Envista

Management presentation

December 2, 2019

Envista

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With respect to the non-GAAP financial measures of adjusted EBITDA, adjusted EBITDA margin, core sales, and free cash flow referenced in the following presentation, definitions and the accompanying information required by SEC Regulation G can be found in the “Investors” section of Envista's website and can also be found at the end of this presentation. In this presentation, all figures relate to Envista’s continuing operations and sales amounts are in millions.

Additional Information: Danaher Corporation (“Danaher”) commenced an offer to its stockholders to exchange their shares of Danaher common stock for shares of Envista common stock owned by Danaher on November 15, 2019. The terms and conditions of the exchange offer are more fully described in the registration statement filed by Envista with the SEC and the Schedule TO filed by Danaher with the SEC. The prospectus, which is included in the registration statement, and other filed documents contain important information about Envista, Danaher, the exchange offer and related matters. Investors and security holders are urged to read carefully and in its entirety the prospectus and any other relevant documents filed with the SEC by Danaher and Envista, if and when they become available and before making any investment decision. None of Danaher, Envista, or any of their respective directors or officers or any dealer manager appointed with respect to the exchange offer makes any recommendation as to whether investors should participate in the exchange offer. Investors will be able to obtain a free copy of the prospectus and other related documents filed with the SEC by Danaher and Envista at the SEC's website at www.sec.gov.

Exchange offering summary

Issuer:	Envista Holdings Corporation (“NVST” or “Envista”)
Offer to Exchange:	Up to an aggregate of 127,868,000 shares* of NVST common stock, representing a ~$3.6bn total deal value[1], for outstanding shares of Danaher Corporation (“DHR” or “Danaher”) common stock
Target Discount on NVST:	7% based on average VWAPs of DHR and NVST during the Averaging Period (subject to the Upper Limit)
Upper Limit:	5.5784 shares of NVST per share of DHR validly tendered
Averaging Period:	Expected to be December 9, 10 and 11, 2019
Expiration:	Expected to be 12:00 midnight, New York City time, at the end of the day on December 13, 2019
Exchange / Ticker:	NYSE / NVST
Dealer Managers:	Goldman Sachs & Co. LLC; J.P. Morgan Securities LLC
Minimum Condition:	30% shares of NVST distributed (38,360,400 of NVST distributed)
* representing Danaher’s entire remaining interest in Envista	

[1] Total deal value based on a full distribution of Danaher’s remaining interest in Envista, at the Envista closing price as of November 29, 2019.

Recent updates

Investments beginning to enhance growth

+DD

China Core Growth through 3rd Quarter

+MSD

Ormco Core Growth through 3rd Quarter

Traction on cost initiatives improving margin and cash flow

+100 BPS

Specialty Q3 OMX

+12%

Q3 free cash flow[1]

Significant new products in development for 2020+

Clear aligners

Digital / IOS

Implants

Making progress towards enhanced business performance

1: Free cash flow is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, please see Appendix.

Investment highlights

Positioned to **accelerate growth** with a leading position in some of the most attractive segments of Dental

Significant opportunity to **expand margins** through operating leverage, productivity initiatives and improving portfolio mix

Flexible capital structure and **strong cash flow profile** for M&A to further improve growth profile

Leveraging the Envista Business System to create long-term shareholder value

Envista at a glance

Outstanding brands with leading positions

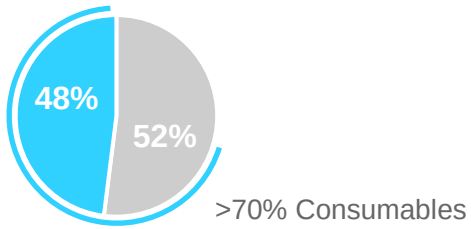
Dental market has strong secular growth drivers

Scale in faster growing areas: Emerging Markets ("EM"), Implants & Orthodontics

All financial metrics based on 2018 unless otherwise indicated; all pie chart percentages are % of 2018 sales; ODM = Other Developed Markets

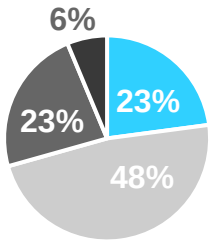
1: EBITDA Margin is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, please see Appendix.

Sales
By segment



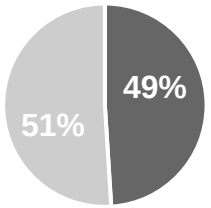
Equipment & Consumables
Specialty Products & Technologies

By geography



EM NA W-EU ROW

By channel



Distributor Direct

$2.8B
Total Sales

~56%
Gross Margin

Mid-teens
EBITDA Margin[1]

Envista

Envista senior management team

Amir Aghdaei
President & CEO

- **Patrik Eriksson** — *President, KaVo Kerr*
- **Hans Geiselhöringer** — *President, Nobel Biocare*
- **Filippo Impieri** — *Special Markets*
- **Jeff Kappler** — *President, Ormco*
- **Howard Yu** — *CFO*
- **Curt Bludworth** — *CHRO*
- **Mischa Reis** — *Strategy & Corp Dev*
- **Mark Nance** — *General Counsel*
- **Claudia Ortiz** — *RA/QA*
- **John Marotta** — *Envista Business Systems & Supply Chain*
- **Julie Xing** — *President, China*

Operating Leaders

Amir Aghdaei
President & CEO

- 11 years with DHR
- Led Dental business since December 2015
- Prior President of DHR Communications Platform

Howard Yu
CFO

- 8 years with DHR, including 3 years with Beckman Coulter
- Prior CFO of Nobel Biocare and Ormco

Patrik Eriksson
President, KaVo Kerr

- 7 years with DHR / Envista
- Prior President of Ormco
- >25 years in dental industry

Hans Geiselhöringer
President, Nobel Biocare

- Joined DHR as part of Nobel Biocare acquisition in 2014
- >30 years in dental industry

Jeff Kappler
President, Ormco

- 12 years with DHR, including 3 years with Fluke and 5 years with Veeder-Root
- Led Latin America and Imaging / Sensor business for Envista

Julie Xing
President, China

- 19 years of experience in pharmaceutical, biotech, diagnosis, and other areas within the healthcare industry

