

**PALL** Pall Corporation

2009 INVESTOR DAY



## Pall Industrial

**Don Stevens**  
President & COO, Pall Corporation

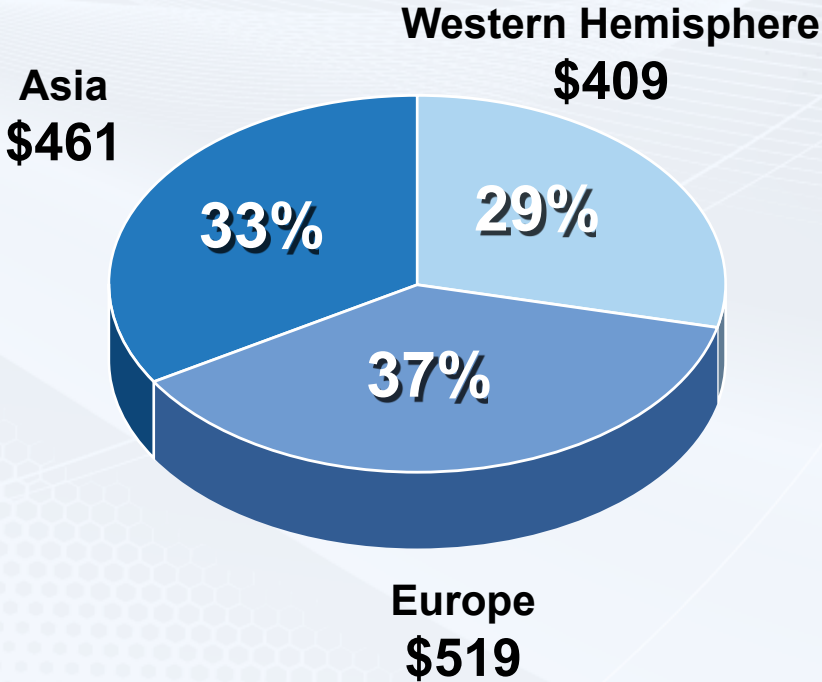
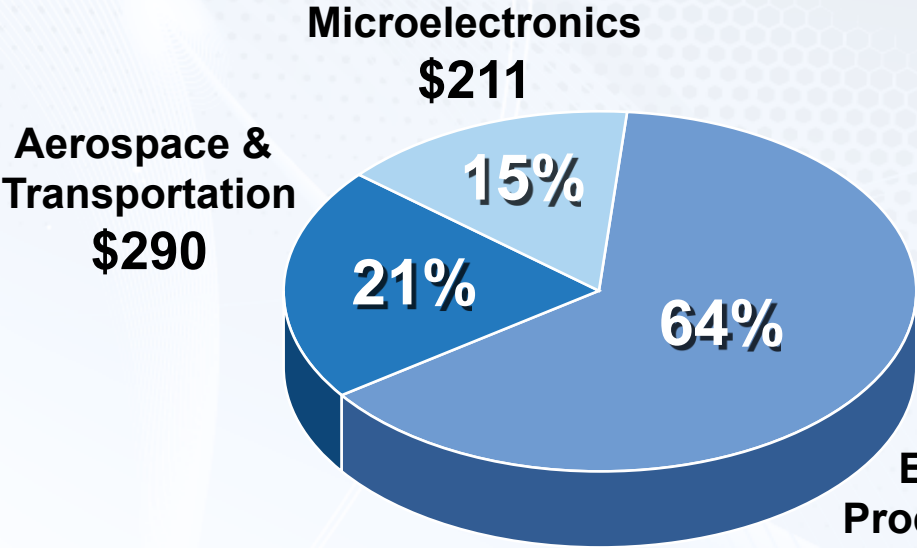
December 17, 2009

**Sustainable, Profitable Growth**

# Pall Industrial FY09

Total Sales	\$1,389
Operating Profit	\$186

(Dollars in Millions)



