PARKER HANNIFIN CORPORATION

Fiscal 2026 First Quarter Earnings Presentation

November 6, 2025

Parker

ENGINEERING YOUR SUCCESS.

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, including the integration of Curtis Instruments, Inc; 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, 2025 and other periodic filings made with the SEC.

This presentation contains references to non-GAAP financial information including adjusted net income, organic sales growth, adjusted earnings per share, adjusted segment operating margin for Parker and by segment, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow, 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. Although the above listed measures 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 for more information.

Operational Excellence Powered by The Win Strategy

Great Start to the Fiscal Year

- Top quartile safety performance
- Record Sales of $5.1B, +5% organic growth[1]
- Record Adjusted Earnings Per Share of $7.22[1]
- Record Cash from Operating Activities of $782M
- Completed Acquisition of Curtis Instruments

FY26 Q1 Highlights

20% Reduction in Recordable Incident Rate	**$5.1B** Sales +3.7% Reported +5.0% Organic[1]
27.4% Adjusted Segment Operating Margin[1] +170 bps	**27.3%** Adjusted EBITDA Margin[1] +240 bps
16% Adjusted EPS Growth[1]	**$782M** YTD CFOA

1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.
Note: FY26 Q1 As Reported: Segment Operating Margin of 24.2%, EBITDA Margin of 27.0%, Net Income of $808M, EPS growth of 17.8%.

