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.
We are committed to doing business responsibly and sustainably for the benefit of society at large and our stakeholders.

These characteristics are underpinned by the Smiths values, a culture driven by excellence and innovation.

Our businesses share the same characteristics which shape how we create value (see slide 5).

We create transformative products and services that make a safer, more efficient and better connected world.

Smiths is a world leader in the practical application of advanced technologies.

Making a safer, more efficient and better connected world
THROUGH-CYCLE RESILIENCE WITH 49% AFTERMARKET REVENUE

Based on FY2020 numbers
Our businesses share the same 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

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

**STRONG FINANCIAL FRAMEWORK**
- ROCE 16-18% through the cycle
- Progressive dividend policy through-cycle. Dividend cover of 2x
- Asset light
- Highly cash generative
- Leverage < 2x net debt/EBITDA
- Disciplined capital allocation

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

**LEADING BUSINESSES IN ATTRACTIVE MARKETS**
- 6 SMITHS GROUP PLC     |    FY2020
Leading businesses in attractive growing markets

PORTFOLIO IN TOP THREE LEADERSHIP POSITIONS

THROUGH TARGETED ORGANIC INVESTMENT - R&D UP 20% OVER FIVE YEARS

Accelerated by a disciplined approach to acquisitions and disposals

11 DISPOSALS
  c.£535m proceeds

10 ACQUISITIONS
  for c.£965m

= 21 TRANSACTIONS
  total value c.£1.5bn
Operational excellence*

Maximising value for all stakeholders

People
Our people are vital to the success of Smiths. We work to attract, retain, develop, engage and inspire the very best.

Innovation
Technology and innovation are driving the future of Smiths. Our Groupwide innovation framework fosters a disciplined, future-focused culture aligned with our purpose and strategy. This helps us translate our expertise and insight into transformative new ways of working, products, services and business models.

Execution
We aim for consistent and flawless execution. Capability, collaboration across internal and external expert networks, and a relentless focus on continuous improvement enable us to move fast and deliver solutions, quality and value for our stakeholders.

Excellence
The Smiths Excellence System is embedded into our operations and functions. Supported by the SES Academy, it has created one language for excellence at Smiths that is advancing skills, best practice and continuous improvement across our SES pillars: Customer, People, Technology, Programme, Production and Supply.

Customers and suppliers

<table>
<thead>
<tr>
<th>Measure</th>
<th>FY2019</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>On time in full (OTIF)</td>
<td>86%</td>
<td></td>
</tr>
<tr>
<td>Cost of poor quality (COPQ)</td>
<td>1.4%</td>
<td></td>
</tr>
<tr>
<td>Greenhouse gas reduction</td>
<td>(46)%</td>
<td></td>
</tr>
</tbody>
</table>

Shareholders

<table>
<thead>
<tr>
<th>Measure</th>
<th>FY2019</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EPS</td>
<td>84.8p</td>
<td>96.8p</td>
</tr>
<tr>
<td>Dividend</td>
<td>35.0p</td>
<td>45.90p</td>
</tr>
</tbody>
</table>

* Based on Group measures. Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; exclude the effects of foreign exchange, acquisitions, restructuring costs and write-downs; and add back depreciation and amortisation of discontinued operations for comparability purposes.
Strong financial framework

FLEXIBLE COST BASE¹

- Cost of sales
  - Variable costs c.60%
  - Fixed costs c.40%

Capex / D&A²

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex / D&amp;A</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>1.0</td>
</tr>
<tr>
<td>FY 2017</td>
<td>1.1</td>
</tr>
<tr>
<td>FY 2018</td>
<td>1.1</td>
</tr>
<tr>
<td>FY 2019</td>
<td>1.2</td>
</tr>
<tr>
<td>FY 2020</td>
<td>1.3</td>
</tr>
</tbody>
</table>

STRONG CASH GENERATION

- Cash conversion³
  - 100%
  - 102%

WELL PLACED TO NAVIGATE THE CURRENT ENVIRONMENT

ROBUST BALANCE SHEET

- Net debt of £1.1bn (including £148m of leases)
- Net debt: EBITDA 1.7x⁴
- Average debt maturity is 4.2yrs - no maturities until October 2022
- No covenant obligations on bonds

1 Continuing operations
2 D&A does not include IFRS 16 depreciation for comparison purposes
3 Excludes the impact from IFRS 16 for comparison purposes
4 EBITDA is based on continuing and discontinued operations. Please refer to note 30 of the accounts for detailed calculation – excludes restructuring and write-downs
### Key performance indicators

#### OPERATIONAL PERFORMANCE

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY2020</th>
<th>Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio strength(^1)</td>
<td>90%</td>
<td>≥ 90%</td>
</tr>
<tr>
<td>Vitality index(^2)</td>
<td>20%</td>
<td>~20%</td>
</tr>
<tr>
<td>Stock turns(^2)</td>
<td>3.0x</td>
<td>~6x</td>
</tr>
<tr>
<td>Aftermarket %(^1)</td>
<td>49%</td>
<td>≥ 50%</td>
</tr>
</tbody>
</table>

#### FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY2020</th>
<th>Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying revenue growth(^1)</td>
<td>(1)%</td>
<td>Outperform our chosen markets</td>
</tr>
<tr>
<td>Operating margin(^1)</td>
<td>15.0%</td>
<td>18-20%</td>
</tr>
<tr>
<td>ROCE(^2)</td>
<td>11.8%</td>
<td>16-18%</td>
</tr>
<tr>
<td>WC % sales(^2)</td>
<td>28%</td>
<td>~20%</td>
</tr>
<tr>
<td>Cash conversion(^2)</td>
<td>123%</td>
<td>100%+</td>
</tr>
</tbody>
</table>

---

\(^1\) Continuing operations
\(^2\) Total Group

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**ON TRACK TO DELIVER**

---

10 SMITHS GROUP PLC   |   FY2020
## Smiths Group – FY2020

<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>£955m</td>
<td>£806m</td>
<td>£478m</td>
<td>£309m</td>
<td>£2,548m</td>
<td>£918m</td>
</tr>
<tr>
<td>Revenue growth* (%)</td>
<td>+2%</td>
<td>-</td>
<td>(6)%</td>
<td>(5)%</td>
<td>(1)%</td>
<td>+4%</td>
</tr>
<tr>
<td>Headline operating profit (£’m)</td>
<td>£187m</td>
<td>£82m</td>
<td>£83m</td>
<td>£26m</td>
<td>£327m</td>
<td>£184m</td>
</tr>
<tr>
<td>Operating margin* (%)</td>
<td>21.5%</td>
<td>13.9%</td>
<td>17.6%</td>
<td>10.1%</td>
<td>15.0%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Aftermarket % of revenue</td>
<td>67%</td>
<td>45%</td>
<td>51%</td>
<td>2%</td>
<td>49%</td>
<td>80%</td>
</tr>
<tr>
<td>R&amp;D % sales</td>
<td>1.9%</td>
<td>9.2%</td>
<td>0.5%</td>
<td>7.7%</td>
<td>4.7%</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

*Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; exclude the effects of foreign exchange, acquisitions, restructuring costs and write-downs; and add back depreciation and amortisation of discontinued operations for comparability purposes.

** Includes £(51)m of corporate costs.
## External recognitions supporting strong ESG fundamentals

<table>
<thead>
<tr>
<th>External recognitions</th>
<th>Score</th>
<th>Environmental</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug 2020 ISS</td>
<td>Governance 1 Environment 2 Social 2</td>
<td>FY2007 to FY2020 reductions • Greenhouse Gas (GHG): (46)% • Energy: (17)% • Water: (44)% • Non recycle waste: (49)%</td>
<td>Our People are our most important sources of sustainable competitive advantage: • Safety first (FY2020): RIR 0.30 (FY2019: 0.41) • LTIR 0.14 (FY2019: 0.19) • Engagement score 73 (May 2019:73) translating into tangible actions to make Smiths a better place to work</td>
<td>Average tenure on the Board c.4.3 years</td>
</tr>
<tr>
<td>2018 data CDP</td>
<td>8 Above average</td>
<td>Further commitment to reduce our impact on the environment: • 75% renewable electricity commitment by 2040</td>
<td></td>
<td>Diversity of the Board: • Gender (33%) • Ethnicity &amp; gender (42%) • Geographies (67%)</td>
</tr>
<tr>
<td>Sep 2019</td>
<td>34 67th percentile</td>
<td>Technology and innovation as a solution for our customers</td>
<td></td>
<td>Diverse expertise: MedTech, engineering, automotive, financial services</td>
</tr>
<tr>
<td>Nov 2019 MSCI</td>
<td>AA Leader in the sector</td>
<td></td>
<td>Customers &amp; suppliers • We adhere to our code of business ethics as well as provide regular anti-bribery and corruption training for our employees</td>
<td></td>
</tr>
<tr>
<td>June 2020 FTSE4Good</td>
<td>Constituent</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
John Crane - Mission-critical solutions for global energy and process industries

REVENUE
£955m
(37% of Continuing Group)

HEADLINE OP
£187m
(49% of Continuing Group)

UNDERLYING MARGIN
21.5%

ROCE
19.0%

R&D % SALES
1.9%

COMPETITIVE STRENGTHS
- A global leader in mission-critical technology for rotating equipment
- Strong proprietary technology and expertise in applied engineering
- Broad installed base in energy and industrials
- Strong aftermarket service offering with more than 200 sales and service centres
- Long-term customer relationships
- Margins at 20%+ through-cycle

