UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

F O R M 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2026

Commission file number: 0-16050

TAT TECHNOLOGIES LTD.

(Name of Registrant)

9335 Harris Corners Pkwy, Charlotte, NC 28269
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

TAT TECHNOLOGIES LTD.

TAT Technologies Ltd. (the "Company") hereby furnishes the following documents:

Item/Exhibit No.	Description
99.1	Unaudited condensed consolidated financial statements as of September 30, 2026 and for the three and nine months ended September 30, 2026 and 2025
99.2	Operating and financial review and prospects

This Report on Form 6-K and related exhibits are incorporated by reference into the Company's registration statements on Form F-3 (File No. 333-286699 and 333-294411) and Form S-8 (File Nos.333-268906, and 333-286702), and shall be a part thereof from the date on which this Form 6-K is furnished, to the extent not superseded by documents or reports subsequently filed or furnished.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TAT TECHNOLOGIES LTD.
(Registrant)

By: /s/ Ehud Ben-Yair
Ehud Ben-Yair
Chief Financial Officer

Date: November 2, 2026

Exhibit 99.1

TAT TECHNOLOGIES LTD.

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended September 30, 2026

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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

U.S dollars in thousands

	September 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 53,732	$ 51,259
Accounts receivable, net of allowance for credit losses of $266 and $172 as of September 30, 2026, and December 31, 2025, respectively	35,728	33,420
Inventory	95,328	75,549
Prepaid expenses and other current assets	5,913	6,071
Total current assets	190,701	166,299
NON-CURRENT ASSETS:		
Property, plant and equipment, net	50,207	46,922
Operating lease right of use assets	5,154	5,807
Intangible assets, net	2,038	1,452
Investment in affiliates	5,700	4,905
Funds in respect of employee rights upon retirement	434	398
Deferred tax assets	436	639
Restricted deposit	-	307
Total non-current assets	63,969	60,430
Total assets	$ 254,670	$ 226,729

The accompanying notes are an integral part of these unaudited condensed consolidated financial Statements.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

U.S dollars in thousands

	September 30, 2026	December 31, 2025
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debts	$ 167	$ 2,227
Accounts payable	17,773	12,986
Accrued expenses and other current liabilities	18,987	17,296
Current maturities of operating lease liabilities	1,438	1,474
Total current liabilities	38,365	33,983
NON-CURRENT LIABILITIES:		
Long-term debts, net	10,963	9,485
Operating lease liabilities	3,859	4,448
Liability in respect of employee rights upon retirement	826	770
Deferred tax liabilities	3,839	1,652
Total non-current liabilities	19,487	16,355
COMMITMENTS AND CONTINGENCIES (NOTE 7)	-	-
Total liabilities	57,852	50,338
SHAREHOLDERS' EQUITY:		
Ordinary shares of NIS 0 par value Authorized: 23,000,000 shares at September 30, 2026, and 19,000,000 at December 31, 2025 Issued:13,272,610 shares at September 30, 2026, and 13,257,610 shares at December 31, 2025 Outstanding: 12,998,137 shares at September 30, 2026, and 12,983,137 shares at December 31, 2025	-	-
Additional paid-in capital	138,049	136,578
Treasury stock at cost	(2,088)	(2,088)
Accumulated other comprehensive income	451	643
Retained earnings	60,406	41,258
Total shareholders' equity	196,818	176,391
Total liabilities and shareholders' equity	$ 254,670	$ 226,729

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

U.S dollars in thousands

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues:				
Products	$ 15,336	$ 12,617	$ 44,571	$ 37,804
Services	40,227	33,618	105,077	93,677
	55,563	46,235	149,648	131,481
Costs:				
Products	10,338	9,170	31,207	26,613
Services	28,038	25,464	77,903	72,488
	38,376	34,634	109,110	99,101
Gross profit	17,187	11,601	40,538	32,380
Operating expenses:				
Research and development, net	726	323	1,832	887
Selling and marketing	2,384	1,993	7,096	6,106
General and administrative	5,041	4,025	13,966	11,522
	8,151	6,341	22,894	18,515
Operating income	9,036	5,260	17,644	13,865
Gain on sale of equity investment	-	-	4,324	-
Interest expenses	(216)	(176)	(546)	(835)
Other financial income (expenses), net	273	206	92	(293)
Income before taxes on income	9,093	5,290	21,514	12,737
Provision for income taxes	1,759	821	3,815	1,624
Income before share of equity investment	7,334	4,469	17,699	11,113
Share in profits of equity investment of affiliated companies	343	372	1,449	983
Net income	$ 7,677	$ 4,841	$ 19,148	$ 12,096

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

U.S dollars in thousands, except share and per share data

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Earnings per share				
Basic	$ 0.59	$ 0.37	$ 1.47	$ 1.03
Diluted	$ 0.58	$ 0.37	$ 1.46	$ 1.02
Weighted average number of shares outstanding				
Basic	12,998,137	12,911,050	12,989,582	11,776,747
Diluted	13,144,592	13,078,467	13,158,304	11,904,044

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

U.S dollars in thousands

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 7,677	$ 4,841	$ 19,148	$ 12,096
Other comprehensive income (loss), net:				
Change in foreign currency translation adjustments	(261)	(101)	(170)	575
Net unrealized losses from derivatives	(15)	-	(22)	-
Total comprehensive income	$ 7,401	$ 4,740	$ 18,956	$ 12,671

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

U.S dollars in thousands, except share data

	Share capital		Additional paid-in capital	Accumulated other comprehensive income (loss)	Treasury shares	Retained earnings	Total equity
	Number of shares issued	Amount					
BALANCE AT JUNE 30, 2025	13,161,762	$ -	$ 135,578	$ 600	$ (2,088)	$ 31,691	$ 165,781
CHANGES DURING THE THREE MONTHS ENDED SEPTEMBER 30, 2025:							
Comprehensive income (loss)	-	-	-	(101)	-	4,841	4,740
Exercise of stock option	63,348	-	-	-	-	-	-
Share based compensation	-	-	167	-	-	-	167
BALANCE AT SEPTEMBER 30, 2025	13,225,110	$ -	$ 135,745	$ 499	$ (2,088)	$ 36,532	$ 170,688
BALANCE AT JUNE 30, 2026	13,272,610	$ -	$ 137,567	$ 727	$ (2,088)	$ 52,729	$ 188,935
CHANGES DURING THE THREE MONTHS ENDED SEPTEMBER 30, 2026:							
Comprehensive income (loss)	-	-	-	(276)	-	7,677	7,401
Share based compensation	-	-	482	-	-	-	482
BALANCE AT SEPTEMBER 30, 2026	13,272,610	$ -	$ 138,049	$ 451	$ (2,088)	$ 60,406	$ 196,818

