

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): January 28, 2021



(Exact name of registrant as specified in its charter)

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)

60515
(Zip Code)

(630) 541-1540
(Registrant's telephone number, including area 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 (see General Instruction A.2. below):

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	DOV	New York Stock Exchange
1.250% Notes due 2026	DOV 26	New York Stock Exchange
0.750% Notes due 2027	DOV 27	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company 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.

As previously announced, on January 28, 2021, Dover will hold an investor conference call and webcast at 9:00 a.m. Central time (10:00 a.m. Eastern time) to discuss its results of operations for the quarter ended December 31, 2020. A copy of the supplemental presentation materials that will be used during the conference call is furnished as Exhibit 99.1 to this Form 8-K.

The information in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished to the Securities and Exchange Commission (the "SEC") and shall not be deemed to be incorporated by reference into any of Dover's filings with the SEC under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished as part of this report:

[99.1 Presentation Slides.](#)

104 Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

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: January 28, 2021

DOVER CORPORATION
(Registrant)

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



January 28, 2021 – 9:00am CT

Earnings Conference Call Fourth Quarter and Full Year 2020

Forward-Looking Statements and Non-GAAP Measures

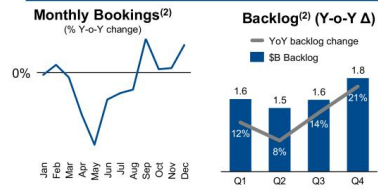
We want to remind everyone that our comments may contain forward-looking statements that are inherently subject to uncertainties and risks, including the impacts of the novel coronavirus (COVID-19) on the global economy and on our customers, suppliers, employees, operations, business, liquidity and cash 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 for 2019 and Quarterly Reports on Form 10-Q, 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, 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 fourth quarter, which are available on Dover's website.

Q4 and 2020 Highlights

2020 Order Trends



Q4 Bookings⁽²⁾ up 5% Y-o-Y to \$1.9B

Organic bookings⁽²⁾ growth of 2%

Book-to-bill⁽²⁾: 1.09

Q4 Revenue flat Y-o-Y at \$1.8B

Organic revenue⁽¹⁾ decline of 2%

FY Seg. EBIT Margin⁽³⁾ up to 16.1%

FY Adj. Segment EBIT Margin⁽¹⁾ up 10 bps to 16.7%

FY Free Cash Flow⁽¹⁾ up 24% Y-o-Y

FY FCF⁽¹⁾ up \$181M Y-o-Y

FY FCF⁽¹⁾ 14% of Revenue; Q4 21% of Revenue

FY 2021 Guidance

Rev. growth: 8% - 10% (All-in); 5% - 6% (Organic⁽¹⁾)

EPS: \$5.42 - \$5.62 (GAAP); \$6.25 - \$6.45 (Adjusted⁽¹⁾)

