PARKER HANNIFIN CORPORATION

Fiscal 2026 Third Quarter Earnings Presentation

April 30, 2026

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 pending acquisition of Filtration Group Corporation and 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, including geopolitical tensions in the Middle East, 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.

Record Performance Enabled by the Strength of Our Portfolio

- Top quartile safety performance
- Record sales of $5.5B, +6.5% organic growth[1]
- Record adjusted segment operating margin[1] of 26.7%
- Record adjusted earnings per share[1] of $8.17
- Orders +9% and record backlog of $12.5B
- Progress continues on Filtration Group acquisition

FY26 Q3 Highlights

12% Reduction in Recordable Incident Rate	**$5.5B** Sales +10.6% Reported +6.5% Organic[1]
26.7% Adjusted Segment Operating Margin[1] +40 bps	**27.2%** Adjusted EBITDA Margin[1] +20 bps
18% Adjusted EPS Growth[1]	**$2.6B** YTD CFOA

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1. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.
Note: FY26 Q3 As Reported: Segment Operating Margin of 23.4%, EBITDA Margin of 26.5%, Net Income of $904M, EPS of $7.06, a decrease of 4%.

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

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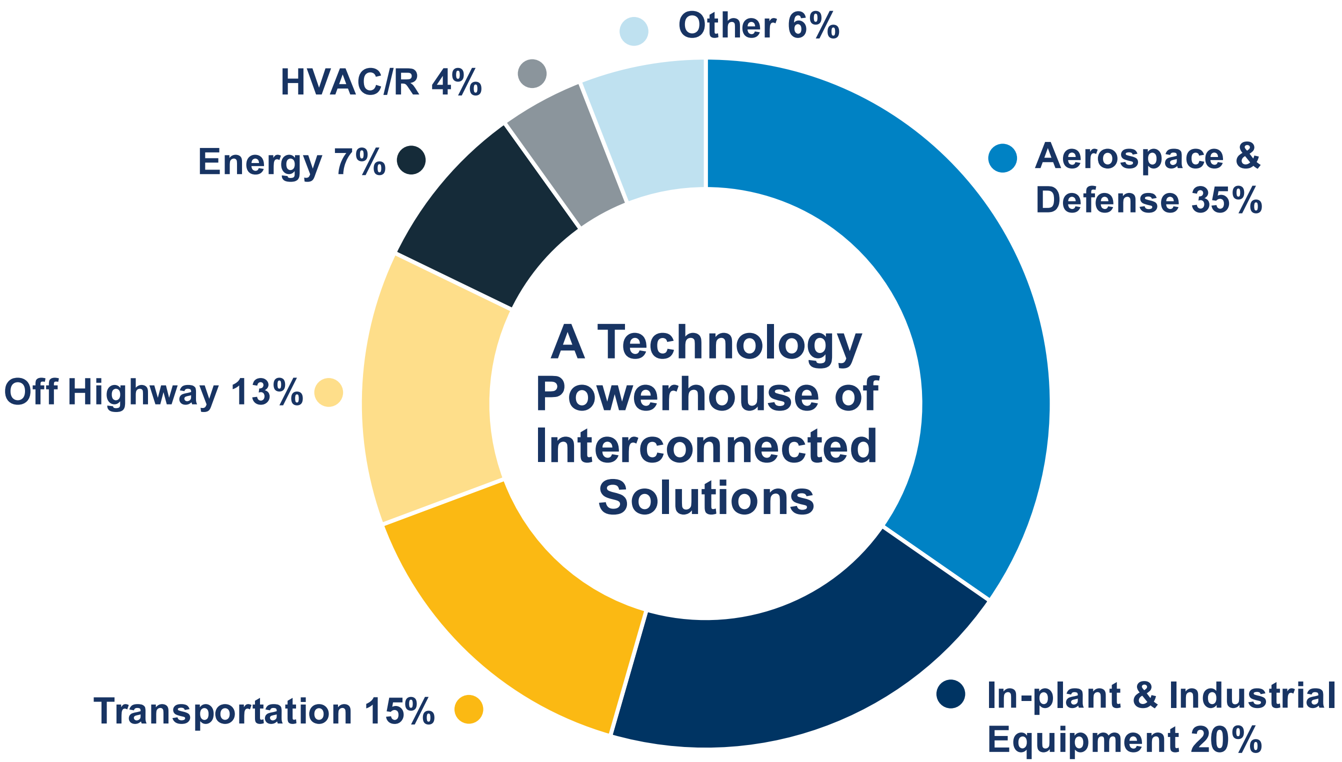
#1 Position in Motion & Control Industry

