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FY25 Guidance Details

Sales Growth vs. Prior Year	As Reported	Organic ¹
Diversified Industrial Segment		
North America Businesses	0.0% - 3.0%	0.5% - 3.5%
International Businesses	(1.5%) - 1.5%	0.0% - 3.0%
Aerospace Systems Segment	7.0% - 10.0%	7.0% - 10.0%
Parker	1.5% - 4.5%	2.0% - 5.0%

Segment Operating Margins	As Reported	Adjusted ¹
Diversified Industrial Segment		
North America Businesses	22.6% - 23.0%	24.6% - 25.0%
International Businesses	21.5% - 21.9%	23.7% - 24.1%
Aerospace Systems Segment	22.1% - 22.5%	27.4% - 27.8%
Parker	22.1% - 22.5%	25.2% - 25.6%

Earnings Per Share	As Reported	Adjusted ¹
Midpoint	\$23.00	\$26.65
Range	\$22.65 - \$23.35	\$26.30 - \$27.00

Additional Items	As Reported
Corporate G&A	~\$230M
Interest Expense	~\$450M
Other (Income) Expense	~\$5M
Reported Tax Rate	~23%
Diluted Shares Outstanding	~130.6M

Detail of Pre-Tax Adjustments to:	Segment Margins	Below Segment
Acquired Intangible Asset Amortization	~\$550M	—
Business Realignment Charges	~\$50M	—
Integration Costs to Achieve	~\$15M	—

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



Reconciliation of Organic Growth

(Dollars in thousands)
(Unaudited)

	Quarter-to-Date				As Reported June 30, 2023
	As Reported June 30, 2024	Currency	Divestitures	Adjusted June 30, 2024	
Net Sales					
Diversified Industrial	\$ 3,658,502	\$ 44,019	\$ 8,559	\$ 3,711,080	\$ 3,813,431
Aerospace Systems	1,528,313	(515)	-	1,527,798	1,282,512
Total Parker Hannifin	\$ 5,186,815	\$ 43,504	\$ 8,559	\$ 5,238,878	\$ 5,095,943
	As reported	Currency	Divestitures	Organic	
Diversified Industrial	(4.1)%	(1.2)%	(0.2)%	(2.7)%	
Aerospace Systems	19.2 %	0.1 %	0.0 %	19.1 %	
Total Parker Hannifin	1.8 %	(0.8)%	(0.2)%	2.8 %	

Supplemental Information:

Net Sales	As Reported June 30, 2024	Currency	Divestitures	Adjusted June 30, 2024	As Reported June 30, 2023
Diversified Industrial:					
North America businesses	\$ 2,228,449	\$ (772)	\$ 8,559	\$ 2,236,236	\$ 2,301,159
<u>International businesses</u>					
Europe	802,343	12,475	-	814,818	858,933
Asia Pacific	549,272	19,020	-	568,292	576,297
Latin America	78,438	13,296	-	91,734	77,042
International businesses	\$ 1,430,053	\$ 44,791	\$ -	\$ 1,474,844	\$ 1,512,272
	As reported	Currency	Divestitures	Organic	
Diversified Industrial:					
North America businesses	(3.2)%	0.0 %	(0.4)%	(2.8)%	
<u>International businesses</u>					
Europe	(6.6)%	(1.5)%	0.0 %	(5.1)%	
Asia Pacific	(4.7)%	(3.3)%	0.0 %	(1.4)%	
Latin America	1.8 %	(17.3)%	0.0 %	19.1 %	
International businesses	(5.4)%	(2.9)%	0.0 %	(2.5)%	



Reconciliation of Organic Growth

(Dollars in thousands)
(Unaudited)

	Year-to-Date					As Reported June 30, 2023
	As Reported June 30, 2024	Currency	Divestitures	Acquisitions	Adjusted June 30, 2024	
Net Sales						
Diversified Industrial	\$ 14,457,146	\$ 29,560	\$ 22,546	\$ (115,305)	\$ 14,393,947	\$ 14,705,693
Aerospace Systems	5,472,460	(19,398)	39,826	(385,702)	5,107,186	4,359,501
Total Parker Hannifin	\$ 19,929,606	\$ 10,162	\$ 62,372	\$ (501,007)	\$ 19,501,133	\$ 19,065,194
	As reported	Currency	Divestitures	Acquisitions	Organic	
Diversified Industrial	(1.7)%	(0.2)%	(0.2)%	0.8 %	(2.1)%	
Aerospace Systems	25.5 %	0.4 %	(0.9)%	8.8 %	17.2 %	
Total Parker Hannifin	4.5 %	(0.1)%	(0.3)%	2.6 %	2.3 %	

