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FY26 Guidance Details

Sales Growth vs. Prior Year	As Reported	Organic ¹
Diversified Industrial Segment		
North America Businesses	(2.0%) - 1.0%	(0.5%) - 2.5%
International Businesses	3.0% - 6.0%	(0.5%) - 2.5%
Aerospace Systems Segment	7.0% - 10.0%	6.5% - 9.5%
Parker	2.0% - 5.0%	1.5% - 4.5%

Segment Operating Margins	As Reported	Adjusted ¹
Diversified Industrial Segment		
North America Businesses	23.6% - 24.0%	25.6% - 26.0%
International Businesses	22.0% - 22.4%	24.6% - 25.0%
Aerospace Systems Segment	24.2% - 24.6%	28.7% - 29.1%
Parker	23.3% - 23.7%	26.3% - 26.7%

Earnings Per Share	As Reported	Adjusted ¹
Range	\$24.68 - \$25.68	\$28.40 - \$29.40



Additional Items	As Reported
Corporate G&A	~\$200M
Interest Expense	~\$390M
Other (Income) Expense	~\$80M
Tax Rate	~22.5%
Diluted Shares Outstanding	~128.6M

Detail of Pre-Tax Adjustments to:	Segment Margins	Below Segment
Acquired Intangible Asset Amortization	~\$550M	—
Business Realignment & Other	~\$70M	—

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

Reconciliation of Q4 Organic Growth

(Dollars in millions)
(Unaudited)

	Quarter-to-Date				As Reported June 30, 2024
	As Reported June 30, 2025	Currency	Divestitures	Adjusted June 30, 2025	
Net Sales					
Diversified Industrial:					
North America businesses	\$ 2,075	\$ 7	\$ 115	\$ 2,197	\$ 2,229
<u>International businesses</u>					
Europe	826	(50)	-	776	802
Asia Pacific	587	(7)	-	580	549
Latin America	79	3	-	82	79
International businesses	1,492	(54)	-	1,438	1,430
Total Diversified Industrial	3,567	(47)	115	3,635	3,659
Aerospace Systems	1,676	(17)	-	1,659	1,528
Total Parker Hannifin	\$ 5,243	\$ (64)	\$ 115	\$ 5,294	\$ 5,187
	As reported	Currency	Divestitures	Organic	
Diversified Industrial:					
North America businesses	(6.9)%	(0.3)%	(5.2)%	(1.4)%	
<u>International businesses</u>					
Europe	3.0 %	6.2 %	0.0 %	(3.2)%	
Asia Pacific	6.9 %	1.3 %	0.0 %	5.6 %	
Latin America	0.0 %	(3.8)%	0.0 %	3.8 %	
International businesses	4.3 %	3.7 %	0.0 %	0.6 %	
Total Diversified Industrial	(2.5)%	1.3 %	(3.1)%	(0.7)%	
Aerospace Systems	9.7 %	1.1 %	0.0 %	8.6 %	
Total Parker Hannifin	1.1 %	1.2 %	(2.2)%	2.1 %	

Reconciliation of Full Year Organic Growth

(Dollars in millions)
(Unaudited)

	Year-to-Date				
	As Reported June 30, 2025	Currency	Divestitures	Adjusted June 30, 2025	As Reported June 30, 2024
Net Sales					
Diversified Industrial:					
North America businesses	\$ 8,134	\$ 43	\$ 295	\$ 8,472	\$ 8,801
<u>International businesses</u>					
Europe	3,020	(40)	-	2,980	3,189
Asia Pacific	2,205	24	-	2,229	2,155
Latin America	306	36	-	342	313
International businesses	5,531	20	-	5,551	5,657
Total Diversified Industrial	13,665	63	295	14,023	14,458
Aerospace Systems	6,185	(22)	-	6,163	5,472
Total Parker Hannifin	\$ 19,850	\$ 41	\$ 295	\$ 20,186	\$ 19,930
	As reported	Currency	Divestitures	Organic	
Diversified Industrial:					
North America businesses	(7.6)%	(0.5)%	(3.4)%	(3.7)%	
<u>International businesses</u>					
Europe	(5.3)%	1.3 %	0.0 %	(6.6)%	
Asia Pacific	2.3 %	(1.1)%	0.0 %	3.4 %	
Latin America	(2.2)%	(11.5)%	0.0 %	9.3 %	
International businesses	(2.2)%	(0.3)%	0.0 %	(1.9)%	
Total Diversified Industrial	(5.5)%	(0.5)%	(2.0)%	(3.0)%	
Aerospace Systems	13.0 %	0.4 %	0.0 %	12.6 %	
Total Parker Hannifin	(0.4)%	(0.2)%	(1.5)%	1.3 %	

