



**First Quarter
2024 Earnings Release**

April 24, 2024

Forward Looking Statements & Non-GAAP Financial Measures

Statements in this presentation that are not strictly historical, including statements regarding anticipated financial results, global and regional economic conditions, industry trends, geopolitical events, timing of transactions, interest rate and current exchange rate impact, future prospects, shareholder value, and any other statements identified by their use of words like “anticipate,” “expect,” “believe,” “outlook,” “guidance,” “target”, or “will” or other words of similar meaning are “forward-looking” statements within the meaning of the federal securities laws. These factors include, among other things: deterioration of or instability in the economy, the markets we serve, international trade policies and the financial markets, security breaches or other disruptions of our information technology systems, the spread of, and the future resurgence of COVID-19, supply chain constraints, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, changes in trade relations with China, contractions or lower growth rates and cyclicalities of markets we serve, competition, changes in industry standards and governmental regulations, our ability to recruit and retain key employees, 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 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 changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, geopolitical, including war and sanctions, 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, 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 and climate change. 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, 2023. 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 may contain references to financial measures not presented in accordance with generally accepted accounting principles (“GAAP”). We have not reconciled forward-looking targets or outlook regarding non-GAAP measures, other than forecasted adjusted EPS, because any corresponding GAAP measures and the reconciliations thereto would require us to make estimates or assumptions with precision about acquisitions, capital and other expenditures and similar adjustments during the relevant period. Information required by Regulation G with respect to historical non-GAAP financial measures and for forward-looking adjusted EPS are set forth in the appendix to this presentation.

All financial metrics relate only to the continuing operations, and all growth or period changes refer to year-over-year comparisons unless otherwise stated. Please refer to the corresponding Form 10-K for the year ended December 31, 2023 for additional details relating to the financial results and performances discussed in this presentation.

Forward looking financial information not otherwise presented as a range reflect assumptions underlying the midpoint of our forward-looking targets.

References to NWC mean the net working capital operational measure determined by the sum of net accounts receivable, inventories and unbilled receivables, less accounts payable and deferred revenue, each calculated in accordance with GAAP. References to adj. FCF Conversion refers to the ratio of Free Cash Flow to adjusted net income.

Fortive - A More Durable, Industrial Growth Company

Making Customers Safer and More Productive



**Strong start to year, Q1
ahead of expectations**



**FBS powering differentiated
operating performance**



**Execution in 2024 reflects
double-digit EPS & FCF growth**



**INTELLIGENT
OPERATING
SOLUTIONS (IOS)**



**PRECISION
TECHNOLOGIES (PT)**



**ADVANCED
HEALTHCARE
SOLUTIONS (AHS)**

*We are enhancing safety and productivity across vital sectors -
from manufacturing to healthcare - with innovations that deliver
more value for customers and sustainable growth for Fortive*