Supplemental Information:

	Year-to-Date					As Reported June 30, 2023
	As Reported June 30, 2024	Currency	Divestitures	Acquisitions	Adjusted June 30, 2024	
Net Sales						
Diversified Industrial:						
North America businesses	\$ 8,800,036	\$ (24,859)	\$ 22,546	\$ (77,384)	\$ 8,720,339	\$ 8,916,194
<u>International businesses</u>						
Europe	3,189,058	(39,150)	-	(33,935)	3,115,973	3,186,826
Asia Pacific	2,155,034	62,624	-	(3,986)	2,213,672	2,300,743
Latin America	313,018	30,945	-	-	343,963	301,930
International businesses	\$ 5,657,110	\$ 54,419	\$ -	\$ (37,921)	\$ 5,673,608	\$ 5,789,499
	As reported	Currency	Divestitures	Acquisitions	Organic	
Diversified Industrial:						
North America businesses	(1.3)%	0.3 %	(0.3)%	0.9 %	(2.2)%	
<u>International businesses</u>						
Europe	0.1 %	1.2 %	0.0 %	1.1 %	(2.2)%	
Asia Pacific	(6.3)%	(2.7)%	0.0 %	0.2 %	(3.8)%	
Latin America	3.7 %	(10.2)%	0.0 %	0.0 %	13.9 %	
International businesses	(2.3)%	(1.0)%	0.0 %	0.7 %	(2.0)%	



Adjusted Amounts Reconciliation Consolidated Statement of Income

(Dollars in thousands, except per share data)

(Unaudited)

Quarter-to-Date FY 2024										
	As Reported June 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Discrete Tax Benefit ¹			Adjusted June 30, 2024	% of Sales
Net sales	\$ 5,186,815	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,186,815	100.0 %
Cost of sales	3,322,855	64.1 %	27,052	11,120	1,387	-	-	-	3,283,296	63.3 %
Selling, general and admin. expenses	818,347	15.8 %	112,180	6,079	7,210	-	-	-	692,878	13.4 %
Interest expense	119,266	2.3 %	-	-	-	-	-	-	119,266	2.3 %
Other (income) expense, net	(59,613)	(1.1)%	-	343	-	-	-	-	(59,956)	(1.2)%
Income before income taxes	985,960	19.0 %	(139,232)	(17,542)	(8,597)	-	-	-	1,151,331	22.2 %
Income taxes	200,887	3.9 %	33,137	4,175	2,046	27,068	-	-	267,313	5.2 %
Net income	785,073	15.1 %	(106,095)	(13,367)	(6,551)	27,068	-	-	884,018	17.0 %
Less: Noncontrolling interests	110	0.0 %	-	-	-	-	-	-	110	0.0 %
Net income - common shareholders	\$ 784,963	15.1 %	\$ (106,095)	\$ (13,367)	\$ (6,551)	\$ 27,068	\$ -	\$ -	\$ 883,908	17.0 %
Diluted earnings per share	\$ 6.01		\$ (0.81)	\$ (0.11)	\$ (0.05)	\$ 0.21	\$ -	\$ -	\$ 6.77	

