CRANE

Crane Co. Financial Overview

Richard Maue, Chief Financial Officer

FULL-YEAR 2020 EARNINGS SUMMARY

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$ Millions except per share amounts	FY 2020	FY 2019	Change
Sales*	$2,947	$3,283	**(10%)**
Operating Profit**	$323	$494	**(35%)**
Operating Margin**	11.0%	15.0%	**(400 bps)**
Earnings per Share**	$3.84	$6.02	**(36%)**
Free Cash Flow***	$275	$325	**(15%)**

Additional Details

	FY 2020
Core Growth	(17.2%)
Acquisitions*	+6.8%
FX Translation	+0.2%
Total Sales Change	**(10.2%)**

	FY 2020
Diluted EPS: GAAP	**$3.08**
M&A-related items	$0.30
Repositioning and related changes, net	$0.46
Diluted EPS: non-GAAP	**$3.84**

* Includes $10.2 million of acquisition-related deferred revenue in FY 2020. Please see non-GAAP Financial Measures tables for details.
** Excludes Special Items. Please see non-GAAP Financial Measures tables for details.
*** Free cash flow is defined as cash provided by operating activities less capital spending. Please see non-GAAP Financial Measures tables for details.

2021 GUIDANCE SUMMARY

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$ Millions except per share amounts	2020	2021G	Change vs. 2020****	Change vs. Prior Guidance*****
Net Sales*	$2,947	$3,080	+5%	**+$25**
Earnings per Share**	$3.84	$5.00–$5.20	+33%	**+$0.10**
Free Cash Flow***	$275	$265–$295	+2%	**+$5**

	2021G	Change vs. Prior Guidance
Core Growth	+2% to +4%	**+100bps**
Acquisitions	~$5 million	-
FX Translation	+1.5%	-
Total Sales Change	**+5%**	**+100bps**

Other 2021 Guidance Details

- Adjusted tax rate of ~21.5%
- Corporate expense of ~$65 million
- Non-operating expense, net of ~$35 million
- Diluted share count of ~59 million
- Capital expenditures of $75 million

* Includes $10.2 million of acquisition-related deferred revenue in 2020. Please see non-GAAP Financial Measures tables for details.
** Excludes Special Items. Please see non-GAAP Financial Measures tables for details.
*** Free Cash Flow is defined as Cash Provided by Operating Activities, less Capital Spending. Please see non-GAAP Financial Measures tables for details.
**** Reflects midpoint of guidance range.
***** Reflects midpoint of guidance range. Prior guidance provided concurrent with Q4 2020 earnings release on January 25, 2021.

2021 SEGMENT GUIDANCE

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	Core Growth		Segment Margin*			
	2020	2021G**	2019	2020	2021G**	Change (2021G vs. 2020)
Fluid Handling	(15%)	+0.5%	13.6%	11.4%	12.5%	+110 bps
Payment & Merchandising Technologies	(19%)	+6%	16.2%	12.3%	18.5%	+620 bps
Aerospace & Electronics	(19%)	(8%)	24.1%	16.5%	15.0%	(150 bps)
Engineered Materials	(16%)	+20%	12.9%	13.3%	15.5%	+220 bps
Crane Co.	**(17%)**	**+3%**	**15.0%**	**11.0%**	**13.7%**	**+270 bps**

Trending Favorably vs. Original Guidance

GUIDANCE REFLECTS STRONG CORE OPERATING LEVERAGE ACROSS SEGMENTS

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

** Reflects midpoint of guidance range. We do not typically provide a formal update to segment level guidance intra-year, and segment level guidance on this slide is unchanged vs. the original guidance provided January 25, 2021; Crane Co. level guidance reflects the February 24, 2021 guidance update.

LONG-TERM FINANCIAL EXPECTATIONS BY SEGMENT

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	Across-the-Cycle Target		2021G*	
	Avg. Core Growth	Segment Margin	Core Growth	Segment Margin**
Fluid Handling	+2%–4%	13%–18%	+0.5%	12.5%
Payment & Merchandising Technologies	+3%–5%	18%–22%	+6%	18.5%
Aerospace & Electronics	+3%–5%	21%–24%	(8%)	15.0%
Engineered Materials	GDP	12%–16%	+20%	15.5%

EXPECT LONG-TERM CORE EBIT GROWTH OF APPROXIMATELY 6% TO 8%

* Reflects midpoint of guidance range. Segment level guidance unchanged compared to original guidance provided on January 25, 2021.
** Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

