



April 26, 2023 – 8:00am CT

# Earnings Conference Call First Quarter 2023

# Forward-Looking Statements and Non-GAAP Measures

We want to remind everyone that our comments may contain forward-looking statements that are inherently subject to uncertainties and risks, including general economic conditions and conditions in the particular markets in which we operate, supply chain constraints and labor shortages that could result in production stoppages, inflation in material input costs and freight logistics, and the impacts of coronavirus (COVID-19) on the global economy and on our customers, suppliers, employees, operations, business, liquidity and cash flow. We caution everyone to be guided in their analysis of Dover Corporation by referring to the documents we file from time to time with the SEC, including our Annual Report on Form 10-K, and our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, for a list of factors that could cause our results to differ from those anticipated in any such forward-looking statements.

We would also direct your attention to our website, [dovercorporation.com](https://www.dovercorporation.com), where considerably more information can be found.

In addition to financial measures based on U.S. GAAP, Dover provides supplemental non-GAAP financial information. Management uses non-GAAP measures in addition to GAAP measures to understand and compare operating results across periods, make resource allocation decisions, and for forecasting and other purposes. Management believes these non-GAAP measures reflect results in a manner that enables, in many instances, more meaningful analysis of trends and facilitates comparison of results across periods and to those of peer companies. These non-GAAP financial measures have no standardized meaning presented in U.S. GAAP and may not be comparable to other similarly titled measures used by other companies due to potential differences between the companies in calculations. The use of these non-GAAP measures has limitations and they should not be considered as substitutes for measures of financial performance and financial position as prepared in accordance with U.S. GAAP. Reconciliations and definitions are included either in this presentation or in Dover's earnings release and investor supplement for the first quarter, which are available on Dover's website. We do not provide a reconciliation of forward-looking organic revenue and forward-looking free cash flow to the most directly comparable GAAP financial measure because we are not able to provide a meaningful or accurate compilation of reconciling items. This is due to the inherent difficulty in accurately forecasting the timing and amounts of the items that would be excluded from the most directly comparable GAAP financial measure or are out of our control. For the same reasons, we are unable to address the probable significance of unavailable information which may be material.