Team responsible for transformation in place since 2016

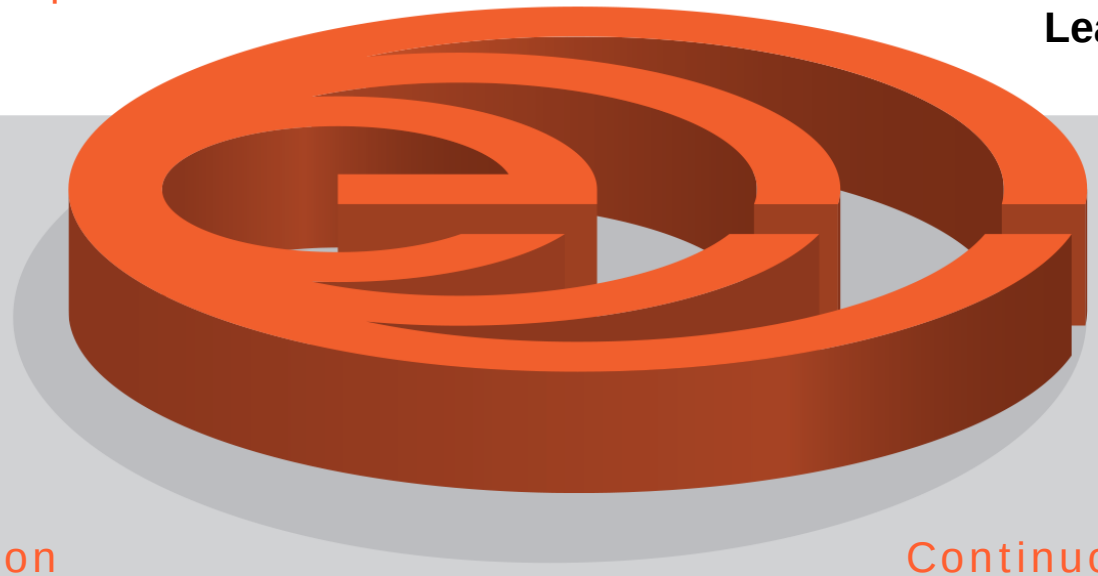
Envista

Our Shared Purpose:

We partner with professionals to improve lives

Relationships Built on Respect
Leadership

Better Choices, Better Outcomes
Lean and Fundamentals



Innovation in Action
Growth

Continuous Improvement as a Competitive Advantage
Envista Business System

We champion creators of confidence

EBS drives Envista transformation

Pre-2016	Today	Current / future work
>10 OpCos	**3** OpCos	**Further cost reduction** - Target additional annualized savings - Consolidate MFG sites - Reduce TU/IMG brands
>40 Mfg sites	**>25%** reduction	
>190 Locations	**>40%** reduction	
Multiple competing brands/OpCos	Imaging/Treatment Unit brands from 11 to 6	**Commercial execution** - Multi-brand implant - EM expansion
Limited G&A leverage	Consolidation of back-office functions	**New product development** - Spark, Implants, Digital

Focus on improving core growth and margin expansion

Note: Envista Business System (EBS)

Business segments

Specialty Products & Technologies

World-class implant and orthodontic systems

Nobel Biocare™

Ormco™

- Total Sales: ~$1.4B
- EBITDA Margin: >20%
- Channel: >90% Direct

Equipment & Consumables

Comprehensive portfolio with strong brands

KAVO Kerr

- Total Sales: ~$1.5B
- EBITDA Margin: >10%
- Channel: >90% Distribution

Strong position with leading brands in some of the most attractive segments of Dental

Note: All financial metrics based on 2018 unless otherwise indicated

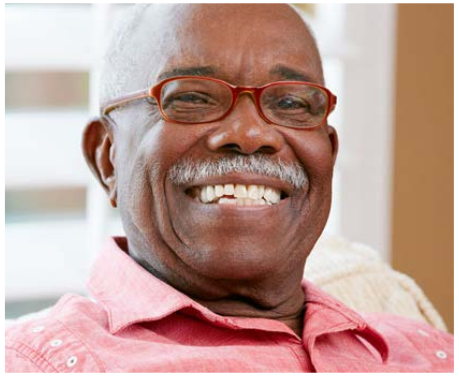
Leading player in some of the most attractive segments of dental

Envista	Category		Segment size[1]	Segment growth[2]	Key brands
Equipment & Consumables	**Imaging**		$2B	MSD	DEXIS, i-CAT
	Instruments / Treatment units / Other equipment		$4B	LSD	
	Consumables		$7B	LSD	KAVO, Kerr
Specialty Products & Technologies	**Implants**		$5B	MSD	Nobel Biocare, IMPLANT DIRECT, AlphaBio Simplantology
	Orthodontics	Wires & brackets	$2B	LSD	Ormco
		Clear aligners	$2.5B	>10%	

Envista's brands have a long track record of success

[1] Represents estimated 2018 industry size
[2] Represents estimated growth over last three years
Source: Management estimates, iData, public reports

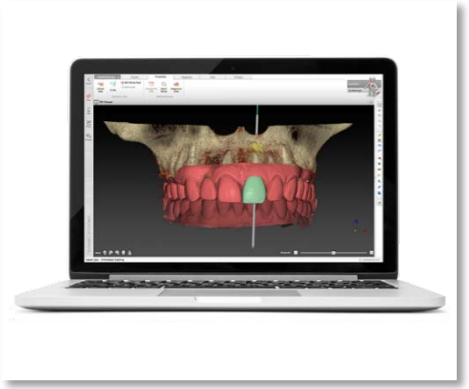
Secular trends support long-term market growth



An aging population

+1B people over age 60 by 2050

- **>20%** of 60+ yr lost all teeth
- More complex dental cases



Dental digitization

DD+ growth in digital diagnostics penetration[1]

- Transforming dentist's work
- Drives procedure de-skilling

DSO growth

HSD growth of DSOs[2]

- Increased dental access
- Growing specialties

EM: Middle-class

+1.5B EM middle-class people by 2030

- Increased dental access
- Growing discretionary $ spend

Strong drivers that support improving Specialty penetration

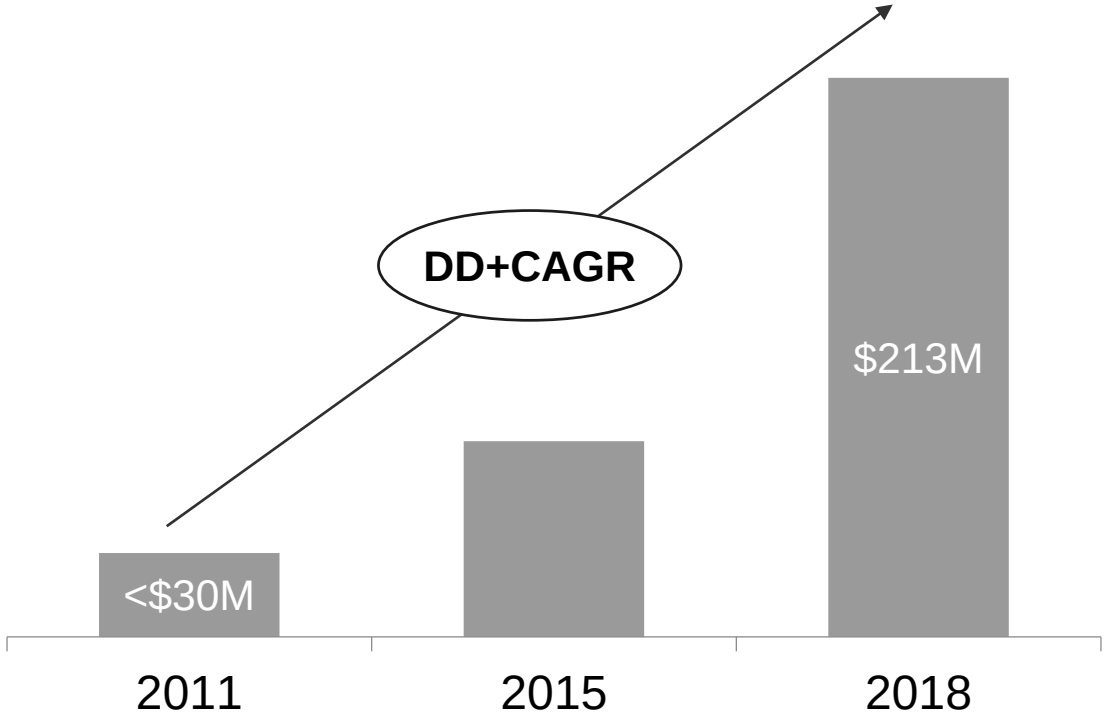
Source: United Nations. Global Economy and Development Working Paper 100 of the Brookings Institution, public reports, management estimates

