WATTS WATER INVESTOR PRESENTATION

August 2025

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, water 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**

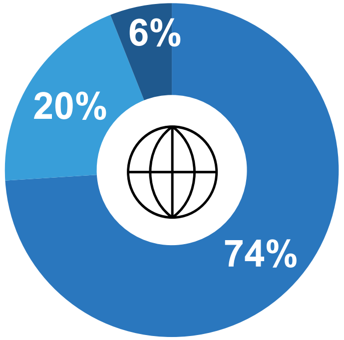
Watts Water Snapshot (NYSE: WTS)

2024 Key Statistics

With 5 Year Performance vs. 2019

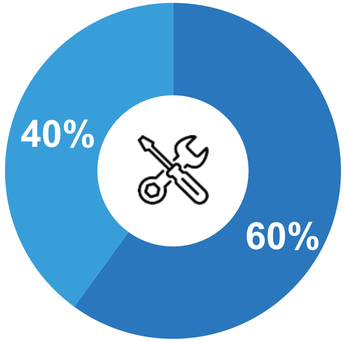
$8.86	17.7%	$1.72	$2.3B	112%	19.8%	106%
Adj. EPS	Adj. Operating Margin	Dividends	Net Sales	5-yr Avg Free Cash Flow Conversion	ROIC (GAAP)	5-yr Avg Reinvestment
+17% CAGR	*+480 bps Expansion*	*+13% CAGR*	*7% CAGR*		*+640 bps Expansion*	

Geography



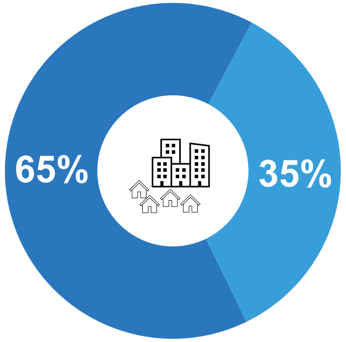
- Americas
- Europe
- APMEA

End Markets



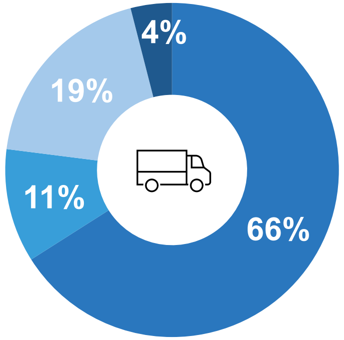
- Repair & Replace
- New Construction

End Markets



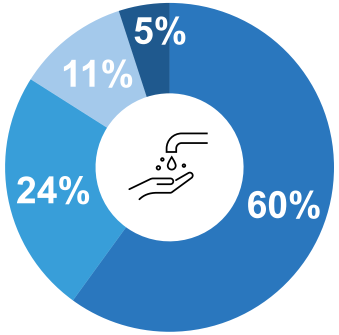
- Non-Residential
- Residential

Channels



- Wholesale
- OEM
- Specialty
- DIY

Product Categories



- Residential & Comm. Flow Control
- HVAC & Gas
- Drainage & Water Re-use
- Water Quality

Global Leader in Commercial, Residential and Light Industrial Water Solutions

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

Strong Global Footprint

Americas

N. Andover	**Massachusetts**	🔵 🟦 ◆
Blauvelt	**New York**	🟦 🟥 🟩 ◆
Burlington	**Ont, Canada**	🟦 🟩 ◆
Germantown	**Wisconsin**	🟥 🟩
Groveport	**Ohio**	🟩
Export	**Pennsylvania**	🟦 🟥 🟩
Franklin	**New Hampshire**	🟥 🟩
Ft. Myers	**Florida**	🟦 🟥 🟩
Ft. Worth	**Texas**	🟦 🟥 🟩 ◆
Menomonee Falls	**Wisconsin**	🟦 🟥 🟩
Michigan City	**Indiana**	🟦 🟥 🟩
Nogales	**Mexico**	🟥
Oviedo	**Florida**	🟦 🟥 🟩
Sparks	**Nevada**	🟩
Spindale	**North Carolina**	🟥 🟩
St. Pauls	**North Carolina**	🟦 🟥 🟩 ◆
Vernon	**BC, Canada**	🟦 🟥 🟩 ◆
Woodland	**California**	🟥 🟩 ◆