Parker Welcomes Curtis Instruments - Day One Events

New York

Puerto Rico

UK

China

Bulgaria

New York

Why We Win

Strong Competitive Advantages

The Win Strategy™

Parker's Business System

Decentralized structure, strategic positioning & operational excellence

Innovative Products

Deep customer partnership to uncover unmet needs

Application Engineering

Technical expertise creates competitive advantage

Interconnected Technologies

Enables comprehensive solutions for customers

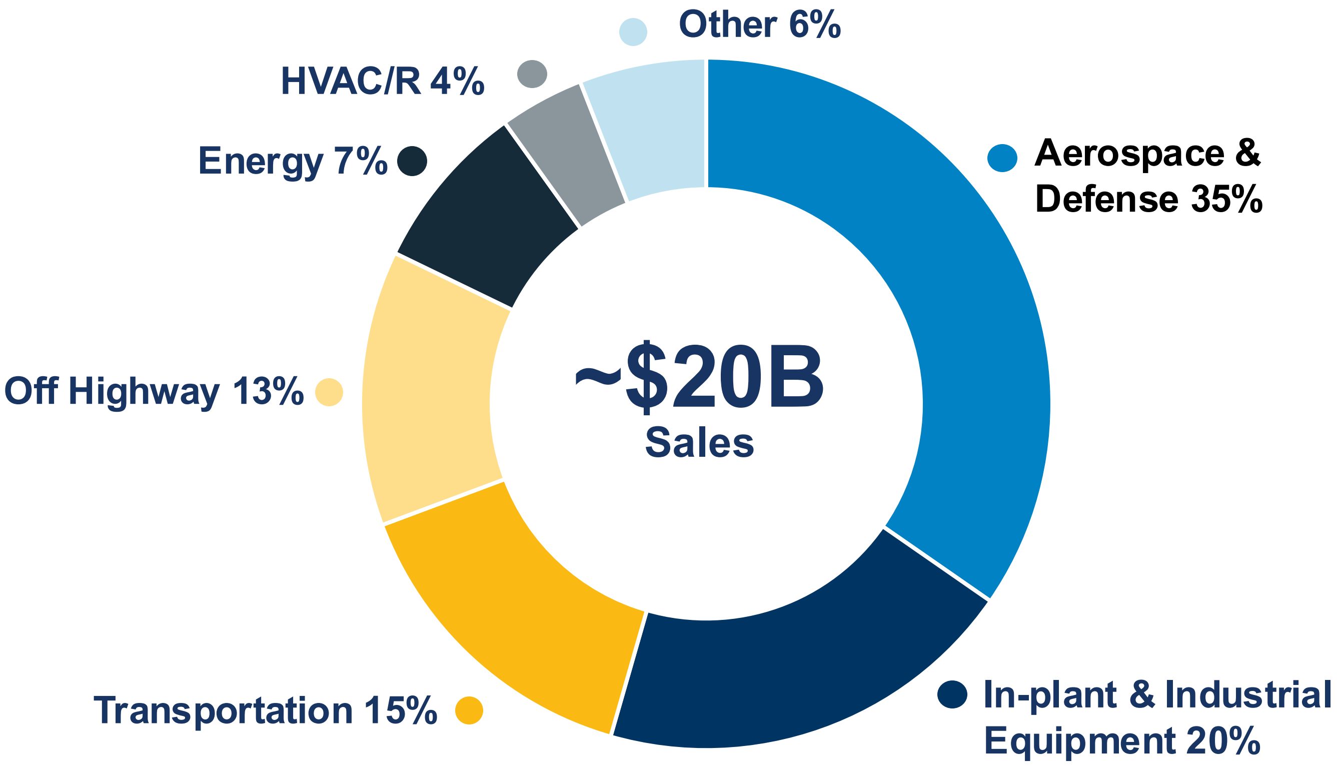
Distribution Network

Serving global aftermarket & small to mid-sized OEMs

#1 Position in Motion & Control Industry

>90% of Sales Comes from 6 Market Verticals

~$145B Market Size



- Interconnected technologies and solutions across market verticals
- 2/3 of our revenue comes from customers who buy 4 or more technologies
- Growth focused on faster growing, longer cycle markets and secular trends

Note: Sales and market sizes as of FY25. Aerospace & Defense market includes sales reported both in the Aerospace Systems segment and Diversified Industrial segment.

Energy Market Solutions

Gas Turbine Power Generation

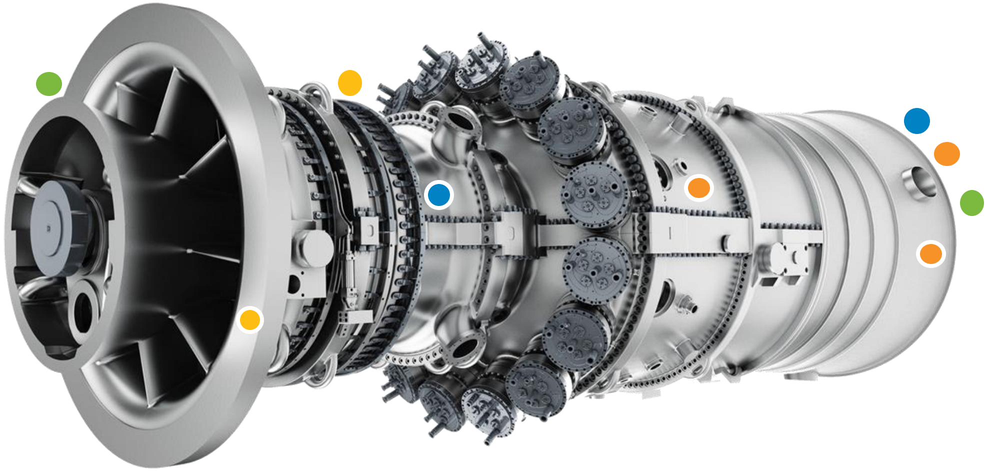
Parker Technology Platforms

Flow and Process Control
Instrumentation tube fittings
Fuel metering valves
Hydraulic tube fittings

Motion Systems
Accumulators
Hydraulic cylinders
Vibration & pressure sensors
Servo valves

Filtration & Engineered Materials
Medium pressure filters
Natural gas filters
Liquid fuel & cartridge filters
Casing & turbine seals

Aerospace
Combustion fuel nozzles
Igniters



A Powerhouse of Interconnected Technologies

- Comprehensive offering with proprietary designs
- Strong positions with industry leaders
- Long cycle with multi-year backlog
- Durable aftermarket annuity
- Products and technology shared across aerospace and industrial markets

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SUMMARY OF FISCAL 2026 1ST QUARTER HIGHLIGHTS

FY26 Q1 Financial Summary

Sales Growth and Margin Expansion Fuels Mid-teens EPS Growth

$ Millions, except per share amounts	FY26 Q1 As Reported	FY26 Q1 Adjusted[1]	FY25 Q1 Adjusted[1]	YoY Change Adjusted[1]
Sales	$5,084	**$5,084**	$4,904	**+4%**
Segment Operating Margin	24.2%	**27.4%**	25.7%	**+170 bps**
EBITDA Margin	27.0%	**27.3%**	24.9%	**+240 bps**
Net Income	$808	**$927**	$810	**+14%**
EPS	$6.29	**$7.22**	$6.20	**+16%**

