FLOWSERVE

THIRD QUARTER

2023 EARNINGS CONFERENCE CALL

October 26, 2023

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, earnings forecasts, statements relating to our business strategy and statements of expectations, beliefs, future plans and strategies and anticipated developments concerning our industry, business, operations and financial performance and condition

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: the impact of the global outbreak of COVID-19 on our business and operations; global supply chain disruptions and the current inflationary environment could adversely affect the efficiency of our manufacturing and increase the cost of providing our products to customers; 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; if we are not able to successfully execute and realize the expected financial benefits from any restructuring and realignment initiatives, our business could be adversely affected; 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, trade embargoes, epidemics or pandemics or changes to tariffs or trade agreements that could affect customer markets, particularly North African, Latin American, Asian 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; potential adverse consequences resulting from litigation to which we are a party, such as litigation involving asbestos-containing material claims; expectations regarding acquisitions and the integration of acquired businesses; 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; 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; our information technology infrastructure could be subject to service interruptions, data corruption, cyber-based attacks or network security breaches, which could disrupt our business operations and result in the loss of critical and confidential information; 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 in the appendix that reconcile these non-GAAP measures to their corresponding GAAP-based measures.

Q3 2023 Highlights

Substantial revenue growth of 25.4% drove Adjusted EPS* of $0.50

Bookings of $1.07 billion largely maintained our near-record $2.77 billion backlog

- Included solid aftermarket bookings of $582 million, up 7.1% vs. prior year

Adjusted gross margins* increased 230 bps to 29.7% versus prior year

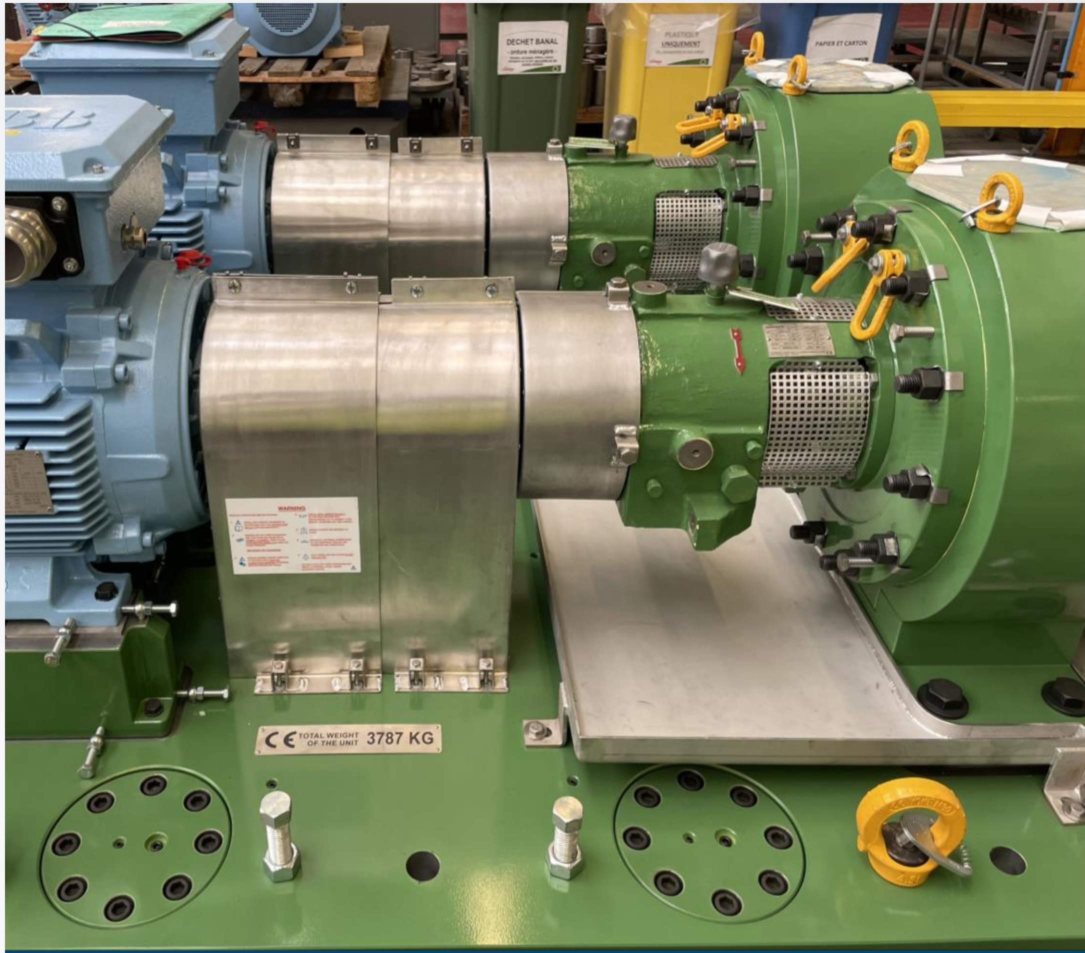
Adjusted operating margins* increased 630 bps to 8.7% versus prior year