North Andover, MA
Headquarters

~4,800
Employees

5
Continents

36
Principal Worldwide Locations

Europe

Biassono	**Italy**	🟦 🟥 🟩 ◆
Gardolo	**Italy**	🟦 🟥 🟩
Hautvillers	**France**	🟦 🟥 🟩
Landau	**Germany**	🟦 🟥 🟩
Monastir	**Tunisia**	🟥
Plovdiv	**Bulgaria**	🟥
Rosieres	**France**	🟦 🟥 🟩
Sorgues	**France**	🟦 🟥 🟩
St. Neots	**UK**	🟦 🟥 🟩
Vildbjerg	**Denmark**	🟦 🟥 🟩
Virey le Grand	**France**	🟦 🟥 🟩

APMEA

Shanghai	**China**	🔵 🟦
Ningbo	**China**	🟦 🟥 🟩 ◆
Auckland	**New Zealand**	🟦 🟥 🟩
Dubai	**UAE**	🟦 ◆
Melbourne	**Australia**	🟦 🟩
Perth	**Australia**	🟦 🟥 🟩
Sydney	**Australia**	🟦 🟥 🟩

Legend

Headquarters	🔵
Learning Center	◆
Sales, R&D	🟦
Manufacturing	🟥
Distribution	🟩

Note: Not all sales offices included on these lists.

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 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

WATTS®

Large and Diverse Addressable Markets

END MARKETS

Institutional / Educational

Data Centers / Mega Projects

Healthcare

Light Industrial

Single-family Residential

Multi-family Residential

Hospitality – Hotel

Hospitality – Food Service

~$20B

Total Available Market Opportunity[1]

Balanced Portfolio Provides Springboard for Future Growth

[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 and emergency safety solutions

Water Quality Solutions

Point-of-use and point-of-entry 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 Solutions

Advanced high-efficiency boilers, water heaters, under-floor heating solutions & controls designed to optimize energy efficiency

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

Commercial Offerings

~65% of Sales; More Complexity / Systems

Commercial / Institutional Washroom

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

Water Safety / Fire Protection / Irrigation

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

Boiler / Mechanical Room

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

Water Quality

Anti-Scale Systems • Ballast Water • Water Softeners • SmartStream UV System

Driveway / Sidewalk

Electronic Temperature Controls • Snow Melt Hydronic Systems • Manifolds

Drainage

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

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

Residential Offerings

~35% 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

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

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

Boiler / Mechanical Room

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

Driving Value Creation Through Sustainability Strategy

Access Our Full 2024 Sustainability Report Here

SUSTAINABILITY PILLARS AND 2024 PROGRESS EXAMPLES

Footprint	>80 M	Liters of water reduced since 2014
	~950 MT	Absolute CO_2 reduction in 2024
Handprint	~93K MT	Reduction in CO_2 emissions for customers with AERCO, PVI and Lync heating solutions in 2024
	30	Products with Environmental Product Declarations
Social Responsibility	Zero	Recordable injuries at 18 operating sites; 50% improvement in TRIR since 2020
	>8K	Quick kaizens submitted by employees through our OWPS program
Corporate Governance	100%	New supplier conformance to Supplier ESG Standards
	500	Supplier Quality Audits completed globally

SOLVING CUSTOMERS' CHALLENGES ACROSS OUR "TRIPLE PLAY"

	CHALLENGE	SOLUTION
Safety & Regulation	Costly property damage from debris build up	**Smart Strainers:** Monitoring system sends real-time alerts so strainer can be flushed proactively
Water Conservation	Monitoring and managing water usage in commercial buildings	**Nexa:** Intelligent water management platform with advanced sensor tech to collect real-time system data
Energy Efficiency	Inefficient water heating with traditional thermostatic mixing valves	**Powers IntelliStation 2:** Optimizes energy usage through tighter, programmable temperature control

RECOGNITIONS

MSCI ESG RATINGS: CCC | B | BB | BBB | A | AA | AAA — AA

Corporate ESG Performance — Prime — RATED BY ISS

SUSTAINALYTICS: Negligible 0-10 | Low 10-20 | Medium 20-30 | High 30-40 | Severe 40+

