ accountants and advisors as may be reasonably necessary; utilize a custodian to hold, but not manage or invest, assets held by the Moog SECT; and consult with legal counsel.

Moog Family Agreement as to Voting

The Moog Family Agreement as to Voting is among certain relatives of the late Jane B. Moog including her son-in-law, Richard A. Aubrecht. The Agreement relates to 152,640 Class A shares and 181,523 Class B shares, owned of record or beneficially by members of the Moog family who are party to the Agreement, as well as 122,582 Class A shares and 92,263 Class B shares held by Richard A. Aubrecht. Those relatives who were a party to the Agreement granted an irrevocable proxy covering all or some of that party s shares to a committee which is required to take all action necessary to cause all shares subject to the Agreement to be voted as may be determined by the vote of two-thirds of the committee members. The Agreement contains restrictions on the ability of any party to remove shares of stock from the provisions of the Agreement, to transfer shares or to convert Class B shares to Class A shares. The Agreement continues in force until December 31, 2015 and is automatically renewed thereafter from year to year unless any party to the Agreement gives notice of election to terminate the Agreement.

Section 16 Beneficial Ownership Reporting Compliance

During the 2011 fiscal year, the executive officers and directors of the Company timely filed with the Securities and Exchange Commission the required reports regarding their beneficial ownership of Company securities.

PROPOSAL 1 ELECTION OF DIRECTORS

The Board of Directors is comprised of two classes of directors, Class A directors and Class B directors, elected by holders of Class A shares and holders of Class B shares, respectively. Within each class of directors there exist three subclasses, such that one of the three subclasses of that class of directors is elected annually to serve a three-year term.

Five directors are to be elected at the meeting, of which one is to be Class A director elected by the holders of the outstanding Class A shares, and four of whom are to be Class B directors elected by the holders of the outstanding Class B shares. Four nominees will be elected to hold office until 2015 and one nominee will be elected to hold office until 2014, or until the election and qualification of their successors. The persons named in the enclosed proxy will vote Class A shares for the election of the Class A nominees named in the following table, and Class B shares for the election of the Class B nominees named in the following table, unless the proxy directs otherwise. In the event any of the nominees should be unable to serve as a director, the proxy will be voted in accordance with the best judgment of the person or persons acting under it. It is not expected that any of the nominees will be unable to serve.

Nominees, Directors and Named Executives

Certain information regarding nominees for Class A and Class B directors, as well as those directors whose terms of office continue beyond the date of the 2012 Annual Meeting of Shareholders, and Named Executives, including their beneficial ownership of equity securities as of November 30, 2011, is set forth in the following table. John D. Hendrick, currently a Class B director whose term expires at the 2011 Annual Meeting of Shareholders, is not standing for reelection as a director, in accordance with the Company s Board policy. Unless otherwise indicated, each person held various positions with the Company for the past five years and has sole voting and investment power with respect to the securities beneficially owned. Beneficial ownership includes securities which could be acquired pursuant to currently exercisable options or stock appreciation rights, or SARs, or options or SARs that become exercisable within 60 days of November 30, 2011.

The Company s current Board members share certain characteristics, experience and skills that are critical to effective board membership. These include sound business judgment essential to intelligent and effective decision-making; experience at the policy-making level; relevant educational background; integrity and honesty and the ability to work collaboratively. Furthermore, board members have specific employment and leadership experiences, knowledge and skills that qualify them to serve on the Board, as described in their biographies.

All of the nominees except Messrs. Gisel and Scannell have previously served as directors and have been elected as directors at prior annual meetings.

The Board of Directors recommends a vote FOR the election as Directors the Nominees listed below.

	Age	First Elected Director	Shares of Common Stock Class A	Percent of Class	Class B	Percent of Class
Nominees for Class B Director Term Expiring in 2015						
Richard A. Aubrecht (1)(2)	67	1980	198,158	*	92,263	2.1
Peter J. Gundermann (3)	49	2009	584	*	0	*
William G. Gisel Jr. (4)	59		0	*	0	*
Nominee for Class B Director Term Expiring in 2014						
John R. Scannell (5)	48		65,659	*	941	*
Nominee for Class A Director Term Expiring in 2015						
Brian J. Lipke (6)	60	2003	8,662	*	0	*
Class B Directors Continuing in Office						
Term Expiring in 2013						
Kraig M. Kayser (7)(8)	51	1998	28,802	*	0	*
Robert H. Maskrey (9)	70	1998	52,508	*	53,534	1.2
Term Expiring in 2014						
Joe C. Green (10)	70	1986	144,888	*	0	*
Robert T. Brady (11)(12)	70	1984	346,472	*	75,492	1.7
Class A Directors Continuing in Office						
Term Expiring in 2013						
Albert F. Myers (13)	65	1997	30,205	*	0	*
Term Expiring in 2014						
Raymond W. Boushie (14)	71	2004	8,662	*	0	*
Named Executives						
Donald R. Fishback (15)	55	n/a	55,511	*	119	*
Lawrence Ball (16)	57	n/a	73,543	*	6,034	*
Warren C. Johnson (17)	52	n/a	113,589	*	0	*
All directors and officers as a group (twenty-two persons) (18)			**1,459,572**	**3.5**	**247,588**	**5.6**

* Does not exceed one percent of class.

(1) Dr. Aubrecht began his career with the Company in 1969, working in various engineering capacities, going on to serve as Administrative Vice President and Secretary, Chairman of the Board, and in 1996 as Vice Chairman of the Board and Vice President of Strategy and Technology. Dr. Aubrecht studied at the Sibley School of Mechanical Engineering at Cornell University where he received his B.S., M.S. and Ph.D. degrees. The Company believes Dr. Aubrecht s extensive technical, management and operating experience gained through his many years of service to the Company make him highly qualified to serve as a Director. Dr. Aubrecht s beneficial ownership of Class A shares includes 70,501 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(2) Nancy Aubrecht, Dr. Aubrecht s spouse, is the beneficial owner of 40,077 Class A shares and 3,708 Class B shares which are not included in the numbers reported.

(3) Mr. Gundermann is President and Chief Executive Officer of Astronics Corporation, a publicly traded aerospace and defense company, a position he has held since 2003. Mr. Gundermann has been a director of Astronics since 2000 and has been with Astronics since 1988.