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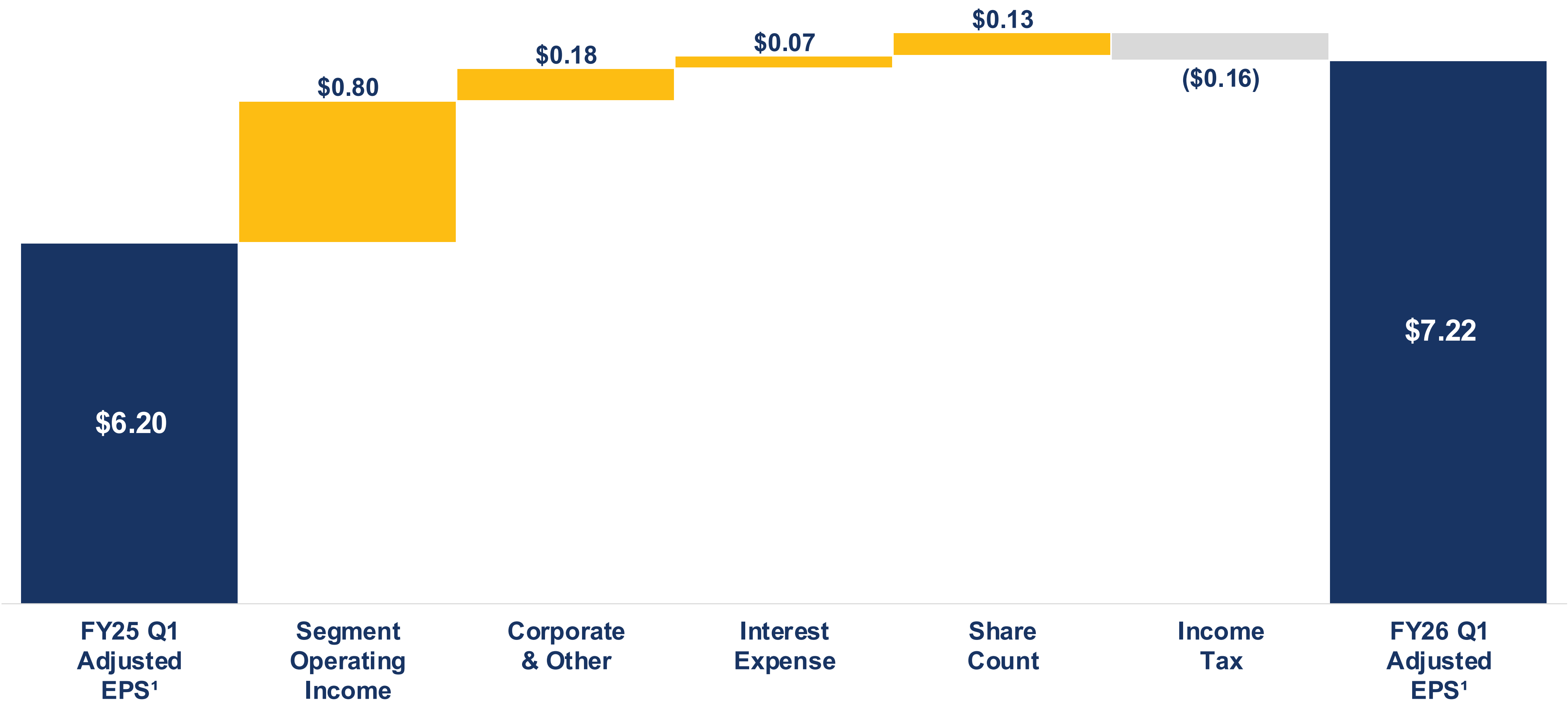
1. Sales figures As Reported. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.
Note: FY25 Q1 As Reported: Segment Operating Margin of 22.6%, EBITDA Margin of 24.8%, Net Income of $698M, EPS of $5.34.

FY26 Q1 Adjusted Earnings per Share Bridge



1. FY25 Q1 As Reported EPS of $5.34. FY26 Q1 As Reported EPS of $6.29. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

FY26 Q1 Segment Performance

		Sales As Reported $ Organic %[1]	Segment Operating Margin As Reported	Segment Operating Margin Adjusted[1]	Order Rates[2]	Commentary
Diversified Industrial	**North America Businesses**	$2,044M **+2% Organic**	24.8%	27.0% **+170 bps YoY**	+3%	• Organic growth turned positive driven by Aerospace & Defense, In-Plant, and improvement in Off-Highway • Record adjusted segment operating margin • Order rates increased 3%
Diversified Industrial	**International Businesses**	$1,399M **+1% Organic**	22.4%	25.0% **+90 bps YoY**	+6%	• Record sales and adjusted segment operating margin • Organic growth 1% positive: 6% APAC; (3%) EMEA; 0% LA • Order rates increased 6%
	Aerospace Systems	$1,641M **+13% Organic**	25.0%	30.0% **+210 bps YoY**	+15%	• Record sales propelled by ~20% OEM growth • Record adjusted segment operating margin • Record backlog
	Parker	$5,084M **+5% Organic**	24.2%	27.4% **+170 bps YoY**	+8%	• Record sales with 5% organic growth • Record adjusted segment operating margin • Order rates increased across all reported businesses

