



Franklin Electric

KeyBanc Conference
June 2008



“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995.

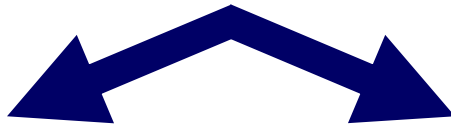
Any forward-looking statements contained herein, including those relating to the Company’s financial results, business goals and sales growth, involve risks and uncertainties, including but not limited to, risks and uncertainties with respect to general economic and currency conditions, various conditions specific to the Company’s business and industry, weather conditions, new housing starts, market demand, competitive factors, changes in distribution channels, supply constraints, technology factors, 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 30, 2006, 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.

Topics

- Overview – Strategy for Growth
- Review Recent Financial Performance
- Outlook

Strategic Focus

Premier Global Supplier of Pumping Systems and Components to the Residential, Agricultural and Commercial (RAC) Water Systems and Petroleum Equipment Distribution Channels

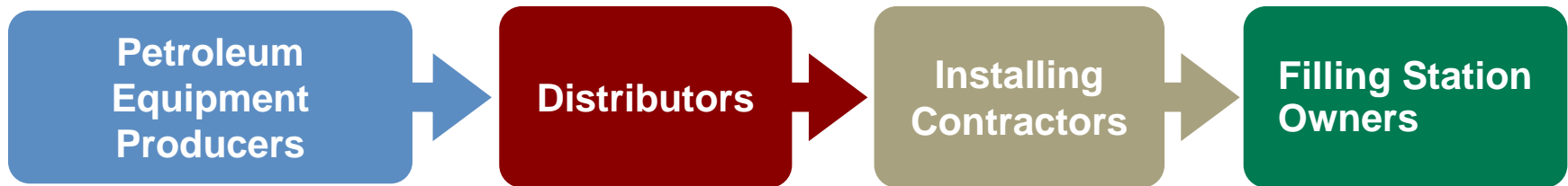


Strategic Focus

\$6.1 Bil Addressable Market



\$1 Bil Addressable Market



- Growing Global Demand
- Customers Value Reliability
- Franklin Brand Equity

Growth Strategy

Product Line Extensions and Geographic Expansion

Water Systems



Franklin
Submersible Motor
1950s



Motors, Controls
and Drives
1990s



Motors, Pumps, Drives
and Controls
2004



Adjacent Pumping
Systems
2006



Global
Sales
Opportunity

Fueling Systems



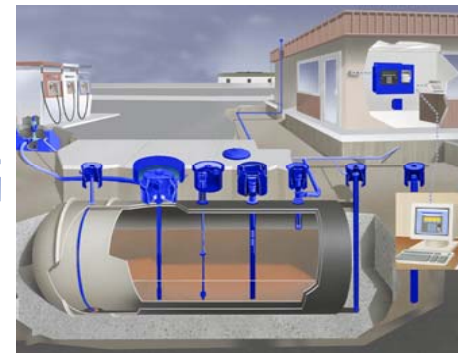
Franklin
Submersible Motor
1960s



FE Petro
Turbine Pump
1980s



FE Petro Turbine
and Drive
1990s



Adjacent Products
2000s

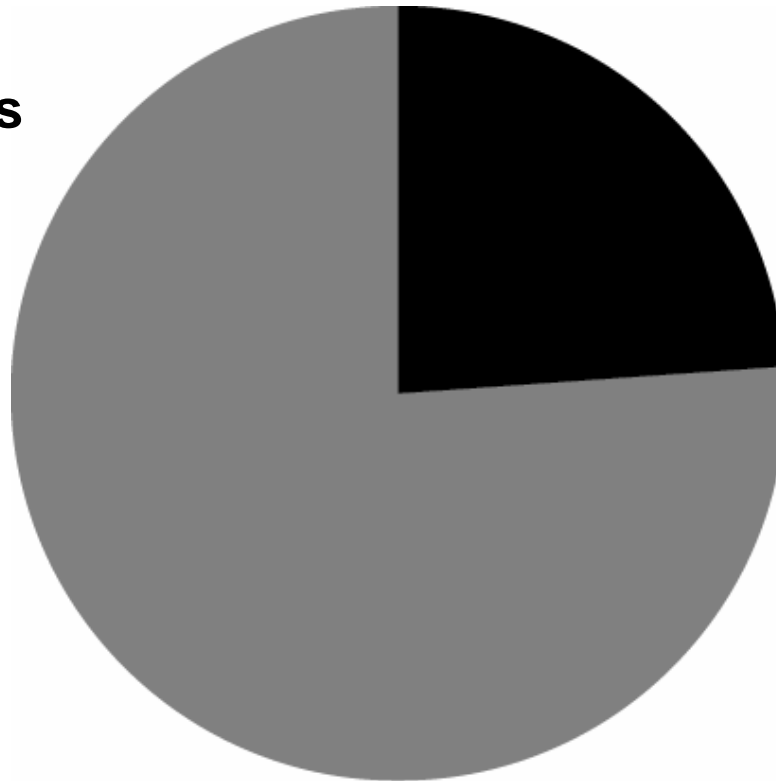


Global
Sales
Opportunity

Franklin Product Mix

Annualized Sales Run Rate Approx. \$750 mil

Water Systems
76%



Fueling Systems
24%

Water Systems

Core and Complimentary Products

Complimentary Pumping Systems

- Sump Pumps
- Condensate Pumps
- Sewage Pumps
- Utility Pumps
- Effluent Pumps
- Irrigation Pumps
- Pressure Boost Pumps