Summary Corporate Q4 and Full Year Results

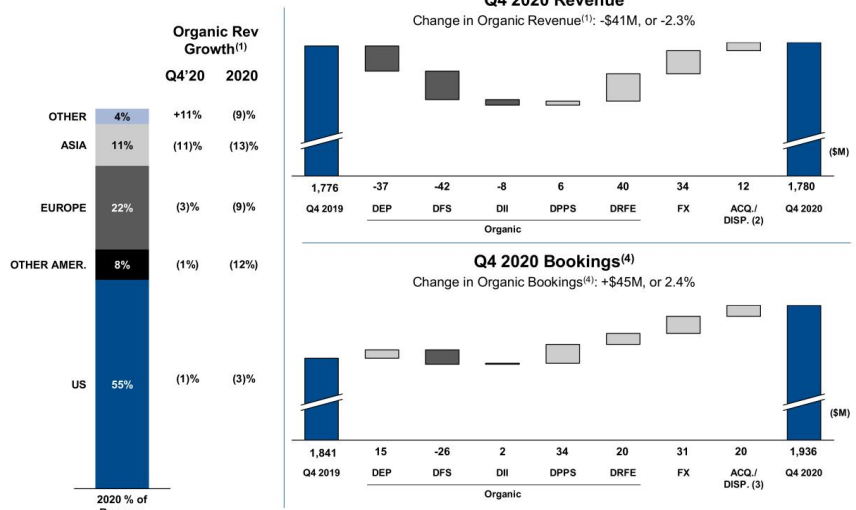
		Q4 2020	FY 2020	Highlights and Comments
Revenue change (Y-o-Y)	All-in	0%	-6%	<ul style="list-style-type: none"> Q4 Y-o-Y organic growth in DPPS, DRFE Q4 FX impact: +2%; acquisitions (net of divestitures) +1%
	Organic ⁽¹⁾	-2%	-7%	
Bookings change (Y-o-Y)	All-in ⁽²⁾	+5%	-4%	<ul style="list-style-type: none"> Q4 Book-to-bill⁽²⁾: 1.09; bookings up Y-o-Y in four segments Backlog⁽²⁾ remains strong across the portfolio (+21% Y-o-Y)
	Organic ⁽²⁾	+2%	-5%	
Segment EBIT margin improvement (Y-o-Y)	Reported ⁽³⁾	-10 bps	+50 bps	<ul style="list-style-type: none"> Q4 volume/pandemic headwinds offset by productivity actions Absolute Q4 earnings growth in DPPS and DRFE Full-year margin accretion despite volume headwind
	Adjusted ⁽¹⁾	Flat	+10 bps	
Earnings	Reported	\$182M	\$683M	<ul style="list-style-type: none"> Q4 Y-o-Y change: Reported +8%; Adjusted ~flat FY Y-o-Y change: Reported +1%; Adjusted -5%
	Adjusted ⁽¹⁾	\$225M	\$824M	
Diluted EPS	Reported	\$1.25	\$4.70	<ul style="list-style-type: none"> Q4 Y-o-Y change: Reported +9%; Adjusted +1% FY Y-o-Y change: Reported +2%; Adjusted -4%
	Adjusted ⁽¹⁾	\$1.55	\$5.67	
Free Cash Flow (% of)⁽¹⁾	Revenue	21%	14%	<ul style="list-style-type: none"> Q4 FCF⁽¹⁾ up 21% Y-o-Y FY FCF⁽¹⁾ up 24% Y-o-Y
	Adj.	167%	114%	
	Earnings			
Guidance and other activities				<ul style="list-style-type: none"> 2021 guidance: <ul style="list-style-type: none"> Revenue growth: 8% - 10% (All-in); 5% - 6% (Organic⁽¹⁾) EPS: \$5.42 - \$5.62 (GAAP); \$6.25 - \$6.45 (Adjusted⁽¹⁾)

(1) Non-GAAP measures (definitions and reconciliations in appendix)
(2) See performance measures definitions in appendix
(3) Refer to definition of total segment earnings (EBIT) margin in appendix

Segment Results

Segment	Q4 2020 ⁽¹⁾		FY 2020 ⁽¹⁾		Q4 performance commentary
	Revenue (\$M) / Organic Change %	Adj. EBIT % / bps Δ Y-o-Y	Revenue (\$M) / Organic Change %	Adj. EBIT % / bps Δ Y-o-Y	
DEP	\$394 -9%	15.5% -220 bps	\$1,531 -10%	16.3% -110 bps	<ul style="list-style-type: none"> Strength in aerospace & defense and recovery in industrial automation. Industrial winches and waste handling slower Margin decline driven mainly by lower volumes
DFS	\$409 -9%	17.7% +70 bps	\$1,476 -9%	16.5% +190 bps	<ul style="list-style-type: none"> Strength in NA above-ground retail fueling and sequential recovery in Europe, offset by expected softness in Asia and fuel transport Margin up on productivity gains, pricing, and mix
DII	\$288 -3%	20.2% -230 bps	\$1,038 -7%	19.2% -250 bps	<ul style="list-style-type: none"> Growth in marking & coding on strong consumables and sustained recovery in printers. Textile printing capex remains impacted while consumables are recovering Improvement in legacy marking & coding margin offset by volume-driven decremental margin in textiles
DPFS	\$347 +2%	24.4% +150 bps	\$1,324 -2%	24.1% +220 bps	<ul style="list-style-type: none"> Robust growth in biopharma and recovery in short-cycle industrial pumps. Subdued activity in compression Margin improvement on improved volume, productivity, and mix
DRFE	\$342 +13%	8.3% +290 bps	\$1,316 -3%	7.9% -100 bps	<ul style="list-style-type: none"> Strong performance in food retail, heat exchangers, and can making. Weakness in foodservice equipment Margin improvement on increased volumes and operational initiatives; adj. segment margin⁽¹⁾ up 180 bps Y-o-Y in H2 '20

