NON-GAAP INFORMATION

MARCH 9, 2023

CRANE

NON-GAAP EXPLANATION (1/2)

Crane Holdings, Co. reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). This presentation includes certain non-GAAP financial measures, including Adjusted Operating Profit, Adjusted Operating Margin, Adjusted Net Income, Adjusted EPS, Adjusted Net Sales, Free Cash Flow, Adjusted Free Cash Flow, Total Leverage, and Core Leverage that are not prepared in accordance with GAAP. These non-GAAP measures are an addition, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to operating income, net income or any other performance measures derived in accordance with GAAP. We believe that these non-GAAP measures of financial results (including on a forward-looking or projected basis) provide useful supplemental information to investors about Crane Holdings, Co. Our management uses certain forward looking non-GAAP measures to evaluate projected financial and operating results. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently or may use other measures to calculate their financial performance, and therefore our non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Reconciliations of certain forward-looking and projected non-GAAP measures for post-separation Crane Company, including Adjusted Net Income, Adjusted EPS, Adjusted Operating Profit, Adjusted Operating margin, Adjusted EBITDA, Adjusted EBITDA Margin, Total Leverage, and Core Leverage to the closest corresponding GAAP measure are not available without unreasonable efforts due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures, which could have a potentially significant impact on our future GAAP results. For post-separation Crane Company, these forward looking and projected non-GAAP measures are calculated as follows:

- "Adjusted Net Income" is calculated as Net Income before Special Items which include transaction related expenses such as tax charges, professional fees and incremental corporate costs related to the proposed separation and other potential corporate transactions. "Adjusted EPS" is calculated as Adjusted Net Income divided by diluted shares.
- "Adjusted Operating Profit" is calculated as Operating Profit before Special Items which include transaction related expenses such as tax charges, professional fees and incremental corporate costs related to the proposed separation and other potential corporate transactions.
- "Adjusted Operating Margin" is calculated as Adjusted Operating Profit divided by sales.
- "Adjusted EBITDA" is calculated as earnings before interest, tax, depreciation and amortization expenses, before Special Items which include transaction related expenses such as tax charges, professional fees and incremental corporate costs related to the proposed separation and other potential corporate transactions.
- "Adjusted EBITDA margin" is calculated as Adjusted EBITDA divided by sales.
- "Total Leverage" is calculated as the change in sales divided by the change in Adjusted Operating Profit.
- "Core Leverage" is calculated as the change in core sales divided by the change in Adjusted Operating Profit. The change in core sales is defined as the change in sales after excluding the impacts from foreign exchange, acquisitions, and divestitures.

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NON-GAAP EXPLANATION (2/2)

We believe that each of the following non-GAAP measures provides useful information to investors regarding the Company’s financial conditions, historical performance, and operations:

- "Adjusted Operating Profit" and "Adjusted Operating Margin" add back to Operating Profit items which are outside of our core performance, some of which may or may not be non-recurring, and which we believe may complicate the interpretation of the Company’s underlying earnings and operational performance. These items include income and expense such as: the loss on divestiture of asbestos-related assets and liabilities, transaction related expenses, and repositioning related (gains) charges. These items are not incurred in all periods, the size of these items is difficult to predict, and none of these items are indicative of the operations of the underlying businesses. We believe that non-GAAP financial measures that exclude these items provide investors with an alternative metric that can assist in predicting future earnings and profitability that are complementary to GAAP metrics.
- "Adjusted Net Income" and "Adjusted EPS" exclude items which are outside of our core performance, some of which may or may not be non-recurring, and which we believe may complicate the presentation of the Company’s underlying earnings and operational performance. These measures include income and expense items that impacted Operating Profit such as: the loss on divestiture of asbestos-related assets and liabilities, transaction related expenses, and repositioning related (gains) charges. Additionally, these non-GAAP financial measures exclude income and expense items that impacted Net Income and Earnings per Diluted Share such as: interest expense on the 364 Day Credit Agreement related to the asbestos transaction, tax benefit related to the divestiture of asbestos-related assets and liabilities, the impact of pension curtailments and settlements, gain on the sale of business, deferred tax adjustment related to sale of business, discrete tax reserve adjustment and gain on the sale of property. These items are not incurred in all periods, the size of these items is difficult to predict, and none of these items are indicative of the operations of the underlying businesses. We believe that non-GAAP financial measures that exclude these items provide investors with an alternative metric that can assist in predicting future earnings and profitability that are complementary to GAAP metrics.
- “Free Cash Flow” and “Adjusted Free Cash Flow” provide supplemental information to assist management and investors 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. Free Cash Flow is calculated as cash provided by or used for operating activities less capital spending. Adjusted Free Cash Flow is calculated as Free Cash Flow adjusted for certain cash items which we believe may complicate the interpretation of the Company’s underlying free cash flow performance such as certain transaction related cash flow items related to 2022 portfolio actions and the divestiture of asbestos-related assets and liabilities. These items are not incurred in all periods, the size of these items is difficult to predict, and none of these items are indicative of the operations of the underlying businesses. We believe that non-GAAP financial measures that exclude these items provide investors with an alternative metric that can assist in predicting future cash flows that are complementary to GAAP metrics.
- “Adjusted Net Sales” subtracts from sales items outside of our core performance, some of which may or may not be non-recurring, and which we believe may complicate the interpretation of the Company’s underlying earnings and operational performance. These items include infrequent customer settlements that result in revenue recognized following the resolution of commercial disputes.

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities for sale.

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NON-GAAP FINANCIAL MEASURES

Historical Segment Margin Information

(in $ Millions)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Process Flow Technologies										
Net Sales	924	1,031	1,093	1,235	1,259	1,110	1,093	1,230	1,289	1,289
Operating Profit	58	84	117	168	168	126	127	156	160	193
Transaction related costs	-	-	-	-	-	-	-	-	-	-
Repositioning related (gains) charges, net	-	-	-	(19)	7	5	3	-	13	-
Operating Profit before Special Items	58	84	117	149	175	131	130	156	173	193
Operating Margin before Special Items	***6.3%***	***8.1%***	***10.7%***	***12.1%***	***13.9%***	***11.8%***	***11.9%***	***12.7%***	***13.4%***	***15.0%***
Aerospace & Electronics										
Net Sales	497	537	566	629	639	590	577	678	701	694
Claim Settlement	-	-	-	-	-	(19)	-	-	-	-
Net Sales before Special Items	497	537	566	629	639	571	577	678	701	694
Operating Profit	91	85	99	86	54	96	109	146	156	160
Claim Settlement	-	-	-	-	-	(16)	-	-	-	-
Repositioning related (gains) charges, net	-	-	-	-	2	3	-	-	-	-
Other	-	-	-	-	-	-	-	-	*(3)*	-
Operating Profit before Special Items	*91*	*85*	*99*	*86*	*56*	*83*	*109*	*146*	*153*	*160*
Operating Margin before Special Items	***18.3%***	***15.8%***	***17.5%***	***13.7%***	***8.8%***	***14.5%***	***18.9%***	***21.5%***	***21.8%***	***23.1%***
Aerospace & Electronics and Process Flow Technologies Combined Margins										
Net Sales before Special items										
Process Flow Technologies	924	1,031	1,093	1,235	1,259	1,110	1,093	1,230	1,289	1,289
Aerospace & Electronics	497	537	566	629	639	571	577	678	701	694
Total Net Sales before Special items	1,421	1,568	1,659	1,864	1,898	1,681	1,670	1,908	1,990	1,983
Operating Profit before Special Items										
Process Flow Technologies	58	84	117	149	175	131	130	156	173	193
Aerospace & Electronics	91	85	99	86	56	83	109	146	153	160
Total Operating Profit before Special Items	149	169	216	235	231	214	239	301	325	353
Combined Operating Margin before Special Items	10.5%	10.8%	13.0%	12.6%	12.2%	12.7%	14.3%	15.8%	16.4%	17.8%

