



William Blair

Growth Stock Conference

Tod Carpenter, President & CEO

Safe Harbor Statement

This presentation includes forward-looking statements which reflect the Company's current views with respect to future events and financial performance, but involve uncertainties that could significantly impact results.

Donaldson Company

We are a filtration company

- Technology leader in our markets
- Diversified portfolio of global businesses



Why Customers Want Our Technology

- Technology Advantages
 - Higher efficiency
 - Small system size
 - Longer filter life
 - Reduced operating and maintenance costs
- Better Aftermarket Retention

Diversified Product Assortment: Engine



Liquid Filters



Air Filters

Exhaust & Emission
Products



Diversified Product Assortment: Industrial



Industrial Filtration Systems



Gas turbine filters

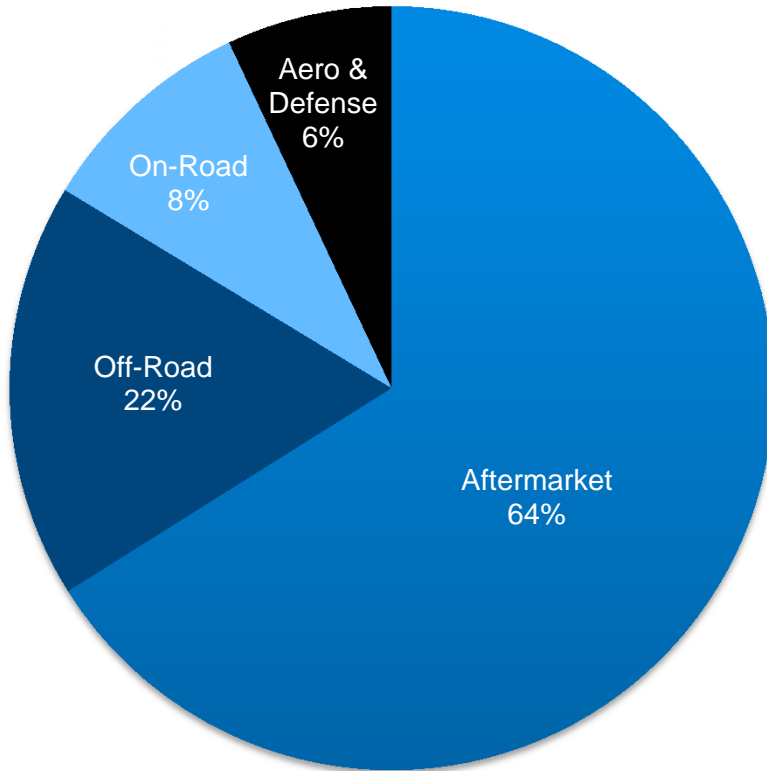