- Includes approximately 100 bps negative impact of non-cash adjustment to certain long-term liabilities

Continued progress on 3D growth strategy to Diversify, Decarbonize and Digitize

- YTD Energy Transition bookings up over 40% vs. prior year

Increased full-year 2023 revenue and adjusted EPS guidance ranges

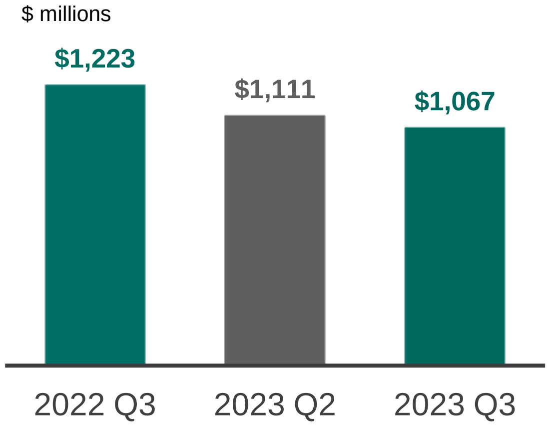


Critical Service Pumps for Nuclear Applications

* See appendix for reconciliation to corresponding GAAP-based measure

Q3 2023 Overview

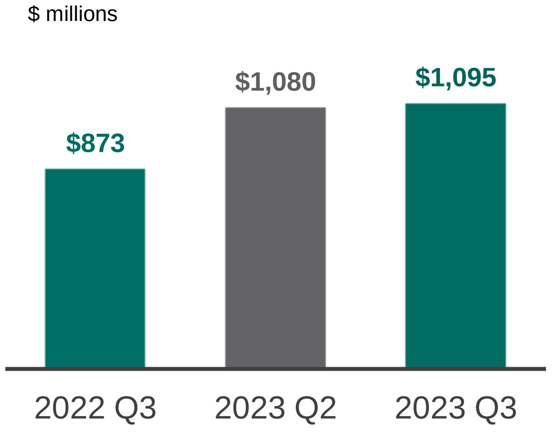
BOOKINGS



MRO and Aftermarket bookings continued at near record levels

- AM bookings remained strong at $582 million
- Prior year OE bookings included $210 million Middle East oil and gas project

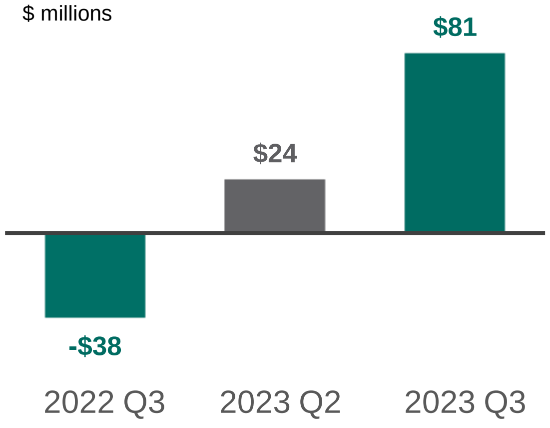
SALES



Revenue increased 25.4% versus prior year – highest revenue level since 2015

- Expect full-year 2023 revenue growth of 18%-19% including modest currency benefit at current rates

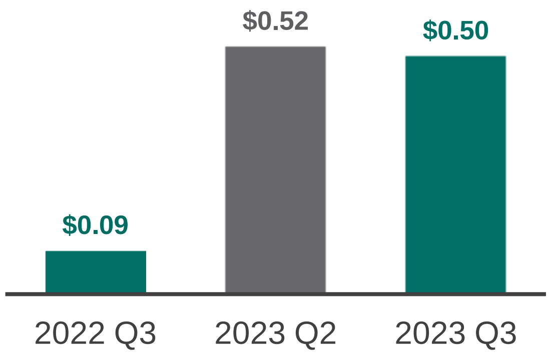
OPERATING CASH FLOW



Strong third quarter operating cash flow includes $63 million working capital improvement vs. prior year

- Expect traditional seasonally strong fourth quarter operating cash flow as we deliver our $2.8 billion backlog

