Watts Water Technologies, Inc.

INVESTOR PRESENTATION

August 2026

Forward Looking Statements

Certain statements in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

These statements are related to forecasts of sales, margins, earnings, earnings per share, effective tax rate, capital expenditures, cash flow, market growth including data center market growth, acquisition strategy and integration, construction outlook, inflation and management goals and objectives.

Watts cautions investors that any such forward-looking statements made by Watts are not guarantees of future performance. All forward-looking statements are subject to known and unknown risks, uncertainties, and contingencies, many of which are beyond the control of Watts, which may cause actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

Factors that might affect forward-looking statements include overall economic and business conditions, changes in tariff rates, competitive factors, changes in laws affecting Watts, future acquisitions of material assets or businesses by Watts, the demand for Watts' products and services and other factors identified in "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K and in subsequent reports filed with the SEC.

Key Messages

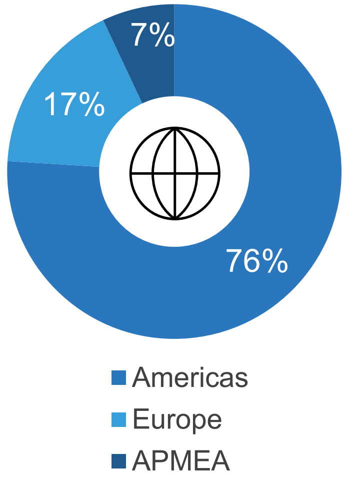
1. **Global water solutions** leader in commercial, residential and light industrial end markets
2. **Industry leading brands aligned** with long-term secular trends; large installed base provides strong repair and replacement footprint
3. Driving profitable growth through **innovation and smart & connected offerings**
4. Significant cash flow generation and flexible balance sheet to support **balanced capital deployment**

Watts Water Snapshot (NYSE: WTS)

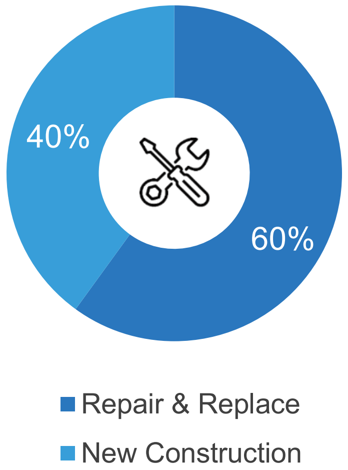
2025 Key Statistics
With 5 Year Performance vs. 2020

$10.58	19.6%	$1.99	$2.4B	100%	20.5%	103%
Adj. EPS +22% CAGR	Adj. Operating Margin +670 bps Expansion	Dividends +17% CAGR	Net Sales 10% CAGR	5-yr Avg Free Cash Flow Conversion	ROIC (GAAP) +880 bps Expansion	5-yr Avg Reinvestment

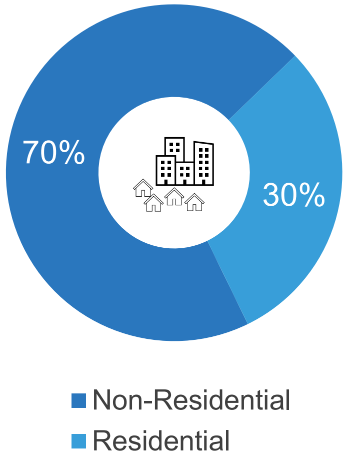
Geography*



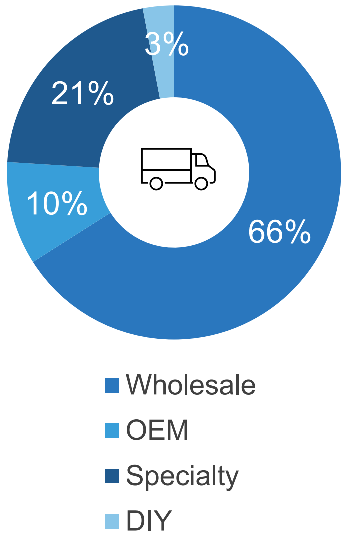
End Markets



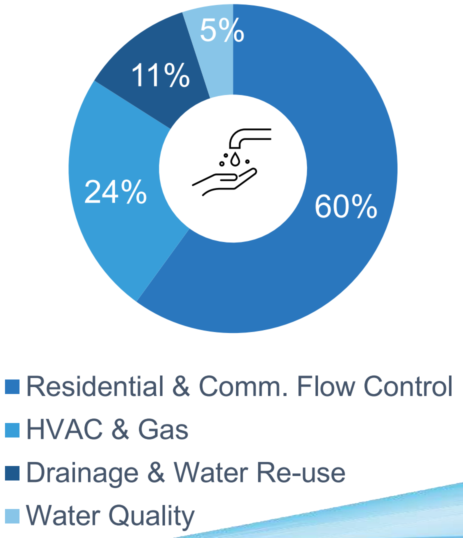
End Markets*



Channels

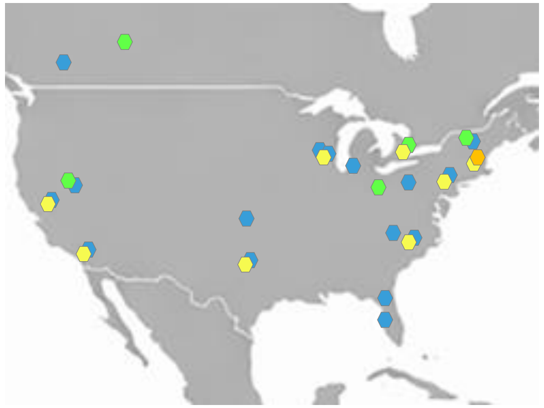


Products*



*Reflects proforma sales assuming all 2025 acquisitions were acquired as of January 1, 2025

