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.
WHAT IT MEANS TO BE SMITHS

STRONG GROWTH & RETURNS

LEADING POSITIONS IN ATTRACTIVE MARKETS

STRONG OPERATIONAL PERFORMANCE

STRONG FINANCIAL PERFORMANCE

EXECUTION

FINANCIAL DISCIPLINE

TARGETING

A HIGH PERFORMING, DIVERSIFIED TECHNOLOGY COMPANY
SMITHS GROUP TODAY

A HIGH PERFORMING, DIVERSIFIED TECHNOLOGY COMPANY

<table>
<thead>
<tr>
<th>SMITHS GROUP</th>
<th>JOHN CRANE</th>
<th>SMITHS MEDICAL</th>
<th>SMITHS DETECTION</th>
<th>SMITHS INTERCONNECT</th>
<th>FLEX-TEK</th>
<th>MEDICAL TECHNOLOGY</th>
<th>SECURITY &amp; DEFENCE</th>
<th>GENERAL INDUSTRY</th>
<th>OIL &amp; GAS</th>
<th>SPACE &amp; COMMERCIAL AEROSPACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Founded in 1851</td>
<td>Mission-critical solutions for global energy and process industries</td>
<td>High-quality, cost-effective medical devices and consumables that are vital to patient care</td>
<td>A global leader in the detection and authentication of security threats and contraband</td>
<td>Solutions for high-speed, secure connectivity in demanding applications</td>
<td>Innovative components to heat and move fluids and gases</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>• c.22,000 employees</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>• Operating in over 50 countries</td>
<td></td>
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<td></td>
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<tr>
<td>• Serving customers in c.200 countries and territories</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>• Revenue £3.2bn</td>
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<td></td>
<td></td>
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<tr>
<td>• Headline OP £544m</td>
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</tr>
</tbody>
</table>

27% of Group revenue  
34% of Group OP

28% of Group revenue  
26% of Group OP

25% of Group revenue  
22% of Group OP

9% of Group revenue  
7% of Group OP

11% of Group revenue  
11% of Group OP

Based on reported FY 2018 numbers
STRATEGIC PROGRESS

- **2016**: A NEW DIRECTION
- **2017**: SIGNIFICANT PROGRESS
- **2018**: RETURN TO GROWTH
- **2019**: SUSTAINABLE GROWTH
- **AMBIATION**: OUTPERFORMING OUR CHOSEN MARKETS
CHARACTERISTICS OF A SMITHS BUSINESS – OUR DNA

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

TARGETED IN GROWING MARKETS
TARGETED IN GROWING MARKETS

- **MEDICAL TECHNOLOGY**
  - Market growth: 3-4%
  - Smiths Medical; Smiths Interconnect; Flex -Tek

- **SECURITY & DEFENCE**
  - Market growth: 4-6%
  - Smiths Detection; Smiths Interconnect

- **GENERAL INDUSTRIAL**
  - Market growth: GDP+
  - John Crane; Smiths Interconnect; Flex-Tek

- **OIL & GAS**
  - Market growth: 1-2%
  - John Crane

- **SPACE & COMMERCIAL AEROSPACE**
  - Market growth: 4-6%
  - Flex-Tek; Smiths Interconnect

OVERALL MARKET GROWTH RATE: 3-4%

Source:
(1) Health Research International 2016; BMI 2017; McKinsey analysis
(2) IHS Markit; Frost & Sullivan; Markets and Markets; Smiths Detection analysis
(3) BP Energy Outlook 2017
(4) Bishop Report, Markets and Markets, Boeing Current Market Outlook (2017-2036)
TOP 3 LEADERSHIP IN TARGETED MARKET SEGMENTS

MARKET ATTRACTIVENESS
- Size
- Growth
- Segment profitability
- Competitor landscape

COMPETITIVE POSITION
- Relative market share
- Relative growth
- Relative profitability

- Infusion systems
- Vascular access
- Vital care

- Air transportation
- Ports and borders
- Military
- Urban security

- Pharma
- Chemical
- Processing
- Rail
- Semiconductor test
- Construction

- Oil refineries
- Gas processing
- Pipelines

- Aircraft
- Satellites
PARALLEL PATH

- HIGH GRADING THE BUSINESSES
  - FY2016: c. 60%
  - FY2018: c. 80%
  - Medium term: >85%