# Q1 2023 Performance Highlights

Organic Revenue<sup>(1)</sup>

+3% Y-o-Y

*Organic growth in three of five segments*

Total Segment Earnings Margin<sup>(1)</sup>

+40 bps Y-o-Y to 20.0%

*100+ bps improvement in four out of five segments*

Free Cash Flow<sup>(1)</sup>

9% of Revenue

*Record Q1 FCF<sup>(2)</sup> in '23, up \$220M year-over-year*

*On track to deliver full-year guide of 15-17% of revenue*

Adjusted EPS<sup>(1)</sup>

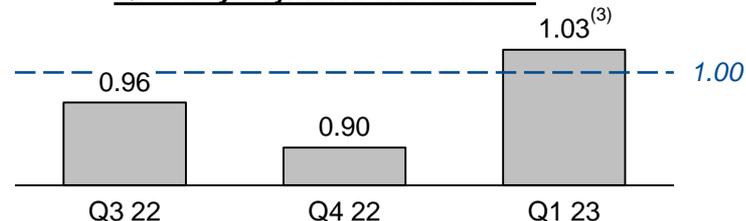
+2% Y-o-Y to \$1.94

*Growth despite \$0.08 of net headwinds from FX / corporate<sup>(4)</sup>*

Adj. Organic Bookings<sup>(2)(3)</sup>

-4% Y-o-Y

Quarterly Adjusted Book-to-Bill<sup>(2)</sup>



Backlog<sup>(2)</sup>

\$3.0B

*Remains elevated at 30-35% of FY revenue<sup>(2)</sup> (vs. 20% in Q1 '19)*

FY '23 Guidance

*Organic<sup>(1)</sup> revenue growth: 3% - 5%*

*Adjusted EPS<sup>(1)</sup>: \$8.85 - \$9.05*

# Summary Corporate Q1 Results

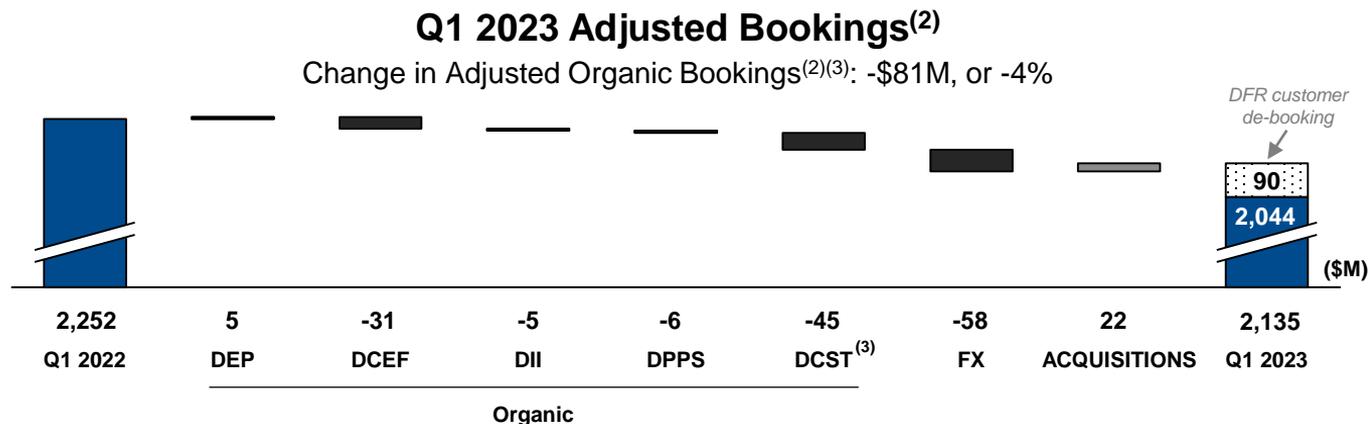
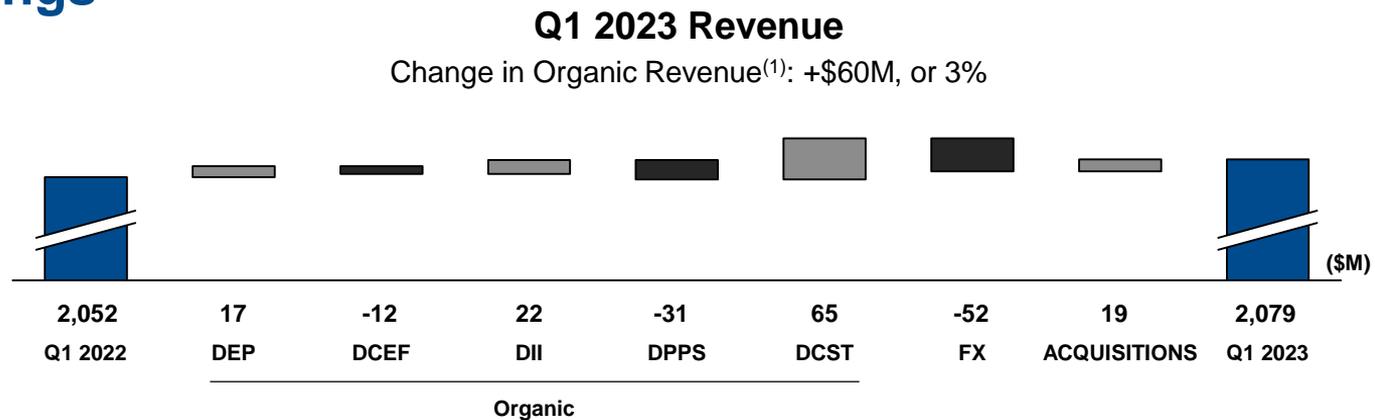
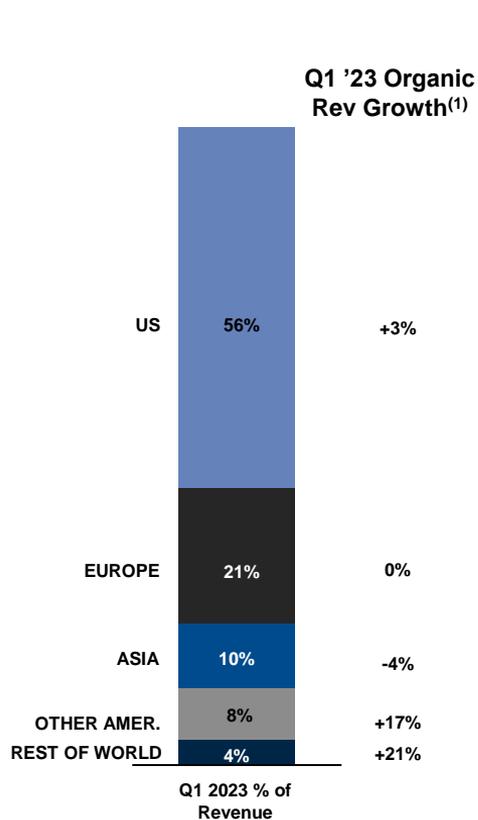
		Q1 2023	Highlights and Comments
<b>Revenue change (Y-o-Y)</b>	All-in	1%	<ul style="list-style-type: none"> <li>Y-o-Y organic growth in three out of five segments</li> <li>FX impact: -2.5%; acquisitions +1%</li> </ul>
	Organic <sup>(1)</sup>	3%	
<b>Bookings change (Y-o-Y)</b>	All-in <sup>(2)</sup>	-9%	<ul style="list-style-type: none"> <li>Q1 adjusted book-to-bill<sup>(2)(3)</sup>: 1.03</li> <li>Backlog<sup>(2)</sup>: -13% Y-o-Y; up +109% vs. 2019</li> </ul>
	Adj. Organic <sup>(2)(3)</sup>	-4%	
<b>Total Segment Earnings<sup>(1)</sup></b>	Margin %	20%	<ul style="list-style-type: none"> <li>Significant (&gt;100 bps) growth in four out of five segments</li> <li>+\$12M Y-o-Y</li> </ul>
	Y-o-Y bps Δ	+40 bps	
<b>Earnings</b>	Reported	\$229M	<ul style="list-style-type: none"> <li>Reported Q1 Y-o-Y change: +1%</li> <li>Adjusted<sup>(1)</sup> Q1 Y-o-Y change: -1%</li> </ul>
	Adjusted <sup>(1)</sup>	\$273M	
<b>Diluted EPS</b>	Reported	\$1.63	<ul style="list-style-type: none"> <li>Reported Q1 Y-o-Y change: +4%</li> <li>Adjusted<sup>(1)</sup> Q1 Y-o-Y change: +2%</li> </ul>
	Adjusted <sup>(1)</sup>	\$1.94	
<b>Free Cash Flow (% of)<sup>(1)</sup></b>	Revenue	9%	<ul style="list-style-type: none"> <li>Q1 FCF<sup>(1)</sup> up \$220M Y-o-Y</li> </ul>
	Adj. Earnings <sup>(1)</sup>	71%	
<b>FY 2023 Guidance</b>			<ul style="list-style-type: none"> <li>Organic<sup>(1)</sup> revenue growth: 3% - 5%</li> <li>Adjusted EPS<sup>(1)</sup>: \$8.85 - \$9.05</li> </ul>