Astronics is headquartered in East Aurora, NY, with annual revenues of approximately $200 million. He received a B.A. in Applied Mathematics and Economics from Brown University and an M.B.A. from Duke University. The Company believes Mr. Gundermann s in-depth understanding of the aerospace and defense industry and his significant high level management experience as President and Chief Executive Officer of Astronics Corporation make him highly qualified to serve as a Director. Mr. Gundermann s beneficial ownership of Class A shares includes 584 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(4) Mr. Gisel is President and Chief Executive Officer of Rich Products Corporation, headquartered in Buffalo, N.Y., with annual revenues exceeding $2.9 billion. He earned a B.A. from Williams College and a Juris Doctorate from the Emory University School of Law. Mr. Gisel started his career at Bankers Trust Company in 1974, and after completing law school in 1978, he joined Phillips Lytle LLP as an Associate in the firm s litigation department. Mr. Gisel joined Rich Products in 1982, serving as the company s first General Counsel. In 1988, Mr. Gisel was named Vice President of the International Division. In 1996 he assumed the position of President of Rich s Food Group and Chief Operating Officer. In 2006, he was appointed Chief Executive Officer. Mr. Gisel also has an M.B.A. from the University of Rochester William E. Simon Graduate School of Business Administration. The Company believes Mr. Gisel s experience as President and Chief Executive Officer of a large, multi-national company makes him highly qualified to serve as a Director.

(5) Mr. Scannell joined Moog in 1990 as an Engineering Manager of Moog Ireland and later moved to Germany to become Operations Manager of Moog GmbH. In 1999, he became the General Manager of Moog Ireland, and in 2003 moved to the Aircraft Group in East Aurora, NY as the Boeing 787 Program Manager. He was named Director of Contracts and Pricing in 2005. Mr. Scannell was elected Vice President of the Company in 2005 and Chief Financial Officer in 2007, a position he held until December 2, 2010, at which time he was appointed President and Chief Operating Officer. On November 30, 2011 Mr. Scannell was elected Chief Executive Officer. The Company believes Mr. Scannell s range of management experience in engineering, operations management, contracts and finance, along with his in-depth knowledge of the Company s markets, products and technologies, make him highly qualified to serve as a Director. In addition to an M.B.A. from Harvard Business School, Mr. Scannell holds B.S. and M.S. degrees in Electrical Engineering from University College Cork, Ireland. Mr. Scannell s beneficial ownership of Class A shares includes 50,459 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(6) Mr. Lipke is the Chairman of the Board and Chief Executive Officer of Gibraltar Industries, Inc., headquartered in Buffalo, NY, with annual revenues of approximately $800 million. Mr. Lipke started his career with Gibraltar in 1972, became President in 1987 and Chairman of the Board in 1993. Mr. Lipke attended the SUNY College of Technology at Alfred and the University of Akron. The Company believes Mr. Lipke s extensive managerial experience at both the officer and director level, reflected by his current tenure as Chairman of the Board and Chief Executive Officer of Gibraltar Industries, Inc., makes him highly qualified to serve as a Director. Mr. Lipke s beneficial ownership of Class A shares includes 7,838 shares related to options and 824 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(7) Mr. Kayser is President and Chief Executive Officer of Seneca Foods Corporation headquartered in Marion, NY, with annual revenues of approximately $1.2 billion. Prior to assuming his current position in 1993, Mr. Kayser was Seneca Food s CFO. He received a B.A. from Hamilton College and an M.B.A. from Cornell University. The Company believes Mr. Kayser s financial and business expertise, including an in-depth understanding of the preparation and analysis of financial statements, and experience as President of a large publicly traded corporation, makes him highly qualified to serve as a Director. Mr. Kayser s beneficial ownership of Class A shares includes 19,206 shares related to options and 824 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(8) Does not include 152,000 Class A shares and 80,000 Class B shares held in a Seneca Foods Corporation pension plan for which Mr. Kayser is one of three trustees as well as one of a number of beneficiaries. Also not included are 17,937 Class A shares owned by the Seneca Foods Foundation, of which Mr. Kayser is a director.

(9) Mr. Maskrey joined the Company in 1964, retiring on October 1, 2005. He served in a variety of capacities, including as Vice President and General Manager of the Aircraft Controls Division. In 1999, he was elected Executive Vice President and Chief Operating Officer, the position he held at retirement. Mr. Maskrey received his B.S. and M.S. in Mechanical Engineering from the Massachusetts Institute of Technology. The Company believes Mr. Maskrey s extensive managerial experience in various capacities at both the officer and director level, coupled with his in-depth understanding of the Company s operations make him highly qualified to serve as a Director. Mr. Maskrey s beneficial ownership of Class A shares includes 4,614 shares related to options and 824 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(10) Mr. Green began his career at the Company in 1966 and has been Executive Vice President and Chief Administrative Officer since 1988. Before joining the Company, Mr. Green worked for General Motors Institute and served as a Captain in the U.S. Army. Mr. Green received his B.S. from Alfred University in 1962 and completed graduate study in Industrial Psychology at Heidelberg University in Germany. The Company believes Mr. Green s extensive managerial experience and his in-depth understanding of the Company s operations gained over 40 years as an employee of the Company make him highly qualified to serve as a Director. Mr. Green s beneficial ownership of Class A shares includes 101,250 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011,

(11) Mr. Brady has worked at the Company since 1966 in positions that have encompassed finance, production and operations management. He was elected a director in 1984, became President and CEO in 1988, was elected Chairman of the Board in 1996. On December 1, 2011, Mr. Brady stepped down as CEO and will continue to serve as Executive Chairman until his term expires in January 2014. Prior to joining Moog, Mr. Brady served as an officer in the U.S. Navy. Mr. Brady received his B.S. from the Massachusetts Institute of Technology in 1962 and received his M.B.A. from Harvard Business School in 1966. The Company believes Mr. Brady has demonstrated his ability to lead and grow the Company over 45 years of increased managerial responsibility and long tenure as President and CEO. His in-depth knowledge of the Company s operations, and the industries in which the Company operates, makes Mr. Brady highly qualified to serve as a Director. Mr. Brady s beneficial ownership of Class A shares includes 162,000 shares related to options and 6,684 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011, and includes 36,991 Class A and 40,492 Class B shares pledged as collateral to secure personal indebtedness.

