



November 6, 2020

A wide-angle photograph of an industrial facility, likely a refinery or chemical plant, at night. The facility is illuminated by numerous bright lights, creating a high-contrast scene against the dark sky. In the foreground, several large, white, cylindrical storage tanks are visible, some with blue lighting. The background shows a complex network of pipes, structures, and tall chimneys. The sky is a mix of dark blue and orange, suggesting a sunset or sunrise. A red vertical bar is positioned to the left of the text.

# Third Quarter 2020 Earnings Conference Call

*Experience in Motion*



# Forward Looking Statements and Non-GAAP Measures

**Safe Harbor Statement:** This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Words or phrases such as, "may," "should," "expects," "could," "intends," "plans," "anticipates," "estimates," "believes," "forecasts," "predicts" or other similar expressions are intended to identify forward-looking statements, which include, without limitation, earnings forecasts, statements relating to our business strategy and statements of expectations, beliefs, future plans and strategies and anticipated developments concerning our industry, business, operations and financial performance and condition.

The forward-looking statements included in this presentation are based on our current expectations, projections, estimates and assumptions. These statements are only predictions, not guarantees. Such forward-looking statements are subject to numerous risks and uncertainties that are difficult to predict. These risks and uncertainties may cause actual results to differ materially from what is forecast in such forward-looking statements, and include, without limitation, the following: the impact of the global outbreak of COVID-19 on our business and operations; a portion of our bookings may not lead to completed sales, and our ability to convert bookings into revenues at acceptable profit margins; changes in global economic conditions and the potential for unexpected cancellations or delays of customer orders in our reported backlog; our dependence on our customers' ability to make required capital investment and maintenance expenditures; if we are not able to successfully execute and realize the expected financial benefits from our strategic transformation and realignment initiatives, our business could be adversely affected; risks associated with cost overruns on fixed-fee projects and in taking customer orders for large complex custom engineered products; the substantial dependence of our sales on the success of the oil and gas, chemical, power generation and water management industries; the adverse impact of volatile raw materials prices on our products and operating margins; economic, political and other risks associated with our international operations, including military actions, trade embargoes, epidemics or pandemics or changes to tariffs or trade agreements that could affect customer markets, particularly North African, Russian and Middle Eastern markets and global oil and gas producers, and non-compliance with U.S. export/re-export control, foreign corrupt practice laws, economic sanctions and import laws and regulations; increased aging and slower collection of receivables, particularly in Latin America and other emerging markets; our exposure to fluctuations in foreign currency exchange rates, including in hyperinflationary countries such as Venezuela and Argentina; our furnishing of products and services to nuclear power plant facilities and other critical processes; potential adverse consequences resulting from litigation to which we are a party, such as litigation involving asbestos-containing material claims; expectations regarding acquisitions and the integration of acquired businesses; our relative geographical profitability and its impact on our utilization of deferred tax assets, including foreign tax credits; the potential adverse impact of an impairment in the carrying value of goodwill or other intangible assets; our dependence upon third-party suppliers whose failure to perform timely could adversely affect our business operations; the highly competitive nature of the markets in which we operate; environmental compliance costs and liabilities; potential work stoppages and other labor matters; access to public and private sources of debt financing; our inability to protect our intellectual property in the U.S., as well as in foreign countries; obligations under our defined benefit pension plans; our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud; the recording of increased deferred tax asset valuation allowances in the future or the impact of tax law changes on such deferred tax assets could affect our operating results; our information technology infrastructure could be subject to service interruptions, data corruption, cyber-based attacks or network security breaches, which could disrupt our business operations and result in the loss of critical and confidential information; ineffective internal controls could impact the accuracy and timely reporting of our business and financial results; and other factors described from time to time in our filings with the Securities and Exchange Commission.

All forward-looking statements included in this presentation are based on information available to us on the date hereof, and we assume no obligation to update any forward-looking statement.

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that non-GAAP financial measures which exclude certain non-recurring items present additional useful comparisons between current results and results in prior operating periods, providing investors with a clearer view of the underlying trends of the business. Management also uses these non-GAAP financial measures in making financial, operating, planning and compensation decisions and in evaluating the Company's performance. Throughout our materials we refer to non-GAAP measures as "Adjusted." Non-GAAP financial measures, which may be inconsistent with similarly captioned measures presented by other companies, should be viewed in addition to, and not as a substitute for, the Company's reported results prepared in accordance with GAAP.

