



INVESTOR PRESENTATION

Third Quarter 2024

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.

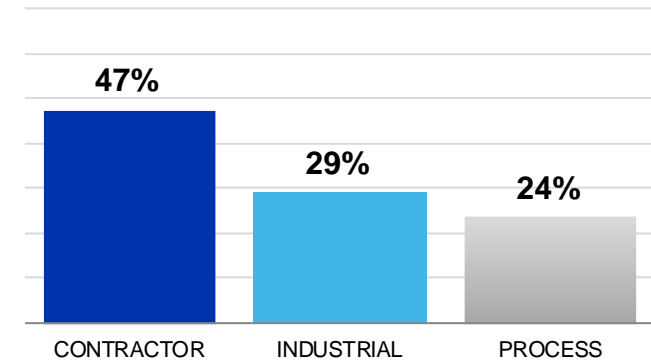
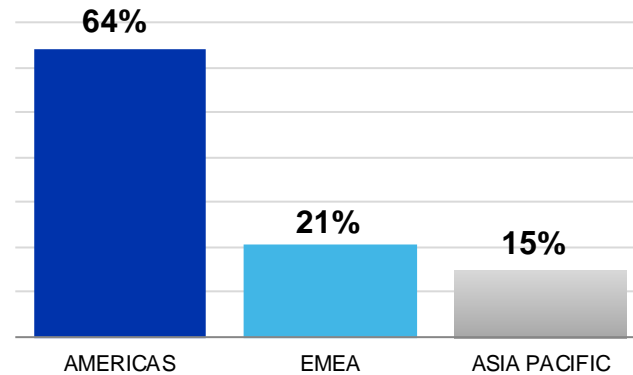
Factors that could cause actual results to differ from anticipated results are identified in Item 1A of the Company's Form 10-K, and Item 1A of the most recent Quarterly Report on Form 10-Q and also the Company's Earnings Release dated October 23, 2024.