Quarter-to-Date FY 2023										
	As Reported June 30, 2023	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Acquisition Related Expenses	Amortization of Inventory Step-Up to FV	Meggitt Early Debt Retirement	Adjusted June 30, 2023	% of Sales
Net sales	\$ 5,095,943	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,095,943	100.0 %
Cost of sales	3,262,860	64.0 %	27,990	5,247	5,197	-	(57,992)	-	3,282,418	64.4 %
Selling, general and admin. Expenses	834,940	16.4 %	98,306	3,979	13,589	2,754	-	-	716,312	14.1 %
Interest expense	157,176	3.1 %	-	-	-	-	-	9,999	147,177	2.9 %
Other (income) expense, net	(62,228)	(1.2)%	-	-	-	-	-	-	(62,228)	(1.2)%
Income before income taxes	903,195	17.7 %	(126,296)	(9,226)	(18,786)	(2,754)	57,992	(9,999)	1,012,264	19.9 %
Income taxes	194,117	3.8 %	30,816	2,251	4,584	672	(14,150)	2,440	220,730	4.3 %
Net income	709,078	13.9 %	(95,480)	(6,975)	(14,202)	(2,082)	43,842	(7,559)	791,534	15.5 %
Less: Noncontrolling interests	122	0.0 %	-	-	-	-	-	-	122	0.0 %
Net income - common shareholders	\$ 708,956	13.9 %	\$ (95,480)	\$ (6,975)	\$ (14,202)	\$ (2,082)	\$ 43,842	\$ (7,559)	\$ 791,412	15.5 %
Diluted earnings per share	\$ 5.44		\$ (0.73)	\$ (0.06)	\$ (0.11)	\$ (0.02)	\$ 0.34	\$ (0.06)	\$ 6.08	

1. A recent Swiss tax law change resulted in the recording of a deferred tax asset.



Adjusted Amounts Reconciliation Consolidated Statement of Income

(Dollars in thousands, except per share data)
(Unaudited)

(Unaudited)

Year-to-Date FY 2024												
	As Reported June 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Divestitures	Discrete Tax Benefit ¹				Adjusted June 30, 2024	% of Sales
Net sales	\$ 19,929,606	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,929,606	100.0 %
Cost of sales	12,801,816	64.2 %	108,671	29,585	4,259	-	-	-	-	-	12,659,301	63.5 %
Selling, general and admin. expenses	3,315,177	16.6 %	469,324	20,809	34,014	-	-	-	-	-	2,791,030	14.0 %
Interest expense	506,495	2.5 %	-	-	-	-	-	-	-	-	506,495	2.5 %
Other (income) expense, net	(288,485)	(1.4)%	-	3,062	-	(25,651)	-	-	-	-	(265,896)	(1.3)%
Income before income taxes	3,594,603	18.0 %	(577,995)	(53,456)	(38,273)	25,651	-	-	-	-	4,238,676	21.3 %
Income taxes	749,667	3.8 %	137,575	12,721	9,105	(11,640)	27,068	-	-	-	924,496	4.6 %
Net income	2,844,936	14.3 %	(440,420)	(40,735)	(29,168)	14,011	27,068	-	-	-	3,314,180	16.6 %
Less: Noncontrolling interests	721	0.0 %	-	-	-	-	-	-	-	-	721	0.0 %
Net income - common shareholders	\$ 2,844,215	14.3 %	\$ (440,420)	\$ (40,735)	\$ (29,168)	\$ 14,011	\$ 27,068	\$ -	\$ -	\$ -	\$ 3,313,459	16.6 %
Diluted earnings per share	\$ 21.84		\$ (3.37)	\$ (0.32)	\$ (0.23)	\$ 0.11	\$ 0.21	\$ -	\$ -	\$ -	\$ 25.44	

