

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

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) of the  
Securities Exchange Act of 1934**

*Date of report (Date of earliest event reported):* May 1, 2025

**PARKER-HANNIFIN CORPORATION**

(Exact Name of Registrant as Specified in Charter)

Ohio  
(State or other jurisdiction of  
Incorporation or Organization)

1-4982  
(Commission File Number)

34-0451060  
(I.R.S. Employer  
Identification No.)

6035 Parkland Boulevard, Cleveland, Ohio  
(Address of Principal Executive Offices)

44124-4141  
(Zip Code)

Registrant's telephone number, including area code: **(216) 896-3000**

**Not Applicable**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on which Registered
Common Shares, \$.50 par value	PH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 2.02 Results of Operations and Financial Condition**

On May 1, 2025, Parker-Hannifin Corporation issued a press release and presented a Webcast announcing results of operations for the quarter ended March 31, 2025. A copy of the press release is furnished as Exhibit 99.1 to this report. A copy of the Webcast presentation is furnished as Exhibit 99.2 to this report.

### **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

[99.1 Press release issued by Parker-Hannifin Corporation, dated May 1, 2025.](#)

[99.2 Webcast presentation by Parker-Hannifin Corporation, dated May 1, 2025.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**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, hereunto duly authorized.

PARKER-HANNIFIN CORPORATION

By: /s/ Todd M. Leombruno

Todd M. Leombruno

Executive Vice President and Chief Financial Officer

Date: May 1, 2025



## Parker Reports Fiscal 2025 Third Quarter Results

### *Record margins, EPS and YTD cash flow from operations*

**CLEVELAND, May 1, 2025** -- Parker Hannifin Corporation (NYSE: PH), the global leader in motion and control technologies, today reported results for the quarter ended March 31, 2025, that included the following highlights (compared with the prior year quarter):

#### ***Fiscal 2025 Third Quarter Highlights:***

- Sales were \$5.0 billion; organic sales growth was 1%
- Net income was \$961 million, an increase of 32%, or \$904 million adjusted, an increase of 6%
- EPS were \$7.37, an increase of 33%, or \$6.94 adjusted, an increase of 7%
- Segment operating margin was 23.2%, an increase of 170 bps, or 26.3% adjusted, an increase of 160 bps
- YTD cash flow from operations increased 8% to \$2.3 billion, or 15.8% of sales
- Repurchased \$650 million of shares in the quarter

"Our third quarter performance demonstrates the strength of our business and our global team's ability to continue to deliver record results," said Jenny Parmentier, Chairman and Chief Executive Officer. "All reported businesses showed substantial margin expansion and helped us surpass 26% adjusted segment operating margin for the first time. We also produced record earnings per share, generated record cash flow from operations, and repurchased \$650 million of shares. We recently announced a 10% increase in our quarterly cash dividend and are committed to our strategy of actively deploying capital to drive shareholder value, including acquisitions and increased share repurchase activity, depending on market conditions."

"The resiliency of our portfolio coupled with the power of our business system, The Win Strategy™, has enabled us to consistently deliver strong results through business cycles. With our decentralized structure and the agility of our global teams, we are confident in our ability to manage through macroeconomic uncertainty, including tariffs. We are fully committed to achieving our fiscal year 2029 financial targets."

*This news release contains non-GAAP financial measures. Reconciliations of adjusted numbers and certain non-GAAP financial measures are included in the financial tables of this press release.*

#### **Outlook**

Guidance for the fiscal year ending June 30, 2025 has been updated. The company expects:

- Sales growth in fiscal 2025 of approximately (1%), with organic sales growth of approximately 1%; divestitures of (1.5%) and unfavorable currency of (0.5%)
  - Total segment operating margin of approximately 22.7%, or approximately 25.9% on an adjusted basis
  - EPS of \$25.92 to \$26.12, or \$26.60 to \$26.80 on an adjusted basis, and includes the effect of announced tariffs fully offset by mitigation actions
-

## Segment Results

### Diversified Industrial Segment

#### North America Businesses

<i>\$ in mm</i>	FY25 Q3	FY24 Q3	Change	Organic Growth
Sales	\$ 2,031	\$ 2,231	-9.0 %	-3.5 %
Segment Operating Income	\$ 467	\$ 490	-4.8 %	
Segment Operating Margin	23.0 %	22.0 %	100 bps	
Adjusted Segment Operating Income	\$ 513	\$ 538	-4.8 %	
Adjusted Segment Operating Margin	25.2 %	24.1 %	110 bps	

- Achieved record adjusted segment operating margin
- Softness in transportation, off-highway and energy markets
- Orders positive for second consecutive quarter

#### International Businesses

<i>\$ in mm</i>	FY25 Q3	FY24 Q3	Change	Organic Growth
Sales	\$ 1,358	\$ 1,434	-5.3 %	-2.8 %
Segment Operating Income	\$ 312	\$ 310	0.7 %	
Segment Operating Margin	23.0 %	21.6 %	140 bps	
Adjusted Segment Operating Income	\$ 340	\$ 337	1.2 %	
Adjusted Segment Operating Margin	25.1 %	23.5 %	160 bps	

- Achieved record adjusted segment operating margin
- Organic growth: 2% APAC; (7%) EMEA; 8% LA
- Orders accelerate on long-cycle strength

### Aerospace Systems Segment

<i>\$ in mm</i>	FY25 Q3	FY24 Q3	Change	Organic Growth
Sales	\$ 1,572	\$ 1,409	11.6 %	11.7 %
Segment Operating Income	\$ 373	\$ 289	28.9 %	
Segment Operating Margin	23.7 %	20.5 %	320 bps	
Adjusted Segment Operating Income	\$ 451	\$ 376	19.8 %	
Adjusted Segment Operating Margin	28.7 %	26.7 %	200 bps	

- Achieved record sales on continued aftermarket strength
- Delivered record adjusted segment operating margin
- Aerospace backlog increased to a record \$7.3 billion

### Order Rates

	FY25 Q3
Parker	+9%
Diversified Industrial Segment - North America Businesses	+3%
Diversified Industrial Segment - International Businesses	+11%
Aerospace Systems Segment	+14%

- Parker order rates increased to 9% reflecting our transformed portfolio and long-cycle strength
  - Aerospace orders increased to 14% driven by strength in both commercial and defense
  - Orders remained positive across all reported businesses
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## **About Parker Hannifin**

Parker Hannifin is a Fortune 250 global leader in motion and control technologies. For more than a century the company has been enabling engineering breakthroughs that lead to a better tomorrow. Learn more at [www.parker.com](http://www.parker.com) or [@parkerhannifin](https://twitter.com/parkerhannifin).

## **Contacts:**

### **Media:**

Aidan Gormley  
216-896-3258  
[aidan.gormley@parker.com](mailto:aidan.gormley@parker.com)

### **Financial Analysts:**

Jeff Miller  
216-896-2708  
[jeffrey.miller@parker.com](mailto:jeffrey.miller@parker.com)

## **Notice of Webcast**

Parker Hannifin's conference call and slide presentation to discuss its fiscal 2025 third quarter results are available to all interested parties via live webcast today at 11:00 a.m. ET, at [investors.parker.com](http://investors.parker.com). A replay of the webcast will be available on the site approximately one hour after the completion of the call and will remain available for one year. To register for e-mail notification of future events please visit [investors.parker.com](http://investors.parker.com).

**Note on Orders** The company reported orders for the quarter ending March 31, 2025, compared with the same quarter a year ago. All comparisons are at constant currency exchange rates, with the prior year quarter restated to the current-year rates, and exclude divestitures. Diversified Industrial comparisons are on 3-month average computations and Aerospace Systems comparisons are on rolling 12-month average computations.

## **Note on Non-GAAP Financial Measures**

This press release contains references to non-GAAP financial information including (a) adjusted net income; (b) adjusted earnings per share; (c) adjusted segment operating margin for Parker and by segment; (d) adjusted segment operating income for Parker and by segment and (e) organic sales growth. The adjusted net income, adjusted earnings per share, adjusted segment operating margin, adjusted segment operating income and organic sales measures are presented to allow investors and the company to meaningfully evaluate changes in net income, earnings per share and segment operating margins on a comparable basis from period to period. Although adjusted net income, adjusted earnings per share, adjusted segment operating margin, adjusted segment operating income, and organic sales growth are not measures of performance calculated in accordance with GAAP, we believe that they are useful to an investor in evaluating the results of this quarter versus the prior period. Comparable descriptions of record adjusted results in this release refer only to the period from the first quarter of FY2011 to the periods presented in this release. This period coincides with recast historical financial results provided in association with our FY2014 change in segment reporting. A reconciliation of non-GAAP measures is included in the financial tables of this press release.

