FLOWSERVE®

Third Quarter 2018 Earnings Conference Call

November 8, 2018

Forward Looking Statements and Non-GAAP Measures

Safe Harbor Statement: This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Words or phrases such as, "may," "should," "expects," "could," "intends," "plans," "anticipates," "estimates," "believes," "forecasts," "predicts" or other similar expressions are intended to identify forward-looking statements, which include, without limitation, statements concerning our future financial performance, future debt and financing levels, investment objectives, implications of litigation and regulatory investigations and other management plans for future operations and performance.

The forward-looking statements included in this presentation are based on our current expectations, projections, estimates and assumptions. These statements are only predictions, not guarantees. Such forward-looking statements are subject to numerous risks and uncertainties that are difficult to predict. These risks and uncertainties may cause actual results to differ materially from what is forecast in such forward-looking statements, and include, without limitation, the following: a portion of our bookings may not lead to completed sales, and our ability to convert bookings into revenues at acceptable profit margins; changes in global economic conditions and the potential for unexpected cancellations or delays of customer orders in our reported backlog; our dependence on our customers’ ability to make required capital investment and maintenance expenditures; risks associated with cost overruns on fixed-fee projects and in taking customer orders for large complex custom engineered products; the substantial dependence of our sales on the success of the oil and gas, chemical, power generation and water management industries; the adverse impact of volatile raw materials prices on our products and operating margins; economic, political and other risks associated with our international operations, including military actions or trade embargoes that could affect customer markets, particularly North African, Russian and Middle Eastern markets and global oil and gas producers, and non-compliance with U.S. export/re-export control, foreign corrupt practice laws, economic sanctions and import laws and regulations; increased aging and slower collection of receivables, particularly in Latin America and other emerging markets; our exposure to fluctuations in foreign currency exchange rates, including in hyperinflationary countries such as Venezuela and Argentina; our furnishing of products and services to nuclear power plant facilities and other critical processes; potential adverse consequences resulting from litigation to which we are a party, such as litigation involving asbestos-containing material claims; a foreign government investigation regarding our participation in the United Nations Oil-for-Food Program; expectations regarding acquisitions and the integration of acquired businesses; our relative geographical profitability and its impact on our utilization of deferred tax assets, including foreign tax credits; the potential adverse impact of an impairment in the carrying value of goodwill or other intangible assets; our dependence upon third-party suppliers whose failure to perform timely could adversely affect our business operations; the highly competitive nature of the markets in which we operate; environmental compliance costs and liabilities; potential work stoppages and other labor matters; access to public and private sources of debt financing; our inability to protect our intellectual property in the U.S., as well as in foreign countries; obligations under our defined benefit pension plans; risks and potential liabilities associated with cyber security threats; our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud; the recording of increased deferred tax asset valuation allowances in the future or the impact of tax law changes on such deferred tax assets could affect our operating results; if we are not able to successfully execute and realize the expected financial benefits from our strategic realignment and other cost-saving initiatives, our business could be adversely affected; ineffective internal controls could impact the accuracy and timely reporting of our business and financial results; and other factors described from time to time in our filings with the Securities and Exchange Commission.

All forward-looking statements included in this presentation are based on information available to us on the date hereof, and we assume no obligation to update any forward-looking statement.

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that non-GAAP financial measures which exclude certain non-recurring items present additional useful comparisons between current results and results in prior operating periods, providing investors with a clearer view of the underlying trends of the business. Management also uses these non-GAAP financial measures in making financial, operating, planning and compensation decisions and in evaluating the Company's performance. Throughout our materials we refer to non-GAAP measures as “Adjusted.” Non-GAAP financial measures, which may be inconsistent with similarly captioned measures presented by other companies, should be viewed in addition to, and not as a substitute for, the Company’s reported results prepared in accordance with GAAP.