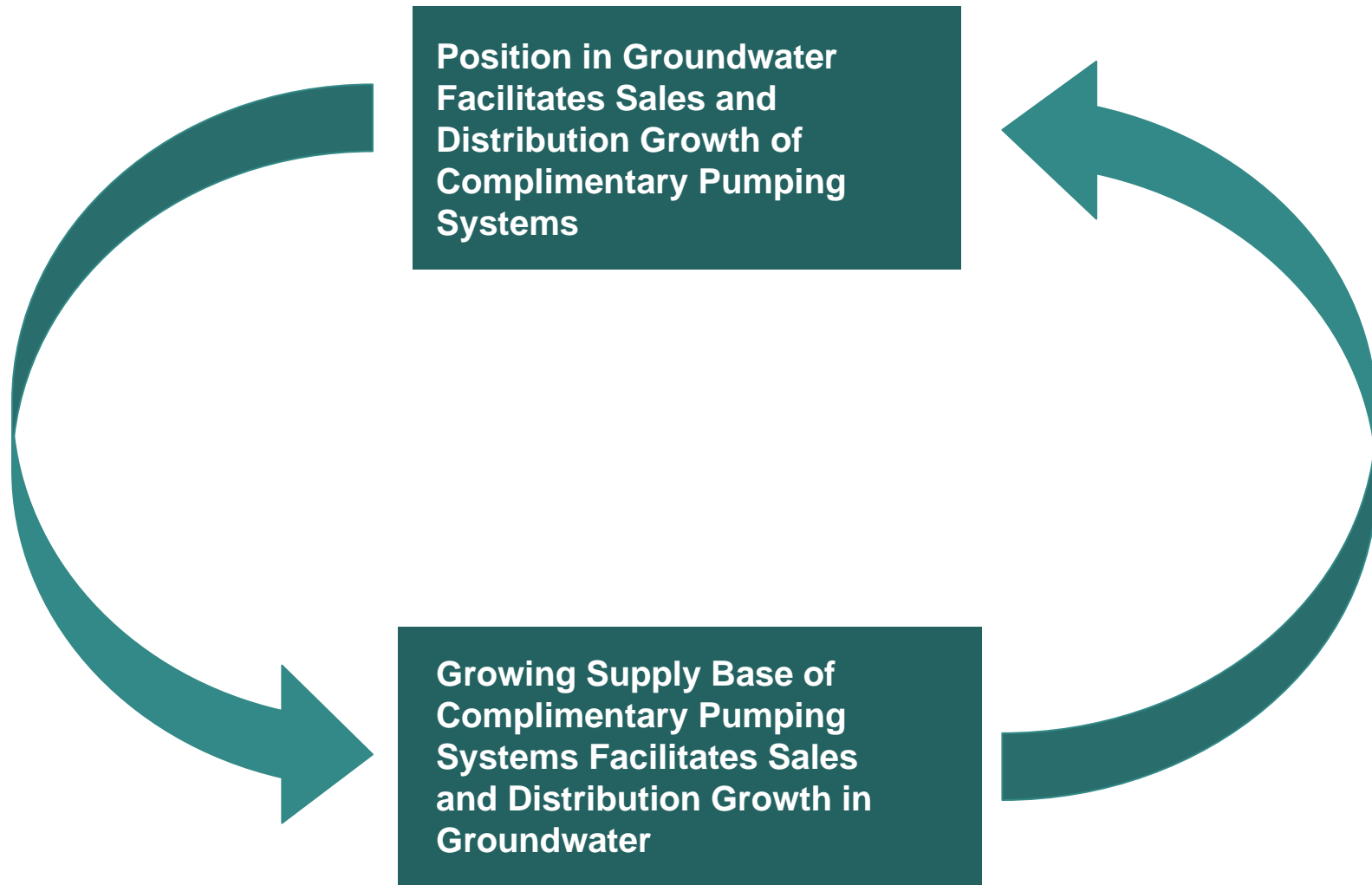
Total Addressable Market \$3.8 Bil

Core

Groundwater
Pumping Systems
Total Addressable
Market \$2.3 Bil

Business Dynamic

Groundwater Capability Facilitates Building Distribution and Sales of Complimentary Products and Vice Versa



Franklin Global Market Position

Groundwater Pumping Systems

	<u>% of \$2.3 bil Global Addressable Market*</u>
Franklin Electric	16-18%
Competitor A	11-13%
Competitor B	10-11%
Competitor C	9-11%
Competitor D	3-4%
All Others	44-50%
Total	100%

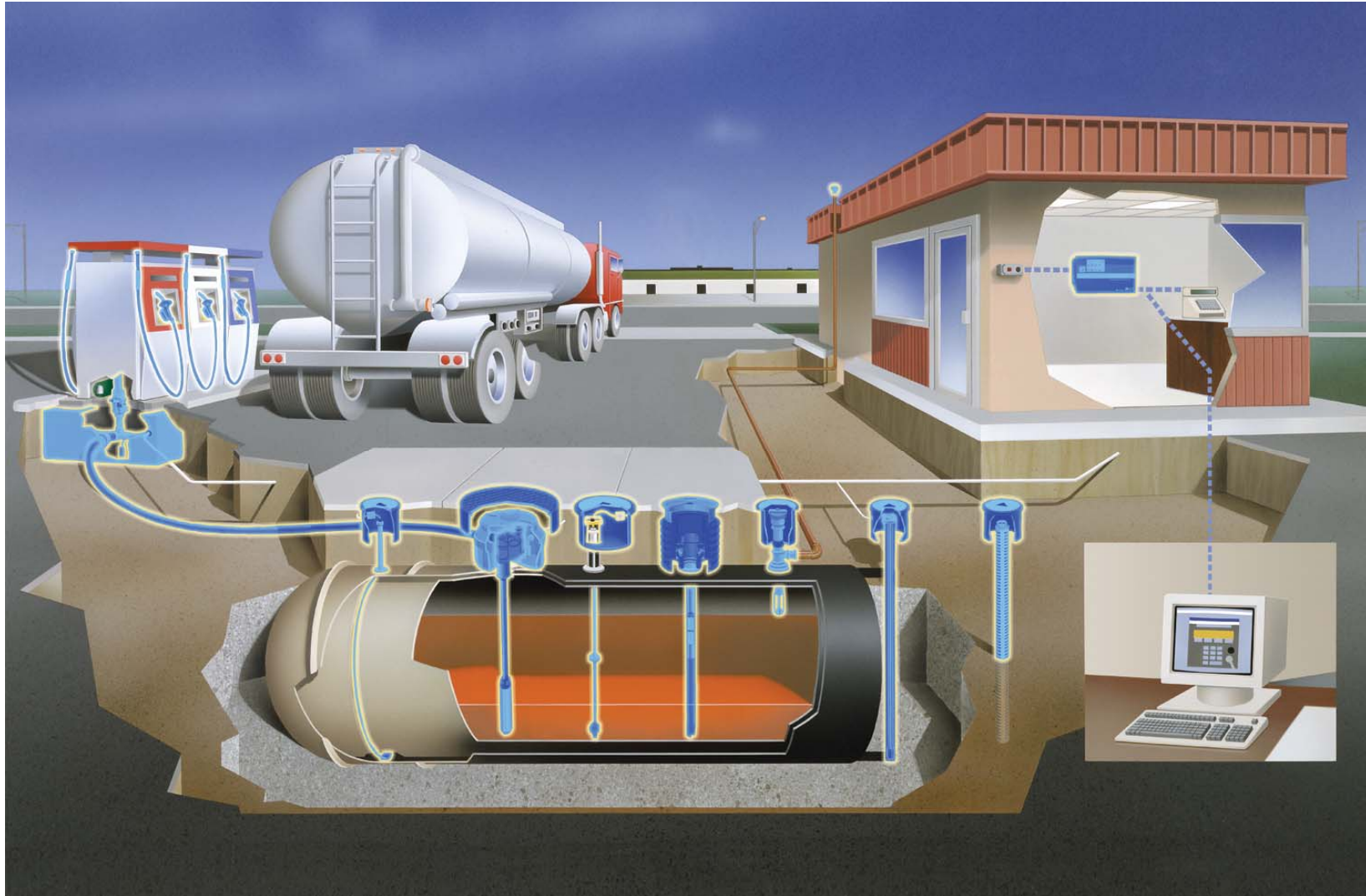
Franklin Global Market Position

Residential, Agricultural and Commercial Pumping Systems

	<u>% of \$6.1 bil Global Addressable Market*</u>	
Competitor A	13-16%	
Competitor B	10-12%	
Franklin Electric	9-11%	← 5-6% in 2004
Competitor C	6-8%	
Competitor D	2-3%	
All Others	53-59%	
Total	100%	

Fueling Systems

Product Line



Fueling Systems Growth

Process Control Products and Services:

- Vapor Control and Monitoring
- Variable Speed Pumping
- Leak Detection
- Inventory Control
- Product Adulteration Detection

