

CAPITAL MARKETS DAY 2013

DUBAI, 17 DECEMBER

A wide-angle photograph of an industrial facility, likely a refinery or power plant, at night. The scene is illuminated by numerous lights, creating a complex network of structures, pipes, and towers against a dark blue twilight sky. The facility is divided into several vertical sections by semi-transparent blue overlays.

**EMPOWERING
GLOBAL
ENERGY**

**MEETING
TOMORROW'S
ENERGY DEMANDS**

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bringing technology to life

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This document contains certain statements that are forward-looking statements. They appear in a number of places throughout this document and include statements regarding our intentions, beliefs or current expectations and those of our officers, directors and employees concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this document and unless otherwise required by applicable law the Company undertakes no obligation to update or revise these forward-looking statements. Nothing in this document should be construed as a profit forecast. The Company and its directors accept no liability to third parties in respect of this document save as would arise under English law.

TODAY'S PROGRAMME



09.15 John Crane Presentation(I)

Philip Bowman, Duncan Gillis

Executive Overview

What is our business model?

> 10.00 Site tour

> 11.30 Coffee break

> 11.45 John Crane Presentation(II)

Duncan Gillis, Dave Hill, John Donatiello, David Tallentire, Eric Evans

Where is our company going?

What is the investment case for John Crane?

Question and answer session

> 13.45 Lunch

> 14.15 Depart John Crane

> 15.30 Smiths Detection airside tour at Dubai International Airport

> 17.00 Depart airport for hotel

> 18.30 Drink reception at hotel, followed by dinner

Strong opportunities for value creation – An attractive business model



- Market leading brand with strong technology and customer relationships
- Attractive growth opportunities in the energy services sector
- Resilient business with high aftermarket exposure in diverse markets
- Strong global network of sales and service centres
- Opportunity to leverage this network – with a focus on energy services
- Strong and stable cash flows to reinvest in organic growth/acquisitions

- Meet a strengthened management team and a transformed business
- Explore the strengths of John Crane's technology and business model
- Outline the business strategy and opportunities for value creation
- Examine the market place and scope for growth
- Develop a greater understanding of the technology and aftermarket
- See John Crane's products and a 'super service centre' in a growth market

Executive overview

- Key messages
- Business overview and facts
- Global assets

What is our business model?

Site tour

Where is our company going?

What is the investment case for John Crane?



Key messages for today

- At our core, we are an energy services business
- By managing real complexity, we create value for our customers and barriers for potential new competitors
- We deliver strong cash flow, return on capital and growth



What we have achieved in the last year

- Developed a new long-term vision
- Defined a 2020 growth strategy
- Reorganized business
- Progressed five foundational elements:
Customer Service, Quality, Our Employees, Business Ethics, Safety
- Relocated global headquarters to downtown Chicago USA
- Revamped the innovation process
- Improved capital investment decision-making
- Adjusted business in line with first-fit market downturn
- Increased financial discipline

While delivering all-time highs in sales, operating margin and return on capital

The John Crane team



Duncan Gillis

- 1 year at John Crane
- >10 years leading multi-national and global businesses



John Donatiello

- Global End User
- 4 years at John Crane
 - >30 years in industry



Luca Mazzei

- Marketing
- <1 year at John Crane
 - 8 years with Honeywell & GE



Dave Hill

- Global First Fit
- 18 years at John Crane
 - 30 years in industry



Joe Haas

- Research, Development & Engineering
- 25 years at John Crane



David Tallentire

- Global Operations
- 15 years at John Crane
 - 17 years in industry



Alistair Rogers

- Transformation Management
- 30 years at John Crane



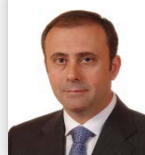
Zhenning Mao

- Greater China
- 4 years at John Crane
 - 21 years in technology industry



Eric Evans

- Finance
- 3 years at John Crane
 - 11 years in Pharma



Ruben Alvarez

- Production Solutions
- 16 years at John Crane



Mike Rizzo

- Human Resources
- 5 years at John Crane
 - 12 years at Smiths



 Attending today

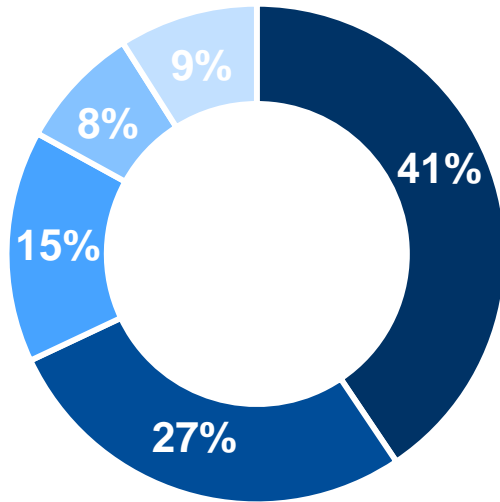


Geographically diverse portfolio focused on energy sector

Geographically diversified portfolio;
22% of revenue from emerging markets

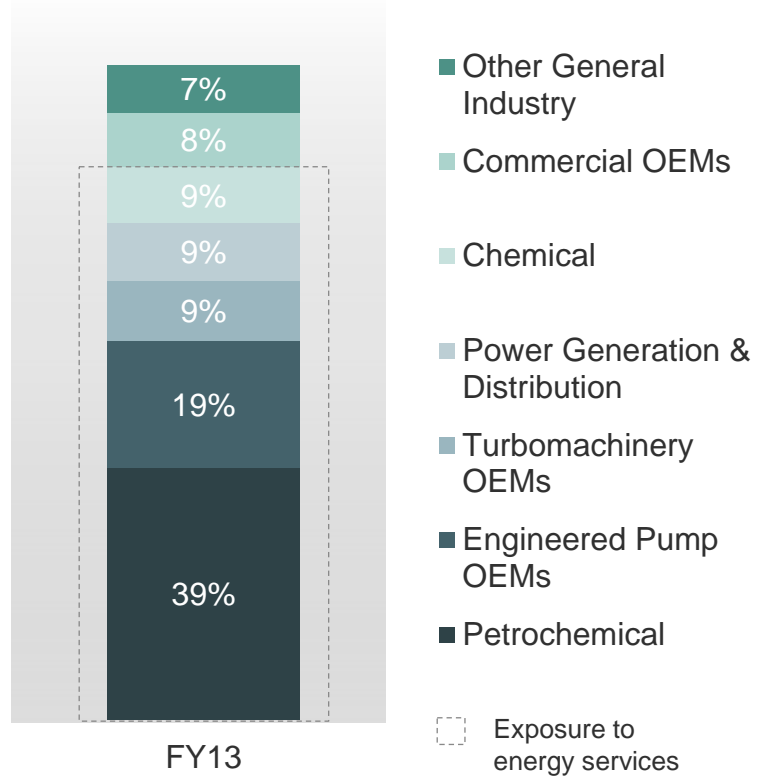
c65% of revenues from Energy Sector

Sales by geography



- North America
- Europe
- Asia Pacific
- Latin America
- Middle East & Africa

Sales by channel and select end markets

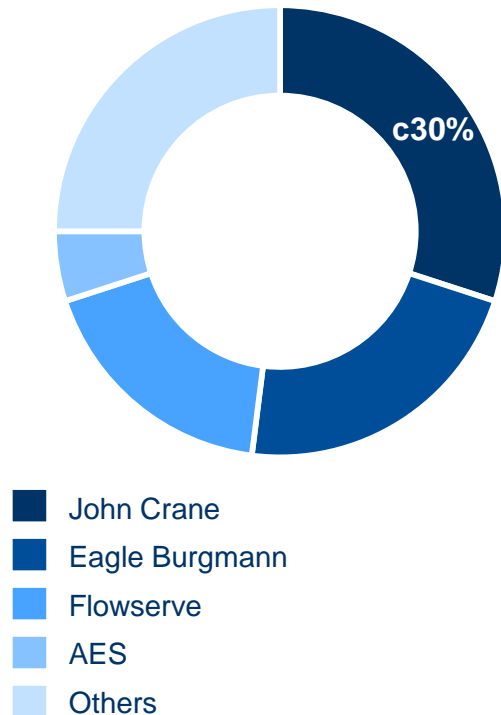


Source: John Crane Finance. FY 2013

Leading share of 30% in Seals & Systems

Three players account for c70% of market...

Mechanical seal & fluid control systems market shares



- Three primary players make up >70% of marketplace
- Closest competitors are c20% each
- Smaller local/regional players make up remainder
- Very sticky aftermarket; >90% like-for-like replacement
- High level of specification by end-users on first fit activity through OEMs
- Reliability and application engineering expertise are key differentiators

Source: Company estimate; Wall street estimate

Key technologies

Wet Seals



Dry Gas Seals



Fluid Control Systems



Couplings



Hydrodynamic Bearings



Filtration Systems



Packing, Teflon & Other

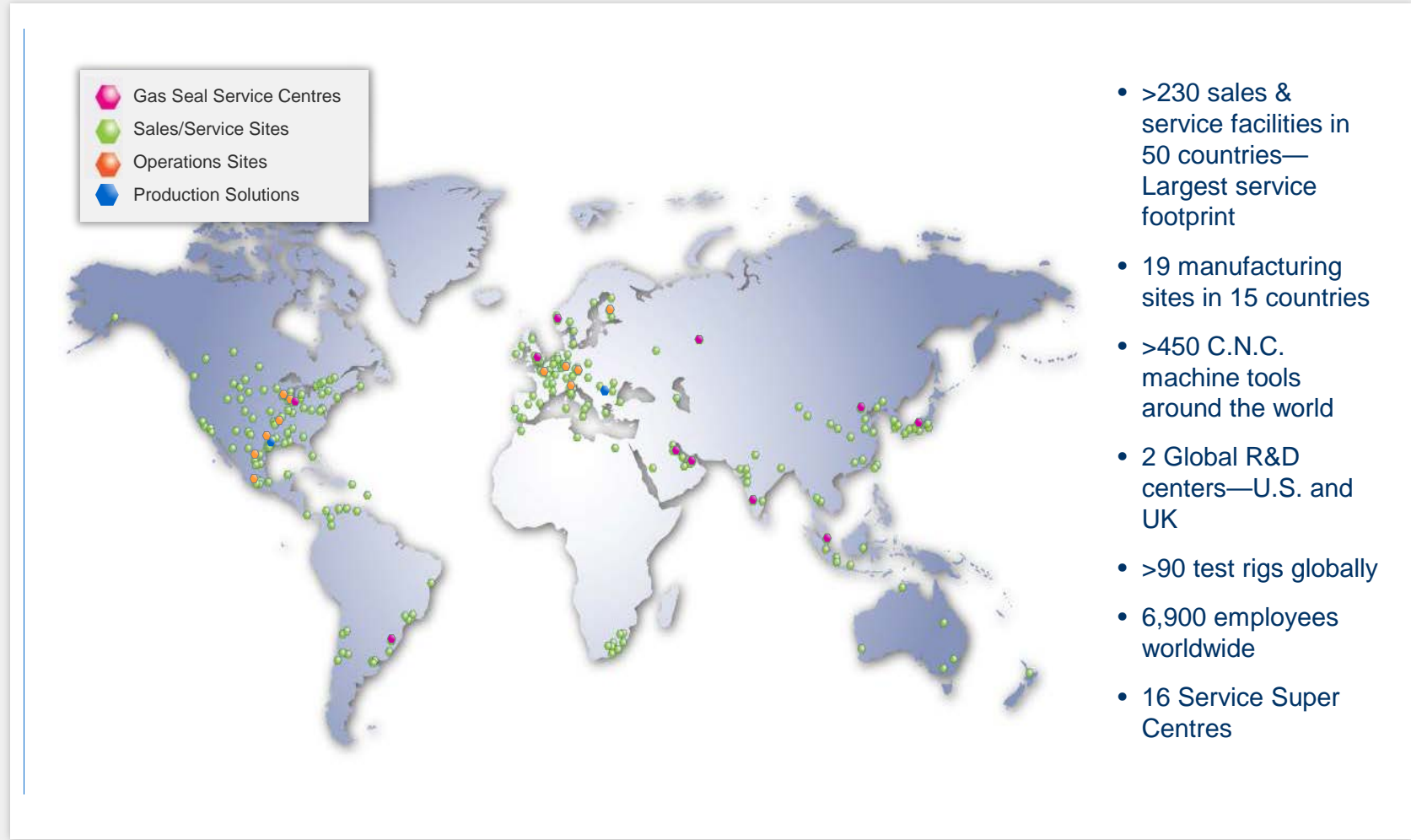


Fiberglass Sucker Rods



>230 active patents and patent applications

Assets—Largest global network and global technical expertise



The evolution of a market leader

1917-1930

Inception: packing, international expansion

1917, Formation of Crane Packing Company on Clinton Street in Chicago

1920-23, Formation of Crane Packing Ltd. Slough England; expansion to Canada and Italy



