Fourth Quarter 2021 Earnings Release

February 17, 2022



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to statements regarding Vontier Corporation's (the "Company's") business and acquisition opportunities, anticipated revenue growth, anticipated operating margin expansion, anticipated cash flow, and anticipated earnings growth, and any other statements identified by their use of words like "anticipate," "expect," "believe," "outlook," "guidance," or "will" or other words of similar meaning. There are a number of important risks and uncertainties 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 risks and uncertainties 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, contractions or lower growth rates and cyclicality of markets we serve, competition, changes in industry standards and governmental regulations that may adversely impact demand for our products or our costs, 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, impact of divestitures, 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, 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, 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 2020 Annual Report on Form 10-K. These forward-looking statements represent Vontier's beliefs and assumptions only as of the date of this presentation and Vontier 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 “core revenue growth,” “free cash flow,” "free cash flow conversion," “adjusted free cash flow,” “adjusted free cash flow conversion,” “adjusted operating profit,” “adjusted operating profit margin,” “adjusted core operating margin expansion,” “adjusted net earnings,” “adjusted diluted net earnings per share,” “adjusted EBITDA,” and “net leverage ratio” financial measures which are, in each case, not presented in accordance with generally accepted accounting principles (“GAAP”).

- Core revenue growth refers to the change of total sales calculated according to GAAP but excluding (1) sales from acquired and divested businesses; (2) the impact of currency translation; and (3) certain other items. References to sales attributable to acquisitions or acquired businesses refers to GAAP sales from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to certain divested businesses or product lines not considered discontinued operations. The portion of sales attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in sales (excluding sales from acquired businesses) and (b) the period-to-period change in sales, including foreign operations (excluding sales from acquired businesses) after applying the current period foreign exchange rates to the prior year period. The portion of sales attributable to other items is calculated as the impact of those items which are not directly correlated to sales from existing businesses which do not have an impact on the current or comparable period.
- Free cash flow refers to cash flow from operations calculated according to GAAP but excluding capital expenditures. Free cash flow conversion refers to free cash flow divided by net earnings calculated according to GAAP.
  - Adjusted free cash flow refers to free cash flow adjusted for pro-forma interest expense on debt, net of interest income, and standalone and other one-time public company costs. Adjusted free cash flow conversion refers to adjusted free cash flow divided by adjusted net earnings.
- Adjusted operating profit refers to operating profit calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, restructuring costs and other termination costs and severance benefits ("restructuring costs"), transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, other charges which represent charges incurred that are not part of our core operating results ("other charges") and asset impairments and is adjusted for standalone and other one-time public company costs. Adjusted operating profit margin refers to adjusted operating profit divided by GAAP sales. Adjusted core operating margin expansion refers to the change in adjusted operating profit margin but excluding (1) the impact on operating profit from acquired and divested businesses and (2) the impact of currency translation. References to the impact of acquisitions and divestitures refer to operating profit from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of operating profit attributable to certain divested businesses or product lines not considered discontinued operations. The portion of operating profit attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in operating profit (excluding operating profit from acquired businesses) and (b) the period-to-period change in operating profit, including foreign operations (excluding operating profit from acquired businesses) after applying the current period foreign exchange rates to the prior year period.
- Adjusted net earnings refers to net earnings calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, restructuring costs, transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, gains and losses on sales and settlements of property and investments, asset impairments, earnings attributable to noncontrolling interests, other charges and non-cash write-off of deferred financing costs and is adjusted for pro-forma interest expense on debt, net of interest income, standalone and other one-time public company costs, and certain other tax adjustments and applying the Company's overall estimated effective tax rate to the pretax amount of the adjustment, unless the nature of the adjustment and/or the tax jurisdiction in which the adjustment has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such adjustment is estimated by applying such specific tax rate or tax treatment. Adjusted diluted net earnings per share refers to adjusted net earnings divided by the weighted average diluted shares outstanding.
- EBITDA refers to net earnings calculated in accordance with GAAP, excluding, interest, taxes, depreciation, and amortization of acquisition-related intangible assets.
  - Adjusted EBITDA refers to EBITDA excluding restructuring costs, asset impairments, transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, gains and losses on sales and settlements of property and investments, one-time costs related to separation, earnings attributable to non controlling interest, other charges and non-cash write-off of deferred financing costs.