DISTRIBUTION OF GLOBAL SALES

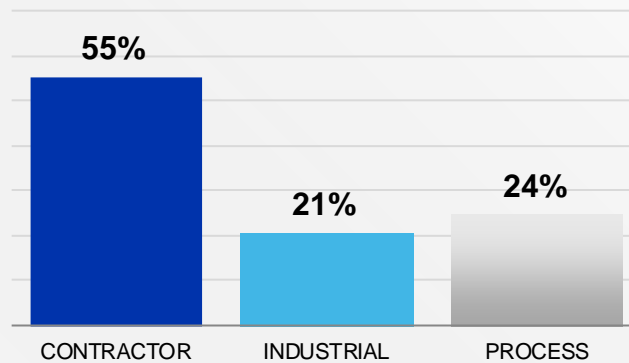
WORLDWIDE

\$1,565M

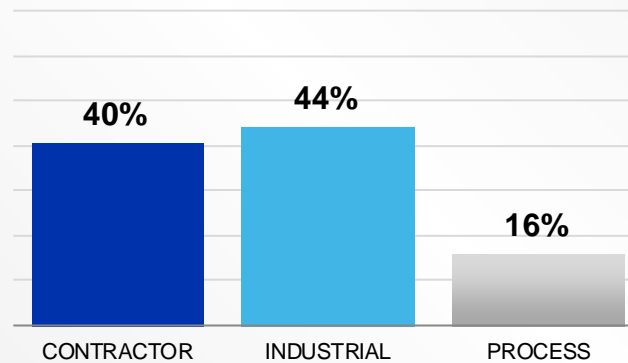
September 2024
Year to Date



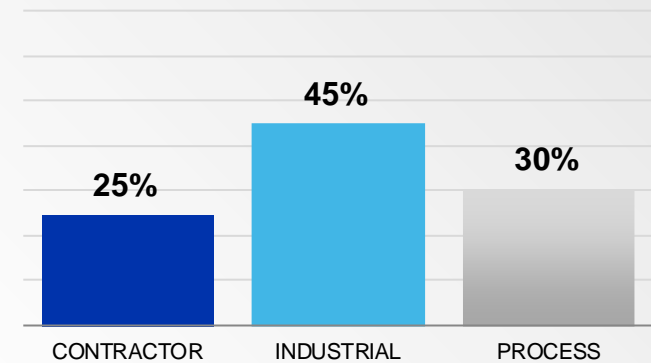
AMERICAS



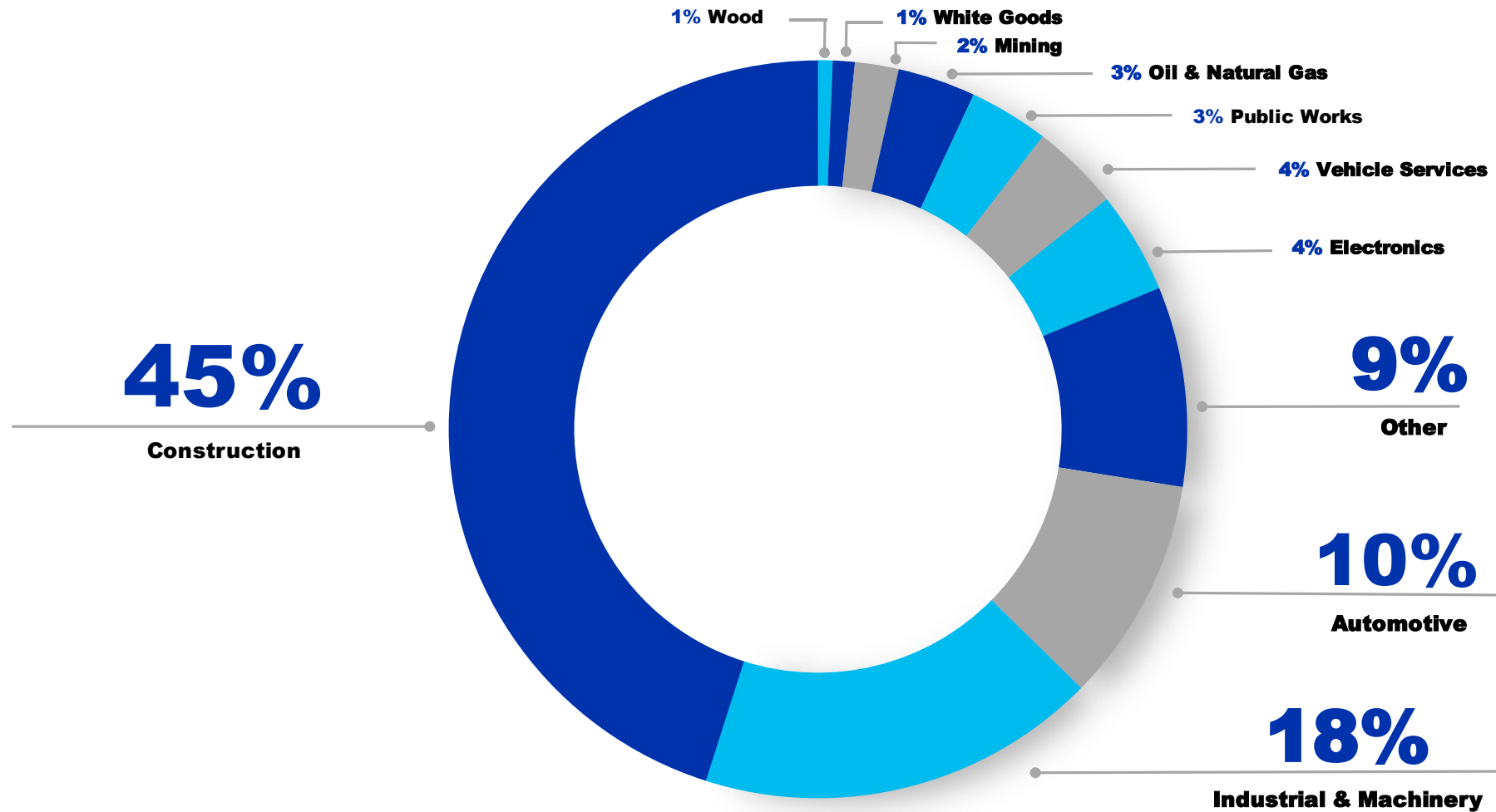
EMEA



ASIA PACIFIC



2023 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

6.5%