# Segment Results

Q1 2023

Segment	Revenue (\$M) / Y-o-Y Organic <sup>(1)</sup> Δ%	Segment Earnings % / bps Δ Y-o-Y	Performance Commentary
DEP	\$498 +3%	17% +230 bps	<ul style="list-style-type: none"> <li>Strong organic growth and bookings in waste handling as chassis availability improves; shipments in vehicle aftermarket leveling off after record 2022; declines in aerospace &amp; defense on project timing</li> <li>Strong margin conversion on improved price-cost and productivity</li> </ul>
DCEF	\$431 -3%	17% +120 bps	<ul style="list-style-type: none"> <li>Growth in LPG / H2 components, vehicle wash, fluid transport, and below-ground RF. Tough comps on final EMV deliveries in H1 '22; US dispenser bookings trending up since Q3 '22</li> <li>Margin improvement on product mix and cost controls / restructuring</li> </ul>
DII	\$283 +8%	24% +260 bps	<ul style="list-style-type: none"> <li>Solid growth in core marking &amp; coding and serialization software, particularly SaaS; textile printer revenue slow ahead of major industry trade show in Q2</li> <li>Strong margin improvement on higher volumes, mix and positive price-cost</li> </ul>
DPPS	\$414 -7%	28% -590 bps	<ul style="list-style-type: none"> <li>Excellent performance in industrial pumps, thermal connectors, plastics &amp; polymers, and precision components. Expected decline in biopharma in Q1 with improving outlook</li> <li>Margin decline against peak comparable quarter in '22 on mix effect from higher non-biopharma volumes</li> </ul>
DCST	\$455 +16%	16% +280 bps	<ul style="list-style-type: none"> <li>Top line growth across all businesses, especially heat exchangers, CO2 refrigeration systems, and beverage can-making equipment</li> <li>Margin up on positive mix, price-cost tailwinds, and improved productivity in food retail and strong shipments against high backlogs driving fixed cost absorption</li> </ul>

# Revenue & Bookings



Note: \$ in millions. Numbers may not add due to rounding

(1) Non-GAAP measure (definition and/or reconciliation in appendix)  
(2) See performance measure definitions in appendix

(3) Excludes a reversal of ~\$90M of previously-booked orders from one customer in food retail

# Year-to-date 2023 Free Cash Flow

\$M	Q1 '23	Q1 '22	Δ
Net earnings	229	226	+3
D&A	78	79	-1
Change in working capital	5	-175	180
Change in other <sup>(1)</sup>	-71	-106	35
<b>Cash flow from operations</b>	<b>241</b>	<b>24</b>	<b>217</b>
Capex	-48	-50	2
<b>Free cash flow<sup>(2)</sup></b>	<b>193</b>	<b>-27</b>	<b>220</b>
<b>FCF % of revenue<sup>(2)</sup></b>	<b>9%</b>	<b>(1)%</b>	
<b>FCF % of adj. earnings<sup>(2)</sup></b>	<b>71%</b>	<b>(10) %</b>	

