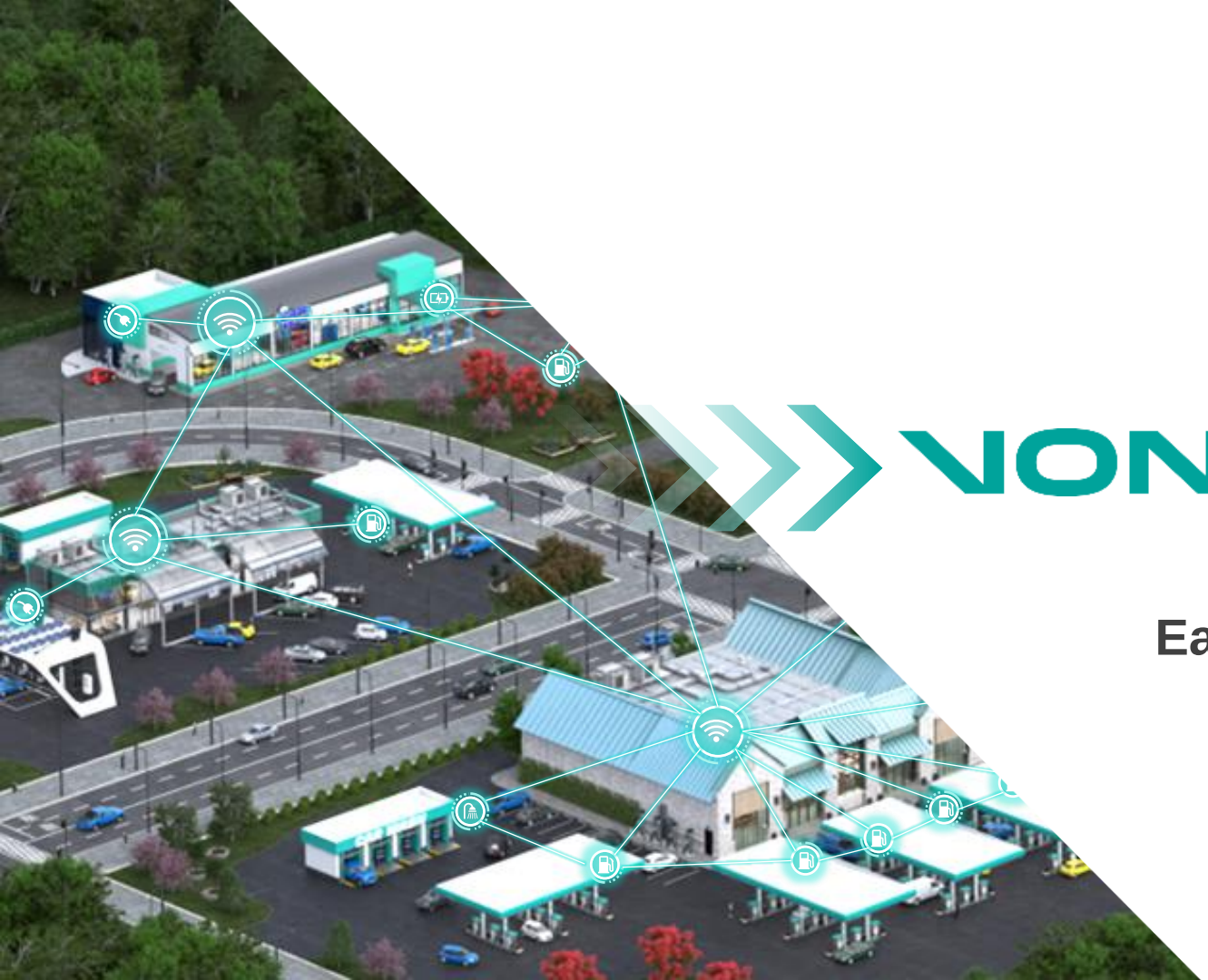


VONTIER™

Q2 2023

Earnings Results

Safe Harbor and 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 sales 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, 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, war or hostility, 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 Annual Report on Form 10-K for the year ended December 31, 2022. 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 sales growth,” "baseline core sales growth," "adjusted gross profit," "adjusted gross profit margin," “adjusted operating profit,” “adjusted operating profit margin,” "baseline operating profit margin," "segment operating profit," "segment operating profit margin," “adjusted net earnings,” “adjusted diluted net earnings per share,” “free cash flow,” "free cash flow conversion," “adjusted free cash flow,” “adjusted free cash flow conversion,” "EBITDA," “adjusted EBITDA,” and “net leverage ratio” financial measures which are, in each case, not presented in accordance with generally accepted accounting principles (“GAAP”).