## **Forward-Looking Statements**

Forward-looking statements contained in this and other written and oral reports are made based on known events and circumstances at the time of release, and as such, are subject in the future to unforeseen uncertainties and risks. Often but not always, these statements may be identified from the use of forward-looking terminology such as "anticipates," "believes," "may," "should," "could," "expects," "targets," "is likely," "will," or the negative of these terms and similar expressions, and may also include statements regarding future performance, orders, earnings projections, events or developments. Parker cautions readers not to place undue reliance on these statements. It is possible that the future performance may differ materially from expectations, including those based on past performance.

Among other factors that may affect future performance are: changes in business relationships with and orders by or from major customers, suppliers or distributors, including delays or cancellations in shipments; disputes regarding contract terms, changes in contract costs and revenue estimates for new development programs; changes in product mix; ability to identify acceptable strategic acquisition targets; uncertainties surrounding timing, successful completion or integration of acquisitions and similar transactions; ability to successfully divest businesses planned for divestiture and realize the anticipated benefits of such divestitures; the determination and ability to successfully undertake business realignment activities and the expected costs, including cost savings, thereof; ability to implement successfully business and operating initiatives, including the timing, price and execution of share repurchases and other capital initiatives; availability, cost increases of or other limitations on our access to raw materials, component products and/or commodities if associated costs cannot be recovered in product pricing; ability to manage costs related to insurance and employee retirement and health care benefits; legal and regulatory developments and other government actions, including related to environmental protection, and associated compliance costs; supply chain and labor disruptions, including as a result of tariffs and labor shortages; threats associated with international conflicts and cybersecurity risks and risks associated with protecting our intellectual property; uncertainties surrounding the ultimate resolution of outstanding legal proceedings, including the outcome of any appeals; effects on market conditions, including sales and pricing, resulting from global reactions to U.S. trade policies; manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and economic conditions such as inflation, deflation, interest rates and credit availability; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals; changes in the tax laws in the United States and foreign jurisdictions and judicial or regulatory interpretations thereof; and large scale disasters, such as floods, earthquakes, hurricanes, industrial accidents and pandemics. Readers should also consider forward-looking statements in light of risk factors discussed in Parker's Annual Report on Form 10-K for the fiscal year ended June 30, 2024 and other periodic filings made with the SEC.

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## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## CONSOLIDATED STATEMENT OF INCOME

(Unaudited) (Dollars in thousands, except per share amounts)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Net sales</b>	\$ 4,960,349	\$ 5,074,356	\$ 14,606,926	\$ 14,742,791
Cost of sales	3,129,951	3,279,650	9,249,899	9,478,961
Selling, general and administrative expenses	784,355	816,337	2,415,565	2,496,830
Interest expense	95,942	123,732	309,835	387,229
Other income, net	(44,713)	(65,406)	(404,230)	(228,872)
Income before income taxes	994,814	920,043	3,035,857	2,608,643
Income taxes	33,628	193,309	427,494	548,780
Net income	961,186	726,734	2,608,363	2,059,863
Less: Noncontrolling interests	320	160	535	611
<b>Net income attributable to common shareholders</b>	<b>\$ 960,866</b>	<b>\$ 726,574</b>	<b>\$ 2,607,828</b>	<b>\$ 2,059,252</b>
<b>Earnings per share attributable to common shareholders:</b>				
Basic earnings per share	\$ 7.48	\$ 5.65	\$ 20.28	\$ 16.03
Diluted earnings per share	\$ 7.37	\$ 5.56	\$ 19.97	\$ 15.82
Average shares outstanding during period - Basic	128,442,623	128,502,829	128,619,515	128,467,209
Average shares outstanding during period - Diluted	130,320,802	130,593,026	130,576,225	130,169,331

## CASH DIVIDENDS PER COMMON SHARE

(Unaudited) (Amounts in dollars)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Cash dividends per common share</b>	<b>\$ 1.63</b>	<b>\$ 1.48</b>	<b>\$ 4.89</b>	<b>\$ 4.44</b>

## RECONCILIATION OF ORGANIC GROWTH

(Unaudited)	Three Months Ended			
	As Reported	Currency	Divestitures	Adjusted
	March 31, 2025			March 31, 2025
Diversified Industrial Segment	(7.6) %	(1.5) %	(2.9) %	(3.2) %
Aerospace Systems Segment	11.6 %	(0.1) %	— %	11.7 %
Total	(2.2) %	(1.0) %	(2.1) %	0.9 %

(Unaudited)	Nine Months Ended			
	As Reported	Currency	Divestitures	Adjusted
	March 31, 2025			March 31, 2025
Diversified Industrial Segment	(6.5) %	(1.0) %	(1.7) %	(3.8) %
Aerospace Systems Segment	14.3 %	0.1 %	— %	14.2 %
Total	(0.9) %	(0.7) %	(1.2) %	1.0 %

**RECONCILIATION OF NET INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS TO ADJUSTED NET INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS**

(Unaudited) (Dollars in thousands)	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
<b>Net income attributable to common shareholders</b>	<b>\$ 960,866</b>	<b>\$ 726,574</b>	<b>\$ 2,607,828</b>	<b>\$ 2,059,252</b>
Adjustments:				
Acquired intangible asset amortization expense	135,964	141,216	414,211	438,763
Business realignment charges	10,379	8,468	40,740	35,914
Integration costs to achieve	5,447	13,256	18,751	29,676
Gain on sale of building	—	—	(10,461)	—
Gain on divestitures	—	—	(249,748)	(25,651)
Saegertown incident	7,725	—	7,725	—
Tax effect of adjustments <sup>1</sup>	(36,689)	(38,779)	(82,337)	(108,403)
Discrete tax benefit <sup>2</sup>	(179,849)	—	(179,849)	—
<b>Adjusted net income attributable to common shareholders</b>	<b>\$ 903,843</b>	<b>\$ 850,735</b>	<b>\$ 2,566,860</b>	<b>\$ 2,429,551</b>

**RECONCILIATION OF EARNINGS PER DILUTED SHARE TO ADJUSTED EARNINGS PER DILUTED SHARE**

(Unaudited) (Amounts in dollars)	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
<b>Earnings per diluted share</b>	<b>\$ 7.37</b>	<b>\$ 5.56</b>	<b>\$ 19.97</b>	<b>\$ 15.82</b>
Adjustments:				
Acquired intangible asset amortization expense	1.04	1.08	3.17	3.36
Business realignment charges	0.08	0.06	0.31	0.27
Integration costs to achieve	0.04	0.10	0.14	0.23
Gain on sale of building	—	—	(0.08)	—
Gain on divestitures	—	—	(1.91)	(0.20)
Saegertown incident	0.06	—	0.06	—
Tax effect of adjustments <sup>1</sup>	(0.28)	(0.29)	(0.61)	(0.82)
Discrete tax benefit <sup>2</sup>	(1.37)	—	(1.37)	—
<b>Adjusted earnings per diluted share</b>	<b>\$ 6.94</b>	<b>\$ 6.51</b>	<b>\$ 19.68</b>	<b>\$ 18.66</b>

<sup>1</sup>This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. We estimate the tax effect of each adjustment item by applying our overall effective tax rate for continuing operations to the pre-tax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

<sup>2</sup>Release of a tax valuation allowance.



## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## BUSINESS SEGMENT INFORMATION

(Unaudited) (Dollars in thousands)	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
<b>Net sales</b>				
Diversified Industrial	\$ 3,388,759	\$ 3,665,643	\$ 10,097,723	\$ 10,798,644
Aerospace Systems	1,571,590	1,408,713	4,509,203	3,944,147
<b>Total net sales</b>	<b>\$ 4,960,349</b>	<b>\$ 5,074,356</b>	<b>\$ 14,606,926</b>	<b>\$ 14,742,791</b>
<b>Segment operating income</b>				
Diversified Industrial	\$ 779,103	\$ 800,211	\$ 2,273,211	\$ 2,359,299
Aerospace Systems	372,908	289,339	1,034,078	778,711
<b>Total segment operating income</b>	<b>1,152,011</b>	<b>1,089,550</b>	<b>3,307,289</b>	<b>3,138,010</b>
Corporate general and administrative expenses	43,698	56,782	148,756	162,340
Income before interest expense and other expense (income), net	1,108,313	1,032,768	3,158,533	2,975,670
Interest expense	95,942	123,732	309,835	387,229
Other expense (income), net	17,557	(11,007)	(187,159)	(20,202)
<b>Income before income taxes</b>	<b>\$ 994,814</b>	<b>\$ 920,043</b>	<b>\$ 3,035,857</b>	<b>\$ 2,608,643</b>

## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## RECONCILIATION OF SEGMENT OPERATING MARGINS TO ADJUSTED SEGMENT OPERATING MARGINS

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Diversified Industrial Segment sales</b>	\$ 3,388,759	\$ 3,665,643	\$ 10,097,723	\$ 10,798,644
<b>Diversified Industrial Segment operating income</b>	\$ 779,103	\$ 800,211	\$ 2,273,211	\$ 2,359,299
Adjustments:				
Acquired intangible asset amortization	61,600	66,409	189,434	201,669
Business realignment charges	10,249	6,953	38,492	32,877
Integration costs to achieve	2,072	1,292	3,477	3,302
<b>Adjusted Diversified Industrial Segment operating income</b>	\$ 853,024	\$ 874,865	\$ 2,504,614	\$ 2,597,147
<b>Diversified Industrial Segment operating margin</b>	23.0 %	21.8 %	22.5 %	21.8 %
<b>Adjusted Diversified Industrial Segment operating margin</b>	25.2 %	23.9 %	24.8 %	24.1 %

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Aerospace Systems Segment sales</b>	\$ 1,571,590	\$ 1,408,713	\$ 4,509,203	\$ 3,944,147
<b>Aerospace Systems Segment operating income</b>	\$ 372,908	\$ 289,339	\$ 1,034,078	\$ 778,711
Adjustments:				
Acquired intangible asset amortization	74,364	74,807	224,777	237,094
Business realignment charges	35	(12)	429	318
Integration costs to achieve	3,375	11,964	15,274	26,374
<b>Adjusted Aerospace Systems Segment operating income</b>	\$ 450,682	\$ 376,098	\$ 1,274,558	\$ 1,042,497
<b>Aerospace Systems Segment operating margin</b>	23.7 %	20.5 %	22.9 %	19.7 %
<b>Adjusted Aerospace Systems Segment operating margin</b>	28.7 %	26.7 %	28.3 %	26.4 %

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Total net sales</b>	\$ 4,960,349	\$ 5,074,356	\$ 14,606,926	\$ 14,742,791
<b>Total segment operating income</b>	\$ 1,152,011	\$ 1,089,550	\$ 3,307,289	\$ 3,138,010
Adjustments:				
Acquired intangible asset amortization	135,964	141,216	414,211	438,763
Business realignment charges	10,284	6,941	38,921	33,195
Integration costs to achieve	5,447	13,256	18,751	29,676
<b>Adjusted total segment operating income</b>	\$ 1,303,706	\$ 1,250,963	\$ 3,779,172	\$ 3,639,644
<b>Total segment operating margin</b>	23.2 %	21.5 %	22.6 %	21.3 %
<b>Adjusted total segment operating margin</b>	26.3 %	24.7 %	25.9 %	24.7 %

## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## CONSOLIDATED BALANCE SHEET

(Unaudited)	March 31,	June 30,
(Dollars in thousands)	2025	2024
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 408,735	\$ 422,027
Trade accounts receivable, net	2,852,833	2,865,546
Non-trade and notes receivable	281,789	331,429
Inventories	2,822,547	2,786,800
Prepaid expenses	253,436	252,618
Other current assets	157,800	140,204
<b>Total current assets</b>	<b>6,777,140</b>	<b>6,798,624</b>
Property, plant and equipment, net	2,821,566	2,875,668
Deferred income taxes	271,431	92,704
Investments and other assets	1,215,201	1,207,232
Intangible assets, net	7,370,524	7,816,181
Goodwill	10,461,946	10,507,433
<b>Total assets</b>	<b>\$ 28,917,808</b>	<b>\$ 29,297,842</b>
<b>Liabilities and equity</b>		
<b>Current liabilities:</b>		
Notes payable and long-term debt payable within one year	\$ 1,951,543	\$ 3,403,065
Accounts payable, trade	1,980,967	1,991,639
Accrued payrolls and other compensation	473,725	581,251
Accrued domestic and foreign taxes	356,506	354,659
Other accrued liabilities	851,725	982,695
<b>Total current liabilities</b>	<b>5,614,466</b>	<b>7,313,309</b>
Long-term debt	7,421,370	7,157,034
Pensions and other postretirement benefits	389,891	437,490
Deferred income taxes	1,399,612	1,583,923
Other liabilities	692,644	725,193
Shareholders' equity	13,390,974	12,071,972
Noncontrolling interests	8,851	8,921
<b>Total liabilities and equity</b>	<b>\$ 28,917,808</b>	<b>\$ 29,297,842</b>

## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited) (Dollars in thousands)	Nine Months Ended March 31,	
	2025	2024
<b>Cash flows from operating activities:</b>		
Net income	\$ 2,608,363	\$ 2,059,863
Depreciation and amortization	677,665	696,463
Stock incentive plan compensation	129,766	128,682
Gain on sale of businesses	(253,043)	(23,667)
(Gain) loss on property, plant and equipment and intangible assets	(8,531)	5,847
Net change in receivables, inventories and trade payables	(101,351)	(244,268)
Net change in other assets and liabilities	(514,937)	(427,509)
Other, net	(229,171)	(48,334)
<b>Net cash provided by operating activities</b>	<b>2,308,761</b>	<b>2,147,077</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(304,153)	(283,328)
Proceeds from property, plant and equipment	31,871	8,905
Proceeds from sale of businesses	622,697	75,561
Other, net	(5,745)	4,561
<b>Net cash provided by (used in) investing activities</b>	<b>344,670</b>	<b>(194,301)</b>
<b>Cash flows from financing activities:</b>		
Net payments for common stock activity	(856,925)	(237,689)
Acquisition of noncontrolling interests	—	(2,883)
Net payments for debt	(1,193,952)	(1,193,373)
Dividends paid	(630,168)	(571,583)
<b>Net cash used in financing activities</b>	<b>(2,681,045)</b>	<b>(2,005,528)</b>
Effect of exchange rate changes on cash	14,322	(16,946)
Net decrease in cash and cash equivalents	(13,292)	(69,698)
Cash and cash equivalents at beginning of year	422,027	475,182
<b>Cash and cash equivalents at end of period</b>	<b>\$ 408,735</b>	<b>\$ 405,484</b>

## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

## RECONCILIATION OF FORECASTED ORGANIC GROWTH

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2025
<b>Forecasted net sales</b>	<b>~ (1%)</b>
Adjustments:	
Currency	0.5%
Divestitures	1.5%
<b>Adjusted forecasted net sales</b>	<b>~ 1%</b>

## RECONCILIATION OF FORECASTED SEGMENT OPERATING MARGIN TO ADJUSTED FORECASTED SEGMENT OPERATING MARGIN

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2025
<b>Forecasted segment operating margin</b>	<b>~ 22.7%</b>
Adjustments:	
Business realignment charges	0.3%
Costs to achieve	0.1%
Acquisition-related intangible asset amortization expense	2.8%
<b>Adjusted forecasted segment operating margin</b>	<b>~ 25.9%</b>

## PARKER HANNIFIN CORPORATION - MARCH 31, 2025

Exhibit 99.1

## RECONCILIATION OF FORECASTED EARNINGS PER DILUTED SHARE TO ADJUSTED FORECASTED EARNINGS PER DILUTED SHARE

(Unaudited)

(Amounts in dollars)

	Fiscal Year 2025
<b>Forecasted earnings per diluted share</b>	<b>\$25.92 to \$26.12</b>
Adjustments:	
Business realignment charges	0.47
Costs to achieve	0.17
Acquisition-related intangible asset amortization expense	4.22
Net gain on divestitures	(1.91)
Gain on sale of building	(0.08)
Saegertown incident	0.06
Tax effect of adjustments <sup>1</sup>	(0.88)
Discrete tax benefit <sup>2</sup>	(1.37)
<b>Adjusted forecasted earnings per diluted share</b>	<b>\$26.60 to \$26.80</b>

<sup>1</sup>This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. We estimate the tax effect of each adjustment item by applying our overall effective tax rate for continuing operations to the pre-tax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

<sup>2</sup>Release of a tax valuation allowance.

