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. These statements may be identified from use of forward-looking terminology such as “anticipates,” “believes,” “may,” “should,” “could,” “potential,” “continues,” “plans,” “forecasts,” “estimates,” “projects,” “predicts,” “would,” “intends,” “anticipates,” “expects,” “targets,” “is likely,” “will,” or the negative of these terms and similar expressions, and include all statements regarding future performance, earnings projections, events or developments. It is possible that the future performance and earnings projections of the company, including its individual segments, may differ materially from current expectations, depending on economic conditions within its mobile, industrial and aerospace markets, and the company’s ability to maintain and achieve anticipated benefits associated with announced realignment activities, strategic initiatives to improve operating margins, actions taken to combat the effects of the current economic environment, and growth, innovation and global diversification initiatives. A change in the economic conditions in individual markets may have a particularly volatile effect on segment performance.

Among other factors which may affect future performance and earnings projections are: economic conditions within the company’s key markets, and the company’s ability to maintain and achieve anticipated benefits associated with announced realignment activities, strategic initiatives to improve operating margins, actions taken to combat the effects of the current economic environment, and growth, innovation and global diversification initiatives. Additionally, the actual impact of the U.S. Tax Cuts and Jobs Act may affect future performance and earnings projections as the amounts reflected in this period are preliminary estimates and exact amounts will not be determined until a later date, and there may be other judicial or regulatory interpretations of the U.S. Tax Cuts and Jobs Act that may also affect these estimates and the actual impact on the company. A change in the economic conditions in individual markets may have a particularly volatile effect on segment performance. Among other factors which may affect future performance of the company are, as applicable: changes in business relationships with and purchases by or from major customers, suppliers or distributors, including delays or cancellations in shipments; disputes regarding contract terms or significant changes in financial condition, changes in contract cost and revenue estimates for new development programs and changes in product mix; ability to identify acceptable strategic acquisition targets; uncertainties surrounding timing, successful completion or integration of acquisitions and similar transactions, including the integration of CLARCOR; the ability to successfully divest businesses planned for divestiture and realize the anticipated benefits of such divestitures; the determination to undertake business realignment activities and the expected costs thereof and, if undertaken, the ability to complete such activities and realize the anticipated cost savings from such activities; ability to implement successfully capital allocation initiatives, including timing, price and execution of share repurchases; availability, limitations or cost increases of raw materials, component products and/or commodities that cannot be recovered in product pricing; ability to manage costs related to insurance and employee retirement and health care benefits; compliance costs associated with environmental laws and regulations; potential labor disruptions; threats associated with and efforts to combat terrorism and cyber-security risks; uncertainties surrounding the ultimate resolution of outstanding legal proceedings, including the outcome of any appeals; competitive market conditions and resulting effects on sales and pricing; and global economic factors, including manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and general economic conditions such as inflation, deflation, interest rates and credit availability. The company makes these statements as of the date of this disclosure, and undertakes no obligation to update them unless otherwise required by law.

This presentation reconciles (a) sales amounts reported in accordance with U.S. GAAP to sales amounts adjusted to remove the effects of acquisitions and the effects of currency exchange rates, (b) cash flow from operating activities and cash flow from operating activities as a percent of sales in accordance with U.S. GAAP to cash flow from operating activities and cash flow from operating activities as a percent of sales without the effect of a discretionary pension plan contribution, (c) operating margins reported in accordance with U.S. GAAP to operating margins without the effect of business realignment charges, Clarcor costs to achieve, Clarcor acquisition expenses and voluntary retirement expense (d) forecast earnings per diluted share without the effect of business realignment charges, CLARCOR costs to achieve, the gain on sale and write-down of assets, net and U.S. tax reform one-time impact, net. This presentation also contains references to EBITDA and adjusted EBITDA. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before business realignment charges, CLARCOR costs to achieve, and a loss related to the sale of an investment. Although EBITDA and Adjusted EBITDA are not measures of performance calculated in accordance with GAAP, we believe that it is useful to an investor in evaluating the results of this quarter versus one year ago. The effects of acquisitions, currency exchange rates, the discretionary pension plan contributions, business realignment charges, Clarcor costs to achieve, Clarcor acquisition expenses, voluntary retirement expense, the gain on sale and write-down of assets, net and U.S. tax reform one-tie impact, net are removed to allow investors and the company to meaningfully evaluate changes in sales, and cash flow from operating activities as a percent of sales, operating margins, and earnings per diluted share on a comparable basis from period to period.

Please visit www.PHstock.com for more information
Today’s Presenters
Parker Leaders

Tom Williams
Chairman & CEO

Lee Banks
President & COO

Cathy Suever
EVP – Finance & Administration and CFO

Roger Sherrard
VP & President – Aerospace Group

Jennifer Parmentier
VP & President – Engineered Materials Group

Rob Malone
VP & President – Filtration Group
Today’s Program

Win Strategy Performance & New 5 Year Targets
Tom Williams, Chairman & CEO

Engineered for Growth & Productivity
Lee Banks, President & COO

Accelerated Financial Performance
Cathy Suever, EVP, Finance & Administration and CFO

Operating Group Presentations
Roger Sherrard, VP & President, Aerospace Group
Jenny Parmentier, VP & President, Engineered Materials Group
Rob Malone, VP & President, Filtration Group

Q&A
Tom Williams, Lee Banks, Cathy Suever

4
Agenda

- New Win Strategy™ Progress Report
- CLARECOR Executive Summary
- Portfolio Strategy
- Updated Corporate Targets
- Capital Allocation
- Summary
FY15-FY20 Progress Report Card
Key Messages

- Substantial progress against FY20 targets
- CLARCOR synergies ahead of initial targets
- Strength and interconnectivity of Parker portfolio
- New 5 year targets. Raising performance bar.
- Capital allocation – Great generators and deployers of cash
- New Win Strategy™ is working...early days still
FY15 – FY20 Report Card

