
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 11, 2018



(Exact name of registrant as specified in its charter)

State of Delaware
(State or other jurisdiction of incorporation)

1-4018
(Commission File Number)

53-0257888
(I.R.S. Employer Identification No.)

3005 Highland Parkway
Downers Grove, Illinois
(Address of principal executive offices)

(630) 541-1540
(Registrant's telephone number, including area code)

60515
(Zip Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On September 11, 2018, Dover Corporation ("Dover") will host a meeting with sell-side analysts to provide a general corporate update and discuss near-term cost reduction plans. A webcast of the meeting will begin at 9:30 a.m. Eastern time and will be available live to all interested parties. A link to the live audio webcast and the presentation materials will be available on Dover's website (dovercorporation.com) prior to the webcast, and the replay will be archived on the website for 90 days. A copy of the presentation materials is attached hereto as Exhibit 99.1.

The information in this Item 7.01 (including Exhibit 99.1) is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed by Dover under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events.

On September 11, 2018, Dover issued a press release announcing a rightsizing plan. A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[99.1 Presentation dated September 11, 2018.](#)

[99.2 Press Release dated September 11, 2018.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 11, 2018

DOVER CORPORATION
(Registrant)

By: /s/ Ivonne M. Cabrera
Ivonne M. Cabrera
Senior Vice President, General Counsel & Secretary



September 11, 2018

Corporate Update

Rich Tobin, President & Chief Executive Officer

Forward-Looking Statements and Non-GAAP Measures

Our comments may contain forward-looking statements that are inherently subject to uncertainties and risks. 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 Form 10-K/A for 2017, 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, 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 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. Definitions are included either in this presentation or in Dover's earnings release and investor supplement for the second quarter of 2018, which are available on Dover's website.

Early Observations

- **Portfolio:** Strong set of businesses serving attractive end-markets
- **Culture:** Customer-centric with strengths in product development and innovation
- **Talent:** Driven and engaged team intent on winning
- **Operations:** Uneven execution creates significant margin improvement potential
- **Financial:** Strong cash flow generation and balance sheet that can be further leveraged
- **Acquisitions:** multi-platform portfolio with M&A runway around the core; good engine and solid track record; learned some important lessons in larger deals
- **Value-creation:** Set-up well to sustain top-quartile return for our shareholders, continuing the performance Dover has delivered in the past

Great company with strong businesses and opportunities to be even better

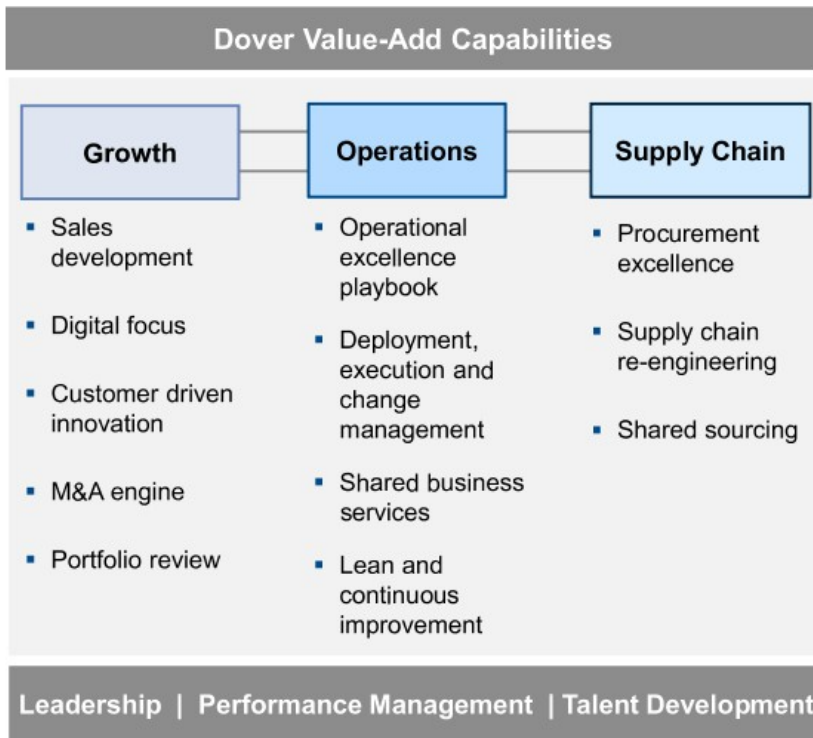
Post-Apergy Portfolio: Strong Fundamentals, GDP+ Growth Exposure, Less Cyclicity