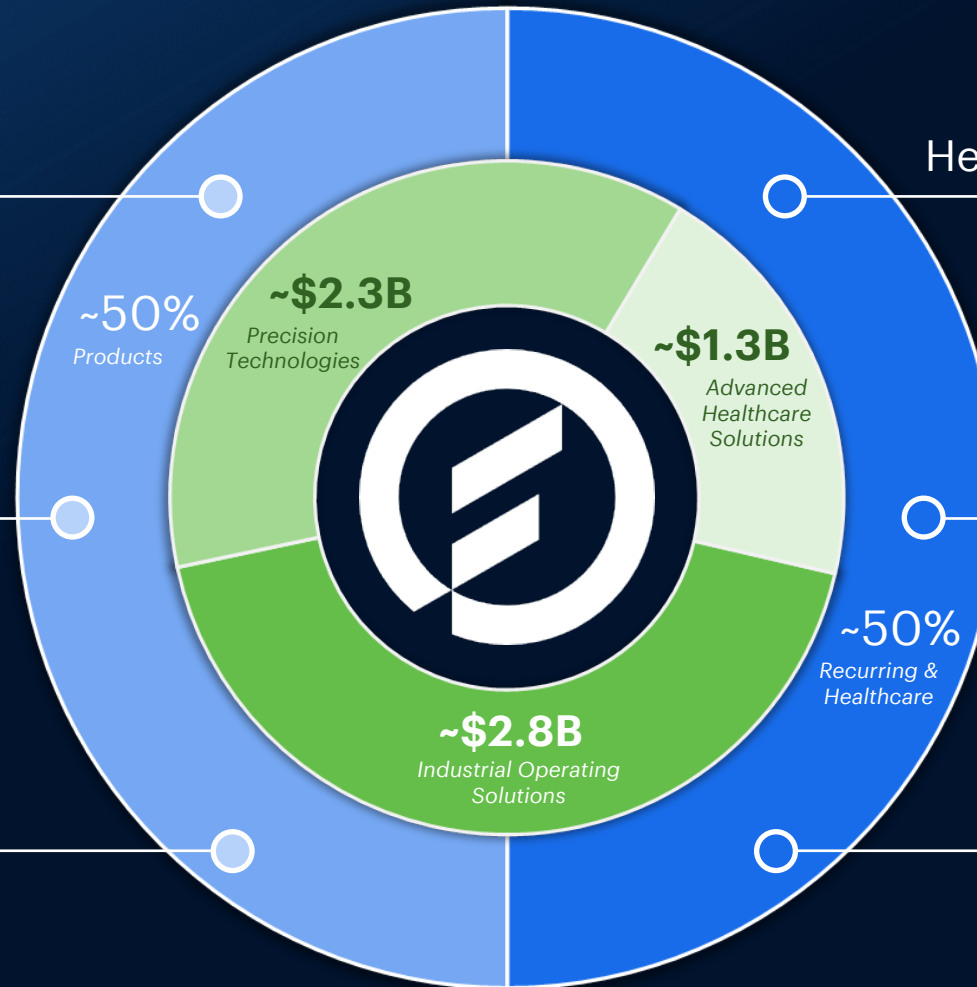
Strategy Is Working

Delivering Improved Through-cycle Performance

MSD core growth CAGR
over the last 5 years

~60% of revenue
continued to grow through
industrial slowdown

~33% revenue aligned
to Electrification/AI



Healthcare **>75%** recurring revenue

~\$1B niche software
positions growing ~HSD

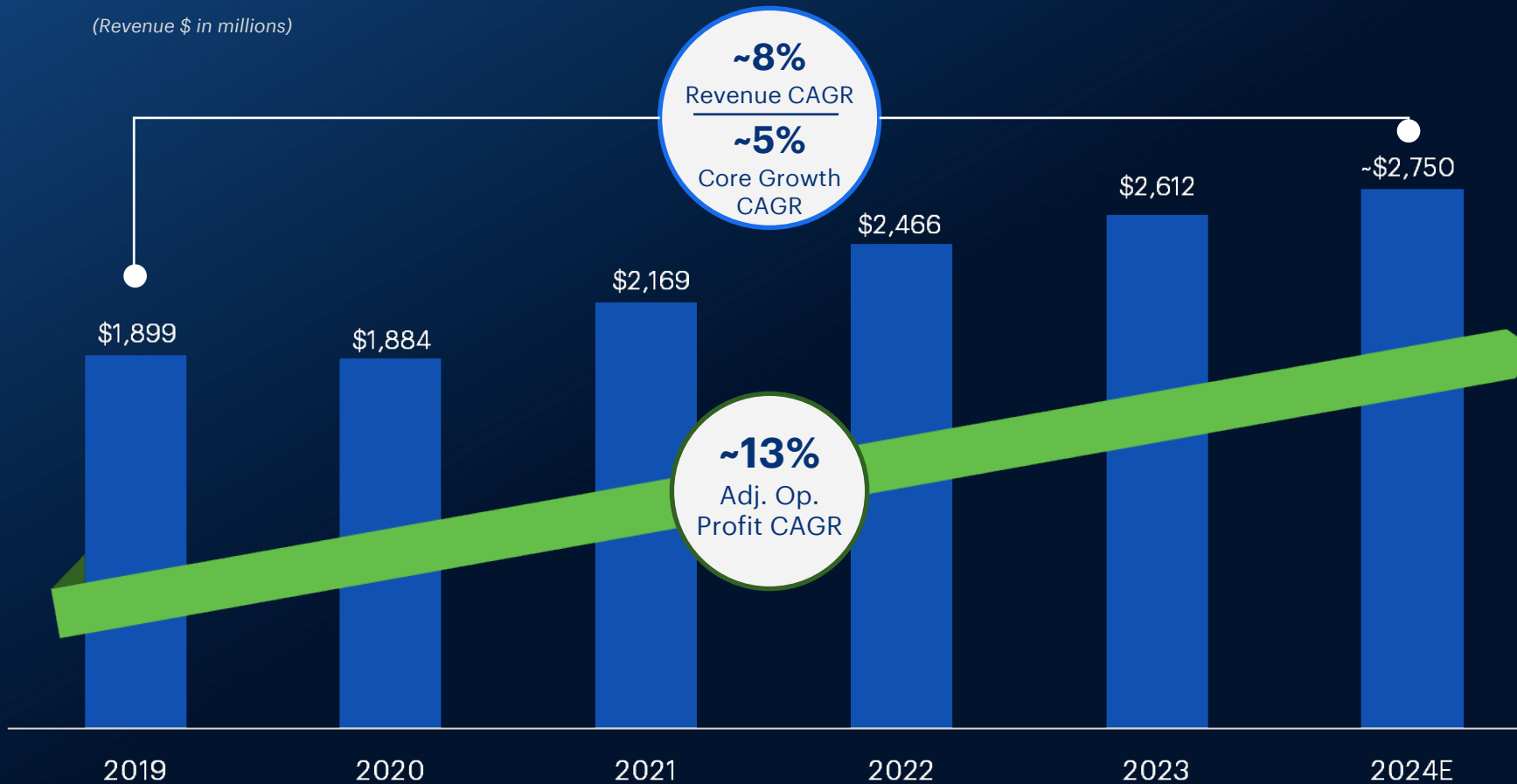
MSD core growth CAGR over
the last 5 years, accelerating to
MSD+ to HSD

