

The word "CRANE" is written in a bold, black, sans-serif font. It is centered within a white rectangular area that is enclosed by a thin red border.

CRANE

CRANE CO. FINANCIAL OVERVIEW

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CHIEF FINANCIAL OFFICER

2017 Results

2018 Outlook

Multi-Year Outlook

Capital Deployment

2017 Operating Results

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(\$ Millions, Except per Share Amounts)	2017	Change
Net Sales	\$2,786	+1%
Operating Profit*	\$423	+6%
Operating Margin*	15.2%	+70 bps
Net Income*	\$274	+9%
EPS*	\$4.53	+7%
Free Cash Flow**	\$269	+1%

7% EPS Growth Driven by Productivity and Volume

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

** Free Cash Flow is defined as Cash Provided by Operating Activities, less Capital Spending. Please see non-GAAP Financial Measures tables for details.

2017 Results

2018 Outlook

Multi-Year Outlook

Capital Deployment

(\$ Millions, Except per Share Amounts)	2017	2018G	Change***
Net Sales	\$2,786	\$3,295	+18%
EPS*	\$4.53	\$5.35–\$5.55	+20%
Free Cash Flow**	\$269	\$220–\$250	(13%)

	2018G
Core Growth	+2% to +4%
Acquisitions	+15%
FX Translation	+0.5%
Total Sales Change	+18.5%

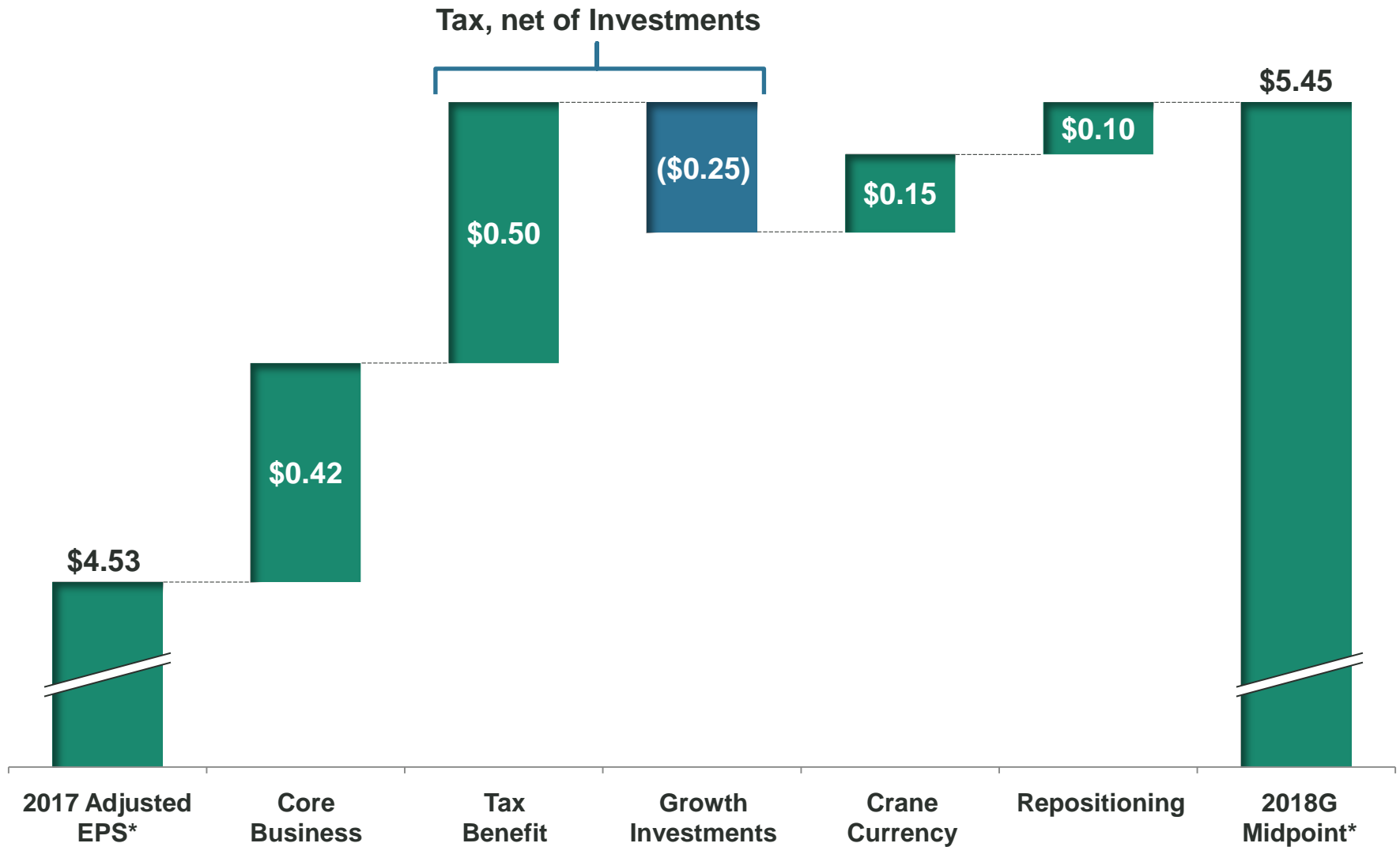
Other 2018 Guidance Details
<ul style="list-style-type: none"> ❑ Adjusted tax rate of ~22% ❑ Corporate expense of ~\$60 million ❑ Net interest expense* of ~\$55 million ❑ Diluted share count of ~61 million ❑ Capital expenditures of \$125 million

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

** Free Cash Flow is defined as Cash Provided by Operating Activities, less Capital Spending. Please see non-GAAP Financial Measures Tables for details.