	Platforms	Dover Positions	Common Market and Business Model Attributes
Engineered Systems \$2.7bn	<ul style="list-style-type: none">  Marking & Coding  Digital Printing  Vehicle Services  Solid Waste Processing  Industrial Components 	<ul style="list-style-type: none"> ▪ #2 globally ▪ #1 globally in textile ▪ #1-2 in lifts & collision ▪ #1 in US refuse trucks ▪ Niche leaders 	<ul style="list-style-type: none"> ▪ GDP+ long-term growth ▪ Limited cyclicity ▪ Attractive industry structure ▪ Predictable replacement or consumable demand ▪ Highly engineered and proprietary content ▪ Delivering customer ROI through superior performance, efficiency, safety ▪ Digital component to the business model ▪ Low capital intensity
Fluids \$2.6bn	<ul style="list-style-type: none">  Retail Fueling/Transport  Industrial Pumps  Plastics & Polymers  Hygienic & Pharma  Precision Components 	<ul style="list-style-type: none"> ▪ Global #2; #1 EU, Asia ▪ Leader high-value apps ▪ #1 in pumps, pelletizers ▪ Niche leader ▪ Niche leaders 	
Refrigeration and Food Equipment \$1.6bn	<ul style="list-style-type: none">  Retail Refrigeration  Food Service Equipment  Heat Transfer 	<ul style="list-style-type: none"> ▪ #1 in NA ▪ Niche leader ▪ #2 globally in BPHE 	

Businesses with leading positions in attractive markets

Segment Revenue based on 2017 results.

Augmenting Dover Capabilities With a New Operational System



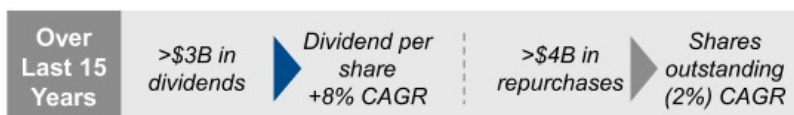
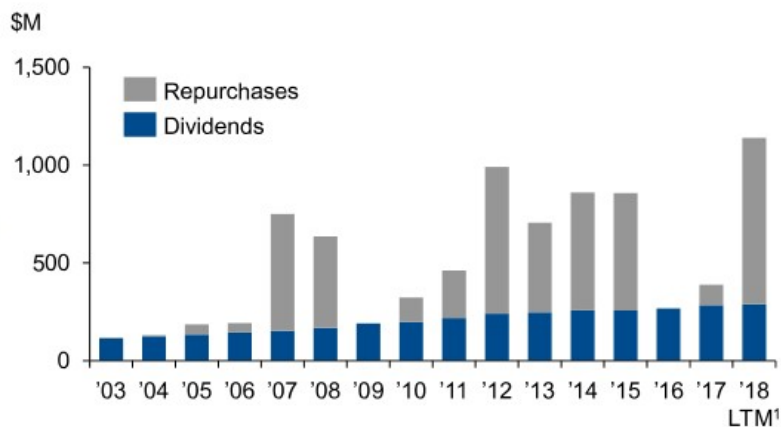
- **Strong value-add capabilities shared across portfolio, supported by talented people and solid processes**
- **Cultural strength in customer facing functions (sales, marketing, NPD) and Supply Chain**
- **Solid operational focus in pockets, but opportunity to supplement and build a world-class business system**
- **Forward focus on more rigorous and consistent deployment of operational excellence playbook across portfolio:**
 - Pricing excellence
 - Footprint optimization
 - Project management
 - Quality management
 - Automation
- **Operational management system focused on plant productivity**
- **Transition to be supported by changes to management structure**

Consistently Strong FCF Generation

Low-Capital, High-FCF Business Model

- **'Light' Capital Requirements**
 - Capex 2-4% of Revenue
 - Adjusted Working Capital 12-15% of Revenue
- **High FCF conversion**
 - 8-12% of Revenue
 - 100%+ of Adj. Net Earnings
- **FCF generation capacity sustained through cycles**

Allows Dover to Provide Shareholders with Meaningful Return of Capital



1. 2018LTM as of 06/30/2018; Chart shows 'gross repurchases of common stock', not netted against stock issuance.

