



INVESTOR PRESENTATION

Third Quarter 2023

SAFE HARBOR

Today's presentation includes forward-looking statements that reflect management's current expectations about the Company's future business and financial performance.

These statements are subject to certain risks and uncertainties that could cause actual results to differ from anticipated results.

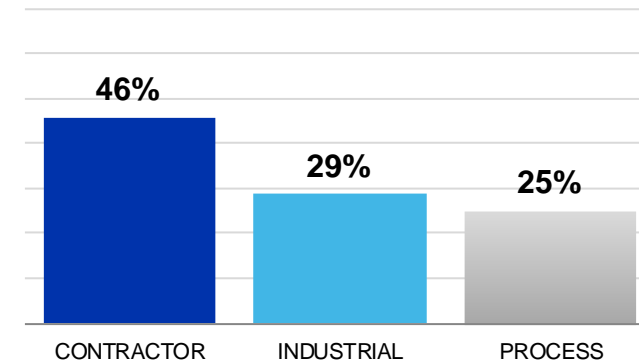
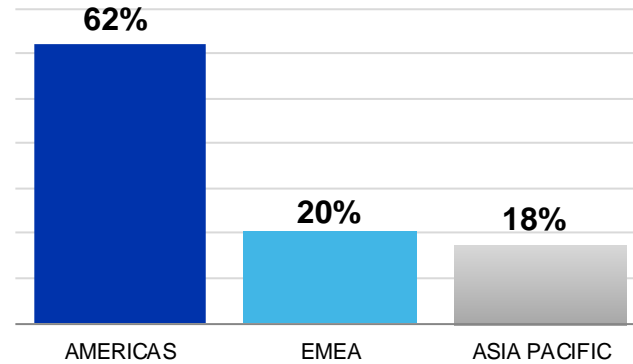
Factors that could cause actual results to differ from anticipated results are identified in Item 1A of the Company's Form 10-K, and Item 1A of the most recent Quarterly Report on Form 10-Q and also the Company's Earnings Release dated October 25, 2023.