# Pall Industrial Business Outlook

Actual Rates (\$ Million)	FY09 Actual	FY13 Goals
EWPT	888	1,116 → 1,255
LC <sup>(2)</sup>	-2.8%	5.9% → 9.1% <sup>(1)</sup>
A&T	290	327 → 339
LC <sup>(2)</sup>	1.3%	3.1% → 4.0% <sup>(1)</sup>
MicroE	211	292 → 338
LC <sup>(2)</sup>	-30.2%	8.5% → 12.5% <sup>(1)</sup>
Total Revenue	1,389	1,735 → 1,932
LC <sup>(2)</sup>	-7.3%	5.7% → 8.6% <sup>(1)</sup>
OP \$	186	293 → 372
OP Profit Margin	13.4%	16.9% → 19.3%

(1) 4-year CAGR FY13

(2) Local currency (LC) is defined as excluding foreign currency translation impact



# Pall Industrial Market Potential

## EWPT

**Revenue  
Potential  
\$30.0 B**



- ▲ Energy
  - Fuels & Chemicals
  - Power Generation
- ▲ Food & Beverage
- ▲ Industrial Manufacturing
- ▲ Municipal Water

## A&T

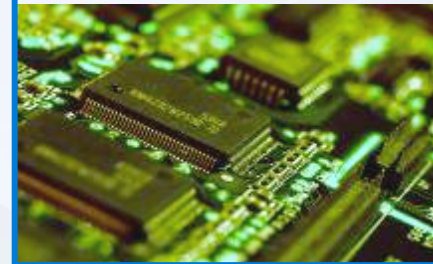
**Revenue  
Potential  
\$8.0 B**



- ▲ Aerospace
  - Commercial
  - Military
- ▲ Transportation
  - Mobile OEM
  - Industrial OEM
  - Powertrain

## MicroE

**Revenue  
Potential  
\$1.3 B**



- ▲ Microelectronics
  - Semiconductor
  - Graphic Arts
  - Electrical Components
  - Data Storage
  - Displays
  - Solar

**Markets**

**Total PI Revenue Potential: \$39 B**

# Matching Pall Capabilities to Market Drivers



## MARKET DRIVER

PALL CAPABILITY	Higher demand for process and equipment reliability	Higher energy and water costs	Greater need for consistent water quality	Stricter environmental and governmental regulations
Process Efficiency	✓	✓	✓	✓
Asset Reliability	✓		✓	
Waste Minimization	✓	✓		✓
Resource Efficiency	✓	✓	✓	✓
Lower Cost of Ownership	✓		✓	
Energy Efficiency		✓	✓	✓
Environmental Protection			✓	✓
Safety & Health	✓		✓	✓

# Pall Industrial Top-Line Strategies

- ▲ Deploy filtration & separation value propositions in existing and new mini-markets, applications, and strategic accounts
- ▲ Expand in emerging markets – MENA, Eastern Europe, Latin America, Turkey, Southeast Asia
- ▲ Drive market-led technological innovations
- ▲ Optimize channel management program
- ▲ Expand into adjacent spaces – filtration & separation, specialty process equipment, treatment chemicals, and sensors, diagnostics & controls