Focused Portfolio Creating Distinct Value for Customers Across Market Verticals

~$21B FY26G Sales



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

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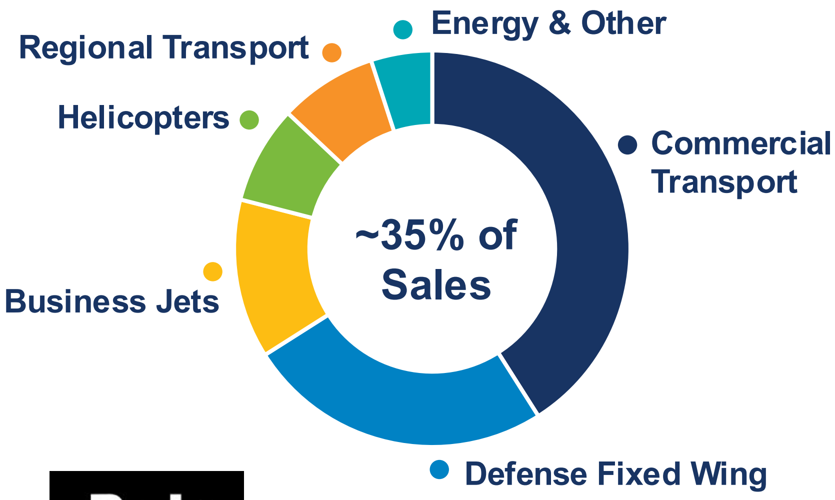
Note: Sales by market as of FY25. Aerospace & Defense market includes sales reported both in the Aerospace Systems segment and Diversified Industrial segment.

Aerospace & Defense Market Vertical

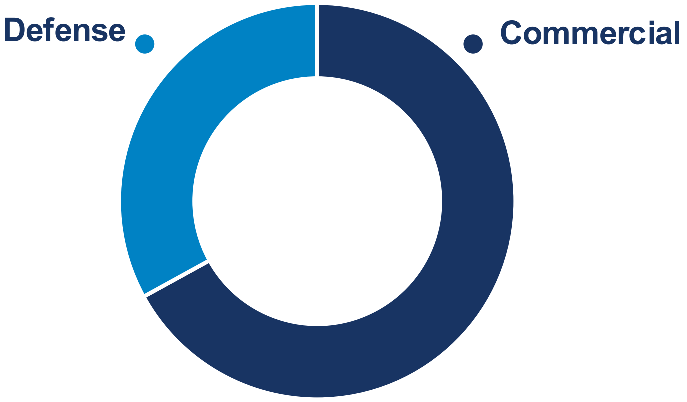
Trusted Partner Helping to Shape the Future of Flight




Sales by Platform[1]



Sales by Market Segment[1]



Leading Commercial Programs

A220	G400/500/600	737
A320	G650/700/800	777
A350	ERJ-175/195 E1	787
	Praetor 500/600	

Leading Defense Programs

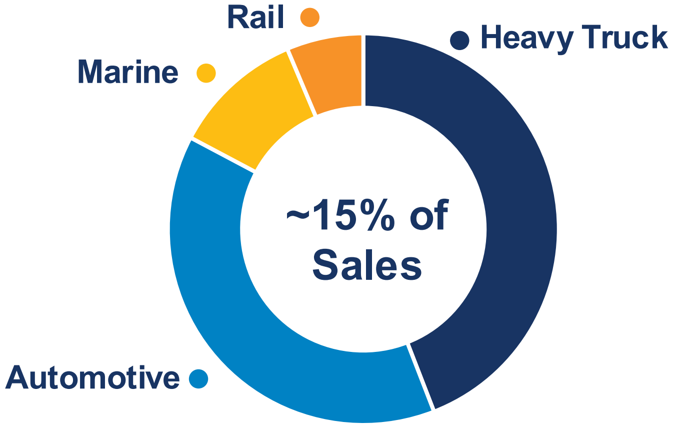
F-15	Black Hawk
F-16	Apache
F-35	Typhoon
F/A-18	CH-47