Year-to-Date FY 2023												
	As Reported June 30, 2023	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Acquisition Related Expenses	Loss on Deal-Contingent Forward Contracts	Net Gain on Divestitures	Amortization of Inventory Step-Up to FV	Meggitt Early Debt Retirement	Adjusted June 30, 2023	% of Sales
Net sales	\$ 19,065,194	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,065,194	100.0 %
Cost of sales	12,635,892	66.3 %	99,619	15,993	12,552	-	-	-	109,981	-	12,397,747	65.0 %
Selling, general and admin. Expenses	3,354,103	17.6 %	401,094	10,713	82,887	114,604	-	-	-	-	2,744,805	14.4 %
Interest expense	573,894	3.0 %	-	-	-	-	-	-	-	9,999	563,895	3.0 %
Other (income) expense, net	(178,359)	(0.9)%	-	-	-	51,690	389,992	(362,003)	-	-	(258,038)	(1.4)%
Income before income taxes	2,679,664	14.1 %	(500,713)	(26,706)	(95,439)	(166,294)	(389,992)	362,003	(109,981)	(9,999)	3,616,785	19.0 %
Income taxes	596,128	3.1 %	120,844	6,453	23,043	39,447	94,713	(90,931)	26,370	2,440	818,507	4.3 %
Net income	2,083,536	10.9 %	(379,869)	(20,253)	(72,396)	(126,847)	(295,279)	271,072	(83,611)	(7,559)	2,798,278	14.7 %
Less: Noncontrolling interests	600	0.0 %	-	-	-	-	-	-	-	-	600	0.0 %
Net income - common shareholders	\$ 2,082,936	10.9 %	\$ (379,869)	\$ (20,253)	\$ (72,396)	\$ (126,847)	\$ (295,279)	\$ 271,072	\$ (83,611)	\$ (7,559)	\$ 2,797,678	14.7 %
Diluted earnings per share	\$ 16.04		\$ (2.92)	\$ (0.16)	\$ (0.56)	\$ (0.98)	\$ (2.27)	\$ 2.08	\$ (0.64)	\$ (0.06)	\$ 21.55	

1. A recent Swiss tax law change resulted in the recording of a deferred tax asset.



Adjusted Amounts Reconciliation Segment Operating Income

(Dollars in thousands)
(Unaudited)

Quarter-to-Date FY 2024										
As Reported June 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve					Adjusted June 30, 2024	% of Sales ²
Diversified Industrial ¹	\$ 817,085	22.3%	\$ 64,550	\$ 17,198	\$ 628	\$ -	\$ -	\$ -	\$ 899,461	24.6%
Aerospace Systems ¹	332,035	21.7%	74,682	1	7,969	-	-	-	414,687	27.1%
Total segment operating income	1,149,120	22.2%	(139,232)	(17,199)	(8,597)	-	-	-	1,314,148	25.3%
Corporate administration	55,972	1.1%	-	-	-	-	-	-	55,972	1.1%
Income before interest and other	1,093,148	21.1%	(139,232)	(17,199)	(8,597)	-	-	-	1,258,176	24.3%
Interest expense	119,266	2.3%	-	-	-	-	-	-	119,266	2.3%
Other (income) expense	(12,078)	-0.2%	-	343	-	-	-	-	(12,421)	-0.2%
Income before income taxes	\$ 985,960	19.0%	\$ (139,232)	\$ (17,542)	\$ (8,597)	\$ -	\$ -	\$ -	\$ 1,151,331	22.2%

Supplemental Information:

Diversified Industrial:

North America businesses ¹	\$ 505,521	22.7%	\$ 43,010	\$ 8,857	\$ 295	\$ -	\$ -	\$ -	\$ 557,683	25.0%
International businesses ¹	311,564	21.8%	21,540	8,341	333	-	-	-	341,778	23.9%

Quarter-to-Date FY 2023										
As Reported June 30, 2023	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Cost to Achieve	Acquisition Related Expenses	Amortization of Inventory Step-Up to FV	Meggitt Early Debt Retirement		Adjusted June 30, 2023	% of Sales ²
Diversified Industrial ¹	\$ 800,196	21.0%	\$ 82,073	\$ 9,177	\$ 1,235	\$ -	\$ -	\$ -	\$ 892,681	23.4%
Aerospace Systems ¹	327,595	25.5%	44,223	49	17,551	(57,992)	-	-	331,426	25.8%
Total segment operating income	1,127,791	22.1%	(126,296)	(9,226)	(18,786)	57,992	-	-	1,224,107	24.0%
Corporate administration	83,336	1.6%	-	-	-	-	-	-	83,336	1.6%
Income before interest and other	1,044,455	20.5%	(126,296)	(9,226)	(18,786)	57,992	-	-	1,140,771	22.4%
Interest expense	157,176	3.1%	-	-	-	-	9,999	-	147,177	2.9%
Other (income) expense	(15,916)	-0.3%	-	-	-	2,754	-	-	(18,670)	-0.4%
Income before income taxes	\$ 903,195	17.7%	\$ (126,296)	\$ (9,226)	\$ (18,786)	\$ 57,992	\$ (9,999)	\$ -	\$ 1,012,264	19.9%

Supplemental Information:

Diversified Industrial:

North America businesses ¹	\$ 490,823	21.3%	\$ 47,138	\$ 1,792	\$ 877	\$ -	\$ -	\$ -	\$ 540,630	23.5%
International businesses ¹	309,373	20.5%	34,935	7,385	358	-	-	-	352,051	23.3%

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.