Franklin Fueling Global Market Position

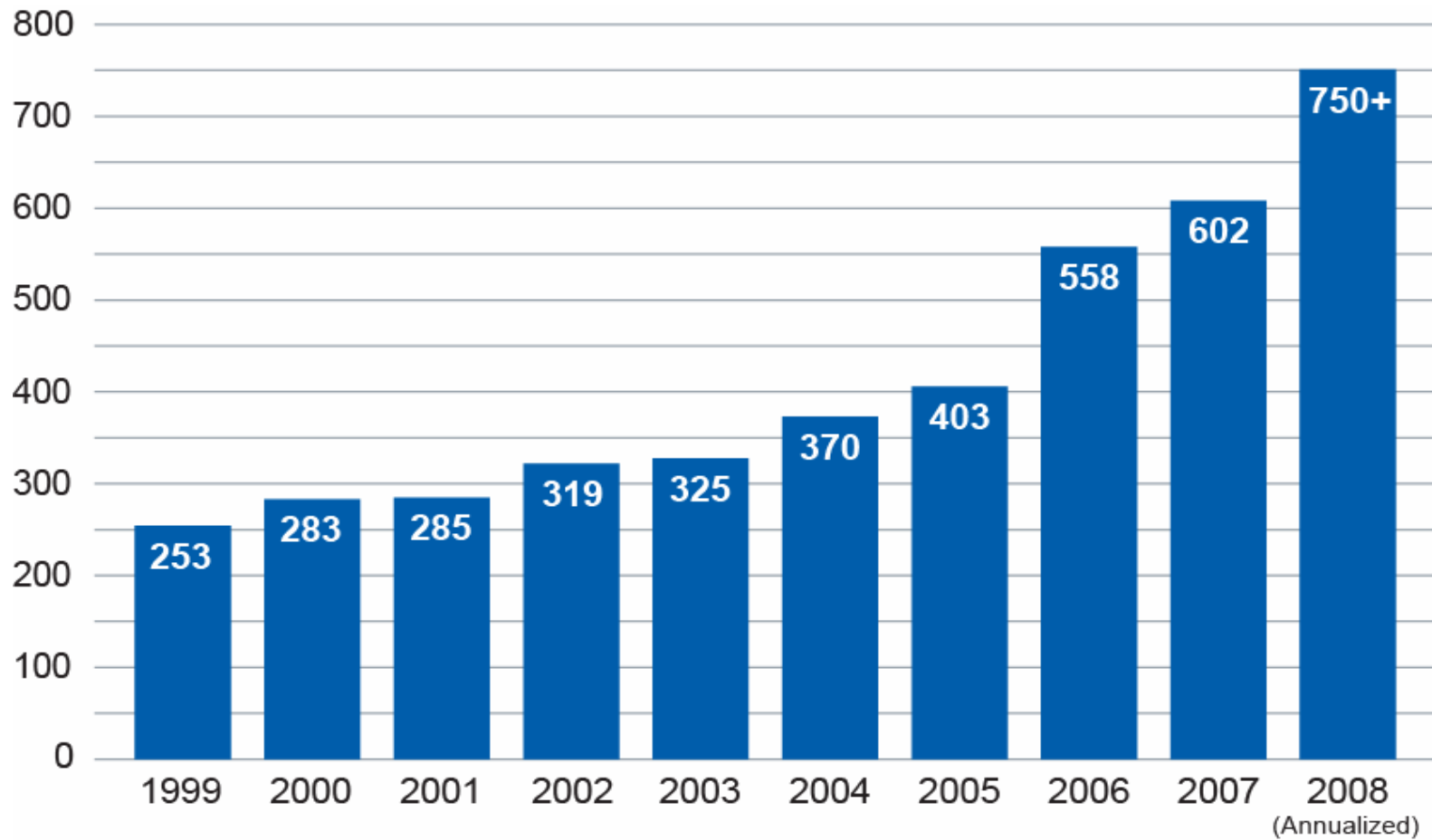
Fueling Equipment*

	<u>% of \$1 bil Global Addressable Market**</u>
Franklin Electric	17%
Competitor A	12-14%
Competitor B	10-12%
All Others	57-61%
Total	100%