MANAGEMENT CADENCE AND DISCIPLINED EXECUTION

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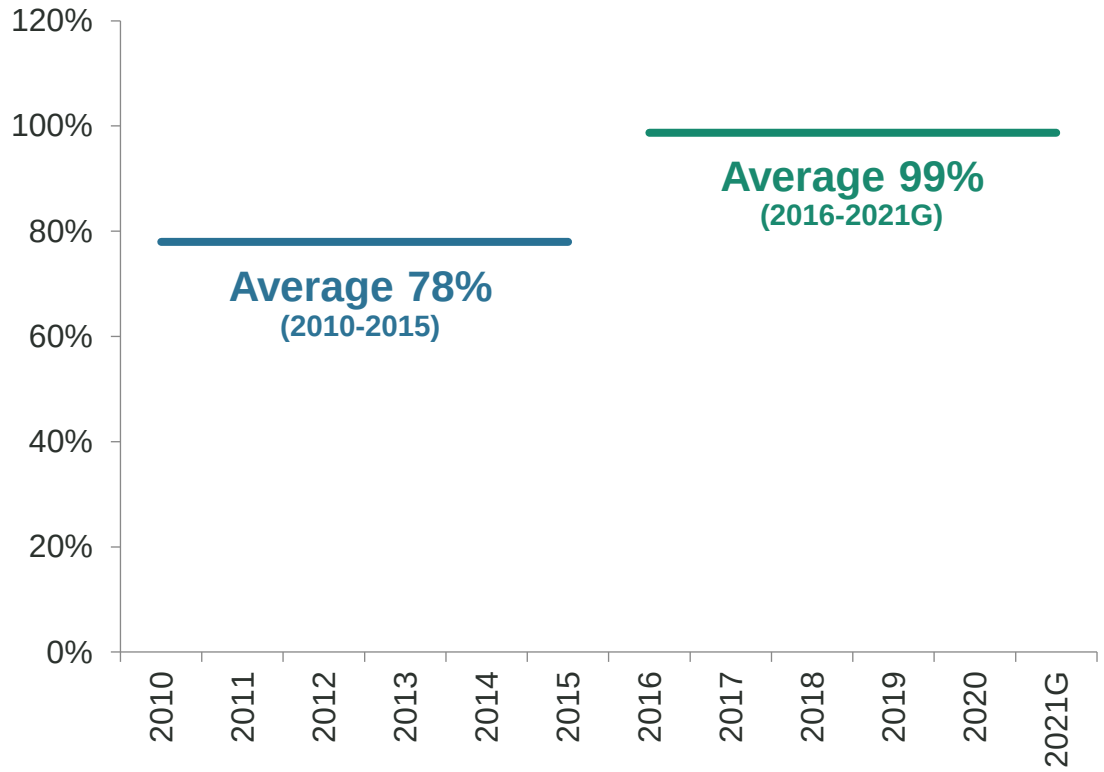
- Rigorous, data-driven management cadence
- Continuous improvement focused
- Highest integrity/commitment to quality
- Empowered, customer-focused BU GMs

EXTREME ACCOUNTABILITY IN ALL ASPECTS OF OUR BUSINESS

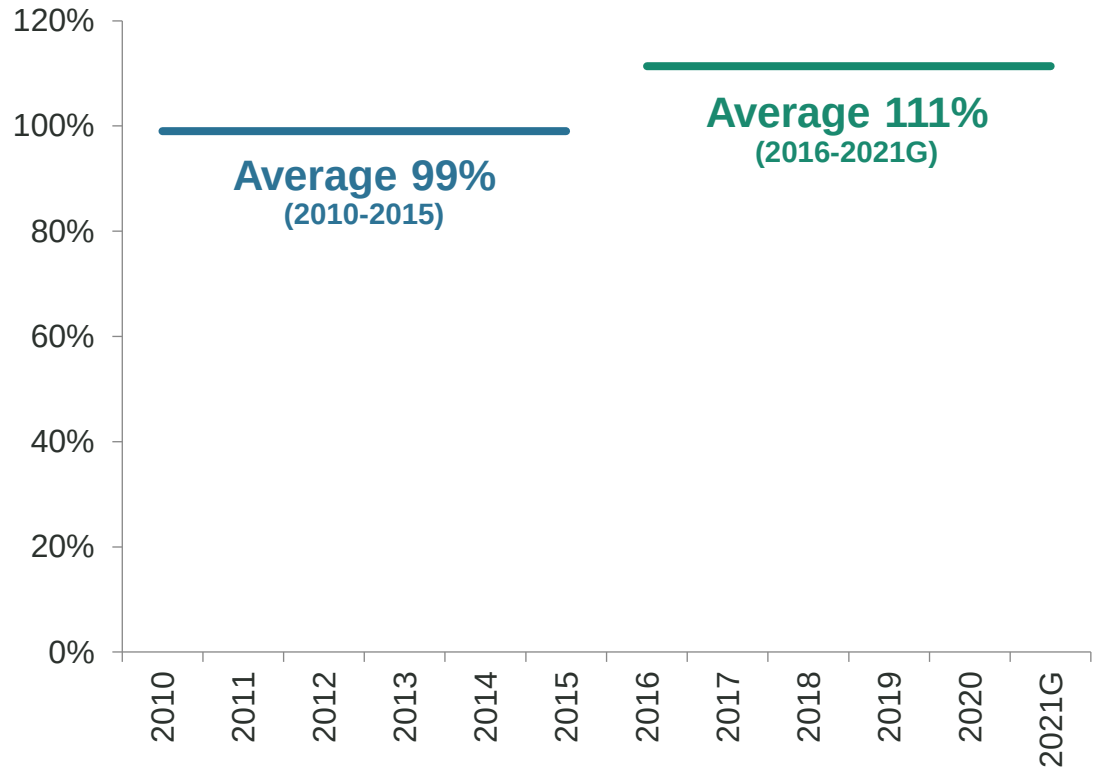
STRUCTURAL FREE CASH CONVERSION* IMPROVING

