FORTIVE

First Quarter 2020 Earnings Release

April 30, 2020

FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

Statements in this presentation that are not strictly historical, including statements regarding the future impact of the COVID-19 pandemic on our financial condition and our operations on a consolidated basis and by operating company and product group, the Company's ability to execute on cost reduction measures effectively, the Company's anticipated earnings, business and acquisition opportunities, timing and structure of the separation of Vontier, timing of acquisitions, dispositions and other transactions, anticipated revenue growth, anticipated operating margin expansion, anticipated cash flow, economic conditions, future prospects, and any other statements identified by their use of words like “anticipate,” “expect,” "believe," “outlook,” “guidance,” or “will” or other words of similar meaning are “forward-looking” statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things: the duration and impact of the COVID-19 pandemic, deterioration of or instability in the economy, the markets we serve, international trade policies and the financial markets, changes in trade relations with China, contractions or lower growth rates and cyclicality of markets we serve, competition, changes in industry standards and governmental regulations, our ability to successfully identify, consummate, integrate and realize the anticipated value of appropriate acquisitions and successfully complete divestitures and other dispositions, our ability to separate into two independent, publicly traded companies on a timely basis and with the intended benefits, our ability to develop and successfully market new products, software, and services and expand into new markets, the potential for improper conduct by our employees, agents or business partners, contingent liabilities relating to acquisitions and divestitures, impact of the phase out of LIBOR, impact of changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, political, legal, compliance and business factors, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, the impact of our debt obligations on our operations, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, our ability to adequately protect our intellectual property rights, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, labor matters, and disruptions relating to man-made and natural disasters. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarters ended March 27, 2020. These forward-looking statements speak only as of the date of this presentation and Fortive does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

This presentation contains references to "adjusted revenue," "adjusted operating profit margin (adjusted margins)," "adjusted net earnings from continuing operations," "adjusted diluted net earnings per share (adjusted EPS)," "core revenue growth (core growth),” “core operating margin expansion (core OMX),” “free cash flow," "adjusted free cash flow," "free cash flow conversion," "adjusted free cash flow conversion," "adjusted gross profit," "adjusted gross profit margin," "adjusted diluted shares outstanding," and "adjusted effective tax rate," which are, in each case, not presented in accordance with generally accepted accounting principles (“GAAP”).

Information required by Regulation G with respect to such non-GAAP financial measures are provided herewith.

We completed the divestiture of our Automation and Specialty Business ("A&S Business") on October 1, 2018, and accordingly have included the results of the A&S Business as discontinued operations for historical periods. The results presented in this presentation are based on continuing operations.

The historical non-GAAP financial measures should not be considered in isolation or as a substitute for the GAAP financial measures but should instead be read in conjunction with the corresponding GAAP financial measures.

COVID-19 RESPONSE

Proactive Response to Keep Our Employees Safe and Help the Fight Against COVID-19

- **Agile response managed via centralized COVID-19 task force - <u>Highest priority remains health and safety of our team</u>**
  - Learnings from daily management in China (Jan/Feb) quickly adapted and applied for global response
  - Rapidly shifted approximately two-thirds of our personnel to work from home in early March
  - Establishment and dissemination of revised safety protocols for continued operation of our essential facilities

- **OpCo teams driving innovation and ramping up production of relevant products to help in the fight against COVID-19**
  - ASP received Emergency Use Authorization (EUA) to decontaminate N95 respirators using existing STERRAD installed base
  - Accruent launched several resources to aid hospitals and medical facilities with critical COVID-19 tracking and maintenance data
  - Fluke converted some capacity in Everett to produce face shields for protection against the spread of the virus
  - Fluke Health Solutions (FHS) and Gems working with ventilator equipment manufacturers to expedite ventilator supply - Gems quickly increased ventilator component production capacity by 60x

- **FBS Office quickly adapted to virtual environment - supporting continuous improvement and problem solving remotely**
  - Massive adoption and dissemination of e-learning for FBS tools throughout the organization
  - FBS toolkit has been taken virtual - Kaizens, Obeya room process, visual daily management, etc
  - FBS support critical to on-time delivery of first phase of ERP implementation at ASP - completed on-time April 1

COVID-19 RESPONSE

Aggressive Cost Actions and Emphasis on Cash Flow

- **Immediate and decisive actions to right-size our cost base**
  - Lowering of direct labor and salaried expense, primarily through the use of furloughs
    - Senior leadership of Fortive and Vontier leading from the front with salary reductions (CEO & BoD: -30%; Executive Officers: -15%)
  - Significant cuts across a wide range of discretionary spending
  - Additional levers to pull if needed - much of these cost reductions are front-loaded, particularly in Q2; will take additional actions if necessary