IOS Strategic Transformation

Into a Higher Growth, Higher Margin Segment

INTELLIGENT OPERATING SOLUTIONS

(Revenue \$ in millions)



~\$30B
TAM

>\$800M
annualized software
revenue*

~33%
recurring revenue*

>700 bps
adj. OMX since 2019*

*Based on mid-point of FY 2024 guidance

Winning in Electrification/AI

Innovation for a Smarter, Electrified Ecosystem

HIGH
PERFORMANCE
COMPUTE

MOBILITY

GRID

SOLAR

Tektronix

Oscilloscopes, AWGs, SMUs

*Enabling massive compute
for AI, renewable energy,
and more power-efficient
data centers*

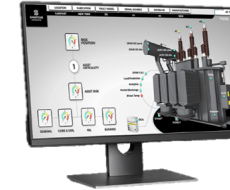


EA Bidirectional Power Supplies

*Best-in-class solutions advancing
HPC/AI and electrifying the future
of everything*

Qualitrol Sensors & Software

*Monitoring the world's
power grid*



Fluke Solar Tools

*Leading T&M brand in Solar
& EVSE high-growth verticals*



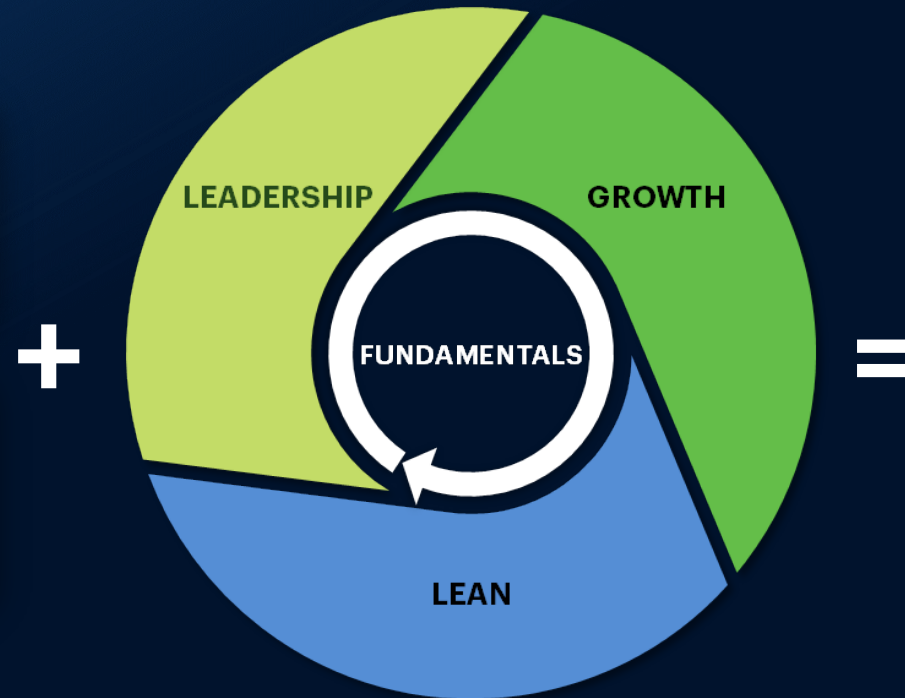
FBS Differentiating Operating Performance