- Core sales growth refers to the change in total sales calculated according to GAAP but excluding (1) sales from acquired and certain divested businesses; (2) the impact of currency translation; and (3) certain other items. References to sales attributable to acquisitions or acquired businesses refer 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. Baseline core sales growth refers to core sales growth but excluding the impact of the end of the U.S. upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.
- Adjusted gross profit refers to gross profit calculated in accordance with GAAP, but excluding amortization of acquisition-related inventory fair value step-up and restructuring costs. Adjusted gross profit margin refers to adjusted gross profit divided by GAAP sales.
- Adjusted operating profit refers to operating profit calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, costs associated with restructurings including one-time termination benefits and related charges and impairment and other charges associated with facility closure, contract termination and other related activities, and the related impact of certain divested businesses or product lines not considered discontinued operations ("Restructuring- and divestiture-related adjustments"), transaction- and deal-related costs, one-time costs related to the separation, amortization of acquisition-related inventory fair value step-up, gains and losses on sale of property, other charges which represent charges incurred that are not part of our core operating results ("Other charges") and normalization and other adjustments which represent adjustments for standalone public company costs. Adjusted operating profit margin refers to adjusted operating profit divided by GAAP sales. Baseline operating profit margin refers to adjusted operating profit margin but excluding the impact of the end of the U.S. upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.
- Segment operating profit is used by Vontier’s management in determining how to allocate resources and assess performance. Segment operating profit represents total segment sales less operating costs attributable to the segment, which does not include unallocated corporate costs and other operating costs not allocated to the reportable segments as part of management’s assessment of reportable segment operating performance, including stock-based compensation expense, amortization of intangible assets and other costs shown in the reconciliation to GAAP operating profit in the appendix. As part of management’s assessment of the Repair Solutions segment, a capital charge based on the segment’s financing receivables portfolio is assessed by Corporate. Segment operating profit margin refers to segment operating profit divided by GAAP sales.

Non-GAAP Financial Measures (continued)

- Adjusted net earnings refers to net earnings calculated in accordance with GAAP, but excluding on a pretax basis amortization of acquisition-related intangible assets, Restructuring- and divestiture-related adjustments, transaction- and deal-related costs, one-time costs related to the separation, amortization of acquisition-related inventory fair value step-up, gains and losses on sale of property, Other charges, normalization and other adjustments which represent adjustments for standalone public company costs, non-cash write-offs of deferred financing costs, gains and losses on sale of businesses and gains and losses on investments, and including the tax effect of these adjustments and other tax adjustments. The tax effect of such adjustments was calculated by applying our overall estimated effective tax rate to the pretax amount of each adjustment (unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item 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.
- 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 cash received from the sale of property and cash paid for Restructuring- and divestiture-related adjustments, transaction- and deal-related costs, one-time costs related to the separation, and Other charges. Adjusted free cash flow conversion refers to adjusted free cash flow divided by adjusted net earnings.
- 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 adjusted for Restructuring- and divestiture-related adjustments, transaction- and deal-related costs, one-time costs related to the separation, amortization of acquisition-related inventory fair value step-up, gains and losses on sale of property, Other charges, non-cash write-offs of deferred financing costs, gains and losses on sale of businesses and gains and losses on investments. Net leverage ratio refers to net debt divided by Adjusted EBITDA.

The Company has not reconciled the forward-looking statements regarding core sales growth, baseline core sales growth, adjusted operating profit margin, baseline operating profit margin, adjusted diluted net earnings per share 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. The historical non-GAAP financial measures used by the Company in this presentation may be different than similarly-titled non-GAAP measures used by other companies. 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 measures 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.

Q2 2023 | Summary & Highlights

- **Solid topline performance across the Vontier portfolio**
  - ✓ Strong baseline core sales growth across all 3 segments
  - ✓ Progress on 'Expanding the Core' strategic pillar
  - ✓ Benefitting from strong secular tailwinds
- **Demand environment remains constructive**
  - ✓ Book-to-Bill 0.97X (0.99X YTD)
  - ✓ Backlog substantially elevated vs. pre-COVID levels
- **Baseline OMX +230bps**
  - ✓ Success 'Optimizing the Core'
  - ✓ Adjusted OMX down 60bps vs. guidance of down (65-105bps)
- **Disciplined capital allocation – Q2 leverage ratio 2.9X**
  - ✓ 3rd sequential quarter of improved leverage
  - ✓ Completed $165M in debt pay down & $50M in share repurchase YTD
- **Raising full-year adjusted EPS guidance**
- **Continue to execute on our Connected Mobility strategy**

	Q2'23
Baseline Core Sales Growth	+9%
Baseline OMX Growth	+230bps
Adjusted Diluted EPS	$0.67

Note: Book-to-bill is calculated as the total orders received during the period divided by the total GAAP sales recorded in the period. Core Sales Growth, Baseline Core Sales Growth, Baseline Operating Profit Margin, Adjusted Operating Profit Margin and Adjusted Diluted EPS are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix..

Strong execution on our strategic initiatives to accelerate growth and position the portfolio for robust secular tailwinds across the mobility ecosystem

Invenco by GVR | Redefining Convenience Retail

Retail Solutions + iNVENCO = invenco by GVR

iNFX microservices

- Flexible, Modular Solutions
- Scalable & Extensible
- Hardware Agnostic

Agile Operating System

- Shell to deploy iNFX across **13,000 sites** through 2024
- Another multi-year iNFX win with a large national account to **8,000+** sites

To be announced

Seamlessly converging two world-class businesses into a preferred technology partner for convenience retail customers

Differentiated Multi-Energy Portfolio

EV Charging Operating Systems



Accelerating the transition to electric mobility

- Leading interoperable electric vehicle charging and energy management platform
- New Tier 1 customers in Q2 will add an additional 20,000 ports under management
- On track to double ports under management in 2023, making Driivz among the largest EV charging network managers globally