ADJUSTED EPS*



Adjusted EPS of $0.50 on continued operating momentum

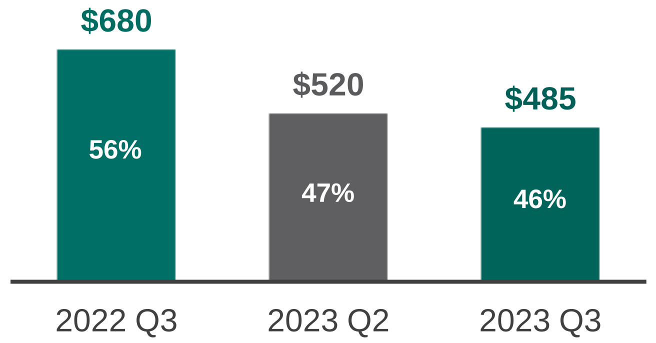
- Includes $0.06 of non-cash charge to true-up discrete long-term liability
- Increased 2023 full year adjusted EPS range to $1.95-$2.05, representing 80% year-over-year growth at mid-point

* See appendix for reconciliation to corresponding GAAP-based measure

Q3 2023 Bookings Mix

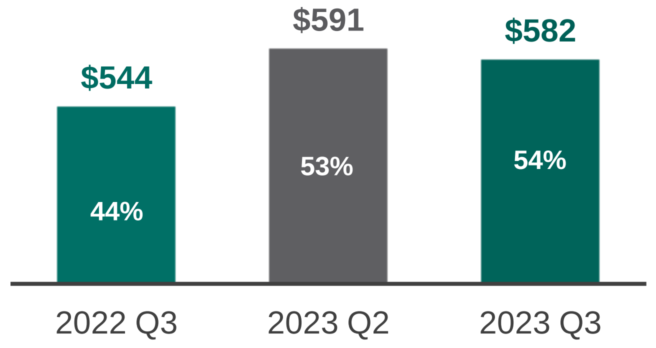
ORIGINAL EQUIPMENT

$ millions



AFTERMARKET

$ millions



OIL & GAS – 40%

- Elevated commodity prices driving enhanced activity globally
- Further project activity expected in the Middle East and Asia
- Higher utilization rates continue to drive aftermarket and MRO activity
- Decarbonization spending accelerating

CHEMICAL – 21%

- Recycling and plastic waste investments growing
- Asia still building out chemical capacity
- Petrochemical production outlook in the Middle East is strong
- Demand softness globally for base chemicals

POWER – 11%

- Power investments driven by energy security concerns
- First ever Nuclear Energy Summit scheduled for Q1 2024
- Renewable power continues to accelerate

GENERAL INDUSTRIES – 25%

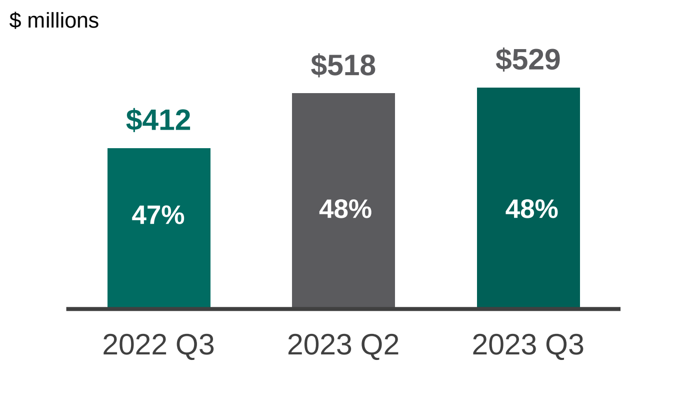
- Infrastructure investments driving strong Industrial activity
- Energy transition initiatives support strong mineral extraction activity
- Distribution channel remains strong despite moderate destocking

WATER – 3%

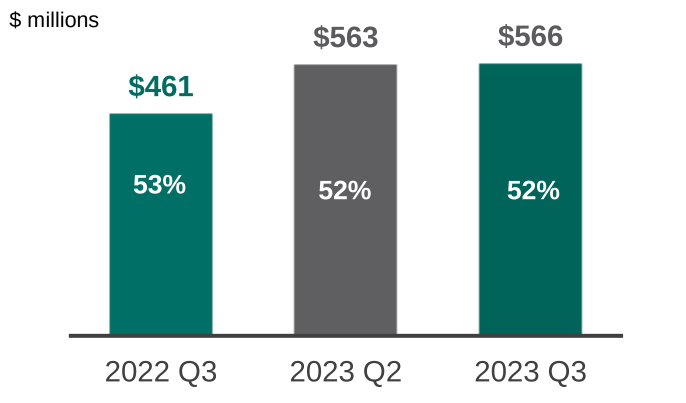
- Water opportunities continue to grow in industrial and waste water applications