- **Working with our supply chain to reduce costs and understand pinch points**
  - Aggressive cost actions targeting direct and indirect spend
  - In regular dialog with our suppliers to understand how they are faring, and how we can help, while ensuring we are getting appropriate pricing
  - Proactively managing sourcing to understand availability of supply - working with our suppliers to ensure supply is available when/where we need it

- **Emphasis on diligent working capital management and cash flow**
  - Reduced working capital balances expected to provide key source of cash - emphasizing cash collections
  - Inventory management to match topline decline is key

- **Staying close to customers to understand demand trends and meet their needs**
  - Assessing risk in our customer base and carefully managing terms with our customers

At Least $300M of Anticipated Incremental Savings in 2020

Q1 2020 FINANCIAL PERFORMANCE

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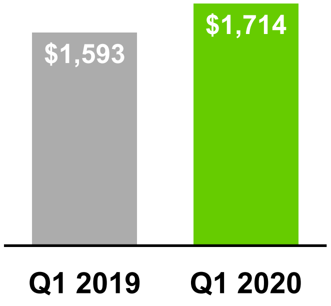
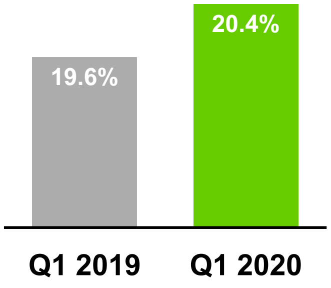
Summary of Key Financial Items

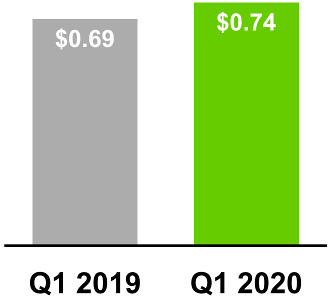
Revenue ($M)



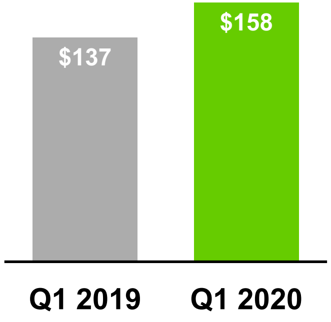
Adjusted Operating Profit Margin (%)



Adjusted Diluted Net Earnings Per Share ($)*



Free Cash Flow ($M)*



- **Core growth: (3.8)%**
  - Price: 0.7%
- **Acquisitions: 13.0%**
- **FX: (1.6)%**
- **Total Growth: 7.6%**

- **Adjusted Margins +80bps Y/Y**
  - Core OMX: 150bps
  - Acquisitions: (70)bps
- **PI Adjusted Margin: 23.2%**
- **IT Adjusted Margin: 19.3%**

- **Adjusted EPS +7.2% Y/Y**
- **Growth driven by strong margin performance at both PI and IT**
  - Strong margin performance offset headwinds from tax and FX

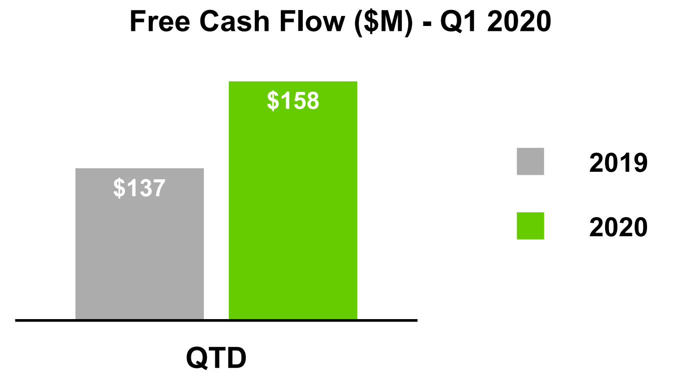
- **FCF: +15% Y/Y**
- **373% Conversion of GAAP Net Earnings**
- **60% Conversion of Adjusted Net Earnings**