1930s-1960s

Advent and advancement of mechanical seal technologies

1938, First use of John Crane mechanical seals on water pumps of Chrysler cars

1939, TI Group acquired UK-based Crane Packing Ltd

1943, Intro of Type 1 general duty component seal

1949, First, ready to install cartridge seal that reduced plant downtime

1967, Sealol introduces Hastelloy C Metal Bellows Seal

1968, Dry gas seal— another breakthrough spiral groove technology

1970s-1990s

Gas Seal breakthroughs, industry consolidation

1979, First use of Type 28 non-contacting, dry gas seal on pipeline compressor

1984, First dry gas seal for a steam turbine

1987, TI Group acquired remaining regional operations, reuniting company under John Crane name

1990, Introduction of Type 2800 non-contacting seals, and acquired Lemco

1996, Launched American Petroleum Institute (API) 682 compliant cartridge seal and universal cartridges

1997, World's largest dry gas seal at 13"/330mm was supplied, and a 7500 psi test rig was commissioned

1998, Acquired Sealol, Safematic & Flexibox

2000-Present

Combination two John Cranes, Inorganic growth to adjacent applications & upstream

2000, Acquired by Smiths Industries plc

2007, Created Production Solutions through multiple acquisitions

2007, Acquired Sartorius Bearing Technology

2008, Acquired Indufil BV (Filtration Systems)

2008, "One John Crane"

2009, Acquired Orion Bearings

2010, Supplied power transmission couplings with the world's largest diameter at 55"

2011, Acquired Turbo Components & Engineering

2013, Highest pressure gas seal successfully tested

➤ Executive overview

➤ What is our business model?

- 2/3 of revenue from high-margin aftermarket services
- Value for customers, barriers for competitors
- World-class financial returns

➤ Site tour

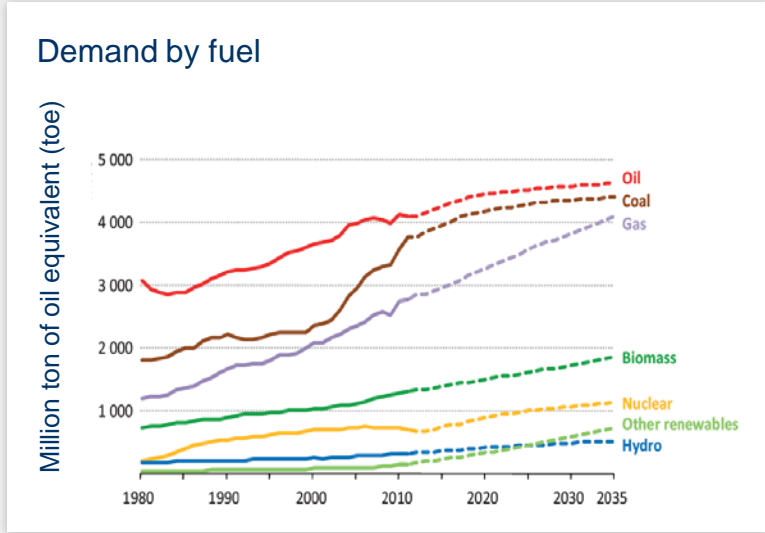
➤ Where is our company going?

➤ What is the investment case for John Crane?

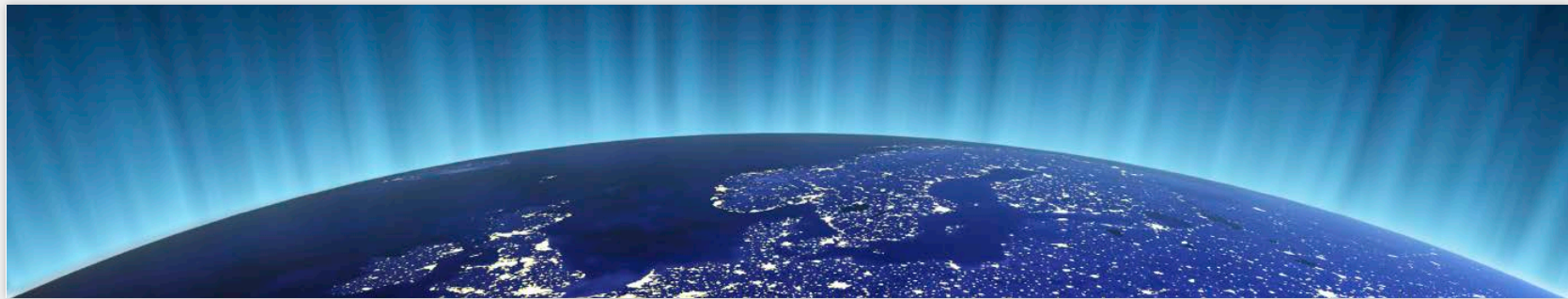
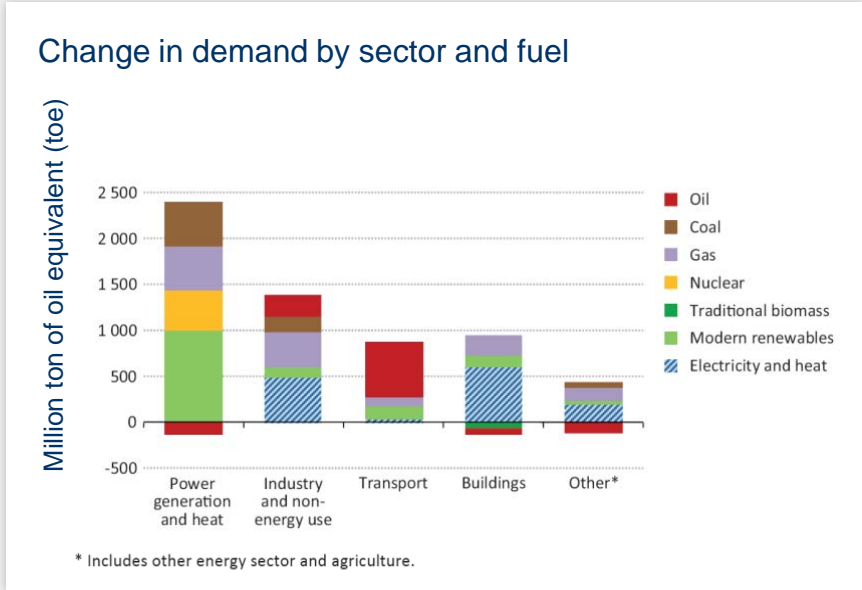


Oil and gas will remain a leading source of energy

Drivers of our c65% of revenues from Energy Sector...



Source: World Energy Outlook 2013; International Energy Agency



Driven by underlying megatrends



- Global energy consumption increasing 36% by 2030
- 93% of energy consumption growth is in less developed countries
- Energy used for power generation grows 49%
- Sources of oil & gas that are geopolitically more difficult to reach

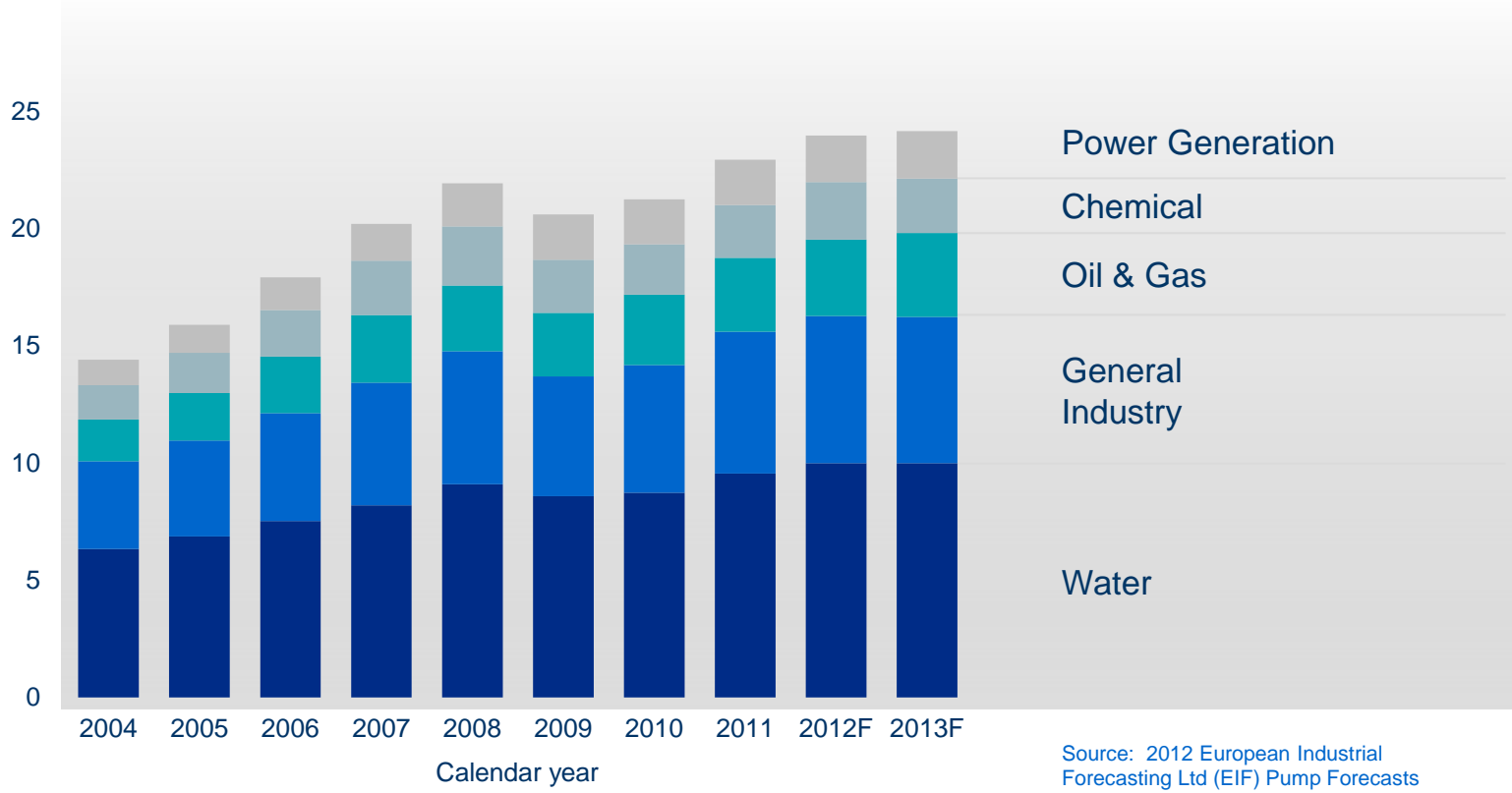
Source: BP Energy Outlook 2030; CSIRO Sep 2012, RW Baird Process Controls Report; JC research



We participate in a growth market

Centrifugal Pump Market Size and Growth by Sector

Market Size (Billion USD, 2010 Exchange Rates)





Customers rely on us for mission-critical applications



“Wet seals are mission critical. If they fail we need to shut down the plant, at a cost of \$1,000 per minute. We would not hold the plant hostage to a faulty seal.”

- *Natural Resources Customer*

Customers

The collage includes logos for the following companies: Chevron, Shell, SINOPEC (中国石化), SULZER, QATARGAS, CNPC, PETROM, ANDRITZ Hydro, MITSUBISHI, ConocoPhillips, BASF, SIEMENS, SUNCOR ENERGY, FLOWSERVE, MAN, ExxonMobil, TOTAL, bp, Bayer, ITT, SOLVAY, GAZPROM, WEIR, KOCH INDUSTRIES INC., DOW, PDVSA, GE, YORK BY JOHNSON CONTROLS, ROHM HAAS, LYONDELL, VALERO ENERGY CORPORATION, DRESSER-RAND, LILLY, OxyChem, ELLIOTT, Saudi Aramco, PEMEX, TEXTRON, and Solar Turbines.