Special Applications



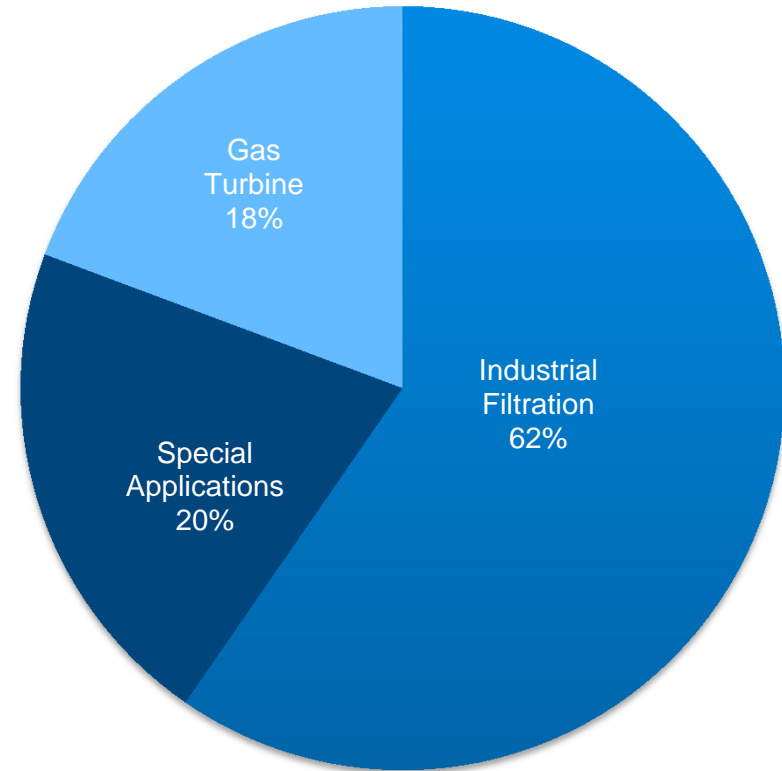
FY 2015 Sales Composition

Engine



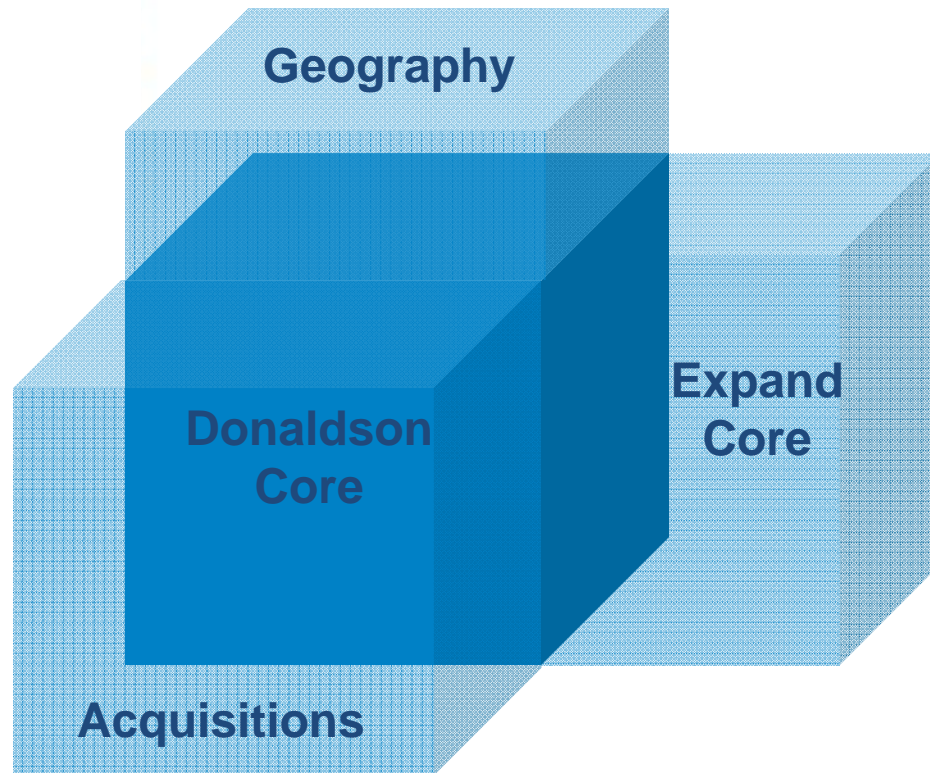
\$1.5 billion

Industrial



\$900 million

Future Growth Plans

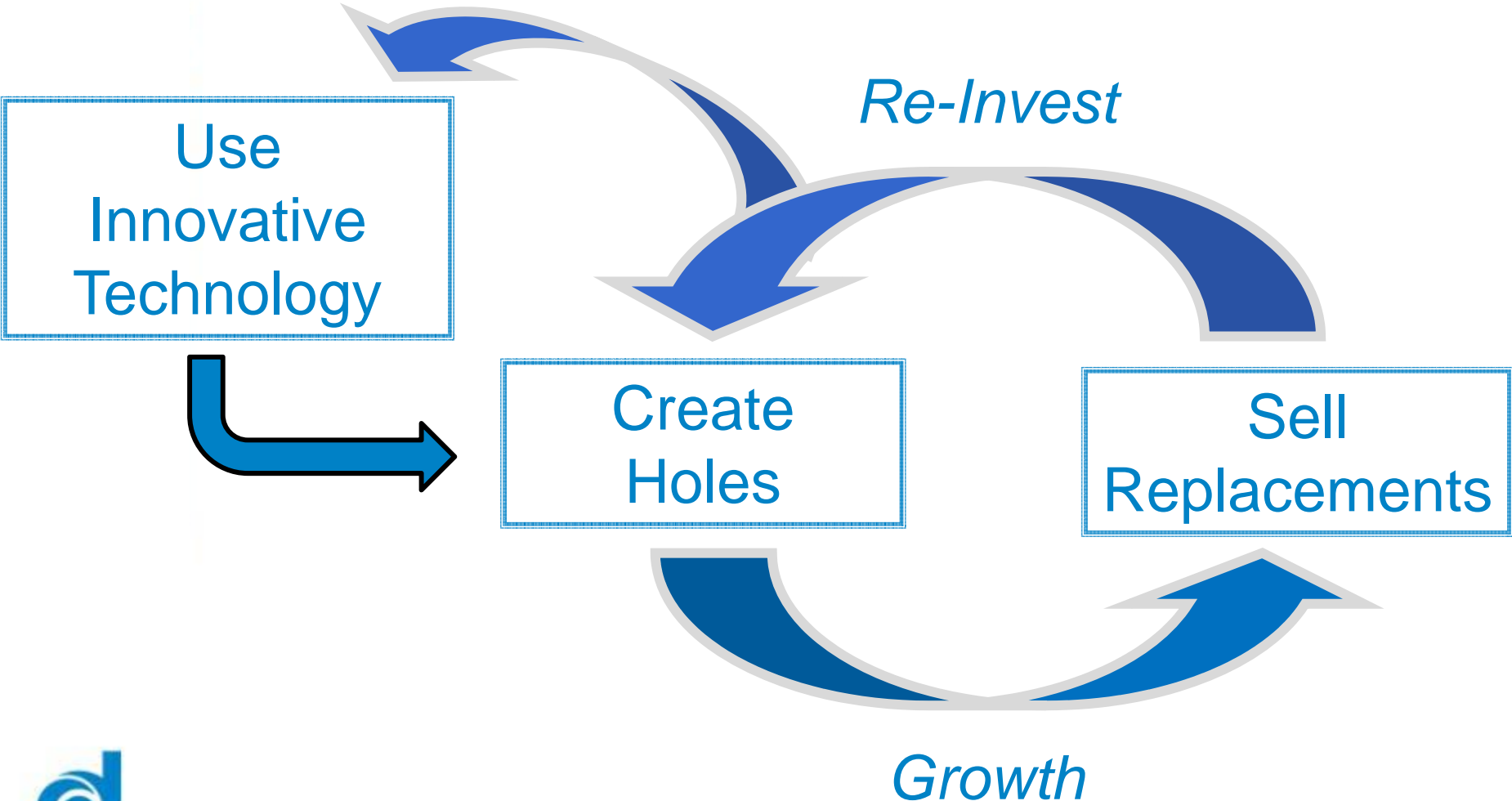


Expand **core** products & technologies

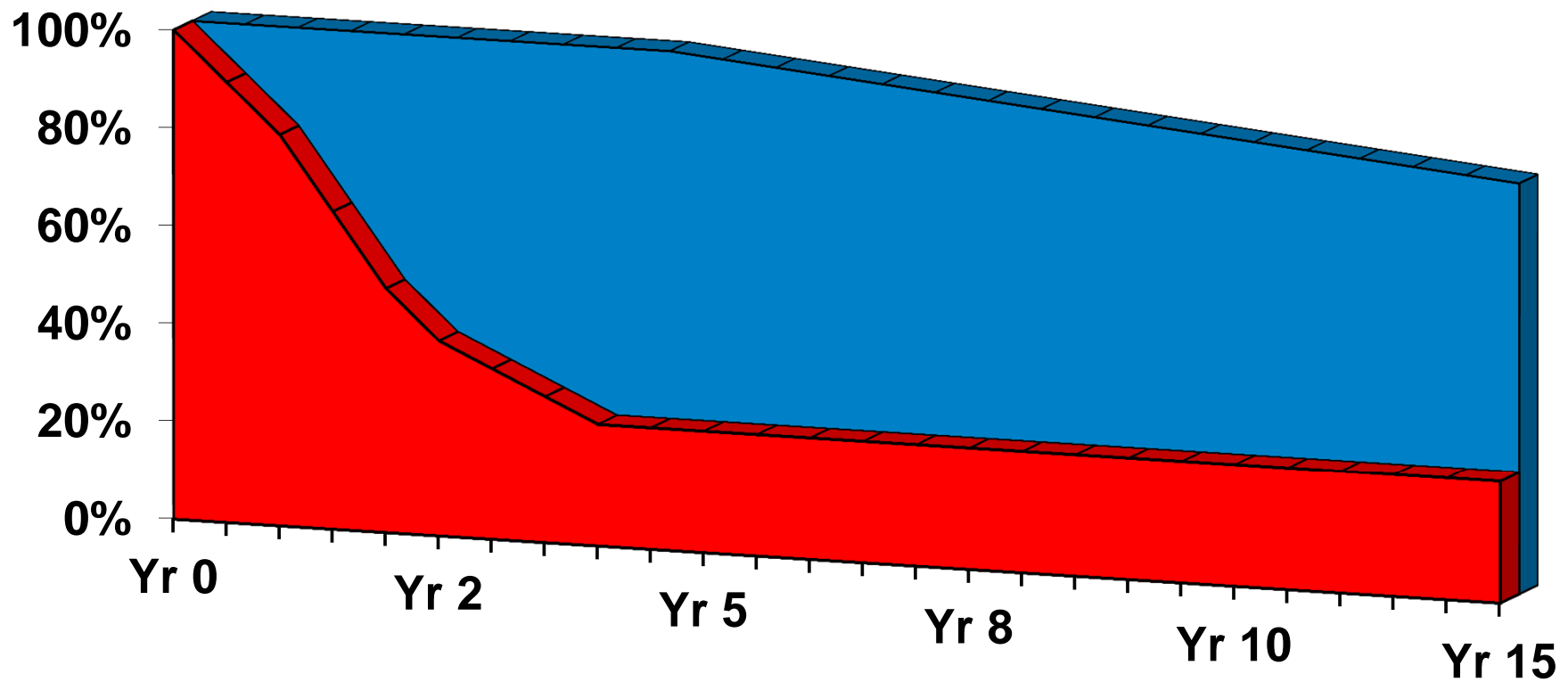
Expand **geographies**

Execute **acquisitions**

Sales Growth Model