We have provided tables in the appendix that reconcile these non-GAAP measures to their corresponding GAAP-based measures.



# Q3 2020 Overview

- Q3 2020 Reported and Adjusted EPS of \$0.39 and \$0.50\*
- Bookings decreased 21.2%, or 21.6% constant currency
  - *Aftermarket bookings of \$425 million decreased 13.5%, or 13.6% constant currency*
- Revenue decreased 7.2%, or 7.7% constant currency and essentially flat sequentially
- \$2.0 billion backlog supports near term outlook
- Adjusted operating margin decreased 60 basis points to 10.9%\* and decreased 40 basis points sequentially
- Aggressive \$100 million cost reduction is tracking ahead of plan
- Strong liquidity position of \$1.7 billion as of September 30, 2020 – Includes solid free cash flow in the quarter
  - *Includes \$921 million of cash and cash equivalents and \$750 million of available revolving credit facility*

\* See page 12 for reconciliation to corresponding GAAP-based measure – Prior period comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.

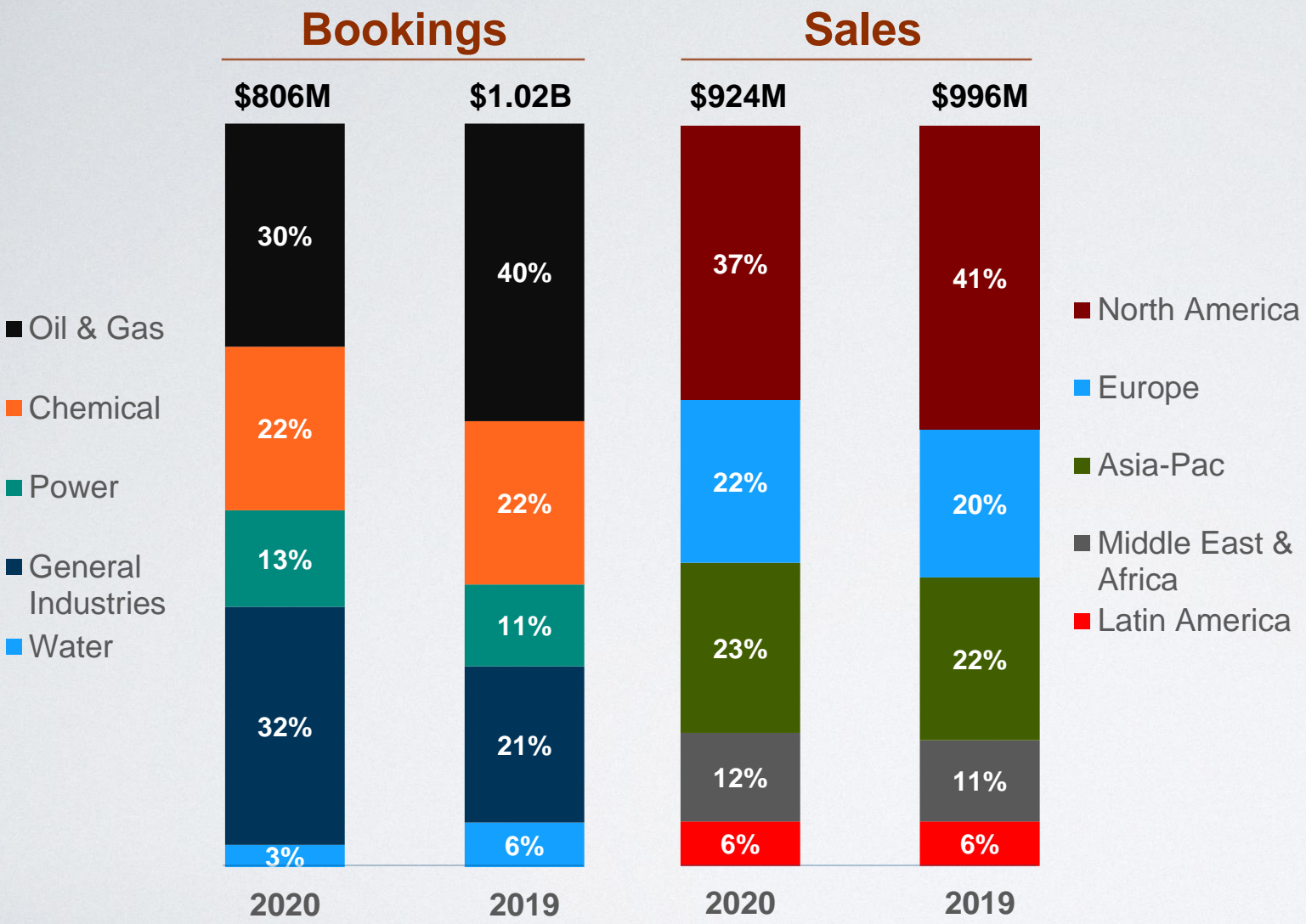


Preliminary results subject to confirmation





# Q3 Bookings & Sales Mix



End-Markets

Oil & Gas

- Oil demand remains constrained due to COVID driven mobility limitations
- Oil price volatility stabilizing throughout Q3
- Moderate increases in refined product demand
- Refinery utilization improved throughout Q3

Chemical

- Chemical demand recovering – resins and plastics
- Specialty chemical growth areas – medical, electronic, and fragrance

Power

- Investment in renewable power continues globally
- Nuclear and fossil aftermarket opportunities continue at steady pace

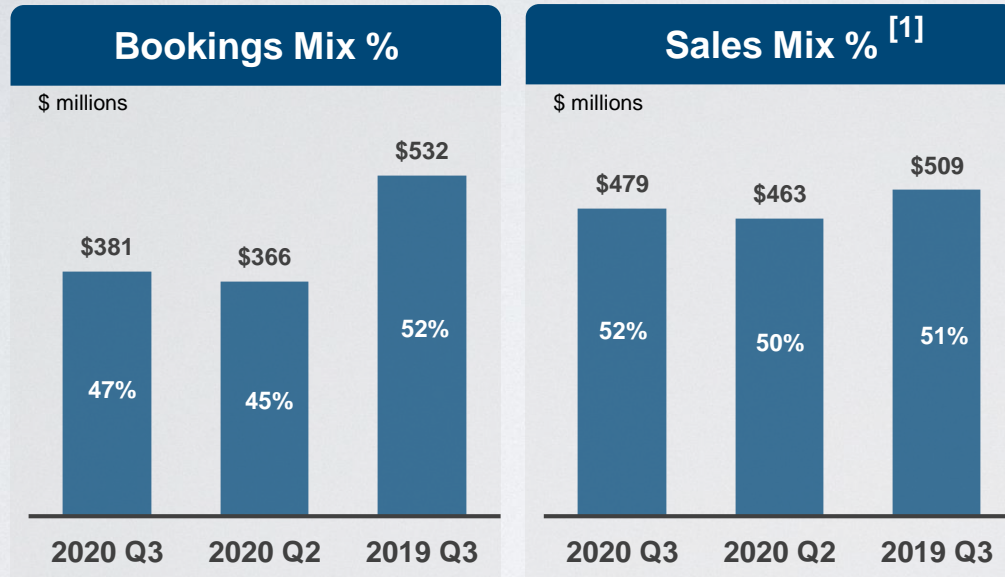
General Industries & Water

- \$6B WIFIA funding for U.S. water infrastructure
- Mining remains challenged with demand reduction
- North American distribution channel remains slow



