



 **Franklin Electric**

MOVING WATER. MOVING FUEL.
MOVING FORWARD.



2019 Shareholders Meeting

Gregg Sengstack, Chairman and CEO | May 2019





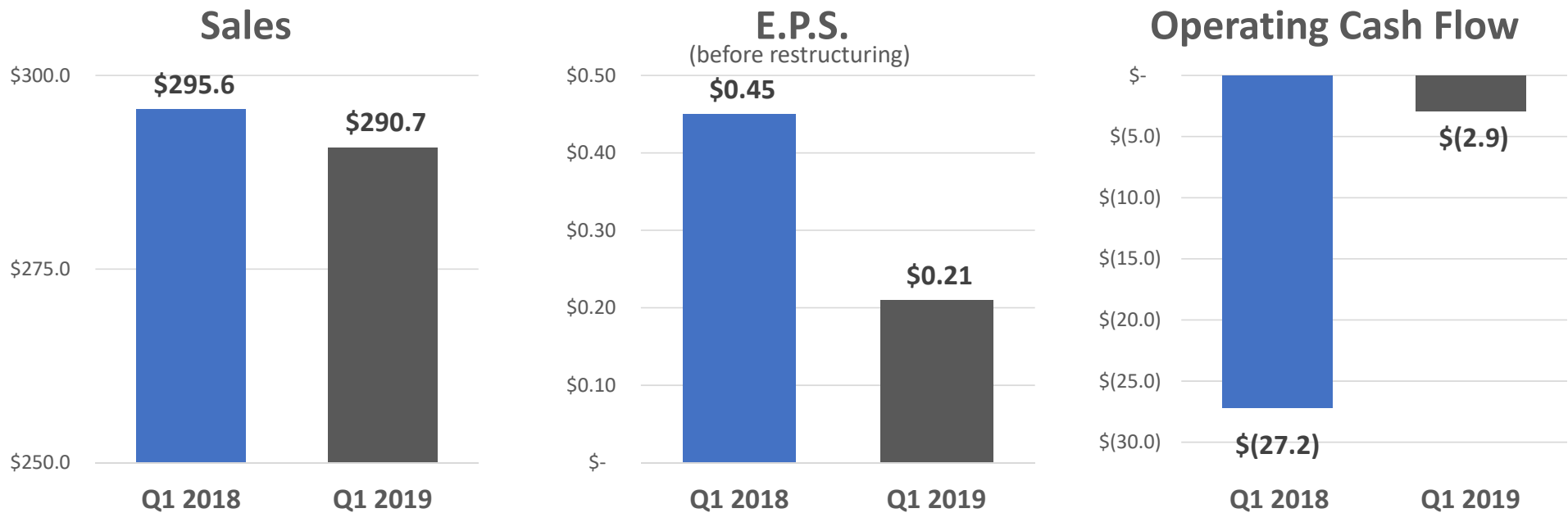
SAFE HARBOR STATEMENT:

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995. Any forward-looking statements contained herein, including those relating to market conditions or the Company’s financial results, costs, expenses or expense reductions, profit margins, inventory levels, foreign currency translation rates, liquidity expectations, business goals and sales growth, involve risks and uncertainties, including but not limited to, risks and uncertainties with respect to general economic and currency conditions, various conditions specific to the Company’s business and industry, weather conditions, new housing starts, market demand, competitive factors, changes in distribution channels, supply constraints, effect of price increases, raw material costs, technology factors, integration of acquisitions, litigation, government and regulatory actions, the Company’s accounting policies, future trends, and other risks which are detailed in the Company’s Securities and Exchange Commission filings, included in Item 1A of Part I of the Company’s Annual Report on Form 10-K for the fiscal year ending December 31, 2018, Exhibit 99.1 attached thereto and in Item 1A of Part II of the Company’s Quarterly Reports on Form 10-Q. These risks and uncertainties may cause actual results to differ materially from those indicated by the forward-looking statements. All forward-looking statements made herein are based on information currently available, and the Company assumes no obligation to update any forward-looking statements.