Over 14,000 customers, no customer is greater than 3% of revenue



Our Business Model

John Crane has relationships with multiple stakeholders...
Served by our global network, the largest service network in the industry.

End Users



Aftermarket services



EPCs






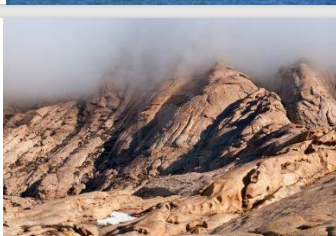
First Fit

OEMs



EPC = Engineering Procurement Construction **OEM** = Original Equipment Manufacturer

We engineer sealing solutions for a variety of challenging applications

| The challenge | Benefits | Near-by Examples | |
|--------------------------------------|--|---|--|
| <p>Enduring Arduous Environments</p> | <p>Equipment reliability in tough conditions</p> |  | <p>Remote deserts of Saudi Arabia</p> |
| <p>Minimizing Energy Usage</p> | <p>Efficiency at the world's largest process installations</p> |  | <p>Large refineries in Saudi Arabia</p> |
| <p>Controlling Emissions</p> | <p>Near-zero emissions & environmental responsibility</p> |  | <p>LNG producer in Qatar</p> |
| <p>Sealing the Highest Pressures</p> | <p>Operations in challenging environments</p> |  | <p>Gas and condensate fields in Kazakhstan</p> |



>2/3 quick-turn repair and refurbishment services

Two types of engineered services within business model

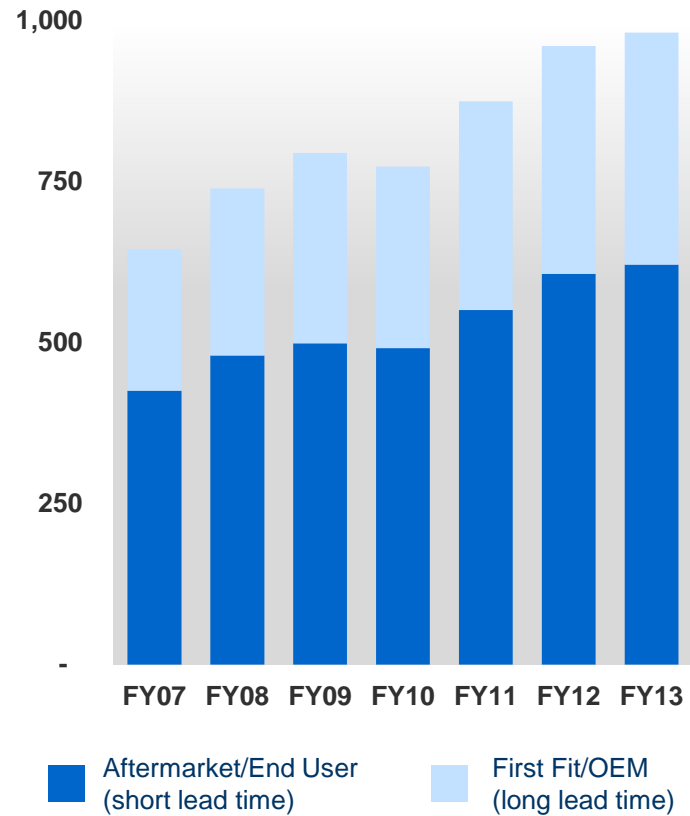
1 Aftermarket services (short lead time)

- ~2/3 of business focused on keeping mission critical operations running
- Typically quick turn repair and refurbish services

2 First fit supply (long lead time)

- Focused on engineering support to design applications for new installations
- Typically >6 week lead time

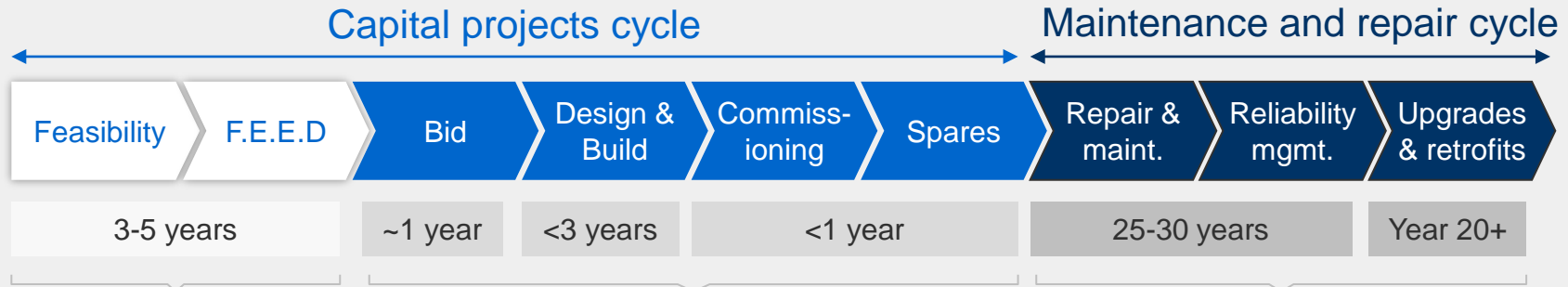
£million



Note: FY2013 GBP rates



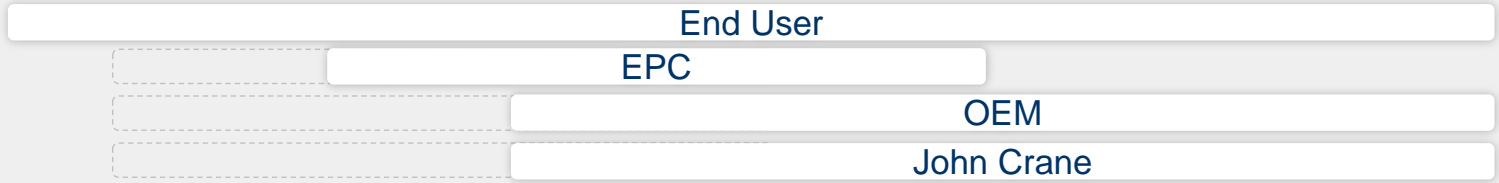
25+ year lifecycle of service offerings



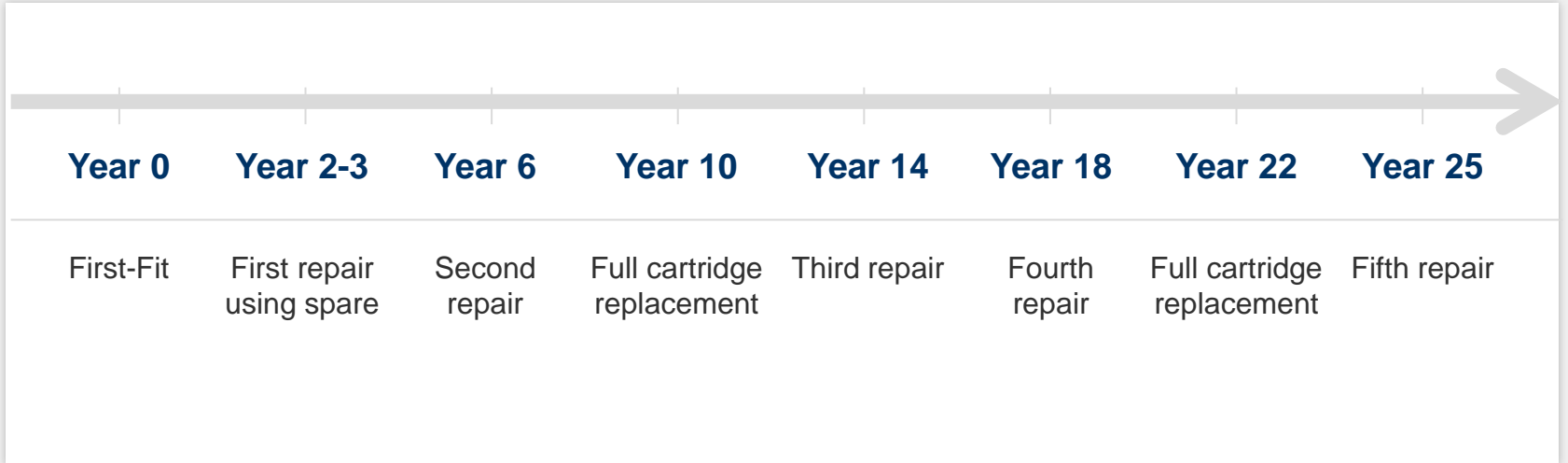
EPC = Engineering Procurement Construction
OEM = Original Equipment Manufacturer
FEED = Front-end engineering design

- Application engineering services to EPCs and OEMs
 - Design of sealing solutions
 - Fluid control systems design
- Commissioning assistance
- Provision of spares

- On-site engineering services
- Repair and refurbishment services
- Inventory management
- Asset management and comprehensive reliability management services



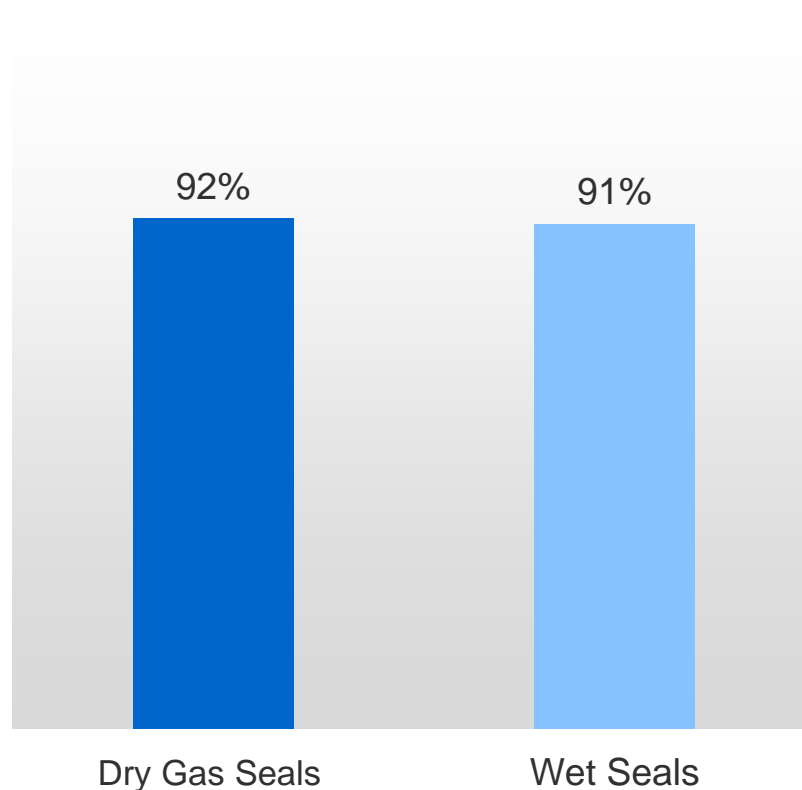
Lifetime value of a single seal application