The Company has not reconciled the forward-looking statements regarding core revenue growth, adjusted core operating margin expansion and adjusted free cash flow conversion because both the corresponding GAAP measures and the reconciliation thereto would require the Company to make estimates or assumptions about unknown currency impact, unidentified acquisitions and similar adjustments during the relevant period that could not be determined without unreasonable effort. 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. Further information with respect to and reconciliations of such non-GAAP financial measures to the nearest GAAP financial measure can be found attached to this presentation.

We report our financial results in accordance with GAAP. However, we present certain non-GAAP measures, as described above, which are not recognized financial measures under GAAP, because we believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these measure are helpful in highlighting trends in our operating results, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure and allocation, the tax jurisdictions in which companies operate and capital investments and acquisitions.

FY21 Accomplishments to Unleash Earnings Growth Potential

Financial Outperformance	➢ +10.6% reported revenue, +7.4% core revenue growth ➢ +160 bps adj core OMX ➢ Adj EPS $2.88, +17% ➢ Adj FCF conversion 96%, 102% excluding extra tax payment
Profitable Growth	➢ >2X GM$ from NPI ➢ Market Share Gains ➢ Strong Franchisee Growth ➢ >200 bps OMX at both Teletrac Navman & Hennessy
Portfolio Diversification	**$965M** capital deployed towards acquisition
ESG Commitment	Scope 1&2 GHG Emissions ↓ **45%** Reduction in absolute by 2030, measured against 2020 baseline

Note: Adjusted EPS, Adjusted Core Operating Margin Expansion, Adjusted Free Cash Flow Conversion and Core Revenue Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q4 2021 Summary

Focus and execution deliver another beat and strong finish to the year

- **Adj. EPS $0.83** driven by DRB and profitable growth initiatives, partially offset by supply chain and inflationary headwinds
- Strong execution delivered adj. core OMX in line with guide despite supply chain impact to sales conversion
- **Adj. GMX +140 bps** driven by DRB and strong price actions

Portfolio diversification underway

- **DRB delivered high-teens, highly-profitable revenue growth**
- Well-positioned at the forefront of solving next-gen mobility and transportation challenges
- Growing into a more focused, higher quality, industrial technology company
- Long-term secular drivers underpinning long-term growth

Initiating 2022 guidance for HSD earnings growth. Positioning portfolio for accelerated profitable growth.

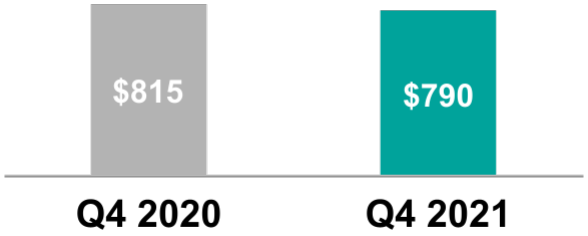
- Expect **adj. EPS of $3.05 - $3.15**, including high-teens cents from DRB
- Strong underlying demand for our solutions; expect **+HSD total revenue growth, core revenue growth of +LSD to +MSD**
- **Profitable growth initiatives gaining momentum...**early innings with long runway of profitable growth opportunity
- Incremental investments targeting **high-return growth opportunities**
- Expect **adj. FCF of ~100%**
- Expect to opportunistically purchase our stock in early 2022 under our previously announced stock repurchase program
- Anticipate ~$2B of M&A capacity over the next 2 to 3 years

Note: Adjusted EPS, Adjusted Core Operating Margin Expansion, Adjusted Gross Margin Expansion, Adjusted Free Cash Flow Conversion and Core Revenue Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q4 2021 Financial Performance

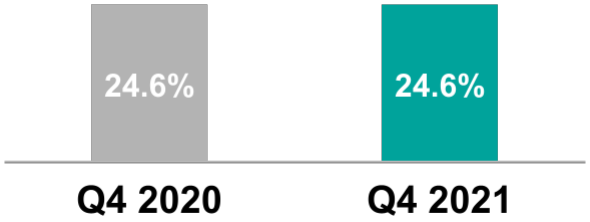
Summary of Key Financial Items

Revenue ($M)