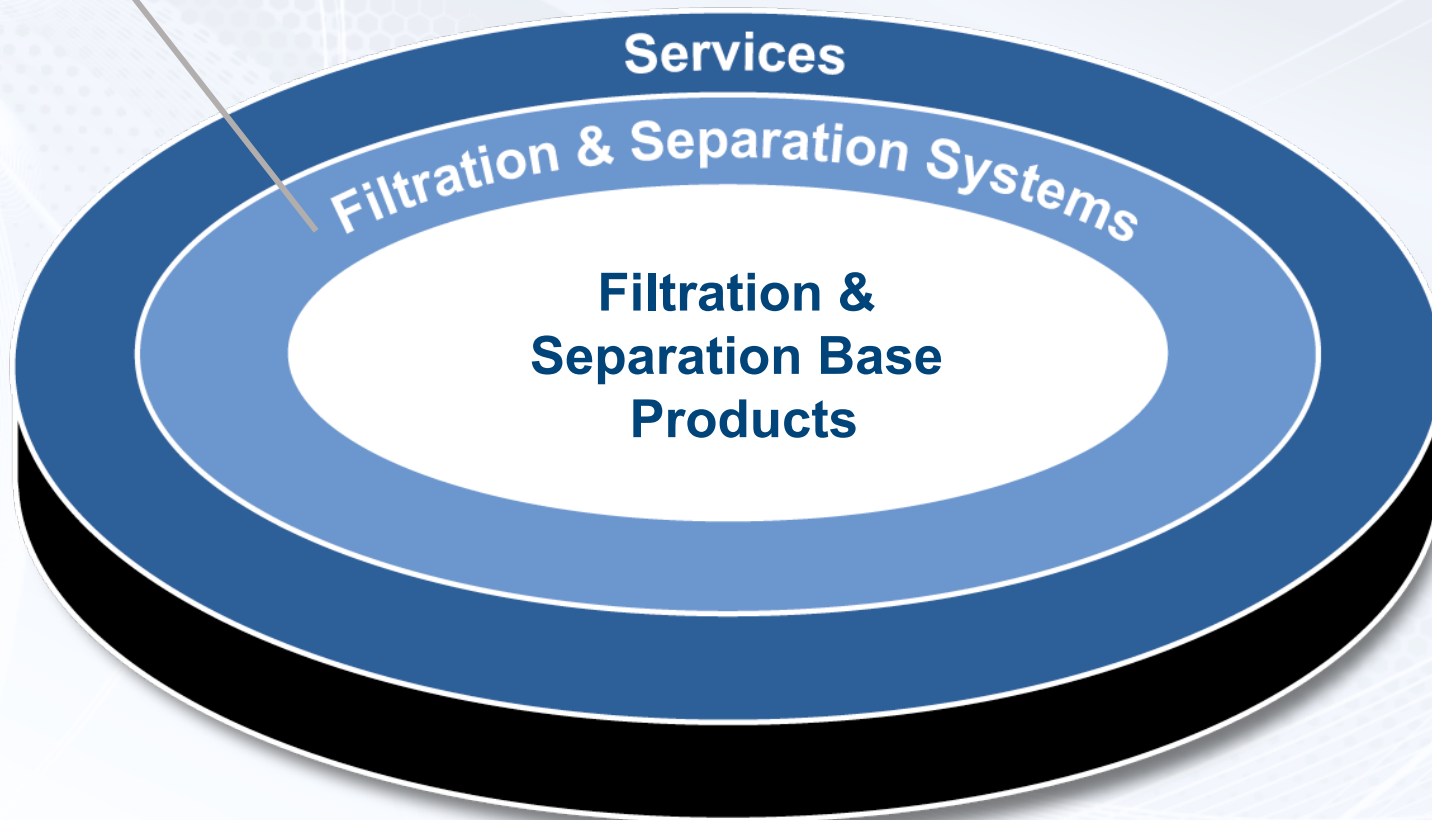
## Highest growth opportunities:

- ▲ Water (municipal & industrial)
- ▲ Nuclear/Alternative energy
- ▲ Oil & gas
- ▲ Semiconductor
- ▲ Military
- ▲ Mining