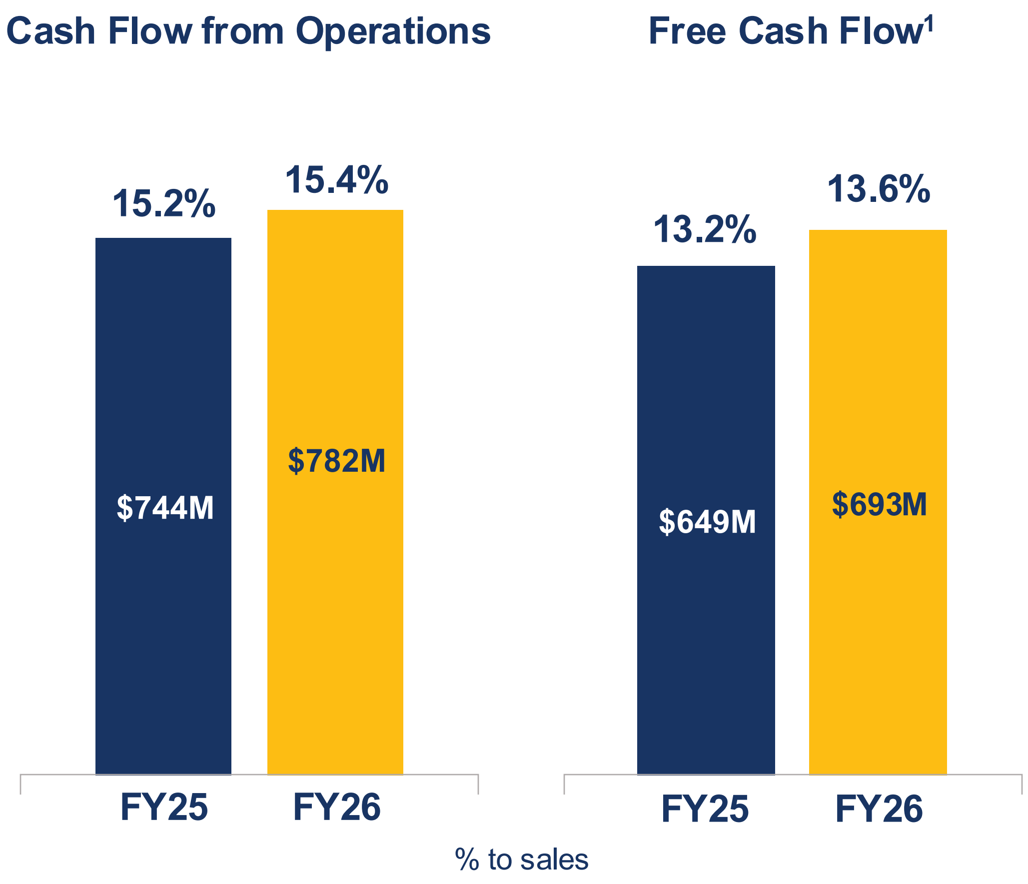
1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.
2. All comparisons are at constant currency exchange rates; with the prior year quarter restated to the current-year rates and exclude previously completed divestitures. Diversified Industrial orders are rolling 3-month average computations and Aerospace Systems are rolling 12-month average computations

FY26 Q1 Cash Flow Performance

Cash Flow Highlights

$782M Cash Flow from Operations +5% growth	**15.4%** Cash Flow from Operations Margin
$693M Free Cash Flow[1] +7% growth	**13.6%** Free Cash Flow Margin[1]

$475M Share Repurchases[2]



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

FY26 GUIDANCE

FY26 Organic Sales Growth Guidance

Key Market Verticals	% of Sales[1]	Commentary	Previous FY26 Guidance[2]	Current FY26 Guidance[2]
Aerospace & Defense	~35%	• Continued commercial OEM and aftermarket strength	~8.0%	**~9.5%**
In-Plant & Industrial	~20%	• Sentiment remains positive with continued quoting activity • Customer capex spending remains selective	LSD	**LSD**
Transportation	~15%	• Remains most challenged market • Auto and truck markets remained pressured	(MSD)	**(MSD)**
Off-Highway	~13%	• Gradual recovery progresses in construction • Ag challenges persist	(LSD)	**Neutral**
Energy	~7%	• Power gen seeing robust activity • Oil and gas pressured with lower oil prices	LSD	**LSD**
HVAC/R	~4%	• Strength in commercial, refrigeration, and filtration • New business wins with filtration technologies	LSD	**MSD**

