Gabelli Pump, Valve and Water Symposium

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FLOWSERVE

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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: 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; 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; our ability to execute and realize the expected financial benefits from our strategic manufacturing optimization and realignment initiatives; economic, political and other risks associated with our international operations, including military actions or trade embargoes that could affect customer markets, particularly North Africa, Russia 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; 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; a foreign government investigation regarding our participation in the United Nations Oil-for-Food Program; expectations regarding acquisitions and the integration of acquired businesses; our ability to anticipate and manage cybersecurity risk, including the risk of potential business disruptions or financial losses; 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; 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; and other factors described from time to time in our filings with the Securities and Exchange Commission.

All forward-looking statements included in this news release 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.

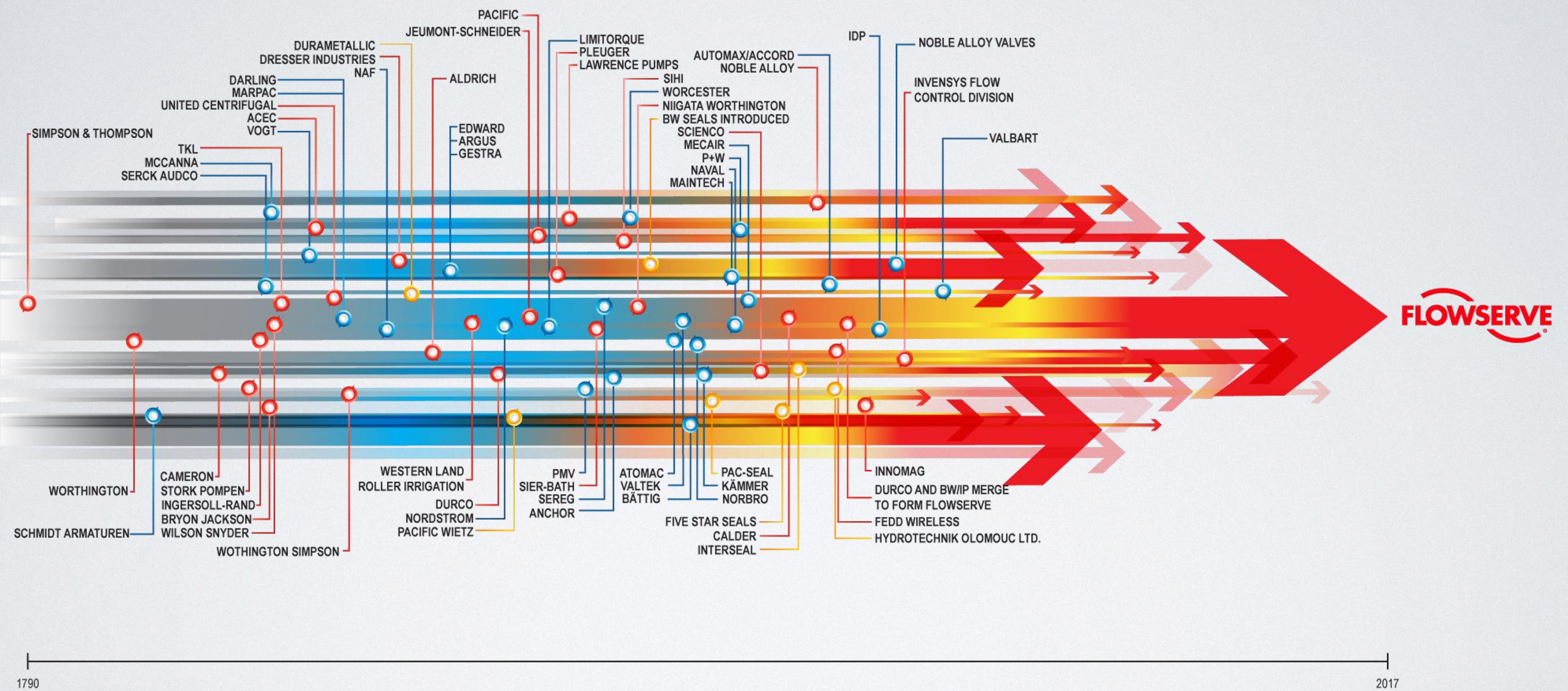
Key Messages and Investment Highlights

(NYSE: FLS)

