Third Quarter 2020 Earnings Release

October 27, 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, ability to realize the benefits of the separation of Vontier, timing of acquisitions, dispositions and other transactions, anticipated revenue, anticipated operating margin, 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 realize the intended benefits of our separation of Vontier, 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, risk related to tax treatment of our separation of Vontier, impact of our indemnification obligation to Vontier, impact of changes to U.S. GAAP, 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, June 26, 2020 and September 25, 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 gross profit," "adjusted gross profit margin (adjusted gross margin)," "adjusted operating profit," "adjusted operating profit margin (adjusted operating 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 "adjusted incremental 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 have not reconciled forward-looking outlook regarding adjusted incremental margins, adjusted tax rate and adjusted diluted shares outstanding because any corresponding GAAP measures and the reconciliations thereto would require us to make estimates or assumptions about unidentified and unknown acquisitions, stock price and similar adjustments during the relevant period.

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.

Q3 SUMMARY

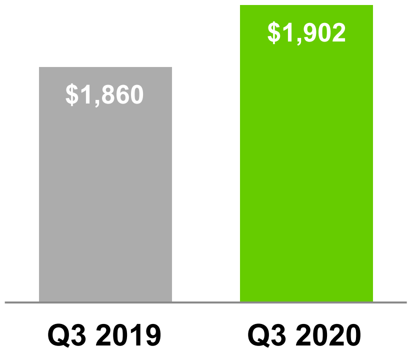
Strong Execution as Revenue Trends Continued to Improve

- **Clear sequential improvement in Q3 - Delivered better than forecasted +LSD revenue growth Y/Y**
  - Improvement across both segments, with total revenue growth +LSD at Professional Instrumentation and +MSD at Industrial Technologies
  - Major regions (North America, Western Europe, China) all improved sequentially
  - Continued resilience from SaaS and other recurring business models
- **Execution across the portfolio, led by FBS, drove solid gross and adjusted operating margin improvement**
  - Adjusted gross margin ~51.8%, +50bps Y/Y
  - Core OMX +160bps, with core margin expansion at both segments
- **Delivered another quarter of strong FCF generation**
  - Q3 FCF of $455M (134% of adjusted net earnings); +31% Y/Y
  - YTD FCF of ~$1.1B (126% of adjusted net earnings), +48% Y/Y
- **Executed Vontier spin on October 9th, shortly after the end of Q3**
  - Received $1.6B of net proceeds on 10/9
  - Retained 19.9% stake, which we expect to monetize within 12-months of spin date in a tax efficient manner

Q3 2020 FINANCIAL PERFORMANCE

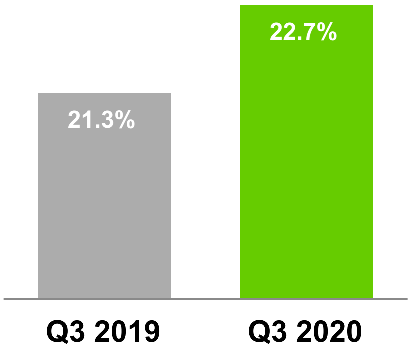
Summary of Key Financial Items

Revenue ($M)



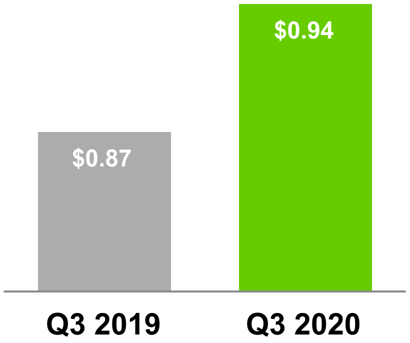
- **Core growth: (0.1)%**
  - Price: 0.7%
- **Acquisitions: 2.2%**
- **FX: 0.2%**
- **Total Growth: 2.3%**

Adjusted Operating Profit Margin (%)



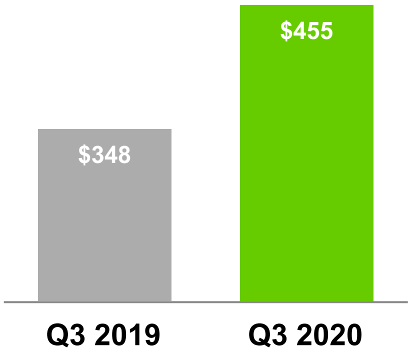
- **Adjusted Margins 140bps Y/Y**
  - Core OMX: 160bps
  - Acquisitions: (20)bps
- **PI Adjusted Margin: 22.8%**
- **IT Adjusted Margin: 25.9%**

Adjusted Diluted Net Earnings Per Share ($)



- **Adjusted EPS +8.0% Y/Y**
- **Earnings growth driven by better top line and strong margin performance**

Free Cash Flow ($M)



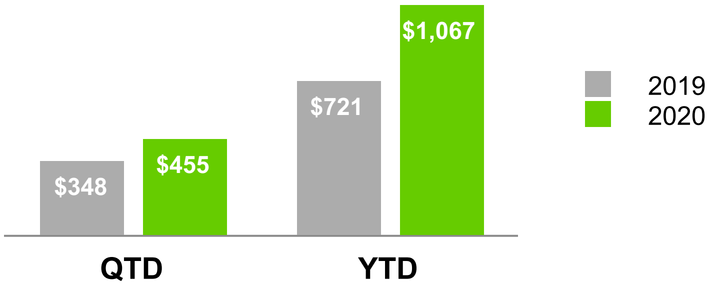
- **FCF: +31% Y/Y**
- **202% Conversion of GAAP Net Earnings**
- **134% Conversion of Adjusted Net Earnings**

