Watts Water Technologies, Inc.

INVESTOR PRESENTATION

November 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.

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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**

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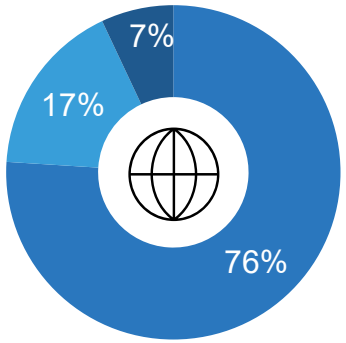
Watts Water Snapshot (NYSE: WTS)

2025 Key Statistics

With 5 Year Performance vs. 2020

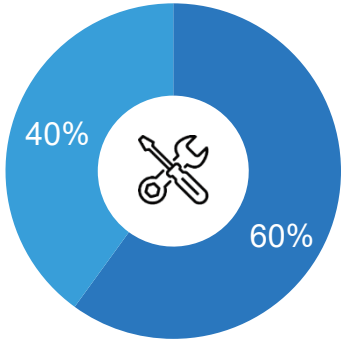
$10.58	19.6%	$1.99	$2.4B	100%	20.5%	103%
Adj. EPS +22% CAGR	Adj. Operating Margin +670 bps Expansion	Dividends +17% CAGR	Net Sales 10% CAGR	5-yr Avg Free Cash Flow Conversion	ROIC (GAAP) +880 bps Expansion	5-yr Avg Reinvestment

Geography*



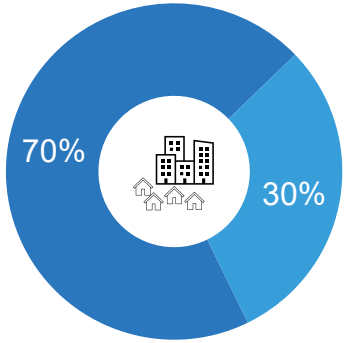
- Americas
- Europe
- APMEA

End Markets



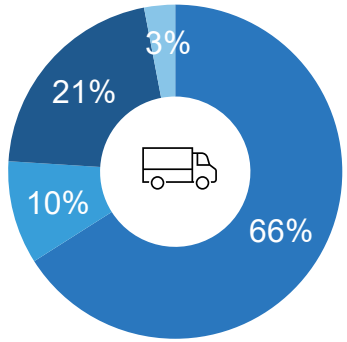
- Repair & Replace
- New Construction

End Markets*



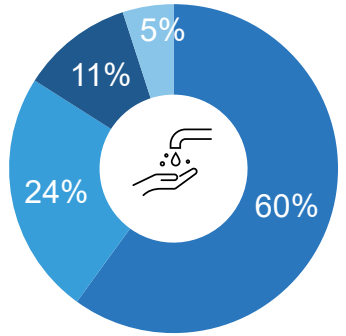
- Non-Residential
- Residential

Channels



- Wholesale
- OEM
- Specialty
- DIY

Products*



- Flow Control and Protection
- HVAC & Gas
- Drainage & Water Re-use
- Water Quality

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

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Strong Global Footprint



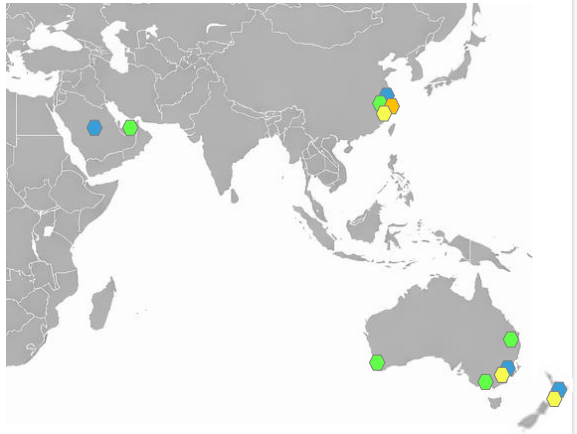
Americas

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.

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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

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Large and Diverse Addressable Markets

Residential



Multi-Family / Commercial



Institutional – Educational



Healthcare



~$23B

Total Available Market Opportunity[1]



Light / General Industrial



Hospitality – Hotel



Hospitality – Food Service



Data Centers / Mega Projects

[1] Based on Company estimates of global market.

