



Q3 2024 EARNINGS RELEASE

OCTOBER 22, 2024



Forward-Looking Statements

This presentation contains statements that we believe to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, are forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets,” “plans,” “believes,” “expects,” “intends,” “will,” “likely,” “may,” “anticipates,” “estimates,” “projects,” “should,” “would,” “could,” “positioned,” “strategy,” or “future” or words, phrases, or terms of similar substance or the negative thereof are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include the overall global economic and business conditions impacting our business, including the strength of housing and related markets and conditions relating to international hostilities; supply, demand, logistics, competition and pricing pressures related to and in the markets we serve; the ability to achieve the benefits of our restructuring plans, cost reduction initiatives and Transformation Program; the impact of raw material, logistics and labor costs and other inflation; volatility in currency exchange rates and interest rates; failure of markets to accept new product introductions and enhancements; the ability to successfully identify, finance, complete and integrate acquisitions; risks associated with operating foreign businesses; the impact of seasonality of sales and weather conditions; our ability to comply with laws and regulations; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. tax benefits or impact trade agreements and tariffs; the outcome of litigation and governmental proceedings; and the ability to achieve our long-term strategic operating and environmental, social and governance (“ESG”) goals and targets.

Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2023. All forward-looking statements, including all financial forecasts, speak only as of the date of this presentation. Pentair assumes no obligation, and disclaims any obligation, to update the information contained in this presentation.

Key Definitions

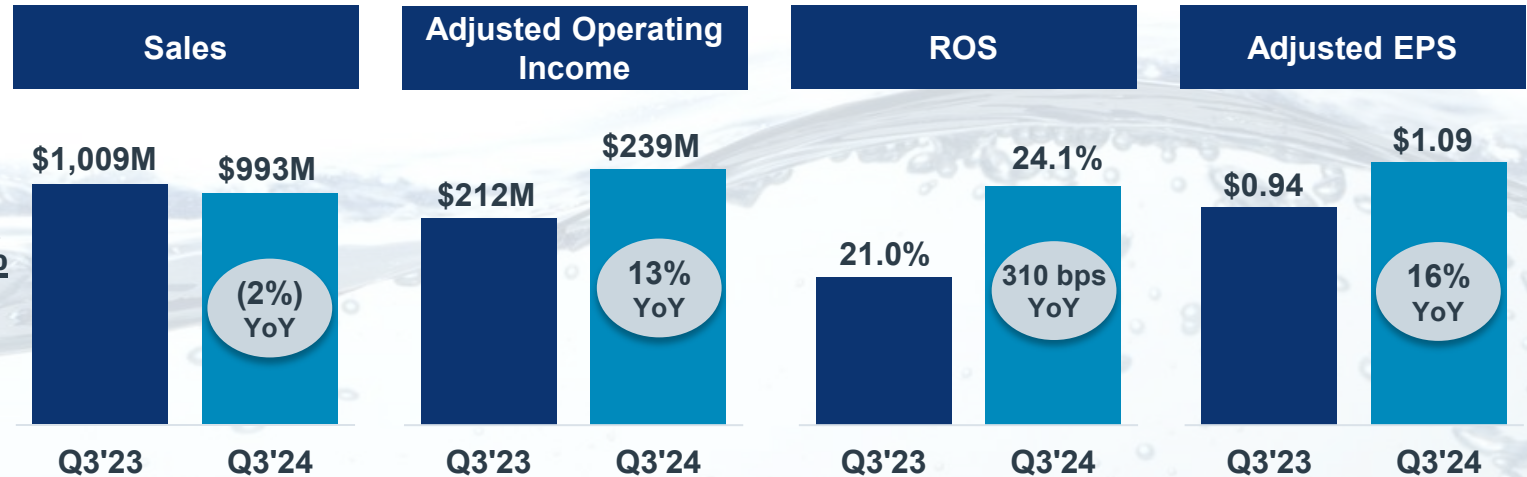
- Except as otherwise noted, our results represent continuing operations for the period indicated, presented on an adjusted basis
- Core sales refers to GAAP net sales from continuing operations excluding: (1) the impact of currency translation and (2) the impact of net sales from acquired businesses recorded prior to the first anniversary of the acquisition, excluding the excess over prior year net sales of the acquired business less the amount of net sales attributable to discontinued or divested product lines not considered discontinued operations
- Reportable segment income ("segment income") represents operating income of each reportable segment inclusive of equity income of unconsolidated subsidiaries and exclusive of non-cash intangible amortization, certain acquisition related expenses, costs of transformation and restructuring activities, impairments, and other unusual non-operating items
- Adjusted operating income represents consolidated operating income inclusive of equity income of unconsolidated subsidiaries and exclusive of non-cash intangible amortization, certain acquisition related expenses, costs of transformation and restructuring activities, impairments, and other unusual non-operating items.
- Adjusted return on sales ("ROS") equals segment income divided by segment net sales or, on a consolidated basis, adjusted operating income divided by total net sales
- Results of Transformation initiatives reflected in Price column in Sales walks and Growth/Price/Acq. and Productivity columns in Adjusted Operating Income and Segment Income walks; Mix and impact of discontinued or divested product lines included in Growth/Price/Acq. column
- See appendix for GAAP to non-GAAP reconciliations

Executive Summary

Balanced water portfolio, Transformation and strong execution continued to drive strong results

✓ Q3'24 Performance:

- Sales down 2%
- Adjusted Operating Income up 13%
- ROS expanded 310 bps
- Adjusted EPS increased 16%



- ✓ Solid execution and Transformation drove strong margin expansion for the 10th consecutive quarter; Flow and Pool delivered triple-digit margin expansion; Pool sales increased 7%
- ✓ Adjusted Operating Income increased 13% and Adjusted EPS rose 16%; sales down as expected
- ✓ Record* Free Cash Flow of \$629 million year-to-date; balanced capital allocation strategy with continued debt paydown, share repurchases and dividends
- ✓ Increased FY'24 adjusted EPS guidance to ~\$4.27, up ~14% as compared to 2023; expect ROS of ~23%

*Q3'24 year-to-date free cash flow reflects a record following the nVent separation from Pentair in 2018.

