Smiths Group plc
FY2026 results

22 September 2026

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Agenda

Opening remarks
Roland Carter

FY2026 Financial results
Julian Fagge

Strategy update
Roland Carter

Q&A

Opening remarks

Roland Carter

Chief Executive Officer

Significant strategic progress, strengthening focus on higher growth and margin

Significant strategic progress
- Transforming the company
- Unlocking £3.3bn of value

A focused, premium industrial engineering company

Strategy for growth and value creation
- Accelerate
- Execute
- Innovate
- Compound

- High-grading portfolio
- Expanded into high-growth data centre markets
- Enhancing free cashflow and strengthening balance sheet

Resilient financial performance
- Organic revenue growth
- Margin expansion
- Strong cash generation

- Momentum supports FY2027 outlook
- Strong conviction in delivering medium-term targets more quickly

FY2026 Financial results

Julian Fagge
Chief Financial Officer

Resilient financial performance

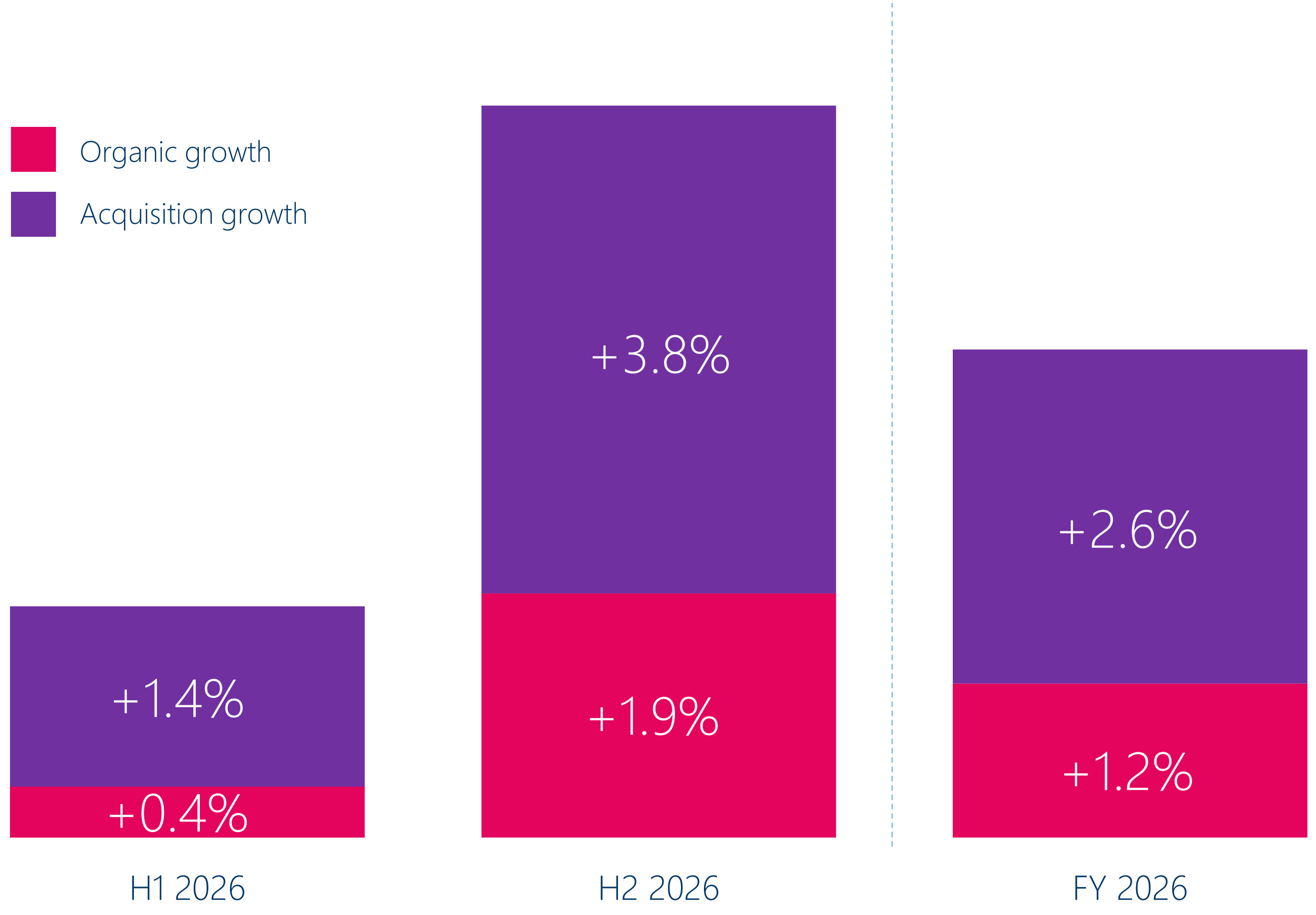
- Resilient organic revenue performance despite challenging energy and construction markets
- Organic margin expansion +20bps, alongside continued investment
- Strong EPS growth enhanced by operating profit growth and share buyback
- Dividend growth of +5.4%, alongside market-leading capital returns

	FY2026	FY2025	Reported change	Organic[3] change
Continuing operations: Smiths[1] (Headline[2])				
Revenue	**£1,937m**	£1,898m	+2.1%	+1.2%
Operating profit	**£399m**	£388m	+2.7%	+1.9%
Operating profit margin	**20.6%**	20.5%	+10bps	+20bps
ROCE	**23.5%**	24.5%	(100)bps	
Basic EPS	**86.8p**	81.9p	+6.0%	
Operating cash conversion	**96%**	97%	(1)pps	
Total Group[1] (Headline[2])				
Basic EPS	**135.7p**	121.2p	+12.0%	
Dividend per share	**48.5p**	46.0p	+5.4%	

1. Smiths and/or continuing operations refers to the combination of John Crane and Flex-Tek (excl. Smiths Detection, Smiths Interconnect and certain Flex-Tek general industrial businesses. Total Group refers to the combination of John Crane, Flex-Tek (incl. contributions from certain general industrial businesses), Smiths Detection and Smiths Interconnect)
2. Headline excludes items defined in note 3 of the financial statements
3. Organic is headline adjusted to exclude the effects of foreign exchange and acquisitions