GROWTH DRIVERS
- Long-term underlying energy demand, especially in emerging markets
- Pent-up demand for maintenance and upgrades, including environmental safeguarding, in oil & gas and petrochemical
- Expansion in higher-growth markets
- Need for operational improvements in industrial process industries
- Disruptive innovations, including materials science advancements and digital transformation
- Unique footprint which allows John Crane to support and service customers as well as meet local content requirements and align with customer strategies

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

GEOGRAPHIES
- Americas 40%
- Europe 25%
- APAC 21%
- RoW 14%

OE/AM
- Aftermarket 67%
- Original Equipment 33%

END MARKETS
- Energy c.63%
- Industrials c.37%

£187m
(49% of Continuing Group)

21.5%

19.0%

1.9%

SMITHS GROUP PLC | FY2020
**Smiths Detection** - Detection and screening technologies for the identification of safety and security threats

### Revenue
£806m (32% of Continuing Group)

### Headline OP
£82m (22% of Continuing Group)

### Underlying Margin
13.9%

### ROCE
7.2%

### R&D % Sales
9.2%

### Competitive Strengths
- A global market leader with differentiated technologies leveraged across a broad range of markets
- Significant R&D capability
- Operating in regulated markets that require 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 in the aviation market
- Evolving threats to public safety and critical infrastructure
- Global growth in e-commerce
- Equipment replacement cycle, typically 8–10 years
- Growth of transportation infrastructure in Asia, Latin America and Africa

### Competitive Landscape
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Example include: Rapiscan, Leidos, Nuctech

### Geographies
- Americas 39%
- Europe 28%
- APAC 21%
- RoW 12%

### OE/AM
- Aftermarket 45%
- Original Equipment 55%

### End Markets
- Aviation 72%
- Other Security Systems 28%

---

15 SMITHS GROUP PLC | FY2020
**Flex-Tek** - Innovative components to heat and move fluids and gases

| REVENUE | £478m (19% of Continuing Group) |
| HEADLINE OP | £83m (22% of Continuing Group) |
| UNDERLYING MARGIN | 17.6% |
| ROCE | 17.5% |
| R&D % SALES | 0.5% |

### COMPETITIVE STRENGTHS
- High-performance products
- Leading capability in design and manufacture
- A market leader in residential gas tubing products
- High performance flexible tubing for aerospace
- Strong customer relationships
- Mid-teens + margin through-cycle

### GROWTH DRIVERS
- Through cycle growth of the US housing construction market
- Expanding international market for corrugated stainless steel tubing for housing
- Long-term increase in commercial aircraft production
- Growth of medical devices, especially for the treatment of sleep apnoea
- Expansion in higher-growth markets

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

### GEOGRAPHIES
- Americas 81%
- Europe 12%
- APAC 6%
- RoW 1%

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

### END MARKETS
- Aerospace 28%
- Industrials 72%
### Smiths Interconnect - Solutions for high-speed, secure connectivity in demanding applications

#### 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 in space
- Growing urbanised population requiring transport and infrastructure
- Increasing geopolitical uncertainty
- Extension of internet connectivity to improve efficiency and data accuracy (Internet of Things, Industry 4.0)
- Increased focus on healthcare and ageing populations

#### Competitive Landscape
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include Amphenol, Molex, TE Connectivity, WinWay, Cobham, Honeywell

### Financial Highlights

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY2020 Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£309m</td>
<td>(12% of Continuing Group)</td>
</tr>
<tr>
<td>Underlying Margin</td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td>ROCE</td>
<td>6.4%</td>
<td></td>
</tr>
<tr>
<td>R&amp;D % of Sales</td>
<td>7.7%</td>
<td></td>
</tr>
<tr>
<td>Headline OP</td>
<td>£26m</td>
<td>(7% of Continuing Group)</td>
</tr>
<tr>
<td>Underlying Margin</td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td>ROCE</td>
<td>6.4%</td>
<td></td>
</tr>
<tr>
<td>R&amp;D % of Sales</td>
<td>7.7%</td>
<td></td>
</tr>
</tbody>
</table>

### Geographies
- Americas 57%
- Europe 21%
- APAC 18%
- RoW 4%

### OE/AM
- Aftermarket 2%
- Original Equipment 98%
**Smiths Medical** - High-quality, cost-effective medical devices and consumables that are vital to patient care globally

**REVENUE**

£918m

**HEADLINE OP**

£184m

**UNDERLYING MARGIN**

15.5%

**ROCE**

13.8%

**R&D % SALES**

5.9%

**COMPETITIVE STRENGTHS**

- A category leader in served segments
- Trusted brands with a reputation for safety
- Strong, defensible intellectual property
- C.80% of revenue 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

**GEOGRAPHIES**

- Americas 53%
- Europe 28%
- APAC 16%
- RoW 3%

**OE/ CONSUMABLES**

- Consumables 80%
- Original Equipment 20%

**END MARKETS**

- Infusion Systems 35%
- Vascular Access 30%
- Vital Care and Speciality Products 35%