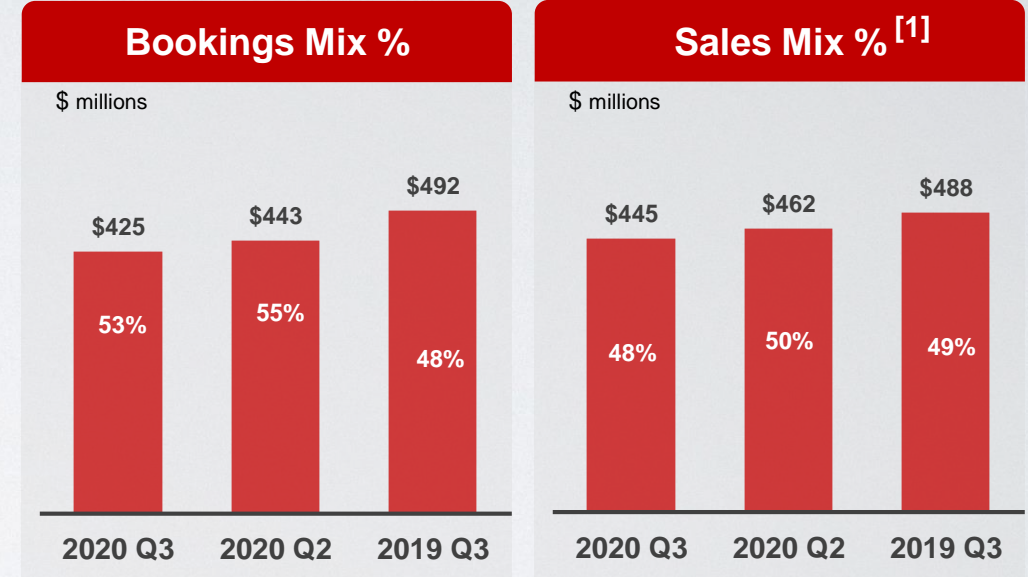
# Original Equipment / Aftermarket Mix

## Original Equipment



- Original equipment bookings decreased 28.3%, or 29.0% constant currency vs. Q3 2019
- Original equipment sales decreased 5.6%, or 6.3% constant currency vs. Q3 2019

## Aftermarket

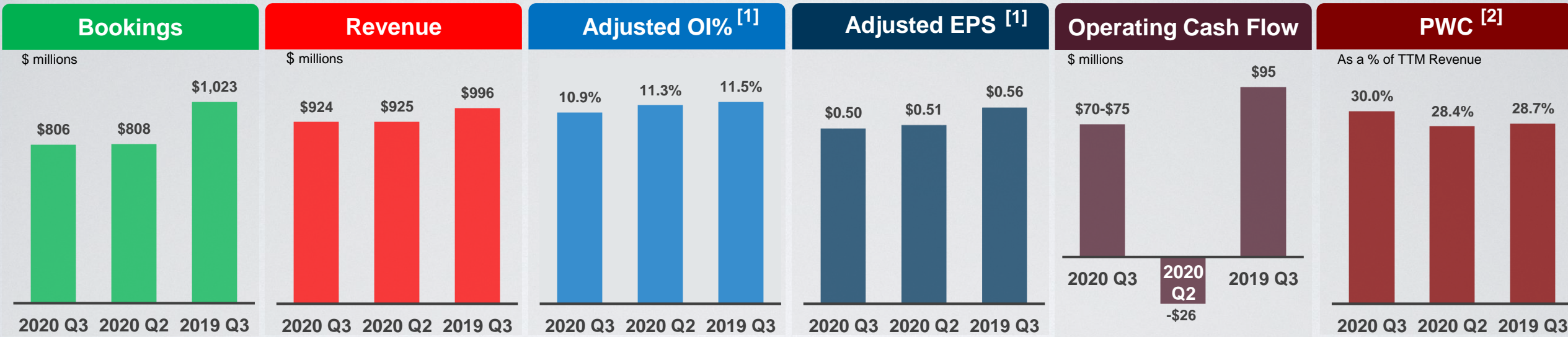


- Aftermarket bookings decreased 13.5%, or 13.6% constant currency vs. Q3 2019
- Aftermarket sales decreased 8.8% reported and constant currency vs. Q3 2019

[1] Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Q3 2020 Financial Scorecard<sup>[1]</sup>



## Q3 Highlights

- Constant currency bookings declined 21.6%, primarily driven by 29.0% original equipment decrease and the 41.5% decrease in our oil and gas markets
- Constant currency revenue decreased 7.7%, where FPD's strong 8.8% original equipment sales growth was more than offset by aftermarket weakness and FCD's 19.8% sales decrease
- Adjusted operating margin<sup>[1]</sup> decreased 60 basis points as decisive cost actions drove solid decremental adjusted operating margin of 19.5%
- Primary working capital as a percent of sales increased 130 basis points to 30.0% as COVID related disruptions in our and our customers' operations delayed shipments

[1] See page 12 for reconciliation to corresponding GAAP-based measure – Prior period comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.

[2] Primary working capital "PWC" includes accounts receivable, inventory, contract assets, accounts payable and contract liabilities.