First Quarter 2019 Results

(Amounts in millions except share data)



Weather driven earning decline. Substantial improvement in cash flow.
 Maintaining full year 2019 guidance of \$2.37 to \$2.47



STRATEGIC FOCUS:

To grow as a global provider of water and fuel systems, through geographic expansion and product line extensions, leveraging our global platform and competency in system design.



Franklin Electric



Strategic Focus

Residential, Agricultural, Commercial Water Systems
\$6.0 B Global Market Potential⁽¹⁾

Complete Fueling Systems
\$1.2 B Global Market Potential⁽¹⁾



Strong Brand Franchise

**#1 or #2 in
Addressable Markets**

Growing Global Footprint

**Fragmented
Customer Base**

**Fragmented
Supply Base**

**Mission Critical Products
and Systems**

**Applications with High
Cost of Downtime**

**Contractors Value
Technical Support**

**Deep Understanding
of Applications**



⁽¹⁾ Current Franklin management estimates

Franklin Electric – Revenue Sources

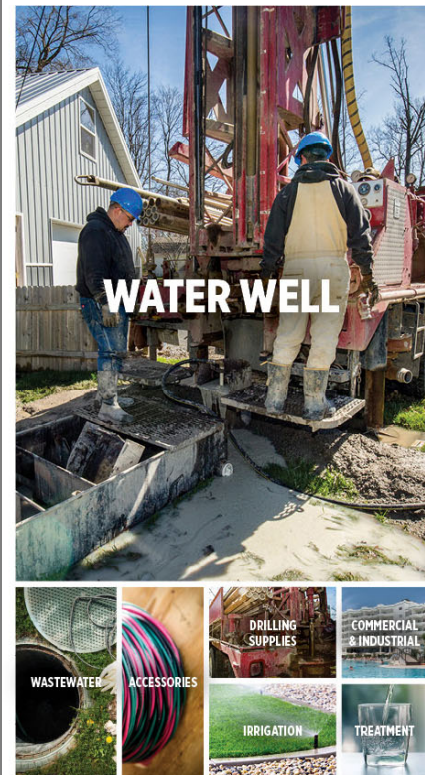
WATER SYSTEMS \$800M (60%)



FUELING SYSTEMS \$285M (20%)



DISTRIBUTION \$270M (20%)