DISTRIBUTION OF GLOBAL SALES

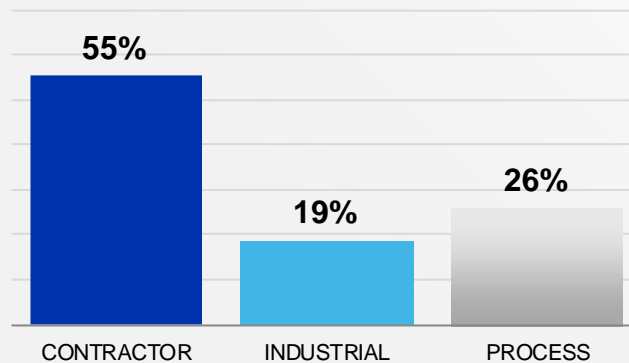
WORLDWIDE

\$1,629M

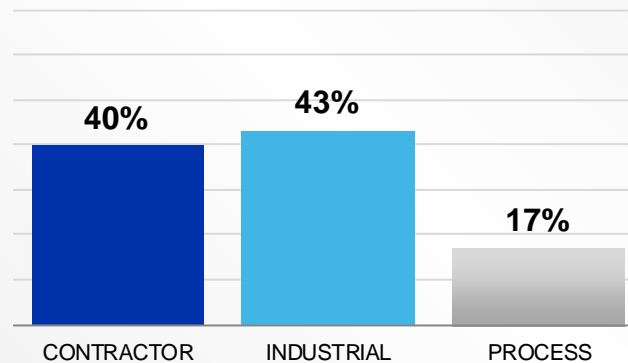
September 2023 Year to Date



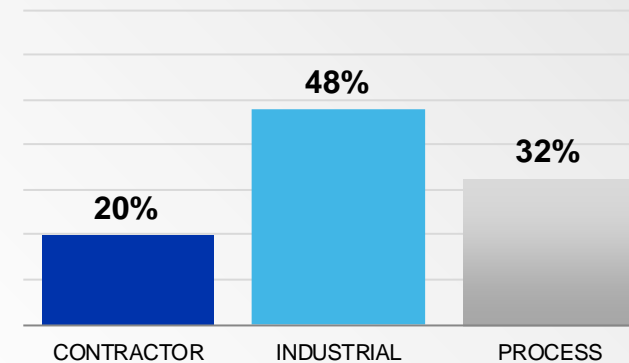
AMERICAS



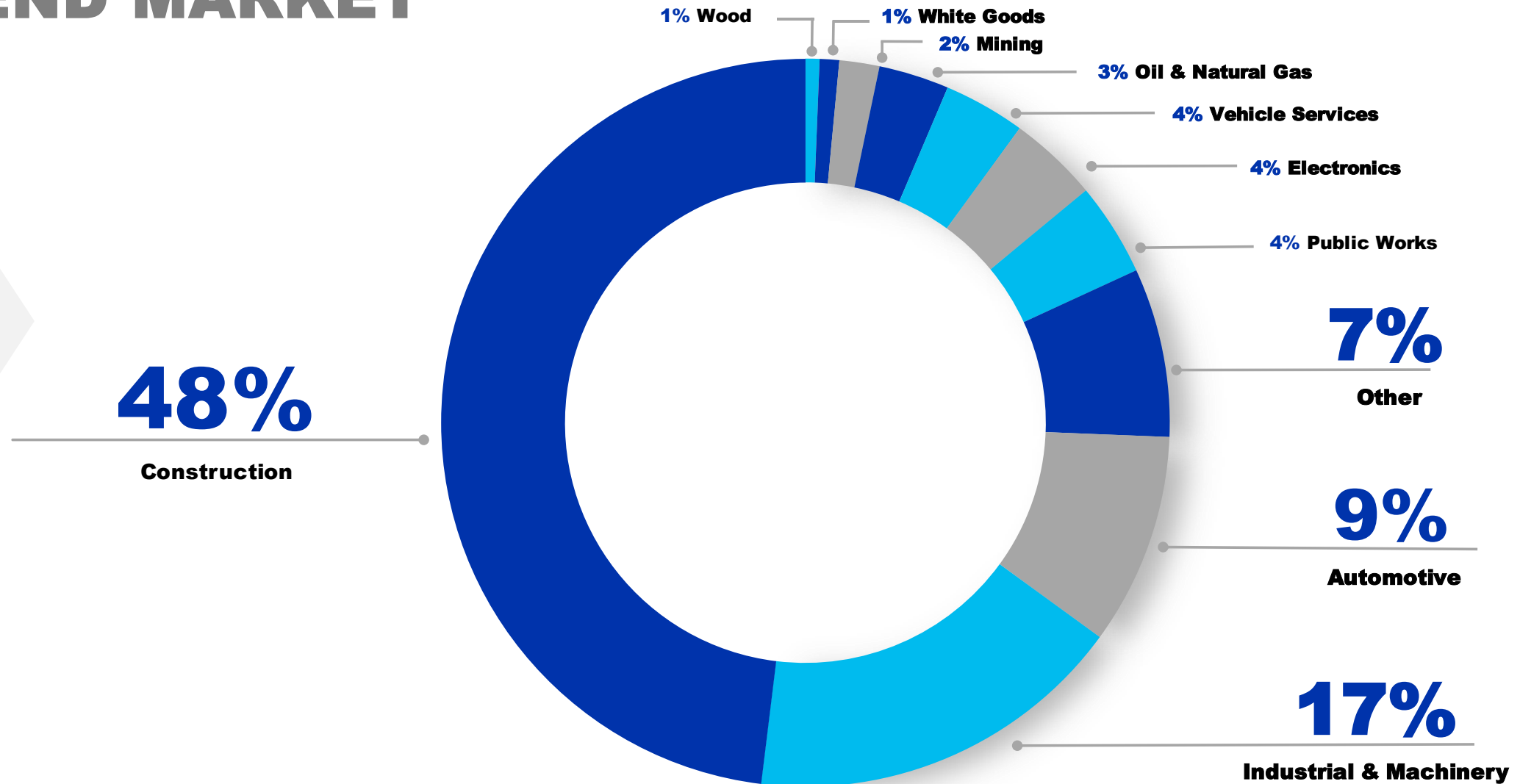
EMEA



ASIA PACIFIC



2022 NET SALES BY END MARKET



TRUSTED SOLUTIONS TO KEEP JOBS MOVING & FLUIDS PUMPING



DIVERSIFIED FLUID HANDLING BUSINESS

NICHE

**DIFFICULT APPLICATIONS; CORROSIVE,
VISCIOUS, HARD-TO-MOVE MATERIALS**

6.3%

ORGANIC REVENUE CAGR*

~40%

**OF REVENUE IS PARTS
AND ACCESSORIES**

*20-year average, constant currency



HIGH CUSTOMER VALUE, STRONG PRODUCT DIFFERENTIATION

**BEST IN CLASS
DELIVERY**

**MATERIAL SUPPLIER
RELATIONSHIPS**