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**

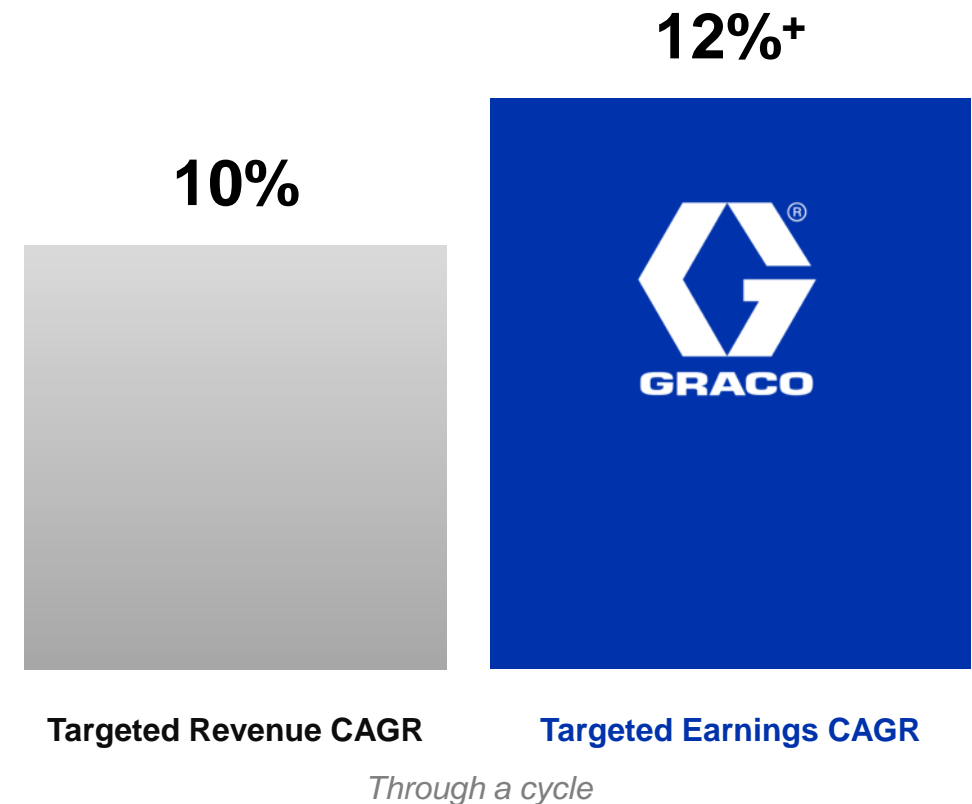
**END USER
INTERACTION**



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		2023 Sales (\$ in millions)	
0 - 1	56,900	93%	\$1,144	52%
2 - 5	2,500	4%	\$ 300	14%
6 - 10	800	1%	\$ 172	8%
11 - 15	300	1%	\$ 75	3%
Greater than 15	700	1%	\$ 505	23%
Graco 2023 Sales	61,200		\$2,196	