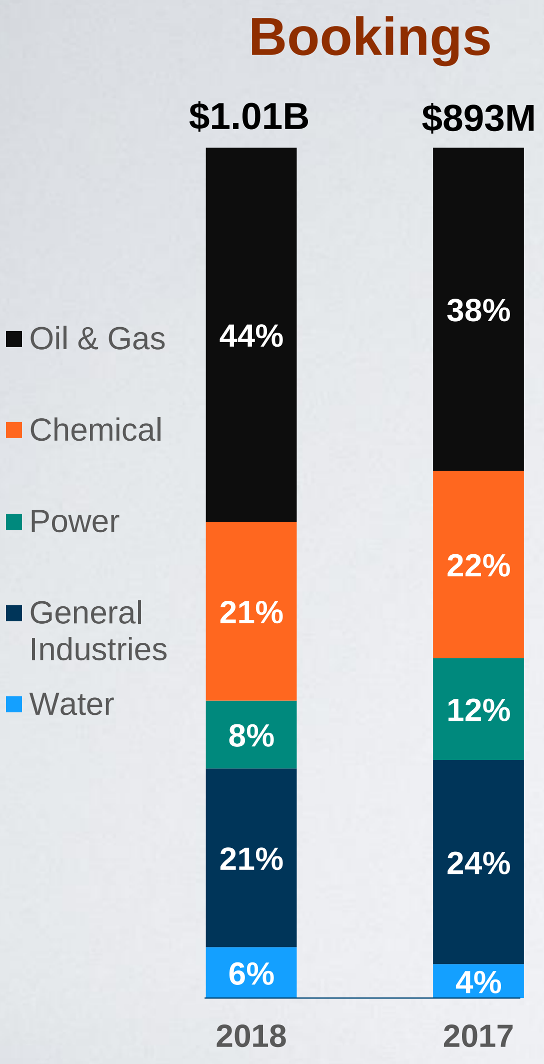
We have provided tables on pages 11 and 12 that reconcile these non-GAAP measures to their corresponding GAAP-based measures.

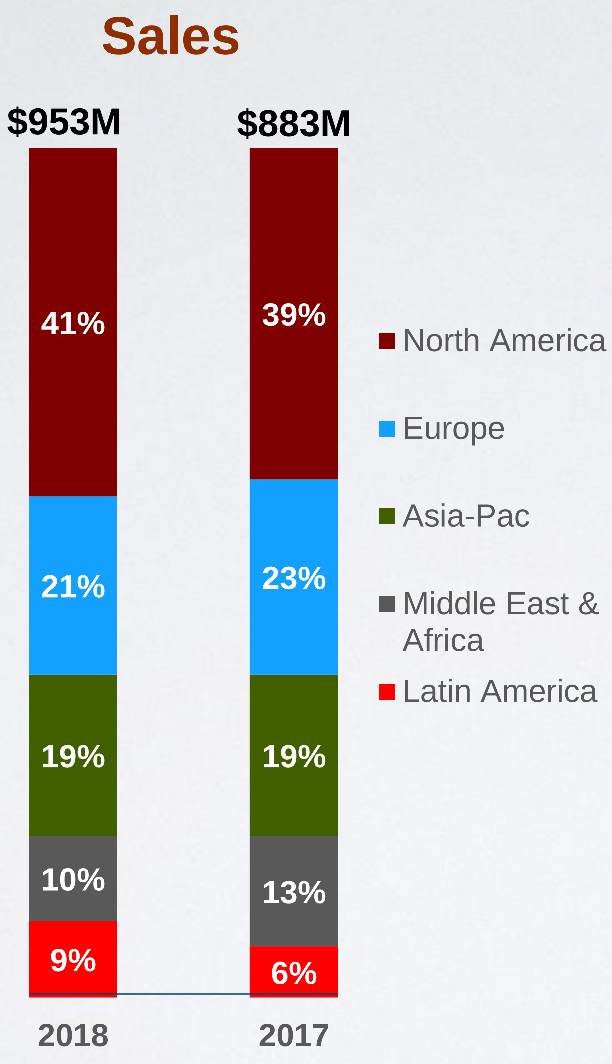
Q3 2018 Overview

- **Q3 2018 Reported and Adjusted earnings per share of $0.21 and $0.49**
  - ***Adjusted EPS* excludes approximately $47 million of items consisting primarily of realignment and transformation expenses, loss on a sale of assets and below-the-line foreign exchange expenses***
- **Bookings increased 13.2%, including strong aftermarket growth of 11.6% and 27% increase in oil and gas bookings**
- **Total revenue increased 7.8%, driven by strong original equipment shipments, up 11.8%**
  - ***Both bookings and sales include approximately 2% headwind, including currency and business divestitures***
- **Backlog increased 1.4% sequentially on 1.06 book-to-bill**
- **Increased 2018 Adjusted EPS guidance to $1.65 – $1.75**