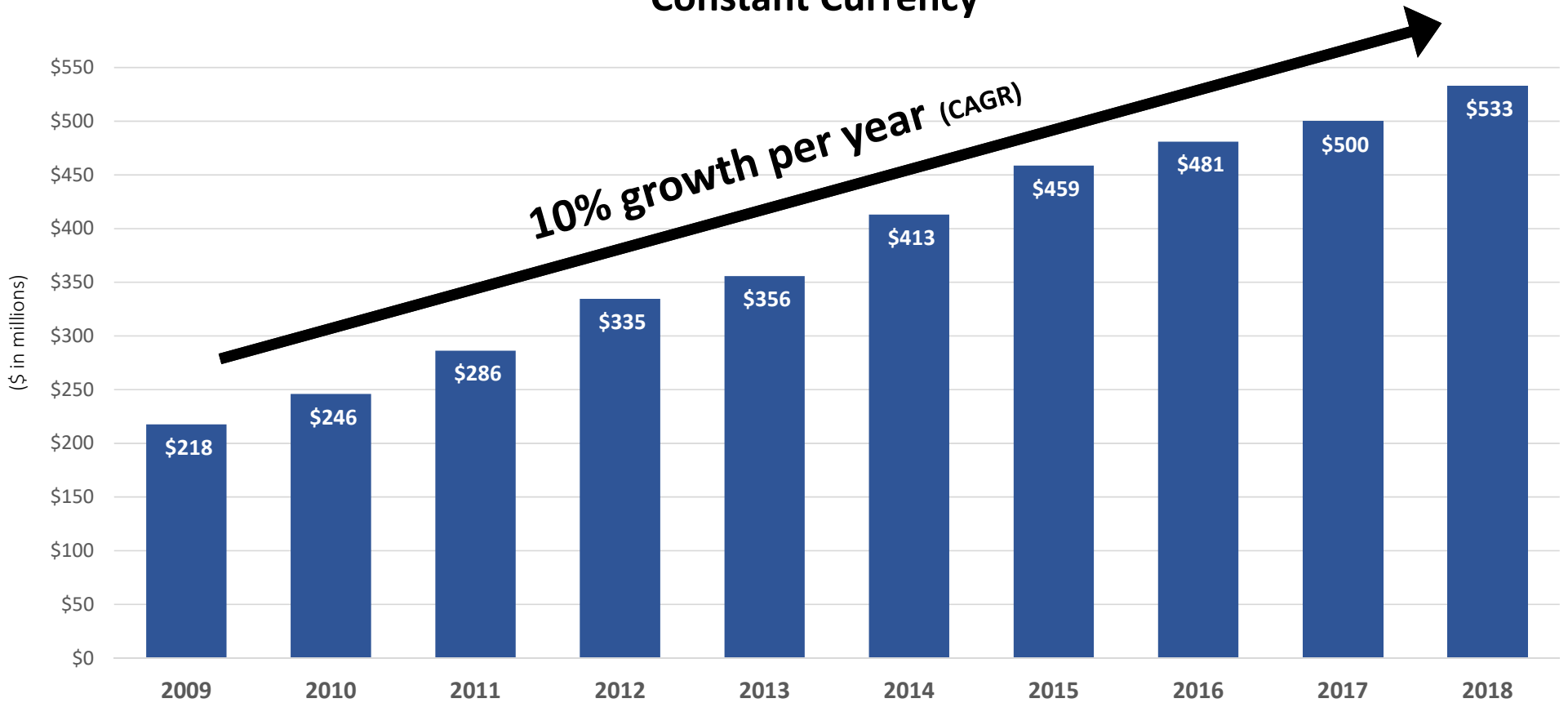


Global Footprint





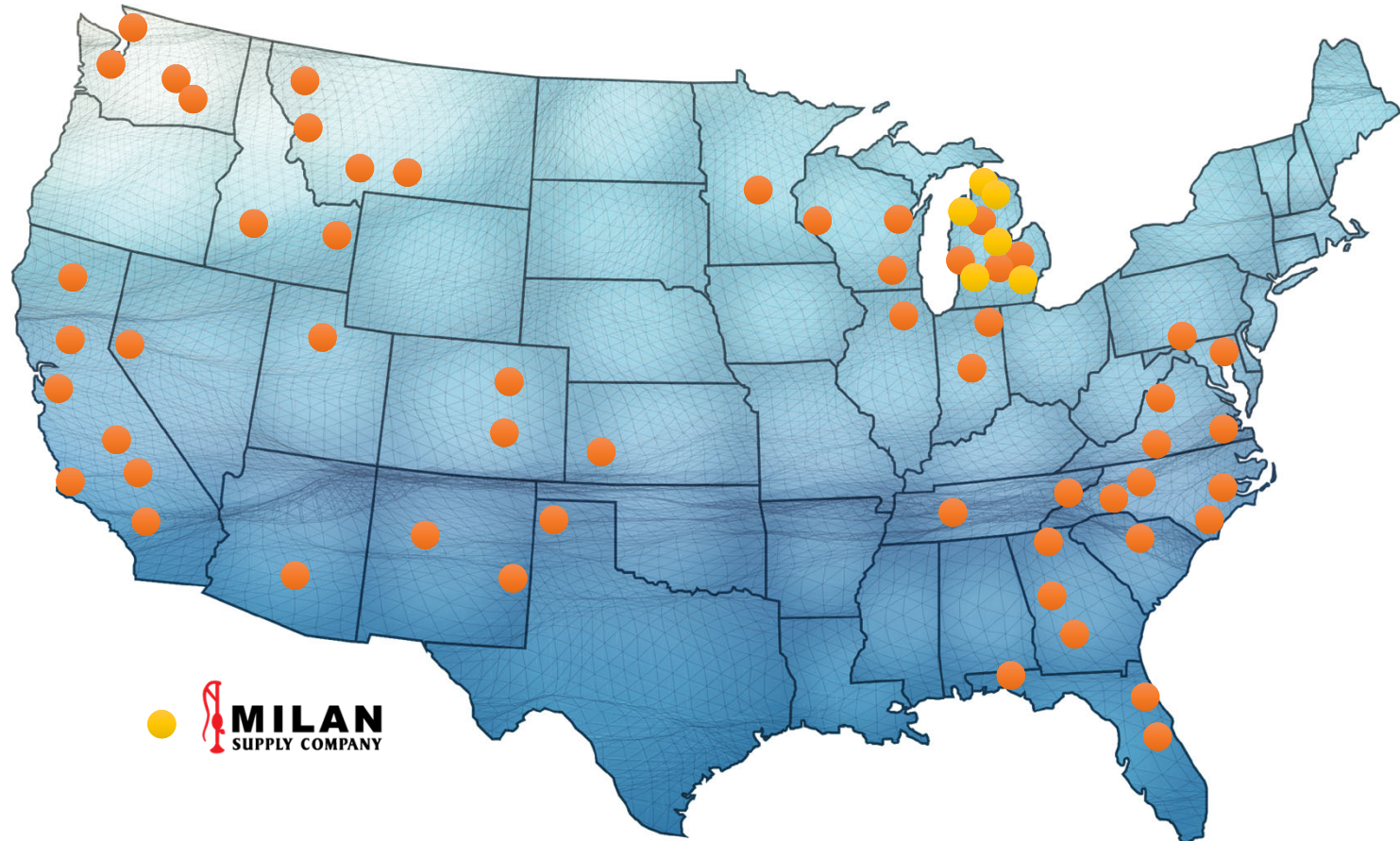
Sales in Developing Regions Constant Currency