[1] 3D Imaging and standalone intra-oral scanner penetration in the US growing from <5% (10 years ago) to an estimated 20-30% (2018)

[2] Growth of dental offices affiliated with DSOs

Demonstrated success in China

Envista Greater China sales



	2011	Today
Products	Equipment & ortho	Complete portfolio
Local Presence	2 small rep offices ~40 associates Coastal cities	~10 offices >900 associates All Tier 1 & 2 cities
Local R&D	None	>30 engineers
Manufacturing Sites	None	2
Market Position	Top 10	A leading player

Built a leading market position of >$200M in annual sales with DD+ growth

Sales growth acceleration: Commercial investments

"Feet on the street"

- >3,000 employees in our commercial organization, >400 in China
- 10% growth since 2016

Training & education

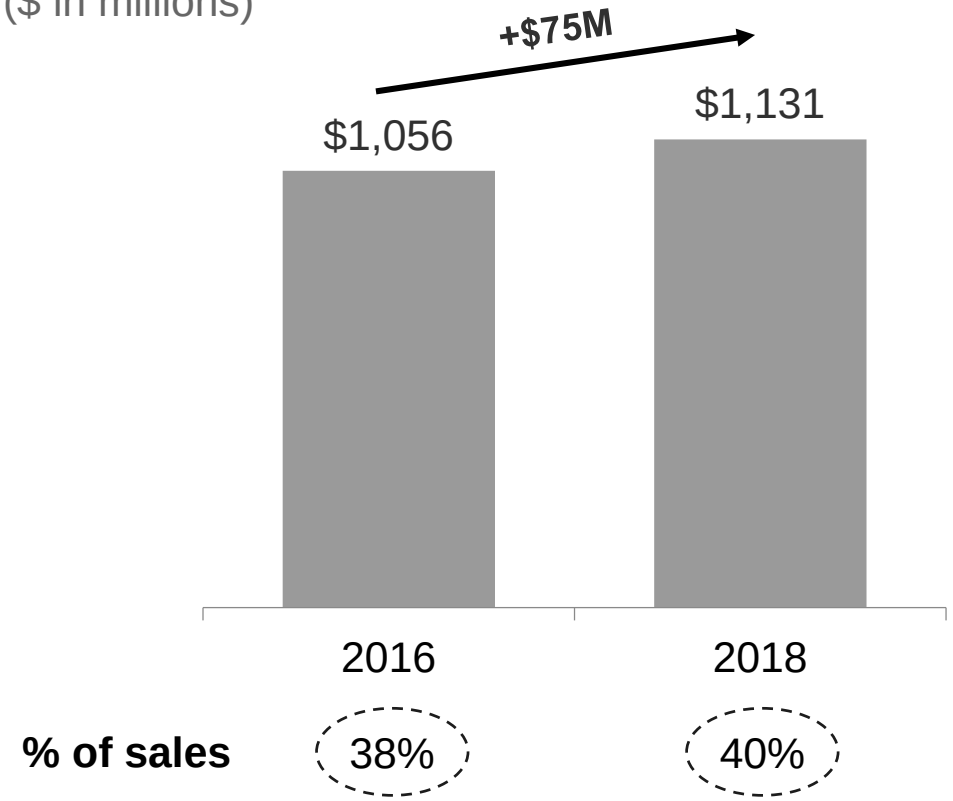
- >100,000 dentists reached each year through >4,000 events

Service infrastructure

- Daily dentist interactions
- Field & remote service capability in North America

Investment in SG&A

($ in millions)



Significant commercial scale with deep clinical and workflow expertise

Sales growth acceleration: Innovation investments

Investments

>$475M
Cumulative R&D spend (2016-2018)

+$30M
Annual R&D spend (2018 vs. 2016)

~2X
Software engineer increase (2018 vs. 2015)

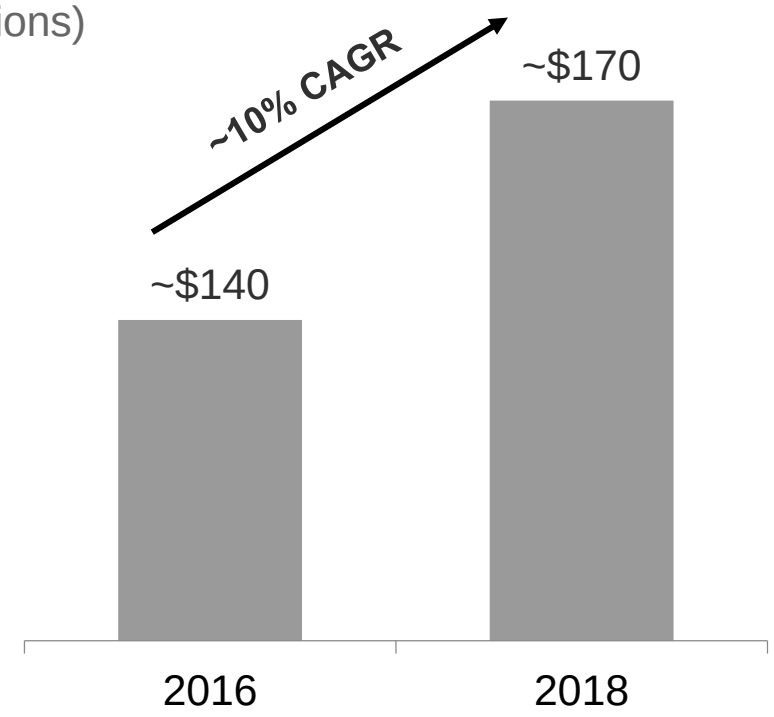
Results – investment areas

- Development & introduction of Spark clear aligners
- Developing differentiated N1 implant system
- Strengthening digital capabilities – imaging and workflow software