Strong Global Footprint

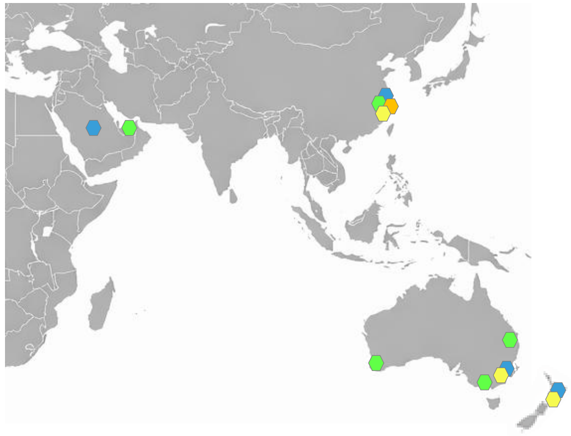


Americas

Corporate Headquarters	1	
Distribution Centers	5	
Manufacturing or Assembly	16	
Watts Works Learning Centers	8	

Europe

Distribution Centers	2	
Manufacturing or Assembly	8	
Watts Works Learning Centers	3	



APMEA

Region Headquarters	1	
Distribution Centers	5	
Manufacturing or Assembly	4	
Watts Works Learning Centers	3	

North Andover, MA
Headquarters

~5,700
Employees

6
Continents

* Company statistics as of Dec. 31, 2025. South American site in Brazil not reflected in graphics.

Aligning the Business to Secular Growth Trends

Secular Growth Trends

- Safety and regulation – high performing products to safeguard critical water systems
- Energy efficiency – engineered high efficiency heating and hot water products
- Water conservation – valves, drainage, washroom and leak detection capabilities to conserve water

Competitive Advantages

Global Footprint	Broad Product Portfolio	Manufacturing Expertise	Proven Track Record	Technology and Innovation	Diverse End Market Exposure
Vertical integration keeps production near customers and reduces supply chain	Code and specification driven; Extensive certification process	Driving operational efficiencies with One Watts Performance System	150-year history with large installed base and deep customer relationships; Leadership in regulatory code development	Investing in R&D; Expanding Smart and Connected portfolio to drive growth	Diverse exposure to residential, non-residential and light industrial end markets

Competitive Advantages Position Watts to Leverage Long-term Secular Growth Trends

Large and Diverse Addressable Markets

~$23B

Total Available Market Opportunity[1]

Residential

Multi-Family / Commercial

Institutional – Educational

Healthcare

Light / General Industrial

Hospitality – Hotel

Hospitality – Food Service

Data Centers / Mega Projects

[1] Based on Company estimates of global market.

Broad Range of Industry-leading Products and Solutions

Residential and Commercial Flow Control Solutions

Safeguarding water systems through backflow preventers, regulators, relief valves, thermostatic mixing valves, leak detection, commercial washroom, hydration and emergency safety solutions

Water Quality Solutions

Point-of-use, point-of-entry, closed loop, cooling tower, and other water applications used for water filtration, monitoring, conditioning and scale prevention systems

Drainage & Water Re-use Solutions

High performance drainage systems and engineered rainwater harvesting solutions for commercial, industrial, marine and residential uses

Heating, Hot Water and Other HVAC Solutions

Advanced commercial, institutional and industrial high-efficiency boilers, water heaters, under-floor heating solutions and controls designed to optimize energy efficiency

High Quality Products and Solutions for the Conveyance, Conservation, Control and Safe Use of Water

Non-residential Offerings

~70% of Sales*; More Complexity / Systems

Commercial / Institutional Washroom

Hand Washing Stations • Tapware • Fixtures • Shower Valves • Partitions • Locker Systems • Lavatory Carriers • Correctional Controllers

ENWARE Bradley I-CON

Boiler / Mechanical Room

Hot Water Heaters / Boilers • Digital Thermostatic Mixing Stations • Boiler & Pump Controls • Temperature and Pressure Sensors

WATTS POWERS AERCO PVI Lync tekmar SUPERIOR BOILER

Water Safety / Fire Protection / Irrigation / Technical Water

Backflow Preventers • Cross Connection Systems • Isolation Valves • Automatic Control Valves • Pressure Reducing Valves • Ball, Gate, & Butterfly Valves • Thermostatic Mixing Valves • Thermal Storage Tanks

WATTS AMES POWERS SOCLA FEBCO ENWARE

Hydration

Bottle Filling Stations • Drinking Water Fountains • Electric Water Coolers

Haws Since 1906

Driveway / Sidewalk

Electronic Temperature Controls • Snow Melt Hydronic Systems • Manifolds

WATTS tekmar

Water Quality

Anti-Scale Systems • Ballast Water • Water Softeners • SmartStream UV System • Salt & Chemical Free Conditioners

WATTS scientific EASYWATER

Leak Detection

Wireless Leak Detection & Notification

WATTS THE DETECTION GROUP LEAKDEFENSE

Industrial Safety

Eyewash Systems • Full Body Systems • Handheld Showers • Shower Skids

Bradley Haws Since 1906

Commercial Kitchens

Gas Connectors • Stainless Steel Drains • Point of Use Filtration Systems

WATTS BLÜCHER DORMONT

Guestroom

Shower Valves • Shower Drains • Underfloor Heating • Thermostats

SunTouch POWERS BLÜCHER

Drainage

Cast Iron & Trench • Stainless Steel Drains & Pipe • Rainwater Harvesting • Roofs, Parking Garages, Bathrooms, Kitchens

WATTS BLÜCHER ORION APEX VALVES JOSAM SAUDI CAST SINCE 1972

WATTS

* Reflects proforma sales assuming all 2025 acquisitions were acquired as of January 1, 2025.