**NICHE
MARKETS**

**STRONG CHANNEL
PARTNERS**

CUSTOMER ROI

**LOWEST TOTAL COST
OF OWNERSHIP**

**LEADING
NEW PRODUCT
INVESTMENT**

**STRINGENT
PRODUCT
REQUIREMENTS**

**BEST IN
CLASS QUALITY**

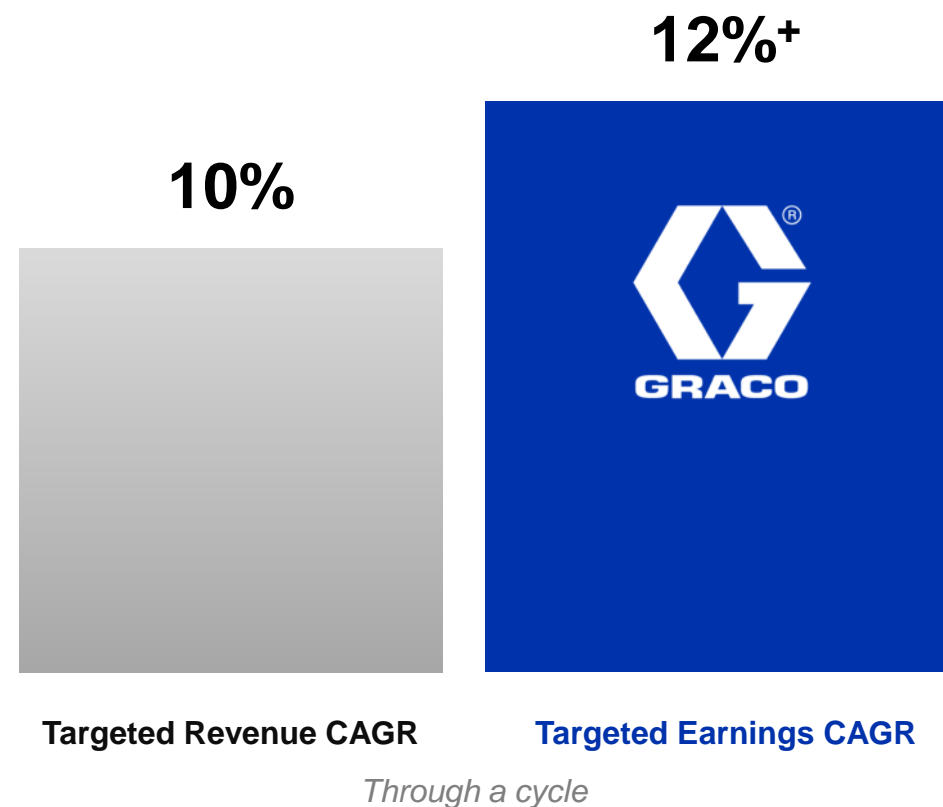
**END USER
INTERACTION**



GROWTH PLANS AND EARNINGS DRIVERS

STRATEGIC INITIATIVES

- New Product Development
- New Markets
- Global Expansion
- End-user Conversion
- Acquisitions



LOW VOLUME, HIGH MIX DELIVERS CUSTOMER ROI

Average Number of Units Sold Per Day	Number of SKUs		2022 Sales (\$ in millions)	
0 - 1	60,900	93%	\$930	43%
2 - 5	2,800	4%	\$395	19%
6 - 10	900	1%	\$179	8%
11 - 15	300	1%	\$80	4%
Greater than 15	800	1%	\$560	26%
Graco 2022 Sales	65,700		\$2,144	