DTX STUDIO

R&D spend

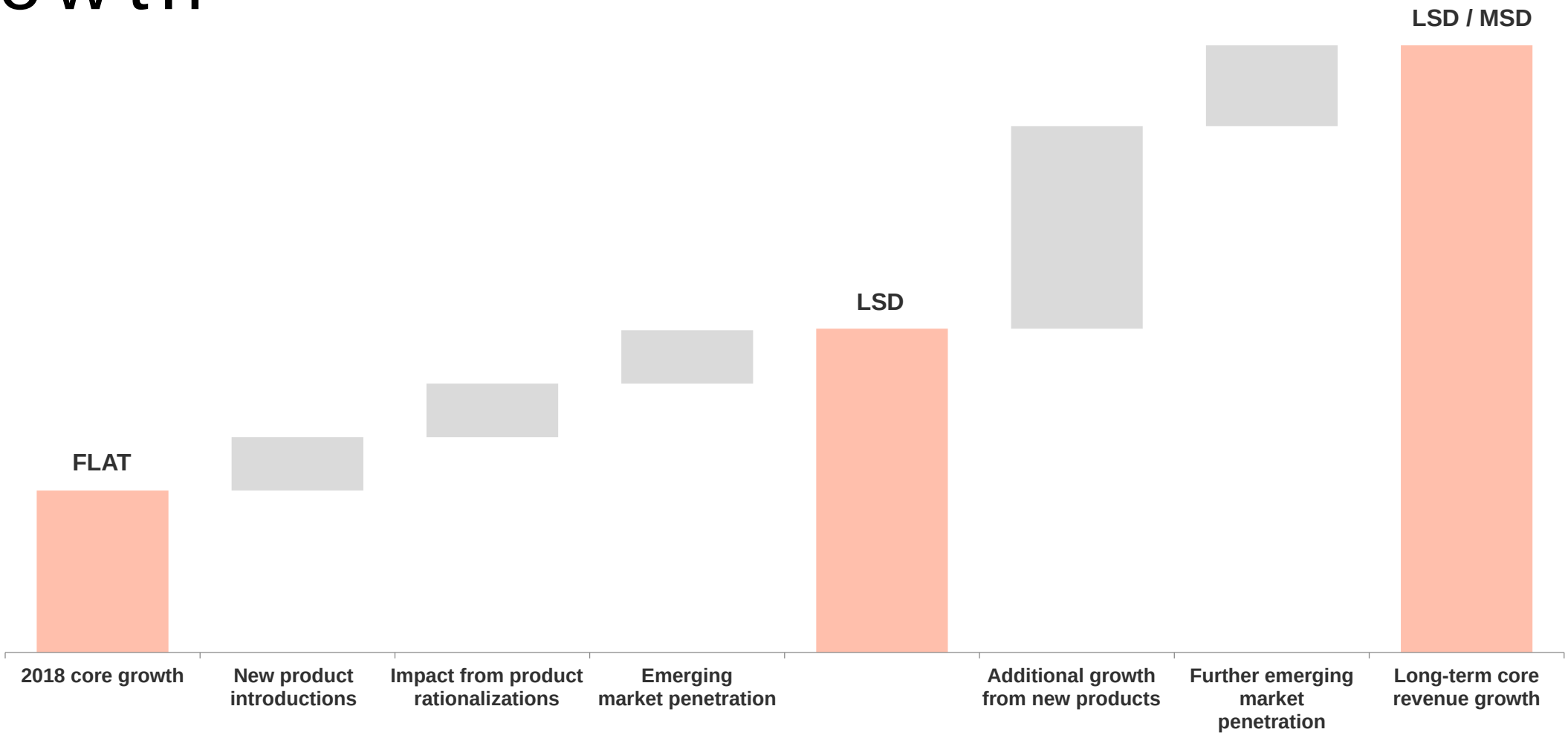
($ in millions)



	2016	2018
% of sales	5%	6%

Innovation to drive sustainable competitive advantage

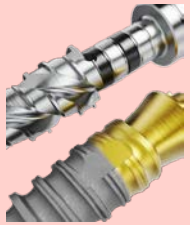
Driving sustainable long-term core growth[1]



Combination of rationalization, EM and new products accelerates growth

[1] These are not projections and do not constitute guidance; they are growth drivers and are subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that these drivers will be achieved and the Company undertakes no duty to update this information.

Growth drivers by segment

	EM penetration	Brand rationalization	Major new products
Specialty Products & Technologies	✓	**Value Implants**	 SPARK™ CLEAR ALIGNER SYSTEM  **N1/Surface technology[1]**
Equipment & Consumables	✓		 **X Pro** DTX STUDIO  **X500**

[1] Regulatory approvals not yet received for N1. Not for sale in the U.S.

Envista

Spark clear aligner system

SPARK™
CLEAR ALIGNER SYSTEM

Highlights

- Advanced clear aligner technology
- Target Ormco's core Orthodontist customer base
- Available in Australia and the US

Differentiators

- TruGEN™ material is designed to be clearer than the leading competitor
- Spark's™ custom trays are designed to enhance patient comfort
- Spark™ is proven to have minimal aligner stain

Broader introduction in 2020 expected to contribute to Specialty growth

N1 Implant System

Lowering barriers of adoption for patients and clinicians

Reducing Patient fear of surgery

- Minimally invasive, less trauma to bone
- Less discomfort, noise and vibration
- Drill speed 50 rpm vs >1,000 rpm[1]

Enabling more clinicians to perform surgery

- Shorter learning curve and faster to train
- More control and guidance, gentle shaping of bone instead of invasive cutting; 2 tools vs 5-6 drills[1]

Shorter time-to-teeth with higher predictably

- Faster integration of implant with bone (reduction of healing time by 2/3)[2]
- Immediate restorations embrace better soft tissue integration, enhances short and long-term performance

Initial launch in Europe in 2020 and anticipate other geographies to follow

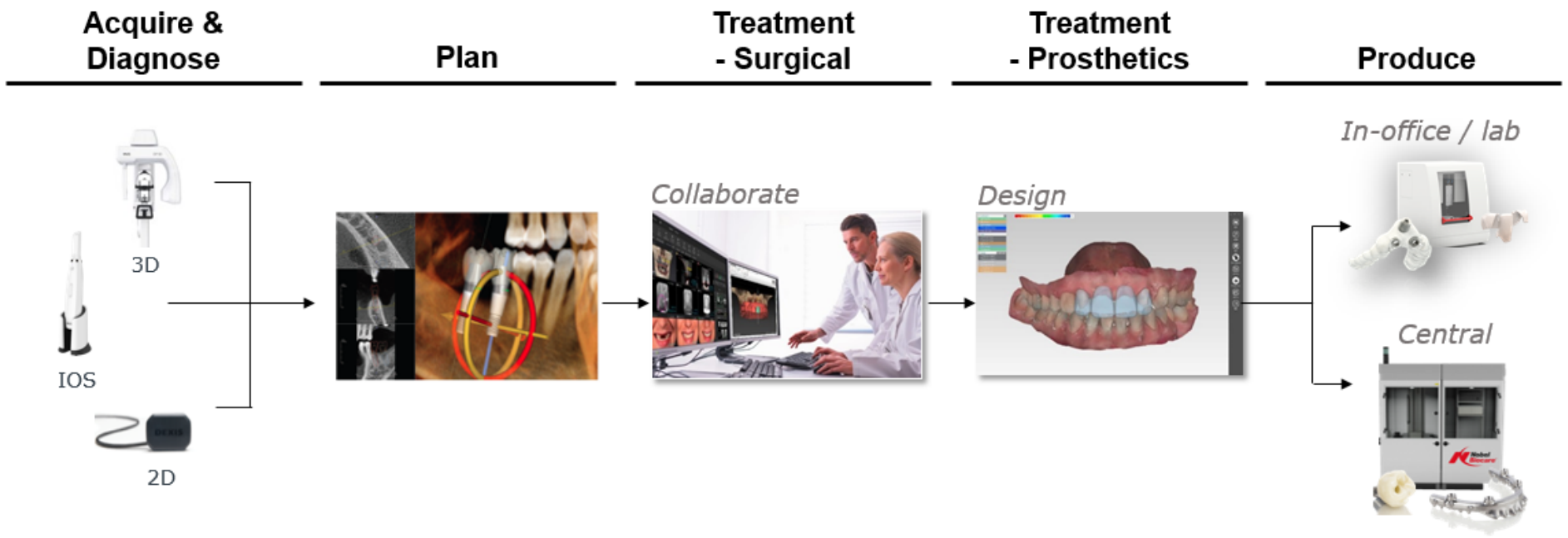
Note: Regulatory approvals not yet received for N1. Not for sale in the U.S.