USA TODAY America's Climate Leaders 2024 statista

America's Greenest Companies 2024 Newsweek

America's Most Responsible Companies 2024 Newsweek statista

WATTS — The Boston Globe Top Places to Work 2023, 2024

TIME America's Best Companies Mid-Size 2025 statista

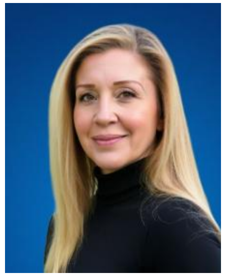
WATTS

Experienced Executive Leadership Team

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

Ryan Lada
Chief Financial Officer
Previously at The AZEK Company
Joined WTS: 2025

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



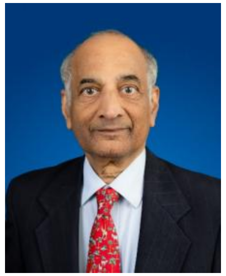
Kim Trevisan
Chief Information Officer
Previously at Old Castle APG
Joined WTS: 2025

Kenneth Lepage
General Council
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, The 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 Avery Dennison Corporation
Joined WTS: 2013

Strong Management Team with Sound Execution Track Record

- ✓ Long-standing management team with an average tenure of ~8 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

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
CEO, B2B Industrial
Packaging
Joined WTS: 2020

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

Louise Goeser
Retired President and CEO,
Grupo Siemens S.A. de C.V.
Joined WTS: 2018

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

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

Rebecca Boll
SVP & Chief Product Officer,
Fluence Energy Inc.
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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Disciplined M&A Strategy

Strategic Acquisition Criteria

- Core or complementary markets
- Brand name products, market leadership
- Entry into new markets and geographies
- Product offering expansion, including new / improved technology
- Increase in shelf space with existing customers

Financial Criteria

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

History of Successful Bolt-on Acquisitions

2020 THEDETECTIONGROUP
The Detection Group
TDG specializes in the design, marketing and distribution of wireless leak detection systems for commercial buildings

2021 LEAKDEFENSE
Sentinel Hydrosolutions
Sentinel, now known as Leak Defense, specializes in leak detection products, primarily sold into the high-end residential end market

2023 ENWARE
Enware
Leading supplier for specialty plumbing and safety equipment used in Australian institutional and commercial end markets

2023 Bradley
Bradley Corporation
a comprehensive portfolio of plumbing fixtures, washroom accessories and emergency safety products to commercial and industrial end markets

2024 JOSAM
Josam Company
Leading provider and manufacturer of drainage and plumbing products offering customized products to commercial and multi-family end markets

2025 I-CON
I-CON Systems
Leading provider of plumbing control solutions primarily for correctional facilities within the institutional end market

2025 EASYWATER
EasyWater
Leading provider of innovative salt and chemical-free water treatment solutions for residential, commercial and industrial applications

Successful Acquisitions Contributing to Profitable Growth

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

NOW

Introduced 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

Aligning Nexa with Long-term Secular Growth Trends to Address 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

WATTS®

Continuous Improvement Through One Watts Performance System (OWPS)

ONE WATTS®
PERFORMANCE SYSTEM

Tools and Processes

- Product road maps
- Product development stage gates
- 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

