



Second Quarter 2021 Earnings Release Supplement

July 30, 2021

The data in this package should be read in conjunction with Barnes Group Inc.'s earnings release and periodic filings with the SEC.



Controlling Our Destiny in a World of Uncertainty

Safe Harbor Statement & Non-GAAP Measures



THIS PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements often address our expected future operating and financial performance and financial condition, and often contain words such as "anticipate," "believe," "expect," "plan," "estimate," "project," "continue," "will," "should," "may," and similar terms. These forward-looking statements do not constitute guarantees of future performance and are subject to a variety of risks and uncertainties that may cause actual results to differ materially from those expressed in the forward-looking statements. These include, among others: difficulty maintaining relationships with employees, customers, distributors, suppliers, business partners or governmental entities; failure to successfully negotiate collective bargaining agreements or potential strikes, work stoppages or other similar events; difficulties leveraging market opportunities; changes in market demand for our products and services; rapid technological and market change; the ability to protect and avoid infringing upon intellectual property rights; introduction or development of new products or transfer of work; higher risks in global operations and markets; the impact of intense competition; acts of terrorism, cybersecurity attacks or intrusions that could adversely impact our businesses; the impacts of the COVID-19 pandemic on our business, including on demand, supply chains, operations and our ability to maintain sufficient liquidity throughout the unknown duration and severity of the pandemic; the failure to achieve anticipated cost savings and benefits associated with workforce reductions and restructuring actions; uncertainties relating to conditions in financial markets; currency fluctuations and foreign currency exposure; future financial performance of the industries or customers that we serve; our dependence upon revenues and earnings from a small number of significant customers; a major loss of customers; inability to realize expected sales or profits from existing backlog due to a range of factors, including changes in customer sourcing decisions, material changes, production schedules and volumes of specific programs; the impact of government budget and funding decisions; government tariffs, trade agreements and trade policies; the impact of new or revised tax laws and regulations; the adoption of laws, directives or regulations that impact the materials processed by our products or their end markets; changes in raw material or product prices and availability; disruptions in information technology systems, including as a result of cybersecurity or data security breaches; the continuing impact of prior acquisitions and divestitures; and any other future strategic actions, including acquisitions, divestitures, restructurings, or strategic business realignments, and our ability to achieve the financial and operational targets set in connection with any such actions; the ability to achieve social and environmental performance goals; the outcome of pending and future legal, governmental, or regulatory proceedings and contingencies; product liabilities and uninsured claims; future repurchases of common stock; future levels of indebtedness; and numerous other matters of a global, regional or national scale, including those of a political, social, economic, business, competitive, environmental, regulatory and public health nature; and other risks and uncertainties described in documents filed with or furnished to the Securities and Exchange Commission ("SEC") by the Company, including, among others, those in the Management's Discussion and Analysis of Financial Condition and Results of Operations and Risk Factors sections of the Company's filings. The Company assumes no obligation to update its forward-looking statements.

NON-GAAP MEASURES

References to adjusted financial results for 2020 & 2021 are non-GAAP measures. You will find a reconciliation table on our website as part of our second quarter 2021 press release and in the Forms 8-K submitted to the SEC. This supplement should be read in conjunction with this reconciliation table.

Barnes Group Delivers Another Solid Quarter



- **Year-over-Year Improvements in:**

- Orders >400%
- Organic Sales +31%
- Adjusted Op. Margins +40 bps
- Adjusted EPS +67%

- **Continued Sequential Improvement**

- **2Q21 Book to Bill of 1.3x**

- **Total Backlog of \$984 million**, highest level since 4Q19, +12% from 1Q21

Industrial

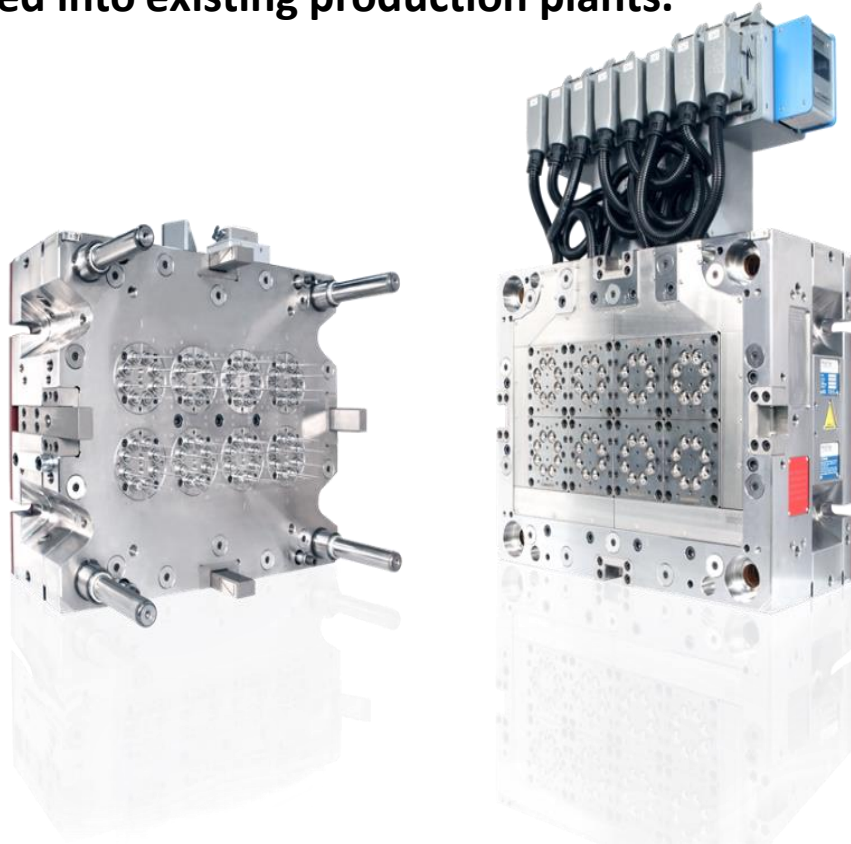
- Organic Orders +37%
- Organic Sales +35%
- Adj. Op. Margin 11.7%, +230 bps
- Book to Bill ~1.0x
- Backlog \$282M