1. FY25 Parker sales

Transportation Market Vertical

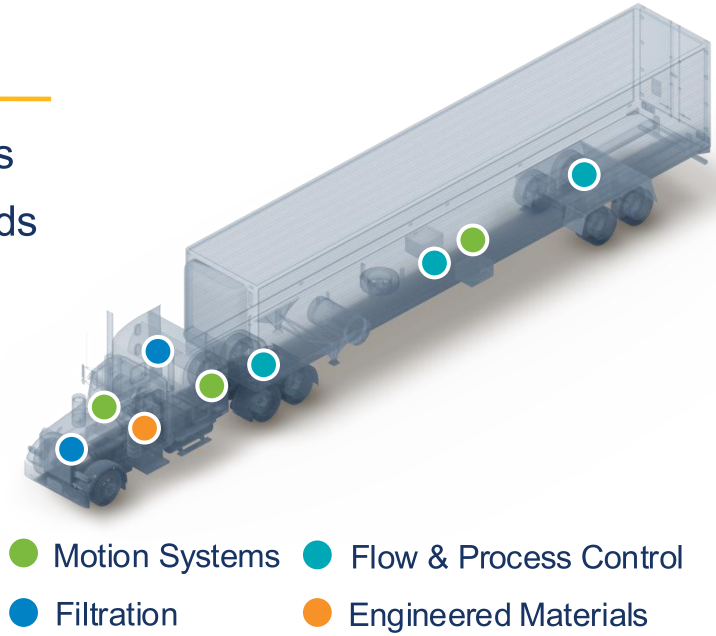
Interconnected Technologies and Engineering Expertise

Sales by Platform[1]



Competitive Advantages

- Comprehensive offering of differentiated solutions
- Energy agnostic to meet changing customer needs
- Improving reliability, safety & fuel efficiency
- Robust aftermarket channel
- Positioned for OEM growth
- Innovative and specified products



1. FY25 Parker sales

SUMMARY OF FISCAL 2026
3RD QUARTER HIGHLIGHTS

FY26 Q3 Financial Summary

Another Quarter of Record Performance

$ Millions, except per share amounts	FY26 Q3 As Reported	FY26 Q3 Adjusted[1]	FY25 Q3 Adjusted[1]	YoY Change Adjusted[1]
Sales	$5,486	**$5,486**	$4,960	**+11%**
Segment Operating Margin	23.4%	**26.7%**	26.3%	**+40 bps**
EBITDA Margin	26.5%	**27.2%**	27.0%	**+20 bps**
Net Income	$904	**$1,046**	$904	**+16%**
EPS	$7.06	**$8.17**	$6.94	**+18%**

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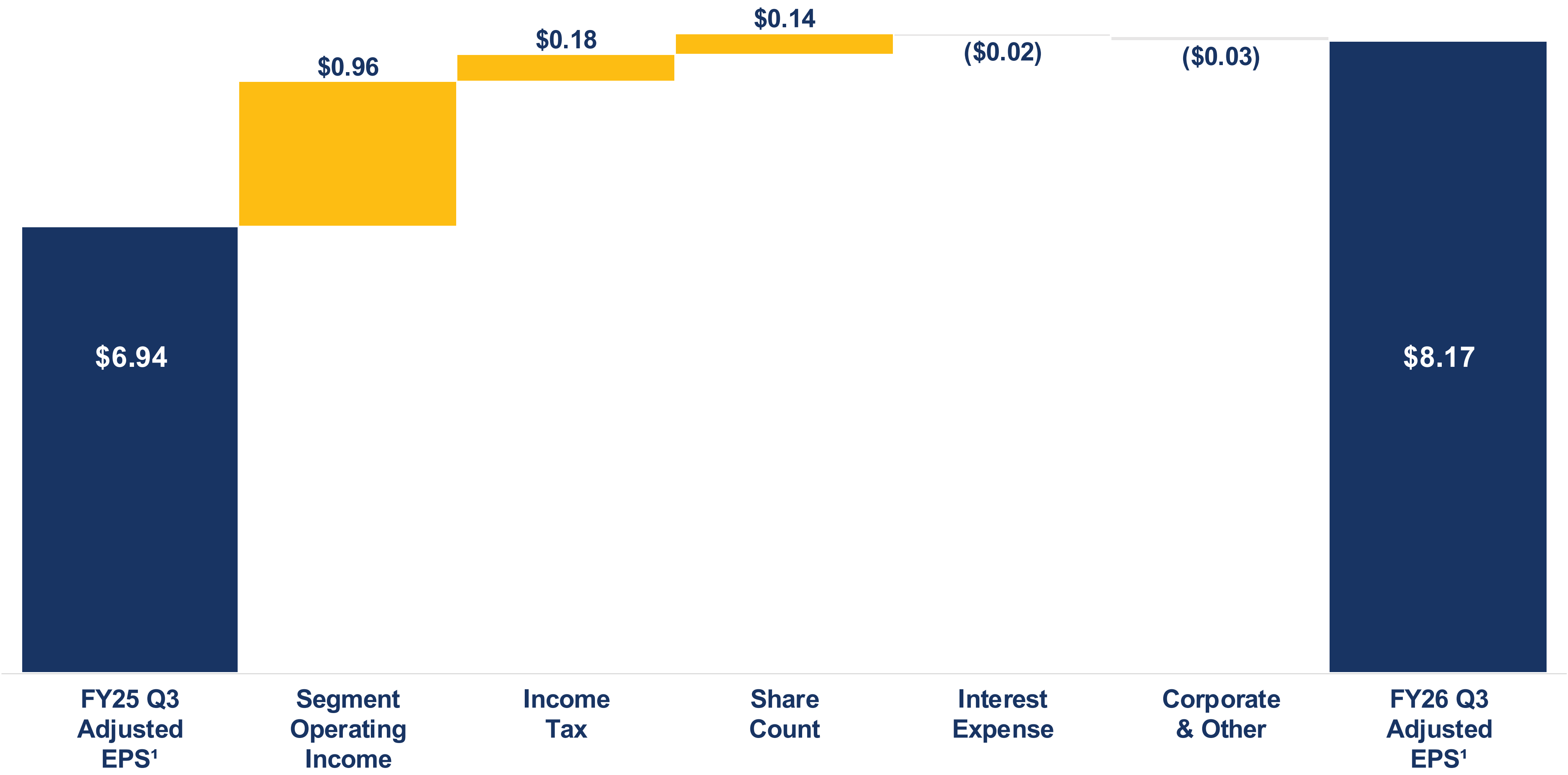
1. Sales figures As Reported. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.
Note: FY25 Q3 As Reported: Segment Operating Margin of 23.2%, EBITDA Margin of 26.5%, Net Income of $961M, EPS of $7.37.