[1] Conventional

[2] Internal pre-clinical data

DTX Studio™ software suite

DTX Workflow



- All clinical patient **images** / files in **one place**
- **One system: image acquisition** through **treatment** delivery
- Easy, efficient **collaboration**
- **Multi-specialty**
- **Open** architecture
- Usage info (e.g. equipment **productivity**)

DTX Studio™ ecosystem provides simple workflows designed to enhance user experience

X Pro / X 500 Intraoral Scanner (IOS)

X Pro

KAVO

X 500

DTX STUDIO

X Pro

Seamless workflow integration – designed for DTX

Feature set comparable with other leading offerings

X500

Strong point solution - bridge to DTX studio

OEM partnership

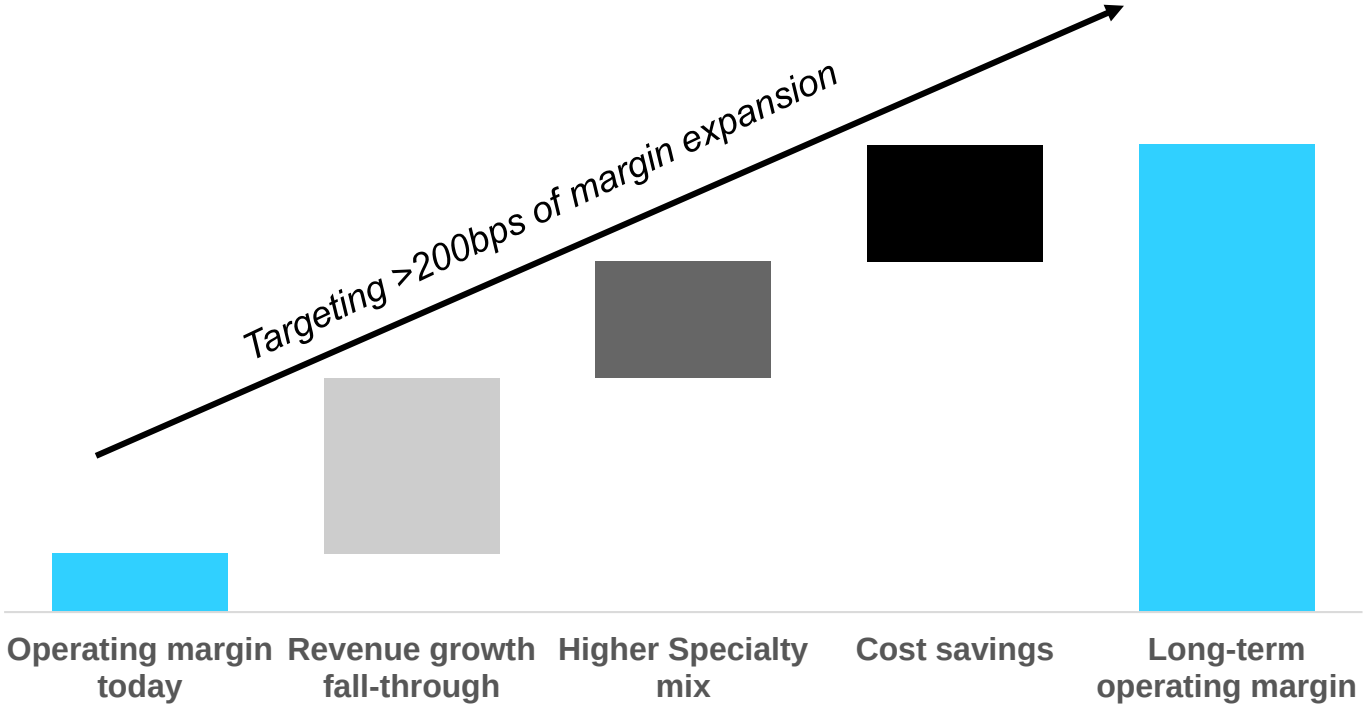
Opportunity to serve different segments of IOS market

Expanding operating margin

Margin opportunity

1. **Operating leverage**
2. **Portfolio mix – higher growth Specialty Products and Technologies business**
3. **Benefits of cost reduction initiatives**

Long-term margin expansion[1]



Operating leverage, portfolio mix and cost reduction drive >200bps of margin expansion

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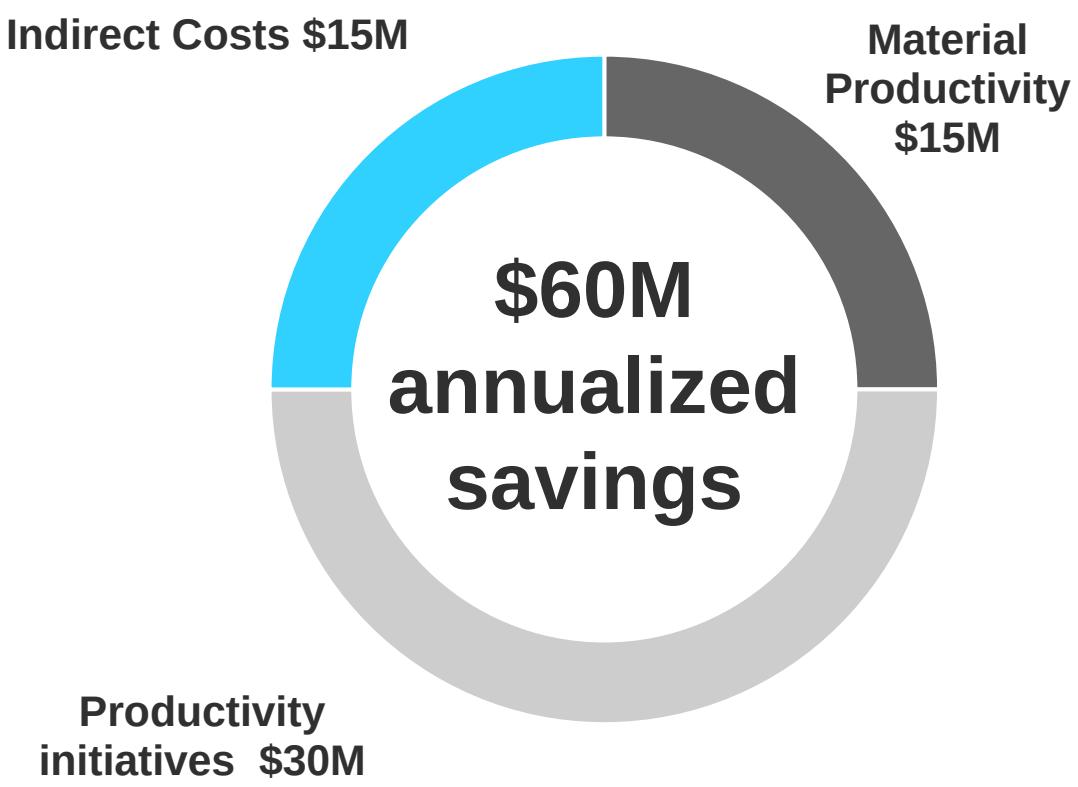
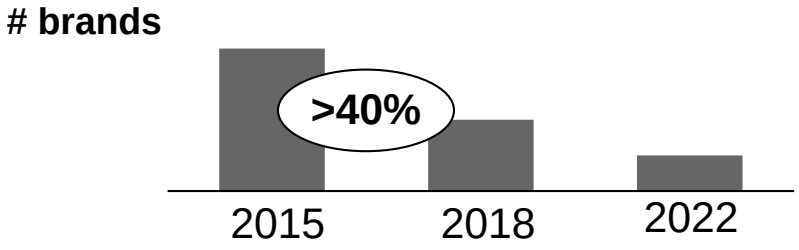
Reducing complexity, footprint and cost structure