- Distinguished history of flow control expertise
- Breadth and depth of product and services offering
- Significant installed base provides recurring aftermarket opportunities
- Energy end markets appear to have inflected
- Transforming Flowserve to capitalize on opportunities in any market cycle
- Disciplined yet opportunistic capital allocation approach

A Comprehensive, Pure-play Flow Control Company

With a Heritage of More Than 220 Years



Flowserve by the Numbers

~17,000
Employees

Over 50
Countries

Over 50 Leading
Product Brands

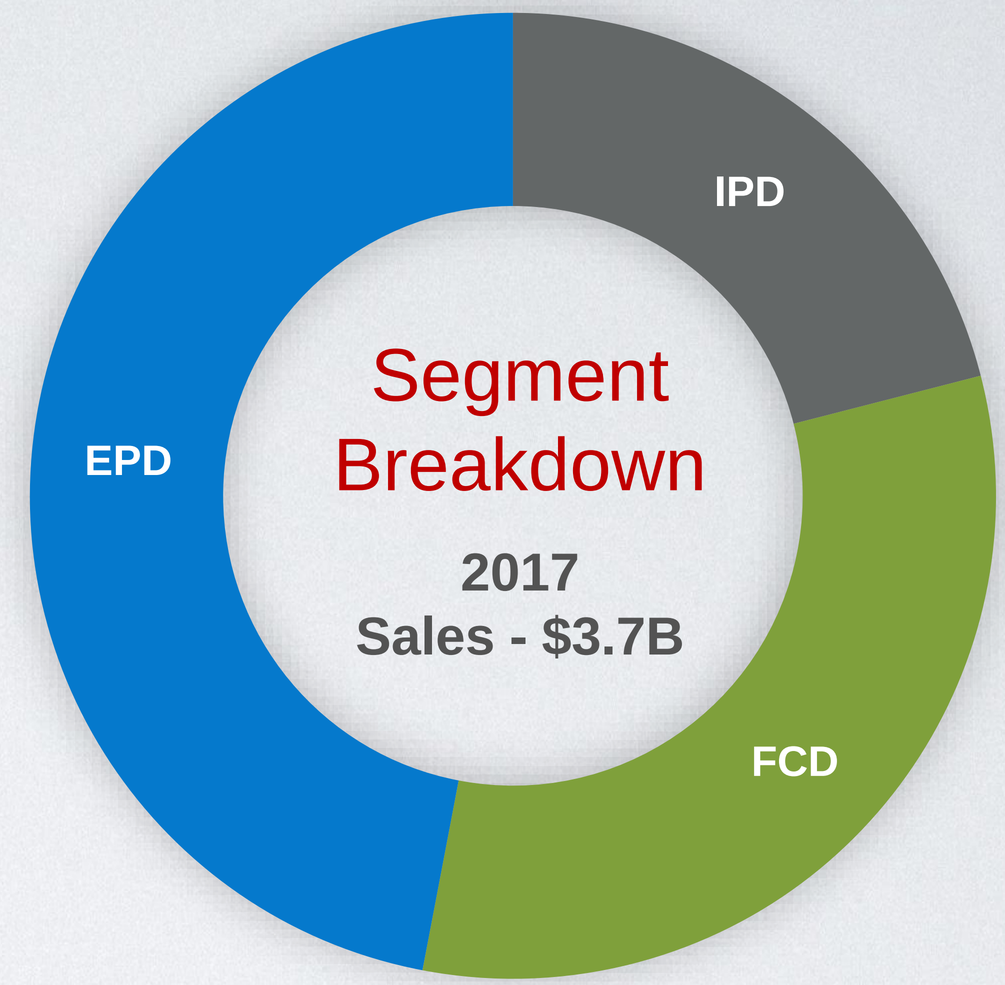
2+ million pumps
(installed base)