Headwater Companies

- Extend our position in groundwater
- Move closer to contractor
- Optimize supply chain
- Opportunities to move into agencies:
 - Filtration
 - Treatment
 - Irrigation
 - Commercial



Product Line Extensions

Water Systems



Fueling Systems





Innovations in Water Systems

INLINE DELTA PRESSURE BOOSTER

High-Rise Buildings & Light
Industrial Applications

Quiet modular design with
built-in proprietary
protection features.



High Efficiency PERMANENT MAGNET MOTORS

4 & 6 inch encapsulated
submersible motors with
lower operating costs.



Variable Frequency Drives with Bluetooth-Enabled Mobile Apps

Residential/Commercial HVAC,
Cooling Tower, & Pumping
Applications



High Efficiency SUBMERSIBLE PUMPS

Patent-pending design
configurations exceed
U.S. Dept of Energy
regulations





Innovations in Fueling Systems

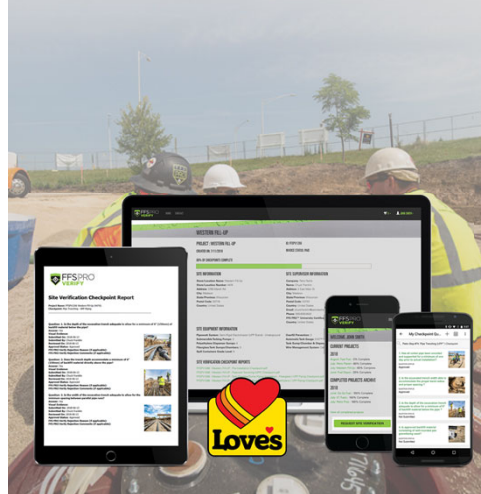
EVO 200/400 FUEL MANAGEMENT

2018 Sales of \$4 Million
2019 Sales of \$2 Million YTD



FFS PRO Verify Installation Quality Assurance

Cloud service that provides remote installation quality and safety assurance.