Resilient organic[1] revenue growth, enhanced with high-growth acquisitions

- Resilient John Crane growth despite £20m Middle East impact
- Strong aerospace growth with successful contract renewals
- Challenging US residential construction market
- Positive contribution from acquisitions, in particular DRC

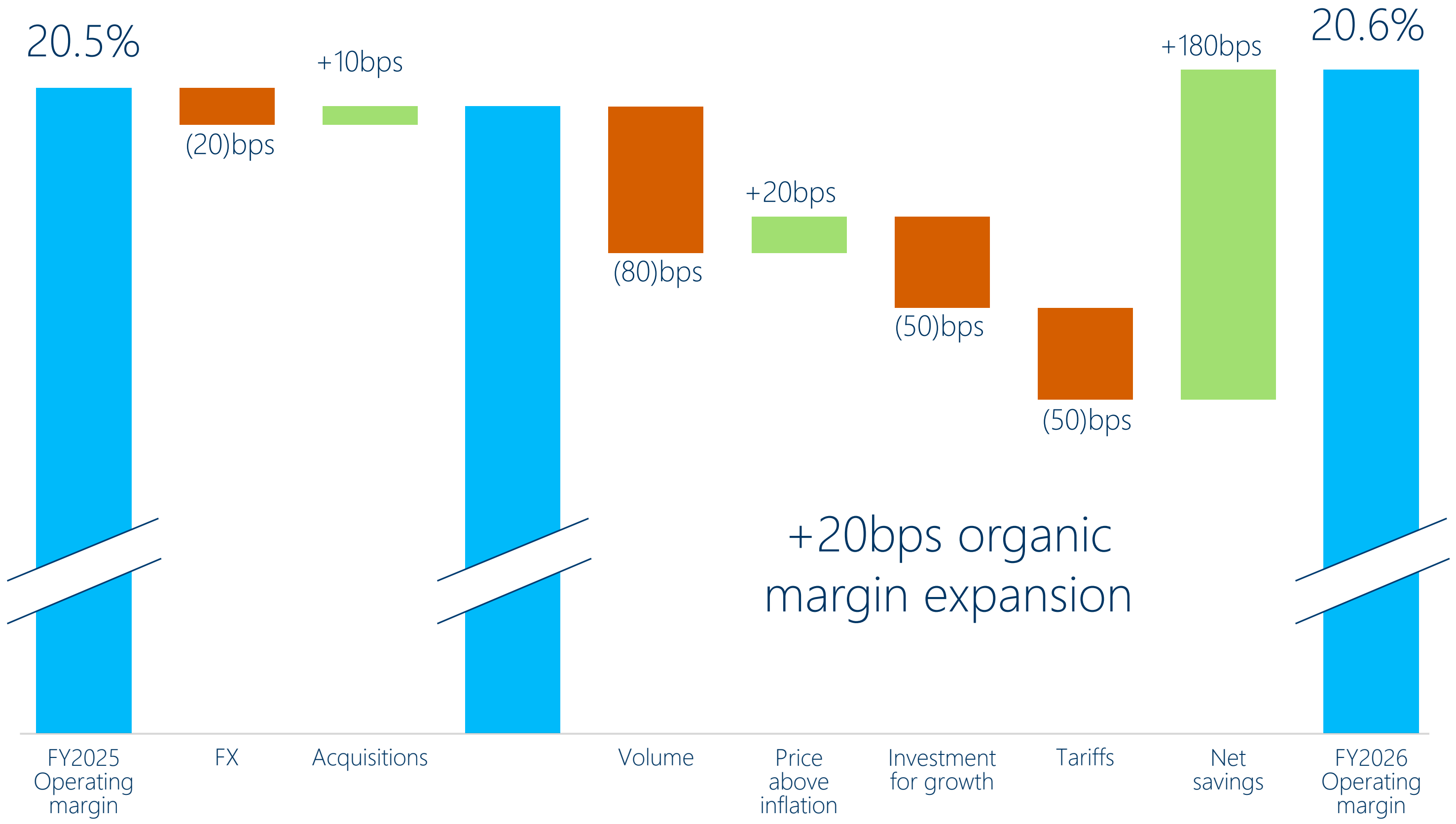


1. Organic is headline adjusted to exclude the effects of foreign exchange and acquisitions

Operating margin expansion with good operating profit growth

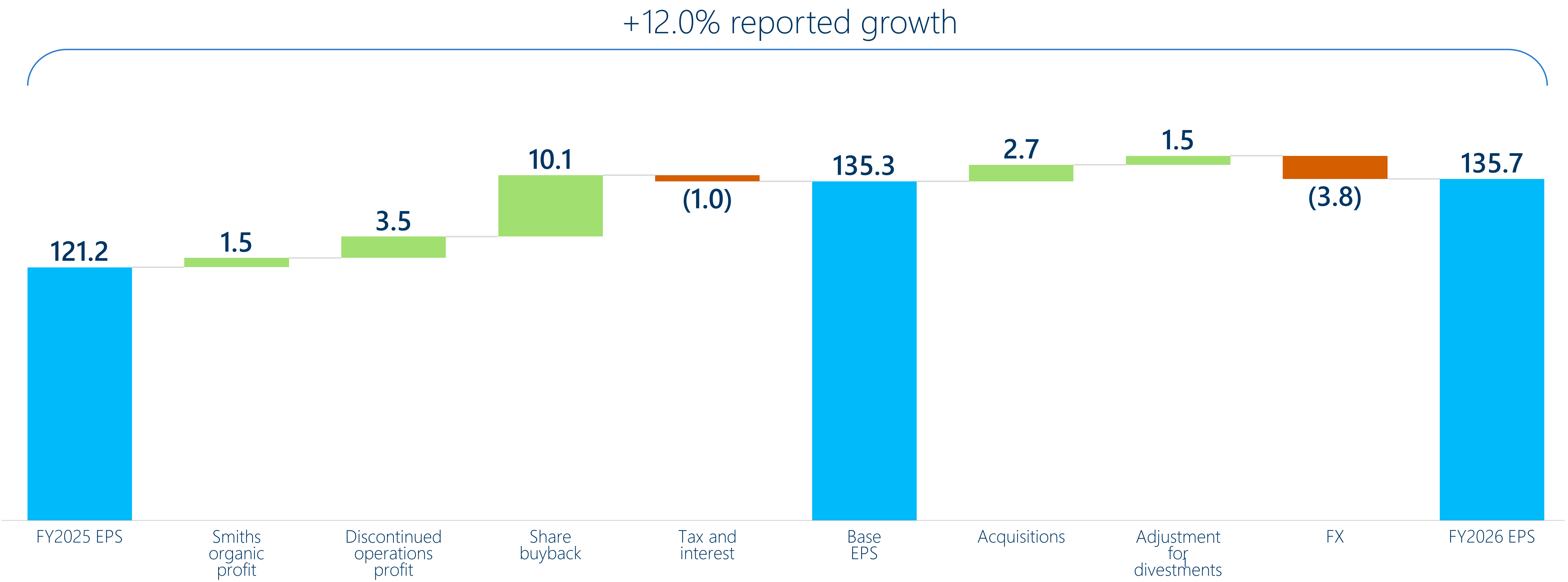
- Lower volume reflects challenging market conditions
- Strong pricing power
- Increase in strategic growth investments
- Small impact from tariffs
- Acceleration Plan delivered in line with expectations
- Continuing Smiths Excellence and efficiency savings