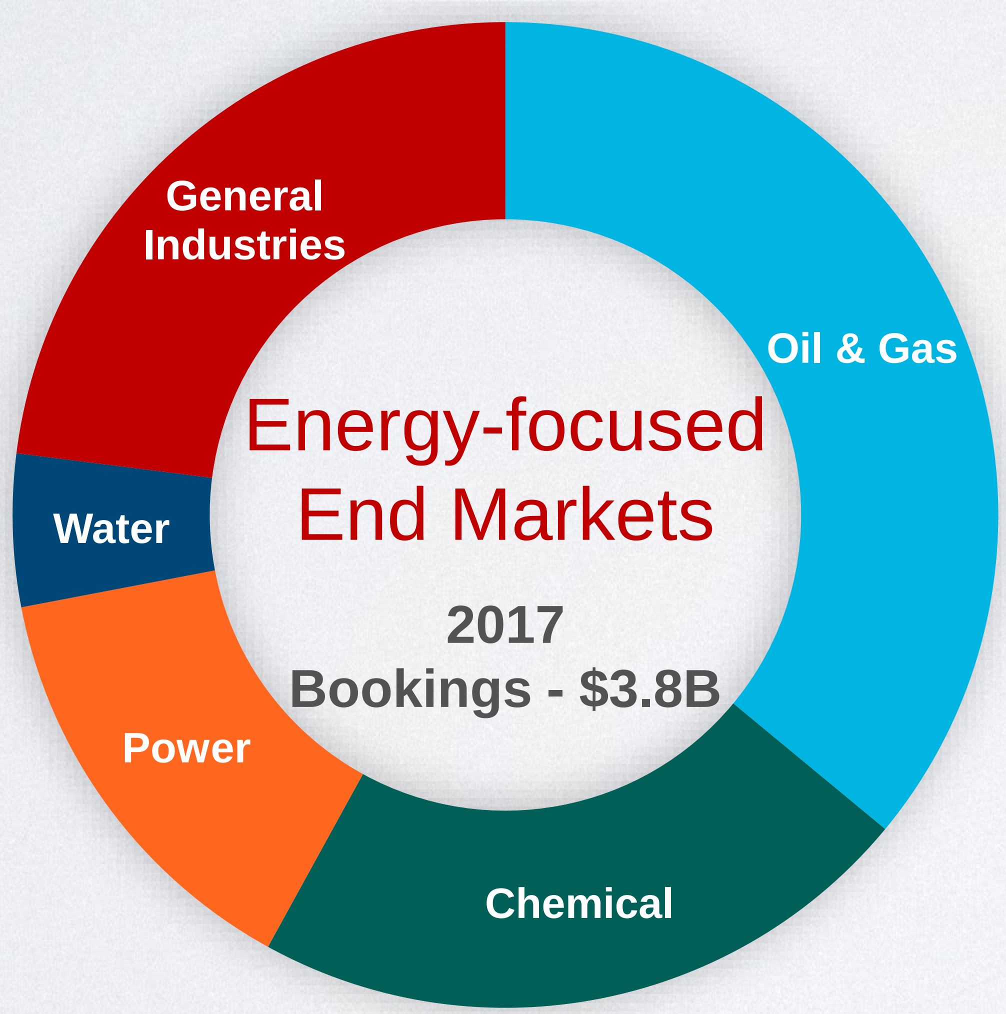
178
Aftermarket QRCs
(Quick Response
Centers)