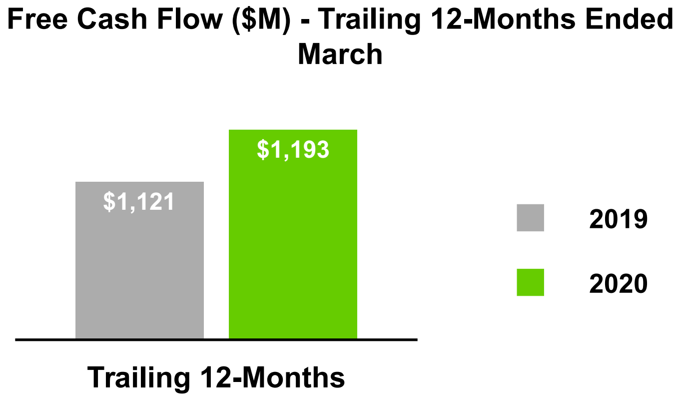
* From Continuing Operations

Q1 2020 FINANCIAL PERFORMANCE*

Cash Flow

- **Q1 2020:**
  - **Free Cash Flow:** $158 million (+15% versus Prior Year)
  - **FCF Conversion:** 373% of GAAP Net Earnings; 60% of Adjusted Net Earnings
- **Trailing 12-Months:**
  - **Free Cash Flow:** $1.2 billion**
  - **FCF Conversion:** 198% of GAAP Net Earnings; 94% of Adjusted Net Earnings





* From Continuing Operations
** 2020 Trailing 12-months free cash flow reflects ~$100M headwind from ASP working capital build in 2019

Segment Detail

PROFESSIONAL INSTRUMENTATION

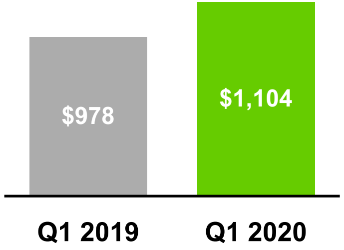
Q1 Performance Overview

- **Fluke core revenue declined HSD:** North America (-LSD), W. Europe (-LDD) and China (-HSD) impacted by lower demand due to COVID-19, offset by increased demand for Industrial Imaging products
  - **North America** POS -MSD, with some deterioration seen thus far in April; **China** POS +LSD overall, but +LDD in March driven by demand for Industrial Imaging products; **Western Europe** POS -HSD with deterioration through the quarter
  - Continued strength at Fluke Digital in Q1
- **Tektronix core revenue declined Mid-Teens:** POS down High-Teens, with deterioration later in the quarter
  - Weakness across products businesses, but relative stability in the services business; Expecting significant Q2 challenges from supplier shutdowns and customers restricting site visits
- **ASP declined LSD:**
  - In China, elective procedure volumes down significantly in Q1, but began to recover in March
  - Likewise, Europe and U.S. impacted by elective procedure deferrals - expecting pressure to continue in Q2
- **Software businesses held up well in Q1 - most noticeably Gordian (+LDD), Intelex (+HSD) and iNet (+HSD)**

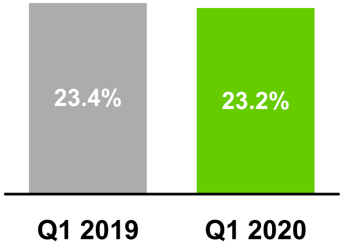
Revenue ($M)

Total Growth: 13.0%

- Core: (7.2)%
- Acquisitions: 21.3%
- FX: (1.1)%



Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 23.2%

- Core OMX: 130bps
- Acquisitions: (150)bps

INDUSTRIAL TECHNOLOGIES

Q1 Performance Overview

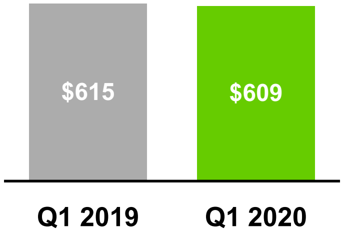
- **GVR grew MSD:** 20%+ growth in North America, driven by EMV, partially offset by significant decline in China
  - North America saw strong EMV orders through the end of the quarter; expecting some topline pressure in Q2 from COVID-19 impact
  - Western Europe (-HSD) due to tough comp in the prior-year period; Orders impacted by COVID-19 lockdowns - expected to impact topline in Q2
  - China (down 40%+) impacted by Jan/Feb shutdowns, as well as a tough compare from double-wall tank upgrades in the prior-year period
    - Y/Y orders lighter in Q2, but Q2 is showing signs of sequential improvement versus Q1 driven by Multinational Oil Companies (MOCs)
  - India (down 40%+) seeing delays in customer investments and difficulties in accessing customer sites, with an expectation of improvement in H2