1. % of sales as of FY25
2. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

Increasing Organic Sales Growth Guidance from 3% to 4%

FY26 Guidance

Raising Sales, Margin, EPS, and Free Cash Flow

Guidance Metric	Previous FY26 Full Year	Updated FY26 Full Year	Full Year Assumptions	FY26 Q2 Midpoint
Reported Sales Growth	2% - 5%	**4% - 7%**	• Currency favorable ~1.5% • Acquisitions ~1%; Divestitures ~(1%) • Split: 1H: 48% | 2H: 52%	**~6.5%**
Organic Sales Growth[1]	1.5% - 4.5%	**2.5% - 5.5%**	• ~9.5% Aerospace organic growth • ~2% Industrial North America organic growth • ~1% Industrial International organic growth	**~4.0%**
Adj. Operating Margin[1]	26.3% - 26.7%	**26.8% - 27.2%**	• 90 bps margin expansion • ~40% incremental margin	**~26.6%**
Adj. EPS[1]	$28.40 - $29.40	**$29.60 - $30.40**	• $30.00 Adj. EPS Midpoint • Tax rate: ~22.5% • Split: 1H: 48% | 2H: 52%	**$7.10**
Free Cash Flow[1]	$3.0B - $3.4B	**$3.1B - $3.5B**	• CapEx: ~2.5% of sales • ~100% FCF Conversion	**- -**

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

What Drives Parker

- Safety, Engagement, Ownership
- Living up to Our Purpose
- Top Quartile Performance
- Great Generators & Deployers of Cash

PH LISTED NYSE

UPCOMING EVENT CALENDAR

FY26 Q2 Earnings Release	January 29, 2026
FY26 Q3 Earnings Release	April 30, 2026

Appendix

- FY26 Guidance Details
- Reconciliation of Q1 Organic Growth
- Adjusted Amounts Reconciliation – Q1 Consolidated Statement of Income
- Adjusted Amounts Reconciliation – Q1 Segment Operating Income
- Reconciliation of EBITDA to Adjusted EBITDA
- Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin
- Supplemental Sales Information
- Reconciliation of FY26 Q2 Guidance
- Current Reconciliation of FY26 Guidance
- Previous Reconciliation of FY26 Guidance (from August 7, 2025)

FY26 Guidance Details

Sales Growth vs. Prior Year	As Reported	Organic[1]
Diversified Industrial Segment		
North America Businesses	0.5% - 3.5%	0.5% - 3.5%
International Businesses	4.5% - 7.5%	(0.5%) - 2.5%
Aerospace Systems Segment	8.5% - 11.5%	8.0% - 11.0%
Parker	**4.0% - 7.0%**	**2.5% - 5.5%**

Segment Operating Margins	As Reported	Adjusted[1]
Diversified Industrial Segment		
North America Businesses	23.7% – 24.1%	26.3% - 26.7%
International Businesses	22.0% - 22.4%	24.8% - 25.2%
Aerospace Systems Segment	24.7% - 25.1%	29.3% - 29.7%
Parker	**23.6% - 24.0%**	**26.8% - 27.2%**

Earnings Per Share	As Reported	Adjusted[1]
Range	**$25.53 - $26.33**	**$29.60 - $30.40**

Additional Items	As Reported
Corporate G&A	**~$200M**
Interest Expense	**~$420M**
Other (Income) Expense	**~$90M**
Tax Rate	**~22.5%**
Diluted Shares Outstanding	**~128.4M**

Detail of Pre-Tax Adjustments to:	Segment Margins	Below Segment[2]
Acquired Intangible Asset Amortization	**~$584M**	—
Business Realignment & Other	**~$70M**	—
Integration Costs to Achieve	**~$15M**	—
Acquisition Related Expenses	**~$12M**	**~$13M**
Gain on Insurance Recoveries	—	**~($20M)**

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1. Includes certain non-GAAP adjustments and financial measures.
2. Expenses incurred to date.

Reconciliation of Q1 Organic Growth

Parker Hannifin Corporation
Sales by Segment - Adjusted
(Dollars in millions)
(Unaudited)

	Quarter-to-Date				
	As reported	Currency	Divestitures	Acquisitions	**Organic**
Diversified Industrial:					
North America businesses	(2.7)%	0.0 %	(5.1)%	0.3 %	**2.1 %**
International businesses					
Europe	2.0 %	4.3 %	0.0 %	0.3 %	**(2.6)%**
Asia Pacific	5.2 %	(1.5)%	0.0 %	0.6 %	**6.1 %**
Latin America	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**
International businesses	3.2 %	1.8 %	0.0 %	0.4 %	**1.0 %**
Total Diversified Industrial	(0.4)%	0.7 %	(3.1)%	0.3 %	**1.7 %**
Aerospace Systems	13.3 %	0.5 %	0.0 %	0.0 %	**12.8 %**
Total Parker Hannifin	3.7 %	0.7 %	(2.2)%	0.2 %	**5.0 %**