- Record Q1 FCF<sup>(2)</sup> in '23, up \$220M year-over-year
- Net working capital improvement on track to deliver full year FCF<sup>(2)</sup> guide of 15-17% of revenue

Note: Numbers may not add due to rounding

# Demand Trends and Backlog Strength Driving Robust Growth Outlook

2023 Outlook

Total Backlog /  
% of Full Year Revenue<sup>(2)</sup>

Segment	'23 Organic Growth <sup>(1)</sup>	'23 Margin	Q1 '19	Q1 '23	Q1 '23 Adj. B-t-B <sup>(2)</sup>	Comments
DEP	MSD	➔	<p>% FY Rev: 27% → ~30-35%</p>	1.08	<ul style="list-style-type: none"> <li>Strong growth outlook across most businesses. Record backlogs in waste handling; stable revenue in vehicle aftermarket after record '22</li> <li>Margin expansion on improved productivity and positive price-cost</li> </ul>	
DCEF	LSD	➔	<p>11% → ~15-20%</p>	1.06	<ul style="list-style-type: none"> <li>Solid demand in all businesses except dispensers. Last negative EMV mix in Q2 with recovery through end of year. Segment growth weighted to H2 on better comparables</li> <li>Margin improvement weighted to H2 on mix, productivity and better volume</li> </ul>	
DII	MSD	➔	<p>11% → ~20-25%</p>	1.03	<ul style="list-style-type: none"> <li>Continued stable growth in marking &amp; coding. Strong outlook for serialization &amp; brand protection. Prolonged recovery in textiles</li> <li>Productivity and volume leverage offset by some mix and FX headwinds</li> </ul>	
DPPS	Flat	➔	<p>26% → ~40-45%</p>	1.12	<ul style="list-style-type: none"> <li>Solid growth in industrial pumps, thermal connectors, plastics &amp; polymers, and precision components. Biopharma troughed in Q1; expect stable in Q2 vs. Q1 and return to growth in H2</li> <li>Margin performance strong across all businesses; H2 margin up on mix</li> </ul>	
DCST	MSD	➔	<p>22% → ~45-50%</p>	0.86 <sup>(4)</sup> (0.66 DFR de-booking)	<ul style="list-style-type: none"> <li>DD growth outlook in heat exchangers and CO2 systems; stable outlook in can making; door cases adjusted lower in Q2 on customer de-booking</li> <li>Steady margin accretion on productivity, mix, and fixed cost absorption</li> </ul>	

# New Products and Investments Driving Market Wins

## Recent Product Launches

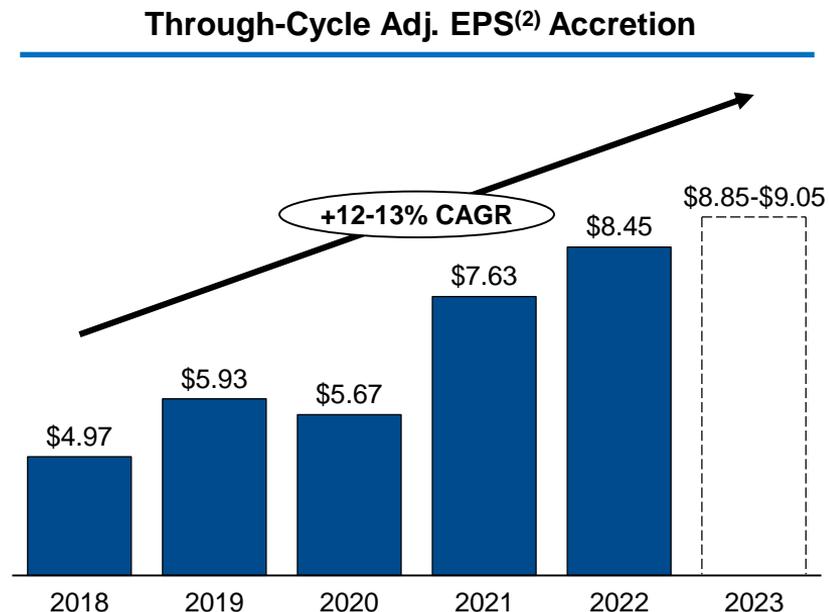
<u>OpCo</u>	<u>Product</u>	<u>Description</u>
<b>ESG</b>	 RevAMP® All-Electric	All-electric side-loader refuse collection vehicle <i>(to be showcased at Waste Expo in May)</i>
<b>PSG</b>	 BioProTT™ FlowSU System	Flow-measurement system designed for single-use biopharma applications <i>(announced at INTERPHEX in April)</i>
<b>DPC</b>	 Cook Clean™ Sealing System	Best-in-class technology for reducing methane emissions in reciprocating compressor cases to near zero
<b>DFS</b>	 DX Power™	Digital solution that integrates electric vehicle chargers into DFS's open cloud platform and operator's main point-of-sale system in EMEA
<b>CPC</b>	 AseptiQuik® W	Largest genderless aseptic connector in the market for large-scale bioprocessing