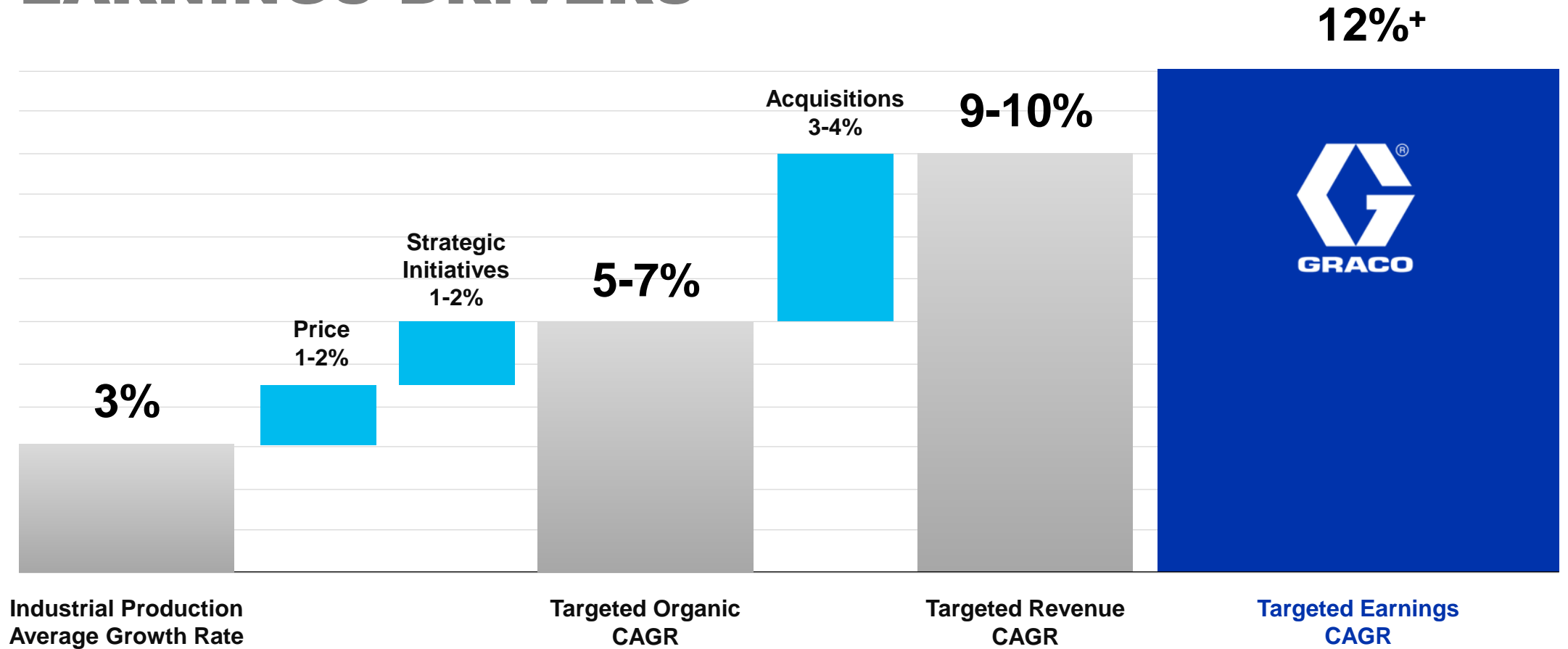
HIGHLY-VALUED PRODUCTS AT LOW VOLUMES

52%

of our revenue comes from products that we sell

ZERO TO ONE PER DAY

GROWTH PLANS AND EARNINGS DRIVERS



Through a cycle

EXCEPTIONAL RETURNS

6.5%

**ORGANIC
REVENUE
CAGR**

26%

**RETURN ON
INVESTED
CAPITAL**

40%

**RETURN ON
EQUITY**

18%

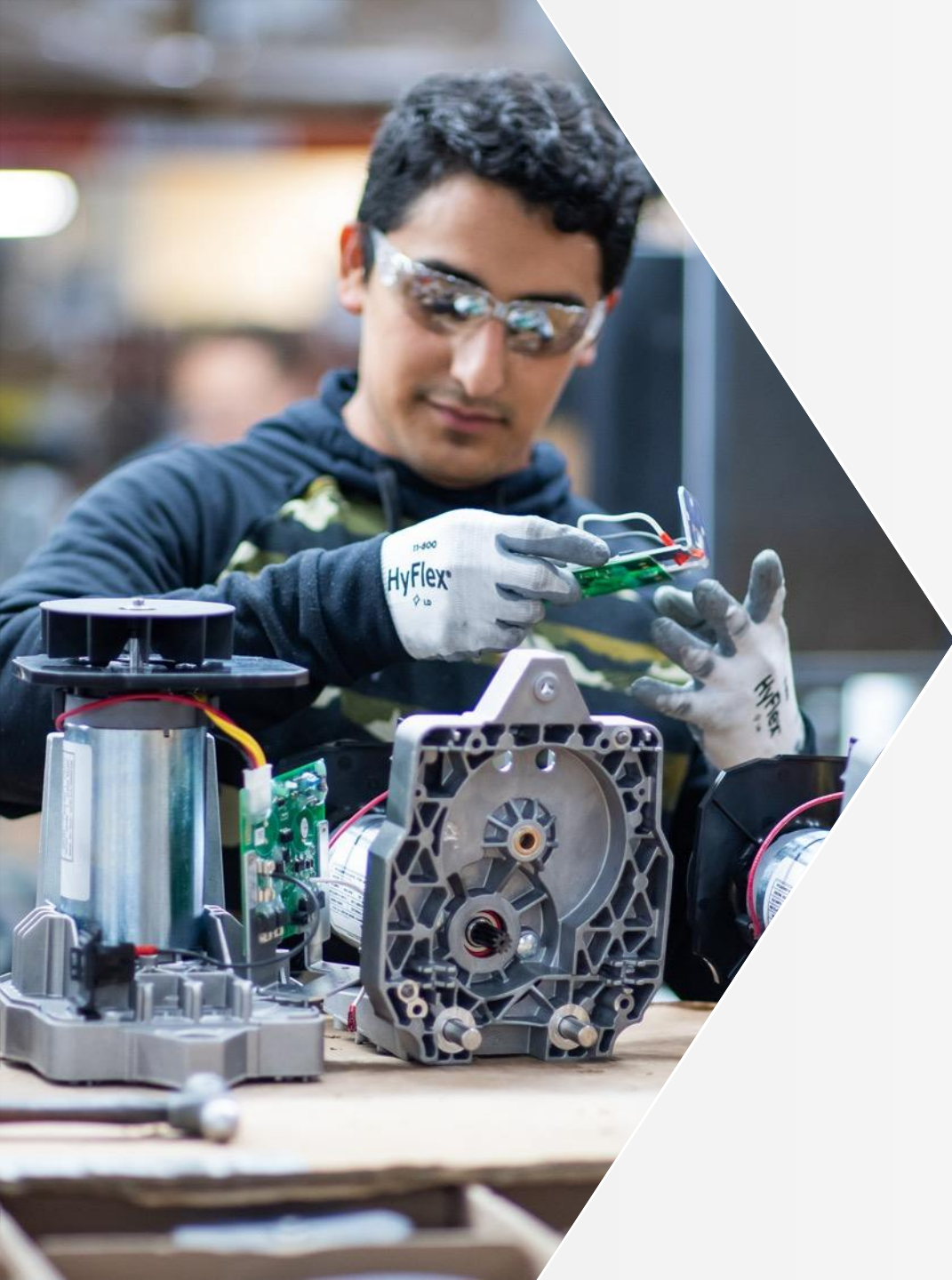
**RETURN ON
ASSETS**

Based on a 20-year average, constant currency

BUSINESS MODEL

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





ENGINEERING EXCELLENCE

TARGET DOUBLE-DIGIT RETURNS ON NEW PRODUCTS

ANNUAL R&D INVESTMENT:

>1.7X*

OUR PEER GROUP

4.0%*

AS A PERCENT OF SALES VS. PEERS AT 2.3%

* Peers: ITW, CSL, DOV, IEX, NDSN, WTS, FLS, based on a 5-year average, 2019 - 2023.

A vertical photograph on the left side of the slide shows a close-up of blue industrial machinery, likely a conveyor belt or assembly line, with various metal components and rollers. The image is partially obscured by a large white arrow pointing from the left towards the text.

