CRANE

CRANE CO.
FINANCIAL OVERVIEW



Jason Feldman

Vice President, Investor Relations

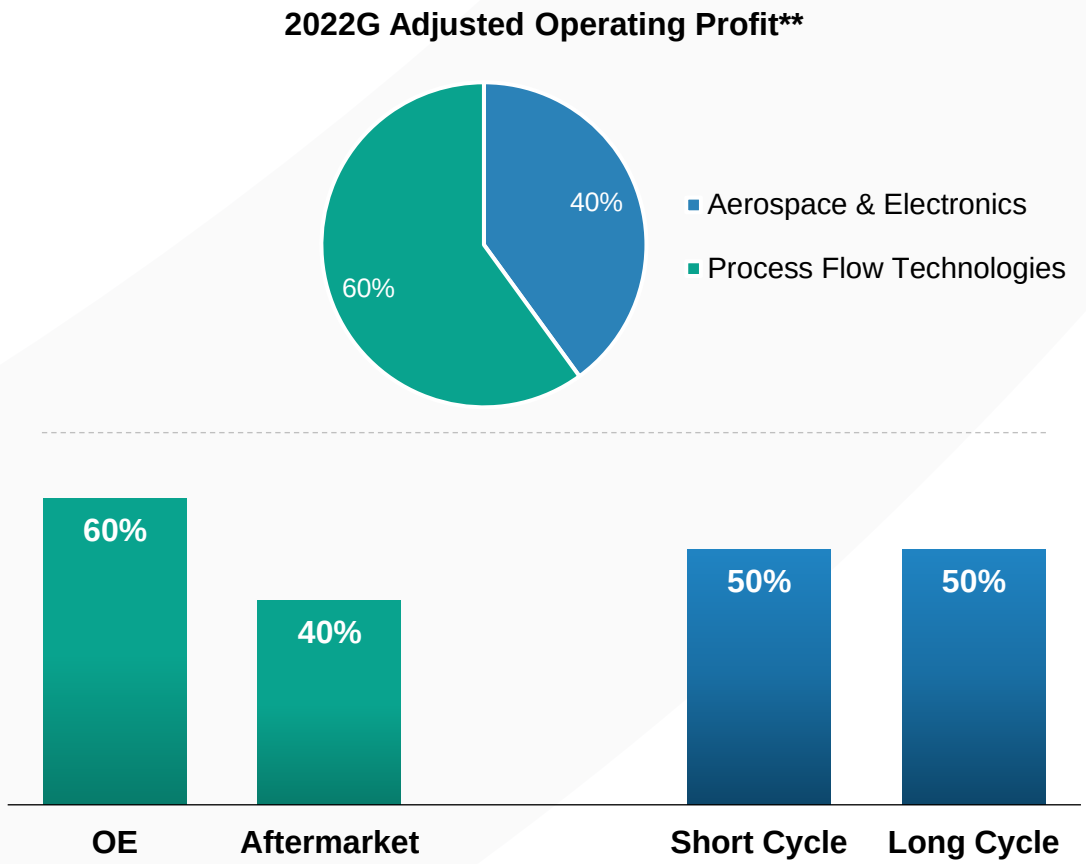
TWO EXTREMELY WELL POSITIONED GROWTH PLATFORMS

CRANE

($ millions)	2022G
Sales	$1,905
Pre-corporate Adjusted EBITDA*	$350
% of sales	*18.4%*
Adjusted operating profit**	$312
% of sales	*16.4%*
Depreciation & Amortization	$38

Additional Financial Details

- Expected Corporate ~3% of sales at separation and then declining
- Expected annual capex 2%-2.5% of sales (~$45m)



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

CRANE

TWO EXTREMELY WELL POSITIONED GROWTH PLATFORMS

CRANE

- Solid mid single-digit core sales growth
- Strong operating leverage
- Broad portfolio of mission-critical, highly engineered solutions
  - Products typically specified in highly regulated end markets
  - Differentiated technology supported by constituent R&D investment
- Large and attractive markets with strong secular trends
- Strong balance sheet supports flexible allocation policy
- Deep pipeline of inorganic growth opportunities

Expect double-digit core EPS growth with upside from capital deployment

HIGHLY ATTRACTIVE FINANCIAL AND BUSINESS PROFILE

$1.9 billion sales	**~40% aftermarket sales**	**4-6% core sales growth**
35%-40% operating leverage*	**~18.5% pre-corporate Adjusted EBITDA margin** (2022G)**	**Substantial M&A opportunity**

Expect double-digit core EPS growth with upside from capital deployment

* Operating leverage defined as the year-over-year change in adjusted operating profit divided by the year-over-year change in sales.
** Please see Non-GAAP Explanation for details.