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

U.S dollars in thousands, except share data

	Share capital		Additional paid-in capital	Accumulated other comprehensive income (loss)	Treasury shares	Retained earnings	Total equity
	Number of shares issued	Amount					
BALANCE AT DECEMBER 31, 2024	11,214,831	$ -	$ 89,697	$ (76)	$ (2,088)	$ 24,436	$ 111,969
CHANGES DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2025:							
Comprehensive income (loss)	-	-	-	575	-	12,096	12,671
Exercise of option	142,981	-	-	-	-	-	-
Issuance of common shares on public offering, net of issuance costs of $2,769	1,625,000	-	39,415	-	-	-	39,415
Exercise of the underwriters' option on public offering, net of issuance costs of $413	242,298	-	5,953	-	-	-	5,953
Share based compensation	-	-	680	-	-	-	680
BALANCE AT SEPTEMBER 30, 2025	13,225,110	$ -	$ 135,745	$ 499	$ (2,088)	$ 36,532	$ 170,688
BALANCE AT DECEMBER 31, 2025	13,257,610	$ -	$ 136,578	$ 643	$ (2,088)	$ 41,258	$ 176,391
CHANGES DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2026:							
Comprehensive income (loss)	-	-		(192)	-	19,148	18,956
Exercise of option	15,000	-	136	-	-	-	136
Share based compensation	-	-	1,335	-	-	-	1,335
BALANCE AT SEPTEMBER 30, 2026	13,272,610	$ -	$ 138,049	$ 451	$ (2,088)	$ 60,406	$ 196,818

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	$ 7,677	$ 4,841	$ 19,148	$ 12,096
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	1,362	1,249	4,066	3,762
Non-cash financial expenses	462	126	814	634
Gain on sale of equity investment (Note 4)	-	-	(4,324)	-
Change in allowance for credit losses	39	(104)	94	(79)
Share in profits of equity investment of affiliated companies	(343)	(372)	(1,449)	(983)
Share based compensation	482	167	1,335	680
Deferred income taxes, net	690	884	2,390	1,466
Changes in operating assets and liabilities:				
Decrease (increase) in trade accounts receivable	3,046	(960)	(2,402)	(3,554)
Decrease (increase) in inventory	(10,607)	281	(20,490)	1,464
Decrease (increase) in prepaid expenses and other current assets	1,120	(1,757)	309	(9,052)
Increase (decrease) in trade accounts payable	(929)	1,334	3,945	4,740
Increase (decrease) in accrued expenses and other current liabilities	774	1,806	1,725	(1,765)
Net cash provided by operating activities	3,773	7,495	5,161	9,409
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sale of equity investment	-	-	4,493	-
Purchase of property and equipment	(4,408)	(2,743)	(6,967)	(8,910)
Net cash used in investing activities	(4,408)	(2,743)	(2,474)	(8,910)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of short-term loans	-	-	-	(4,350)
Repayments of long-term debts	(96)	(473)	(11,368)	(1,560)
Proceeds from issuance of ordinary shares and exercise of the underwriters' option	-	-	-	48,550
Issuance costs of ordinary shares and exercise of the underwriters' option	-	(362)	-	(3,182)
Proceeds (issuance costs) from long term debt, net	(166)	-	10,711	-
Proceeds from exercise of options	-	-	136	-
Net cash provided by (used in) financing activities	(262)	(835)	(521)	39,458
Net increase (decrease) in cash and cash equivalents and restricted cash	(897)	3,917	2,166	39,957
Cash and cash equivalents and restricted cash at beginning of period	54,629	43,474	51,566	7,434
Cash and cash equivalents and restricted cash at the end of period	$ 53,732	$ 47,391	$ 53,732	$ 47,391
Supplementary information on investing and financing activities not involving cash flows:				
Additions of operating lease right-of-use assets and operating lease liabilities	$ 161	$ 1,948	$ 460	$ 3,783
Reclassification between inventory and property, plant and equipment	-	-	-	579
Addition to property and equipment and intangible assets in accounts payable	1,430	195	1,430	195
Supplemental disclosure of cash flow information:				
Interest paid	135	430	438	946
Taxes paid	79	21	192	197

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NOTE 1 - GENERAL

Description of Business

TAT Technologies Ltd., ("TAT" or the "Company") an Israeli corporation, incorporated in 1985, is a leading provider of solutions and services to the aerospace and defense industries. TAT has the following wholly owned subsidiaries, hereinafter collectively referred to as the "Group": Limco-Piedmont Inc. ("Limco-Piedmont"), Limco Airepair Inc. ("Limco"), a wholly owned Delaware subsidiary of Limco-Piedmont, Piedmont Aviation Component Services LLC ("Piedmont"), a North Carolina limited liability company, wholly owned subsidiary of Limco-Piedmont Inc., and Turbochrome Ltd. ("Turbochrome"). Additionally, the Company holds 51% of TAT-Engineering LLC ("TAT-Engineering"), which was established in January 2016 as a joint venture. The accounting treatment of the joint venture is based on the equity method due to participating rights granted to the other stockholder.

TAT operations is focused on the following four segments: (i) original equipment manufacturing ("OEM") of heat transfer solutions and aviation accessories mainly through its Kiryat Gat facility; (ii) MRO ("Maintenance Repair and Overhaul") services for heat transfer components and OEM of heat transfer solutions through Limco; (iii) MRO services for aviation components (mainly Auxiliary Power Unit "APU" and Landing Gear "LG") through Piedmont; and (iv) overhaul and coating of jet engine components through Turbochrome. TAT targets the commercial aerospace (serving a wide range of types and sizes of commercial and business jets), military aerospace and ground defense sectors. TAT's shares are listed on both the NASDAQ (under the symbol TATT) and Tel-Aviv Stock Exchange (under the symbol TAT Tech).

The security and geopolitical environment in Israel and the broader Middle East remain uncertain. Regional conflicts, military activity, political developments, and related economic conditions continue to create uncertainty regarding future business and economic impacts. The Company cannot predict the duration, scope, or ultimate outcome of these events, nor the extent to which they may affect its operations, employees, customers, suppliers, or the Israeli economy generally.

Currently, TAT continues its business and operations and its facilities remain operational. However, the duration and scope of regional hostilities and geopolitical tensions remain uncertain, as do their potential economic implications on the Company's business, operations and on Israel's economy in general. To date, the Company's operations and financial results have not been materially affected by these events. Because these events remain outside the Company's control, future developments could adversely affect its operations, financial condition or results of operations. The Company continues to monitor the ongoing political and military activities in the region and will make any needed adjustments to ensure continuity of its business, while supporting the safety and well-being of its employees. The Group activities in Israel are presented in Note 9 – Segment Information, under the OEM of Heat Transfer Solutions and Aviation Accessories, and the Overhaul and Coating of Jet Engine Components segments.

The ongoing geopolitical environment may continue to contribute to volatility in financial, foreign exchange and energy markets, as well as disruptions in global supply chains. These conditions have resulted in increased material and labor costs and have prompted the Company to maintain higher inventory levels to support operational requirements. The Company continues to work closely with suppliers to mitigate potential supply chain disruptions and minimize impacts on its manufacturing and MRO operations.

The Company's international operations are also subject to risks associated with changes in trade policies, import and export regulations, and tariff regimes. Changes in tariffs may increase the cost of raw materials, components and other imported goods, resulting in purchasing price volatility and potential pressure on margins. Additionally, tariffs may affect the economics of cross-border transactions and require modifications to contractual arrangements with customers and suppliers. Based on management's assessment, existing tariffs have not had a material impact on the Company's financial condition, or results of operations.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying interim consolidated balance sheet as of September 30, 2026, the interim consolidated statements of income, interim statements of cash flows and the interim consolidated statements of shareholders' equity for the three and nine months ended September 30, 2026 and 2025 are unaudited. These unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission regarding interim financial reporting.

In management's opinion, the unaudited interim consolidated financial statements include all adjustments of a normal recurring nature necessary for the fair statement of the Company's financial position as of September 30, 2026, as well as its results of operations and cash flows for the three and nine months ended September 30, 2026 and 2025.

The results of operations for the three and nine months ended September 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026, or for other interim periods or for future years.

