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Non-GAAP Information

May 26, 2021

NON-GAAP EXPLANATION

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The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). Certain non-GAAP measures are provided in this presentation.

Management believes that non-GAAP financial measures which exclude certain non-recurring items present additional useful comparisons between current results and results in prior operating periods. Specifically, management believes that, when considered together with reported amounts, these non-GAAP measures are useful to investors and management in understanding ongoing operations and by providing a clearer view of the underlying trends of the business. In addition, Free Cash Flow provides supplemental information to assist investors and management in analyzing the Company's ability to generate liquidity from its operating activities. The measure of Free Cash Flow does not take into consideration certain other non-discretionary cash requirements such as, for example, mandatory principal payments on the Company's long-term debt. Management uses non-GAAP financial measures in evaluating the Company's core operating results and financial performance. Non-GAAP financial measures, which may be inconsistent with similarly captioned measures presented by other companies, should be viewed as a supplement to, and not as a substitute for or superior to, the Company's reported results prepared in accordance with GAAP. Reconciliations of the Company's non-GAAP financial measures to the most directly comparable GAAP results are included at the end of this presentation, as well as in the accompanying press release, both of which are available on the Company's website at www.craneco.com.

NON-GAAP FINANCIAL MEASURES

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Net Income and EPS Before Special Items

(in $ millions, except per share data)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021G*
Net Sales	2,179	2,500	2,579	2,595	2,925	2,741	2,748	2,786	3,346	3,283	2,937	3,015
Acquisition-related Deferred Revenue[1]	-	-	-	-	-	-	-	-	-	-	10	-
Net Sales before Special Items	2,179	2,500	2,579	2,595	2,925	2,741	2,748	2,786	3,346	3,283	2,947	3,015
Operating Profit from Continuing Operations	236	31	317	346	300	356	187	388	441	210	263	467
Percentage of Net Sales before Special Items	***10.8%***	***1.3%***	***12.3%***	***13.3%***	***10.3%***	***13.0%***	***6.8%***	***13.9%***	***13.2%***	***6.4%***	***9.0%***	***15.5%***
Special Items impacting Operating Profit from Continuing Operations												
Acquisition-related costs	1	-	4	27	25	7	-	8	29	5	13	-
Acquisition-related deferred revenue[1]	-	-	-	-	-	-	-	-	-	-	10	-
Repositioning related costs	7	-	21	-	23	12	-	13	15	30	37	(7)
Asbestos provision	-	242	-	-	0	-	192	-	-	229	-	-
Lawsuit settlement charges	-	-	-	-	7	-	5	-	-	-	-	-
Other	-	-	-	-	-	4	-	-	-	0	-	-
Environmental provision	-	30	-	-	56	-	-	-	-	19	-	-
Operating Profit before Special Items	244	303	341	373	410	379	384	409	485	494	323	460
Operating Margin before Special Items	***11.2%***	***12.1%***	***13.2%***	***14.4%***	***14.0%***	***13.8%***	***14.0%***	***14.7%***	***14.5%***	***15.0%***	***11.0%***	***15.3%***
Net Income Attributable to Common Shareholders	154	26	217	220	193	229	123	172	336	133	181	345
Earnings Per Diluted Share (EPS)	***$2.59***	***$0.44***	***$3.72***	***$3.73***	***$3.23***	***$3.89***	***$2.07***	***$2.84***	***$5.50***	***$2.20***	***$3.08***	***$5.85***
Special Items impacting Net Income Attributable to Common Shareholders:												
Acquisition-related costs - net of tax	1	-	4	26	17	5	-	7	24	4	10	-
Acquisition-related deferred revenue - net of tax[1]	-	-	-	-	-	-	-	-	-	-	8	-
Repositioning related costs - net of tax	4	-	17	-	18	9	-	8	11	26	28	(6)
Asbestos provision - net of tax	-	157	-	-	-	-	125	-	-	181	-	-
Lawsuit settlement charges - net of tax	-	-	-	-	4	-	3	-	-	-	-	-
Environmental provision - net of tax	-	20	-	-	36	-	-	-	-	15	-	-
Impact of non-cash Pension cost adjustment - net of tax	-	-	-	-	-	-	-	-	-	6	-	-
Loss (Gain) on business divestitures - net of tax	-	-	(19)	-	1	-	-	-	-	-	-	-
Other - net of tax	(6)	-	-	-	(4)	-	-	-	-	0	(1)	-
Impact of Tax Law Change	-	-	-	-	-	-	-	87	(6)	-	-	-
Net Income Attributable to Common Shareholders before Special Items	154	203	218	246	265	243	251	274	365	365	226	339
Adjusted Earnings Per Diluted Share (Adjusted EPS)	***$2.59***	***$3.43***	***$3.75***	***$4.18***	***$4.45***	***$4.13***	***$4.23***	***$4.53***	***$5.99***	***$6.02***	***$3.84***	***$5.75***