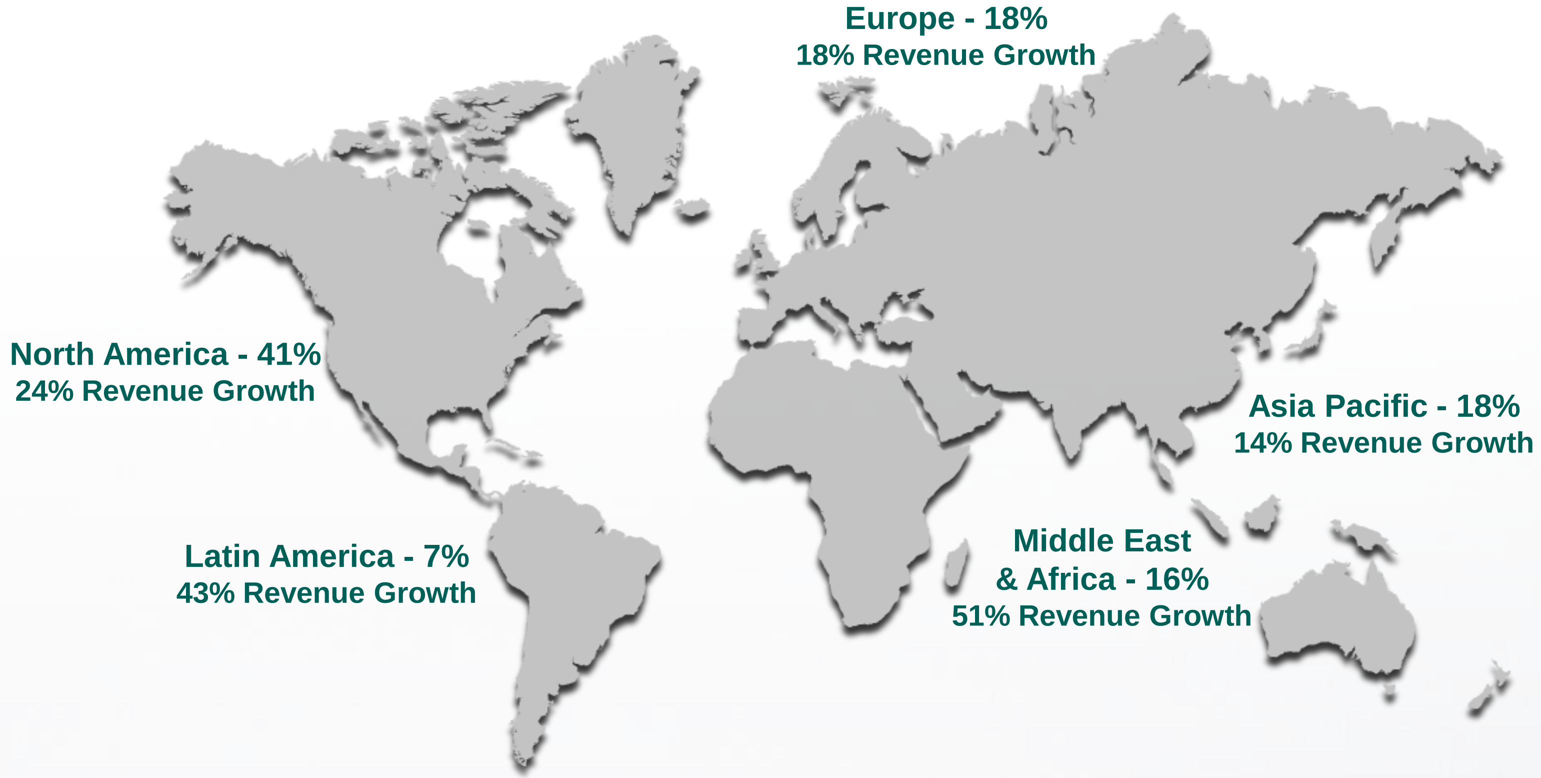
Q3 2023 Sales Mix

ORIGINAL EQUIPMENT



AFTERMARKET





Strong revenue growth across all regions

FLOWSERVE

Q3 2023 Segment Highlights

	FPD As Reported	FPD Year-over-Year	FCD As Reported	FCD Year-over-Year
Bookings	$734.7	-20.6%	$330.5	10.2%
Adjusted Gross Margin*	29.6%	+100 bps	29.8%	+210 bps
Adjusted SG&A as % of Sales*	17.8%	-570 bps	15.1%	-210 bps
Adjusted Operating Margin*	12.3%	+630 bps	14.7%	+420 bps
Book-to-Bill	0.96x		1.00x	