CNG & Hydrogen

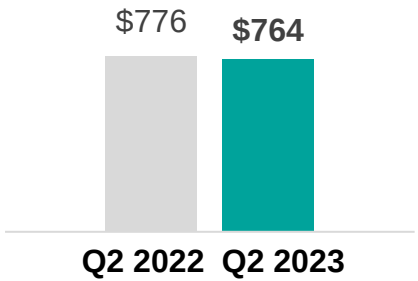


Multi-energy portfolio enables transition to sustainable fleets

- Shipping first Hydrogen units in August
- 100th station installation of CNG/RNG system for Waste Management
- U.S. Dept. of Energy: U.S. to produce 50M MT of clean hydrogen by 2050 – ~$10B projected spend; accelerates market adoption & supports increased H2 infrastructure demand

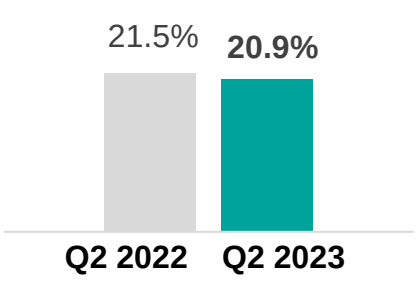
Q2 2023 | Summary Financial Results

Sales
($M)



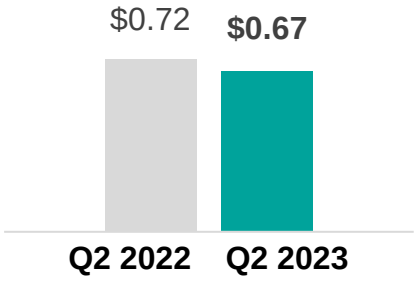
- Total growth: (1.5)%
- **Core growth:** (1.6)**%**
  - *Baseline* +8.6%
- Acquisitions: +0.9%
- FX: (0.8%)

Adj. Operating Profit Margin
(%)



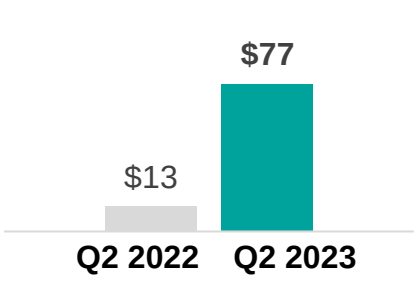
- Adj. Gross Margin +150bps
- Adj. OP Margin (60)bps
  - *Baseline +230bps*
- Positive price/cost
- Restructuring savings
- EMV mix headwind and higher investment spend

Adj. Diluted Net EPS
($)



- GAAP Diluted Net EPS of $0.62
- Share Repurchase +$0.02
- Interest Expense & FX ($0.06)

Adj. Free Cash Flow
($M)



- Adj. FCF conversion ~73%, ahead of normal seasonality and prior year
- Strong working capital management (inventory reduction)

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

Strong underlying results demonstrate consistent execution; Gaining momentum on our strategic vision to Connect, Manage, & Scale

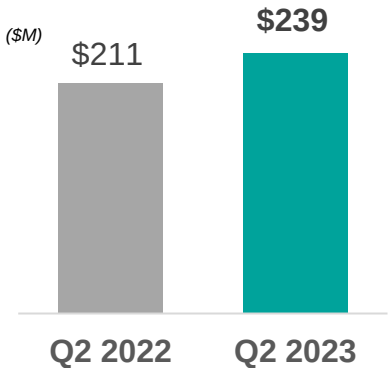
Segment Results | Mobility Technologies



Sales

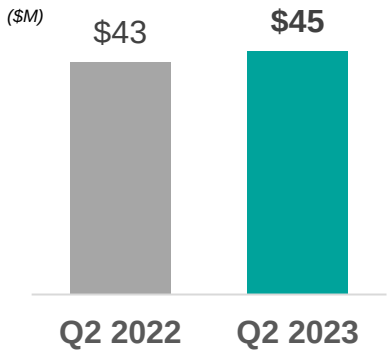
+13.4%

Core +4.6%
Acq. +10.0%
FX (1.2)%



Segment Operating Profit

18.7%



invenco by GVR · Teletrac Navman · DRB · EVolve · ANGI

Note: Core Sales Growth, Segment Operating Profit, Segment Operating Profit Margin and Baseline Core Sales Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q2 Highlights

- **+10%** baseline core sales growth
- Solid +MSD core sales growth
  - ✓ DRB +LDD with continued strength in tunnel car wash
  - ✓ Alternative Energy solutions (CNG/RNG) up >40%
  - ✓ Teletrac turnaround continues (core sales +MSD)
- Significant customer wins - +20K sites for iNFX microservices platform; strong pipeline across MT portfolio
- Segment Operating Profit +5% YoY
- Segment Operating Profit Margin down 150bps vs. prior year due to Invenco acquisition and continued growth investments

Continued execution in higher-growth verticals; Enhancing mobility ecosystem customers' asset productivity leveraging differentiated operating systems