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Broad Range of Industry-leading Products and Solutions



Flow Control and Protection 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

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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



Boiler / Mechanical Room

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





Hydration

Bottle Filling Stations • Drinking Water Fountains • Electric Water Coolers



Driveway / Sidewalk

Electronic Temperature Controls • Snow Melt Hydronic Systems • Manifolds



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



Water Quality

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



Leak Detection

Wireless Leak Detection & Notification



Industrial Safety

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



Commercial Kitchens

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



Guestroom

Shower Valves • Shower Drains • Underfloor Heating • Thermostats



Drainage

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



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

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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.

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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



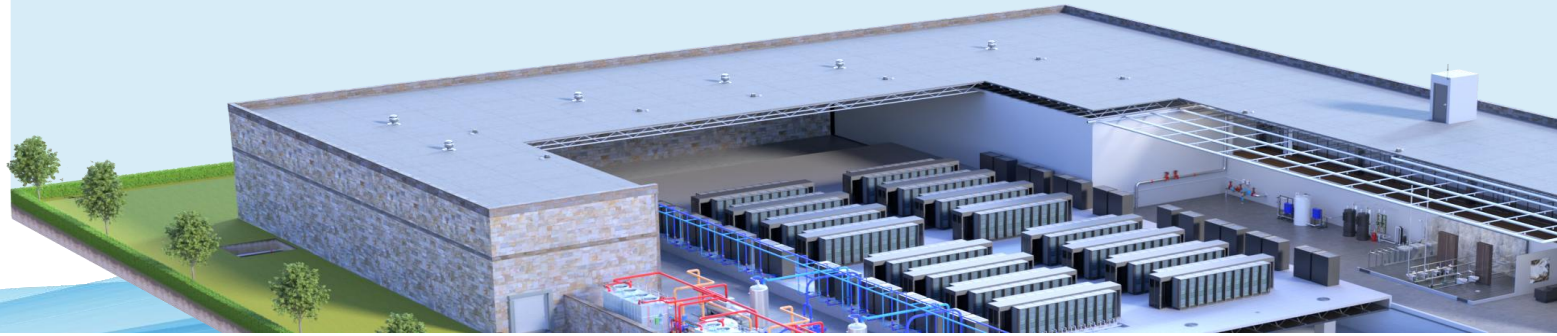
Stainless Steel High-Performance Butterfly Valves



Stainless Steel 3-Piece & Electric Control Ball Valves

Served Addressable Market	**~$2B**
Estimated Market Growth	**~15% to 20%+ CAGR**
Potential Content / MW	**~$25K to $100K** Range depends on: liquid vs. air cooling, amount of content in each project

- Sales concentrated in Americas and APMEA; emerging Europe opportunity
- 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



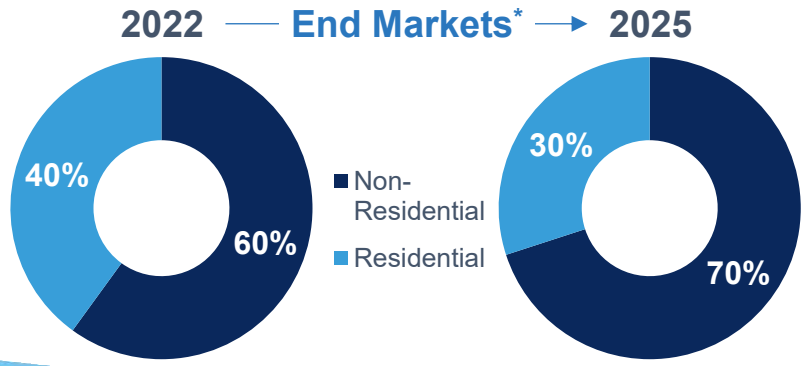
WATTS®

* Estimated based on full year 2026 financial guidance issued on November 4, 2026

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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