- PORTFOLIO PRIORITISATION
  - RISK OF EXECUTION: C. 60%
  - C. 80%
  - >85%

- CAPITAL ALLOCATION DECISIONS
  - RISK ASSESSMENT
A WORLD LEADING TECHNOLOGY COMPANY

Outperforming our chosen markets

Achieving world-class competitiveness

Strong financial framework

GROWTH
Outperforming our chosen markets

MARGIN
18-20%

ROCE
16-18%

CASH CONVERSION 100%+

INVESTMENT

RETURNS
# MEDIUM TERM AMBITION

## Operational Performance

<table>
<thead>
<tr>
<th>Competitor position</th>
<th>Top 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D % sales</td>
<td>5-6%</td>
</tr>
<tr>
<td>Vitality index</td>
<td>~20%</td>
</tr>
<tr>
<td>Stock turns</td>
<td>~6x</td>
</tr>
<tr>
<td>Aftermarket %</td>
<td>60%+</td>
</tr>
</tbody>
</table>

## Financial Performance

<table>
<thead>
<tr>
<th>Organic revenue growth</th>
<th>Outperforming our chosen markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>operating margin</td>
<td>18-20%</td>
</tr>
<tr>
<td>ROCE</td>
<td>16-18%</td>
</tr>
<tr>
<td>WC % sales</td>
<td>~20%</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>100%+</td>
</tr>
</tbody>
</table>
SMITHS IN FY 2018
## SMITHS GROUP – FY 2018

<table>
<thead>
<tr>
<th></th>
<th>JOHN CRANE</th>
<th>SMITHS MEDICAL</th>
<th>SMITHS DETECTION</th>
<th>SMITHS INTERCONNECT</th>
<th>FLEX-TEK</th>
<th>GROUP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (£'m)</td>
<td>£881m</td>
<td>£885m</td>
<td>£793m</td>
<td>£300m</td>
<td>£354m</td>
<td>£3,213m</td>
</tr>
<tr>
<td>Revenue growth* (%)</td>
<td>+5%</td>
<td>(2)%</td>
<td>+1%</td>
<td>(1)%</td>
<td>+10%</td>
<td>+2%</td>
</tr>
<tr>
<td>Operating profit (£'m)</td>
<td>£202m</td>
<td>£156m</td>
<td>£134m</td>
<td>£42m</td>
<td>£67m</td>
<td>£544m**</td>
</tr>
<tr>
<td>Operating margin (%)</td>
<td>22.9%</td>
<td>17.6%</td>
<td>16.9%</td>
<td>14.1%</td>
<td>18.9%</td>
<td>16.9%</td>
</tr>
<tr>
<td>ROCE</td>
<td>22.9%</td>
<td>13.1%</td>
<td>12.1%</td>
<td>11.9%</td>
<td>35.0%</td>
<td>14.6%</td>
</tr>
<tr>
<td>Aftermarket % of revenue</td>
<td>67%</td>
<td>82%</td>
<td>44%</td>
<td>n/a</td>
<td>n/a</td>
<td>57%</td>
</tr>
<tr>
<td>R&amp;D % sales</td>
<td>1.3%</td>
<td>5.8%</td>
<td>7.4%</td>
<td>7.0%</td>
<td>0.6%</td>
<td>4.6%</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 £(30)m of corporate costs
REVENUE ANALYSIS - FY 2018

**JOHN CRANE**
- 44% Oil & gas
- 56% Non-oil & gas

**SMITHS MEDICAL**
- 33% Infusion systems
- 34% Vascular access
- 68% Vital Care

**SMITHS DETECTION**
- 21% Air transportation
- 68% Ports and borders
- 14% Defence
- 4% Medical
- 7% Space
- 4% Commercial aerospace
- 11% Rail, Industrial, Other
- 17% Urban security

**SMITHS INTERCONNECT**
- 40% Defence
- 10% Semiconductor
- 17% Medical
- 11% Space
- 8% Commercial aerospace
- 4% Rail, Industrial, Other
- 14% Urban security

**FLEX-TEK**
- 30% Construction Products
- 26% Fluid Management
- 25% Heat Solutions
- 19% Flexible Solutions
COMPETITIVE STRENGTHS
- A global leader in flow control for rotating equipment
- Strong proprietary technology and expertise in applied engineering
- Broad installed base in Oil & Gas and Non-Oil & Gas
- Strong aftermarket service offering with c.200 sales and service centres
- Long-term customer relationships

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 & gas industries
- Disruptive innovations including material science advancements and digital transformation

END MARKETS
- c.56% OIL & GAS
  - 85% downstream
  - 15% midstream
- c.44% NON-OIL & GAS
  - Pharmaceutical
  - Chemicals
  - Pulp & paper
  - Water treatment

Revenue
£881m
(27% of Group)

Headline OP
£202m
(34% of Group)

Margin
22.9%

R&D % sales
1.3%
SMITHS MEDICAL: High-quality, cost-effective medical devices and consumables that are vital to patient care globally

