Parker Hannifin Corporation

Robert W. Baird Global Industrial Conference

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ENGINEERING YOUR SUCCESS.

November 8, 2022

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 include all statements regarding future performance, earnings projections, events or developments. Neither Parker nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. Parker cautions readers not to place undue reliance on these statements. It is possible that the future performance and earnings projections of the company, including its individual segments, may differ materially from past performance or current expectations.

Among other factors which may affect future performance are: the impact of the global outbreak of COVID-19 and governmental and other actions taken in response; 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 Meggitt PLC; 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 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 changes; compliance costs associated with environmental laws and regulations; potential supply chain and labor disruptions, including as a result of labor shortages; threats associated with international conflicts and efforts to combat terrorism and cyber security risks; uncertainties surrounding the ultimate resolution of outstanding legal proceedings, including the outcome of any appeals; local and global political and competitive market conditions, including global reactions to U.S. trade policies, 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 (including fluctuations associated with any potential credit rating decline) and credit availability; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals; changes in consumer habits and preferences; government actions, including the impact of changes in the tax laws in the United States and foreign jurisdictions and any judicial or regulatory interpretation thereof; and large scale disasters, such as floods, earthquakes, hurricanes, industrial accidents and pandemics. Readers should consider these 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, 2022 and other periodic filings made with the SEC.

This presentation contains references to non-GAAP financial information including organic sales for Parker and by segment, adjusted earnings per share, adjusted segment operating margin for Parker and by segment, adjusted net income, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, Gross Debt to Adjusted EBITDA, Net Debt to Adjusted EBITDA and free cash flow. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. For Parker, 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 organic sales, adjusted earnings per share, adjusted segment operating margin for Parker and by segment, adjusted net income, EBITDA, adjusted EBITDA, EBITDA margin and free cash flow 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 period. Comparable descriptions of record adjusted results in this presentation refer only to the period from the first quarter of FY2011 to the periods presented in this presentation. This period coincides with recast historical financial results provided in association with our FY2014 change in segment reporting. Detailed reconciliations of these non-GAAP financial measures to the comparable GAAP financial measures have been included in the appendix to this presentation.

Effective July 1, 2022, the company began classifying certain expenses, previously classified as cost of sales, as selling, general and administrative expenses (“SG&A”) or within other (income) expense, net. During the integration of recently acquired businesses, the company has seen diversity in practice of the classifications of certain expenses, and the reclassification was made to better align the presentation of expenses on the Consolidated Statement of Income with management’s internal reporting. The expenses reclassified from cost of sales to SG&A relate to certain administrative activities conducted in production facilities and research and development. Foreign currency transaction expense was also reclassified from cost of sales to other (income) expense, net on the Consolidated Statement of Income. These reclassifications had no impact on net income, earnings per share, cash flows, segment reporting or the financial position of the Company and were retrospectively applied to all periods presented in the financial tables of this presentation.

Please visit www.PHstock.com for more information

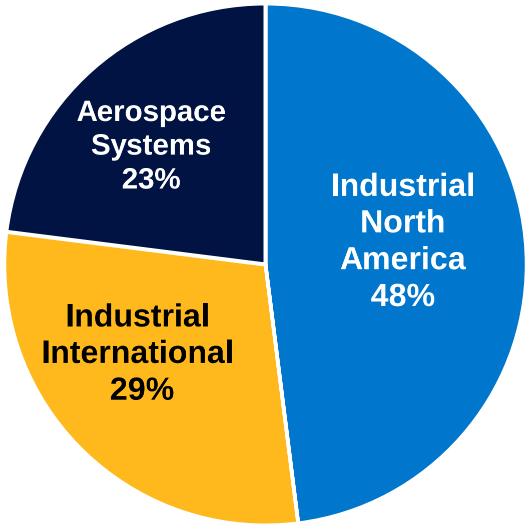
Parker Hannifin at-a-Glance (NYSE: PH)