FY26 Q3 Adjusted Earnings per Share Bridge



1. FY25 Q3 As Reported EPS of $7.37. FY26 Q3 As Reported EPS of $7.06. Includes certain non-GAAP adjustments and financial measures. See Appendix for additional details and reconciliations.

FY26 Q3 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	$2,141M **+2.8% Organic**	22.6%	25.3% **+10 bps YoY**	+7%	• Record adjusted segment operating margin • Organic growth driven by in-plant, off-highway & energy • Order rates remain strong at 7%
Diversified Industrial	International Businesses	$1,531M **+3.3% Organic**	22.3%	25.3% **+20 bps YoY**	+6%	• Record sales led by APAC with +10% organic growth • Record adjusted segment operating margin • Order rates at 6% from electronics and defense
	Aerospace Systems	$1,814M **+14.2% Organic**	25.2%	29.5% **+80 bps YoY**	+14%	• Record sales: +22% commercial OEM, +14% aftermarket • Record adjusted segment operating margin • Order rates at 14%; DD growth for OEM and aftermarket
	Parker	$5,486M **+6.5% Organic**	23.4%	26.7% **+40 bps YoY**	+9%	• Record sales with 6.5% organic growth • Record adjusted segment operating margin • Backlog increased to a record $12.5 billion

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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.

