



# Q4 2025 Results

February 5, 2026

# Forward looking statements/Non-GAAP financial measures

## FORWARD-LOOKING STATEMENTS

Certain statements in this presentation are “forward-looking statements” within the meaning of the U.S. federal securities laws, including statements regarding future financial performance, and the objectives and expectations of management. Terminology such as “believe,” “anticipate,” “should,” “could,” “intend,” “will,” “plan,” “expect,” “estimate,” “project,” “target,” “may,” “possible,” “potential,” “forecast” and “positioned” and similar references to future periods are intended to identify forward-looking statements, although not all forward-looking statements are accompanied by such words. Forward-looking statements are based on assumptions and assessments made by our management in light of their experience and perceptions of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties, including but not limited to the risk factors described in our filings with the Securities and Exchange Commission, which include those in the most recent Form 10-K for FY 2024 and subsequent filings.

Forward-looking statements are not guarantees of future performance and actual results may differ materially from the results, developments and business decisions contemplated by our forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Forward-looking statements contained herein speak only as of the date of this presentation. Except to the extent required by applicable law, we do 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 MEASURES

All “Adjusted” amounts including core sales growth and free cash flow are non-GAAP items. Calculations of these measures, the reasons why we believe these measures provide useful information to investors, a reconciliation of these measures to the most directly comparable GAAP measures, and other information relating to these non-GAAP measures are included in the Appendix to this presentation. We do not reconcile forward looking non-GAAP measures to the comparable GAAP measures because of the inherent difficulty in predicting and estimating the future impact and timing of currency translation, acquisitions, discontinued products, and any other potential adjustments which would be reflected in any forecasted GAAP measure.



# Agenda

Paul Keel  
**Opening Thoughts**

Eric Hammes  
**Q4 and FY25 Financials**  
**FY2026 Guidance**

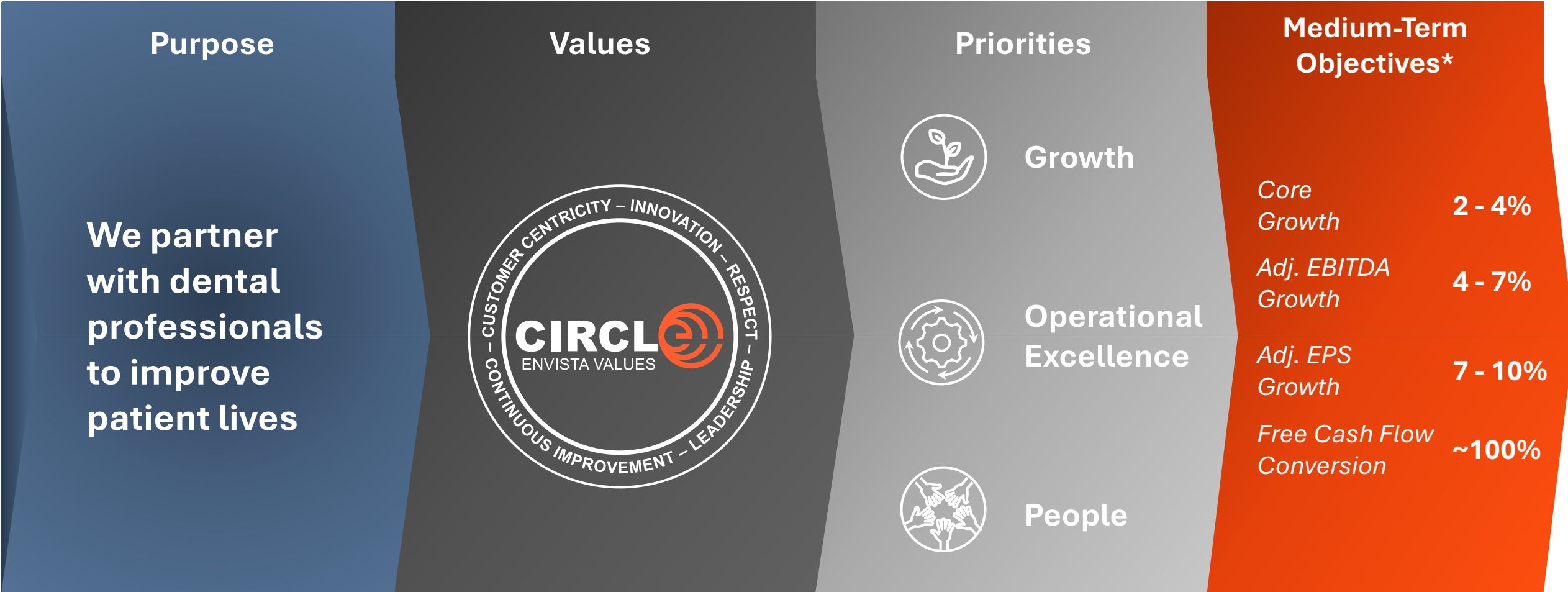
Paul Keel  
**Closing Thoughts**

**Q&A**



# Opening Thoughts

## Envista's Value Creation Plan





# Q4 and 2025 Strategic and Operational Progress



## Growth

- Growth across all major businesses and major geographies
- Continued market share gains across all major businesses
- ~3% price contribution in Q4 and ~2% in 2025, consistent with broader dental market inflation
- ~\$100M in 2025 revenue from new products introduced during the year
- Increased customer training by 30% in 2025 vs PY
- Double digit increase in R&D to support continued innovation-led growth moving forward