Progress to Date

- Launched The New Win Strategy™
- Safety: 54% reduction in injuries since 12/14
- Exceptional financial performance during recession
- CLARCOR Acquisition – Strategic Portfolio Transformation
- Organic growth of 6.5% FY18 guide vs. 3.4% GIPI
- Adj. Operating Margin of 16.3% FY18 guide vs. 17% FY20 target
- Free Cash Flow Conversion >100%
- 11% Adjusted EPS CAGR FY18 guide vs. 8% target
- 50% TSR since 1/15 vs. 42% S&P 500 Industrials
Repositioning Parker for Sustainable Top Quartile Performance
The New Win Strategy™
The Win Strategy™
Our Vision: Engineering Your Success

Goals

Engaged People
- Environmental, Health & Safety
- Entrepreneurial
- High Performance Teams & Leaders

Premier Customer Experience
- Quality Solutions On Time
- eBusiness Leadership
- Ease of Doing Business

Profitable Growth
- Organic
- Acquisitions
- Services
  - Market-Driven Innovation
  - System Solutions
  - Strong Distribution
  - Grow Share
  - Engineering Expertise

Financial Performance
- Simplification
- Lean Enterprise
- Strategic Supply Chain
- Value Pricing

Parker Culture
The Win Strategy

Engaged People
High Performance Teams & Leaders
Entrepreneurial & Safety
Environmental, Health
Quality Solutions On Time
eBusiness Leadership
Ease of Doing Business
Profitable Growth
Market-Driven Innovation
System Solutions
Strong Distribution
Grow Share
Engineering Expertise
Financial Performance
Simplification
Lean Enterprise
Strategic Supply Chain
Value Pricing
Organic Acquisitions
Services

Engineering Your Success

Goals

Strategies

SEPTEMBER 2015
Safety Comparison 2014 – 2017
Recordable Injuries

Cultivating a Zero Accident Safety Culture
## Sustainability Summary

<table>
<thead>
<tr>
<th>Metric</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy use over 10 years</td>
<td>54% Reduction</td>
</tr>
<tr>
<td>Carbon emissions over 10 years</td>
<td>52% Reduction</td>
</tr>
<tr>
<td>Peer Company Ranking Carbon Disclosure</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; Quartile</td>
</tr>
<tr>
<td>Parker Foundation</td>
<td>$20M over 3 years</td>
</tr>
</tbody>
</table>
Engaged People – Key Strategies

- High Performance Teams
- Engagement Survey – leadership linkage
- Focus on front line leaders

Building an ownership culture
Engaged People
Operationalize High Performance Teams

- Assign every team member to a Star Point

- Today...Safety

- Future...Quality, Cost, Delivery
Engaged People…
A cultural competitive advantage
Premier Customer Experience

- Quality Solutions On Time
- eBusiness Leadership
- Ease of Doing Business
Likelihood to Recommend (LTR)

‘How likely are you to recommend that your company conducts business in the future with Parker?’

% Promoters – % Detractors = LTR

Goal >30
What Our Customers are Saying…

- Issue resolution
- Speed
- Communication

Our Action…

Improve customer engagement processes
Premier Customer Experience
Digital Initiatives

eBusiness

IoT

Search & Select
Best in Class

Productivity & Reliability
The Win Strategy™
Our Vision: Engineering Your Success

Goals:
- Profitable Growth
- Engaged People
- Premier Customer Experience
- Financial Performance
- Organic Acquisitions
- Services

STRATEGIES:
- Environmental, Health & Safety
- Entrepreneurial
- High Performance Teams & Leaders
- Quality Solutions On Time
- eBusiness Leadership
- Ease of Doing Business
- Market-Driven Innovation
- System Solutions
- Strong Distribution
- Grow Share
- Engineering Expertise
Profitable Growth

Key Initiatives

- Distribution Growth
- Share Gain – Key Accounts
- Systems Engineering
- e-Business, IoT and Services
- Market Driven Innovation

Enhanced by improved growth incentive plan
Technology Development Evolution

- Division technology development
- Center of Excellence – IoT, Additive & Robotics
- Filtration Tech Center

Before FY16
FY17-FY18
FY19-FY23

Best of Both Worlds…Divisions + Cross Parker Leverage
Parker Technology Centers
Next 5 Years

- Advanced process development – IoT, additive & robotics
- Filtration Technology Center – CLARCOR + Parker
- Motion Technology Center – Aerospace & Motion Systems
- Advanced Material Center – Fluid Connectors & Engineered Materials

Small, focused & accountable…Engineering cost neutral
The Win Strategy
Our Vision: Engineering Your Success

Goals

**Engaged People**
- Environmental, Health & Safety
- Entrepreneurial
- High Performance Teams & Leaders

**Premier Customer Experience**
- Quality Solutions On Time
- eBusiness Leadership
- Ease of Doing Business

**Profitable Growth**
- Market-Driven Innovation
- System Solutions
- Strong Distribution
- Grow Share
- Engineering Expertise

**Financial Performance**
- Simplification
- Lean Enterprise
- Strategic Supply Chain
- Value Pricing

**Parker Culture**
Financial Performance

Key Initiatives

- Simplification
- Lean Enterprise
- Strategic Supply Chain
- Value Pricing

The “Big 4” Financial Initiatives
Financial Performance
Expanding Profitability

Adjusted Operating Margin

<table>
<thead>
<tr>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18 Guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.9%</td>
<td>14.8%</td>
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<td>16.3%</td>
</tr>
</tbody>
</table>

Up 140 bps

Adjusted EBITDA

<table>
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<tr>
<th>FY15</th>
<th>FY16</th>
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<td>15.1%</td>
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<td>17.6%</td>
</tr>
</tbody>
</table>