Innovation Enabling Profitable Growth Again in 2024

Our Way of Working



FBS



FBS-Driven Results

>\$1B	New Revenue identified by LPM Dream
17%	Increase in OTD in LPM Develop
24%	Reduction in sustaining engineering, funding more growth
~625 bps	Adj. OMX since 2019*
~550 bps	Improvement in NWC as % of revenue since 2019*

Lean Portfolio Management (LPM) is an FBS process for prioritizing and optimizing our R&D investment in the right portfolio of products that deliver differentiated value to our customers and drive greater returns. LPM Dream identifies the best innovations to accelerate strategy and growth. LPM Develop is the process by which products are built with speed, quality, and cost to win.

*Based on mid-point of FY 2024 guidance

Poised for Continued Outperformance

Confident in Raised Outlook & Long-Term Compounding

2024 Unfolding as Expected ...



Continued Momentum in IOS

Stable demand and NPI traction drive consistent hardware and strong ARR growth



Normalizing Growth in PT

Innovation in power/high-performance compute mitigating normalizing China demand; book-to-bill positive, driving 2H improvement



AHS Accelerating as Expected

Benefiting from highly-recurring consumables recovery and high-margin software growth

... Compounding EPS & FCF Double-digits



Durable Growth Continues

Transformed, high-quality portfolio aligned to favorable secular trends and on-track to achieve long term targets



Power of FBS, Portfolio Drive Margin Expansion

Evolution of FBS tools and high-quality portfolio contribute to accelerated and more profitable growth



Accelerating Returns

Inflection in deal returns and ample firepower fuel Fortive formula for value creation and fund accretive capital deployment

Q1 2024 Financials and Highlights

Strong Start to the Year, Delivering Outstanding Operational Performance

Q1 2024

REVENUE & GROWTH

Progression to more recurring revenue drives higher, more durable growth

Revenue

\$1,525M

Core Growth

+3%

Total Growth

+4%



Q1 core growth above high-end of expectations in all segments; ~60bps FX headwind on total growth

MARGINS

High quality portfolio enables strong incremental margins and powers earnings flywheel

