FORTIVE

Second Quarter 2020 Earnings Release

July 28, 2020

FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

FORTIVE

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, anticipated impact of geopolitical events, 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 and June 26, 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," "adjusted effective tax rate," and "decremental adjusted operating profit margin," 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.

Q2 SUMMARY

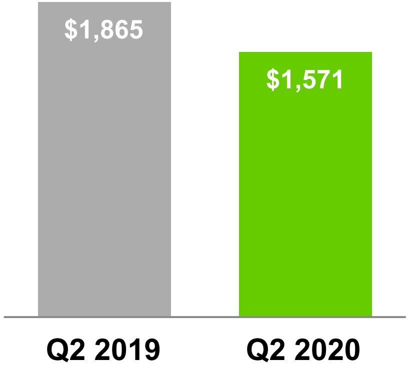
Strong Quarter Despite Unprecedented Macro Challenges

- **Q2 revenue performance better than expected despite COVID-19 impact - Total revenue ~(16)% versus expectation for (20)% - (25)%**
  - Both Professional Instrumentation and Industrials Technologies performed at bit better than expected
  - Resilience from Software-focused acquisitions made since 2016
  - Better Q2 revenue tied to lifting of lockdowns; Continued progress of reopenings will be a key factor in H2
- **More resilient portfolio also delivered better than expected decremental margins and strong free cash flow**
  - Delivered strong gross margins of ~52% and 33% decremental adjusted operating profit margins (versus expectation for 35-40%)
  - FCF of $454M (188% of adjusted net earnings), including ~$165M tailwind from working capital management
- **Power of the Fortive Business System critical to delivering Q2 performance**
  - Executing the FBS playbook to balance cost management and FCF generation with ongoing investment
  - Maintained operations at essential facilities around the world and proactively managed supply chains
  - Focused on maintaining continuity despite shift to virtual environment - New virtual sales and marketing tools and product development processes
- **Continued progress on de-leveraging and liquidity**
  - Focus remains on bolt-on acquisitions in the near-term

Q2 2020 FINANCIAL PERFORMANCE

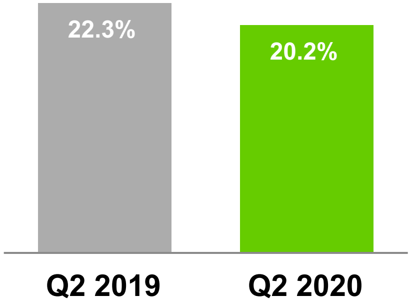
Summary of Key Financial Items

Revenue ($M)



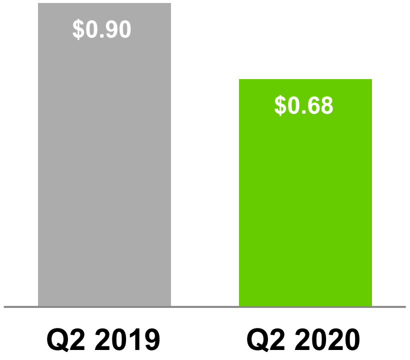
- **Core growth: (16.8)%**
  - Price: 0.7%
- **Acquisitions: 2.7%**
- **FX: (1.6)%**
- **Total Growth: (15.7)%**

Adjusted Operating Profit Margin (%)



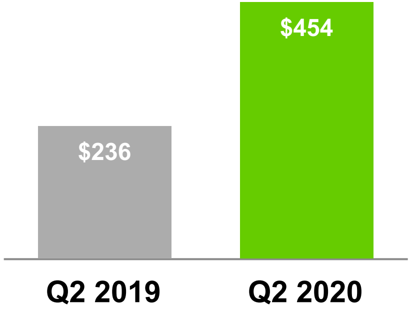
- **Adjusted Margins (210)bps Y/Y**
  - Core OMX: (220)bps
  - Acquisitions: 10bps
- **PI Adjusted Margin: 23.1%**
- **IT Adjusted Margin: 19.6%**

Adjusted Diluted Net Earnings Per Share ($)



- **Adjusted EPS (24.4)% Y/Y**
- **Earnings decline tempered by better than expected revenue performance in Q2**

Free Cash Flow ($M)



- **FCF: +93% Y/Y**
- **348% Conversion of GAAP Net Earnings**
- **188% Conversion of Adjusted Net Earnings**