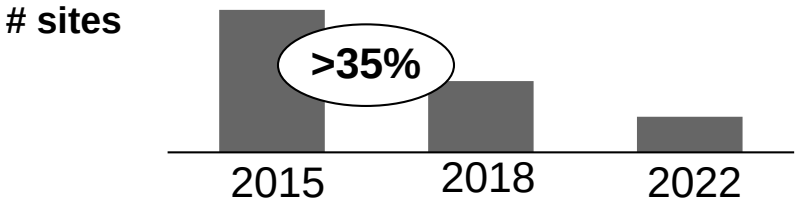
Cost savings target



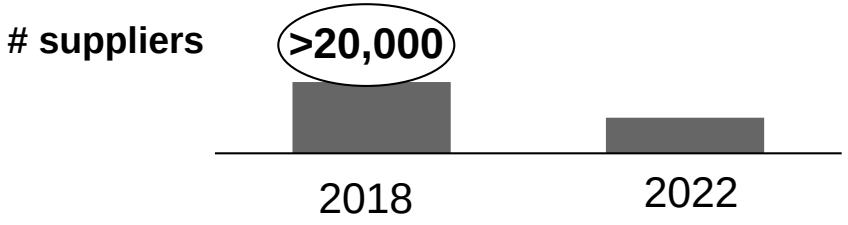
Imaging / treatment unit brand consolidation



Site consolidation



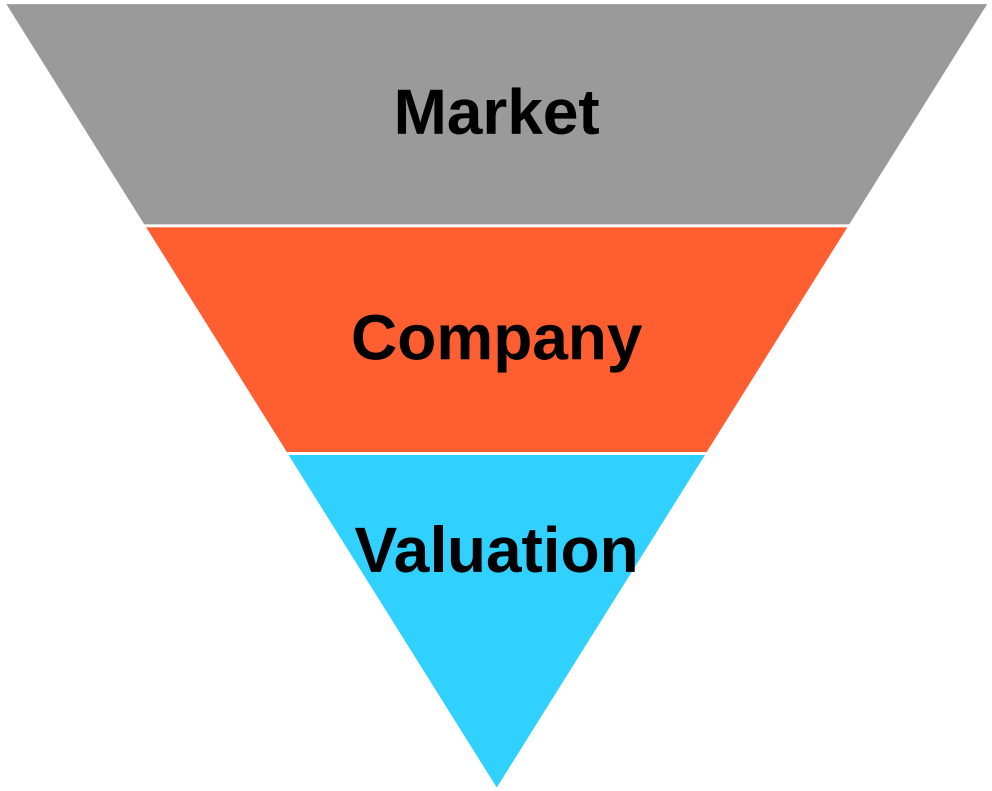
Supplier consolidation



Significant long-term opportunity for cost reduction

Capital deployment priorities

Envista M&A approach



Capacity to execute

	# M&A deals
2003 - 2015	>25
2016 - 2018	2
2016 – 2018 FCF[1]	>$1B

Nimbleness to build a better Envista

1: Free cash flow is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, please see Appendix.

Envista M&A priorities

Platform bolt-ons	**Focus on most attractive segments / geographies** **Enter low share / low penetration categories**
Technology acquisitions and investments	**Gain access to new technologies impacting dentistry** **Leverage strong brand and/or channel of Envista**
Adjacencies	**Enter attractive near-in dental adjacencies** **Focus where we have “right to play”**

Enhancing Envista growth with small / mid-size opportunities

Envista strategy

Core sales growth[1,2]

Flat today to +LSD/MSD long-term

Margin expansion[1]

Mid-teens EBITDA margin[2] today with meaningful expansion

Acquisition growth

>$1B free cash flow[2] over last 3 years

Continuous improvement

EBS at the core of what we do

Strong EPS growth and compounding returns

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2 : Core sales growth, free cash flow and EBITDA margin are non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, please see Appendix.