Innovative First-Fit Improves Aftermarket Retention



■ Legacy ■ Innovative

PowerCore® Filtration Technology



PowerCore.
A Donaldson Filtration Technology



PowerCore. **G2**
A Donaldson Filtration Technology



PowerCore. **G3**
A Donaldson Filtration Technology

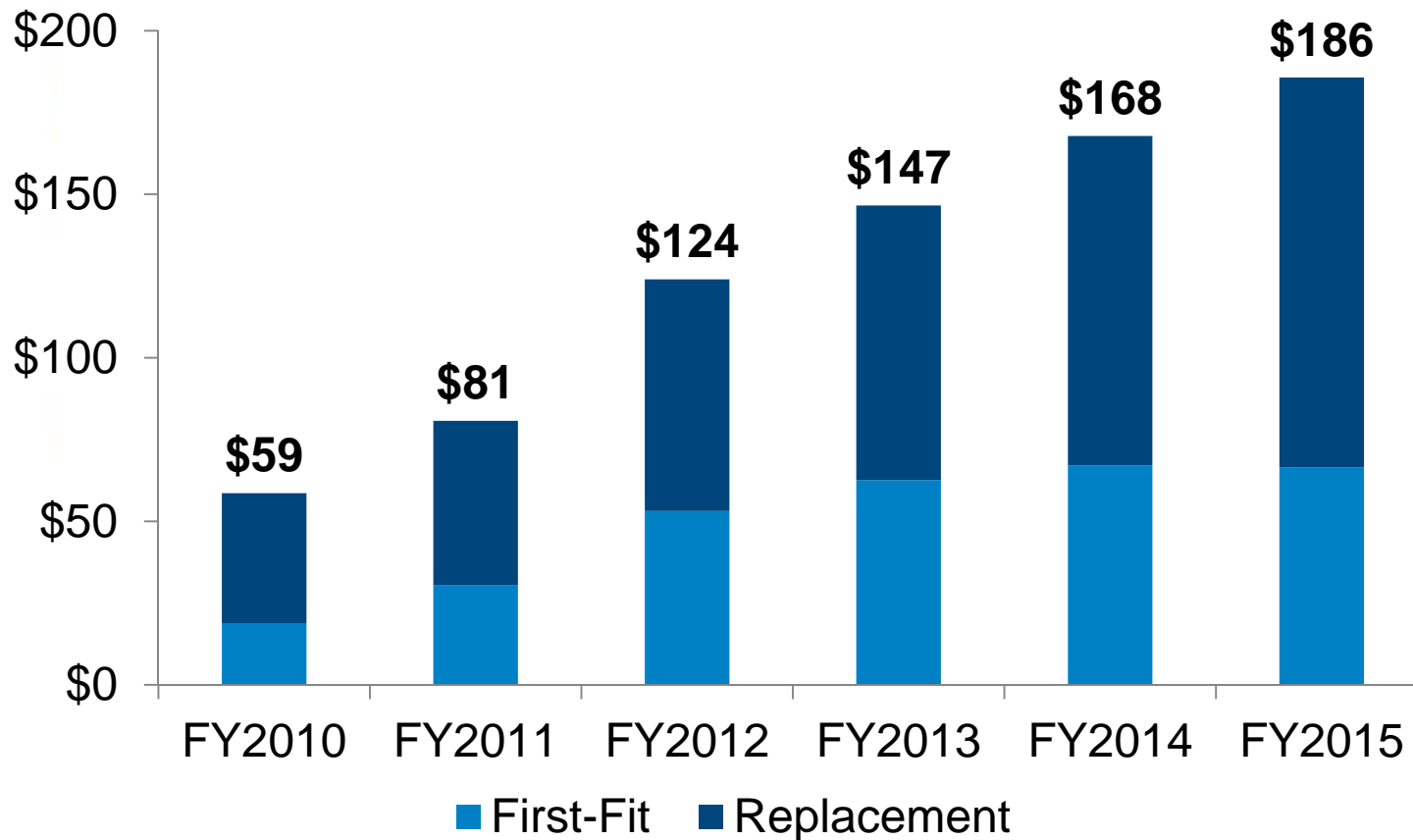


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PowerCore® Filtration Technology

- 5-Year CAGR of 26%
- 90% win rate

(\$ in millions)