Up 250 bps

Note 1:
FY18 Excludes Business Realignment Charges and Clarcor Costs to Achieve.
FY17 Excludes Business Realignment Charges and Clarcor Acquisition Expenses.
FY16 Excludes Business Realignment Charges.
FY15 Excludes Business Realignment Charges and Voluntary Retirement Expense
CLARCOR Executive Summary
Excellent Strategic Fit for Parker

- Strategic portfolio acquisition – Doubles Filtration Group
- Complementary products, markets and geographic presence
- Strong recurring revenue – 80%+ of sales are aftermarket
- Increases resilience of Parker’s portfolio
- Expected accretive to Parker’s organic growth & EBITDA margins
## Complementary Filtration Technologies

**Fills Existing Portfolio Gaps**

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Parker</th>
<th>CLARCOR</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engine and Mobile</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Filters</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Oil Filters</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Air Filters</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydraulic</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Industrial Air / HVAC Air</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Compressed Air</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Gas Turbine Inlet Air</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Natural Gas Coalescing</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
<tr>
<td>Process Liquids and Water</td>
<td>![Parker Icon]</td>
<td>![CLARCOR Icon]</td>
<td>![Combined Icon]</td>
</tr>
</tbody>
</table>
CLARCOR Report Card
Progress to Date

- Cultural fit
- EPS accretive year 1
- Year 5 adjusted EBITDA margin increase of 300 bps - estimating 290 bps by FY18, 3 years ahead
- $140M Cost synergies…Forecasted to exceed
- Achieved balance sheet priorities
## Updated CLARCOR Synergy Targets

<table>
<thead>
<tr>
<th>Synergies</th>
<th>Original FY20 Targets</th>
<th>New FY20 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>$140M</td>
<td>$160M</td>
</tr>
<tr>
<td>Revenue</td>
<td>-----</td>
<td>$100M</td>
</tr>
</tbody>
</table>

**CLARCOR Acquisition Exceeding Expectations**
Portfolio Strategy
#1 Position in Motion & Control Industry

Opportunity for Growth in a $130 Billion Global Market
Unmatched Breadth of Technologies

- Hydraulics
- Pneumatics
- Electromechanical
- Filtration
- Fluid & Gas Handling
- Process Control
- Climate Control
- Sealing & Shielding

Stronger in combination … IoT further increases
Portfolio Strategy

1. Motion & Control Technology
2. Attractive Business Model
3. Leading Positions
Attractive Business Model Definition

- Engineered products with intellectual property
- Long product life cycles
- Balanced OEM & aftermarket
- Moderate to low capital intensity
Updated Corporate Targets
## Updated Corporate Targets

<table>
<thead>
<tr>
<th></th>
<th>FY20 Targets</th>
<th>FY23 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>150 bps &gt; GIPI</td>
<td>150 bps &gt; GIPI</td>
</tr>
<tr>
<td>Segment OM%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>------</td>
<td>20%</td>
</tr>
<tr>
<td>FCF Conversion</td>
<td>&gt; 100%</td>
<td>&gt; 100%</td>
</tr>
<tr>
<td>EPS CAGR</td>
<td>8%</td>
<td>10%+</td>
</tr>
</tbody>
</table>
Capital Allocation
Capital Allocation Priorities

**Current**
- Dividends:
  - Annual increase record
  - 30% of net income
  (5 year average)
- Capex for organic growth
- Debt reduction
- 10b5-1 share repurchase

**As Debt Reduces**
- Continue current priorities
- Add…
  - Acquisition
  - Discretionary share repurchase

Optimize Long Term Value Creation
CapEx Investment Strategy

Increasing allocation and shifting the mix to drive productivity & growth
Acquisition Strategy

- Continue as consolidator of choice in Motion & Control
- Focus on Engineered Materials, Aerospace, Instrumentation and Filtration
- Evaluate attractive adjacencies and disruptors for potential investment
The Future
Leadership with a Purpose

- Our Company creates value for society, customers, shareholders and our people
- With our customers, we help raise the standard of living
- Our performance and culture creates significant value

Solving the World’s Greatest Engineering Challenges
Parker’s Unique Competitive Advantages

- The Win Strategy™
- Decentralized Divisional Structure
- Global Distribution, Service and Support
- Intellectual Property
- Globally Balanced
- Breadth of Technologies & System Solutions
The Future…

Top Quartile Performance vs. Proxy Peers

Great Generators and Deployers of Cash
The Future…

Keep Changing, because when you’re through changing… You’re through!

Bert-Olaf Svanholm
Past Volvo Chairman
Thank You
Simplification
Simplification Initiative

Key Focus Areas:
- Revenue profile complexity
- Optimize organization & processes
- Division consolidations
- Reduce bureaucracy

Enables speed & growth at reduced costs
Division Consolidation
FY15 to Today (includes CLARCOR)

122 → 88 Divisions
Revenue Complexity

Last 4% revenue drives disproportionate $ cost
Parker Revenue Profiling

Actions to reduce cost and improve revenue:

- Pricing on non-standard products
- Non-standard products to standard
- Third-party sourcing
- Move to distribution

Tailored playbook to reduce complexity
Simplification…

- Focus…80/20 Concept
- Speed
- Better experience
- Redesign work – processes & organization
- Enables growth and financial performance

Simplification applies to everything we do!
Profitable Growth

Key Initiatives

- Distribution Growth
- Share Gain – Key Accounts
- Systems Engineering
- e-Business, IoT and Services
- Market Driven Innovation

Enhanced by improved growth incentive plan
Global Distribution Network

13,000 Outlets
96 Countries
Distribution Growth Strategies

- Channel is decades in the making
- Most valuable off-balance sheet asset
- Extra focus on international growth
  - Senior executive dedicated to this initiative
  - 100+ former Parker personnel operating a distributor
  - 362 new distributors added since FY15
Distribution Success Factors