Adjusted Amounts Reconciliation

Q4 Consolidated Statement of Income

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

Quarter-to-Date FY 2025										
	As Reported June 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Building	Gain on Divestitures	Discrete Tax Benefit	Adjusted June 30, 2025	% of Sales
Net sales	\$ 5,243	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,243	100.0 %
Cost of sales	3,285	62.7 %	22	10	-	-	-	-	3,253	62.0 %
Selling, general and admin. expenses	839	16.0 %	117	4	3	-	-	-	715	13.6 %
Interest expense	99	1.9 %	-	-	-	-	-	-	99	1.9 %
Other (income) expense, net	(51)	(1.0)%	-	2	-	(14)	(2)	-	(37)	(0.7)%
Income before income taxes	1,071	20.4 %	(139)	(16)	(3)	14	2	-	1,213	23.1 %
Income taxes	148	2.8 %	31	4	1	(4)	6	35	221	4.2 %
Net income	923	17.6 %	(108)	(12)	(2)	10	8	35	992	18.9 %
Less: Noncontrolling interests	-	0.0 %	-	-	-	-	-	-	-	0.0 %
Net income - common shareholders	\$ 923	17.6 %	\$ (108)	\$ (12)	\$ (2)	\$ 10	\$ 8	\$ 35	\$ 992	18.9 %
Diluted earnings per share	\$ 7.15		\$ (0.84)	\$ (0.09)	\$ (0.02)	\$ 0.08	\$ 0.06	\$ 0.27	\$ 7.69	

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			Adjusted June 30, 2024	% of Sales
Net sales	\$ 5,187	100.0 %	\$ -	\$ -	\$ -	\$ -			\$ 5,187	100.0 %
Cost of sales	3,323	64.1 %	27	12	2	-			3,282	63.3 %
Selling, general and admin. Expenses	818	15.8 %	112	6	7	-			693	13.4 %
Interest expense	119	2.3 %	-	-	-	-			119	2.3 %
Other (income) expense, net	(59)	(1.1)%	-	-	-	-			(59)	(1.2)%
Income before income taxes	986	19.0 %	(139)	(18)	(9)	-			1,152	22.2 %
Income taxes	201	3.9 %	34	4	2	27			268	5.2 %
Net income	785	15.1 %	(105)	(14)	(7)	27			884	17.0 %
Less: Noncontrolling interests	-	0.0 %	-	-	-	-			-	0.0 %
Net income - common shareholders	\$ 785	15.1 %	\$ (105)	\$ (14)	\$ (7)	\$ 27			\$ 884	17.0 %
Diluted earnings per share	\$ 6.01		\$ (0.81)	\$ (0.11)	\$ (0.05)	\$ 0.21			\$ 6.77	



Adjusted Amounts Reconciliation

Full Year Consolidated Statement of Income

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

Year-to-Date FY 2025											
	As Reported June 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Buildings	Gain on Divestitures	Saegertown Incident	Discrete Tax Benefits	Adjusted June 30, 2025	% of Sales
Net sales	\$ 19,850	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,850	100.0 %
Cost of sales	12,535	63.1 %	88	31	-	-	-	-	-	12,416	62.5 %
Selling, general and admin. expenses	3,255	16.4 %	465	23	22	-	-	-	-	2,745	13.8 %
Interest expense	409	2.1 %	-	-	-	-	-	-	-	409	2.1 %
Other (income) expense, net	(456)	(2.3)%	-	2	-	(24)	(252)	8	-	(190)	(1.0)%
Income before income taxes	4,107	20.7 %	(553)	(56)	(22)	24	252	(8)	-	4,470	22.5 %
Income taxes	575	2.9 %	127	13	5	(6)	(21)	2	215	910	4.6 %
Net income	3,532	17.8 %	(426)	(43)	(17)	18	231	(6)	215	3,560	17.9 %
Less: Noncontrolling interests	1	0.0 %	-	-	-	-	-	-	-	1	0.0 %
Net income - common shareholders	\$ 3,531	17.8 %	\$ (426)	\$ (43)	\$ (17)	\$ 18	\$ 231	\$ (6)	\$ 215	\$ 3,559	17.9 %
Diluted earnings per share	\$ 27.12		\$ (3.27)	\$ (0.32)	\$ (0.13)	\$ 0.14	\$ 1.77	\$ (0.05)	\$ 1.65	\$ 27.33	