Thank you

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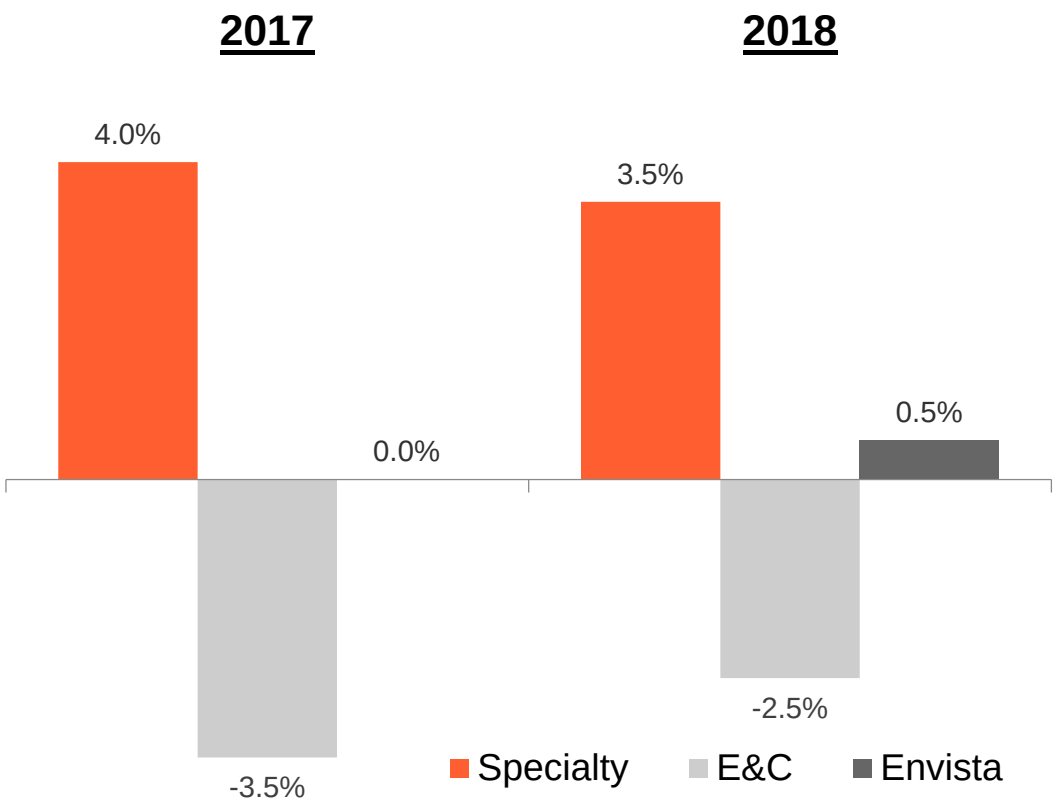
Appendix

Historical growth performance

Historical core growth



Sales growth drivers

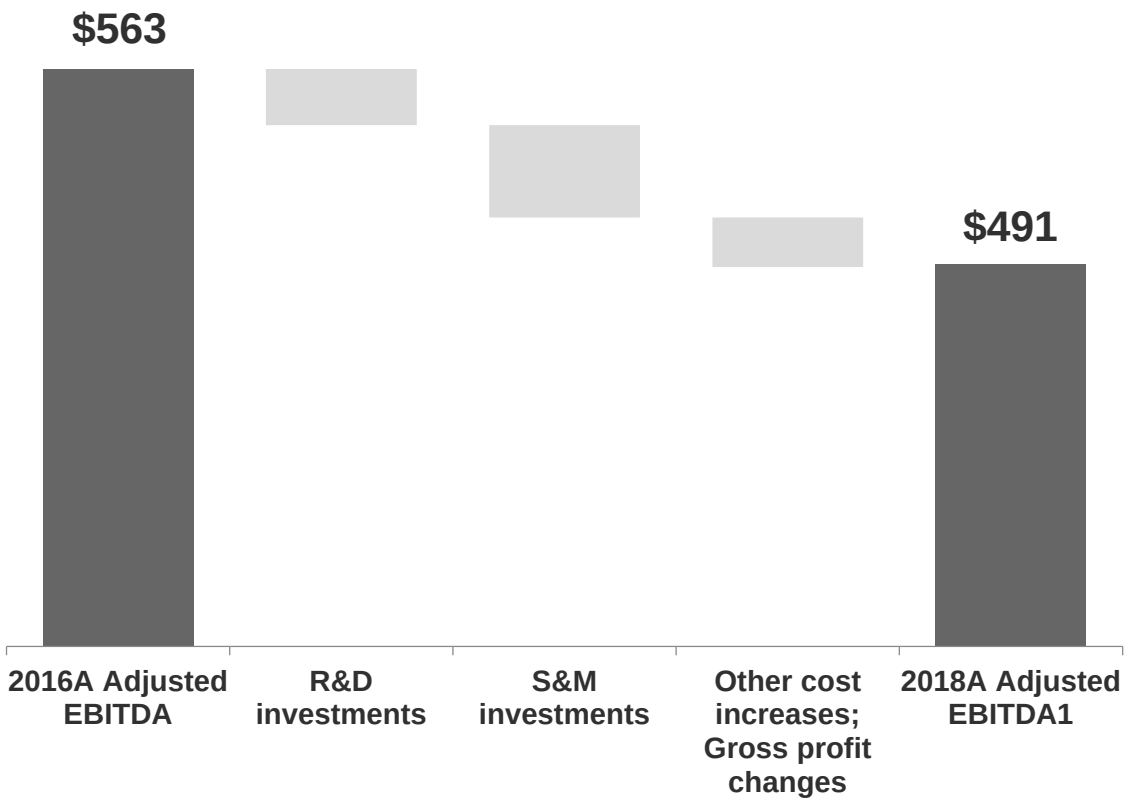
- **Equipment and Consumables impacted by:**
  - Distributor realignment
  - Distributor de-stocking
- **Emerging markets grew at high-single digit rates**
- **Specialty business experienced growth across regions**

Stable growth in Specialty and Emerging Markets

Historical margin performance

Historical Adjusted EBITDA margin[1]

($ in millions)



Margin drivers

- **Continued growth investments**
  - Research and development
  - Sales and marketing
- **Margin impact from distributor destocking and realignment**

Continued investment to set business up for success

1: Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. For a reconciliation to the most directly comparable GAAP measures, please see Appendix.