# New Product Development – Recent Launches



## Limitorque Smart Electric Actuator

Ensures trouble-free commissioning, improved process control from advanced diagnostic capabilities and reliable operation in refining & process industry, thermal power, oil & gas, water applications



## SIHI Liquid Ring Compressor

Supports flare gas and vapor recovery operations – Under most severe conditions in chemical, refining, geothermal and water applications



## Valtek Compressor Anti-Surge Valve

Revolutionary solution to anti-surge control in LNG processing, refinery gas compression, natural gas stations and chemical plants using natural gas as feedstock



# Commitment to ESG Initiatives

## Flowserve Commitments

### People

- Promote and commit to safety and integrity
- Focus on social justice and change in communities where our employees live and work

### Planet

- 40% reduction in carbon intensity by 2030
- Sign WASH Pledge: Commit to safe water access, sanitation and hygiene at our facilities and encourage our supply chain and communities to do the same
- Products and aftermarket services support clean technology including desalinization, flare gas recovery, flood control, carbon capture, concentrated solar & energy transition

### Operational Excellence

- TargetZero program focuses on increasing awareness and operational improvements in the areas of accidents, defects, delays, emissions and waste



## Carbon Reduction Target

Using 2015 as the baseline year, Flowserve is committed to **reducing operating carbon intensity 40% by 2030.**



***Together, we create extraordinary flow control solutions to make the world better for everyone***



# 2020 Priorities and Outlook

## COVID-19 crisis management

*Safety of our people, their families, associate wellness, regulation compliance*

## Customer support & business continuity

*Restore capabilities, liquidity and capital preservation, prioritize backlog, meet customer requirements, supply chain management*

## Downturn planning & execution

*Cash management, cost reduction, customer retention, reevaluate target markets and regions, manufacturing optimization*

## Position for the future

*Flowserve 2.0 Transformation, technology, customer experience*

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

## 2020 Q4 Outlook\*

- Continue protecting the health and safety of our workforce, customers and suppliers
- Fourth quarter bookings expected to be in-line with Q2 and Q3 levels, while anticipating an upward inflection in mid-to-late 2021
- Expect significant progress on converting our \$2 billion backlog, driving our largest revenue quarter of the year
- Fourth quarter decremental adjusted operating margin expected in 20% range
- On track to exceed initial \$100 million cost reduction plan
- Drive working capital improvement and generate at least \$100 million in Q4 free cash flow
- Continuing Flowserve 2.0 Transformation and prioritizing investments to best position Flowserve for the future





## Questions & Answers



## Appendix





# Q3 2020 Consolidated Financial Results

3rd Quarter						3rd Quarter Adjusted					
(\$ millions)	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*	2020 Adjusted Items	2020 Adjusted Results	2019 Adjusted Results	Delta (\$)	Delta (%)	Constant FX(%)*
Bookings	\$ 806.1	\$ 1,023.4	\$ (217.3)	-21.2%	-21.6%	\$ -	\$ 806.1	\$ 1,023.4	\$ (217.3)	-21.2%	-21.6%
Sales	\$ 924.3	\$ 995.7	\$ (71.4)	-7.2%	-7.7%	\$ -	\$ 924.3	\$ 995.7	\$ (71.4)	-7.2%	-7.7%
Gross Profit	\$ 285.2	\$ 332.9	\$ (47.7)	-14.3%		\$ (5.7) <sup>(1)</sup>	\$ 290.9	\$ 336.3 <sup>(5)</sup>	\$ (45.4)	-13.5%	
Gross Margin (%)	30.9%	33.4%		(250) bps			31.5%	33.8%		(230) bps	
SG&A	\$ 200.7	\$ 230.4	\$ (29.7)	-12.9%	-13.8%	\$ 7.6 <sup>(2)</sup>	\$ 193.1	\$ 223.9 <sup>(6)</sup>	\$ (30.8)	-13.8%	-14.8%
SG&A (%)	21.7%	23.1%		(140) bps			20.9%	22.5%		(160) bps	
Income from Affiliates	\$ 2.8	\$ 2.1	\$ 0.7	33.3%		\$ -	\$ 2.8	\$ 2.1	\$ 0.7	33.3%	
Operating Income	\$ 87.3	\$ 104.6	\$ (17.3)	-16.5%	-14.1%	\$ (13.3)	\$ 100.6	\$ 114.5	\$ (13.9)	-12.1%	-10.0%
Operating Margin (%)	9.4%	10.5%		(110) bps			10.9%	11.5%		(60) bps	
Other Income / (Expense), net **	\$ (1.0)	\$ (8.5)	\$ (7.5)	-88.2%		\$ (2.3) <sup>(3)</sup>	\$ 1.3	\$ (0.7) <sup>(7)</sup>	\$ 2.0	NM	
Tax Expense	\$ (18.7)	\$ (22.4)	\$ (3.7)	-16.5%		\$ 1.3 <sup>(4)</sup>	\$ (20.0)	\$ (26.5) <sup>(8)</sup>	\$ (6.5)	-24.5%	
Net Earnings	\$ 51.0	\$ 59.8	\$ (8.8)	-14.7%		\$ (14.3)	\$ 65.3	\$ 73.4	\$ (8.1)	-11.0%	
Diluted EPS	\$ 0.39	\$ 0.45	\$ (0.06)	-13.3%		\$ (0.11)	\$ 0.50	\$ 0.56	\$ (0.06)	-10.7%	