Capital Allocation Priorities: Organic Growth, M&A, Return of Capital

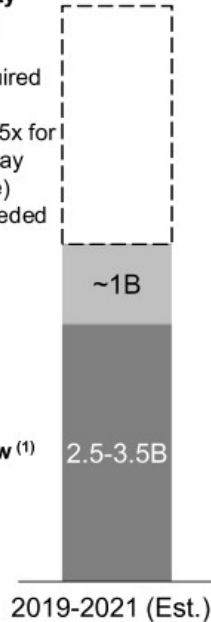
\$3.5B+ Capital Available for Deployment in the Next 3 Years

Incremental Capacity nearly doubles 'dry powder'

- Leverage on acquired EBITDA
- Leverage up to 3.5x for strategic deals (stay Investment Grade)
- Divestitures, if needed

Maintain ~2.5x leverage

Operating Cash Flow ⁽¹⁾ (before Capex)



Prioritize Growing the Business Over Time, While Continuing to Return Capital



- **Priority to high-confidence organic investments**
 - Capacity, footprint improvements
 - Digitization, e-commerce
 - Innovation and R&D
 - Productivity and automation
 - Aftermarket and recurring revenue streams



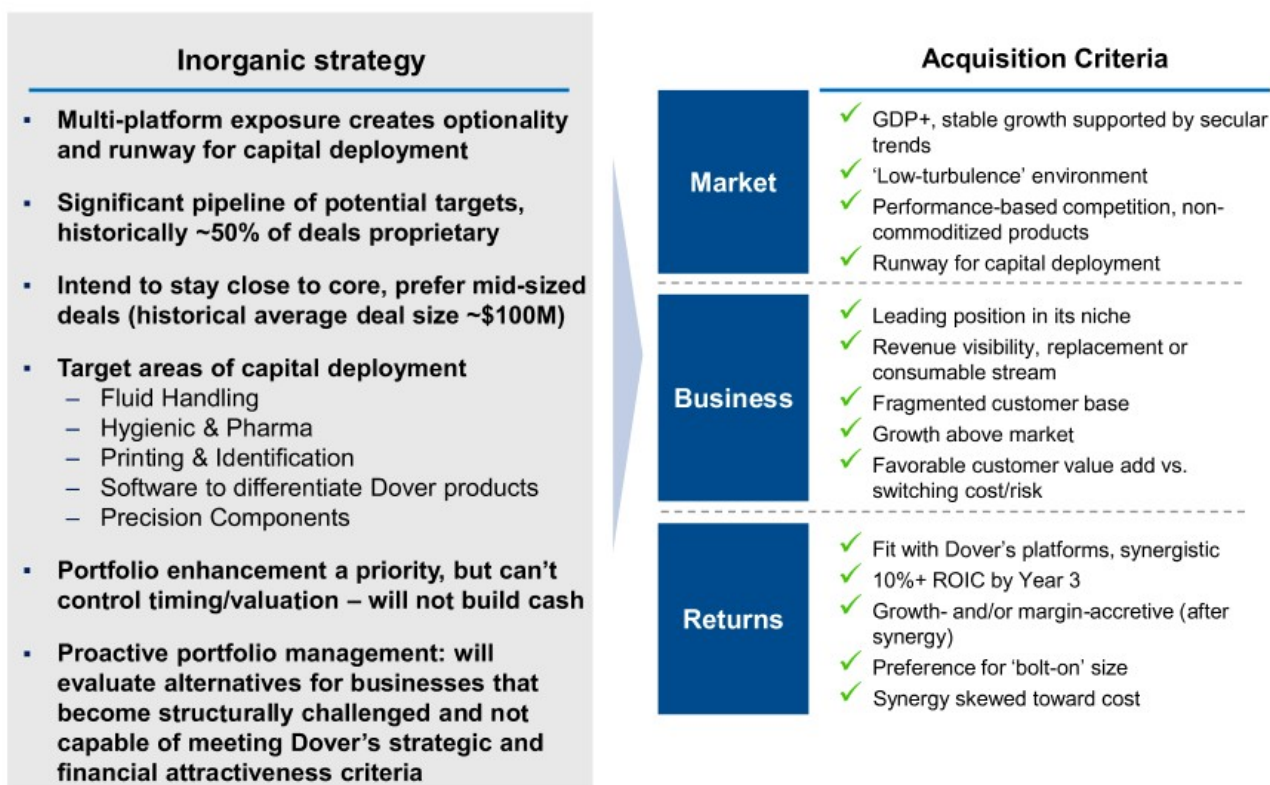
- **Bolt-on acquisitions around existing platforms**
- **Strict strategic fit and financial discipline criteria**
- **ROIC 10%+ by Year 3**
- **Growth- and/or margin-accretive (after synergy)**