Engineering Customer Success in Motion & Control Markets for over 100 Years

- #1 Position in $135B Motion & Control Industry
- ~13% market share; goal to reach 20%
- Expertise in 8 Interconnected Technologies
  - 2/3 of portfolio enables clean tech solutions
  - 2/3 of sales from customers buying 4+ technologies
- Global network of ~17k independent distribution outlets
  - Generates ~50% of Industrial Revenues
- Decentralized operating structure
  - 88 divisions with P&L ownership

Operations in 45 countries across six continents

Sales by Segment



~$18 Billion in Sales[1]

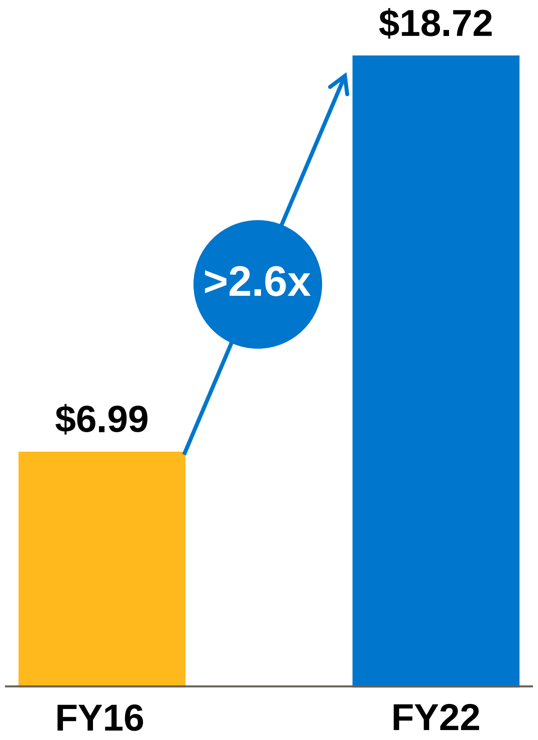
Enabling Engineering Breakthroughs that Lead to a Better Tomorrow

1: FY23 Sales guidance midpoint issued November 3, 2022

Our People, Portfolio & Strategy Transform Performance

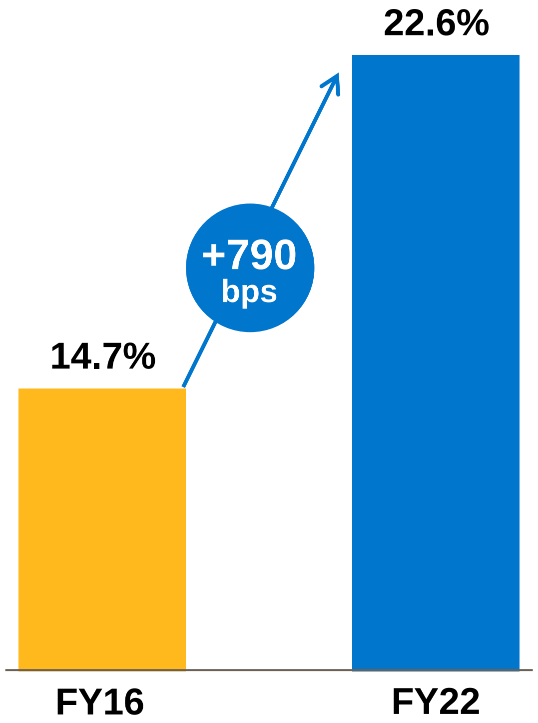
A More Resilient, Better Parker

Adjusted EPS[1]



FY16		FY22
$5.89	As Reported EPS	$10.09

Adjusted EBITDA Margin[1]



FY16		FY22
$0.81B	As Reported Net Income	$1.32B

- Reduced safety incidents by 73%[2]
- Top quartile engagement scores
- Great generators & deployers of cash
- >$25 billion in capital deployed[2]
- Longer cycle, more resilient portfolio

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EXOTIC METALS FORMING COMPANY LLC MEGGITT

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1. Adjusted numbers include certain non-GAAP financial measures. See Appendix for additional details and reconciliations. 2. FY16 through FY23 Q1.