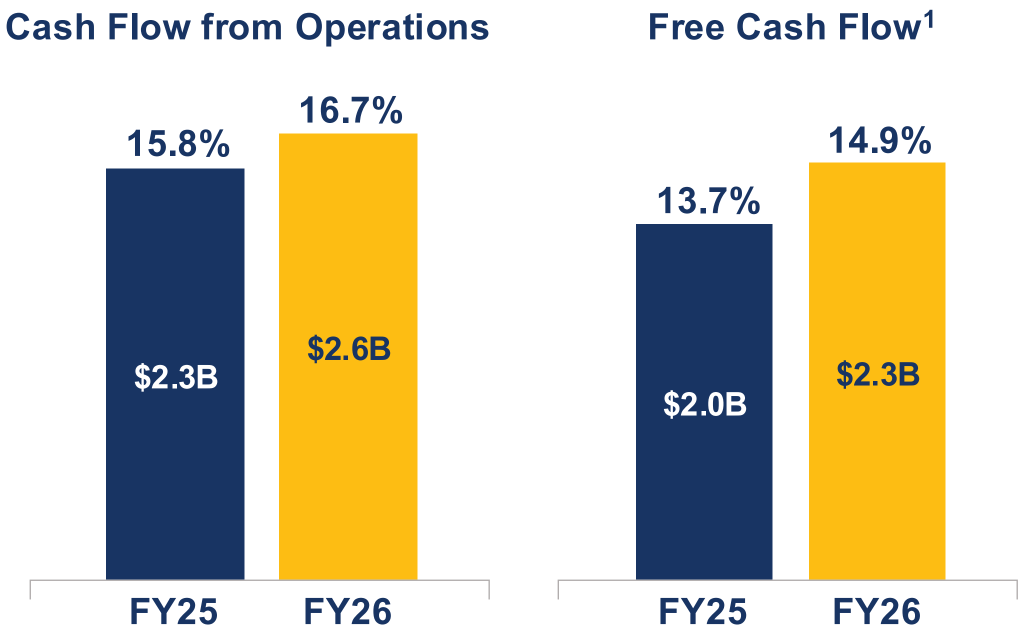
FY26 Q3 YTD Cash Flow Performance

Cash Flow Highlights

$2.6B Cash Flow from Operations	**16.7%** Cash Flow from Operations Margin
$2.3B Free Cash Flow[1]	**14.9%** Free Cash Flow Margin[1]
$825M YTD Share Repurchases[2]	

11% Quarterly Dividend Increase

- $2.00 declared April 23, 2026
- 70 fiscal years of increasing annual dividend per share paid



% to sales

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 Market Vertical Growth Guidance

Key Market Verticals	% of Sales[1]	Commentary	Previous FY26 Guidance[2]	Current FY26 Guidance[2]
Aerospace & Defense	~35%	• Progress continues on increasing commercial transport build rates • Aftermarket remains strong due to fleet age	~11%	**~12%**
In-Plant & Industrial	~20%	• Quoting activity strong and selective capital spending continues • Distributor inventories stable and ordering to demand	LSD	**LSD**
Transportation	~15%	• Heavy truck improving as orders increase • Global auto production demand challenges persist	(MSD)	**(LSD)**
Off-Highway	~13%	• Construction growth from capital and infrastructure investment • Ag remains under pressure	LSD	**LSD**
Energy	~7%	• Power gen strength with increased global power requirements • Midstream Oil & Gas growth continues offset by upstream	LSD	**LSD**
HVAC/R	~4%	• Strength in commercial HVAC/R, filtration and aftermarket	MSD	**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 5% to 5.5%

FY26 Guidance Update

EPS: $27.10 As Reported, $31.20 Adjusted

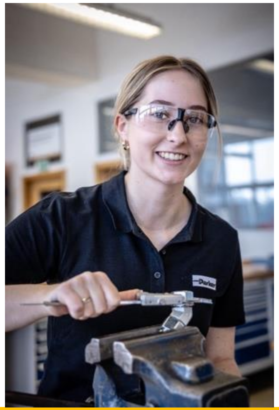
Guidance Metric	Previous FY26 Full Year Range	Current FY26 Full Year	Full Year Assumptions	FY26 Q4
Reported Sales Growth	5.5% - 7.5%	**~7%**	• Currency favorable ~1.5% • Acquisitions ~1%; Divestitures ~(1%) • Split: 1H: 48% | 2H: 52%	**~5.5%**
Organic Sales Growth[1]	4% - 6%	**~5.5%**	• ~12% Aerospace organic growth • ~2.5% Industrial North America organic growth • ~2.5% Industrial International organic growth	**~4%**
Adj. Operating Margin[1]	27.0% - 27.4%	**~27.2%**	• 110 bps margin expansion • ~40% incremental margin	**~27.4%**
Adj. EPS [1]	$30.40 - $31.00	**$31.20**	• 2H Tax rate: ~21% • Split: 1H: 48% | 2H: 52%	**$8.16**
Free Cash Flow[1]	$3.2B - $3.6B	**$3.3B - $3.6B**	• CapEx: ~2% - 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









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UPCOMING EVENT CALENDAR

FY26 Q4 Earnings Release	August 6, 2026
FY27 Q1 Earnings Release	November 5, 2026

Appendix

- FY26 Guidance Details
- Reconciliation of Q3 Organic Growth
- Adjusted Amounts Reconciliation – Q3 Consolidated Statement of Income
- Adjusted Amounts Reconciliation – Q3 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 Q4 Guidance
- Current Reconciliation of FY26 Guidance
- Previous Reconciliation of FY26 Guidance (from January 29, 2026)

FY26 Guidance Details

Sales Growth vs. Prior Year	As Reported	Organic[1]
Diversified Industrial Segment		
North America Businesses	~2.5%	~2.5%
International Businesses	~7.5%	~2.5%
Aerospace Systems Segment	~13%	~12%
Parker	**~7%**	**~5.5%**

Segment Operating Margins	As Reported	Adjusted[1]
Diversified Industrial Segment		
North America Businesses	~23.5%	~26.1%
International Businesses	~22.7%	~25.4%
Aerospace Systems Segment	~25.4%	~29.9%
Parker	**~23.9%**	**~27.2%**