(12) Ann Brady, Mr. Brady s spouse, owns 56,828 Class A shares and 25,747 Class B shares, which are not included in the number reported.

(13) Mr. Myers retired in 2006 as Corporate Vice President of Strategy and Technology for Northrop Grumman Corporation. Formerly Vice President and Treasurer, Mr. Myers joined Northrop in 1981. He received his B.S. and M.S. degrees in Mechanical Engineering from the University of Idaho and a M.S. degree from the Alfred P. Sloan School at the Massachusetts Institute of Technology. The Company believes Mr. Myers in-depth understanding of the aerospace industry, tenure at Northrop Grumman Corporation and his understanding of the preparation and analysis of financial statements make him highly qualified to serve as a Director. Mr. Myer s beneficial ownership of Class A shares includes 20,946 shares related to options and 824 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(14) Mr. Boushie retired in 2005 as President of Crane Co. s Aerospace & Electronics segment, a position he held since 1999. Previously he was President and CEO of Crane s Hydro-Aire operation. Mr. Boushie has a B.A. from Colgate University, an Associate Metallurgy degree from Reynolds Metals Co., and has completed graduate work at the University of Michigan and the Wharton School of Finance at the University of Pennsylvania. The Company believes Mr. Boushie s in-depth understanding of the aerospace industry, evidenced by his past service as President of Crane Co. s Aerospace & Electronics segment and his understanding of the preparation and analysis of financial statements, make him highly qualified to serve as a Director. Mr. Boushie s beneficial ownership of Class A shares includes 4,614 shares related to options and 824 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(15) Mr. Fishback joined the Company in 1981 in the Internal Audit function after working as a Certified Public Accountant for Deloitte LLP. He became Corporate Controller in 1985 and in 2007 was named Vice President of Finance. He held this position until December 2010, at which time he was appointed Chief Financial Officer. Mr. Fishback holds a B.A. in business from Westminster College in Pennsylvania and an M.B.A. from State University New York at Buffalo. Mr. Fishback s beneficial ownership of Class A shares includes 16,831 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(16) Mr. Ball joined Moog in 2003 when the Litton Poly-Scientific Division of Northrop Grumman was acquired and since that time has been General Manager of the Components Group. Mr. Ball had been President of Poly-Scientific since 1996. Prior to that time, he held a number of managerial positions with various Litton Divisions. Mr. Ball was elected a Vice President in 2004. Mr. Ball graduated from West Chester University and holds an M.B.A. degree from Villanova University. Mr. Ball s beneficial ownership of Class A shares includes 68,468 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(17) Mr. Johnson joined the Company in 1983, was named Chief Engineer of the Aircraft Controls Division in 1991, became General Manager of the Aircraft Group in 1999 and a Vice President in 2000. Mr. Johnson holds B.S. and M.S. degrees in Mechanical Engineering from The Ohio State University, and in 2004 completed a Sloan Fellows M.B.A. at the Massachusetts Institute of Technology. Mr. Johnson s beneficial ownership of Class A shares includes 58,147 shares related to options and 5,075 shares related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011.

(18) Does not include shares held by spouses, or as custodian or trustee for minors, as to which beneficial interest has been disclaimed, or shares held under the Moog Family Agreement as to Voting described on page 4. Includes 848,506 Class A shares related to options and 69,382 related to SARs currently exercisable or which become exercisable within 60 days of November 30, 2011. Officers and directors of the Company have entered into an agreement among themselves and with the Moog Inc. Retirement Savings Plan (the RSP), the Moog Inc. Employees Retirement Plan and the Company, which provides that prior to selling Class B shares obtained through exercise of a non-statutory option, the non-selling officers and directors, the RSP, the Employees Retirement Plan and the Company have an option to purchase the shares being sold.

CORPORATE GOVERNANCE

Corporate Governance Guidelines

Our Board of Directors and management are committed to effective corporate governance practices. Our Corporate Governance Guidelines describe the governance principles and procedures by which the Board functions. The Board annually reviews the Corporate Governance Guidelines and the Board committee charters in response to corporate governance developments, including regulatory changes, and recommendations by directors in connection with Board and committee evaluations.

Our Corporate Governance Guidelines and our Board committee charters are available on our website at *www.moog.com* by selecting *Investors* and then *Corporate Governance*. Stockholders may request a free printed copy of our Corporate Governance Guidelines from our Investor Relations department by contacting them by telephone at (716) 687-4225 or by e-mail to *investorrelations@moog.com*.

Business Ethics Code of Conduct

We have a written code of business ethics and conduct which applies to all directors, officers and employees. Our Statement of Business Ethics is available on our website at *www.moog.com* by selecting *Investors* and then *Corporate Governance*. Stockholders may request a free printed copy of our Statement of Business Ethics from our Investor Relations department by contacting them by telephone at (716) 687-4225 or by e-mail to *investorrelations@moog.com*.

Communications with Directors

The Board of Directors has provided a process by which shareholders or other interested parties can communicate with the Board of Directors or with the non-management directors as a group. All such questions or inquiries should be directed to the Secretary of the Company, John B. Drenning, c/o Hodgson Russ LLP, The Guaranty Building, 140 Pearl Street, Suite 100, Buffalo, New York 14202. Mr. Drenning will review and communicate pertinent inquiries to the Board or, if requested, the non-management directors as a group.

Leadership Structure

Until December 1, 2011, the Chairman of the Board and Chief Executive officer positions were held by Robert T. Brady. As part of the Company s continued orderly transition in its leadership, the Board believes at this time it is in the best interests of the Company and its shareholders for separate individuals to serve as Chairman of the Board and Chief Executive Officer and recognizes that there may be circumstances in the future that would lead to the same individual serving in both capacities. The Company believes this leadership structure is the most appropriate for it because the Board is able to continue employing the experience and perspective Mr. Brady has gained in running the Company as Chief Executive Officer for the past 23 years.

Mr. Brady fulfills his responsibilities as Chairman through close interaction with the Presiding Director. Each executive session of non-management directors has a Presiding Director, who acts as chairperson for the executive session, rotated among the chairpersons of the Executive Compensation and Nominating and Governance Committees.