Adjusted Amounts Reconciliation Segment Operating Income

(Dollars in thousands)

(Unaudited)

Year-to-Date FY 2024												
	As Reported June 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Divestitures					Adjusted June 30, 2024	% of Sales ²
Diversified Industrial ¹	\$ 3,176,384	22.0%	\$ 266,219	\$ 50,075	\$ 3,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,496,608	24.2%
Aerospace Systems ¹	1,110,746	20.3%	311,776	319	34,343	-	-	-	-	-	1,457,184	26.6%
Total segment operating income	4,287,130	21.5%	(577,995)	(50,394)	(38,273)	-	-	-	-	-	4,953,792	24.9%
Corporate administration	218,312	1.1%	-	-	-	-	-	-	-	-	218,312	1.1%
Income before interest and other	4,068,818	20.4%	(577,995)	(50,394)	(38,273)	-	-	-	-	-	4,735,480	23.8%
Interest expense	506,495	2.5%	-	-	-	-	-	-	-	-	506,495	2.5%
Other (income) expense	(32,280)	-0.2%	-	3,062	-	(25,651)	-	-	-	-	(9,691)	0.0%
Income before income taxes	\$ 3,594,603	18.0%	\$ (577,995)	\$ (53,456)	\$ (38,273)	\$ 25,651	\$ -	\$ -	\$ -	\$ -	\$ 4,238,676	21.3%

Supplemental Information:

Diversified Industrial:

North America businesses ¹	\$ 1,963,876	22.3%	\$ 176,337	\$ 17,749	\$ 2,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,160,605	24.6%
International businesses ¹	1,212,508	21.4%	89,882	32,326	1,287	-	-	-	-	-	1,336,003	23.6%

Year-to-Date FY 2023												
	As Reported June 30, 2023	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Acquisition Related Expenses	Loss on Deal-Contingent Forward Contracts	Net Gain on Divestitures	Amortization of Inventory Step-Up to FV	Meggitt Early Debt Retirement	Adjusted June 30, 2023	% of Sales ²
Diversified Industrial ¹	\$ 3,071,410	20.9%	\$ 267,779	\$ 23,641	\$ 8,511	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,371,341	22.9%
Aerospace Systems ¹	562,444	12.9%	232,934	3,065	86,928	-	-	-	109,981	-	995,352	22.8%
Total segment operating income	3,633,854	19.1%	(500,713)	(26,706)	(95,439)	-	-	-	(109,981)	-	4,366,693	22.9%
Corporate administration	229,677	1.2%	-	-	-	-	-	-	-	-	229,677	1.2%
Income before interest and other	3,404,177	17.9%	(500,713)	(26,706)	(95,439)	-	-	-	(109,981)	-	4,137,016	21.7%
Interest expense	573,894	3.0%	-	-	-	-	-	-	-	9,999	563,895	3.0%
Other (income) expense	150,619	0.8%	-	-	-	166,294	389,992	(362,003)	-	-	(43,664)	-0.2%
Income before income taxes	\$ 2,679,664	14.1%	\$ (500,713)	\$ (26,706)	\$ (95,439)	\$ (166,294)	\$ (389,992)	\$ 362,003	\$ (109,981)	\$ (9,999)	\$ 3,616,785	19.0%

Supplemental Information:

Diversified Industrial:

North America businesses ¹	\$ 1,853,079	20.8%	\$ 181,954	\$ 4,024	\$ 4,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,043,693	22.9%
International businesses ¹	1,218,331	21.0%	85,825	19,617	3,875	-	-	-	-	-	1,327,648	22.9%