CRANE

Free Cash Conversion



Free Cash Conversion
(Excluding Asbestos)



STRONG TRACK RECORD ON OPERATIONAL FREE CASH FLOW

* Free Cash Flow is defined as Cash Provided by Operating Activities less Capital Spending. Free Cash Flow conversion is defined as Free Cash Flow divided by Net Income excluding Special Items. Please see non-GAAP Financial Measures tables for details.

DRIVING SIGNIFICANT SAVINGS THROUGH ACQUISITIONS

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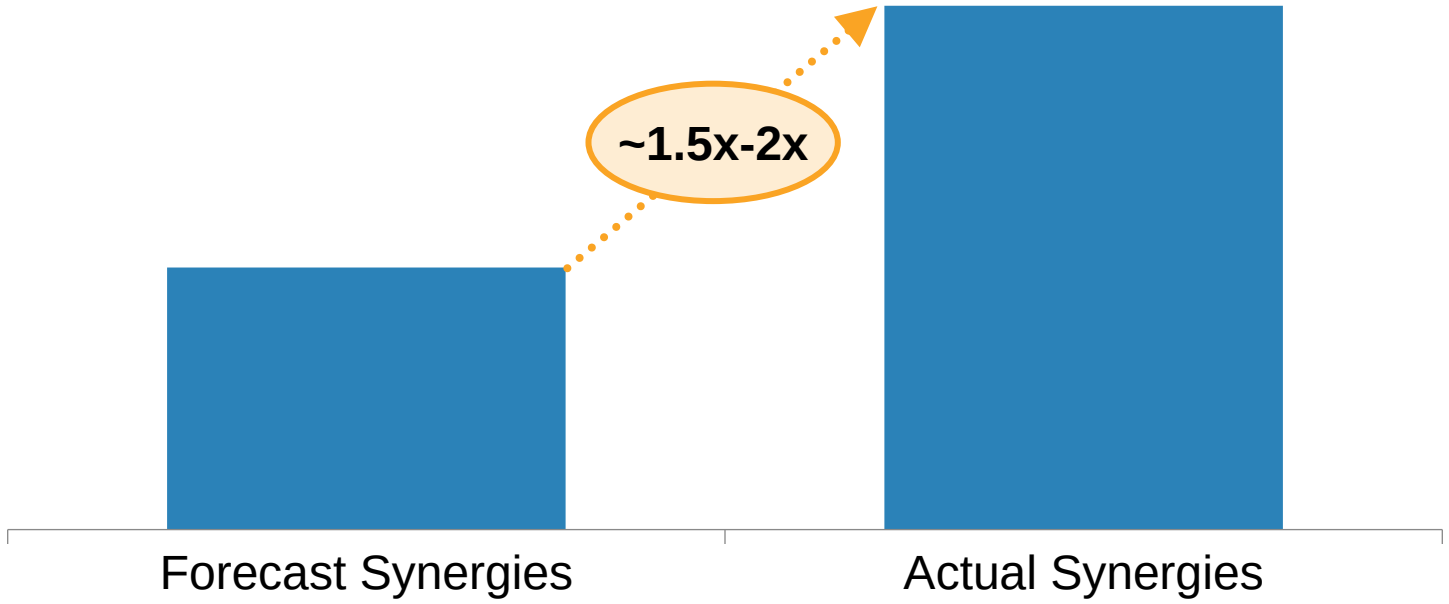

WESTLOCK CONTROLS

MERRIMAC

MICROTRONIC

Money Controls

Instrumentation & Sampling

HOKE

GYROLOK

GO REGULATOR

DOPAK Sampling Systems

mei

w.t.a.