***** See tables on page 11 for reconciliation to corresponding GAAP-based measure

Q3 Bookings & Sales Mix





End-Markets

- **Oil & Gas**
  - Global MRO spend increased on refinery maintenance and efficiency upgrades
  - Downstream brownfield projects improved on clean fuels investment where Flowserve's product mix is favorable
  - North America and Middle East LNG projects continue to progress towards FID
- **Chemical**
  - Chemical investment in emerging regions expected to grow modestly through 2025
  - Investment expected to increase in Asia, the Middle East and North America including the continued progress in second wave of North American ethylene crackers and derivative facilities
- **Power**
  - Thermal solar market continues to provide opportunities on Flowserve's strong technical offering
  - Opportunities include expected investment in combined cycle on fuel switching, Asia fossil and nuclear
  - Aging nuclear fleet provides upgrade and life extension opportunity
  - Low expectations for conventional power growth near-term
- **General Industries**
  - Global growth continues to supports distribution activity

Q3 Original Equipment / Aftermarket Mix

Original Equipment

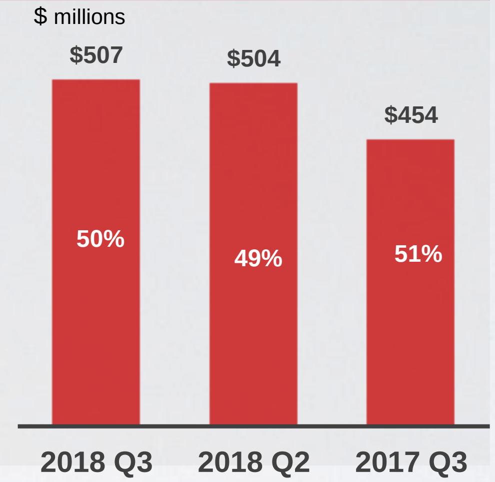
Bookings Mix %

Sales Mix %

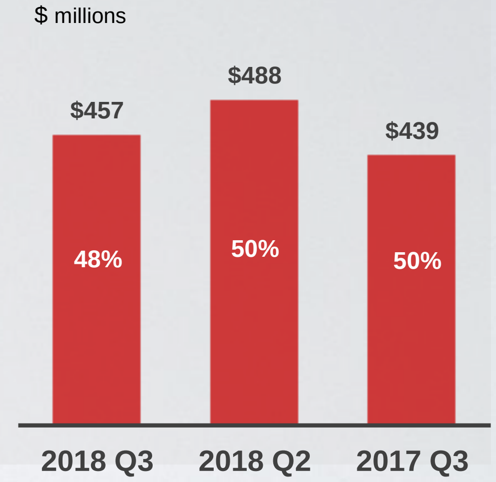
- Original equipment bookings increased 14.8%, or 15.3% constant currency vs. Q3 2017
- Original equipment sales increased 11.8%, or 12.5% constant currency vs. Q3 2017

Aftermarket

Bookings Mix %



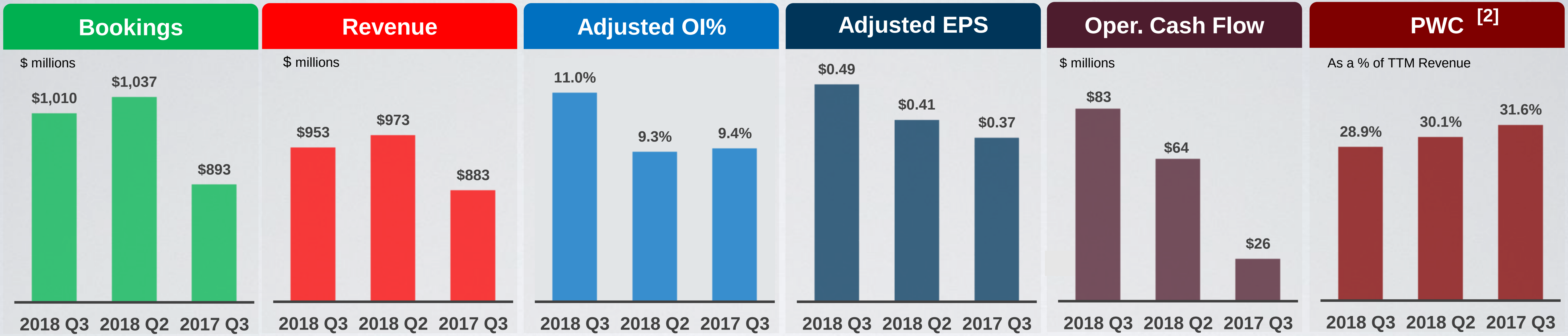
Sales Mix %



- Aftermarket bookings increased 11.6%, or 13.0% constant currency vs. Q3 2017
- Aftermarket sales increased 3.9%, or 5.0% constant currency vs. Q3 2017