The power of aftermarket annuities

The installed base is sticky: 90%+ like-for-like replacement

% Like-for-Like Replacement



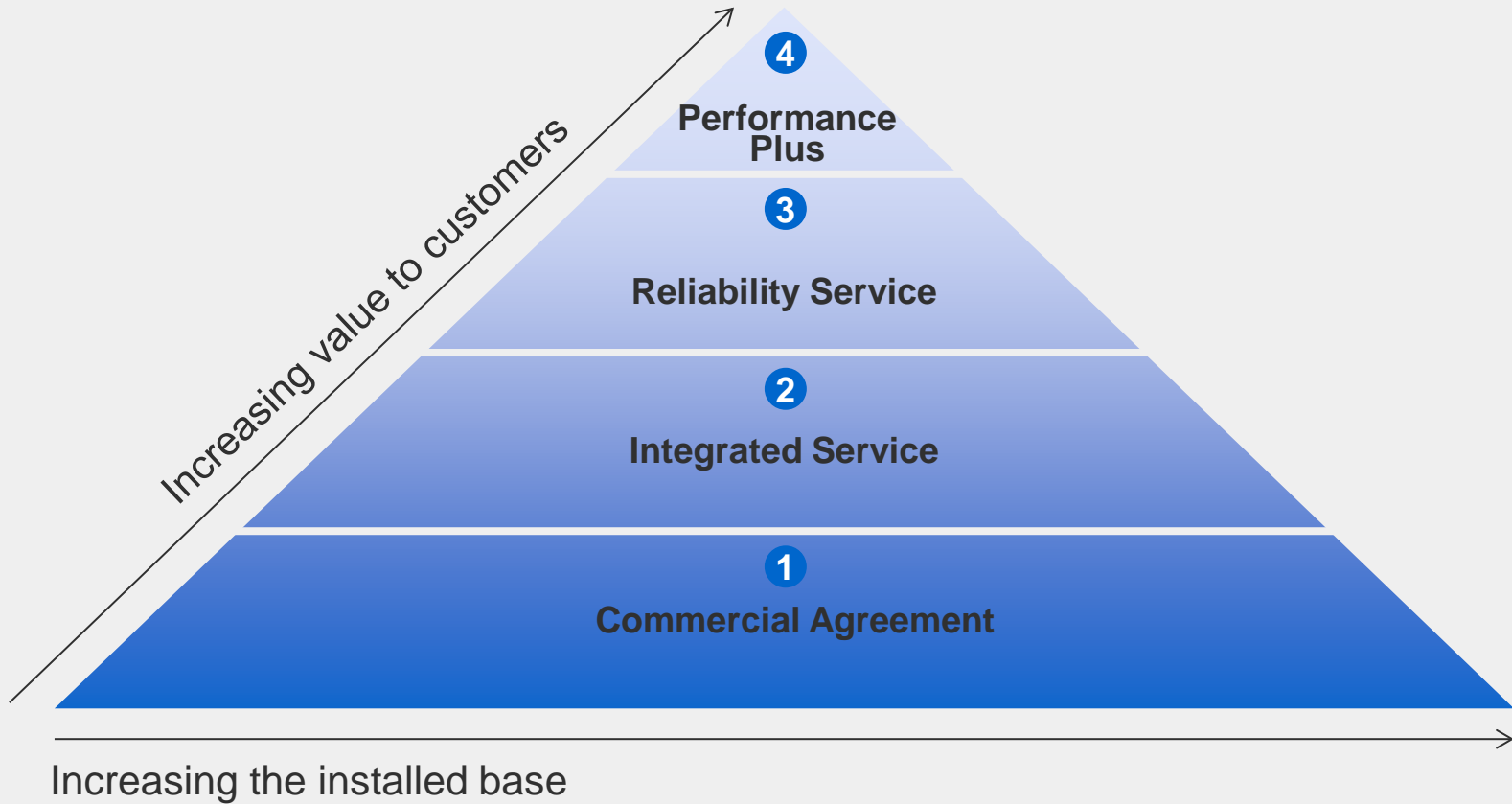
“It is too expensive to switch manufacturers of mechanical seals. We will upgrade seals or do retrofits, but unless there is a very serious problem we will not change manufacturers.”

– *Engineer, Aftermarket Customer in Europe*

Source: 2012 Survey of 300+ JC customers globally



Managed reliability—varying services to meet our customers' needs



Strategy: sell more, sell up

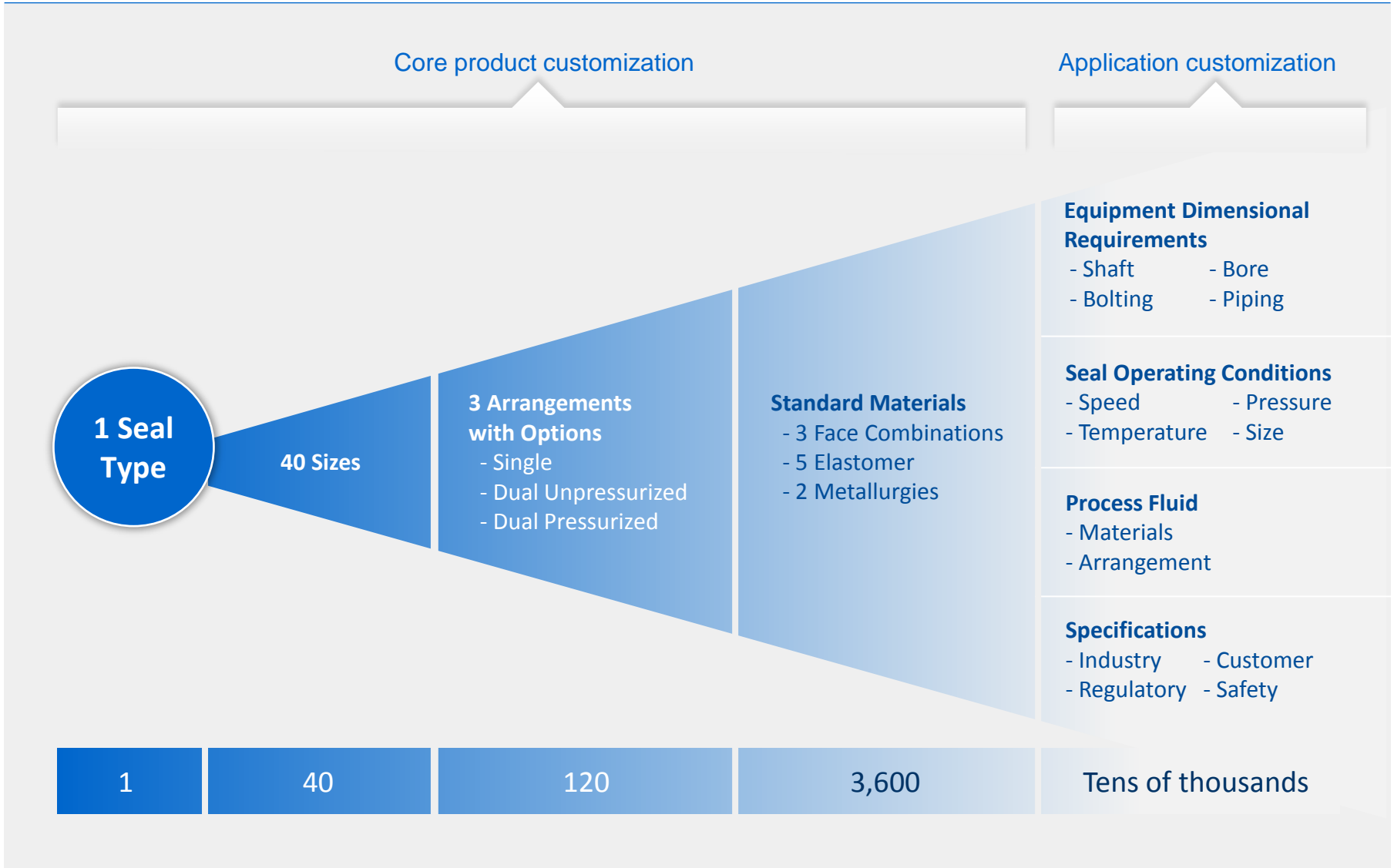
Over a dozen applications and 500 – 3,500 pumps in a refinery

- Complex processes
- Tight industry standards (API)
- High cost of downtime
- Energy efficiency & emission reduction





Customized solutions for unique sealing applications...



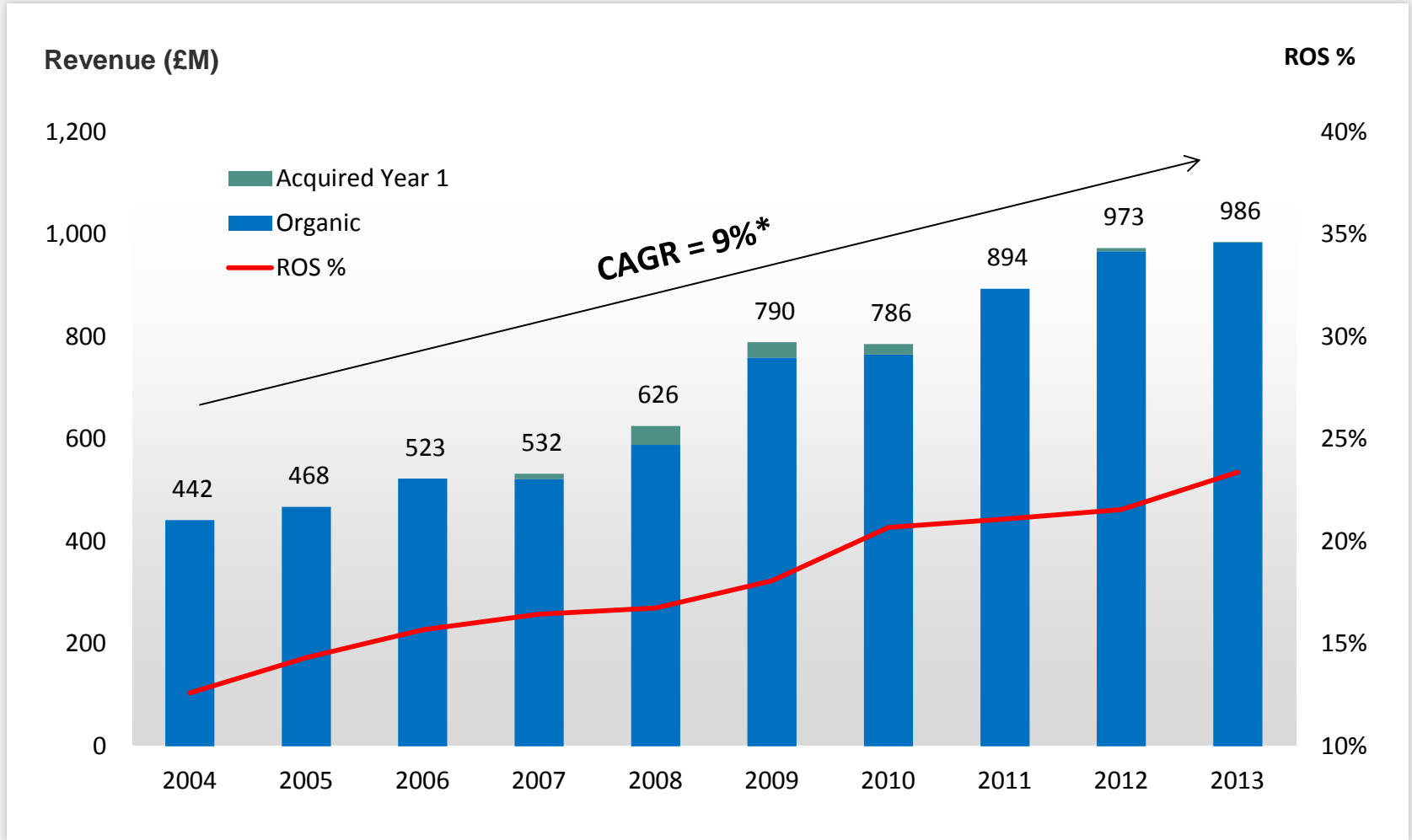
Managing real complexity

- **154** preferred product lines
- **7000+** material codes, **3000+** unique codes
- **3.2M** Bills of material
- **>3.4M** Part numbers
- Global engineering project tracking database
- **>2.4M** installed units globally