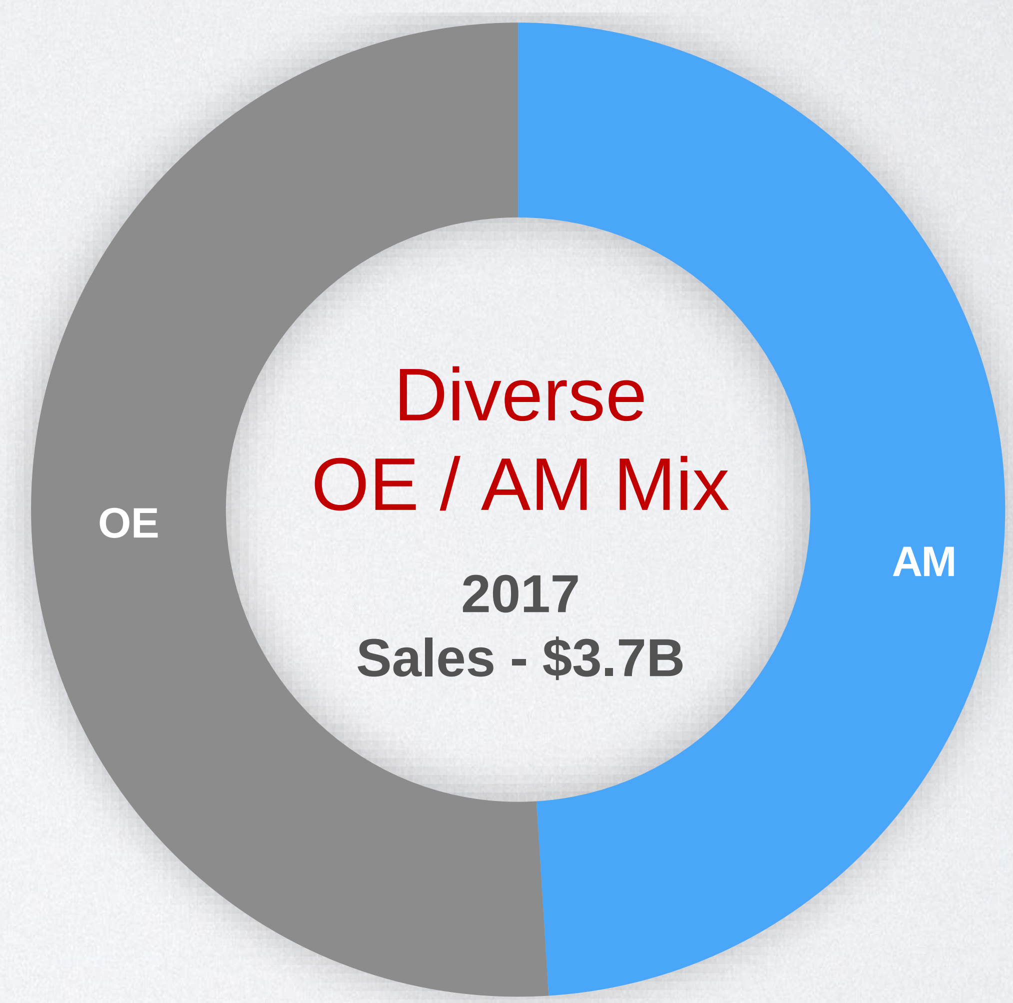
10,000+
Customers Annually

By combining global reach with a personalized local presence, each day our products, services & solutions help control the most volatile fluids and gases safely and securely