Adj. Gross Margin

59.5%

Adj. GMX

+110 bps

AOP Margin

25.1%

Adj. OMX

+110 bps



Record Q1 adjusted gross and operating margins



High-quality portfolio & strong execution deliver upside

EARNINGS & FCF

Power of FBS drives robust Free Cash Flow generation and accelerated compounding

Adj. EPS

\$0.83

Adj. EPS Growth

11%

Free Cash Flow

\$230M

Adj. FCF Conversion

78%



2 cent operational beat to Adj. EPS



Q1 54% FCF growth

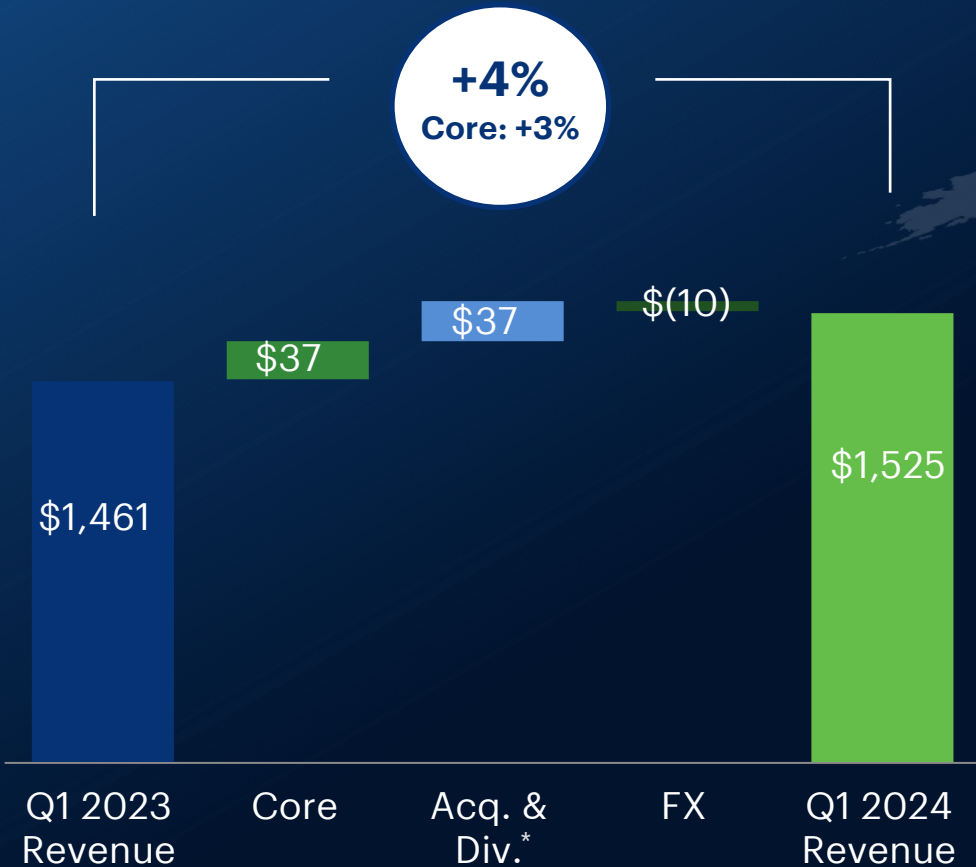
Q1 2024 Segment Highlights

All Segments Outperform Expectations

	INTELLIGENT OPERATING SOLUTIONS	PRECISION TECHNOLOGIES	ADVANCED HEALTHCARE SOLUTIONS
Revenue	\$666M	\$559M	\$300M
Core Growth	+5%	(2)%	+6%
Total Growth	+5%	+3%	+4%
Adj. Op. Profit Margin	31.8%	24.4%	24.2%
Adj. OMX	+160 bps	+80 bps	+200 bps
Q1 Highlights	<ul style="list-style-type: none">• Fluke growth driven by innovation and adoption in key verticals• EHS growth enabled by pricing update and FBS-enabled efficiencies• FAL normalizing after outsized growth at Gordian• OMX driven by favorable price realization and volume growth	<ul style="list-style-type: none">• Tektronix down MSD, as expected, driven by China and delayed US R&D• Sensing down MSD, with improving order trajectory and strong Utilities, Food & Bev markets• PacSci +DD growth• Accretive EA margins and productivity initiatives driving OMX	<ul style="list-style-type: none">• Benefiting from NA channel transition• FHS growth driven by BioMed QA equipment and SC improvements• +DD SaaS growth in software businesses• Volume growth and strong price realization deliver OMX upside

Q1 2024 Revenue

Growth Across All Regions



North America

Core
LSD

Western Europe

Core
MSD

Asia

Core
up
slightly

REGIONAL HIGHLIGHTS

NORTH AMERICA

- Growth in all segments despite normalizing hardware demand
- 2-year stack +HSD

WESTERN EUROPE

- Growth driven by backlog conversion in hardware products
- 2-year stack +LDD

ASIA

- Continued strength in India with LDD growth
- China down LSD, with growth at IOS and AHS partially offsetting expected decline at PT
- 2-year stack +low-twenties total Asia, +high-twenties for China

Q2 & FY 2024 Outlook

Strength of Portfolio Driving Resilient Results

		Q2 2024		FY 2024
REVENUE & GROWTH	Progression to more recurring revenue drives higher, more durable growth	Revenue	\$1,550M to \$1,575M	\$6,350M to \$6,425M
		Core Growth	Flat to 2%	2% to 4%
		Total Growth	2% to 3%	4.5% to 6%
MARGINS	High quality portfolio enables strong incremental margins and powers earnings flywheel	Adj. Operating Profit	\$410M to \$420M	\$1,720M to \$1,770M
		AOP Growth	3% to 6%	9% to 13%
		AOP Margin	~26.7%	27% to 27.5%
		Adj. OMX	+75 bps	+100 to 150 bps
EARNINGS & FCF	Power of FBS drives robust Free Cash Flow generation and accelerated compounding	Adj. EPS	\$0.90 to \$0.93	\$3.77 to \$3.86
		Adj. EPS Growth	6% to 9%	10% to 13%
		Free Cash Flow	~\$270M	~\$1,385M
		Adj. FCF Conversion	~85%	100% to 105%