Corrosion Control

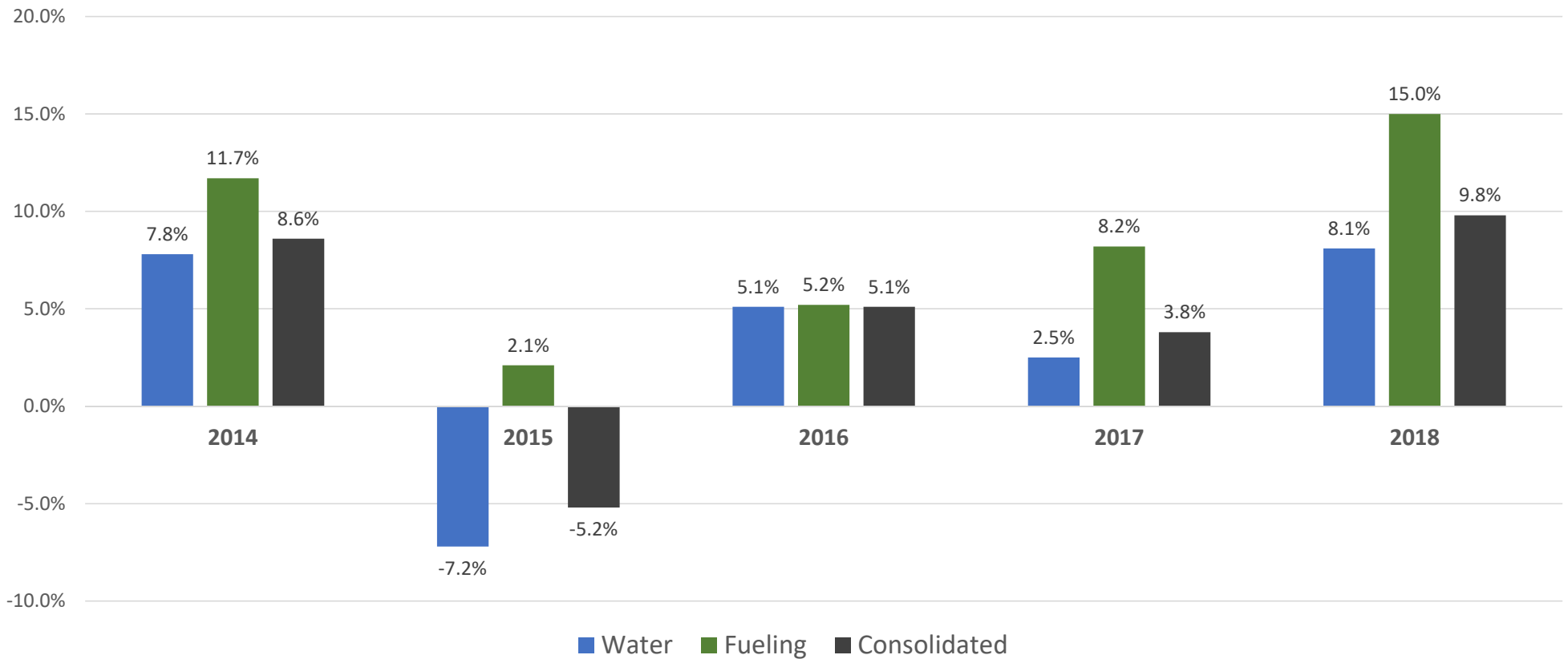
In-tank & In-Sump Corrosion Control

Mitigates corrosion and protects sites from its potentially costly effects.





Organic Sales Growth^(a)