Aerospace

- Organic Orders >300%
- Organic Sales +23%
- Adj. Op. Margin 13.5%, -400 bps
- Book to Bill ~2.1x
- Backlog \$702M

Pipette Tip Mold System

64-cavity single-face mold for pipette tips. The mold concept takes into account the compatibility with available pipette tip automation systems on the market to ensure that it can be integrated into existing production plants.

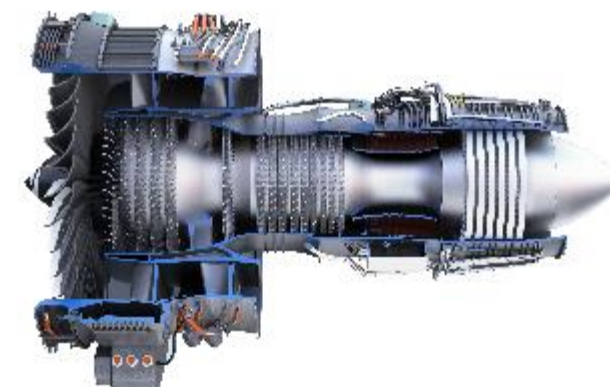


Pipette tips made of conductive polypropylene for fully automated pipetting systems.



2021 SBU & Segment Outlook (1)

	2021 Sales Outlook		End Market Highlights / Comments
	Total	Organic ⁽²⁾	
Molding Solutions	Up High-Teens	Up Mid-Teens	Medical Market Remains Solid, Auto / Packaging / Personal Care Recovering Tool & Die Market Recovering with Improving Auto and General Industrial Markets Global Auto Production Favorable Y-o-Y, General Industrial Markets Recovering Geographic Expansion and New Product Introductions Drive Growth
Force & Motion Control	Up High-Teens	Up Mid-Teens	
Engineered Components	Up Mid-Teens	Up High-Teens	
Automation	>20%	~20%	
Industrial Segment	Up High-Teens	Up Mid-Teens	
Original Equipment Manufacturing (OEM)		Up MSD	Narrowbody Platforms Ramping, Widebody Platforms Remain Pressured Aircraft Utilization Remains Low though Improving, Nascent Recovery in H2
Maintenance, Repair, and Overhaul (MRO)		Down LSD	
Spare Parts (RSP Programs)		Down Mid-Teens	
Aerospace Segment		Up LSD	
Barnes Group Total	Up Low-Teens	Up LDD	F/X Impact ~+2%, M&A Impact ~-1%



2Q21 Sales Growth & Highlights



	Sales Growth	Organic ⁽¹⁾	F/X	M&A
Industrial	42%	35%	8%	-
Aerospace	23%	23%	-	-
Total BGI	36%	31%	5%	-

Operating Income:

\$38.5M; Adjusted Operating Income \$39.2M, up 41%

Operating Margin:

12.0%; Adjusted Operating Margin of 12.2%, up 40 bps from last year

GAAP EPS:

\$0.48; Adjusted EPS of \$0.45, up 67% from last year's \$0.27

YTD Free Cash Flow⁽²⁾:

\$68M vs. \$103M last year

YTD Capital Expenditures:

\$18M vs. \$20M last year

⁽¹⁾ Organic sales growth represents the total reported sales increase within the Company's ongoing businesses less the impact of foreign currency translation and acquisition and divestitures completed in the preceding twelve months. ⁽²⁾ The Company defines free cash flow as net cash provided by operating activities less capital expenditures.

2021 Full Year Outlook

(\$M, except per share)



Organic Sales + 11% to + 12%

Adjusted Operating Margin ~ 13%

GAAP EPS (Diluted) \$1.85 to \$2.00

Adjusted EPS (Diluted) \$1.83 to \$1.98

Variance to 2020 Adj. EPS ⁽¹⁾ + 12% to + 21%

Cash Conversion ⁽²⁾ > 110%

Capital Expenditures ~ \$50

Tax Rate ~ 30%

Key Performance Variables for 2021:

- + Quicker Pace of Global Economic Recovery
- + Travel Concerns / Restrictions Abate, Flight Activity Improves
- + Productivity Initiatives / Volume Leverage
- COVID Resurgence / Delta Variant
- Aerospace Disruption / Supply Chain Readiness
- Raw Materials Availability / Inflation

(1) Adjusted EPS is a non-GAAP measure. A reconciliation table is available on our website as part of our second quarter 2021 press release and in the Form 8-K submitted to the SEC. (2) Cash Conversion is equal to Net Cash Provided by Operating Activities less Capital Expenditures divided by Net Income.



Additional information is
available at:

www.BGInc.com



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