- **Matco declined LSD:** Strong start to the quarter but saw a pronounced deterioration in demand in the last 2-weeks of March
  - Strong Expo event in early-March with record order volume highlighted by growth in the cordless power tools category
  - Lockdowns and stay-at-home orders impacting franchisees' ability to access customers, and reduction in miles driven leading to less demand for vehicle repair work

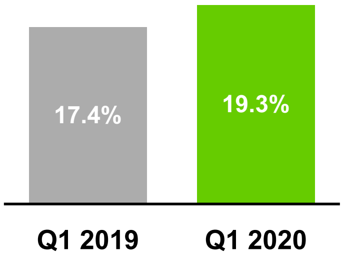
Revenue ($M)

Total Growth: (1.0)%

- Core: 1.6%
- Acquisitions: (0.3)%
- FX: (2.3)%



Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 19.3%

- Core OMX: 190bps

COVID-19 IMPACT BY REGION

All Geographies Affected by the Spread of COVID-19

Asia Pacific	• **Significant impact from COVID-19 disruption and economic restrictions in China** – **Lost production from extended Lunar New Year and saw slower ramp post-holiday, as expected** – **Activity picked up in Feb/March - plants now operating at 80%+ capacity** • **Substantial declines across Japan and India**
EMEA	• **Most challenging region coming into the year - prior to any COVID-19 disruption** • **Significant impact on demand and customer activity, due to broad economic lockdowns - worsened in March** • **Starting to see early steps to reopen economies in certain countries (e.g. Germany)** • **Too early to tell how these economies will ramp back up from here**
North America	• **Demand trends deteriorated as Q1 progressed - reduction in ability to access customers/sites** • **Pressure particularly pronounced in second half of March and into first half of April** • **Plan to reopen on state-by-state basis largely still in the planning stages - cadence unclear** • **Lack of clarity on how demand will respond to potential reopening in Q2**

ANTICIPATED BUSINESS PERFORMANCE

Relative Impact - COVID-19 / Economic Consequences

Group I ~15% of Revenue*	Group II ~50% of Revenue*	Group III 10%-15% of Revenue*	Group IV 20%-25% of Revenue*
• Less COVID-19 impact and good order momentum through end of Q1 • SaaS and/or highly recurring business models • Exposure to robust end markets and demand dynamics • Longer-cycle businesses with strong backlogs	• Impacted by COVID-19 but expected to recover relatively soon after as economies re-open (e.g. elective procedures at ASP) • Exposed to regulatory and/or secular trends in critical industries • Strongly supported by recurring revenue attributes	• Significantly impacted by COVID-19 lockdowns • Support from good long-term demand dynamics - but expected to recover more gradually as economies re-open • Some potential near-term offsets in Healthcare / Food & Beverage tied to fight against COVID-19	• Significantly impacted by COVID-19 and more sensitive to industrial cycle / production dynamics • Recovery expected to take longer than other groups • Exposed to customers that can delay purchases and some end markets that will likely take longer to recover (O&G)
Accruent - SaaS & Maintenance	**ASP**	**Accruent - Professional Services & Licenses**	**Fluke Core Industrial**
Censis	**Fluke Health Solutions - Including Landauer**	**Matco**	**Hennessy**
Fluke Digital Systems - Including eMaint	**GTT**	**Sensing Technologies**	**ISC - Instruments & Rental**
Fluke Industrial Imaging	**GVR**		**Tektronix - Instruments**
Gordian	**ISC - iNet**		
Invetech	**Qualitrol**		
ISC - Intelex	**Tektronix - Service Solutions**		
Pacific Scientific EMC	**Telematics**		

* Based on 2019 annual results

LEVERAGE & LIQUIDITY UPDATE

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Taken Several Proactive Steps to Make Our Strong Liquidity Position Even Stronger

Cash Balance	• **Ended Q1 with $1B of global cash** • **Repatriating ~$300M of OUS cash in total; ~$25M in Q1**
Senior Debt Covenants	• **Amended net leverage covenant to 4.75x until Q1 2021** • **Gradual step-downs in subsequent quarters before settling at original 3.50x for Q1 2022**
Term Loans	• **$1B term loan due in August has been extended until May 2021** • **Term loan due in October has been 50% paid down YTD; will pay off remainder as scheduled**
Commercial Paper Program	• **Reduced CP from ~$1.2B at YE 2019 to ~$350M** • **Planning to temporarily exit CP by end of Q2, using repatriated cash**
Revolving Credit Facility	• **$2.0B Revolving Credit Facility remains undrawn** • **Revolver also backstops outstanding CP balance (~$350M), which will be paid down by end of Q2**
Continued De-Leveraging	• **Continuing to use Free Cash Flow to pay down existing debt** • **Emphasis on reducing discretionary expenditures and managing working capital to emphasize maximize cash generation**