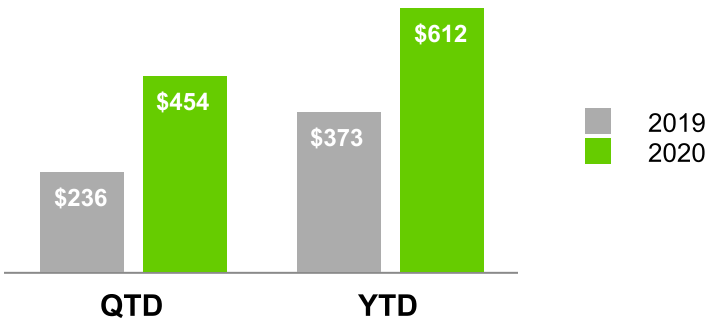
Q2 2020 FINANCIAL PERFORMANCE

FORTIVE

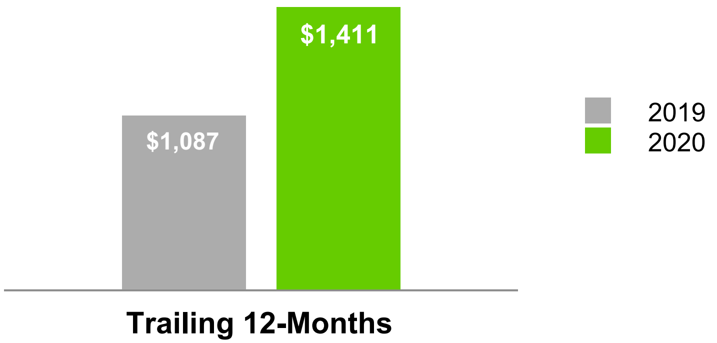
Free Cash Flow Detail

- **Q2 2020:**
  - **Free Cash Flow:** $454 million (+93% versus Prior Year)
  - **FCF Conversion:** 348% of GAAP Net Earnings; 188% of Adjusted Net Earnings
- **2020 YTD:**
  - **Free Cash Flow:** $612 million (+64% versus Prior Year)
  - **FCF Conversion:** 354% of GAAP Net Earnings; 121% of Adjusted Net Earnings
- **Trailing 12-Months:**
  - **Free Cash Flow:** $1.4 billion
  - **FCF Conversion:** 253% of GAAP Net Earnings; 119% of Adjusted Net Earnings

Free Cash Flow ($M) - Q2 2020



Free Cash Flow ($M) - Trailing 12-Months Ended June



Segment Detail

PROFESSIONAL INSTRUMENTATION

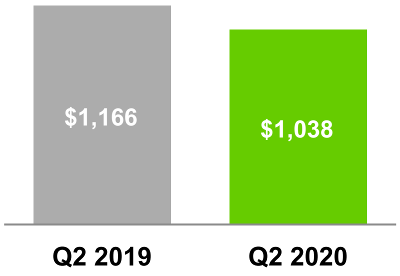
Q2 Revenue Declined Less than Expected; Resilience from Software-Focused Businesses

- **Fluke declined High-Teens:** +MSD growth in China offset by significant COVID-related pressure in North America and Western Europe
  - Resilience from growth at Fluke Health Solutions and Fluke Digital Systems in Q2; Strong demand for Industrial Imaging products related to COVID-19
- **Tektronix declined in the Low-20% range:** Performance largely as expected; Sequential improvement in China; North America, Europe, Japan saw significant COVID-related pressure
  - Services continued to temper the declines seen in the Instruments business.
- **ASP declined HSD:** Performed better than expected, as trough in U.S. and Europe in Q2 not as severe as the Q1 trough in China. ASP also saw a quicker recovery in elective procedure volumes as well as a pickup in demand for Terminal Sterilization capital
  - In China, elective procedure volumes back to ~90% of pre-COVID levels.
  - Solid execution on N95 respirator reprocessing opportunity also contributed to the better-than-expected revenue performance
- **Resilient contribution from Software-focused businesses**
  - Intelex +High-Teens; eMaint +HSD; Gordian Up Slightly; Accruent SaaS & Maintenance ~Flat

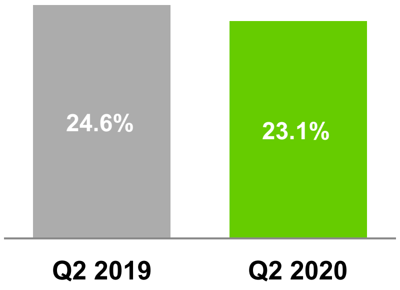
Revenue ($M)

Total Growth: (11.0)%

- Core: (14.4)%
- Acquisitions: 4.5%
- FX: (1.1)%



Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 23.1%

- Core OMX: (140)bps
- Acquisitions: (10)bps

INDUSTRIAL TECHNOLOGIES

FORTIVE

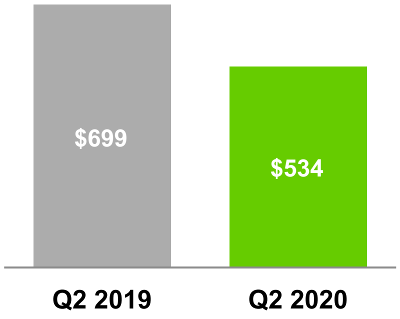
EMV Demand Continued at GVR; Matco Improved Through June Following April Low