Board Role in Risk Oversight

The Board is responsible for consideration and oversight of the risks facing the Company. The Board manages this oversight directly and through standing committees of the Board. The Board is kept informed by various reports provided to it on a regular basis, including reports made at the Board and Committee meetings by management. The Audit Committee performs a central oversight role with respect to financial and compliance risks, and the Audit Committee regularly reviews these risks with the full Board. The Executive Compensation Committee reviews and discusses with management the impact of the Company s compensation policies and practices on risk taking within the Company. The Committee roles are discussed in more detail later in this proxy statement.

Director Independence

Under the independence standards set forth at 303A.02(b) of the New York Stock Exchange Listed Company Manual, the Board of Directors has affirmatively determined that the non-management directors consisting of Messrs. Raymond W. Boushie, John D. Hendrick, Kraig H. Kayser, Brian J. Lipke, Robert H. Maskrey, Albert F. Myers and Peter J. Gundermann are independent. Under these standards, the Board has also determined that all Board standing committees, other than the Executive Committee, are composed entirely of independent directors. In connection with determining that Mr. Maskrey is independent, the Board of Directors considered Mr. Maskrey s consulting arrangement with the Company. The Board believes with respect to the new director nominees, that Mr. Gisel is independent, and Mr. Scannell is not independent under these standards.

Executive Sessions

The Company s corporate governance guidelines provide that the non-management directors meet without management at regularly scheduled executive sessions. Generally, these sessions take place prior to, or following, regularly scheduled Board meetings. Each executive session has a Presiding Director, who acts as chairperson for the executive session. The chairpersons of the Executive Compensation and Nominating and Governance Committees rotate as Presiding Director at these executive sessions.

The Audit Committee meets with the Company s independent auditors in regularly scheduled executive sessions, with the Audit Committee chairperson presiding over such sessions.

Board of Directors and Committee Meetings

During the 2011 fiscal year, the Board of Directors held five meetings. The following are the standing committees of the Board of Directors and the number of meetings each committee held during the 2011 fiscal year:

Committees	**Number of Meetings**	**Members**
Audit	7	Messrs. Kayser, Boushie, Hendrick, and Myers
Executive	0	Messrs. Aubrecht, Brady and Green
Executive Compensation	3	Messrs. Hendrick, Boushie, Lipke and Myers
Stock Option	2	Messrs. Myers, Boushie, Hendrick and Lipke
Nominating and Governance	2	Messrs. Lipke, Maskrey, Hendrick, Kayser and Myers

For various reasons Board members may not be able to attend a Board meeting. All Board members are provided information related to each of the agenda items before each meeting, and, therefore, can provide counsel outside the confines of regularly scheduled meetings. It is the Company s policy that, to the extent reasonably practicable, Board members are expected to attend shareholder meetings. All of the directors attended the 2011 Annual Shareholders Meeting.

Related Party Transactions

We use a combination of Company policies and established review procedures, including adherence to New York Stock Exchange Listing standards, to ensure related party transactions are reviewed, approved and ratified, as appropriate. We do not maintain these policies and procedures under a single written policy.

The Corporate Governance and Nominating Committee is responsible for developing, recommending and reviewing annually the Board of Directors Corporate Governance Guidelines to comply with state and federal laws and regulations, and with New York Stock Exchange Listing Standards. The Board of Directors is further required to meet the independence standards set forth in the New York Stock Exchange Listed Company Manual. The Audit Committee is responsible for the review, approval or ratification of any related party transactions as noted in the Compliance Oversight

Responsibilities section of the Charter of the Audit Committee of the Board of Directors. Our Statement of Business Ethics, which applies to all directors, officers and employees, provides guidance on matters such as conflicts of interest and procurement integrity, among others.

We require that each director and officer complete a questionnaire annually. The questionnaire requires positive written affirmation regarding related party transactions that may constitute a conflict of interest, including: any transaction or proposed transaction in excess of $120,000 involving the director or officer or an immediate family member and the Company, a subsidiary or any pension or retirement savings plan; any indebtedness to the Company; dealings with competitors, suppliers or customers; any interest in real or personal property in which the corporation also has an interest; and the potential sale of any real or personal property or business venture or opportunity that will be presented to the Company for consideration. We review each questionnaire to identify any transactions or relationships that may constitute a conflict of interest, require disclosure, or affect an independence determination. Any such transactions with the directors, officers, their immediate family members or any 5% shareholder are reviewed by the Audit Committee, and when necessary, the full Board of Directors. These reviews are intended to ensure any such transactions are conducted on terms as fair as if they were on an arm s length basis and do not conflict with the director s or officer s responsibilities to the Company.

For situations in which it is either clear that a conflict of interest exists or there is a potential conflict of interest, the related director or officer is obligated to recuse him from any discussion on the business arrangement. That director or officer does not participate in approving or not approving the related transaction. The remaining members of the Board of Directors make those determinations.

The Audit Committee and Board of Directors review transactions involving directors and/or officers that either clearly represent or may represent a conflict of interest. They determine whether these transactions are on terms as fair as if the transactions were on an arm s length basis. In situations in which the Audit Committee or Board of Directors determine that a transaction is not on terms as fair as if it were on an arm s length basis, the transaction would be modified such that the transaction were as fair as if it were on an arm s length basis. The Audit Committee and Board of Directors place significant reliance on their collective business judgment, experience and expertise in their review and deliberations.

Situations involving related party conflicts of interest have been rare in recent years, and there were no transactions required to be reported under Item 404(a) that were not required to be reviewed or where the Company s policies and procedures for review were not followed in the 2011 fiscal year.

Other Directorships

Current directors and director nominees of the Company are presently serving or have served at any time during the past five years on the following boards of directors of other publicly traded companies:

Name of Director	Company
Robert T. Brady	M&T Bank Corporation; Seneca Foods Corporation*; Astronics Corporation; National Fuel Gas Company
Raymond W. Boushie	Astronics Corporation
William G. Gisel, Jr.	KeyCorp, Mod-Pac Corporation
Peter J. Gundermann	Astronics Corporation
Kraig H. Kayser	Seneca Foods Corporation
Brian J. Lipke	Gibraltar Industries, Inc.

* Mr. Brady is no longer serving as a Director of Seneca Foods Corporation, effective August 2011, as he has completed serving the term for which he was elected and is not standing for reelection in accordance with the company s by-laws.