Q3 and Full Year 2024 Segment Pulse

Pool sales continued to grow; Flow, Water Solutions impacted by Residential / Industrial headwinds

Flow

- **Commercial** sales grew year-over-year for the 9th consecutive quarter driven by focused growth initiatives
- **Residential / Industrial** continued to be impacted by higher interest rates and delayed capex spend

Water Solutions

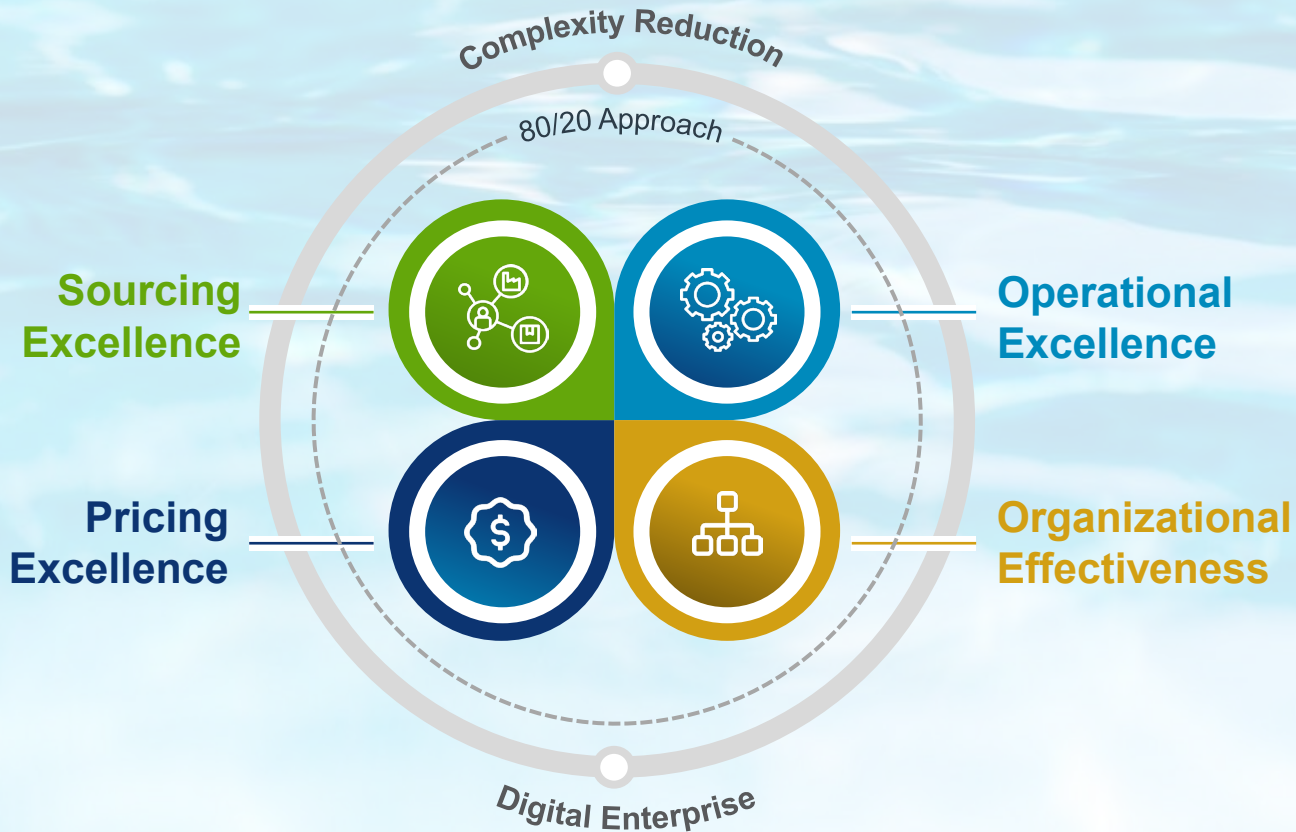
- **Commercial & Residential Filtration** products remained strong; **Ice** performed well in a normalizing market
- **10 NSF-certified PFAS products** meet 20ppt standards; **New Commercial PFAS certified filtration product** had a solid start
- **Residential** expected to improve as housing recovers; **International** continued to be challenged

Pool

- **Pool sales** grew year-over-year for the 2nd consecutive quarter
- **Sustained higher interest rates and a slow housing market** continued to impact new and remodeled pool sales
- New in-ground pools expected to be in the ~60k range in 2024, down from ~72k in 2023 and ~78k in 2019; near trough levels

Transformation and 80/20 Update

Pentair Business System



80/20 ACCELERATING TRANSFORMATION

- Focus on accelerating pricing actions and improving operating performance by reducing complexity
- Training completed across the portfolio
- Implementing action plans to address Quad 4 exits & core growth

DRIVING MARGIN PERFORMANCE

- FY'24 margin expansion and adjusted EPS guidance inclusive of early 80/20 performance and stronger transformation

