

The background of the slide is a photograph of an industrial facility, likely a refinery or chemical plant. It features several large, white, spherical storage tanks with metal ladders and scaffolding. In the foreground, there are numerous large, silver, corrugated metal pipes supported by a blue metal framework. The sky is blue with scattered white clouds. The image is overlaid with blue geometric shapes, including large chevrons pointing right.

Q1 2024 EARNINGS CONFERENCE CALL

APRIL 30, 2024



FORWARD LOOKING STATEMENT 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: 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, Latin American, Asian 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; any continued volatile regional and global economic conditions resulting from the COVID-19 pandemic on our business and operations; global supply chain disruptions and the current inflationary environment could adversely affect the efficiency of our manufacturing and increase the cost of providing our products to customers; 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 any restructuring and realignment initiatives, our business could be adversely affected; 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; 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; 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; 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.





Q1 2024 HIGHLIGHTS

TOTAL BOOKINGS

\$1.04B

Strong MRO and aftermarket activity elevating bookings

3D BOOKINGS

~30%

3D strategy continues to deliver meaningful bookings

REVENUE GROWTH

10.9%

Solid revenue growth year-over-year driven by backlog conversion

ADJUSTING OPERATING MARGINS*

10.9%

Expanded margins by 260 basis points versus last year

Adjusted EPS*

\$0.58

Year-over-year growth of 45%

OPERATING CASH FLOW

\$62M

Record first quarter operating cash flow and more than double the prior year



Service pump for public water utility in the United States

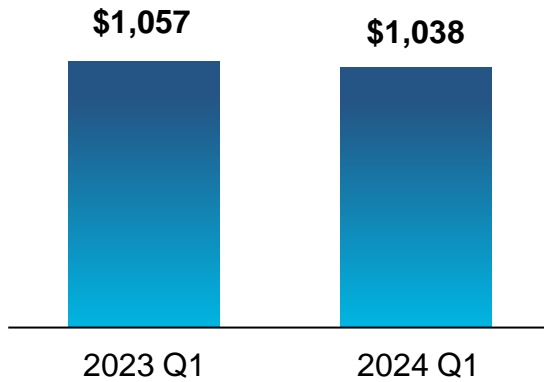
* See appendix for reconciliation to corresponding GAAP-based measure



Q1 2024 OVERVIEW

BOOKINGS

\$ millions

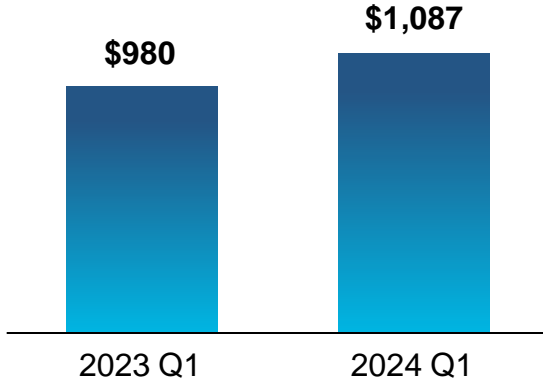


Aftermarket and MRO activity remains elevated globally

- Existing installed base driving aftermarket and MRO bookings
- Well-positioned to participate in large project opportunities and multi-year capital spending up-cycle

SALES

\$ millions

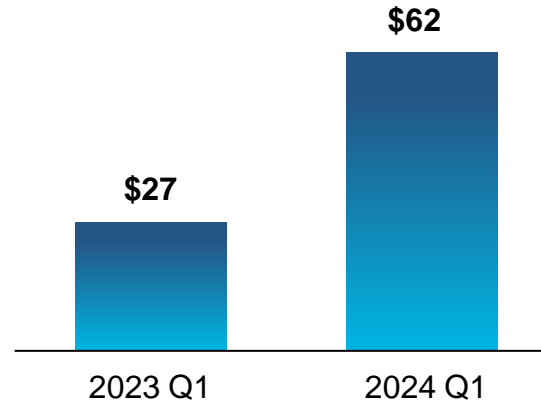


Revenue increased 10.9% versus prior year

- Strong topline growth in both original equipment and aftermarket
- Project timing and improved backlog conversion delivering higher sales