## Operations

- Ongoing broad-based contributions from EBS
- Maintained our world-class safety, quality, and customer service levels
- Reduced G&A spending 10% in 2025
- Took actions expected to result in ~4 point tax rate reduction in 2026
- Returned \$166M to shareholders through share repurchases



## People

- Stable, high performing leadership team
- Broad-based increases in employee engagement
- Significant investment in talent development
- Donated over \$2M to organizations serving communities in need through the Envista Smile Project

# Notable New Product Launches in 2025

*Specialty Products  
& Technologies*

**Ortho**

**Implants**

*Equipment &  
Consumables*

**Consumables**

**Diagnostics**

- Spark Retainers
- Spark BiteSync Class II Corrector
- Spark Junior
- Spark StageRx
- Ormco EtchFree Bonding
- Nobel Multi-Unit Abutments
- Implant Direct DIRECTscan
- Procera Esthetic Zirconia Bridge
- Orasoptic ErgoZoom Loupes
- OptiBond Universal 360
- SimpliCore Composite
- CaviCide HP
- DEXIS OP3D EX Cephalometric module
- DEXIS Imprevio IOS and Scanflow 2.0
- DTX Cloud Viewer
- DTX Implant Module



# Q4, 2025, and 2026



## Q425 Results

- +10.8% core growth, with all major businesses and geographies positive
- MSD growth excluding Spark deferral and low prior year comparables
- Adjusted EBITDA +22% YoY, 14.8% adjusted EBITDA margin
- \$0.38 adjusted EPS, +58% YoY



## 2025 Performance

- +6.5% core growth, with all major businesses positive
- MSD growth excluding Spark deferral and low prior year comparables
- Adjusted EBITDA +26% YoY, 13.7% adjusted EBITDA margin
- \$1.19 adjusted EPS, +63% YoY
- 114% Free Cash Flow Conversion



## 2026 Guidance

- Core growth: 2 to 4%
- Adjusted EBITDA growth: 7 to 13%
- Adjusted EPS: \$1.35 - \$1.45
- Free cash conversion: ~100%

Core growth, adj. EBITDA, EBITDA margin, Free cash conversion, and adj. EPS are non-GAAP measures. See appendix for reconciliation. These forward-looking estimates do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges, discrete tax items and legal contingency provisions.



## Q4 2025 | Financial Metrics

	Q4 2025	Q4 2024	vPY
Revenue	\$ 751M	\$653M	+\$98M
Core Sales Growth(%)	10.8%	2.0%	+880 bps
Adjusted Gross Margin	55.0%	57.2%	-220 bps
Adjusted EBITDA	\$111M	\$91M	+\$20M
Adjusted EBITDA%	14.8%	13.9%	+90 bps
Adjusted Diluted EPS	\$0.38	\$0.24	+\$0.14
Free Cash Flow	\$92M	\$124M	-\$32M

### Summary

- **10.8% Core Growth**
  - Growth in all major businesses
  - Growth in all major geographies
  - MSD excluding Spark deferral and low comparable
- **Adj EBITDA \$ up +22%, Margin 14.8% (+90 bps)**
  - Strong price performance in excess of tariff headwind
  - Continued productivity in G&A and spend leverage
- **\$0.38 adjusted EPS, +58% year-on-year**
- **Free Cash Flow of \$92 million, 145% free cash conversion**