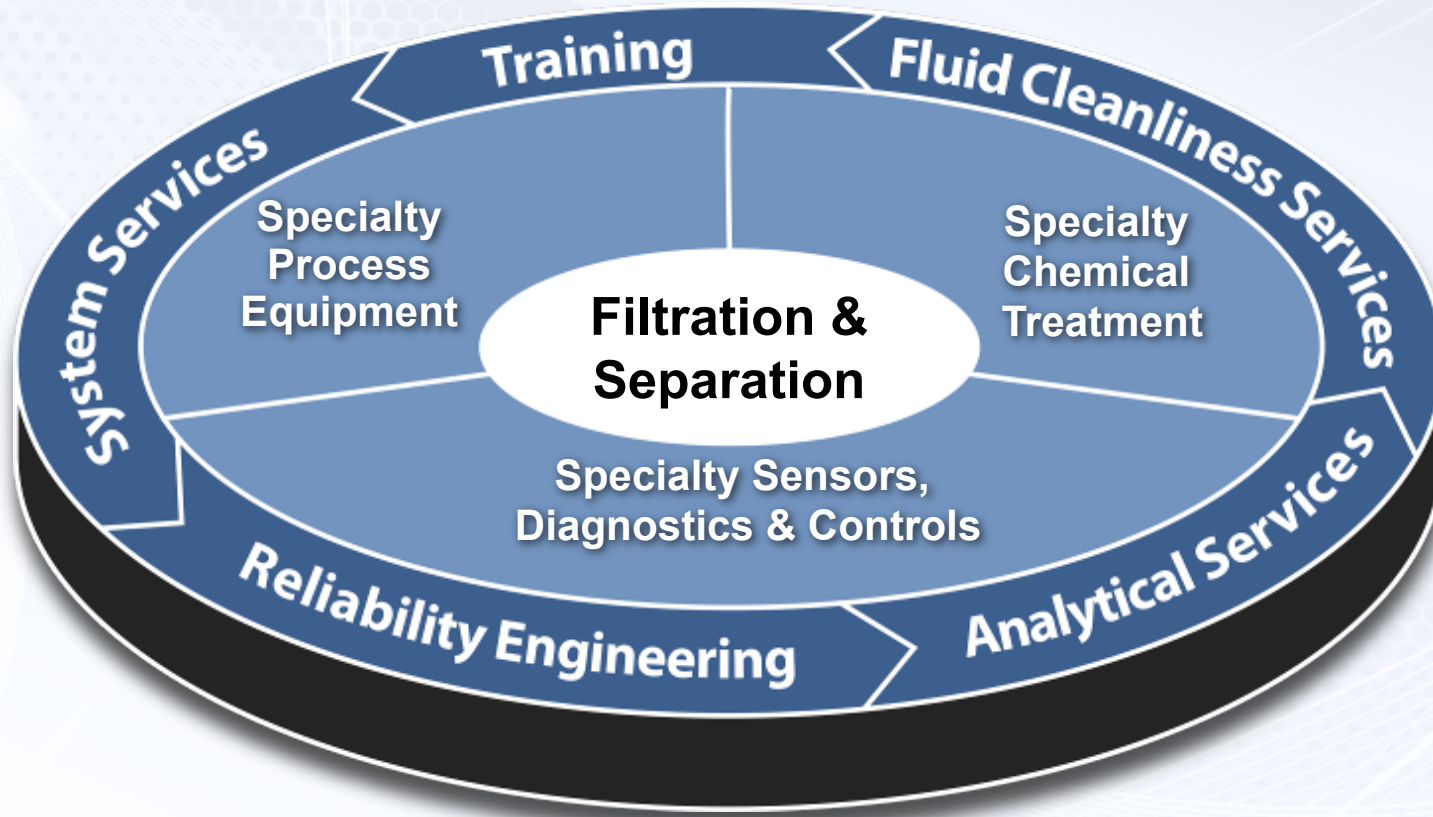
# Pall Filtration & Separation Systems and TFM Strategy

Expand Pall's TFM capabilities by providing a **wider range of filtration and separation** solutions, resulting in enhanced environmental protection, improved safety, and **higher productivity at lower cost**



# Expanding TFM Capabilities

Broadening TFM capabilities to include the integration of filtration and separation with **complementary, process-related** products and service capabilities, properly selected to yield the **highest productivity at the lowest cost**





# Pall Industrial Filtration & Separation Systems

## Pall systems...

- ▲ Expand our capabilities to:
  - Capitalize on market drivers
  - Increase customer intimacy and loyalty
  - Practice TFM
  - Enable a “Greener Future” for our customers
- ▲ Create sites for highly profitable product and service annuities