*** Reflects midpoint of guidance range.

2018 Adjusted EPS Guidance



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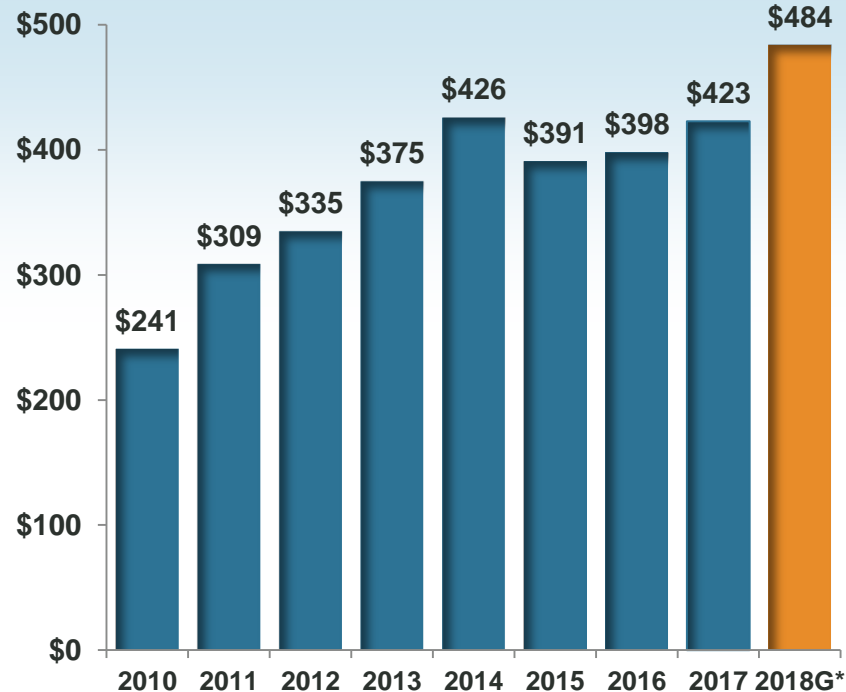
Total Sales (\$ Billions)



Organic Growth

+0.6	+9.8%	+4.3%	+0.0%	0.3%	(1.2%)	2.0%	1%	3%
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Operating Profit** (\$ Millions)



Margin**

11.1%	12.3%	13.0%	14.5%	14.6%	14.3%	14.5%	15.2%	14.7%
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Solid Long-term Track Record

* Reflects midpoint of guidance range.

** Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

2018 Growth Outlook

% of Crane (2018G*)		Core Growth				Comments
		2015	2016	2017	2018G*	
33%	Fluid Handling	(6%)	(6%)	+2%	+3%	+ Early stages of slow recovery + Growth initiatives
37%	Payment & Merchandising Technologies	+6%	+9%	+6%	+2%	+ Strong underlying Payment demand - Challenging comparisons
22%	Aerospace & Electronics	0%	+8%	(7%)	+5%	+ Commercial OE accelerating + Microwave project - Widebody, Cabin, M&U
8%	Engineered Materials	+1%	+1%	+7%	+2%	+Solid end markets today - Late in RV cycle

* Reflects midpoint of guidance range.

2018 Adjusted Segment Margin* Story

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	2015	2016	2017	2018G**	Comments
Fluid Handling	12.4%	12.0%	12.0%	13.0%	+ Volume + Productivity - Growth investments
Payment & Merchandising Technologies	15.4%	18.2%	20.8%	16.5%	- Crane Currency impact - Growth investments + Productivity + Volume
Aerospace & Electronics	21.0%	20.1%	21.8%	21.5%	- Growth investments - Microwave mix + Volume + Productivity
Engineered Materials	19.0%	19.1%	18.0%	18.0%	+ Productivity + Volume - Raw materials (resin)