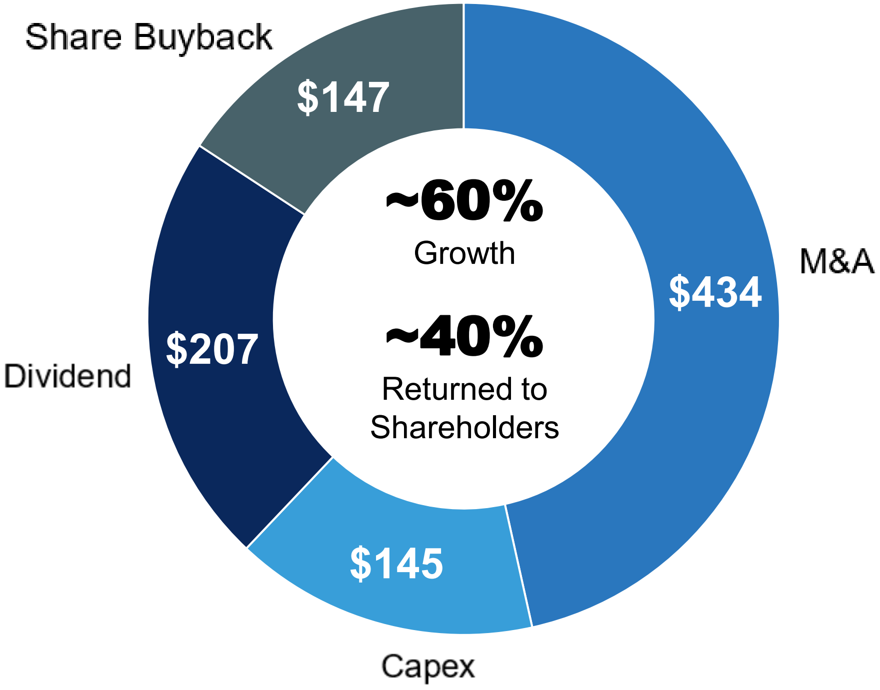
- **For customers**: Consistency is the foundation of high-quality products and customer service
- **For employees**: well-implemented safety procedures support an engaged workplace
- **For investors**: sustainable best practices and efficiencies yield consistently strong results

Creating Customer-Focused Culture to Drive Operational Excellence

Balanced Capital Deployment

Deployment History ($M)

2020 - 2024



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**
- 13% 5-year CAGR through 2024
- Increased dividend 21% effective June 2025 to annual dividend of $2.08/share, 0.8% yield[1]

4 **Stable Share Buyback**
- Offset stock dilution at minimum

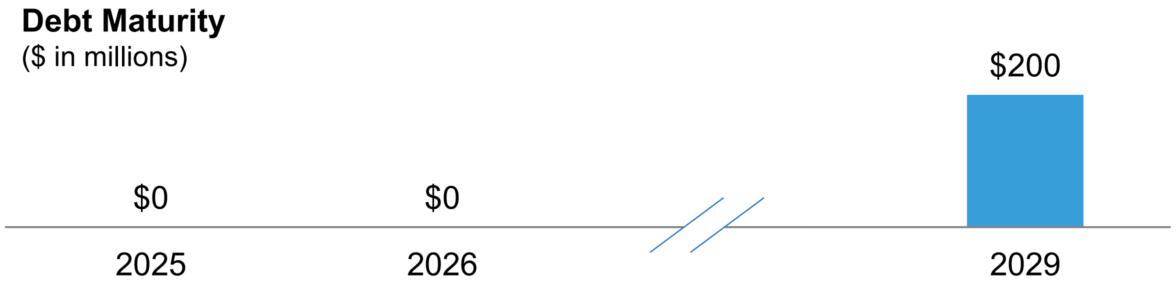
Strong Cash Flow Generation Provides Flexibility

[1] Yield as of August 6, 2025.

Flexible Balance Sheet

$ in millions	June 29, 2025
Cash	$369
Other Current Assets	845
Non-Current Assets	1,431
TOTAL ASSETS	**$2,645**
Current Liabilities, Excluding Short-term Debt	$468
Non-Current Liabilities	88
Debt	197
Equity	1,892
TOTAL LIABILITIES & EQUITY	**$2,645**
Net Debt / Capitalization Ratio	(10%)
UNUSED AND AVAILABLE CREDIT CAPACITY	**~ $588M**

$ in millions	TTM[1] Ended June 29, 2025
Net cash provided by operations	$355
Less: additions to property, plant, and equipment	(38)
FREE CASH FLOW	**$317**
Net income	$312
Cash conversion rate of free cash flow to net income	102%