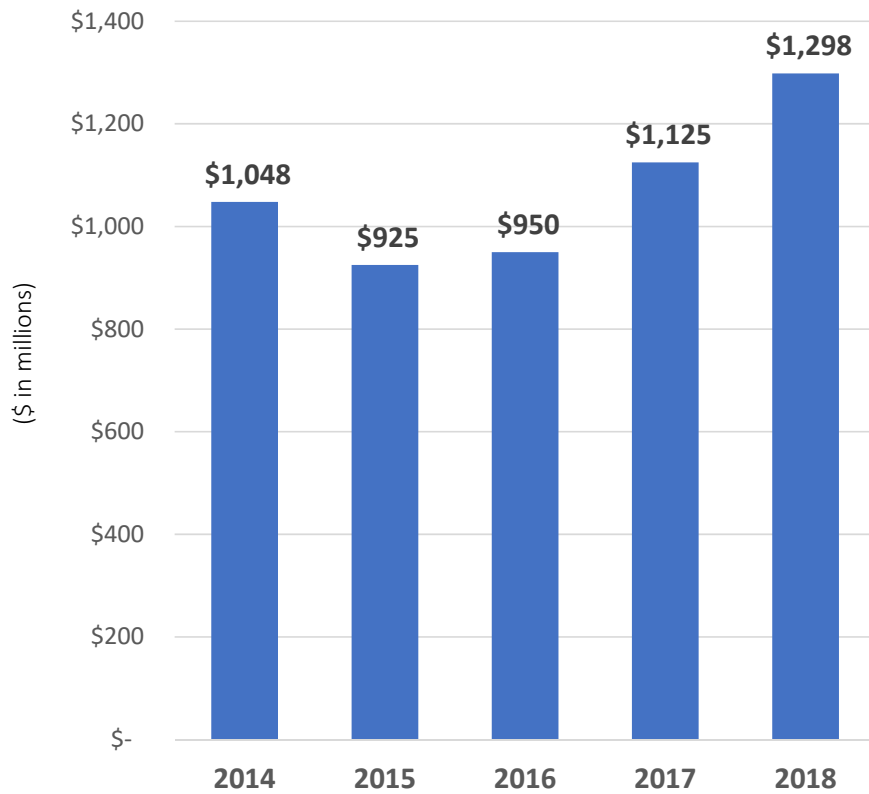


(a) Organic sales growth for FE Water and Fueling Systems segments only. Excludes acquisitions for one year and impact of Foreign Currency translation.