Focus and Alignment
- Dedicated sales force
- Channel management integrity
- Broad technology portfolio
- Executive engagement
- Distribution mind share
Distribution Capabilities

- Wholesale Distribution
- Technology Integration
- Value Added Services
- Industrial Retail
ParkerStore Facts

- Immediate need, MRO focus
- Servicing 96 countries
- 2018: 25th anniversary of the first ParkerStore
- Distribution owned
Profitable Growth

Key Initiatives

- Distribution Growth
- Share Gain – Key Accounts
- Systems Engineering
- e-Business, IoT and Services
- Market Driven Innovation

Enhanced by improved growth incentive plan
Key Account Growth Strategies

- Key account manager structure
- Market share by technology strategy
- High Performance Teams
- Outside-in view of our performance
Mobile Systems Application Centers
Profitable Growth

Key Initiatives

- Distribution Growth
- Share Gain – Key Accounts
- Systems Engineering
- e-Business, IoT and Services
- Market Driven Innovation

Enhanced by improved growth incentive plan
From Data to Insights

INPUT

- Temperature
- Pressure
- Oil quality
- Liquid level

OUTPUT

- Remaining useful life
- Fleet-wide consumption
- Remote diagnostics

Positions Parker with significant competitive advantages
Emerging Commercial Platforms

Mobile
- Materials handling
- Utility vehicles
- Vocational trucks

Industrial
- Hydraulic power units
- Machine tools
- Compressed air

Energy
- Power generation
- Oil & gas
Profitable Growth

Key Initiatives

- Distribution Growth
- Share Gain – Key Accounts
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- e-Business, IoT and Services

Market Driven Innovation

Enhanced by improved growth incentive plan
Innovation Starts with Winovation
Simplification Applied to Winovation Pipeline

20% Effort → 80% Results
Market Driven Innovation Through…

- **New Product Blue Printing**
  - Start with customer or customer’s customer
  - Training across the engineering team

- **Focus**

- **Speed**

Differentiated Solutions
Thank You

PH
LISTED
NYSE

Parker
Accelerated Financial Performance

Investor Meeting 2018

Cathy Suever
Executive Vice President – Finance & Administration
and Chief Financial Officer

Parker
PH
LISTED
NYSE

ENGINEERING YOUR SUCCESS.

March 7, 2018
Profitable Growth
Target: Organic Sales Growth 150bps > Market

On track to outpace industrial production by 310 bps in FY18
Organic Sales Growth Target
Fiscal Years 2018 - 2023

$14.1B
FY18 Guide

Global Industrial Production Index = 1.5% CAGR

3.2% CAGR

$16.5B
FY23

170bps

Guide
Margin Improvement
Segment Operating Margin Growth
As Reported

FY15: 14.5%
FY16: 13.9%
FY17: 14.9%
FY18E: 15.5%
FY20: 17.0%

+250 bps
Segment Operating Margin Growth

Adjusted

Note 1:
FY18 Excludes Business Realignment Charges and Clarcor Costs to Achieve.
FY17 Excludes Business Realignment Charges and Clarcor Acquisition Expenses.
FY16 Excludes Business Realignment Charges
FY15 Excludes Business Realignment Charges and Voluntary Retirement Expense
Financial Performance
Expanding Profitability

Adjusted Operating Margin¹

<table>
<thead>
<tr>
<th>Year</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
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<tbody>
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Adjusted EBITDA¹

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Up 140 bps

Up 250 bps

Note 1:
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FY16 Excludes Business Realignment Charges
FY15 Excludes Business Realignment Charges and Voluntary Retirement Expense.
Operating Margin Drivers to 19% in FY23

As Reported

<table>
<thead>
<tr>
<th>Source</th>
<th>Margin</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarcor Synergies</td>
<td>90 bps</td>
<td>15.5%</td>
</tr>
<tr>
<td>Simplification</td>
<td>60 bps</td>
<td></td>
</tr>
<tr>
<td>Productivity</td>
<td>50 bps</td>
<td></td>
</tr>
<tr>
<td>Supply Chain</td>
<td>40 bps</td>
<td></td>
</tr>
<tr>
<td>Lower Restructuring</td>
<td>20 bps</td>
<td></td>
</tr>
<tr>
<td>Distribution Growth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROS FY23</td>
<td>19.0%</td>
<td></td>
</tr>
</tbody>
</table>

ROS FY23: 19.0%

ROS FY18E: 15.5%
Great Generators of Cash
Great Deployers of Cash
Driving Free Cash Flow

Free Cash Flow / Net Income

* Free Cash Flow = Cash Provided by Operating Activities - Capital Expenditures + Discretionary Pension Contribution

>15 consecutive years with 100% + FCF conversion
Dividend History
61 Fiscal Years of Consecutive Increases

Current 5 Year Average = 34%

Target Payout Ratio
30%
5-year average
Capital Deployment
3-Year History

Cash Flow from Operations

- FY16 - FY18E
- Approx. $3.9 Billion

Deployment History

- $1.0B – Dividends
- $0.6B – Capital expenditures
- $2.3B – Strategic M&A and share repurchase
Capital Deployment Targets

5-Year Forecast

Cash Flow from Operations

- Approx. $11.5 Billion (FY19 - FY23)

Deployment Forecast

- $2.6B – Dividends
- $1.6B – Capital expenditures
- $7.4B – Strategic M&A and share repurchase
Key Takeaways
Targeted Metrics by FY23

Revenue Growth

- 170 bps > Industrial Production
- 3.2% CAGR
- FY18E: $14.1
- FY23: $16.5

Profitability

- FY18 Guide
- FY23
- Seg Op Margin: 16% to 19%
- EBITDA: 17% to 20%
- Free Cash Flow: $1.1B to $2.2B
- Adjusted EPS: $9.85 to $15.50