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

95%

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

495XT

**Xtreme
TORQUE**

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

2024
SEPTEMBER,
NINE MONTHS
PERFORMANCE

\$742M

SEGMENT REVENUE

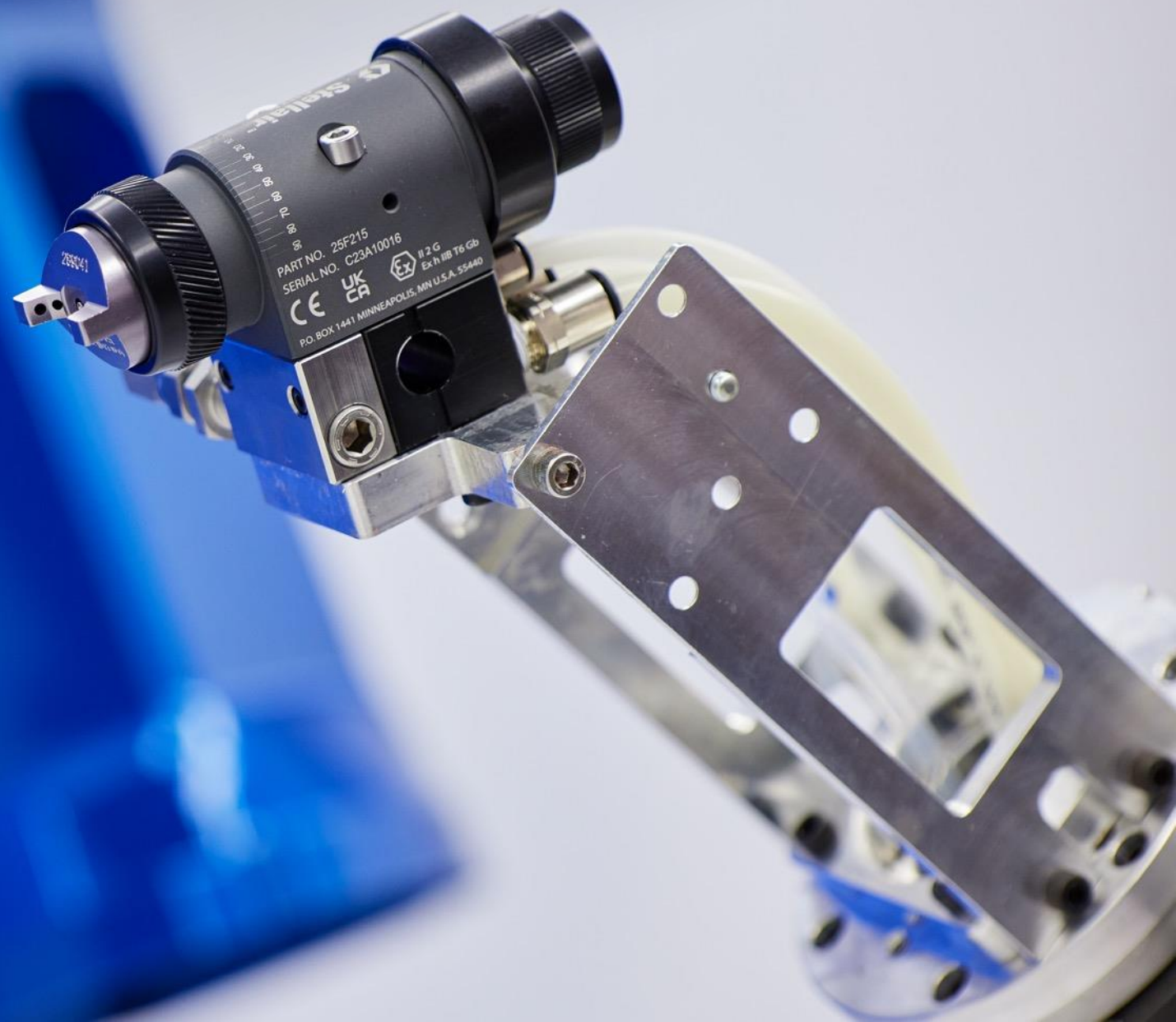
-1%

**ORGANIC REVENUE
DECREASE**

29.9%

**OPERATING MARGIN
+100 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

**2024
SEPTEMBER,
NINE MONTHS
PERFORMANCE**

\$454M

SEGMENT REVENUE

-4%

**ORGANIC REVENUE
DECREASE**

33.0%

**OPERATING MARGIN
-160 BASIS POINTS**

A large white arrow graphic pointing to the right, located on the left side of the image, partially overlapping the 'PROCESS' text.

PROCESS

A black Graco Quantm 130 spray gun is mounted on a metal stand. The device has a blue label with the Graco logo and the word 'QUANTM' in white. It is connected to a grey hose with a red-handled valve. 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

2024
SEPTEMBER,
NINE MONTHS
PERFORMANCE

\$369M

SEGMENT REVENUE

-12%

ORGANIC REVENUE
DECREASE

28.4%

OPERATING MARGIN
- 250 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



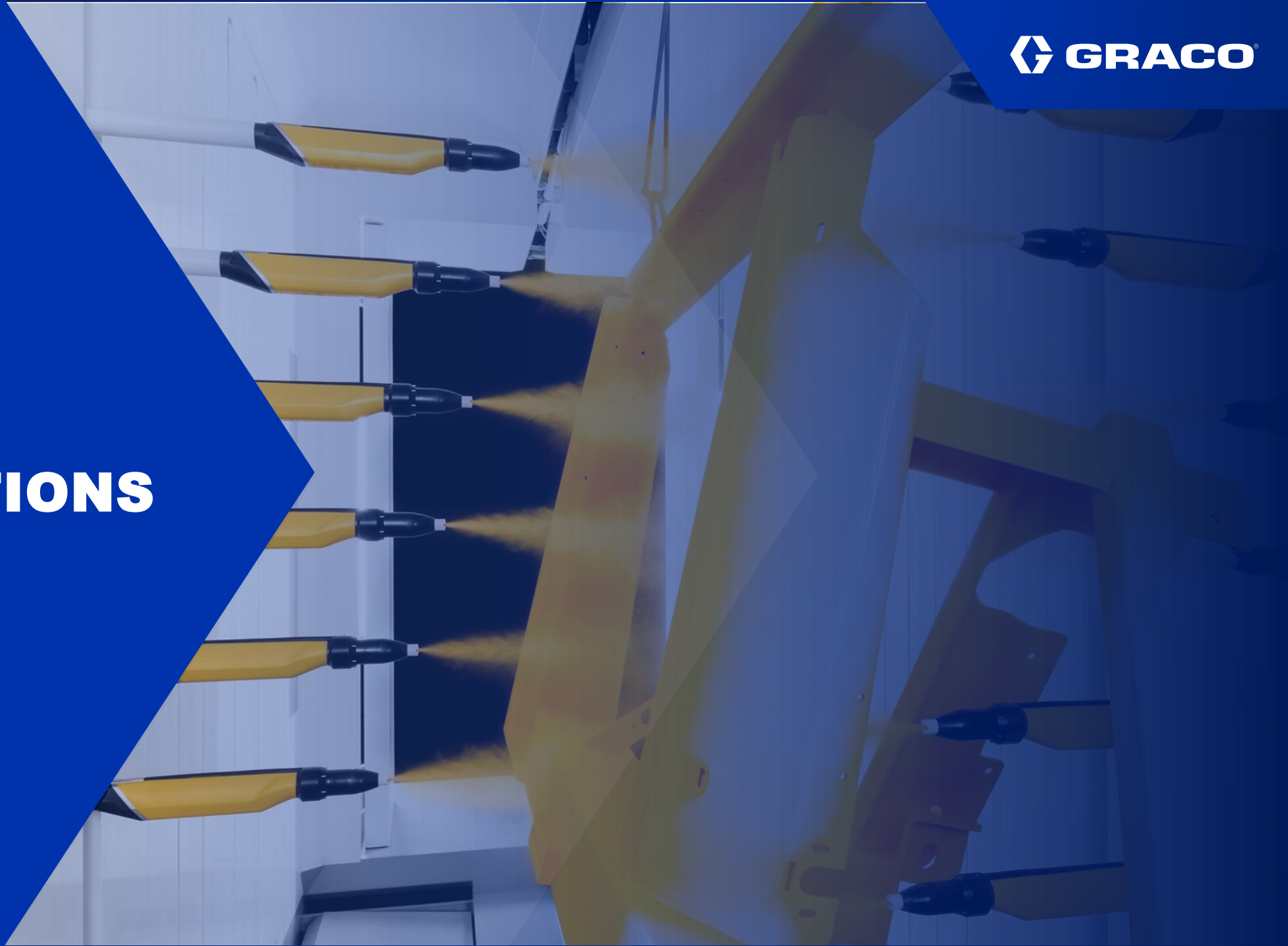
SHAREHOLDER RETURN

- Solid dividend history
- Approximately 14.0 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



FINANCIAL RESULTS



SEPTEMBER 2024 YTD FINANCIAL PERFORMANCE

-4%

**REVENUE
DECREASE**

53.9%

**GROSS
MARGIN**

-5%

**NET
INCOME
DECREASE**

-5%

**EPS
DECREASE**

(As Reported)

