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. This presentation contains brands that are trademarks and are registered and/or otherwise protected in accordance with applicable law.
Smiths is a world leader in the practical application of advanced technologies.

Our businesses share the same characteristics which embody how we create value, underpinned by our culture and values.

We actively manage our portfolio to target growing markets where we can sustainably achieve top three leadership positions.

We drive excellence and innovation through the Smiths Excellence System, maximising value for all our stakeholders.
## A LEADING INDUSTRIAL TECHNOLOGY COMPANY

### SMITHS GROUP

- Founded in 1851
- Over 14,000 employees
- Operating in more than 50 countries
- Our products and solutions have a global reach
- Continuing revenue £2.5bn
- Continuing Headline OP £427m

### JOHN CRANE

Mission-critical solutions for global energy and process industries

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Continuing Group Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue</td>
<td>38%</td>
</tr>
<tr>
<td>OP</td>
<td>17%</td>
</tr>
</tbody>
</table>

### SMITHS DETECTION

A leader in the detection and authentication of security threats and contraband

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Continuing Group Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue</td>
<td>32%</td>
</tr>
<tr>
<td>OP</td>
<td>17%</td>
</tr>
</tbody>
</table>

### FLEX-TEK

Innovative components to heat and move fluids and gases

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</tr>
<tr>
<td>OP</td>
<td>17%</td>
</tr>
</tbody>
</table>

### SMITHS INTERCONNECT

Solutions for high-speed, secure connectivity in demanding applications

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Continuing Group Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue</td>
<td>13%</td>
</tr>
<tr>
<td>OP</td>
<td>10%</td>
</tr>
</tbody>
</table>

### OUR MARKETS

- SECURITY & DEFENCE
- GENERAL INDUSTRIAL
- OIL & GAS
- SPACE & COMMERCIAL AEROSPACE

Based on reported FY 2019 numbers
OUR BUSINESSES ARE DEFINED BY FOUR CHARACTERISTICS

- TECHNOLOGY DIFFERENTIATION
- INCREASING DIGITISATION
- SUSTAINABLY COMPETITIVE AND ASSET LIGHT
- HIGH PROPORTION OF AFTERMARKET AND SERVICES

TARGETED IN GROWING MARKETS
HOW WE DRIVE LONG-TERM, SUSTAINABLE VALUE

- Common operating model focused on efficiency and excellence
- Group wide innovation framework
- People plan to attract, retain and inspire the very best

- ROCE 16-18% through the cycle
- Progressive dividend policy covered by FCF

- Asset light
- Highly cash generative
- Leverage < 2x net debt/EBITDA
- Disciplined capital allocation

- >90% of portfolio in top 3 leadership positions
- Markets growing 3-4% through-cycle
- High proportion of aftermarket
- Through-cycle resilience

- Generating superior returns
- Operational excellence
- Strong financial framework
- Leading businesses in attractive markets
SMITHS GROUP PLC  FY2019

LEADING BUSINESSES IN ATTRACTIVE GROWING MARKETS

PORTFOLIO IN TOP THREE LEADERSHIP POSITIONS

FY2016

c. 60%

FY2019

>90%

THROUGH TARGETED ORGANIC INVESTMENT - R&D UP 25% OVER FOUR YEARS

ACCELERATED BY A DISCIPLINED APPROACH TO ACQUISITIONS AND DISPOSALS

11 DISPOSALS c.£535m proceeds

7 ACQUISITIONS for c.£900m

= 18 TRANSACTIONS total value c.£1.4bn

ACQUISITIONS

DISPOSALS
We work to attract, retain, develop, engage and inspire the best
18,000 colleagues have been trained on Lean awareness

We drive smarter and faster new product development and commercialisation to meet customers’ evolving needs.
We measure the effectiveness of innovation using our Vitality Index - % of revenue from new products launched in the past three years.
FY2019: 13%; ambition: ~20%

We drive consistent and relentless execution through speed and efficiency in our operations, as well as focusing on quality
Cost Of Poor Quality (COPQ)
FY2019: 1.4% (FY2018: 1.7%)

OPERATIONAL EXCELLENCE

PEOPLE

INNOVATION

OPERATIONAL EXCELLENCE
CONTINUING operations. 2 Headline excludes non operating items as defined in note 3 of the accounts. Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; and exclude the effects of foreign exchange, acquisitions and supplemental sales for divested businesses. 3 Both FY2016 and FY2017 have been adjusted for the restructuring and pension administration costs that are now recorded as headline items for comparability and has all the central costs allocated to Continuing operations.