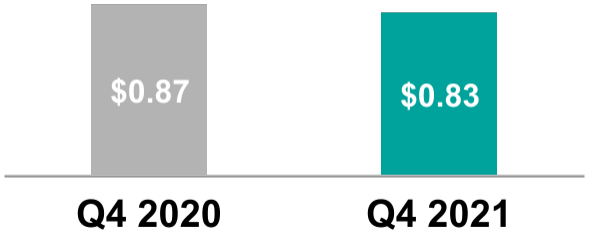
- Total growth: (3.1)%
- Core revenue growth: (8.2)%
- Acquisitions: 5.7%
- FX: (0.6)%

Adj. Operating Profit Margin (%)



- GAAP OP Margins -140 bps
- Adj. Core OMX -70 bps
- Reflecting Adj. GMX +140 bps

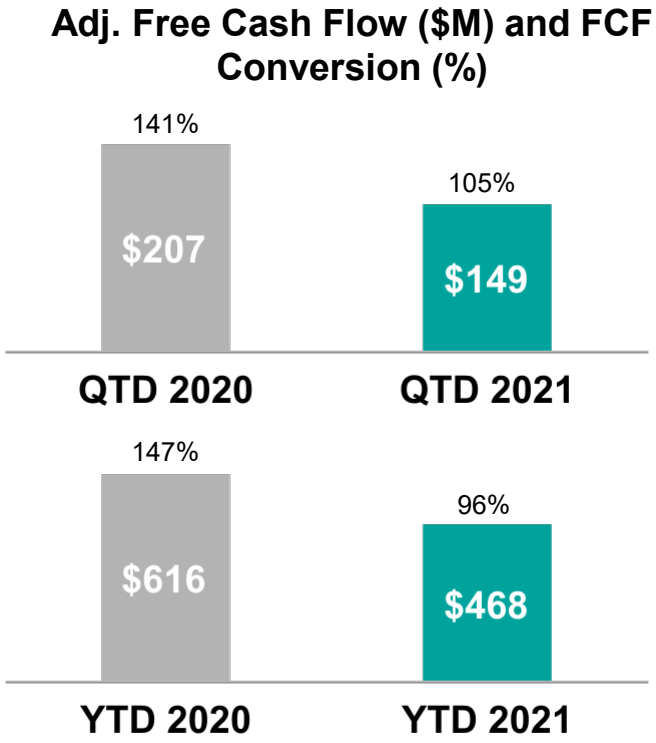
Adj. Diluted Net EPS



- GAAP EPS of $0.66
- 21.9% Adj. Effective Tax Rate ("ETR")
- $0.01 tax benefit

Note: Adjusted Operating Profit Margin, Adjusted Core Operating Margin Expansion, Adjusted Gross Margin Expansion, Adjusted Diluted Net Earnings Per Share and Core Revenue Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q4 2021 Free Cash Flow Detail



- **Q4 2021:**
  - **Free Cash Flow:** $124M, -39%; conversion of 111% of GAAP Net Earnings
  - **Adj. Free Cash Flow:** $149M, -28%; conversion of 105% of Adj. Net Earnings, reflecting a slight decrease in working capital
- **2021 YTD:**
  - **Free Cash Flow:** $433M, -34%; conversion of 105% of GAAP Net Earnings
  - **Adj. Free Cash Flow:** $468M, -24%; conversion of 96% of Adj. Net Earnings, driven by earnings growth and working capital efficiency, partially offset by an extra Federal tax payment in 2Q
  - Excluding the extra Federal tax payment, YTD adj. FCF conversion approximately 102%
- **Net leverage ratio of 2.8x as of quarter end**
  - Investment grade balance sheet
  - Earnings growth and strong free cash flow generation to reduce leverage ratio

Note: Free Cash Flow, Adjusted Free Cash Flow, Free Cash Flow Conversion, Adjusted Free Cash Flow Conversion and Net Leverage Ratio are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Performance by Platform