Smiths operating margin (%)



Strong EPS growth reflecting operating profit growth and share buyback

Earnings per share (pence)

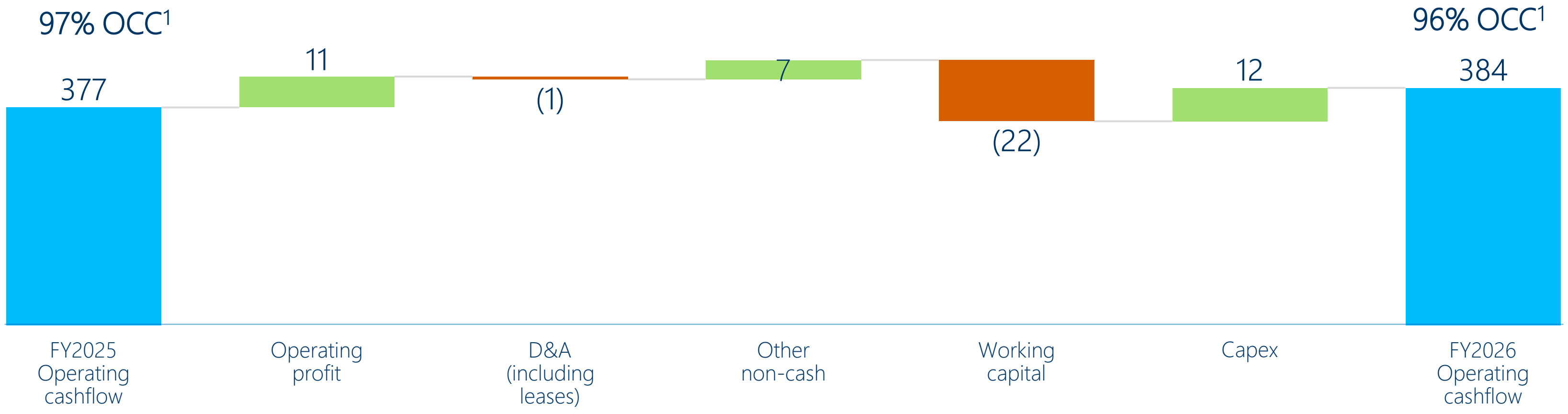


1. Predominantly relates to IFRS5 accounting – no depreciation or amortisation recorded for discontinued businesses, impacting EPS

Strong operating cash conversion

- 96% operating cash conversion[1]
- Capex ahead of depreciation reflecting continued investment in growth and efficiency
- Working capital outflow reflects higher inventory to support order delivery; receivables in Middle East

Operating cashflow



Actuals	FY2026 (£m)	FY2025 (£m)
Operating profit	399	388
D&A[2]	25	28
Lease depreciation	23	21
Other non-cash	23	16
Working capital	(47)	(25)
Capex	(39)	(51)
Operating cashflow	**384**	**377**

1. Smiths operating cash conversion

Business update

John Crane

Flex-Tek

John Crane

Revenue

£1,130m +2.3%[1]

Energy +2.5%:
- Original equipment: +4.1%
- Aftermarket: +1.9%

Industrial +2.0%:
- Original equipment: +4.8%
- Aftermarket: +0.4%

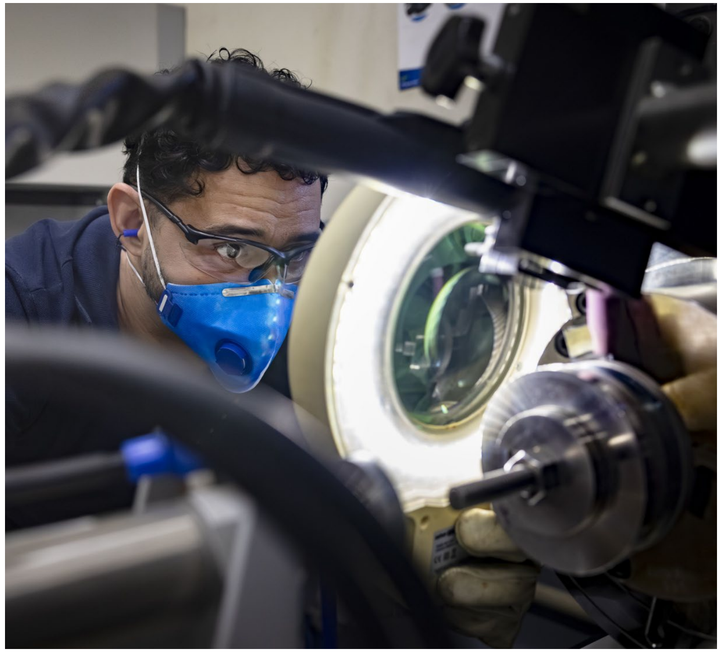
Operating profit

£270m +3.5%[1]

Operating margin

23.9% +30bps[1]

Aftermarket 70%	OE 30%
Energy 63%	Industrial 37%



- Resilient growth against difficult market and geopolitical backdrop
- c.+4% growth excluding ~£20m Middle East impact, with strength in Americas and OE
- Industrial growth driven by general industry, mining and water, partly offset by chemicals
- Improvement in operational execution, with faster lead times and improved on-time delivery
- Acceleration Plan benefits alongside an £8m increase in investment in strategic projects