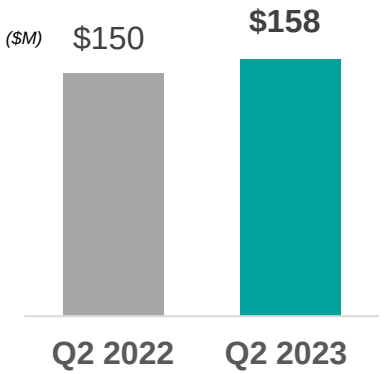
Segment Results | Repair Solutions



Sales

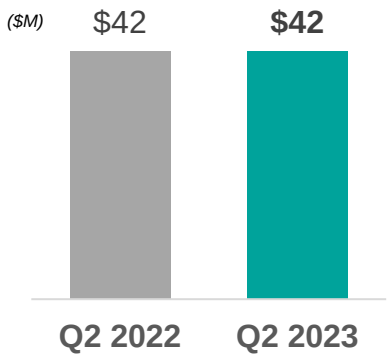
+5.8%

Core +6.0%
FX (0.2)%



Segment Operating Profit

26.3%



MATCO TOOLS

Note: Core Sales Growth, Segment Operating Profit and Segment Operating Profit Margin are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q2 Highlights

- +MSD core sales growth
  - ✓ Continued Same Store Sales growth and positive net franchisee adds
  - ✓ Led by strength in Tool Storage, Hardline Tools and Cordless Power Tools
  - ✓ Benefiting from high new product vitality
  - ✓ Robust end market fundamentals with multi-year secular tailwinds
- Segment Operating Profit flat YoY
- Segment Operating Profit Margin down 150bps driven primarily by the impact of YoY reserve-related adjustments to the receivables portfolio

Strong execution and robust end market demand driving growth; Agile business model provides flexibility for evolving car parc

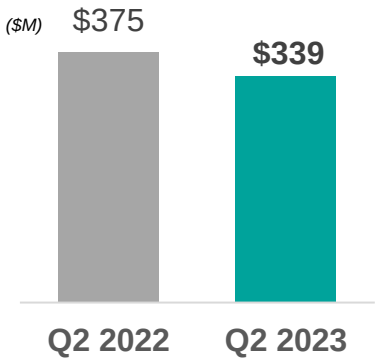
Segment Results | Environmental & Fueling Solutions



Sales

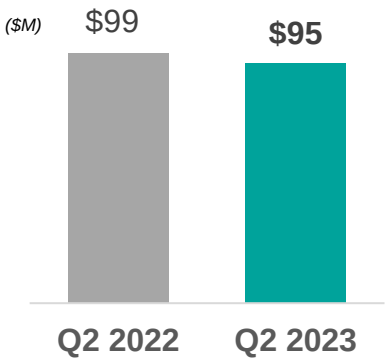
(9.6%)

Core (8.5)%
FX (1.1)%



Segment Operating Profit

28.1%



GILBARCO VEEDER-ROOT

Q2 Highlights

- **+9%** baseline core sales growth
- US Dispenser volumes above expectations; broad-based demand for new site builds & site refreshes
- Strong project pipeline in NA
- Aftermarket sales +HSD
- Segment Operating Profit -3% YoY
- Segment Operating Profit Margin up 190bps benefitting from strong price/cost and restructuring savings; more than offsetting headwinds from EMV

Note: Core Sales Growth, Segment Operating Profit, Segment Operating Profit Margin and Baseline Core Sales Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Strong underlying performance; Well positioned to capitalize on strong industry capex to expand, modernize and meet regulatory requirements

Balance Sheet & Cash Flow

Free Cash Flow *($M)*

	Q2 2022	Q2 2023
Cash from Operating Activities	$7	$78
Capital Expenditures	(13)	(13)
Free Cash Flow	**($6)**	**$65**
Adj. Free Cash Flow	**$13**	**$77**
Adj. FCF Conversion %	11%	73%

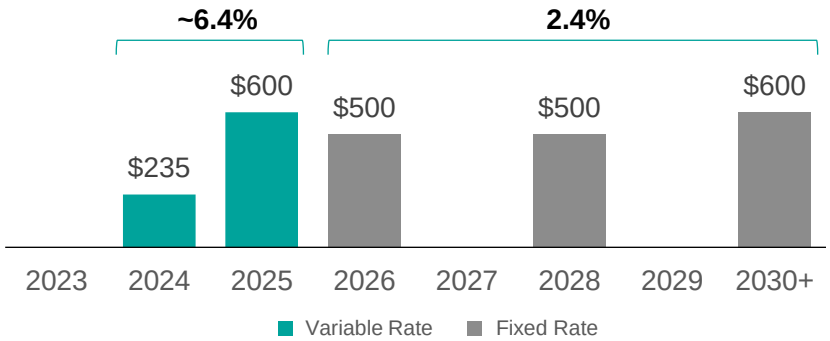
Debt & Liquidity *($M)*

	Q2 2022	Q4 2022	Q2 2023
Gross Debt	**$2,623**	**$2,605**	**$2,444**
(Less): Cash & Cash Equivalents	(127)	(205)	(244)
Net Debt	**$2,496**	**$2,400**	**$2,200**
Net Debt / Adjusted EBITDA	**3.3X**	**3.2X**	**2.9X**

- Repaid $100M of debt in Q2, reducing 2024 maturity
- Repaid an additional $35M in July; Total YTD debt reduction ~$200M
- Anticipate ~$250M in debt pay down in 2023
- $750M undrawn revolver
- Target Net Debt/Adj. EBITDA **~2.5-3.0X;** Ended Q2 at 2.9X
- Q2 share repurchases ~$32M; $50M YTD
- Forecasted 2023 Adj. FCF conversion ~90-100%