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			Adjusted June 30, 2024	% of Sales
Net sales	\$ 19,930	100.0 %	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 19,930	100.0 %
Cost of sales	12,802	64.2 %	109	30	4	-	-			12,659	63.5 %
Selling, general and admin. Expenses	3,315	16.6 %	469	21	34	-	-			2,791	14.0 %
Interest expense	506	2.5 %	-	-	-	-	-			506	2.5 %
Other (income) expense, net	(288)	(1.4)%	-	3	-	(26)	-			(265)	(1.3)%
Income before income taxes	3,595	18.0 %	(578)	(54)	(38)	26	-			4,239	21.3 %
Income taxes	750	3.8 %	138	13	9	(12)	27			925	4.6 %
Net income	2,845	14.3 %	(440)	(41)	(29)	14	27			3,314	16.6 %
Less: Noncontrolling interests	1	0.0 %	-	-	-	-	-			1	0.0 %
Net income - common shareholders	\$ 2,844	14.3 %	\$ (440)	\$ (41)	\$ (29)	\$ 14	\$ 27			\$ 3,313	16.6 %
Diluted earnings per share	\$ 21.84		\$ (3.37)	\$ (0.32)	\$ (0.23)	\$ 0.11	\$ 0.21			\$ 25.44	



Adjusted Amounts Reconciliation

Q4 Segment Operating Income

(Dollars in millions)
(Unaudited)

Diversified Industrial:

North America businesses¹
International businesses¹
Total Diversified Industrial¹
Aerospace Systems¹
Total segment operating income
Corporate administration
Income before interest and other
Interest expense
Other (income) expense
Income before income taxes

Quarter-to-Date FY 2025									
As Reported June 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Building	Gain on Divestitures	Adjusted June 30, 2025	% of Sales ²	
\$ 513	24.7%	\$ 41	\$ 2	\$ (1)	\$ -	\$ -	\$ 555	26.7%	
334	22.4%	23	12	-	-	-	369	24.7%	
847	23.7%	64	14	(1)	-	-	924	25.9%	
407	24.3%	75	-	4	-	-	486	29.0%	
1,254	23.9%	(139)	(14)	(3)	-	-	1,410	26.9%	
65	1.2%	-	-	-	-	-	65	1.2%	
1,189	22.7%	(139)	(14)	(3)	-	-	1,345	25.7%	
99	1.9%	-	-	-	-	-	99	1.9%	
19	0.4%	-	2	-	(14)	(2)	33	0.6%	
\$ 1,071	20.4%	\$ (139)	\$ (16)	\$ (3)	\$ 14	\$ 2	\$ 1,213	23.1%	

Diversified Industrial:

North America businesses¹
International businesses¹
Total Diversified Industrial¹
Aerospace Systems¹
Total segment operating income
Corporate administration
Income before interest and other
Interest expense
Other (income) expense
Income before income taxes

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	
\$ 505	22.7%	\$ 42	\$ 10	\$ 1			\$ 558	25.0%	
312	21.8%	22	8	-			342	23.9%	
817	22.3%	64	18	1			900	24.6%	
332	21.7%	75	-	8			415	27.1%	
1,149	22.2%	(139)	(18)	(9)			1,315	25.3%	
56	1.1%	-	-	-			56	1.1%	
1,093	21.1%	(139)	(18)	(9)			1,259	24.3%	
119	2.3%	-	-	-			119	2.3%	
(12)	-0.2%	-	-	-			(12)	-0.2%	
\$ 986	19.0%	\$ (139)	\$ (18)	\$ (9)			\$ 1,152	22.2%	