FINANCIAL RESULTS

Statement of Earnings

\$ in millions except per share amounts

	Third Quarter			September Year to Date		
	2024	2023	Change	2024	2023	Change
Net Sales	\$ 519.2	\$ 539.7	(4)%	\$1,564.6	\$1,629.0	(4)%
Gross Profit	276.1	284.5	(3)%	843.2	861.1	(2)%
% of Net Sales	53.2%	52.7%	0.5 pts	53.9%	52.9%	1.0 pts
Operating Earnings	145.7	163.2	(11)%	440.1	476.9	(8)%
% of Net Sales	28.1%	30.2%	(2.1) pts	28.1%	29.3%	(1.2) pts
Net Earnings	\$ 122.2	\$ 133.1	(8)%	\$ 377.4	\$ 396.6	(5)%
% of Net Sales	23.5%	24.7%	(1.2) pts	24.1%	24.3%	(0.2) pts
Diluted Net Earnings Per Share	\$ 0.71	\$ 0.77	(8)%	\$ 2.19	\$ 2.30	(5)%
Diluted Shares in Millions	172.1	172.8	(0)%	172.3	172.3	0 %
Operating Earnings, Adjusted (1)	\$ 145.7	\$ 162.4	(10)%	\$ 440.1	\$ 476.1	(8)%
Net Earnings, Adjusted (1)	\$ 122.2	\$ 131.5	(7)%	\$ 367.1	\$ 386.9	(5)%
Diluted Net Earnings Per Share, Adjusted (1)	\$ 0.71	\$ 0.76	(7)%	\$ 2.13	\$ 2.24	(5)%

(1) Net earnings and diluted earnings per share for 2024 and operating earnings, net earnings and diluted earnings per share for 2023 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

Operating earnings, as reported

Contingent consideration

Impairment

Operating earnings, adjusted

Income taxes, as reported

Excess tax benefit from stock option exercises

Income taxes, adjusted

Effective income tax rate

As reported

Adjusted

Net earnings, as reported

Contingent consideration

Impairment

Excess tax benefit from stock option exercises

Net earnings, adjusted

Weighted average diluted shares

Diluted earnings per share

As reported

Adjusted

	Third Quarter			September Year to Date		
	2024	2023	Change	2024	2023	Change
Operating earnings, as reported	\$ 145.7	\$ 163.2	(11)%	\$ 440.1	\$ 476.9	(8)%
Contingent consideration	-	(8.6)		-	(8.6)	
Impairment	-	7.8		-	7.8	
Operating earnings, adjusted	<u>\$ 145.7</u>	<u>\$ 162.4</u>	<u>(10)%</u>	<u>\$ 440.1</u>	<u>\$ 476.1</u>	<u>(8)%</u>
Income taxes, as reported	\$ 29.1	\$ 31.2	(7)%	\$ 79.4	\$ 84.7	(6)%
Excess tax benefit from stock option exercises	-	0.8		10.3	8.9	
Income taxes, adjusted	<u>\$ 29.1</u>	<u>\$ 32.0</u>	<u>(9)%</u>	<u>\$ 89.7</u>	<u>\$ 93.6</u>	<u>(4)%</u>
Effective income tax rate						
As reported	19.2%	19.0%		17.4%	17.6%	
Adjusted	19.2%	19.6%		19.7%	19.5%	
Net earnings, as reported	\$ 122.2	\$ 133.1	(8)%	\$ 377.4	\$ 396.6	(5)%
Contingent consideration	-	(8.6)		-	(8.6)	
Impairment	-	7.8		-	7.8	
Excess tax benefit from stock option exercises	-	(0.8)		(10.3)	(8.9)	
Net earnings, adjusted	<u>\$ 122.2</u>	<u>\$ 131.5</u>	<u>(7)%</u>	<u>\$ 367.1</u>	<u>\$ 386.9</u>	<u>(5)%</u>
Weighted average diluted shares	172.1	172.8		172.3	172.3	
Diluted earnings per share						
As reported	\$ 0.71	\$ 0.77	(8)%	\$ 2.19	\$ 2.30	(5)%
Adjusted	\$ 0.71	\$ 0.76	(7)%	\$ 2.13	\$ 2.24	(5)%

Financial results have been adjusted for comparability and excludes impacts of excess tax benefits from stock option exercises, contingent consideration fair value adjustments and impairment charges. Excluding the impact of these items presents a more consistent basis for comparison of financial results.

THIRD QUARTER 2024 RESULTS

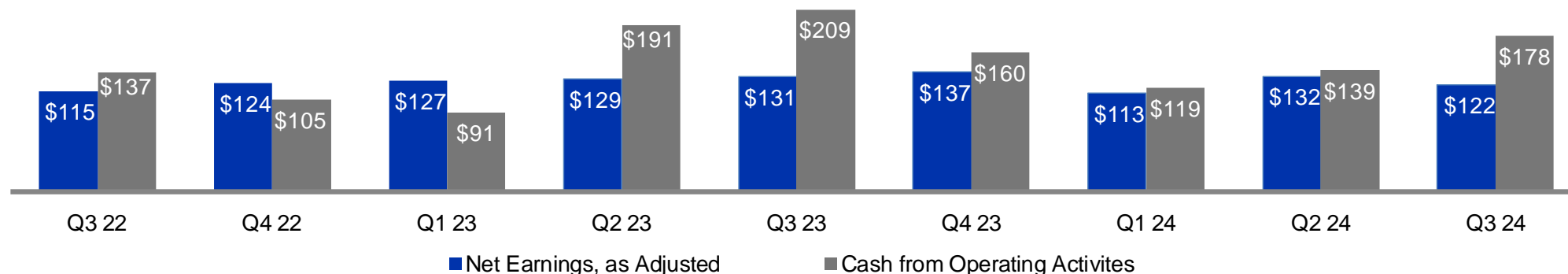
Net Sales	<ul style="list-style-type: none"> • Down 4 percent from third quarter 2023. Currency translation rates had no significant impact
Gross Margin	<ul style="list-style-type: none"> • Margin rate up 0.5 percentage points compared to third quarter 2023 <ul style="list-style-type: none"> > Realized pricing more than offset higher product cost
Operating Earnings	<ul style="list-style-type: none"> • Down \$17 million compared to third quarter 2023 <ul style="list-style-type: none"> > Lower sales volume and higher expenses: investments in new product development and other growth initiatives, including the relocation to a new distribution center, partially offset by lower volume and earnings-based expenses
Other (Income)	<ul style="list-style-type: none"> • Increased \$4 million primarily due to interest income on cash held
Interest Expense	<ul style="list-style-type: none"> • Decreased \$1 million as long-term debt fully repaid in third quarter 2023
Taxes	<ul style="list-style-type: none"> • Adjusted effective tax rate for the quarter of 19% was comparable to third quarter 2023