## FY 2025 | Financial Metrics

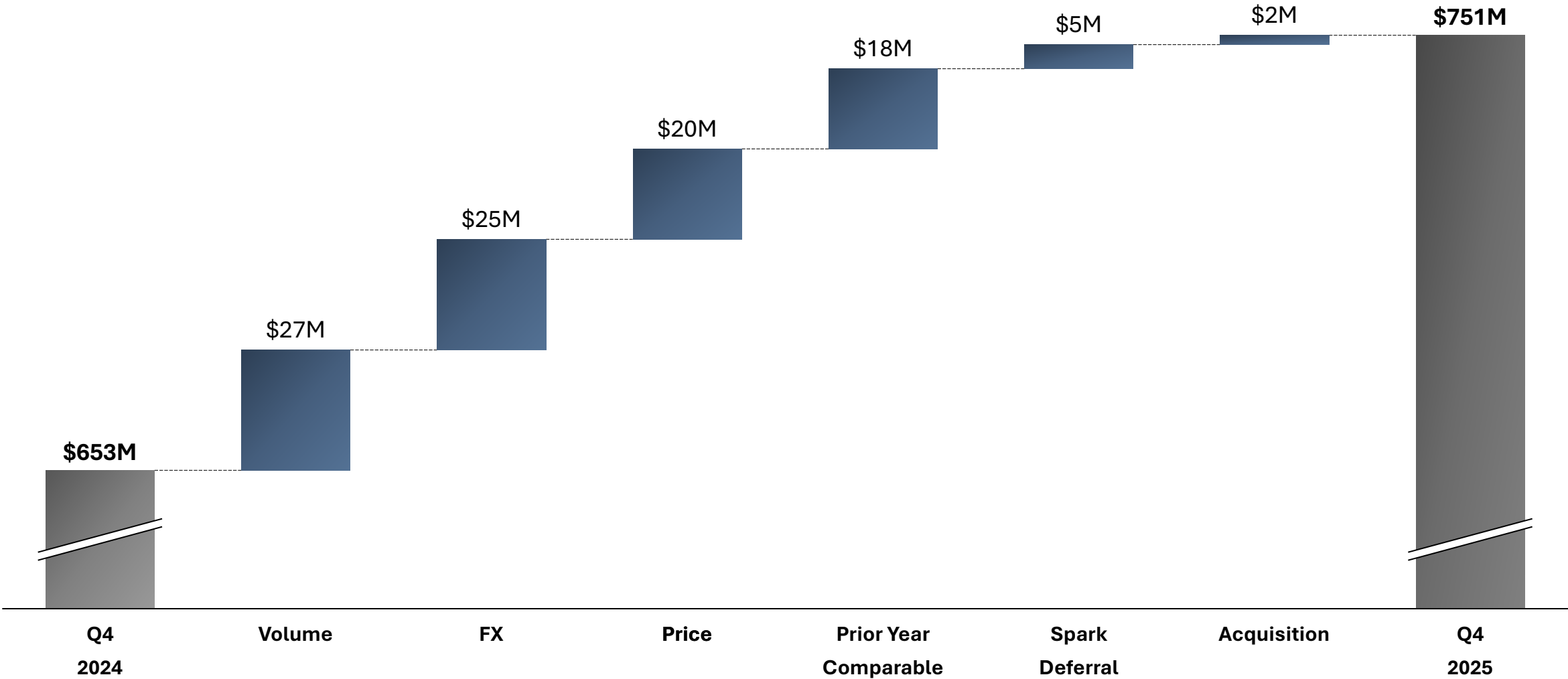
	2025	2024	vPY
Revenue	\$ 2,719M	\$2,511M	+\$208M
Core Sales Growth(%)	6.5%	-1.5%	+800 bps
Adjusted Gross Margin	55.1%	55.4%	-30 bps
Adjusted EBITDA	\$372M	\$296M	+\$76M
Adjusted EBITDA%	13.7%	11.8%	+190 bps
Adjusted Diluted EPS	\$1.19	\$0.73	+\$0.46
Free Cash Flow	\$231M	\$303M	-\$72M