$1B+ Cash on Hand - Supported by Free Cash Flow and Undrawn $2B Revolver

THOUGHTS ON Q2 and FY 2020

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Withdrawing Guidance; Providing Key Anticipated Financial Metrics for Q2 and FY 2020

- **Withdrawing our previously issued 2020 guidance; Not guiding to Q2 2020**
  - Lack of forward visibility due to combination of COVID-19 and shifting macroeconomic outlook

- **Q2 2020 Considerations**
  - Expecting a significant revenue impact in Q2 stemming from combination of lockdown restrictions and end-market demand deterioration
  - Currently anticipating a 20% - 25% decline in Y/Y total revenue in Q2
  - Executing cost reduction actions across the portfolio and adjusting to current demand conditions
  - Targeting decrementals of 35% - 40% despite expected sharp decline in revenue

- **FY 2020 Considerations**
  - Limited visibility into revenue trajectory through the back half of the year
  - Expecting to manage decrementals to 35% - 40% for the full year
  - Additional cost levers can and will be pulled as needed depending on how demand trends play out in H2
  - Focused on cash flow generation, working capital management, and further de-leveraging throughout
  - Expecting to deliver annual free cash flow conversion greater than 100% of adjusted net income

FOCUSED ON CONTINUING TO DRIVING LONG-TERM VALUE

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Despite Near-Term Uncertainty, Not Losing Sight of Long-Term Value Creation

- **Continuing to "play offense" - selectively pursuing actions and investments that better position Fortive**
- **Supporting growth accelerator initiatives and investments in innovation to enhance differentiation and win in the market**
- **Consistent M&A cultivation and evaluation efforts**
- **Team / Talent development - developing the next generation of leaders**
- **Continue to drive the rigor and discipline of FBS as our cultural, and competitive advantage**

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Supplemental Reconciliation Data*

* From continuing operations

ADJUSTED GROSS PROFIT MARGIN

$ in millions	Three Months Ended March 29, 2019	Three Months Ended March 27, 2020
Revenue (GAAP)	**$ 1,592.9**	**$ 1,713.5**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	15.7	6.9
Adjusted Revenue (Non-GAAP)	**$ 1,608.6**	**$ 1,720.4**
Adjusted Gross Profit		
Gross Profit (GAAP)	**$ 812.7**	**$ 875.8**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	15.7	14.0
Adjusted Gross Profit (Non-GAAP)	**$ 828.4**	**$ 889.8**
Adjusted Gross Profit Margin		
Gross Profit (GAAP) Margin	**51.0%**	**51.1%**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	0.5%	0.6%
Adjusted Gross Profit Margin (Non-GAAP)	**51.5%**	**51.7%**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Three Months Ended March 27, 2020			
	Professional Instrumentation	**Industrial Technologies**	**Corporate**	**Total Fortive**
Revenue (GAAP)	**$ 1,104.4**	**$ 609.1**	**$ —**	**$ 1,713.5**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	6.9	—	—	6.9
Adjusted Revenue (Non-GAAP)	**$ 1,111.3**	**$ 609.1**	**$ —**	**$ 1,720.4**
Operating Profit (GAAP)	**$ 144.5**	**$ (1.5)**	**$ (23.4)**	**$ 119.6**
Acquisition and Other Transaction Costs	20.7	26.4	—	47.1
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	14.0	—	—	14.0
Amortization of Acquisition-Related Intangible Assets	78.2	7.3	—	85.5
Goodwill impairment charge	—	85.3	—	85.3
Adjusted Operating Profit (Non-GAAP)	**$ 257.4**	**$ 117.5**	**$ (23.4)**	**$ 351.5**
Operating Profit Margin (GAAP)	**13.1%**	**(0.2)%**		**7.0%**
Acquisition and Other Transaction Costs	1.9%	4.3 %		2.7%
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	1.1%	— %		0.7%
Amortization of Acquisition-Related Intangible Assets	7.1%	1.2 %		5.0%
Goodwill impairment charge	—%	14.0 %		5.0%
Adjusted Operating Profit Margin (Non-GAAP)	**23.2%**	**19.3 %**		**20.4%**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Three Months Ended March 29, 2019			
	Professional Instrumentation	**Industrial Technologies**	**Corporate**	**Total Fortive**
Revenue (GAAP)	**$ 977.7**	**$ 615.2**	**$ —**	**$ 1,592.9**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	15.7	—	—	15.7
Adjusted Revenue (Non-GAAP)	**$ 993.4**	**$ 615.2**	**$ —**	**$ 1,608.6**
Operating Profit (GAAP)	**$ 142.7**	**$ 98.8**	**$ (24.2)**	**$ 217.3**
Acquisition and Other Transaction Costs	29.5	—	—	29.5
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	15.7	—	—	15.7
Amortization of Acquisition-Related Intangible Assets	44.1	8.1	—	52.2
Adjusted Operating Profit (Non-GAAP)	**$ 232.0**	**$ 106.9**	**$ (24.2)**	**$ 314.7**
Operating Profit Margin (GAAP)	**14.6%**	**16.1%**		**13.6%**
Acquisition and Other Transaction Costs	3.0%	—%		1.9%
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	1.3%	—%		0.8%
Amortization of Acquisition-Related Intangible Assets	4.5%	1.3%		3.3%
Adjusted Operating Profit Margin (Non-GAAP)	**23.4%**	**17.4%**		**19.6%**

ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Three Months Ended March 27, 2020		
	Professional Instrumentation	Industrial Technologies	Total Fortive
2019 Adjusted Operating Profit Margin (Non-GAAP)	**23.4 %**	**17.4%**	**19.6 %**
Core (Non-GAAP)	1.3 %	1.9%	1.5 %
Acquisitions (Non-GAAP)	(1.5)%	—%	(0.7)%
2020 Adjusted Operating Profit Margin (Non-GAAP)	**23.2 %**	**19.3%**	**20.4 %**

ADJUSTED NET EARNINGS FROM CONTINUING OPERATIONS

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$ in millions	Three Months Ended March 29, 2019	Three Months Ended March 27, 2020
Net Earnings From Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 146.7**	**$ 25.0**
Dividends on the mandatory convertible preferred stock	17.3	17.3
Net Earnings from Continuing Operations (GAAP)	**164.0**	**42.3**
Pretax amortization of acquisition-related intangible assets in the three months ($86 million pretax, $74 million after tax) ended March 27, 2020, and in the three months ($52 million pretax, $43 million after tax) ended March 29, 2019	52.2	85.5
Pretax acquisition and other transaction costs in the three months ($47 million pretax, $41 million after tax) ended March 27, 2020, and in the three months ($30 million pretax, $24 million after tax) ended March 29, 2019*	29.5	47.1
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($14 million pretax, $12 million after tax) ended March 27, 2020, and in the three months ($16 million pretax, $13 million after tax) ended March 29, 2019	15.7	14.0
Pretax losses from equity method investments in the three months ($4 million pretax, $3 million after tax) ended March 27, 2020	—	3.7
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($8 million pretax, $7 million after tax) ended March 27, 2020, and in the three months ($3 million pretax, $3 million after tax) ended March 29, 2019	3.2	8.4
Goodwill impairment charge in the three months ended March 27, 2020	—	85.3
Tax effect of the adjustments reflected above [a]	(17.9)	(17.8)
Additional income tax adjustment	—	(4.2)
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 246.7**	**$ 264.3**

(a) The MCPS and goodwill impairment charge are not tax deductible and therefore the tax effect of the adjustments includes only the amortization of acquisition-related intangible assets, acquisition and other transaction costs, acquisition-related fair value adjustments to deferred revenue and inventory, losses from equity method investments and the non-cash interest expense associated with the 0.875% convertible notes.

* $1.3 million of acquisition and other transaction costs were recorded in the three months ended March 29, 2019, that were not previously adjusted for, are reflected in the totals for the three months ended March 29, 2019.