Earnings Per Share	As Reported	Adjusted[1]
EPS	**~$27.10**	**~$31.20**

Additional Items	As Reported
Corporate G&A	**~$210M**
Interest Expense	**~$405M**
Other (Income) Expense	**~$85M**
Tax Rate	**~21%**
Diluted Shares Outstanding	**~128M**

Detail of Pre-Tax Adjustments to:	Segment Margins	Below Segment[2]
Acquired Intangible Asset Amortization	**~$585M**	—
Business Realignment	**~$70M**	—
Integration Costs to Achieve	**~$15M**	—
Acquisition Related Expenses	**~$12M**	**~$23M**
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 Q3 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	5.4 %	0.6 %	0.0 %	2.0 %	**2.8 %**
International businesses					
Europe	11.9 %	9.7 %	0.0 %	2.1 %	**0.1 %**
Asia Pacific	15.9 %	2.5 %	0.0 %	3.8 %	**9.6 %**
Latin America	(1.4)%	6.1 %	0.0 %	0.0 %	**(7.5)%**
International businesses	12.7 %	6.7 %	0.0 %	2.7 %	**3.3 %**
Total Diversified Industrial	8.4 %	3.2 %	0.0 %	2.2 %	**3.0 %**
Aerospace Systems	15.5 %	1.3 %	0.0 %	0.0 %	**14.2 %**
Total Parker Hannifin	10.6 %	2.6 %	0.0 %	1.5 %	**6.5 %**

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Adjusted Amounts Reconciliation
Q3 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 March 31, 2026	**% of Sales**	**Amortization of Acquired Intangibles**	**Business Realignment Charges**	**Costs to Achieve**	**Acquisition-Related Expenses**		**Adjusted March 31, 2026**	**% of Sales**
Net sales	$ 5,486	100.0 %	$ -	$ -	$ -	$ -	$ -	**$ 5,486**	**100.0 %**
Cost of sales	3,469	63.2 %	27	17	-	3	-	**3,422**	**62.4 %**
Selling, general and admin. expenses	884	16.1 %	121	8	6	3	-	**746**	**13.6 %**
Interest expense	99	1.8 %	-	-	-	-	-	**99**	**1.8 %**
Other expense (income), net	(85)	(1.5)%	-	-	-	-	-	**(85)**	**(1.5)%**
Income before income taxes	1,119	20.4 %	(148)	(25)	(6)	(6)	-	**1,304**	**23.8 %**
Income taxes	215	3.9 %	34	6	2	1	-	**258**	**4.7 %**
Net income	904	16.5 %	(114)	(19)	(4)	(5)	-	**1,046**	**19.1 %**
Less: Noncontrolling interests	-	0.0 %	-	-	-	-	-	**-**	**0.0 %**
Net income - common shareholders	$ 904	16.5 %	$ (114)	$ (19)	$ (4)	$ (5)	$ -	**$ 1,046**	**19.1 %**
Diluted earnings per share	$ 7.06		$ (0.89)	$ (0.15)	$ (0.04)	$ (0.03)	$ -	**$ 8.17**	

	Quarter-to-Date FY 2025								
	As Reported March 31, 2025	**% of Sales**	**Amortization of Acquired Intangibles**	**Business Realignment Charges**	**Costs to Achieve**	**Insurance-Related Charges (Recoveries)**	**Discrete Tax Benefit**	**Adjusted March 31, 2025**	**% of Sales**
Net sales	$ 4,960	100.0 %	$ -	$ -	$ -	$ -	$ -	**$ 4,960**	**100.0 %**
Cost of sales	3,130	63.1 %	20	4	-	-	-	**3,106**	**62.6 %**
Selling, general and admin. expenses	785	15.8 %	116	6	6	-	-	**657**	**13.3 %**
Interest expense	96	1.9 %	-	-	-	-	-	**96**	**1.9 %**
Other expense (income), net	(46)	(0.9)%	-	(1)	-	8	-	**(53)**	**(1.1)%**
Income before income taxes	995	20.1 %	(136)	(9)	(6)	(8)	-	**1,154**	**23.3 %**
Income taxes	33	0.7 %	32	1	1	2	180	**249**	**5.0 %**
Net income	962	19.4 %	(104)	(8)	(5)	(6)	180	**905**	**18.2 %**
Less: Noncontrolling interests	1	0.0 %	-	-	-	-	-	**1**	**0.0 %**
Net income - common shareholders	$ 961	19.4 %	$ (104)	$ (8)	$ (5)	$ (6)	$ 180	**$ 904**	**18.2 %**
Diluted earnings per share	$ 7.37		$ (0.80)	$ (0.06)	$ (0.03)	$ (0.05)	$ 1.37	**$ 6.94**	