- **GVR declined in the Low-20% range:** Conversion of orders to deliveries impacted by social distancing requirements in facilities and lack of access customer sites - Total bookings +MSD through the first half
  - North America EMV demand remained strong in Q2, despite the push of the liability deadline to April 2021; Multinational Oil Companies (MOCs) continuing to offer incentives to upgrade
  - Western Europe performed a bit better than expected, with some encouraging signs from countries including Germany and Italy
  - China continued to be impacted from tough compares in the prior-year period given the completion of the double-wall tank upgrades
  - Significant pressure in India in Q2 due to lockdowns and an inability to access customer sites
- **Matco declined Mid-Teens:** Performed significantly better than we had expected
  - Saw significant pressure early in the quarter from stay-at-home orders, but then experienced a strong improvement in POS trends through June
  - Power Tools was Flat in Q2; Hardline, Specialty Tools and Tools Storage were pressured in Q2 but saw improved order trends towards the end of the quarter

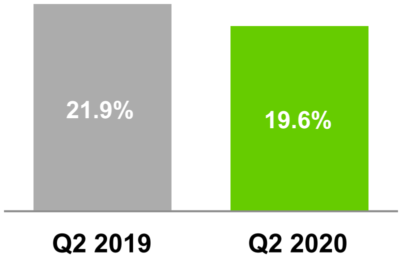
Revenue ($M)

Total Growth: (23.7)%

- Core: (20.8)%
- Acquisitions: (0.4)%
- FX: (2.5)%



Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 19.6%

- Core OMX: (250)bps
- Acquisitions/Divestitures: 20bps

REGIONAL COMMENTARY

FORTIVE

Revenue Performance Across Major Regions Better than Expected in Q2

Asia Pacific

- **China -MSD in Q2, with steady signs of progress across our China businesses. All major businesses in China saw sequential improvement in Q2, with several OpCos, including Fluke and ASP, posting positive Y/Y growth**
  - Point-of-sale trends improving at both Fluke and Tektronix
  - Elective procedure volumes at ASP back to ~90% of pre-COVID levels
- **Japan also saw some sequential improvement in Q2, while India and Southeast Asia remain more challenging**

EMEA

- **Western Europe performed largely as expected in Q2 with significant challenges through April before sequential improvement in May and June as European economies began to lift their lockdowns**
- **Q2 highlighted by +LSD growth at ASP driven by strong Terminal Sterilization capital sales and incremental consumables revenue from N95 respirator reprocessing**
- **Middle East revenue declined Mid-Teens due to the impact of COVID-19 and challenging Oil & Gas conditions**

North America

- **The U.S. bottomed in April, with some improvement through the end of the quarter**
  - Lifting of economic lockdown measures has helped, but operating conditions remain challenging
  - ASP seeing improved surgical procedure volumes; Matco order volumes and shop activity better
- **Regional results supported by resilient performance of the Software businesses, particularly across PI**
- **Remaining watchful of the risks associated with rising COVID-19 infection rates in hotspots across the country**

PORTFOLIO FRAMEWORK PRESENTED WITH Q1 RESULTS

FORTIVE

Anticipated Relative Impact - COVID-19 / Economic Consequences

Group I	Group II	Group III	Group IV
• 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**		

Q2 PERFORMANCE BY PORTFOLIO GROUP

FORTIVE

Largely In-Line with April's Expectation; Some Quicker-than-Expected Improvement

Group I
~14% of Revenue*

Q2 Growth: +MSD

- Strong growth from Intelex (+Mid-Teens) and eMaint (+HSD)
- Resilient performance from Gordian, Accruent SaaS/Maintenance and Censis
- COVID-19 related demand driving growth at Fluke industrial imaging
- PacSci EMC pressured by inability to ship, but retains strong backlog

Group II
~48% of Revenue*

Q2 Growth: (Mid-Teens)%

- At GVR, ability to convert orders into deliveries challenged in Q2; EMV remains strong
  - North American orders +MSD
- ASP elective surgical procedures improving; Ended June at ~90% pre-COVID levels in China, ~85% in Western Europe and ~85-90% in North America
- Fluke Health Solutions (+LSD) on Landauer resilience and ventilator calibration
- Resilient performance from ISC's iNet business, up slightly in Q2

Group III
~15% of Revenue*

Q2 Growth: (Mid-Teens)%

- Matco saw significant pressure from stay-at-home orders early in Q2, but experienced a strong recovery in orders as economic lockdowns began to lift
- Pressure in core industrial end markets at Sensing Technologies offset by growth in semi and COVID-related tailwinds in medical end markets
- Accruent's Professional Services improved as quarter progressed - Shift to remote delivery

Group IV
~23% of Revenue*

Q2 Growth: (High-20s)%

- Fluke core industrial saw improvement in point-of-sale across major regions (Asia POS positive in Q2; Europe and U.S. still negative but up from April lows)
- Tektronix instruments largely as expected in Q2; China improved sequentially; Significant pressure in North America, Europe and Japan
- ISC Instruments and Rental impacted by continued weakness in Oil & Gas