(in $ Millions)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023G
Process Flow Technologies										
Net Sales	1,264	1,091	999	1,043	1,102	1,117	1,006	1,197	1,109	1,025
Operating Profit	172	116	109	102	119	132	98	183	168	176
Transaction related costs	-	-	-	3	-	1	6	0	4	0
Repositioning related (gains) charges, net	15	10	-	10	10	19	11	(6)	7	0
Operating Profit before Special Items	187	126	109	115	129	152	115	177	179	176
Operating Margin before Special Items	***14.8%***	***11.6%***	***10.9%***	***11.1%***	***11.7%***	***13.6%***	***11.4%***	***14.8%***	***16.2%***	***17.2%***
Aerospace & Electronics										
Net Sales	696	691	746	691	744	799	651	638	667	735
Claim Settlement	-	-	-	-	-	-	-	-	-	-
Net Sales before Special Items	696	691	746	691	744	799	651	638	667	735
Operating Profit	138	145	150	160	164	189	101	110	120	145
Claim Settlement	-	-	-	-	-	-	-	-	-	-
Repositioning related (gains) charges, net	8	-	-	(10)	1	4	7	-	2	-
Other	*1*	-	-	-	-	-	-	-	-	-
Operating Profit before Special Items	*147*	*145*	*150*	*151*	*165*	*193*	*107*	*110*	*122*	*145*
Operating Margin before Special Items	***21.1%***	***21.0%***	***20.1%***	***21.8%***	***22.2%***	***24.1%***	***16.5%***	***17.2%***	***18.3%***	***19.8%***
Aerospace & Electronics and Process Flow Technologies Combined Margins										
Net Sales before Special items										
Process Flow Technologies	1,264	1,091	999	1,043	1,102	1,117	1,006	1,197	1,109	1,025
Aerospace & Electronics	696	691	746	691	744	799	651	638	667	735
Total Net Sales before Special items	1,960	1,782	1,745	1,734	1,845	1,916	1,657	1,835	1,777	1,760
Operating Profit before Special Items										
Process Flow Technologies	187	126	109	115	129	152	115	177	179	176
Aerospace & Electronics	147	145	150	151	165	193	107	110	122	145
Total Operating Profit before Special Items	334	272	259	266	295	344	222	287	301	321
Combined Operating Margin before Special Items	17.1%	15.2%	14.8%	15.3%	16.0%	18.0%	13.4%	15.6%	17.0%	18.3%

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NON-GAAP FINANCIAL MEASURES

Crane Holdings, Co. Net Income and EPS Reconciliation (1/2)

(in millions, except per share data)	Three Months Ended December 31,				%
	2022		2021		Change
	$	Per Share	$	Per Share	(on $)
Net sales	$ 824.1		$ 825.2		(0.1)%
Operating profit (GAAP)	$ 129.3		$ 93.3		38.6 %
Operating profit margin (GAAP)	*15.7 %*		*11.3 %*		
Special items impacting operating profit:					
Transaction related expenses, net	12.6		6.8		
Repositioning related charges (gains), net	11.1		(0.8)		
Adjusted operating profit	$ 153.0		$ 99.3		54.1 %
Adjusted operating profit margin	*18.6 %*		*12.0 %*		
Net income attributable to common shareholders (GAAP)	$ 97.2	$ 1.71	$ 72.1	$ 1.22	34.8 %
Special items, net of tax, impacting net income attributable to common shareholders:					
Transaction related expenses, net	13.5	0.24	5.9	0.10	
Repositioning related charges (gains), net	8.0	0.14	(0.6)	(0.01)	
Interest expense on 364-Day Credit Agreement related to asbestos transaction	3.7	0.06	—	—	
Impact of pension curtailments and settlements	9.4	—	(0.1)	—	
Discrete tax reserve adjustment	(10.3)	(0.18)	—	—	
Adjusted net income	$ 121.5	$ 2.13	$ 77.3	$ 1.31	57.2 %
Special items impacting provision for income taxes:					
Provision for income taxes (GAAP)	$ 4.0		$ 12.6		
Tax effect of transaction related expenses, net	(0.9)		0.9		
Tax effect of repositioning related charges (gains), net	3.1		(0.2)		
Tax effect of interest expense on 364-Day Credit Agreement related to asbestos transaction	1.3		—		
Tax effect of impact of pension curtailments and settlements	2.5		(0.1)		
Tax effect of discrete tax reserve adjustment	10.3		—		
Adjusted provision for income taxes	$ 20.3		$ 13.2		