OPERATING CASH FLOW

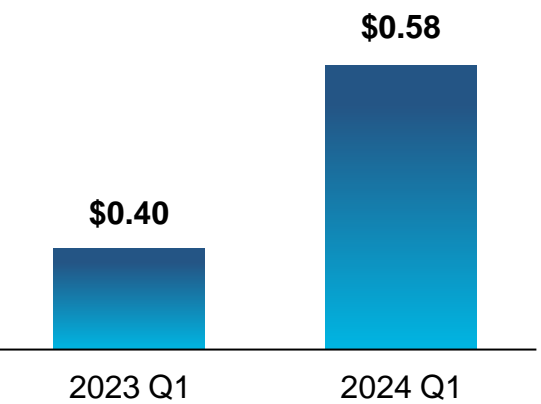
\$ millions



Record first quarter cash flow

- 134% increase in operating cash flow and 13 days improvement in cash conversion cycle compared to last year
- Earnings and primary working capital as a percentage of sales contributed to exceptional first quarter operating cash flow

ADJUSTED EPS*



Operational excellence drove first quarter adjusted EPS*

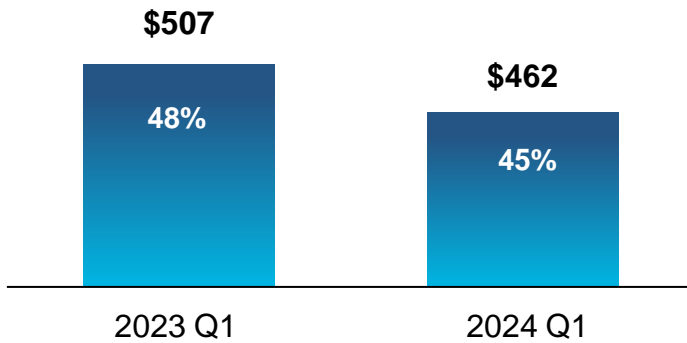
- 130 bps improvement in adjusted gross margins* largely driven by improved operations
- Revenue growth leverage and cost control contributed to adjusted EPS* expansion

* See appendix for reconciliation to corresponding GAAP-based measure

Q1 2024 BOOKINGS MIX

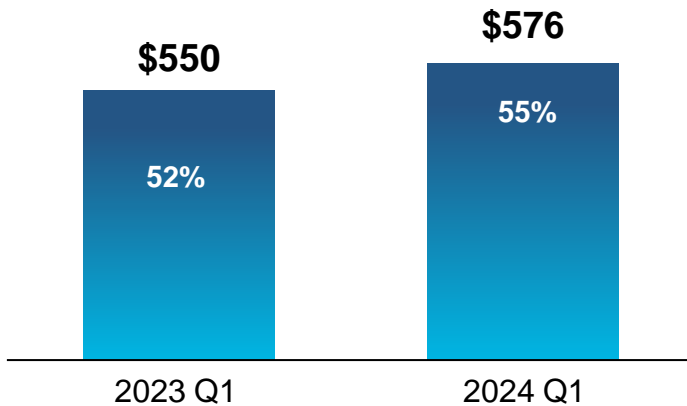
ORIGINAL EQUIPMENT

\$ millions



AFTERMARKET

\$ millions



OIL & GAS: 37%

- High refining utilization rates driving significant MRO and aftermarket business
- LNG demand remains elevated as regions like Europe and Asia look for secure sources of energy
- Decarbonization investment growing and carbon capture projects accelerating in North America and Europe



CHEMICAL: 22%

- Significant chemical capacity additions expected in the Middle East
- Moderate improvement in global chemical demand in early 2024



POWER: 12%

- Demand for electricity is projected to grow significantly driven by ongoing electrification, widespread baseload demand growth and new data centers to support AI processing
- Meaningful investments in the next decade in all forms of power generation - renewables, hydrocarbon-based and nuclear power