Adjusted Amounts Reconciliation
Q1 Consolidated Statement of Income

Parker Hannifin Corporation
Consolidated Statement of Income - Adjusted
Quarter-to-Date
(Dollars in millions, except per share data)
(Unaudited)

Quarter-to-Date FY 2026

	As Reported September 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Costs to Achieve	Acquisition Related Expenses	Gain on Insurance Recoveries	Adjusted September 30, 2025	% of Sales
Net sales	$ 5,084	100.0 %	$ -	$ -	$ -	$ -	$ -	**$ 5,084**	**100.0 %**
Cost of sales	3,177	62.5 %	22	9	-	1	-	**3,145**	**61.9 %**
Selling, general and admin. expenses	873	17.2 %	118	6	6	13	-	**730**	**14.4 %**
Interest expense	101	2.0 %	-	-	-	-	-	**101**	**2.0 %**
Other (income) expense, net	(107)	(2.1)%	-	-	-	-	(20)	**(87)**	**(1.7)%**
Income before income taxes	1,040	20.5 %	(140)	(15)	(6)	(14)	20	**1,195**	**23.5 %**
Income taxes	232	4.6 %	33	4	1	3	(5)	**268**	**5.3 %**
Net income	808	15.9 %	(107)	(11)	(5)	(11)	15	**927**	**18.2 %**
Less: Noncontrolling interests	-	0.0 %	-	-	-	-	-	**-**	**0.0 %**
Net income - common shareholders	$ 808	15.9 %	$ (107)	$ (11)	$ (5)	$ (11)	$ 15	**$ 927**	**18.2 %**
Diluted earnings per share	$ 6.29		$ (0.83)	$ (0.09)	$ (0.04)	$ (0.09)	$ 0.12	**$ 7.22**	

Quarter-to-Date FY 2025

	As Reported September 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Building	Adjusted September 30, 2024	% of Sales
Net sales	$ 4,904	100.0 %	$ -	$ -	$ -	$ -	**$ 4,904**	**100.0 %**
Cost of sales	3,098	63.2 %	23	5	-	-	**3,070**	**62.6 %**
Selling, general and admin. Expenses	849	17.3 %	117	4	6	-	**722**	**14.7 %**
Interest expense	113	2.3 %	-	-	-	-	**113**	**2.3 %**
Other (income) expense, net	(31)	(0.6)%	-	1	-	(10)	**(22)**	**(0.4)%**
Income before income taxes	875	17.8 %	(140)	(10)	(6)	10	**1,021**	**20.8 %**
Income taxes	177	3.6 %	33	2	1	(2)	**211**	**4.3 %**
Net income	698	14.2 %	(107)	(8)	(5)	8	**810**	**16.5 %**
Less: Noncontrolling interests	-	0.0 %	-	-	-	-	**-**	**0.0 %**
Net income - common shareholders	$ 698	14.2 %	$ (107)	$ (8)	$ (5)	$ 8	**$ 810**	**16.5 %**
Diluted earnings per share	$ 5.34		$ (0.82)	$ (0.06)	$ (0.04)	$ 0.06	**$ 6.20**	

Adjusted Amounts Reconciliation
Q1 Segment Operating Income

Parker Hannifin Corporation
Segment Operating Income - Adjusted
Quarter-to-Date
(Dollars in millions)
(Unaudited)

	Quarter-to-Date FY 2026								
	As Reported September 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Costs to Achieve	Acquisition Related Expenses	Gain on Insurance Recoveries	Adjusted September 30, 2025	% of Sales[2]
Diversified Industrial:									
North America businesses[1]	$ 507	24.8%	$ 42	$ 1	$ 1	$ 1	$ -	**$ 552**	**27.0%**
International businesses[1]	314	22.4%	22	13	1	-	-	**350**	**25.0%**
Total Diversified Industrial[1]	821	23.8%	64	14	2	1	-	**902**	**26.2%**
Aerospace Systems[1]	411	25.0%	76	1	4	-	-	**492**	**30.0%**
Total segment operating income	1,232	24.2%	(140)	(15)	(6)	(1)	-	**1,394**	**27.4%**
Corporate administration	49	1.0%	-	-	-	-	-	**49**	**1.0%**
Income before interest and other	1,183	23.3%	(140)	(15)	(6)	(1)	-	**1,345**	**26.4%**
Interest expense	101	2.0%	-	-	-	-	-	**101**	**2.0%**
Other (income) expense	42	0.8%	-	-	-	13	(20)	**49**	**1.0%**
Income before income taxes	$ 1,040	20.5%	$ (140)	$ (15)	$ (6)	$ (14)	$ 20	**$ 1,195**	**23.5%**