Note: Totals may not foot due to rounding

**PARKER HANNIFIN CORPORATION - MARCH 31, 2025**  
**SUPPLEMENTAL INFORMATION**

**BUSINESS SEGMENT INFORMATION**

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Net sales</b>				
Diversified Industrial:				
North America businesses	\$ 2,030,970	\$ 2,231,478	\$ 6,059,302	\$ 6,571,587
International businesses	1,357,789	1,434,165	4,038,421	4,227,057
<b>Segment operating income</b>				
Diversified Industrial:				
North America businesses	\$ 467,064	\$ 490,452	\$ 1,378,194	\$ 1,458,355
International businesses	312,039	309,759	895,017	900,944

**RECONCILIATION OF ORGANIC GROWTH**

(Unaudited)	Three Months Ended			
	As Reported			Adjusted
	March 31, 2025	Currency	Divestitures	March 31, 2025
Diversified Industrial Segment:				
North America businesses	(9.0) %	(0.8) %	(4.7) %	(3.5) %
International businesses:				
Europe	(8.6) %	(1.7) %	— %	(6.9) %
Asia Pacific	(0.8) %	(3.0) %	— %	2.2 %
Latin America	(0.2) %	(8.1) %	— %	7.9 %
International businesses	(5.3) %	(2.5) %	— %	(2.8) %
(Unaudited)	Nine Months Ended			
	As Reported			Adjusted
	March 31, 2025	Currency	Divestitures	March 31, 2025
Diversified Industrial Segment:				
North America businesses	(7.8) %	(0.6) %	(2.7) %	(4.5) %
International businesses:				
Europe	(8.1) %	(0.4) %	— %	(7.7) %
Asia Pacific	0.8 %	(1.9) %	— %	2.7 %
Latin America	(3.3) %	(13.9) %	— %	10.6 %
International businesses	(4.5) %	(1.8) %	— %	(2.7) %

**PARKER HANNIFIN CORPORATION - MARCH 31, 2025**  
**SUPPLEMENTAL INFORMATION**

**RECONCILIATION OF SEGMENT OPERATING MARGINS TO ADJUSTED SEGMENT OPERATING MARGINS**

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Diversified Industrial Segment:</b>				
<b>North America businesses sales</b>	\$ 2,030,970	\$ 2,231,478	\$ 6,059,302	\$ 6,571,587
<b>North America businesses operating income</b>	\$ 467,064	\$ 490,452	\$ 1,378,194	\$ 1,458,355
Adjustments:				
Acquired intangible asset amortization	40,209	43,945	124,169	133,327
Business realignment charges	4,218	3,058	13,106	8,892
Integration costs to achieve	1,038	841	2,088	2,348
<b>Adjusted North America businesses operating income</b>	<b>\$ 512,529</b>	<b>\$ 538,296</b>	<b>\$ 1,517,557</b>	<b>\$ 1,602,922</b>
<b>North America businesses operating margin</b>	<b>23.0 %</b>	22.0 %	<b>22.7 %</b>	22.2 %
<b>Adjusted North America businesses operating margin</b>	<b>25.2 %</b>	24.1 %	<b>25.0 %</b>	24.4 %

(Unaudited) (Dollars in thousands)	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2025	2024	2025	2024
<b>Diversified Industrial Segment:</b>				
<b>International businesses sales</b>	\$ 1,357,789	\$ 1,434,165	\$ 4,038,421	\$ 4,227,057
<b>International businesses operating income</b>	\$ 312,039	\$ 309,759	\$ 895,017	\$ 900,944
Adjustments:				
Acquired intangible asset amortization	21,391	22,464	65,265	68,342
Business realignment charges	6,031	3,895	25,386	23,985
Integration costs to achieve	1,034	451	1,389	954
<b>Adjusted International businesses operating income</b>	<b>\$ 340,495</b>	<b>\$ 336,569</b>	<b>\$ 987,057</b>	<b>\$ 994,225</b>
<b>International businesses operating margin</b>	<b>23.0 %</b>	21.6 %	<b>22.2 %</b>	21.3 %
<b>Adjusted International businesses operating margin</b>	<b>25.1 %</b>	23.5 %	<b>24.4 %</b>	23.5 %

# PARKER HANNIFIN CORPORATION

Fiscal 2025 Third Quarter Earnings Presentation

May 1, 2025



ENGINEERING YOUR SUCCESS.

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# Forward-Looking Statements and Non-GAAP Financial Measures

Forward-looking statements contained in this and other written and oral reports are made based on known events and circumstances at the time of release, and as such, are subject in the future to unforeseen uncertainties and risks. Often but not always, these statements may be identified from the use of forward-looking terminology such as "anticipates," "believes," "may," "should," "could," "expects," "targets," "is likely," "will," or the negative of these terms and similar expressions, and may also include statements regarding future performance, orders, earnings projections, events or developments. Parker cautions readers not to place undue reliance on these statements. It is possible that the future performance may differ materially from expectations, including those based on past performance.

Among other factors that may affect future performance are: changes in business relationships with and orders by or from major customers, suppliers or distributors, including delays or cancellations in shipments; disputes regarding contract terms, changes in contract costs and revenue estimates for new development programs; changes in product mix; ability to identify acceptable strategic acquisition targets; uncertainties surrounding timing, successful completion or integration of acquisitions and similar transactions; ability to successfully divest businesses planned for divestiture and realize the anticipated benefits of such divestitures; the determination and ability to successfully undertake business realignment activities and the expected costs, including cost savings, thereof; ability to implement successfully business and operating initiatives, including the timing, price and execution of share repurchases and other capital initiatives; availability, cost increases of or other limitations on our access to raw materials, component products and/or commodities if associated costs cannot be recovered in product pricing; ability to manage costs related to insurance and employee retirement and health care benefits; legal and regulatory developments and other government actions, including related to environmental protection, and associated compliance costs; supply chain and labor disruptions, including as a result of tariffs and labor shortages; threats associated with international conflicts and cybersecurity risks and risks associated with protecting our intellectual property; uncertainties surrounding the ultimate resolution of outstanding legal proceedings, including the outcome of any appeals; effects on market conditions, including sales and pricing, resulting from global reactions to U.S. trade policies; manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and economic conditions such as inflation, deflation, interest rates and credit availability; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals; changes in the tax laws in the United States and foreign jurisdictions and judicial or regulatory interpretations thereof; and large scale disasters, such as floods, earthquakes, hurricanes, industrial accidents and pandemics. Readers should also consider forward-looking statements in light of risk factors discussed in Parker's Annual Report on Form 10-K for the fiscal year ended June 30, 2024 and other periodic filings made with the SEC.

This presentation contains references to non-GAAP financial information including adjusted net income, organic sales, adjusted earnings per share, adjusted segment operating margin for Parker and by segment, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow, adjusted free cash flow conversion, and free cash flow margin. As used in this presentation, EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before business realignment, integration costs to achieve, acquisition related expenses, and other one-time items. Free cash flow is defined as cash flow from operations less capital expenditures. Adjusted free cash flow conversion is defined as free cash flow adjusted for one-time items divided by net income. Although adjusted net income, organic sales, adjusted earnings per share, adjusted segment operating margin for Parker and by segment, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow, adjusted free cash flow conversion, and free cash flow margin are not measures of performance calculated in accordance with GAAP, we believe that they are useful to an investor in evaluating the company performance for the periods presented. Detailed reconciliations of these non-GAAP financial measures to the comparable GAAP financial measures have been included in the appendix to this presentation.

Please visit [investors.parker.com](http://investors.parker.com) for more information.