CRANE CURRENCY

CONLUX

CA CUMMINS ALLISON

OVER LAST 10 YEARS, ACQUISITION SYNERGY REALIZATION 1.5-2X ORIGINAL FORECAST

CAPITAL DEPLOYMENT PRIORITIES

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Maintain Investment Grade Credit Rating While Funding:

Internal Investments to Drive Organic Growth

- Capital Expenditures
- Research & Development
- Sales & Marketing

Acquisitions to Enhance Growth

- Bolt-on transactions in Aerospace & Electronics and the process side of Fluid Handling
- Adjacencies in Aerospace & Electronics leveraging our core competencies
- Adjacencies in the process flow technology markets (chemical, pharmaceutical, general industrial)

Competitive Returns to Shareholders

- Competitive returns to shareholders

FOCUS ON BOTH ORGANIC AND INORGANIC GROWTH

STRONG LIQUIDITY MAINTAINED THROUGH PRIOR CYCLES

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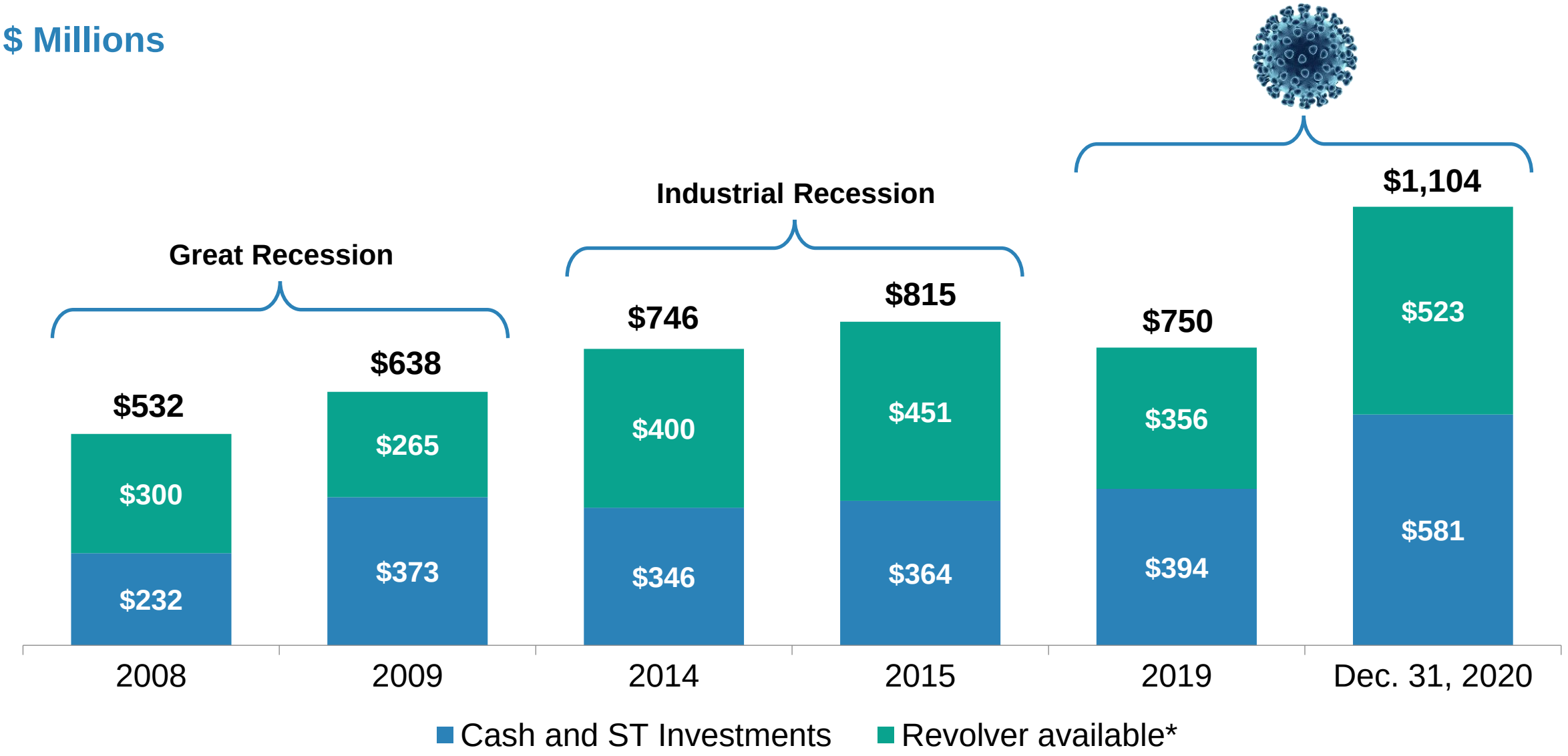
$ Millions