Thousands of failure modes



Proven history of growth

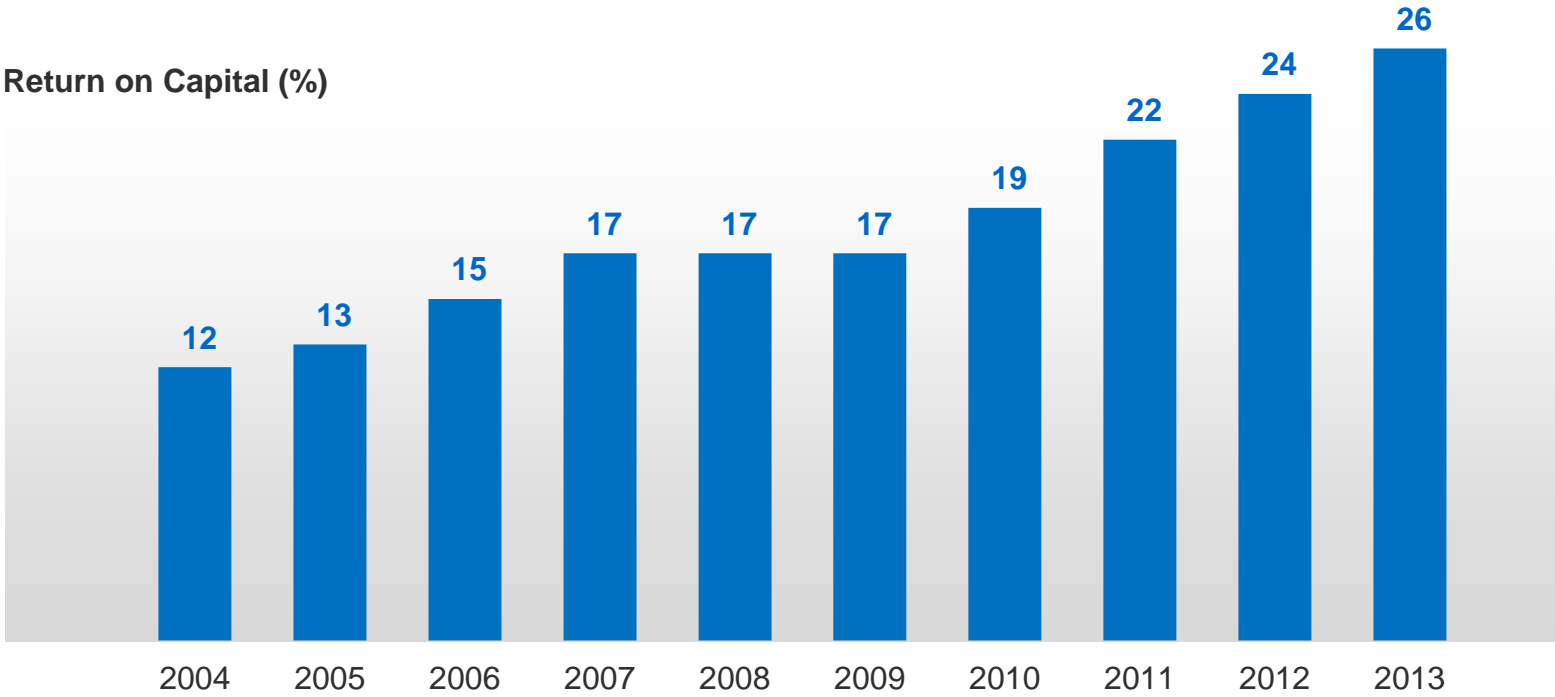


Notes: JC Financials at Act FX CAGR = 7% at constant currencies



Proven history of high returns on capital

Return on Capital (%)



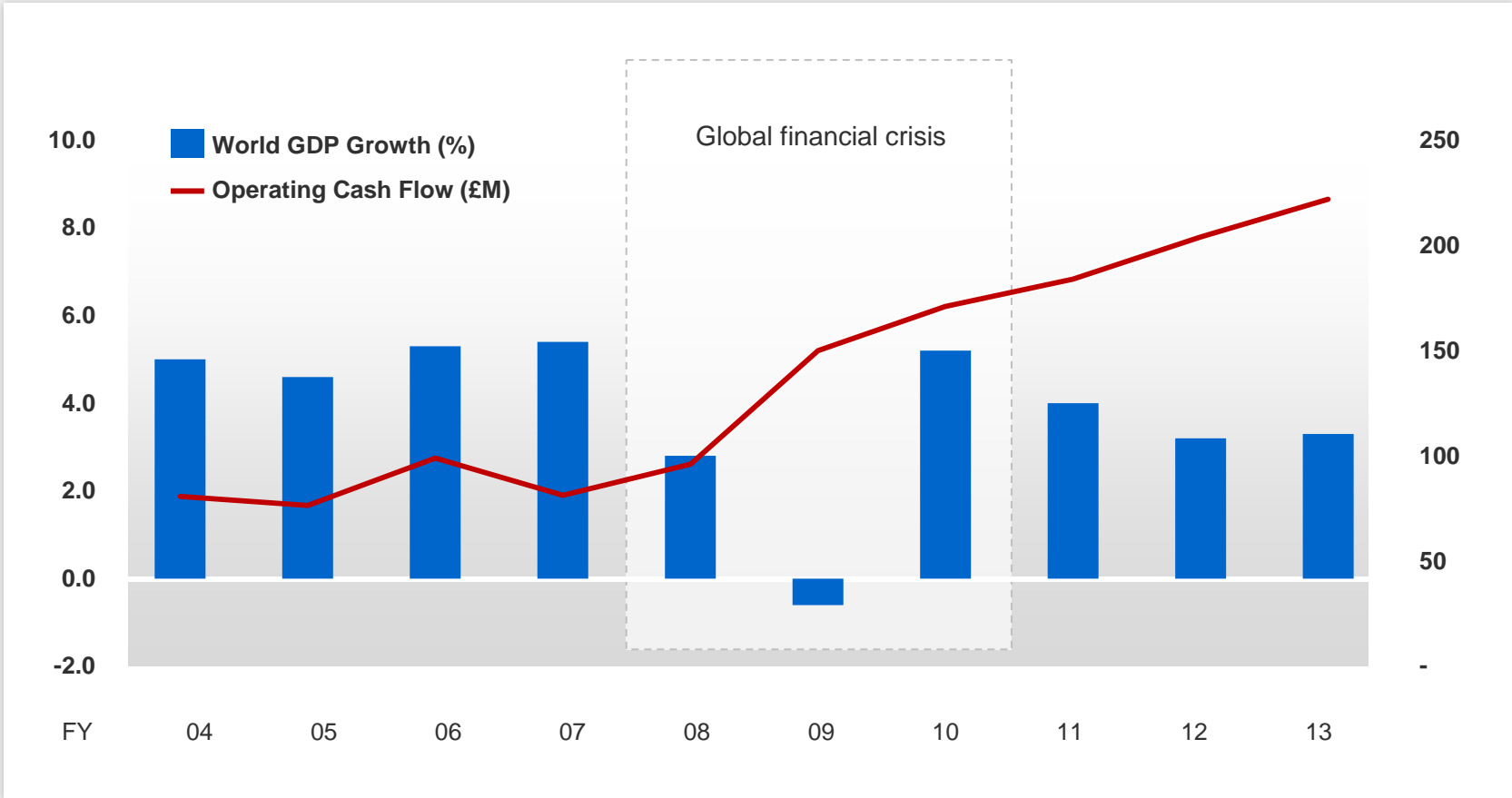
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|------------|----|----|----|----|-----|-----|-----|-----|-----|-----|
| EBIT (£M) | 56 | 67 | 82 | 88 | 105 | 143 | 163 | 189 | 210 | 231 |
| Capex (£M) | 13 | 12 | 18 | 16 | 22 | 19 | 16 | 16 | 17 | 17 |

Capital light business: 10-year operating cash flow of c£1.4B vs. capex of c£180m

Note: JC Financials at Act FX



Proven history of strong cash flow generation



Generated >£400M of cash from FY2008 to FY2010

Source: IMF. Note: JC Financials at FY14 constant FX

Site tour

Welcome to Jebel Ali

- Opened world-class service super centre in 2012
- Invested in leading edge test equipment
- Supports targeted high-growth region
- Services >20 countries



Site tour groups



Jane Nicolson



Burton Rodricks



Stefano Rossi



Mike Weegenhausen



Jim Gilbert

➤ Executive overview

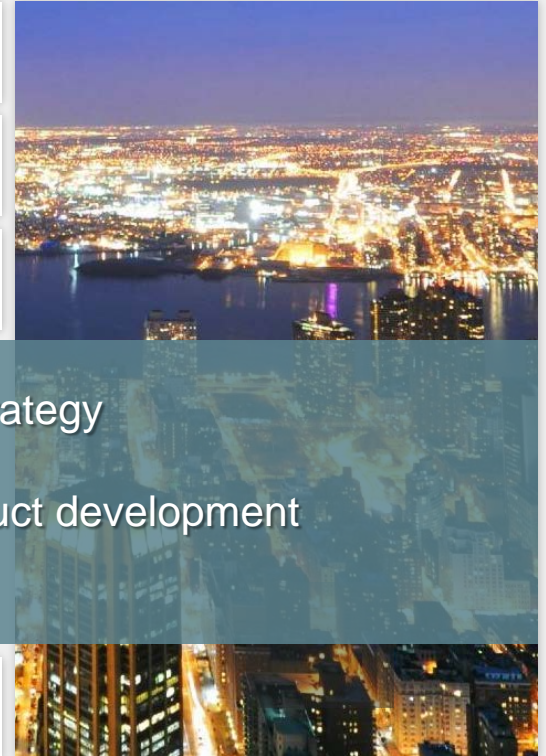
➤ What is our business model?

➤ Site tour

➤ Where is our company going?

- Attractive growth strategy
- Business priorities
- Focus on new product development

➤ What is the investment case for John Crane?



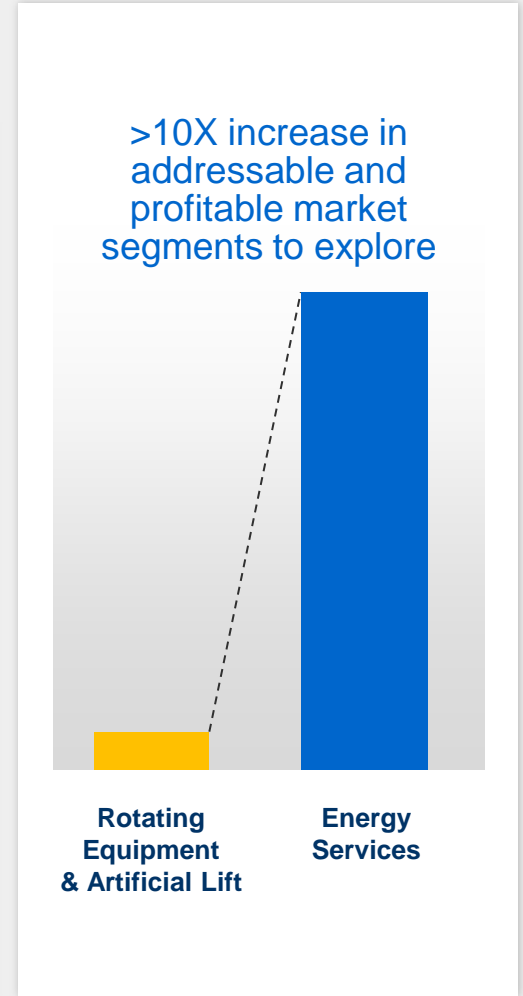
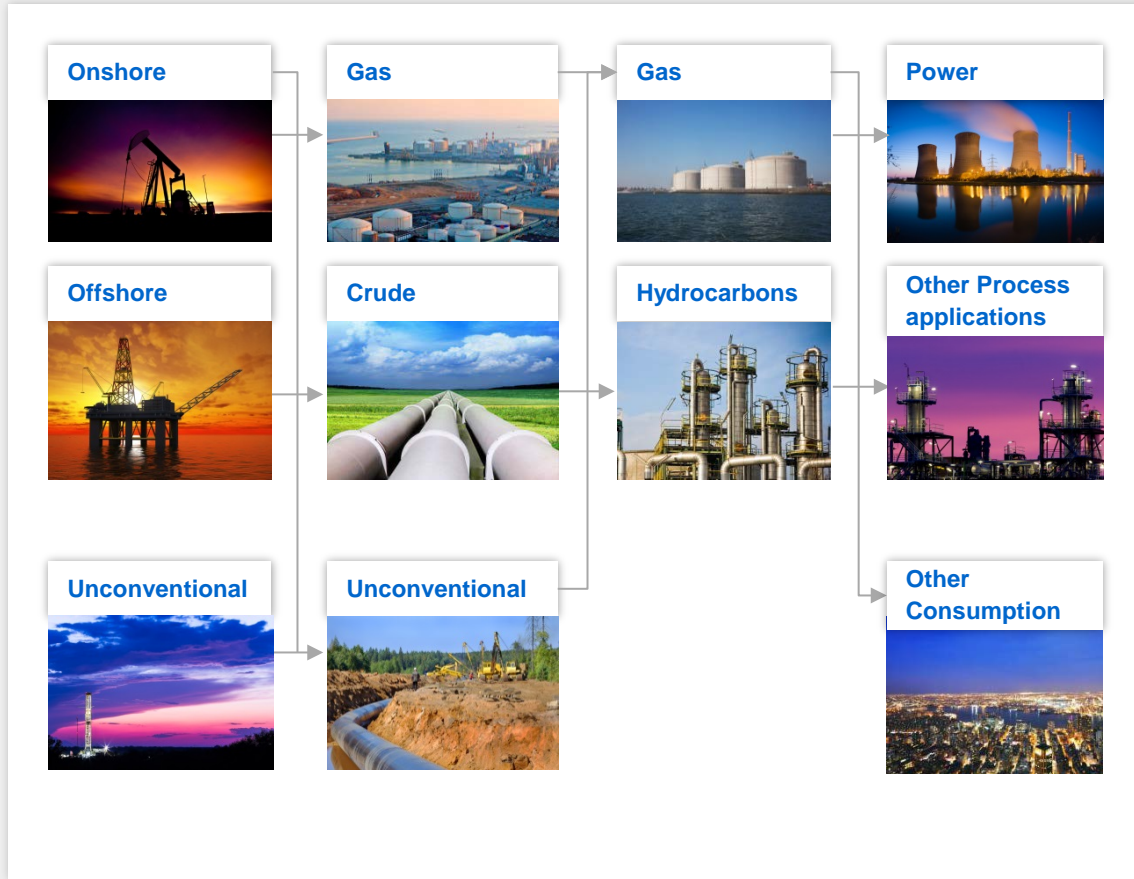
Our Vision