- Diluted EPS calculated using fully diluted shares of 130.9 and 131.8 million shares for Q3 2020 and Q3 2019, respectively

\* Constant FX represents the year-over-year variance assuming 2020 results at 2019 FX rates

1. Cost of sales includes \$5.7 million of realignment charges
2. SG&A includes \$1.8 million of realignment charges, \$4.7 million of transformation charges and \$1.1 million discrete asset write-downs
3. Below-the-line FX impacts
4. Includes tax impact of above items

\*\* Third Quarter 2020 and 2019 include losses of \$2.3 million and \$7.8 million arising from transactions in currencies other than our sites' functional currencies and impact of foreign exchange contracts, respectively

5. Excludes \$3.4 million of realignment charges
6. Excludes \$1.4 million of realignment charges and \$5.1 million of transformation charges
7. Excludes below-the-line FX loss
8. Excludes tax impact of above items

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Year-to-Date 2020 Consolidated Financial Results

Year-to-Date						Year-to-Date Adjusted					
(\$ millions)	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*	2020 Adjusted Items	2020 Adjusted Results	2019 Adjusted Results	Delta (\$)	Delta (%)	Constant FX(%)*
Bookings	\$ 2,587.3	\$ 3,188.4	\$ (601.1)	-18.9%	-17.7%	\$ -	\$ 2,587.3	\$ 3,188.4	\$ (601.1)	-18.9%	-17.7%
Sales	\$ 2,742.8	\$ 2,871.5	\$ (128.7)	-4.5%	-3.3%	\$ -	\$ 2,742.8	\$ 2,871.5	\$ (128.7)	-4.5%	-3.3%
Gross Profit	\$ 821.4	\$ 939.8	\$ (118.4)	-12.6%		\$ (40.6) <sup>(1)</sup>	\$ 862.0	\$ 952.6 <sup>(5)</sup>	\$ (90.6)	-9.5%	
Gross Margin (%)	29.9%	32.7%		(280) bps			31.4%	33.2%		(180) bps	
SG&A	\$ 675.5	\$ 665.6	\$ 9.9	1.5%	2.1%	\$ 59.2 <sup>(2)</sup>	\$ 616.3	\$ 658.2 <sup>(6)</sup>	\$ (41.9)	-6.4%	-5.7%
SG&A (%)	24.6%	23.2%		140 bps			22.5%	22.9%		(40) bps	
Income from Affiliates	\$ 9.1	\$ 8.1	\$ 1.0	12.3%		\$ -	\$ 9.1	\$ 8.1	\$ 1.0	12.3%	
Operating Income	\$ 155.0	\$ 282.2	\$ (127.2)	-45.1%	-42.2%	\$ (99.8)	\$ 254.8	\$ 302.4	\$ (47.6)	-15.7%	-13.0%
Operating Margin (%)	5.7%	9.8%		(410) bps			9.3%	10.5%		(120) bps	
Other Income / (Expense), net **	\$ 7.6	\$ (15.2)	\$ 22.8	NM		\$ 9.3 <sup>(3)</sup>	\$ (1.7)	\$ (1.4) <sup>(8)</sup>	\$ 0.3	21.4%	
Tax Expense	\$ (59.2)	\$ (58.6)	\$ 0.6	1.0%		\$ (7.5) <sup>(4)</sup>	\$ (51.7)	\$ (69.1) <sup>(9)</sup>	\$ (17.4)	-25.2%	
Net Earnings	\$ 59.4	\$ 166.2	\$ (106.8)	-64.3%		\$ (98.1)	\$ 157.5	\$ 189.7	\$ (32.2)	-17.0%	
Diluted EPS	\$ 0.45	\$ 1.26	\$ (0.81)	-64.3%		\$ (0.74)	\$ 1.20	\$ 1.44	\$ (0.24)	-16.7%	

