



# Baird Global Industrials Conference

November 11, 2025

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President & CEO

# Forward Looking Statements, Non-GAAP Financial Measures, & Basis of Presentation

## FORWARD-LOOKING STATEMENTS

Statements in this presentation that are not strictly historical, including statements regarding anticipated financial results, global and regional economic conditions, industry trends, geopolitical events, future acquisitions, impact of trade and spending policies, the ability to execute the planned strategies, 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 United States federal securities laws. Factors that could cause actual results to differ materially from those in the forward-looking statements include, among other things: deterioration of or instability in the economy, the markets we serve, international trade policies and deteriorating trade relations with other countries, including imposition of tariffs and retaliatory tariffs between United States and China and other countries, responsive economic nationalism, trade restrictions, and enhanced regulation, impact of any prolonged government shutdown, the financial markets, geopolitical conditions and conflicts, security breaches or other disruptions of our information technology systems, supply chain constraints, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, 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, our plans to separate into two independent, publicly-traded companies, risk related to tax treatment of our prior separations, impact of our indemnification obligation to Ralliant and 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, 2024 and Quarterly Reports on Form 10-Q for the subsequent quarters. 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.

## NON-GAAP FINANCIAL MEASURES

This presentation contains references to financial measures not presented in accordance with generally accepted accounting principles (“GAAP”). Information required by Regulation G with respect to historical non-GAAP financial measures are set forth in the appendix to this presentation and the “Investors” section of our website, [www.fortive.com](http://www.fortive.com), under the heading “Financial Results”.

## PRECISION TECHNOLOGIES SEPARATION

On June 28, 2025, the Company completed the separation (the “Separation”) of its former Precision Technologies segment by distributing to Fortive shareholders on a pro rata basis all of the issued and outstanding common stock of Ralliant Corporation (“Ralliant”), the entity incorporated to hold the PT businesses. The accounting requirements for reporting Ralliant as a discontinued operation were met when the Separation was completed. Accordingly, the accompanying financial information for all periods presented reflect this business as a discontinued operation. Unless otherwise indicated, all references in this report refer to continuing operations.

All growth or period changes refer to year-over-year comparisons unless otherwise stated. Forward looking financial information not otherwise presented as a range reflect assumptions underlying the midpoint of our forward-looking targets.

# New Fortive at a Glance

Simplified Company, Focused on Safety and Productivity

### Investment Highlights

- Strong, durable financial profile with high recurring revenue, attractive margin profile, and robust free cash flow generation
- Industry-leading operating brands in attractive markets, with strong secular tailwinds
- Poised for acceleration powered by our Fortive Business System, clear plan to drive significant shareholder returns



# Fortive *Accelerated* Strategy

1

## **Faster Profitable Organic Growth**

- Innovation Acceleration
- Commercial Acceleration
- Recurring Customer Value

***Powered by FBS Amplified***

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Promising early indicators from new approach designed to provide more “growth oxygen” to operating brands

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2

## **Disciplined Capital Allocation**

- Invest in organic growth
- Smaller bolt-on M&A
- Share repurchases
- Modest growing dividend

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Deployed \$1B in Q3 to share repurchases, representing ~21M shares or 6% of fully diluted shares outstanding

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3

## **Build and Maintain Investor Trust**

- Clear expectations and consistent delivery
- Simplified guidance and disclosure
- Do what we say we will do

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Exceeded expectations in Q3 and raised FY 2025 guidance

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**Demonstrated progress in Q3**

***Ambition: 3-5 Year Total Shareholder Return > the S&P 500 Index<sup>1</sup>***



# Supplemental Reconciliation Data

## ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN – TRAILING TWELVE MONTHS

<i>\$ in millions</i>	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Revenue (GAAP)</b>	\$ 1,027.1	\$ 1,016.4	\$ 993.1	\$ 1,072.8	\$ 4,109.4
<b>Gross Profit (GAAP)</b>	\$ 649.2	\$ 645.5	\$ 637.5	\$ 695.5	\$ 2,627.7
Discrete Restructuring Charges	1.40	4.9	1.8	0.6	8.70
<b>Adjusted Gross Profit (Non-GAAP)</b>	\$ 650.6	\$ 650.4	\$ 639.3	\$ 696.1	\$ 2,636.4
<b>Gross Profit Margin (GAAP)</b>	63.2%	63.5%	64.2%	64.8%	63.9%
<b>Adjusted Gross Profit Margin (Non-GAAP)</b>	63.3%	64.0%	64.4%	64.9%	64.2%