	Quarter-to-Date FY 2025								
	As Reported September 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Building		Adjusted September 30, 2024	% of Sales[2]
Diversified Industrial:									
North America businesses[1]	$ 485	23.1%	$ 43	$ 3	$ 1	$ -		**$ 532**	**25.3%**
International businesses[1]	299	22.1%	22	6	-	-		**327**	**24.1%**
Total Diversified Industrial[1]	784	22.7%	65	9	1	-		**859**	**24.8%**
Aerospace Systems[1]	323	22.3%	75	-	5	-		**403**	**27.9%**
Total segment operating income	1,107	22.6%	(140)	(9)	(6)	-		**1,262**	**25.7%**
Corporate administration	49	1.0%	-	-	-	-		**49**	**1.0%**
Income before interest and other	1,058	21.6%	(140)	(9)	(6)	-		**1,213**	**24.7%**
Interest expense	113	2.3%	-	-	-	-		**113**	**2.3%**
Other (income) expense	70	1.4%	-	1	-	(10)		**79**	**1.6%**
Income before income taxes	$ 875	17.8%	$ (140)	$ (10)	$ (6)	$ 10		**$ 1,021**	**20.8%**

[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

Parker Hannifin Corporation
EBITDA & Adjusted EBITDA
(Dollars in millions)
(Unaudited)

	Three Months Ended September 30,			
	2025	**% of Sales**	**2024**	**% of Sales**
Net sales	$ 5,084	100.0%	$ 4,904	100.0%
Net income	$ 808	15.9%	$ 698	14.2%
Income taxes	232	4.6%	177	3.6%
Depreciation	92	1.8%	89	1.8%
Amortization	140	2.8%	140	2.9%
Interest expense	101	2.0%	113	2.3%
EBITDA	1,373	27.0%	1,217	24.8%
Adjustments:				
Business realignment charges	15	0.3%	10	0.2%
Costs to achieve	6	0.1%	6	0.1%
Acquisition related expenses	14	0.3%	-	0.0%
Gain on sale of building	-	0.0%	(10)	-0.2%
Gain on insurance recoveries	(20)	-0.4%	-	0.0%
EBITDA - Adjusted	$ 1,388	27.3%	$ 1,223	24.9%
EBITDA margin	27.0 %		24.8 %	
EBITDA margin - Adjusted	27.3 %		24.9 %	

Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin

(Unaudited)

(Dollars in millions)	Three Months Ended September 30,	
	2025	**2024**
Net Sales	**$5,084**	**$4,904**
Cash Flow from Operations	$782	$744
Capital Expenditures	($89)	($95)
Free Cash Flow	**$693**	**$649**
Cash Flow from Operations Margin	**15.4%**	**15.2%**
Free Cash Flow Margin	**13.6%**	**13.2%**

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Supplemental Sales Information

Global Technology Platforms

(Unaudited)
(Dollars in millions)

Net Sales	Three Months Ended September 30, 2025	2024
Diversified Industrial:		
Motion Systems	$ 824	$ 849
Flow and Process Control	1,158	1,126
Filtration and Engineered Materials	1,461	1,481
Aerospace Systems	1,641	1,448
Total	**$ 5,084**	**$ 4,904**

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Reconciliation of FY26 Q2 Guidance

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

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026 Q2
Forecasted earnings per diluted share	**~$6.01**
Adjustments:	
Business realignment charges	0.15
Amortization of acquired intangibles	1.15
Acquisition related expenses	0.06
Costs to achieve	0.03
Tax effect of adjustments[1]	(0.30)
Adjusted forecasted earnings per diluted share	**~$7.10**

RECONCILIATION OF FORECASTED SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026 Q2				
	Forecasted Net Sales	**Currency**	**Acquisitions**	**Divestitures**	**Adjusted Forecasted Net Sales**
Parker	~6.5%	~(2.0%)	~(1.5%)	~1.0%	~4.0%

RECONCILIATION OF FORECASTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026 Q2					
	Forecasted Segment Operating Margin	**Business Realignment Charges**	**Costs to Achieve**	**Acquisition-Related Intangible Asset Amortization Expense**	**Acquisition Related Expenses**	**Adjusted Forecasted Segment Operating Margin***
Parker	**~23.1%**	**~0.4%**	**~0.1%**	**~2.9%**	**~0.1%**	**~26.6%**

1. This line 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 cast the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