- Diluted EPS calculated using fully diluted shares of 131.1 and 131.7 million shares for YTD 2020 and YTD 2019, respectively

\* Constant FX represents the year-over-year variance assuming 2020 results at 2019 FX rates

1. Cost of sales includes \$40.6 million of realignment charges
2. SG&A includes \$31.7 million of realignment charges, \$16.0 million of transformation charges and \$11.5 million related to discrete asset write-downs
3. Below-the-line FX impacts
4. Includes tax impact of above items, \$25.4 million related to Italian tax valuation allowance and \$2.4 million benefit related to tax reform

\*\* YTD 2020 and 2019 include a gain of \$9.3 million and a loss of \$13.8 million arising from transactions in currencies other than our sites' functional currencies and impact of foreign exchange contracts, respectively

5. Excludes \$12.8 million of realignment charges
6. Excludes \$13.6 million of net realignment benefit and \$21.0 million of transformation charges
7. Excludes below-the-line FX loss
8. Excludes tax impact of above items

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Flowserve Pump Division

## 2020 Segment Results

	3rd Quarter					Year-to-Date				
(\$ millions)	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*
Bookings	\$ 574.1	\$ 742.1	\$ (168.0)	-22.6%	-22.8%	\$ 1,792.3	\$ 2,253.5	\$ (461.2)	-20.5%	-19.2%
Sales	\$ 670.2	\$ 682.7	\$ (12.5)	-1.8%	-2.1%	\$ 1,979.9	\$ 1,966.8	\$ 13.1	0.7%	2.2%
Gross Profit	\$ 210.0	\$ 230.4	\$ (20.4)	-8.9%		\$ 603.7	\$ 653.8	\$ (50.1)	-7.7%	
Gross Margin (%)	31.3%	33.7%		(240) bps		30.5%	33.2%		(270) bps	
SG&A	\$ 126.2	\$ 147.1	\$ (20.9)	-14.2%	-15.3%	\$ 426.1	\$ 419.7	\$ 6.4	1.5%	2.4%
SG&A (%)	18.8%	21.5%		(270) bps		21.5%	21.3%		20 bps	
Income from Affiliates	\$ 2.8	\$ 2.2	\$ 0.6	27.3%		\$ 9.1	\$ 8.0	\$ 1.1	13.8%	
Operating Income	\$ 86.7	\$ 85.5	\$ 1.2	1.4%	4.6%	\$ 186.7	\$ 242.1	\$ (55.4)	-22.9%	-19.5%
Operating Margin (%)	12.9%	12.5%		40 bps		9.4%	12.3%		(290) bps	
Adjusted Operating Income**	\$ 94.5	\$ 88.5	\$ 6.0	6.8%	9.9%	\$ 238.5	\$ 237.2	\$ 1.3	0.5%	4.0%
Adjusted Operating Margin%**	14.1%	13.0%		110 bps		12.0%	12.1%		(10) bps	

\* Constant FX represents the year over year variance assuming 2020 results at 2019 FX rates

\*\* Adjusted Operating Income and Adjusted Operating Margin exclude realignment charges/(benefit) of \$7.8 million and \$43.3 million for Q3 2020 and YTD 2020, respectively, and \$3.0 million and (\$4.9) million for Q3 2019 and YTD 2019, respectively, and \$8.5 million of non-cash asset write-down for YTD 2020

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Flowserve Pump Division 2020 Bookings and Sales