- **Dividend**
 - Grow 2-4% pa.
 - 30%+ payout
- **Repurchases if investment opportunities do not materialize; will not let cash build**

1. For illustration. Assumes 3-5% revenue growth and 8-12% FCF conversion (after capex).

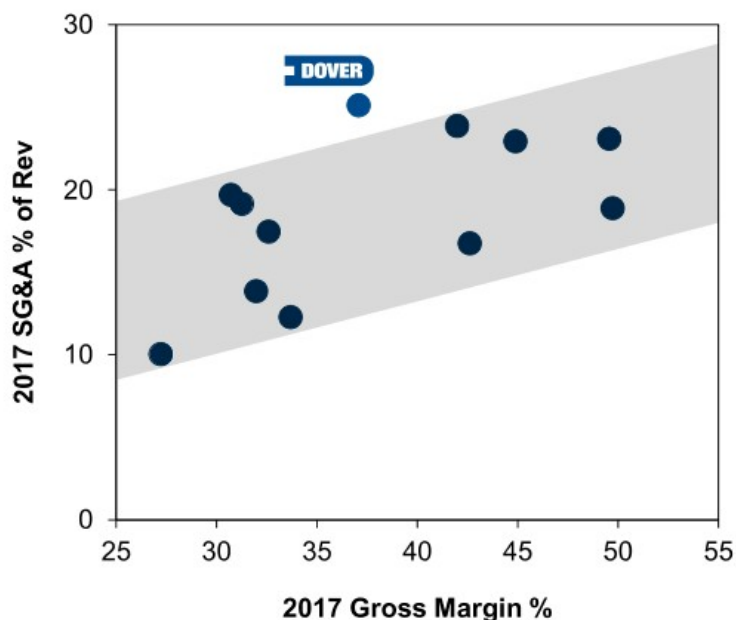
Disciplined Framework for Portfolio Enhancement



Margin Improvement Focus Area Through Cost Rightsizing

- Compared to multi-industrial peer set, Dover's costs are high relative to current gross profit margin profile
- Clear improvement needed; opportunity capture within our control
- **Implementing cost rightsizing plan through two phases:**
 - 1. \$100M net SG&A rightsizing benefit in 2019 from actions commencing imminently**
No reduction to R&D
 - 2. Facility consolidation plan to be executed in 2018-20**

SG&A vs. Gross Margin: Multi-Industrial Peers

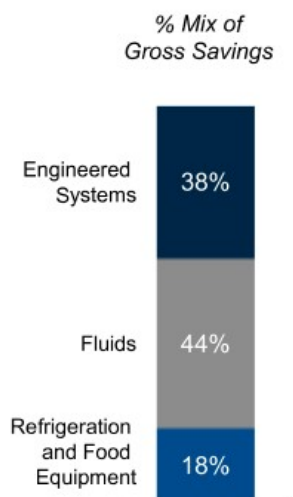


Peers include AME, EMR, ETN, FTV, HON, IEX, IR, ITW, JCI, MMM and UTX.
Source: FactSet for peers.