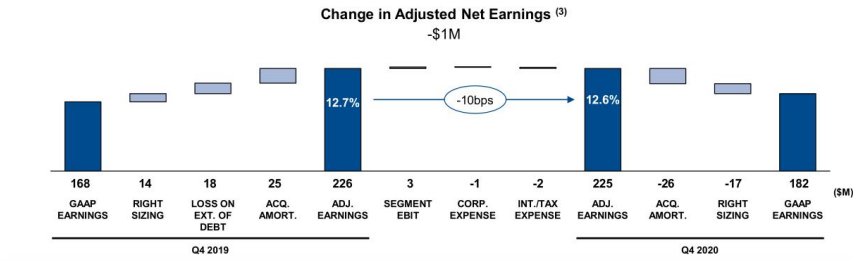
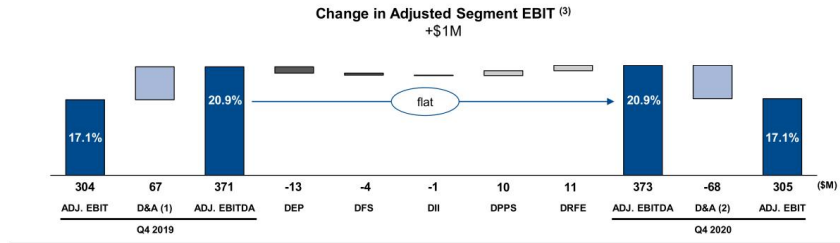
Revenue & Bookings



(1) Non-GAAP measure (definition and reconciliation in appendix)
 (2) Acquisitions: \$21M, dispositions: \$9M

(3) Acquisitions: \$27M, dispositions: \$7M
 (4) See performance measure definitions in appendix

Q4 2020 Adjusted Segment EBIT and Adjusted Net Earnings



(1) Depreciation: \$33M, Amortization: \$34M
 (2) Depreciation: \$32M, Amortization: \$35M
 (3) Non-GAAP measures (definitions and reconciliations in appendix)

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



FY Free Cash Flow


\$M	2020	2019	Δ
Net earnings	683	678	+6
Adjustments for (gains) losses ⁽¹⁾	(5)	71	-76
D&A	279	272	+7
Change in working capital and other ⁽²⁾	148	(76)	+225
Cash flow from operations	1,105	945	+159
Capex	(166)	(187)	+21
Free cash flow⁽³⁾	939	758	+181
FCF % of revenue⁽³⁾	14.1%	10.6%	+350 bps
FCF % of adj. earnings⁽³⁾	114%	87%	+2,700 bps

- Q4 2020 FCF⁽³⁾ 21.1% of revenue, 167% of adj. earnings⁽³⁾
- Y-o-Y cash conversion cycle improvement driven by receivables collection and proactive inventory management