Residential Offerings

~30% of Sales*; Comprehensive Product Range

Kitchen

Undersink Thermostatic Mixing Valves • Reverse Osmosis Water • Filtration Systems • Electric Tile Warming • SmartSense Excess Flow Valve & Thermal Shutoff

Living Room

Control Panel / Thermostat • Radiant Underfloor Heating

Leak Detection

Wireless Leak Detection

Bathroom

Tempering Valves • Electric Tile Warming • Stainless Steel Shower Drains • Hot Water on Demand Recirculation

Laundry Room

Gas Ball Valves & Connectors • SmartSense Excess Flow Valve & Thermal Shutoff • IntelliFlow Automatic Washing Machine Shutoff Valves

Driveway / Sidewalk

Snow Melt Hydronic Systems • Electronic Temperature Controls • Manifolds • Quick Connect Fittings • Hydrocontrol Panels

Water Safety

Backflow Preventers • Pressure Reducing Valves

Irrigation

Backflow Preventers • Pressure Reducing Valves • Flow Control Valves

Water Quality

Whole House Filtration Systems • Water Softeners • SmartStream UV Disinfection Systems • Anti-Scale Systems

Boiler / Mechanical Room

T&P Relief Valves • Tempering Valves • Pressure Reducing Valves • Expansion Tanks • Temperature & Pressure Gauges • Air Separators • Anti-Scale Systems

* Reflects proforma sales assuming all 2025 acquisitions were acquired as of January 1, 2025.

Data Center Growth Initiative: Q2 2026 Update

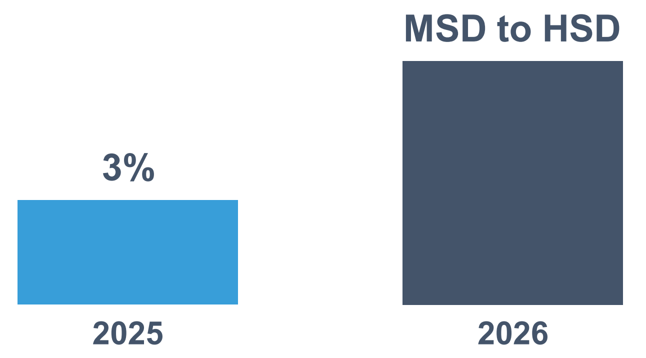
~$2B
Served Addressable Market

~15%-20%+ CAGR
Estimated Market Growth*

~$25K to ~$100K
Range depends on: liquid vs air cooling, amount of content in each project
Potential Content / MW

- Q2 2026 data center sales more than tripled year-over-year; year-to-date data center sales represent 8% of total sales
- Sales concentrated in Americas and APMEA, with emerging opportunity in Europe
- Project-based demand, creating some quarter-to-quarter variability
- Building on core competencies through investments in talent, product innovation, and scaling capacity
- Expanding relationships with contractors, OEMs and hyper-scalers

Full Year % of Sales



Outpacing Market Growth With Large Market Opportunity

WATTS

* Source: McKinsey & Company, MUFG; growth estimate is calculated using 2026 baseline and projections through 2030

High-Quality Products and Solutions for Data Centers

Facility Water: Air-Cooled and Liquid-Cooled


Ductile Iron Butterfly Valves


Ductile Iron Strainers


Drains (Iron and Stainless Steel)