1 Continuing operations. 2 Headline excludes non operating items as defined in note 3 of the accounts. Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; and exclude the effects of foreign exchange, acquisitions and supplemental sales for divested businesses. 3 Both FY2016 and FY2017 have been adjusted for the restructuring and pension administration costs that are now recorded as headline items for comparability and has all the central costs allocated to Continuing operations.
DELIVERING STRATEGIC PROGRESS

- 2016: A NEW DIRECTION
- 2017: SIGNIFICANT PROGRESS
- 2018: RETURN TO GROWTH
- 2019: SUSTAINABLE GROWTH
- H1 CY2020: SEPARATION OF MEDICAL
- AMBITION: OUTPERFORMING OUR CHOSEN MARKETS

Checked boxes indicate progress made towards each stage.
## KEY PERFORMANCE INDICATORS

### OPERATIONAL PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>FY2019</th>
<th>Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio strength(^1)</td>
<td>&gt;90%</td>
<td>→ 90%+</td>
</tr>
<tr>
<td>Vitality index(^2)</td>
<td>13%</td>
<td>→ ~20%</td>
</tr>
<tr>
<td>Stock turns(^2)</td>
<td>3.4x</td>
<td>→ ~6x</td>
</tr>
<tr>
<td>Aftermarket %(^1,3)</td>
<td>49%</td>
<td>→ 50%+</td>
</tr>
</tbody>
</table>

### FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>FY2019</th>
<th>Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying revenue growth(^1)</td>
<td>+3%</td>
<td>→ Outperform our chosen markets</td>
</tr>
<tr>
<td>Operating margin(^1)</td>
<td>17.1%</td>
<td>→ 18-20%</td>
</tr>
<tr>
<td>ROCE(^2)</td>
<td>14.4%</td>
<td>→ 16-18%</td>
</tr>
<tr>
<td>WC % sales(^2)</td>
<td>26%</td>
<td>→ ~20%</td>
</tr>
<tr>
<td>Cash conversion(^2)</td>
<td>83%</td>
<td>→ 100%+</td>
</tr>
</tbody>
</table>

---

1 Continuing operations
2 Total Group
3 Aftermarket changed from 60% to 50% to reflect the change of the Group’s profile following Smiths Medical being accounted for as discontinued operations

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**ON TRACK TO DELIVER SIGNIFICANT POTENTIAL**
SMITHS IN FY2019
## SMITHS GROUP – FY2019*

<table>
<thead>
<tr>
<th></th>
<th>JOHN CRANE</th>
<th>SMITHS DETECTION</th>
<th>FLEX-TEK</th>
<th>SMITHS INTERCONNECT</th>
<th>CONTINUING OPERATIONS**</th>
<th>DISCONTINUED OPERATIONS – SMITHS MEDICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (£’m)</td>
<td>£945m</td>
<td>£798m</td>
<td>£436m</td>
<td>£319m</td>
<td>£2,498m</td>
<td>£874m</td>
</tr>
<tr>
<td>Revenue growth* (%)</td>
<td>+8%</td>
<td>(2)%</td>
<td>+3%</td>
<td>+3%</td>
<td>+3%</td>
<td>-</td>
</tr>
<tr>
<td>Operating profit (£’m)</td>
<td>£220m</td>
<td>£127m</td>
<td>£84m</td>
<td>£47m</td>
<td>£427m</td>
<td>£147m</td>
</tr>
<tr>
<td>Operating margin (%)</td>
<td>23.3%</td>
<td>16.0%</td>
<td>19.2%</td>
<td>14.7%</td>
<td>17.1%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Aftermarket % of revenue</td>
<td>66%</td>
<td>46%</td>
<td>51%</td>
<td>2%</td>
<td>49%</td>
<td>83%</td>
</tr>
<tr>
<td>R&amp;D % sales</td>
<td>1.7%</td>
<td>8.4%</td>
<td>0.6%</td>
<td>7.2%</td>
<td>4.5%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

* Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; include restructuring and pension administration costs as headline for both years; and exclude the effects of foreign exchange, acquisitions and supplemental sales for divested businesses.