The accompanying unaudited interim financial statements should be read in conjunction with the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2025 (the "2025 Annual Report") filed with the Securities and Exchange Commission (the "SEC") on March 18, 2026.

Significant Accounting Policies

There have been no changes to the significant accounting policies described in the 2025 Annual Report that have had a material impact on the unaudited interim consolidated financial statements and related notes, except for the implementation of derivatives and hedge accounting described below.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclose the nature of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting years. Actual results could differ from those estimates.

As applicable to these financial statements, the most significant estimates and assumptions relate to: recoverability of inventory and income taxes.

Concentrations of Credit Risk

Financial instruments that potentially subject the Group to concentrations of credit risk consist principally of cash and cash equivalents and deposits, derivatives and accounts receivable.

Cash and cash equivalents are deposited with several major banks in Israel and the United States. Such deposits in the United States and Israel may be in excess of insured limits and are not insured in other jurisdictions. Management believes that the financial institutions that hold the Group's cash and cash equivalents are financially sound, and that the Group has not been affected by certain banking institutions in the U.S. Accordingly, minimal credit risk exists with respect to these financial instruments.

The Group has a relatively large number of customers with established private and public companies, and governmental institutions which mitigate the credit risk. The Group performs ongoing credit evaluation of its customers' financial condition. As part of the risk management, the Company purchased a credit insurance policy from a well-known insurance Company. As of September 30, 2026 and December 31, 2025 the Company has a single customer which represents 11% and 13% of the Company's accounts receivable, respectively.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT)

Fair value measurement

The carrying amounts of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate their fair values due to their short-term maturities. Foreign currency derivative financial instruments are recognized and disclosed at fair value in the financial statements on a recurring basis.

Fair value is defined as the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in accordance with ASC Topic 820, *Fair Value Measurement*. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used in measuring fair value into three levels:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date. These inputs have the highest priority.
- Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, or inputs corroborated by observable market data.
- Level 3: Unobservable inputs supported by little or no market activity, reflecting the Company's own assumptions about the assumptions that market participants would use. These inputs have the lowest priority.

In measuring fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs, where available. The Company also considers counterparty credit risk and its own nonperformance risk in measuring the fair value of financial instruments.

The Company enters into foreign currency derivative financial instruments to manage its exposure to fluctuations in exchange rates associated with transactions denominated in currencies other than the U.S. dollar. The Company does not use derivative instruments for speculative purposes. At hedge inception, the Company formally designates qualifying foreign currency derivative instruments as cash flow hedges and performs an effectiveness assessment to conclude that the hedging relationship is expected to be highly effective in achieving offsetting changes in the designated cash flows attributable to the hedged risk. All derivative instruments are recognized in the consolidated balance sheets at fair value as either assets or liabilities in accordance with ASC Topic 815, *Derivatives and Hedging*. The accounting for changes in fair value depends on whether the derivative is designated and qualifies for hedge accounting. The Company assesses hedge effectiveness both at inception and on an ongoing basis.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT)

Cash Flow Hedges

For derivative instruments that are formally designated and qualify as cash flow hedges, the gain or loss is recorded in accumulated other comprehensive income ("AOCI"), net of applicable taxes and subsequently reclassified into earnings in the same line item as the underlying hedged transaction in the period in which the hedged transaction affects earnings.

Derivatives Not Designated as Hedging Instruments

For derivative instruments that are not designated as hedging instruments or do not qualify for hedge accounting, changes in fair value are recognized directly in financial expense (income), net in the period.

Presentation

Derivative assets and liabilities are presented on a gross basis within prepaid expenses and other current assets or accrued expenses and other current liabilities, as applicable. The Company's derivative instruments are measured at fair value using observable inputs consistent with Level 2 of the fair value hierarchy.

Cash Flows

Cash flows from derivative instruments are classified in the consolidated statements of cash flows consistent with the nature of the underlying hedged item.

New accounting pronouncements adopted

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Credit Losses* (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05"). ASU 2025-05 provides a practical expedient that all entities can use when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, Revenue from Contracts with Customers. Under this practical expedient, an entity is allowed to assume that the current conditions it has applied in determining credit loss allowances for current accounts receivable and current contract assets remain unchanged for the remaining life of those assets. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim reporting periods in those years. Entities that elect the practical expedient and, if applicable, make the accounting policy election are required to apply the amendments prospectively. The adoption did not have a material impact on the Company's condensed consolidated financial statements.

Recently issued accounting pronouncements not yet adopted

In November 2024, the FASB issued ASU No. 2024-03 *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures* (Subtopic 220-40). The ASU improves the disclosures about a public business entity's expense and provides more detailed information about the types of expenses in commonly presented expense captions. The amendments require that at each interim and annual reporting period an entity will, inter alia, disclose amounts of purchases of inventory, employee compensation, depreciation and amortization included in each relevant expense caption (such as cost of sales, SG&A and research and development). The ASU is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating this ASU to determine its impact on the Company's disclosures.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT)

In November 2025, the FASB issued ASU 2025-09 to amend the guidance in "*Derivatives and Hedging*" (Topic 815). The update provides targeted improvements intended to enhance the application of hedge accounting, including expanded eligibility of forecasted transactions, additional flexibility in measuring hedge effectiveness, and clarifications related to hedging non-financial items. The guidance is effective for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years. The Company is currently evaluating this ASU to determine the impact it may have on its consolidated financial statements.

NOTE 3 - FAIR VALUE MEASUREMENT

The Company measures certain financial assets and liabilities at fair value on a recurring basis and discloses such measurements in accordance with ASC Topic 820, *Fair Value Measurement*. The carrying amounts of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate their fair values due to their short-term maturities.

The Company's financial assets and liabilities measured at fair value on a recurring basis consist primarily of foreign currency forward and option contracts, which are used to hedge exposure to foreign currency exchange rate fluctuations. These instruments are measured using observable market inputs, such as forward exchange rates, and are generally classified within Level 2 of the fair value hierarchy. At September 30, 2026, the fair value of the foreign currency forward contract amounted to $22 thousand and is presented in accrued expenses and other current liabilities in the balance sheet.

Foreign Currency Derivative Instruments and Risk Management

The Company hedges its exposure to foreign currency risk arising from probable forecasted expenses denominated in Israeli Shekels ("ILS") in accordance with its risk management policy. The Company's objective is to mitigate the variability in expected cash flows attributable to fluctuations in foreign currency exchange rates. A significant portion of this exposure relates to forecasted payroll and other operating expenses denominated in ILS.

To manage this risk, the Company enters into foreign currency forward contracts and option contracts. These derivative instruments are not used for speculative purposes. All derivatives are recognized on the consolidated balance sheets at fair value in accordance with ASC Topic 815, *Derivatives and Hedging*, with changes in fair value accounted for based on their designation.

As of September 30, 2026, the Company had designated foreign currency option contracts with an aggregate notional amount of approximately ILS19.1 million ($6.2 million) as cash flow hedges of forecasted salary expenditures expected to occur through December 31, 2026. Designated hedge contracts that matured during the nine months ended September 30, 2026 did not have an impact on the financial statements.

Management concluded that all designated hedge relationships were highly effective as of September 30, 2026 and that no hedge ineffectiveness was recognized in earnings during the period.

NOTE 4 - EQUITY INVESTMENT

TAT, through its Piedmont subsidiary, held a non-controlling interest of less than 5% in First Aviation Services Inc. ("FAvS"), which is accounted for under ASC 321 – Investment – Equity Securities. The investment did not have a readily determinable fair value and is carried at cost, subject to observable price adjustments and impairment.