Our Vision

Become a global leader in energy services, expert in delivering mission-critical engineered solutions



The energy value chain covers a broad area



Source: Investor Reports, S&P Capital IQ, O&G Journal Reports, EIA, IEA, Spears Report OMR 2012, BMI Power Gen. 2012, Valero, Enbridge, and JC Analysis

Highlights of our growth strategy

1. Profit from the core
2. Accelerate high growth businesses & sectors
3. Leverage global scale
4. Expand across the Energy Value Chain

Above
Average
Growth

Top
Quartile
ROS

Cash Flow
Stability
Through the
Cycle

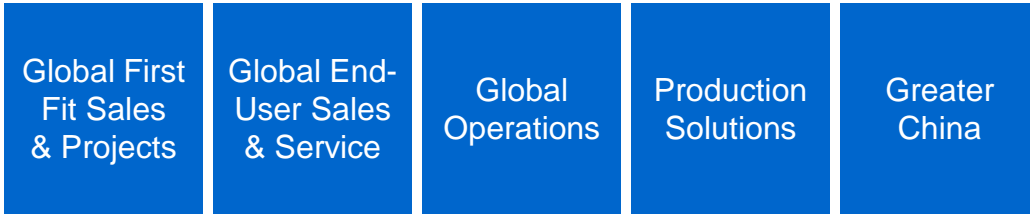
Above
Average
ROC



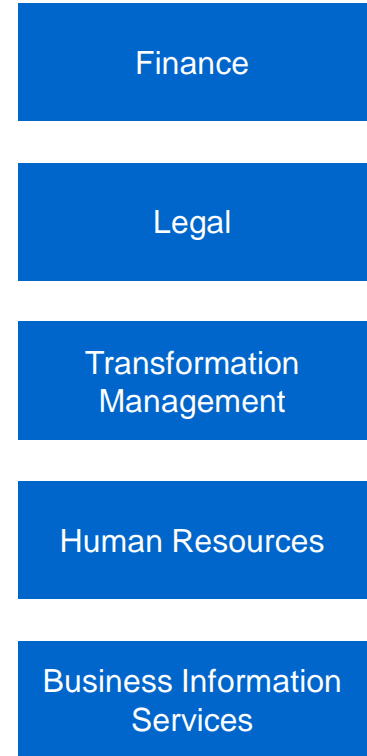


Business has been reorganized to execute the strategy...

Five business units



Five areas of functional expertise



Three commercial excellence platforms



...and to enhance competitive advantage

Customer Intimacy

- Customer focus
- Fewer layers, increased agility and responsiveness



Operating Efficiency

- Leverage global scale, drive cost competitiveness and delivery performance



Product & Service Leadership

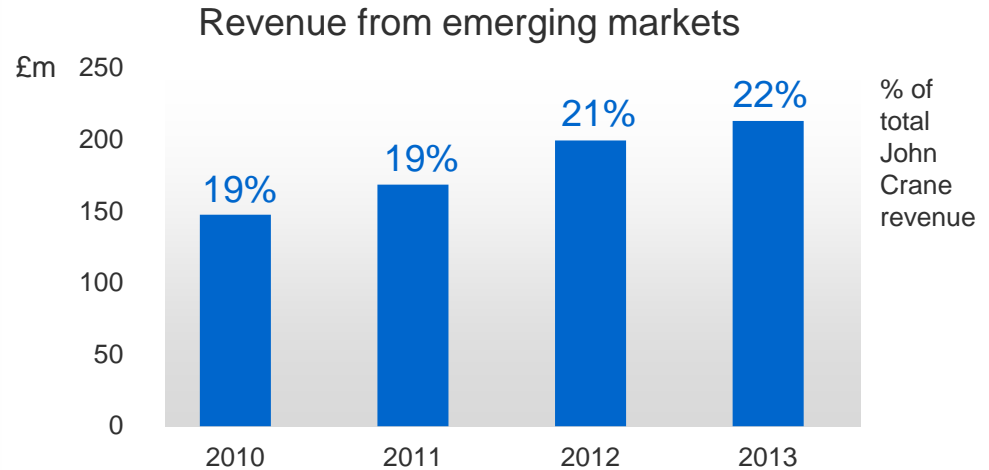
- Supports innovation focus
- Enhanced reliability programs





Emerging market presence is a strong platform for growth

- Delivering strong growth
- Increasing proportion of revenues from high-growth emerging markets – 22%
- Infrastructure in place in many key markets



Case study – China

Operating since 1986

FY13 Revenues: >£50m

Employees: 440

Key customer: Sinopec

Case study – Brazil

Operating since 1962

FY13 Revenues: >£20m

Employees: 160

Key customer: Petrobras

Case study – Mexico

Operating since 1961

FY13 Revenues: >£20m

Employees: 500

Key customer: Pemex

Shale transforming hydrocarbon landscape

Technically recoverable shale oil and gas resources



- John Crane is positioned to benefit from shale developments
- Near- and mid-term opportunity in transmission, storage and processing
- U.S. and China emerging as major near-term producers

Source: EIA, "Technically Recoverable Shale Oil and Shale Gas Resources: An Assessment of 137 Shale Formations in 41 Countries Outside the United States", June 2013

Significant opportunities driven by U.S. shale oil & gas growth

Upstream



Continued high-growth rates for well completion

Evolving drilling technology

Services

Midstream



New build in LNG terminals for export

Incremental pipelines / transmission activity and storage

Downstream



Growing petrochemical activity driven by low energy costs

Incremental refining & processing opportunities

Strengthening the business through acquisitions

➤ Expanded in product adjacencies: bearings, filtration, production solutions

➤ Evaluating opportunities for targeted acquisitions

➤ Strategic criteria

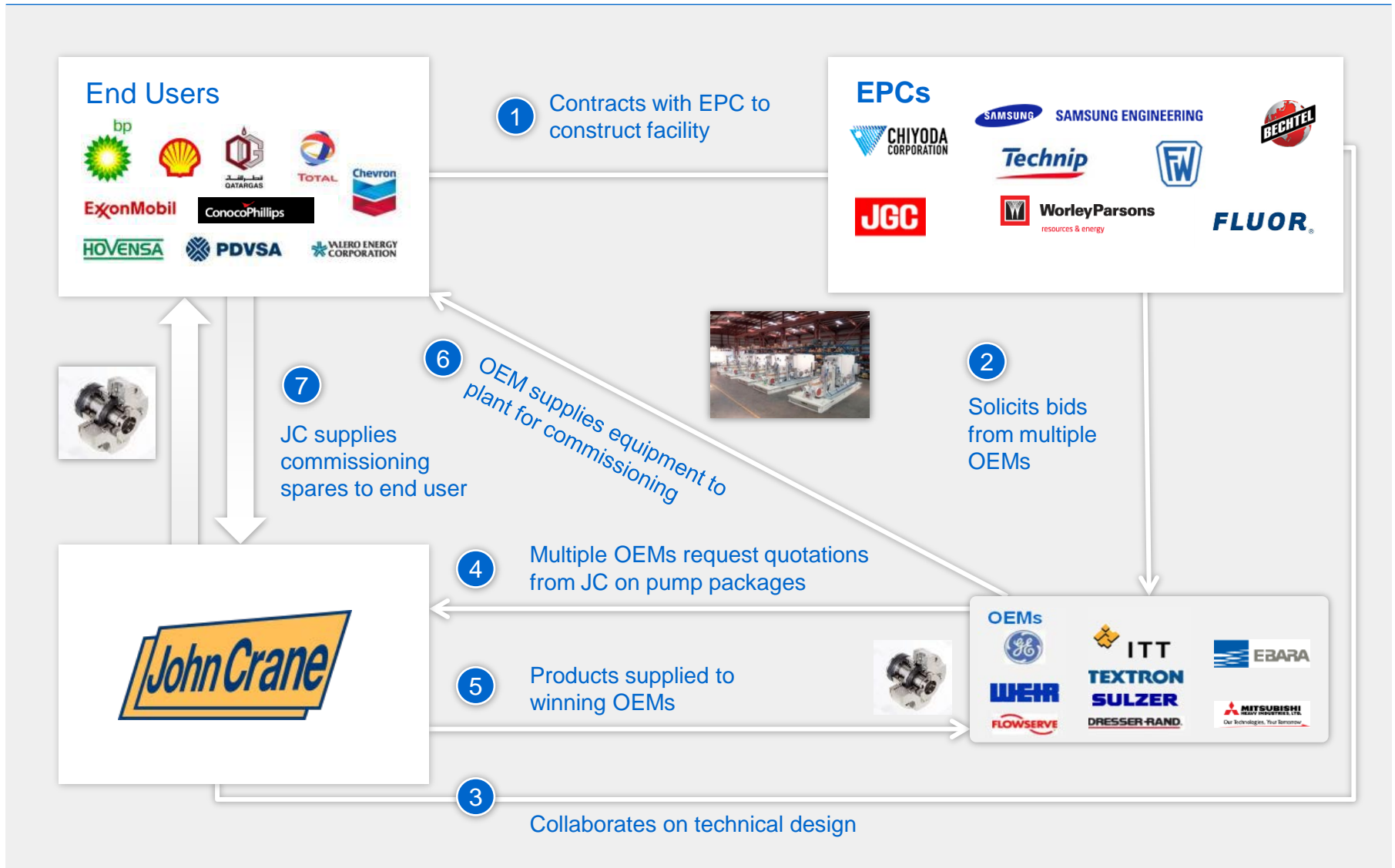
- Adding complementary technologies and products
- Leveraging existing scale – the global service network
- Expansion in high-growth markets

➤ Financial criteria

- Complement existing sales growth, margins, cash generation and returns
- 12% post-tax returns