Adjusted Amounts Reconciliation
Q3 Segment Operating Income

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

	Quarter-to-Date FY 2026							
	As Reported March 31, 2026	% of Sales	Amortization of Acquired Intangibles	Business Realignment Charges	Costs to Achieve	Acquisition-Related Expenses	Adjusted March 31, 2026	% of Sales[2]
Diversified Industrial:								
North America businesses[1]	$ 484	22.6%	$ 48	$ 3	$ 5	$ 1	$ 541	25.3%
International businesses[1]	341	22.3%	23	21	-	2	387	25.3%
Total Diversified Industrial[1]	825	22.5%	71	24	5	3	928	25.3%
Aerospace Systems[1]	457	25.2%	77	1	1	-	536	29.5%
Total segment operating income	1,282	23.4%	(148)	(25)	(6)	(3)	1,464	26.7%
Corporate administration	53	1.0%	-	-	-	-	53	1.0%
Income before interest and other	1,229	22.4%	(148)	(25)	(6)	(3)	1,411	25.7%
Interest expense	99	1.8%	-	-	-	-	99	1.8%
Other expense (income), net	11	0.2%	-	-	-	3	8	0.1%
Income before income taxes	$ 1,119	20.4%	$ (148)	$ (25)	$ (6)	$ (6)	$ 1,304	23.8%

	Quarter-to-Date FY 2025							
	As Reported March 31, 2025	% of Sales	Amortization of Acquired Intangibles	Business Realignment Charges	Costs to Achieve	Insurance-Related Charges (Recoveries)	Adjusted March 31, 2025	% of Sales[2]
Diversified Industrial:								
North America businesses[1]	$ 467	23.0%	$ 40	$ 4	$ 2	$ -	$ 513	25.2%
International businesses[1]	312	23.0%	21	6	1	-	340	25.1%
Total Diversified Industrial[1]	779	23.0%	61	10	3	-	853	25.2%
Aerospace Systems[1]	373	23.7%	75	-	3	-	451	28.7%
Total segment operating income	1,152	23.2%	(136)	(10)	(6)	-	1,304	26.3%
Corporate administration	44	0.9%	-	-	-	-	44	0.9%
Income before interest and other	1,108	22.3%	(136)	(10)	(6)	-	1,260	25.4%
Interest expense	96	1.9%	-	-	-	-	96	1.9%
Other expense (income), net	17	0.4%	-	(1)	-	8	10	0.2%
Income before income taxes	$ 995	20.1%	$ (136)	$ (9)	$ (6)	$ (8)	$ 1,154	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.

Reconciliation of EBITDA to Adjusted EBITDA

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

	Three Months Ended March 31,					
		2026	% of Sales		2025	% of Sales
Net sales	$	5,486	100.0%	$	4,960	100.0%
Net income	$	904	16.5%	$	962	19.4%
Income taxes		215	3.9%		33	0.7%
Depreciation		87	1.6%		86	1.8%
Amortization		148	2.7%		136	2.7%
Interest expense		99	1.8%		96	1.9%
EBITDA		1,453	26.5%		1,313	26.5%
Adjustments:						
Business realignment charges		25	0.5%		9	0.2%
Costs to achieve		6	0.1%		6	0.1%
Acquisition-related expenses		6	0.1%		-	0.0%
Insurance-related charges (recoveries)		-	0.0%		8	0.2%
EBITDA - Adjusted	$	1,490	27.2%	$	1,336	27.0%
EBITDA margin		26.5 %			26.5 %	
EBITDA margin - Adjusted		27.2 %			27.0 %	

Reconciliation of Operating Cash Flow Margin and Free Cash Flow Margin

(Unaudited)		
(Dollars in millions)	**Nine Months Ended March 31,**	
	2026	**2025**
Net Sales	**$15,744**	**$14,607**
Cash Flow from Operations	$2,628	$2,309
Capital Expenditures	(286)	(304)
Free Cash Flow	**$2,342**	**$2,005**
Cash Flow from Operations Margin	**16.7%**	**15.8%**
Free Cash Flow Margin	**14.9%**	**13.7%**

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Supplemental Sales Information

Global Technology Platforms

(Unaudited)
(Dollars in millions)

Net Sales	**Three Months Ended March 31, 2026**	**2025**
Diversified Industrial:		
Motion Systems	$ 919	$ 828
Flow and Process Control	1,220	1,141
Filtration and Engineered Materials	1,533	1,420
Aerospace Systems	1,814	1,571
Total	**$ 5,486**	**$ 4,960**