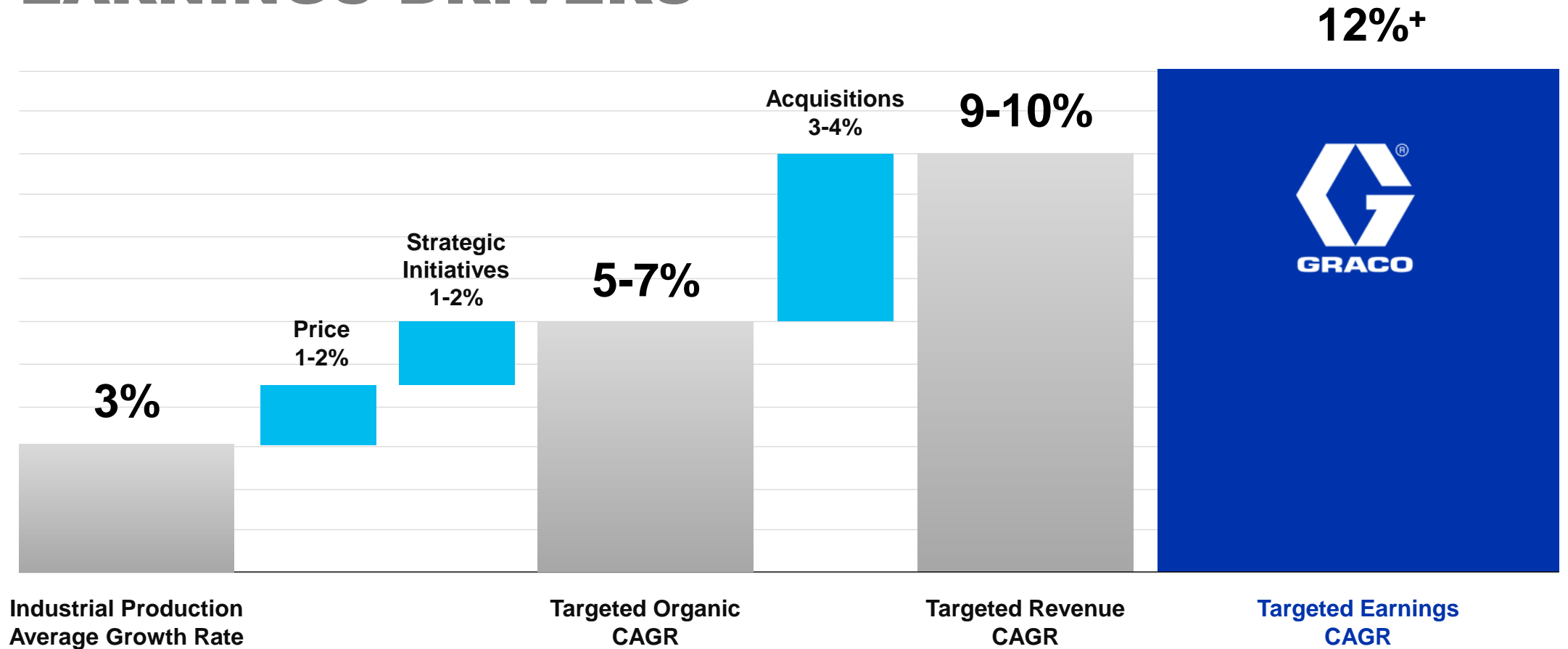
HIGHLY-VALUED PRODUCTS AT LOW VOLUMES

43%

of our revenue comes from products that we sell

ZERO TO ONE PER DAY

GROWTH PLANS AND EARNINGS DRIVERS



Through a cycle

EXCEPTIONAL RETURNS

6.3%

**ORGANIC
REVENUE
CAGR**

27%

**RETURN ON
INVESTED
CAPITAL**

40%

**RETURN ON
EQUITY**

18%

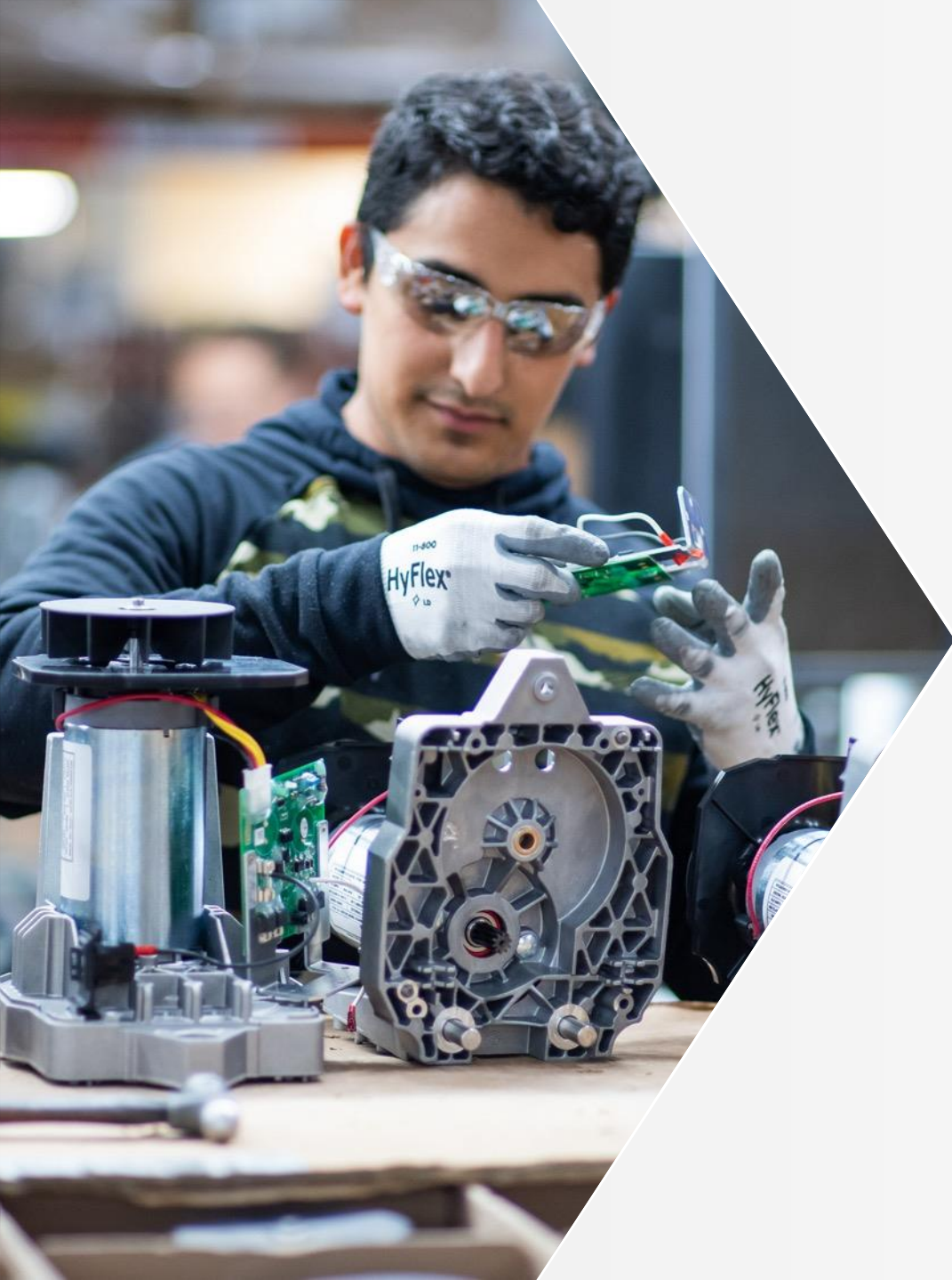
**RETURN ON
ASSETS**

Based on a 20-year average, constant currency

A photograph of a woman in a blue shirt and safety glasses working on a machine in a factory. She is using a tool to work on a component. The background shows other workers and factory equipment. The image is partially obscured by a white diagonal shape that contains the text.

BUSINESS MODEL

- Brand Promise
- Operational Excellence
- Engineering & Manufacturing Excellence
- Extensive Reach



ENGINEERING EXCELLENCE

**TARGET DOUBLE-DIGIT RETURNS
ON NEW PRODUCTS**

ANNUAL R&D INVESTMENT:

>1.8X*
OUR PEER GROUP

4.0%*
**AS A PERCENT OF SALES
VS. PEERS AT 2.2%**

* Peers: ITW, CSL, DOV, ENOV, IEX, NDSN, WTS, FLS, based on a 5-year average, 2018 - 2022.

A large graphic on the left side of the slide features a blue and white geometric shape that resembles a stylized arrow or a manufacturing component. This shape is filled with a blurred image of a factory interior, showing blue metal frames and machinery.

MANUFACTURING EXCELLENCE

>80%

PRODUCT BASED IN USA

ZERO

COST CHANGE GOAL ON THE SAME BASKET OF GOODS (YEAR OVER YEAR)

<1%

WARRANTY COSTS

A photograph of a warehouse worker in a blue shirt operating a computer workstation. The worker is positioned in the foreground, looking at a monitor. The background shows a large warehouse with high shelves filled with cardboard boxes. A white diagonal graphic element separates the image from the text on the right.

SERVICE EXCELLENCE

SAME DAY

ORDERS IN BY NOON, SHIP THE SAME DAY

92%

IN-STOCK SERVICE LEVEL GOAL

EXTENSIVE REACH

30,000+
OUTLETS/DISTRIBUTORS

CUSTOMERS IN
100+
COUNTRIES

INSTALLED BASE
~100
YEARS OLD

FACILITIES IN
12
COUNTRIES



CONTRACTOR



CONTRACTOR

KEY END MARKETS

- Residential and non-residential construction
- Residential and non-residential remodeling
- Transportation Infrastructure

GROWTH DRIVERS & TRENDS

- End user conversion from brush and roll
- Product innovation and channel expansion
- Housing and new construction
- Infrastructure spending
- Regional labor rates
- New markets
- Material changes

SELECT REPRESENTATIVE INDUSTRY PARTICIPANTS:

WAGNER/TITAN
CAMPBELL HAUSFELD
BEDFORD
REGIONAL COMPETITION

2023
SEPTEMBER,
NINE MONTHS
PERFORMANCE

\$747M

SEGMENT REVENUE

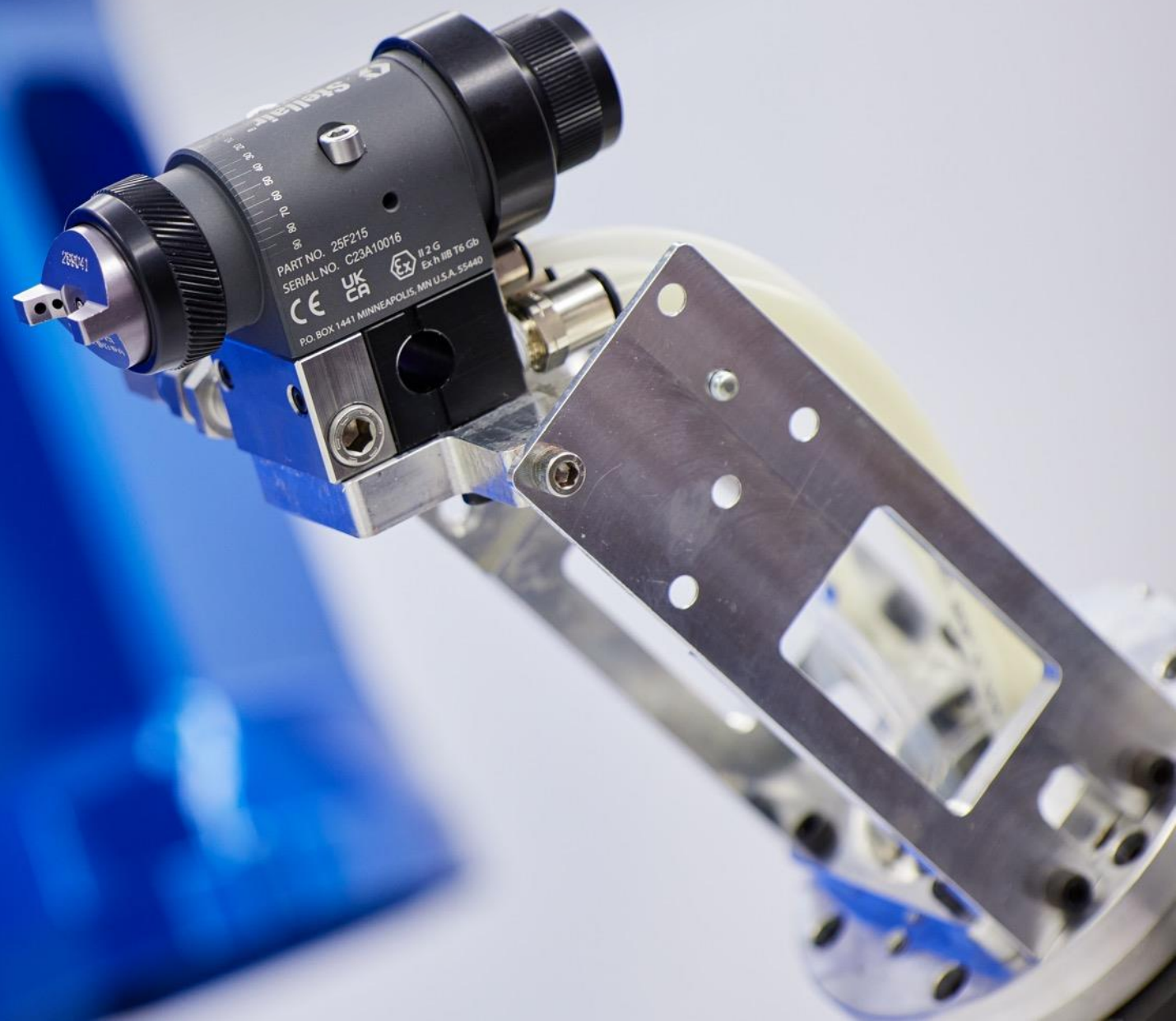
-2%

ORGANIC REVENUE
GROWTH

28.9%

OPERATING MARGIN
+370 BASIS POINTS

INDUSTRIAL



INDUSTRIAL

KEY END MARKETS

- General industrial
- Automotive
- Residential and non-residential construction
- Alternative energy and others

GROWTH DRIVERS & TRENDS

- Factory movement and upgrades
- Automation
- Technology upgrades
- Energy-efficiency upgrades
- Material changes

SELECT REPRESENTATIVE INDUSTRY PARTICIPANTS:



NORDSON

CARLISLE

EXEL COMPOSITES

WAGNER

REGIONAL COMPETITION

**2023
SEPTEMBER,
NINE MONTHS
PERFORMANCE**

\$471M

SEGMENT REVENUE

3%

**ORGANIC REVENUE
GROWTH**

34.6%

**OPERATING MARGIN
-60 BASIS POINTS**

A large white arrow graphic points from the left edge of the image towards the word 'PROCESS'.

PROCESS

A black Graco Quantm 130 spray gun is mounted on a metal stand. The gun has a blue label with the Graco logo and the word 'QUANTM' in white. A red-handled valve is visible on the side of the gun. The background shows a white wall with electrical conduits and a yellow lift column.

QUANTMTM

QUANTMTM
130

PROCESS

KEY END MARKETS

- Pharmaceutical, food and beverage
- Vehicle services
- Oil and natural gas
- Environmental
- Semiconductor and others

GROWTH DRIVERS & TRENDS

- Factory movement and upgrades
- Technology upgrades
- Energy-efficiency upgrades
- Asset life maintenance
- Commodities extraction
- Environmental regulations

SELECT REPRESENTATIVE INDUSTRY PARTICIPANTS:

IDEX

DOVER

INGERSOLL RAND

LINCOLN

VOGEL

BIJUR DELIMON

HANNAY REELS

COXREELS

REGIONAL COMPETITION

2023
SEPTEMBER,
NINE MONTHS
PERFORMANCE

\$411M

SEGMENT REVENUE

13%

ORGANIC REVENUE
GROWTH

30.9%

OPERATING MARGIN
+650 BASIS POINTS

CAPITAL ALLOCATION



LONG-TERM CASH DEPLOYMENT PRIORITIES



ORGANIC GROWTH

- International footprint
- Product development
- Production capacity and capabilities



ACQUISITIONS

- Supplement to organic growth
- Leverage core competencies into adjacencies
- Strong balance sheet position



SHAREHOLDER RETURN

- Solid dividend history
- Approximately 15.0 million shares remaining on repurchase authorization

KEY INVESTMENT ATTRIBUTES

- Drive long-term, above-market growth
- Premium products that deliver strong ROI for end users
- Leading industry positions
- Serve niche markets where customers are willing to purchase quality, technology-based products
- Products perform mission-critical functions
- Recurring parts and accessories sales
- Shareholder-minded management
- Financial strength

ACQUISITIONS

ACQUISITIONS

INDUSTRIAL



2012

2015

2015

2017

2018

2020

ACQUISITIONS

PROCESS



2013



2015



2015



2016



2019



2022

FINANCIAL RESULTS



The background of the slide features a blurred image of a microscope. A large, dark blue arrow-shaped graphic points from the left side of the slide towards the center, partially overlapping the microscope image.

SEPTEMBER 2023 YTD FINANCIAL PERFORMANCE

3%

**REVENUE
GROWTH**

52.9%

**GROSS
MARGIN**

19%

**NET
INCOME
GROWTH**

19%

**EPS
GROWTH**

(As Reported)

FINANCIAL RESULTS

Statement of Earnings

\$ in millions except per share amounts

	Third Quarter			September Year to Date		
	2023	2022	Change	2023	2022	Change
Net Sales	\$ 539.7	\$ 545.6	(1)%	\$1,629.0	\$1,588.5	3 %
Gross Profit	284.5	261.1	9 %	861.1	784.6	10 %
% of Net Sales	52.7%	47.8%	4.9 pts	52.9%	49.4%	3.5 pts
Operating Earnings	163.2	143.1	14 %	476.9	420.2	13 %
% of Net Sales	30.2%	26.2%	4.0 pts	29.3%	26.5%	2.8 pts
Net Earnings	\$ 133.1	\$ 116.2	15 %	\$ 396.6	\$ 334.5	19 %
% of Net Sales	24.7%	21.3%	3.4 pts	24.3%	21.1%	3.2 pts
Diluted Net Earnings Per Share	\$ 0.77	\$ 0.67	15 %	\$ 2.30	\$ 1.93	19 %
Diluted Shares in Millions	172.8	172.8	(0)%	172.3	173.4	(1)%
Operating Earnings, Adjusted (1)	\$ 162.4	\$ 143.1	13 %	\$ 476.1	\$ 420.2	13 %
Net Earnings, Adjusted (1)	\$ 131.5	\$ 114.8	15 %	\$ 386.9	\$ 331.3	17 %
Diluted Net Earnings Per Share, Adjusted (1)	\$ 0.76	\$ 0.66	15 %	\$ 2.24	\$ 1.91	17 %

1) Operating earnings, net earnings and diluted earnings per share for 2023 and net earnings and diluted earnings per share for 2022 have been adjusted to provide a more consistent basis of comparison of on-going results. See following page for a reconciliation of the adjusted non-GAAP financial measures to GAAP.

