



Third Quarter 2017 Earnings Release Supplement

October 27, 2017

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



Safe Harbor Statement

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," 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, including unionized 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 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; 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; changes in raw material or product prices and availability; integration of acquired businesses; restructuring costs or savings; 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 outcome of pending and future legal, governmental, or regulatory proceedings and contingencies and uninsured claims; product liabilities; 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, 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.

References to adjusted financial results for 2016 and 2017 are non-GAAP measures. You will find a reconciliation table on our website as part of our third quarter 2017 press release and in the Form 8-K submitted to the SEC. This supplement should be read in conjunction with this reconciliation table.

2017 Segment Market Outlook



	Actual % of 2016 Sales	2017 Total Sales Growth Outlook*	End Market Highlights / Comments
Molding Solutions	31%	Up High 20s	Favorable Hot Runner Demand, Focus on MRO Growth & Global Expansion, FOBOHA & Gammaflux Contribution
Nitrogen Gas Products	9%	Up High Teens	Tool & Die Markets Remain Strong
Engineered Components	27%	Up LSD	Global Auto Production Good - but North America declining; General Industrial Markets Improving
Industrial Segment	67%	Up Mid Teens	



Original Equipment Manufacturing (OEM)	23%	Up Mid Teens	New Engine Programs Ramping, Solid OEM Orders and Backlog
Maintenance, Repair, and Overhaul (MRO)	6%	Up LDD	Aircraft Utilization Remains High
Spare Parts (RSP Programs)	4%	Up ~20%	Favorable CFM56 Demographic Trends Continue
Aerospace Segment	33%	Up Mid Teens	



M&A		Up	FOBOHA & Gammaflux Acquisition Sales ~+5%
F/X		=	F/X Sales Impact ~0%

**TOTAL SALES EXPECTATION UP 15.5% TO 16.5%;
UP 10.5% TO 11.5% ORGANICALLY**

Q3 2017 Sales Growth & Highlights

	Sales Growth		Organic ⁽¹⁾		F/X		M&A	
Industrial	15%	=	6%	+	2%	+	7%	
Aerospace	14%	=	14%	+	-	+	-	
Total BGI	15%	=	8%	+	2%	+	5%	

- Sales of \$357 million, up 15%; Organic Sales up 8%
- Adjusted Operating Income of \$48.5 million, down 10%
- Adjusted Operating Margin of 13.6%, down 380 bps
- Adjusted EPS of \$0.66 per diluted share, down 7%
- Total Company Backlog of \$1.05 billion, up 5% sequentially from Q2'17;
Aerospace Backlog of \$718 million, up 5% sequentially from Q2'17
- YTD Free Cash Flow⁽²⁾ was \$126 million vs. \$127 million last year;
Discretionary Pension Contributions: 2017 - \$5 million, 2016 - \$15 million
- YTD Capital Expenditures of \$42 million vs. \$33 million last year

2016 & 2017 Results and 2017 Guidance

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(\$M, except per share)

	2016 Full Year Results	2017 YTD Results	Variance Over 2016 YTD Results	2017 Full Year Guidance
Net Sales	\$1,231	\$1,063	+17%	+15.5% to +16.5%
Organic Sales			+11%	+10.5% to +11.5%
Operating Margin %	15.6%	15.1%	-40 bps	
Adjusted Operating Margin ⁽¹⁾	16.0%	15.2%	-90 bps	~15%
EPS (diluted):	\$2.48	\$2.17	+20%	\$2.83 to \$2.88
Adjusted EPS (diluted): ⁽¹⁾	\$2.53	\$2.17	+16%	\$2.84 to \$2.89
				+12% to +14%
Cash Conversion ⁽²⁾	125%			~100%

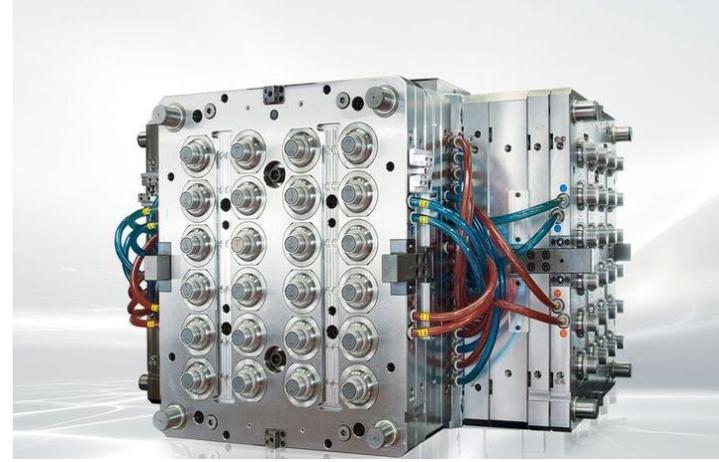
Key Factors in 2017 Guidance Range Include:

Low-End

- Global Auto Production Leveling; North America Declining
- Associated Spring Challenges

High-End

- + Sales Volume Leverage
- + Aero Aftermarket Strength



Additional information is
available at:

www.BGInc.com



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