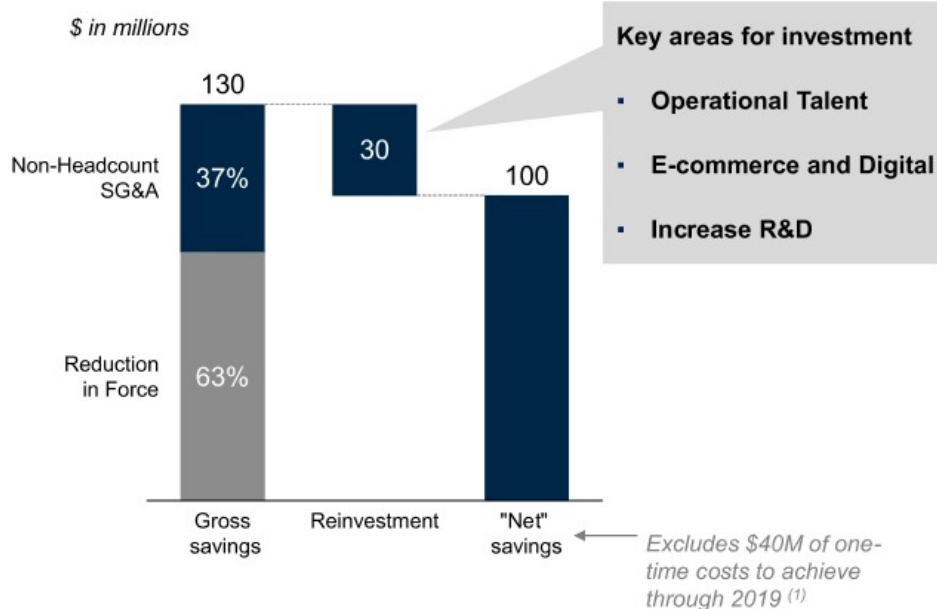


Near-Term Focus on SG&A Efficiency and Funding Strategic Investments

SG&A Rightsizing Across Portfolio

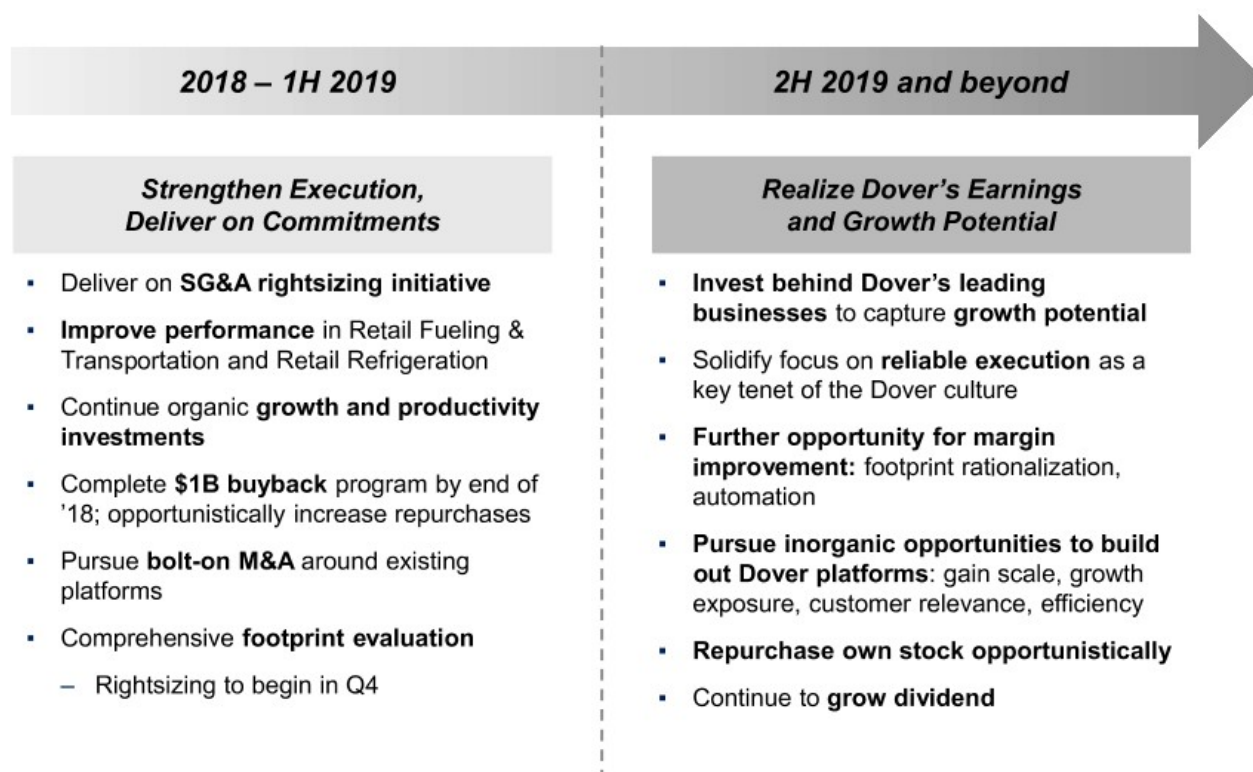


Margin Improvement and Funding for Strategic Initiatives

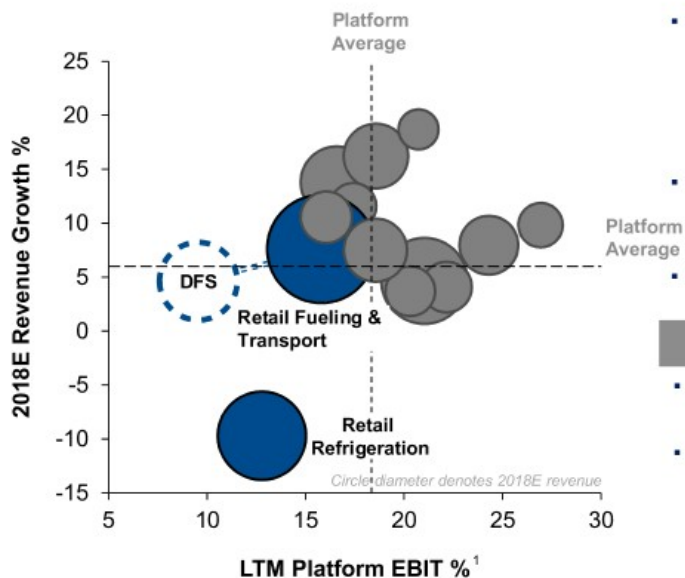


1. Approximately \$30M costs incurred in 2018 and \$10M in 2019.

Dover Near and Medium Term Priorities



Portfolio Performing Well with Areas for Improvement



1. As of 6/30/18. Platform EBIT excludes acquisition-related depreciation & amortization, corporate and segment level expenses, and periodic restructuring.

Retail Refrigeration

- **#1 position in the US with strong through-cycle returns**
- **Market is undergoing cyclical challenges**
 - Sector reacted to e-commerce threat by slowing or reallocating CapEx