Expect Margin Improvement in 2018 ex-Accelerated Growth Investments

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

** Reflects midpoint of guidance range.

2017 Results

2018 Outlook

Multi-Year Outlook

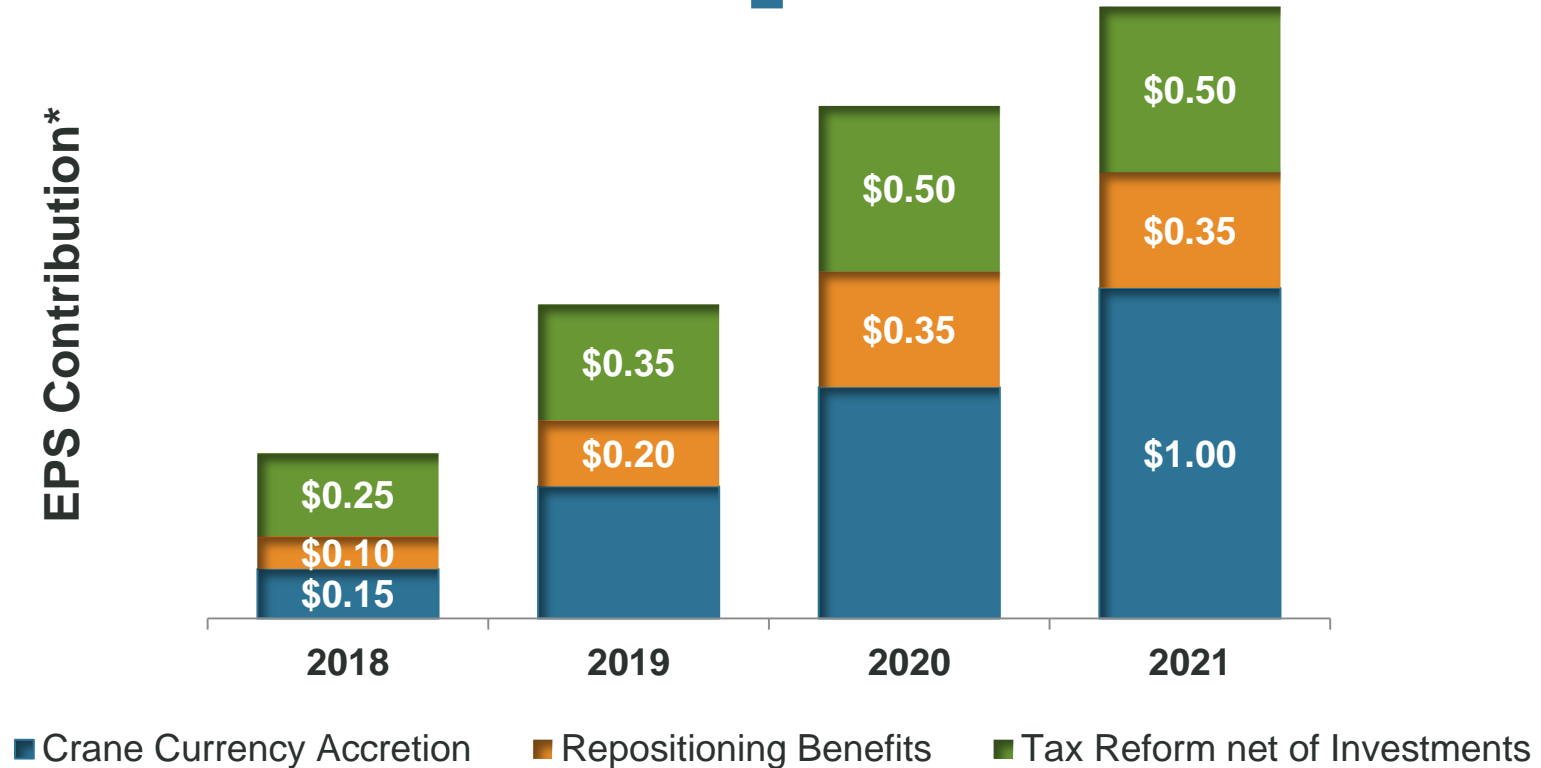
Capital Deployment

Multi-Year Outlook: Layers of Growth

6%–8% Underlying Core EBIT Growth



EPS Contribution*



Additional Upside from Capital Allocation

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

Long-Term Financial Expectations by Segment

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	Across-the-Cycle Target		2018G*	
	Avg. Organic Growth	Segment Margin	Organic Growth	Segment Margin**
Fluid Handling	+2%–4%	14%–19%	+3%	13.0%
Payment & Merchandising Technologies	+3%–5%	18%–22%	+2%	16.5%
Aerospace & Electronics	+3%–5%	21%–24%	+5%	21.5%
Engineered Materials	GDP	12%–16%	+2%	18.0%