## Key Current Investments

<u>OpCo</u>	<u>Description</u>	<u>Status</u>
<b>SWEP</b>	50% global capacity expansion and new R&D / engineering center; capacity coming online throughout '23	30% Complete
<b>DFR</b>	80% capacity expansion of CO2 footprint in North America	50% Complete
<b>PSG</b>	Industrial pump capacity expansion; hygienic clean rooms	90% Complete
<b>CPC</b>	Construction of 2 <sup>nd</sup> new facility; significant capacity expansion for thermal and biopharma	Completed Q1 '23
<b>Several</b>	Ongoing restructuring actions, mainly in retail fueling	\$14M restructuring and other charges in Q1

# FY 2023 Guidance

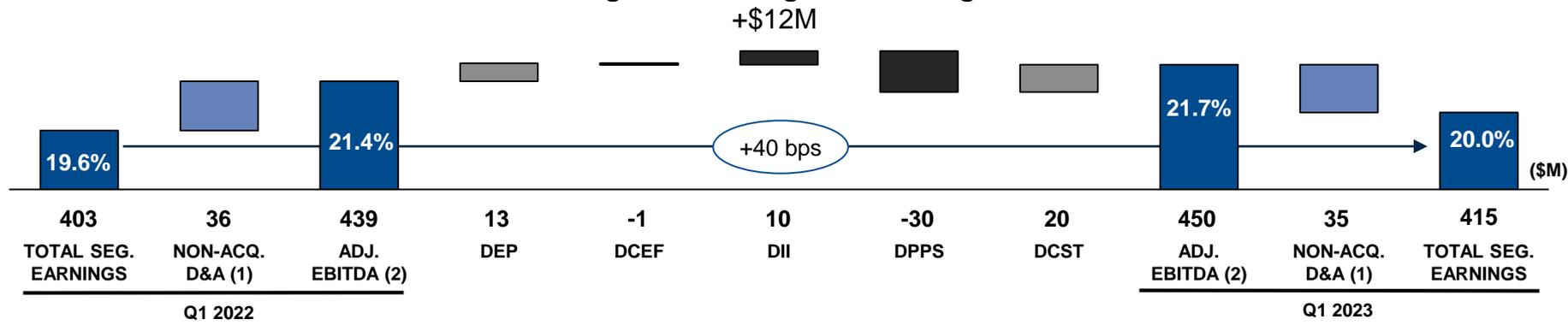
<b>Revenue</b>	<ul style="list-style-type: none"> <li>Growth Rate<sup>(1)</sup>: 3% - 5%</li> </ul>
<b>EPS and other</b>	<ul style="list-style-type: none"> <li>Effective Tax rate: 21% – 21.5%</li> <li>GAAP EPS: \$7.81 - \$8.01</li> <li>Adjusted EPS<sup>(2)</sup>: \$8.85 - \$9.05</li> </ul>
<b>Cash Flow</b>	<ul style="list-style-type: none"> <li>Free Cash Flow<sup>(2)</sup>: 15% - 17% of Revenue</li> <li>Capex: \$185 - \$195 million</li> </ul>