 - CapEx below replacement levels, but expected to rebound to 2-3% CAGR for new demand level
- **Business right-sizing through 2019 in line with volume expectation, with capacity to drive growth and profit expansion**
- **Path to 15-16% margin**

Retail Fueling and Transport

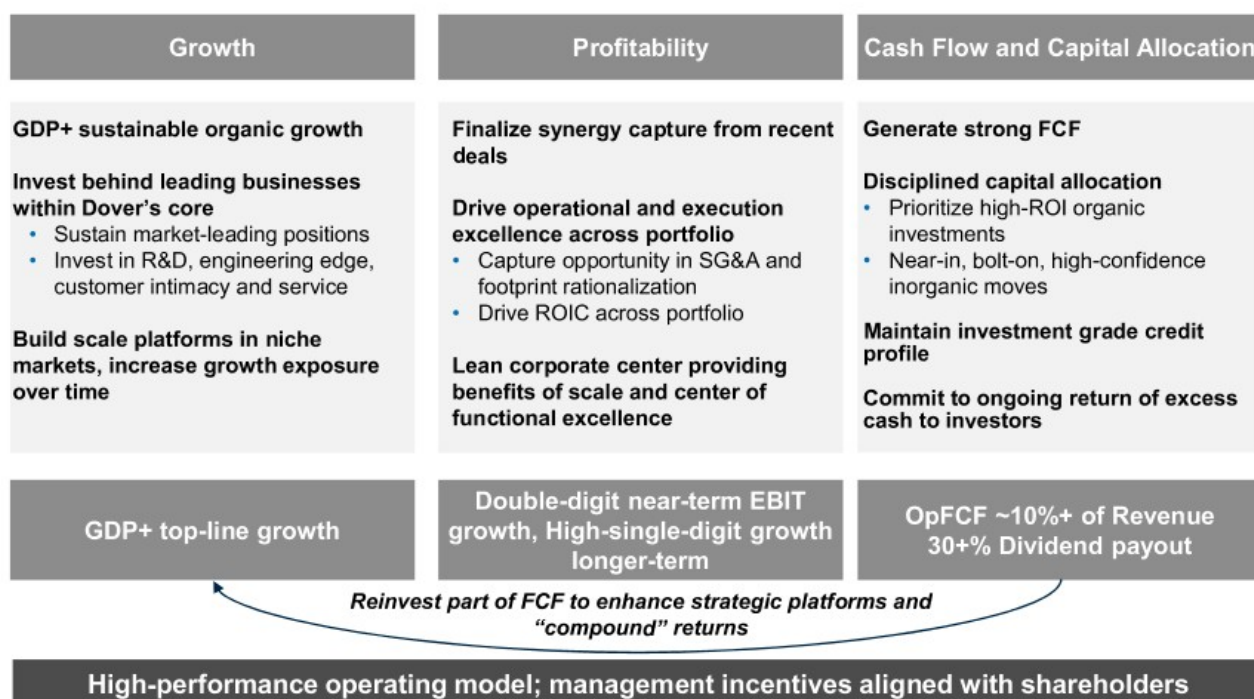
- **Great position in good industry...however, some self-inflicted execution challenges**
- **Key actions in Dover Fueling Solutions include**
 - Accelerate plant rationalization / realization of acquisition synergies
 - Strengthen operations talent bench
 - SG&A rightsizing (platform accounts for 20% of total SG&A rightsizing initiatives)
 - Pricing in low margin markets
- **Fueling Solutions finalizing path to 15-17+% margins**