Totals may not sum due to rounding

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NON-GAAP FINANCIAL MEASURES

Crane Holdings, Co. Net Income and EPS Reconciliation (2/2)

(in millions, except per share data)	Twelve Months Ended December 31, 2022		2021		% Change
	$	Per Share	$	Per Share	(on $)
Net sales	$ 3,374.9		$ 3,408.0		(1.0)%
Operating profit (GAAP)	$ 369.5		$ 529.2		(30.2)%
Operating profit margin (GAAP)	*10.9 %*		*15.5 %*		
Special items impacting operating profit:					
Loss on divestiture of asbestos-related assets and liabilities	162.4		—		
Transaction related expenses, net	49.8		8.2		
Repositioning related charges (gains), net	14.9		(9.6)		
Adjusted operating profit	$ 596.6		$ 527.8		13.0 %
Adjusted operating profit margin	*17.7 %*		*15.5 %*		
Net income attributable to common shareholders (GAAP)	$ 401.1	$ 7.01	$ 435.4	$ 7.36	(7.9)%
Special items, net of tax, impacting net income attributable to common shareholders:					
Loss on divestiture of asbestos-related assets and liabilities	162.4	2.84	—	—	
Transaction related expenses, net	43.3	0.76	7.0	0.12	
Repositioning related charges (gains), net	10.8	0.18	(9.1)	(0.15)	
Interest expense on 364-Day Credit Agreement related to asbestos transaction	5.3	0.09	—	—	
Tax benefit related to divestiture of asbestos-related assets and liabilities	(6.5)	(0.11)	—	—	
Impact of pension curtailments and settlements	8.1	0.15	(0.1)	—	
Gain on sale of business	(184.5)	(3.22)	—	—	
Deferred tax adjustment related to sale of business	20.7	0.36	(21.5)	(0.37)	
Discrete tax reserve adjustment	(10.3)	(0.18)	—	—	
Gain on sale of property	—	—	(4.5)	(0.08)	
Adjusted net income	$ 450.8	$ 7.88	$ 407.2	$ 6.88	10.7 %
Special items impacting provision for income taxes:					
Provision for income taxes (GAAP)	$ 161.9		$ 67.4		
Tax effect of transaction related expenses, net	(0.9)		1.2		
Tax effect of repositioning related charges (gains), net	4.2		(0.5)		
Tax effect of interest expense on 364-Day Credit Agreement related to asbestos transaction	1.9		—		
Tax effect of benefit related to divestiture of asbestos-related assets and liabilities	6.5		—		
Tax effect of impact of pension curtailments and settlements	2.2		(0.1)		
Tax effect of gain on sale of business	(48.0)		—		
Tax effect of deferred tax adjustment related to sale of business	(20.7)		21.5		
Tax effect of discrete tax reserve adjustment	10.3		—		
Tax effect of gain on sale of property	—		(1.2)		
Adjusted provision for income taxes	$ 117.4		$ 88.3		

Totals may not sum due to rounding

NON-GAAP FINANCIAL MEASURES

Segment Margin Reconciliation (1/2)

(in millions) Three Months Ended December 31, 2022	Aerospace & Electronics	Process Flow Technologies	Payment & Merchandising Technologies	Engineered Materials	Corporate
Net sales	$ 181.5	$ 252.0	$ 338.2	$ 52.4	$ —
Operating profit (GAAP)	$ 35.9	$ 37.3	$ 81.5	$ 5.8	$ (31.2)
Operating profit margin (GAAP)	*19.8 %*	*14.8 %*	*24.1 %*	*11.0 %*	
Special items impacting operating profit:					
Transaction related expenses	$ —	$ —	$ —	$ —	$ 12.6
Repositioning related charges(gains), net	1.5	3.3	6.2	0.4	(0.3)
Adjusted operating profit	$ 37.4	$ 40.6	$ 87.7	$ 6.2	$ (18.9)
Adjusted operating profit margin	*20.6 %*	*16.1 %*	*25.9 %*	*11.8 %*	