Carbon Steel High-Performance Butterfly Valves

Technical Water: Liquid-Cooled

Cool Vault Thermal Tanks

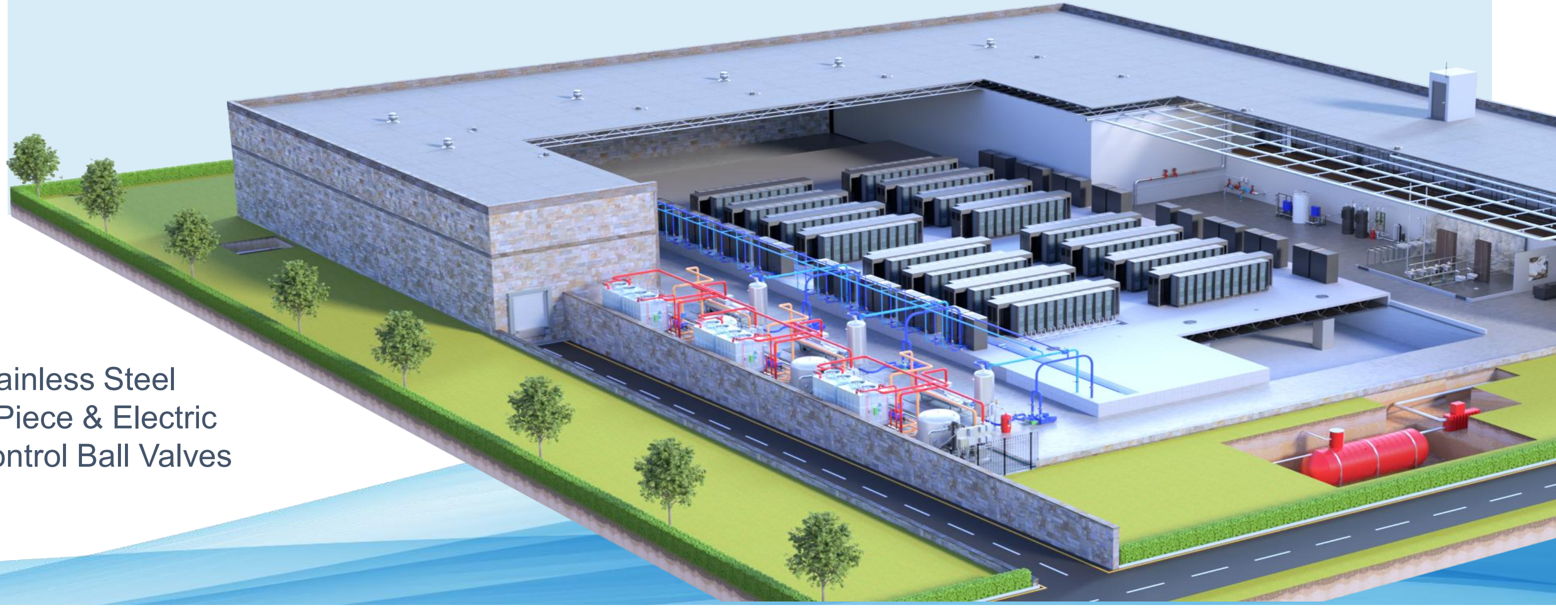

Stainless Steel Strainers


Stainless Steel High-Performance Butterfly Valves



Stainless Steel 3-Piece & Electric Control Ball Valves

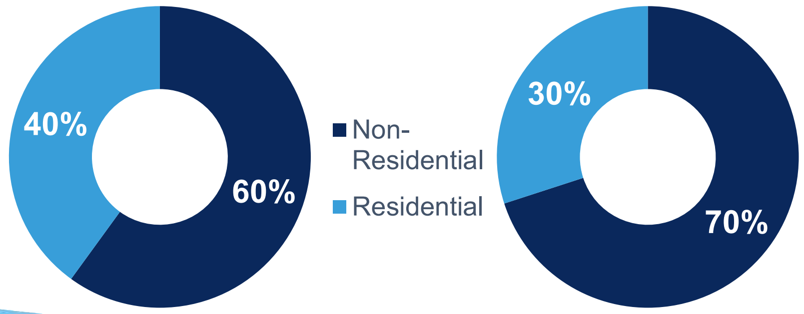
Data center suite of solutions includes cooling valves, strainers, chilled water tanks and drains plus traditional products



Recent M&A Success

- Added strong brands with market leadership
- Expanded market, channel and geographic access
- Expanded product offering, including new / improved technology
- Shifted portfolio mix with higher non-residential, institutional and light industrial exposure
- Annualized sales of ~$450 million

2022 —— End Markets* → 2025



Eight Strategic Acquisitions: Deployed ~$660M Since 2023

2023

- **Enware:** Leading supplier for specialty plumbing and safety equipment used in institutional and commercial end markets in Australia
- **Bradley Corporation:** Trusted provider and manufacturer of commercial washroom and emergency safety products serving commercial (primarily institutional) and industrial end markets

2024

- **Josam Company:** Leading provider and manufacturer of drainage and plumbing products offering customized products to commercial and multi-family end markets

2025

- **I-CON Systems:** Leading provider of plumbing control solutions primarily for correctional facilities within the institutional end market
- **EasyWater:** Leading provider of innovative salt and chemical-free water treatment solutions for residential, commercial and industrial applications
- **Haws Corporation:** Leading global brand providing emergency safety and hydration solutions for use in industrial, institutional and non-residential end markets
- **Superior Boiler:** Leading manufacturer of industrial steam and hot-water boilers, delivering custom-engineered solutions for commercial, institutional, and industrial applications
- **Saudi Cast:** Manufacturer of high quality, specified cast iron and stainless-steel drainage solutions serving the non-residential and industrial markets in the Middle East

* Reflect proforma sales assuming all 2025 acquisitions were acquired as of January 1, 2025.

A New Chapter in Our Smart & Connected Strategy

HSD%
Smart & Connected Revenues

25%
Smart & Connected Revenues

nexa by WATTS

2018

Launched Smart & Connected strategy

- Increased focus on building S&C pipeline
- Established a base portfolio of connected products
- Expanded internal capabilities

2024

Continued digital transformation

- R&D spend >3% of sales
- ~100 digital engineers, focused on S&C products and platform
- Continued investments in digital offerings

2025

Nexa, the intelligent water management solution

- Integrates hardware, software and extensive systems expertise to enable real-time monitoring and notifications in commercial buildings
- Expands digital / SaaS capabilities to improve data and enhance customer experience

Nexa Addressing Commercial Customer Challenges

Sustainability
Increasing focus on water scarcity and efficiency standards make comprehensive water usage solutions critical

Efficiency
Shrinking pool of skilled plumbers and facility managers drives need for easy-to-install products and remotely monitorable systems

Risk Mitigation
Increasing water-related risks drive demand for intelligent water management solutions

Driving Digital Innovation Through Our Evolution to Intelligent Water Management Solutions

Continuous Improvement Through One Watts Performance System (OWPS)

ONE WATTS® PERFORMANCE SYSTEM

Tools and Processes

- Product road maps
- Product development stage gates
- 80 / 20 profitability analysis
- Integrated SIOP processes
- Kaizen and lean training
- Value stream mapping
- Job hazard analysis
- Talent / performance management
- Learning management system
- Monthly business operating reviews
- Disciplined M&A evaluation process
- Standard M&A integration process

Benefits

For customers:
- Consistency is the foundation of high-quality products and customer service

For employees:
- Well-implemented safety procedures support an engaged workplace

For investors:
- Sustainable best practices and efficiencies yield consistently strong results

Creating Customer-focused Culture to Drive Operational Excellence

Driving Value Creation Through Sustainability Strategy

- 2025 Sustainability Report released mid-June
- Continued commitment to high-performance solutions that solve our customers' challenges, while promoting safety, sustainability and efficiency
- Advanced progress on second generation of environmental goals, adopted in 2024

SOLVING CUSTOMERS' CHALLENGES ACROSS OUR "TRIPLE PLAY"

	CHALLENGE	SOLUTION	
Safety & Regulation	Data center liquid cooling systems demand leak-proof valves to protect equipment and maintain uptime	Interlock ball valves (ILBVs) minimize risk of leaks and ensure maximum safety for data center equipment and facilities	
Water Conservation	Commercial / institutional restrooms are very high water-consuming areas in buildings	The MOMENTUM® Flush Valve enables high-impact, retrofit-friendly water conservation	
Energy Efficiency	Water heating can be a major source of energy usage, leading to high greenhouse gas emissions	AERCO, PVI, & LYNC high efficiency boilers, water heaters, and heat pumps helped customers avoid >115,000 MT of CO_2	