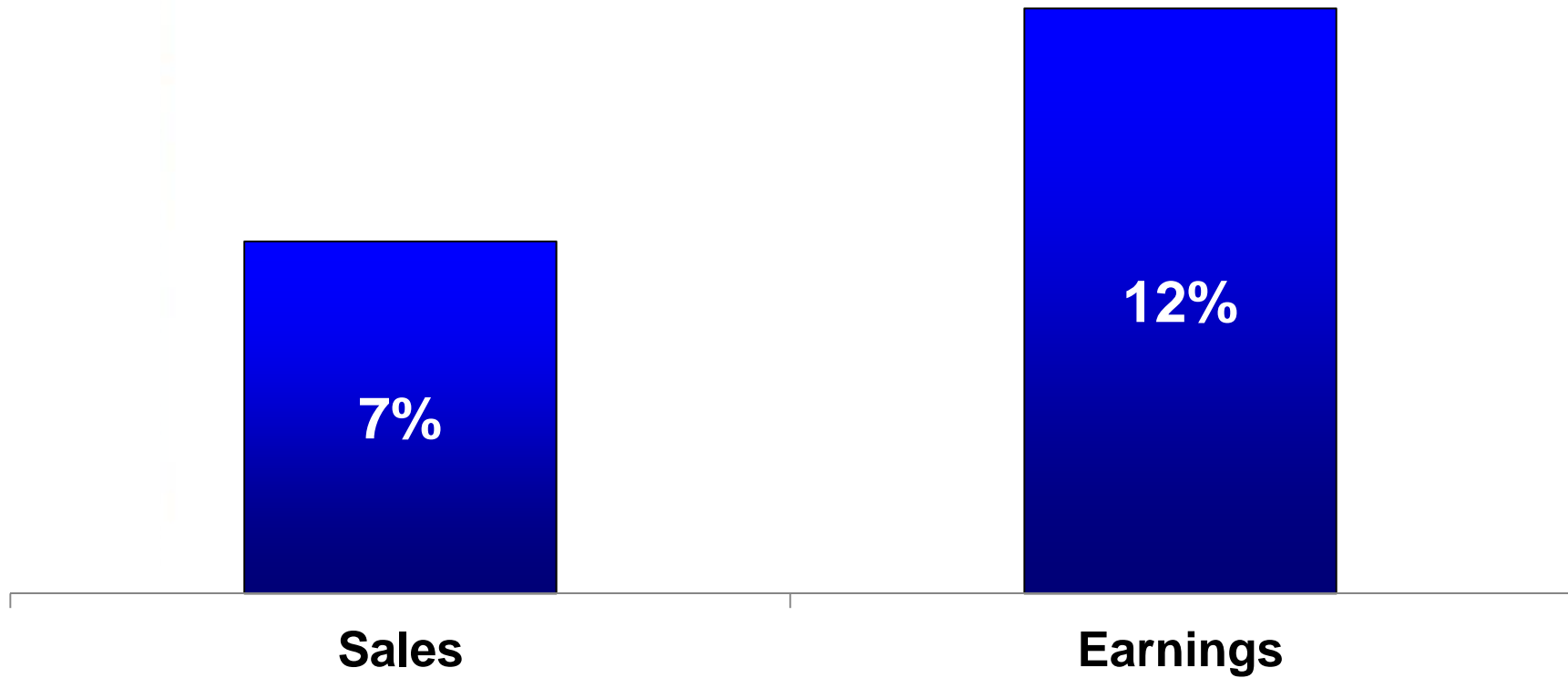
Liquid Filtration with Synteq[®] XP

- Designed for the new diesel fuels
- Higher efficiency and extended filter life



Sales and Earnings Growth Over Time

25-Year CAGR



Current Environment

Recent challenges

- Challenging end markets
- Soft global GDP growth is limiting capital investment
- Significant currency headwinds