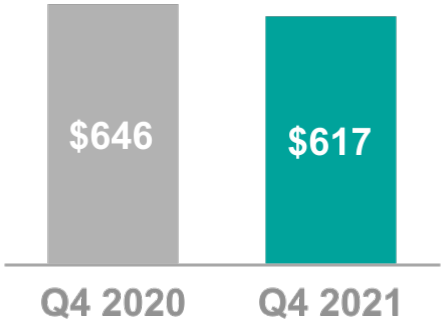
Mobility Technologies

GILBARCO VEEDER-ROOT · Teletrac Navman · GTT GLOBAL TRAFFIC TECHNOLOGIES · DRB

Revenue

(4.5)%

Core (11.0)%



- Supply/demand imbalance impacting GVR in both developed and high-growth markets
- DRB delivered high-teens sales growth

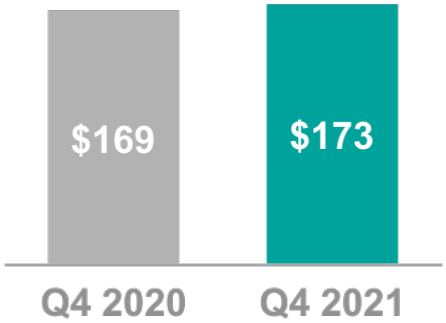
Diagnostics & Repair Technologies

MATCO TOOLS · HENNESSY INDUSTRIES

Revenue

+2.4%

Core +2.2%



- Continued strong franchisee growth, demand solid
- Backlog grew sequentially 10% due to supply chain and labor challenges

Note: Revenue in $M. Core revenue growth is a non-GAAP financial metric. For a reconciliation to the most comparable GAAP metrics, see appendix.

Thoughts on Q1 and FY22

Q1 Considerations

- Anticipate total revenue growth +MSD, core revenue flat to down LSD, reflecting continued supply chain and COVID-related headwinds
- Expect flat adj. core OMX, excluding restructuring costs
- Expect adj. EPS of $0.64 - $0.67
- ETR ~23%

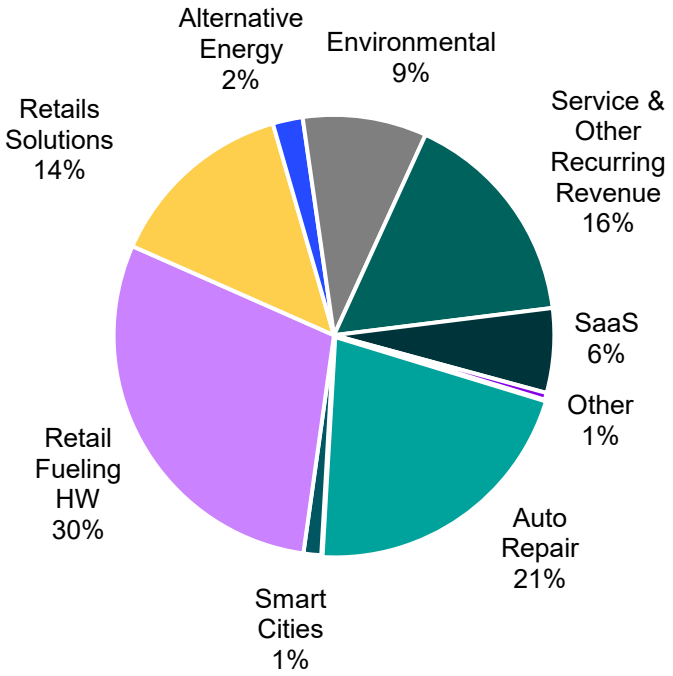
FY22 Considerations

- Anticipate total revenue growth +HSD, core revenue growth of +LSD to +MSD, reflecting improving supply/demand imbalance in 2H
- Expect adj. core OMX of +30 to +60 bps, excluding restructuring costs
- Expect adj. EPS of $3.05 - $3.15, including high-teens cents from DRB
- Expect adj. FCF conversion of ~100%
- ETR ~23%
- Share Count ~171M