Q3 2020 FINANCIAL PERFORMANCE

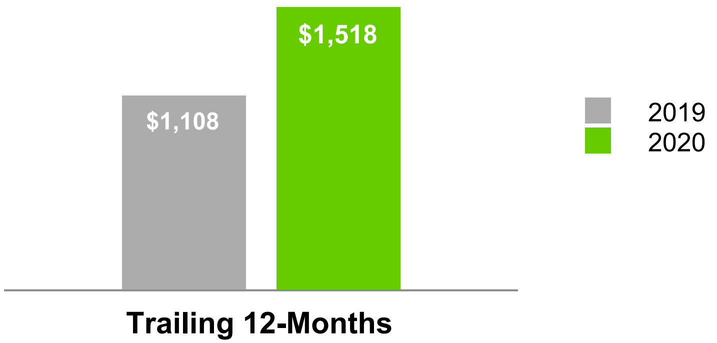
Free Cash Flow Detail

- **Q3 2020:**
  - **Free Cash Flow:** $455 million (+31% versus Prior Year)
  - **FCF Conversion:** 202% of GAAP Net Earnings; 134% of Adjusted Net Earnings
- **2020 YTD:**
  - **Free Cash Flow:** $1.1 billion (+48% versus Prior Year)
  - **FCF Conversion:** 268% of GAAP Net Earnings; 126% of Adjusted Net Earnings
- **Trailing 12-Months:**
  - **Free Cash Flow:** $1.5 billion (+37% versus Prior Year)
  - **FCF Conversion:** 263% of GAAP Net Earnings; 125% of Adjusted Net Earnings

Free Cash Flow ($M) - Q3 2020



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



Segment Detail

PROFESSIONAL INSTRUMENTATION

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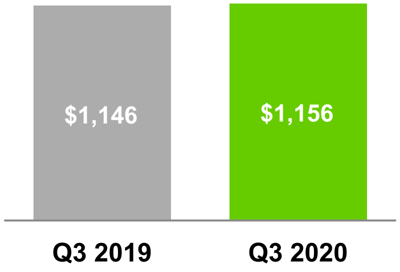
Sequential Improvement in Q3; Continued Resilience from Software-Focused Businesses

- **Fluke revenue declined -LSD:** +Mid-Teens growth in China more than offset by -LSD decline in North America and -HSD decline in Western Europe
  - Continued resilience at Fluke Health Solutions (+MSD) and Fluke Digital Systems (+MSD) in Q3, and a tailwind from strong demand for Industrial Imaging products related to COVID-19
- **Tektronix revenue declined -MSD:** Growth in China (Up Slightly) more than offset by -HSD decline in North America and -Mid-Teens decrease in Western Europe
  - Services (-LSD) continued to temper the revenue decline of the Instruments business
- **ASP revenue declined -MSD:** >20% growth in China and +LDD growth in EMEA more than offset by -MSD decline in North America, and meaningful COVID-related pressure in Japan
  - Elective procedure volumes back to ~90% of pre-COVID levels in North America; Back to ~95% in both China and Europe
  - Europe has shown positive Y/Y growth in each quarter of 2020 thus far, driven by solid sales execution
- **Software-focused businesses continued to provide resilience despite some COVID-related pressures (access and customer budgets)**
  - Intelex +HSD; eMaint +MSD; Censis +LSD; Accruent SaaS & Maintenance Down Slightly (SaaS was Up Slightly); Gordian -LSD

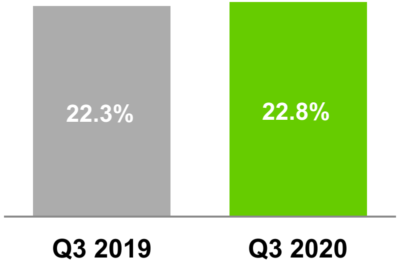
Revenue ($M)

Total Growth: 0.9%

- Core: (3.5)%
- Acquisitions: 3.7%
- FX: 0.7%



Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 22.8%

- Core OMX: 90bps
- Acquisitions: (40)bps

INDUSTRIAL TECHNOLOGIES

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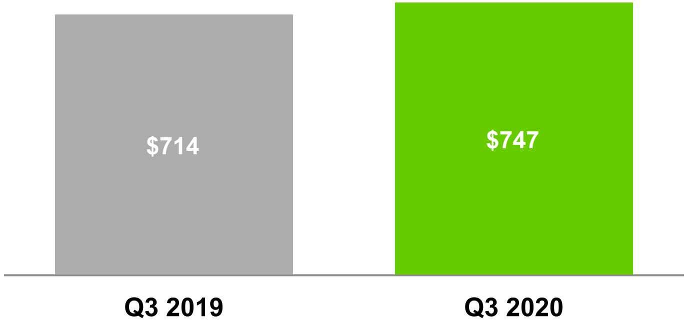
Revenue and Margins Ahead of Forecast

- **Vontier will provide color and commentary on the Industrial Technologies businesses when they report on Thursday, October 29th**