LONG-TERM GROWTH

- 80/20 results expected to drive long-term **core sales growth**

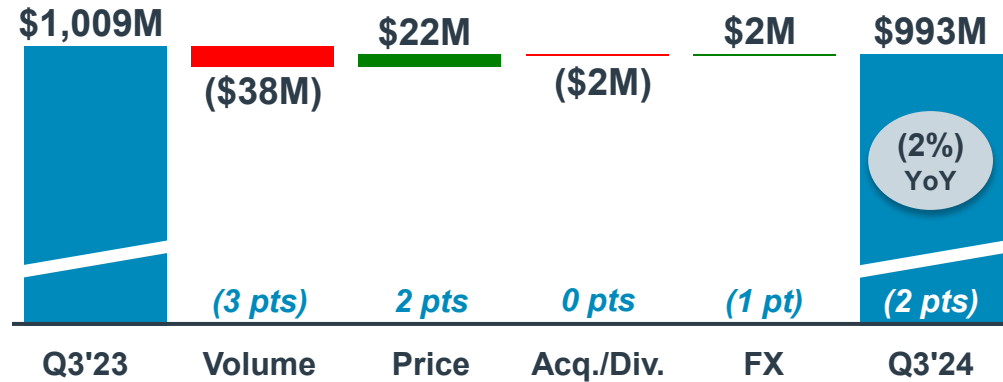
Key Takeaways

- 1 Transformation continued to drive strong margins and earnings growth**
- 2 80/20 expected to be an accelerator to more focused, profitable growth**
- 3 Increased adjusted EPS FY'24 guidance to ~\$4.27, up ~14% driven by solid execution**
- 4 Record* year-to-date Free Cash Flow of \$629 million**
- 5 Well-positioned to capture opportunities from favorable secular trends**

* Record year-to-date Free Cash Flow post the nVent separation from Pentair in 2018

Q3'24 Pentair Performance

Sales

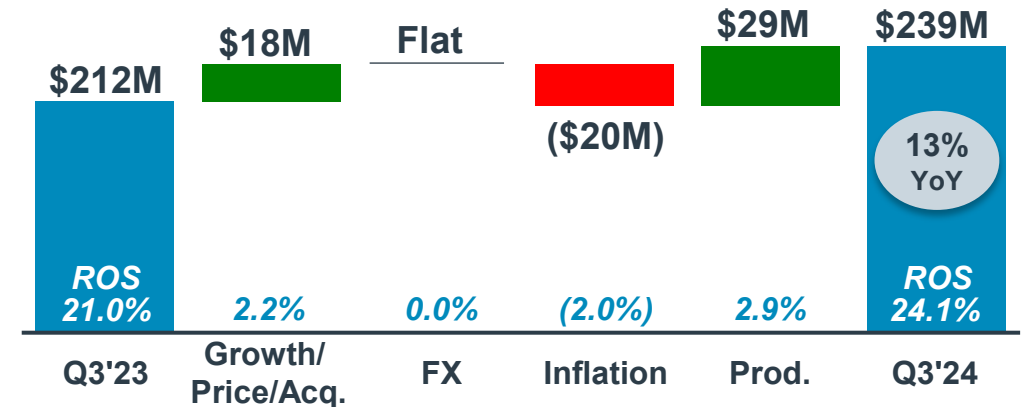


Total Sales down 2%

Core Sales down 1%

- Flow down 7%
- Water Solutions down 3%
- Pool up 8%

Adjusted Operating Income



Adjusted Operating Income up 13%

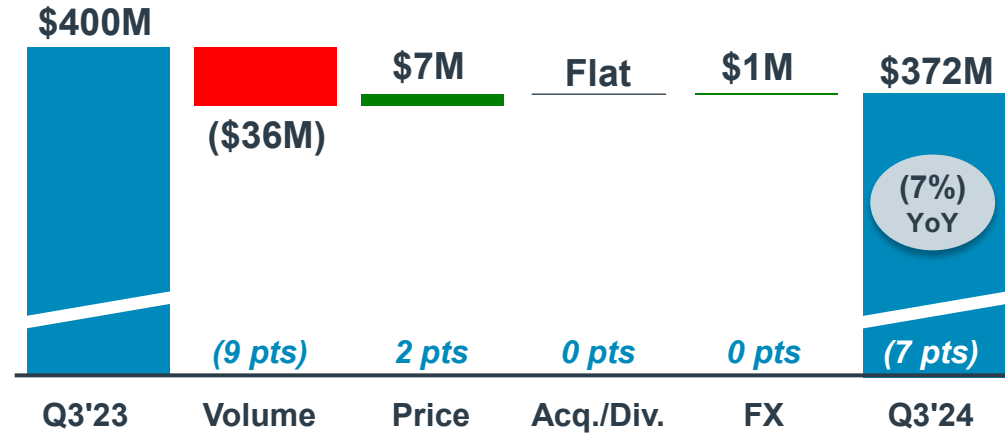
ROS 24.1% ... up 310 bps

Adjusted EPS \$1.09 ... up 16%

- Adjusted Tax Rate of 16.5%
- Net interest expense of \$21M;
Shares 167.0M

Q3'24 Flow Performance

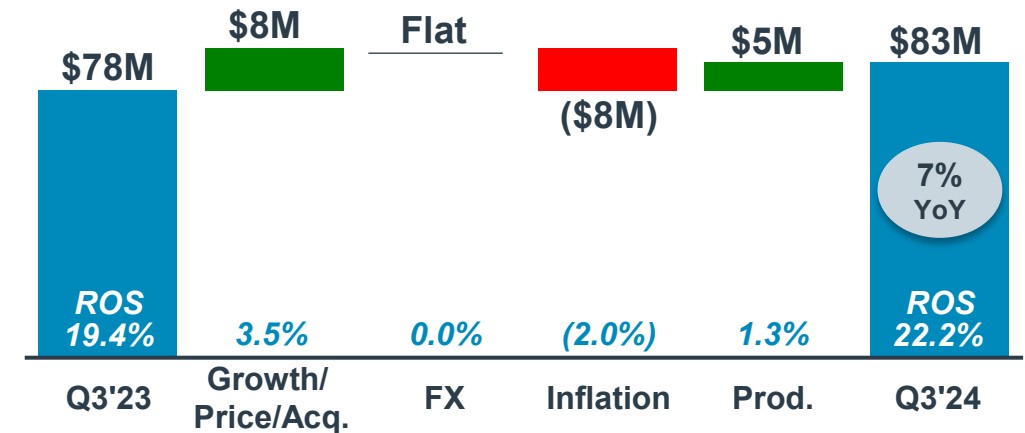
Sales



Flow

- Residential sales down 11%
- Commercial sales up 3%
- Industrial Solutions sales down 10%