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

Full Year Segment Operating Income

(Dollars in millions)
(Unaudited)

Diversified Industrial:

Year-to-Date FY 2025										
As Reported June 30, 2025	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Gain on Sale of Buildings	Gain on Divestitures	Saegertown Incident	Adjusted June 30, 2025	% of Sales ²	
North America businesses ¹	\$ 1,891	23.2%	\$ 165	\$ 15	\$ 2	\$ -	\$ -	\$ -	\$ 2,073	25.5%
International businesses ¹	1,229	22.2%	88	38	1	-	-	-	1,356	24.5%
Total Diversified Industrial ¹	3,120	22.8%	253	53	3	-	-	-	3,429	25.1%
Aerospace Systems ¹	1,441	23.3%	300	-	19	-	-	-	1,760	28.5%
Total segment operating income	4,561	23.0%	(553)	(53)	(22)	-	-	-	5,189	26.1%
Corporate administration	214	1.1%	-	1	-	-	-	-	213	1.1%
Income before interest and other	4,347	21.9%	(553)	(54)	(22)	-	-	-	4,976	25.1%
Interest expense	409	2.1%	-	-	-	-	-	-	409	2.1%
Other (income) expense	(169)	-0.9%	-	2	-	(24)	(252)	8	97	0.5%
Income before income taxes	\$ 4,107	20.7%	\$ (553)	\$ (56)	\$ (22)	\$ 24	\$ 252	\$ (8)	\$ 4,470	22.5%

Diversified Industrial:

Year-to-Date FY 2024										
As Reported June 30, 2024	% of Sales	Acquired Intangible Asset Amortization	Business Realignment Charges	Meggitt Costs to Achieve	Net Gain on Divestitures			Adjusted June 30, 2024	% of Sales ²	
North America businesses ¹	\$ 1,963	22.3%	\$ 176	\$ 19	\$ 3	\$ -		\$ 2,161	24.6%	
International businesses ¹	1,213	21.4%	90	32	1	-		1,336	23.6%	
Total Diversified Industrial ¹	3,176	22.0%	266	51	4	-		3,497	24.2%	
Aerospace Systems ¹	1,111	20.3%	312	-	34	-		1,457	26.6%	
Total segment operating income	4,287	21.5%	(578)	(51)	(38)	-		4,954	24.9%	
Corporate administration	218	1.1%	-	-	-	-		218	1.1%	
Income before interest and other	4,069	20.4%	(578)	(51)	(38)	-		4,736	23.8%	
Interest expense	506	2.5%	-	-	-	-		506	2.5%	
Other (income) expense	(32)	-0.2%	-	3	-	(26)		(9)	0.0%	
Income before income taxes	\$ 3,595	18.0%	\$ (578)	\$ (54)	\$ (38)	\$ 26		\$ 4,239	21.3%	



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 FY19 – FY26G

Segment Sales Growth to Organic Sales Growth

DIVERSIFIED INDUSTRIAL RECONCILIATION OF SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

	12 Months ended 6/30/19	12 Months ended 6/30/20	12 Months ended 6/30/21	12 Months ended 6/30/22	12 Months ended 6/30/23	12 Months ended 6/30/24	12 Months ended 6/30/25	12 Months ended 6/30/26G
Diversified Industrial Segment Reported Sales Growth	(1.5%)	(7.2%)	9.1%	11.6%	10.2%	(1.7%)	(5.5%)	~1.5%
Currency	2.5%	1.4%	(2.3%)	2.0%	3.5%	0.2%	0.5%	~(1.5%)
M&A	0.4%	(5.2%)	(2.9%)	0.0%	(3.3%)	(0.6%)	2.0%	~1.0%
Diversified Industrial Segment Organic Sales Growth	1.5%	(11.0%)	3.9%	13.6%	10.4%	(2.1%)	(3.0%)	~1.0%

AEROSPACE RECONCILIATION OF SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