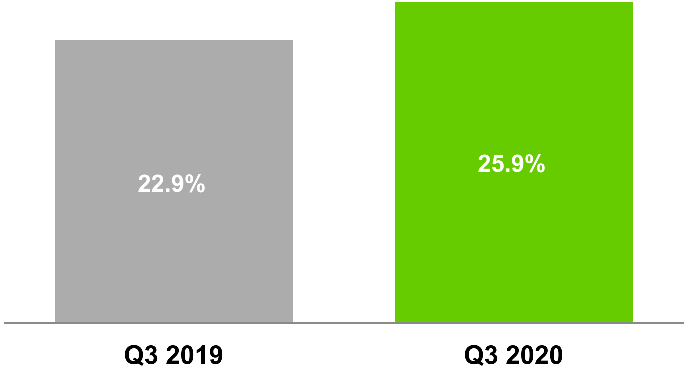
Revenue ($M)



Total Growth: 4.5%

- Core: 5.5%
- Acquisitions: (0.4)%
- FX: (0.6)%

Adjusted Operating Profit Margin (%)



Adjusted Operating Profit Margin: 25.9%

- Core OMX: 290bps
- Acquisitions/Divestitures: 10bps

REGIONAL COMMENTARY

Sequential Revenue Improvement Across All Major Regions in Q3

Asia Pacific	• **Asia Pacific -LSD core** • **China +MSD core in Q3. Broad-based strength highlighted by:** – Mid-Teens Y/Y growth at Fluke – >20% Y/Y growth at ASP and Sensing • **Japan -Mid-Teens core in Q3: Sequential improvement at Fluke and Tektronix was more than offset by a High-Teens decline at ASP, where a resurgence of COVID cases led to a reduction in elective procedure volume**
Western Europe	• **Western Europe -MSD core in Q3, highlighted by +LDD core growth at ASP** • **Continued growth at ASP driven by Terminal Sterilization capital, and services delivery with improved access** • **POS improved sequentially, but remained negative for both Fluke and Tektronix** • **Accruent delivered strong growth, reflecting the SaaS momentum the company has built up in the region** • **Intelex continued to benefit from the successful execution of the company's expansion into the region**
North America	• **North America +LSD core in Q3, driven by strength at Vontier (EMV at GVR, and Matco)** • **Growth across Intelex, eMaint, and Censis, as well as Qualitrol and ISC's iNet** • **ASP improved sequentially as elective procedures continued to recover, with strong growth in Terminal Sterilization capital equipment sales** • **Fluke and Tektronix saw improving POS trends through the end of Q3, though POS remained negative we saw broad signs of stability from channel partners**

PORTFOLIO FRAMEWORK

Anticipated Relative Impact - COVID-19 / Economic Consequences

Group I	Group II	Group III	Group IV
• Less COVID-19 impact and more resilient order momentum • 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**	**Sensing Technologies**	**ISC - Instruments & Rental**
Fluke Digital Systems - Including eMaint	**ISC - iNet**	Matco - Part of Vontier	**Tektronix - Instruments**
Fluke Industrial Imaging	**Qualitrol**		Hennessy - Part of Vontier
Gordian	**Tektronix - Service Solutions**		
Invetech	GTT - Part of Vontier		
ISC - Intelex	GVR - Part of Vontier		
Pacific Scientific EMC	Telematics - Part of Vontier		

Q3 PERFORMANCE BY PORTFOLIO GROUP - NEW FORTIVE VIEW

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Recovery Cadence Continuing to Play Out Largely as Expected

Group I
~20% of Revenue*

Q3 Revenue Growth: +LSD%

- Solid growth from Intelex (+HSD), eMaint (+MSD) and Censis (+LSD)
- Continued resilient performance from Accruent SaaS/Maintenance
- Gordian -LSD in Q3; Estimating remained strong, but offset by customer access and budget issues for state and local government, and higher education customers
- Another strong quarter at Fluke's Industrial Imaging business, but COVID-related tailwinds expected to dissipate going forward

Group II
~32% of Revenue*

Q3 Revenue Growth: (LSD)%

- ASP -MSD: Y/Y growth in China and Europe offset by MSD decline in North America and weakness in Japan
  - Elective procedures back to ~90% of pre-COVID levels in the U.S., and ~95% in both China and Europe
  - N. America improved sequentially, with strong growth in TS capital equipment sales
- Fluke Health Solutions (+MSD) saw ventilator tailwinds and resilience at Landauer
- +HSD growth at ISC's iNet subscription business

Group III
~12% of Revenue*

Q3 Revenue Growth: (HSD)%

- Sensing saw sequential improvement in Q3, versus Q2, highlighted by >20% growth in China
  - Semis / Electronics remained a bright spot; COVID-related tailwinds in medical and critical environment end markets dissipating somewhat
- Continued impact from site access issues at Accruent's Professional Service & License businesses

Group IV
~36% of Revenue*

Q3 Revenue Growth: (HSD)%

- Fluke Industrial and Tektronix Instruments business both saw sequential improvement across all major regions
  - Fluke Industrial saw strong performance in China, with positive POS. U.S and Western Europe POS remained negative, but improved as Q3 progressed
  - POS at Tektronix Instruments remained negative in the U.S. and Western Europe, but at an improved level versus Q2
- ISC Instruments and Rental continued to be impacted by ongoing weakness in Oil & Gas