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN FROM CONTINUING OPERATIONS – TRAILING TWELVE MONTHS

Total Fortive \$ in millions	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Revenue (GAAP)</b>	\$ 1,027.1	\$ 1,016.4	\$ 993.1	\$ 1,072.8	\$ 4,109.4
<b>Net Earnings from Continuing Operations (GAAP)</b>	\$ 117.0	\$ 111.6	\$ 112.6	\$ 193.2	\$ 534.4
Interest expense, net	25.4	32.1	32.0	33.0	122.5
Income taxes	18.0	28.0	21.1	(13.0)	54.1
Depreciation	17.6	17.6	16.8	15.9	67.9
Amortization	91.5	91.6	91.2	92.2	366.5
<b>EBITDA from Continuing Operations (Non-GAAP)</b>	<b>269.5</b>	<b>280.9</b>	<b>273.7</b>	<b>321.3</b>	<b>1,145.4</b>
Pretax acquisition, divestiture, and Separation related items (a)	38.3	1.6	-	0.2	40.1
Pretax discrete restructuring charges	2.1	8.0	3.4	10.6	24.1
Pretax foreign currency transaction (gains) and losses related to Euro-denominated debt	(0.5)	-	-	-	(0.5)
Pretax gain from divestiture	-	(2.1)	-	-	(2.1)
<b>Adjusted EBITDA from Continuing Operations (Non-GAAP)</b>	<b>\$ 309.4</b>	<b>\$ 288.4</b>	<b>\$ 277.1</b>	<b>\$ 332.1</b>	<b>\$ 1,207.0</b>
<b>Net Earnings Margin from Continuing Operations (GAAP)</b>	<b>11.4%</b>	<b>11.0%</b>	<b>11.3%</b>	<b>18.0%</b>	<b>13.0%</b>
<b>Adjusted EBITDA Margin from Continuing Operations (Non-GAAP)</b>	<b>30.1%</b>	<b>28.4%</b>	<b>27.9%</b>	<b>31.0%</b>	<b>29.4%</b>

(a) Includes pretax transaction costs, acquisition related fair value adjustments to inventory, integration costs, corresponding restructuring charges related to acquisitions, and certain