1. Reflects organic revenue, organic operating profit growth and organic operating margin movement

Middle East in focus

Operating environment

Current environment

- Slower order intake
- Postponement of capex
- Lower run-rate orders
- Higher receivables
- Volatile environment

Recovery phase

- Start of recovery, mainly in aftermarket
- Gradual resumption of large projects

Longer-term

- Increased prioritisation of energy security and resilience
- Driving higher investment globally into critical energy infrastructure

Our response

- All manufacturing and service facilities operational
- Investing in stock availability
- Supporting customers as well as preparing for recovery

- Operational execution
- Ensuring stock availability and supply chain resilience
- Rebalancing production capacity
- Investing in service and manufacturing capabilities

Broad installed base | **Local presence** | **Unrivalled service capability** | **Deep customer intimacy**

Flex-Tek

Revenue

£807m *(0.4)%*[1]

Construction: (3.6)%

Thermal Solutions: (6.2)%

Aerospace: +10.6%

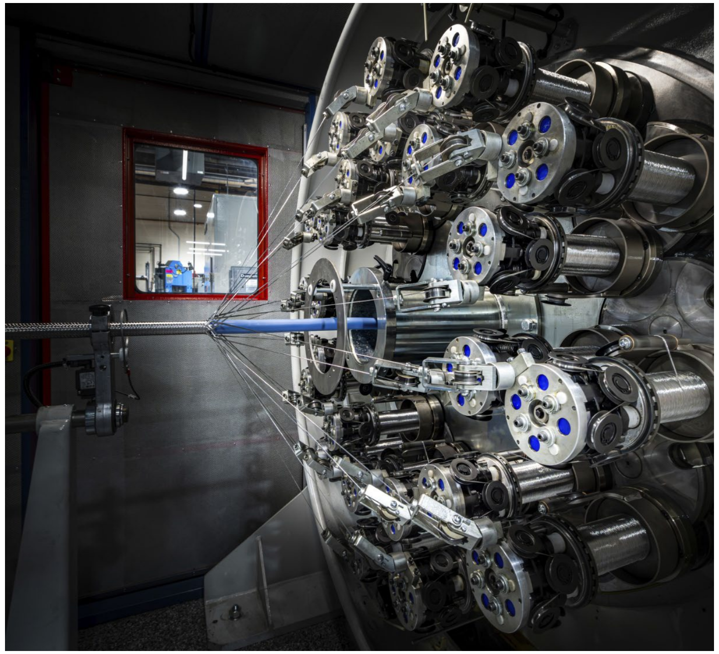
Operating profit

£170m *(4.2)%*[1]

Operating margin

21.0% *(80)bps*[1]

Construction	Aerospace	Thermal
45%	28%	27%



- Construction – challenging US market but continuing to drive for growth
- Thermal Solutions – impacted by H1 heat kit destocking and project phasing
- DRC – expands our position into cooling solutions, with exposure to high-growth data centre market
- Aerospace – strong growth from order book execution and benefits from contract renewals
- Margin decline reflects lower volume and tariffs, with benefits from pricing and efficiency savings

1. Reflects organic revenue, organic operating profit growth and organic operating margin movement

Our capital allocation framework – deploying cashflow to deliver growth and returns

Organic investment	Value-accretive acquisitions	Portfolio management	Progressive dividend policy	Enhanced shareholder returns
• RD&E 3-4% of revenue • Capex 2-3% of revenue • Commercial and strategic growth initiatives	• Higher-growth market adjacencies • Expand into attractive growth opportunities • Driving growth and returns	• Divest non-core assets • Address legacy liabilities • Strengthen balance sheet • Enhance FCF conversion	• Average growth of +5.2% in past 5 years • 75 consecutive years of dividend payments	• Return surplus capital • Ongoing share buyback programme potential
• RD&E £64m[1] • Capex £39m • Strategic projects • Commercial and engineering teams	• £165m for DRC Heat Transfer	• Sold 3 Flex-Tek industrial businesses for £40m • £760m SIPS pension scheme buy-in; £900m TI scheme buy-out • Announced launch of asbestos liability divestment	• DPS +5.4% to 48.5p • Dividend cost £149m	• Completed £500m buyback • Completed £1bn buyback • £1.5bn still to be returned

Supported by strong balance sheet and solid investment grade credit rating

FY2026 £1,747m net cash

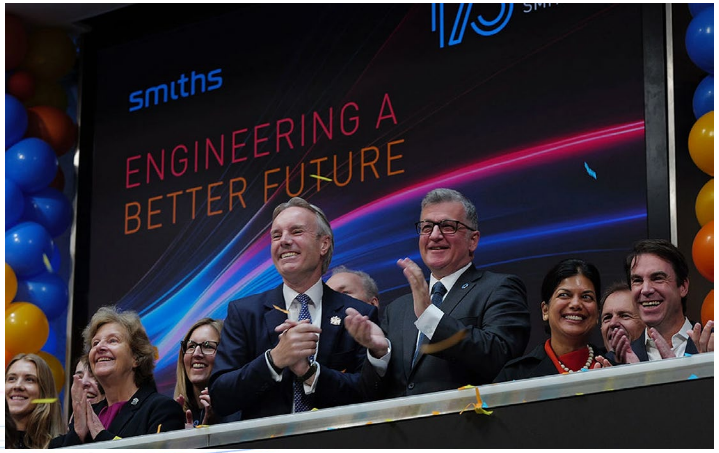
1. Including John Crane's customer-specific engineering-related projects

FY2027 outlook

Smiths

- Organic revenue growth of c.4%
- Headline operating profit margin c.21%
- Operating cash conversion of low 90%s

→ **Strong conviction in achieving 5-7% organic revenue growth and 21-23% operating margin targets**



John Crane

- Growth weighted towards H2
- Robust order book with strong order intake in the Americas
- Assumes Middle East impact continues through H1; recovery during H2
- Continue to benefit from improved execution

Flex-Tek

- Growth weighted towards H1
- Assumes subdued US construction market; continue to drive performance
- Underlying growth in Thermal Solutions, supplemented by DRC acquisition
- Strong Aerospace order book and coverage