### Summary

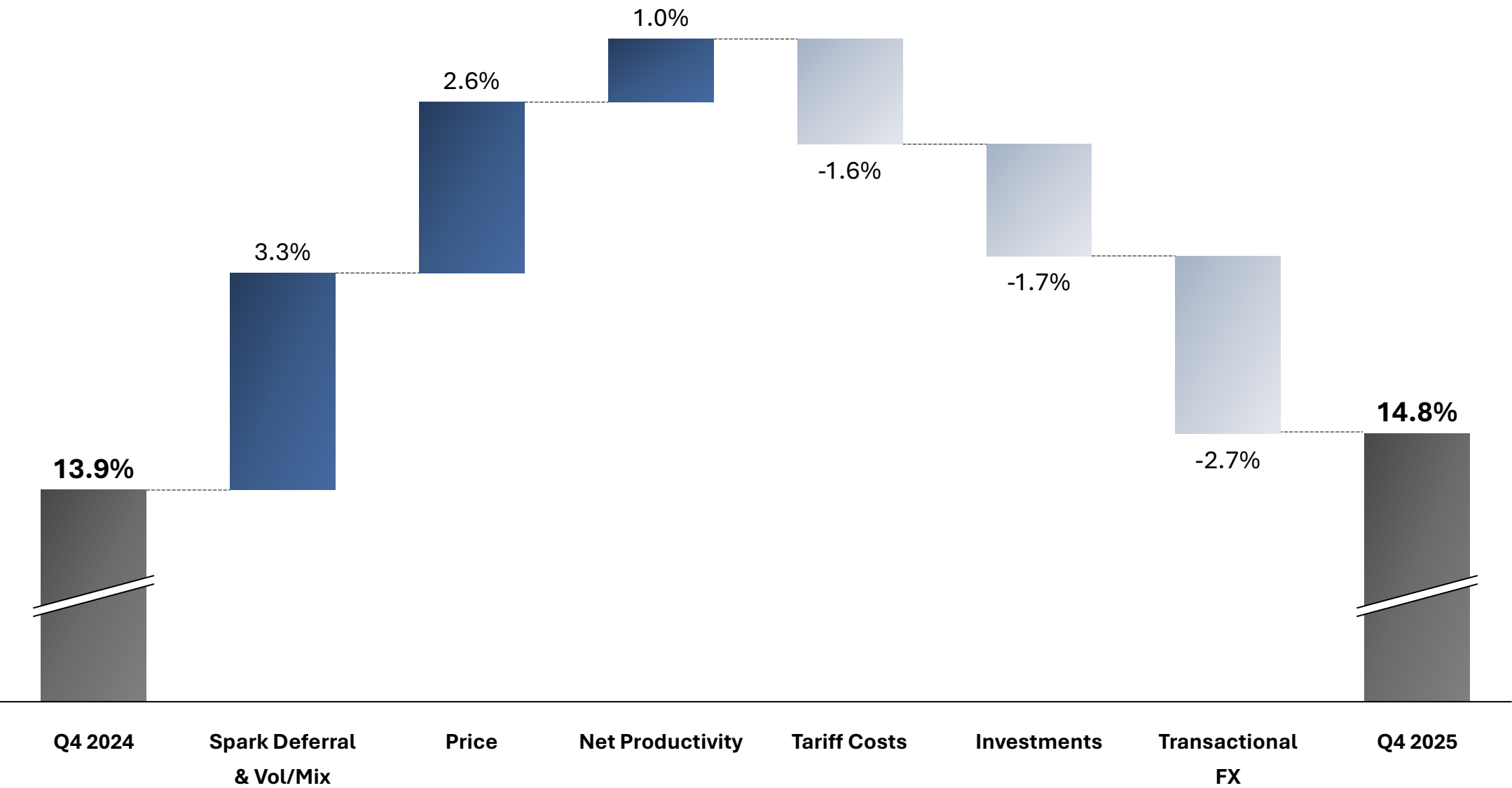
- **6.5% Core Growth**
  - Growth across all major businesses
  - Growth across all major geographies
  - Consistent with CMD plan after excluding Spark deferral and low 2024 comparable
- **13.7% EBITDA margins (+190 bps)**
  - Contribution from volume and price
  - Spark turned profitable in H2 2025
  - Offset tariff impact with mitigating actions
- **\$1.19 adjusted EPS, +63% year-on-year**
- **Free Cash Flow of \$231 million, 114% free cash conversion**

# Q4 2025 | Reported Revenue

Reported Revenue +15.0%  
Core Growth +10.8%



# Q4 2025 | Adjusted EBITDA





# Q4 2025 | Specialty Products & Technologies

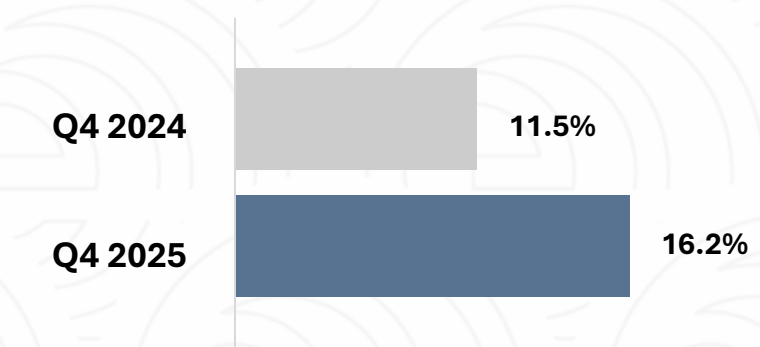
Revenue (\$M)      Core Sales Growth +10.9%



Revenue

- Spark sales grew HSD excluding net deferral change
- Brackets & Wires up DD
- Implants up MSD, growth in both Premium and Challenger

Adjusted Operating Margin



Adjusted Operating Margin

- Positive price capture in both businesses
- Strong operational improvements in both businesses



# Q4 2025 | Equipment & Consumables

Revenue (\$M)

Core Sales Growth +10.7%



Revenue

- Consumables up HSD, with strength across the portfolio
- Diagnostics up DD globally; HSD growth in North America



Adjusted Operating Margin



Adjusted Operating Margin

- Good price and volume contributions in both businesses
- New Product and commercialization investments across segment to support continued future growth
- Transactional FX resulted in year-on-year headwind





## Q4 2025 Cash Flow

	Q4 2025	Q4 2024	FY 2025	FY 2024
Operating Cash Flow	\$108.0M	\$132.4M	\$275.7M	\$336.5M
Capital Expenditure, net	\$16.3M	\$8.5M	\$44.8M	\$33.7M
Free Cash Flow	\$91.7M	\$123.9M	\$230.9M	\$302.8M

### FY 2025 Free Cash Conversion = 114%

- Net Debt / Adj. EBITDA of ~0.6X
- 1.2M shares repurchased in Q4
- 9.2M shares repurchased in FY2025