Note: 2018 Q3 Booking and Sales include approximately 1.0% headwinds from 2018 business divestitures

Q3 2018 Financial Scorecard [1]



Q3 Highlights

- Bookings growth of 13.2% included broad based strength across all end markets with the exception of power
- Revenue increased 7.8% year-over-year on strong growth in North America, Latin America and Asia Pacific
- Adjusted operating margin increased 160 basis points year-over-year and 170 basis points sequentially to 11.0%
- Adjusted EPS of $0.49 increased 32% on the back of improved execution
- Operating cash flow increased over 200% year-over-year on improved working capital

(1) See table on pages 11 and 12 for reconciliation to corresponding GAAP-based measure
(2) Primary working capital “PWC” for 2018 includes accounts receivable, inventory, contract assets, accounts payable and contract liabilities. 2017 includes accounts receivable, inventory, accounts payable and advance cash payments.

Note: First quarter included adoption of ASC 606. Detailed impacts are included in our Form 10-Q for the quarter ended September 30, 2018.

2018 Guidance Assumptions

Guidance Assumptions	2018 Prior Guidance	2018 Updated Guidance [1]
Revenue Guidance [2]	3% - 6%	5% - 7%
Reported EPS Guidance	$0.95 - $1.15	$0.75 - $0.85
Adjusted EPS Guidance [3]	$1.50 - $1.70	$1.65 - $1.75
EUR Rate	1.22	2018 Q4 - 1.15
Adjusted Tax Rate	27% - 28%	27% - 28%
Capital Expenditures	$80 - $90 million	$70 - $80 million

[1] 2018 Reported and Adjusted EPS guidance as of November 8, 2018, assumes 132 million diluted shares

[2] 2018 Revenue guidance includes approximately 1% currency benefit and 1% negative impact from divestitures

[3] Adjusted EPS guidance excludes expected realignment and transformation charges of approximately $110 million, below-the-line FX impact and other specific discrete items.

Flowserve 2.0 Transformation

- REDUCE COMPLEXITY
- ACCELERATE GROWTH
- OPERATIONAL EXCELLENCE
- FLOWSERVE OPERATING MODEL

Questions & Answers

Appendix

Q3 2018 Consolidated Financial Results

($ millions)	3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta ($)	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	3rd Quarter Adjusted 2018 Adjusted Items	3rd Quarter Adjusted 2018 Adjusted Results	3rd Quarter Adjusted 2017 Adjusted Results	3rd Quarter Adjusted Delta ($)	3rd Quarter Adjusted Delta (%)	3rd Quarter Adjusted Constant FX(%)*
Bookings	$ 1,010.4	$ 892.9	**$ 117.5**	**13.2%**	**14.1%**	$ -	$ 1,010.4	$ 892.9	**$ 117.5**	**13.2%**	**14.1%**
Sales	$ 952.7	$ 883.4	**$ 69.3**	**7.8%**	**8.8%**	$ -	$ 952.7	$ 883.4	**$ 69.3**	**7.8%**	**8.8%**
Gross Profit	$ 308.5	$ 268.0	**$ 40.5**	**15.1%**		$ (8.2) (1)	$ 316.7	$ 282.2 (6)	**$ 34.5**	**12.2%**	
Gross Margin (%)	32.4%	30.3%		**210 bps**			33.2%	31.9%		**130 bps**	
SG&A	$ 241.9	$ 206.0	**$ 35.9**	**17.4%**	**18.2%**	$ 26.9 (2)	$ 215.0	$ 202.2 (7)	**$ 12.8**	**6.3%**	**7.1%**
SG&A (%)	25.4%	23.3%		**210 bps**			22.6%	22.9%		**(30) bps**	
(Loss) / Gain on Sale of business	$ (7.7)	$ 9.9	**$ (17.6)**	**-**		$ 7.7 (3)	$ -	$ - (8)	**$ -**	**-**	
Income from Affiliates	$ 3.3	$ 2.9	**$ 0.4**	**13.8%**		$ -	$ 3.3	$ 2.9	**$ 0.4**	**13.8%**	
Operating Income	$ 62.2	$ 74.8	**$ (12.6)**	**-16.8%**	**-11.8%**	$ (42.8)	$ 105.0	$ 82.9	**$ 22.1**	**26.7%**	**31.2%**
Operating Margin (%)	6.5%	8.5%		**(200) bps**			11.0%	9.4%		**160 bps**	
Other (Expense) / Income, net **	$ (5.3)	$ 7.5	**$ (12.8)**	**-**		$ 4.3 (4)	$ (1.0)	$ (0.9) (9)	**$ (0.1)**	**11.1%**	
Tax (Expense) / Benefit	$ (14.9)	$ (19.6)	**$ 4.7**	**-24.0%**		$ 11.5 (5)	$ (26.4)	$ (18.4) (10)	**$ (8.0)**	**43.5%**	
Net Earnings	$ 28.2	$ 47.6	**$ (19.4)**	**-40.8%**		$ (35.6)	$ 63.8	$ 48.5	**$ 15.3**	**31.5%**	
Diluted EPS	**$ 0.21**	**$ 0.36**	**$ (0.15)**	**-41.7%**		**$ (0.27)**	**$ 0.49**	**$ 0.37**	**$ 0.12**	**32.4%**	