Strategy update

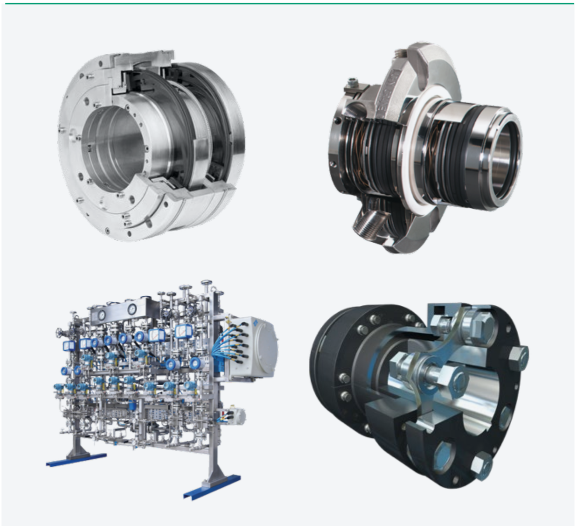
Roland Carter

Chief Executive Officer

Portfolio focused on strategic growth pillars

John Crane

Flow Control



58%

Flex-Tek

Construction

19%

Thermal Solutions

11%

Aerospace

12%

% of FY2026 revenue

Well positioned in attractive markets supported by structural growth trends

Energy demand and energy security

- Energy security, resilience and self-sufficiency
- Investment in critical infrastructure, especially power generation, LNG
- Energy transition
- Increasing technological demands

Housing availability and affordability

- US housing shortage
- Population growth and migration
- Performance efficiency
- Demand for HVAC

Industrial electrification

- Industrial decarbonisation and automation
- Industrial process heating and advances in electric heating technologies
- Rapid growth of data centres and digital infrastructure

Aviation growth

- Growth in passenger travel
- Commercial aircraft backlog
- Increasing defence spending

Productivity, sustainability and geopolitical volatility

1. Five-year CAGR

Customer-centric operating model with high-quality aftermarket and recurring revenue

John Crane

- Prime contracting relationship with customers through product lifecycle
- >90% recurrent and growing success in expanding market share with existing customers
- AM gross margins ~1.75x OE

70%
aftermarket revenue

Flex-Tek

- LT distributor relationships in Construction
- Customised heating solutions in partnership with customers
- Long-standing relationships as qualified supplier to major data centre customers
- Long-term agreements ('LTA') with major aircraft manufacturers

70%
repeatable revenue in Construction

>75%
Aerospace revenue under LTA, contracted or repeatable revenue

Providing

- Customer intimacy
- Enhanced pricing
- Sustainable growth and margin
- Lower volatility
- Cashflow resilience

Smiths Growth Algorithm

Accelerate

Organic growth through maximising the core and targeted investment into new opportunities

Innovate

To meet customer needs, drive customer intimacy and deliver growth

Execute

Relentlessly, applying Smiths Excellence and investing in people, process and systems

Compound

Invest free cashflow into value-accretive acquisitions that compound growth and value

Strong conviction in our through-cycle medium-term targets

- 5-7% organic revenue growth
- 21-23% operating profit margin
- >10% EPS growth
- >20% ROCE
- ~100% operating cash conversion

Accelerate – commercial initiatives and investment to drive sustainable organic growth

John Crane

Flow Control

Core portfolio

- New major contracts in LNG and NGL

Aftermarket

- New Performance Plus agreements in energy and chemicals

Higher growth sub-segments

- Geographies – US, Latin America
- Energy transition – sealing technologies for geothermal project
- Industrial – wins in mining and pulp & paper

Flex-Tek

Construction

Strong distributor relationships

- Cross-selling flex/metal
- Greater share of customer wallet

Higher growth sub-segments

- Geographies – new Canadian sales channel

Thermal Solutions

Customised solutions

- Launch of Thermal Solutions strategy - expand existing capabilities into higher-growth markets
- Advancing electrification and energy storage project opportunities

Higher growth sub-segments

- Data centre market entry; capacity expansion potential
- Heating synergies with DRC cooling technologies

Aerospace

Contract renegotiation

- New LT contracts with major aircraft engine manufacturers

Aftermarket / MRO

- New repair programme with Pratt & Whitney

Higher growth sub-segments

- Geographies – India expansion

Innovate – enhanced approach to drive differentiation and profitable growth

Technology

New technologies for more demanding applications

- Increased pressure Flex-Tek aerospace hoses

Products

New and differentiated product development and commercialisation

- John Crane Type 93AX separation seal; Type 8628VL ethane/ethylene pipeline seal
- Flex-Tek Blue Series sealed duct system and register box

Materials

Metals, coatings, polymers to meet and enhance product specification and requirements

- John Crane's diamond coatings for high duty seals and materials development for H_2 technologies
- Flex-Tek's new internal materials for heaters in corrosive environments

Process

Improved manufacturing processes to reduce labour, increase productivity and enable new designs

- Enhanced test rigs at John Crane for more demanding applications
- Increased use of automation in manufacturing

Increase pace of delivery and commercial impact

Execute – operational excellence

Smiths Excellence

- Embedded and standardised
- Focus on lean tools, enhanced manufacturing processes, automation and supply chain resilience

Acceleration Plan

- Initiatives progressed
- Delivered benefits of £20m
- On track for £30-35m benefits in FY2027