Website Access to Information

The Company s internet address is *www.moog.com*. The Company has posted to the investor information portion of its website its Corporate Governance Guidelines, Board committee charters (including the charters of its Audit, Executive Compensation and Nominating and Governance Committees) and Statement of Business Ethics. This information is available in print to any shareholder upon request. All requests for these documents should be made to the Company s Investor Relations department by calling (716) 687-4225 or by email to *investorrelations@moog.com*.

Nominating and Governance Committee

The Nominating and Governance Committee is composed solely of independent directors, and participates in the search for qualified directors. At a minimum, qualifications include relevant experience in the operation of companies, education and skills, and a high level of integrity. The candidate must be willing and available to serve and should represent the interests of all shareholders and not of any special interest group. After conducting an initial evaluation of a candidate, the Committee will interview that candidate if it believes the candidate might be suitable to be a director and will also ask the candidate to meet with other directors and management. If the Committee believes a candidate would be a valuable addition to the Board of Directors, it will recommend to the full Board that candidate s election.

The Nominating and Governance Committee does not have a formal written policy with regard to considering diversity in identifying nominees for directors, but, when considering director candidates, it seeks individuals with backgrounds and skills that, when combined with those of the Company s other directors, bring a broad range of complementary skills, expertise, industry and regulatory knowledge, and diversity of perspectives to build a capable, responsive and effective Board. Diversity considerations for a director nominee may vary at any time according to the particular area of expertise being sought to complement the existing Board composition.

A shareholder wishing to nominate a candidate should forward the candidate s name and a detailed background of the candidate s qualifications to the Secretary of the Company in accordance with the procedures outlined in the Company s by-laws. In making a nomination, shareholders should take into consideration the criteria set forth above and in the Company s Corporate Governance Guidelines. The Board of Directors has adopted a written charter for the Nominating and Governance Committee. A copy of the charter is available on the Company s website. The Committee met on November 30, 2011 and nominated Messrs. Aubrecht, Gundermann, Gisel, Lipke and Scannell for election at the 2012 Annual Meeting.

Nominating and Governance Committee Members:	Brian J. Lipke, Chair	Kraig H. Kayser
	Robert H. Maskrey	Albert F. Myers
	John D. Hendrick	

Audit Committee

The Audit Committee is responsible for assisting the Board of Directors in monitoring the integrity of the Company s financial statements, the Company s compliance with legal and regulatory requirements, the independent auditor s qualifications and independence, and the performance of the Company s internal audit function and the independent auditor. The Audit Committee has the sole authority to retain and terminate the independent auditor and is directly responsible for the compensation and oversight of the work of the independent auditor. The independent auditor reports directly to the Audit Committee. The Audit Committee reviews and discusses with management and the independent auditor the annual audited and quarterly financial statements, the disclosures in the Company s annual and quarterly reports under the heading Management s Discussion and Analysis of Financial Condition and Results of Operations , critical accounting policies and practices used by the Company, the Company s internal control over financial reporting, and the Company s major financial risk exposures. The Board of Directors has adopted a written charter for the Audit Committee, which is available on the Company s website.

All of the Audit Committee members meet the independence and experience requirements of the New York Stock Exchange and the Securities and Exchange Commission. The Board has determined all Audit Committee members are Audit Committee financial experts under the rules of the Securities and Exchange Commission. The Audit Committee held seven meetings in the 2011 fiscal year, in person and by telephone conference. The Audit Committee met with the Company s internal auditors and on a regular basis met separately with the independent auditors and management.

Audit Committee Members:	Kraig H. Kayser, Chair	John D. Hendrick
	Raymond W. Boushie	Albert F. Myers

Stock Option Committee

The Stock Option Committee is responsible for approving stock incentive awards to executive officers and key employees. The Stock Option Committee reviews management recommendations regarding awards to both executive officers and key employees, evaluating such potential awards in relation to overall compensation levels. The Stock Option Committee also reviews such awards with consideration for the potential dilution to shareholders, and limits stock awards such that the potential dilutive effect is within normally accepted practice. With regard to option and stock appreciation rights grants to directors, such grants are approved by the full Board of Directors.

Stock Option Committee Members:	Albert F. Myers, Chair	John D. Hendrick
	Raymond W. Boushie	Brian J. Lipke

Executive Compensation Committee

The Executive Compensation Committee is responsible for discharging the Board of Directors duties relating to executive compensation. The Committee makes all decisions regarding the compensation of the executive officers. In addition, the Committee is responsible for administering the Company s executive compensation program. The Committee reviews both short-term and long-term corporate goals and objectives with respect to the compensation of the CEO and the other executive officers. The Committee also reviews and discusses with management the impact of Moog s compensation policies and practices on risk taking within the Company. The Committee evaluates at least once a year the performance of the CEO and other executive officers in light of these goals and objectives and, based on these evaluations, approves the compensation of the CEO and the other executive officers. The Committee also reviews and recommends to the Board incentive-compensation plans that are subject to the Board s approval. All of the Committee members meet the independence requirements of the New York Stock Exchange. The Board of Directors has adopted a written charter for the Executive Compensation Committee. A copy of the charter is available on the Company s website. The Committee held three meetings in the 2011 fiscal year.

During the 2011 fiscal year, the Executive Compensation Committee utilized data provided by Hay Group, an independent professional compensation consulting firm, to assist and guide the Committee. The Hay Group data was used to compare Moog s executive compensation program with current industry trends, and individual officer compensation levels based on peer groups. Hay Group survey results were used to establish the compensation level of our CEO. Our CEO makes recommendations to the Committee regarding the compensation levels of other executive officers. Moog used Hay Group for compensation consultation services, which are provided independently of the services to the Executive Compensation Committee. The amount of fees for these additional services performed by Hay Group was less than $50,000 for the 2011 fiscal year.

Additional information regarding the Committee s processes and procedures for establishing and overseeing executive compensation is disclosed in the Compensation Discussion and Analysis section.

Executive Compensation Committee Members:	John D. Hendrick, Chair	Brian J. Lipke
	Raymond W. Boushie	Albert F. Myers

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee was an officer or employee of Moog during the last fiscal year, was formerly an officer of Moog, or has any relationships with Moog requiring disclosure under any paragraph of item 404 of Regulation S-K. Since the beginning of the last fiscal year, no executive officer of Moog has served on the compensation committee of any company that employs a director of Moog.