* Based on Q2 2020 results

CONTINUING TO PLAY OFFENSE

Investing in Our Products and Teams to Drive Long-Term Growth

- **Using Dynamic Resource Allocation (DRA) to maintain key growth initiatives**
  - >$10M of additional spending to support sales efforts (e.g. removed ASP furlough) and other innovation programs across the portfolio
- **Sustained investment in growth - New product offerings and team development**
  - Launch of TN360 platform at Telematics
  - Building Intelex's European sales force
  - Censis building capability to address emerging Ambulatory Surgical Center opportunity
- **Leveraging the FORT - Incorporating data analytics and machine learnings capabilities**
  - FORT headcount +50% Y/Y to support > 40 projects currently in flight
  - Building self-sustaining practices across all aspect of data analytics, algorithms, development and visualization
- **Accelerating breakthrough innovation investments in early stage opportunities**
  - Expanding scope of Growth Accelerator projects
  - Partnership with Pioneer Square Labs; Launched first company, TeamSense, at the beginning of Q3

THOUGHTS ON Q3 and FY 2020

FORTIVE

Key Anticipated Financial Metrics for Q3 and FY 2020

- **Q3 2020 Considerations**
  - Anticipating a 5% - 8% decline in Y/Y total revenue in Q3
  - Decremental margins of ~35%; Balancing cost actions and FCF generation with investments to drive growth

- **FY 2020 Considerations**
  - Expecting continued strong free cash flow, with conversion ~110% of adjusted net earnings

- **Revenue progression through H2 2020 will be critical factor**
  - Dependent on continued progress with reopening - Recent COVID-19 trends in the U.S. highlight continued risks in the near-term
  - Key drivers to watch: Elective surgical procedures volumes; Continued EMV demand; POS trends at Fluke and Tektronix
  - Supported by continued resilience of Software-focused businesses

- **Using FBS playbook to flex cost actions based on revenue performance in H2**
  - Less cost actions required overall (approximately $200M - $250M for the year) given better revenue outlook versus expectations in April
  - Continuing to invest in commercial teams to pursue growth

Supplemental Reconciliation Data

ADJUSTED GROSS PROFIT MARGIN

FORTIVE

$ in millions	Three Months Ended		Six Months Ended	
	June 28, 2019	June 26, 2020	June 28, 2019	June 26, 2020
Revenue (GAAP)	**$ 1,864.7**	**$ 1,571.2**	**$ 3,457.6**	**$ 3,284.7**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	10.1	4.6	25.7	11.5
Adjusted Revenue (Non-GAAP)	**$ 1,874.8**	**$ 1,575.8**	**$ 3,483.3**	**$ 3,296.2**
Adjusted Gross Profit				
Gross Profit (GAAP)	**$ 904.0**	**$ 814.3**	**$ 1,716.7**	**$ 1,690.1**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	59.0	5.7	74.7	19.7
Adjusted Gross Profit (Non-GAAP)	**$ 963.0**	**$ 820.0**	**$ 1,791.4**	**$ 1,709.8**
Adjusted Gross Profit Margin				
Gross Profit (GAAP) Margin	**48.5 %**	**51.8 %**	**49.7 %**	**51.5 %**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	2.9 %	0.2 %	1.8 %	0.4 %
Adjusted Gross Profit Margin (Non-GAAP)	**51.4 %**	**52.0 %**	**51.4 %**	**51.9 %**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