## SEGMENT ADJUSTED EBITDA AND SEGMENT ADJUSTED EBITDA MARGIN – TRAILING TWELVE MONTHS

Intelligent Operating Solutions <i>\$ in millions</i>	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Revenue (GAAP)</b>	\$ 698.8	\$ 696.9	\$ 690.9	\$ 730.9	\$ 2,817.5
<b>Operating Profit (GAAP)</b>	\$ 180.7	\$ 170.8	\$ 174.6	\$ 200.8	\$ 726.9
Amortization of acquisition-related intangible assets	46.4	46.6	46.6	46.6	186.2
Acquisition, divestiture, and separation related items (a)	0.1	0.4	-	0.2	0.7
Discrete restructuring charges	2.0	5.9	3.4	10.0	21.3
<b>Adjusted Operating Profit (Non-GAAP)</b>	<b>229.2</b>	<b>223.7</b>	<b>224.6</b>	<b>257.6</b>	<b>935.1</b>
Depreciation	12.7	12.0	11.6	10.2	46.5
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 241.9</b>	<b>\$ 235.7</b>	<b>\$ 236.2</b>	<b>\$ 267.8</b>	<b>\$ 981.6</b>
<b>Operating Profit Margin (GAAP)</b>	<b>25.9%</b>	<b>24.5%</b>	<b>25.3%</b>	<b>27.5%</b>	<b>25.8%</b>
<b>Adjusted Operating Profit Margin (Non-GAAP)</b>	<b>32.8%</b>	<b>32.1%</b>	<b>32.5%</b>	<b>35.2%</b>	<b>33.2%</b>
<b>Adjusted EBITDA Margin (Non-GAAP)</b>	<b>34.6%</b>	<b>33.8%</b>	<b>34.2%</b>	<b>36.6%</b>	<b>34.8%</b>
Advanced Healthcare Solutions <i>\$ in millions</i>	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Revenue (GAAP)</b>	\$ 328.3	\$ 319.5	\$ 302.2	\$ 341.9	\$ 1,291.9
<b>Operating Profit (GAAP)</b>	\$ 42.5	\$ 35.8	\$ 21.7	\$ 42.7	\$ 142.7
Amortization of acquisition-related intangible assets	45.1	45.0	44.6	45.6	180.3
Acquisition, divestiture, and separation related items (a)	0.1	-	-	-	0.1
Discrete restructuring charges	0.1	-	-	0.6	0.7
<b>Adjusted Operating Profit (Non-GAAP)</b>	<b>87.8</b>	<b>80.8</b>	<b>66.3</b>	<b>88.9</b>	<b>323.8</b>
Depreciation	4.5	5.3	4.9	5.2	19.9
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 92.3</b>	<b>\$ 86.1</b>	<b>\$ 71.2</b>	<b>\$ 94.1</b>	<b>\$ 343.7</b>
<b>Operating Profit Margin (GAAP)</b>	<b>12.9%</b>	<b>11.2%</b>	<b>7.2%</b>	<b>12.5%</b>	<b>11.0%</b>
<b>Adjusted Operating Profit Margin (Non-GAAP)</b>	<b>26.7%</b>	<b>25.3%</b>	<b>21.9%</b>	<b>26.0%</b>	<b>25.1%</b>
<b>Adjusted EBITDA Margin (Non-GAAP)</b>	<b>28.1%</b>	<b>26.9%</b>	<b>23.6%</b>	<b>27.5%</b>	<b>26.6%</b>

(a) Includes pretax transaction costs, acquisition related fair value adjustments to inventory, integration costs, corresponding restructuring charges related to acquisitions.



# FREE CASH FLOW FROM CONTINUING OPERATIONS – TRAILING TWELVE MONTHS

<i>\$ in millions</i>	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Operating Cash Flows from Continuing Operations (GAAP)</b>	\$ 294.7	\$ 205.0	\$ 191.8	\$ 327.7	\$ 1,019.2
Less: Purchases of property, plant & equipment (capital expenditures) (GAAP)	(28.6)	(25.0)	(21.1)	(22.6)	(97.3)
<b>Free Cash Flow from Continuing Operations (Non-GAAP)</b>	\$ 266.1	\$ 180.0	\$ 170.7	\$ 305.1	\$ 921.9
<b>Adjusted Net Earnings from Continuing Operations (Non-GAAP)</b>	\$ 228.3	\$ 197.8	\$ 191.1	\$ 279.8	\$ 897.0
<b>Free Cash Flow Conversion on Adjusted Net Earnings from Continuing Operations</b>	116.6%	91.0%	89.3%	109.0%	102.8%

# CORE REVENUE GROWTH

	Three Months Ended				Trailing Twelve Months
	September 26, 2025	June 27, 2025	March 28, 2025	December 31, 2024	
<b>Total revenue growth (GAAP)</b>	<b>2.3%</b>	<b>(0.4)%</b>	<b>0.9%</b>	<b>3.9%</b>	<b>1.7%</b>
Excluding impact of:					
Acquisitions and divestitures	0.3%	0.4%	—%	(0.2)%	0.1%
Currency exchange rates	(0.7)%	(0.7)%	1.3%	0.8%	0.2%
<b>Core revenue growth (Non-GAAP)</b>	<b>1.9%</b>	<b>(0.7)%</b>	<b>2.2%</b>	<b>4.5%</b>	<b>2.0%</b>

	Year Ended				
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
<b>Total revenue growth (GAAP)</b>	<b>4.3%</b>	<b>4.6%</b>	<b>11.3%</b>	<b>14.0%</b>	<b>7.2%</b>
Excluding impact of:					
Acquisitions and divestitures	(0.6)%	0.2%	(6.1)%	(3.8)%	(12.9)%
Currency exchange rates	0.6%	0.6%	3.1%	(1.4)%	—%
<b>Core revenue growth (Non-GAAP)</b>	<b>4.3%</b>	<b>5.4%</b>	<b>8.3%</b>	<b>8.8%</b>	<b>(5.7)%</b>