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Reconciliation of FY26 Q4 Guidance

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

(Unaudited)

	Fiscal Year 2026 Q4
Forecasted earnings per diluted share	**~$7.15**
Adjustments:	
Business realignment charges	0.12
Amortization of acquired intangibles	1.15
Acquisition related expenses	0.00
Costs to achieve	0.03
Tax effect of adjustments[1]	(0.29)
Adjusted forecasted earnings per diluted share	**~$8.16**

RECONCILIATION OF FORECASTED SALES GROWTH TO ORGANIC SALES GROWTH

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026 Q4				
	Forecasted Net Sales	**Currency**	**Acquisitions**	**Divestitures**	**Adjusted Forecasted Net Sales**
Parker	~5.5%	~0.0%	~(1.5%)	~0.0%	~4.0%

RECONCILIATION OF FORECASTED OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

(Unaudited)

(Amounts in percentages)

	Fiscal Year 2026 Q4					
	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	**~24.4%**	**~0.3%**	**~0.1%**	**~2.6%**	**~0.0%**	**~27.4%**

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	~2.5%	~(0.5%)	~(1.5%)	~2%	~2.5%
International Businesses	~7.5%	~(3%)	~(2%)	--	~2.5%
Aerospace Systems	~13%	~(1%)	--	--	~12%
Parker	~7%	~(1.5%)	~(1%)	~1%	~5.5%

RECONCILIATION OF FORECASTED CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

(Unaudited)

(Dollars in millions)

	Fiscal Year 2026
Cash flow from operations	**$3,725 to $4,132**
Less: Capital Expenditures	(425) to (532)
Free cash flow	**$3,300 to $3,600**

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

(Unaudited)

	Fiscal Year 2026
Forecasted earnings per diluted share	**~$27.10**
Adjustments:	
Business realignment charges	0.53
Amortization of acquired intangibles	4.56
Acquisition related expenses	0.26
Costs to achieve	0.13
Gain on insurance recoveries	(0.16)
Tax effect of adjustments[1]	(1.22)
Adjusted forecasted earnings per diluted share	**~$31.20**

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	~23.5%	~0.1%	~0.1%	~2.3%	~0.1%	~26.1%
International Businesses	~22.7%	~1.0%	~0.0%	~1.5%	~0.1%	~25.4%
Aerospace Systems	~25.4%	~0.0%	~0.1%	~4.4%	~0.0%	~29.9%
Parker	**~23.9%**	**~0.3%**	**~0.1%**	**~2.8%**	**~0.1%**	**~27.2%**

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* Totals may not foot due to rounding

Previous Reconciliation of FY26 Guidance (from Jan 29, 2026)

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	1.5% to 3.5%	~(0.5%)	~(1.5%)	~2.0%	1.5% to 3.5%
International Businesses	6.0% to 8.0%	~(3.0%)	~(2.0%)	--	1.0% to 3.0%
Aerospace Systems	10.5% to 12.5%	~(0.5%)	--	--	10.0% to 12.0%
Parker	5.5% to 7.5%	~(1.5%)	~(1.0%)	~1.0%	4.0% to 6.0%

RECONCILIATION OF FORECASTED CASH FLOW FROM OPERATIONS TO FREE CASH FLOW

(Unaudited)

(Dollars in millions)

	Fiscal Year 2026
Cash flow from operations	**$3,725 to $4,125**
Less: Capital Expenditures	~(525)
Free cash flow	**$3,200 to $3,600**

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

(Unaudited)

	Fiscal Year 2026
Forecasted earnings per diluted share	**$26.26 to $26.86**
Adjustments:	
Business realignment charges	0.55
Amortization of acquired intangibles	4.57
Acquisition related expenses	0.25
Costs to achieve	0.12
Gain on insurance recoveries	(0.16)
Tax effect of adjustments[1]	(1.19)
Adjusted forecasted earnings per diluted share	**$30.40 to $31.00**

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	23.5% to 23.9%	~0.1%	~0.1%	~2.3%	~0.1%	26.1% to 26.5%
International Businesses	22.5% to 22.9%	~1.0%	~0.0%	~1.5%	~0.1%	25.2% to 25.6%
Aerospace Systems	25.0% to 25.4%	~0.0%	~0.1%	~4.4%	~0.0%	29.5% to 29.9%
Parker	**23.7% to 24.1%**	**~0.3%**	**~0.1%**	**~2.8%**	**~0.1%**	**27.0% to 27.4%**

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.

Parker

* Totals may not foot due to rounding