* Totals may not foot due to rounding

Current Reconciliation of FY26 Guidance

RECONCILIATION OF FORECASTED SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026				
	Forecasted Net Sales	Currency	Acquisitions	Divestitures	Adjusted Forecasted Net Sales
Diversified Industrial					
North America Businesses	0.5% to 3.5%	~(0.0)%	~(1.5%)	~1.5%	0.5% to 3.5%
International Businesses	4.5% to 7.5%	~(3.0%)	~(2.0%)	--	(0.5%) to 2.5%
Aerospace Systems	8.5% to 11.5%	~(0.5%)	--	--	8.0% to 11.0%
Parker	4.0% to 7.0%	~(1.5%)	~(1.0%)	~1.0%	2.5% to 5.5%

RECONCILIATION OF FORECASTED CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

(Unaudited)

(Dollars in millions)	Fiscal Year 2026
Cash flow from operations	**$3,625 to $4,025**
Less: Capital Expenditures	~(525)
Free cash flow	**$3,100 to $3,500**

RECONCILIATION OF FORECASTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026					
	Forecasted Segment Operating Margin	Business Realignment Charges	Costs to Achieve	Acquisition-Related Intangible Asset Amortization Expense	Acquisition Related Expenses	Adjusted Forecasted Segment Operating Margin*
Diversified Industrial						
North America Businesses	23.7% to 24.1%	~0.1%	~0.1%	~2.3%	~0.1%	26.3% to 26.7%
International Businesses	22.0% to 22.4%	~1.0%	~0.1%	~1.6%	~0.1%	24.8% to 25.2%
Aerospace Systems	24.7% to 25.1%	~0.0%	~0.1%	~4.4%	~0.0%	29.3% to 29.7%
Parker	**23.6% to 24.0%**	**~0.3%**	**~0.1%**	**~2.8%**	**~0.1%**	**26.8% to 27.2%**

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

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026
Forecasted earnings per diluted share	**$25.53 to $26.33**
Adjustments:	
Business realignment charges	0.54
Amortization of acquired intangibles	4.55
Acquisition related expenses	0.19
Costs to achieve	0.13
Gain on insurance recoveries	(0.16)
Tax effect of adjustments[1]	(1.18)
Adjusted forecasted earnings per diluted share	**$29.60 to $30.40**

1. This line 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 cast the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

* Totals may not foot due to rounding

Previous Reconciliation of FY26 Guidance (from Aug 7, 2025)

RECONCILIATION OF FORECASTED SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)
(Amounts in percentages)

	Fiscal Year 2026			
	Forecasted Net Sales	**Divestitures**	**Currency**	**Adjusted Forecasted Net Sales**
Diversified Industrial				
North America Businesses	(2.0%) to 1.0%	~2.0%	(~0.5%)	(0.5%) to 2.5%
International Businesses	3.0% to 6.0%	-	(~3.5%)	(0.5%) to 2.5%
Aerospace Systems	7.0% to 10.0%	-	(~0.5%)	6.5% to 9.5%
Parker	**2.0% to 5.0%**	**~1.0%**	**(~1.5%)**	**1.5% to 4.5%**

RECONCILIATION OF FORECASTED EARNINGS PER SHARE

(Unaudited)
(Amounts in dollars)

	Fiscal Year 2026
Forecasted earnings per diluted share	**$24.68 to $25.68**
Adjustments:	
Business realignment charges	**0.54**
Acquisition-related intangible asset amortization expense	**4.26**
Tax effect of adjustments[1]	**(1.08)**
Adjusted forecasted earnings per diluted share	**$28.40 to $29.40**

RECONCILIATION OF FORECASTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)
(Amounts in percentages)

	Fiscal Year 2026			
	Forecasted Segment Operating Margin	**Business Realignment Charges**	**Acquisition-Related Intangible Asset Amortization Expense**	**Adjusted Forecasted Segment Operating Margin**
Diversified Industrial				
North America Businesses	23.6% to 24.0%	~0.1%	~2.0%	25.6% to 26.0%
International Businesses	22.0% to 22.4%	~1.0%	~1.5%	24.6% to 25.0%
Aerospace Systems	24.2% to 24.6%	~0.1%	~4.5%	28.7% to 29.1%
Parker	**23.3% to 23.7%**	**~0.3%**	**~2.7%**	**26.3% to 26.7%**

RECONCILIATION OF FORECASTED CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

(Unaudited)
(Dollars in millions)

	Fiscal Year 2026
Cash flow from operations	**$3,515 to $3,915**
Less: Capital Expenditures	~(515)
Free cash flow	**$3,000 to $3,400**

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.

Note: FY26 initial guidance on Aug 7, 2025, did not include Curtis Instruments
*Totals may not foot due to rounding