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

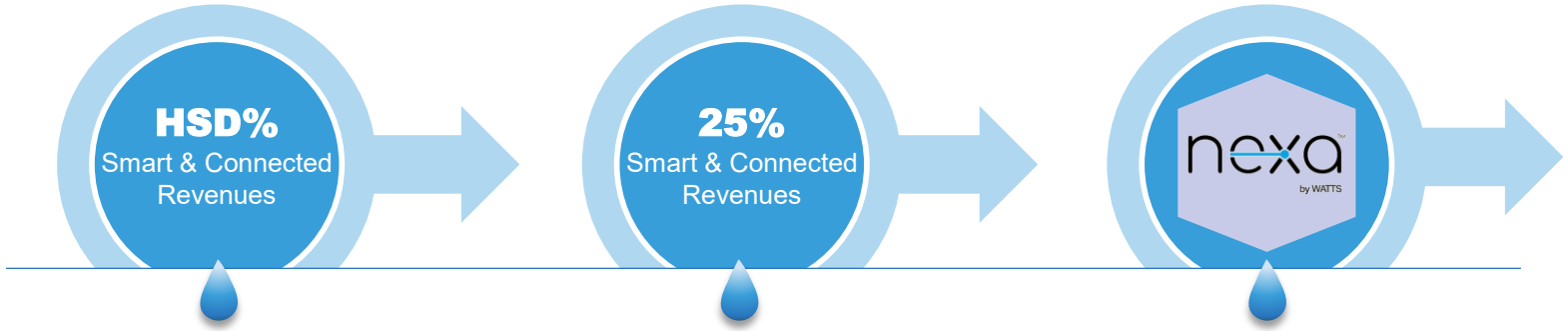
Superior Boiler: Leading manufacturer of industrial steam and hot-water boilers, delivering custom-engineered solutions for commercial, institutional, and industrial applications

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.

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A New Chapter in Our Smart & Connected Strategy



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 to 2026

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

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Continuous Improvement Performance System



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

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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 CO2	

Access Our Full 2025 Sustainability Report Here

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Experienced Executive Leadership Team



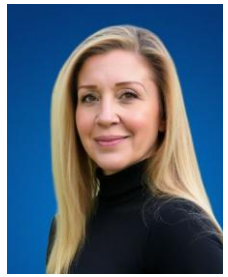
Bob Pagano
CEO, President and Chairperson
Previously at ITT Corporation
Joined WTS: 2014



Diane McClintock
Chief Financial Officer
Previously at AutoImmune and PWC
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



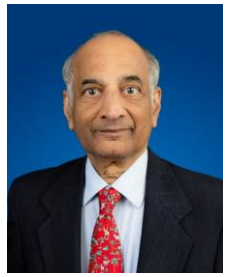
James F. Dagley
President of Watts Applied Solutions
Previously at Johnson Controls
Joined WTS: 2016



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

* Announced retirement date of March 31, 2027; succession process underway.

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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

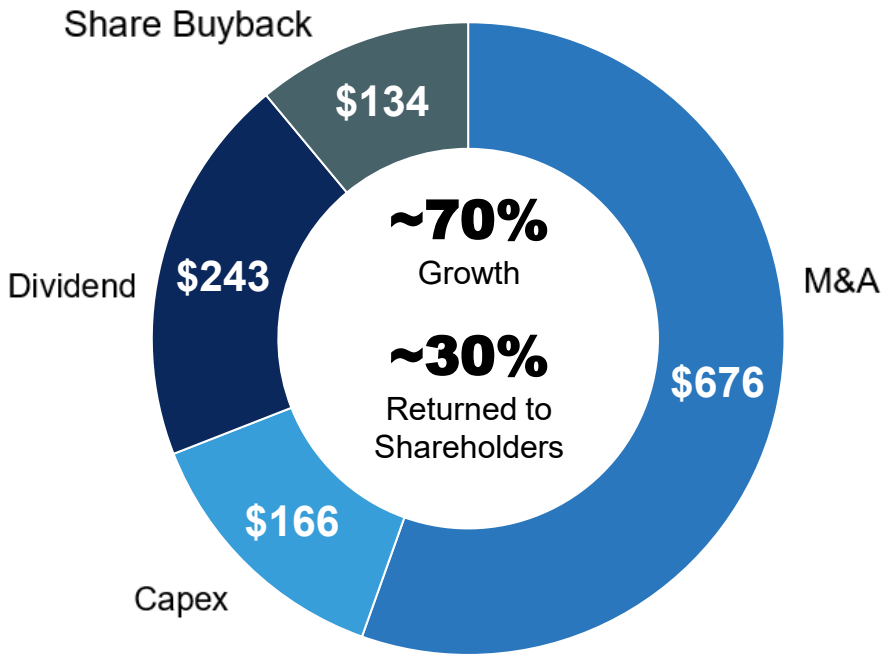
Director Skillset and Attributes Support Long-term Strategy

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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