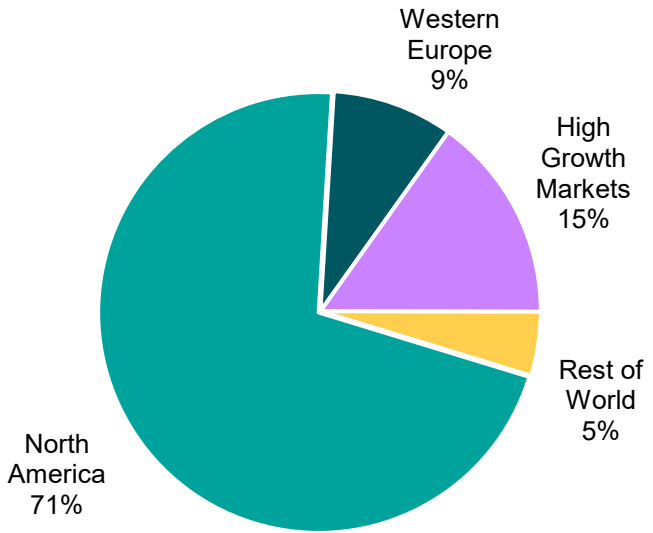
Supplemental Reconciliation and Other Data

2021 Sales of $3B by Solution and Geography

By Solution[1]



By Geography[1]



1 Based on 2021 sales of $2,991M. High-growth markets are defined as developing markets of the world experiencing extended periods of accelerated growth in gross domestic product and infrastructure, which include Eastern Europe, the Middle East, Africa, Latin America, and Asia Pacific (with the exception of Japan and Australia).

Mobility Technologies

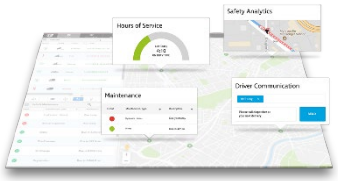
GILBARCO VEEDER-ROOT



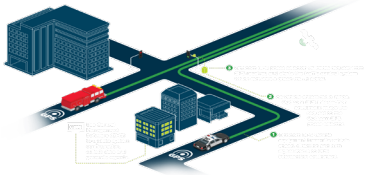
DRB



TELETRAC NAVMAN



GTT™



Fueling Infrastructure Solutions

- Leading global supplier of mobility infrastructure solutions
- Offers products, software, and services to improve safety, environmental compliance, and efficiency

Car Wash Industry Solutions

- Market leading technology provider of point-of-sale, workflow software, and control solutions to the attractive car wash industry

Fleet Management Solutions

- Leading global SaaS telematics provider
- Offers products and services to increase productivity, conserve fuel, and ensure safety

Traffic / Transit Solutions

- Leading provider of intelligent traffic preemption and schedule adherence solutions for Emergency Vehicles and Transit Agencies

Key Financials Mobility Technologies

2021 Sales
~$2.3bn

2021 Gross Margin
~45% consistent across platforms

Market Size[1]
~$21bn

Forecasted Market Growth[2]
MSD

[1] Based on 2021 industry sales and management estimates
[2] Based on the compound annual growth rates of large industrial companies

Diagnostics & Repair Technologies

MATCO TOOLS



Automotive Repair Tools, Storage, & Diagnostics

- Leading manufacturer and distributor of vehicle repair tools & diagnostic equipment through ~1,930 Franchisees
- Offers vehicle repair tools, tool storage, and automotive diagnostic equipment sold to professional mechanics through independent franchisees

HENNESSY INDUSTRIES



Tire Changers, Wheel Balancers, & Brake Lathes

- One of the world's leading manufacturers of aftermarket wheel-service equipment
- Designs, builds, and markets equipment, accessories, and consumables

Key Financials D&R Technologies

2021 Sales
~$0.7bn

2021 Gross Margin
~45% consistent across platforms

Market Size[1]
~$7bn

Forecasted Market Growth[2]
LSD

[1] Based on 2021 industry sales and management estimates
[2] Based on the compound annual growth rates of large industrial companies

RECONCILIATION OF GROSS PROFIT TO ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

$ in millions	Three Months Ended		Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Revenue (GAAP)	**$ 790.2**	**$ 815.0**	**$ 2,990.7**	**$ 2,704.6**
Gross Profit (GAAP)	**$ 356.4**	**$ 362.7**	**$ 1,333.1**	**$ 1,188.1**
Amortization of acquisition-related inventory fair value step-up	5.2	—	6.8	—
Restructuring costs	1.4	—	2.5	—
Adjusted Gross Profit (Non-GAAP)	**$ 363.0**	**$ 362.7**	**$ 1,342.4**	**$ 1,188.1**
Gross Profit Margin (GAAP)	**45.1 %**	**44.5 %**	**44.6 %**	**43.9 %**
Amortization of acquisition-related inventory fair value step-up	0.7 %	— %	0.2 %	— %
Restructuring costs	0.2 %	— %	0.1 %	— %
Adjusted Gross Profit Margin (Non-GAAP)	**45.9 %**	**44.5 %**	**44.9 %**	**43.9 %**