First fit: Multiple stakeholders in capital projects cycle



Priorities for Global First Fit Organization

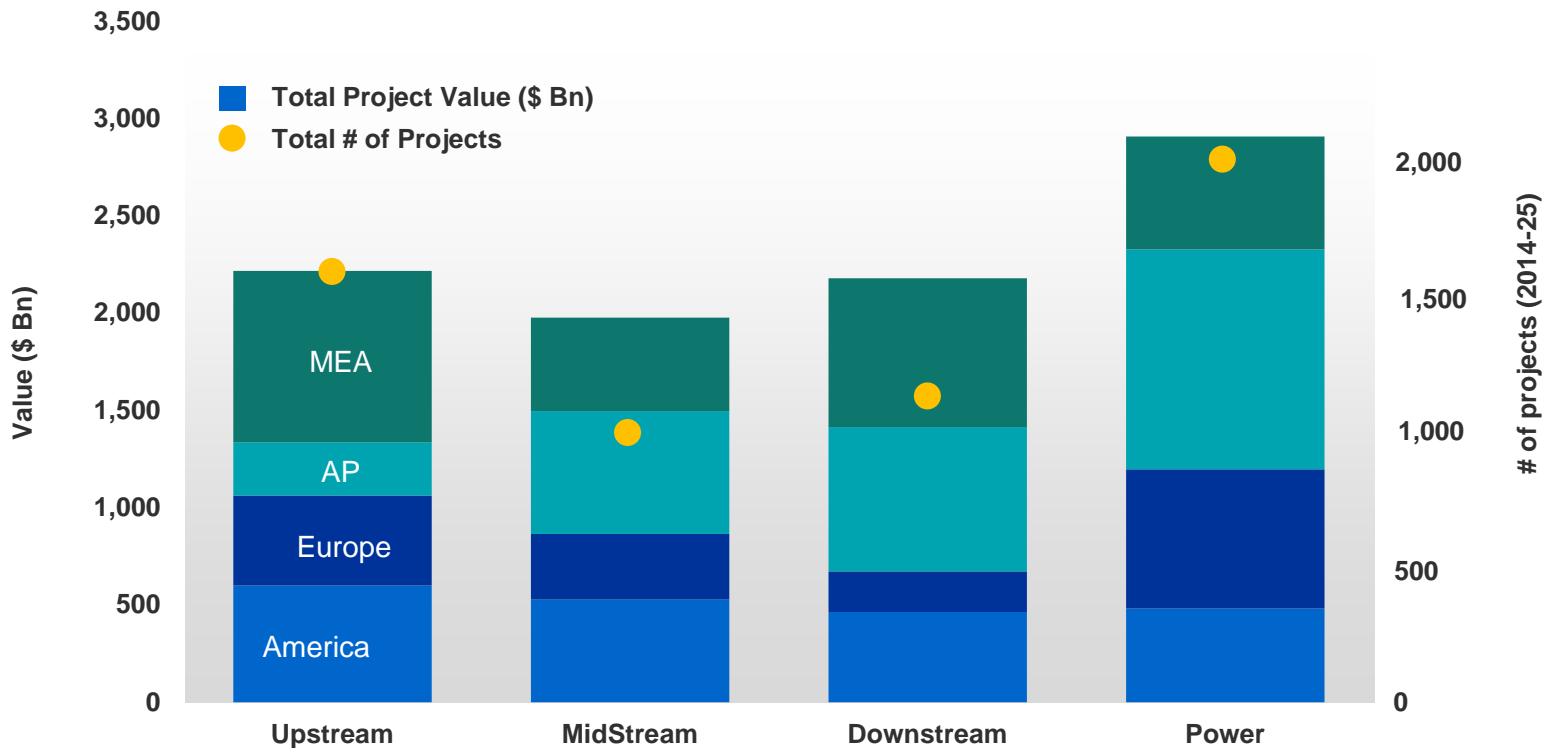
- Enhance intimacy with our global OEMs
- Reposition JC in projects funnel through EPCs
- Enhance competitiveness in major projects globally
- Continue to drive cross sell of John Crane Turbomachinery Solutions
- Support growth through product and service innovation





Robust forward looking outlook for large projects

Total Number of Projects and Project Value - Global By Segment



Source: EIC projects DataStream. Includes projects in Feasibility, F.E.E.D, Bid, and Contract phases globally.



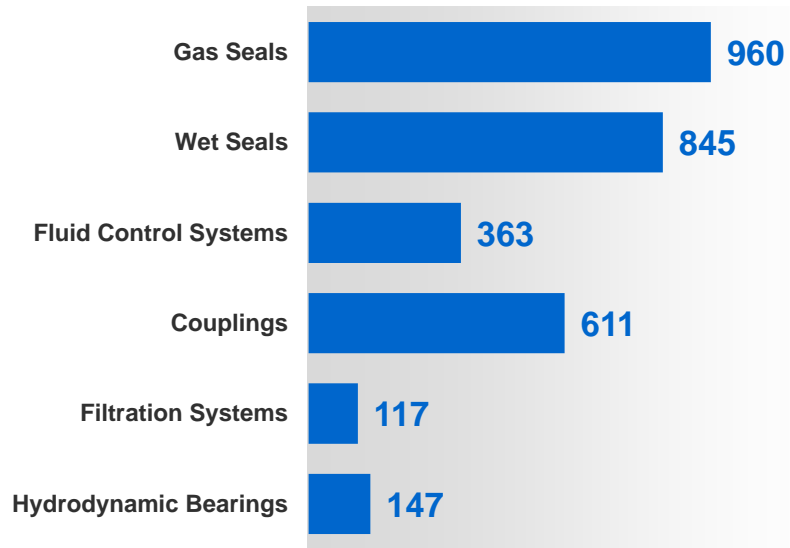
Case study: Integrated solutions having an impact in the marketplace

Example: global supplier of turbo machinery and pumps

Cross-sell across portfolio driven by:

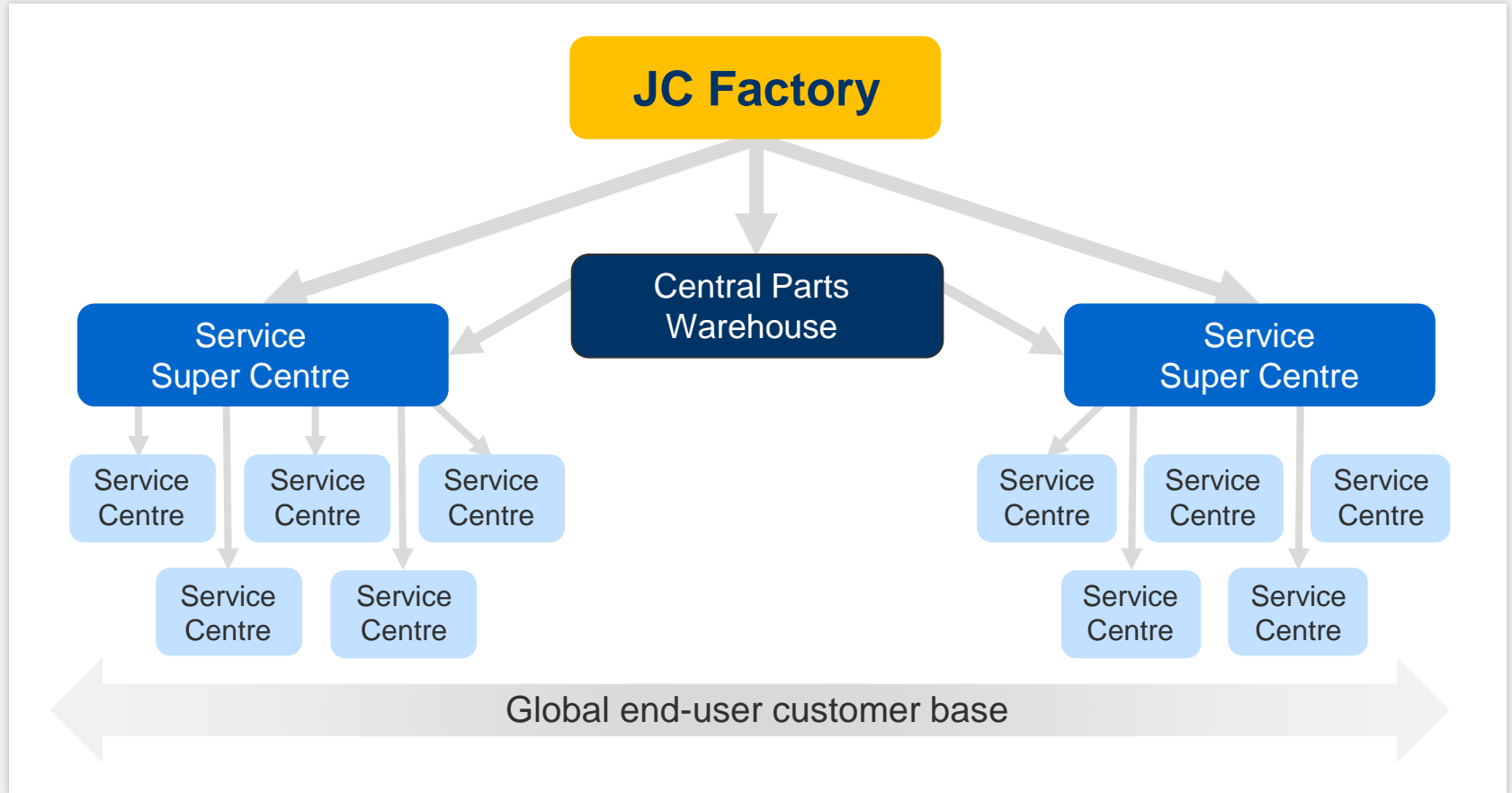
- John Crane reputation for reliability
- Confidence as a “one-stop” source for engineered solutions and technical support
- Worldwide references

Total number of units supplied to OEM customer in FY12 and FY13



Achieved 35% growth in FY13 from account

Global service network as a key enabler for aftermarket services



Largest service footprint and rapid response service capabilities

Key objectives in driving aftermarket productivity

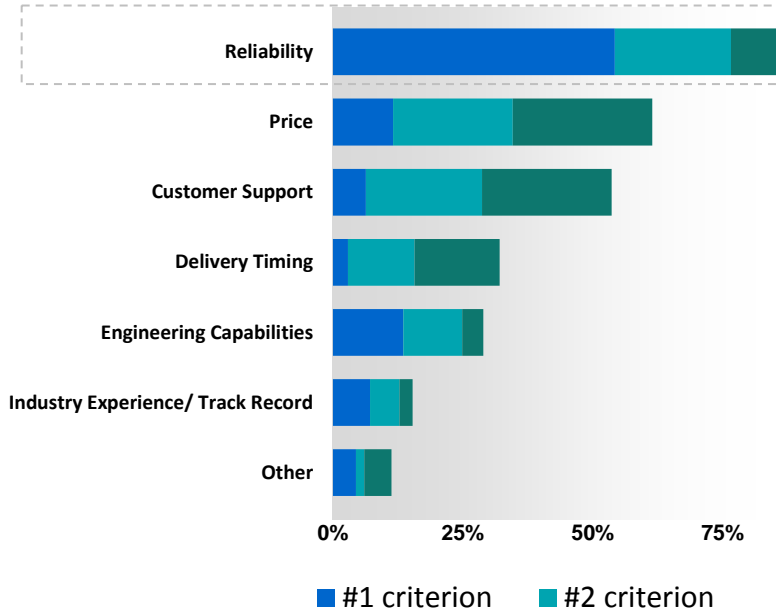
- Capture the growth from First-Fit installations and service the installed base
- Work with customers to drive enhanced reliability through Performance Plus programs: sell more, sell up
- Invest in local technical service capabilities in key growth markets
- Standardize service management and enhance footprint productivity



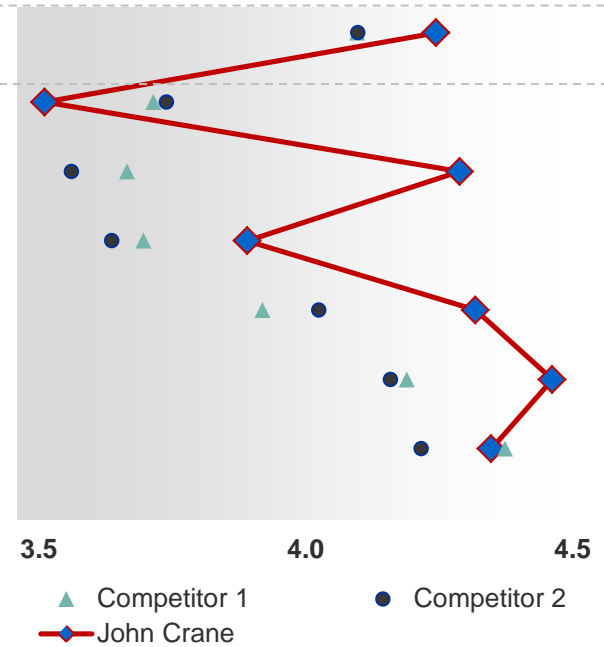


Reliability is a key customer need

Importance to purchase decision



Customer rating of John Crane



“Reliability is extremely important to us. We make money by refining oil as quickly as possible. If a seal fails the economic consequences can be severe.” – Oil & Gas Customer

Source: 2012 Survey of 300+ JC customers globally

Continuing to invest in quick response capabilities across the network

16 service super centres around the globe supported by more than 230 sales and service locations

- Buenos Aires, Argentina
- Baton Rouge, Louisiana
- Cerritos, California
- Mexico City, Mexico
- Norcross, Georgia
- Pasadena, Texas
- Rio Claro, Brazil
- Swedesboro, New Jersey
- Stony Creek, Ontario
- Deer park, Texas
- Maracaibo, Venezuela
- Dammam, Saudi Arabia
- Dubai, UAE
- Springs, South Africa
- Sunshine, Australia
- Singapore