$ in millions	Three Months Ended June 28, 2019				Three Months Ended June 26, 2020			
	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive
Revenue (GAAP)	**$ 1,165.6**	**$ 699.1**	**$ —**	**$1,864.7**	**$ 1,037.5**	**$ 533.7**	**$ —**	**$1,571.2**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	10.1	—	—	10.1	4.6	—	—	4.6
Adjusted Revenue (Non-GAAP)	**$ 1,175.7**	**$ 699.1**	**$ —**	**$1,874.8**	**$ 1,042.1**	**$ 533.7**	**$ —**	**$1,575.8**
Operating Profit (GAAP)	**$ 129.9**	**$ 145.0**	**$ (25.4)**	**$ 249.5**	**$ 135.6**	**$ 82.6**	**$ (27.1)**	**$ 191.1**
Acquisition and Other Transaction Costs	31.3	—	—	31.3	22.3	14.7	—	37.0
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	59.0	—	—	59.0	5.7	—	—	5.7
Amortization of Acquisition-Related Intangible Assets	69.3	8.1	—	77.4	77.4	7.2	—	84.6
Adjusted Operating Profit (Non-GAAP)	**$ 289.5**	**$ 153.1**	**$ (25.4)**	**$ 417.2**	**$ 241.0**	**$ 104.5**	**$ (27.1)**	**$ 318.4**
Operating Profit Margin (GAAP)	**11.1 %**	**20.7 %**		**13.4 %**	**13.1 %**	**15.5 %**		**12.2 %**
Acquisition and Other Transaction Costs	2.7 %	— %		1.7 %	2.1 %	2.8 %		2.4 %
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	4.9 %	— %		3.0 %	0.4 %	— %		0.2 %
Amortization of Acquisition-Related Intangible Assets	5.9 %	1.2 %		4.2 %	7.5 %	1.3 %		5.4 %
Adjusted Operating Profit Margin (Non-GAAP)	**24.6 %**	**21.9 %**		**22.3 %**	**23.1 %**	**19.6 %**		**20.2 %**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Six Months Ended June 28, 2019				Six Months Ended June 26, 2020			
	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive
Revenue (GAAP)	**$ 2,143.3**	**$ 1,314.3**	**$ —**	**$ 3,457.6**	**$ 2,141.9**	**$ 1,142.8**	**$ —**	**$ 3,284.7**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	25.7	—	—	25.7	11.5	—	—	11.5
Adjusted Revenue (Non-GAAP)	**$ 2,169.0**	**$ 1,314.3**	**$ —**	**$ 3,483.3**	**$ 2,153.4**	**$ 1,142.8**	**$ —**	**$ 3,296.2**
Operating Profit (GAAP)	**$ 272.6**	**$ 243.8**	**$ (49.6)**	**$ 466.8**	**$ 280.1**	**$ 81.1**	**$ (50.5)**	**$ 310.7**
Acquisition and Other Transaction Costs	60.8	—	—	60.8	43.0	41.1	—	84.1
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	74.7	—	—	74.7	19.7	—	—	19.7
Amortization of Acquisition-Related Intangible Assets	113.4	16.2	—	129.6	155.6	14.5	—	170.1
Goodwill impairment charge	—	—	—	—	—	85.3	—	85.3
Adjusted Operating Profit (Non-GAAP)	**$ 521.5**	**$ 260.0**	**$ (49.6)**	**$ 731.9**	**$ 498.4**	**$ 222.0**	**$ (50.5)**	**$ 669.9**
Operating Profit Margin (GAAP)	**12.7 %**	**18.5 %**		**13.5 %**	**13.1 %**	**7.1 %**		**9.5 %**
Acquisition and Other Transaction Costs	2.8 %	— %		1.8 %	2.0 %	3.6 %		2.6 %
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	3.2 %	— %		2.0 %	0.7 %	— %		0.4 %
Amortization of Acquisition-Related Intangible Assets	5.3 %	1.3 %		3.7 %	7.3 %	1.3 %		5.2 %
Goodwill impairment charge	— %	— %		— %	— %	7.4 %		2.6 %
Adjusted Operating Profit Margin (Non-GAAP)	**24.0 %**	**19.8 %**		**21.0 %**	**23.1 %**	**19.4 %**		**20.3 %**

ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Three Months Ended June 26, 2020			Six Months Ended June 26, 2020		
	Professional Instrumentation	**Industrial Technologies**	**Total Fortive**	**Professional Instrumentation**	**Industrial Technologies**	**Total Fortive**
2019 Adjusted Operating Profit Margin (Non-GAAP)	**24.6 %**	**21.9 %**	**22.3 %**	**24.0 %**	**19.8 %**	**21.0 %**
Core (Non-GAAP)	(1.4)%	(2.5)%	(2.2)%	— %	(0.5)%	(0.4)%
Acquisitions (Non-GAAP)	(0.1)%	0.2 %	0.1 %	(0.9)%	0.1 %	(0.3)%
2020 Adjusted Operating Profit Margin (Non-GAAP)	**23.1 %**	**19.6 %**	**20.2 %**	**23.1 %**	**19.4 %**	**20.3 %**

DECREMENTAL ADJUSTED OPERATING PROFIT MARGIN & SEGMENT ADJUSTED GROSS PROFIT

$ in millions	Three Months Ended June 28, 2019				Three Months Ended June 26, 2020			
	Professional Instrumentation	**Industrial Technologies**	**Corporate**	**Total Fortive**	**Professional Instrumentation**	**Industrial Technologies**	**Corporate**	**Total Fortive**
Revenue (GAAP)	**$ 1,165.6**	**$ 699.1**	**$ —**	**$1,864.7**	**$ 1,037.5**	**$ 533.7**	**$ —**	**$1,571.2**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	10.1	—	—	10.1	4.6	—	—	4.6
Adjusted Revenue (Non-GAAP)	**$ 1,175.7**	**$ 699.1**	**$ —**	**$1,874.8**	**$ 1,042.1**	**$ 533.7**	**$ —**	**$1,575.8**
Gross Profit (GAAP)	**$ 604.3**	**$ 299.7**	**$ —**	**$ 904.0**	**$ 583.4**	**$ 230.9**	**$ —**	**$ 814.3**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	59.0	—	—	59.0	5.7	—	—	5.7
Adjusted Gross Profit (Non-GAAP)	**$ 663.3**	**$ 299.7**	**$ —**	**$ 963.0**	**$ 589.1**	**$ 230.9**	**$ —**	**$ 820.0**
Operating Profit (GAAP)	**$ 129.9**	**$ 145.0**	**$ (25.4)**	**$ 249.5**	**$ 135.6**	**$ 82.6**	**$ (27.1)**	**$ 191.1**
Acquisition and Other Transaction Costs	31.3	—	—	31.3	22.3	14.7	—	37.0
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	59.0	—	—	59.0	5.7	—	—	5.7
Amortization of Acquisition-Related Intangible Assets	69.3	8.1	—	77.4	77.4	7.2	—	84.6
Adjusted Operating Profit (Non-GAAP)	**$ 289.5**	**$ 153.1**	**$ (25.4)**	**$ 417.2**	**$ 241.0**	**$ 104.5**	**$ (27.1)**	**$ 318.4**
Decremental Adjusted Operating Profit Margin[(a)]								
Year-over-year change in Adjusted Revenue (Non-GAAP)					$ (133.6)	$ (165.4)		$ (299.0)
Year-over-year change in Adjusted Operating Profit (Non-GAAP)					(48.5)	(48.6)		(98.8)
Q2 2020 Decremental Adjusted Operating Profit Margin (Non-GAAP)[(a)]					**36.3 %**	**29.4 %**		**33.0 %**
Adjusted Gross Profit Margin (Non-GAAP)	**56.4 %**	**42.9 %**	**— %**	**51.4 %**	**56.5 %**	**43.3 %**	**— %**	**52.0 %**