CRANE

STRONG CORE SALES GROWTH OUTLOOK

Aerospace & Electronics

7%-9% Core Sales Growth

- Cyclical recovery of commercial A&E markets
- Content already won on large defense programs ramping over next few years
- Sole-sourced content on all major aerospace platforms
- Strong alignment with secular trends, most notably electrification

Process Flow Technologies

3%-5% Core Sales Growth

- Accelerating NPD with new product vitality at record levels
- Secular trends supporting continued growth in Chemical, Pharma, Water and General Industrial markets
- Shifting portfolio with nearly 2/3 in high-growth end markets

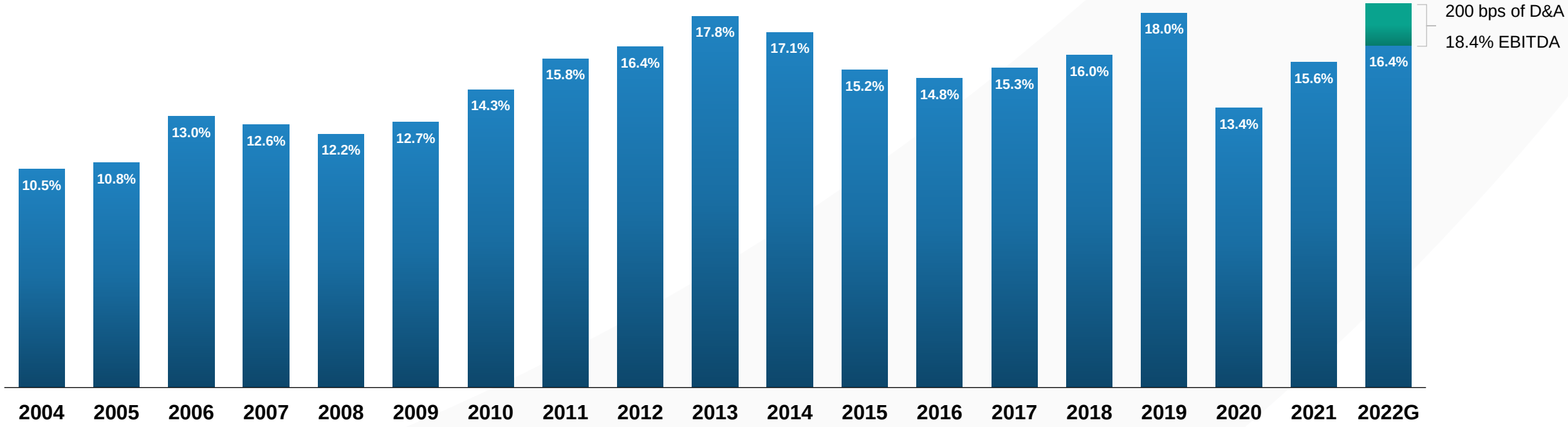
Poised for accelerating growth given consistent, substantial investment in new products, technology and breakthrough innovation

CRANE

HISTORY OF STRONG OPERATIONAL EXECUTION

Adjusted Operating Margin*

(Aerospace & Electronics and Process Flow Technologies)



35% to 40% operating leverage should drive substantial upside to margins**

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

** Operating leverage defined as the year-over-year change in adjusted operating profit divided by the year-over-year change in sales.

CRANE

WELL POSITIONED FOR M&A

Aerospace & Electronics

Target Areas for M&A

- Power Conversion
- Condition and Position Sensing
- Pressure and Flow Measurement
- Flow Management
- Liquid Cooling

Process Flow Technologies

Target Areas for M&A

- Chemical
- Pharmaceuticals/Aseptic
- Wastewater treatment
- Industrial Automation
- Cryogenics/Liquid Hydrogen

Robust pipeline of bolt-ons, adjacencies and larger potential transactions

CRANE

FINANCIAL PROFILE ALIGNED WITH PEERS

	Crane Co.	Peers
Long-term growth potential	MSD	MSD
2022 Adjusted EBITDA Margin*	~15.5% with substantial upside	~19%
2022 Free Cash Flow conversion**	~87%	~81%
2022 EV/EBITDA multiple		~15x

Strong financial profile and high-quality assets merits premium valuation

Source: Bloomberg, company filings, IBES median estimates, Company forecasts; market data as of March 18, 2022. Peers include Astronics, Curtiss-Wright, HEICO, Hexcel, Mercury Systems, Moog, TransDigm, Woodward, CIRCOR, Flowserve, Ingersoll Rand, ITT, Mueller Water Products, Pentair and Xylem.

* For peer company groups, Adjusted EBITDA margin is the median of 2022 consensus forecasts. For Crane Co., Adjusted EBITDA margin reflects 2022 guidance after ~$55 million of expected post-separation corporate costs; please see Non-GAAP Explanation for details.

** Free Cash Flow conversion calculated as (EBITDA - Capex) / EBITDA. Value shown is the median for peers using 2022 consensus forecasts, and Company guidance for Crane Co. Please see Non-GAAP Explanation for details.

CRANE

HIGHLY ATTRACTIVE FINANCIAL AND BUSINESS PROFILE

$1.9 billion sales	**~40% aftermarket sales**	**4-6% core sales growth**
35%-40% operating leverage*	**~18.5% pre-corporate Adjusted EBITDA margin** (2022G)**	**Substantial M&A opportunity**

Expect double-digit core EPS growth with upside from capital deployment

* Operating leverage defined as the year-over-year change in adjusted operating profit divided by the year-over-year change in sales.
** Please see Non-GAAP Explanation for details.

CRANE


CRANE