## FY 2026 Guidance

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Core Sales Growth

2 to 4%

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Adj. EBITDA Growth

7% to 13%

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Adj. EPS

\$1.35 to \$1.45

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Free Cash Conversion

~100%

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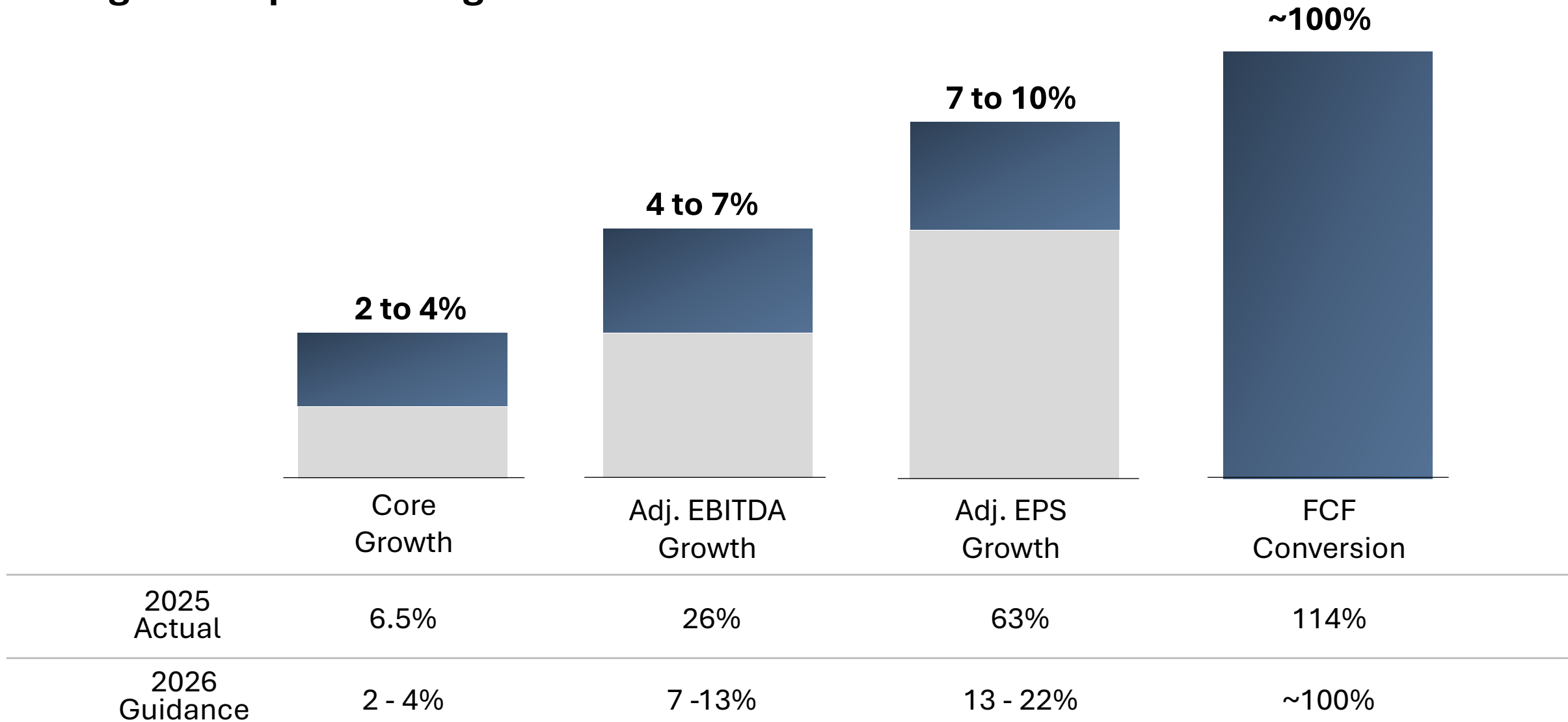
These forward-looking estimates do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges, discrete tax items and legal contingency provisions.

## 2026 | Guidance Assumptions

Key Driver	Assumption
Dental Market	Continued stability with modest improvement
Quarterly Cadence	4 more selling days in Q1, and 4 fewer in Q4
Exchange Rates	December ending rates; ~1.5% YoY revenue impact
Spark Net Deferral Impact	~\$15M YoY tailwind in H1; Fully incorporated in run rate by start of H2
Pricing	Lap 2025 tariff-related price increases in H2
Tariffs	No material changes; ~\$30M 2025 and ~\$40M 2026 (annualization)
Tax Rate	~28% of adjusted pre-tax income; Reflects intercompany loan resolution

These forward-looking estimates do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges, discrete tax items and legal contingency provisions.

# Progress Implementing Our Value Creation Plan



Core Growth, Adj. EBITDA, Adj. EPS, and Free Cash Conversion are non-GAAP measures. See appendix for reconciliation. These forward-looking estimates do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges, discrete tax items and legal contingency provisions.