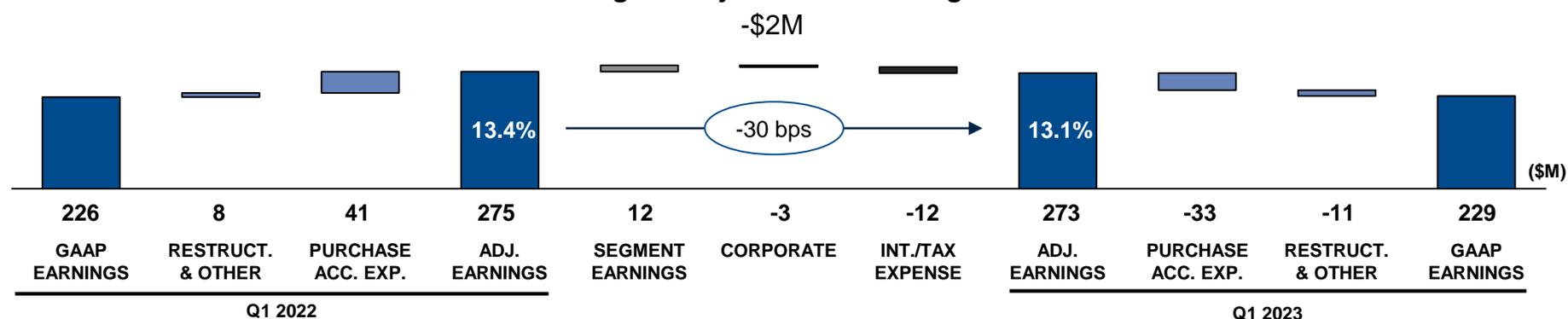
# Appendix

# Q1 2023 Total Segment Earnings and Adjusted Net Earnings

## Change in Total Segment Earnings<sup>(2)</sup>



## Change in Adjusted Net Earnings<sup>(2)</sup>



12 (1) Relates to PP&E and intangibles, and excludes amounts related to purchase accounting expenses and restructuring and other costs  
(2) Non-GAAP measures (definitions and/or reconciliations in appendix)

Note: \$ in millions. Numbers may not add due to rounding



# Organic Revenue, Bookings and Adjusted Bookings Bridges

Segment Growth Factors			
	Revenue	Bookings	Adj Bookings
	Q1 2023	Q1 2023	Q1 2023
<b>Organic</b>			
Engineered Products	3.4 %	0.9 %	0.9 %
Clean Energy & Fueling	(2.6)%	(6.1)%	(6.1)%
Imaging & Identification	8.2 %	(1.8)%	(1.8)%
Pumps & Process Solutions	(7.1)%	(1.2)%	(1.2)%
Climate & Sustainability Technologies	16.2 %	(30.6)%	(10.3)%
<b>Total organic</b>	<b>2.9 %</b>	<b>(7.6)%</b>	<b>(3.7)%</b>
Acquisitions	0.9 %	1.0 %	1.0 %
Currency translation	(2.5)%	(2.6)%	(2.6)%
<b>Total</b>	<b>1.3 %</b>	<b>(9.2)%</b>	<b>(5.3)%</b>

Geographic Revenue Growth Factors	
	Q1 2023
<b>Organic</b>	
United States	2.6 %
Other Americas	16.8 %
Europe	(0.3)%
Asia	(3.9)%
Other	20.8 %
<b>Total organic</b>	<b>2.9 %</b>
Acquisitions	0.9 %
Currency translation	(2.5)%
<b>Total</b>	<b>1.3 %</b>

# Q1 2022 to Q1 2023 Revenue, Bookings and Adjusted Bookings Bridges

**Revenue Bridge by Segment**

(\$ in millions)

	DEP	DCEF	DII	DPPS	DCST	Total
<b>Q1 2022 Revenue</b>	<b>488</b>	<b>458</b>	<b>272</b>	<b>435</b>	<b>399</b>	<b>2,052</b>
Organic Growth	17	(12)	22	(31)	65	60
FX	(7)	(16)	(12)	(9)	(8)	(52)
Acquisitions/ Dispositions	0	0	0	19	0	19
<b>Q1 2023 Revenue</b>	<b>498</b>	<b>431</b>	<b>283</b>	<b>414</b>	<b>455</b>	<b>2,079</b>

**Bookings and Adjusted Bookings Bridge by Segment**

(\$ in millions)

	DEP	DCEF	DII	DPPS	DCST	Total
<b>Q1 2022 Bookings</b>	<b>541</b>	<b>501</b>	<b>307</b>	<b>460</b>	<b>445</b>	<b>2,252</b>
Organic Growth	5	(31)	(5)	(6)	(136)	(172)
FX	(9)	(16)	(11)	(12)	(9)	(58)
Acquisitions/ Dispositions	0	0	0	22	0	22
<b>Q1 2023 Bookings</b>	<b>536</b>	<b>455</b>	<b>291</b>	<b>464</b>	<b>300</b>	<b>2,044</b>
DFR Adjustment <sup>(1)</sup>					90	90
<b>Q1 2023 Adjusted Bookings</b>	<b>536</b>	<b>455</b>	<b>291</b>	<b>464</b>	<b>390</b>	<b>2,135</b>

Note: Numbers may not add due to rounding

# Reconciliation of Net Earnings to Total Segment Earnings and Total Adjusted Segment EBITDA

(\$ in millions)	Q1 2023	Q1 2022
<b>Net earnings</b>	<b>229</b>	<b>226</b>
Provision for income taxes	58	50
Earnings before provision for income taxes	286	276
Interest income	(2)	(1)
Interest expense	34	27
Corporate expense / other	40	37
Restructuring and other costs	14	11
Purchase accounting expenses	43	53
<b>Total segment earnings</b>	<b>415</b>	<b>403</b>
Total segment earnings margin	20.0 %	19.6 %
Add: Other depreciation and amortization <sup>(1)</sup>	35	36
<b>Total adjusted segment EBITDA</b>	<b>450</b>	<b>439</b>
Total adjusted segment EBITDA margin	21.7 %	21.4 %