* Based on Q3 2020 results for the Professional Instrumentation segment

RE-SEGMENTATION UPDATE

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Established Positions with Significant Organic Growth and M&A Runway Ahead

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Intelligent Operating Solutions

~40% of Total Revenue*; >$15B TAM

FLUKE

INDUSTRIAL SCIENTIFIC

INTELEX

GORDIAN

ACCRUENT

Precision Technologies

~35% of Total Revenue*; >$10B TAM

Tektronix

Gems Sensors & Controls

PACIFIC SCIENTIFIC ENERGETIC MATERIALS COMPANY

QUALITROL Defining Reliability

setra

HENGSTLER DYNAPAR

SANITARY BY DESIGN ANDERSON-NEGELE

Advanced Healthcare Solutions

~25% of Total Revenue*; >$5B TAM

ASP

Censis

LANDAUER

FLUKE Biomedical

Invetech

* Based on YTD 2020 results for the Professional Instrumentation segment

THE LOOK AHEAD FOR FORTIVE

Building from a Position of Strength

- **Strong positions providing critical workflow solutions in productivity and safety**
  - Adding expanded set of Software solutions and data analytics capabilities to complement leading instrumentation positions
- **Continuing to reduce net debt with consistent, strong FCF and spin proceeds**
  - Additional net debt reduction anticipated to come from disposition of 19.9% Vontier stake in a tax efficient manner
- **Robust M&A pipeline with significant optionality across the platforms**
  - Consistent cultivation and market work continue to highlight a broad set of attractive opportunities
  - M&A expected to continue to be an accelerator of strategy
- **Commitment to innovation and funding key organic growth initiatives to enhance competitive position**
  - Driving breakthrough innovation through Growth Accelerators and partnership with Pioneer Square Labs
  - Building data analytics and machine learning capabilities through growth investments in the FORT

THOUGHTS ON Q4 2020

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Key Anticipated Financial Metrics and Performance Considerations

- **Q4 2020 Outlook Assumptions**
  - Anticipating a 0% - 3% increase in Y/Y total revenue in Q4
  - Adjusted incremental margins of ~35%
  - Adjusted effective tax rate ~16%
  - Adjusted diluted shares outstanding of 361-364M - includes anticipated impact of anti-dilution adjustment to the Mandatory Convertible Preferred Stock (final adjustment to be determined on 10/30)

- **Aiming to drive continued top line improvement and strong FCF through the end of the year**
  - COVID-19 related risks and challenges remain; Top line progression will be subject to pandemic trends and any lockdown-related disruption going forward
  - Expecting another strong quarter of FCF generation in Q4

- **Planning to execute ~$30M of strategic productivity initiatives in Q4**
  - Certain temporary actions executed previously are being made permanent, in-line with expectations

* Adjusted incremental margin means year-over-year change in adjusted operating profit divided by year-over-year change in adjusted revenue

Supplemental Reconciliation Data

ADJUSTED GROSS PROFIT MARGIN

$ in millions	Three Months Ended September 27, 2019	Three Months Ended September 25, 2020	Nine Months Ended September 27, 2019	Nine Months Ended September 25, 2020
Revenue (GAAP)	**$ 1,860.0**	**$ 1,902.3**	**$ 5,317.6**	**$ 5,187.0**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	18.1	0.8	43.8	12.3
Adjusted Revenue (Non-GAAP)	**$ 1,878.1**	**$ 1,903.1**	**$ 5,361.4**	**$ 5,199.3**
Adjusted Gross Profit				
Gross Profit (GAAP)	**$ 927.7**	**$ 983.4**	**$ 2,644.4**	**$ 2,673.5**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	35.5	3.1	110.2	22.8
Adjusted Gross Profit (Non-GAAP)	**$ 963.2**	**$ 986.5**	**$ 2,754.6**	**$ 2,696.3**
Adjusted Gross Profit Margin				
Gross Profit (GAAP) Margin	**49.9 %**	**51.7 %**	**49.7 %**	**51.5 %**
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	1.4 %	0.1 %	1.7 %	0.4 %
Adjusted Gross Profit Margin (Non-GAAP)	**51.3 %**	**51.8 %**	**51.4 %**	**51.9 %**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

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$ in millions	Three Months Ended September 27, 2019				Three Months Ended September 25, 2020			
	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive
Revenue (GAAP)	**$ 1,145.6**	**$ 714.4**	**$ —**	**$1,860.0**	**$ 1,155.7**	**$ 746.6**	**$ —**	**$1,902.3**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	18.1	—	—	18.1	0.8	—	—	0.8
Adjusted Revenue (Non-GAAP)	**$ 1,163.7**	**$ 714.4**	**$ —**	**$1,878.1**	**$ 1,156.5**	**$ 746.6**	**$ —**	**$1,903.1**
Operating Profit (GAAP)	**$ 126.2**	**$ 138.5**	**$ (22.6)**	**$ 242.1**	**$ 168.7**	**$ 165.5**	**$ (23.8)**	**$ 310.4**
Acquisition and Other Transaction Costs	23.6	17.4	—	41.0	14.3	20.5	—	34.8
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	35.5	—	—	35.5	3.1	—	—	3.1
Amortization of Acquisition-Related Intangible Assets	73.9	7.9	—	81.8	77.1	7.3	—	84.4
Adjusted Operating Profit (Non-GAAP)	**$ 259.2**	**$ 163.8**	**$ (22.6)**	**$ 400.4**	**$ 263.2**	**$ 193.3**	**$ (23.8)**	**$ 432.7**
Operating Profit Margin (GAAP)	**11.0 %**	**19.4 %**		**13.0 %**	**14.6 %**	**22.2 %**		**16.3 %**
Acquisition and Other Transaction Costs	2.1 %	2.4 %		2.2 %	1.2 %	2.7 %		1.8 %
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	2.7 %	— %		1.7 %	0.3 %	— %		0.2 %
Amortization of Acquisition-Related Intangible Assets	6.5 %	1.1 %		4.4 %	6.7 %	1.0 %		4.4 %
Adjusted Operating Profit Margin (Non-GAAP)	**22.3 %**	**22.9 %**		**21.3 %**	**22.8 %**	**25.9 %**		**22.7 %**