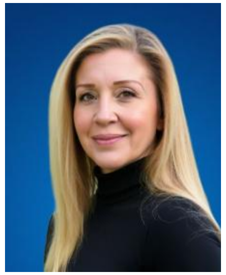
Access Our Full 2025 Sustainability Report Here

Experienced Executive Leadership Team

Bob Pagano
CEO, President and Chairperson
Previously at ITT Corporation
Joined WTS: 2014

Diane McClintock
Chief Financial Officer
Previously at AutoImmune Inc.
Joined WTS: 2010

Andre Dhawan
Chief Operating Officer
Previously at Vontier Corporation
Joined WTS: 2022



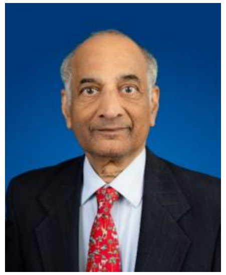
Kim Trevisan
Chief Information Officer
Previously at Old Castle APG
Joined WTS: 2025

Kenneth Lepage
General Counsel
Chief Sustainability Officer
Secretary
Joined WTS: 2003

James F. Dagley
President of Watts Applied Solutions
Previously at Johnson Controls
Joined WTS: 2016

Elie Melhem
President, Asia Pacific, Middle East & Africa
Previously at Ariston Thermo Group
Joined WTS: 2011

Monica Barry
Chief Human Resource Officer
Previously at Colfax Corporation
Joined WTS: 2021



Ram Ramakrishnan
Executive Vice President, Strategy and Business Development
Previously at Pentair and McKinsey
Joined WTS: 2013

Strong Management Team with Sound Execution Track Record

- ✓ Long-standing management team with an average tenure of ~11 years
- ✓ Significant industry knowledge and experience allowing to identify and solve critical water challenges through utilizing global team and best-in-class R&D capabilities
- ✓ Experienced finance and strategy-oriented team focused on maintaining a strong balance sheet and balanced capital deployment

The Right Leadership in Place to Lead Watts Forward

WATTS

Engaged and Accountable Board of Directors

David Dunbar
Lead Independent Director
President and CEO,
Standex International Corp.
Joined WTS: 2017

Kenneth Napolitano
Retired President of Applied
Water Systems, Xylem Inc.
Joined WTS: 2024

Bob Pagano
CEO, President and
Chairperson
Joined WTS: 2014

Michael Dubose
Operating Partner,
GenNx360 Capital Partners
Joined WTS: 2020

Merilee Raines
Retired CFO, IDEXX
Laboratories, Inc.
Joined WTS: 2011

Suzanne L. Stefany
Senior Advisor, PJT Partners
Joined WTS: 2025

Joseph Noonan
eCommerce Entrepreneur;
Horne Family Member
Joined WTS: 2013

Joseph Reitmeier
Retired CFO,
Lennox International Inc.
Joined WTS: 2016

Rebecca Boll
Chief Customer Officer,
Fortescue Zero
Joined WTS: 2024

Board Skillsets and Attributes

- ✓ Operational & C-Suite Experience
- ✓ International Markets Exposure
- ✓ Public Company Board Experience
- ✓ Global Manufacturing
- ✓ Relevant End Market Exposure
- ✓ Business Ethics
- ✓ eCommerce / Digital

61 Years
Avg. Age

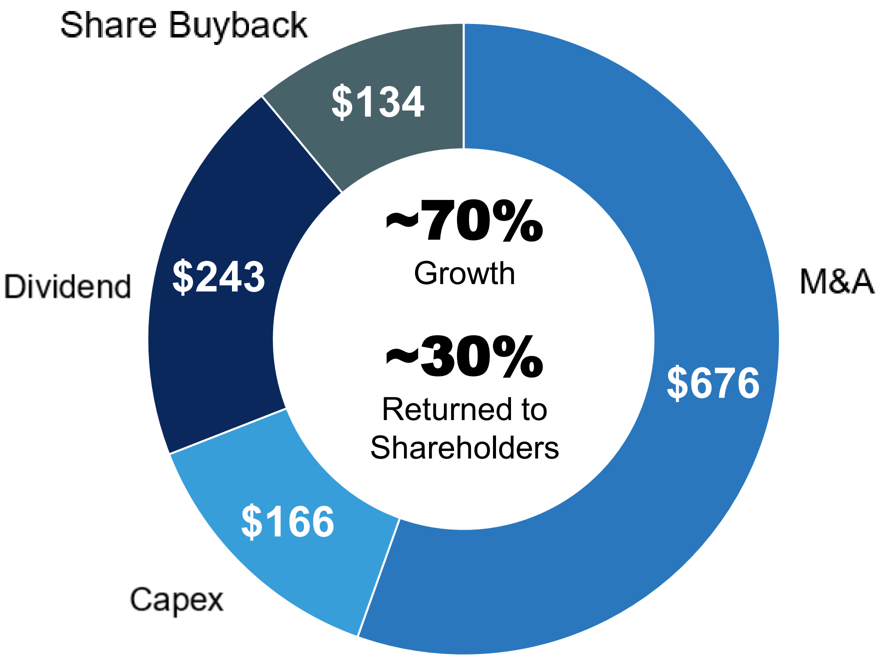
8 Years
Avg. Tenure

Director Skillset and Attributes Support Long-term Strategy

Balanced Capital Deployment

Deployment History ($M)

2021 - 2025



Priorities

1. **Strategic M&A**
   - Disciplined valuation / screening process
2. **Investing in High ROI Capex**
   - ~70% of capex invested in growth and productivity initiatives
   - Reinvestment ratio >100%
3. **Competitive Dividend**
   - 16.7% 5-year CAGR through 2025
   - Increased dividend 21% effective June 2026 to annual dividend of $2.52/share, 0.7% yield[1]
4. **Stable Share Buyback**
   - Offset stock dilution at minimum

Strong Cash Flow Generation Provides Flexibility

[1] Yield as of Aug 5, 2026.