Improved execution drove strong adjusted operating margin increase across both segments

* See appendix for reconciliation to corresponding GAAP-based measure

2023 Guidance [1]

Guidance Metric	Revised 2023 Guidance	Prior 2023 Guidance
Revenue Growth	Up 18.0% - 19.0%	Up 16.0% - 18.0%
Reported EPS [2]	$1.40 - $1.50	$1.40 - $1.65
Adjusted EPS [3]	$1.95 - $2.05	$1.85 - $2.00
Adjusted Tax Rate	~20%	~20%
Capital Expenditures	$75 - $85 million	$75 - $85 million
Net Interest Expense	~$60 million	~$60 million

3rd consecutive increase in revenue and adjusted EPS guidance driven by continued operating momentum

[1] As of October 26, 2023 (Prior Guidance as of August 26, 2023)
[2] 2023 Reported and Adjusted EPS guidance assumes 132 million diluted shares
[3] Adjusted EPS guidance excludes identified realignment charges of approximately $55 million, below-the-line FX impact and other potential specific discrete items

2027 Financial Targets

$5B+

Organic Revenue

5% CAGR (2023-2027)

3D strategy, aftermarket growth, and new product development

14 – 16%

Adjusted Operating Margin*

Operational excellence, portfolio optimization & product management and operating leverage

>$4.00

Adjusted EPS*

Significant growth expected in 2024

Multiple levers to enable success going forward

Please see Appendix for key target assumptions.

* Adjusted Operating Margin and Adjusted EPS are Non-GAAP figures.

Flowserve 3D Growth Strategy in Action

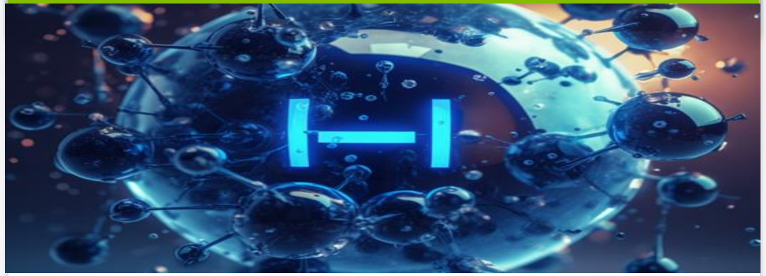
DIVERSIFY

Diversify – Vacuum Technology Enabling Semiconductor Manufacturing

Multiple SIHI Dry vacuum pumps supplied for construction of semiconductor manufacturing facility in the U.S.

Flowserve will enable our customer to accelerate manufacturing within innovative applications including 5G networking and AI processing

DECARBONIZE



Decarbonize – CO2 Capture in Ammonia Production

A portfolio of pumps and valves will be utilized to produce blue ammonia in a US plant

The facility will include autothermal reforming and capture up to 95% of the CO2 emissions from the facility while producing hydrogen and blue ammonia

DIGITIZE

Digitize – Enabling Reliable Delivery of Safer Food & Beverages

Recently awarded a Red Raven™ contract for a beverage producer in Scotland to significantly improve reliability of over 100 assets

We continue to add equipment to our growing list of connected assets driving enhanced reliability and more predictable operation

Key Takeaways and Outlook

New operating model driving improved and consistent operating performance provides confidence to raise full year guidance for the third consecutive quarter

3D strategy positions Flowserve exceptionally well to capitalize on supportive end markets, including strength in our traditional markets driven by energy security and decarbonization initiatives

MRO and aftermarket activity remain elevated driving near-record aftermarket backlog

Improved phasing of the business drove positive operating cash flow in each quarter of 2023 and we expect to deliver a seasonally strong fourth quarter

Preliminary 2024 outlook includes mid-single digit revenue increase with 20%+ earnings growth driven by continued operating momentum

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Appendix

Q3 2023 Consolidated Financial Results

Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)
(Amounts in thousands, except per share data)

Three Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Income Taxes	Earnings Attributable to Noncontrolling Interests	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	**$ 317,694**	**$ 252,065**	**$ 70,256**	**$ (13,710)**	**$ (11,186)**	**$ 6,437**	**$ 46,156**	**-27.0%**	**$ 0.35**
Reported as a percent of sales	*29.0%*	*23.0%*	*6.4%*	*-1.3%*	*-1.0%*	*0.6%*	*4.2%*		
Realignment charges (a)	7,240	(14,954)	22,194	-	4,250	-	17,944	19.1%	0.14
Acquisition related (b)	-	(2,539)	2,539	-	443	-	2,096	17.4%	0.02
Correction of prior period errors (c)	-	-	-	-	-	(3,559)	3,559	0%	0.03
Discrete tax benefit (d)	-	-	-	-	13,000	-	(13,000)	0%	-0.10
Below-the-line foreign exchange impacts (e)	-	-	-	12,164	2,276	-	9,888	18.7%	0.07
Adjusted	**$ 324,934**	**$ 234,572**	**$ 94,989**	**$ (1,546)**	**$ 8,783**	**$ 2,878**	**$ 66,643**	**11.2%**	**$ 0.50**
Adjusted as a percent of sales	*29.7%*	*21.4%*	*8.7%*	*-0.1%*	*0.8%*	*0.3%*	*6.1%*		