Expect Long-Term Core EBIT Growth of Approximately 6% to 8%

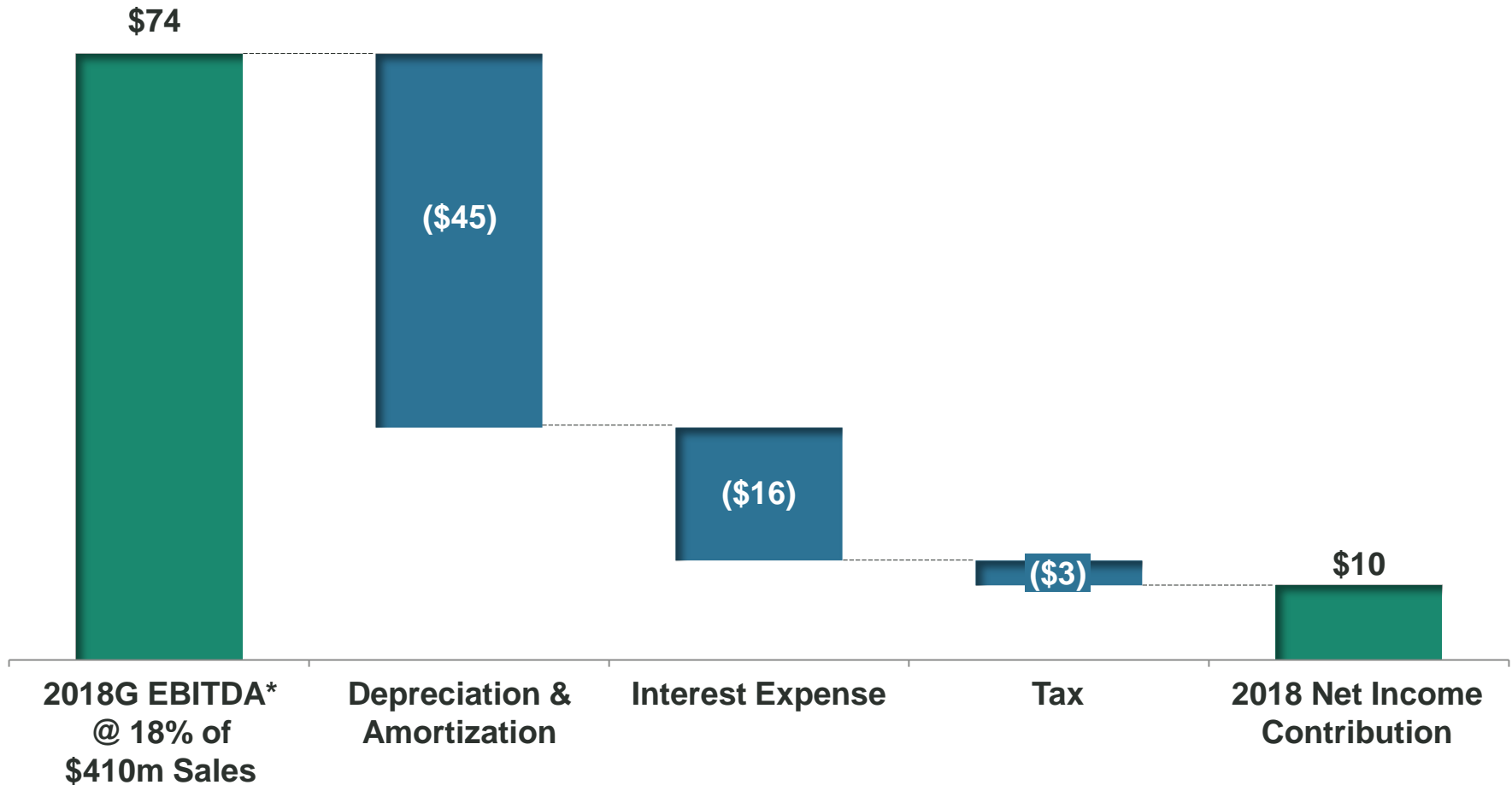
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2018 Crane Currency Accretion

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(\$ millions)