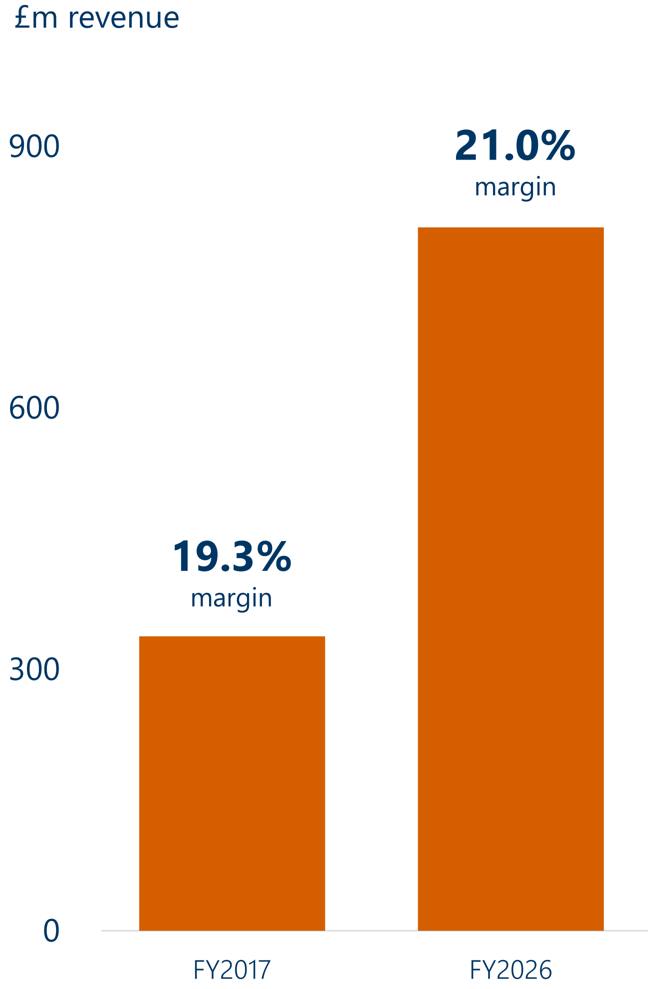
People and culture

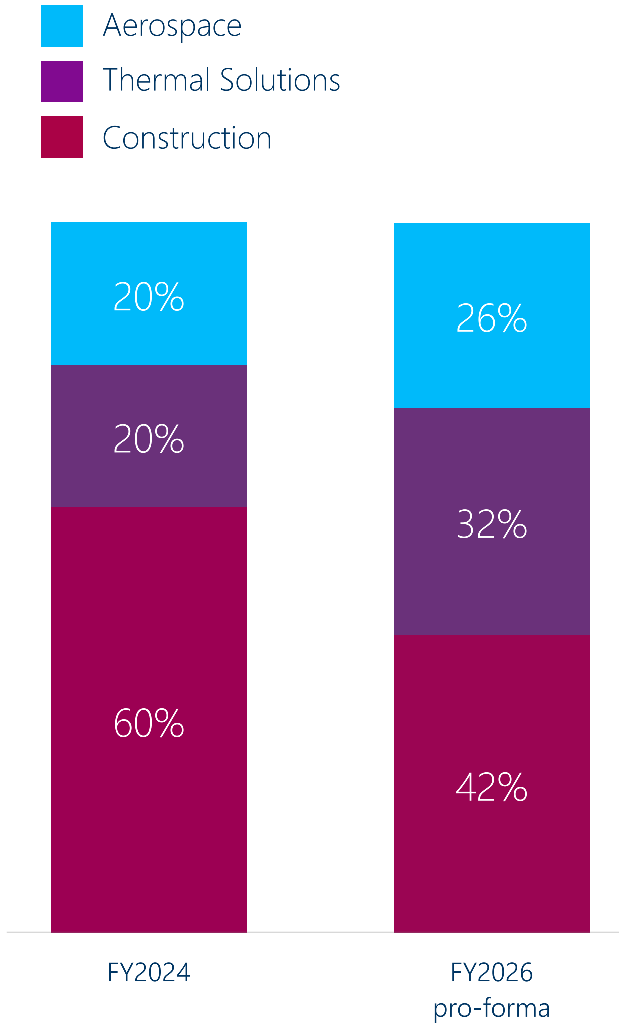
- Comprehensive review of culture
- Strengthening talent development, skills roadmap, succession pipeline
- Increased collaboration across Smiths
- Smiths Values refreshed

Empowered businesses operating close to the customer, supported by a lean centre

Compound – a strong track record of successful M&A

- Strong track record of value creating acquisitions
- Reinvesting FCF to drive growth and scale
- Repositioning the portfolio into higher-growth markets
- Delivering:
  - **Growth**: double-digit CAGR 2017-26
  - **Returns**: weighted average ROIC notably above WACC
  - **Value creation**





Pro-forma split reflects headline revenue as if Smiths had acquired DRC at the beginning of the financial year

Compound – reinvesting FCF to augment and compound growth

Clear filters

Strategic + financial fit

Adjacencies • portfolio strength • technologies

Capital light • growth accretive • margin • returns

→ **Higher-quality growth**

Multiple vectors

Broad actionable pipeline

John Crane
- Aftermarket, product adjacencies, energy transition

Flex-Tek

Construction
- Geographic, product adjacencies, commercial

Thermal Solutions
- Heating and cooling expansion and adjacencies

Aerospace
- Shipset expansion, MRO

→ **Margin and cash accretion**

Enhancing value

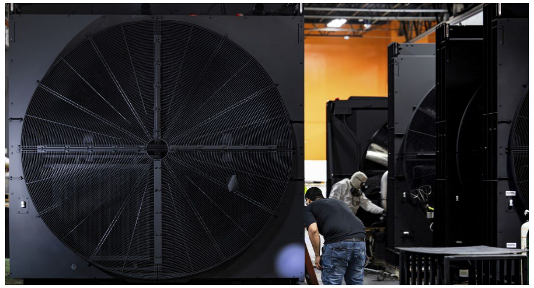
Integration delivers value creation

Leadership • resources • milestones • ownership

Customer focus • commercial delivery

→ **Returns above WACC**

DRC – allocating capital into structurally faster-growing markets, with clear scalability



DRC acquisition completed 1 April

- Adds heat removal and cooling technologies to Flex-Tek
- Exposure to data centre expansion and power generation back-up applications

10x	EBITDA acquisition multiple
>20%	Accretive to Smiths margin

Significant growth potential

- Integration underway, initial performance ahead of expectations
- Investing to support significant growth
  - Expanding capacity: lean transformation, automation, advanced manufacturing capabilities
  - Further infrastructure investments: scaling for customer demand

>20%	Revenue growth FY2027
20-25%	Market growth to 2030

A highly compelling investment case

Premium industrial financial profile

Sustainable growth, high returns, strong cash generation and balance sheet strength