COMPENSATION OF DIRECTORS

Non-employee directors are paid $5,000 per quarter and reimbursed for expenses incurred in attending Board and Committee meetings. The aggregate cash remuneration for attending Board and Committee meetings for all non-management directors, excluding reimbursement of out-of-pocket expenses, was $140,000 for the 2011 fiscal year.

The 2008 Stock Appreciation Rights Plan provides that appreciation rights in a certain number of underlying shares may be granted to non-employee directors. During the 2011 fiscal year, Messrs Boushie, Gundermann, Hendrick, Kayser, Lipke, Maskrey and Myers each were granted 1,500 SARs to be settled in Class A shares at an exercise price per share equal to the fair market value of a Class A share on the date of grant. The Company s 1998 and 2003 Stock Option Plans provide that options to purchase Class A shares may be granted to non-employee directors. There were no options granted to directors in the 2011 fiscal year.

2011 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash	SAR Awards (1)	All Other Compensation	Total
Raymond W. Boushie	$ 20,000	$ 18,546		$ 38,546
Peter J. Gundermann	$ 20,000	$ 24,269		$ 44,269
John D. Hendrick	$ 20,000	$ 18,546		$ 38,546
Kraig H. Kayser	$ 20,000	$ 24,269		$ 44,269
Brian J. Lipke	$ 20,000	$ 24,269		$ 44,269
Robert H. Maskrey (2)	$ 20,000	$ 18,546	$ 81,780	$ 120,326
Albert F. Myers	$ 20,000	$ 18,546		$ 38,546

(1) This column shows the aggregate grant date fair value of SAR awards computed in accordance with FASB ASC Topic 718 granted in the 2011 fiscal year. The amounts do not reflect the actual amounts that may be realized by directors. A discussion of the assumptions used in calculating these values may be found in Note 14 to the audited financial statements in Moog s Annual Report on Form 10-K for the 2011 fiscal year.

(2) Mr. Maskrey has a one-year renewable consulting services arrangement with the Company for a base amount of $6,815 monthly, subject to adjustment based upon the level of consulting services provided. The consulting services arrangement was reviewed and approved by the Executive Compensation Committee and the Board.

The following table shows the number of stock appreciation rights relating to Class A shares granted to each non-employee director during the 2011 fiscal year.

Name	Grant Date	Number of Shares Under SAR Award	Closing Price on Grant Date
Raymond W. Boushie	11/30/2010	1,500	$ 36.86
Peter J. Gundermann	11/30/2010	1,500	$ 36.86
John D. Hendrick	11/30/2010	1,500	$ 36.86
Kraig H. Kayser	11/30/2010	1,500	$ 36.86
Brian J. Lipke	11/30/2010	1,500	$ 36.86
Robert H. Maskrey	11/30/2010	1,500	$ 36.86
Albert F. Myers	11/30/2010	1,500	$ 36.86

The aggregate number of SARs and options on Class A shares held by each non-employee director as of October 1, 2011 was as follows:

Name	SARs on Moog Class A Shares	Options on Moog Class A Shares
Raymond W. Boushie	4,125	4,614
Peter J. Gundermann	2,625	
John D. Hendrick	4,125	6,151
Kraig H. Kayser	4,125	19,206
Brian J. Lipke	4,125	7,838
Robert H. Maskrey	4,125	4,614
Albert F. Myers	4,125	20,946

Expense Reimbursement

Non-employee directors are reimbursed for travel and other expenses in the performance of their duties.

Indemnification Agreements

Moog has indemnification agreements with our directors. These agreements provide that directors are covered under our directors and officers liability insurance, which indemnify directors to the extent permitted by law and advance to directors funds to cover expenses subject to reimbursement if it is later determined indemnification is not permitted.

Deferred Compensation Plan

This plan allows non-employee directors to defer all or part of the director s cash fees. Directors deferring cash fees must notify the Company of any changes to the elections to defer fees for a calendar year by the end of the preceding calendar year, with new directors having 30 days to make such an election. Directors deferring cash fees accrue interest monthly at the average of the six month Treasury bill rate. Currently, four directors participate in this plan. The table below shows the amounts deferred for the 2011 fiscal year.

Name	2011 Fees Percent Deferred	Payment of Deferred Fees from Prior Years
Raymond W. Boushie	0%	$
Peter J. Gundermann	0%	$
John D. Hendrick	100%	$
Kraig H. Kayser	100%	$
Brian J. Lipke	100%	$
Robert H. Maskrey	0%	$
Albert F. Myers	100%	$

COMPENSATION DISCUSSION AND ANALYSIS

Objectives of the Company s Compensation Program

The objectives of the Company s executive compensation program are to:

(1) Provide a compensation package that will attract, retain, motivate and reward superior executives who must operate in a highly competitive and technologically challenging environment.

(2) Relate annual changes in executive compensation to overall Company performance, as well as each individual s contribution to the results achieved. The emphasis on overall Company performance is intended to align the executives financial interests with increased shareholder value.

(3) Achieve fairness in total compensation with reference to external comparisons, internal comparisons and the relationship between management and non-management remuneration.

The Company s executive compensation program is designed to balance competing interests. On the one hand, we recognize that near-term shareholder value can be created by the achievement of near-term results. Recognizing this reality, annual salary increases are tied to annual earnings per share performance and individual performance and cash bonuses are tied to annual earnings per share performance. On the other hand, the Company s business, particularly in aerospace and defense, requires that executives make decisions and commitments where benefits, in financial terms, take years to develop. The Company s Stock Appreciation Rights program is intended to reward long-term success and to align executives financial interests with those of long-term shareholders.