In April 2026, an unrelated third party entered into a definitive agreement to acquire FAvS. As part of the transaction, which was completed in June 2026, the Company sold its holding to the unrelated third party. Accordingly, the Company recorded a realized gain of approximately $4.3 million upon receipt of aggregate proceeds of $4.5 million during May and June 2026.

NOTE 5 - INVENTORY

Inventory is composed of the following:

	September 30, 2026	December 31, 2025
Raw materials and components	$ 76,728	$ 59,585
Work in progress	17,231	15,478
Finished goods	1,369	486
Total inventory	$ 95,328	$ 75,549

Inventories write down expenses due to slow inventory amounted to $301 and $884 for the nine months ended September 30, 2026 and 2025, respectively.

The Company maintains a wide range of exchangeable units and other spare parts related to its products and services in various locations. Due to the long lead time of its suppliers and manufacturing cycles, the Company needs to forecast demand and commit significant resources towards these inventories. As such, the Company is subject to risks including excess inventory no longer relevant.

NOTE 6 - CREDIT FACILITY

Revolving facility

On June 4, 2026, Limco-Piedmont Inc. (the "Borrower"), a wholly owned subsidiary of TAT Technologies Ltd. (the "Company"), entered into a senior secured credit agreement (the "Credit Agreement") with a syndicate of bank lenders. The Credit Agreement provides for a $75.0 million revolving credit facility (the "Revolving Facility"), with an incremental feature by an aggregate amount not to exceed the greater of $25.0 million and 100% of consolidated EBITDA as of the most recently completed fiscal quarter. The Credit Facility also includes a $2.5 million swingline sub-facility and up to $5.0 million in letters of credit, with a maturity date of June 4, 2029. The Revolving Facility may be used for working capital, capital expenditures, acquisitions, refinancing of existing indebtedness, and other general corporate purposes. Borrowings may be repaid and re-borrowed during the term of the agreement.

At closing, the Company utilized initial borrowings under the Revolving Facility to repay certain existing indebtedness and transaction-related obligations amounting to $10.9 million. In addition, approximately $0.7 million of financing fees and lender-related costs were incurred in connection with the transaction, including upfront loan and syndication fees. As a result of these transactions, the Revolving Facility effectively refinanced and replaced prior credit arrangements, simplifying the Company's capital structure.

NOTE 6 - CREDIT FACILITY (CONT)

Loans under the Credit Agreement bear interest, at the Company's option, at either: a Term SOFR-based rate, plus an applicable margin ranging from 1.75% to 2.50%, or an alternate base rate ("ABR"), plus an applicable margin ranging from 0.75% to 1.50%, in each case based on the Company's consolidated leverage ratio. In addition, the Company is required to pay a commitment fee ranging from 0.20% to 0.35% per annum on the unused portion of the facility.

The obligations under the Credit Agreement are fully secured by substantially all assets of the Company and its subsidiaries, including accounts receivable, inventory, equipment, intellectual property, and certain real property.

The Credit Agreement is guaranteed by the Company and its domestic and Israeli subsidiaries on a joint and several basis.

The Company is subject to customary financial covenants under the Credit Agreement, including: a maximum Total Net Leverage Ratio, and a minimum Fixed Charge Coverage Ratio. The Company is also subject to additional affirmative and negative covenants that restrict, among other things: additional indebtedness, investments and restricted payments, asset sales, and certain affiliate transactions. As of September 30, 2026, the Company was in compliance with all financial covenants.

As of September 30, 2026, the Company had $11.5 million in outstanding borrowings under the Revolving Facility, and $88.5 million available for future borrowings.

Letters of Credit

The Company may request issuance of standby letters of credit under the Revolving Facility, subject to a $5.0 million sublimit. As of September 30, 2026, there are no outstanding letters of credit.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Royalty commitments

The Company is committed to paying royalties as percentage of revenue or as a percentage of purchase to certain OEM as part of the Company's licenses agreements. Royalties expense was $1,668 and $1,746 for the three months ended September 30, 2026 and 2025, respectively. Royalties expense was $4,877 and $4,208 for the nine months ended September 30, 2026 and 2025, respectively.

Litigation

On July 12, 2022, TAT filed a suit against TAT Industries Ltd. in the District Court of Tel Aviv. TAT had leased the Gedera facility from TAT Industries Ltd. until the termination of the lease agreement in 2022. TAT asserts that TAT Industries Ltd. has unlawfully forfeited a bank guarantee that was granted for the benefit TAT Industries Ltd. in connection with the lease in Gedera in the amount of $750 thousands. On December 28, 2022, TAT Industries Ltd. filed a counterclaim against TAT asserting damages caused by TAT in connection with the lease in Gedera. The evidentiary hearings concluded on June 29, 2025, and the parties completed their closing arguments by November 23, 2025. On October 1, 2026 the District Court of Tel Aviv issued its ruling, dismissing the counterclaim filed by TAT Industries Ltd. and upholding TAT Technologies claims. TAT Industries has 60 days from the date of the ruling to file an appeal.

NOTE 8 - EARNINGS PER SHARE ("EPS")

Basic earnings per share are based on the weighted average number of ordinary shares outstanding, net of treasury shares. Diluted EPS is based on those shares used in basic EPS plus shares that would have been outstanding assuming issuance of ordinary shares for all dilutive potential ordinary shares outstanding.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator for EPS:				
Net income	$ 7,677	$ 4,841	$ 19,148	$ 12,096
Denominator for EPS:				
Weighted average shares outstanding – basic	12,998,137	12,911,050	12,989,582	11,776,747
Dilutive shares	146,455	167,417	168,722	127,297
Weighted average shares outstanding – diluted	13,144,592	13,078,467	13,158,304	11,904,044
EPS:				
Basic	$ 0.59	$ 0.37	$ 1.47	$ 1.03
Diluted	$ 0.58	$ 0.37	$ 1.46	$ 1.02

Increase in authorized share capital

At a shareholder meeting in September 2026, TAT's shareholders approved the increase of its authorized share capital from 19,000,000 to 23,000,000.

NOTE 9 - SEGMENT INFORMATION

Segment Activities Disclosure:

TAT operates under four segments: (i) OEM of heat transfer solutions and aviation accessories mainly through its Kiryat Gat facility; (ii) MRO services for heat transfer components and OEM of heat transfer solutions through its Limco subsidiary; (iii) MRO services for aviation components (mainly APU and LG) through its Piedmont subsidiary; and (iv) Overhaul and coating of jet engine components through its Turbochrome subsidiary.

- OEM of heat transfer solutions and aviation accessories primarily include the design, development and manufacture of (i) broad range of heat transfer solutions, such as pre-coolers heat exchangers and oil/fuel hydraulic heat exchangers, used in mechanical and electronic systems on board of commercial, military and business aircraft; (ii) environmental control and power electronics cooling systems installed on board aircraft in and ground applications; and (iii) a variety of other mechanical aircraft accessories and systems such as pumps, valves, and turbine power units.

- MRO services for heat transfer components and OEM of heat transfer solutions primarily include the MRO of heat transfer components and to a lesser extent, the manufacturing of certain heat transfer solutions. TAT's Limco subsidiary operates an FAA-certified repair station, which provides heat transfer MRO services for airlines, air cargo carriers, maintenance service centers and the military.