# Strength of our Business and Team Delivers Record Results

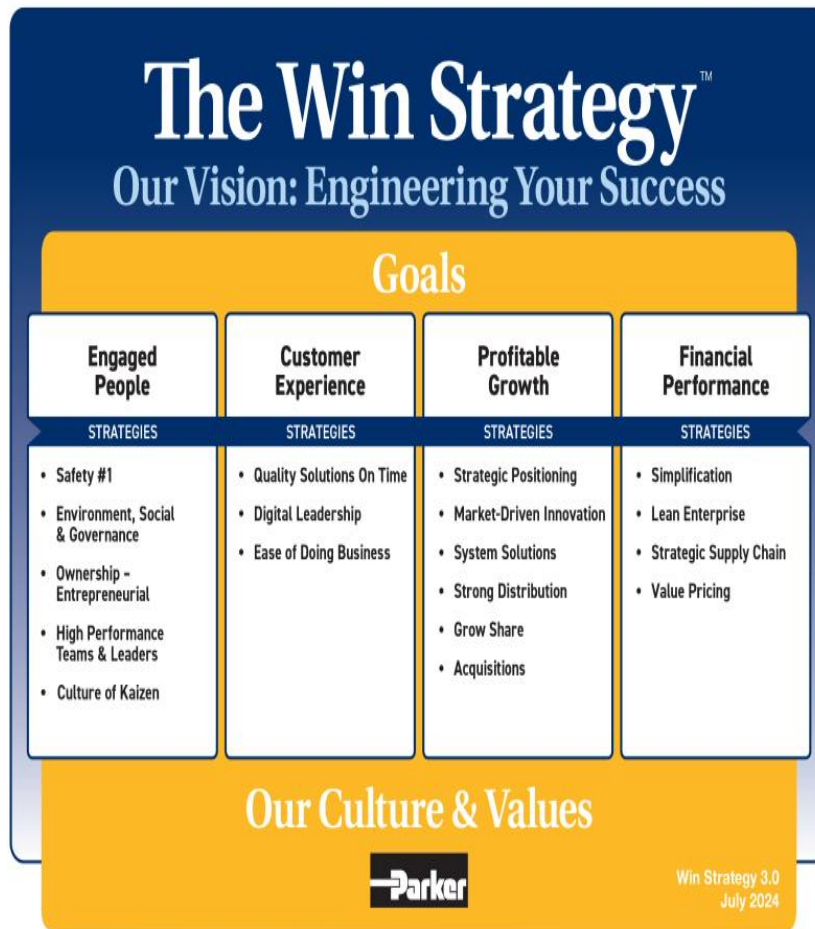
- Top quartile safety performance
- Record Adjusted Segment Operating Margin<sup>1</sup> of 26.3%
- Record Adjusted EBITDA Margin<sup>1</sup> of 27.0%
- Record YTD Cash Flow from Operations of \$2.3B
- Order rates increase to +9% on long-cycle strength
- Expanding margins & EPS in a dynamic environment

FY25 Q3 Highlights	
<b>19%</b> Reduction in Recordable Incident Rate	<b>\$5.0B</b> Sales (2%) Reported +1% Organic <sup>1</sup>
<b>26.3%</b> Adjusted Segment Operating Margin <sup>1</sup> +160 bps	<b>27.0%</b> Adjusted EBITDA Margin <sup>1</sup> +150 bps
<b>7%</b> Adjusted EPS Growth <sup>1</sup>	<b>\$2.3B</b> YTD CFOA 8% Growth

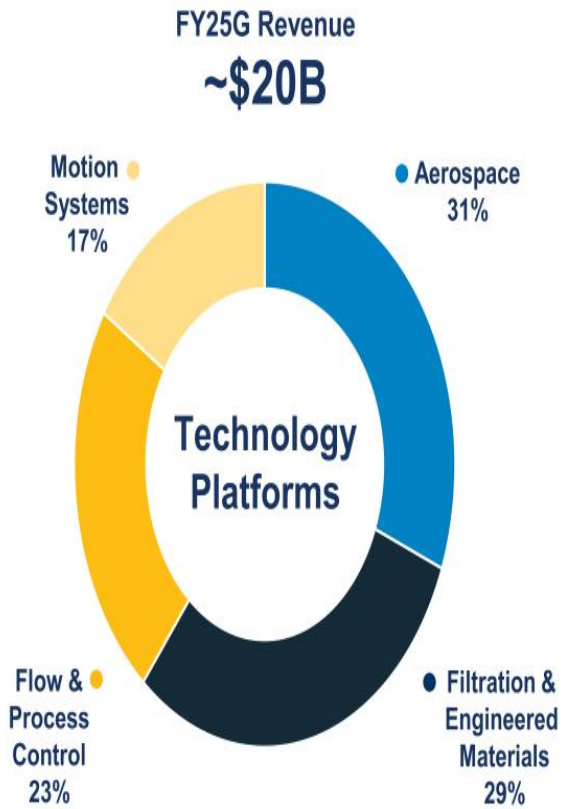


<sup>1</sup>. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.  
 Note: FY25 Q3 As Reported: Segment Operating Margin of 23.2%, EBITDA Margin of 26.5%, Net Income of \$961M, EPS growth of 33%.

# Our Business System Drives Performance Over the Cycle



# Our Portfolio Is More Resilient Than Ever



- #1 position in Motion & Control industry
- Interconnected technologies & solutions across market verticals
- Acquisitions of Clarcor, LORD, Exotic, & Meggitt
- Greater exposure to longer cycle & secular growth trends



# Simplification Drives Margin Expansion Across Cycles



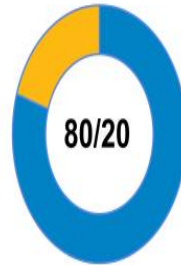
## Structure & Footprint

Continuous improvement to increase profitability



## Organization Design

Optimizing resources



## Revenue Complexity

Leveraging distribution; Product rationalization



## Simple by Design™

Reducing complexity to enable growth & efficiency

# Strategic Supply Chain is a Competitive Differentiator



## Demand & Capacity Planning

Improving customer experience



## Dual Sourcing

Increasing resiliency



## Local for Local

Source, make and deliver in region, for the region



## Tariff Mitigation

Robust analytics and processes designed to protect EPS

# SUMMARY OF FISCAL 2025 3RD QUARTER HIGHLIGHTS

# FY25 Q3 Financial Summary

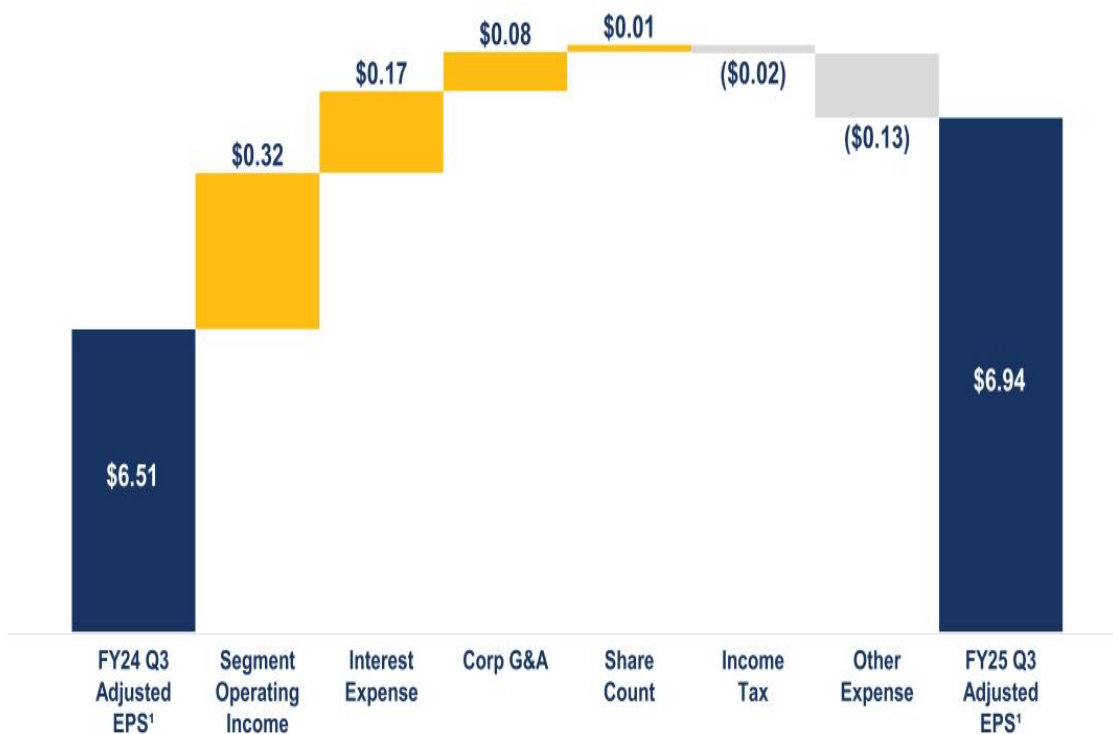
\$ Millions, except per share amounts	FY25 Q3 As Reported	FY25 Q3 Adjusted <sup>1</sup>	FY24 Q3 Adjusted <sup>1</sup>	YoY Change Adjusted
Sales	\$4,960	<b>\$4,960</b>	\$5,074	<b>(2%)</b>
Segment Operating Margin	23.2%	<b>26.3%</b>	24.7%	<b>+160 bps</b>
EBITDA Margin	26.5%	<b>27.0%</b>	25.5%	<b>+150 bps</b>
Net Income	\$961	<b>\$904</b>	\$851	<b>+6%</b>
EPS	\$7.37	<b>\$6.94</b>	\$6.51	<b>+7%</b>



1. Sales figures As Reported. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.  
 Note: FY24 Q3 As Reported: Segment Operating Margin of 21.5%, EBITDA Margin of 25.1%, Net Income of \$727M, EPS of \$5.56.