Diversified Business Model



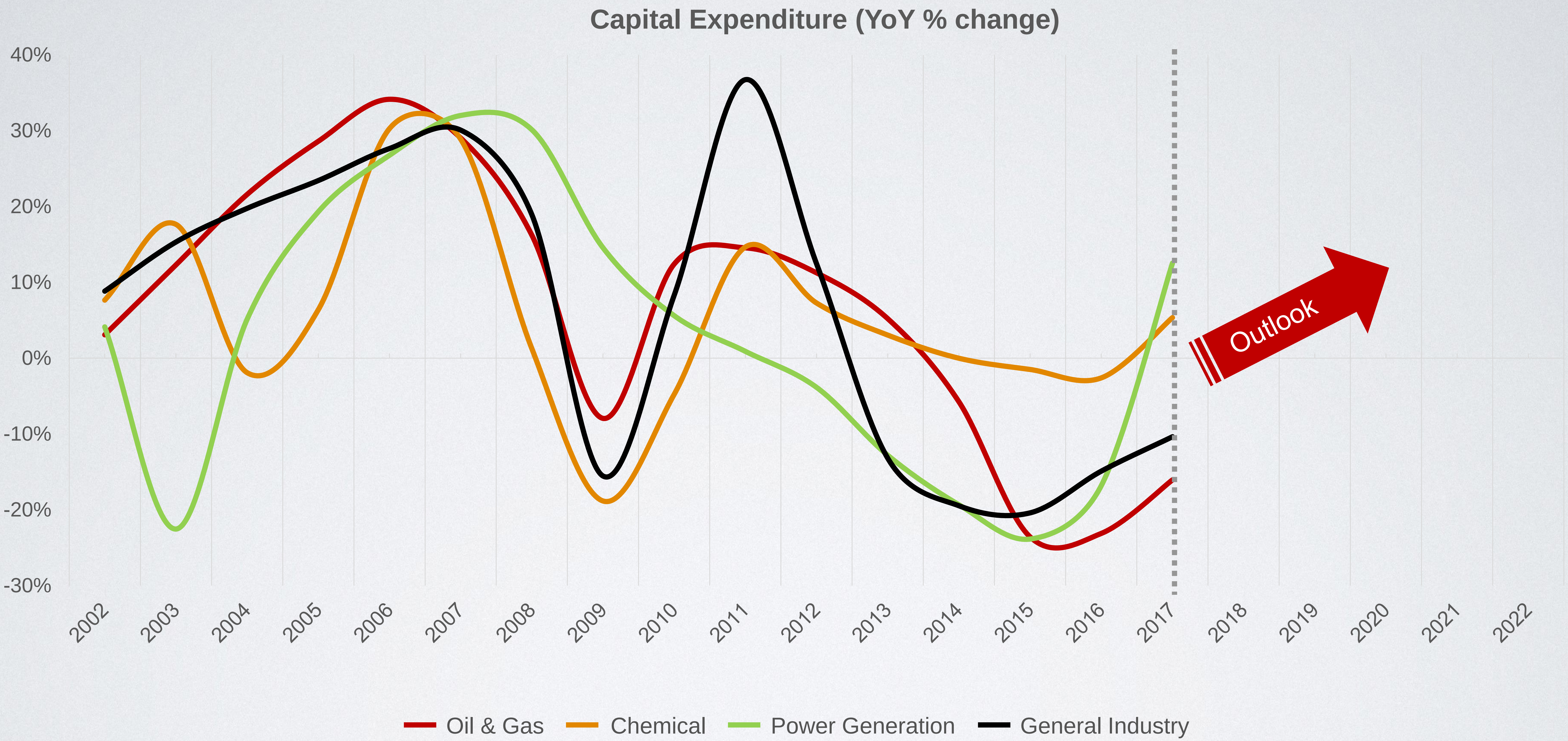




Balanced flow control portfolio of products and aftermarket services provides diversification and reduces risk profile

Industrial Market Cycles

Cycle appears at, or near, the bottom



Source: S&P CapitalIQ, Oxford Economics and Flowserve internal estimates

Flowserve Operating and Financial Principles

Creating Long-term Shareholder Value

- **Flowserve 2.0**
  - **Streamline and simplify operating model**
  - **Drive operational excellence**
  - **Market-led and customer focused**
  - **Technology leader**
- **Return capital to shareholders**
- **Capital to drive organic growth**
- **Disciplined approach to portfolio management**
- **Remain investment grade**

Invest and operate with a shareholders' perspective

2017 Overview and Outlook

- **Reported 2017 EPS negatively impacted by discrete tax (including US Tax Cut and Jobs Act) and realignment expense**
  - *Adjusted 2017 EPS* of $1.36*
- **Full year bookings increased 1.2%, with a 1.04 book-to-bill**
  - *includes approximately 2% headwind from divestitures*
- **Revenue decreased 8.3% in 2017 compared to prior year, driven primarily by original equipment declines**
  - *includes approximately 2% headwind from divestitures*
- **Backlog up 6.9% from year-end 2016 – growth in all segments**
- **2015 Realignment program to be largely complete this year**
- **Flowserve 2.0 global assessment complete**
- **Initiated 2018 target ranges:**
  - **Revenue of +3% to 6%**
  - **Adjusted EPS guidance to $1.50 to $1.70**

* See reconciliation in February 15, 2017 press release

Experience In Motion

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