Envista history

	Acquire / Build						Transformation		
	2004	2006	2008	2010	2012	2014	2016	2017	2018
Equipment & Imaging	GENDEX, KaVo	Pelton & Crane, DEXIS	i-CAT	SOREDEX, INSTRUMENTARIUM, Orascoptic	NOMAD			KAVO Kerr, Consolidation	
Consumables		Kerr, KerrTotalCare, SybronEndo	PENTRON, Axis			DUX DENTAL			
Orthodontics		Ormco, Sybron Dental			Dental Complex				
Implants				IMPLANT DIRECT		Nobel Biocare		Nobel Biocare, IMPLANT DIRECT, AlphaBio, Consolidation	

Built from >25 acquisitions, focused on integration / consolidation of platform since 2016

Reconciliation of Adjusted EBITDA

($ in millions)	Nine-Month Period Ended			Year Ended December 31			
	September 27, 2019[1]	September 27, 2019	September 28, 2018	2018[1]	2018	2017	2016
	(unaudited)	(unaudited)	(unaudited)	(unaudited)			
Reported Net Earnings (GAAP)	**$153.2**	**$161.5**	**$179.5**	**$219.2**	**$230.7**	**$301.1**	**$272.0**
Interest expense, net	11.4	0.2	-	15.2	-	-	-
Income taxes	36.5	39.4	53.2	66.7	70.4	85.6	129.7
Depreciation	29.8	29.8	29.1	39.4	39.4	39.7	43.8
Amortization	67.3	67.3	68.0	90.6	90.6	81.7	83.4
EBITDA (Non-GAAP)	**$298.2**	**$298.2**	**$329.8**	**$431.1**	**$431.1**	**$508.1**	**$528.9**
Accruals for significant legal matters	-	-	-	36.0	36.0	-	-
Restructuring costs and asset impairments	8.7	8.7	17.3	23.7	23.7	35.8	34.4
Settlement of liabilities	-	-	-	-	-	(10.4)	-
Adjusted EBITDA (Non-GAAP)	**$306.9**	**$306.9**	**$347.1**	**$490.8**	**$490.8**	**$533.5**	**$563.3**
Sales	**$2,031.1**	**$2,031.1**	**$2,085.5**	**$2,844.5**	**$2,844.5**	**$2,810.9**	**$2,785.4**
EBITDA Margin (EBITDA/Sales)	**14.7%**	**14.7%**	**15.8%**	**15.2%**	**15.2%**	**18.1%**	**19.0%**
Adjusted EBITDA Margin (Adjusted EBITDA/Sales)	**15.1%**	**15.1%**	**16.6%**	**17.3%**	**17.3%**	**19.0%**	**20.2%**

1: Pro forma - The unaudited pro forma information set forth below reflects Envista's historical audited combined annual and unaudited consolidated and combined interim financial information, as adjusted for interest expense and related tax effect to give effect to the separation from Danaher, initial public offering and related debt transaction, collectively, the "Transaction" as if the Transaction had occurred on January 1, 2018. The unaudited pro forma information is illustrative and not intended to represent what Envista's results of operations or financial position would have been had the separation occurred on the date indicated or to project Envista's results of operations or financial position for any future period.

Reconciliation of Free Cash Flow

($ in millions)	Three-Month Period Ended		Year Ended December 31		
	September 27, 2019	September 28, 2018	2018	2017	2016
	(unaudited)	(unaudited)			
Net cash used in investing activities (GAAP)	($20.7)	($9.6)	($75.5)	($54.9)	($59.4)
Net cash provided by (used in) financing activies (GAAP)	111.2	(70.6)	(324.6)	(304.2)	(357.6)
Net cash provided by operating activities (GAAP)	**$97.8**	**$80.2**	**$400.1**	**$359.1**	**$417.0**
Less: payments for additions to property plant & equipment (capital expenditures) (GAAP)	(19.8)	(9.6)	(72.2)	(48.9)	(49.1)
Plus: proceeds from sales of property, plant & equipment (capital disposals) (GAAP)	1.2	-	-	0.1	0.9
Free Cash Flow (Non-GAAP)	**$79.2**	**$70.6**	**$327.9**	**$310.3**	**$368.8**

Reconciliation of Core Sales Growth

Consolidated Core Sales Growth

	2018 vs. 2017	2017 vs. 2016
Total sales growth (GAAP)	1.0%	1.0%
Less the impact of:		
Currency exchange rates	-0.5%	-1.0%
Core sales growth (non-GAAP)	0.5%	0.0%

Specialty Products & Technologies Core Sales Growth

	2018 vs. 2017	2017 vs. 2016
Total sales growth (GAAP)	4.5%	5.0%
Less the impact of:		
Currency exchange rates	-1.0%	-1.0%
Core sales growth (non-GAAP)	3.5%	4.0%

Equipment & Consumables Core Sales Growth

	2018 vs. 2017	2017 vs. 2016
Total sales growth (GAAP)	-1.5%	-2.5%
Less the impact of:		
Acquisitions and other	-0.5%	0.0%
Currency exchange rates	-0.5%	-1.0%
Core sales growth (non-GAAP)	-2.5%	-3.5%

Note: We use the term “core sales” to refer to GAAP sales 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. Effective with the third quarter of 2019, Envista modified the definition of core sales to exclude the impact from sales of discontinued products on a prospective basis. The periods set forth in this presentation include the impact from sales of discontinued products in core growth. Sales from discontinued products includes major brands or major products that the Company has made the decision to discontinue as part of a portfolio restructuring. Discontinued brands or products would include those which the Company is no longer manufacturing, investing research or development and expects to discontinue all significant sales within one year from the decision date to discontinue. The portion of the sales attributable to discontinued products is calculated as the decline in year-over-year sales for those products or brands which were discontinued in the current period. The portion of GAAP sales attributable to currency exchange rates is calculated as the difference between (a) the period-to-period change in sales (excluding acquisition sales) and (b) the period-to-period change in sales (excluding acquisition 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.

Non-GAAP Reconciliation

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's results that, when reconciled to the corresponding GAAP measure, help our investors to:

- with respect to Adjusted EBITDA, understand the long-term profitability trends of Envista's business and compare Envista's profitability to prior and future periods and to our peers;

- 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; and

- with respect to free cash flow (the "FCF Measure"), understand Envista 's ability to generate cash without external financings, strengthen its balance sheet, invest in its business and grow its business through acquisitions and other strategic opportunities (although 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 measure the Envista'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 EBITDA:

  - Envista excludes the amortization of acquisition-related intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions Envista consummates. While Envista has a history of significant acquisition activity, Envista does 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 Envista's newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. Envista believes 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.

  - Envista excludes costs incurred pursuant to discrete restructuring plans that are fundamentally different (in terms of the size, strategic nature and planning requirements, as well as the inconsistent frequency, of such plans) from the ongoing productivity improvements that result from application of the Envista Business System. Because these restructuring plans are incremental to the core activities that arise in the ordinary course of Envista's business and Envista believes are not indicative of Envista's ongoing operating costs in a given period, Envista excludes these costs from the calculation of Adjusted EBITDA to facilitate a more consistent comparison of operating results over time.

  - With respect to the other items excluded from Adjusted EBITDA, Envista excludes 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 Envista believes that such items may obscure underlying business trends and make comparisons of long-term performance difficult.

- With respect to core sales, (1) Envista excludes the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends, (2) Envista excludes 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 Envista's on-going operations and facilitates comparisons to its peers, and (3) Envista excludes 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 Envista and Envista's peers, which Envista believes may obscure underlying business trends and make comparisons of long-term performance difficult.

  - In order to establish period-to-period comparability, beginning with the third quarter of 2019 (the first quarter during which Envista reported its results as a separate, public company), Envista modified the definition of core sales to exclude the impact from sales of discontinued products on a prospective basis. The periods set forth in this presentation include he impact from sales of discontinued products in core growth.

- With respect to the FCF Measure, Envista excludes payments for additions to property, plant and equipment (net of the proceeds from capital disposals) to demonstrate the amount of operating cash flow for the period that remains after accounting for its capital expenditure requirements.