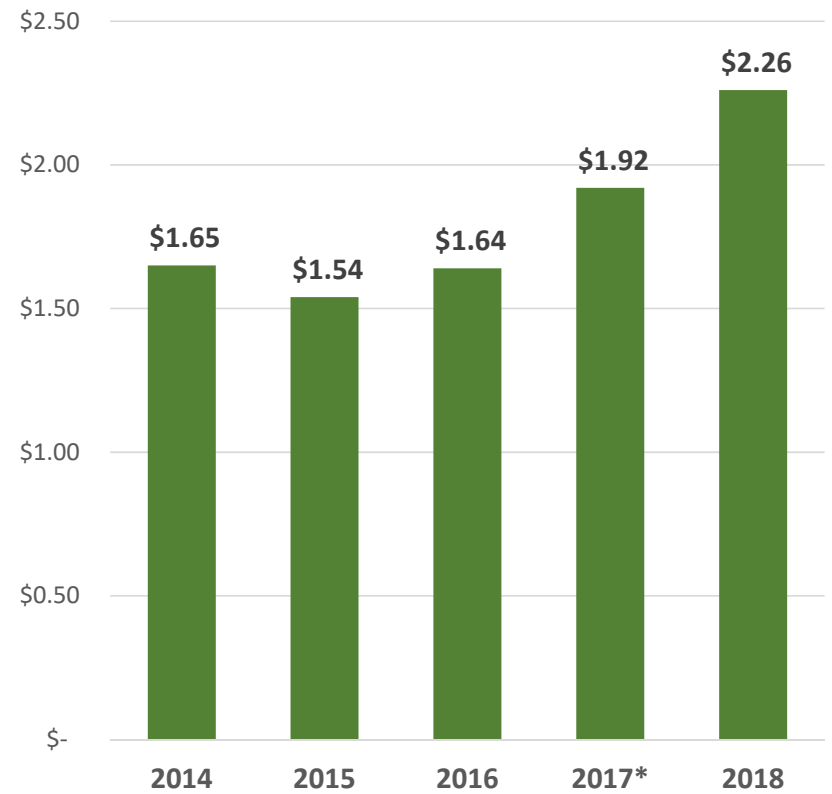


Sales & EPS

Consolidated Sales



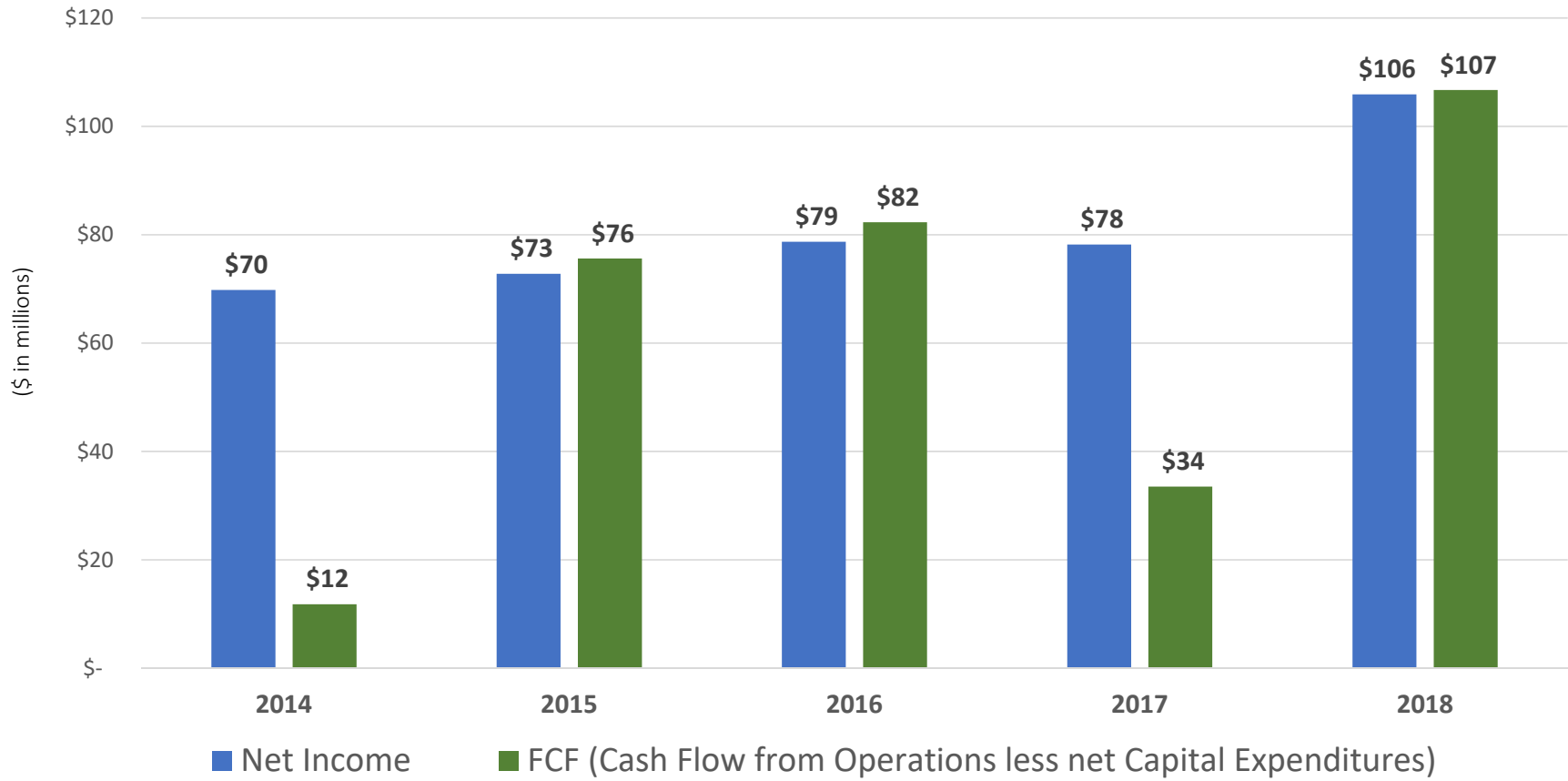
EPS (before restructuring)



*2017: EPS (Before Restructuring and the US Tax law changes)