Note: FY23 data based on organic growth only

Adjusted EPS Target CAGR >10%

*Expected FY18 Adjusted Segment Operating Margins exclude FY18 Business Realignment Charges, Clarcor Costs to Achieve. Expected FY18 Adjusted Earnings Per Share excludes FY18 Business Realignment Charges, Clarcor Costs to Achieve, the Gain on Sale and Write-down of Assets and U.S. Tax Reform one-time impact, net
Thank You
Parker Aerospace

$2.3 billion in annual sales*

Eight divisions
18 manufacturing locations

5,500 team members

Four joint ventures

*FY18 Guidance
# Aerospace Systems

## Market Focused, Multiple Technology Platform Motion & Control Solutions Provider

### Motion Control

<table>
<thead>
<tr>
<th>Hydraulic Actuation</th>
<th>Electromechanical Actuation</th>
<th>Pneumatic Actuation</th>
<th>Hydraulic Braking</th>
</tr>
</thead>
</table>

### Flow Control

<table>
<thead>
<tr>
<th>Hydraulics</th>
<th>Fuel</th>
<th>Oil</th>
<th>Inert Gas</th>
<th>Conveyance</th>
<th>Filtration</th>
</tr>
</thead>
</table>

![Parker Logo]
Systems Strength, Component Solutions
Diverse Product Capabilities Across Markets

Flight Control Actuation: 29%

- Trim actuation
- High-lift actuation
- Cockpit controls
- Primary/secondary flight control actuators
- Servo valves
- Control electronics & software
- Surface-position sensors
Systems Strength, Component Solutions
Diverse Product Capabilities Across Markets

Fuel & Inerting: 20%
Systems Strength, Component Solutions
Diverse Product Capabilities Across Markets

Hydraulics: 19%
Systems Strength, Component Solutions
Diverse Product Capabilities Across Markets

Fluid Conveyance: 12%
Portfolio Mix
FY2017

Sales by Market Segment

31% Commercial Transport
17% Engine
17% Military Fixed Wing
12% Business & General Aviation

10% Regional Transport
8% Helicopters
5% Other
On Pace with Industry Trends
Well Positioned to Lead

- Industry Consolidation
- Commercial Super Cycle
- Military Budget Recovery
- Technical Innovation
Competitive Differentiators

How We Win

- Customer experience
- Systems capabilities
- Component breadth
- Global support & MRO services

Key Technologies

- More-electric solutions
- Additive manufacturing
- Composites
Interconnected Parker Technologies
Motion & Control Expertise Applied to Industrial Markets

- Military Vehicle Door Actuators
- Emissions Control
- Motor Design
- Controllers & Software
Aerospace Sales Growth Acceleration
Returning to Long-term Trend

<table>
<thead>
<tr>
<th>FY12-15</th>
<th>FY15-18</th>
<th>FY18-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>5% CAGR *</td>
<td>Flat</td>
<td>3% CAGR</td>
</tr>
</tbody>
</table>

- New programs: 787, A350
- Narrowbodies
- A320, A350, 737 increases
- Business Jet & Helicopter down-turn
- 777, 747 & A380 decline
- Narrowbody rates
- F-35 ramp-up
- New business jets
- Helicopter recovery
- Product improvements & retrofits (MRO)

* FY12 adjusted for PH-GE JV
Key Takeaways
Focus on Win Strategy Execution

The Win Strategy™
Our Vision: Engineering Your Success

<table>
<thead>
<tr>
<th>Engaged People</th>
<th>Premier Customer Experience</th>
<th>Profitable Growth</th>
<th>Financial Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>STRATEGIES</td>
<td>STRATEGIES</td>
<td>STRATEGIES</td>
<td>STRATEGIES</td>
</tr>
<tr>
<td>• Environmental, Health &amp; Safety</td>
<td>• Quality Solutions On Time</td>
<td>• Organic Acquisitions</td>
<td>• Simplification</td>
</tr>
<tr>
<td>• Entrepreneurial</td>
<td>• eBusiness Leadership</td>
<td>• Market-Driven Innovation</td>
<td>• Lean Enterprise</td>
</tr>
<tr>
<td>• High Performance Teams &amp; Leaders</td>
<td>• Ease of Doing Business</td>
<td>• System Solutions</td>
<td>• Strategic Supply Chain</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Strong Distribution</td>
<td>• Value Pricing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Grow Share</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Engineering Expertise</td>
<td></td>
</tr>
</tbody>
</table>

Parker Culture

Global Systems Leader
Diversified Portfolio
Clear Competitive Advantages
Growth Acceleration
Continued Margin Expansion
Thank You
Engineered Materials Group

$1.5 billion in annual sales*

Nine divisions
56 worldwide locations

8,000+ team members

*FY18 Guidance
What is Materials Science?
Scientific Study of the Properties and Applications of:

- Metals
- Polymers
- Ceramics
- Composites
How Do We Leverage Materials Science?

Sealing Products

Electromagnetic Interference Shielding Products

Thermal Management Products
Market Focused Engineering Approach

- Aerospace
- Automotive
- Military
- Heavy Duty
- Oil & Gas
- Telecommunications
Automotive Solutions

- Collision avoidance & Lidar systems
- Fuel delivery systems
- Engine & transmission systems
Heavy Duty Solutions

- Collision avoidance & Lidar systems
- Fuel delivery systems
- Engine & transmission systems
Aerospace Solutions

- Wing sealing & shielding systems
- Engine components
- Fluid conveyance systems
Addressing Industry Trends
Through Compelling Value Propositions

Extreme Environments
Additive Manufacturing
Electrification
Collaborative Robotics
Competitive Differentiators

How We Win

- Over 80% of portfolio protected w/ patents & trade secrets
- Global manufacturing footprint
- Largest distribution network in the industry
- Dedicated market focused sales force