Segment Income



Segment Income up 7%

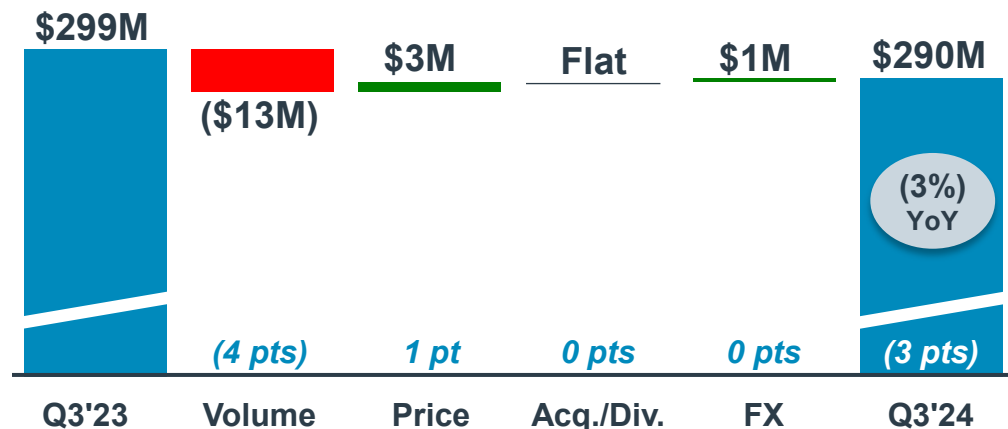
ROS 22.2% ... up 280 bps

- Significant margin expansion driven by Mix and Transformation

Note: Not included in Segment Income is non-cash amortization of \$1M in Q3'23 and Q3'24.

Q3'24 Water Solutions Performance

Sales



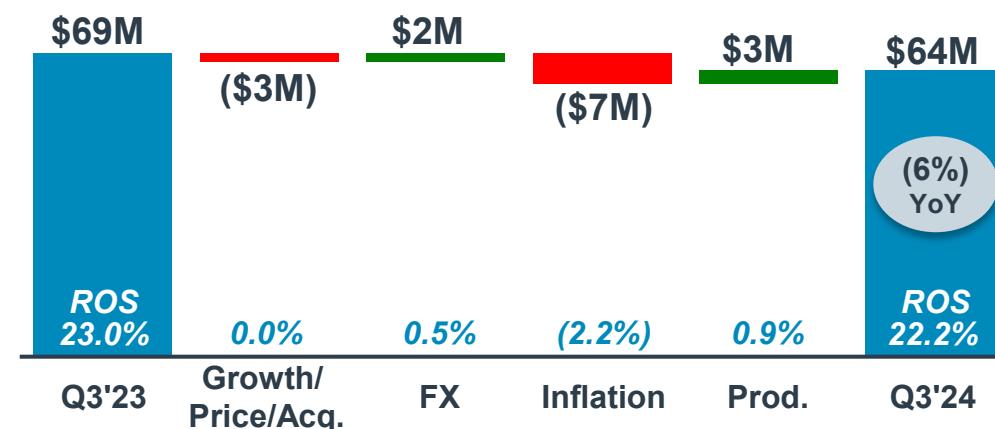
Commercial

- Sales down 4%

Residential

- Sales down 2%

Segment Income



Segment Income down 6%

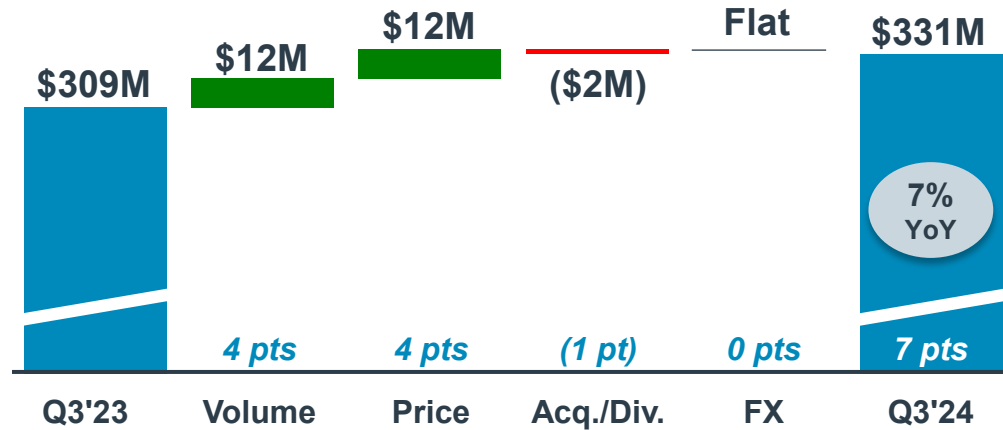
ROS 22.2% ... down 80 bps

- Higher productivity was more than offset by inflation and lower volume
- Prior year ROS was a third quarter record

Note: Not included in Segment Income is non-cash amortization of \$11M in Q3'23 and Q3'24.

Q3'24 Pool Performance

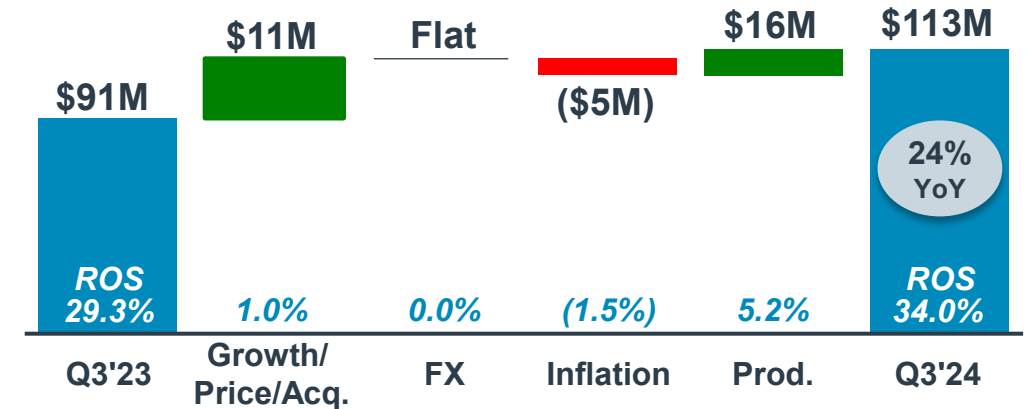
Sales



Pool

- Sales up 7% driven by strong volume and price
- Second consecutive quarter of sales growth

Segment Income



Segment Income up 24%

ROS 34.0% ... up 470 bps

- Growth and Transformation drove significant ROS performance

Note: Not included in Segment Income is non-cash amortization of \$2M in Q3'23 and \$1M in Q3'24.