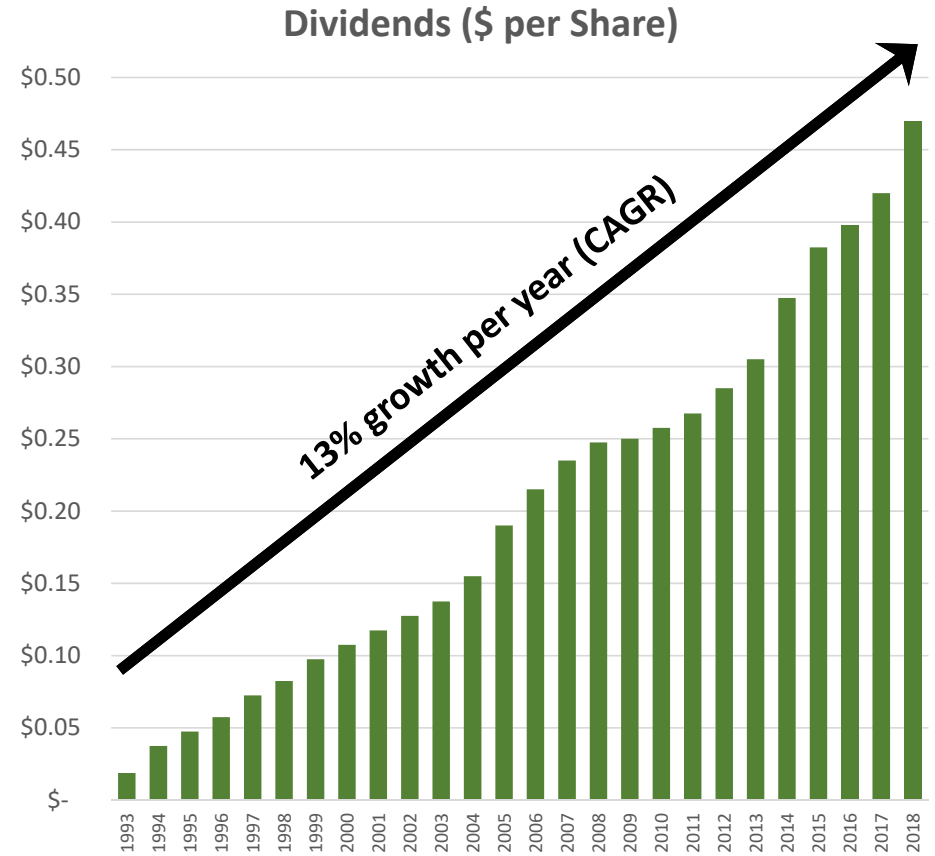
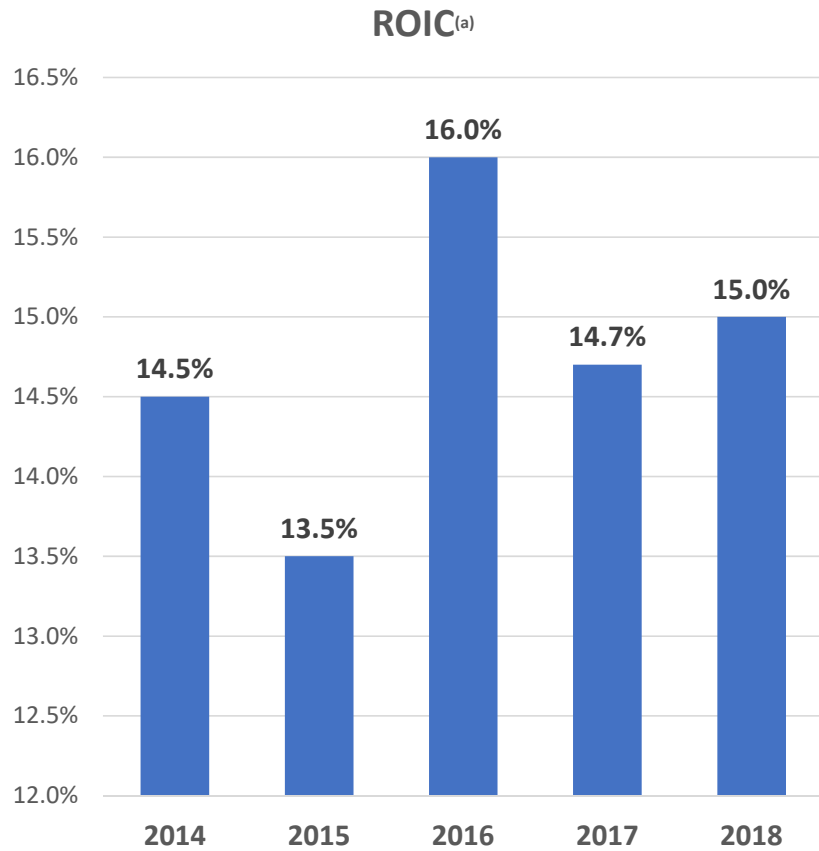


Cash Flow





ROIC & Dividends



^(a)ROIC = Operating Income before restructuring charges divided by Net Debt plus Equity



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