GENERAL INDUSTRIES: 26%

- Regionalization of various industries driving industrial manufacturing growth

WATER: 3%

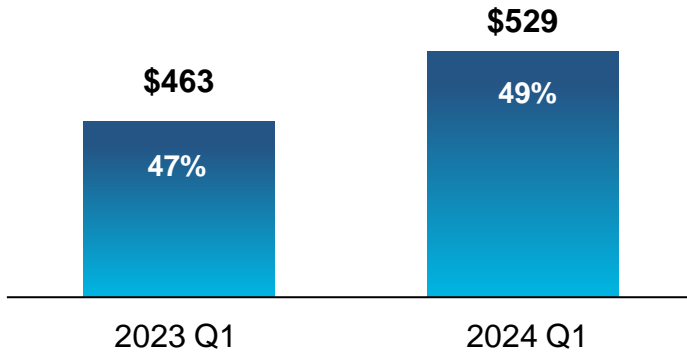
- Demand for potable water and regulatory mandates driving enhanced spending in industrial waste water
- Thermal management technology for large scale data centers driving need for advanced flow control solutions



Q1 2024 SALES MIX

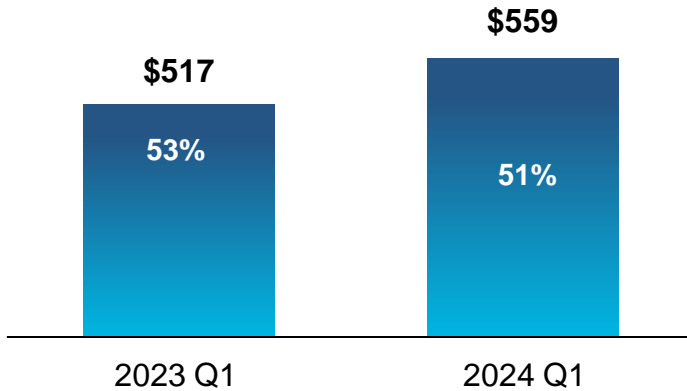
ORIGINAL EQUIPMENT

\$ millions

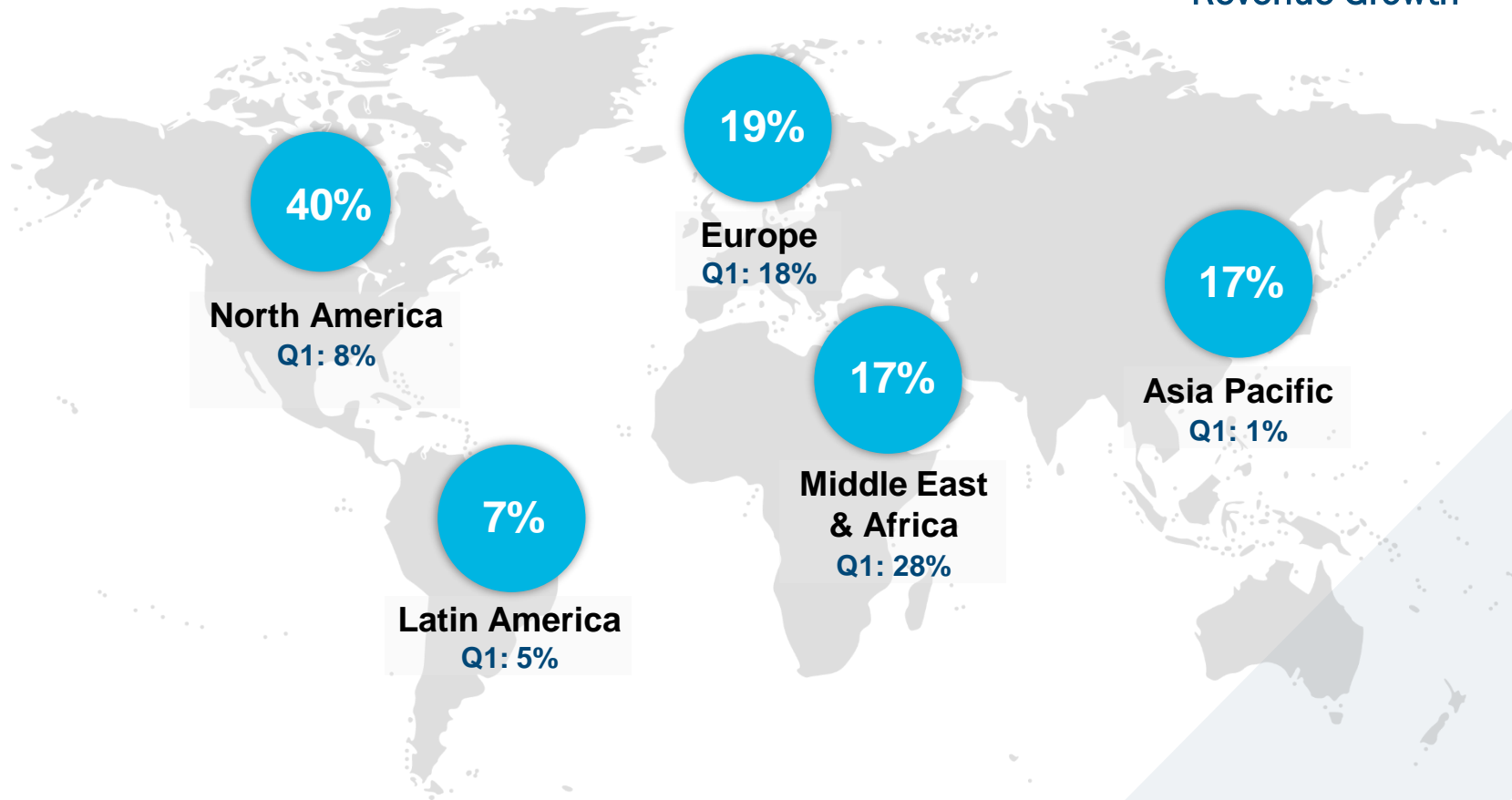


AFTERMARKET

\$ millions



Geographic Mix Revenue Growth



Revenue growth across all regions





Q1 2024 SEGMENT HIGHLIGHTS

Bookings

Revenue

Adjusted Gross Margin*

Adjusted Operating Margin*

Book-to-Bill

FPD

As Reported Year-Over-Year

\$703.5 -3.4%

\$769.4 9.9%

32.9% 100 bps

14.9% 270 bps

0.91x

Record FPD adjusted operating margin* driven by strong operational execution

- Divisional initiatives taking hold in segment performance

FCD

As Reported Year-Over-Year

\$341.1 2.7%

\$320.5 13.8%

29.2% 70 bps

11.1% 30 bps

1.06x

Achieved a book-to-bill greater than 1.0x while growing revenue ~14%

- Modest margin improvements versus last year but partially impacted by unfavorable mix sequentially

* See appendix for reconciliation to corresponding GAAP-based measure





FLOWSERVE 3D GROWTH STRATEGY IN ACTION



DIVERSIFY – Building the Smart Plant of the Future



- We were recently awarded flow control equipment to support a global chemical company's construction of a 'smart plant of the future'