Maturity Profile *($M)*

Weighted Average Interest Rate of ~4.0%



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

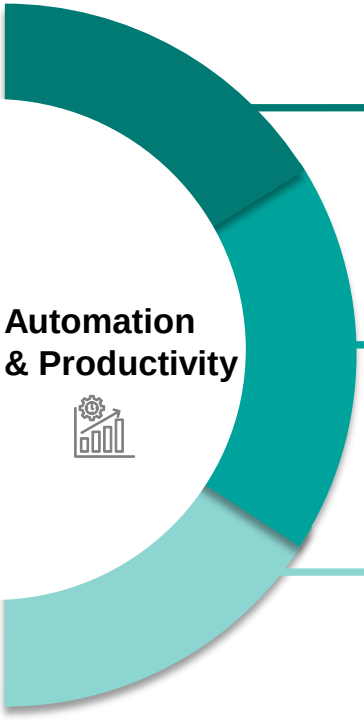
Q3 & 2023 Guidance

	Q3'23 YoY Change	Prior Guidance 05/04/23 2023 YoY Change	New Guidance 2023 YoY Change
Total Sales Change	**(MSD)**	**(L/MSD)**	**(L/MSD)**
Core Sales Change	**(MSD)[1]**	**(L/MSD)[2]**	**(L/MSD)[2]**
Baseline Core Sales	MSD+	MSD+	MSD+
Adj. OP Margin	**(370 – 420bps)[1]**	**(60 – 80bps)[2]**	**(60 – 80bps)[2]**
Baseline Adjusted OP Margin	(70 – 100bps)	+180 – 200bps	+180 – 200bps
Adj. Diluted Net EPS	**$0.65 – $0.69**	**$2.77 – $2.87**	**$2.79 – $2.87**
Adj. Free Cash Flow Conversion		**~90 – 100%**	**~90 – 100%**

1) Includes ~$80M (~10ppts) sales headwind and ~$40M OP headwind related to EMV sunset
2) Includes ~$300M (~10ppts) sales headwind and ~$150M OP headwind related to EMV sunset
Note: Core Sales Growth, Baseline Core Sales Growth, Adjusted Operating Profit Margin, Baseline Adjusted Operating Profit Margin, Adjusted Diluted Net Earnings Per Share and Adjusted Free Cash Flow Conversion are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Confidence in second half outlook, raising low-end of full year EPS guide

Capitalizing on Secular Tailwinds & Industry-Specific Growth Drivers across the Mobility Ecosystem



Mobility Technologies

- ✓ Labor challenges
- ✓ Increasing regulatory requirements
- ✓ Increasing site complexity
- ✓ Proliferation of connected devices
- ✓ Evolving consumer demands
- ✓ Customer decarbonization & sustainability goals

Repair Solutions

- ✓ Electrification of car parc
- ✓ Increasing complexity of repair (e.g., ADAS, “sensorization”, tech)
- ✓ Aging car parc
- ✓ Repair technician shortage & skills gap

Environmental & Fueling Solutions

- ✓ Site expansion and rebuild/refresh
- ✓ Industry consolidation
- ✓ Energy transition
- ✓ Increasing regulatory requirements (e.g., environmental, anti-fraud/security, safety)



Appendix

Full Year 2023 Guidance Assumptions

- Sales Assumptions:
  - FX: $(5-15M)
  - Net M&A: $0-10M[1]
- Interest Expense: ~$95M
  - Assumes ~$250M debt paydown
- Tax Rate: ~22.5%
- Share count[2]: ~156M
- Includes full year contribution from Hennessy (~$0.05)



1) Includes ~$60M acquisition contribution from Invenco, offset by ~$35M impact from GTT divestiture and ~$20M impact from the closure of Hennessy Wheel Weights business
2) Includes share repurchase through June 2023 and excludes additional repurchase to be completed this year

Segment Reporting | Historic Financial Detail

Quarterly and annual sales by segment for the year ended December 31, 2022 was as follows:

$ in millions	Q1	Q2	Q3	Q4	2022
Mobility Technologies	$ 207.6	$ 210.6	$ 228.5	$ 261.1	$ 907.8
Repair Solutions	164.4	149.7	152.7	144.7	611.5
Environmental & Fueling Solutions	328.2	375.3	368.5	421.6	1,493.6
Other	47.9	40.8	38.3	44.5	171.5
Total Sales	**$ 748.1**	**$ 776.4**	**$ 788.0**	**$ 871.9**	**$ 3,184.4**

Quarterly and annual operating profit, operating profit margin, segment operating profit, segment operating profit margin, adjusted operating profit and adjusted operating profit margin for the year ended December 31, 2022 were as follows:

$ in millions	Q1	Margin	Q2	Margin	Q3	Margin	Q4	Margin	2022	Margin
Operating Profit (GAAP)	$ 134.8	18.0 %	$ 136.5	17.6 %	$ 150.2	19.1 %	$ 156.4	17.9 %	$ 577.9	18.1 %
Mobility Technologies	41.1	19.8 %	42.6	20.2 %	54.8	24.0 %	49.0	18.8 %	187.5	20.7 %
Repair Solutions	47.0	28.6 %	41.6	27.8 %	48.6	31.8 %	32.5	22.5 %	169.7	27.8 %
Environmental & Fueling Solutions	82.0	25.0 %	98.5	26.2 %	104.3	28.3 %	121.7	28.9 %	406.5	27.2 %
Other	5.1	10.6 %	3.2	7.8 %	1.5	3.9 %	9.4	21.1 %	19.2	11.2 %
Segment Operating Profit (Non-GAAP)	**175.2**	**23.4 %**	**185.9**	**23.9 %**	**209.2**	**26.5 %**	**212.6**	**24.4 %**	**782.9**	**24.6 %**
Corporate & Other Unallocated Costs	(11.8)	(1.6)%	(18.9)	(2.4)%	(13.4)	(1.7)%	(22.6)	(2.6)%	(66.7)	(2.1)%
Adjusted Operating Profit (Non-GAAP)	**$ 163.4**	**21.8 %**	**$ 167.0**	**21.5 %**	**$ 195.8**	**24.8 %**	**$ 190.0**	**21.8 %**	**$ 716.2**	**22.5 %**