Looking across the spectrum of U.S. public companies, it is evident there are a variety of approaches to executive compensation, each of which can be successful under the right set of circumstances. The Company implemented its current approach in 1988. Restructuring charges detracted from the Company s financial performance in the early 1990 s and the global recession negatively impacted performance during the 2009 fiscal year. However, in each year since 1995 (excepting only 2009), the Company has achieved year over year increases in earnings per share, and in 15 of the last 17 years, the Company has achieved year-over-year earnings per share increases of 10% or more. During the last ten years, compound annual growth in earnings per share has been approximately 12.2%. In turn, our Class A share price has increased from $10.03 at the close of the 2001 fiscal year to $32.62 by the end of the 2011 fiscal year, and $41.82 at the end of November, 2011. The Company believes the effectiveness of its relatively simple, straightforward approach to executive compensation is evidenced by this superior performance record and, in turn, the superior performance of our stock. To recap, the Company s earnings per share highlights since 1995 are as follows:

- Increases every year except fiscal 2009;
- Year-over-year increases of 10% or more in 15 of 17 years;
- 10 year compound annual growth rate of 12.2%;
- EPS up 49% over the last two years;
- Share price growth:
  - $10.03 at close of fiscal 01
  - $32.62 at close of fiscal 11

$41.82 at 11/30/11

Elements of the Executive Compensation Program

Salaries

The Company uses the Hay Job Evaluation System for professional employees, including its named executive officers. The Hay methodology is an analytical, factor-based scheme that measures the relative size of jobs in the form of points within an organization. Each named executive officer has a written position description evaluated with the Hay Job Evaluation System. Base salary ranges for each position are determined in collaboration with the Hay Group. The Hay Group provides annual peer company salary survey information which provides the basis for determining a competitive base salary range for each position. It is our objective to pay base salaries at, or slightly above, market averages for similar positions in peer companies. Named executive officers base salaries are reviewed annually and increases within salary ranges are determined on a combination of Company and individual performance. The base salary of each of the named executive officers is within his position s applicable salary range.

Management Profit Share

The Company s senior leadership, both managerial and technical, numbers about 420 persons. This entire group, including the named executive officers, participates in a Management Profit Sharing Program in which a cash bonus payout each year is a function of the year-over-year growth rate in the Company s earnings per share. A simple formula is used to determine the cash bonus amount. Any payout depends entirely on the Company s year-over-year growth rate in earnings per share. There are no individual performance incentives in the formula.

The Company uses this single metric to underscore the importance of collaboration at all levels of leadership. The Company supplies products to a diverse array of customers in a variety of global markets. The common thread is that the technology used in high-performance motion control and fluid flow systems, and our key technical resources, are transportable from one segment to another in response to fluctuating customer demands. Having our senior leadership focus on what s good for the Company has been an important factor in the Company s consistent performance.

Stock Options

Over the Company s history, stock option awards have been a consistent element of executive compensation. The 1998 Stock Option Plan covers the award of options on 2,025,000 shares of Class A shares and terminated in December 2007. The 2003 Stock Option Plan covers an additional 1,350,000 Class A shares and will terminate in 2012. The Company s stock option plans are no longer actively used because almost all of the shareholder authorized awards have been granted. In the interest of maintaining alignment between management and shareholder s interests, the 2003 plan imposes a three-year holding period on option shares unless previously owned stock is used in payment of the option exercise price. All stock option awards are priced at the market-closing price on the day the Stock Option Committee approves the option awards.

Stock options issued to executive officers are intended to be incentive stock options (ISO s), and those issued to directors, as non-employees, are non-qualified stock options. Stock options issued to executive officers and directors cannot be exercised until at least one year after the option grant. Each executive officer option grant contains a vesting schedule, with the vesting schedule constructed to maintain the treatment of the options as ISO s. However, in certain cases options granted to executive officers will be treated as non-qualified due to IRS limitations. Stock options issued to directors do not have a vesting schedule and can be exercised at any time starting one year after the option grant.

Stock options were generally granted once a year through the 2008 fiscal year. The options were priced at the New York Stock Exchange closing price on the day the Board approved the option grants. The number of stock option grants under these plans did not consider individual performance incentives. After consideration of peer company data provided by the Hay Group, a fixed option award was made to each named executive officer, with a slightly larger award to the CEO. Compared with peer companies, our stock option awards are modest. It is Company policy not to re-price option grants.

Stock Appreciation Rights

The shareholders of the Company, on January 9, 2008, approved the Moog Inc. 2008 Stock Appreciation Rights Plan (SAR Plan) providing for the award of stock appreciation rights (SARs).

SARs confer a benefit based on appreciation in value of the Class A shares, and are settled in the form of Class A shares. The SAR Plan, which will terminate on January 9, 2018, covers the award of a total of 2,000,000 SARs.

The purpose of the SAR Plan is to promote the long term success of the Company and to create shareholder value by (a) encouraging non-employee directors, officers and employees performing service for the Company to focus on critical long-range objectives, (b) encouraging the attraction and retention of eligible participants with exceptional qualifications, and (c) linking participants directly to shareholder interests through ownership of the Company. The Plan seeks to achieve this purpose by providing for awards in the form of SARs that derive value only from the appreciation in price of the Company s stock and that are payable in shares of Company stock.

Similar to the awards of stock options, the number of annual SARs awarded was determined in collaboration with the Hay Group utilizing peer company survey data. Annual SARs awarded to executive officers to date have been at values below the 50^{th} percentile of the Company s peer companies. Individual performance is not a basis used to determine the number of named executive officer SAR awards.

Retirement Programs

The Company s U.S. based named executive officers participate in a defined benefit retirement plan covering Moog s U.S. based employees. The Company believes that the retirement plan is a key element in attracting and retaining employees at all levels of the organization. The Company has long provided a defined benefit plan, but new U.S. employees hired after January 1, 2008 are covered under a defined contribution plan. The benefit accrual available to U.S. based executive officers under the qualified defined benefit plan is limited to $245,000 in base compensation. The Company maintains a Supplemental Executive Retirement Plan (SERP) for its executive officers to bridge the gap between legally mandated limits on qualified pension plan benefits and the retirement benefits offered at comparable public companies. While the Company formally funds the qualified defined benefit plan, the SERP is not formally funded. The Company s objective is to provide total retirement benefits that are competitive with peer group companies.

The value of pension benefits for each named executive officer can be found in the table on page 37.

Medical Coverage

The Company s named executive officers participate in the same health insurance programs available to all employees. In addition, our executive officers have coverage under an enhanced medical insurance policy that generally covers all unpaid healthcare expenses deductible under IRS guidelines. This supplemental coverage plan was established many years ago in accordance with industry practice for senior executives. We believe that conforming in this way to industry standards aids in executive retention.