- MRO services for aviation components include the MRO of APUs, landing gears and other aircraft components, as well as APU lease activity. TAT's Piedmont subsidiary operates an FAA-certified repair station, which provides aircraft component MRO services for airlines, air cargo carriers, maintenance service centers and the military.

- TAT's activities in the area of overhaul and coating of jet engine components includes the overhaul and coating of jet engine components, including turbine vanes and blades, fan blades, variable inlet guide vanes and afterburner flaps.

The Group's chief operating decision-maker ("CODM") is the CEO of the Company. The CODM evaluates segment performance and allocates the Company's resources, the CODM uses segment measures of revenue, gross profit, operating income and total assets. The CODM reviews budget-to-actual variances of both profit measures on a monthly basis when making decisions about allocation of the Company's resources to the segments.

NOTE 9 - SEGMENT INFORMATION (CONT)

Segments statement operations disclosure:

The following financial information is the information that CODM uses for analyzing the segment results. The following financial information is a summary of the operating income of each operational segment:

	Three Months Ended September 30, 2026					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Elimination of Intercompany sales	Consolidated
Revenues – external	$ 11,230	$ 11,948	$ 30,150	$ 2,235	$ -	$ 55,563
Revenues – internal	49	83	115	-	(247)	-
Cost of revenues	7,344	8,070	21,293	1,828	(159)	38,376
Gross profit	3,935	3,961	8,972	407	(88)	17,187
Research and development	254	379	-	93	-	726
Selling and marketing	498	541	1,154	191	-	2,384
General and administrative	1,739	969	2,091	242	-	5,041
Operating income (loss)	$ 1,444	$ 2,072	$ 5,727	$ (119)	$ (88)	9,036
Gain on sale of equity investment						-
Interest expenses						(216)
Other financial income, net						273
Income before taxes						$ 9,093

UNAUDITED CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands

NOTE 9 - SEGMENT INFORMATION (CONT)

Segments statement operations disclosure (cont.)

	Three Months Ended September 30, 2025					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Elimination of Intercompany sales	Consolidated
Revenues – external	$ 10,397	$ 10,550	$ 22,980	$ 2,308	$ -	$ 46,235
Revenues – internal	160	608	-	-	(768)	-
Cost of revenues	7,382	8,504	18,146	1,400	(798)	34,634
Gross profit	3,175	2,654	4,834	908	30	11,601
Research and development	73	180	-	70	-	323
Selling and marketing	345	580	925	143	-	1,993
General and administrative	1,626	856	1,378	165	-	4,025
Operating income	$ 1,131	$ 1,038	$ 2,531	$ 530	$ 30	5,260
Financial income, net						30
Income before taxes						$ 5,290

NOTE 9 - SEGMENT INFORMATION (CONT)

Segments statement operations disclosure (cont.)

	Nine Months Ended September 30, 2026					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Elimination of Intercompany sales	Consolidated
Revenues – external	$ 33,059	$ 34,881	$ 74,653	$ 7,055	$ -	$ 149,648
Revenues – internal	91	278	189	-	(558)	-
Cost of revenues	23,318	24,360	57,083	4,907	(558)	109,110
Gross profit	9,832	10,799	17,759	2,148	-	40,538
Research and development	697	926	-	209	-	1,832
Selling and marketing	1,873	1,534	3,160	529	-	7,096
General and administrative	4,294	3,083	5,878	711	-	13,966
Operating income	$ 2,968	$ 5,256	$ 8,721	$ 699	$ -	17,644
Gain on sale of equity investment						4,324
Interest expenses						(546)
Other financial income, net						92
Income before taxes						$ 21,514

NOTE 9 - SEGMENT INFORMATION (CONT)

Segments statement operations disclosure (cont.)

	Nine Months Ended September 30, 2025					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Elimination of Intercompany sales	Consolidated
Revenues – external	$ 30,091	$ 33,371	$ 61,274	$ 6,745	$ -	$ 131,481
Revenues – internal	497	1,506	-	-	(2,003)	-
Cost of revenues	21,269	25,466	50,891	3,591	(2,116)	99,101
Gross profit	9,319	9,411	10,383	3,154	113	32,380
Research and development	391	494	-	2	-	887
Selling and marketing	1,249	1,716	2,722	419	-	6,106
General and administrative	4,106	2,594	4,337	485	-	11,522
Operating income	3,573	4,607	3,324	2,248	113	13,865
Financial expenses, net						(1,128)
Income before taxes						$ 12,737

NOTE 9 - SEGMENT INFORMATION (CONT)

The following financial information identifies the assets, depreciation and amortization, and capital expenditures to segments:

	Nine Months Ended September 30, 2026					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Amounts not allocated to segments	Consolidated
Total assets	$ 71,676	$ 46,689	$ 126,386	$ 10,156	$ (237)	$ 254,670
Depreciation and amortization	828	878	2,203	279	(122)	4,066
Expenditure for segment assets	1,471	630	4,755	308	-	7,164

	Year Ended December 31, 2025					
	OEM of Heat Transfer Solutions and Aviation Accessories	MRO Services for Heat Transfer Components and OEM of Heat Transfer Solutions	MRO Services for Aviation Components and Lease	Overhaul and Coating of Jet Engine Components	Amounts not allocated to segments	Consolidated
Total assets	$ 78,541	$ 45,305	$ 93,473	$ 10,321	$ (911)	$ 226,729
Depreciation and amortization	905	1,107	2,894	356	(161)	5,101
Expenditure for segment assets	3,179	839	7,180	225	-	11,423

NOTE 10 - REVENUES

Total revenues - by geographical location were attributed according to customer residential country as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Sale of Products				
United States	$ 10,284	$ 7,619	$ 30,232	$ 22,685
Israel	2,860	1,708	6,928	5,611
Europe	257	1,182	1,378	2,908
Other	1,935	2,108	6,033	6,600
	$ 15,336	$ 12,617	$ 44,571	$ 37,804

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Sale of Services				
United States	$ 30,148	$ 22,604	74,201	$ 62,445
Europe	2,532	4,932	14,638	13,955
Israel	1,297	1,508	4,440	4,778
Other	6,250	4,574	11,798	12,499
	$ 40,227	$ 33,618	$ 105,077	$ 93,677

Total long-lived assets - by geographical location were as follows:

	September 30, 2026	December 31, 2025
United States	$ 39,967	$ 37,790
Israel	15,394	14,939
Total	$ 55,361	$ 52,729

Contract liabilities

Contract liabilities primarily included advance payments from customers expected to be recognized within a year. For the three months ended September 30, 2026 and 2025, $1,601 and $776, respectively, of the recognized revenue was included in deferred revenue at the beginning of the periods. For the nine months ended September 30, 2026 and 2025, $1,326 and $3,294, respectively, of the recognized revenue was included in deferred revenue at the beginning of the period.

TAT TECHNOLOGIES LTD.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of our financial condition and results of operations together with (i) our unaudited condensed consolidated financial statements as of September 30, 2026 and for the three and nine months ended September 30, 2026, included as Exhibit 99.1 to this Report on Form 6-K (this "Report"), (ii) our audited consolidated financial statements and other financial information as of and for the year ended December 31, 2025 appearing in our Annual Report on Form 20-F for the year ended December 31, 2025 (our "Annual Report") and (iii) Item 5 — "Operating and Financial Review and Prospects" of our Annual Report. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the section entitled "Cautionary Statement Regarding Forward-Looking Statement" and in the section entitled Item 3.D. "Risk Factors" of our Annual Report, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Unless otherwise designated, the terms "we", "us", "our", "TAT", "the Company" and "our company" refer to TAT Technologies Ltd.