Note: Numbers may not add due to rounding

# Reconciliation of Net Earnings to Adjusted Net Earnings and Diluted EPS to Adjusted Diluted EPS

(\$ in millions, except per share data)	Q1 2023	Q1 2022	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
<b>Net earnings (\$)</b>	<b>229</b>	<b>226</b>	<b>1,065</b>	<b>1,124</b>	<b>683</b>	<b>678</b>	<b>591</b>
Purchase accounting expenses, pre-tax	43	53	181	142	139	138	146
Purchase accounting expenses, tax impact	(10)	(13)	(42)	(35)	(34)	(35)	(37)
Restructuring and other costs, pre-tax	14	11	39	38	51	32	73
Restructuring and other costs, tax impact	(3)	(2)	(8)	(7)	(11)	(7)	(15)
Gain on dispositions, pre-tax	—	—	—	(206)	(5)	—	—
Gain on dispositions, tax impact	—	—	—	53	1	—	—
Loss on extinguishment of debt, pre-tax	—	—	—	—	—	24	—
Loss on extinguishment of debt, tax impact	—	—	—	—	—	(5)	—
Loss on assets held for sale	—	—	—	—	—	47	—
Tax Cuts and Jobs Act	—	—	(23)	—	—	—	(3)
<b>Adjusted net earnings (\$)</b>	<b>273</b>	<b>275</b>	<b>1,213</b>	<b>1,109</b>	<b>824</b>	<b>872</b>	<b>756</b>
Adjusted net earnings margin	13.1 %	13.4 %	14.3 %	14.0 %	12.3 %	12.2 %	10.8 %
<b>Diluted EPS (\$)</b>	<b>1.63</b>	<b>1.56</b>	<b>7.42</b>	<b>7.74</b>	<b>4.70</b>	<b>4.61</b>	<b>3.89</b>
Purchase accounting expenses, pre-tax	0.30	0.37	1.27	0.98	0.95	0.94	0.96
Purchase accounting expenses, tax impact	(0.07)	(0.09)	(0.30)	(0.24)	(0.24)	(0.24)	(0.24)
Restructuring and other costs, pre-tax	0.10	0.07	0.26	0.26	0.35	0.22	0.48
Restructuring and other costs, tax impact	(0.02)	(0.02)	(0.06)	(0.05)	(0.07)	(0.06)	(0.10)
Gain on dispositions, pre-tax	—	—	—	(1.42)	(0.03)	—	—
Gain on dispositions, tax impact	—	—	—	0.37	0.01	—	—
Loss on extinguishment of debt, pre-tax	—	—	—	—	—	0.16	—
Loss on extinguishment of debt, tax impact	—	—	—	—	—	(0.04)	—
Loss on assets held for sale	—	—	—	—	—	0.32	—
Tax Cuts and Jobs Act	—	—	(0.16)	—	—	—	(0.02)
<b>Adjusted diluted EPS (\$)</b>	<b>1.94</b>	<b>1.90</b>	<b>8.45</b>	<b>7.63</b>	<b>5.67</b>	<b>5.93</b>	<b>4.97</b>
<b>Revenue</b>	<b>2,079</b>	<b>2,052</b>	<b>8,508</b>	<b>7,907</b>	<b>6,684</b>	<b>7,136</b>	<b>6,992</b>
<b>Weighted average shares outstanding - diluted</b>	<b>141</b>	<b>145</b>	<b>144</b>	<b>145</b>	<b>145</b>	<b>147</b>	<b>152</b>

Note: Numbers may not add due to rounding

# Backlog and Bookings

(\$ in millions)	Segment Backlog		
	Q1 2023	Q1 2022	Q1 2019
Engineered Products	755	830	451
Clean Energy & Fueling	337	426	186
Imaging & Identification	236	243	118
Pumps & Process Solutions	743	705	353
Climate & Sustainability Technologies	899	1,218	312
Intersegment Eliminations	(2)	(2)	0
<b>Total consolidated backlog</b>	<b>2,970</b>	<b>3,421</b>	<b>1,420</b>

(\$ in millions)	Segment Bookings		
	Q1 2023	Q3 2022	Q4 2022
Engineered Products	536	512	498
Clean Energy & Fueling	455	432	399
Imaging & Identification	291	282	273
Pumps & Process Solutions	464	415	362
Climate & Sustainability Technologies <sup>(1)</sup>	300	423	389
Intersegment Eliminations	(2)	0	(1)
<b>Total consolidated bookings<sup>(1)</sup></b>	<b>2,044</b>	<b>2,064</b>	<b>1,920</b>