On the Path to Achieving Long Term Targets

Differentiating Performance and Value Creation

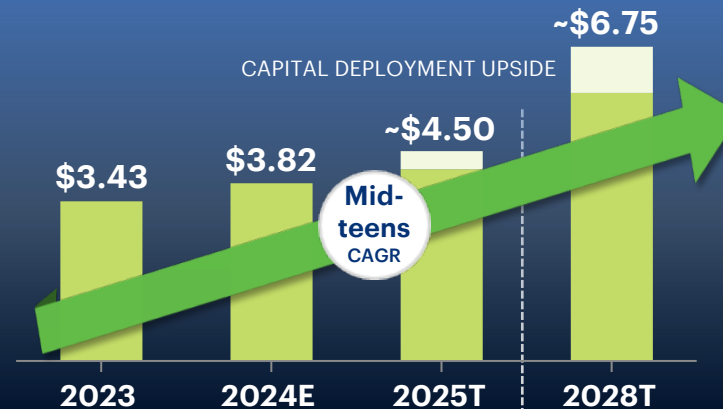


DURABLE, HIGH-GROWTH COMPOUNDING

~2X

EPS growth 2023 to 2028

ADJ. EARNINGS PER SHARE

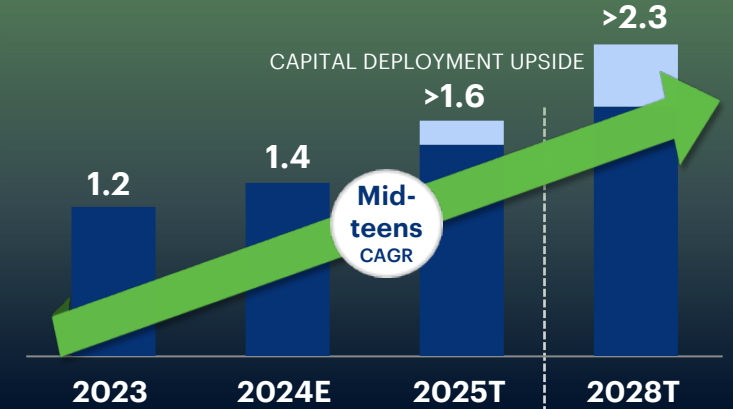


CREATING SHAREHOLDER VALUE

~2X

FCF growth 2023 to 2028
~\$8B FCF to deploy in next 5 years

ANNUAL FREE CASH FLOW (\$B)



Figures on this page beyond 2024 represent management's strategic targets, 2024 represents midpoint of current guide



Appendix & Supplemental Reconciliation Data

FY 2024 Assumptions & Regional Outlooks

	Q2 2024	FY 2024
REVENUE		
Core Growth	~Flat to 2%	2% to 4%
M&A <i>Net of Divestiture*</i>	~3%	~3%
FX	~(1.5%)	~(1%)
Total Growth	2% to 3%	4.5% to 6%
Corporate	~\$35M	~\$145M
Interest	~\$39M	\$160M to 165M
Est. Tax Rate	~14% to 14.5%	~14% to 14.5%
Share Count	~356M	~355M
Capex		~1.7% of Sales (\$100M to \$120M)

FY 2024 REGIONAL GROWTH EXPECTATIONS¹



ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

\$ in millions	Three Months Ended	
	March 29, 2024	March 31, 2023
Revenue (GAAP)	\$ 1,524.5	\$ 1,460.7
Gross Profit (GAAP)	\$ 904.2	\$ 848.2
Acquisition-Related Fair Value Adjustments to Inventory	2.3	—
Discrete Restructuring Charges	—	4.2
Adjusted Gross Profit (Non-GAAP)	\$ 906.6	\$ 852.4
Gross Profit Margin (GAAP)	59.3 %	58.1 %
Adjusted Gross Profit Margin (Non-GAAP)	59.5 %	58.4 %

The sum of the components of adjusted gross profit may not equal due to rounding.