(a) Charges represent realignment costs incurred as a result of realignment programs
(b) Charges represent costs associated with a terminated acquisition
(c) Represents the amount to correct the cumulative impact of prior period errors
(d) Represents a discrete tax benefit due to release of tax valuation allowance on the net deferred tax assets in a foreign jurisdiction. The associated tax expense was adjusted out in 2015
(e) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency

YTD 2023 Consolidated Financial Results

Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)

(Amounts in thousands, except per share data)

Nine Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Income Taxes	Earnings Attributable to Noncontrolling Interests	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	**$ 937,285**	**$ 726,424**	**$ 224,090**	**$ (27,271)**	**$ 14,571**	**$ 13,618**	**$ 124,126**	**9.6%**	**$ 0.94**
Reported as a percent of sales	*29.7%*	*23.0%*	*7.1%*	*-0.9%*	*0.5%*	*0.4%*	*3.9%*		
Realignment charges (a)	11,548	(39,076)	50,624	-	10,415	-	40,209	20.6%	0.30
Acquisition related (b)	-	(8,491)	8,491	-	1,997	-	6,494	23.5%	0.05
Discrete asset write-downs (c)(d)(e)	1,969	(3,955)	5,924	-	1,517	-	4,407	25.6%	0.03
Below-the-line foreign exchange impacts (f)	-	-	-	24,328	2,669	-	21,659	0.0%	0.16
Correction of prior period errors (g)	-	-	-	-	-	(3,559)	3,559	0.0%	0.03
Discrete tax benefit (h)	-	-	-	-	13,000	-	(13,000)	0.0%	-0.10
Adjusted	**$ 950,802**	**$ 674,902**	**$ 289,129**	**$ (2,943)**	**$ 44,169**	**$ 10,059**	**$ 187,454**	**18.3%**	**$ 1.42**
Adjusted as a percent of sales	*30.1%*	*21.4%*	*9.2%*	*-0.1%*	*1.4%*	*0.3%*	*5.9%*		

(a) Charges represent realignment costs incurred as a result of realignment programs of which $7,601 is non-cash

(b) Charges represent costs associated with a terminated acquisition

(c) Charge represents a further expense of $1,834 asssociated with a sales contract that was initially reserved for in 2017

(d) Charge represents a further $1,173 non-cash write-down of inventory associated with a customer sales contract originally determined to be uncollectible in 2020

(e) Charge represents a $2,917 non-cash write-down of a licensing agreement

(f) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency

(g) Represents the amount to correct the cumulative impact of prior period errors

(h) Represents a discrete tax benefit due to release of tax valuation allowance on the net deferred tax assets in a foreign jurisdiction. The associated tax expense was adjusted out in 2015

Q3 2022 Consolidated Financial Results

Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)
(Amounts in thousands, except per share data)

Three Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Income Taxes	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	**$ 239,577**	**$ 221,142**	**$ 24,217**	**$ 28,676**	**$ 1,817**	**$ 38,400**	**4.2%**	**$ 0.29**
Reported as a percent of sales	*27.4%*	*25.3%*	*2.8%*	*3.3%*	*0.2%*	*4.4%*		
Realignment charges (a)	(395)	(99)	(296)	-	(94)	(202)	31.8%	0.00
Discrete asset write-downs (b)	(209)	2,523	(2,732)	-	(624)	(2,108)	22.8%	-0.02
Below-the-line foreign exchange impacts (c)	-	-	-	(30,482)	(6,730)	(23,752)	22.1%	-0.18
Adjusted	**$ 238,973**	**$ 223,566**	**$ 21,189**	**$ (1,806)**	**$ (5,631)**	**$ 12,338**	**-63.0%**	**$ 0.09**
Adjusted as a percent of sales	*27.4%*	*25.6%*	*2.4%*	*-0.2%*	*-0.6%*	*1.4%*		

(a) Charges represent realignment costs credit as a result of realignment programs

(b) Represents reversals of expenses that were adjusted for Non-GAAP measures in previous periods

(c) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency

YTD 2022 Consolidated Financial Results

Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)