Three Months Ended December 31, 2021	Aerospace & Electronics	Process Flow Technologies	Payment & Merchandising Technologies	Engineered Materials	Corporate
Net sales	$ 158.1	$ 298.7	$ 313.7	$ 54.7	$ —
Operating profit (GAAP)	$ 20.7	$ 41.5	$ 60.1	$ 6.2	$ (35.2)
Operating profit margin (GAAP)	*13.1 %*	*13.9 %*	*19.1 %*	*11.3 %*	
Special items impacting operating profit:					
Transaction related expenses	$ —	$ —	$ —	$ —	$ 6.8
Repositioning related charges (gains), net	—	1.3	(2.1)	—	—
Adjusted operating profit	$ 20.7	$ 42.8	$ 58.0	$ 6.2	$ (28.4)
Adjusted operating profit margin	*13.1 %*	*14.3 %*	*18.5 %*	*11.3 %*	

Totals may not sum due to rounding

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NON-GAAP FINANCIAL MEASURES

Segment Margin Reconciliation (2/2)

(in millions) **Twelve Months Ended December 31, 2022**	**Aerospace & Electronics**	**Process Flow Technologies**	**Payment & Merchandising Technologies**	**Engineered Materials**	**Corporate**
Net sales	$ 667.3	$ 1,109.4	$ 1,339.9	$ 258.3	$ —
Operating profit (GAAP)	$ 120.3	$ 168.2	$ 333.1	$ 32.6	$ (284.7)
Operating profit margin (GAAP)	*18.0 %*	*15.2 %*	*24.9 %*	*12.6 %*	
Special items impacting operating profit:					
Loss on divestiture of asbestos-related assets and liabilities	$ —	$ —	$ —	$ —	$ 162.4
Transaction related expenses	—	4.2	—	3.6	42.0
Repositioning related charges (gains), net	1.5	7.0	6.2	0.5	(0.3)
Adjusted operating profit	$ 121.8	$ 179.4	$ 339.3	$ 36.7	$ (80.6)
Adjusted operating profit margin	*18.3 %*	*16.2 %*	*25.3 %*	*14.2 %*	

Twelve Months Ended December 31, 2021					
Net sales	$ 638.3	$ 1,196.6	$ 1,345.1	$ 228.0	$ —
Operating profit (GAAP)	$ 110.0	$ 182.5	$ 307.5	$ 26.9	$ (97.7)
Operating profit margin (GAAP)	*17.2 %*	*15.2 %*	*22.9 %*	*11.8 %*	
Special items impacting operating profit:					
Transaction related expenses	$ —	$ —	$ —	$ —	$ 8.2
Repositioning related charges (gains), net	—	(5.9)	(3.7)	—	—
Adjusted operating profit	$ 110.0	$ 176.6	$ 303.8	$ 26.9	$ (89.5)
Adjusted operating profit margin	*17.2 %*	*14.8 %*	*22.6 %*	*11.8 %*	

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NON-GAAP FINANCIAL MEASURES

Crane Holdings, Co. Cash Flow Items

($ millions)	Three Months Ended December 31,				Twelve Months Ended December 31,			
Cash Flow Items		**2022**		**2021**		**2022**		**2021**
Cash provided by (used for) operating activities	$	226.4	$	171.5	$	(151.6)	$	498.5
Less: Capital expenditures		(21.6)		(27.2)		(58.4)		(53.9)
Free cash flow	$	204.8	$	144.3	$	(210.0)	$	444.6
Cash flow items related to 2022 portfolio actions and asbestos entity sale transaction	$	14.8	$	-	$	604.6	$	-
Adjusted free cash flow	$	219.6	$	144.3	$	394.6	$	444.6

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