(a) Decremental adjusted operating profit margin is calculated as the decrease in adjusted operating profit between two periods, divided by the decrease in adjusted revenue between the same two periods.

ADJUSTED NET EARNINGS FROM CONTINUING OPERATIONS

FORTIVE

$ in millions	Three Months Ended		Six Months Ended	
	June 28, 2019	**June 26, 2020**	**June 28, 2019**	**June 26, 2020**
Net Earnings From Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 158.1**	**$ 113.1**	**$ 304.8**	**$ 138.1**
Dividends on the mandatory convertible preferred stock	17.2	17.2	34.5	34.5
Net Earnings from Continuing Operations (GAAP)	**175.3**	**130.3**	**339.3**	**172.6**
Pretax amortization of acquisition-related intangible assets in the three months ($85 million pretax, $73 million after tax) and six months ($170 million pretax, $147 million after tax) ended June 26, 2020, and in the three months ($77 million pretax, $65 million after tax) and six months ($130 million pretax, $108 million after tax) ended June 28, 2019	77.4	84.6	129.6	170.1
Pretax acquisition and other transaction costs in the three months ($37 million pretax, $32 million after tax) and six months ($84 million pretax, $73 million after tax) ended June 26, 2020, and in the three months ($31 million pretax, $26 million after tax) and six months ($61 million pretax, $50 million after tax) ended June 28, 2019	31.3	37.0	60.8	84.1
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($6 million pretax, $5 million after tax) and six months ($20 million pretax, $17 million after tax) ended June 26, 2020, and in the three months ($59 million pretax, $49 million after tax) and six months ($75 million pretax, $62 million after tax) ended June 28, 2019	59.0	5.7	74.7	19.7
Pretax losses (earnings) from equity method investments in the three months ($1 million pretax earnings, $1 million after tax) and six months ($3 million pretax losses, $3 million after tax) ended June 26, 2020	—	(0.9)	—	2.8
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($9 million pretax, $7 million after tax) and six months ($17 million pretax, $15 million after tax) ended June 26, 2020, and in the three months ($8 million pretax, $7 million after tax) and six months ($11 million pretax, $10 million after tax) ended June 28, 2019	8.2	8.5	11.4	16.9
Pretax gain on the disposition of assets in the three and six months ended ($5 million pretax, $5 million after tax) June 26, 2020	—	(5.3)	—	(5.3)
Goodwill impairment charge in the six months ended June 26, 2020	—	—	—	85.3
Tax effect of the adjustments reflected above [(a)]	(28.9)	(19.3)	(46.8)	(37.1)
Additional income tax adjustment	—	1.3	—	(2.9)
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 322.3**	**$ 241.9**	**$ 569.0**	**$ 506.2**

(a) The MCPS and substantially all of the 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, (earnings) losses from equity method investments, gain from the disposition of assets, deductible portion of the goodwill impairment charge, and the non-cash interest expense associated with the 0.875% convertible notes.