# FY25 Q3 Adjusted Earnings per Share Bridge



1. FY24 Q3 As Reported EPS of \$5.56. FY25 Q3 As Reported EPS of \$7.37. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

# FY25 Q3 Segment Performance

	Sales As Reported \$ Organic % <sup>1</sup>	Segment Operating Margin As Reported	Segment Operating Margin Adjusted <sup>1</sup>	Order Rates <sup>2</sup>	Commentary	
Diversified Industrial	North America Businesses	\$2,031M (3%) Organic	23.0%	25.2% <b>+110 bps YoY</b>	+3%	<ul style="list-style-type: none"> <li>Record adjusted segment operating margin</li> <li>Softness in transportation, off-highway &amp; energy</li> <li>Orders positive for second consecutive quarter</li> </ul>
	International Businesses	\$1,358M (3%) Organic	23.0%	25.1% <b>+160 bps YoY</b>	+11%	<ul style="list-style-type: none"> <li>Record adjusted segment operating margin</li> <li>Organic growth: +2% APAC, (7%) EMEA, +8% LA</li> <li>Orders accelerate on long-cycle strength</li> </ul>
	Aerospace Systems	\$1,572M <b>+12% Organic</b>	23.7%	28.7% <b>+200 bps YoY</b>	+14%	<ul style="list-style-type: none"> <li>Record sales and adjusted segment operating margin</li> <li>12% organic growth on aftermarket strength</li> <li>Record Aerospace segment backlog of \$7.3B</li> </ul>
	Parker	\$4,960M <b>+1% Organic</b>	23.2%	26.3% <b>+160 bps YoY</b>	+9%	<ul style="list-style-type: none"> <li>Win Strategy™ execution delivers record margins</li> <li>Order rates accelerate to +9% reflecting our transformed portfolio and long-cycle strength</li> </ul>



1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

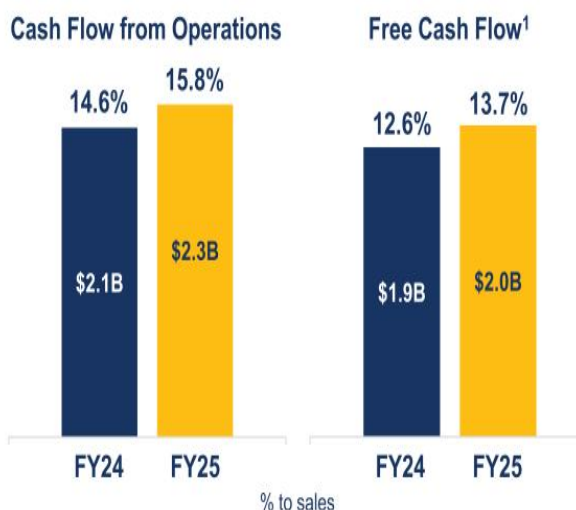
2. All comparisons are at constant currency exchange rates; with the prior year quarter restated to the current-year rates and exclude divestitures. Diversified Industrial orders are rolling 3-month average computations and Aerospace Systems are rolling 12-month average computations.

# FY25 Q3 YTD Cash Flow Performance

Cash Flow Highlights	
<b>\$2.3B</b> Cash Flow from Operations +8% growth	<b>15.8%</b> Cash Flow from Operations Margin
<b>\$2.0B</b> Free Cash Flow <sup>1</sup> +8% growth	<b>13.7%</b> Free Cash Flow Margin <sup>1</sup>
<b>\$750M</b> YTD Share Repurchases <sup>2</sup>	

## 10% Quarterly Dividend Increase







- \$1.80 declared April 24, 2025
- 69 fiscal years of increasing annual dividend per share paid



1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.  
 2. Includes discretionary and 10b5-1 share repurchases.

# FY25 GUIDANCE UPDATE

# FY25 Sales Growth Forecast by Key Market Verticals

Key Market Verticals	% of Sales	Previous FY25 Guidance	Commentary	Current FY25 Guidance
 Aerospace & Defense	33%	~11%	<ul style="list-style-type: none"> <li>High-teens aftermarket growth</li> <li>Continued progress on commercial OEM growth</li> </ul>	~12%
 In-Plant & Industrial	20%	LSD	<ul style="list-style-type: none"> <li>Prolonged delay in industrial recovery</li> <li>Active quoting despite project delays</li> </ul>	(LSD)
 Transportation	15%	Neutral	<ul style="list-style-type: none"> <li>Lower auto production forecast in NA &amp; EMEA</li> <li>Work truck demand stronger vs. on-highway</li> </ul>	(LSD)
 Off-Highway	15%	(Mid-Teens)	<ul style="list-style-type: none"> <li>OEM destocking &amp; end market weakness persists</li> <li>Partially offset by stronger aftermarket</li> </ul>	(Low-Teens)
 Energy	8%	Neutral	<ul style="list-style-type: none"> <li>Lower oil prices &amp; disciplined capital spending</li> </ul>	(LSD)
 HVAC/R	4%	MSD	<ul style="list-style-type: none"> <li>Continued strength from residential</li> </ul>	HSD
<b>FY25 Organic Forecast:</b>				
<b>Aerospace: ~12%      Industrial: (~3%)      Parker: ~1%</b>				

# FY25 Guidance Update

EPS Midpoint: \$26.02 As Reported, Maintaining \$26.70 Adjusted

Guidance Metric	FY25 Full Year	Full Year Assumptions	FY25 Q4 Midpoint
Reported Sales Growth	~(1%)	<ul style="list-style-type: none"> <li>• Currency unfavorable ~(0.5%)</li> <li>• Divestitures impact ~(1.5%)</li> </ul>	~\$5.1B
Organic Sales Growth <sup>1</sup>	~1%	<ul style="list-style-type: none"> <li>• Raised Aerospace organic growth to 12%</li> <li>• Lowered Industrial organic growth to (3%)</li> </ul>	~0.5%
Adj. Operating Margin <sup>1</sup>	~25.9%	<ul style="list-style-type: none"> <li>• All segments expected to expand margins</li> <li>• 100 bps margin expansion vs. prior year</li> </ul>	~26.1%
Adj. EPS Midpoint <sup>1</sup>	\$26.70	<ul style="list-style-type: none"> <li>• Maintaining guidance midpoint</li> <li>• Includes announced tariffs fully offset by mitigation actions</li> <li>• Annualized gross tariffs: ~\$375M or estimated 3% of COGS</li> </ul>	\$7.05
Free Cash Flow <sup>1</sup>	~\$3.1B	<ul style="list-style-type: none"> <li>• CapEx: ~2% of sales</li> <li>• FCF Conversion<sup>2</sup> &gt;100%</li> </ul>	--



1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

2. FCF conversion >100% adjusting for after tax gain on divestitures (\$223M) and gain on sale of building (\$8M), and discrete tax benefit (\$180M).