2018 Actions Position Dover for Strong Earnings Growth in 2019

		<u>2019F Adjusted EPS Impact Incremental to 2018¹</u>
Previously Announced	<ul style="list-style-type: none"> ▪ \$1B share repurchase to be completed in 2018 	+ \$0.18
New	<ul style="list-style-type: none"> ▪ \$100M net SG&A rightsizing initiatives ▪ Margin improvement in Retail Fueling business 	+ \$0.53 + \$0.11
New initiatives plus allocation of available cash (repurchase, M&A) provide strong set-up for 2019		

1. Adjusted EPS excludes acquisition-related depreciation & amortization. Excludes one-time costs to achieve. Calculation based on 2018 end of year expected diluted shares outstanding.

Balanced Model to Deliver Sustained Top-Quartile TSR



Summary

Dover Foundation Unchanged

- Good businesses...leading positions in attractive markets, growth exposure
- Strong capabilities...customer focus, supply chain, entrepreneurial talent
- Significant cash generation...robust balance sheet and FCF generation
- Inorganic growth... strengthen core platforms over time

New Emphasis

- Greater operational focus...deliver margin improvement; optimize businesses
- \$3.5bn+ capital deployment ...commitment to deployment; maintain leverage
- M&A value add ...deeper, faster synergy capture; stricter criteria
- Return of capital... will not let cash build

Significant value creation runway; great time to invest in Dover

Looking Ahead

<i>Today</i>	<i>Jan. 2019</i>	<i>Sep. 2019</i>
<ul style="list-style-type: none"> ▪ Share results from initial business assessment ▪ Set near-term priorities ▪ Commit to improve execution and operations ▪ Announce new rightsizing plan and Retail Fueling and Retail Refrigeration margin improvement initiatives ▪ Communicate capital allocation framework 	<ul style="list-style-type: none"> ▪ Report card on interim progress ▪ Give 2019 guidance ▪ Operational focus continues ▪ Continued execution of smart capital allocation applying framework ▪ Update on footprint optimization initiatives 	<ul style="list-style-type: none"> ▪ Report on operational progress, including facility consolidation actions ▪ More holistic view of portfolio strategy, growth drivers and areas for investment ▪ Demonstrate progress on capital allocation priorities ▪ Articulate longer term goals for the “new” Dover