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

FORTIVE

$ in millions	Nine Months Ended September 27, 2019				Nine Months Ended September 25, 2020			
	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive	Professional Instrumentation	Industrial Technologies	Corporate	Total Fortive
Revenue (GAAP)	**$ 3,288.9**	**$ 2,028.7**	**$ —**	**$ 5,317.6**	**$ 3,297.6**	**$ 1,889.4**	**$ —**	**$ 5,187.0**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	43.8	—	—	43.8	12.3	—	—	12.3
Adjusted Revenue (Non-GAAP)	**$ 3,332.7**	**$ 2,028.7**	**$ —**	**$ 5,361.4**	**$ 3,309.9**	**$ 1,889.4**	**$ —**	**$ 5,199.3**
Operating Profit (GAAP)	**$ 398.8**	**$ 382.3**	**$ (72.2)**	**$ 708.9**	**$ 448.8**	**$ 246.6**	**$ (74.3)**	**$ 621.1**
Acquisition and Other Transaction Costs	85.0	18.3	—	103.3	57.3	61.6	—	118.9
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	110.2	—	—	110.2	22.8	—	—	22.8
Amortization of Acquisition-Related Intangible Assets	187.3	24.1	—	211.4	232.7	21.8	—	254.5
Goodwill impairment charge	—	—	—	—	—	85.3	—	85.3
Adjusted Operating Profit (Non-GAAP)	**$ 781.3**	**$ 424.7**	**$ (72.2)**	**$ 1,133.8**	**$ 761.6**	**$ 415.3**	**$ (74.3)**	**$ 1,102.6**
Operating Profit Margin (GAAP)	**12.1 %**	**18.8 %**		**13.3 %**	**13.6 %**	**13.1 %**		**12.0 %**
Acquisition and Other Transaction Costs	2.6 %	0.9 %		1.9 %	1.7 %	3.2 %		2.3 %
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	3.0 %	— %		1.9 %	0.6 %	— %		0.4 %
Amortization of Acquisition-Related Intangible Assets	5.7 %	1.2 %		4.0 %	7.1 %	1.2 %		4.9 %
Goodwill impairment charge	— %	— %		— %	— %	4.5 %		1.6 %
Adjusted Operating Profit Margin (Non-GAAP)	**23.4 %**	**20.9 %**		**21.1 %**	**23.0 %**	**22.0 %**		**21.2 %**

ADJUSTED OPERATING PROFIT MARGIN

$ in millions	Three Months Ended September 25, 2020			Nine Months Ended September 25, 2020		
	Professional Instrumentation	**Industrial Technologies**	**Total Fortive**	**Professional Instrumentation**	**Industrial Technologies**	**Total Fortive**
2019 Adjusted Operating Profit Margin (Non-GAAP)	**22.3 %**	**22.9 %**	**21.3 %**	**23.4 %**	**20.9 %**	**21.1 %**
Core (Non-GAAP)	0.9 %	2.9 %	1.6 %	0.3 %	1.0 %	0.4 %
Acquisitions (Non-GAAP)	(0.4)%	0.1 %	(0.2)%	(0.7)%	0.1 %	(0.3)%
2020 Adjusted Operating Profit Margin (Non-GAAP)	**22.8 %**	**25.9 %**	**22.7 %**	**23.0 %**	**22.0 %**	**21.2 %**