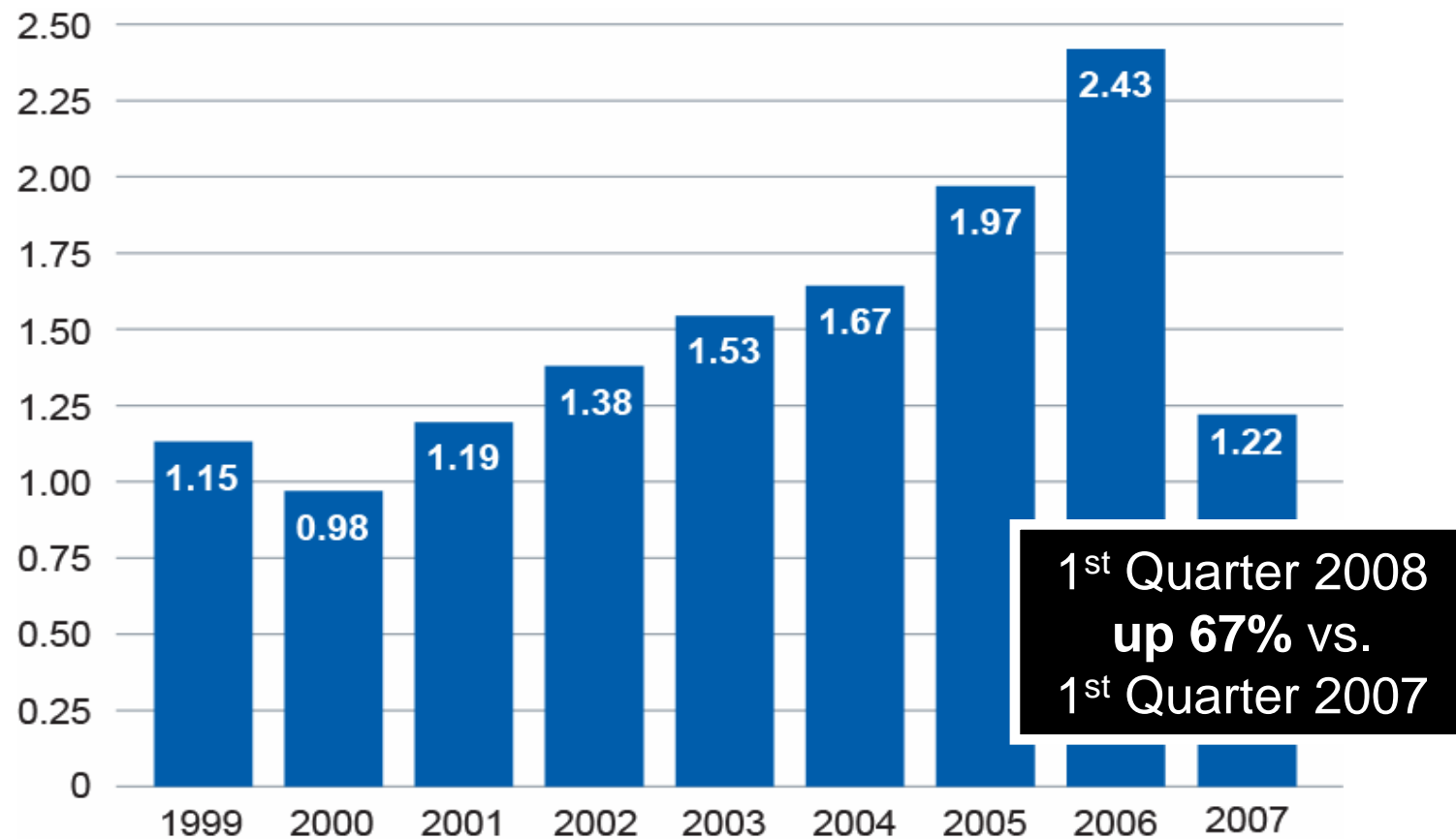
* Excludes Dispensing Systems

** Source – Franklin Management Estimates

Franklin Sales Growth

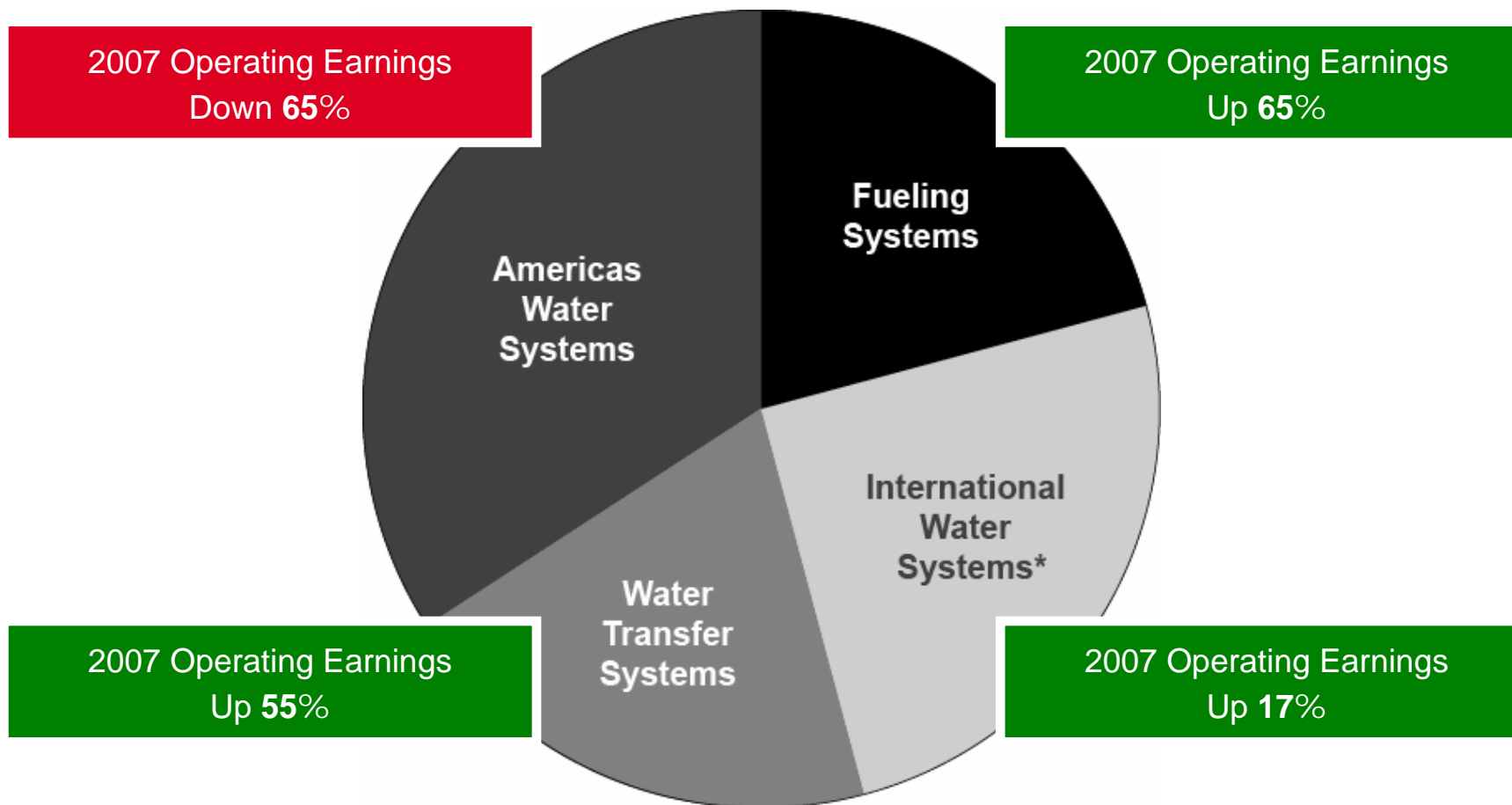


Franklin EPS



Franklin Operating Units

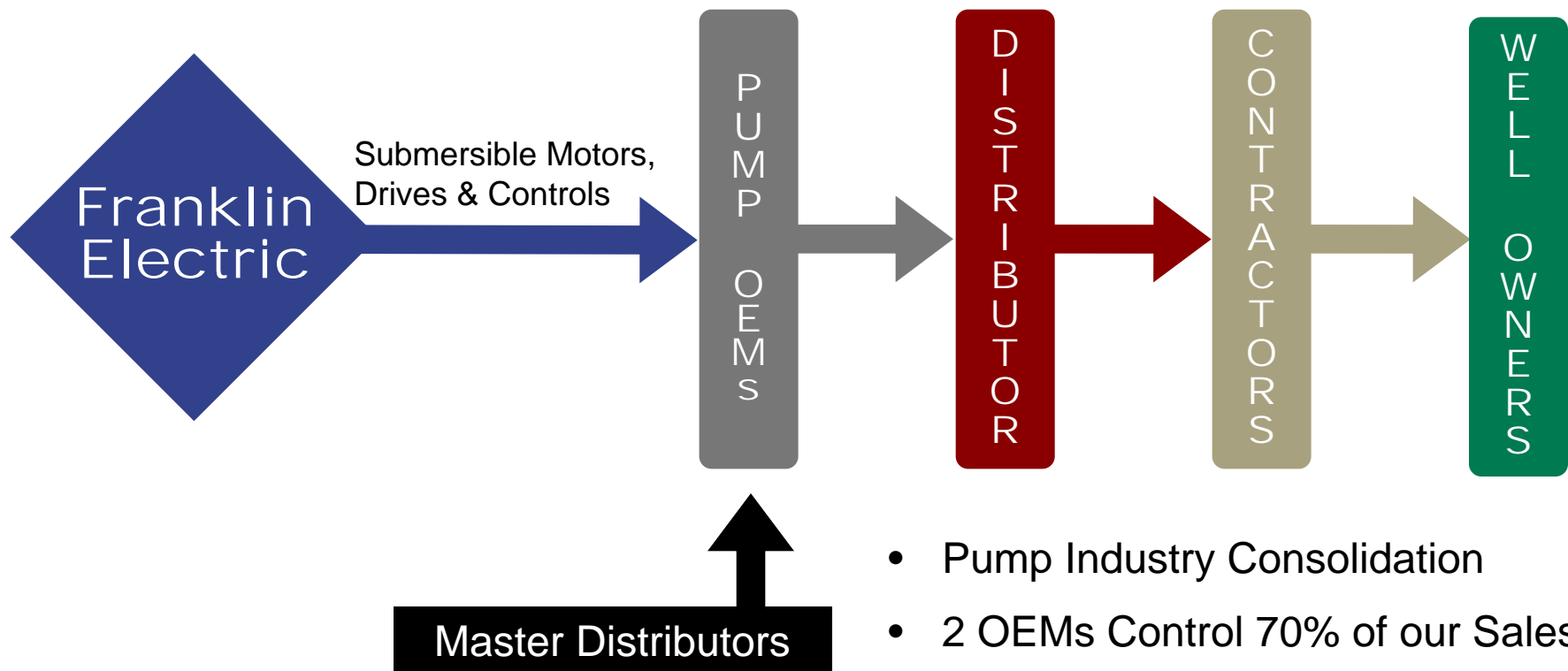
Sales Mix



* Asia/Pacific, Europa, South Africa

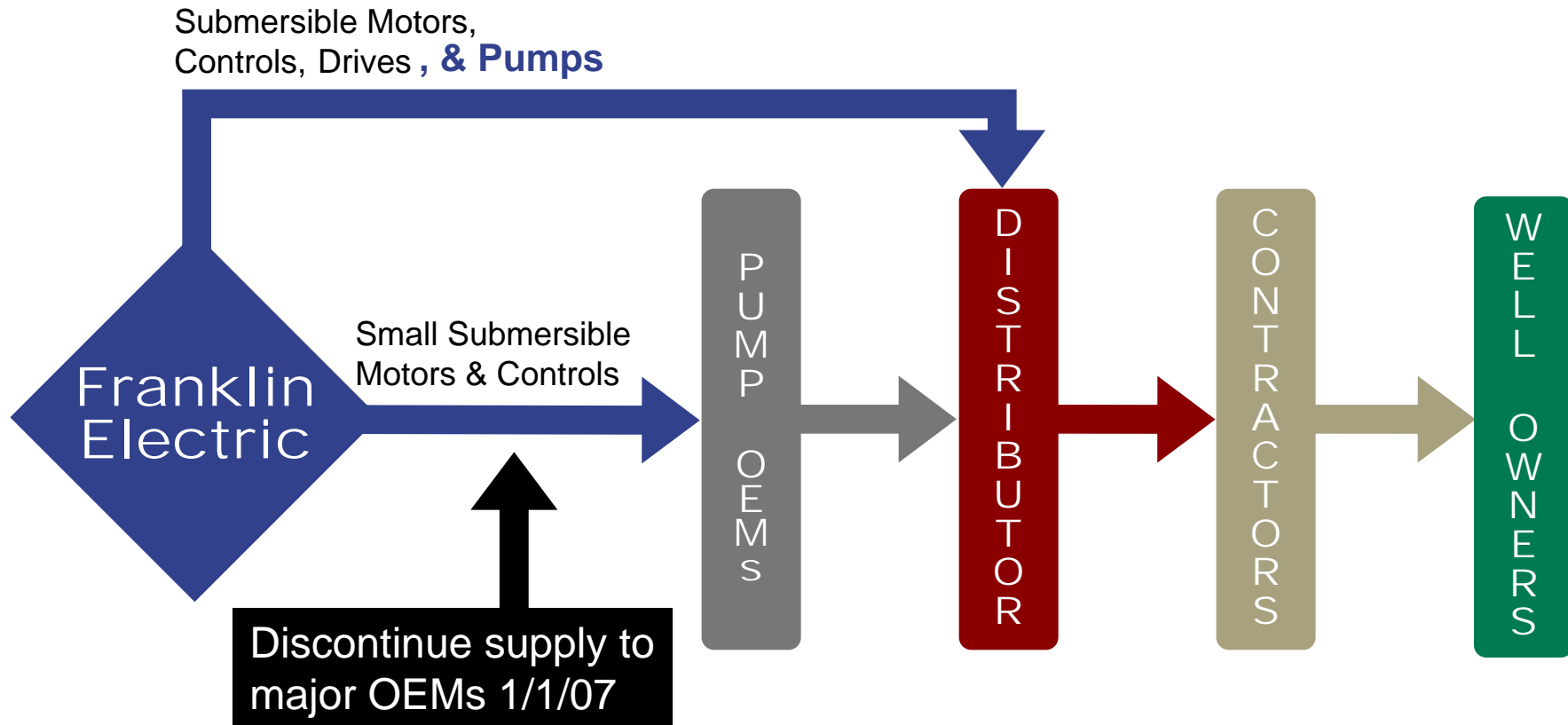