Note: Results for the Mobility Technologies and Environmental & Fueling Solutions segments for the year ended December 31, 2022 have been revised from the results previously reported on March 20, 2023.

Vontier | A Compelling Investment Opportunity

Leading global provider of critical mobility & alternative energy technologies at the center of an attractive, rapidly evolving ~$30B Mobility Ecosystem

Poised to benefit from attractive secular tailwinds

Focused on maximizing shareholder value through top-tier financial performance and a disciplined capital allocation framework

Energized team with a culture centered on innovation and operational excellence, and a demonstrated track record of performance enabled by VBS



Vontier has Unique Positions and Strengths to Win

- ***#2*** in U.S. ***convenience retail*** POS
- ***#1*** integrated technology provider to ***car wash industry*** in U.S. with 17k sites
- Top 10 global ***fleets IoT*** player (***#1*** ANZ, ***#3*** UK)
- Leader in ***EV Charging*** smart software; ~1M+ drivers across 28 countries
- **#1** NA player in ***CNG / RNG***; emerging leader in ***H_2 fueling systems***
- ***#2 auto repair solutions*** distribution franchise with industry leading product vitality
- ***#1*** global supplier of HW / SW solutions for ***fueling infrastructure***

Re-segmentation Aligns with Strategy and Shareholder Focus

From: One Segment

GILBARCO VEEDER-ROOT · ANGI · Teletrac Navman · DRB · MATCO TOOLS · EVolve · invenco by GVR · HENNESSY INDUSTRIES

To: Three Segments*

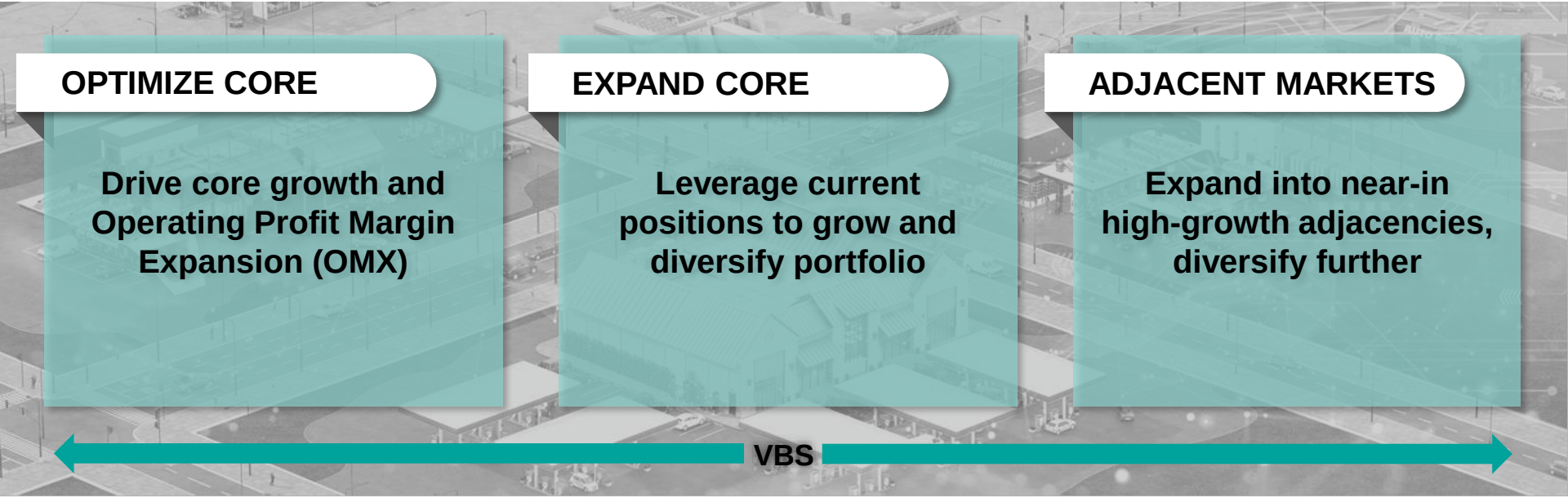
	Mobility Technologies	Repair Solutions	Environmental & Fueling
VNT OpCos	invenco by GVR · Teletrac Navman · DRB · EVolve · ANGI	MATCO TOOLS	GILBARCO VEEDER-ROOT
What we Do	Point-of-Sale (POS) and payment, IoT-based fleet monitoring, EV charger network mgmt SW, and low-carbon fueling systems	Premium equipment and financial services to franchisees and technicians	Best-in-class environmental, fueling, aftermarket solutions

*Excludes 'Other' segment which houses businesses held for sale / shutdown

Connected Mobility Strategy

Operational Excellence

Accelerate Growth



VISION: OUR NORTH STAR

Accelerating smart, sustainable solutions for the road ahead.