# What Drives Parker

- Safety, Engagement, Ownership

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- Living up to Our Purpose

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- Top Quartile Performance

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- Great Generators & Deployers of Cash



## UPCOMING EVENT CALENDAR

FY25 Q4 Earnings Release

August 7, 2025

FY26 Q1 Earnings Release

November 6, 2025



# Appendix

- FY25 Guidance Details
- Reconciliation of Organic Growth
- Adjusted Amounts Reconciliation – Consolidated Statement of Income
- Adjusted Amounts Reconciliation – Segment Operating Income
- Reconciliation of EBITDA to Adjusted EBITDA
- Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin
- Supplemental Sales Information – Global Technology Platforms
- Reconciliation of Q4 FY25 Guidance
- Reconciliation of FY25 Guidance

# FY25 Guidance Details

Sales Growth vs. Prior Year	As Reported	Organic <sup>1</sup>
Diversified Industrial Segment		
North America Businesses	~(8%)	~(4%)
International Businesses	~(4%)	~(2.5%)
Aerospace Systems Segment	~12%	~12%
<b>Parker</b>	~(1%)	~1%

Segment Operating Margins	As Reported	Adjusted <sup>1</sup>
Diversified Industrial Segment		
North America Businesses	~22.9%	~25.1%
International Businesses	~22.1%	~24.5%
Aerospace Systems Segment	~23.1%	~28.3%
<b>Parker</b>	~22.7%	~25.9%

Earnings Per Share	As Reported	Adjusted <sup>1</sup>
Midpoint	\$26.02	\$26.70

Additional Items	As Reported	Adjusted <sup>1</sup>
Corporate G&A		~\$205M
Interest Expense		~\$410M
Other (Income) Expense	(~\$190M)	~\$65M
Tax Rate	~16.5%	~21.5%
Diluted Shares Outstanding		~130.4M

Detail of Pre-Tax Adjustments to:	Segment Margins	Below Segment
Acquired Intangible Asset Amortization	~\$550M	—
Business Realignment & Other	~\$60M	~\$10M
Integration Costs to Achieve	~\$22M	—
Gain on Sale of Building	—	(~\$10M)
Gain on Divestitures	—	(~\$250M)

Additional Adjustments to EPS:	Segment Margins	Below Segment
Discrete Tax Benefit	—	~\$180M



1. Includes certain non-GAAP adjustments and financial measures.

# Reconciliation of Organic Growth

(Dollars in thousands)  
(Unaudited)

Net Sales	Quarter-to-Date				As Reported March 31, 2024
	As Reported	Currency	Divestitures	Adjusted	
	March 31, 2025			March 31, 2025	
Diversified Industrial	\$ 3,388,759	\$ 54,201	\$ 104,980	\$ 3,547,940	\$ 3,665,643
Aerospace Systems	1,571,590	2,336	-	1,573,926	1,408,713
Total Parker Hannifin	\$ 4,960,349	\$ 56,537	\$ 104,980	\$ 5,121,866	\$ 5,074,356
	As reported	Currency	Divestitures	Organic	
Diversified Industrial	(7.6)%	(1.5)%	(2.9)%	(3.2)%	
Aerospace Systems	11.6 %	(0.1)%	0.0 %	11.7 %	
Total Parker Hannifin	(2.2)%	(1.0)%	(2.1)%	0.9 %	

Supplemental Information:

Net Sales	As Reported	Currency	Divestitures	Adjusted	As Reported
	March 31, 2025			March 31, 2025	
Diversified Industrial:					
North America businesses	\$ 2,030,970	\$ 17,458	\$ 104,980	\$ 2,153,408	\$ 2,231,478
<u>International businesses</u>					
Europe	758,405	14,486	-	772,891	830,166
Asia Pacific	523,307	16,046	-	539,353	527,732
Latin America	76,077	6,211	-	82,288	76,267
International businesses	\$ 1,357,789	\$ 36,743	\$ -	\$ 1,394,532	\$ 1,434,165
	As reported	Currency	Divestitures	Organic	
Diversified Industrial:					
North America businesses	(9.0)%	(0.8)%	(4.7)%	(3.5)%	
<u>International businesses</u>					
Europe	(8.6)%	(1.7)%	0.0 %	(6.9)%	
Asia Pacific	(0.8)%	(3.0)%	0.0 %	2.2 %	
Latin America	(0.2)%	(8.1)%	0.0 %	7.9 %	
International businesses	(5.3)%	(2.5)%	0.0 %	(2.8)%	



# Adjusted Amounts Reconciliation Consolidated Statement of Income

(Dollars in thousands, except per share data)

(Unaudited)

	Quarter-to-Date FY 2025									
	As Reported		Acquired	Business	Meggitt	Saegertown	Discrete Tax <sup>1</sup>	Adjusted		
	March 31, 2025	% of Sales	Intangible Asset Amortization	Realignment Charges	Costs to Achieve	Incident	Benefit	March 31, 2025	% of Sales	
Net sales	\$ 4,960,349	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,960,349	100.0 %	
Cost of sales	3,129,951	63.1 %	19,618	4,742	210	-	-	3,105,381	62.6 %	
Selling, general and admin. expenses	784,355	15.8 %	116,346	5,521	5,237	-	-	657,251	13.3 %	
Interest expense	95,942	1.9 %	-	-	-	-	-	95,942	1.9 %	
Other (income) expense, net	(44,713)	(0.9)%	-	116	-	7,725	-	(52,554)	(1.1)%	
Income before income taxes	994,814	20.1 %	(135,964)	(10,379)	(5,447)	(7,725)	-	1,154,329	23.3 %	
Income taxes	33,628	0.7 %	31,272	2,387	1,253	1,777	179,849	250,166	5.0 %	
Net income	961,186	19.4 %	(104,692)	(7,992)	(4,194)	(5,948)	179,849	904,163	18.2 %	
Less: Noncontrolling interests	320	0.0 %	-	-	-	-	-	320	0.0 %	
<b>Net income - common shareholders</b>	<b>\$ 960,866</b>	<b>19.4 %</b>	<b>\$ (104,692)</b>	<b>\$ (7,992)</b>	<b>\$ (4,194)</b>	<b>\$ (5,948)</b>	<b>\$ 179,849</b>	<b>\$ 903,843</b>	<b>18.2 %</b>	
Diluted earnings per share	\$ 7.37		\$ (0.80)	\$ (0.06)	\$ (0.03)	\$ (0.05)	\$ 1.37	\$ 6.94		

	Quarter-to-Date FY 2024									
	As Reported		Acquired	Business	Meggitt			Adjusted		
	March 31, 2024	% of Sales	Intangible Asset Amortization	Realignment Charges	Costs to Achieve			March 31, 2024	% of Sales	
Net sales	\$ 5,074,356	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,074,356	100.0 %	
Cost of sales	3,279,650	64.6 %	27,193	3,014	743	-	-	3,248,700	64.0 %	
Selling, general and admin. Expenses	816,337	16.1 %	114,023	3,927	12,513	-	-	685,874	13.5 %	
Interest expense	123,732	2.4 %	-	-	-	-	-	123,732	2.4 %	
Other (income) expense, net	(65,406)	(1.3)%	-	1,527	-	-	-	(66,933)	(1.3)%	
Income before income taxes	920,043	18.1 %	(141,216)	(8,468)	(13,256)	-	-	1,082,983	21.3 %	
Income taxes	193,309	3.8 %	33,609	2,015	3,155	-	-	232,088	4.6 %	
Net income	726,734	14.3 %	(107,607)	(6,453)	(10,101)	-	-	850,895	16.8 %	
Less: Noncontrolling interests	160	0.0 %	-	-	-	-	-	160	0.0 %	
<b>Net income - common shareholders</b>	<b>\$ 726,574</b>	<b>14.3 %</b>	<b>\$ (107,607)</b>	<b>\$ (6,453)</b>	<b>\$ (10,101)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 850,735</b>	<b>16.8 %</b>	
Diluted earnings per share	\$ 5.56		\$ (0.82)	\$ (0.05)	\$ (0.08)	\$ -	\$ -	\$ 6.51		

1. Release of a tax valuation allowance.

# Adjusted Amounts Reconciliation Segment Operating Income

(Dollars in thousands)  
(Unaudited)

	Quarter-to-Date FY 2025							
	As Reported		Acquired Intangible Asset	Business Realignment	Meggitt Costs to	Saegertown	Adjusted	
	March 31, 2025	% of Sales	Amortization	Charges	Achieve	Incident	March 31, 2025	% of Sales <sup>2</sup>
Diversified Industrial <sup>1</sup>	\$ 779,103	23.0%	\$ 61,600	\$ 10,249	\$ 2,072	\$ -	\$ 853,024	25.2%
Aerospace Systems <sup>1</sup>	372,908	23.7%	74,364	35	3,375	-	450,682	28.7%
Total segment operating income	1,152,011	23.2%	(135,964)	(10,284)	(5,447)	-	1,303,706	26.3%
Corporate administration	43,698	0.9%	-	(21)	-	-	43,719	0.9%
Income before interest and other	1,108,313	22.3%	(135,964)	(10,263)	(5,447)	-	1,259,987	25.4%
Interest expense	95,942	1.9%	-	-	-	-	95,942	1.9%
Other (income) expense	17,557	0.4%	-	116	-	7,725	9,716	0.2%
Income before income taxes	\$ 994,814	20.1%	\$ (135,964)	\$ (10,379)	\$ (5,447)	\$ (7,725)	\$ 1,154,329	23.3%