RECONCILIATION OF OPERATING PROFIT TO ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN

$ in millions	Three Months Ended		Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Revenue (GAAP)	**$ 790.2**	**$ 815.0**	**$ 2,990.7**	**$ 2,704.6**
Operating Profit (GAAP)	**$ 160.9**	**$ 177.8**	**$ 582.2**	**$ 468.2**
Amortization of acquisition-related intangible assets	18.0	7.2	42.4	29.0
Restructuring costs	3.5	4.8	13.1	4.9
Goodwill impairment charges	—	—	—	85.3
Transaction- and deal-related costs	4.7	0.7	11.4	0.7
Amortization of acquisition-related inventory fair value step-up	5.2	—	6.8	—
Other charges	—	—	15.0	—
One-time costs related to separation	2.8	13.7	17.1	26.9
Normalization and other adjustments (Non-GAAP) [(a)]	(0.7)	(3.5)	(3.2)	(36.0)
Adjusted Operating Profit (Non-GAAP)	**$ 194.4**	**$ 200.7**	**$ 684.8**	**$ 579.0**
Operating Profit Margin (GAAP)	**20.4%**	**21.8%**	**19.5%**	**17.3%**
Amortization of acquisition-related intangible assets	2.3%	0.9%	1.4%	1.1%
Restructuring costs	0.4%	0.6%	0.4%	0.2%
Goodwill impairment charges	—%	—%	—%	3.2%
Transaction- and deal-related costs	0.6%	0.1%	0.4%	—%
Amortization of acquisition-related inventory fair value step-up	0.7%	—%	0.2%	—%
Other charges	—%	—%	0.5%	—%
One-time costs related to separation	0.4%	1.7%	0.6%	1.0%
Normalization and other adjustments (Non-GAAP) [(a)]	(0.1)%	(0.4)%	(0.1)%	(1.3)%
Adjusted Operating Profit Margin (Non-GAAP)	**24.6%**	**24.6%**	**22.9%**	**21.4%**

[(a)] Adjustment for standalone public company costs

RECONCILIATION OF ADJUSTED OPERATING PROFIT MARGIN EXPANSION

	Three Months Ended December 31, 2021	Year Ended December 31, 2021
2020 Adjusted Operating Profit Margin (Non-GAAP)	**24.6%**	**21.4%**
Core (Non-GAAP)	(0.7)%	1.6%
Acquisitions (Non-GAAP)	0.3%	0.1%
Currency exchange rates (Non-GAAP)	0.4%	(0.2)%
2021 Adjusted Operating Profit Margin (Non-GAAP)	**24.6%**	**22.9%**

RECONCILIATION OF NET EARNINGS TO ADJUSTED NET EARNINGS

$ in millions	Three Months Ended		Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net Earnings (GAAP)	**$ 112.4**	**$ 136.8**	**$ 413.0**	**$ 342.0**
Amortization of acquisition-related intangible assets	18.0	7.2	42.4	29.0
Restructuring costs	3.5	4.8	13.1	4.9
Goodwill impairment charges	—	—	—	85.3
Transaction- and deal-related costs	4.7	0.7	11.4	0.7
Amortization of acquisition-related inventory fair value step-up	5.2	—	6.8	—
Earnings attributable to noncontrolling interests	(0.5)	0.8	(3.2)	1.4
Gain on settlement of investment	(0.1)	—	(3.3)	—
Gain on sale of property	—	(2.6)	—	(2.6)
Other charges	—	—	15.0	—
Pro-forma interest expense on debt, net of interest income	—	—	—	(28.8)
Non-cash write-off of deferred financing costs	—	—	3.4	—
One-time costs related to separation	2.8	13.7	17.1	26.9
Normalization and other adjustments [(a)]	(0.7)	(3.5)	(3.2)	(36.0)
Tax effect of the Non-GAAP adjustments [(b)]	(7.1)	(4.9)	(22.7)	0.8
Other tax adjustment	2.9	(5.6)	—	(5.6)
Adjusted Net Earnings (Non-GAAP)	**$ 141.1**	**$ 147.4**	**$ 489.8**	**$ 418.0**

[(a)] Adjustment for standalone public company costs

[(b)] Tax effect calculated using an estimated adjusted effective rate for each respective period. The goodwill impairment charge is not tax deductible and therefore the tax effect of the adjustments includes only the other adjustments noted.