- The new facility will have unique capabilities including automated packaging, high-tech control systems and auto-guided vehicles



DECARBONIZE – Working Together to Reduce CO₂



- Our comprehensive portfolio of pumps and valves will support the construction of a new CCS facility in Europe
- Targeting a 2026 completion, the facility will capture multiple companies' CO₂ emissions with capacity to store 2.5M tons of CO₂ per year



DIGITIZE – Securing a Pivotal Relationship



- We will provide monitoring solutions for electric actuators for an offshore wind project in Norway
- RedRaven systems will be integrated to monitor 52 Limatorque actuators – offering unparalleled efficiency and reliability to the customer



REVISED 2024 ADJUSTED EPS* GUIDANCE

	2023		2024 (Updated Guidance at Midpoint)	2027 Analyst Day Targets	
Revenue	\$4.3B (20% increase compared to prior year)	5% Growth	\$4.5B	\$5.0B	<ul style="list-style-type: none"> • Updated guidance 24% greater than 2023 adjusted EPS* • Substantial progress toward 2027 targets • Opportunities persist for margin expansion with operational excellence, product management and portfolio optimization
Adjusted Operating Margin*	9.5% (330 bps improvement)	>150 bps	>11.0%	14 - 16%	
Adjusted EPS*	\$2.10 (91% increase)	~24% Growth	\$2.60	>\$4.00	

* Adjusted operating margin and Adjusted EPS are non-GAAP measures. Please see appendix for historical reconciliation of GAAP to Adjusted figures