ADJUSTED DILUTED NET EPS

FORTIVE

	Three Months Ended (a)		Six Months Ended (a)	
	June 28, 2019	June 26, 2020	June 28, 2019	June 26, 2020
Diluted Net Earnings Per Share from Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 0.47**	**$ 0.33**	**$ 0.90**	**$ 0.41**
Dividends on the mandatory convertible preferred stock to apply if-converted method	0.05	0.05	0.10	0.10
Assumed dilutive impact on the Diluted Net Earnings Per Share Attributable to Common Stockholders if the MCPS Converted Shares had been outstanding	(0.03)	(0.02)	(0.05)	(0.03)
Pretax amortization of acquisition-related intangible assets in the three months ($85 million pretax, $73 million after tax) and six months ($170 million pretax, $147 million after tax) ended June 26, 2020, and in the three months ($77 million pretax, $65 million after tax) and six months ($130 million pretax, $108 million after tax) ended June 28, 2019	0.22	0.24	0.36	0.47
Pretax acquisition and other transaction costs in the three months ($37 million pretax, $32 million after tax) and six months ($84 million pretax, $73 million after tax) ended June 26, 2020, and in the three months ($31 million pretax, $26 million after tax) and six months ($61 million pretax, $50 million after tax) ended June 28, 2019	0.09	0.10	0.17	0.23
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($6 million pretax, $5 million after tax) and six months ($20 million pretax, $17 million after tax) ended June 26, 2020, and in the three months ($59 million pretax, $49 million after tax) and six months ($75 million pretax, $62 million after tax) ended June 28, 2019	0.17	0.02	0.21	0.05
Pretax losses (earnings) from equity method investments in the three months ($1 million pretax earnings, $1 million after tax) and six months ($3 million pretax losses, $3 million after tax) ended June 26, 2020	—	—	—	0.01
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($9 million pretax, $7 million after tax) and six months ($17 million pretax, $15 million after tax) ended June 26, 2020, and in the three months ($8 million pretax, $7 million after tax) and six months ($11 million pretax, $10 million after tax) ended June 28, 2019	0.02	0.02	0.03	0.05
Pretax gain on the disposition of assets in the three and six months ended ($5 million pretax, $5 million after tax) June 26, 2020	—	(0.01)	—	(0.01)
Goodwill impairment charge in the six months ended June 26, 2020	—	—	—	0.24
Tax effect of the adjustments reflected above (b)	(0.08)	(0.05)	(0.13)	(0.10)
Additional income tax adjustment	—	—	—	(0.01)
Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)	**$ 0.90**	**$ 0.68**	**$ 1.59**	**$ 1.41**

(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 substantially all of the 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, (earnings) losses from equity method investments, gain on the disposition of assets, deductible portion of the goodwill impairment charge, and the non-cash interest expense associated with the 0.875% convertible notes.

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 June 28, 2019	Three Months Ended June 26, 2020	Six Months Ended June 28, 2019	Six Months Ended June 26, 2020
Average common diluted stock outstanding	339.7	339.7	339.8	339.9
MCPS Converted Shares [a]	17.5	18.4	17.5	18.4
Adjusted average common stock and common equivalent shares outstanding	**357.2**	**358.1**	**357.3**	**358.3**

(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 $66.88 as of June 26, 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			Six Months Ended		
	June 28, 2019	June 26, 2020	% Change	June 28, 2019	June 26, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	**$ 260.2**	**$ 479.6**	**84.3 %**	**$ 421.4**	**$ 671.0**	**59.2 %**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.5)	(25.7)		(48.5)	(59.5)	
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 235.7**	**$ 453.9**	**92.6 %**	**$ 372.9**	**$ 611.5**	**64.0 %**
Net earnings from Continuing Operations (GAAP)	**$ 175.3**	**$ 130.3**		**$ 339.3**	**$ 172.6**	
Free Cash Flow Conversion Ratio (Non-GAAP)	**134 %**	**348 %**		**110 %**	**354 %**	

ADJUSTED FREE CASH FLOW CONVERSION RATIO

$ in millions	Three Months Ended			Six Months Ended		
	June 28, 2019	June 26, 2020	% Change	June 28, 2019	June 26, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	**$ 260.2**	**$ 479.6**	**84.3 %**	**$ 421.4**	**$ 671.0**	**59.2 %**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(24.5)	(25.7)		(48.5)	(59.5)	
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 235.7**	**$ 453.9**	**92.6 %**	**$ 372.9**	**$ 611.5**	**64.0 %**
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 322.3**	**$ 241.9**		**$ 569.0**	**$ 506.2**	
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**73 %**	**188 %**		**66 %**	**121 %**	

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED JUNE 26, 2020

$ in millions	Three Months Ended				Twelve Months Ended
	September 27, 2019	December 31, 2019	March 27, 2020	June 26, 2020	June 26, 2020
Operating Cash Flows from Continuing Operations (GAAP)	**$ 379.0**	**$ 484.5**	**$ 191.4**	**$ 479.6**	**$ 1,534.5**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(31.1)	(32.9)	(33.8)	(25.7)	(123.5)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 347.9**	**$ 451.6**	**$ 157.6**	**$ 453.9**	**$ 1,411.0**
Net earnings from Continuing Operations (GAAP)	**$ 207.3**	**$ 178.8**	**$ 42.3**	**$ 130.3**	**$ 558.7**
Free Cash Flow Conversion Ratio (Non-GAAP)	**168 %**	**253 %**	**373 %**	**348 %**	**253 %**

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED JUNE 28, 2019

$ in millions	Three Months Ended				Twelve Months Ended
	September 28, 2018	**December 31, 2018**	**March 29, 2019**	**June 28, 2019**	**June 28, 2019**
Operating Cash Flows from Continuing Operations (GAAP)	**$ 355.8**	**$ 422.5**	**$ 161.2**	**$ 260.2**	**$ 1,199.7**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(29.1)	(35.5)	(24.0)	(24.5)	(113.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 326.7**	**$ 387.0**	**$ 137.2**	**$ 235.7**	**$ 1,086.6**
Net earnings from Continuing Operations (GAAP)	**$ 214.0**	**$ 240.1**	**$ 164.0**	**$ 175.3**	**$ 793.4**
TCJA Adjustments (GAAP)	1.2	$ (7.5)	—	—	(6.3)
Net earnings from Continuing Operations excluding the TCJA Adjustments (Non-GAAP)	**$ 215.2**	**$ 232.6**	**$ 164.0**	**$ 175.3**	**$ 787.1**
Free Cash Flow Conversion Ratio (Non-GAAP)	**152 %**	**166 %**	**84 %**	**134 %**	**138 %**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED JUNE 26, 2020