FINANCIAL RESULTS ADJUSTED FOR COMPARABILITY

Non-GAAP Reconciliation

\$ in millions except per share amounts

	Third Quarter			September Year to Date		
	2023	2022	Change	2023	2022	Change
Operating Earnings, as reported	\$ 163.2	\$ 143.1	14 %	\$ 476.9	\$ 420.2	13 %
Contingent consideration	(8.6)	-		(8.6)	-	
Impairment	7.8	-		7.8	-	
Operating earnings, adjusted	<u>\$ 162.4</u>	<u>\$ 143.1</u>	<u>13 %</u>	<u>\$ 476.1</u>	<u>\$ 420.2</u>	<u>13 %</u>
Income taxes, as reported	\$ 31.2	\$ 26.2	19 %	\$ 84.7	\$ 77.3	10 %
Excess tax benefit from option exercises	0.8	1.4		8.9	3.2	
Income taxes, adjusted	<u>\$ 32.0</u>	<u>\$ 27.6</u>	<u>16 %</u>	<u>\$ 93.6</u>	<u>\$ 80.5</u>	<u>16 %</u>
Effective income tax rate						
As reported	19.0%	18.4%		17.6%	18.8%	
Adjusted	19.6%	19.4%		19.5%	19.6%	
Net earnings, as reported	\$ 133.1	\$ 116.2	15 %	\$ 396.6	\$ 334.5	19 %
Contingent consideration	(8.6)	-		(8.6)	-	
Impairment	7.8	-		7.8	-	
Excess tax benefit from option exercises	(0.8)	(1.4)		(8.9)	(3.2)	
Net earnings, adjusted	<u>\$ 131.5</u>	<u>\$ 114.8</u>	<u>15 %</u>	<u>\$ 386.9</u>	<u>\$ 331.3</u>	<u>17 %</u>
Weighted average diluted shares	172.8	172.8		172.3	173.4	
Diluted earnings per share						
As reported	\$ 0.77	\$ 0.67	15 %	\$ 2.30	\$ 1.93	19 %
Adjusted	\$ 0.76	\$ 0.66	15 %	\$ 2.24	\$ 1.91	17 %

Excluding the impact of contingent consideration adjustments and impairment charges in 2023 and excess tax benefits related to stock option exercises in both years, presents a more consistent basis for comparison of financial results. This is a calculation of the non-GAAP measurements of operating earnings, income taxes, effective income tax rates, net earnings and diluted earnings per share.

THIRD QUARTER 2023

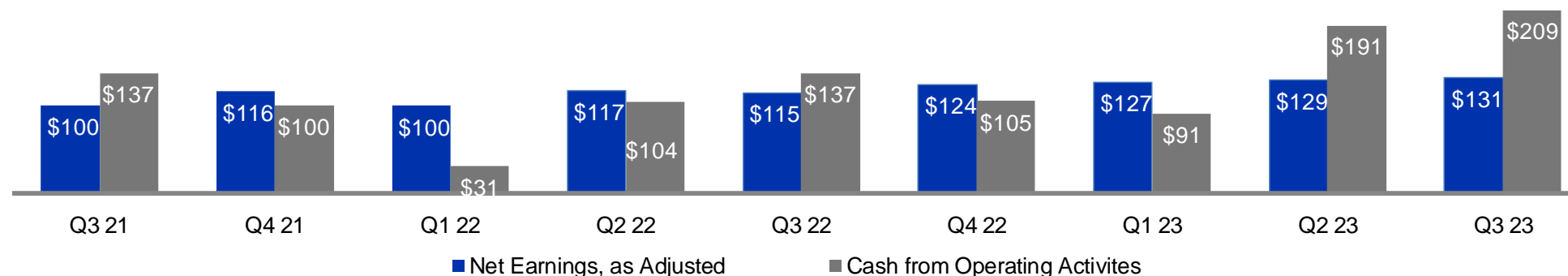
Net Sales	<ul style="list-style-type: none"> • Down 1 percent from 2022, down 2 percent at consistent translation rates
Gross Margin	<ul style="list-style-type: none"> • Margin rate up 4.9 percentage points compared to 2022 <ul style="list-style-type: none"> > Realized pricing and lower product cost
Operating Earnings	<ul style="list-style-type: none"> • Up \$20 million compared to 2022 <ul style="list-style-type: none"> > Realized pricing and favorable impact of currency translation rates were more than enough to offset higher expenses. > Operating expenses included a non-cash goodwill impairment charge of \$8 million and a \$9 million gain from the reduction in fair value of contingent consideration related to the reorganization of a business acquired in 2020.
Other (Income) /Expense	<ul style="list-style-type: none"> • Increased \$2 million primarily due to increased interest income
Interest Expense	<ul style="list-style-type: none"> • Comparable to 2022. Repaid \$75 million private placement debt plus prepayment fee of \$0.7 million, recorded as interest expense in the third quarter
Taxes	<ul style="list-style-type: none"> • Effective tax rate for the quarter was 19 percent, up 1 percentage point compared to third quarter 2022 <ul style="list-style-type: none"> > Due primarily to variations in excess tax benefits from stock option exercises

SEPTEMBER YEAR TO DATE 2023

Net Sales	<ul style="list-style-type: none"> • Up 3 percent from 2022, currency translation rates had no significant impact
Gross Margin	<ul style="list-style-type: none"> • Margin rate up 3.5 percentage points compared to 2022 <ul style="list-style-type: none"> > Strong realized pricing more than offset higher product cost
Operating Earnings	<ul style="list-style-type: none"> • Up \$57 million compared to 2022 <ul style="list-style-type: none"> > Realized pricing and favorable mix were more than enough to offset higher expenses and unfavorable impact of currency translation rates. > Operating expenses included a non-cash goodwill impairment charge of \$8 million and a \$9 million gain from the reduction in fair value of contingent consideration related to the reorganization of a business acquired in 2020.
Other (Income) /Expense	<ul style="list-style-type: none"> • Increased \$9 million due primarily to increased interest income
Interest Expense	<ul style="list-style-type: none"> • Decreased \$4 million. Repaid \$75 million private placement debt in third quarter 2023 and first quarter 2022
Taxes	<ul style="list-style-type: none"> • Effective tax rate for the year to date of 18 percent was down 1 percentage point compared to 2022 <ul style="list-style-type: none"> > Due primarily to variations in excess tax benefits from stock option exercises

CASH FLOW AND LIQUIDITY

Net Earnings, as Adjusted, and Cash from Operating Activities
\$ in millions



Other Significant (Uses) Sources of Cash

(\$M)