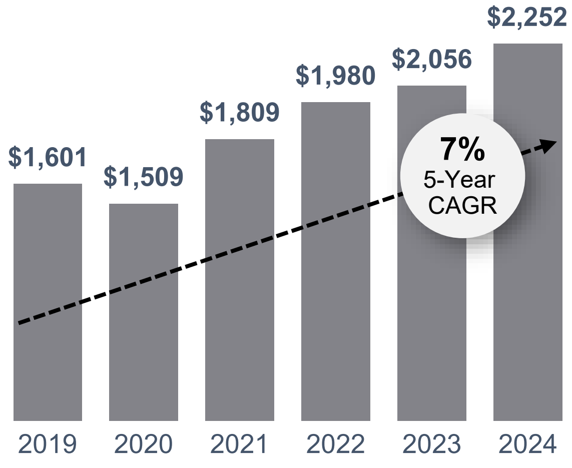
No Debt Due Until 2029

Capacity to Execute on Strategic Growth

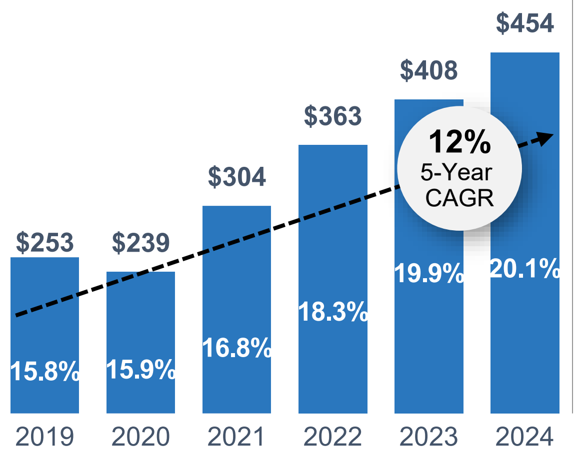
[1] Trailing Twelve Months

Proven Track Record of Resilience

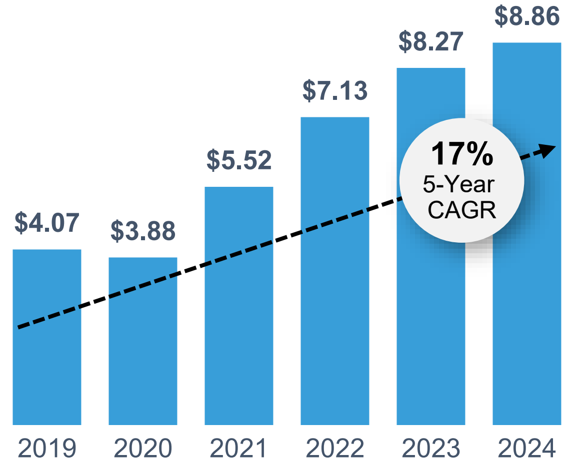
Sales ($M)



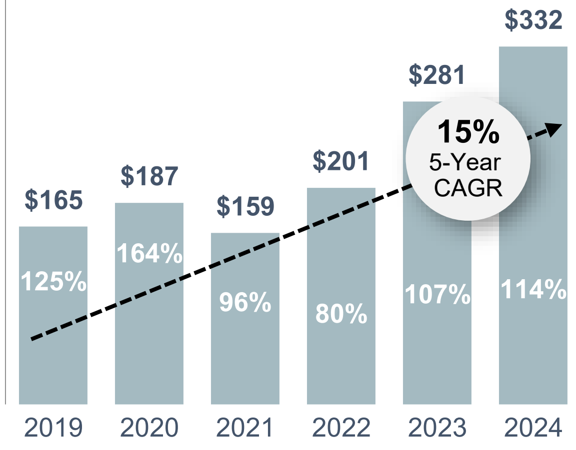
Adj. EBITDA ($M)* &
Adj. EBITDA Margin (%)*



Adj. EPS*



FCF ($M)* &
FCF Conversion (%)



5-year performance versus 2019

Strong performance through significant market challenges supported by:

Alignment to secular growth trends	Recognized leader	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