**Supplemental Information:**

Diversified Industrial:

North America businesses <sup>1</sup>	\$ 467,064	23.0%	\$ 40,209	\$ 4,218	\$ 1,038	\$ -	\$ 512,529	25.2%
International businesses <sup>1</sup>	312,039	23.0%	21,391	6,031	1,034	-	340,495	25.1%

	Quarter-to-Date FY 2024							
	As Reported		Acquired Intangible Asset	Business Realignment	Meggitt Cost to		Adjusted	
	March 31, 2024	% of Sales	Amortization	Charges	Achieve		March 31, 2024	% of Sales <sup>2</sup>
Diversified Industrial <sup>1</sup>	\$ 800,211	21.8%	\$ 66,409	\$ 6,953	\$ 1,292	\$ -	\$ 874,865	23.9%
Aerospace Systems <sup>1</sup>	289,339	20.5%	74,807	(12)	11,964	-	376,098	26.7%
Total segment operating income	1,089,550	21.5%	(141,216)	(6,941)	(13,256)	-	1,250,963	24.7%
Corporate administration	56,782	1.1%	-	-	-	-	56,782	1.1%
Income before interest and other	1,032,768	20.4%	(141,216)	(6,941)	(13,256)	-	1,194,181	23.5%
Interest expense	123,732	2.4%	-	-	-	-	123,732	2.4%
Other (income) expense	(11,007)	-0.2%	-	1,527	-	-	(12,534)	-0.2%
Income before income taxes	\$ 920,043	18.1%	\$ (141,216)	\$ (8,468)	\$ (13,256)	\$ -	\$ 1,082,983	21.3%

**Supplemental Information:**

Diversified Industrial:

North America businesses <sup>1</sup>	\$ 490,452	22.0%	\$ 43,945	\$ 3,058	\$ 841	\$ -	\$ 538,296	24.1%
International businesses <sup>1</sup>	309,759	21.6%	22,464	3,895	451	-	336,569	23.5%



1. Segment operating income as a percent of sales is calculated on segment sales.
2. Adjusted amounts as a percent of sales are calculated on as reported sales.

# Reconciliation of EBITDA to Adjusted EBITDA

(Dollars in thousands) (Unaudited)	Three Months Ended			
	March 31,			
	2025	% of Sales	2024	% of Sales
<b>Net sales</b>	\$ 4,960,349	100.0 %	\$ 5,074,356	100.0 %
Net income	\$ 961,186	19.4 %	\$ 726,734	14.3 %
Income taxes	33,628	0.7 %	193,309	3.8 %
Depreciation	86,832	1.8 %	87,082	1.7 %
Amortization	135,964	2.7 %	141,216	2.8 %
Interest expense	95,942	1.9 %	123,732	2.4 %
<b>EBITDA</b>	<b>1,313,552</b>	<b>26.5 %</b>	<b>1,272,073</b>	<b>25.1 %</b>
Adjustments:				
Business realignment charges	10,379	0.2 %	8,468	0.2 %
Meggitt costs to achieve	5,447	0.1 %	13,256	0.3 %
Saegertown Incident	7,725	0.2 %	-	0.0 %
<b>EBITDA - Adjusted</b>	<b>\$ 1,337,103</b>	<b>27.0 %</b>	<b>\$ 1,293,797</b>	<b>25.5 %</b>
<b>EBITDA margin</b>		26.5 %		25.1 %
<b>EBITDA margin - Adjusted</b>		27.0 %		25.5 %



# Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin

(Unaudited) (Dollars in thousands)	Nine Months Ended March 31,	
	2025	2024
<b>Net Sales</b>	\$ 14,606,926	\$ 14,742,791
<b>Net Income</b>	\$ 2,608,363	\$ 2,059,863
Cash Flow from Operations	\$ 2,308,761	\$ 2,147,077
Capital Expenditures	(304,153)	(283,328)
<b>Free Cash Flow</b>	<b>\$ 2,004,608</b>	<b>\$ 1,863,749</b>
Cash Flow from Operations Margin	15.8%	14.6%
Free Cash Flow Margin	13.7%	12.6%



# Supplemental Sales Information

## Global Technology Platforms

(Unaudited) (Dollars in thousands)	Three Months Ended March 31,	
	2025	2024
<b>Net sales</b>		
Diversified Industrial:		
Motion Systems	\$ 827,987	\$ 942,667
Flow and Process Control	1,141,072	1,185,622
Filtration and Engineered Materials	1,419,700	1,537,354
Aerospace Systems	1,571,590	1,408,713
<b>Total</b>	<b>\$ 4,960,349</b>	<b>\$ 5,074,356</b>





# Reconciliation of Q4 FY25 Guidance

## RECONCILIATION OF ORGANIC GROWTH

(Unaudited)

(Amounts in percentages)

	Q4 Fiscal Year 2025
<b>Forecasted net sales</b>	(~2.0%)
Adjustments:	
Currency	0.0%
Divestitures	2.5%
<b>Adjusted forecasted net sales</b>	~0.5%

## RECONCILIATION OF FORECASTED EARNINGS PER SHARE

(Unaudited)

(Amounts in dollars)

	Q4 Fiscal Year 2025
<b>Forecasted earnings per diluted share</b>	~\$6.05
Adjustments:	
Business realignment charges	0.17
Costs to achieve	0.02
Acquisition-related intangible asset amortization expense	1.07
Tax effect of adjustments <sup>1</sup>	(0.27)
<b>Adjusted forecasted earnings per diluted share</b>	~\$7.05

## RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

(Unaudited)

(Amounts in percentages)

	Q4 Fiscal Year 2025
<b>Forecasted segment operating margin</b>	~23.0%
Adjustments:	
Business realignment charges	0.4%
Costs to achieve	0.1%
Acquisition-related intangible asset amortization expense	2.6%
<b>Adjusted forecasted segment operating margin</b>	~26.1%

1. This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. We estimate the tax effect of each adjustment item by applying our overall effective tax rate for continuing operations to the pre-tax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.



\*Totals may not foot due to rounding

# Reconciliation of FY25 Guidance

## RECONCILIATION OF ORGANIC GROWTH

	Fiscal Year 2025			
	Forecasted Net Sales	Divestitures	Currency	Adjusted Forecasted Net Sales
Diversified Industrial	~(6.0%)	~2.0%	~1.0%	~(3.0%)
North America Businesses	~(8.0%)	~3.5%	~0.5%	~(4.0%)
International Businesses	~(4.0%)	-	~1.5%	~(2.5%)
Aerospace Systems	~12.0%	-	~0.0%	~12.0%
Parker	~(1.0%)	~1.5%	~0.5%	~1.0%

## RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

	Fiscal Year 2025				
	Forecasted Segment Operating Margin	Business Realignment Charges	Costs to Achieve	Acquisition-Related Intangible Asset Amortization Expense	Adjusted Forecasted Segment Operating Margin
Diversified Industrial					
North America Businesses	~22.9%	~0.2%	-	~2.0%	~25.1%
International Businesses	~22.1%	~0.8%	-	~1.6%	~24.5%
Aerospace Systems	~23.1%	-	~0.3%	~4.9%	~28.3%
Parker	~22.7%	~0.3%	~0.1%	~2.8%	~25.9%

## RECONCILIATION OF FORECASTED EARNINGS PER SHARE

	Fiscal Year 2025
Forecasted earnings per diluted share	\$25.92 to \$26.12
Adjustments:	
Business realignment charges	0.47
Costs to achieve	0.17
Acquisition-related intangible asset amortization expense	4.22
Saegertown incident	0.06
Net gain on divestitures	(1.91)
Gain on sale of building	(0.08)
Tax effect of adjustments <sup>1</sup>	(0.88)
Discrete tax benefit <sup>2</sup>	(1.37)
Adjusted forecasted earnings per diluted share	\$26.60 to \$26.80

## RECONCILIATION OF CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

	Fiscal Year 2025
Cash flow from operations	\$3,500 to \$3,600
Less: Capital Expenditures	~(400)
Free cash flow	\$3,100 to \$3,200

1. This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. We estimate the tax effect of each adjustment item by applying our overall effective tax rate for continuing operations to the pre-tax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

2. Release of a tax valuation allowance.

\*Totals may not foot due to rounding