(Amounts in thousands, except per share data)

Nine Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Income Taxes	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	**$ 699,053**	**$ 621,956**	**$ 91,918**	**$ 28,152**	**$ 16,618**	**$ 67,359**	**18.5%**	**$ 0.51**
Reported as a percent of sales	*27.1%*	*24.1%*	*3.6%*	*1.1%*	*0.6%*	*2.6%*		
Realignment charges (a)	(126)	40	(166)	-	(67)	(99)	40.4%	0.00
Discrete asset write-downs (b)(c)(d)	9,844	(10,706)	20,550	-	(694)	21,244	-3.4%	0.16
Below-the-line foreign exchange impacts (e)	-	-	-	(34,900)	(7,761)	(27,139)	0.0%	-0.20
Adjusted	**$ 708,771**	**$ 611,290**	**$ 112,302**	**$ (6,748)**	**$ 8,096**	**$ 61,365**	**10.8%**	**$ 0.47**
Adjusted as a percent of sales	*27.5%*	*23.7%*	*4.4%*	*-0.3%*	*0.3%*	*2.4%*		

(a) Charges represent realignment costs incurred as a result of realignment programs

(b) Charge represents a $3,036 non-cash asset write-down associated with the impairment of a trademark

(c) Charges represent a $20,246 reserve of Russia-related financial exposures

(d) Includes reversal of expenses that were adjusted for Non-GAAP measures in previous periods of $2,732

(e) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency.

Q3 2023 Segment Results

Segment Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)
(Amounts in thousands)

Flowserve Pump Division

Three Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	**$ 220,321**	**$ 146,679**	**$ 78,269**
Reported as a percent of sales	*28.8%*	*19.1%*	*10.2%*
Realignment charges (a)	6,141	(9,929)	16,070
Adjusted	**$ 226,462**	**$ 136,750**	**$ 94,339**
Adjusted as a percent of sales	*29.6%*	*17.8%*	*12.3%*

Three Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	**$ 170,046**	**$ 136,915**	**$ 38,912**
Reported as a percent of sales	*28.7%*	*23.1%*	*6.6%*
Realignment charges (a)	(417)	(74)	(343)
Discrete asset write-downs (b)	(209)	2,523	(2,732)
Adjusted	**$ 169,420**	**$ 139,364**	**$ 35,837**
Adjusted as a percent of sales	*28.6%*	*23.5%*	*6.0%*

Flow Control Division

Three Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	**$ 97,563**	**$ 54,016**	**$ 43,547**
Reported as a percent of sales	*29.5%*	*16.3%*	*13.2%*
Realignment charges (a)	1,099	(1,572)	2,671
Acquisition related (b)	-	(2,539)	2,539
Adjusted	**$ 98,662**	**$ 49,905**	**$ 48,757**
Adjusted as a percent of sales	*29.8%*	*15.1%*	*14.7%*

Three Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	**$ 78,173**	**$ 48,454**	**$ 29,718**
Reported as a percent of sales	*27.8%*	*17.2%*	*10.6%*
Realignment charges (a)	22	(7)	29
Adjusted	**$ 78,195**	**$ 48,447**	**$ 29,747**
Adjusted as a percent of sales	*27.8%*	*17.2%*	*10.6%*

(a) Charges represent realignment costs incurred as a result of realignment
(b) Charges represent costs associated with a terminated acquisition

(a) Charges represent realignment costs credit as a result of realignment programs
(b) Represents reversal of expenses that were adjusted for Non-GAAP measures in previous periods

YTD 2023 Segment Results

Segment Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)
(Amounts in thousands)

Flowserve Pump Division

Nine Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	$ 668,562	$ 426,438	$ 255,345
Reported as a percent of sales	*30.0%*	*19.1%*	*11.4%*
Realignment charges (a)	7,484	(11,996)	19,480
Discrete asset write-downs (b)(c)(d)	1,969	(3,955)	5,924
Adjusted	$ 678,015	$ 410,487	$ 280,749
Adjusted as a percent of sales	*30.4%*	*18.4%*	*12.6%*

Nine Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	$ 510,949	$ 408,439	$ 117,259
Reported as a percent of sales	*28.7%*	*22.9%*	*6.6%*
Realignment charges (a)	(121)	(151)	30
Discrete asset write-downs (b)(c)	8,730	(6,588)	15,318
Adjusted	$ 519,558	$ 401,700	$ 132,607
Adjusted as a percent of sales	*29.1%*	*22.5%*	*7.4%*