Tactics to address challenges

- Strategic Growth Plans
- Continued investment in our business

Investing for Growth

- Bolt-On Acquisitions

- Northern Technical
- IFIL USA
- Engineered Products Company
- Partmo*

- Technology

- \$10 million R&D lab upgrade
- Global ERP

- Capacity

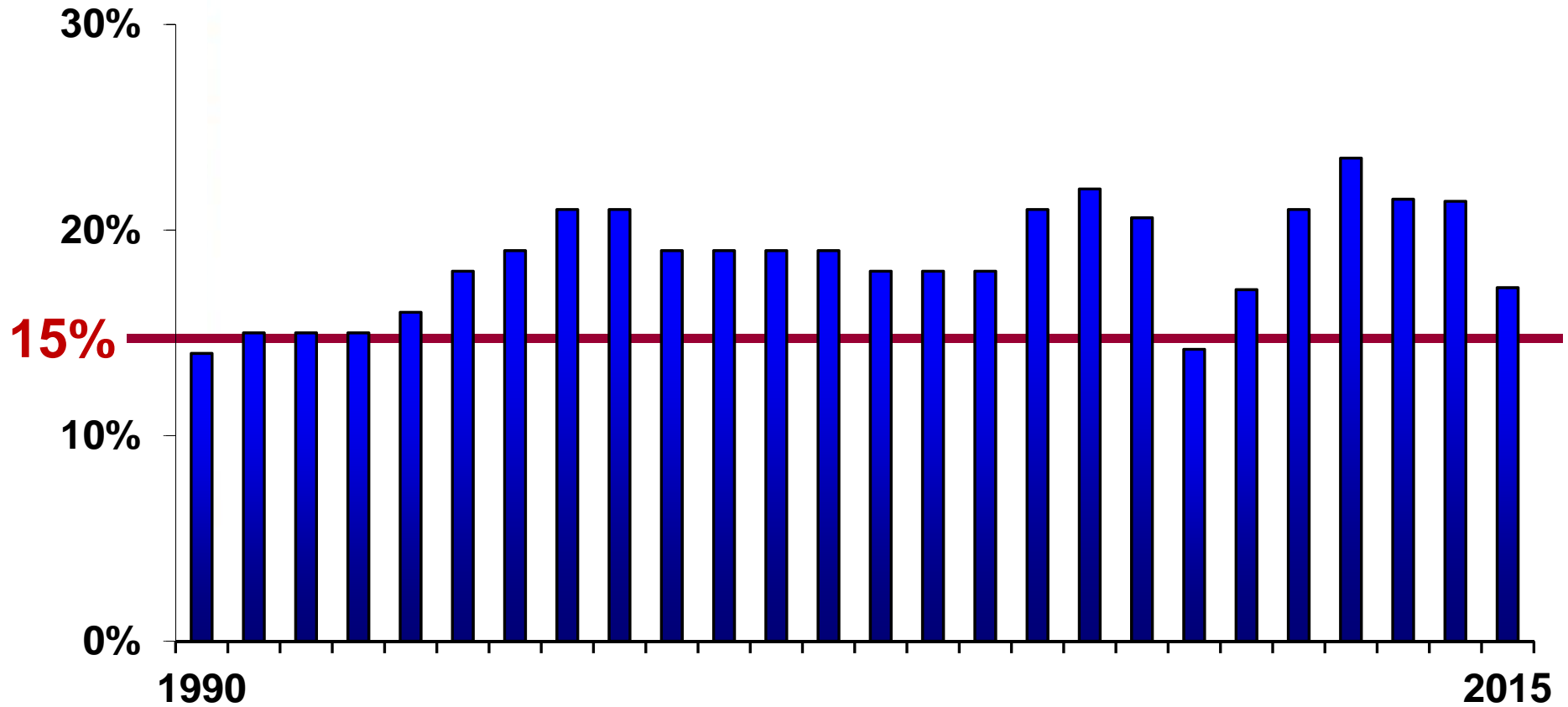
- Production facility in Poland
- Additional distribution in Peru, Slovakia, Colombia



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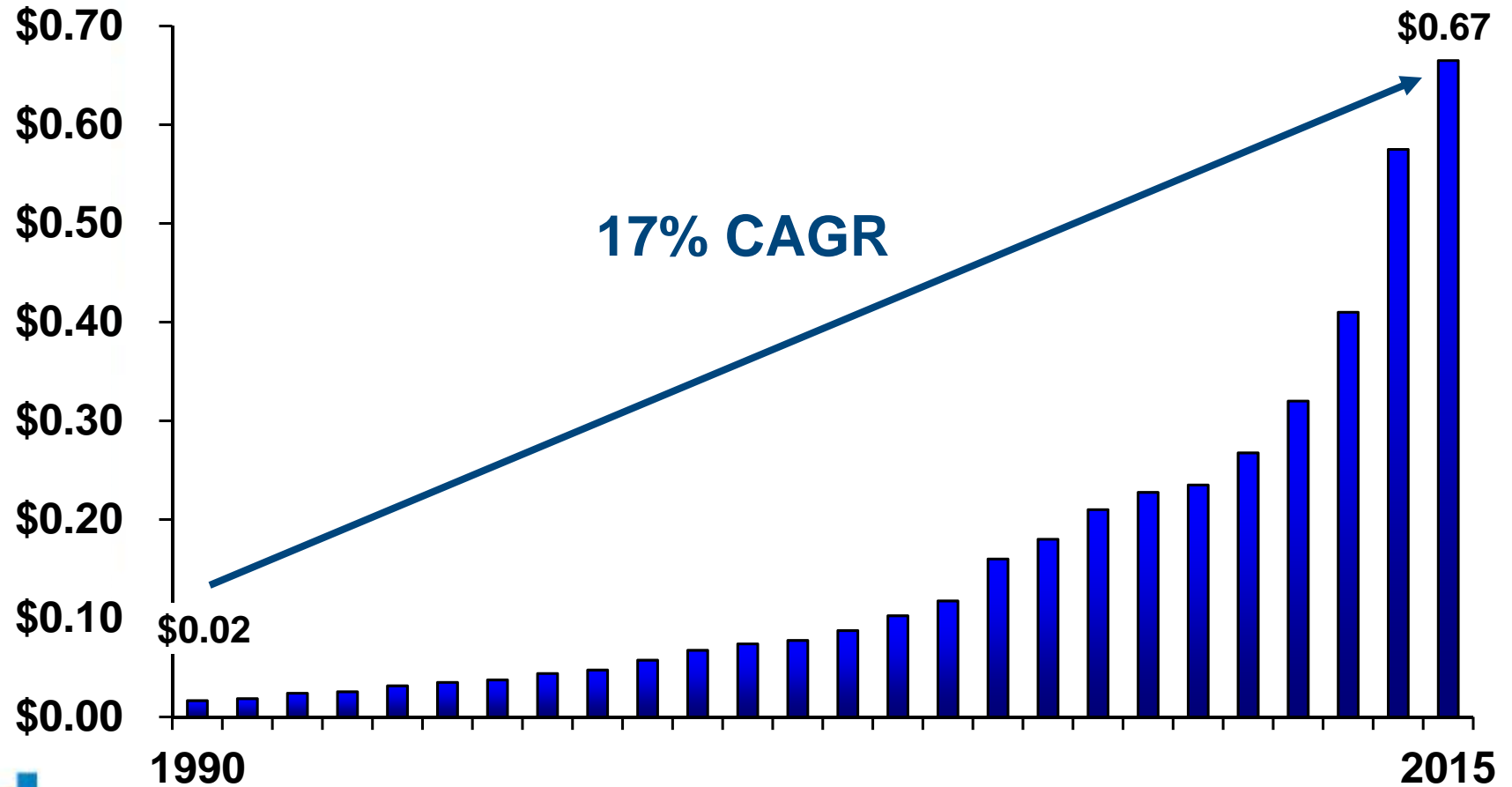
* Transaction has not yet closed.

