



Baird Global Industrials Conference

November 13, 2024

Jim Lico, President and CEO

Forward-Looking Statements and 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, our plans to separate into two independent, publicly-traded companies, including the timing and cost related to the planned separation, 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, geopolitical conditions and conflicts, international trade policies and the financial markets, 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, changes in trade relations with China, contractions or lower growth rates and cyclicity 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 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 and Quarterly Report on Form 10-Q for the quarter ended September 27, 2024. 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 are available under the Financial Results section of the Fortive Investor Relations website at investors.fortive.com.

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 and Quarterly Report on Form 10-Q for the quarter ended September 27, 2024 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.

Fortive Today

Execution & Strategic Actions To Drive Consistent Value Creation



Execution Drives Performance

- Consistent revenue growth reinforcing high-quality portfolio
- Differentiated, +DD adj. earnings and FCF compounding over last 5 yrs

Strategically Well-Positioned for 2025

- Stabilizing demand trends expected to drive improvement in core growth
- Spinning PT segment by Q4'25, creating two focused, scaled companies with clear growth and capital allocation priorities

Value-enhancing Capital Deployment

- Prioritizing share repurchases through spin conclusion
- Distinct capital allocation strategies for each company going forward

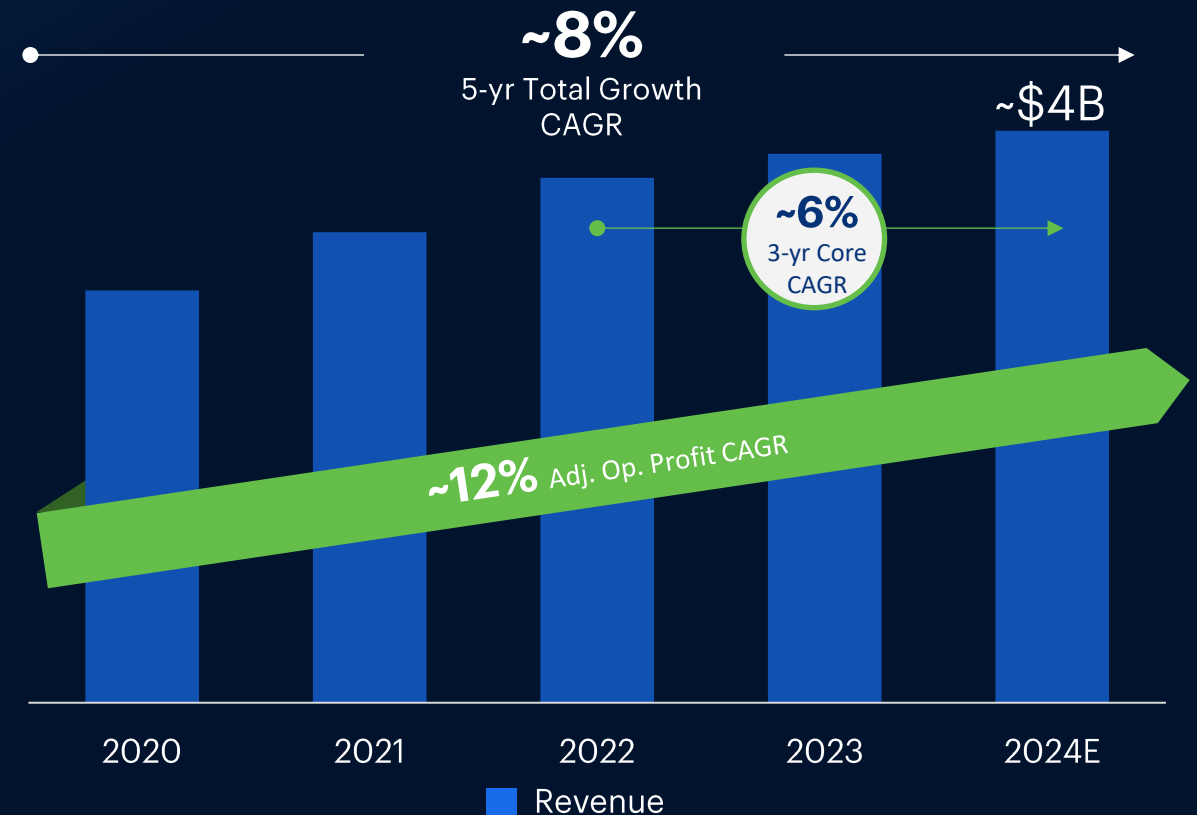
Fortive: IOS and AHS Businesses

Focused and Resilient Portfolio with ~50% Recurring Revenue

INVESTMENT HIGHLIGHTS

- Portfolio evolution **accelerates recurring revenue, growth, EPS and free cash flow profile**
- Demonstrated **resilience, reduced volatility and increased momentum** in IOS/AHS; shift focus from through-cycle growth to total growth
- **Proven ability of FBS** to drive innovation, and convert more revenue and earnings to cash
- Scale and cash flow allow for balanced capital deployment, with **focused M&A to enhance recurring revenue profile** and **return-enhancing share buybacks**

FIVE YEAR TRACK RECORD^{1,2}



1. All numbers based on midpoint of management's FY 2024E guidance

2. Adj. Op Profit Margin is on the same basis as Fortive's segment reporting and excludes corporate costs. Amount is presented for informational purposes only and should not be viewed as an indication of the future company's operating results on a standalone basis assuming completion of spin transaction.