ADJUSTED OPERATING PROFIT & ADJUSTED OPERATING PROFIT MARGIN

\$ in millions	Three Months Ended March 29, 2024					Three Months Ended March 31, 2023					Year over Year Change
	Intelligent Operating Solutions	Precision Technologies	Advanced Healthcare Solutions	Corporate	Total Fortive	Intelligent Operating Solutions	Precision Technologies (a)	Advanced Healthcare Solutions (a)	Corporate	Total Fortive	
Revenue (GAAP)	\$ 665.7	\$ 559.0	\$ 299.8	\$ —	\$ 1,524.5	\$ 632.1	\$ 541.0	\$ 287.5	\$ —	\$ 1,460.6	\$ 63.9
Operating Profit (GAAP)	\$ 164.1	\$ 149.1	\$ 27.5	\$ (38.5)	\$ 302.2	\$ 133.5	\$ 123.6	\$ 15.4	\$ (32.1)	\$ 240.4	
Amortization of Acquisition-Related Intangible Assets	47.6	21.1	45.0	—	113.7	46.0	1.1	45.3	—	92.4	
Acquisition and Divestiture Related Items ^(b)	0.2	29.4	—	—	29.6	—	—	—	—	—	
Gain on sale of property	—	(63.1)	—	—	(63.1)	—	—	—	—	—	
Discrete Restructuring Charges	—	—	—	—	—	11.3	3.1	3.2	—	17.6	
Adjusted Operating Profit (Non-GAAP)	\$ 211.9	\$ 136.5	\$ 72.5	\$ (38.5)	\$ 382.4	\$ 190.8	\$ 127.8	\$ 63.9	\$ (32.1)	\$ 350.4	\$ 32.0
Operating Profit Margin (GAAP)	24.7 %	26.7 %	9.2 %		19.8 %	21.1 %	22.8 %	5.4 %		16.5 %	
Adjusted Operating Profit Margin (Non-GAAP)	31.8 %	24.4 %	24.2 %		25.1 %	30.2 %	23.6 %	22.2 %		24.0 %	
Incremental Adjusted Operating Profit Margin (Non-GAAP) ^(c)											50.1 %
2023 Adjusted Operating Profit Margin (Non-GAAP)	30.2 %	23.6 %	22.2 %		24.0 %						
Core (Non-GAAP)	1.8 %	0.1 %	2.0 %		0.9 %						
Acquisitions and divestitures (Non-GAAP)	(0.2)%	0.7 %	— %		0.2 %						
2024 Adjusted Operating Profit Margin (Non-GAAP)	31.8 %	24.4 %	24.2 %		25.1 %						

(a) The results for the three months ended March 31, 2023 have been recast to conform with the revised segment presentation reclassifying Invetech from AHS to PT.

(b) Includes pretax transaction costs and acquisition-related fair value adjustments to inventory.

(c) Incremental adjusted operating profit margin is calculated as the increase in adjusted operating profit between two periods, divided by the increase in adjusted revenue between the same two periods.

The sum of the components of adjusted operating profit may not equal due to rounding.

ADJUSTED NET EARNINGS AND ADJUSTED DILUTED NET EPS

\$ in millions, except per share amounts	Three Months Ended							
	March 29, 2024		March 31, 2023					
	Per share value		Per share value					
Net Earnings and Net Earnings Per Share (GAAP)	\$	207.4	\$	0.58	\$	173.6	\$	0.49
Pretax amortization of acquisition related intangible assets		113.7		0.32		92.4		0.26
Pretax acquisition and divestiture related items ^(a)		29.6		0.09		—		—
Pretax losses from equity investments		4.6		0.01		1.9		—
Pretax gain on sale of property and charitable contribution expense		(43.1)		(0.12)		—		—
Pretax discrete restructuring charges		—		—		17.6		0.05
Tax effect of the adjustments reflected above		(16.9)		(0.05)		(18.8)		(0.05)
Adjusted Net Earnings and Adjusted Net Earnings Per Share (Non-GAAP)	\$	295.3	\$	0.83	\$	266.7	\$	0.75
Average Common Diluted Stock Outstanding (shares in millions)				356.0				356.5

(a) Includes pretax transaction costs, integration costs and acquisition-related fair value adjustments to inventory.
The sum of the components of adjusted diluted net earnings per share may not equal due to rounding.