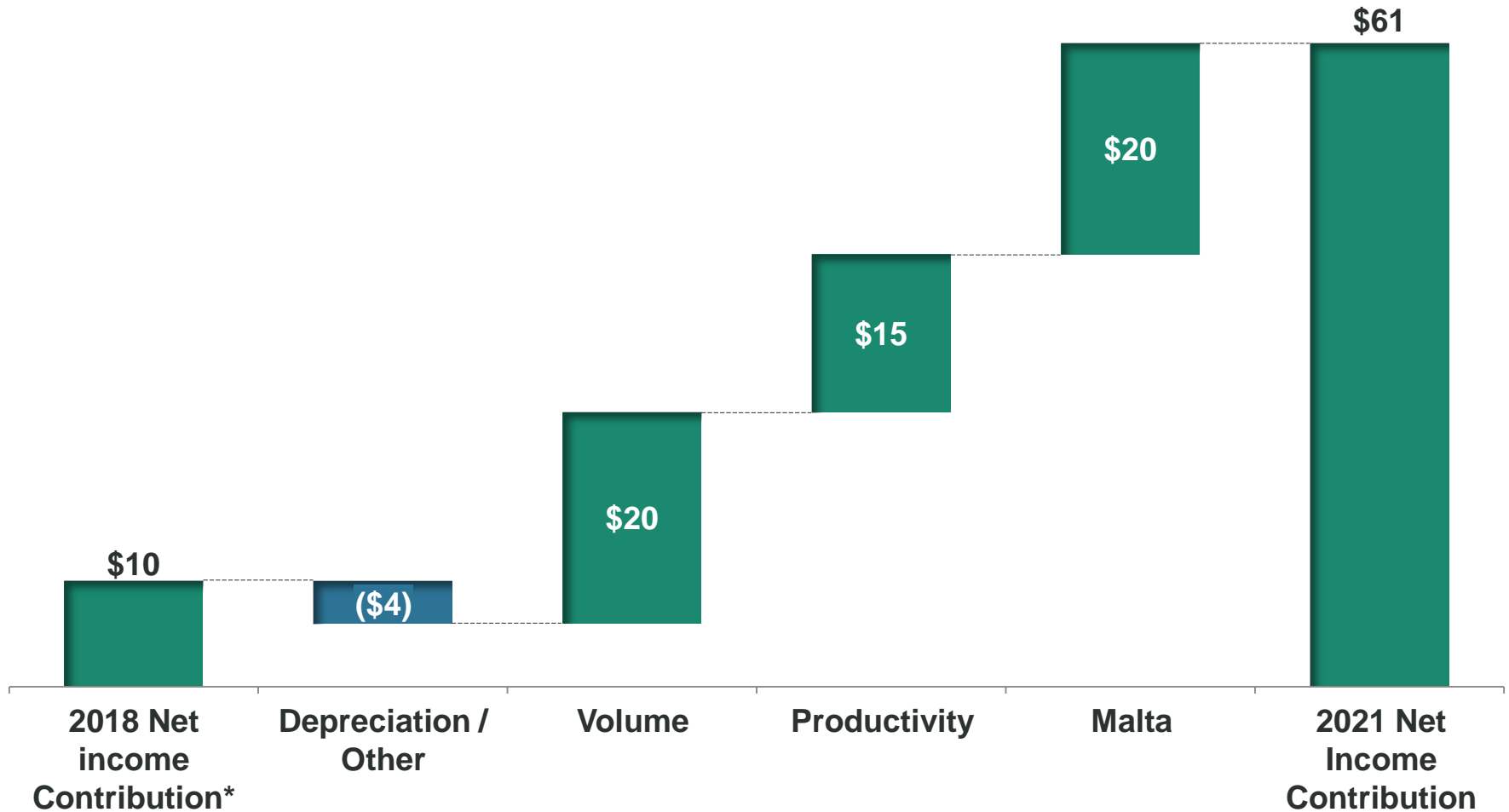
Potential Upside from Repeat of a Portion of Large Contract

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

2021 Crane Currency Accretion

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(\$ millions)



Confident in \$1.00 EPS Contribution by 2021

* Excludes Special Items. Please see non-GAAP Financial Measures tables for details.