All references in this Report to "dollar," "USD" or "$" refer to U.S. dollars and the terms "Israeli currency", "NIS", and "ILS" refer to Israeli New Shekels.

Cautionary Statement Regarding Forward-Looking Statements

Statements in this Report may constitute "forward-looking statements" within the meaning of the United States federal securities laws. These forward-looking statements can generally be identified as such because the context of the statement will include words such as "may," "might," "will," "could," "would," "intends," "plans," "believes," "anticipates," "expects," "seeks," "estimates," "predicts," "potential," "continue," "contemplate" or "opportunity," the negative of these words or words of similar import. Similarly, statements that describe our business outlook or future economic performance, anticipated revenues, expenses or other financial items, introductions and advancements in development of products, and plans and objectives related thereto, and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters, are also forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those stated in such statements. Factors that could cause or contribute to such differences include, but are not limited to, those set forth in *Item 3.D. "Risk Factors"* in our Annual Report, as well as those discussed elsewhere in our Annual Report and in our other filings with the Securities and Exchange Commission.

Company Overview

TAT is reliant on the robustness of the commercial and military aerospace and ground defense industries. Any downturn in these industries could weaken demand for its solutions and services and negatively impact its financial results. The commercial airline industry is cyclical and has historically been subject to fluctuations due to general economic and political conditions, such as fuel and labor costs, price competition, downturns in the global economy and national and international events.

TAT's cost of revenues for OEM operations and MRO services consists of component and material costs, direct labor costs, quality assurance costs, shipping expenses, royalties, overhead related to manufacturing and depreciation of manufacturing equipment. TAT's gross margin is affected by the proportion of its revenues generated from each of its operational segments.

The principal factors that affect the operating income of TAT's four segments, in addition to their gross profit, is the expenditure on selling and marketing expenses and general and administrative expenses. While TAT closely monitors its operating expenses to prevent unnecessary spending, we believe that these operating expenses may increase in the future in accordance with our plans to grow the business.

TAT's research and development expenses are related to new products and technologies or significant improvement of existing products and technologies.

TAT's selling and marketing expenses are related to commission payments, compensation and related expenses of TAT's sales teams, participation in trade shows, travel expenses, advertising expenses and related costs for facilities and equipment.

TAT's general and administrative expenses are related to compensation and related expenses for executive, finance and administrative personnel, professional fees such as legal, audit, SOX, internal audit, insurance premiums and general corporate expenses and related costs for facilities and equipment.

Results of operations

TAT's management evaluates its performance by focusing on key performance indicators, which are revenues, sources of revenues, gross profit, operating income and EBITDA. These key performance indicators are primarily affected by the competitive landscape in which TAT operates and its ability to meet the challenges posed.

The results of operations presented below should be reviewed in conjunction with the unaudited condensed consolidated financial statements as of September 30, 2026 and for the three and nine months ended September 30, 2026 and 2025, included in Exhibit 99.1 to this Report, our audited consolidated financial statements as of and for the year ended December 31, 2025 appearing in our Annual Report, and Item 5 - "Operating and Financial Review and Prospects" of our Annual Report.

The following table presents, for the periods indicated, information concerning TAT's results of operations:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026		2025		2026		2025	
U.S. dollars in thousands	Amount	%	Amount	%	Amount	%	Amount	%
Revenues:								
Products	$ 15,336	27.6%	$ 12,617	27.3%	$ 44,571	29.8%	$ 37,804	28.8%
Services	40,227	72.4%	33,618	72.7%	105,077	70.2%	93,677	71.2%
	55,563	100.0%	46,235	100.0%	149,648	100.0%	131,481	100.0%
Cost of goods:								
Products	10,338	18.6%	9,170	19.8%	31,207	20.9%	26,613	20.2%
Services	28,038	50.5%	25,464	55.1%	77,903	52.1%	72,488	55.1%
	38,376	69.1%	34,634	74.9%	109,110	72.9%	99,101	75.4%
Gross profit	17,187	30.9%	11,601	25.1%	40,538	27.1%	32,380	24.6%
Operating expenses:								
Research and development, net	726	1.3%	323	0.7%	1,832	1.2%	887	0.7%
Selling and marketing	2,384	4.3%	1,993	4.3%	7,096	4.7%	6,106	4.6%
General and administrative	5,041	9.1%	4,025	8.7%	13,966	9.3%	11,522	8.8%
	8,151	14.7%	6,341	13.7%	22,894	15.3%	18,515	14.1%
Operating income	9,036	16.3%	5,260	11.4%	17,644	11.8%	13,865	10.5%
Gain on sale of equity investment	-	-	-	-	4,324	2.9%	-	-
Interest expenses	(216)	(0.4)%	(176)	(0.4)%	(546)	(0.4)%	(835)	(0.6)%
Other financial expenses, net	273	0.5%	206	0.4%	92	0.1%	(293)	(0.2)%
Income before taxes on income	9,093	16.4%	5,290	11.4%	21,514	14.4%	12,737	9.7%
Provision for taxes on income	1,759	3.2%	821	1.8%	3,815	2.5%	1,624	1.2%
Profit before share of equity investment	7,334	13.2%	4,469	9.7%	17,699	11.8%	11,113	8.5%
Share in profits of equity investment of affiliated companies	343	0.6%	372	0.8%	1,449	1.0%	983	0.7%
Net income	$ 7,677	13.8%	$ 4,841	10.5%	$ 19,148	12.8%	$ 12,096	9.2%

Revenues

TAT, directly and through its subsidiaries, provides a variety of solutions and services to the commercial and military aerospace and ground defense industries, including:

(i) OEM of heat transfer solutions and aviation components, such as heat exchangers, pre-coolers and oil/fuel hydraulic coolers (through TAT Israel);

(ii) MRO services for heat transfer components and OEM of heat transfer solutions (through our Limco subsidiary);

(iii) MRO services for aviation components (through our Piedmont subsidiary); and

(iv) Overhaul and coating of jet engine components (through our Turbochrome subsidiary).

	Three months ended September 30,		Change		Nine months ended September 30,		Change	
U.S. dollars in thousands	**2026**	**2025**	**$**	**%**	**2026**	**2025**	**$**	**%**
OEM of heat transfer solutions and aviation accessories	$ 11,279	$ 10,557	$ 722	6.8%	$ 33,150	$ 30,588	$ 2,562	8.4%
MRO services for heat transfer components and OEM of heat transfer solutions	12,031	11,158	873	7.8%	35,159	34,877	282	0.8%
MRO services for aviation components	30,265	22,980	7,285	31.7%	74,842	61,274	13,568	22.1%
Overhaul and coating of jet engine components	2,235	2,308	(73)	(3.2)%	7,055	6,745	310	4.6%
Eliminations	(247)	(768)	521	67.8%	(558)	(2,003)	1,445	72.1%
Total revenue	$ 55,563	$ 46,235	$ 9,328	20.2%	$ 149,648	$ 131,481	$ 18,167	13.8%

Total revenues were $55.6 million for the three months ended September 30, 2026, compared to $46.2 million for the same period in 2025, a 20.2% increase. Total revenues were $149.6 million for the nine months ended September 30, 2026, compared to $131.5 million for the same period in 2025, a 13.8% increase. The increase in revenues for the comparable periods reflect a mixed performance across our operating segments. Revenues increased in the OEM of heat transfer solutions and aviation accessories segment, MRO services for heat transfer components and OEM heat transfer solutions segment, and in the MRO services for aviation components segment.