[1] We included acquisition-related revenue, which constitutes revenue reflected as preacquisition deferred revenue that would otherwise be recognized but for the purchase accounting treatment of acquisitions.

* Reflects midpoint of guidance range. 2021 guidance is presented on a continuing operations basis.

Totals may not sum due to rounding

NON-GAAP FINANCIAL MEASURES

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Reconciliations of Free Cash Flow and Free Cash Flow Conversion

(in $ millions)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021G**
Cash provided from operations	134	150	235	239	264	229	318	318	414	394	310	390
Capital expenditures	(21)	(35)	(29)	(29)	(44)	(40)	(51)	(49)	(109)	(69)	(34)	(75)
Free Cash Flow	**113**	**115**	**205**	**210**	**220**	**189**	**267**	**269**	**305**	**325**	**275**	**315**
Asbestos-related payment, net of insurance recoveries	67	79	78	63	61	50	56	63	64	42	31	45
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	21%	21%	21%	21%
Payment for asbestos-related fees and costs, net of insurance recoveries and tax	43	52	51	41	40	33	36	41	50	33	24	36
Free Cash Flow before payments for asbestos-related fees and costs, net of insurance recoveries and tax	**156**	**167**	**256**	**251**	**260**	**222**	**303**	**310**	**355**	**358**	**300**	**351**
Free Cash Flow conversion												
Free Cash Flow	113	115	205	210	220	189	267	269	305	325	275	315
Net income attributable to common shareholders*	154	203	218	246	265	243	251	274	365	365	226	339
Free Cash Flow conversion	**73%**	**57%**	**94%**	**85%**	**83%**	**78%**	**106%**	**98%**	**84%**	**89%**	**122%**	**93%**
Free Cash Flow conversion excluding Asbestos												
Free Cash Flow before payments for asbestos-related fees and costs, net of insurance recoveries and tax	156	167	256	251	260	222	303	310	355	358	300	351
Net income attributable to common shareholders*	154	203	218	246	265	243	251	274	365	365	226	339
Free Cash Flow conversion excluding Asbestos	**101%**	**82%**	**117%**	**102%**	**98%**	**92%**	**121%**	**113%**	**97%**	**98%**	**133%**	**103%**

* All periods are presented before Special Items, and inclusive of discontinued operations, except for 2021G which is presented before Special Items, and excluding discontinued operations.

** Reflects midpoint of guidance range

NON-GAAP FINANCIAL MEASURES

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Segment Level Operating Margins

($ in millions) Three Months Ended March 31, 2021	Process Flow Technologies	Payment & Merchandising Technologies	Aerospace & Electronics	Corporate	Total Company*
Net sales	$ 288.0	$ 337.5	$ 154.1	-	$ 779.6
Operating profit (GAAP)	49.9	85.9	26.0	(21.8)	140.0
Operating profit margin (GAAP)	17.4%	25.4%	16.9%		18.0%
Special items impacting operating profit:					
Repositioning related gain, net	(11.2)	(0.5)	-	-	(11.7)
Operating profit before special items (adjusted)	$ 38.7	$ 85.4	$ 26.0	$ (21.8)	$ 128.3
Operating profit margin before special items (adjusted)	13.4%	25.3%	16.9%		16.5%

* Excludes contribution from Engineered Materials


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