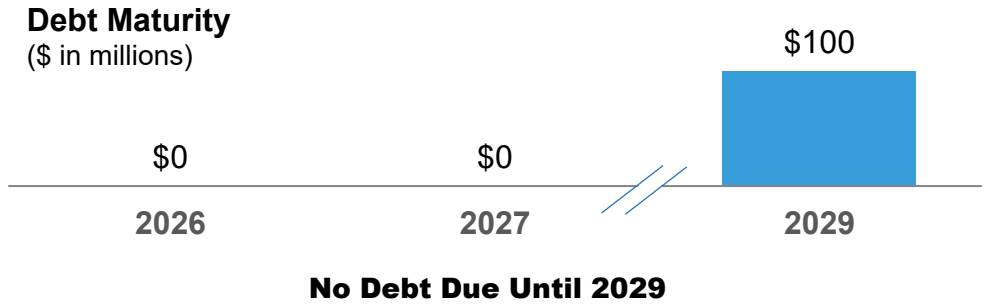
[1] Yield as of Nov 4, 2026.

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Flexible Balance Sheet

$ in millions	September 27, 2026
Cash	$445
Other Current Assets	1,037
Non-Current Assets	1,595
TOTAL ASSETS	**$3,077**
Current Liabilities, Excluding Short-term Debt	$529
Non-Current Liabilities	131
Debt	98
Equity	2,319
TOTAL LIABILITIES & EQUITY	**$3,077**
Net Debt / Capitalization Ratio	(18%)
UNUSED AND AVAILABLE CREDIT CAPACITY	**~ $688M**

$ in millions	TTM[1] ended September 27, 2026
Net cash provided by operations	$434
Less: additions to property, plant, and equipment	(63)
FREE CASH FLOW	**$371**
Net income	$447
Cash conversion rate of free cash flow to net income	83%

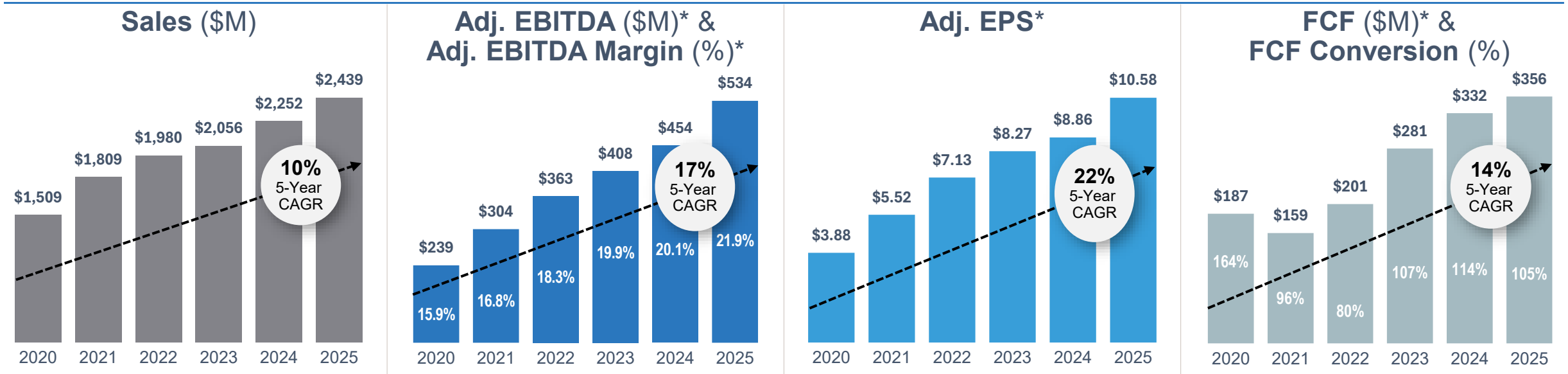


Ample Capacity to Execute on Strategic Growth

1 Trailing Twelve Months

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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

* See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures

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Q4 and Full Year 2026 Outlook*