Cost of revenues

TAT's cost of revenues for OEM operations and MRO services consists of component and material costs, direct and indirect labor costs, quality assurance costs, royalties, shipping expenses, overhead related to manufacturing and depreciation of manufacturing equipment.

TAT's gross margin was affected by the proportion of TAT's revenues generated from OEM operations and MRO services in each of the reported periods.

U.S. dollars in thousands	Three months ended September 30, 2026	2025	Change $	%	Nine months ended September 30, 2026	2025	Change $	%
OEM of heat transfer solutions and aviation accessories	$ 7,344	$ 7,382	$ (38)	(0.5)%	$ 23,318	$ 21,269	$ 2,049	9.6%
MRO services for heat transfer components and OEM of heat transfer solutions	8,070	8,504	(434)	(5.1)%	24,360	25,466	(1,106)	(4.3)%
MRO services for aviation components	21,293	18,146	3,147	17.3%	57,083	50,891	6,192	12.2%
Overhaul and coating of jet engine components	1,828	1,400	428	30.6%	4,907	3,591	1,316	36.6%
Eliminations	(159)	(798)	639	(80.1)%	(558)	(2,116)	1,558	(73.6)%
Total cost of revenue	38,376	34,634	3,742	10.8%	109,110	99,101	10,009	10.1%
Gross profit	$ 17,187	$ 11,601	$ 5,586	48.2%	$ 40,538	$ 32,380	$ 8,158	25.2%

Cost of revenues was $38.4 million for the three months ended September 30, 2026, compared to $34.6 million for the same period in 2025, an increase of 10.8 %. As a percentage of revenues, gross profit increased to 30.9% for the three months ended September 30, 2026, from 25.1% in the prior period.

Cost of revenues was $109.1 million for the nine months ended September 30, 2026, compared to $99.1 million for the same period in 2025, an increase of 10.1%. As a percentage of revenues, gross profit increased to 27.1% for the nine months ended September 30, 2026, from 24.6% in the prior period.

The increase in gross profit was primarily driven by a more favorable mix of segment revenues and improved operating efficiencies. The improvement in cost of revenues as a percentage of revenues reflects better absorption of fixed manufacturing overhead and continued focus on cost management across our operations.

Operating expenses

Research and development expenses, net

Research and development expenses, net are related to new products and technologies or to a significant improvement of products and technologies, net of grants and participations received.

Selling and marketing expenses

Selling and marketing expenses consist primarily of commission payments, compensation and related expenses of TAT's sales teams, participation in trade shows, travel expenses, advertising expenses and related costs for facilities and equipment.

General and administrative expenses

General and administrative expenses consist of compensation and related expenses for executive, finance and administrative personnel, professional fees such as legal, audit, SOX, internal audit, other general corporate expenses and related costs for facilities and equipment.

	Three months ended September 30,		Change		Nine months ended September 30,		Change	
U.S. dollars in thousands	**2026**	**2025**	**$**	**%**	**2026**	**2025**	**$**	**%**
Research and development, net	$ 726	$ 323	$ 403	124.8%	$ 1,832	$ 887	$ 945	106.5%
Selling and marketing	2,384	1,993	391	19.6%	7,096	6,106	990	16.2%
General and administrative	5,041	4,025	1,016	25.2%	13,966	11,522	2,444	21.2%
Total operating expenses	$ 8,151	$ 6,341	$ 1,810	28.5%	$ 22,894	$ 18,515	$ 4,379	23.7%

Research and development, net

Research and development expenses were $0.7 million for the three months ended September 30, 2026, an increase of 124.8% compared to $0.3 million for the same period in 2025. As a percentage of revenues, research and development expenses were 1.3% for the three months ended September 30, 2026, compared to 0.7% in the prior period.

Research and development expenses were $1.8 million for the nine months ended September 30, 2026, an increase of 106.5% compared to $0.9 million for the same period in 2025. As a percentage of revenues, research and development expenses were 1.2% for the nine months ended September 30, 2026, compared to 0.7% in the prior period.

The increase was primarily driven by higher personnel-related costs associated with additional headcount and increased spending on materials and supplies to support the launch of our new FutureWorks R&D Lab and development cost of our NewGen thermal solution. These expenditures reflect our continued investment in innovation and product development capabilities.

Selling and marketing

Selling and marketing expenses were $2.4 million for the three months ended September 30, 2026, compared to $2.0 million for the three months ended September 30, 2025 an increase of 19.6%. Selling and marketing expenses represented 4.3% of revenues for the three months ended September 30, 2026, same as the % in the prior period.

Selling and marketing expenses were $7.1 million for the nine months ended September 30, 2026, compared to $6.1 million for the nine months ended September 30, 2025 an increase of 16.2%. Selling and marketing expenses represented 4.7% of revenues for the three months ended September 30, 2026, compared to 4.6% in the prior period.

The increase reflects higher promotional activity and continued investment in brand-building initiatives to support revenue growth.

General and administrative

General and administrative expenses increased 25.2% to $5.0 million for the three months ended September 30, 2026, from $4.0 million for the same period in 2025. General and administrative expenses were 9.1% of revenues for the three months ended September 30, 2026, compared to 8.7% in the prior period.

General and administrative expenses increased 21.2% to $14.0 million for the nine months ended September 30, 2026, from $11.5 million for the same period in 2025. General and administrative expenses were 9.3% of revenues for the three months ended September 30, 2026, compared to 8.8% in the prior period.

The increase was primarily driven by higher personnel-related expenses, including additional headcount to improve the finance department capabilities given the change in our regulatory environment, stock-based compensation, and severance. These increases are consistent with our long-term strategy to strengthen our organizational infrastructure in support of both organic and inorganic growth initiatives.

Other expenses (income)

Interest expenses, net

Interest expenses, net consist of interest income and expense. Interest income and expenses relate to the interest received from or paid to banks for the outstanding deposits and debts, respectively.

Other financial expenses, net

Other financial income, net included foreign exchange gain (loss) for the changes in rate of the ILS or other currencies against the U.S. dollar.

Provision for taxes on income

Tax expense consists of Israeli and U.S. federal and state taxes on the income of TAT's business and changes in deferred tax assets or liabilities.

U.S. dollars in thousands	Three months ended September 30, 2026	2025	Change $	%	Nine months ended September 30, 2026	2025	Change $	%
Gain on sale of equity investment	$ -	$ -	$ -	-	$ 4,324	$ -	$ 4,324	-
Interest expenses	(216)	(176)	40	22.7%	(546)	(835)	(289)	(34.6)%
Other financial income, net	273	206	67	32.5%	92	(293)	385	131.4%
Provision for taxes on income	1,759	821	938	114.4%	3,815	1,624	2,191	134.9%
Share in profits of equity investment of affiliated companies	343	372	(29)	(7.8)%	1,449	983	466	47.4%

Gain on sale of equity investments

The Company realized gain of approximately $4.3 million upon receipt of aggregate proceeds of $4.5 million from the sale of its non-controlling interest of less than 5% in First Aviation Services Inc.

Interest expenses, net

Interest expense was $0.2 million for the three months ended September 30, 2026, compared to $0.2 million for the same period in 2025. Interest expense represented 0.4% of revenues for the three months ended September 30, 2026, compared to 0.4% in the prior period.