Key Technologies

- Advanced technology development platforms
- Model based systems Engineering
- Collaborative robotics
- Additive/3D manufacturing
Key Takeaways
Focus on Win Strategy Execution

The Win Strategy™
Our Vision: Engineering Your Success

Goals

- Engaged People
  - Environmental, Health & Safety
  - Entrepreneurial
  - High Performance Teams & Leaders

- Premier Customer Experience
  - Quality Solutions On Time
  - eBusiness Leadership
  - Ease of Doing Business

- Profitable Growth
  - Organic Growth
    - Market-Driven Innovation
    - System Solutions
    - Strong Distribution
    - Grow Share
    - Engineering Expertise

- Financial Performance
  - Simplification
  - Lean Enterprise
  - Strategic Supply Chain
  - Value Pricing

Parker Culture

Materials Science Expertise
Market Focused Engineering
Global Distribution Network
Connectivity Across Groups
Continued Margin Expansion
Thank You
Filtration Group

Investor Meeting 2018

Rob Malone
Vice President & President, Filtration Group
Parker Filtration Group

$2.7 billion in annual sales*

10,000+ team members

18 divisions, 64 worldwide locations

Filtration Technology Center

*FY18 Guidance
Competitive Differentiators
The most diverse industrial filtration company in the world

Aftermarket
- Application & Coverage

Original Equipment
- Channel Strength

Technology & Media Leader

Distribution Capabilities

Diverse Portfolio

Global Presence
Compelling Value Proposition
Protect Assets & Purify Liquids and Gases

Proprietary media technology

- Materials science
- Forming & converting methods
- Surface modification
- Advanced composite techniques

Packaging filter elements

Replacement elements
Filtration Technology Platforms

Strong recurring revenue

- Engine & Mobile
- Hydraulic
- Industrial Air
- Process
Balanced End Market Exposure

- Transportation
- In-Plant
- Industrial Processing

- Construction & Mining
- Power Generation
- HVAC
Industry Leading Coverage
Applications Enhanced by CLARCOR Acquisition

Engine & Mobile
North American Aftermarket Coverage

Parker (Pre-acquisition) 12%  
Parker Today 84%
Interconnected Technologies
Complementary Expertise in Motion & Control

OBIGGs: On-Board Inert Gas Generation
A filtration solution keeping the skies safer.
CLARCOR Year One Takeaways

- Highly focused growth organization
- Greater opportunity to drive Win Strategy efficiencies
- Cultural alignment exceeding expectations
- Customer enthusiasm stronger than expected
- Strength of aftermarket distribution
# Integration Progress & Process

## Bigger & Faster

<table>
<thead>
<tr>
<th>Original FY20 Targets</th>
<th>Updated FY20 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Cost synergies of $140M</td>
<td>▪ Cost synergies of $160M</td>
</tr>
<tr>
<td>▪ EPS accretive in year 1, excluding one-time costs</td>
<td>▪ Revenue synergies of $100M</td>
</tr>
<tr>
<td>▪ EBITDA margin accretive</td>
<td>▪ EPS accretive in year 1, excluding one-time costs</td>
</tr>
<tr>
<td>▪ High single-digit ROIC in year 5 with continued expansion</td>
<td>▪ EBITDA margin accretive</td>
</tr>
<tr>
<td></td>
<td>▪ High single-digit ROIC in year 5 with continued expansion</td>
</tr>
</tbody>
</table>
CLARCOR Cost Synergy Update

<table>
<thead>
<tr>
<th>Cost Synergies</th>
<th>Progress Against Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Footprint</td>
<td>Closing 22 plants, total of 2.3m square feet</td>
</tr>
<tr>
<td>Productivity</td>
<td>Improved sales/employee ratio by 20%</td>
</tr>
<tr>
<td>Material Costs</td>
<td>Reduced direct material spend by 6%</td>
</tr>
<tr>
<td>Logistics</td>
<td>Reduced freight costs by 14%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>Eliminated CLC corporate office &amp; overhead</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings (run rate)</td>
<td>--</td>
<td>$58M</td>
<td>$125M</td>
<td>$160M</td>
</tr>
<tr>
<td>Costs to Achieve (annual)</td>
<td>$23M</td>
<td>$52M</td>
<td>$10M</td>
<td>$5M</td>
</tr>
</tbody>
</table>
CLARCOR Revenue Synergies

Areas of Opportunity

- Leverage Parker’s international sales network
- Expand product to existing customers
- Develop next generation specifications
- Build upon first-fit customer relationships
- Expand relationships as primary supplier
- Displace competition as new primary supplier
- Add new distributors

### Revenue Synergy (run rate)

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25M</td>
<td>$75M</td>
<td>$100M</td>
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</tbody>
</table>
Key Takeaways
Focus on Win Strategy Execution

The Win Strategy™
Our Vision: Engineering Your Success

Goals

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</tr>
<tr>
<td></td>
<td></td>
<td>• Engineering Expertise</td>
<td></td>
</tr>
</tbody>
</table>

Parker Culture

Unrivaled Breadth of Product

Broad Aftermarket Coverage

Technology & Media Leader

Integration & Synergies Ahead

Continued Margin Expansion
Thank You
Closing Comments

Investor Meeting 2018

Tom Williams
Chairman & Chief Executive Officer

ENGINEERING YOUR SUCCESS.
The Win Strategy
Our Vision: Engineering Your Success

Goals

Engaged People
- Environmental, Health & Safety
- Entrepreneurial
- High Performance Teams & Leaders

Premier Customer Experience
- Quality Solutions On Time
- eBusiness Leadership
- Ease of Doing Business

Profitable Growth
- Market-Driven Innovation
- System Solutions
- Strong Distribution
- Grow Share
- Engineering Expertise