	Previous FY Outlook	Updated FY Outlook	Q4 Outlook
Sales Growth	**Reported +14% to +17% Organic +8% to +11%****	**Reported +17% to +18% Organic +11% to +12%****	**Reported +11% to +14% Organic +9% to +12%****
Segment Organic Growth	Americas: +9% to +12% Europe: +1% to +4% APMEA: +9% to +12%	Americas: +12% to +13% Europe: +5% to +6% APMEA: +18% to +19%	Americas: +11% to +14% Europe: +2% to +5% APMEA: +9% to +12%
Acquired	Americas ~+$105M to +$110M APMEA ~+$21M to +$22M	Americas ~+$107M to +$109M APMEA ~+$21M to +$22M	Americas ~+$13M to +$15M APMEA ~+$3M to +$4M
80/20	Americas ~($25M) to ($26M)** Europe ~($6M) to ($8M)**	Americas ~($26M) to ($28M)** Europe ~($4M) to ($5M)**	Americas ~($4M) to ($6M)** Europe ~($1M) to ($2M)**
FX	Sales ~+$18M EPS ~+$0.06	Sales ~+$20M EPS ~+$0.07	Sales ~($2M) EPS ~($0.01)
Adj. EBITDA Margin	**22.1% to 22.7% / +20 bps to +80 bps**	**22.6% to 22.7% / +70 bps to +80 bps**	**21.6% to 22.2% / +20 bps to +80 bps**
Adj. Op. Margin	**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: 18.6% to 19.2% / +30 bps to +90 bps Acquisition dilution: ~(50) bps Watts / ~(100) bps Americas	**20.3% to 20.4% / +70 bps to +80 bps** Americas: 24.8% to 24.9% / +30 bps to +40 bps Europe: 14.2% to 14.3% / +90 bps to +100 bps APMEA: 19.2% to 19.3% / +100 bps to +110 bps Acquisition dilution: ~(50) bps Watts / ~(90) bps Americas	**19.1% to 19.7% / +10 bps to +70 bps** Americas: 23.7% to 24.3% / +40 bps to +100 bps Europe: 15.1% to 15.7% / Flat to +60 bps APMEA: 16.8% to 17.4% / (50) bps to +10 bps Acquisition dilution: ~Flat bps Watts / ~(20) bps Americas
Free Cash Flow	**≥ 90% of Net Income**	**≥ 90% of Net Income**	**Seasonally Strong**

* Outlook incorporates estimates as of November 4, 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 November 3, 2026. Outlook for Adjusted EBITDA margin and Adjusted Operating Margin does not include the impact of tariff refunds and related interest income, which are classified as a special item. See Appendix for other Outlook assumptions.

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

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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…

- 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**

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

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

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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

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Watts Water Technologies, Inc.

APPENDIX

Other 2026 Outlook* Inputs

	Previous Other FY Inputs	Updated Other FY Inputs	Other Q4 Inputs
Corporate Costs	$64M to $66M	~$67M	~$19M
Net Interest Expense	~$1M to $2M	~$1M to $2M	~Flat
Stock-based Compensation	~$27M	~$28M	~$7M
Adj. Effective Tax Rate	~25%	~24% to 24.5%	~24% to 25%
Share Count	~33.5M	~33.5M	~33.5M
Capex	$60M to $65M	$65M to $70M	$16M to $21M
Depreciation and Amortization	~$67M	~$68M	~$18M
FX	Europe (EUR at 1.15) ~+$10M Americas (CAD) ~Flat APMEA (RMB/AUD/NZD) ~+$8M	Europe (EUR at ~1.15) ~+$10M Americas (CAD) ~Flat APMEA (RMB/AUD/NZD) ~+$10M	Europe (EUR at ~1.12) ~($4M) Americas (CAD) ~Flat APMEA (RMB/AUD/NZD) ~+$2M

* As of November 4, 2026. See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

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

	September 27, 2026	December 31, 2025
Current portion of long-term debt	$ -	$ -
Plus: Long-term debt, net of current portion	98.2	197.7
Less: Cash and cash equivalents	(444.8)	(405.5)
Net debt	($346.6)	($207.8)
Net debt	($346.6)	($207.8)
Plus: Total stockholders' equity	2,319.4	2,027.7
Capitalization	$1,972.8	$1,819.9
Net debt to capitalization ratio	(18%)	(11%)

(M) (Unaudited)

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Reconciliation of GAAP to Non-GAAP Measures

$ in millions	Year 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%

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

	Fourth Quarter 2026	Full Year 2026
Net Sales		
Net sales growth	+11% to +14%	+17% to +18%
Forecasted impact of acquisition / FX	(2%)	(6%)
Organic net sales growth	+9% to +12%	+11% to +12%
Operating Margin		
Operating margin range	20.3% to 20.9%	21.6% to 21.7%
Forecasted restructuring / other costs	(1.2%)	(1.3%)
Adjusted operating margin range	19.1% to 19.7%	20.3% to 20.4%

* As of November 4, 2026.

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Calculation of EBITDA

$ in millions	Year 2020	2021	2022	2023	2024	2025
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%

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