Interest expense, net was $0.5 million for the nine months ended September 30, 2026, compared to $0.8 million for the same period in 2025. Interest expense represented 0.4% of revenues for the nine months ended September 30, 2026, compared to 0.6% in the prior period.

The decrease is primarily due to the repayment of $10.8M in short-term debt during the second quarter of 2025, which was outstanding during the first half of 2025, as well as reduced borrowing costs resulting from lower interest rates on our outstanding debt.

Other financial income, net

Other financial income, net was $0.3 million for the three months ended September 30, 2026, compared to $0.2 million for the same period in 2025. As a percentage of revenues, other financial income, net was 0.5% for the three months ended September 30, 2026, compared to 0.4% in the prior period.

Other financial income, net was $0.1 million for the nine months ended September 30, 2026, compared to $(0.3) million for the same period in 2025. As a percentage of revenues, other financial income, net was 0.1% for the nine months ended September 30, 2026, compared to (0.2)% in the prior period.

The change was primarily driven by interest income earned on money market placements, offset by higher foreign exchange losses related to the revaluation of long-term loans and monetary accounts denominated in Israeli Shekel. These losses resulted from fluctuations in the U.S. dollar/ILS exchange rate during the first half of 2026.

Provision for taxes on income

Provision for taxes on income was $1.8 million for the three months ended September 30, 2026, compared to $0.8 million for the same period in 2025. The increase primarily reflects higher taxable income and the impact of jurisdictional mix during the period. As a percentage of revenues, the provision for taxes on income was 3.2% for the three months ended September 30, 2026, compared to 1.8% in the prior period.

Provision for taxes on income was $3.8 million for the nine months ended September 30, 2026, compared to $1.6 million for the same period in 2025. The 134.9% increase primarily reflects higher taxable income and the impact of jurisdictional mix during the period. As a percentage of revenues, the provision for taxes on income was 2.5% for the nine months ended September 30, 2026, compared to 1.2% in the prior period.

Share in profits of equity investment of affiliated companies

Share in profits of equity-method investees amounted to a gain of $0.3 million for the three months ended September 30, 2026, compared to a gain of $0.4 million for the same period in 2025. Share in profits of equity-method investees amounted to a gain of $1.4 million for the nine months ended September 30, 2026, compared to a gain of $1.0 million for the same period in 2025. The increase reflects improved operating performance of the affiliated companies during the period.

Liquidity and Capital Resources

As of September 30, 2026, TAT had cash and cash equivalents of $53.7 million, compared to $51.3 million as of December 31, 2025, reflecting an increase of $2.4 million during the period.

On June 4, 2026, the Company entered into a senior secured credit agreement (the “Credit Agreement”) with a syndicate of bank lenders. The Credit Agreement provides for a $75.0 million revolving credit facility (the “Revolving Facility”), with an incremental feature by an aggregate amount not to exceed the greater of $25.0 million and 100% of consolidated EBITDA as of the most recently completed fiscal quarter. The Credit Facility also includes a $2.5 million swingline sub-facility and up to $5.0 million in letters of credit, with a maturity date of June 4, 2029. The Revolving Facility may be used for working capital, capital expenditures, acquisitions, refinancing of existing indebtedness, and other general corporate purposes. At closing, the Company utilized initial borrowings under the Revolving Facility to repay certain existing indebtedness and transaction-related obligations amounting to $10.9 million. In addition, approximately $0.7 million of financing fees and lender-related costs were incurred in connection with the transaction, including upfront loan and syndication fees. As a result of these transactions, the Revolving Facility effectively refinanced and replaced prior credit arrangements, simplifying the Company’s capital structure. As of September 30, 2026, the Company had 4.4 million in outstanding borrowings under the Revolving Facility, and $88.5 million available for future borrowings.

Capital expenditure totaled $7.2 million for the nine months ended September 30, 2026. These investments were funded primarily through existing cash resources and cash generated from operations. TAT expects that its current cash position, together with anticipated operating cash flows, will be sufficient to fund planned capital expenditures and ongoing operational needs.

Management believes that anticipated cash flows from operations, combined with current cash balances, will be adequate to meet the Company's liquidity requirements for at least the next 12 months from the issuance date of the unaudited financial statements. Future capital requirements will depend on a variety of factors, including the pace of revenue growth, expansion of selling and marketing activities, entry into new markets, and the timing of new product and service introductions.

Cash Flows

The following table summarizes TAT's statements cash flows for the periods presented:

	Three months ended September 30,		Nine months ended September 30,	
U.S. dollars in thousands	**2026**	**2025**	**2026**	**2025**
Net cash provided by operating activities	$ 3,773	$ 7,495	$ 5,161	$ 9,409
Net cash used in investing activities	(4,408)	(2,743)	(2,474)	(8,910)
Net cash provided by (used in) financing activities	(262)	(835)	(521)	39,458
Net increase in cash and cash equivalents	(897)	3,917	2,166	39,957
Cash and cash equivalents and restricted cash at beginning of the period	54,629	43,474	51,566	7,434
Cash and cash equivalents and restricted cash at end of the period	$ 53,732	$ 47,391	$ 53,732	$ 47,391

Net cash generated from operating activities for the three months ended September 30, 2026, amounted to $3.8 million, compared to net cash used in operating activities of $7.5 million for the three months September 30, 2025. Net cash provided by operating activities for the nine months ended September 30, 2026, amounted to approximately $5.2 million, compared to net cash used provided by operating activities of $9.4 million for the nine months September 30, 2025.

Net cash provided by operating activities was $3.8 million for the three months ended September 30, 2026, reflecting the combined impact of operating performance and working capital movements. Operating cash inflows were primarily driven by strong operations, and strong collections reflecting a decrease in accounts receivable of $3.1 million. These inflows were offset by an increase of $10.6 million in inventory and a $0.9 million decrease in accounts payable. Net cash provided by operating activities was $5.2 million for the nine months ended September 30, 2026, reflecting the combined impact of operating performance and working capital movements. Operating cash inflows were primarily driven by a $3.9 million increase in trade accounts payable, largely due to the timing of inventory-related purchases. These inflows were offset by an increase of $2.4 million in trade accounts receivable and a $20.5 million increase in inventory driven by $6.7 million in TAT Distribution per the Honeywell agreement and $11.3 million in Piedmont MRO and Trading and smaller increases in Limco and Israel.

For the three months ended September 30, 2026 and 2025, net cash used by investing activities was $ 4.4 million and $2.7 million, respectively. For the nine months ended September 30, 2026 and 2025, net cash provided by investing activities was $2.5 million and used by investing was $8.9 million, respectively. The cash provided by investing activities was driven by the $4.5 million proceeds from the sale of its non-controlling interest of less than 5% in First Aviation Services Inc in the second quarter. This was partially offset by cash usage attributed to investments in machinery and equipment for strategic improvements at the Company's various operating facilities.

For the three months ended September 30, 2026 and 2025, net cash used by provided by financing activities was $0.3 million and generated by financing activities was $0.8 million, respectively. For the nine months ended September 30, 2026 and 2025, net cash (used) generated by financing activities was $(0.5) million and $39.4 million, respectively. Net cash provided by financing activities was primarily attributable to the proceeds on the new revolving facility, options exercises and repayments of long-term debts. The prior year activity was driven by the public equity offering that was completed which generated net proceeds for the Company after issuance costs of $45.7 million.

Off-Balance Sheet Arrangements

We are not a party to any material off-balance sheet arrangements. In addition, we have no unconsolidated special purpose financing or partnership entities that are likely to create material contingent obligations.