

Effect of Revision Related to Donaldson's Gas Turbine Systems Products on Previously Issued Fiscal 2015 Interim Results

Donaldson Company, Inc. (NYSE: DCI) chose to revise its previously issued interim financial statements for fiscal 2015 following the conclusion of an independent investigation into the Company's revenue recognition practices in its European Gas Turbine business. The tables below illustrate the effect of the revision on revenue, gross profit, operating income and the associated rate-of-sales measures for the affected periods on the Gas Turbine Systems business, Industrial Products segment and total company. None of Donaldson's other business units were affected by this revision, and there was no net impact to the full-year 2015 results. For more information related to the investigation, please reference Donaldson's Annual Report on Form 10-K for the period ended July 31, 2015, which includes additional information related to the revision in Note O.

Revenue by Business Segment

	(millions of dollars)				
	Fiscal 2015				
	Q1	Q2	Q3	Q4	FY
As Previously Reported					
Gas Turbine Systems	\$31.1	\$63.9	\$35.8	\$56.2	\$186.9
Total Industrial Products segment	\$205.8	\$239.8	\$200.0	\$241.5	\$887.1
Total Company	\$596.5	\$596.9	\$568.0	\$609.8	\$2,371.2
Effect of Revision					
Gas Turbine Systems	\$0.0	(\$8.4)	\$7.6	\$0.8	\$0.0
Total Industrial Products segment	\$0.0	(\$8.4)	\$7.6	\$0.8	\$0.0
Total Company	\$0.0	(\$8.4)	\$7.6	\$0.8	\$0.0
As Revised					
Gas Turbine Systems	\$31.1	\$55.4	\$43.4	\$57.0	\$186.9
Total Industrial Products segment	\$205.8	\$231.4	\$207.6	\$242.3	\$887.1
Total Company	\$596.5	\$588.5	\$575.6	\$610.6	\$2,371.2

Total Company Profit Metrics

	(millions of dollars)					(percent of total company sales ⁽¹⁾)				
	Fiscal 2015					Fiscal 2015				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
As Previously Reported										
Gross Profit	\$209.1	\$205.5	\$192.0	\$202.0	\$808.6	35.0%	34.4%	33.8%	33.1%	34.1%
Operating Income	\$77.0	\$68.2	\$65.0	\$78.1	\$288.3	12.9%	11.4%	11.4%	12.8%	12.2%
Effect of Revision										
Gross Profit	\$0.0	(\$2.4)	\$2.1	\$0.3	\$0.0	0.0%	0.1%	-0.1%	0.0%	0.0%
Operating Income	\$0.0	(\$2.4)	\$2.1	\$0.3	\$0.0	0.0%	-0.2%	0.2%	0.0%	0.0%
As Revised										
Gross Profit	\$209.1	\$203.1	\$194.1	\$202.3	\$808.6	35.0%	34.5%	33.7%	33.1%	34.1%
Operating Income	\$77.0	\$65.8	\$67.1	\$78.4	\$288.3	12.9%	11.2%	11.7%	12.8%	12.2%

(1) Rates are calculated by dividing the applicable amount by total revenue in the respective period.

Note: All figures independently rounded.