KEY TAKEAWAYS

- **Strong first quarter results position us well for full-year 2024**
- **Q1 bookings driven by healthy fundamentals supporting MRO and aftermarket**
- **April project awards of \$150 million provide visibility to revenue growth in 2025**
- **3D strategy continues to work in today's macro environment**



Expected earnings growth supported by macro backdrop, 3D strategy, improved operations and margin expansion





Appendix



Q1 2024 CONSOLIDATED FINANCIAL RESULTS



Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)

(Amounts in thousands, except per share data)

Three Months Ended March 31, 2024	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Provision For (Benefit From) Income Taxes	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	\$ 338,968	\$ 228,418	\$113,079	\$ (874)	\$ 20,142	\$ 74,220	20.5%	0.56
<i>Reported as a percent of sales</i>	<i>31.2%</i>	<i>21.0%</i>	<i>10.4%</i>	<i>-0.1%</i>	<i>1.9%</i>	<i>6.8%</i>		
Realignment charges (a)	5,673	(1,494)	7,167	-	723	6,444	10.1%	0.05
Discrete item (b)	-	2,000	(2,000)	-	-	(2,000)	0.0%	(0.02)
Below-the-line foreign exchange impacts (c)	-	-	-	(1,323)	(51)	(1,273)	3.8%	(0.01)
Adjusted	\$ 344,641	\$ 228,924	\$118,246	\$ (2,197)	\$ 20,814	\$ 77,392	20.4%	0.58
<i>Adjusted as a percent of sales</i>	<i>31.7%</i>	<i>21.1%</i>	<i>10.9%</i>	<i>-0.2%</i>	<i>1.9%</i>	<i>7.1%</i>		

Note: Amounts may not calculate due to rounding

(a) Charges represent realignment costs incurred as a result of realignment programs of which \$800 is non-cash.

(b) Represents a reduction to reserves associated with our ongoing financial exposure in Russia that were adjusted for Non-GAAP measures when established in 2022.

(c) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency.

Q1 2023 CONSOLIDATED FINANCIAL RESULTS



Consolidated Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)

(Amounts in thousands, except per share data)

Three Months Ended March 31, 2023	Gross Profit	Selling, General & Administrative Expense	Operating Income	Other Income (Expense), Net	Provision For (Benefit From) Income Taxes	Net Earnings (Loss)	Effective Tax Rate	Diluted EPS
Reported	\$ 296,830	\$ 244,268	\$ 57,186	\$ (8,020)	\$ 4,453	\$ 26,766	12.9%	\$ 0.20
<i>Reported as a percent of sales</i>	<i>30.3%</i>	<i>24.9%</i>	<i>5.8%</i>	<i>-0.8%</i>	<i>0.5%</i>	<i>2.7%</i>		
Realignment charges (a)	202	(16,677)	16,879	-	3,184	13,695	18.9%	0.10
Discrete asset write-downs (b)(c)	1,173	(2,917)	4,090	-	1,038	3,052	25.4%	0.02
Acquisition related (d)	-	(3,096)	3,096	-	822	2,274	26.6%	0.02
Below-the-line foreign exchange impacts (e)	-	-	-	7,406	549	6,857	7.4%	0.05
Adjusted	\$ 298,205	\$ 221,578	\$ 81,251	\$ (614)	\$ 10,046	\$ 52,644	15.2%	\$ 0.40
<i>Adjusted as a percent of sales</i>	<i>30.4%</i>	<i>22.6%</i>	<i>8.3%</i>	<i>-0.1%</i>	<i>1.0%</i>	<i>5.4%</i>		

Note: Amounts may not calculate due to rounding

(a) Charges represent realignment costs incurred as a result of realignment programs of which \$7,597 is non-cash.

(b) Charge represents a further \$1,173 non-cash write-down of inventory associated with a customer sales contract that was determined to be uncollectible and adjusted out for Non-GAAP measures in a previous period.

(c) Charge represents a \$2,917 non-cash write-down of a licensing agreement.

(d) Charges represent costs associated with a terminated acquisition.

(e) Below-the-line foreign exchange impacts represent the remeasurement of foreign exchange derivative contracts as well as the remeasurement of assets and liabilities that are denominated in a currency other than a site's respective functional currency.