RECONCILIATION OF DILUTED NET EARNINGS PER SHARE TO ADJUSTED DILUTED NET EARNINGS PER SHARE

	Three Months Ended		Year Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Diluted Net Earnings per Share (GAAP)	**$ 0.66**	**$ 0.81**	**$ 2.43**	**$ 2.02**
Amortization of acquisition-related intangible assets	0.11	0.04	0.25	0.17
Restructuring costs	0.02	0.03	0.08	0.03
Goodwill impairment charges	—	—	—	0.50
Transaction- and deal-related costs	0.03	—	0.07	—
Amortization of acquisition-related inventory fair value step-up	0.03	—	0.04	—
Earnings attributable to noncontrolling interests	—	—	(0.02)	0.01
Gain on settlement of investment	—	—	(0.02)	—
Gain on sale of property	—	(0.02)	—	(0.02)
Other charges	—	—	0.09	—
Pro-forma interest expense on debt, net of interest income	—	—	—	(0.17)
Non-cash write-off of deferred financing costs	—	—	0.02	—
One-time costs related to separation	0.02	0.08	0.10	0.16
Normalization and other adjustments [(a)]	—	(0.02)	(0.02)	(0.21)
Tax effect of the Non-GAAP adjustments [(b)]	(0.04)	(0.03)	(0.13)	—
Other tax adjustment	0.02	(0.03)	—	(0.03)
Adjusted Diluted Net Earnings per Share (Non-GAAP)	**$ 0.83**	**$ 0.87**	**$ 2.88**	**$ 2.47**
Average common stock and common equivalent shares outstanding - in millions	**170.4**	**169.6**	**170.1**	**169.4**

[(a)] Adjustment for standalone public company costs

[(b)] Tax effect calculated using an estimated adjusted effective rate for each respective period. The goodwill impairment charge is not tax deductible and therefore the tax effect of the adjustments includes only the other adjustments noted.

Note: The sum of the components of Adjusted Diluted Net Earnings per Share may not equal due to rounding

FORECASTED ADJUSTED DILUTED NET EARNINGS PER SHARE

	Three Months Ended April 1, 2022		Year Ended December 31, 2022	
	Low End	High End	Low End	High End
Forecasted Diluted Net Earnings Per Share	**$ 0.55**	**$ 0.58**	**$ 2.67**	**$ 2.77**
Anticipated amortization of acquisition-related intangible assets	0.09	0.09	0.38	0.38
Anticipated restructuring costs	0.02	0.02	0.09	0.09
Anticipated earnings attributable to noncontrolling interests	—	—	(0.02)	(0.02)
Anticipated one-time costs, net of normalization [(a)]	0.01	0.01	0.04	0.04
Tax effect of the Non-GAAP adjustments and other tax adjustment [(b)]	(0.03)	(0.03)	(0.11)	(0.11)
Forecasted Adjusted Diluted Net Earnings Per Share (Non-GAAP)	**$ 0.64**	**$ 0.67**	**$ 3.05**	**$ 3.15**

[(a)] Adjustment for standalone public company costs

[(b)] Tax effect calculated using an estimated adjusted effective rate for each respective period

Note: The sum of the components of Forecasted Adjusted Diluted Net Earnings per Share may not equal due to rounding.