ADJUSTED NET EARNINGS FROM CONTINUING OPERATIONS

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$ in millions	Three Months Ended September 27, 2019	Three Months Ended September 25, 2020	Nine Months Ended September 27, 2019	Nine Months Ended September 25, 2020
Net Earnings From Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 190.0**	**$ 208.5**	**$ 494.8**	**$ 346.6**
Dividends on the mandatory convertible preferred stock	17.3	17.3	51.8	51.8
Net Earnings from Continuing Operations (GAAP)	**207.3**	**225.8**	**546.6**	**398.4**
Pretax amortization of acquisition-related intangible assets in the three months ($84 million pretax, $70 million after tax) and nine months ($255 million pretax, $217 million after tax) ended September 25, 2020, and in the three months ($82 million pretax, $70 million after tax) and nine months ($211 million pretax, $178 million after tax) ended September 27, 2019	81.8	84.4	211.4	254.5
Pretax acquisition and other transaction costs in the three months ($35 million pretax, $29 million after tax) and nine months ($119 million pretax, $102 million after tax) ended September 25, 2020, and in the three months ($41 million pretax, $35 million after tax) and nine months ($103 million pretax, $87 million after tax) ended September 27, 2019	41.0	34.8	103.3	118.9
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($3 million pretax, $3 million after tax) and nine months ($23 million pretax, $20 million after tax) ended September 25, 2020, and in the three months ($36 million pretax, $30 million after tax) and nine months ($110 million pretax, $93 million after tax) ended September 27, 2019	35.5	3.1	110.2	22.8
Pretax losses from equity method investments in the three months ($1 million pretax, $1 million after tax) and nine months ($3 million pretax, $3 million after tax) ended September 25, 2020, and in the three and nine months ($1 million pretax, $0 million after tax) ended September 27, 2019	0.5	0.6	0.5	3.4
Pretax gain on the disposition of the Tektronix Video Business in the three and nine months ($41 million pretax, $39 million after tax) ended September 27, 2019	(41.2)	—	(41.2)	—
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($9 million pretax, $7 million after tax) and nine months ($26 million pretax, $22 million after tax) ended September 25, 2020, and in the three months ($8 million pretax, $7 million after tax) and nine months ($20 million pretax, $17 million after tax) ended September 27, 2019	8.3	8.6	19.7	25.5
Pretax gain on the disposition of assets in the nine months ($5 million pretax, $5 million after tax) ended September 25, 2020	—	—	—	(5.3)
Goodwill impairment charge in the nine months ended September 25, 2020	—	—	—	85.3
Tax effect of the adjustments reflected above (a)	(22.2)	(22.2)	(69.1)	(59.3)
Additional income tax adjustment	—	3.4	—	0.5
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 311.0**	**$ 338.5**	**$ 881.4**	**$ 844.7**

(a) The dividend on 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, losses from equity method investments, the gain on the disposition of the Tektronix Video Business, the gain from the disposition of assets, the 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]		Nine Months Ended [a]	
	September 27, 2019	September 25, 2020	September 27, 2019	September 25, 2020
Diluted Net Earnings Per Share from Continuing Operations Attributable to Common Stockholders (GAAP)	**$ 0.56**	**$ 0.61**	**$ 1.46**	**$ 1.02**
Dividends on the mandatory convertible preferred stock to apply if-converted method	0.05	0.05	0.15	0.15
Assumed dilutive impact on the Diluted Net Earnings Per Share Attributable to Common Stockholders if the MCPS Converted Shares had been outstanding	(0.03)	(0.03)	(0.08)	(0.06)
Pretax amortization of acquisition-related intangible assets in the three months ($84 million pretax, $70 million after tax) and nine months ($255 million pretax, $217 million after tax) ended September 25, 2020, and in the three months ($82 million pretax, $70 million after tax) and nine months ($211 million pretax, $178 million after tax) ended September 27, 2019	0.23	0.23	0.59	0.71
Pretax acquisition and other transaction costs in the three months ($35 million pretax, $29 million after tax) and nine months ($119 million pretax, $102 million after tax) ended September 25, 2020, and in the three months ($41 million pretax, $35 million after tax) and nine months ($103 million pretax, $87 million after tax) ended September 27, 2019	0.11	0.10	0.29	0.33
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions in the three months ($3 million pretax, $3 million after tax) and nine months ($23 million pretax, $20 million after tax) ended September 25, 2020, and in the three months ($36 million pretax, $30 million after tax) and nine months ($110 million pretax, $93 million after tax) ended September 27, 2019	0.10	0.01	0.31	0.06
Pretax losses from equity method investments in the three months ($1 million pretax, $1 million after tax) and nine months ($3 million pretax, $3 million after tax) ended September 25, 2020, and in the three and nine months ($1 million pretax, $0 million after tax) ended September 27, 2019	—	—	—	0.01
Pretax gain on the disposition of the Tektronix Video Business in the three and nine months ($41 million pretax, $39 million after tax) ended September 27, 2019	(0.11)	—	(0.12)	—
Pretax non-cash interest expense associated with our 0.875% convertible notes in the three months ($9 million pretax, $7 million after tax) and nine months ($26 million pretax, $22 million after tax) ended September 25, 2020, and in the three months ($8 million pretax, $7 million after tax) and nine months ($20 million pretax, $17 million after tax) ended September 27, 2019	0.02	0.02	0.06	0.07
Pretax gain on the disposition of assets in the nine months ($5 million pretax, $5 million after tax) ended September 25, 2020	—	—	—	(0.01)
Goodwill impairment charge in the nine months ended September 25, 2020	—	—	—	0.24
Tax effect of the adjustments reflected above [b]	(0.06)	(0.06)	(0.19)	(0.17)
Additional income tax adjustment	—	0.01	—	—
Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)	**$ 0.87**	**$ 0.94**	**$ 2.46**	**$ 2.36**

(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 dividend on 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, losses from equity method investments, the gain on the disposition of the Tektronix Video Business, the gain on the disposition of assets, the 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

FORTIVE

	Three Months Ended		Nine Months Ended	
(shares in millions)	September 27, 2019	September 25, 2020	September 27, 2019	September 25, 2020
Average common diluted stock outstanding	339.9	340.8	339.7	340.2
MCPS Converted Shares [(a)]	18.4	18.4	18.4	18.4
Adjusted average common stock and common equivalent shares outstanding	**358.3**	**359.2**	**358.1**	**358.6**

