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Donaldson Company Receives Binding Offer to Purchase its Exhaust and Emissions Business

MINNEAPOLIS (February 24, 2020) — Donaldson Company, Inc. (NYSE: DCI), a leading worldwide provider of innovative filtration products and solutions, today announced it has received a binding offer from Nelson Global Products, Inc. (“Nelson”) to purchase its Exhaust and Emissions (“E&E”) business. Due to the receipt of this offer, Donaldson will engage in a consultation with its employee representative committees in Europe. Following completion of the consultation process, Donaldson will have the right to enter into a purchase agreement with Nelson, pursuant to a put option agreement. Upon entering the purchase agreement, the contemplated acquisition by Nelson would be subject to customary closing conditions and regulatory approvals.

“We have a disciplined approach to managing our portfolio of filtration businesses, and the potential divestiture of Exhaust and Emissions reflects our commitment to pursuing opportunities where we believe we offer a distinct competitive advantage,” said Tod Carpenter, chairman, president and chief executive officer of Donaldson Company. “Consistent with our history of innovation, Frank Donaldson invented the first spark-arresting muffler in the 1920s. In recent years, the technical and manufacturing competencies required to support the E&E business have evolved. We believe that Nelson, a global leader in the design and manufacture of thermal management, acoustic, air and fluid mechanics, and structural solutions, will provide E&E customers and employees a greater level of support. As we consider this transaction against our long-term opportunities, we expect the divestiture would create value for all stakeholders.”

Donaldson’s E&E business contributed approximately \$120 million of revenue to the Engine Products segment in fiscal 2019. The transaction would include Donaldson’s dedicated E&E sales and engineering functions, production facilities and lab capabilities. Pending the consultation process noted above, the parties’ entry into the purchase agreement and satisfaction of closing conditions and necessary approvals, the transaction is expected to close in Donaldson’s third quarter of fiscal 2020.

Miscellaneous

Statements in this release regarding future events and expectations, such as forecasts, plans, trends and projections relating to the Company’s business and financial performance, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are identified by words or phrases such as “will likely result,” “are expected to,” “will

continue,” “will allow,” “estimate,” “project,” “believe,” “expect,” “anticipate,” “forecast,” “plan,” and similar expressions. These forward-looking statements speak only as of the date such statements are made and are subject to risks and uncertainties that could cause the Company’s results to differ materially from these statements. These factors include, but are not limited to, our ability to complete the potential divestiture, including satisfying various closing conditions, such as works council consultations and obtaining required regulatory approvals, and other risks and uncertainties described in Item 1A of the Company’s Annual Report on Form 10-K for the year ended July 31, 2019. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

About Donaldson Company

Founded in 1915, Donaldson Company is a global leader in the filtration industry with sales, manufacturing and distribution locations around the world. Donaldson’s innovative technologies are designed to solve complex filtration challenges and enhance customers’ equipment performance. For more information, visit www.Donaldson.com.

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