Americas Water Systems

Business Model Before 2004



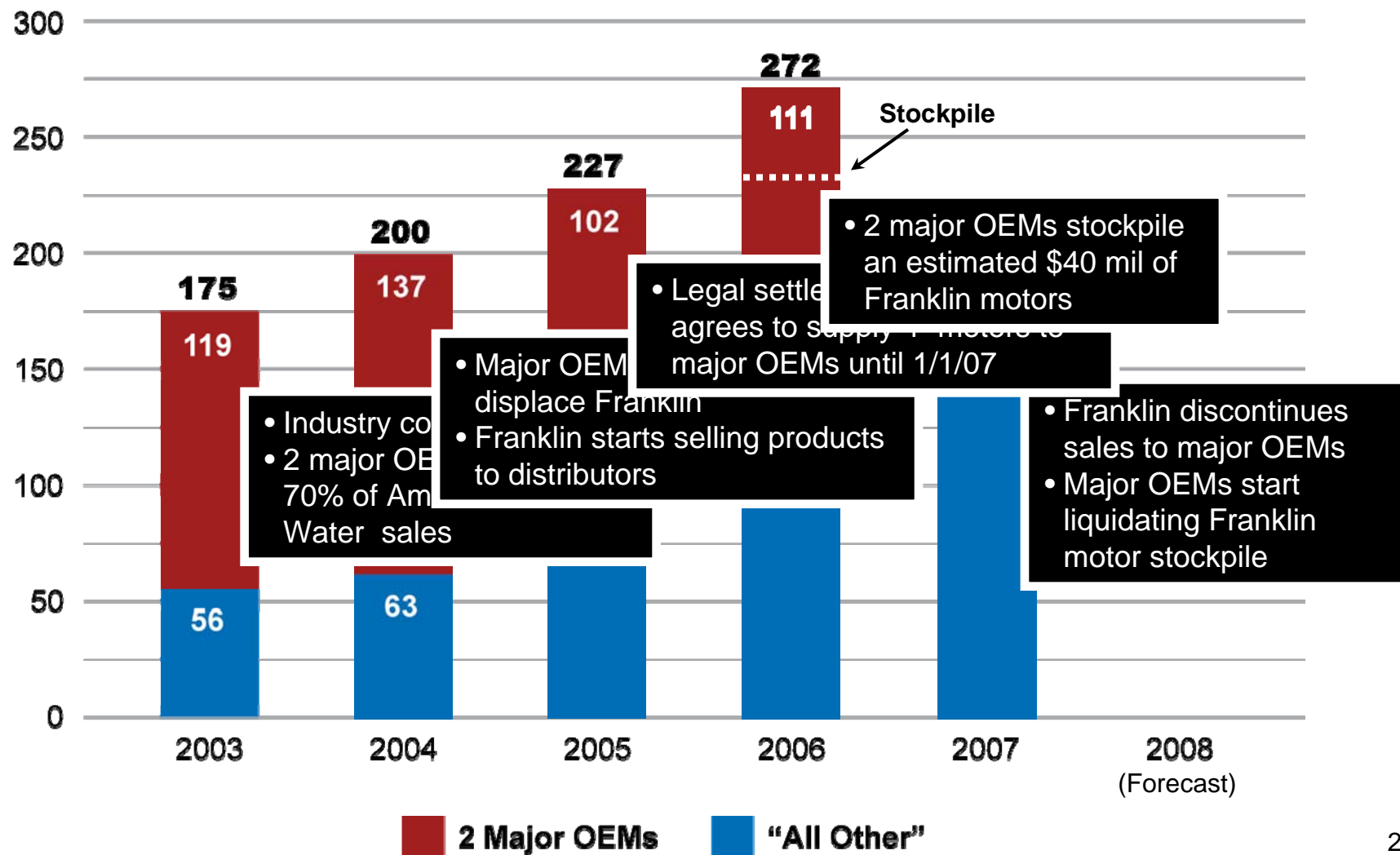
Americas Water Systems

Business Model After 2004



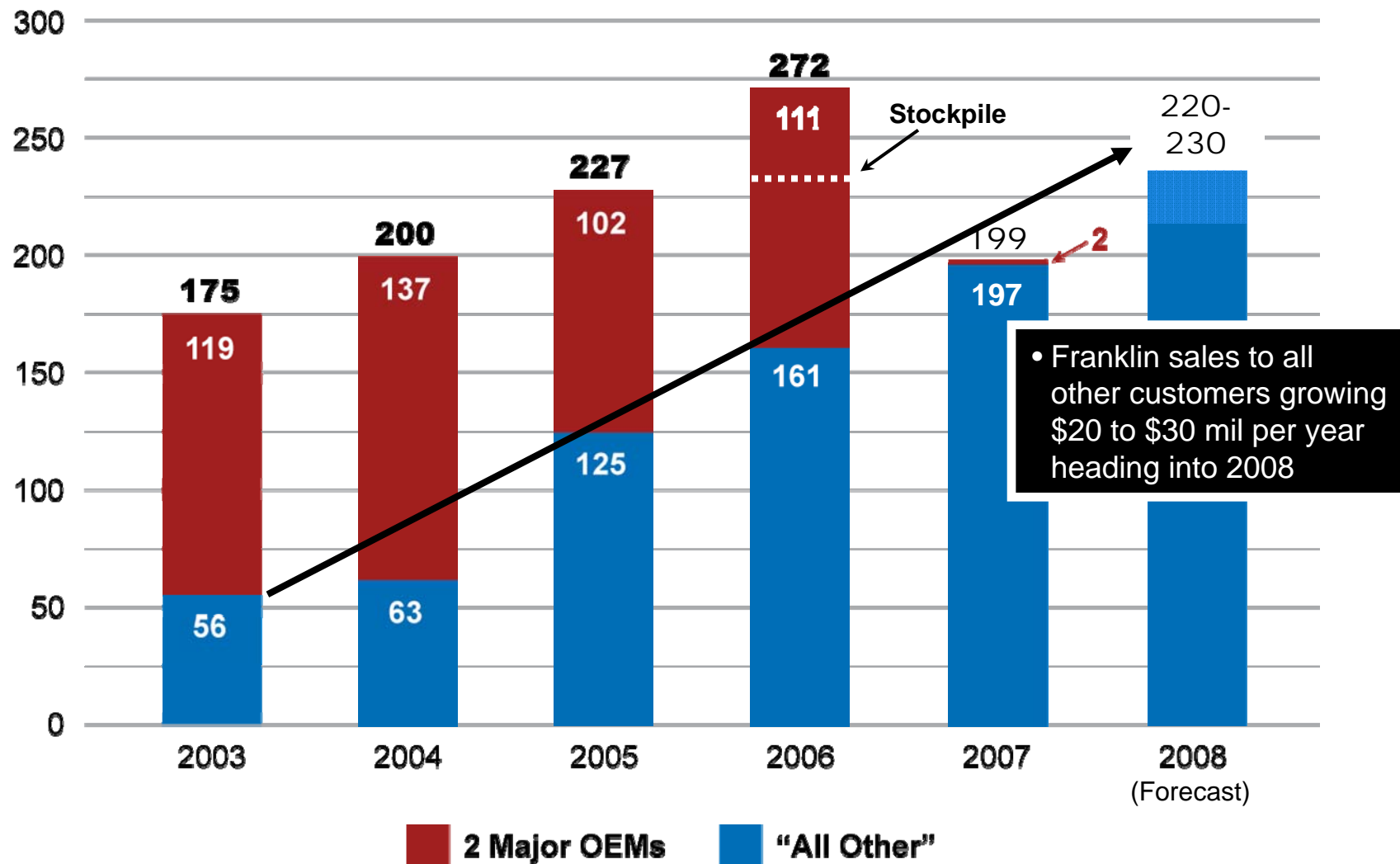
Americas Water Systems

Sales Mix



Americas Water Systems

Sales Mix



North America Water Systems Industry

4" Pump/Motor + Pump End Shipments (Units*)