Flexible Balance Sheet

$ in millions	June 28, 2026
Cash	$348
Other Current Assets	1,018
Non-Current Assets	1,586
TOTAL ASSETS	**$2,952**
Current Liabilities, Excluding Short-term Debt	$513
Non-Current Liabilities	142
Debt	108
Equity	2,189
TOTAL LIABILITIES & EQUITY	**$2,952**
Net Debt / Capitalization Ratio	(12%)
UNUSED AND AVAILABLE CREDIT CAPACITY	**~ $678M**

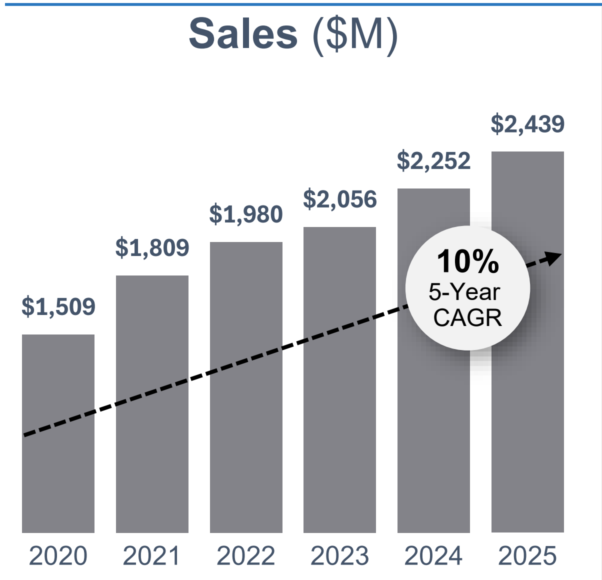
$ in millions	TTM[1] ended June 28, 2026
Net cash provided by operations	$398
Less: additions to property, plant, and equipment	(49)
FREE CASH FLOW	**$349**
Net income	$384
Cash conversion rate of free cash flow to net income	91%

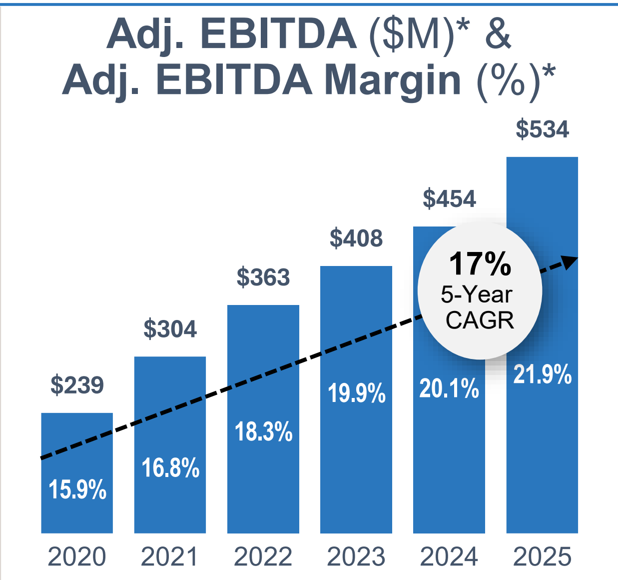
No Debt Due Until 2029

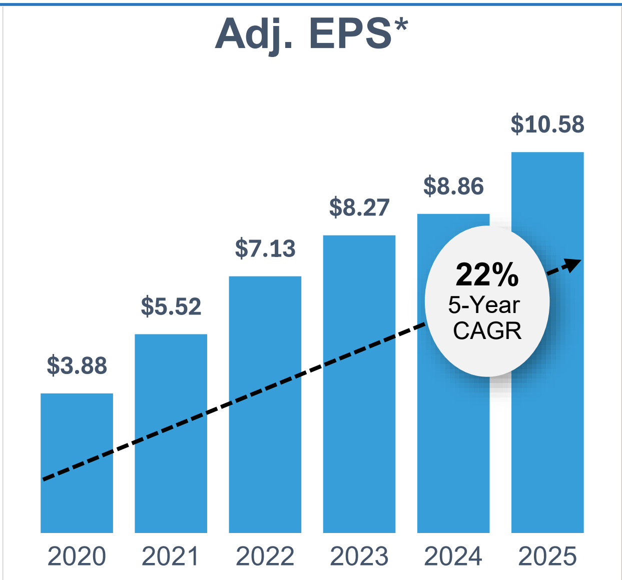
Ample Capacity to Execute on Strategic Growth

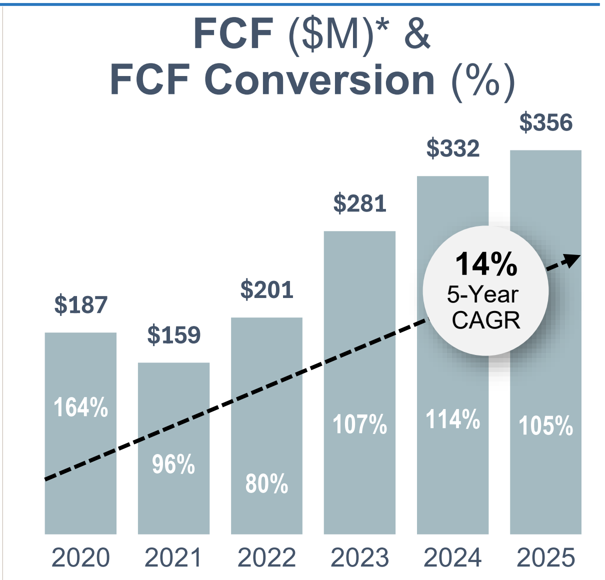
1 Trailing Twelve Months

Proven Track Record of Resilience









5-year performance versus 2020

Strong performance in a challenging market supported by:

Alignment to secular growth trends	Recognized leadership	Proactive and nimble team	One Watts Performance System	Flexible balance sheet	Commitment to long-term strategy

Q3 and Full Year 2026 Outlook*

	Previous FY Outlook	Updated FY Outlook	Q3 Outlook
Sales Growth	**Reported +8% to +12%** **Organic +2% to +6%****	**Reported +14% to +17%** **Organic +8% to +11%****	**Reported +11% to +14%** **Organic +5% to +8%****
Segment Organic Growth	Americas: +3% to +7% Europe: -4% to Flat APMEA: +4% to +8%	Americas: +9% to +12% Europe: 1% to +4% APMEA: +9% to +12%	Americas: +7% to +10% Europe: Flat to +3% APMEA: +6% to +9%
Acquired	Americas ~+$110M to +$115M APMEA ~+$18M to +$20M	Americas ~+$105M to +$110M APMEA ~+$21M to +$22M	Americas ~+$30M to +$33M APMEA ~+$5M to +$6M
80/20	Americas ~-$25M to -$30M** Europe ~-$10M to -$15M**	Americas ~-$25M to -$26M** Europe ~-$6M to -$8M**	Americas ~-$6M** Europe ~-$2M**
FX	Sales ~+$18M EPS ~+$0.06	Sales ~+$18M EPS ~+$0.06	Sales ~-$3M EPS ~-$0.01
Adj. EBITDA Margin	**21.5% to 22.1% / -40 bps to +20 bps**	**22.1% to 22.7% / +20 bps to +80 bps**	**22.2% to 22.8% / +130 bps to +190 bps**
Adj. Op. Margin	**19.1% to 19.7% / -50 bps to +10 bps** Americas: 23.4% to 24.0% / -110 bps to -50 bps Europe: 13.0% to 13.6% / -30 bps to +30 bps APMEA: 18.6% to 19.2% / +30 bps to +90 bps Acquisition dilution: ~-50 bps Watts / ~-100 bps Americas	**19.8% to 20.4% / +20 bps to +80 bps** Americas: 24.3% to 24.9% / -20 bps to +40 bps Europe: 13.5% to 14.1% / +20 bps to +80 bps APMEA: 18.5% to 19.1% / +20 bps to +80 bps Acquisition dilution: ~-50 bps Watts / ~-100 bps Americas	**19.8% to 20.4% / +130 bps to +190 bps** Americas: 24.4% to 25.0% / +70 bps to +130 bps Europe: 13.1% to 13.7% / +90 bps to +150 bps APMEA: 19.6% to 20.2% / +20 bps to +80 bps Acquisition dilution: ~-50 bps Watts / ~-100 bps Americas
Free Cash Flow	**≥ 90% of Net Income**	**≥ 90% of Net Income**	

* Outlook incorporates estimates as of August 5, 2026. Assumes no change in the level of impact resulting from the Middle East conflict. Incorporates the estimated impact of tariffs in place or announced as of August 4, 2026. Does not include the impact of tariff refunds and any tariff refunds received in future periods will be treated as non-recurring special items and therefore not included in adjusted results. See Appendix for other Outlook assumptions.

** Organic growth guidance includes 80/20 product rationalization. Excluding product rationalization organic growth outlook would be approximately 1% higher.

Long-term Aspirations

Organic Growth **>1% Above Market**	Operating Margin Expansion **30 – 50 bps per Year**	Growth through **M&A** and **Geographic Expansion**

How We Will Reach Our Goal…

Organic Growth

- New product development, led by our **smart & connected** strategy
- Leveraging **Voice of Customer** (VOC) to drive product innovation
- Key account management and **commercial excellence**
- Providing training in 14 state-of-the-art **Watts Works Learning Centers**

Operating Margin Expansion

- Driving productivity through **One Watts Performance System**; both inside and outside the factory
- Continuous focus on **price/cost dynamic**
- Volume leverage

Growth through M&A and Geographic Expansion

Strategic Criteria:

- **Brand name products** with strong **market positions** in core or complementary markets
- Expanding access to new markets, channels and geographies, particularly geographies with **well-established plumbing codes**
- Expanding product offerings, including **new / improved technology**

Financial Criteria:

- ROIC > Cost of capital within 3 – 5 years
- Accretive to EPS in year 1
- Accretive to EBITDA margin within 3 – 5 years

Profitable Growth Through Innovation, Commercial Excellence and Acquisitions

Compelling Investment Thesis

Recognized Leader

Global reach with leading market positions in commercial, residential and light industrial water space

Aligned to Long-term Secular Trends and Diverse Markets

Solutions aligned with global macro trends

Broad portfolio diversifies market exposure

Focus on Innovation and Profitable Growth

Continuing investment in digital strategy

Driving One Watts Performance System to expand margins

Accretive Capital Deployment and Strong Balance Sheet

Targeting >100% cash conversion with efficient capital structure

Balanced capital allocation

Resilient Business Model Tested Across Economic Cycles

Large installed base; strong repair and replacement footprint

Focused on long-term strategy

APPENDIX

Other 2026 Outlook* Inputs

	Previous Other FY Inputs	Updated Other FY Inputs	Other Q3 Inputs
Corporate Costs	~$60M	$64M to $66M	~$17M
Net Interest Expense	~$3M to $4M	~$1M to $2M	Flat to $1M
Stock-based Compensation	~$22M	~$27M	~$7M
Adj. Effective Tax Rate	~25%	~25%	~25%
Share Count	~33.5M	~33.5M	~33.5M
Capex	$50M to $60M	$60M to $65M	$20M to $25M
Depreciation and Amortization	~$70M	~$67M	~$17M
FX	Europe (EUR at 1.16) ~+$13M Americas (CAD) ~+$2M APMEA (RMB/AUD/NZD) ~+$3M	Europe (EUR at 1.15) ~+$10M Americas (CAD) ~Flat APMEA (RMB/AUD/NZD) ~+$8M	Europe (EUR at 1.14) ~-$3M Americas (CAD) ~-$1M APMEA (RMB/AUD/NZD) ~+$1M