(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 $74.62 as of September 25, 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			Nine Months Ended		
	September 27, 2019	September 25, 2020	% Change	September 27, 2019	September 25, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	$ 379.0	$ 481.7	27.1 %	$ 800.4	$ 1,152.7	44.0 %
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(31.1)	(26.7)		(79.6)	(86.2)	
Free Cash Flow from Continuing Operations (Non-GAAP)	$ 347.9	$ 455.0	30.8 %	$ 720.8	$ 1,066.5	48.0 %
Net Earnings from Continuing Operations (GAAP)	$ 207.3	$ 225.8		$ 546.6	$ 398.4	
Free Cash Flow Conversion Ratio (Non-GAAP)	168 %	202 %		132 %	268 %	

ADJUSTED FREE CASH FLOW CONVERSION RATIO

FORTIVE

$ in millions	Three Months Ended			Nine Months Ended		
	September 27, 2019	September 25, 2020	% Change	September 27, 2019	September 25, 2020	% Change
Operating Cash Flows from Continuing Operations (GAAP)	**$ 379.0**	**$ 481.7**	**27.1 %**	**$ 800.4**	**$ 1,152.7**	**44.0 %**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(31.1)	(26.7)		(79.6)	(86.2)	
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 347.9**	**$ 455.0**	**30.8 %**	**$ 720.8**	**$ 1,066.5**	**48.0 %**
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 311.0**	**$ 338.5**		**$ 881.4**	**$ 844.7**	
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**112 %**	**134 %**		**82 %**	**126 %**	

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED SEPTEMBER 25, 2020

$ in millions	Three Months Ended				Twelve Months Ended
	December 31, 2019	**March 27, 2020**	**June 26, 2020**	**September 25, 2020**	**September 25, 2020**
Operating Cash Flows from Continuing Operations (GAAP)	**$ 484.5**	**$ 191.4**	**$ 479.6**	**$ 481.7**	**$ 1,637.2**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(32.9)	(33.8)	(25.7)	(26.7)	(119.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 451.6**	**$ 157.6**	**$ 453.9**	**$ 455.0**	**$ 1,518.1**
Net Earnings from Continuing Operations (GAAP)	**$ 178.8**	**$ 42.3**	**$ 130.3**	**$ 225.8**	**$ 577.2**
Free Cash Flow Conversion Ratio (Non-GAAP)	**253 %**	**373 %**	**348 %**	**202 %**	**263 %**

FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED SEPTEMBER 27, 2019

$ in millions	Three Months Ended				Twelve Months Ended
	December 31, 2018	March 29, 2019	June 28, 2019	September 27, 2019	September 27, 2019
Operating Cash Flows from Continuing Operations (GAAP)	**$ 422.5**	**$ 161.2**	**$ 260.2**	**$ 379.0**	**$ 1,222.9**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(35.5)	(24.0)	(24.5)	(31.1)	(115.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 387.0**	**$ 137.2**	**$ 235.7**	**$ 347.9**	**$ 1,107.8**
Net Earnings from Continuing Operations (GAAP)	**$ 240.1**	**$ 164.0**	**$ 175.3**	**$ 207.3**	**$ 786.7**
TCJA Adjustments (GAAP)	(7.5)	—	—	—	(7.5)
Net Earnings from Continuing Operations excluding the TCJA Adjustments (Non-GAAP)	**$ 232.6**	**$ 164.0**	**$ 175.3**	**$ 207.3**	**$ 779.2**
Free Cash Flow Conversion Ratio (Non-GAAP)	**166 %**	**84 %**	**134 %**	**168 %**	**142 %**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED SEPTEMBER 25, 2020

$ in millions	Three Months Ended				Twelve Months Ended
	December 31, 2019	March 27, 2020	June 26, 2020	September 25, 2020	September 25, 2020
Operating Cash Flows from Continuing Operations (GAAP)	**$ 484.5**	**$ 191.4**	**$ 479.6**	**$ 481.7**	**$ 1,637.2**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(32.9)	(33.8)	(25.7)	(26.7)	(119.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 451.6**	**$ 157.6**	**$ 453.9**	**$ 455.0**	**$ 1,518.1**
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 367.8**	**$ 264.3**	**$ 241.9**	**$ 338.5**	**$ 1,212.5**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**123 %**	**60 %**	**188 %**	**134 %**	**125 %**

ADJUSTED FREE CASH FLOW CONVERSION RATIO - TWELVE MONTHS ENDED SEPTEMBER 27, 2019

$ in millions	Three Months Ended				Twelve Months Ended
	December 31, 2018	March 29, 2019	June 28, 2019	September 27, 2019	September 27, 2019
Operating Cash Flows from Continuing Operations (GAAP)	**$ 422.5**	**$ 161.2**	**$ 260.2**	**$ 379.0**	**$ 1,222.9**
Less: purchases of property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(35.5)	(24.0)	(24.5)	(31.1)	(115.1)
Free Cash Flow from Continuing Operations (Non-GAAP)	**$ 387.0**	**$ 137.2**	**$ 235.7**	**$ 347.9**	**$ 1,107.8**
Adjusted Net Earnings from Continuing Operations (Non-GAAP)	**$ 325.1**	**$ 246.7**	**$ 322.3**	**$ 311.0**	**$ 1,205.1**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**119 %**	**56 %**	**73 %**	**112 %**	**92 %**