Transformation Initiatives


Target ROS of 24% in 2026 with potential upside as discussed at Investor Day





80/20 Expected to Accelerate Transformation

**Accelerating
Value Creation by
Focusing on the Right
Customers and Products**



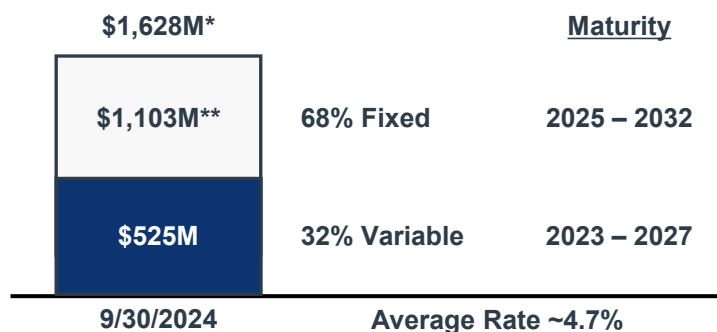
		Products	
		80%	20%
Customers	80%	Keep!	Migrate!
	20%	Transactional!	Optimize!

80/20 ANALYSIS

- ▶ Quadrant-based strategy to assess customers and products by revenue
- ▶ Commit to Customer segmentation over Product segmentation
- ▶ Implement Customer strategies based on quadrant analysis (objective decisions)

Balance Sheet and Cash Flow

Debt Summary



*Does Not Include \$218M of Cash on Hand

**Includes \$300M Float-to-Fixed Rate Swap

Debt Roll-Forward (\$M)

	Q3 2024	YTD 2024
Beginning Debt	\$1,756	\$1,988
Used (Generated) Cash	(234)	(629)
Share Repurchase	50	100
Dividends	38	114
Other	18	55
Ending Debt	\$1,628	\$1,628

Cash Flow (\$M)

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Net Income – Continuing Ops	\$140	\$132	\$459	\$415
Amortization	13	14	40	42
Subtotal	\$153	\$146	\$499	\$457
Depreciation	15	15	45	44
Capital Expenditures	(15)	(19)	(52)	(55)
Asset Sales	-	-	-	5
Working Capital	72	13	104	28
Other Accruals/Other	9	(12)	33	(28)
Free Cash Flow – Total	\$234	\$143	\$629	\$451
Free Cash Flow – Discontinued Ops	-	-	-	(2)
Free Cash Flow – Continuing Ops	\$234	\$143	\$629	\$453

Other Items

- Net Debt/EBITDA of 1.4x
- ROIC of 15.2% (targeting high-teens longer-term)

Q4 and Full Year 2024 Pentair Outlook & Expectations

- Balanced water portfolio and focused, profitable growth strategy
- Transformation continues to drive margin expansion

- Increased FY'24 adjusted EPS guidance to ~\$4.27, growth of ~14%

- Strong execution across all three segments
- Balanced capital allocation strategy including debt reduction, dividend payments and share repurchases
- Continue to monitor ongoing macroeconomic conditions
- Confident in our long-term value creation

	Q4'24	FY'24
Sales	• Total Sales of \$965M to \$975M (down ~1% to 2%)	• Total Sales of \$4,075M to \$4,085M (~flat to down 1%) (Flow down ~LSD; Water Solutions down ~LSD; Pool up ~MSD)*
Income	• Adjusted Operating Income <u>up ~13%</u>	• Adjusted Operating Income <u>up ~11%</u>
Adj. EPS	• Adjusted EPS of ~\$1.02, <u>up ~17%</u>	• Adjusted EPS of ~\$4.27, <u>up ~14%</u>
Other Items	• Corp. Expense ~\$20M • Net Interest ~\$21M • Adjusted Tax Rate of ~16.5% • Shares ~167M	• Corp. Expense ~\$90M • Net Interest ~\$97M • Adjusted Tax Rate of ~16.5% • Shares ~167M
Cash Flow		• Targeting FCF = 100% of Net Income • Capital Expenditures ~\$80M • D&A of ~\$115M and ~\$35M of Non-Cash Stock Comp
EBITDA		• EBITDA ~\$1 billion

*LSD: Low-single digit, MSD: Mid-single digit

CEO Closing Comments

- 1 **Solid execution across our balanced water portfolio drove significant margin expansion for the 10th consecutive quarter**
- 2 **Increased full year 2024 adjusted EPS guidance reflecting confidence in our Strategy, Transformation and 80/20**
- 3 **Transformation and 80/20 expected to continue to drive strong margin expansion and adjusted EPS growth**
- 4 **Focused water strategy and solid execution are building a foundation for long-term growth, profitability and shareholder value**



We Believe Pentair Is a Compelling Investment Opportunity



An industry leader with a balanced, innovative water portfolio



Transformation initiatives to drive operational efficiencies and margin expansion



ESG focus on People, Planet and Governance to provide smart, sustainable water solutions



Favorable secular trends driving end market growth



Additional value creation from strong balance sheet and cash flow



Dividend aristocrat – 48 consecutive years of dividend increases





PENTAIR



Appendix

GAAP TO NON-GAAP MEASUREMENTS & RECONCILIATIONS

Reported To Adjusted 2024 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ending December 31, 2024
Excluding the Effect of 2024 Adjustments (Unaudited)