	<u>2006</u>	<u>2007</u>	<u>% change</u>
Total Industry (WSC)	989,000	884,000	(10.6%)

2007 Franklin Shipments Up 32% 

2007 2 Major OEMs Estimated Down 25% 

Response:
Price Discounting

2007 New Product and Facility Initiatives

TRI-SEAL



VersaJet



**New Linares
Pump Plant**



**Madison
Consolidation**



**Grant County
Expansion**

2007 Earnings Performance

- Fueling, International Water and Water Transfer Systems Operating Earnings
 - **Up 46%**
- Americas Water Systems Issues:
 - Stockpile Liquidation
 - Housing Recession
 - Strategic Initiatives

2008 Earnings Improvement

- Organic Sales Growth
- Fixed Spending Leverage
- Cost Reduction Initiatives
- Accretive Acquisitions

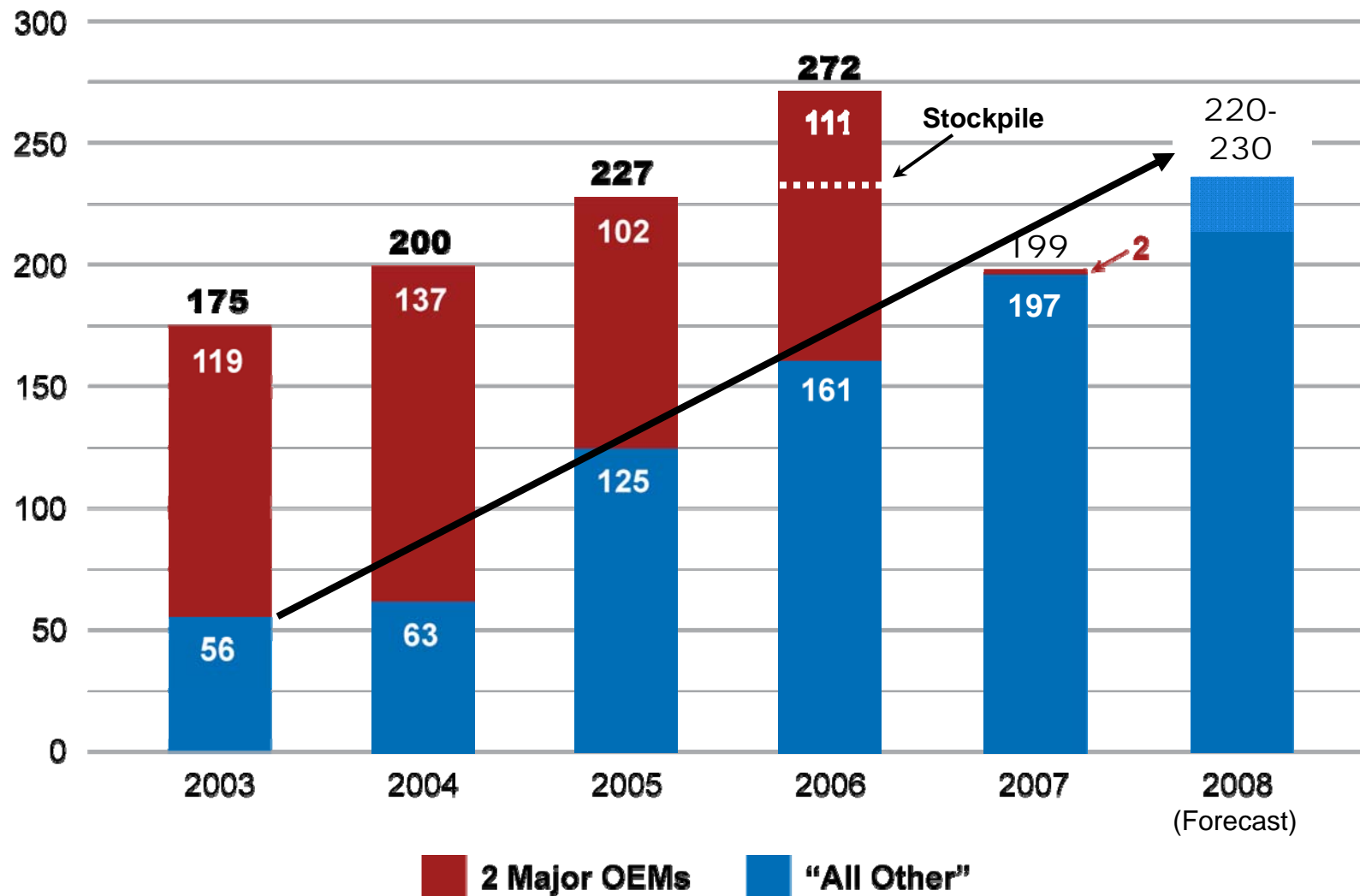
2008 Earnings Improvement

Organic Sales Growth

	2008 Organic Sales Growth Guidance	2008 1st Quarter
Global Water Systems	10%	12%
Fueling Systems	30%	31%
Total	12%	17%
 Overall Sales Growth (including acquisitions)	 25%	 34%