Strong market positions supported by structural growth trends

With clear competitive advantages and growth prospects

Customer-centric operating model

With a high proportion of aftermarket and recurring revenue

Driving innovation

To meet evolving customer needs and support growth

High-performing culture

With capabilities that deliver competitive advantage

Disciplined approach to capital allocation and growth investment

Targeting attractive growth opportunities and value-accretive M&A

Q&A

Appendix

Smiths Interconnect and Smiths Detection divestments completed

smiths interconnect

SALE FOR

£1.3bn

- Representing 15.1x FY2025 EBITDA

→ **Completed 31 March**

smiths detection

SALE FOR

£2.0bn

- Representing 12.5x FY2025 EBITDA

→ **Completed 30 June**

Transforming Smiths into a focused, premium industrial engineering company

Delivering enhanced returns to shareholders at pace

FY2025 programme

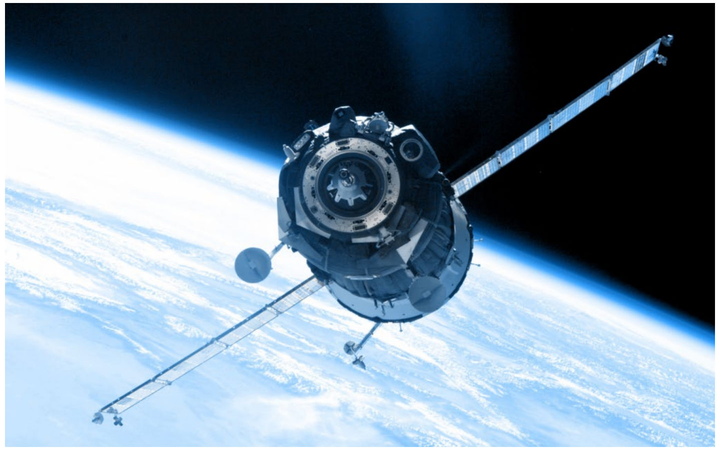
- £500m share buyback
- Completed December 2025
- Average price £20.46

smiths interconnect

- £1bn share buyback
- Completed September 2026
- Average price £25.17

smiths detection

- £1.5bn share buyback underway
- To be substantially complete by end CY2027

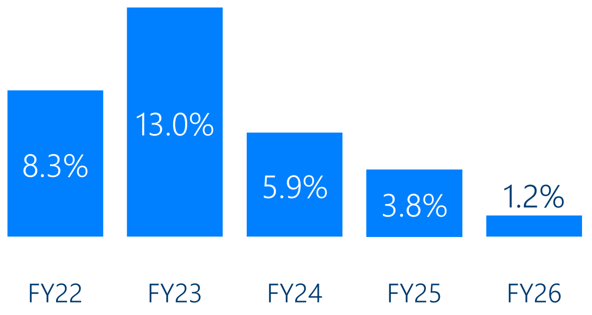


Returning c.30% of market cap | £1.5bn yet to be returned

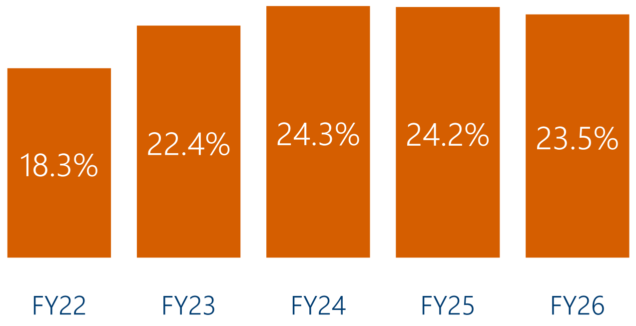
Premium industrial financial profile

→ Sustainable growth, high returns and strong cash generation

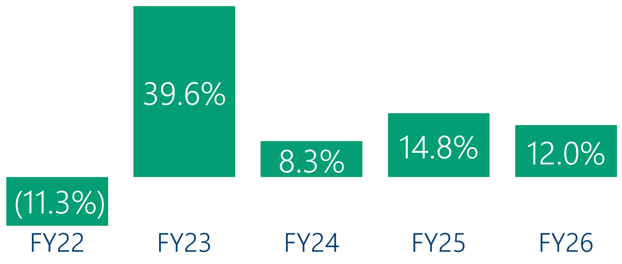
Organic revenue growth (%)



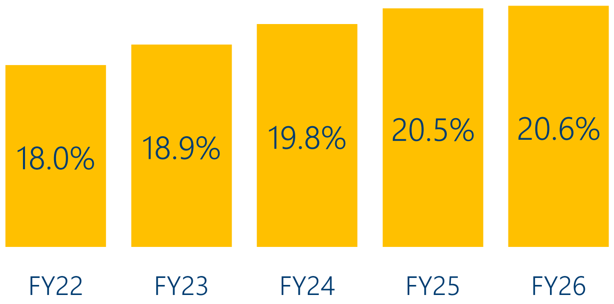
ROCE (%)



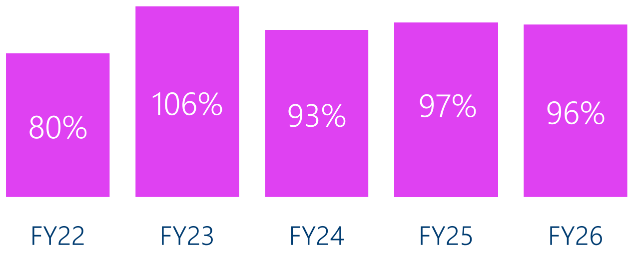
Total Group EPS growth (%)



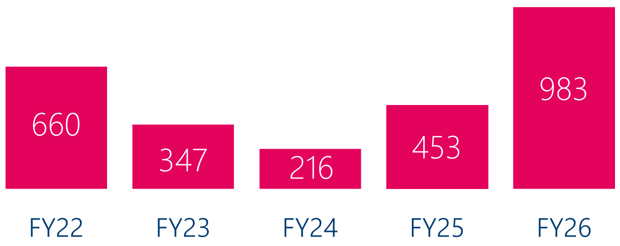
Operating profit margin (%)



Cash conversion (%)