2017 Results

2018 Outlook

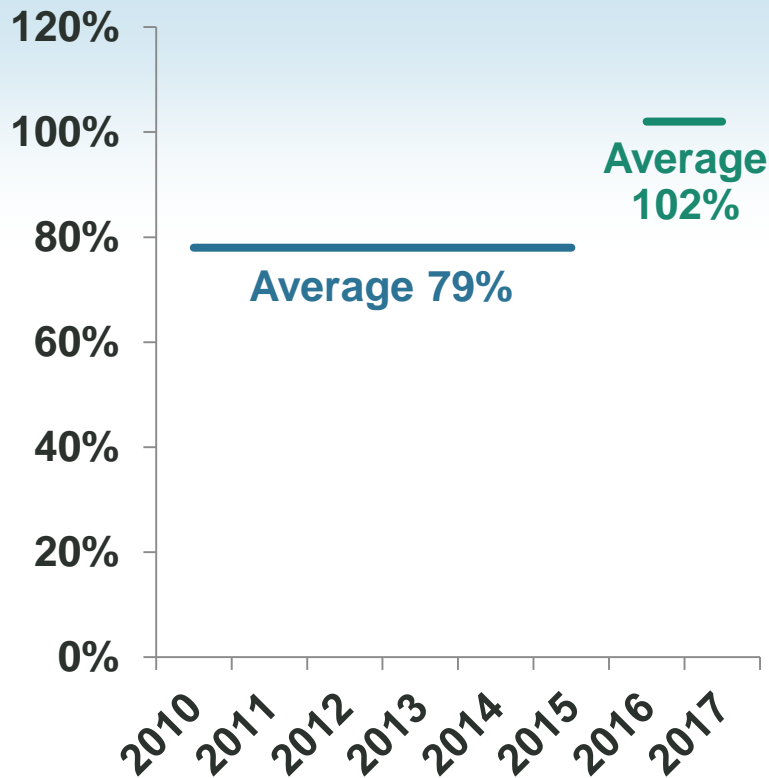
Multi-Year Outlook

Capital Deployment

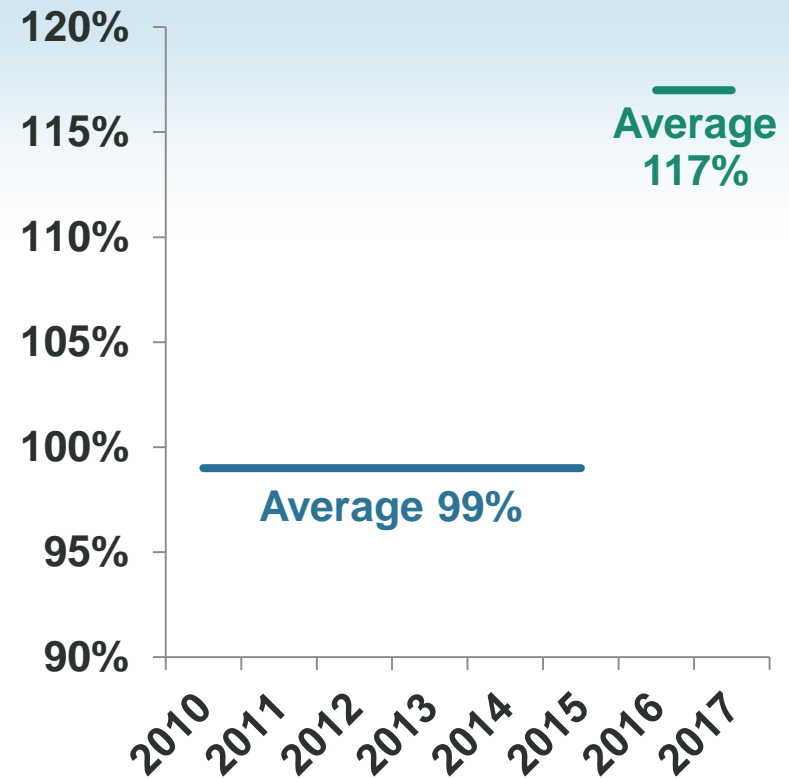
Structural Free Cash Conversion* Improving

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Free Cash Conversion



Free Cash Conversion (Excluding Asbestos)