- Diluted EPS calculated using fully diluted shares of 131.4 million and 131.4 million shares for Q3 2018 and Q3 2017, respectively
* Constant FX represents the year-over-year variance assuming 2018 results at 2017 FX rates

1. Cost of sales includes $8.2 million of realignment charges
2. SG&A includes $2.9 million of realignment charges and $24 million of discrete corporate items
3. Includes $7.7 million loss on sale of IPD assets
4. Below-the-line FX impacts
5. Includes tax impact of above items

** Third Quarter 2018 includes a loss of $4.3 million arising from transactions in currencies other than our sites' functional currencies and impact of foreign exchange contracts vs. a gain of $8.4 million in Q3 2017

6. Excludes $14.2 million of realignment charges
7. Excludes $2.6 million of realignment charges and $1.2 million of SIHI integration costs and purchase price adjustments
8. Excludes $9.9 million gain related to the sale of Vogt business
9. Excludes $8.4 million below-the-line FX gain
10. Excludes tax impact of above items

Year-to-Date 2018 Consolidated Financial Results

	Year-to-Date					Year-to-Date Adjusted					
($ millions)	2018	2017	Delta ($)	Delta (%)	Constant FX(%)*	2018 Adjusted Items	2018 Adjusted Results	2017 Adjusted Results	Delta ($)	Delta (%)	Constant FX(%)*
Bookings	$ 2,974.5	$ 2,820.1	$ 154.4	5.5%	3.5%		$ 2,974.5	$ 2,820.1	$ 154.4	5.5%	3.5%
Sales	$ 2,845.8	$ 2,626.8	$ 219.0	8.3%	6.1%		$ 2,845.8	$ 2,626.8	$ 219.0	8.3%	6.1%
Gross Profit	$ 866.0	$ 782.5	$ 83.5	10.7%		$ (39.3) [1]	$ 905.3	$ 832.8 [6]	$ 72.5	8.7%	
Gross Margin (%)	30.4%	29.8%		60 bps			31.8%	31.7%		10 bps	
SG&A	$ 711.8	$ 680.3	$ 31.5	4.6%	3.0%	$ 56.1 [2]	$ 655.7	$ 625.0 [7]	$ 30.7	4.9%	3.2%
SG&A (%)	25.0%	25.9%		(90) bps			23.0%	23.8%		(80) bps	
(Loss) / Gain on Sale of business	$ (7.7)	$ 141.2	$ (148.9)	-		$ (7.7) [3]	$ -	$ - [8]	$ -	-	
Income from Affiliates	$ 7.9	$ 9.0	$ (1.1)	-12.2%			$ 7.9	$ 9.0	$ (1.1)	-12.2%	
Operating Income	$ 154.3	$ 252.3	$ (98.0)	-38.8%	-39.7%	$ (103.1)	$ 257.4	$ 216.8	$ 40.6	18.7%	17.8%
Operating Margin (%)	5.4%	9.6%		(420) bps			9.0%	8.3%		70 bps	
Other (Expense) / Income, net **	$ (17.2)	$ (14.0)	$ (3.2)	22.9%		$ (16.4) [4]	$ (0.8)	$ (4.3) [9]	$ 3.5	-81.4%	
Tax (Expense)/Benefit	$ (37.0)	$ (85.8)	$ 48.8	-56.9%		$ 22.9 [5]	$ (59.9)	$ (55.7) [10]	$ (4.2)	7.5%	
Net Earnings	$ 56.6	$ 108.5	$ (51.9)	-47.8%		$ (96.6)	$ 153.2	$ 112.7	$ 40.5	35.9%	
Diluted EPS	$ 0.43	$ 0.83	$ (0.40)	-48.2%		$ (0.74)	$ 1.17	$ 0.86	$ 0.31	36.0%	