RECONCILIATION OF OPERATING CASH FLOWS TO FREE CASH FLOW AND FREE CASH FLOW CONVERSION

	Three Months Ended			Year Ended		
$ in millions	December 31, 2021	December 31, 2020	% Change	December 31, 2021	December 31, 2020	% Change
Operating Cash Flows (GAAP)	**$ 139.2**	**$ 210.7**	**(33.9)%**	**$ 481.1**	**$ 691.3**	**(30.4)%**
Less: Purchases of property, plant & equipment (capital expenditures)	(14.9)	(8.4)		(47.8)	(35.7)	
Free Cash Flow (Non-GAAP)	**$ 124.3**	**$ 202.3**	**(38.6)%**	**$ 433.3**	**$ 655.6**	**(33.9)%**
Net Earnings (GAAP)	**$ 112.4**	**$ 136.8**		**$ 413.0**	**$ 342.0**	
Free Cash Flow Conversion Ratio (Non-GAAP)	**111 %**	**148 %**		**105 %**	**192 %**	

RECONCILIATION OF OPERATING CASH FLOWS TO ADJUSTED FREE CASH FLOW AND ADJUSTED FREE CASH FLOW CONVERSION

	Three Months Ended			Year Ended		
$ in millions	December 31, 2021	December 31, 2020	% Change	December 31, 2021	December 31, 2020	% Change
Operating Cash Flows (GAAP)	**$ 139.2**	**$ 210.7**	**(33.9)%**	**$ 481.1**	**$ 691.3**	**(30.4)%**
Less: Purchases of property, plant & equipment (capital expenditures)	(14.9)	(8.4)		(47.8)	(35.7)	
Free Cash Flow (Non-GAAP)	**$ 124.3**	**$ 202.3**	**(38.6)%**	**$ 433.3**	**$ 655.6**	**(33.9)%**
Less: Pro-forma interest expense on debt, net of interest income	—	—		—	(28.8)	
One-time costs related to separation	1.2	7.2		8.8	20.4	
Less: Normalization and other adjustments [(a)]	—	(2.3)		—	(31.0)	
Acquisition costs	—	—		3.3	—	
Tax payments originating from matters arising prior to separation from Former Parent	23.0	—		23.0	—	
Adjusted Free Cash Flow (Non-GAAP)	**$ 148.5**	**$ 207.2**	**(28.3)%**	**$ 468.4**	**$ 616.2**	**(24.0)%**
Adjusted Net Earnings (Non-GAAP)	**$ 141.1**	**$ 147.4**		**$ 489.8**	**$ 418.0**	
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**105 %**	**141 %**		**96 %**	**147 %**	

[(a)] Adjustment for standalone public company costs

COMPONENTS OF REVENUE GROWTH

Components of Revenue Growth	% Change Three Months Ended December 31, 2021 vs. Comparable 2020 Period	% Change Twelve Months Ended December 31, 2021 vs. Comparable 2020 Period
Total Revenue Growth (GAAP)	**(3.1)%**	**10.6%**
Core revenue growth (Non-GAAP)	(8.2)%	7.4%
Impact of acquisitions (Non-GAAP)	5.7%	2.1%
Impact of currency exchange rates (Non-GAAP)	(0.6)%	1.1%

COMPONENTS OF REVENUE GROWTH BY PLATFORM

	% Change Three Months Ended December 31, 2021 vs. Comparable 2020 Period	
Components of Revenue Growth	**Mobility Technologies**	**Diagnostics & Repair Technologies**
Total Revenue Growth (GAAP)	**(4.5)%**	**2.4%**
Core revenue growth (Non-GAAP)	(11.0)%	2.2%
Impact of acquisitions (Non-GAAP)	7.2%	—%
Impact of currency exchange rates (Non-GAAP)	(0.7)%	0.2%

NET LEVERAGE RATIO AND RECONCILIATION FROM NET EARNINGS TO EBITDA TO ADJUSTED EBITDA

Total Debt	$	2,603.7
Less: Cash		(572.6)
Net Debt	**$**	**2,031.1**
Adjusted EBITDA (Non-GAAP)	$	730.4
Net Leverage Ratio		**2.8**

	Year Ended
$ in millions	**December 31, 2021**
Net Earnings (GAAP)	**$ 413.0**
Interest expense, net	47.8
Income tax expense	121.0
Depreciation and amortization expense	88.3
EBITDA (Non-GAAP)	**670.1**
Restructuring costs	13.1
Transaction- and deal-related costs	11.4
Amortization of acquisition-related inventory fair value step-up	6.8
Gain on settlement of investment	(3.3)
Earnings attributable to noncontrolling interests	(3.2)
Other charges	15.0
One-time costs related to separation	17.1
Non-cash write-off of deferred financing costs	3.4
Adjusted EBITDA (Non-GAAP)	**$ 730.4**