Financial Performance
- Simplification
- Lean Enterprise
- Strategic Supply Chain
- Value Pricing

Parker Culture

SEPTEMBER 2015
Key Messages

- Substantial progress against FY20 targets
- CLARCOR synergies ahead of initial targets
- Strength and interconnectivity of Parker portfolio
- New 5 year targets. Raising performance bar.
- Capital allocation – Great generators and deployers of cash
- New Win Strategy™ is working…early days still
# Updated Corporate Targets

<table>
<thead>
<tr>
<th></th>
<th>FY20 Targets</th>
<th>FY23 Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth</strong></td>
<td>150 bps &gt; GIPI</td>
<td>150 bps &gt; GIPI</td>
</tr>
<tr>
<td><strong>Segment OM%</strong></td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>------</td>
<td>20%</td>
</tr>
<tr>
<td><strong>FCF Conversion</strong></td>
<td>&gt; 100%</td>
<td>&gt; 100%</td>
</tr>
<tr>
<td><strong>EPS CAGR</strong></td>
<td>8%</td>
<td>10%+</td>
</tr>
</tbody>
</table>
Thomas Williams
Chairman & Chief Executive Officer

Thomas Williams is Chairman & Chief Executive Officer of Parker Hannifin Corporation in Cleveland, Ohio.

Previous to his most recent position, he was Executive Vice President and Operating Officer with responsibility for Parker’s Aerospace, Engineered Materials, Filtration, Instrumentation and Asia Pacific groups, along with the Strategic Pricing department.

Mr. Williams has demonstrated successful leadership in two of Parker’s operating groups, as Vice President of Operations for the Hydraulics Group and then President of the Instrumentation Group.

Mr. Williams joined Parker in 2003. Prior to that, he held a number of key management positions at General Electric.

Mr. Williams earned a Mechanical Engineering degree from Bucknell University and his MBA from Xavier University.
Lee Banks
President & Chief Operating Officer

Lee Banks joined Parker Hannifin in 1991 and is currently the President and Chief Operating Officer of the corporation.

Mr. Banks joined Parker Hannifin as an After Market Sales Manager in the Refrigeration and Air Conditioning Group. He subsequently held positions as General Manager of the Fluidex Division in Madison, Mississippi, General Manager of the Skinner Valve Division in Hartford, Connecticut, Vice President of Operations for the Climate & Industrial Controls Group, Worldwide President of the Instrumentation Group, Worldwide President of the Hydraulics Group and Executive Vice President & Operating Officer at the Corporate Headquarters in Cleveland, Ohio.

Mr. Banks graduated from DePauw University with a B.A. in Economics and also holds an MBA from the Keller Graduate School of Management in Chicago.
Catherine Suever
EVP Finance & Administration and Chief Financial Officer

Catherine Suever is Executive Vice President Finance & Administration and Chief Financial Officer of the Corporation. She is a member of the Office of the Chief Executive and leads all Finance functions in addition to IT, Investor Relations, Business Development, and Strategy.

Ms. Suever joined Parker in 1987 in External Reporting. She moved into operations as Division Controller, followed by Business Unit Manager of the Gas Turbine Fuel Systems Division. She subsequently held positions of increasing responsibility as Director, Finance and Investor Relations Support; Assistant Treasurer; Vice President and Controller of the Climate & Industrial Controls Group; and Vice President, Corporate Controller & Chief Accounting Officer.

Ms. Suever started her career at Price Waterhouse. She is a Certified Public Accountant and holds a Bachelor of Science in Accounting from the University of Dayton.
Roger Sherrard
Vice President & President, Aerospace Group

Roger Sherrard Vice President and President of Parker’s Aerospace Group. As president, Mr. Sherrard is responsible for all fiscal and operational aspects of the group's eight divisions.

Beginning with Parker’s Compumoter Division in 1989, Mr. Sherrard held positions of increasing responsibility with the division. He has also served as general manager for the Automation Actuator Division and as president of Parker’s Instrumentation Group.

Most recently, Mr. Sherrard served as president of Parker’s Automation Group, leading the group in the development, manufacturing, and marketing of systems and components for a wide range of machine and factory automation solutions.

Mr. Sherrard earned a bachelor of science degree in mechanical engineering from Georgia Institute of Technology in Atlanta and an MBA from Case Western Reserve University in Cleveland, Ohio.
Jennifer Parmentier
Vice President & President, Engineered Materials Group

Jennifer Parmentier is Vice President and President of Parker’s Engineered Materials Group (EMG). Previously Ms. Parmentier was General Manager at Parker’s Hose Products Division and prior to that she was General Manager of the Sporlan Division. She joined Parker in 2008 from Trane, a business of Ingersoll Rand Corporation.

Ms. Parmentier began her professional career in 1986 as a Material Planner/Expeditor at Lear Siegler Corporation. She joined Magna-Integram St. Louis Seating where she held positions of increasing responsibility including Materials Manager and Assistant General Manager. She subsequently worked as a Plant Manager for Trane Residential Systems before joining Parker’s Sporlan Division.

Ms. Parmentier graduated from Webster University in St. Louis with a B.A. in Management, and will soon earn an Executive MBA at the Loyola Quinlan School of Business, in Chicago.
Robert Malone
Vice President & President, Filtration Group

Robert Malone is Vice President and President of Parker Hannifin’s Filtration Group. In his role, Malone oversees Parker Hannifin’s global filtration operations across 18 divisions.

Mr. Malone joined Parker Hannifin in 2013 as Vice President of Operations for the Filtration Group, where he was responsible for five of the group's divisions and served as an executive group sponsor for several global filtration platforms. Prior to joining Parker Hannifin, Mr. Malone was President and Chief Executive Officer at Purolator Filters North America LLC, where he was responsible for Purolator branded and private label oil, fuel and air filters, for major North American OEM and aftermarket customers.