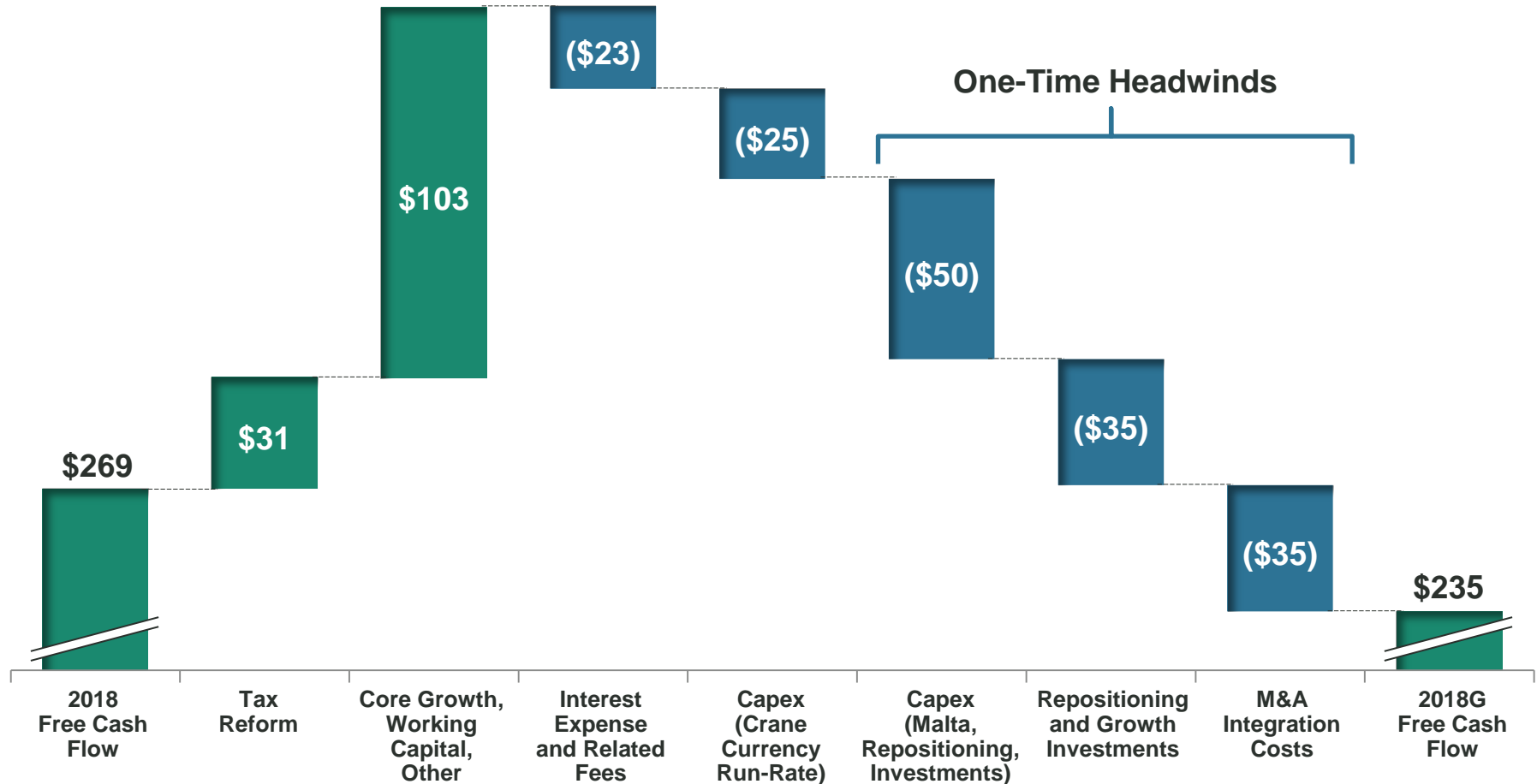


Strong Track Record on Operational Free Cash Flow

* Free Cash Flow is defined as Cash Provided by Operating Activities less Capital Spending. Free Cash Flow conversion is defined as Free Cash Flow divided by adjusted Net Income. Please see non-GAAP Financial Measures tables for details.

2018 Free Cash Flow* Walk

(\$ millions)



Major Headwinds Are Temporary

* Free Cash Flow is defined as Cash Provided by Operating Activities less Capital Spending. 2018G reflects midpoint of guidance range.

Maintain Investment Grade Credit Rating, While Funding:

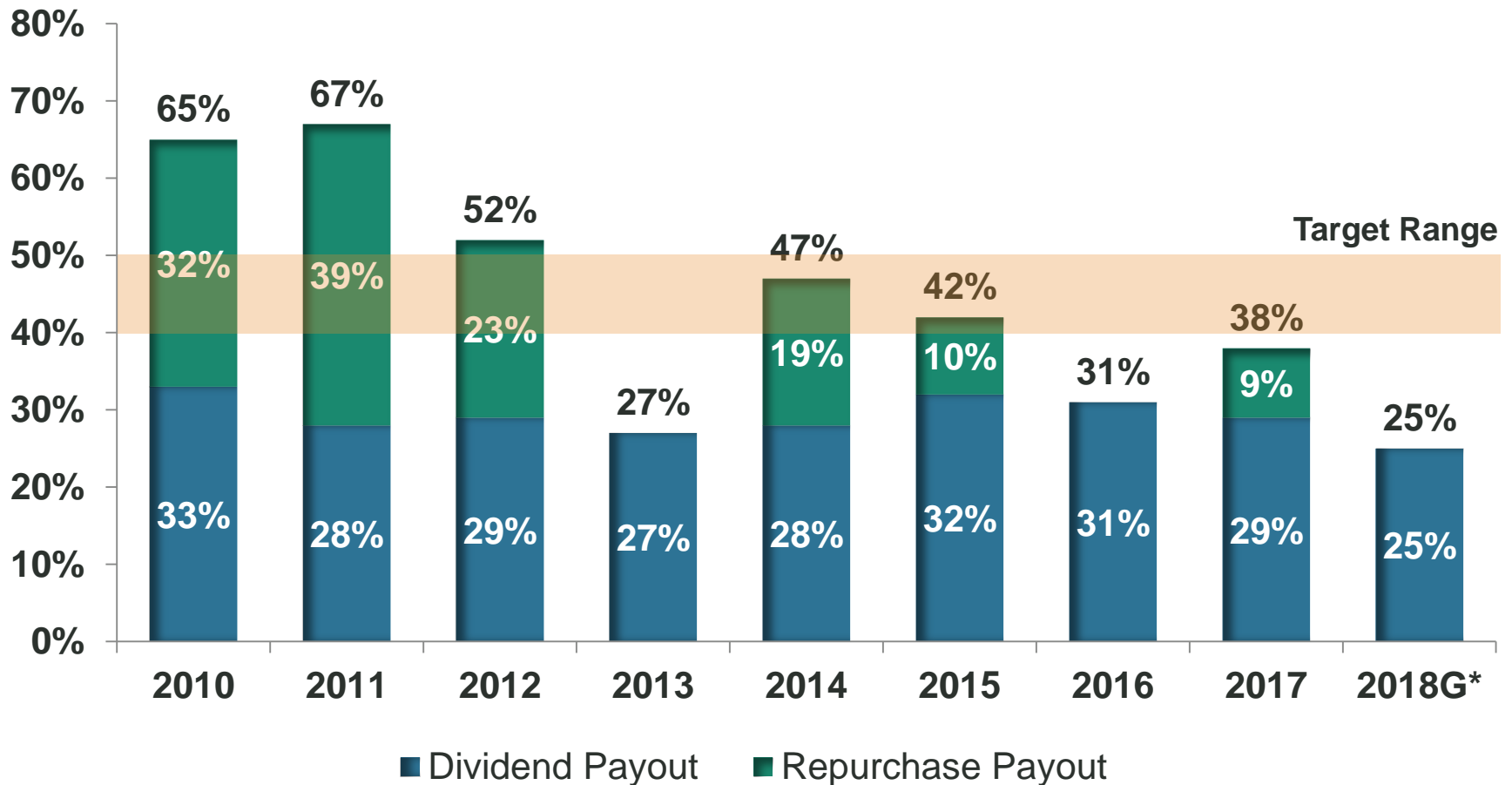
- ❑ **Internal investments to drive organic growth**
 - » Capital Expenditures
 - » Research & Development
 - » Sales & Marketing
- ❑ **Acquisitions to enhance growth**
- ❑ **Competitive returns to shareholders**
 - » Target total payout ratio of 40%–50%
 - Growing dividends in-line with earnings
 - Opportunistic share repurchases
- ❑ **Pension and legacy liability requirements**