Performance Plus reliability programs



- >170 plant sites with formal asset managed reliability contracts
- More than 145 John Crane reliability engineers and technicians based full time at customer sites



Case study: Performance Plus delivers breakthrough reliability increase

- Large petrochemical plant
- Initial 5-year contract covering ~1,000 units
- **27% Reliability improvement:** Average pump *mean time between repair* (MTBR) increased from 74 months (pre-contract) to 94 months over 5-year life
- Significant **inventory reduction** for customer, releasing working capital
- **Captured market share:** Scope expanded to ~1,500 pieces of equipment





Overview of Global Operations

Gas Seals & Bellows

Bearings, Metal Working, Couplings

Fluid Control Systems

Americas



- Morton Grove, IL, USA
- Crystal Lake, IL, USA

- Grafton, WI, USA
- Columbus, USA
- Mexico City, Mexico ★
- San Fernando, Mexico

- Tulsa, OK, USA

EMEA



- Slough, UK
- Shannon, Ireland
- Orpington, UK

- Lutín, Czech Republic ★
- Gottingen, Germany
- Rouen, France

- Solaro, Italy
- Duiven, Netherlands

Asia Pacific



- Ritto, Japan
- Tianjin, China ★

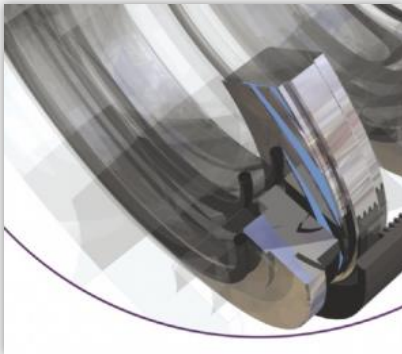
- Bangalore, India ★

- Singapore

★ = Lower Cost Hub

Operational priorities

- Improve first-fit delivery performance
- Enhance manufacturing capabilities and standardize processes
- Continued optimization of global plant network
- Drive productivity improvements across the network
- Implement LEAN manufacturing principles and best practices
- Drive “quality-first” culture
- Leverage best cost country sourcing



Implementing aggressive quality targets

- Products receive high ratings for quality and durability in a mission critical environment
- Very good net promoter scores
- Warranty costs < 0.5% sales
- Every facility maintains a Quality Management System compliant to ISO 9001
- 5-year target to improve quality 10x



Continued progress in optimizing network

John Crane's operational network must provide right level of quality and service at lowest possible cost

Example W. Europe:

- Low cost work shop established in Lutín, Czech Republic
- Post SAP, supply chain re-designed to maximise volumes through low cost hub
- OEM volumes represent bulk of activity
- Central Parts Warehouse created to leverage scale but ensure responsiveness for end user channel
- Sales support & seal repair activity performed in super centre network close to customers
- Final phase is to focus engineered OEM seal assembly and test activities into Lutín



Driving procurement productivity

➤ ~£450m in external spend in FY14

- Over 70 categories purchased (direct and indirect)

- Over 2,700 suppliers

➤ Targeting productivity in 3 areas

- Indirect spend savings

- Global benchmarking and negotiation of material prices

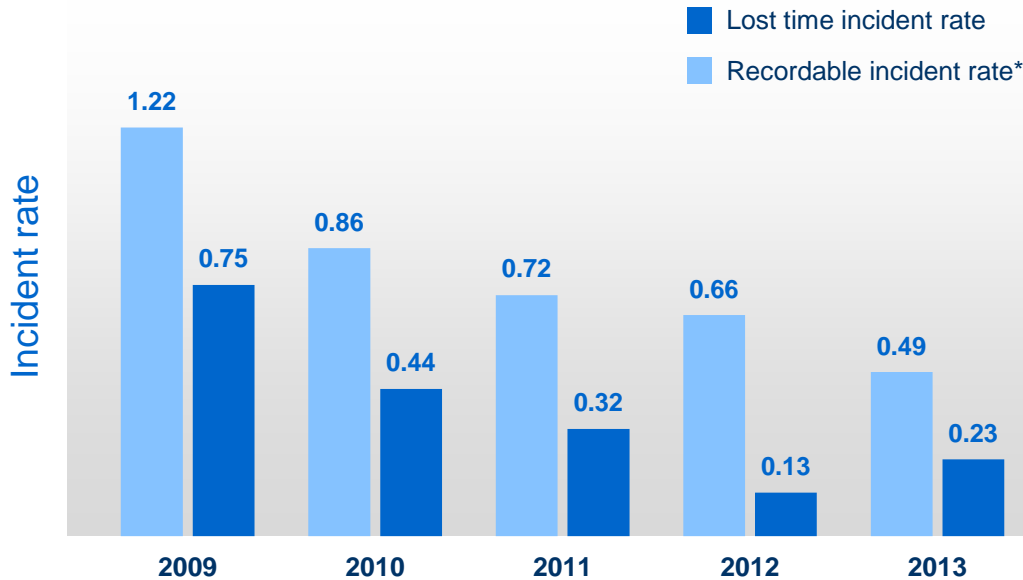
- Supplier consolidation

Targeting 3-5% annual net savings



Environment, Health and Safety

Recordable & lost time incident rates continue to improve



* Measured per 100 employees per year using US OSHA definition

Solid progress on environmental targets**

- Energy: 22% reduction
- Greenhouse gases: 42% reduction
- Water: 26% reduction
- Non-recycled waste: 24% reduction

** FY2013 compared to current goal baseline of FY2010. Normalised to revenue at FY2013 exchange rates.

Committed to investment in New Product Development

- Improving performance in difficult conditions
- Reduction in environmental impact
- Energy efficiency
- Condition monitoring and control
- >230 active patents and patent applications

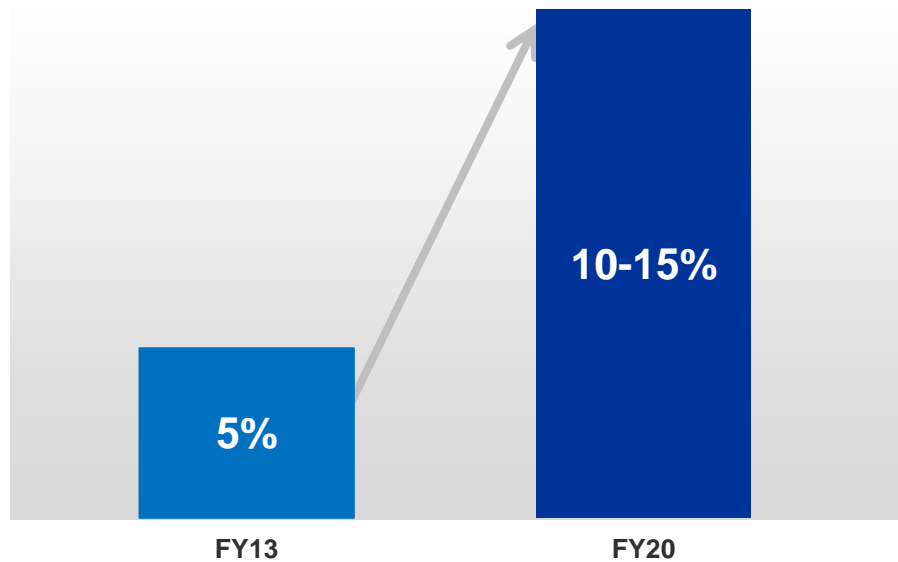
CO₂ capture • Ultra high pressure gas compressor seals
 • High duty coupling test capabilities • Advanced seal face materials made of Composites and Diamond Coatings • Smart Technologies • R&D bearing technology test rig • Proprietary analytical tools • Joint customer specific product developments • low energy designs • Increased application reliability



Targeting 2 to 3x vitality improvement in 5-10 years

New Product Vitality Index

% of First Fit revenue from new products launched in the past five years



- Planning to sustain investments in new product development (+12-15% annually)
- Embedded new innovation process
- Dedicated R&D resources
- Recent new product launches gaining momentum

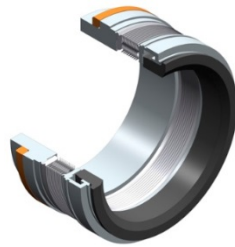
Recent new product launches

Unitized Cartridge Split Seal



Difficult access, pump services

High Temperature Corrosive Seal



Extremely corrosive pumping conditions

General Duty Cartridge Slurry Seal



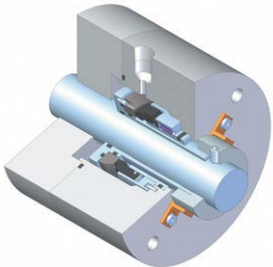
Mineral processing pumps

Gas Lubricated Pump Seal



Zero emission sealing for hazardous fluids

High Performance Pipeline Seal



High pressure hydrocarbon pipeline pump services

Lug Drive Standard Cartridge Seal



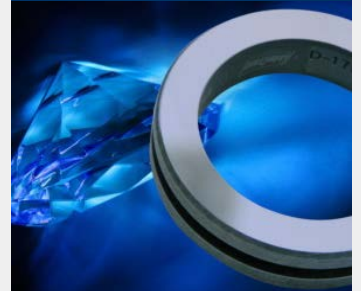
Highly standardized, process industry pumps

Compressor Seal Gas Conditioning Unit



Gas seal fluid property management system

Diamond Film Coated Seal Faces



Extremely difficult operating conditions

- Executive overview
- What is our business model?
- Site tour
- Where is our company going?



➤ What is the investment case for John Crane?

- Sustainable competitive advantage
- Sticky aftermarket services
- Distinctive customer proposition
- Attractive growth opportunities
- World-class financial returns

Restructuring investments to “fuel” future growth

Restructuring

- Total of £28m in restructuring investments identified, delivering annualised savings of £14m by the fourth year
- 1/3 of restructuring investments in FY14
- Provide the ‘fuel’ to fund additional investment for growth

Areas of reinvestment for growth

- Reorganization – increased spans of control, reduced layers
- Talent upgrades
- Factory and service centre network optimization
- Information systems infrastructure



Medium-term operating ranges

Revenue growth

Market growth drivers

- Demand for global energy
 - Investment in oil and gas
 - Utilisation of installed base
- Increasing emerging market consumption
- Exploitation of unconventional reserves

Strategic growth initiatives

- Driving above average growth
- Expansion of service centre network in high-growth markets
- Leverage global scale
- New product development to expand core and exploit adjacencies
- Opportunities from wider exploitation of shale

Underlying growth

Mid-single digits

4-6%

Headline operating margin

Margin drivers

- Volume leverage and ongoing productivity initiatives
- Restructuring programme
- Focus on service and quality to support pricing opportunities
- New product launches

Margin constraints

- Investment initiatives in high growth markets
- Increasing new product development (+12-15% pa)
- Investment in information systems
- Cost inflation
- Talent upgrades

Margin expansion to support top quartile margins

22-25%

Cash conversion – stability through the cycle with conversion >90%

Note: Annual organic growth at constant currencies over the medium term - assuming there are no discontinuities in market growth drivers



A highly compelling business

Sustainable competitive advantage

- **Market leader with largest installed base** of mechanical seals (c. 30% market share)
- Rapid-response capabilities enabled by **largest global network** of sales and service centers (>230)

Sticky aftermarket services

- 2/3 of revenues from stable, **high-margin aftermarket services** (>90% conversion rate from OEM)
- **Long product lifecycle** (~25 years)
- Reputation for **reliability** and **customer service**

Distinctive customer proposition

- Strong **proprietary product technology** (>230 active patents and patent applications)
- **Highly specified products** used in **mission critical** applications
- High degree of **customer intimacy** and **product customization**

Attractive growth opportunities

- Exposure to sectors with **long-term growth** (i.e., energy megatrends)
- Well positioned in key **growth markets**

World-class financial returns

- **High margins** supported by competitive advantage (>23% in FY13)
- Strong operating **cash generation**
- High **returns on capital** – opportunities to invest to drive growth (c. 26% in FY13)

CAPITAL MARKETS DAY 2013

DUBAI, 17 DECEMBER

A wide-angle photograph of an industrial facility, likely a refinery or chemical plant, at night. The scene is illuminated by numerous bright lights, creating a high-contrast scene against the dark blue twilight sky. Several tall, cylindrical distillation columns and complex piping systems are visible, some with glowing lights at their tops. The overall atmosphere is one of active industrial operations.

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