SEPTEMBER YEAR TO DATE 2024

Net Sales	<ul style="list-style-type: none"> • Down 4 percent from September 2023 year to date. Currency translation rates had no significant impact
Gross Margin	<ul style="list-style-type: none"> • Margin rate up 1 percentage point compared to the same period in 2023 <ul style="list-style-type: none"> > Favorable pricing and cost more than enough to offset unfavorable volume
Operating Earnings	<ul style="list-style-type: none"> • Down \$37 million compared to September 2023 year to date <ul style="list-style-type: none"> > Unfavorable sales volume and higher expenses: investments in new product development and other growth initiatives, including the relocation to a new distribution center, partially offset by lower volume and earnings-based expenses
Other (Income)	<ul style="list-style-type: none"> • Increased \$10 million primarily due to interest income on cash held
Interest Expense	<ul style="list-style-type: none"> • Decreased \$3 million as long-term debt fully repaid in third quarter 2023
Taxes	<ul style="list-style-type: none"> • Adjusted effective tax rate for the year to date of 20% was comparable to the same period last year

CASH FLOW AND LIQUIDITY

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



Other Significant (Uses) Sources of Cash (\$M)

	2024	2023
Dividends	\$ (129)	\$ (119)
Capital Expenditures	(93)	(146)
Net Share Issuances (Repurchases)	14	27
Net Borrowings (Payments) on Debt	(0)	(66)
Acquisitions	(8)	-

- Net cash from operating activities through September 2024 was \$436 million vs. \$491 million in the comparable period in 2023
 - > Lower net earnings, increased inventory purchases, and the timing of estimated income tax payments in 2024 drove most of the decrease
 - > Inventory levels increased in 2024 primarily due to the effect of new product offerings
- Capital expenditures of \$93 million including \$60 million of facility expansion projects

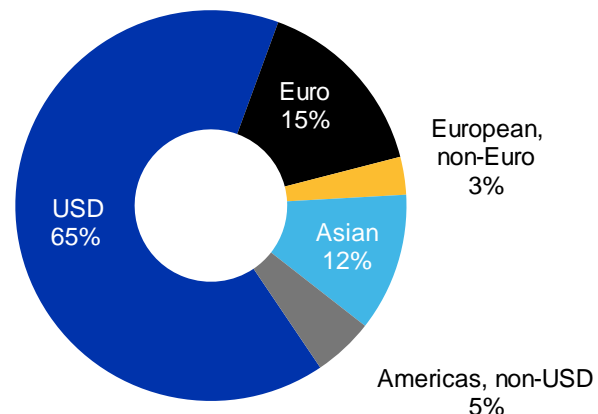
NET SALES

Components of Net Sales Change

2024 Third Quarter	Segment			Region			Consolidated
	Contractor	Industrial	Process	Americas	EMEA	Asia Pacific	
Volume and Price	(1)%	0 %	(12)%	1 %	(3)%	(21)%	(4)%
Currency	0 %	(1)%	0 %	0 %	1 %	0 %	0 %
Total	(1)%	(1)%	(12)%	1 %	(2)%	(21)%	(4)%

2024 September Year to Date	Segment			Region			Consolidated
	Contractor	Industrial	Process	Americas	EMEA	Asia Pacific	
Volume and Price	0 %	(3)%	(10)%	0 %	(3)%	(17)%	(4)%
Currency	(1)%	(1)%	0 %	0 %	1 %	(1)%	0 %
Total	(1)%	(4)%	(10)%	0 %	(2)%	(18)%	(4)%










September 2024 Year to Date
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.

2024 OUTLOOK

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

	Americas	EMEA	Asia Pacific	Total
Current Environment	Sales Growth Q3 2024 1% Sept. 2024 YTD 0%	Sales Decline Q3 2024 (3%) Sept. 2024 YTD (3%)	Sales Decline Q3 2024 (21%) Sept. 2024 YTD (17%)	Sales Decline Q3 2024 (4%) Sept. 2024 YTD (4%)
Contractor Segment	 Sales Decline Q3 2024 (2%) Sept. 2024 YTD (1%)	 Sales Decline Q3 2024 (4%) Sept. 2024 YTD (1%)	 Sales Growth Q3 2024 7% Sept. 2024 YTD 4%	Sales Decline Q3 2024 (1%) Sept. 2024 YTD 0%
Industrial Segment	 Sales Growth Q3 2024 18% Sept. 2024 YTD 8%	 Sales Growth/Decline Q3 2024 3% Sept. 2024 YTD (1%)	 Sales Decline Q3 2024 (27%) Sept. 2024 YTD (22%)	Sales Decline Q3 2024 0% Sept. 2024 YTD (3%)
Process Segment	 Sales Decline Q3 2024 (6%) Sept. 2024 YTD (6%)	 Sales Decline Q3 2024 (14%) Sept. 2024 YTD (10%)	 Sales Decline Q3 2024 (27%) Sept. 2024 YTD (23%)	Sales Decline Q3 2024 (12%) Sept. 2024 YTD (10%)
Full Year 2024 Outlook				Low Single-Digit Decline