Focus on Continuity & Priorities Ahead

- Meggitt integration & delivering a record FY23
- Continue performance acceleration from The Win Strategy™ 3.0
- Bright future ahead driven by our business system The Win Strategy, a transformed portfolio, and secular growth trends
- Confident in achieving FY27 Targets

Building on Parker's Transformation and Promising Future

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Upcoming Event Calendar

2Q FY23 Earnings	February 2, 2023
3Q FY23 Earnings	May 4, 2023
4Q FY23 Earnings	August 3, 2023

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Reconciliation of Earnings per Diluted Share to Adjusted Earnings per Diluted Share

(Unaudited)

(Amounts in Dollars)

	12 Months ended 6/30/16	12 Months ended 6/30/17	12 Months ended 6/30/18	12 Months ended 6/30/19*	12 Months ended 6/30/20*	12 Months ended 6/30/21	12 Months ended 6/30/22
Earnings per diluted share	**$ 5.89**	**$ 7.25**	**$ 7.83**	**$ 11.57**	**$ 9.26**	**$ 13.35**	**$ 10.09**
Adjustments:							
Acquisition-related intangible asset amortization expense	0.74	1.02	1.59	1.51	2.19	2.49	2.41
Business realignment charges	0.80	0.42	0.34	0.12	0.59	0.36	0.11
Acquisition-related expenses & Costs to achieve	-	0.76	0.27	0.23	1.62	0.11	0.78
(Gain) / loss on sale and writedown of assets or land	-	-	0.24	-	-	(0.77)	-
Loss on deal-contingent forward contracts	-	-	-	-	-	-	7.79
Russia liquidation	-	-	-	-	-	-	0.15
Tax effect of adjustments[1]	(0.44)	(0.59)	(0.42)	(0.44)	(1.03)	(0.50)	(2.61)
Favorable tax settlement	-	-	-	-	(0.19)	-	-
Tax expense related to U.S. Tax Reform	-	-	1.72	0.11	-	-	-
Adjusted earnings per diluted share	**$ 6.99**	**$ 8.86**	**$ 11.57**	**$ 13.10**	**$ 12.44**	**$ 15.04**	**$ 18.72**

[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.

*FY19 and FY20 have been adjusted to reflect the change in inventory accounting method

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Reconciliation of EBITDA to Adjusted EBITDA

(Unaudited)
(Dollars in millions)

	12 Months ended 6/30/16	12 Months ended 6/30/17	12 Months ended 6/30/18	12 Months ended 6/30/19[1]	12 Months ended 6/30/20[1]	12 Months ended 6/30/21	12 Months ended 6/30/22
Net sales	**$ 11,361**	**$ 12,029**	**$ 14,302**	**$ 14,320**	**$ 13,696**	**$ 14,348**	**$ 15,862**
Net income	807	984	1,061	1,525	1,202	1,747	1,316
Income taxes	308	345	641	424	305	500	298
Depreciation and Amortization	307	355	466	436	538	595	572
Interest Expense	137	162	214	190	308	250	255
EBITDA*	**$ 1,558**	**$ 1,846**	**$ 2,382**	**$ 2,576**	**$ 2,353**	**$ 3,092**	**$ 2,441**
Adjustments:							
Business realignment charges	109	56	46	16	76	48	15
Acquisition-related expenses & Costs to Achieve	-	103	37	30	211	15	100
Loss on deal-contingent forward contracts	-	-	-	-	-	-	1,015
(Gain) / Loss on Sale and Writedown of Assets or land	-	-	32	-	-	(101)	-
Russia liquidation	-	-	-	-	-	-	20
Adjusted EBITDA*	**$ 1,667**	**$ 2,006**	**$ 2,497**	**$ 2,621**	**$ 2,639**	**$ 3,055**	**$ 3,592**
EBITDA margin	**13.7%**	**15.3%**	**16.7%**	**18.0%**	**17.2%**	**21.6%**	**15.4%**
Adjusted EBITDA margin	**14.7%**	**16.7%**	**17.5%**	**18.3%**	**19.3%**	**21.3%**	**22.6%**

[1]Amounts have been adjusted to reflect the change in inventory accounting method.
*Totals may not foot due to rounding