Vacation, Disability and Group Life Insurance

Named executive officers participate in the same vacation, disability and life insurance programs as all other Moog employees. Life insurance coverage for employees is based upon a multiple of salary, with the multiple for named executive officers generally two times annual salary.

The Company s primary U.S. vacation plan provides an annual basic benefit of three weeks once an employee has reached five years of service. In addition, our plan has a unique feature. Beginning on the tenth anniversary of employment, in addition to the standard three weeks vacation, each employee is awarded an additional seven weeks of vacation. This award occurs again every five years. This plan was created by our founder, Bill Moog, with the idea that every few years each employee might have the opportunity for a brief sabbatical. This feature serves to attract and retain key talent. The unused vacation accumulates annually. Under certain circumstances, such as when employees have a significant personal need such as major home repairs, high medical costs, college tuition bills for their children, among others, employees can exchange unused vacation for cash. The payment of cash in lieu of vacation is subject to management approval, with the employee needing to demonstrate financial need. As a practical matter, many long-term employees retire with a substantial amount of unused vacation, which is then paid in cash.

Termination Benefits

Named executive officers and other members of executive management are provided Termination Benefit Agreements that are triggered under certain circumstances, including a change in control. Under these agreements, executive officers receive salary continuance for up to three years based upon length of service, management profit share on a prorated basis in the year of termination, medical coverage, life and disability benefits and club dues for one year. These agreements are designed to retain executives and provide continuity of management in the event of a change in control. The Company believes that these severance and change in control benefits are required to attract and retain executive talent in a marketplace where such benefits are commonly offered. Further information can be found under the heading Potential Payments Upon Termination or Change in Control section on pages 39-40.

Other Benefits

The Company reimburses fees for membership in certain private clubs so that the Company s executives have these facilities available for entertaining customers, conducting Company business and fulfilling community responsibilities.

THE PROCESS FOR DETERMINATION OF COMPENSATION

The Executive Compensation Committee of the Board is composed solely of independent, non-employee directors. The Committee meets in executive session to determine CEO compensation, and has final approval on all elements of key executive compensation.

The Hay Group Job Evaluation system is used to develop ratings for each senior executive position. Each year the Committee is provided data from Hay Group that relates existing pay levels to the Hay numerical ratings. These data provide a base salary range mid-point for each job rating with a minimum and maximum for the salary range which is ± 30% from the mid-point. The Committee employs the Hay Group to recommend appropriate base salary ranges for each of the named executive officers. In order to recommend the salary ranges, Hay Group makes comparisons to two groups of companies. The first group is their entire database of U.S. industrial companies. The second comparison is a group of fifteen companies whose businesses are similar to Moog s and whose revenues are reasonably comparable. For the 2011 fiscal year, this group consisted of Rockwell Collins, Alliant Techsystems, Curtiss-Wright, BE Aerospace, Esterline, the Triumph Group, Woodward Governor, Hexcel, Kaman, Orbital Sciences, AAR, Teledyne, Spirit Aerosystems, Cubic, and Precision Castparts. The Hay Group annually determines if the named executive officers are within a reasonable range of market base salary medians.

The process for setting annual base salaries is one wherein the CEO makes recommendations for merit based salary increases, and occasionally, base salary adjustments needed to position an executive officer appropriately in his base salary range. The Committee approves or adjusts those recommendations for a final determination. At the beginning of calendar year 2011, the Committee approved base salary adjustments which increased the base salaries for Mr. Brady, Mr. Johnson and Mr. Scannell. As part of this process, the CEO prepares a performance appraisal for each executive officer, including himself, which is reviewed in detail by the Committee. These performance appraisals take into consideration the outcomes achieved by the unit or function for which the officer is responsible. In addition, the performance appraisals consider the conduct and contribution of the officer in achieving those results, the support provided by the officer and the organization he manages in achieving overall Company results, and the officer s achievements in developing organizational strength for the future, as appropriate. In addition to the review of each officer s performance appraisal, the CEO and the Committee review the relationship of the officer s salary to the Hay Group salary range data provided for each officer position. The Committee generally expects that a newer officer with limited experience will be in the lower quartiles of the survey. As the officer s capabilities develop and achievements accumulate, the Committee generally expects the officer will move through the mid-point range of the survey range and ultimately be positioned in the upper quartiles. When appropriate, the Committee will make adjustments to achieve this positioning.

In developing his recommendations for base salary increases and adjustments for the named executive officers, the CEO has consistently used a framework which relates percentage increases to merit ratings for each individual. Each year the management of the Company selects a rating scheme for merit raises for the entire Company. In 2010 a satisfactory performance for an officer earned a 3% increase, meritorious performance 4%, and outstanding performance 5.5%. The CEO rates the performance of each of the named executive officers. For the CEO, COO (Chief Operating Officer), CAO (Chief Administrative Officer) and CFO, the rating depends on the performance of the Company as a whole. For business unit managers, profit contribution of the unit is a major consideration in performance evaluation. Qualitative factors may then be considered when appropriate. The executive s performance is considered with respect to developing and leading an effective organization, making effective personnel selections, encouraging the development of new technology and new products, addressing competitive market pressures, responding appropriately to unusual market conditions and challenges, and succession planning. A positive rating with respect to these considerations achieves the highest available merit rating, and a less favorable assessment results in a lower rating.

The Committee is mindful of the IRS limitation on deductibility of compensation over $1 million, and only Mr. Brady s and Mr. Green s compensation for 2011 has exceeded the IRS limitation.

Annual cash bonuses paid to senior executives are developed in accordance with a management profit sharing plan in which there are about 420 participants. For this group, cash bonuses are paid each year in which the Company achieves growth in earnings per share. The bonus amount payable to each participant is determined by multiplying the participant s base salary by the product of the percentage improvement in Moog s earnings per share and a multiplier of 3.00, 1.33, 1.00 or 0.67 based on a participant s responsibilities. Our executive officers, of whom there are 12, are responsible for the overall management and success of the Company. Each person in this group receives a cash bonus that is equal to the participant s base salary at year end multiplied by the percentage improvement in earnings per share times a factor of 3.0, subject to a cap of 60% of base salary. For its review of officer compensation in November 2010, the Committee engaged the Hay Group to provide a study of all aspects of the Company s compensation program with reference to the practice in peer group companies. The Hay Group reported that the Company s base salaries were for the most part competitive, but that the