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 June 30,			
	2024	% of Sales	2023	% of Sales
Net sales	\$ 5,186,815	100.0%	\$ 5,095,943	100.0%
Net income	\$ 785,073	15.1%	\$ 709,078	13.9%
Income taxes	200,887	3.9%	194,117	3.8%
Depreciation	91,436	1.8%	82,767	1.6%
Amortization	139,232	2.7%	126,296	2.5%
Interest expense	119,266	2.3%	157,176	3.1%
EBITDA	1,335,894	25.8%	1,269,434	24.9%
Adjustments:				
Business realignment charges	17,542	0.3%	9,226	0.2%
Meggitt costs to achieve	8,597	0.2%	18,786	0.4%
Acquisition-related expenses	-	0.0%	2,754	0.1%
Amortization of inventory step-up to FV	-	0.0%	(57,992)	-1.1%
EBITDA - Adjusted	\$ 1,362,033	26.3%	\$ 1,242,208	24.4%
EBITDA margin	25.8 %		24.9 %	
EBITDA margin - Adjusted	26.3 %		24.4 %	

	Twelve Months Ended June 30,			
	2024	% of Sales	2023	% of Sales
Net sales	\$ 19,929,606	100.0%	\$ 19,065,194	100.0%
Net income	\$ 2,844,936	14.3%	\$ 2,083,536	10.9%
Income taxes	749,667	3.8%	596,128	3.1%
Depreciation	349,136	1.8%	317,416	1.7%
Amortization	577,995	2.9%	500,713	2.6%
Interest expense	506,495	2.5%	573,894	3.0%
EBITDA	5,028,229	25.2%	4,071,687	21.4%
Adjustments:				
Business realignment charges	53,456	0.3%	26,706	0.1%
Meggitt costs to achieve	38,273	0.2%	95,439	0.5%
Acquisition-related expenses	-	0.0%	166,294	0.9%
Loss on deal-contingent forward contracts	-	0.0%	389,992	2.0%
Amortization of inventory step-up to FV	-	0.0%	109,981	0.6%
Net gain on divestitures	(25,651)	-0.1%	(362,003)	-1.9%
EBITDA - Adjusted	\$ 5,094,307	25.6%	\$ 4,498,096	23.6%
EBITDA margin	25.2 %		21.4 %	
EBITDA margin - Adjusted	25.6 %		23.6 %	



Reconciliation of Gross and Net Debt / Adjusted EBITDA

(Unaudited)

(Dollars in thousands)

	June 30, 2024	June 30, 2023
Notes payable and long-term debt payable within one year	\$ 3,403,065	\$ 3,763,175
Long-term debt	7,157,034	8,796,284
Add: Deferred debt issuance costs	57,725	74,713
Total gross debt	<u>\$ 10,617,824</u>	<u>\$ 12,634,172</u>
Cash and cash equivalents	\$ 422,027	\$ 475,182
Marketable securities and other investments	3,390	8,390
Total cash	<u>\$ 425,417</u>	<u>\$ 483,572</u>
Net debt (Gross debt less total cash)	<u>\$ 10,192,407</u>	<u>\$ 12,150,600</u>
TTM Net Sales	\$ 19,929,606	\$ 19,065,194
Net income	\$ 2,844,936	\$ 2,083,536
Income tax	749,667	596,128
Depreciation	349,136	317,416
Amortization	577,995	500,713
Interest Expense	506,495	573,894
TTM EBITDA	<u>\$ 5,028,229</u>	<u>\$ 4,071,687</u>
Adjustments:		
Business realignment charges	53,456	26,706
Costs to achieve	38,273	95,439
Acquisition-related costs	0	166,294
Loss on deal-contingent forward contracts	0	389,992
Gain on divestitures	(25,651)	(372,930)
Amortization of inventory step-up to FV	0	109,981
Net loss on divestitures	0	10,927
TTM Adjusted EBITDA	<u>\$ 5,094,307</u>	<u>\$ 4,498,096</u>
Gross Debt/TTM Adjusted EBITDA	2.1	2.8
Net Debt/TTM Adjusted EBITDA	2.0	2.7



Reconciliation of Free Cash Flow Margin and Conversion

Reconciliation of Historical Free Cash Flow Margin

(Unaudited)

(Dollars in millions)