Focus on Both Organic and Inorganic Growth

- ❑ **Target 2x–3x adjusted debt to EBITDA, excluding Special Items**
 - » Adjusted debt =
 - Gross financial debt
 - + Pension liability
 - + After-tax net asbestos
- ❑ **Deploy cash balances and debt capacity**
 - » Internal investments
 - » Acquisitions
- ❑ **Repatriation expected to accelerate deleveraging**

Committed to Current Investment Grade Rating

Commitment to Return Cash

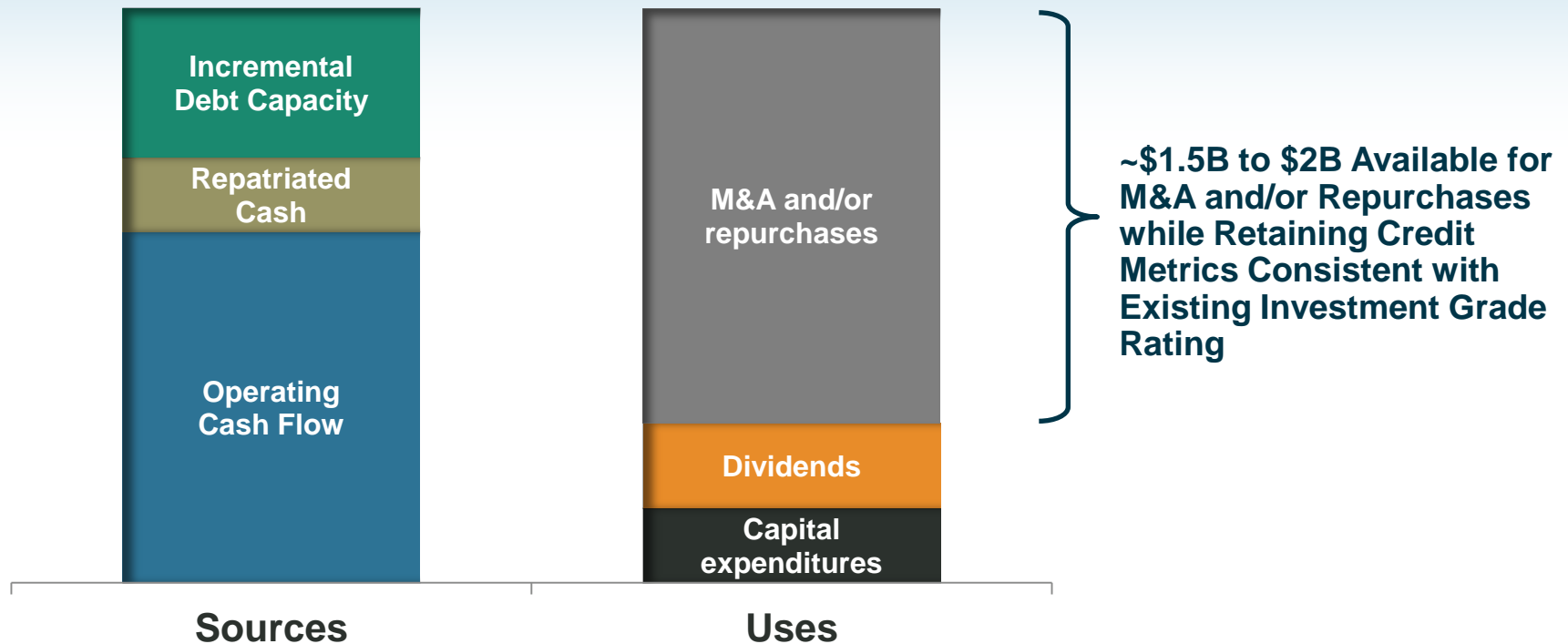


**Will Maintain Dividend Payout Between 25%–30%,
but M&A Prioritized Over Repurchases in Recent Years**

*2018G based on adjusted EPS guidance midpoint of \$5.45 and annual dividend of \$1.40

Capital Deployment Potential

\$2.5–\$3.0 Billion Available from 2018–2021



Additional Value Creation Potential

1 Record performance

2 Markets improving / relentless focus on productivity

3 Disciplined capital allocation with strong free cash flow

4 Exciting multi-year outlook

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