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<tr>
<td><strong>Margin</strong></td>
<td>17.6%</td>
<td></td>
</tr>
<tr>
<td><strong>R&amp;D % sales</strong></td>
<td>5.8%</td>
<td></td>
</tr>
</tbody>
</table>

### COMPETITIVE STRENGTHS
- A category leader in our chosen markets
- Trusted brands with a reputation for quality and safety
- Strong, defensible intellectual property
- c.80% of revenue from single-use devices and proprietary consumables
- Strong customer relationships and extensive global sales network

### 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

### GEOGRAPHIES
- Americas 56%
- Europe 25%
- APAC 17%
- RoW 2%

### OE/AM
- Consumables 82%
- Original Equipment 18%

### END MARKETS
- Infusion systems 34%
- Vascular access 33%
- Vital Care and Specialty products 33%

### COMPETITIVE LANDSCAPE
- Medtronic
- Becton-Dickinson
- Baxter
- B Braun
SMITHS DETECTION: A global leader in the detection and identification of security threats and contraband

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<th>Revenue</th>
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<td>Margin</td>
<td>16.9%</td>
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<tr>
<td>R&amp;D % sales</td>
<td>7.4%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>COMPETITIVE STRENGTHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A global market leader with differentiated technologies leveraged across a broad range of markets</td>
</tr>
<tr>
<td>Significant R&amp;D capability</td>
</tr>
<tr>
<td>Operating in several regulated markets requiring product certification</td>
</tr>
<tr>
<td>Increasing digitisation and aftermarket revenue</td>
</tr>
<tr>
<td>Long-term customer relationships</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>GEOGRAPHIES</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>Europe 27%</td>
</tr>
<tr>
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<tr>
<td>RoW 17%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>OE/AM</th>
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</thead>
<tbody>
<tr>
<td>Original Equipment 56%</td>
</tr>
<tr>
<td>Aftermarket 44%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>END MARKETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air transportation 68%</td>
</tr>
<tr>
<td>Ports and borders 7%</td>
</tr>
<tr>
<td>Defence 4%</td>
</tr>
<tr>
<td>Urban security 21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMPETITIVE LANDSCAPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nuctech</td>
</tr>
<tr>
<td>Rapiscan</td>
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<tr>
<td>L3-SDS</td>
</tr>
</tbody>
</table>
SMITHS INTERCONNECT: Solutions for high-speed, secure connectivity in demanding applications

**REVENUE**
£300m (9% of Group)

**HEADLINE OPERATING PROFIT**
£42m (7% of Group)

**MARGIN**
14.1%

**R&D % OF SALES**
7.0%

---

### 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

### GROWTH DRIVERS
- Increased connectivity supporting growth in space applications and in commercial aerospace
- Growing urbanised population requiring transportation and infrastructure
- Increasing geopolitical uncertainty
- Ageing population and rising need for connected healthcare services

### COMPETITIVE LANDSCAPE
- Competitors range from large multinationals through to small, more focused companies across the product portfolio
- Examples include Amphenol, TE Connectivity, Molex, Yokowo and Cobham

---

### GEOGRAPHIES
- Americas 61%
- Europe 22%
- APAC 14%
- RoW 3%

### END MARKETS
- Defence 40%
- Semiconductor 17%
- Medical 11%
- Space 8%
- Commercial aerospace 10%
- Rail, Industrial, Other 14%
FLEX-TEK: Innovative components to heat and move fluids and gases

**COMPETITIVE STRENGTHS**
- High-performance products
- Leading capability in design and manufacture
- Market leading residential gas tubing products
- High performance flexible tubing for aerospace
- Strong customer relationships

**GROWTH DRIVERS**
- Steady growth of the US housing construction market
- Expanding international market for corrugated stainless steel tubing for residential housing
- Continued increase in large commercial aircraft production
- Growth of medical devices, especially for the treatment of sleep apnoea
- Expansion in higher-growth markets

**COMPETITIVE LANDSCAPE**
- Fluid management – Parker-Hannifin and Eaton for flex assemblies and numerous smaller competitors for metal products
- Construction – c.7-8 competitors
- Flexible solutions – c.5-6 competitors for industrial ducting and medical
- Heat - numerous smaller competitors for specialty products including Zoppas and Nibe

---

**Revenue**
- **£354m** (11% of Group)

**Headline OP**
- **£67m** (11% of Group)

**Margin**
- **18.9%**

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

---

**GEOGRAPHIES**
- Americas 81%
- Europe 9%
- APAC 9%
- RoW 1%

---

**SEGMENTS**
- Construction Products 30%
- Fluid Management 25%
- Heat Solutions 26%
- Flexible Solutions 19%