OTHER ITEMS

Cap Ex	<ul style="list-style-type: none"> Capital expenditure expectations of approximately \$120 million in 2024, including approximately \$70 million in facility expansion projects
Expenses	<ul style="list-style-type: none"> Unallocated corporate expenses in 2024 are expected to be approximately \$41- \$44 million
Shares	<ul style="list-style-type: none"> Share repurchases of 175,000 in the third quarter. We may make opportunistic share repurchases in 2024 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 2023, the movement in foreign currencies would have no impact on net sales or net earnings for the full year 2024
Taxes	<ul style="list-style-type: none"> We anticipate the effective tax rate in for the fourth quarter and the full year 2024 to be between 19.5% - 20.5%, 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

2023 Appendix

FINANCIAL PERFORMANCE



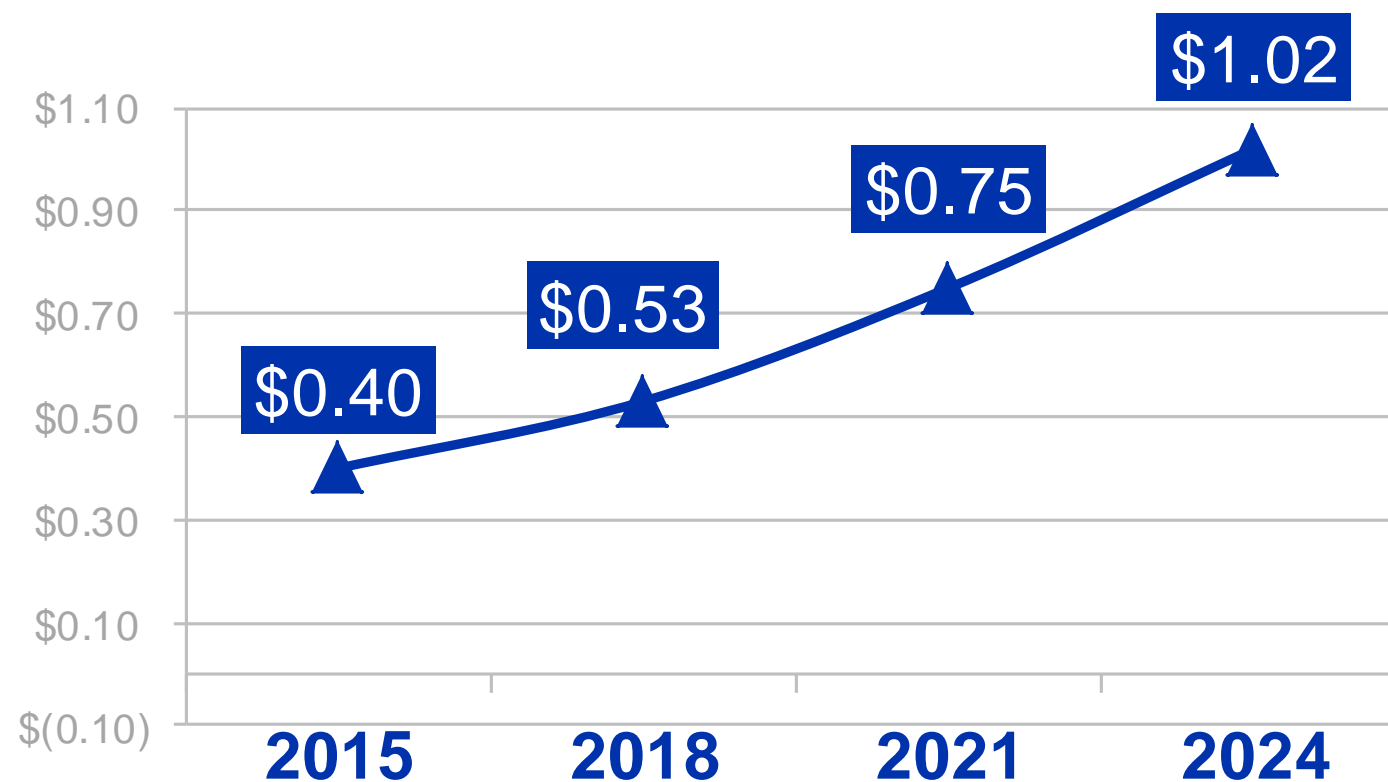
As Reported

Diluted EPS	\$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	\$2.94
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As Adjusted

Diluted EPS	\$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	\$3.04
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STOCK DIVIDEND GROWTH



Dividends
adjusted for
stock splits

STRONG CASH GENERATION

(\$ Millions)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating Cash Flows	\$ 651	\$ 377	\$ 457	\$ 394	\$ 419	\$ 368	\$ 338	\$ 269	\$ 190	\$ 241
% of Net Income	129%	82%	104%	119%	122%	108%	134%	661%	55%	107%
Capital Expenditures	185	201	134	71	128	54	40	42	42	31
Free Cash Flow	\$ 466	\$ 176	\$ 323	\$ 323	\$ 291	\$ 314	\$ 298	\$ 227	\$ 148	\$ 210

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)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Dividends	\$ 158	\$ 142	\$ 127	\$ 117	\$ 106	\$ 89	\$ 80	\$ 73	\$ 69	\$ 66
Acquisitions	-	25	19	28	27	11	28	49	189	185
Share Repurchases *	43	198	(51)	21	(38)	236	54	18	256	165
	\$ 201	\$ 365	\$ 95	\$ 166	\$ 95	\$ 336	\$ 162	\$ 140	\$ 514	\$ 416

* Net of shares issued



WORLDWIDE LEADER IN FLUID HANDLING

MOVE • MEASURE • MIX • CONTROL • DISPENSE • SPRAY