High After-Tax Return on Investment



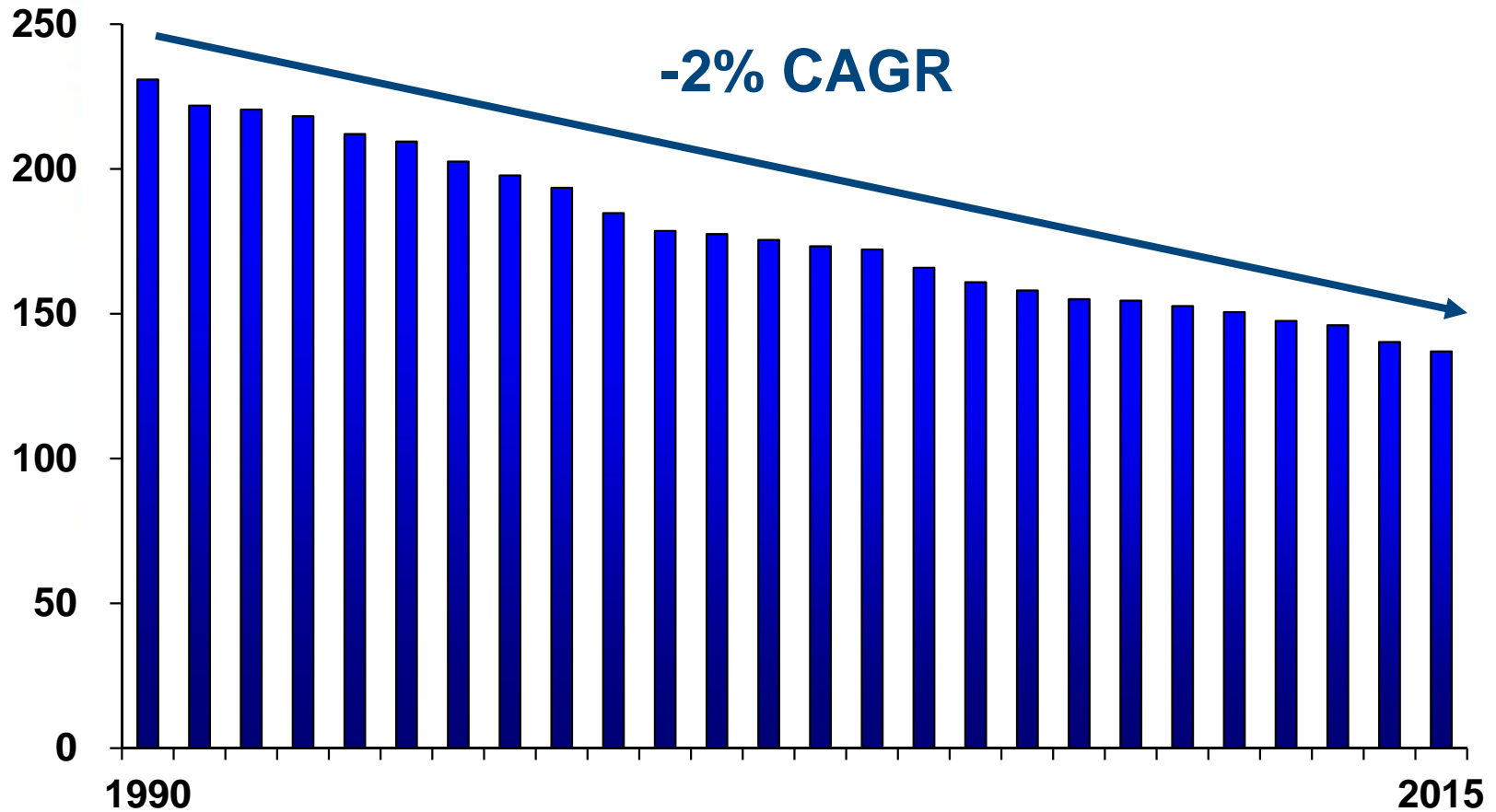
Consistent Dividend Growth

Per Share



Consistent Share Repurchases

Shares
Outstanding
in Millions

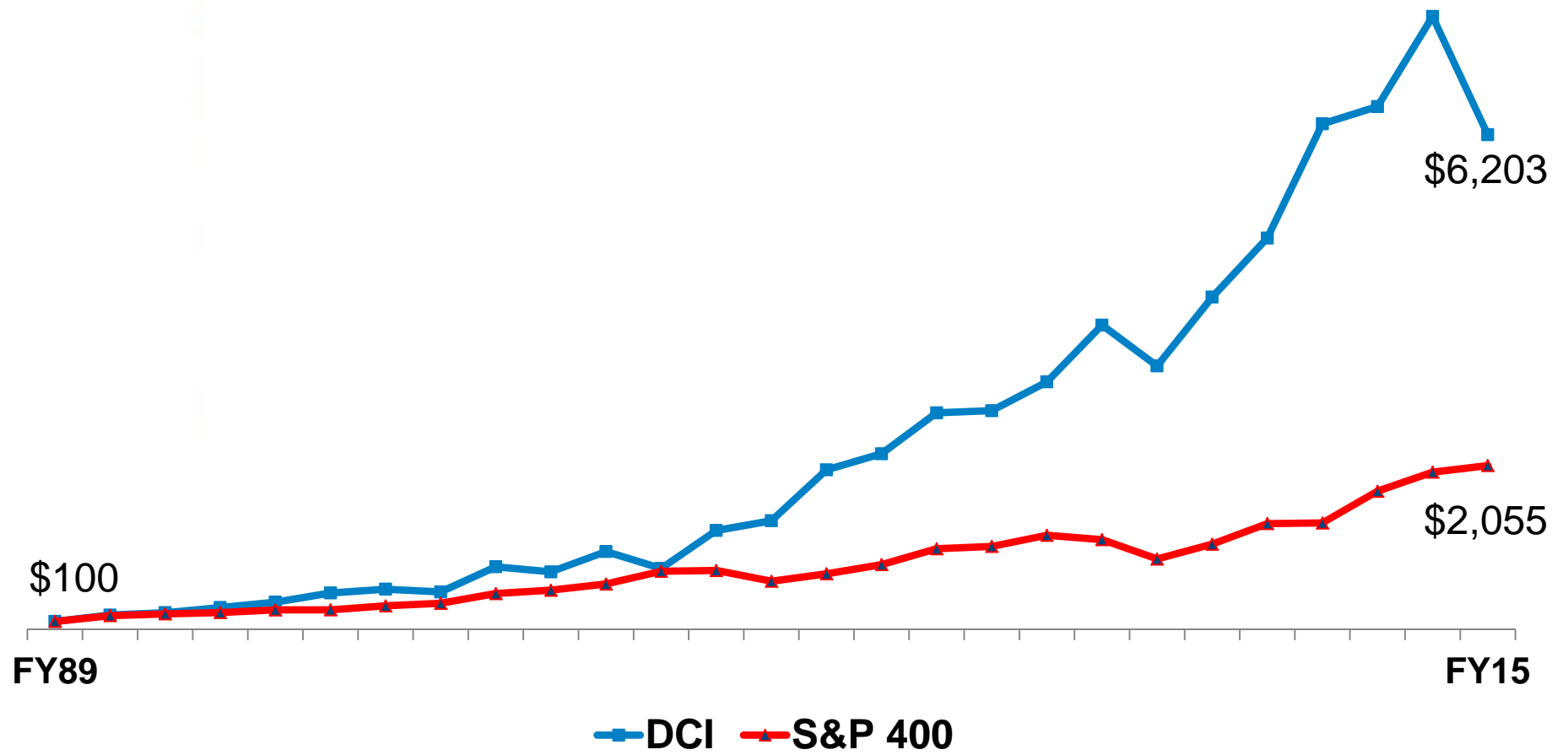


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Investment Conclusion

- Diversified product lines
- Deeply integrated into global economy
- Committed to growth & financial performance
- Disciplined capital deployment

A Measure of Success: Return to Shareholders





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