Flow Control Division

Nine Months Ended September 30, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	$ 270,914	$ 172,718	$ 98,196
Reported as a percent of sales	*29.1%*	*18.6%*	*10.6%*
Realignment charges (a)	4,263	(10,478)	14,741
Acquisition related (e)	-	(8,491)	8,491
Adjusted	$ 275,177	$ 153,749	$ 121,428
Adjusted as a percent of sales	*29.6%*	*16.5%*	*13.1%*

Nine Months Ended September 30, 2022	Gross Profit	Selling, General & Administrative Expense	Operating Income
Reported	$ 218,012	$ 142,688	$ 75,324
Reported as a percent of sales	*27.3%*	*17.9%*	*9.4%*
Realignment charges (a)	56	(57)	113
Discrete asset write-downs (b)(d)	1,114	(4,118)	5,232
Adjusted	$ 219,182	$ 138,513	$ 80,669
Adjusted as a percent of sales	*27.4%*	*17.3%*	*10.1%*

(a) Charges represent realignment costs incurred as a result of realignment programs of which $7,601 is non-cash
(b) Charge represents a further expense of $1,834 asssociated with a sales contract
(c) Charge represents a further $1,173 non-cash write-down of inventory with a customer sales contract that was determined to be uncollectible in 2020
(d) Charge represents a $2,917 non-cash write-down of a licensing agreement
(e) Charges represent costs associated with a terminated acquisition

(a) Charges represent realignment costs incurred as a result of realignment programs
(b) Charges represent the reserve of Russia-related financial exposures of $20,246
(c) Includes reversal of expenses that were adjusted for Non-GAAP measures in previous periods of $2,732
(d) Charge represents a non-cash asset write-down of $3,036 associated with the impairment of a trademark

Q3 2023 Bookings and Sales Mix

Flowserve Pump Division

($ millions)		Q3 2023	Q3 2022	Delta (%)	Constant FX(%)*	YTD 2023	YTD 2022	Delta (%)	Constant FX(%)*
Bookings Mix **	OE	234	460	**-49%**	**-50%**	736	1,041	**-29%**	**-30%**
		32%	50%	**(1800) bps**		33%	43%	**(1000) bps**	
	AM	501	466	**7%**	**5%**	1,486	1,392	**7%**	**7%**
		68%	50%	**1800 bps**		67%	57%	**1000 bps**	
Sales Mix **	OE	285	197	**45%**	**40%**	822	611	**35%**	**34%**
		37%	33%	**400 bps**		37%	34%	**300 bps**	
	AM	482	396	**22%**	**19%**	1,410	1,172	**20%**	**21%**
		63%	67%	**(400) bps**		63%	66%	**(300) bps**	

Flow Control Division

($ millions)		Q3 2023	Q3 2022	Delta (%)	Constant FX(%)*	YTD 2023	YTD 2022	Delta (%)	Constant FX(%)*
Bookings Mix **	OE	252	222	**14%**	**13%**	781	699	**12%**	**13%**
		76%	74%	**200 bps**		76%	76%	**- bps**	
	AM	79	79	**0%**	**-1%**	241	224	**7%**	**8%**
		24%	26%	**(200) bps**		24%	24%	**- bps**	
Sales Mix **	OE	246	216	**14%**	**13%**	693	599	**16%**	**17%**
		74%	77%	**(300) bps**		74%	75%	**(100) bps**	
	AM	85	66	**28%**	**27%**	237	200	**19%**	**19%**
		26%	23%	**300 bps**		26%	25%	**100 bps**	

* Constant FX represents the year over year variance assuming 2023 results at 2022 monthly FX rates
** Gross bookings and sales do not include interdivision eliminations

2027 Financial Target Assumptions

$5B+

Organic Revenue

5% CAGR (2023-2027)

3D strategy, aftermarket growth, and new product development

14 – 16%

Adjusted Operating Margin*

Operational excellence, portfolio optimization & product management and operating leverage

>$4.00

Adjusted EPS*

Significant growth expected in 2024

Multiple levers to enable success going forward

Key assumptions include: no significant macroeconomic, pandemic, geopolitical or terrorist-related disruptions that could have a material impact on our business and industry; ongoing modestly positive global GDP growth; inflation and interest rates at current levels or below; commodity prices, including crude oil, around current levels or above; foreign exchange rates at approximate current levels; organic performance (i.e. excludes impact of potential acquisitions or divestures); customers' capital and maintenance spending generally at current levels or above; and, limited impact from trade agreements and associated tariffs. Flowserve also encourages the reading of its "Risk Factors" as disclosed in our filings with the U.S. Securities and Exchange Commission for other factors that could impact our forward-looking targets.

* Adjusted Operating Margin and Adjusted EPS are Non-GAAP figures. Please refer to Appendix for historical reconciliation of GAAP to Adjusted figures

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