ADJUSTED DILUTED NET EPS

	Three Months Ended [a]	
	March 29, 2019	March 27, 2020
Diluted Net Earnings Per Share from Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 0.43**	**$ 0.07**
Dividends on the mandatory convertible preferred stock to apply if-converted method	0.05	0.05
Assumed dilutive impact on the Diluted Net Earnings Per Share Attributable to Common Stockholders if the MCPS Converted Shares had been outstanding	(0.02)	(0.01)
Pretax amortization of acquisition-related intangible assets in the three months ($86 million pretax, $74 million after tax) ended March 27, 2020, and in the three months ($52 million pretax, $43 million after tax) ended March 29, 2019	0.15	0.24
Pretax acquisition and other transaction costs in the three months ($47 million pretax, $41 million after tax) ended March 27, 2020, and in the three months ($30 million pretax, $24 million after tax) ended March 29, 2019*	0.08	0.13
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($14 million pretax, $12 million after tax) ended March 27, 2020, and in the three months ($16 million pretax, $13 million after tax) ended March 29, 2019	0.04	0.04
Pretax losses from equity method investments in the three months ($4 million pretax, $3 million after tax) ended March 27, 2020	—	0.01
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($8 million pretax, $7 million after tax) ended March 27, 2020, and in the three months ($3 million pretax, $3 million after tax) ended March 29, 2019	0.01	0.02
Goodwill impairment charge in the three months ended March 27, 2020	—	0.24
Tax effect of the adjustments reflected above [b]	(0.05)	(0.05)
Additional income tax adjustment	—	(0.01)
Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)	**$ 0.69**	**$ 0.74**

(a) Each of the per share adjustments below was calculated assuming the MCPS Converted Shares had been outstanding. The 0.875% convertible notes did not have an impact on the adjusted diluted shares outstanding.

(b) The MCPS and goodwill impairment charge are not tax deductible and therefore the tax effect of the adjustments includes only the amortization of acquisition-related intangible assets, acquisition and other transaction costs, acquisition-related fair value adjustments to deferred revenue and inventory, losses from equity method investments and the non-cash interest expense associated with the 0.875% convertible notes.

* $1.3 million of acquisition and other transaction costs were recorded in the three months ended March 29, 2019, that were not previously adjusted for, are reflected in the totals for the three months ended March 29, 2019.

The sum of the components of adjusted diluted net earnings per share from continuing operations may not equal due to rounding.

ADJUSTED DILUTED SHARES OUTSTANDING

(shares in millions)	Three Months Ended March 29, 2019	 March 27, 2020
Average common diluted stock outstanding	339.5	340.0
MCPS Converted Shares (a)	16.7	18.4
Adjusted average common stock and common equivalent shares outstanding	**356.2**	**358.4**

(a) The number of MCPS Converted Shares assumes the conversion of all 1.38 million shares applying the “if-converted” method and using an average 20-day VWAP of $55.91 as of March 27, 2020. The 0.875% convertible notes did not have an impact on the adjusted diluted shares outstanding.

FREE CASH FLOW CONVERSION RATIO

$ in millions	Three Months Ended		
	March 29, 2019	March 27, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	**$ 161.2**	**$ 191.4**	**18.7%**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.0)	(33.8)	
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 137.2**	**$ 157.6**	**14.9%**
Net earnings from Continuing Operations (GAAP)	**$ 164.0**	**$ 42.3**	
Free Cash Flow Conversion Ratio (Non-GAAP)	**84%**	**373%**	

ADJUSTED FREE CASH FLOW CONVERSION RATIO

$ in millions	Three Months Ended		
	March 29, 2019	March 27, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	**$ 161.2**	**$ 191.4**	**18.7%**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.0)	(33.8)	
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 137.2**	**$ 157.6**	**14.9%**
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 246.7**	**$ 264.3**	
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**56%**	**60%**	

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED MARCH 27, 2020

$ in millions	Three Months Ended				Twelve Months Ended
	June 28, 2019	September 27, 2019	December 31, 2019	March 27, 2020	March 27, 2020
Operating Cash Flows from Continuing Operations (GAAP)	$ 260.2	$ 379.0	$ 484.5	$ 191.4	$ 1,315.1
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.5)	(31.1)	(32.9)	(33.8)	(122.3)
Free Cash Flow from Continuing Operations (Non-GAAP)	$ 235.7	$ 347.9	$ 451.6	$ 157.6	$ 1,192.8
Net earnings from Continuing Operations (GAAP)	$ 175.3	$ 207.3	$ 178.8	$ 42.3	$ 603.7
Free Cash Flow Conversion Ratio (Non-GAAP)	134%	168%	253%	373%	198%