<i>In millions, except per-share data</i>	Actual			Forecast		
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year	
Net sales	\$ 1,017.2	\$ 1,099.3	\$ 993.4	approx	Down 1% - 2% approx	Down 1% to flat
Operating income	180.8	248.0	179.9	approx	Up 25% approx	Up 10%
Return on sales	17.8 %	22.6 %	18.1 %			
Adjustments:						
Restructuring and other	4.6	5.9	23.4	approx \$	— approx \$	34
Transformation costs	17.0	11.8	12.6	approx	— approx	41
Intangible amortization	13.5	13.4	13.5	approx	14 approx	55
Legal accrual adjustments and settlements	(0.3)	(7.9)	0.7	approx	— approx	(8)
Asset impairment and write-offs	0.8	—	8.5	approx	— approx	9
Equity income of unconsolidated subsidiaries	0.9	0.2	0.6	approx	1 approx	3
Adjusted operating income	217.3	271.4	239.2	approx	Up 13% approx	Up 11%
Adjusted return on sales	21.4 %	24.7 %	24.1 %			
Net income from continuing operations—as reported	133.5	186.1	139.6	approx \$	158 approx \$	617
Other income	—	—	(0.5)	approx	— approx	(1)
Adjustments to operating income	35.6	23.2	58.7	approx	14 approx	131
Income tax adjustments	(11.3)	(5.4)	(15.4)	approx	(2) approx	(34)
Net income from continuing operations—as adjusted	\$ 157.8	\$ 203.9	\$ 182.4	approx \$	170 approx \$	713
Continuing earnings per ordinary share—diluted						
Diluted earnings per ordinary share—as reported	\$ 0.80	\$ 1.11	\$ 0.84	approx \$	0.95 approx \$	3.70
Adjustments	0.14	0.11	0.25	approx	0.07 approx	0.57
Diluted earnings per ordinary share—as adjusted	\$ 0.94	\$ 1.22	\$ 1.09	approx \$	1.02 approx \$	4.27

Reported To Adjusted 2023 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ended December 31, 2023
Excluding the Effect of 2023 Adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 1,028.6	\$ 1,082.5	\$ 1,008.8	\$ 984.6	\$ 4,104.5
Operating income	183.6	208.5	180.1	167.0	739.2
Return on sales	17.8 %	19.3 %	17.9 %	17.0 %	18.0 %
Adjustments:					
Restructuring and other	2.9	0.6	1.6	(1.7)	3.4
Transformation costs	8.5	6.0	13.5	16.3	44.3
Intangible amortization	13.8	13.9	13.8	13.8	55.3
Legal accrual adjustments and settlements	(1.9)	4.1	—	—	2.2
Asset impairment and write-offs	3.9	0.5	1.8	1.7	7.9
Equity income of unconsolidated subsidiaries	0.2	0.6	1.3	0.7	2.8
Adjusted operating income	211.0	234.2	212.1	197.8	855.1
Adjusted return on sales	20.5 %	21.6 %	21.0 %	20.1 %	20.8 %
Net income from continuing operations—as reported	128.5	154.2	132.1	208.1	622.9
Pension and other post-retirement mark-to-market loss	—	—	—	6.1	6.1
Other income	—	(5.1)	—	—	(5.1)
Adjustments to operating income	27.2	25.1	30.7	30.1	113.1
Income tax adjustments ⁽¹⁾	(4.6)	(3.1)	(6.6)	(98.5)	(112.8)
Net income from continuing operations—as adjusted	\$ 151.1	\$ 171.1	\$ 156.2	\$ 145.8	\$ 624.2
Continuing earnings per ordinary share—diluted					
Diluted earnings per ordinary share—as reported	\$ 0.78	\$ 0.93	\$ 0.79	\$ 1.25	\$ 3.75
Adjustments	0.13	0.10	0.15	(0.38)	—
Diluted earnings per ordinary share—as adjusted	\$ 0.91	\$ 1.03	\$ 0.94	\$ 0.87	\$ 3.75

⁽¹⁾ Income tax adjustments in the fourth quarter include \$74.3 million resulting from favorable impacts of worthless stock deductions related to exiting certain businesses in our Water Solutions segment and favorable discrete items primarily related to the recognition of deferred tax assets.

Reported To Adjusted 2022 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ended December 31, 2022
Excluding the Effect of 2022 Adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 999.6	\$ 1,064.2	\$ 1,055.1	\$ 1,002.9	\$ 4,121.8
Operating income	145.8	190.8	147.1	111.6	595.3
<i>Return on sales</i>	<i>14.6 %</i>	<i>17.9 %</i>	<i>13.9 %</i>	<i>11.1 %</i>	<i>14.4 %</i>
Adjustments:					
Restructuring and other	2.1	1.1	12.5	16.7	32.4
Transformation costs	5.5	5.2	10.1	6.4	27.2
Intangible amortization	6.6	6.3	18.5	21.1	52.5
Inventory step-up	—	—	5.8	—	5.8
Legal accrual adjustments and settlements	(0.7)	0.5	—	0.4	0.2
Asset impairment and write-offs	—	—	—	25.6	25.6
Deal-related costs and expenses	6.4	1.6	13.4	0.8	22.2
Russia business exit impact	5.9	—	(0.8)	(0.4)	4.7
Equity income of unconsolidated subsidiaries	0.5	0.4	0.3	0.6	1.8
Adjusted operating income	172.1	205.9	206.9	182.8	767.7
<i>Adjusted return on sales</i>	<i>17.2 %</i>	<i>19.3 %</i>	<i>19.6 %</i>	<i>18.2 %</i>	<i>18.6 %</i>
Net income from continuing operations—as reported	118.5	153.0	115.4	96.3	483.2
Gain on sale of businesses	—	—	(0.2)	—	(0.2)
Pension and other post-retirement mark-to-market gain	—	—	—	(17.5)	(17.5)
Amortization of bridge financing fees	2.6	5.1	1.3	—	9.0
Adjustments to operating income	25.8	14.7	59.5	70.6	170.6
Income tax adjustments	(5.4)	(3.8)	(12.3)	(14.4)	(35.9)
Net income from continuing operations—as adjusted	\$ 141.5	\$ 169.0	\$ 163.7	\$ 135.0	\$ 609.2
Continuing earnings per ordinary share—diluted					
Diluted earnings per ordinary share—as reported	\$ 0.71	\$ 0.92	\$ 0.70	\$ 0.58	\$ 2.92
Adjustments	0.14	0.10	0.29	0.24	0.76
Diluted earnings per ordinary share—as adjusted	\$ 0.85	\$ 1.02	\$ 0.99	\$ 0.82	\$ 3.68