Smart

We harness the power of connected digital workflows and analytics to solve high-value customer problems.



Sustainable

Our innovations pave the way to a safer and cleaner planet.



Solutions

We connect customers – and communities – with innovative mobility technology and services they need to thrive in a world of rapid change.

PURPOSE

We are mobilizing the future to create a better world.

Supplemental Reconciliation Data

COMPONENTS OF SALES GROWTH

	% Change Three Months Ended June 30, 2023 vs. Comparable 2022 Period			
	Mobility Technologies	Repair Solutions	Environmental & Fueling Solutions	Total
Total Sales Growth (GAAP)	**13.4%**	**5.8%**	**(9.6)%**	**(1.5)%**
Core sales growth (Non-GAAP)	4.6%	6.0%	(8.5)%	(1.6)%
Acquisitions (Non-GAAP)	10.0%	—%	—%	0.9%
Currency exchange rates (Non-GAAP)	(1.2)%	(0.2)%	(1.1)%	(0.8)%
Core sales growth (Non-GAAP)	4.6%	6.0%	(8.5)%	(1.6)%
Impact of EMV sunset[(a)]	5.7%	—%	17.6%	10.2%
Baseline core sales growth (Non-GAAP)	10.3%	6.0%	9.1%	8.6%

[(a)] Reflects the impact of the end of the U.S. upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.

	% Change Six Months Ended June 30, 2023 vs. Comparable 2022 Period			
	Mobility Technologies	Repair Solutions	Environmental & Fueling Solutions	Total
Total Sales Growth (GAAP)	**15.9%**	**8.2%**	**(7.2)%**	**1.1%**
Core sales growth (Non-GAAP)	8.3%	8.4%	(5.6)%	1.1%
Acquisitions (Non-GAAP)	9.5%	—%	—%	1.3%
Currency exchange rates (Non-GAAP)	(1.9)%	(0.2)%	(1.6)%	(1.3)%

RECONCILIATION OF GROSS PROFIT TO ADJUSTED GROSS PROFIT

$ in millions	Three Months Ended		Six Months Ended	
	June 30, 2023	July 1, 2022	June 30, 2023	July 1, 2022
Sales (GAAP)	**$ 764.4**	**$ 776.4**	**$ 1,540.8**	**$ 1,524.5**
Gross Profit (GAAP)	**$ 348.1**	**$ 348.1**	**$ 701.1**	**$ 683.4**
Amortization of acquisition-related inventory fair value step-up	0.5	—	1.3	—
Restructuring costs	7.9	1.9	9.1	2.2
Adjusted Gross Profit (Non-GAAP)	**$ 356.5**	**$ 350.0**	**$ 711.5**	**$ 685.6**
Gross Profit Margin (GAAP)	**45.5%**	**44.8%**	**45.5%**	**44.8%**
Adjusted Gross Profit Margin (Non-GAAP)	**46.6%**	**45.1%**	**46.2%**	**45.0%**

RECONCILIATION OF OPERATING PROFIT TO ADJUSTED OPERATING PROFIT AND SEGMENT OPERATING PROFIT

$ in millions	Three Months Ended		Six Months Ended	
	June 30, 2023	July 1, 2022	June 30, 2023	July 1, 2022
Sales (GAAP)	**$ 764.4**	**$ 776.4**	**$ 1,540.8**	**$ 1,524.5**
Operating Profit (GAAP)	**$ 120.6**	**$ 136.5**	**$ 254.4**	**$ 271.3**
Amortization of acquisition-related intangible assets	20.3	19.6	41.0	38.1
Restructuring- and divestiture-related adjustments	14.3	5.2	18.8	5.6
Transaction- and deal-related costs	3.6	3.3	6.7	10.4
One-time costs related to separation	0.8	1.6	1.9	3.2
Amortization of acquisition-related inventory fair value step-up	0.5	—	1.3	—
Gain on sale of property	—	—	(2.8)	—
Other charges	—	0.8	—	2.1
Normalization and other adjustments [(a)]	—	—	—	(0.3)
Adjusted Operating Profit (Non-GAAP)	**$ 160.1**	**$ 167.0**	**$ 321.3**	**$ 330.4**
Corporate & other unallocated costs	23.6	18.9	42.1	30.7
Segment Operating Profit (Non-GAAP)	**$ 183.7**	**$ 185.9**	**$ 363.4**	**$ 361.1**
Operating Profit Margin (GAAP)	**15.8%**	**17.6%**	**16.5%**	**17.8%**
Adjusted Operating Profit Margin (Non-GAAP)	**20.9%**	**21.5%**	**20.9%**	**21.7%**
Impact of EMV sunset[(b)]	—	(2.9) %		
Baseline Operating Profit Margin (Non-GAAP)	**20.9%**	**18.6%**		
Segment Operating Profit Margin (Non-GAAP)	**24.0%**	**23.9%**	**23.6%**	**23.7%**

[(a)] Adjustment for standalone public company costs

[(b)] Reflects the impact of the end of the U.S. upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.