Appendix: Basis of Presentation / Terms

- **SG&A rightsizing initiative**
 - \$100M net SG&A rightsizing initiative represents annual savings impact through 2019 (including carryover benefit from initiatives executed in 2018)
 - Excludes approximately \$40M of one-time costs to achieve through 2019 – of which approximately \$30M will occur in 2018
- **Margin improvement in Retail Fueling**
 - Represents the 2019 impact from actions previously taken or non-recurring operational events included in Dover's 2018 earnings guidance
- **2019F Adjusted EPS impact incremental to FY2018**
 - Excludes acquisition-related depreciation & amortization as well as one-time costs
 - Incremental impact calculated based on expected 12/31/18 diluted shares outstanding of approximately 146.5 million, assuming completion in 2018 of previously-announced \$1B share buyback plan
 - Assumes tax rate of approximately 22%
- **No 2019 revenue growth expectations included in any of the metrics discussed herein**
- **Comprehensive footprint evaluation**
 - Rightsizing and other charges related to footprint moves expected to begin in Q4 2018; no current estimate of cost or benefit – update to come in Jan 2019

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DOVER ANNOUNCES RIGHTSIZING PLAN**Expects to Deliver \$100 Million of Pre-tax Earnings by Year-end 2019**

Downers Grove, Ill, September 11, 2018 - Dover (NYSE: DOV) today announced a rightsizing plan designed to increase operating margin, enhance operations and position the Company for sustained growth and investment.

The plan is primarily comprised of broad-based SG&A reduction initiatives which will position the Company for meaningful operating margin expansion. The Company expects the program to deliver \$130 million of annualized pre-tax earnings by year-end 2019, of which \$30 million will be reinvested in high-return growth initiatives. The program will not affect the Company's research and development activities.

The one-time pre-tax costs to implement the program are estimated to be \$40 million, with approximately \$30 million of the costs to be recorded in the second half of 2018, and the remaining \$10 million to be recorded in the first half of 2019. The costs associated with the program will be excluded from Dover's reported adjusted earnings and adjusted diluted earnings per share from continuing operations, both of which are non-GAAP measures.

As previously announced, Dover will discuss the program and provide a general corporate update during a meeting with sell-side analysts today. A webcast of the meeting will be available live to all interested parties beginning at 9:30 a.m. A link to the live audio webcast and presentation materials will be available on Dover's website (dovercorporation.com) prior to the webcast, and the replay will be archived on the website for 90 days.

About Dover:

Dover is a diversified global manufacturer with annual revenue of approximately \$7 billion. We deliver innovative equipment and components, specialty systems, consumable supplies, software and digital solutions, and support services through three operating segments: Engineered Systems, Fluids and Refrigeration & Food Equipment. Dover combines global scale with operational agility to lead the markets we serve. Recognized for our entrepreneurial approach for over 60 years, our team of 26,000 employees takes an ownership mindset, collaborating with customers to redefine what's possible. Headquartered in Downers Grove, Illinois, Dover trades on the New York Stock Exchange under "DOV." Additional information is available at dovercorporation.com.

Forward-Looking Statements:

This press release contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this document other than statements of historical fact are statements that are, or could be deemed, "forward-looking" statements. Some of these statements may be indicated by words such as "may", "anticipate", "expect", "believe", "intend", "guidance", "estimates", "suggest", "will", "plan", "should", "would", "could", "forecast" and other words and terms that use the future tense or have a similar meaning. Forward-looking statements are based on current expectations and are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond the Company's control. Factors that could cause actual results to differ materially from current expectations include, among other things, general economic conditions and conditions in the particular markets in which we operate, changes in customer demand and capital spending, competitive factors and pricing pressures, our ability to develop and launch new products in a cost-effective manner, our ability to identify and complete acquisitions and integrate and realize synergies from newly acquired businesses, the impact of interest rate and currency exchange rate fluctuations, capital allocation plans and changes in those plans, including with respect to dividends, share repurchases, investments in research and development, capital expenditures and acquisitions, changes in law, including the effect of U.S. tax reform and developments with respect to trade policy and tariffs, our ability to derive expected benefits from restructuring, productivity initiatives and other cost reduction actions, changes in sourcing input costs or the supply of input materials, the impact of legal compliance risks and litigation, including with respect to product quality and safety, cybersecurity and privacy, our ability to capture and protect intellectual property rights, and various other factors that are described in the Company's periodic reports filed with or furnished to the Securities and Exchange Commission, including our Annual Report on Form 10-K/A for the year ended December 31, 2017. The Company undertakes no obligation to publicly update any forward- looking statement, whether as a result of new information, future events or otherwise.