	12 Months ended 6/30/19	12 Months ended 6/30/20	12 Months ended 6/30/21	12 Months ended 6/30/22	12 Months ended 6/30/23	12 Months ended 6/30/24	12 Months ended 6/30/25	12 Months ended 6/30/26G
Aerospace Segment Reported Sales Growth	8.4%	8.9%	(12.7%)	5.5%	73.0%	25.5%	13.0%	~8.5%
Currency	0.1%	0.1%	(0.2%)	0.3%	0.3%	(0.4%)	(0.4%)	~(0.5%)
M&A	0.0%	(13.5%)	(2.6%)	0.0%	(62.4%)	(7.9%)	0.0%	~0.0%
Aerospace Segment Organic Sales Growth	8.5%	(4.5%)	(15.5%)	5.8%	10.9%	17.2%	12.6%	~8.0%



*Totals may not foot due to rounding

Adjusted Amounts Reconciliation FY19 – FY26G

Segment Operating Margin

DIVERSIFIED INDUSTRIAL RECONCILIATION OF OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

	12 Months ended 6/30/19	12 Months ended 6/30/20	12 Months ended 6/30/21	12 Months ended 6/30/22	12 Months ended 6/30/23	12 Months ended 6/30/24	12 Months ended 6/30/25	12 Months ended 6/30/26G
Diversified Industrial Segment Operating Margin	16.5%	15.2%	18.7%	20.2%	20.9%	22.0%	22.8%	~23.1%
Adjustments:								
Acquisition-related intangible asset amortization expense	1.7%	2.2%	2.3%	2.0%	1.8%	1.8%	1.9%	~1.8%
Business realignment charges	0.1%	0.5%	0.3%	0.1%	0.2%	0.3%	0.4%	~0.5%
Acquisition-related expenses & costs to achieve	0.1%	0.7%	0.1%	0.0%	0.1%	0.0%	0.0%	-
Diversified Industrial Adjusted Segment Operating Margin	18.4%	18.5%	21.4%	22.3%	22.9%	24.2%	25.1%	~25.4%

AEROSPACE RECONCILIATION OF OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

	12 Months ended 6/30/19	12 Months ended 6/30/20	12 Months ended 6/30/21	12 Months ended 6/30/22	12 Months ended 6/30/23	12 Months ended 6/30/24	12 Months ended 6/30/25	12 Months ended 6/30/26G
Aerospace Segment Operating margin	19.4%	17.4%	16.9%	19.9%	12.9%	20.3%	23.3%	~24.4%
Adjustments:								
Acquisition-related intangible asset amortization expense	0.1%	1.5%	2.1%	2.0%	5.3%	5.7%	4.9%	~4.5%
Business realignment charges	0.0%	0.8%	0.3%	0.0%	0.1%	0.0%	0.0%	~0.1%
Acquisition-related expenses & costs to achieve	0.0%	0.7%	0.0%	0.0%	2.0%	0.6%	0.3%	~0.0%
Amortization of inventory step-up to FV	0.0%	0.0%	0.0%	0.0%	2.5%	0.0%	0.0%	~0.0%
Russia liquidation	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	~0.0%
Aerospace Adjusted Segment Operating margin	19.5%	20.5%	19.3%	22.3%	22.8%	26.6%	28.5%	~28.9%



*Totals may not foot due to rounding

Reconciliation of EBITDA to Adjusted EBITDA

(Dollars in millions)
(Unaudited)

	Three Months Ended June 30,			
	2025	% of Sales	2024	% of Sales
Net sales	\$ 5,243	100.0%	\$ 5,187	100.0%
Net income	\$ 923	17.6%	\$ 785	15.1%
Income taxes	148	2.8%	201	3.9%
Depreciation	91	1.7%	91	1.8%
Amortization	139	2.7%	139	2.7%
Interest expense	99	1.9%	119	2.3%
EBITDA	<u>1,400</u>	<u>26.7%</u>	<u>1,335</u>	<u>25.8%</u>
Adjustments:				
Business realignment charges	16	0.3%	18	0.3%
Meggitt costs to achieve	3	0.1%	9	0.2%
Gain on divestitures	(2)	0.0%	-	0.0%
Gain on sale of building	(14)	-0.3%	-	0.0%
EBITDA - Adjusted	<u>\$ 1,403</u>	<u>26.8%</u>	<u>\$ 1,362</u>	<u>26.3%</u>
EBITDA margin	26.7 %		25.8 %	
EBITDA margin - Adjusted	26.8 %		26.3 %	