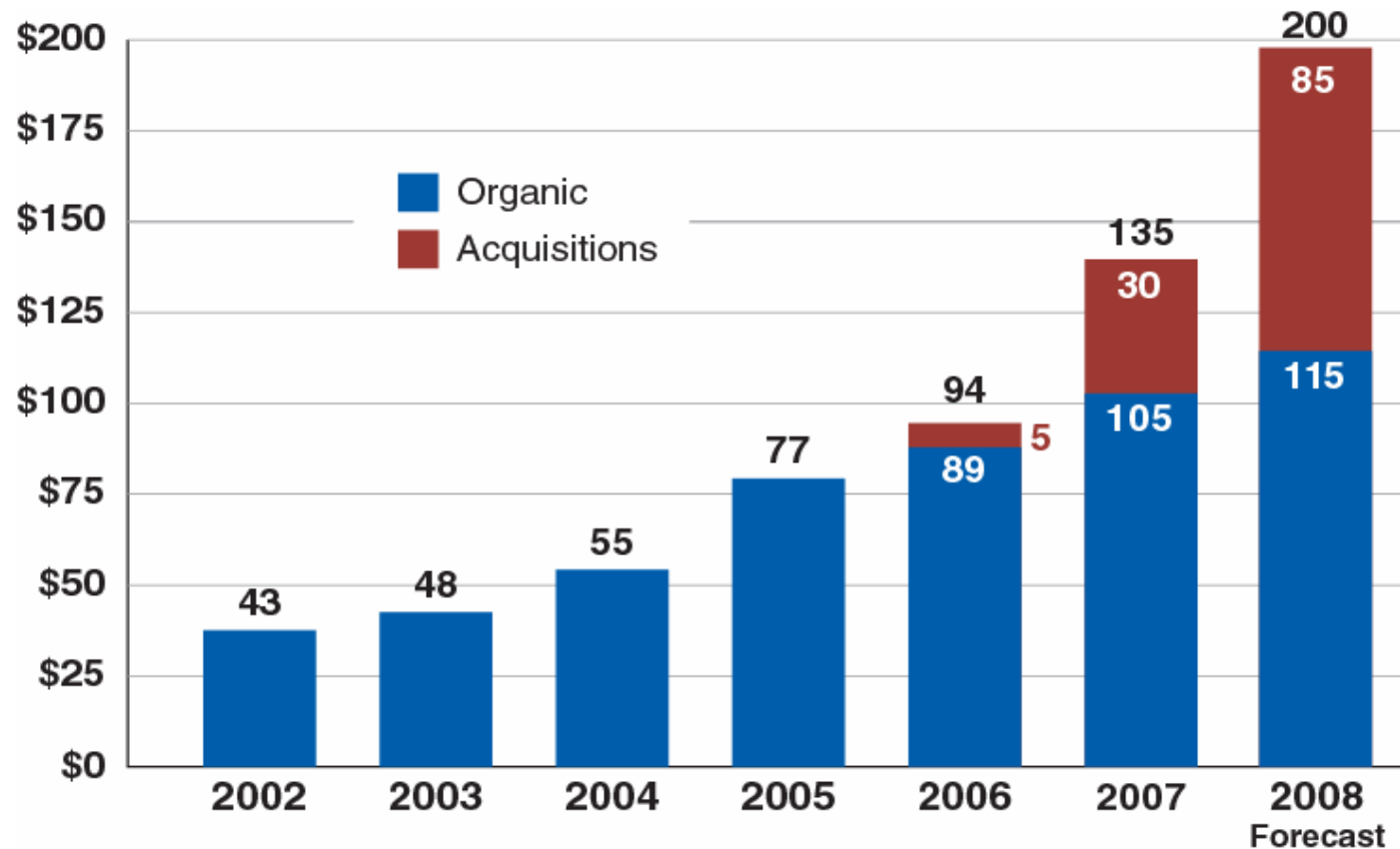
Americas Water Systems

Organic Sales Growth



Water Systems Sales in Developing Regions*

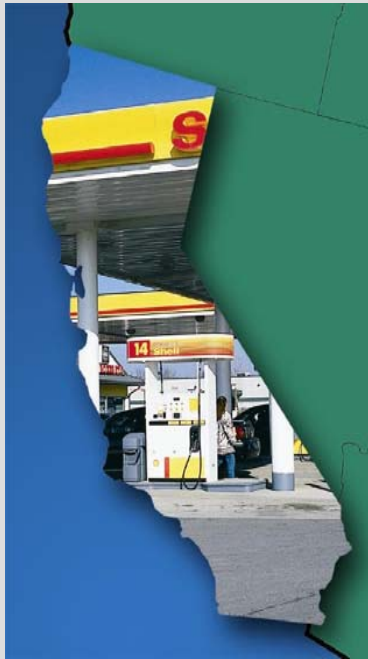
2002 – 2008 Forecast (\$ 000s)



* Latin America/Brazil, Asia/Pacific, Middle East, Africa, Eastern Europe

Fueling Systems Organic Sales Growth in 2008

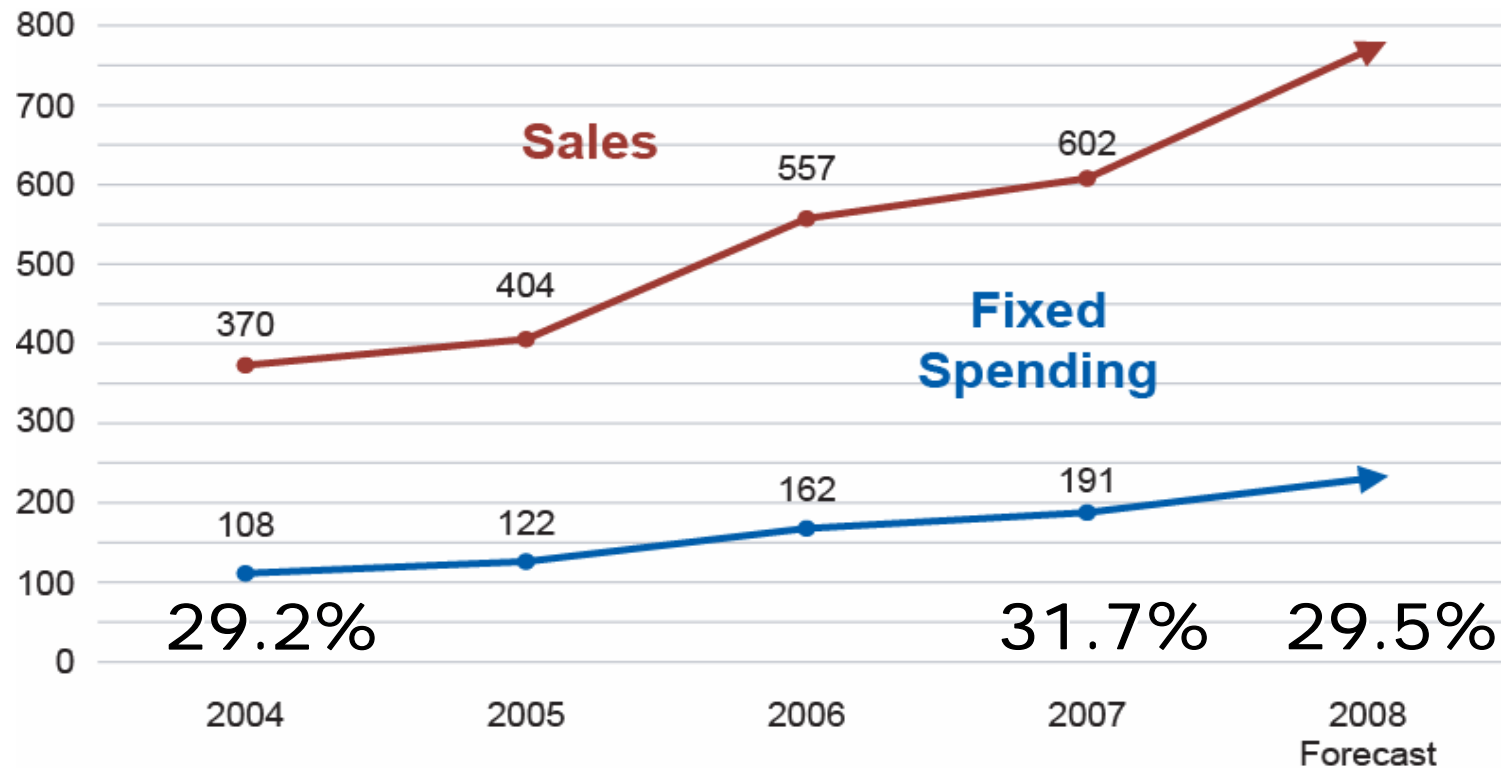
Environmental Legislation – California Vapor Control Regulations



- **Vapor Control System Purchases**
4/30/08 to 4/30/09 - \$135 mil*
- **Vapor Monitoring System Purchases**
4/30/08 to 10/1/10 - \$60 mil*
- **Franklin 1 of Only 2 Approved Suppliers**
- **Other Countries/Municipalities May Follow**

2008 Earnings Improvement

Fixed Spending Leverage* (\$ mil)



\$14 - 17 mil Cost Improvement

* Fixed Spending = (SG & A Spending – Sales Commissions) + Fixed Manufacturing Spending + Restructuring Spending

2008 Earnings Improvement

Cost Reduction Initiatives Start to “Kick In”

- Transition to New 4” Pumps Complete (2nd Qtr. 2008)
- New Linares, Mexico Pump Plant Start-up (2nd Qtr. 2008)
- Fueling Consolidation in Madison (4th Qtr. 2007)
- Wittlich & Siloam Springs Rightsizing (During 2007)

\$7 - 10 mil Cost Improvement

2008 Earnings Improvement

Accretive Acquisitions

JACUZZI.

ORBIT
PUMPS

JESCO

ROEVAC

MONO Pumps

ROTORFLO.