WATTS

Q3 and Full Year 2025 Outlook*

	Previous FY Outlook	Updated FY Outlook	Q3 Outlook
Sales Growth	**Reported -2% to +3%** **Organic -3% to +2%** **Segment Organic Growth** Americas: -2% to +3% Europe: -9% to -3% APMEA: +2% to +7% 80/20: Americas ~-$10M, Europe ~-$5M Acquired: Americas ~$25M FX: Sales ~-$7M; EPS ~-$0.03	**Reported +2% to +5%** **Organic Flat to +3%** **Segment Organic Growth** Americas: +2% to +5% Europe: -9% to -5% APMEA: +3% to +6% 80/20: Americas ~-$10M, Europe ~-$5M Acquired: Americas ~$30M FX: Sales ~+$12M; EPS ~+$0.04	**Reported +4% to +7%** **Organic +2% to +5%** **Segment Organic Growth** Americas: +5% to +8% Europe: -9% to -6% APMEA: +2% to +5% 80/20: Americas ~-$2M Acquired: Americas ~$8M FX: Sales ~+$4M; EPS ~+$0.01
Adj. EBITDA Margin	**20.4% to 21.0%** **+30 bps to +90 bps**	**20.7% to 21.3%** **+60 bps to +120 bps**	**19.7% to 20.3%** **+20 bps to +80 bps**
Adj. Operating Margin	**17.7% to 18.3%** **Flat to +60 bps** Americas: Flat to +60 bps Europe: -30 bps to +30 bps APMEA: Flat to +60 bps	**18.2% to 18.8%** **+50 bps to +110 bps** Americas: +60 bps to +120 bps Europe: -30 bps to +30 bps APMEA: Flat to +60 bps	**17.1% to 17.7%** **Flat to +60 bps** Americas: +20 bps to +80 bps Europe: -30 bps to +30 bps APMEA: +30 bps to +90 bps
Free Cash Flow	**≥ 100% of Net Income**	**≥ 100% of Net Income**	

* Incorporates estimates as of August 6, 2025, including direct tariff cost estimate of ~$40M for 2025 . See Appendix for other Outlook assumptions.

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 – 1% Above Market

- 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 10 state-of-the-art **Watts Works Learning Centers**

Operating Margin Expansion – 30 – 50 bps per Year

- 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

- M&A focused on strong **market positions** in core or complementary markets
- Maintain **extensive M&A pipeline**
- Expanding through **cross-selling** existing products into new regions
- Targeted expansion into countries with **well-established plumbing codes**

Profitable Growth Through Innovation, Acquisitions and Commercial Excellence

APPENDIX

Other 2025 Outlook* Inputs

	Previous Other FY Inputs	Updated Other FY Inputs	Other Q3 Inputs
Corporate Costs	~$55M to $57M	~$58M	~$15M
Net Interest Expense	~$2M - $3M	~$2M - $3M	~$1M
Stock-Based Compensation	~$20M	~$20M	~$6M
Adj Effective Tax Rate	~25%	~25%	~25%
Share Count	~33.5M	~33.5M	~33.5M
Capex	~$50M	~$50M	~$15M
Depreciation & Amortization	~$60M	~$58M	~$15M
FX	Europe (EUR @1.04) ~-$20M Americas (CAD) ~-$4M APMEA (RMB/AUD/NZD) ~-$4M	Europe (FY Avg EUR @1.12) ~+$15M Americas (CAD) ~-$1M APMEA (RMB/AUD/NZD) ~-$2M	Europe (EUR @1.15) ~+$5M Americas (CAD) ~Flat APMEA (RMB/AUD/NZD) ~-$1M

* As of August 6, 2025. 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

	June 29, 2025	December 31, 2024
Current portion of long-term debt	$ -	$ -
Plus: Long-term debt, net of current portion	197.3	197.0
Less: Cash and cash equivalents	(369.3)	(386.9)
Net debt	($172.0)	($189.9)
Net debt	($172.0)	($189.9)
Plus: Total stockholders' equity	1,892.4	1,707.9
Capitalization	$1,720.4	$1,518.0
Net debt to capitalization ratio	(10%)	(13%)

(M) (Unaudited)