- Diluted EPS calculated using fully diluted shares of 131.2 million and 131.3 million shares for YTD 2018 and YTD 2017, respectively

* Constant FX represents the year-over-year variance assuming 2018 results at 2017 FX rates

1. Cost of sales includes $31.6 million of realignment charges and $7.7 million of IPD asset write-down
2. SG&A includes $11.7 million of realignment charges, $9.7 million of IPD asset write down, and $34.7 million of discrete corporate items
3. Includes $7.7 million loss on sale of IPD assets
4. Below-the-line FX impacts
5. Includes tax impact of above items

** YTD 2018 includes a loss of $16.4 million arising from transactions in currencies other than our sites' functional currencies and impact of foreign exchange contracts vs. a loss of $9.7 million in 2017

6. Excludes $33.4 million of realignment charges and $16.9 million to reserve for costs incurred related to a contract to supply oil and gas platform equipment to an end user in Latin America
7. Excludes $25.6 million of realignment charges, $26.0 million Brazil asset impairment, $3.2 million of SIHI integration costs and purchase price adjustments and $0.4 million loss on Brazil contract
8. Excludes $141.2 million gain related to the sale of Gestra and Vogt businesses
9. Excludes $9.7 million below-the-line FX loss
10. Excludes tax impact of above items

Engineered Product Division
Q3 2018 Segment Results

($ millions)	3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta ($)	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	Year-to-Date 2018	Year-to-Date 2017	Year-to-Date Delta ($)	Year-to-Date Delta (%)	Year-to-Date Constant FX(%)*
Bookings	$ 519.8	$ 432.5	**$ 87.3**	**20.2%**	**20.9%**	$ 1,450.3	$ 1,357.2	**$ 93.1**	**6.9%**	**5.3%**
Sales	$ 466.2	$ 424.2	**$ 42.0**	**9.9%**	**10.3%**	$ 1,414.6	$ 1,276.6	**$ 138.0**	**10.8%**	**8.7%**
Gross Profit	$ 151.3	$ 136.7	**$ 14.6**	**10.7%**		$ 439.4	$ 404.4	**$ 35.0**	**8.7%**	
Gross Margin (%)	32.5%	32.2%		**30 bps**		31.1%	31.7%		**(60) bps**	
SG&A	$ 97.0	$ 87.3	**$ 9.7**	**11.1%**	**11.7%**	$ 299.9	$ 305.3	**$ (5.4)**	**-1.8%**	**-3.3%**
SG&A (%)	20.8%	20.6%		**20 bps**		21.2%	23.9%		**(270) bps**	
Income from Affiliates	$ 3.1	$ 2.7	**$ 0.4**	**14.8%**		$ 8.3	$ 8.7	**$ (0.4)**	**-4.6%**	
Operating Income	$ 57.4	$ 52.1	**$ 5.3**	**10.2%**	**15.5%**	$ 147.8	$ 107.8	**$ 40.0**	**37.1%**	**33.8%**
Operating Margin (%)	12.3%	12.3%		**-**		10.4%	8.4%		**200 bps**	
Adjusted Operating Income**	$ 63.9	$ 59.8	**$ 4.1**	**6.9%**	**11.5%**	$ 174.8	$ 154.2	**$ 20.6**	**13.4%**	**11.1%**
Adjusted Operating Margin%**	13.7%	14.1%		**(40) bps**		12.4%	12.1%		**30 bps**	

* Constant FX represents the year over year variance assuming 2018 results at 2017 FX rates
** Adjusted operating income excludes realignment charges of $6.5 million and $27.0 million for Q3 2018 and YTD 2018, respectively, and realignment charges of $7.8 million and $20.4 million for Q3 2017 and YTD 2017, respectively, and $26.0 million of Brazil asset impairment YTD 2017