RECONCILIATION OF NET EARNINGS TO ADJUSTED NET EARNINGS

$ in millions	Three Months Ended		Six Months Ended	
	June 30, 2023	July 1, 2022	June 30, 2023	July 1, 2022
Net Earnings (GAAP)	**$ 97.3**	**$ 33.3**	**$ 180.1**	**$ 283.5**
Amortization of acquisition-related intangible assets	20.3	19.6	41.0	38.1
Restructuring- and divestiture-related adjustments	14.3	5.2	18.8	5.6
Transaction- and deal-related costs	3.6	3.3	6.7	10.4
One-time costs related to separation	0.8	1.6	1.9	3.2
Amortization of acquisition-related inventory fair value step-up	0.5	—	1.3	—
Gain on sale of property	—	—	(2.8)	—
Other charges	—	0.8	—	2.1
Normalization and other adjustments [(a)]	—	—	—	(0.3)
Non-cash write-off of deferred financing costs	0.1	—	0.1	—
Gain on sale of business	(34.1)	—	(34.1)	—
Loss on equity investments	0.1	—	0.8	—
Gain on previously held equity interests from combination of business	—	—	—	(32.7)
Unrealized loss (gain) on equity securities measured at fair value	—	80.0	—	(83.0)
Tax effect of the Non-GAAP adjustments [(b)]	(0.9)	(24.2)	(7.4)	7.9
Other tax adjustment	3.4	(2.8)	5.1	(2.3)
Adjusted Net Earnings (Non-GAAP)	**$ 105.4**	**$ 116.8**	**$ 211.5**	**$ 232.5**
Diluted weighted average shares outstanding	156.3	161.2	156.2	163.9
Diluted Net Earnings per Share (GAAP)	**$ 0.62**	**$ 0.21**	**$ 1.15**	**$ 1.73**
Adjusted Diluted Net Earnings per Share (Non-GAAP)	**$ 0.67**	**$ 0.72**	**$ 1.35**	**$ 1.42**

[(a)] Adjustment for standalone public company costs

[(b)] Tax effect calculated using an estimated adjusted effective tax rate for each respective period. The gain on previously held equity interests from combination of business is non-taxable income and therefore the tax effect of the adjustments only includes the other adjustments noted.

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

	Three Months Ended		Six Months Ended	
$ in millions	**June 30, 2023**	**July 1, 2022**	**June 30, 2023**	**July 1, 2022**
Operating Cash Flow (GAAP)	**$ 77.5**	**$ 7.2**	**$ 158.5**	**$ 48.5**
Less: Purchases of property, plant & equipment (capital expenditures)	(12.4)	(13.6)	(26.1)	(26.5)
Free Cash Flow (Non-GAAP)	**$ 65.1**	**$ (6.4)**	**$ 132.4**	**$ 22.0**
Net Earnings (GAAP)	**$ 97.3**	**$ 33.3**	**$ 180.1**	**$ 283.5**
Free Cash Flow Conversion Ratio (Non-GAAP)	**66.9%**	**(19.2)%**	**73.5%**	**7.8%**

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

	Three Months Ended		Six Months Ended	
$ in millions	**June 30, 2023**	**July 1, 2022**	**June 30, 2023**	**July 1, 2022**
Operating Cash Flow (GAAP)	**$ 77.5**	**$ 7.2**	**$ 158.5**	**$ 48.5**
Less: Purchases of property, plant & equipment (capital expenditures)	(12.4)	(13.6)	(26.1)	(26.5)
Free Cash Flow (Non-GAAP)	**$ 65.1**	**$ (6.4)**	**$ 132.4**	**$ 22.0**
Restructuring- and divestiture-related adjustments	5.4	2.9	9.5	7.1
Transaction- and deal-related costs	6.2	2.6	8.5	8.7
One-time costs related to separation	—	0.1	—	0.2
Proceeds from sale of property	0.1	—	4.3	0.2
Other charges	—	13.9	—	14.8
Adjusted Free Cash Flow (Non-GAAP)	**$ 76.8**	**$ 13.1**	**$ 154.7**	**$ 53.0**
Adjusted Net Earnings (Non-GAAP)	**$ 105.4**	**$ 116.8**	**$ 211.5**	**$ 232.5**
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**72.9%**	**11.2%**	**73.1%**	**22.8%**

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

Total Debt	$ 2,443.7
Less: Cash	(244.0)
Net Debt	**$ 2,199.7**
Adjusted EBITDA (Non-GAAP)	$ 747.2
Net Leverage Ratio	**2.9**

$ in millions	**Three Months Ended June 30, 2023**	**LTM June 30, 2023**
Net Earnings (GAAP)	**$ 97.3**	**$ 297.9**
Interest expense, net	23.9	89.3
Income tax expense	33.0	110.0
Depreciation and amortization expense	31.6	123.5
EBITDA (Non-GAAP)	**$ 185.8**	**$ 620.7**
Restructuring- and divestiture-related adjustments	14.3	31.0
Transaction- and deal-related costs	3.6	29.6
One-time costs related to separation	0.8	4.0
Amortization of acquisition-related inventory fair value step-up	0.5	2.4
Gain on sale of property	—	(2.0)
Other charges	—	0.1
Non-cash write-off of deferred financing costs	0.1	0.1
Gain on sale of business	(34.1)	(34.1)
Loss on equity investments	0.1	3.7
Unrealized loss on equity securities measured at fair value	—	91.7
Adjusted EBITDA (Non-GAAP)	**$ 171.1**	**$ 747.2**