Note: Numbers may not add due to rounding

# Reconciliation of Free Cash Flow and EPS to Adjusted EPS

(\$ in millions)	Free Cash Flow	
	2023	2022
	Q1	Q1
<b>Net cash provided by operating activities</b>	<b>241</b>	<b>24</b>
Capital expenditures	(48)	(50)
<b>Free cash flow</b>	<b>193</b>	<b>(27)</b>
Free cash flow as a % of adjusted net earnings	70.7 %	(9.7)%
Free cash flow as a % of revenue	9.3 %	(1.3)%

	Range	
<b>2023 Guidance for Earnings per Share (GAAP)</b>	<b>\$ 7.81</b>	<b>\$ 8.01</b>
Purchase accounting expenses, net		0.90
Restructuring and other costs, net		0.14
<b>2023 Guidance for Adjusted Earnings per Share (Non-GAAP)</b>	<b>\$ 8.85</b>	<b>\$ 9.05</b>

Note: Numbers may not add due to rounding

# Non-GAAP Definitions

## Definitions of Non-GAAP Measures:

**Adjusted Net Earnings:** is defined as net earnings adjusted for the effect of purchase accounting expenses, restructuring and other costs/benefits, Tax Cuts and Jobs Act, gain/loss on dispositions, gain/loss on extinguishment of debt and gain/loss on assets held for sale.

**Adjusted Net Earnings Margin:** is defined as adjusted net earnings divided by revenue.

**Adjusted Diluted Net Earnings Per Share (or Adjusted Earnings Per Share):** is defined as diluted EPS adjusted for the effect of purchase accounting expenses, restructuring and other costs/benefits, Tax Cuts and Jobs Act, gain/loss on dispositions, gain/loss on extinguishment of debt and gain/loss on assets held for sale.

**Total Segment Earnings:** is defined as sum of earnings before purchase accounting expenses, restructuring and other costs/benefits, corporate expenses/other, interest expense, interest income and provision for income taxes for all segments

**Total Segment Earnings Margin:** is defined as total segment earnings divided by revenue.

**Total Adjusted Segment EBITDA:** is defined as total segment earnings plus other depreciation and amortization expense, which relates to property, plant, and equipment and intangibles, and excludes amounts related to purchase accounting expenses and restructuring and other costs/benefits.

**Total Adjusted Segment EBITDA Margin:** is defined as total adjusted segment EBITDA divided by revenue.

**Free Cash Flow:** is defined as net cash provided by operating activities minus capital expenditures. Free cash flow as a percentage of revenue equals free cash flow divided by revenue. Free cash flow as a percentage of adjusted net earnings equals free cash flow divided by adjusted net earnings.

**Organic Revenue Growth:** is defined as revenue growth excluding the impact of foreign currency exchange rates and the impact of acquisitions and dispositions.

The tables included in this presentation provide reconciliations of the non-GAAP measures used in this presentation to the most directly comparable U.S. GAAP measures. Further information regarding management's use of these non-GAAP measures is included in Dover's earnings release and investor supplement for the quarter.

# Performance Measures Definitions

## Definitions of Performance Measures:

**Bookings** represent total orders received from customers in the current reporting period. This metric is an important measure of performance and an indicator of revenue order trends.

**Adjusted Bookings** represent bookings excluding a reversal of \$90 million of previously booked orders from one customer within the Climate & Sustainability Technologies segment. This metric is useful for comparability with historical bookings.

**Organic Bookings** represent total orders received from customers in the current reporting period excluding the impact of foreign currency exchange rates and the impact of acquisitions and dispositions. This metric is an important measure of performance and an indicator of revenue order trends.

**Adjusted Organic Bookings** represent organic bookings excluding a reversal of \$90 million of previously booked orders from one customer within the Climate & Sustainability Technologies segment. This metric is useful for comparability with historical organic bookings.

**Backlog** represents an estimate of the total remaining bookings at a point in time for which performance obligations have not yet been satisfied. This metric is useful as it represents the aggregate amount we expect to recognize as revenue in the future.

**Book-to-Bill** is a ratio of the amount of bookings received from customers during a period divided by the amount of revenue recorded during that same period. This metric is a useful indicator of demand.

**Adjusted Book-to-Bill** is a ratio of the amount of bookings received from customers during a period excluding a reversal of \$90 million of previously booked orders from one customer in the Climate & Sustainability Technologies segment, divided by the amount of revenue recorded during that same period. This metric is useful for comparability with historical book-to-bill.

**Backlog as a % of Full-Year Revenue** is a ratio of backlog divided by full-year revenue. Full-year revenue for 2023 represents forecasted revenue based on FY23 revenue guidance. This metric is a useful indicator of demand.

We use the above operational metrics in monitoring the performance of the business. We believe the operational metrics are useful to investors and other users of our financial information in assessing the performance of our segments.