Engineered Product Division
Q3 2018 Bookings and Sales

($ millions)		3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	Year-to-Date 2018	Year-to-Date 2017	Year-to-Date Delta (%)	Year-to-Date Constant FX(%)*
Bookings Mix **	OE	$ 156	$ 114	**37%**	**37%**	$ 402	$ 402	**0%**	**-2%**
		30%	26%	**400 bps**		28%	30%	**(200) bps**	
	AM	$ 364	$ 319	**14%**	**15%**	$ 1,048	$ 955	**10%**	**8%**
		70%	74%	**(400) bps**		72%	70%	**200 bps**	
Sales Mix **	OE	$ 141	$ 119	**18%**	**18%**	$ 421	$ 373	**13%**	**10%**
		30%	28%	**200 bps**		30%	29%	**100 bps**	
	AM	$ 325	$ 305	**7%**	**7%**	$ 994	$ 903	**10%**	**8%**
		70%	72%	**(200) bps**		70%	71%	**(100) bps**	

* Constant FX represents the year over year variance assuming 2018 results at 2017 FX rates
** Gross bookings and sales do not include interdivision eliminations

Industrial Product Division
Q3 2018 Segment Results

	3rd Quarter					Year-to-Date				
($ millions)	2018	2017	Delta ($)	Delta (%)	Constant FX(%)*	2018	2017	Delta ($)	Delta (%)	Constant FX(%)*
Bookings	$ 199.8	$ 196.9	**$ 2.9**	**1.5%**	**2.4%**	$ 633.2	$ 616.6	**$ 16.6**	**2.7%**	**-0.1%**
Sales	$ 199.1	$ 189.7	**$ 9.4**	**5.0%**	**6.1%**	$ 603.0	$ 559.9	**$ 43.1**	**7.7%**	**4.9%**
Gross Profit	$ 47.0	$ 39.3	**$ 7.7**	**19.6%**		$ 130.1	$ 98.1	**$ 32.0**	**32.6%**	
Gross Margin (%)	23.6%	20.7%		**290 bps**		21.6%	17.5%		**410 bps**	
SG&A	$ 42.1	$ 43.2	**$ (1.1)**	**-2.5%**	**-1.5%**	$ 148.0	$ 144.5	**$ 3.5**	**2.4%**	**5.1%**
SG&A (%)	21.1%	22.8%		**(170) bps**		24.5%	25.8%		**(130) bps**	
(Loss) on Sale of Business	$ (7.7)	$ -	**$ (7.7)**	**-**		$ (7.7)	$ -	**$ (7.7)**	**-**	
Income from Affiliates	$ 0.3	$ 0.4	**$ (0.1)**	**-**		$ 0.4	$ 0.7	**$ (0.3)**	**-**	
Operating (Loss)	$ (2.5)	$ (3.5)	**$ 1.0**	**28.6%**	**25.1%**	$ (25.2)	$ (45.7)	**$ 20.5**	**44.9%**	**48.3%**
Operating (Loss) Margin (%)	-1.3%	-1.8%		**50 bps**		-4.2%	-8.2%		**400 bps**	
Adjusted Operating Income / (Loss)**	$ 5.6	$ (0.7)	**$ 6.3**	**-**	**-**	$ 5.9	$ (3.0)	**$ 8.9**	**-**	
Adjusted Operating (Loss) Margin%**	2.8%	-0.4%		**320 bps**		1.0%	-0.5%		**150 bps**	

* Constant FX represents the year over year variance assuming 2018 results at 2017 FX rates

** Adjusted Operating Income excludes realignment charges of $0.4 million and $6.0 million for Q3 2018 and YTD 2018, respectively, and realignment charges of $1.6 million and $22.1 million for Q3 2017 and YTD 2017, respectively, IDP asset write-down of $17.4 million YTD 2018, loss on sale of IPD assets of $7.7 million for Q3 2018 and YTD 2018, respectively, $1.2 million and $3.2 million of SIHI integration costs and purchase price adjustments for Q3 2017 and YTD 2017, respectively, and $17.4 million charge to reserve for costs incurred related to a contract to supply oil and gas platform equipment to an end user in Latin America YTD 2017

Industrial Product Division
Q3 2018 Bookings and Sales

($ millions)		3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	Year-to-Date 2018	Year-to-Date 2017	Year-to-Date Delta (%)	Year-to-Date Constant FX(%)*
Bookings Mix **	OE	$ 120	$ 121	**-1%**	**-1%**	$ 389	$ 388	**0%**	**-2%**
		60%	61%	**(100) bps**		61%	63%	**(200) bps**	
	AM	$ 80	$ 76	**6%**	**7%**	$ 244	$ 229	**7%**	**4%**
		40%	39%	**100 bps**		39%	37%	**200 bps**	
Sales Mix **	OE	$ 124	$ 118	**5%**	**6%**	$ 367	$ 350	**5%**	**2%**
		62%	62%	**-**		61%	62%	**(100) bps**	
	AM	$ 75	$ 71	**5%**	**6%**	$ 236	$ 210	**12%**	**9%**
		38%	38%	**-**		39%	38%	**100 bps**	