Mr. Malone holds a Bachelor’s degree in Industrial Engineering from Purdue University and a joint Master’s of Business Administration and Engineering degree from Northwestern University’s Kellogg School of Management.
Appendix

- Reconciliation of Organic Sales Growth
- Reconciliation of Segment Operating Margin
- Reconciliation of EBITDA to Adjusted EBITDA
- Reconciliation of Free Cash Flow Conversion
- Reconciliation of Forecasted EPS
## Reconciliation of Organic Sales Growth

(Unaudited)
(Dollars in millions)

<table>
<thead>
<tr>
<th>Sales</th>
<th>June 30, 2014</th>
<th>June 30, 2015</th>
<th>June 30, 2016</th>
<th>June 30, 2017</th>
<th>June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Reported</td>
<td>13,215</td>
<td>12,712</td>
<td>11,361</td>
<td>12,029</td>
<td>14,088</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>15</td>
<td>42</td>
<td>558</td>
<td>977</td>
<td></td>
</tr>
<tr>
<td>Currency</td>
<td>(546)</td>
<td>(404)</td>
<td>(84)</td>
<td>297</td>
<td></td>
</tr>
<tr>
<td>Organic Sales</td>
<td>13,243</td>
<td>11,723</td>
<td>11,556</td>
<td>12,814</td>
<td></td>
</tr>
<tr>
<td>Organic Sales Growth</td>
<td>0.2%</td>
<td>-7.7%</td>
<td>1.7%</td>
<td>6.5%</td>
<td></td>
</tr>
</tbody>
</table>
Reconciliation of Segment Operating Margin

(Unaudited)
(Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Twelve Months Ended June 30, 2015</th>
<th>Twelve Months Ended June 30, 2016</th>
<th>Twelve Months Ended June 30, 2017</th>
<th>Twelve Months Ended June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operating Margin</td>
<td>Operating Margin</td>
<td>Operating Margin</td>
<td>Operating Margin</td>
</tr>
<tr>
<td>Total Segment Operating Income</td>
<td>1,838</td>
<td>14.5%</td>
<td>1,576</td>
<td>13.9%</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Realignment Charges</td>
<td>32</td>
<td>107</td>
<td>56</td>
<td>58</td>
</tr>
<tr>
<td>Acquisition Related Expenses</td>
<td>-</td>
<td>-</td>
<td>58</td>
<td>-</td>
</tr>
<tr>
<td>Clarcor Costs to Achieve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>52</td>
</tr>
<tr>
<td>Voluntary Retirement Expense</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Total Segment Operating Income</td>
<td>1,888</td>
<td>14.9%</td>
<td>1,682</td>
<td>14.8%</td>
</tr>
</tbody>
</table>
Reconciliation of EBITDA to Adjusted EBITDA

(Unaudited)
(Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Twelve Months Ended June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>14,088</td>
</tr>
<tr>
<td>Earnings before Income Taxes</td>
<td>1,668</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>482</td>
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<tr>
<td>Interest Expense</td>
<td>212</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,361</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
</tr>
<tr>
<td>Gain on sale and writedown of assets, net</td>
<td>5</td>
</tr>
<tr>
<td>Business realignment charges</td>
<td>58</td>
</tr>
<tr>
<td>Clarcor costs to achieve</td>
<td>52</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>2,477</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>17.6%</td>
</tr>
</tbody>
</table>
Reconciliation of Free Cash Flow Conversion

(Unaudited)
(Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td>509</td>
<td>554</td>
<td>1,049</td>
<td>1,152</td>
<td>948</td>
<td>1,041</td>
<td>1,012</td>
<td>807</td>
<td>983</td>
<td>1,032</td>
</tr>
<tr>
<td><strong>Cash Flow from Operations</strong></td>
<td>1,129</td>
<td>1,219</td>
<td>1,167</td>
<td>1,530</td>
<td>1,191</td>
<td>1,388</td>
<td>1,363</td>
<td>1,211</td>
<td>1,302</td>
<td>1,434</td>
</tr>
<tr>
<td><strong>Capital Expenditures</strong></td>
<td>271</td>
<td>129</td>
<td>207</td>
<td>219</td>
<td>266</td>
<td>216</td>
<td>216</td>
<td>149</td>
<td>204</td>
<td>298</td>
</tr>
<tr>
<td><strong>Discretionary Pension</strong></td>
<td>-</td>
<td>100</td>
<td>400</td>
<td>-</td>
<td>226</td>
<td>75</td>
<td>-</td>
<td>200</td>
<td>220</td>
<td>-</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>858</td>
<td>1,190</td>
<td>1,360</td>
<td>1,312</td>
<td>1,151</td>
<td>1,247</td>
<td>1,148</td>
<td>1,261</td>
<td>1,319</td>
<td>1,135</td>
</tr>
<tr>
<td><strong>Free Cash Flow Conversion (Free Cash Flow/Net Income)</strong></td>
<td>169%</td>
<td>215%</td>
<td>130%</td>
<td>114%</td>
<td>121%</td>
<td>120%</td>
<td>113%</td>
<td>156%</td>
<td>134%</td>
<td>110%</td>
</tr>
</tbody>
</table>
Reconciliation of Forecasted EPS

(Unaudited)
(Amounts in Dollars)

<table>
<thead>
<tr>
<th>Twelve Months Ended June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per Diluted Share</td>
</tr>
<tr>
<td>Adjustments</td>
</tr>
<tr>
<td>Business Realignment Charges</td>
</tr>
<tr>
<td>Clarcor Costs to Achieve</td>
</tr>
<tr>
<td>Gain on Sale and Writedown of Assets, net</td>
</tr>
<tr>
<td>U.S. Tax Reform One-Time Impact, net</td>
</tr>
<tr>
<td>Adjusted Earnings per Diluted Share</td>
</tr>
</tbody>
</table>