** Includes £(51)m of corporate costs
### ADVANCING OUR SUSTAINABILITY AGENDA

<table>
<thead>
<tr>
<th>ENVIRONMENTAL</th>
<th>SOCIAL</th>
<th>GOVERNANCE</th>
</tr>
</thead>
</table>
| ⇒ FY2007 to FY2019 reductions  
  • Greenhouse Gas (GHG): (58)%  
  • Energy: (37)%  
  • Water: (52)%  
  • Non recycle waste: (60)%  | ⇒ Our People are our most important sources of sustainable competitive advantage:  
  o Safety first:  
    • RIR 0.41 (FY2018: 0.39)  
    • LTIR 0.18 (FY2018: 0.17)  
  o Engagement score 73 (FY2018:73) translating into tangible actions to make Smiths a better place to work for  | ⇒ Average tenure on the Board c.4 years  |
| ⇒ Further commitment to reduce our impact on the environment  | ⇒ Customers & suppliers  
  o We adhere to our code of business ethics as well as provide regular anti-bribery and corruption training  | ⇒ Diversity of the Board:  
  • Gender (20%)  
  • Ethnicity  
  • Geographies  |
| ⇒ Technology and innovation as a solution for our customers.  
  *Example of the Aura™ range for John Crane which reduces methane emissions*  |  | ⇒ Diverse expertise: MedTech, engineering, automotive, financial services  |
|  |  | ⇒ Regular sites visits  |
SMITHS GROUP PLC FY2019

COMPETITIVE STRENGTHS
- A strong presence in flow control for rotating equipment
- Strong proprietary technology and expertise in applied engineering
- Broad installed base
- Strong aftermarket service offering with c.200 sales and service centres
- Long-term customer relationships
- Margins at 20%+ through-cycle

GROWTH DRIVERS
- Oil & gas markets recovering driven by underlying energy demand
- Expansion in high-growth markets
- Pent-up demand for maintenance and upgrades in oil & gas and petrochemical
- Need for operational improvements in non-oil and gas process industries
- Disruptive innovations including material science advancements and digital transformation

END MARKETS
- c.61% ENERGY
  Mainly downstream exposure
- c.39% INDUSTRIALS
  - Pharmaceutical
  - Chemicals
  - Pulp & paper
  - Water treatment

GEOGRAPHIES
- Americas 42%
- Europe 25%
- APAC 19%
- RoW 14%

OE/AM
- Aftermarket 66%
- Original Equipment 34%

COMPETITIVE LANDSCAPE
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include: Flowserve, EagleBurgmann, Danaher, Hydac, Rexnord

JOHN CRANE: Mission-critical solutions for global energy and process industries

Revenue £945m
(38% of Continuing Group)

Headline OP £220m
(46% of Continuing Group)

Margin 23.3%

ROCE 23.4%

R&D % sales 1.7%
SMITHS DETECTION: A global leader in the detection and identification of security threats and contraband

### SMITHS DETECTION

**Revenue**
- £798m (32% of Continuing Group)

**Headline OP**
- £127m (27% of Continuing Group)

**Margin**
- 16.0%

**ROCE**
- 11.5%

**R&D % sales**
- 8.4%

### COMPETITIVE STRENGTHS
- A global leader with differentiated technologies leveraged across markets
- Significant R&D capability
- Operating in several regulated markets requiring product certification
- Increasing digitisation and aftermarket revenue
- Long-term customer relationships
- Mid-teens + margin through-cycle

