

DONALDSON COMPANY

Stifel Cross Sector Insight Conference

Scott Robinson

Senior Vice President, Chief Financial Officer

SAFE HARBOR STATEMENT

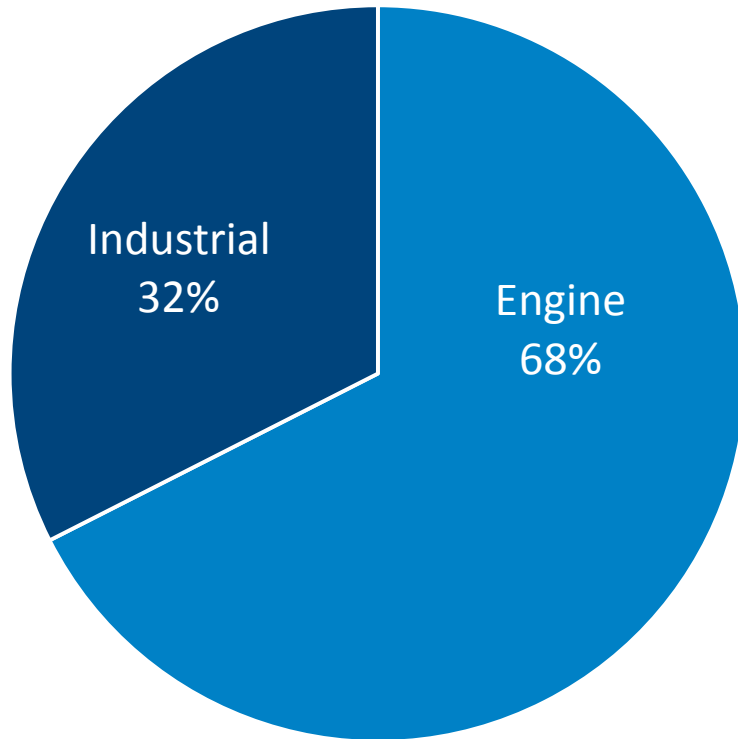
This presentation includes forward-looking statements which reflect the Company's current views with respect to future events and financial performance, but involve uncertainties that could significantly impact results.

DONALDSON IS A FILTRATION COMPANY

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

TWO REPORTING SEGMENTS

YTD sales of \$2.0 billion*



Engine Products

- First-fit OEM for On-Road and Off-Road equipment
- Replacement parts
- Aerospace & Defense

Industrial Products

- Industrial Filtration Solutions (e.g. dust collectors, process filtration)
- Gas Turbine Systems
- Special Applications (e.g. disk drive filters, venting solutions)

* Nine months ended April 30, 2018

VALUE PROPOSITION TO STAKEHOLDERS

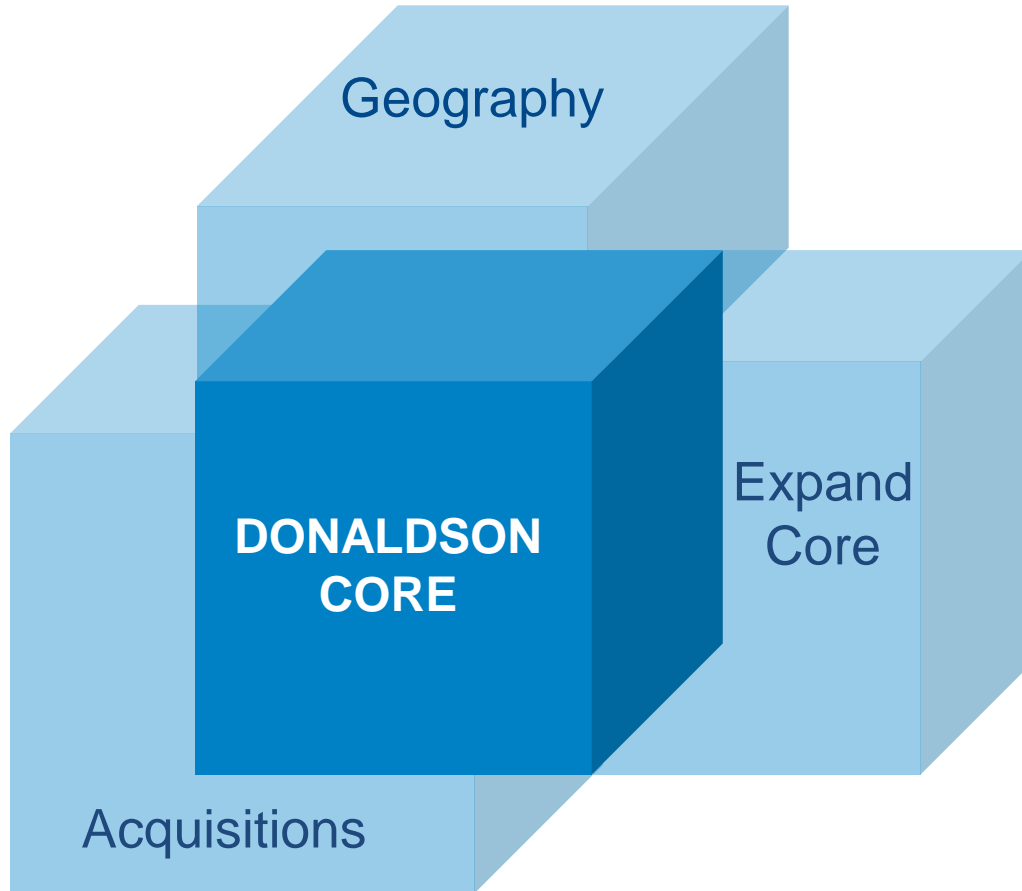
Customers value:

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

Shareholders value:

- Diversified portfolio of technology and products
- Global sales, production and distribution footprint
- Commitment to strong results and disciplined capital deployment

STRATEGIC GROWTH PLANS



- Expand **core products** and **technologies**
- Expand **geographically**
- Execute **acquisitions**

CAPITAL DEPLOYMENT PRIORITIES

- Invest in our company
- Pay a dividend
- Repurchase our shares

FACTORS AFFECTING OUR COMPANY

- Strong growth environment
 - Past program wins (including share gains)
 - Favorable conditions for both on- and off-road markets
- Gross margin pressure
 - Higher raw materials and supply chain costs
 - Mix pressure from stronger growth of OE businesses
- Strong expense leverage
 - Expense discipline to support incremental investments
 - Leverage of fixed expenses on higher sales

DISCUSSION