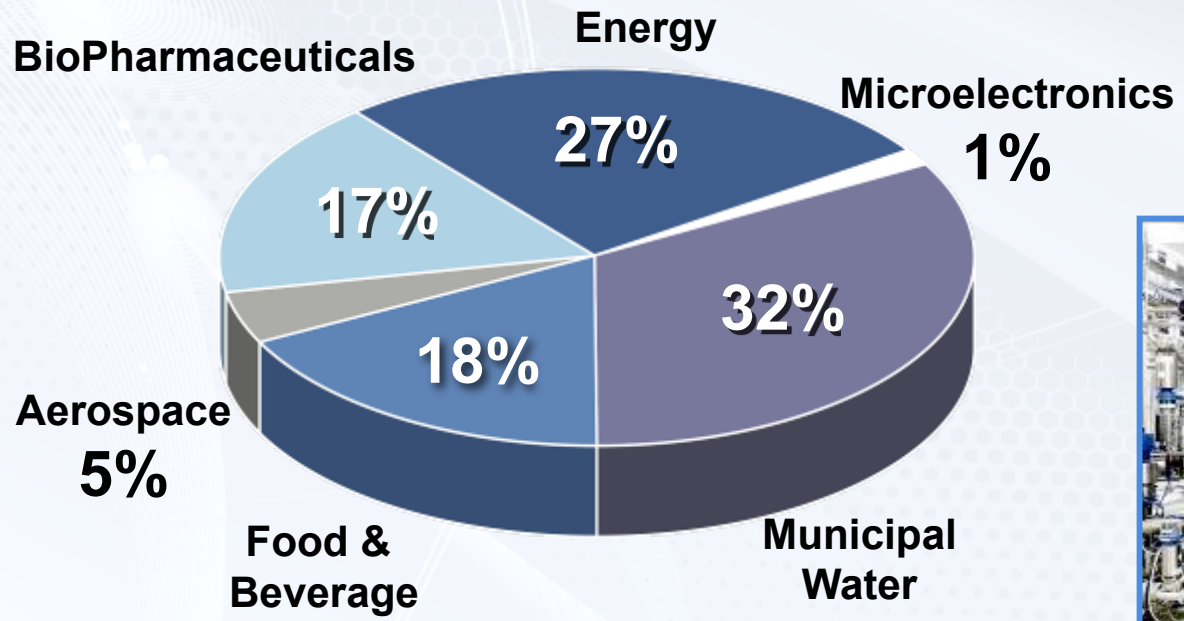


Pall blowback filter systems remove flue gas emissions in refineries

# Pall Life Sciences and Pall Industrial Filtration & Separation Systems

**\$370M to \$430M  
in FY13**

**FY09 Revenue = \$310M\***



**Average order size = \$0.75M  
Installed base = \$1.3B**

▲ Pall ProfiT™ systems improve beer quality and offer significant cost savings and environmental advantages

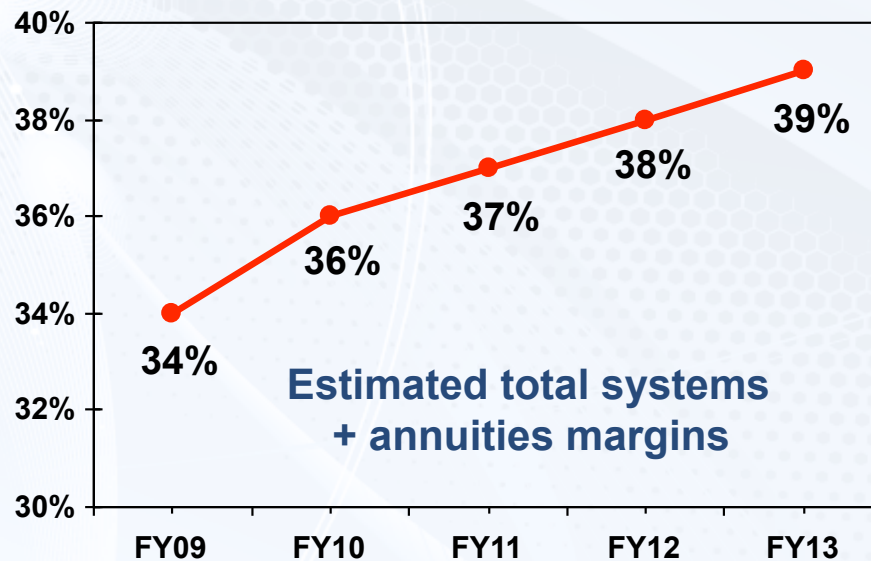
\* Actual rates



# Pall Life Sciences and Pall Industrial Filtration & Separation Systems

## Pall Systems Cannot be Easily Retrofitted

- ▲ High risk to critical processes
- ▲ Technical and economic hurdles



Pall Aria™ modular membrane systems remove pathogens from source water to meet drinking water regulations

**Annuity potential = 15% of system's value**  
**Annuity revenues expected to grow from \$160M in FY09 to \$350M in FY13**



# Disciplined Execution

- ▲ Execute on a balanced portfolio of initiatives to drive steady improvement in revenue growth, profitability and capital efficiency
- ▲ Build a more efficient and cost-effective structure that supports high profitable growth
- ▲ Widen portfolio of enabling solutions to drive TFM
- ▲ Enable a greener future for Pall and our customers