FORECASTED ADJUSTED DILUTED NET EPS

	Three Months Ending June 28, 2024		Twelve Months Ending December 31, 2024	
	Low	High	Low	High
Forecasted Diluted Net Earnings Per Share (GAAP)	\$ 0.57	\$ 0.60	\$ 2.61	\$ 2.70
Anticipated pretax amortization of acquisition related intangible assets	0.32	0.32	1.27	1.27
Anticipated pretax acquisition-related items	—	—	0.10	0.10
Anticipated pretax losses from equity investments	0.02	0.02	0.06	0.06
Anticipated pretax loss from divestment	0.04	0.04	0.04	0.04
Gain on sale of property and charitable contribution expense	—	—	(0.12)	(0.12)
Tax effect of the adjustments reflected above	(0.05)	(0.05)	(0.19)	(0.19)
Forecasted Adjusted Diluted Net Earnings Per Share	\$ 0.90	\$ 0.93	\$ 3.77	\$ 3.86

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

FREE CASH FLOW CONVERSION RATIO - TRAILING TWELVE MONTHS (in millions)

	Three Months Ended				Trailing Twelve Months
	March 29, 2024	December 31, 2023	September 29, 2023	June 30, 2023	
Operating Cash Flows (GAAP)	\$ 256.7	\$ 446.8	\$ 411.4	\$ 321.0	\$ 1,435.9
Less: purchases property, plant & equipment (capital expenditures) (GAAP)	(26.4)	(34.1)	(27.9)	(21.0)	(109.4)
Free Cash Flow (Non-GAAP)	\$ 230.3	\$ 412.7	\$ 383.5	\$ 300.0	\$ 1,326.5
Adjusted Net Earnings (Non-GAAP)	\$ 295.3	\$ 348.7	\$ 301.6	\$ 303.1	\$ 1,248.7
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	78 %	118 %	127 %	99 %	106 %

	Three Months Ended				Twelves Months Ended
	March 31, 2023	December 31, 2022	September 30, 2022	July 1, 2022	March 31, 2023
Operating Cash Flows (GAAP)	\$ 174.4	\$ 464.2	\$ 329.8	\$ 294.4	\$ 1,262.8
Less: purchases property, plant & equipment (capital expenditures) (GAAP)	(24.8)	(36.1)	(22.5)	(18.4)	(101.8)
Free Cash Flow (Non-GAAP)	\$ 149.6	\$ 428.1	\$ 307.3	\$ 276.0	\$ 1,161.0
Adjusted Net Earnings (Non-GAAP)	\$ 266.7	\$ 313.0	\$ 283.8	\$ 281.1	\$ 1,144.6
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	56 %	137 %	108 %	98 %	101 %

CORE REVENUE GROWTH

Components of Revenue Growth	Three Months Ended March 29, 2024
<i>Total Fortive</i>	
Total Revenue Growth (GAAP)	4.4 %
Core (Non-GAAP)	2.5 %
Acquisitions and divestitures (Non-GAAP)	2.5 %
Impact of currency translation (Non-GAAP)	(0.6)%
<i>Intelligent Operating Solutions</i>	
Total Revenue Growth (GAAP)	5.3 %
Core (Non-GAAP)	4.6 %
Acquisitions and divestitures (Non-GAAP)	1.1 %
Impact of currency translation (Non-GAAP)	(0.4)%
<i>Precision Technologies</i>	
Total Revenue Growth (GAAP)	3.3 %
Core (Non-GAAP)	(1.5)%
Acquisitions and divestitures (Non-GAAP)	5.6 %
Impact of currency translation (Non-GAAP)	(0.8)%
<i>Advanced Healthcare Solutions</i>	
Total Revenue Growth (GAAP)	4.3 %
Core (Non-GAAP)	5.5 %
Impact of currency translation (Non-GAAP)	(1.2)%

ADJUSTED EFFECTIVE TAX RATE

\$ in millions	Three Months Ended	
	March 29, 2024	March 31, 2023
Earnings before income taxes	\$ 234.0	\$ 205.8
Income tax expense	(26.6)	(32.2)
Effective tax rate (GAAP)	11.4 %	15.7 %
Earnings before income taxes (GAAP)	\$ 234.0	\$ 205.8
Pretax amortization of acquisition related intangible assets and non-cash impairments	113.7	92.4
Pretax acquisition and divestiture related items	29.6	—
Pretax losses from equity investments	4.6	1.9
Pretax gain on sale of property and charitable contribution expense	(43.1)	—
Pretax discrete restructuring charges	—	17.6
Pretax Adjusted Net Earnings (Non-GAAP)	\$ 338.8	\$ 317.7
Tax effect of the adjustments reflected above	(16.9)	(18.8)
Adjusted income tax expense (Non-GAAP)	\$ (43.5)	\$ (51.0)
Adjusted effective tax rate (Non-GAAP)	12.8 %	16.0 %

The recalculation of certain percentages may not equal due to rounding.



FORTIVE