Reported To Adjusted 2021 Reconciliation

Pentair plc and Subsidiaries
Reconciliation of GAAP to Non-GAAP Financial Measures for the Year Ended December 31, 2021
Excluding the Effect of 2021 Adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 865.9	\$ 941.1	\$ 969.2	\$ 988.6	\$ 3,764.8
Operating income	157.1	161.8	167.3	150.7	636.9
<i>Return on sales</i>	18.1 %	17.2 %	17.3 %	15.2 %	16.9 %
Adjustments:					
Restructuring and other	1.5	3.9	0.1	2.0	7.5
Transformation costs	—	1.9	4.0	5.8	11.7
Intangible amortization	7.1	6.3	6.0	6.9	26.3
COVID-19 related costs and expenses	0.2	0.1	0.1	0.2	0.6
Legal accrual adjustments and settlements	(2.4)	—	—	(5.2)	(7.6)
Inventory step-up	—	—	—	2.3	2.3
Deal-related costs and expenses	0.7	1.0	2.1	4.1	7.9
Equity income (loss) of unconsolidated subsidiaries	0.2	(0.1)	0.1	0.1	0.3
Adjusted operating income	164.4	174.9	179.7	166.9	685.9
<i>Adjusted return on sales</i>	19.0 %	18.6 %	18.5 %	16.9 %	18.2 %
Net income from continuing operations—as reported	131.1	132.6	143.7	148.6	556.0
Gain on sale of businesses	—	—	(1.4)	—	(1.4)
Pension and other post-retirement mark-to-market gain	—	—	—	(2.4)	(2.4)
Other income	—	(0.3)	—	—	(0.3)
Adjustments to operating income	7.1	13.2	12.3	16.1	48.7
Income tax adjustments	(2.4)	(4.6)	(6.2)	(17.0)	(30.2)
Net income from continuing operations—as adjusted	\$ 135.8	\$ 140.9	\$ 148.4	\$ 145.3	\$ 570.4
Continuing earnings per ordinary share—diluted					
Diluted earnings per ordinary share—as reported	\$ 0.78	\$ 0.79	\$ 0.86	\$ 0.89	\$ 3.32
Adjustments	0.03	0.05	0.03	(0.02)	0.08
Diluted earnings per ordinary share—as adjusted	\$ 0.81	\$ 0.84	\$ 0.89	\$ 0.87	\$ 3.40

Segment Information

Pentair plc and Subsidiaries
Supplemental Financial Information by Reportable Segment (Unaudited)

<i>In millions</i>	2024				2023			
	First Quarter	Second Quarter	Third Quarter	Nine Months	First Quarter	Second Quarter	Third Quarter	Nine Months
Net sales								
Flow	\$ 384.3	\$ 396.8	\$ 372.2	\$ 1,153.3	\$ 391.8	\$ 411.6	\$ 400.2	\$ 1,203.6
Water Solutions	273.1	310.5	289.5	873.1	272.0	336.2	299.4	907.6
Pool	359.5	391.5	331.4	1,082.4	364.3	334.3	308.8	1,007.4
Reportable segment net sales	1,016.9	1,098.8	993.1	3,108.8	1,028.1	1,082.1	1,008.4	3,118.6
Corporate and other	0.3	0.5	0.3	1.1	0.5	0.4	0.4	1.3
Net sales	\$ 1,017.2	\$ 1,099.3	\$ 993.4	\$ 3,109.9	\$ 1,028.6	\$ 1,082.5	\$ 1,008.8	\$ 3,119.9
Reportable segment income (loss)								
Flow	\$ 77.3	\$ 84.4	\$ 82.8	\$ 244.5	\$ 65.0	\$ 74.8	\$ 77.5	\$ 217.3
Water Solutions	55.6	72.9	64.4	192.9	52.4	74.8	68.8	196.0
Pool	110.8	133.6	112.7	357.1	116.2	105.1	90.6	311.9
Reportable segment income	243.7	290.9	259.9	794.5	233.6	254.7	236.9	725.2
Corporate and other	(26.4)	(19.5)	(20.7)	(66.6)	(22.6)	(20.5)	(24.8)	(67.9)
Adjusted operating income	\$ 217.3	\$ 271.4	\$ 239.2	\$ 727.9	\$ 211.0	\$ 234.2	\$ 212.1	\$ 657.3
Return on sales								
Flow	20.1 %	21.3 %	22.2 %	21.2 %	16.6 %	18.2 %	19.4 %	18.1 %
Water Solutions	20.4 %	23.5 %	22.2 %	22.1 %	19.3 %	22.2 %	23.0 %	21.6 %
Pool	30.8 %	34.1 %	34.0 %	33.0 %	31.9 %	31.4 %	29.3 %	31.0 %
Adjusted return on sales	21.4 %	24.7 %	24.1 %	23.4 %	20.5 %	21.6 %	21.0 %	21.1 %

Core Sales Growth Reconciliation

Pentair plc and Subsidiaries
Reconciliation of Net Sales Growth to Core Net Sales Growth by Segment
For the Quarter Ended September 30, 2024 (Unaudited)