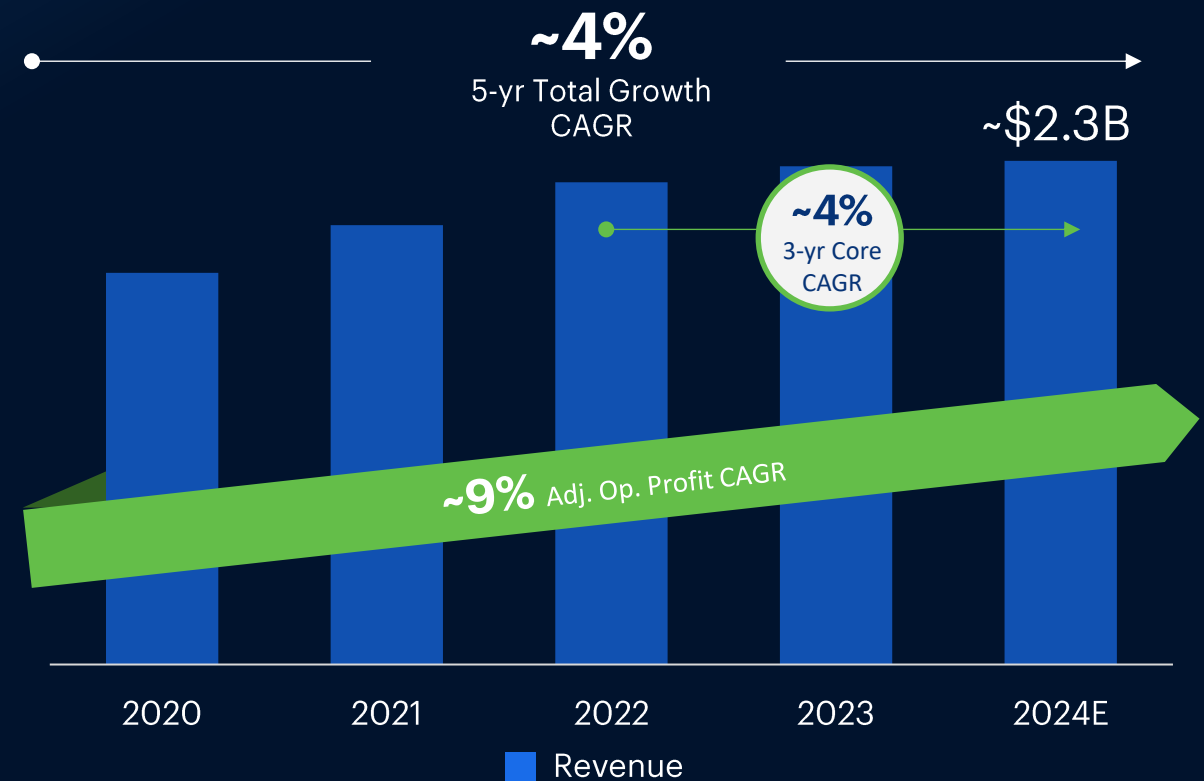
NewCo: Precision Technologies Business

Portfolio Built for Secular Growth Through-Cycle

INVESTMENT HIGHLIGHTS

- **Mission critical technologies** in test & measurement, specialty sensors, and aerospace & defense subsystems
- Powerful secular trends providing **through-cycle growth tailwinds** across diverse end markets
- **Seasoned FBS leadership and innovation** power earnings and FCF flywheel
- Industry-leading FCF generation enables focused **return of cash to shareholders**, while pursuing M&A opportunities aligned to **domain expertise and secular growth trends**

FIVE YEAR TRACK RECORD^{1,2}



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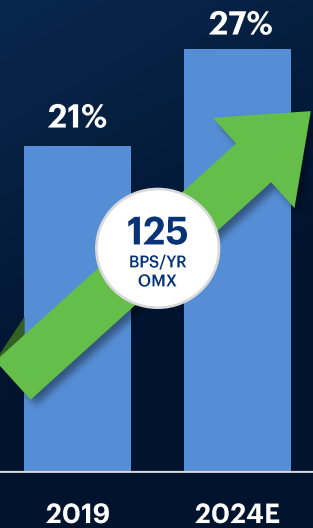
Track Record Paves Way For Future Success

Delivering Consistent Earnings & FCF Compounding

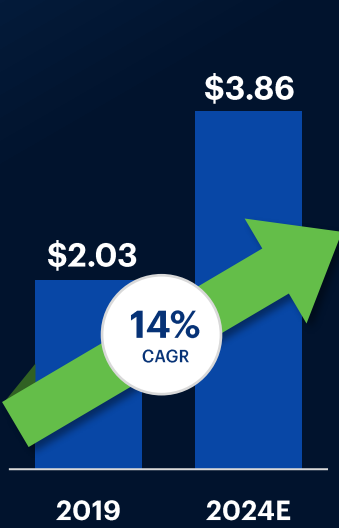
ADJ. REVENUE (\$B)



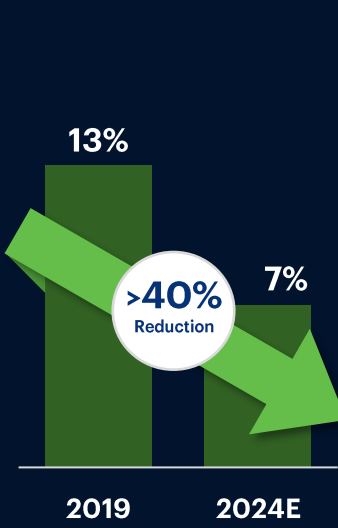
ADJ. OP MARGIN



ADJ. EPS



NWC % SALES



FREE CASH FLOW (\$B)





FORTIVE