	2023	2022
Capital Expenditures	\$ (146)	\$ (147)
Dividends	(119)	(107)
Net Share Issuances (Repurchases)	27	(128)
Net Borrowings (Payments) on Debt	(66)	(71)
Acquisitions	-	(25)

- Net cash from operating activities was \$491 million in 2023 vs. \$272 million in 2022
 - > Inventory purchases have decreased as supply chain disruptions have improved and backlog levels normalize
- Capital expenditures of \$146 million including \$89 million on facility expansion projects
- Debt, including notes payable, was \$29 million – down \$67 million from December 2022
 - > In July 2023, repaid final \$75 million of private placement debt plus prepayment fee of \$0.7 million

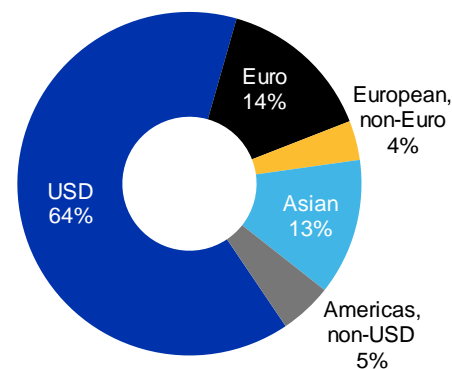
NET SALES

Components of Net Sales Change

2023 Third Quarter	Segment			Region			Consolidated
	Contractor	Industrial	Process	Americas	EMEA	Asia Pacific	
Volume and Price	(8)%	(1)%	9 %	0 %	(10)%	2 %	(2)%
Acquisitions	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Currency	1 %	2 %	1 %	0 %	6 %	(3)%	1 %
Total	(7)%	1 %	10 %	0 %	(4)%	(1)%	(1)%

2023 September Year to Date	Segment			Region			Consolidated
	Contractor	Industrial	Process	Americas	EMEA	Asia Pacific	
Volume and Price	(2)%	3 %	13 %	5 %	0 %	0 %	3 %
Acquisitions	0 %	0 %	1 %	0 %	0 %	0 %	0 %
Currency	0 %	0 %	(1)%	0 %	2 %	(4)%	0 %
Total	(2)%	3 %	13 %	5 %	2 %	(4)%	3 %

Sept. YTD 2023 Net Sales by Currency



Asian currencies include: AUD, CNY, JPY, KRW, INR. European, non-euro currencies include: CHF, GBP, RON. Americas, non-USD currencies include: BRL, CAD, MXN.

2023 OUTLOOK

Constant currency basis and excluding acquisitions completed in the prior 12 months

	Americas	EMEA	Asia Pacific	Worldwide
Current Environment	Q3 2023 0% Sept. YTD 5%	Q3 2023 (10%) Sept. YTD 0%	Q3 2023 2% Sept. YTD 0%	Net Sales Change Q3 2023 (2%) Sept. YTD 3%
Contractor Segment	Q3 2023 (5%) Sept. YTD (1%)	Q3 2023 (17%) Sept. YTD (2%)	Q3 2023 (9%) Sept. YTD (8%)	Net Sales Change Q3 2023 (8%) Sept. YTD (2%)
Industrial Segment	Q3 2023 1% Sept. YTD 8%	Q3 2023 (11%) Sept. YTD (0%)	Q3 2023 6% Sept. YTD 1%	Net Sales Change Q3 2023 (1%) Sept. YTD 3%
Process Segment	Q3 2023 12% Sept. YTD 17%	Q3 2023 14% Sept. YTD 9%	Q3 2023 2% Sept. YTD 4%	Net Sales Change Q3 2023 9% Sept. YTD 13%
Full-Year 2023 Outlook				Low Single-Digit

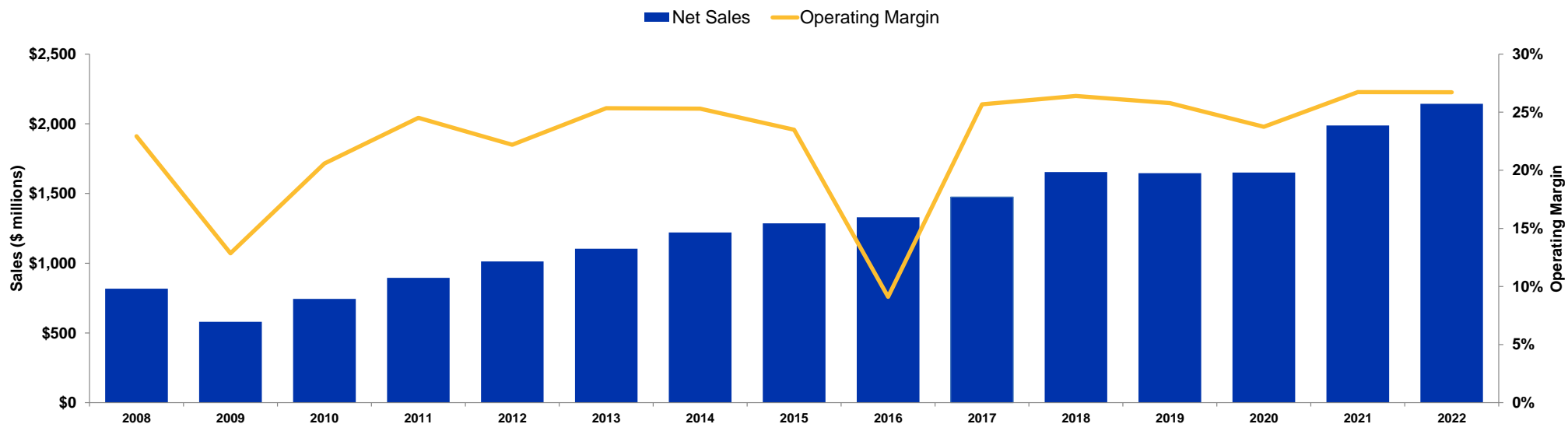
OTHER ITEMS

Cap Ex	<ul style="list-style-type: none"> Capital expenditure expectations of approximately \$200 million in 2023, including approximately \$130 million in facility expansion projects
Expenses	<ul style="list-style-type: none"> Unallocated corporate expenses in 2023 are expected to be approximately \$36 - \$38 million
Shares	<ul style="list-style-type: none"> Repurchased 427,000 shares through September. We may make opportunistic purchases in 2023 via open market transactions
Currency	<ul style="list-style-type: none"> At current exchange rates, assuming the same volumes, mix of products and mix of business by currency as in 2022, the movement in foreign currencies would have no impact on net sales and an unfavorable impact of approximately 1 percentage point on net earnings for the full year 2023
Taxes	<ul style="list-style-type: none"> We anticipate the effective tax rate for the fourth quarter and the full year 2023 to be between 19% and 20%, excluding any impact from excess tax benefits related to stock option exercises and other one-time items. Actual results and mix of earnings may materially impact the expected tax rate