NORMAFLO

SUPER D

TSUNAMI

WATER HORSE



PROFESSIONAL
Series

HOME
PLUMBER

SCHNEIDER
MOTOBOMBAS

RED LION

Pump Brands
(Southern Africa)

Sales \$35 Mil

Monarch Pumps
(Canada & US)

Sales \$33 Mil

Bombas Schneider
(Brazil)

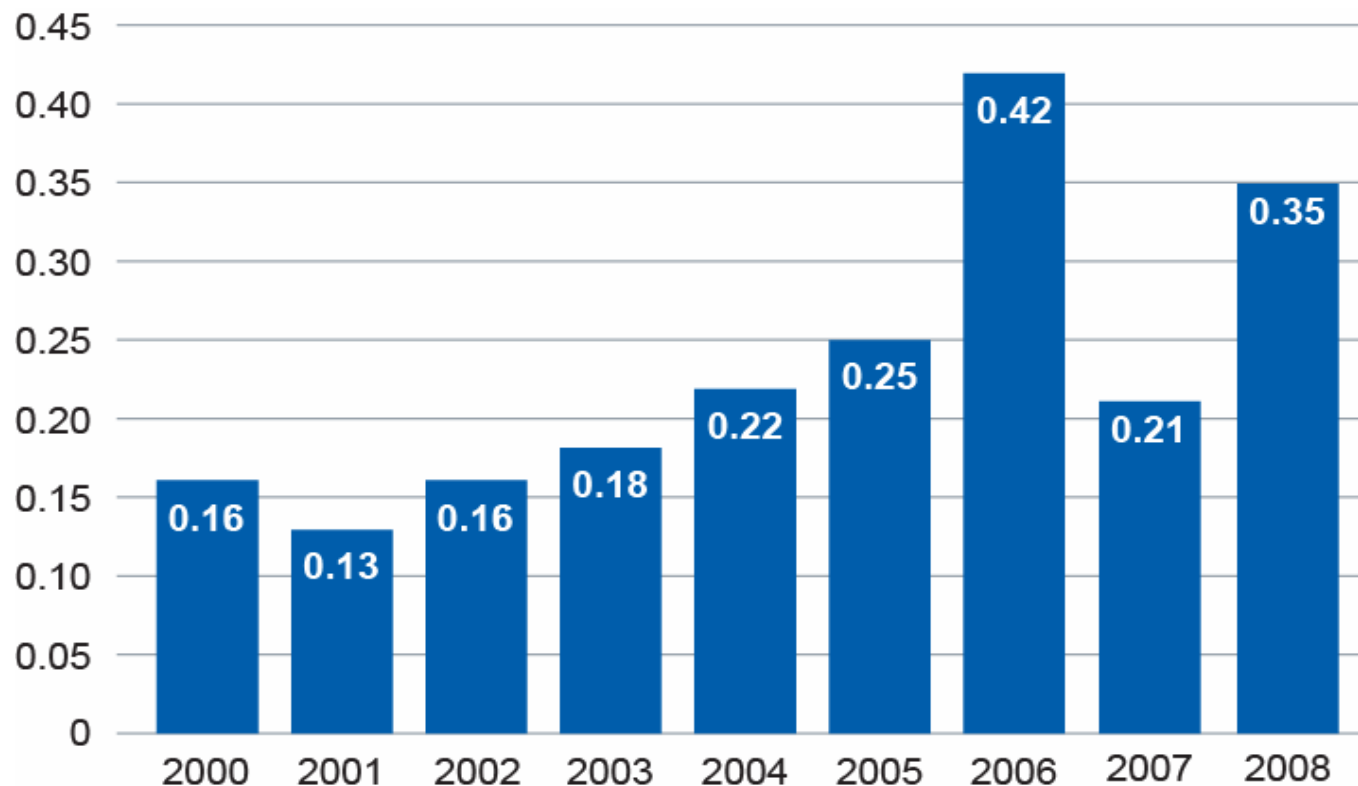
Sales \$44 Mil

2008 Earnings Impact

- 10% Organic Growth – Water
- 30% Organic Growth – Fueling
- Fixed Spending Leverage (220 BPS)
- Payback on Strategic Initiatives
- Accretive Acquisitions

1st Quarter EPS

2000 – 2008



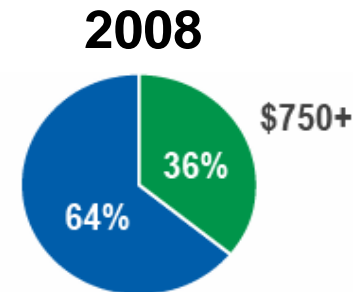
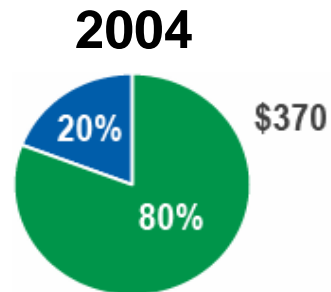
- **Raw Material and Freight Inflation**

Franklin Changing Global Profile

(\$ mil)

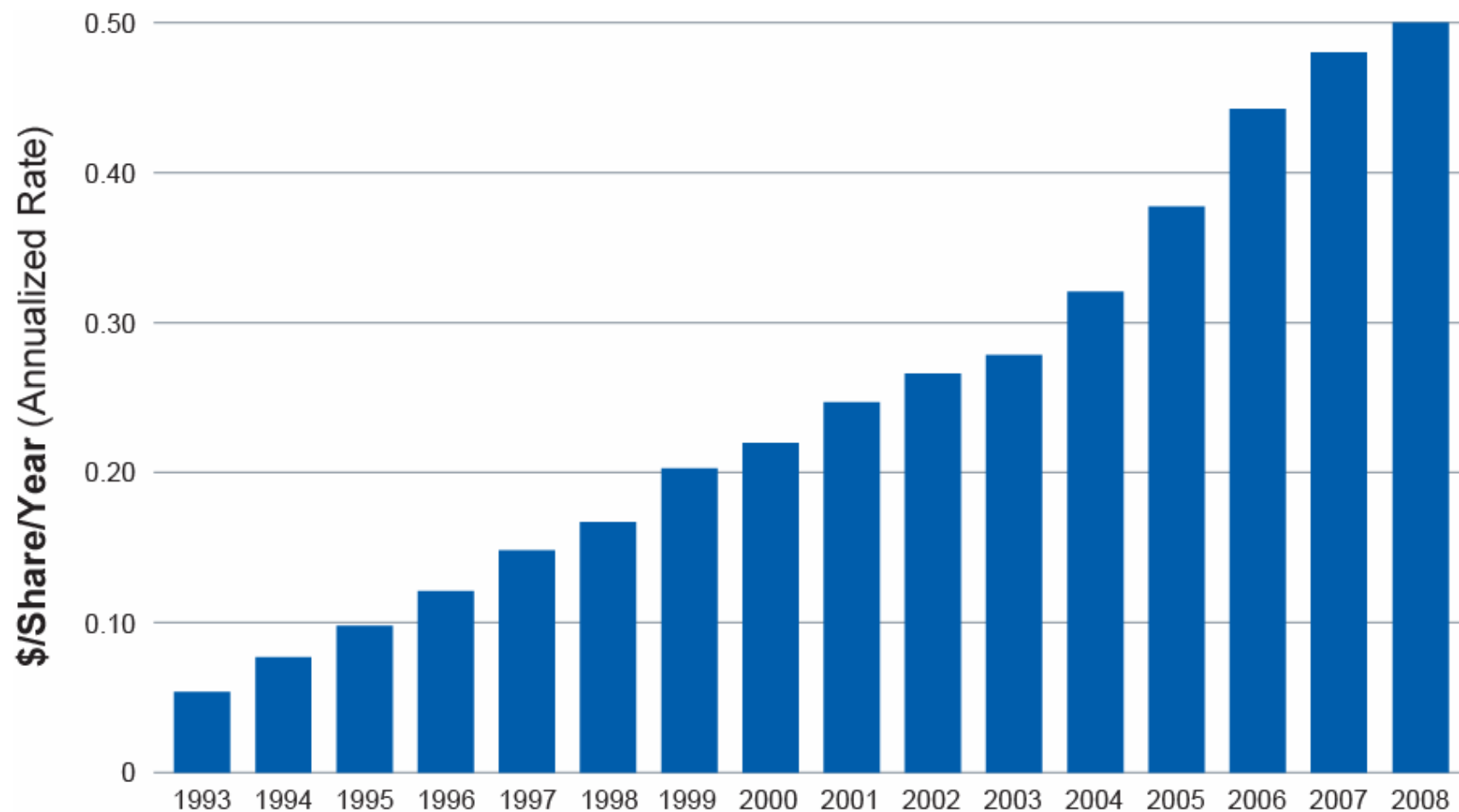
Products

-  Motors
-  Pump Systems/Components



Franklin Electric Dividend History

2008 – Dividend Increased for 16th Consecutive Year





Franklin Electric