$ in millions	Three Months Ended				Twelve Months Ended
	September 27, 2019	December 31, 2019	March 27, 2020	June 26, 2020	June 26, 2020
Operating Cash Flows from Continuing Operations (GAAP)	**$ 379.0**	**$ 484.5**	**$ 191.4**	**$ 479.6**	**$ 1,534.5**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(31.1)	(32.9)	(33.8)	(25.7)	(123.5)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 347.9**	**$ 451.6**	**$ 157.6**	**$ 453.9**	**$ 1,411.0**
Adjusted net earnings from Continuing Operations (Non-GAAP)	**$ 311.0**	**$ 367.8**	**$ 264.3**	**$ 241.9**	**$ 1,185.0**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**112 %**	**123 %**	**60 %**	**188 %**	**119 %**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED JUNE 28, 2019

$ in millions	Three Months Ended				Twelve Months Ended
	September 28, 2018	December 31, 2018	March 29, 2019	June 28, 2019	June 28, 2019
Operating Cash Flows from Continuing Operations (GAAP)	**$ 355.8**	**$ 422.5**	**$ 161.2**	**$ 260.2**	**$ 1,199.7**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(29.1)	(35.5)	(24.0)	(24.5)	(113.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 326.7**	**$ 387.0**	**$ 137.2**	**$ 235.7**	**$ 1,086.6**
Adjusted net earnings from Continuing Operations (Non-GAAP)	**$ 275.2**	**$ 325.1**	**$ 246.7**	**$ 322.3**	**$ 1,169.3**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**119 %**	**119 %**	**56 %**	**73 %**	**93 %**

CORE REVENUE GROWTH

FORTIVE

Components of Revenue Growth	Three Months Ended June 26, 2020	Six Months Ended June 26, 2020
Total Fortive		
Total Revenue Growth (GAAP)	**(15.7)%**	**(5.0)%**
Core (Non-GAAP)	(16.8)%	(10.8)%
Acquisitions (Non-GAAP)	2.7 %	7.4 %
Impact of currency translation (Non-GAAP)	(1.6)%	(1.6)%
Professional Instrumentation		
Total Revenue Growth (GAAP)	**(11.0)%**	**(0.1)%**
Core (Non-GAAP)	(14.4)%	(11.2)%
Acquisitions (Non-GAAP)	4.5 %	12.2 %
Impact of currency translation (Non-GAAP)	(1.1)%	(1.1)%
Industrial Technologies		
Total Revenue Growth (GAAP)	**(23.7)%**	**(13.0)%**
Core (Non-GAAP)	(20.8)%	(10.3)%
Acquisitions (Non-GAAP)	(0.4)%	(0.3)%
Impact of currency translation (Non-GAAP)	(2.5)%	(2.4)%

ADJUSTED EFFECTIVE TAX RATE

FORTIVE

$ in millions	Three Months Ended June 28, 2019	Three Months Ended June 26, 2020	Six Months Ended June 28, 2019	Six Months Ended June 26, 2020
Earnings before income taxes from continuing operations	$ 204.3	$ 153.2	$ 396.7	$ 224.6
Income tax expense	(29.0)	(22.9)	(57.4)	(52.0)
Effective tax rate (GAAP)	**14.2 %**	**14.9 %**	**14.5 %**	**23.2 %**
Earnings before income taxes from continuing operations (GAAP)	**$ 204.3**	**$ 153.2**	**$ 396.7**	**$ 224.6**
Pretax amortization of acquisition-related intangible assets	77.4	84.6	129.6	170.1
Pretax acquisition and other transaction costs	31.3	37.0	60.8	84.1
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to completed acquisitions	59.0	5.7	74.7	19.7
Pretax losses from equity method investments	—	(0.9)	—	2.8
Pretax non-cash interest expense associated with our 0.875% convertible notes	8.2	8.5	11.4	16.9
Pretax gain from disposition of assets	—	(5.3)	—	(5.3)
Goodwill impairment charge[(a)]	—	—	—	85.3
Pretax Adjusted Net Earnings (Non-GAAP)	**$ 380.2**	**$ 282.8**	**$ 673.2**	**$ 598.2**
Tax effect of the adjustments reflected above[(a)]	(28.9)	(19.3)	(46.8)	(37.1)
Additional income tax adjustment	—	1.3	—	(2.9)
Adjusted income tax expense (Non-GAAP)	**$ (57.9)**	**$ (40.9)**	**$ (104.2)**	**$ (92.0)**
Adjusted effective tax rate (Non-GAAP)	**15.2 %**	**14.5 %**	**15.5 %**	**15.4 %**

(a) Goodwill impairment charge is not tax deductible

FORTIVE