* As of August 5, 2026. See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Reconciliation of Long-term Debt (Including Current Portion) to Net Debt to Capitalization Ratio

	June 28, 2026	December 31, 2025
Current portion of long-term debt	$ -	$ -
Plus: Long-term debt, net of current portion	108.0	197.7
Less: Cash and cash equivalents	(347.9)	(405.5)
Net debt	($239.9)	($207.8)
Net debt	($239.9)	($207.8)
Plus: Total stockholders' equity	2,189.4	2,027.7
Capitalization	$1,949.5	$1,819.9
Net debt to capitalization ratio	(12%)	(11%)

Reconciliation of GAAP to Non-GAAP Measures

	Year					
$ in millions	2020	2021	2022	2023	2024	2025
Net sales	$1,508.6	$1,809.2	$1,979.5	$2,056.3	$2,252.2	$2,438.5
Operating income	$181.1	$239.6	$315.0	$350.9	$390.4	$448.1
Operating margin %	*12.0%*	*13.2%*	*15.9%*	*17.1%*	*17.3%*	18.4%
Adjustments for special items:						
Restructuring and long-lived asset impairment charges	$11.3	$19.3	$10.6	$5.5	$7.2	$23.7
Acquisition-related costs	1.3	-	-	11.3	14.2	5.4
Pension settlement	-	-	-	-	(7.8)	-
Contingent consideration	(1.5)	-	-	(2.5)	-	-
(Gain) loss on sale of assets and other adjustments	1.7	-	(1.8)	-	(4.4)	-
Adjusted operating income	$193.9	$258.9	$323.8	$365.2	$399.6	$477.2
Adjusted operating margin %	*12.9%*	*14.3%*	*16.4%*	*17.8%*	*17.7%*	19.6%
Net income	$114.3	$165.7	$251.5	$262.1	$291.2	$340.8
Adjustments for special items – tax effected:						
Restructuring and long-lived asset impairment charges	$8.4	$14.1	$7.9	$4.1	$5.4	$17.8
Acquisition-related costs	1.0	-	-	8.3	10.7	4.5
Pension settlement	-	-	-	-	(5.8)	-
Contingent consideration	(1.5)	-	-	(2.5)	-	-
(Gain) loss on sale of assets and other adjustments	0.1	-	(1.4)	-	(4.5)	-
Tax adjustment items	9.7	7.2	(18.2)	5.3	-	(8.3)
Adjusted net income	$132.0	$187.0	$239.8	$277.3	$297.0	$354.8
Diluted earnings per share	$3.36	$4.88	$7.48	$7.82	$8.69	$10.17
Adjustments for special items	0.52	0.64	(0.35)	0.45	0.17	0.41
Adjusted diluted earnings per share	$3.88	$5.52	$7.13	$8.27	$8.86	$10.58

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Reconciliation of Net Cash Provided by Operations to Free Cash Flow

$ in millions	Year 2020	2021	2022	2023	2024	2025
Net cash provided by operations	$228.8	$180.8	$224.0	$310.8	$361.1	$402.0
Less: additions to property, plant, and equipment	(43.8)	(26.7)	(28.1)	(29.7)	(35.3)	(45.7)
Plus: proceeds from the sale of property, plant, and equipment	2.2	5.1	5.2	-	5.9	-
Free cash flow	$187.2	$159.2	$201.1	$281.1	$331.7	$356.3
Net income	$114.3	$165.7	$251.5	$262.1	$291.2	$340.8
Cash conversion rate of free cash flow to net income	164%	96%	80%	107%	114%	105%

Reconciliation between GAAP and Non-GAAP Measures Included in 2026 Outlook*

	Third Quarter 2026	Full Year 2026
Net Sales		
Net sales growth	+11% to +14%	+14% to +17%
Forecasted impact of acquisition / FX	(6%)	(6%)
Organic net sales growth	+5% to +8%	+8% to +11%
Operating Margin		
Operating margin range	19.7% to 20.3%	19.4% to 20.0%
Forecasted restructuring / other costs	0.1%	0.4%
Adjusted operating margin range	19.8% to 20.4%	19.8% to 20.4%

* As of August 5, 2026.

Calculation of EBITDA

$ in millions	2020	2021	2022	2023	2024	2025
	Year					
Sales	$1,508.6	$1,809.2	$1,979.5	$2,056.3	$2,252.2	$2,438.5
Net income	$114.3	$165.7	$251.5	$262.1	$291.2	$340.8
Plus: Interest expense, net	13.3	6.2	6.4	1.0	5.8	1.0
Plus: Income taxes	52.7	68.4	56.1	87.4	94.8	105.0
Plus: Depreciation	31.3	31.4	27.6	30.1	34.6	36.2
Plus: Amortization	15.2	13.7	12.1	13.2	19.8	20.6
EBITDA - Earnings before interest, taxes, depreciation and amortization	$226.8	$285.4	$353.7	$393.8	$446.2	$503.6
EBITDA Margin %	*15.0%*	*15.8%*	*17.9%*	*19.2%*	*19.8%*	20.7%
Adjustments for special items (excluding depreciation & amortization) & amortization of cloud computing arrangements	12.3	18.3	8.8	14.3	7.8	29.9
Adjusted EBITDA – Adjusted earnings before interest, taxes, depreciation and amortization	$239.1	$303.7	$362.5	$408.1	$453.7	$533.5
Adjusted EBITDA Margin %	*15.9%*	*16.8%*	*18.3%*	*19.9%*	*20.1%*	21.9%