### GROWTH DRIVERS
- Persistent and evolving terror threats
- Changing security regulations for air cargo and passengers
- Growing urbanisation and need to protect people and assets
- Global trade, e-commerce and passengers numbers
- Equipment replacement cycle, typically 7-10 years
- Growth of security infrastructure in emerging markets

### COMPETITIVE LANDSCAPE
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Example include: Nuctech, Rapiscan, L3-SDS

### GEOGRAPHIES
- Americas 38%
- Europe 27%
- APAC 17%
- RoW 18%

### OE/AM
- Original Equipment 54%
- Aftermarket 46%

### END MARKETS
- Aviation 65%
- Other Security Systems 35%
FLEX-TEK: Innovative components to heat and move fluids and gases

**Revenue**
- £436m
  - (17% of Continuing Group)

**Headline OP**
- £84m
  - (17% of Continuing Group)

**Margin**
- 19.2%

**ROCE**
- 23.3%

**R&D % sales**
- 0.6%

---

**COMPETITIVE STRENGTHS**
- High-performance products
- Leading capability in design and manufacture
- Increasing pace of innovation
- Strong customer relationships
- Culture, safety and quality
- Mid-teens + margin through-cycle

**GROWTH DRIVERS**
- Steady growth of US housing construction through cycle
- Continued increase in large commercial aircraft production
- International expansion

**COMPETITIVE LANDSCAPE**
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include: Parker-Hannifin, Eaton Zoppas and Nibe

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**GEOGRAPHIES**
- Americas 81%
- Europe 11%
- APAC 7%
- RoW 1%

---

**OE/AM**
- Original Equipment 49%
- Aftermarket 51%

---

**END MARKETS**
- Aerospace 28%
- Industrials 72%
SMITHS INTERCONNECT: Solutions for high-speed, secure connectivity in demanding applications

<table>
<thead>
<tr>
<th>Revenue</th>
<th>£319m (13% of Continuing Group)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headline OP</td>
<td>£47m (10% of Continuing Group)</td>
</tr>
<tr>
<td>Margin</td>
<td>14.7%</td>
</tr>
<tr>
<td>ROCE</td>
<td>12.8%</td>
</tr>
<tr>
<td>R&amp;D % sales</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

### COMPETITIVE STRENGTHS
- Innovative and technically differentiated offerings
- Ultra-high reliability solutions used in demanding applications
- Strong research and engineering capabilities
- Customer intimacy, responsiveness and product customisation
- Global presence, reach and support
- Mid-teens + margin through-cycle

### GROWTH DRIVERS
- Increased connectivity
- Growing urbanised population requiring transports and infrastructure
- Increasing geopolitical uncertainty
- Ageing population and rising need for healthcare services

### GEOGRAPHIES
- Americas 61%
- Europe 19%
- APAC 17%
- RoW 3%

### OE/AM
- Original Equipment 98%
- Aftermarket 2%

### COMPETITIVE LANDSCAPE
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include Amphenol, TE Connectivity, Molex
SMITHS MEDICAL: High-quality, cost-effective medical devices and consumables that are vital to patient care globally

COMPETITIVE STRENGTHS
- Category leader in our chosen markets
- Trusted brands with a reputation for quality and safety
- Strong, defensible intellectual property
- Over 80% of revenue is from single-use devices and proprietary consumables
- Strong customer relationships and extensive global sales network
- Margins 20%+ through-cycle

GROWTH DRIVERS
- Ageing populations with increasing personalised healthcare and patient expectation/quality of life
- Increasing incidence of chronic diseases
- Increasing need for connected systems and data analytics
- Growth of alternate site and home-based healthcare
- Growing healthcare spend in developing markets

COMPETITIVE LANDSCAPE
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include: Medtronic, Becton-Dickinson, Baxter, B Braun

Revenue £874m
Headline OP £147m
Margin 16.8%
ROCE 11.7%
R&D % sales 6.0%

GEOGRAPHIES
- Americas 57%
- Europe 24%
- APAC 17%
- RoW 2%

OE/AM
- Consumables 83%
- Original Equipment 17%

END MARKETS
- Infusion systems 35%
- Vascular access 33%
- Vital Care and Specialty products 32%