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED MARCH 29, 2019

$ in millions	Three Months Ended				Twelve Months Ended
	June 29, 2018	September 28, 2018	December 31, 2018	March 29, 2019	March 29, 2019
Operating Cash Flows from Continuing Operations (GAAP)	**$ 292.3**	**$ 355.8**	**$ 422.5**	**$ 161.2**	**$ 1,231.8**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(21.8)	(29.1)	(35.5)	(24.0)	(110.4)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 270.5**	**$ 326.7**	**$ 387.0**	**$ 137.2**	**$ 1,121.4**
Net earnings from Continuing Operations (GAAP)	**$ 250.2**	**$ 214.0**	**$ 240.1**	**$ 164.0**	**$ 868.3**
TCJA Adjustments (GAAP)	(1.9)	1.2	(7.5)	—	(8.2)
Net earnings from Continuing Operations excluding the TCJA Adjustments (Non-GAAP)	**$ 248.3**	**$ 215.2**	**$ 232.6**	**$ 164.0**	**$ 860.1**
Free Cash Flow Conversion Ratio (Non-GAAP)	**109%**	**152%**	**166%**	**84%**	**129%**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED MARCH 27, 2020

FORTIVE

$ in millions	Three Months Ended				Twelve Months Ended
	June 28, 2019	September 27, 2019	December 31, 2019	March 27, 2020	March 27, 2020
Operating Cash Flows from Continuing Operations (GAAP)	**$ 260.2**	**$ 379.0**	**$ 484.5**	**$ 191.4**	**$ 1,315.1**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.5)	(31.1)	(32.9)	(33.8)	(122.3)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 235.7**	**$ 347.9**	**$ 451.6**	**$ 157.6**	**$ 1,192.8**
Adjusted net earnings from Continuing Operations (GAAP)	**$ 322.3**	**$ 311.0**	**$ 367.8**	**$ 264.3**	**$ 1,265.4**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**73%**	**112%**	**123%**	**60%**	**94%**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED MARCH 29, 2019

FORTIVE

$ in millions	Three Months Ended				Twelve Months Ended
	June 29, 2018	September 28, 2018	December 31, 2018	March 29, 2019	March 29, 2019
Operating Cash Flows from Continuing Operations (GAAP)	**$ 292.3**	**$ 355.8**	**$ 422.5**	**$ 161.2**	**$ 1,231.8**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(21.8)	(29.1)	(35.5)	(24.0)	(110.4)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 270.5**	**$ 326.7**	**$ 387.0**	**$ 137.2**	**$ 1,121.4**
Adjusted net earnings from Continuing Operations (GAAP)	**$ 270.3**	**$ 275.2**	**$ 325.1**	**$ 246.7**	**$ 1,117.3**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**100%**	**119%**	**119%**	**56%**	**100%**

CORE REVENUE GROWTH

Components of Revenue Growth	Three Months Ended March 27, 2020
Total Fortive	
Total Revenue Growth (GAAP)	**7.6 %**
Core (Non-GAAP)	(3.8)%
Acquisitions (Non-GAAP)	13.0 %
Impact of currency translation (Non-GAAP)	(1.6)%
Professional Instrumentation	
Total Revenue Growth (GAAP)	**13.0 %**
Core (Non-GAAP)	(7.2)%
Acquisitions (Non-GAAP)	21.3 %
Impact of currency translation (Non-GAAP)	(1.1)%
Industrial Technologies	
Total Revenue Growth (GAAP)	**(1.0)%**
Core (Non-GAAP)	1.6 %
Acquisitions (Non-GAAP)	(0.3)%
Impact of currency translation (Non-GAAP)	(2.3)%

ADJUSTED EFFECTIVE TAX RATE

FORTIVE

$ in millions	Three Months Ended March 29, 2019		Three Months Ended March 27, 2020	
Earnings before income taxes from continuing operations	$	192.4	$	71.4
Income tax expense		(28.4)		(29.1)
Effective tax rate (GAAP)		**14.8%**		**40.8%**
Earnings before income taxes from continuing operations (GAAP)	**$**	**192.4**	**$**	**71.4**
Pretax amortization of acquisition-related intangible assets		52.2		85.5
Pretax acquisition and other transaction costs		29.5		47.1
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to completed acquisitions		15.7		14.0
Pretax non-cash interest expense associated with our 0.875% convertible notes		3.2		8.4
Pretax losses from equity method investments		—		3.7
Goodwill impairment charge[(a)]		—		85.3
Pretax Adjusted Net Earnings (Non-GAAP)	**$**	**293.0**	**$**	**315.4**
Tax effect of the adjustments reflected above[(a)]		(17.9)		(17.8)
Additional income tax adjustment		—		(4.2)
Adjusted income tax expense (Non-GAAP)	**$**	**(46.3)**	**$**	**(51.1)**
Adjusted effective tax rate (Non-GAAP)		**15.8%**		**16.2%**

(a) Goodwill impairment charge is not tax deductible

FORTIVE