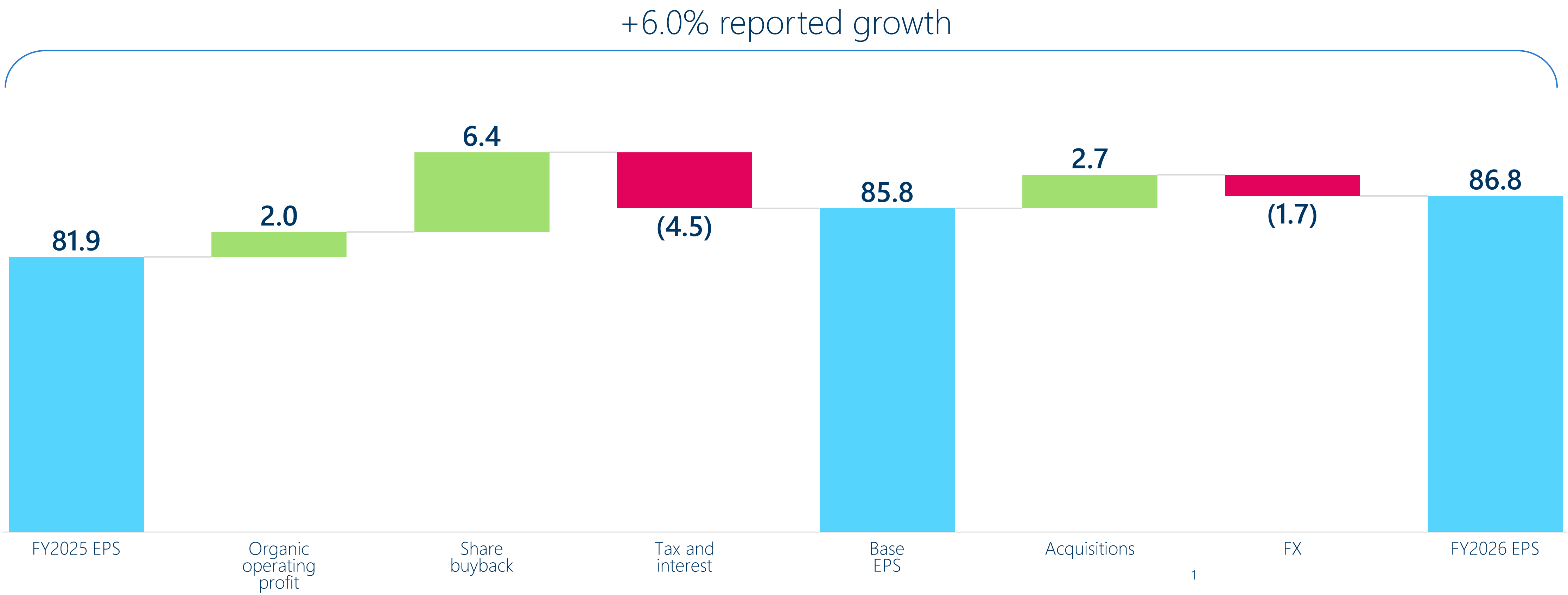
Shareholder returns (£m)



* Figures are as reported and excluding restructuring charges except for FY24 and FY25 which have been restated for classification of Flex-Tek's general industrial businesses as discontinued operations.

Smiths EPS growth driven by operating profit growth and share buyback

Earnings per share (pence)



1. Predominantly relates to IFRS5 accounting – no depreciation or amortisation recorded for discontinued businesses, impacting EPS

Smiths – FY2027 technical guidance

- Expect full-year FX headwind of ~1% on revenue and operating profit[1]
- For each $0.10 move, the annual operating profit impact is ~£16m
- For each €0.10 move, the annual operating profit impact is ~£3m

Currency	Revenue exposure (Smiths)	FY2026 average rate	FY2025 average rate	% change
USD	55%	1.34	1.30	+3.2%
EUR	11%	1.15	1.19	(3.0)%

Financial guidance	Forecast FY2027
Net finance expense	~£10-15m
Effective tax rate	24-25%
Capex	~£65m
Pension contributions	~£10m

Acquisition	FY2026 revenue contribution
Modular Metal Fabricators	£13.4m
Wattco	£19.6m
Duc-Pac	£15.8m
DRC	£35.5m

1. Headline excludes non-headline items as defined in note 3 of the financial statements

Bridge – reported to organic

£m	FY2025 Headline[1]	Foreign exchange	Divestment	FY2025 Organic[2]	Organic movement[2]	Acquisitions	FY2026 Headline[1]
John Crane	1,115	(10)	-	1,105	25	-	1,130
Flex-Tek	783	(22)	-	761	(3)	49	807
Smiths	1,898	(32)	-	1,866	22	49	1,937
Discontinued operations	1,438	(23)	(286)	1,129	91	-	1,220
Total Group headline revenue	3,336	(55)	(286)	2,995	113	49	3,157
John Crane	265	(4)	-	261	9	-	270
Flex-Tek	169	(4)	-	165	(7)	12	170
Central costs	(46)	0	-	(46)	5	-	(41)
Smiths	388	(8)	-	380	7	12	399
Discontinued operations	192	(6)	(34)	152	57	-	209
Total Group headline operating profit	580	(14)	(34)	532	64	12	608
John Crane	23.8%			23.6%			23.9%
Flex-Tek	21.6%			21.6%			20.4%
Smiths	20.5%			20.3%			21.6%
Discontinued operations	13.3%			13.6%			14.2%
Total Group headline operating margin	17.4%			17.8%			18.1%

Continued progress in sustainability

	FY2026	FY2025-2027 target	UN Sustainable Development Goals (SDGs)
Energy reduction[1]	5%	2%	7 AFFORDABLE AND CLEAN ENERGY
Renewable electricity	75%	80% reduction	7 AFFORDABLE AND CLEAN ENERGY
Scope 1 & 2 GHG[2] emissions reductions[3]	20%	17.5% reduction	13 CLIMATE ACTION
Supplier engagement	35%	40%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Normalised non-recyclable waste[3]	10%	5% reduction	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Normalised water use in stressed areas[3,4]	7%	5% reduction	6 CLEAN WATER AND SANITATION

ENVIRONMENTAL GOALS

NET ZERO

2040	Scope 1 and 2 GHG[2] emissions
2050	Scope 3 GHG[2] emissions

1. The energy reduction target is expressed as the MWh energy consumed (excluding renewable electricity produced and consumed onsite), compared to a revenue-adjusted MWh baseline (excluding price growth within the measurement year), on a continuing basis
2. Scope 1, 2 and 3 GHG emissions calculated in accordance with the WRI/WBCSD Greenhouse Gas Protocol
3. Continuing operations including acquisitions against the FY2024 base year
4. Across seven identified water stressed areas

Other resources

Performance Plus

Here

Type 93AX coaxial separation seal

Here

Blue Series' register box

Here

DRC Heat Transfer

Here