	Q3 Net Sales Growth			
	Core	Currency	Acq. / Div.	Total
Total Pentair	(1.5)%	0.2 %	(0.2)%	(1.5)%
Flow	(7.3) %	0.3 %	— %	(7.0) %
Water Solutions	(3.5) %	0.2 %	— %	(3.3) %
Pool	8.0 %	— %	(0.7) %	7.3 %

Free Cash Flow Reconciliation

Pentair plc and Subsidiaries
Reconciliation of the GAAP Operating Activities Cash Flow to the Non-GAAP Free Cash Flow (Unaudited)

	Three months ended	Three months ended	Three months ended	Nine months ended
	March 31, 2024	June 30, 2024	September 30, 2024	September 30, 2024
<i>In millions</i>				
Net cash (used for) provided by operating activities of continuing operations	\$ (107.4)	\$ 539.2	\$ 248.6	\$ 680.4
Capital expenditures	(19.3)	(17.0)	(15.4)	(51.7)
Proceeds from sale of property and equipment	—	—	0.4	0.4
Free cash flow from continuing operations	(126.7)	522.2	233.6	629.1
Net cash used for operating activities of discontinued operations	(0.2)	—	—	(0.2)
Free cash flow	\$ (126.9)	\$ 522.2	\$ 233.6	\$ 628.9

	Three months ended	Three months ended	Three months ended	Nine months ended
	March 31, 2023	June 30, 2023	September 30, 2023	September 30, 2023
<i>In millions</i>				
Net cash (used for) provided by operating activities of continuing operations	\$ (106.6)	\$ 446.7	\$ 162.2	\$ 502.3
Capital expenditures	(16.6)	(18.8)	(19.4)	(54.8)
Proceeds from sale of property and equipment	0.2	4.8	0.4	5.4
Free cash flow from continuing operations	(123.0)	432.7	143.2	452.9
Net cash used for operating activities of discontinued operations	—	(1.6)	—	(1.6)
Free cash flow	\$ (123.0)	\$ 431.1	\$ 143.2	\$ 451.3

ROIC Reconciliation

Pentair plc and Subsidiaries
Return on Invested Capital (ROIC) (Unaudited)

	Third Quarter 2023	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024
<i>Dollars in millions</i>					
Adjusted operating income	\$ 212.1	\$ 197.8	\$ 217.3	\$ 271.4	\$ 239.2
Reported effective tax rate	13.6 %	(55.3) %	13.0 %	15.8 %	12.9 %
Adjusted effective tax rate	15.0 %	14.4 %	16.5 %	16.5 %	16.5 %
NOPAT	\$ 180.3	\$ 169.3	\$ 181.4	\$ 226.6	\$ 199.7
Depreciation	14.9	15.2	14.9	15.5	14.9
Capital expenditures ("Cap Ex")	(19.4)	(21.2)	(19.3)	(17.0)	(15.4)
Total NOPAT, depreciation, and Cap Ex	\$ 175.8	\$ 163.3	\$ 177.0	\$ 225.1	\$ 199.2
Trailing four quarter NOPAT, depreciation, and Cap Ex	\$ 700.1	\$ 711.6	\$ 711.1	\$ 741.2	\$ 764.6
Ending invested capital	4,897.5	5,035.1	5,302.4	4,974.5	4,909.1
Trailing five quarter average invested capital	4,974.6	4,987.9	5,065.1	5,023.6	5,023.7
After-tax Return on Invested Capital	14.1 %	14.3 %	14.0 %	14.8 %	15.2 %

NOPAT (net operating profit after tax) is defined as [(adjusted operating income) X (1 - adjusted effective tax rate)]

Ending invested capital is defined as [total shareholders' equity + long-term debt + current maturities of long-term debt and short-term borrowings - cash and cash equivalents]

Last Twelve Months EBITDA Reconciliation

Pentair plc and Subsidiaries
Reconciliation of Net Income from Continuing Operations to EBITDA (Unaudited)

<i>In millions</i>	Fourth Quarter 2023	First Quarter 2024	Second Quarter 2024	Third Quarter 2024	Last Twelve Months
Net income from continuing operations	\$ 208.1	\$ 133.5	\$ 186.1	\$ 139.6	\$ 667.3
Adjustments:					
Restructuring and other	(1.7)	4.6	5.9	23.4	32.2
Transformation costs	16.3	17.0	11.8	12.6	57.7
Intangible amortization	13.8	13.5	13.4	13.5	54.2
Legal accrual adjustments and settlements	—	(0.3)	(7.9)	0.7	(7.5)
Asset impairment and write-offs	1.7	0.8	—	8.5	11.0
Pension and other post-retirement mark-to-market loss	6.1	—	—	—	6.1
Net interest expense	26.6	27.3	26.3	19.8	100.0
Other expense	1.0	1.0	1.0	0.5	3.5
(Benefit) provision for income taxes	(74.1)	19.9	34.8	20.6	1.2
Adjusted operating income	\$ 197.8	\$ 217.3	\$ 271.4	\$ 239.2	\$ 925.7
Adjustments:					
Depreciation	15.2	14.9	15.5	14.9	60.5
EBITDA	\$ 213.0	\$ 232.2	\$ 286.9	\$ 254.1	\$ 986.2

2024 EBITDA Reconciliation

Pentair plc and Subsidiaries
Reconciliation of Net Income from Continuing Operations to EBITDA
for the Year Ending December 31, 2024 (Unaudited)

<i>In millions</i>	Full Year Outlook	
Net income from continuing operations	approx \$	617
Adjustments:		
Intangible amortization	approx	55
Legal accrual adjustments and settlements	approx	(8)
Asset impairment and write-offs	approx	9
Restructuring and other	approx	34
Transformation costs	approx	41
Net interest expense	approx	97
Provision for income taxes	approx	95
Adjusted operating income	approx \$	940
Adjustments:		
Depreciation	approx	60
EBITDA	approx \$	1,000