		3rd Quarter				Full Year			
(\$ millions)		2020	2019	Delta (%)	Constant FX(%)*	2020	2019	Delta (%)	Constant FX(%)*
Bookings Mix **	OE	204	322	-37%	-37%	622	962	-35%	-35%
		36%	43%	(700) bps		35%	43%	(800) bps	
	AM	370	420	-12%	-12%	1,170	1,291	-9%	-8%
		64%	57%	700 bps		65%	57%	800 bps	
Sales Mix **	OE	281	257	10%	9%	806	707	14%	16%
		42%	38%	400 bps		41%	36%	500 bps	
	AM	389	426	-9%	-9%	1,174	1,260	-7%	-6%
		58%	62%	(400) bps		59%	64%	(500) bps	

\* Constant FX represents the year over year variance assuming 2020 results at 2019 FX rates

\*\* Gross bookings and sales do not include interdivision eliminations

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Flow Control Division

## 2020 Segment Results

	3rd Quarter					Year-to-Date				
(\$ millions)	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*	2020	2019	Delta (\$)	Delta (%)	Constant FX(%)*
Bookings	\$ 237.6	\$ 282.7	\$ (45.1)	-16.0%	-16.8%	\$ 807.8	\$ 942.8	\$ (135.0)	-14.3%	-13.4%
Sales	\$ 255.2	\$ 314.0	\$ (58.8)	-18.7%	-19.8%	\$ 766.9	\$ 908.7	\$ (141.8)	-15.6%	-15.1%
Gross Profit	\$ 78.1	\$ 101.8	\$ (23.7)	-23.3%		\$ 229.1	\$ 293.7	\$ (64.6)	-22.0%	
Gross Margin (%)	30.6%	32.4%		(180) bps		29.9%	32.3%		(240) bps	
SG&A	\$ 47.3	\$ 52.5	\$ (5.2)	-9.9%	-11.2%	\$ 154.9	\$ 159.1	\$ (4.2)	-2.6%	-2.2%
SG&A (%)	18.5%	16.7%		180 bps		20.2%	17.5%		270 bps	
Operating Income	\$ 30.8	\$ 49.2	\$ (18.4)	-37.4%	-38.0%	\$ 74.2	\$ 134.7	\$ (60.5)	-44.9%	-44.9%
Operating Margin (%)	12.1%	15.7%		(360) bps		9.7%	14.8%		(510) bps	
Adjusted Operating Income**	\$ 31.2	\$ 50.0	\$ (18.8)	-37.6%	-38.1%	\$ 89.7	\$ 136.5	\$ (46.8)	-34.3%	-34.2%
Adjusted Operating Margin%**	12.2%	15.9%		(370) bps		11.7%	15.0%		(330) bps	

\* Constant FX represents the year over year variance assuming 2020 results at 2019 FX rates

\*\* Adjusted Operating Income and Adjusted Operating Margin exclude realignment charges/(benefit) of (\$0.7) million and \$12.4 million for Q3 2020 and YTD 2020, respectively, and \$0.8 million and \$1.8 million for Q3 2019 and YTD 2019, respectively, and \$1.1 million and \$3.1 million of non-cash asset write-down for Q3 2020 and YTD 2020, respectively

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.



# Flow Control Division

## 2020 Bookings and Sales

		3rd Quarter				Full Year			
(\$ millions)		2020	2019	Delta (%)	Constant FX(%)*	2020	2019	Delta (%)	Constant FX(%)*
Bookings Mix **	OE	179	210	-15%	-16%	601	720	-17%	-16%
		75%	74%	100 bps		74%	76%	(200) bps	
	AM	59	73	-20%	-20%	207	223	-7%	-7%
		25%	26%	(100) bps		26%	24%	200 bps	
Sales Mix **	OE	199	252	-21%	-22%	590	712	-17%	-16%
		78%	80%	(200) bps		77%	78%	(100) bps	
	AM	56	62	-9%	-9%	177	197	-10%	-9%
		22%	20%	200 bps		23%	22%	100 bps	

\* Constant FX represents the year over year variance assuming 2020 results at 2019 FX rates

\*\* Gross bookings and sales do not include interdivision eliminations

Note: Prior period Sales comparisons are impacted by the accounting revision related to incurred but not reported non-cash accruals for expected future asbestos litigation as well as certain other non-material adjustments further detailed in the Form 8-K Flowserve filed on November 5, 2020.





*Experience In Motion*

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