* Constant FX represents the year over year variance assuming 2018 results at 2017 FX rates
** Gross bookings and sales do not include interdivision eliminations

Flow Control Division
Q3 2018 Segment Results

($ millions)	3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta ($)	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	Year-to-Date 2018	Year-to-Date 2017	Year-to-Date Delta ($)	Year-to-Date Delta (%)	Year-to-Date Constant FX(%)*
Bookings	$ 314.2	$ 285.9	**$ 28.3**	**9.9%**	**11.3%**	$ 957.9	$ 911.2	**$ 46.7**	**5.1%**	**3.1%**
Sales	$ 306.2	$ 287.7	**$ 18.5**	**6.4%**	**7.9%**	$ 889.9	$ 843.5	**$ 46.4**	**5.5%**	**3.7%**
Gross Profit	$ 109.4	$ 91.9	**$ 17.5**	**19.0%**		$ 298.6	$ 278.0	**$ 20.6**	**7.4%**	
Gross Margin (%)	35.7%	31.9%		**380 bps**		33.6%	33.0%		**60 bps**	
SG&A	$ 52.9	$ 52.9	**-**	**-**	**1.0%**	$ 161.1	$ 163.8	**$ (2.7)**	**-1.6%**	**-3.5%**
SG&A (%)	17.3%	18.4%		**(110) bps**		18.1%	19.4%		**(130) bps**	
Gain on Sale of business	$ -	$ 9.9	**$ (9.9)**	**-**		$ -	$ 141.2	**$ (141.2)**	**-**	
Income from Affiliates	$ (0.1)	$ 0.1	**$ (0.2)**	**-**		$ (0.8)	$ (0.3)	**$ (0.5)**	**166.7%**	
Operating Income	$ 56.4	$ 48.8	**$ 7.6**	**15.6%**	**18.0%**	$ 136.7	$ 255.1	**$ (118.4)**	**-46.4%**	**-46.3%**
Operating Margin (%)	18.4%	17.0%		**140 bps**		15.4%	30.2%		**(1480) bps**	
Adjusted Operating Income**	$ 56.9	$ 45.1	**$ 11.8**	**26.2%**	**28.8%**	$ 141.3	$ 126.7	**$ 14.6**	**11.5%**	**11.4%**
Adjusted Operating Margin%**	18.6%	15.7%		**290 bps**		15.9%	15.0%		**90 bps**	

* Constant FX represents the year over year variance assuming 2017 results at 2016 FX rates
** Adjusted Operating Income excludes realignment charges of $0.5 million and $4.6 million for Q3 2018 and YTD 2018, respectively, and realignment charges of $6.2 million and $12.8 million for Q3 2017 and YTD 2017, respectively, and $9.9 million gain on sale of Vogt for Q3 2017 and $141.2 million gain on sale of Vogt and Gestra YTD 2017

Flow Control Division
Q3 2018 Bookings and Sales

($ millions)		3rd Quarter 2018	3rd Quarter 2017	3rd Quarter Delta (%)	3rd Quarter Constant FX(%)*	Year-to-Date 2018	Year-to-Date 2017	Year-to-Date Delta (%)	Year-to-Date Constant FX(%)*
Bookings Mix **	OE	$ 240	$ 215	**12%**	**13%**	$ 722	$ 693	**4%**	**0%**
		76%	75%	**100 bps**		75%	76%	**(100) bps**	
	AM	$ 74	$ 71	**4%**	**8%**	$ 236	$ 218	**8%**	**14%**
		24%	25%	**(100) bps**		25%	24%	**100 bps**	
Sales Mix **	OE	$ 241	$ 215	**12%**	**13%**	$ 692	$ 649	**7%**	**6%**
		79%	75%	**400 bps**		78%	77%	**100 bps**	
	AM	$ 66	$ 73	**-10%**	**-6%**	$ 198	$ 195	**2%**	**-4%**
		21%	25%	**(400) bps**		22%	23%	**(100) bps**	

* Constant FX represents the year over year variance assuming 2018 results at 2017 FX rates
** Gross bookings and sales do not include interdivision eliminations

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