# Closing Thoughts



- The dental market remains stable, with green shoots emerging
- Good progress executing the Value Creation Plan communicated at our March CMD
- 2025 underlying growth consistent with Medium-Term Plan converting to even stronger earnings and EPS gains
- 2026 guidance at or above our Medium-Term Plan:
  - Core Growth: 2 - 4%
  - Adjusted EBITDA growth: 7 - 13%
  - Adjusted EPS: \$1.35 - \$1.45
  - Free Cash Conversion: ~100%

# Q&A



# Appendix

## **Non-GAAP Reconciliations**



## Reconciliations | Adjusted Gross Profit and Adjusted Gross Margin (\$ in Millions)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Gross Profit	\$ 410.6	\$ 372.5	\$ 1,486.7	\$ 1,372.7
Restructuring costs and asset impairments <sup>B</sup>	2.5	0.8	9.6	18.9
Fair value adjustment of acquisition-related inventory <sup>C</sup>	—	—	2.0	—
Adjusted Gross Profit	<u>\$ 413.1</u>	<u>373.3</u>	<u>\$ 1,498.3</u>	<u>\$ 1,391.6</u>
Gross Margin (Gross Profit / Sales)	54.7 %	57.1 %	54.7 %	54.7 %
Adjusted Gross Margin (Adjusted Gross Profit / Sales)	55.0 %	57.2 %	55.1 %	55.4 %

## Reconciliations | Adjusted Operating Profit (\$ in Millions)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Consolidated</b>				
Operating Profit (Loss)	\$ 73.3	\$ 46.1	\$ 216.1	\$ (1,038.2)
Amortization of acquisition-related and other intangible assets	19.0	18.6	75.9	82.3
Goodwill and intangible asset impairments <sup>A</sup>	—	—	—	1,153.8
Restructuring costs and asset impairments <sup>B</sup>	8.1	15.0	32.5	49.9
Fair value adjustment of acquisition-related inventory <sup>C</sup>	—	—	2.0	—
Litigation settlement <sup>D</sup>	—	1.8	0.8	6.5
Acquisition-related expenses <sup>F</sup>	—	—	0.4	—
Adjusted Operating Profit	<u>\$ 100.4</u>	<u>\$ 81.5</u>	<u>\$ 327.7</u>	<u>\$ 254.3</u>
Adjusted Operating Profit as a % of Sales	13.4 %	12.5 %	12.1 %	10.1 %
<b>Specialty Products &amp; Technologies</b>				
Operating Profit	\$ 60.2	\$ 27.4	\$ 191.2	\$ 89.9
Amortization of acquisition-related and other intangible assets	15.0	14.3	59.5	57.4
Restructuring costs and asset impairments <sup>B</sup>	1.8	5.7	9.6	26.8
Adjusted Operating Profit	<u>\$ 77.0</u>	<u>\$ 47.4</u>	<u>\$ 260.3</u>	<u>\$ 174.1</u>
Adjusted Operating Profit as a % of Sales	16.2 %	11.5 %	14.9 %	10.8 %
<b>Equipment &amp; Consumables</b>				
Operating Profit	\$ 48.5	\$ 51.6	\$ 158.0	\$ 152.3
Amortization of acquisition-related and other intangible assets	4.0	4.3	16.4	24.9
Restructuring costs and asset impairments <sup>B</sup>	2.7	3.2	8.6	7.4
Litigation settlement <sup>D</sup>	—	1.8	0.8	1.8
Adjusted Operating Profit	<u>\$ 55.2</u>	<u>\$ 60.9</u>	<u>\$ 183.8</u>	<u>\$ 186.4</u>
Adjusted Operating Profit as a % of Sales	20.1 %	25.2 %	19.0 %	20.8 %

## Reconciliations | Adjusted Net Income (\$ in Millions)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net Income (Loss)	\$ 32.9	\$ 1.2	\$ 47.0	\$ (1,118.6)
Amortization of acquisition-related and other intangible assets	19.0	18.6	75.9	82.3
Goodwill and intangible asset impairments <sup>A</sup>	—	—	—	1,153.8
Restructuring costs and asset impairments <sup>B</sup>	8.1	15.0	32.5	49.9
Fair value adjustment of acquisition-related inventory <sup>C</sup>	—	—	2.0	—
Litigation settlement <sup>D</sup>	—	1.8	0.8	6.5
Loss on equity investments, net <sup>E</sup>	6.2	—	6.2	1.1
Acquisition-related expenses <sup>F</sup>	—	—	0.4	—
Tax effect of adjustments reflected above <sup>G</sup>	(6.8)	(23.5)	(27.1)	(77.3)
Discrete tax adjustments and other tax-related adjustments <sup>H</sup>	3.8	28.0	64.4	28.8
Adjusted Net Income	\$ 63.2	\$ 41.1	\$ 202.1	\$ 126.5