	FY20	FY21	FY22
Net Sales	\$13,696	\$14,348	\$15,862
Cash Provided by Operating Activities	\$2,071	\$2,575	\$2,442
Capital Expenditures	(233)	(210)	(230)
Free Cash Flow	\$1,838	\$2,365	\$2,212
Free Cash Flow Margin	13.4%	16.5%	13.9%

Reconciliation of Free Cash Flow Margin and Conversion

(Unaudited)

(Dollars in thousands)

	Twelve Months Ended June 30,	
	2024	2023
Net Sales	\$ 19,929,606	\$ 19,065,194
Net Income	\$ 2,844,936	\$ 2,083,536
Cash Flow from Operations	\$ 3,384,329	\$ 2,979,930
Capital Expenditures	(400,112)	(380,747)
Free Cash Flow	\$ 2,984,217	\$ 2,599,183
Cash Flow from Operations Margin	17.0%	15.6%
Free Cash Flow Margin	15.0%	13.6%
Free Cash Flow Conversion (Free Cash Flow / Net Income)	104.9%	124.7%



Supplemental Sales Information

Global Technology Platforms

(Unaudited) (Dollars in thousands)	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2024	2023	2024	2023
Net sales				
Diversified Industrial:				
Motion Systems	\$ 903,108	\$ 992,659	\$ 3,706,055	\$ 3,830,062
Flow and Process Control	1,183,258	1,263,428	4,672,741	4,939,356
Filtration and Engineered Materials	1,572,136	1,557,344	6,078,350	5,936,275
Aerospace Systems	1,528,313	1,282,512	5,472,460	4,359,501
Total	\$ 5,186,815	\$ 5,095,943	\$ 19,929,606	\$ 19,065,194



Reconciliation of Q1 FY25 Guidance

RECONCILIATION OF ORGANIC GROWTH

(Unaudited)

(Amounts in percentages)

Forecasted net sales

Adjustments:

Currency

Divestitures

Adjusted forecasted net sales

Q1 Fiscal Year 2025

~1.0%

0.3%

0.2%

~1.5%

RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

(Unaudited)

(Amounts in percentages)

Forecasted segment operating margin

Adjustments:

Business realignment charges

Costs to achieve

Acquisition-related intangible asset amortization expense

Adjusted forecasted segment operating margin

Q1 Fiscal Year 2025

~22.0%

0.3%

0.1%

2.9%

~25.2%

RECONCILIATION OF FORECASTED EARNINGS PER SHARE

(Unaudited)

(Amounts in dollars)

Forecasted earnings per diluted share

Adjustments:

Business realignment charges

Costs to achieve

Acquisition-related intangible asset amortization expense

Tax effect of adjustments¹

Adjusted forecasted earnings per diluted share

Q1 Fiscal Year 2025

~\$5.13

0.10

0.03

1.07

(0.28)

~\$6.05

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

(Unaudited)

(Amounts in percentages)

Forecasted net sales

Fiscal Year 2025

1.5% to 4.5%

Adjustments:

Currency

0.5%

Divestitures

0.0%

Adjusted forecasted net sales

2.0% to 5.0%

RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

(Unaudited)

(Amounts in percentages)

Forecasted segment operating margin

Fiscal Year 2025

22.1% to 22.5%

Adjustments:

Business realignment charges

0.2%

Costs to achieve

0.1%

Acquisition-related intangible asset amortization expense

2.7%

Adjusted forecasted segment operating margin

25.2% to 25.6%

RECONCILIATION OF FORECASTED EARNINGS PER SHARE

(Unaudited)

(Amounts in dollars)

Forecasted earnings per diluted share

Fiscal Year 2025

\$22.65 to \$23.35

Adjustments:

Business realignment charges

0.38

Costs to achieve

0.11

Acquisition-related intangible asset amortization expense

4.25

Tax effect of adjustments¹

(1.09)

Adjusted forecasted earnings per diluted share

\$26.30 to \$27.00

RECONCILIATION OF CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

(Unaudited)

(Dollars in millions)

Cash flow from operations

Fiscal Year 2025

\$3,400 to \$3,700

Less: Capital Expenditures

~(400)

Free cash flow

\$3,000 to \$3,300

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