* Revolver available reduced by CP outstanding

M&A CAPACITY

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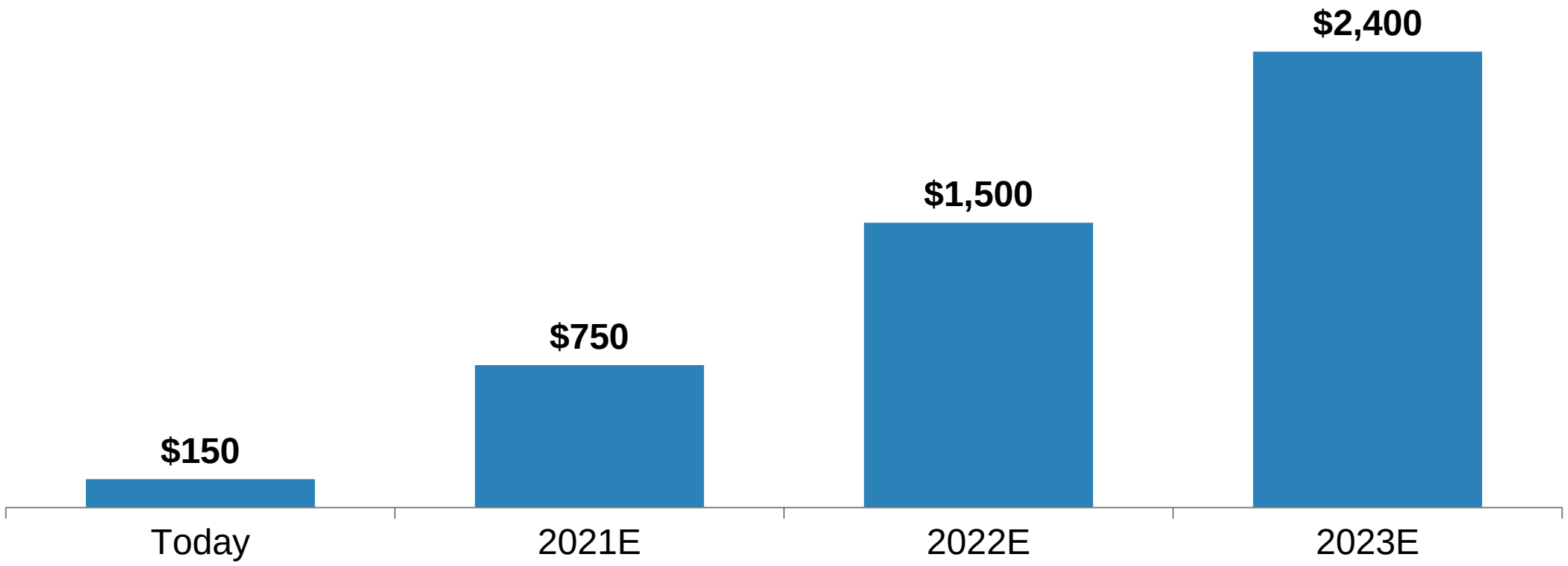
Cumulative Acquisition Capacity ($ Millions)



LIMITED CAPACITY TODAY, BUT GROWING SUBSTANTIALLY OVER NEXT SEVERAL QUARTERS WITH POTENTIAL TO MONETIZE ASSETS AS NEEDED

CONCLUSION SLIDE

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Why Investors Should Have Continued Confidence:

- OUTSTANDING OPERATOR WITH DIFFERENTIATED CBS CAPABILITY
- PROVEN TRACK RECORD OF DRIVING RESULTS WITH MARKETS POISED FOR RECOVERY
- SIGNIFICANT FREE CASH GENERATOR – GIVE ME CREDIT!
- DISCIPLINED CAPITAL ALLOCATOR
- STRONG BALANCE SHEET WITH FLEXIBILITY FOR M&A


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