## Reconciliations | Adjusted Diluted Earnings Per Share and Diluted Shares Outstanding

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Diluted Earnings (Loss)	\$ 0.20	\$ 0.01	\$ 0.28	\$ (6.50)
Amortization of acquisition-related and other intangible assets	0.11	0.11	0.45	0.48
Goodwill and intangible asset impairments <sup>A</sup>	—	—	—	6.66
Restructuring costs and asset impairments <sup>B</sup>	0.05	0.09	0.19	0.29
Fair value adjustment of acquisition-related inventory <sup>C</sup>	—	—	0.01	—
Litigation settlement <sup>D</sup>	—	0.01	—	0.04
Loss on equity investments, net <sup>E</sup>	0.04	—	0.04	0.01
Acquisition-related expenses <sup>F</sup>	—	—	—	—
Tax effect of adjustments reflected above <sup>G</sup>	(0.04)	(0.14)	(0.16)	(0.45)
Discrete tax adjustments and other tax-related adjustments <sup>H</sup>	0.02	0.16	0.38	0.17
Net (loss) to adjusted net income share adjustment <sup>I</sup>	—	—	—	0.03
Adjusted Diluted Earnings Per Share	\$ 0.38	\$ 0.24	\$ 1.19	\$ 0.73

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Average common stock shares outstanding - basic	164.4	172.5	168.0	172.2
Assumed exercise of dilutive options, vesting of dilutive restricted stock and performance stock units and assumed conversion of 2025 Convertible Notes <sup>I</sup>	1.6	1.2	1.2	1.0
Average common stock and common equivalent shares outstanding - diluted	166.0	173.7	169.2	173.2



## Reconciliations | Adjusted EBITDA (\$ in Millions)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net Income (Loss)	\$ 32.9	\$ 1.2	\$ 47.0	\$ (1,118.6)
Interest expense, net	10.3	9.9	36.6	46.4
Income tax expense	24.7	35.3	130.2	33.9
Depreciation	10.1	9.2	40.1	40.8
Amortization of acquisition-related and other intangible assets	19.0	18.6	75.9	82.3
Goodwill and intangible asset impairments <sup>A</sup>	—	—	—	1,153.8
Restructuring costs and asset impairments <sup>B</sup>	8.1	15.0	32.5	49.9
Fair value adjustment of acquisition-related inventory <sup>C</sup>	—	—	2.0	—
Litigation settlement <sup>D</sup>	—	1.8	0.8	6.5
Loss on equity investments, net <sup>E</sup>	6.2	—	6.2	1.1
Acquisition-related expenses <sup>F</sup>	—	—	0.4	—
Adjusted EBITDA	\$ 111.3	\$ 91.0	\$ 371.7	\$ 296.1
Adjusted EBITDA as a % of Sales	14.8 %	13.9 %	13.7 %	11.8 %

## Reconciliations | Core Sales Growth<sup>1</sup>

	% Change Three Month Period Ended December 31, 2025 vs. Comparable 2024 Period	% Change twelve Month Period Ended December 31, 2025 vs. Comparable 2024 Period
<b>Consolidated</b>		
Total sales growth	15.0 %	8.3 %
Plus the impact of:		
Acquisitions	(0.3)%	(0.2)%
Currency exchange rates	(3.9)%	(1.6)%
Core sales growth	10.8 %	6.5 %
<b>Specialty Products &amp; Technologies</b>		
Total sales growth	15.8 %	8.4 %
Plus the impact of:		
Acquisitions	(0.5)%	(0.3)%
Currency exchange rates	(4.4)%	(1.8)%
Core sales growth	10.9 %	6.3 %
<b>Equipment &amp; Consumables</b>		
Total sales growth	13.5 %	8.1 %
Plus the impact of:		
Currency exchange rates	(2.8)%	(1.2)%
Core sales growth	10.7 %	6.9 %

<sup>1</sup> We use the term “core sales” to refer to GAAP revenue excluding (1) sales from acquired businesses recorded prior to the first anniversary of the acquisition (“acquisitions”), (2) sales from discontinued products and (3) the impact of currency translation. Sales from discontinued products includes major brands or products that Envista has made the decision to discontinue as part of a portfolio restructuring. Discontinued brands or products consist of those which Envista (1) is no longer manufacturing, (2) is no longer investing in the research or development of, and (3) expects to discontinue all significant sales within one year from the decision date to discontinue. The portion of sales attributable to discontinued brands or products is calculated as the net decline of the applicable discontinued brand or product from period-to-period. The portion of GAAP revenue attributable to currency exchange rates is calculated as the difference between (a) the period-to-period change in sales and (b) the period-to-period change in sales after applying current period foreign exchange rates to the prior year period. We use the term “core sales growth” to refer to the measure of comparing current period core sales with the corresponding period of the prior year.

## Reconciliations | Free Cash Flow (\$ in Millions)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net Operating Cash Provided by Operating Activities	\$ 108.0	\$ 132.4	\$ 275.7	\$ 336.5
Less: payments for additions to property, plant and equipment (capital expenditures)	(16.3)	(8.6)	(45.3)	(33.8)
Plus: proceeds from sales of property, plant and equipment	—	0.1	0.5	0.1
Free Cash Flow (FCF)	<u>\$ 91.7</u>	<u>\$ 123.9</u>	<u>\$ 230.9</u>	<u>\$ 302.8</u>
FCF to Adjusted Net Income Conversion Ratio	145 %	301 %	114 %	239 %

## NOTES TO RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

<sup>A</sup> Represents impairment charge related to goodwill and certain intangible assets.