Reconciliation of GAAP to Non-GAAP Measures

$ in millions	Year					
	2019	2020	2021	2022	2023	2024
Net sales	$1,600.5	$1,508.6	$1,809.2	$1,979.5	$2,056.3	$2,252.2
Operating income	$197.1	$181.1	$239.6	$315.0	$350.9	$390.4
Operating margin %	*12.3%*	*12.0%*	*13.2%*	*15.9%*	*17.1%*	*17.3%*
Adjustments for special items:						
Restructuring and long-lived asset impairment charges	$5.1	$11.3	$19.3	$10.6	$5.5	$7.2
Acquisition-related costs	0.9	1.3	-	-	11.3	14.2
Pension settlement	-	-	-	-	-	(7.8)
Contingent consideration	-	(1.5)	-	-	(2.5)	-
(Gain) loss on sale of assets and other adjustments	3.1	1.7	-	(1.8)	-	(4.4)
Adjusted operating income	$206.2	$193.9	$258.9	$323.8	$365.2	$399.6
Adjusted operating margin %	*12.9%*	*12.9%*	*14.3%*	*16.4%*	*17.8%*	*17.7%*
Net income	$131.5	$114.3	$165.7	$251.5	$262.1	$291.2
Adjustments for special items – tax effected:						
Restructuring and long-lived asset impairment charges	$3.8	$8.4	$14.1	$7.9	$4.1	$5.4
Acquisition-related costs	0.7	1.0	-	-	8.3	10.7
Pension settlement	-	-	-	-	-	(5.8)
Contingent consideration	-	(1.5)	-	-	(2.5)	-
(Gain) loss on sale of assets and other adjustments	3.1	0.1	-	(1.4)	-	(4.5)
Tax adjustment items	-	9.7	7.2	(18.2)	5.3	-
Adjusted net income	$139.1	$132.0	$187.0	$239.8	$277.3	$297.0
Diluted earnings per share	$3.85	$3.36	$4.88	$7.48	$7.82	$8.69
Adjustments for special items	0.22	0.52	0.64	(0.35)	0.45	0.17
Adjusted diluted earnings per share	$4.07	$3.88	$5.52	$7.13	$8.27	$8.86

Reconciliation of Net Cash Provided by Operations to Free Cash Flow

$ in millions	Year					
	2019	2020	2021	2022	2023	2024
Net cash provided by operations	$194.0	$228.8	$180.8	$224.0	$310.8	$361.1
Less: additions to property, plant, and equipment	(29.2)	(43.8)	(26.7)	(28.1)	(29.7)	(35.3)
Plus: proceeds from the sale of property, plant, and equipment	0.1	2.2	5.1	5.2	-	5.9
Free cash flow	$164.9	$187.2	$159.2	$201.1	$281.1	$331.7
Net income	$131.5	$114.3	$165.7	$251.5	$262.1	$291.2
Cash conversion rate of free cash flow to net income	125%	164%	96%	80%	107%	114%

Reconciliation between GAAP and Non-GAAP Measures Included in 2025 Outlook*

	Third Quarter 2025	Full Year 2025
Net Sales		
Net sales growth	+4% to +7%	+2% to +5%
Forecasted impact of acquisition / FX	-2%	-2%
Organic net sales growth	+2% to +5%	Flat to +3%
Operating Margin		
Operating margin range	16.9% to 17.5%	17.2% to 17.8%
Forecasted restructuring / other costs	0.2%	1.0%
Adjusted operating margin range	17.1% to 17.7%	18.2% to 18.8%

* As of August 6, 2025.

Calculation of EBITDA

$ in millions	Year					
	2019	2020	2021	2022	2023	2024
Sales	$1,600.5	$1,508.6	$1,809.2	$1,979.5	$2,056.3	$2,252.2
Net income	$131.5	$114.3	$165.7	$251.5	$262.1	$291.2
Plus: Interest expense, net	13.7	13.3	6.2	6.4	1.0	5.8
Plus: Income taxes	52.4	52.7	68.4	56.1	87.4	94.8
Plus: Depreciation	31.0	31.3	31.4	27.6	30.1	34.6
Plus: Amortization	15.6	15.2	13.7	12.1	13.2	19.8
EBITDA - Earnings before interest, taxes, depreciation and amortization	$244.2	$226.8	$285.4	$353.7	$393.8	$446.2
EBITDA Margin %	*15.3%*	*15.0%*	*15.8%*	*17.9%*	*19.2%*	*19.8%*
Adjustments for special items	9.0	12.3	18.3	8.8	14.3	7.8
Adjusted EBITDA – Adjusted earnings before interest, taxes, depreciation and amortization	$253.2	$239.1	$303.7	$362.5	$408.1	$453.7
Adjusted EBITDA Margin %	*15.8%*	*15.9%*	*16.8%*	*18.3%*	*19.9%*	*20.1%*