FINANCIAL SUMMARY

2022 Appendix

FINANCIAL PERFORMANCE



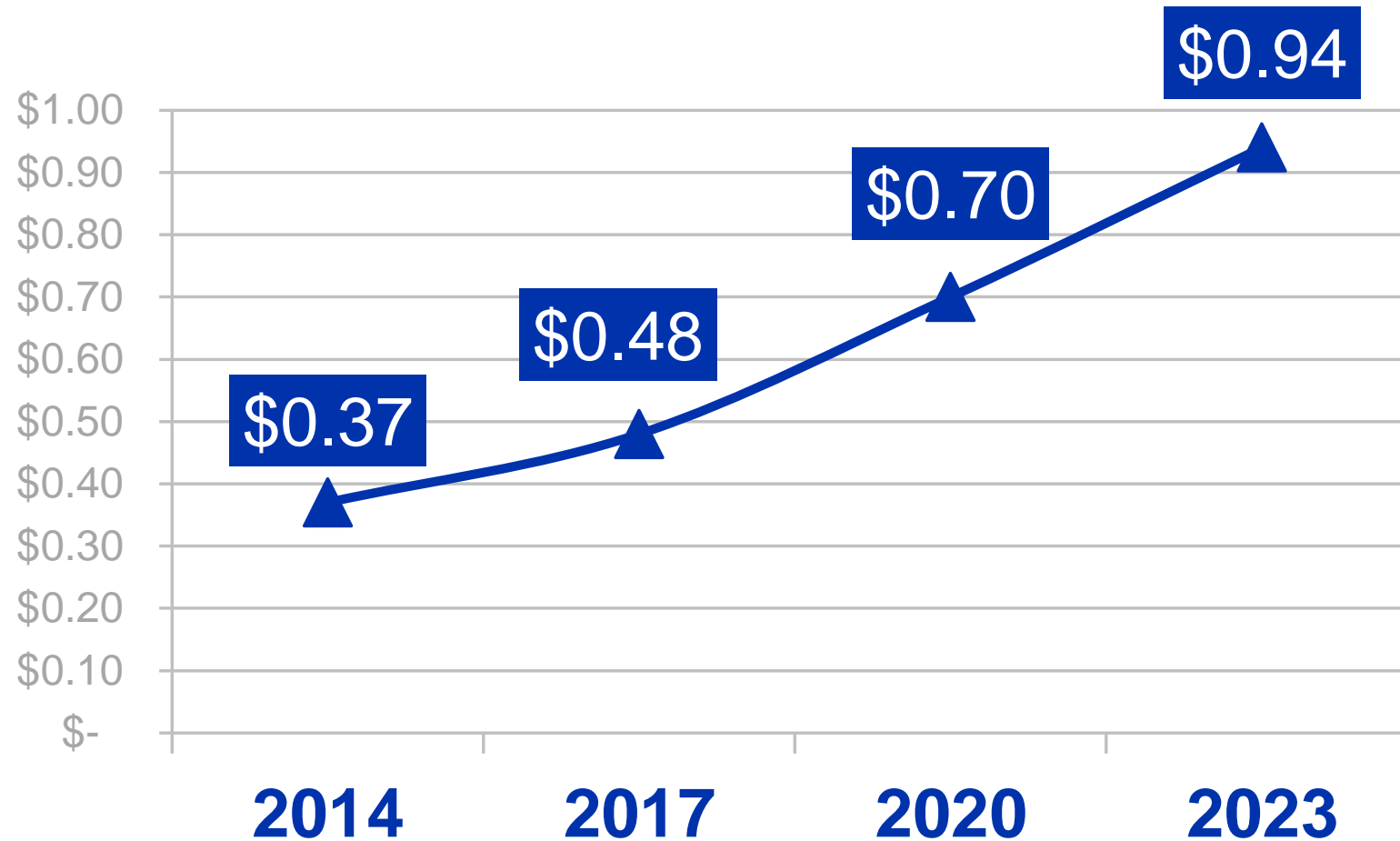
As Reported

Diluted EPS	\$0.66	\$0.27	\$0.56	\$0.77	\$0.81	\$1.12	\$1.22	\$1.95	\$0.24	\$1.45	\$1.97	\$2.00	\$1.92	\$2.52	\$2.66
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As Adjusted

Diluted EPS	\$0.66	\$0.27	\$0.56	\$0.77	\$0.81	\$1.12	\$1.22	\$1.15	\$1.18	\$1.43	\$1.88	\$1.90	\$1.95	\$2.44	\$2.63
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STOCK DIVIDEND GROWTH



Dividends
adjusted for
stock splits

STRONG CASH GENERATION

(\$ Millions)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Cash Flows	\$ 377	\$ 457	\$ 394	\$ 419	\$ 368	\$ 338	\$ 269	\$ 190	\$ 241	\$ 243
% of Net Income	82%	104%	119%	122%	108%	134%	661%	55%	107%	115%
Capital Expenditures	201	134	71	128	54	40	42	42	31	23
Free Cash Flow	\$ 176	\$ 323	\$ 323	\$ 291	\$ 314	\$ 298	\$ 227	\$ 148	\$ 210	\$ 220

2016 – Impairment of Intangibles, net of tax, charge of \$161 million was reflected in net income. \$192 million and related change in deferred taxes (\$31) million included in adjustments to reconcile net earnings

2015 – Divestiture of Liquid Finishing Held Separate assets net gain \$141 million reflected in net income; effect of taxes on the gain, transaction costs and Foundation contribution are included in operating cash flows

(\$ Millions)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Dividends	\$ 142	\$ 127	\$ 117	\$ 106	\$ 89	\$ 80	\$ 73	\$ 69	\$ 66	\$ 61
Acquisitions	25	19	28	27	11	28	49	189	185	12
Share Repurchases *	198	(51)	21	(38)	236	54	18	256	165	26
	\$ 365	\$ 95	\$ 166	\$ 95	\$ 336	\$ 162	\$ 140	\$ 514	\$ 416	\$ 99



WORLDWIDE LEADER IN FLUID HANDLING

MOVE • MEASURE • MIX • CONTROL • DISPENSE • SPRAY