<sup>B</sup> We exclude impairment of certain long-lived assets, executive transition costs, and cost incurred pursuant to discrete restructuring plans.

<sup>C</sup> Represents the fair value adjustment related to inventory acquired in connection with acquisitions.

<sup>D</sup> Represents the settlement of certain litigation matters.

<sup>E</sup> Represents losses on equity investments.

<sup>F</sup> Represents acquisition-related transaction expenses and integration costs with respect to business combinations.

<sup>G</sup> This line item reflects the aggregate tax effect of all pretax adjustments reflected in the preceding line items of the table using each adjustment's applicable tax rate, including the effect of interim tax accounting requirements of Accounting Standards Codification Topic 740 *Income Taxes*.

<sup>H</sup> Discrete tax matters primarily relate to excess tax benefits from stock-based compensation, changes in estimates associated with prior period uncertain tax positions and audit settlements, tax benefits resulting from a change in law, changes in determination of realization of certain deferred tax assets and tax expense related to the restructuring of certain intercompany loans.

<sup>I</sup> The Company was in a net loss position for the year ended December 31, 2024, therefore no shares reserved for issuance upon exercise of stock options, vesting of restricted stock and performance stock units or assumed conversion of the convertible senior notes due 2025 were included in the computation of diluted loss per share as their inclusion would have been anti-dilutive. However, given that the adjustments noted in footnotes A-H resulted in adjusted net income for the year ended December 31, 2024, the dilutive impact of stock options, restricted stock and performance stock units and assumed conversion of the convertible senior notes due 2025 are being included to arrive at adjusted diluted shares outstanding.



# Statement Regarding Non-GAAP Measures

Each of the non-GAAP measures set forth above should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP measure, and may not be comparable to similarly titled measures reported by other companies. Management believes that these measures provide useful information to investors by offering additional ways of viewing Envista Holdings Corporation's ("Envista" or the "Company") results that, when reconciled to the corresponding GAAP measure, help our investors to:

- with respect to Core Sales, identify underlying growth trends in Envista's business and compare Envista's revenue performance with prior and future periods and to Envista's peers;
- with respect to Adjusted Gross Profit, Adjusted Operating Profit, Adjusted Net Income, Adjusted Diluted Earnings Per Share and Adjusted EBITDA, understand the long-term profitability trends of Envista's business and compare Envista's profitability to prior and future periods and to Envista's peers;
- with respect to Adjusted EBITDA, help investors understand operational factors associated with Envista's financial performance because it excludes the following from consideration: interest, taxes, depreciation, amortization, and infrequent or unusual losses or gains such as goodwill impairment charges or nonrecurring and restructuring charges. Management uses Adjusted EBITDA, as a supplemental measure for assessing operating performance in conjunction with related GAAP amounts. In addition, Adjusted EBITDA is used in connection with operating decisions, strategic planning, annual budgeting, evaluating Company performance and comparing operating results with historical periods and with industry peer companies; and
- with respect to Free Cash Flow (the "FCF Measure"), understand Envista's ability to generate cash without external financings, in order to invest and grow its business through acquisitions and other strategic opportunities. A limitation of free cash flow is that it does not take into account the Company's debt service requirements and other non-discretionary expenditures, and as a result the entire Free Cash Flow amount is not necessarily available for discretionary expenditures.

Management uses these non-GAAP measures to evaluate the Company's operating and financial performance.

The items excluded from the non-GAAP measures set forth above have been excluded for the following reasons:

- With respect to Adjusted Gross Profit, Adjusted Operating Profit, Adjusted Net Income, Adjusted Diluted Earnings Per Share and Adjusted EBITDA:
  - We exclude amortization of acquisition-related and other intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe, however, that it is important for investors to understand that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.
  - With respect to the other items excluded from Adjusted Gross Profit, Adjusted Net Income, Adjusted Operating Profit, Adjusted Diluted Earnings Per Share and Adjusted EBITDA, we exclude these items because they are of a nature and/or size that occur with inconsistent frequency, occur for reasons that may be unrelated to Envista's commercial performance during the period and/or we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult.
- With respect to core sales, we exclude (1) the effect of acquisitions and divested product lines because the timing, size, number and nature of such transactions can vary significantly from period-to-period and between us and our peers, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult, (2) sales from discontinued products because discontinued products do not have a continuing contribution to operations and management believes that excluding such items provides investors with a means of evaluating our on-going operations and facilitates comparisons to our peers, and (3) the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends.
- With respect to the FCF Measure, we adjust for payments for additions to property, plant and equipment (net of the proceeds from capital disposals) to arrive at the amount of operating cash flow for the period that remains after accounting for the Company's capital expenditure requirements.