Q1 2024 AND Q1 2023 SEGMENT FINANCIAL RESULTS



Segment Reconciliation of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measure (Unaudited)

(Amounts in thousands)

Flowserve Pumps Division

Three Months Ended March 31, 2024	Selling, General & Administrative		
	Gross Profit	Expense	Operating Income
Reported	\$ 247,938	\$ 139,710	\$ 110,894
<i>Reported as a percent of sales</i>	32.2%	18.2%	14.4%
Realignment charges (a)	5,044	(1,041)	6,085
Discrete item (b)	-	2,000	(2,000)
Adjusted	\$ 252,982	\$ 140,669	\$ 114,979
<i>Adjusted as a percent of sales</i>	32.9%	18.3%	14.9%

Flow Control Division

Three Months Ended March 31, 2024	Selling, General & Administrative		
	Gross Profit	Expense	Operating Income
Reported	\$ 92,695	\$ 57,987	\$ 34,708
<i>Reported as a percent of sales</i>	28.9%	18.1%	10.8%
Realignment charges (a)	767	(114)	881
Adjusted	\$ 93,462	\$ 57,873	\$ 35,589
<i>Adjusted as a percent of sales</i>	29.2%	18.1%	11.1%

Note: Amounts may not calculate due to rounding

(a) Charges represent realignment costs incurred as a result of realignment programs of which \$800 is non-cash.

(b) Represents a reduction to reserves associated with our ongoing financial exposure in Russia that were adjusted for Non-GAAP measures when established in 2022.

Three Months Ended March 31, 2023	Selling, General & Administrative		
	Gross Profit	Expense	Operating Income
Reported	\$ 221,427	\$ 146,979	\$ 79,073
<i>Reported as a percent of sales</i>	31.6%	21.0%	11.3%
Realignment charges (a)	390	(2,050)	2,440
Discrete asset write-downs (b)(c)	1,173	(2,917)	4,090
Adjusted	\$ 222,990	\$ 142,012	\$ 85,603
<i>Adjusted as a percent of sales</i>	31.9%	20.3%	12.2%

Three Months Ended March 31, 2023	Selling, General & Administrative		
	Gross Profit	Expense	Operating Income
Reported	\$ 80,293	\$ 61,759	\$ 18,534
<i>Reported as a percent of sales</i>	28.5%	21.9%	6.6%
Realignment charges (a)	11	(8,906)	8,917
Acquisition related (d)	-	(3,096)	3,096
Adjusted	\$ 80,304	\$ 49,757	\$ 30,547
<i>Adjusted as a percent of sales</i>	28.5%	17.7%	10.8%

Note: Amounts may not calculate due to rounding

(a) Charges represent realignment costs incurred as a result of realignment programs of which \$7,597 is non-cash.

(b) Charge represents a further \$1,173 non-cash write-down of inventory associated with a customer sales contract that was determined to be uncollectible and adjusted out for Non-GAAP measures in a previous period.

(c) Charge represents a \$2,917 non-cash write-down of a licensing agreement.

(d) Charges represent costs associated with a terminated acquisition.

Q1 2024 AND Q1 2023 SEGMENT BOOKINGS AND SALES MIX

Flowserve Pumps Division

(\$ millions)		Q1 2024	Q1 2023	Delta (%)	Constant FX (%)*
Bookings Mix **	OE	210	253	-17%	-17%
		30%	35%	(500) bps	
	AM	494	476	4%	4%
		70%	65%	500 bps	
Sales Mix **	OE	285	253	13%	11%
		37%	36%	100 bps	
	AM	484	447	8%	8%
		63%	64%	(100) bps	

Flow Control Division

(\$ millions)		Q1 2024	Q1 2023	Delta (%)	Constant FX (%)*
Bookings Mix **	OE	256	256	0%	0%
		75%	77%	(200) bps	
	AM	85	76	12%	12%
		25%	23%	200 bps	
Sales Mix **	OE	245	211	16%	16%
		76%	75%	100 bps	
	AM	76	70	9%	9%
		24%	25%	(100) bps	

* Constant foreign exchange (FX) represents the year-over-year variance assuming 2024 results at 2023 FX rates

** Gross bookings and sales do not include interdivision eliminations



FLOWSERVE

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Experience in Motion