(Dollars in millions)
(Unaudited)

	Twelve Months Ended June 30,			
	2025	% of Sales	2024	% of Sales
Net sales	\$ 19,850	100.0%	\$ 19,930	100.0%
Net income	\$ 3,532	17.8%	\$ 2,845	14.3%
Income taxes	575	2.9%	750	3.8%
Depreciation	354	1.8%	349	1.8%
Amortization	553	2.8%	578	2.9%
Interest expense	409	2.1%	506	2.5%
EBITDA	<u>5,423</u>	<u>27.3%</u>	<u>5,028</u>	<u>25.2%</u>
Adjustments:				
Business realignment charges	56	0.3%	54	0.3%
Meggitt costs to achieve	22	0.1%	38	0.2%
Gain on divestitures	(252)	-1.3%	(26)	-0.1%
Gain on sale of buildings	(24)	-0.1%	-	0.0%
Saegertown Incident	8	0.0%	-	0.0%
EBITDA - Adjusted	<u>\$ 5,233</u>	<u>26.4%</u>	<u>\$ 5,094</u>	<u>25.6%</u>
EBITDA margin	27.3 %		25.2 %	
EBITDA margin - Adjusted	26.4 %		25.6 %	

Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin

(Unaudited) (Dollars in millions)	Twelve Months Ended June 30,	
	2025	2024
Net Sales	\$ 19,850	\$ 19,930
Cash Flow from Operations	\$ 3,776	\$ 3,384
Capital Expenditures	(435)	(400)
Free Cash Flow	\$ 3,341	\$ 2,984
Cash Flow from Operations Margin	19.0%	17.0%
Free Cash Flow Margin	16.8%	15.0%

Reconciliation of Adjusted Free Cash Flow Conversion

(Unaudited)

(Dollars in millions)

	<u>Twelve Months Ended June 30, 2025</u>	
Net Income	\$	3,532
After-Tax Gain on Divestitures		(231)
After-Tax Gain on Sale of Buildings		(18)
Discrete Tax Benefits		(215)
Net Income Adjusted for Major Non-Recurring Items¹	\$	3,068
Cash Flow from Operations	\$	3,776
Capital Expenditures		(435)
Free Cash Flow	\$	3,341
Adj. Free Cash Flow Conversion (Free Cash Flow / Net Income Adjusted for Major Non-Recurring Items¹)		109%



1. Net income adjusted for non-recurring after tax gain on previously completed divestitures (\$231M), gain on sale of building (\$18M), and discrete tax benefits (\$215M).

Supplemental Sales Information

Global Technology Platforms

(Unaudited)	Three Months Ended June 30,		Twelve Months Ended June 30,	
(Dollars in millions)	2025	2024	2025	2024
Net sales				
Diversified Industrial:				
Motion Systems	\$ 860	\$ 903	\$ 3,341	\$ 3,706
Flow and Process Control	1,192	1,184	4,518	4,673
Filtration and Engineered Materials	1,515	1,572	5,806	6,079
Aerospace Systems	1,676	1,528	6,185	5,472
Total	\$ 5,243	\$ 5,187	\$ 19,850	\$ 19,930

Reconciliation of Q1 FY26 Guidance

RECONCILIATION OF FORECASTED SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

(Amounts in percentages)

Forecasted net sales

~0.5%

Adjustments:

Currency

(1.0%)

Divestitures

2.5%

Adjusted forecasted net sales

~2.0%

RECONCILIATION OF FORECASTED EARNINGS PER SHARE

(Unaudited)

(Amounts in dollars)

Forecasted earnings per diluted share

~\$5.56

Adjustments:

Business realignment charges

0.15

Acquisition-related intangible asset amortization expense

1.07

Tax effect of adjustments¹

(0.28)

Adjusted forecasted earnings per diluted share

~\$6.51

RECONCILIATION OF FORECASTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

(Amounts in percentages)

Forecasted segment operating margin

~22.9%

Adjustments:

Business realignment charges

0.4%

Acquisition-related intangible asset amortization expense

2.8%

Adjusted forecasted segment operating margin

~26.1%

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



*Totals may not foot due to rounding

Reconciliation of FY26 Guidance

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.



*Totals may not foot due to rounding