CORE REVENUE GROWTH

FORTIVE

Components of Revenue Growth	Three Months Ended September 25, 2020	Nine Months Ended September 25, 2020
Total Fortive		
Total Revenue Growth (GAAP)	**2.3 %**	**(2.5)%**
Core (Non-GAAP)	(0.1)%	(7.1)%
Acquisitions (Non-GAAP)	2.2 %	5.6 %
Impact of currency translation (Non-GAAP)	0.2 %	(1.0)%
Professional Instrumentation		
Total Revenue Growth (GAAP)	**0.9 %**	**0.3 %**
Core (Non-GAAP)	(3.5)%	(8.5)%
Acquisitions (Non-GAAP)	3.7 %	9.3 %
Impact of currency translation (Non-GAAP)	0.7 %	(0.5)%
Industrial Technologies		
Total Revenue Growth (GAAP)	**4.5 %**	**(6.9)%**
Core (Non-GAAP)	5.5 %	(4.7)%
Acquisitions (Non-GAAP)	(0.4)%	(0.4)%
Impact of currency translation (Non-GAAP)	(0.6)%	(1.8)%

ADJUSTED EFFECTIVE TAX RATE

FORTIVE

$ in millions	Three Months Ended September 27, 2019	Three Months Ended September 25, 2020	Nine Months Ended September 27, 2019	Nine Months Ended September 25, 2020
Earnings before income taxes from continuing operations	$ 235.1	$ 265.1	$ 631.8	$ 489.7
Income tax expense	(27.8)	(39.3)	(85.2)	(91.3)
Effective tax rate (GAAP)	**11.8 %**	**14.8 %**	**13.5 %**	**18.6 %**
Earnings before income taxes from continuing operations (GAAP)	**$ 235.1**	**$ 265.1**	**$ 631.8**	**$ 489.7**
Pretax amortization of acquisition-related intangible assets	81.8	84.4	211.4	254.5
Pretax acquisition and other transaction costs	41.0	34.8	103.3	118.9
Pretax acquisition-related fair value adjustments to deferred revenue and inventory related to significant acquisitions	35.5	3.1	110.2	22.8
Pretax losses from equity method investments	0.5	0.6	0.5	3.4
Pretax non-cash interest expense associated with our 0.875% convertible notes	8.3	8.6	19.7	25.5
Pretax gain on the disposition of Tektronix Video Business	(41.2)	—	(41.2)	—
Pretax gain from disposition of assets	—	—	—	(5.3)
Goodwill impairment charge[a]	—	—	—	85.3
Pretax Adjusted Net Earnings (Non-GAAP)	**$ 361.0**	**$ 396.6**	**$ 1,035.7**	**$ 994.8**
Tax effect of the adjustments reflected above[a]	(22.2)	(22.2)	(69.1)	(59.3)
Additional income tax adjustment	—	3.4	—	0.5
Adjusted income tax expense (Non-GAAP)	**$ (50.0)**	**$ (58.1)**	**$ (154.3)**	**$ (150.1)**
Adjusted effective tax rate (Non-GAAP)	**13.9 %**	**14.6 %**	**14.9 %**	**15.1 %**

(a) Substantially all of the goodwill impairment charge is not tax deductible

HISTORICAL ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN RECASTED FOR REMAINING FORTIVE BUSINESS

FORTIVE

$ in millions	Three Months Ended December 31, 2019		
	Professional Instrumentation [a]	**Corporate**	**Total Remaining Fortive**
Revenue (GAAP) [b]	**$ 1,263.3**	**$ —**	**$ 1,263.3**
Acquisition-Related Fair Value Adjustments to Deferred Revenue	10.8	—	10.8
Adjusted Revenue (Non-GAAP)	**$ 1,274.1**	**$ —**	**$ 1,274.1**
Operating Profit (GAAP) [c]	**$ 165.6**	**$ (25.5)**	**$ 140.1**
Acquisition and Other Transaction Costs	26.1	—	26.1
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	10.8	—	10.8
Amortization of Acquisition-Related Intangible Assets	73.7	—	73.7
Restructuring	32.4	—	32.4
Adjusted Operating Profit (Non-GAAP)	**$ 308.6**	**$ (25.5)**	**$ 283.1**
Operating Profit Margin (GAAP)	**13.1 %**		**11.1 %**
Acquisition and Other Transaction Costs	2.1 %		2.1 %
Acquisition-Related Fair Value Adjustments to Deferred Revenue and Inventory	0.6 %		0.6 %
Amortization of Acquisition-Related Intangible Assets	5.8 %		5.8 %
Restructuring	2.6 %		2.6 %
Adjusted Operating Profit Margin (Non-GAAP)	**24.2 %**		**22.2 %**

(a) Beginning January 1, 2020, our Hengstler and Dynapar businesses are reported within our Professional Instrumentation segment. Previously, these businesses were reported within our Industrial Technologies segment. Prior year balances have been reclassified to reflect current year presentation.

(b) Reflects adjustment for intercompany transactions that were eliminated in consolidation prior to the Vontier separation that are no longer eliminated subsequent to the Vontier separation.

(c) Reflects the inclusion of general corporate overhead costs which were historically allocated to Vontier and will be allocated to the Company's remaining segment after the Vontier separation.

FORTIVE