Note: Numbers may not add due to rounding

Investments in Four Core Enterprise Capabilities Driving Efficiency and Growth

Dover Digital



↑ Efficiency ↑ Growth

Operational Excellence




↑ Efficiency

Dover Business Services



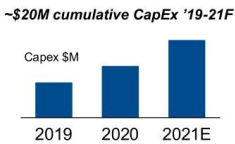
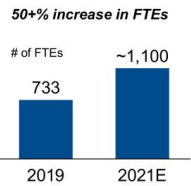
↑ Efficiency

India Innovation Center



↑ Efficiency ↑ Growth

Significant investments in enterprise capabilities



Center-led initiatives drive synergistic value of Dover portfolio

Modernizing Dover - Digital

IT Infrastructure Efficiency



~\$25M cost reduction 2020-2021

45% reduction in servers thru datacenter consolidation and rationalization initiative

30% of legacy web & commerce sites shifted to modern cloud-based solutions in 2019-2021

Global Managed Services shifted to centralized and more efficient global managed support model for IT infrastructure across all Opcos

Digital Commerce



Digital Commerce

10X increase in transactions through digital channel vs. 2018

For our catalog businesses & parts

9% onboarded customers in 2019⁽¹⁾

30% onboarded customers in 2021

For our engineering businesses

60% automated quotes in 2019⁽²⁾

75% automated quotes in 2021



Digital Quote

Customer Experience



Website

Improve Customer Satisfaction by enhancing their journey & offering online visualization.



Distributor Portal

Internal efficiency. Off-load:

<0.1 million digital inquiries in 2019

1 million digital inquiries in 2021

Connected Products



Accelerating our recurring software enabled products revenue

Multi-billion TAM⁽³⁾ expansion in recent tuck-in investments

~120K connected devices in 2019

~250K connected devices in 2021

2021 metrics reflect currently planned targets

Execution Excellence - Operations

Environment, Health, & Safety



Covid-19 Protocols rapidly deployed and continually upgraded to support business continuity

20% Reduction in TRIR YOY '19-20

Enterprise-wide **Big Data** solution being deployed to improve safety management in real-time (identification, prioritization, tracking, analytics)

Supply Chain



2-3% Annual Gross Material Productivity

Modernized and expanded tools for supplier management, spend optimization, credit risk management

Operational Excellence



0DOVER Playbook Launched at 5 sites with 30 more in progress

Pilot Sites Results:

~10-40% scrap reduction

~30-50% improvement in on-time-delivery

~10-30 day reduction in lead time

Up to ~15% productivity boost



Advanced Manufacturing



Automation / capital modernization transforming historically laborious operations – 2021 key projects at DFR, VSG, ESG

Machining Network Established to optimize asset utilization across portfolio

Industry 4.0: Two "lighthouse factory" implementations beginning in 2021

Multiple Rooftop Consolidation projects on track, driven by new PMO



Back Office Efficiency - Dover Business Services

Finance Efficiency



3 consolidated service locations, from 5 in 2018
>\$15M cost reduction through 2021
10% reduction in cost per transaction 2019-2021

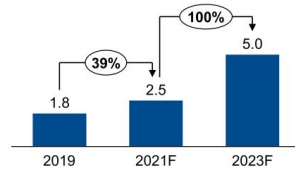
Growing Scope and Coverage



57% increase in entities supported from 2019 to 2021
Expanded service offerings for OpCos:
4 new service offerings in 2020
4 services expanded to global support model

Runway to Drive Volume & Scale

Millions of transactions processed:



2021-2023 metrics reflect currently planned targets

People, Process, & Technology



350+ FTEs by end of 2021 (72% increase since 2019)

Building **continuous improvement culture**, Lean Six Sigma Master Black Belt lead team since 2019, with a robust process innovation idea funnel

Deployed **technology portfolio** of 9 platforms enabling efficient global operation and support

Efficient Growth Catalyst - India Innovation Center

Center of Excellence



~600 FTEs. 25% growth 2019 – 2021
 ~15% of Global Engineering base

Centers of Excellence: Product Engineering, Digital Solutions, Firmware, Data & Information Security

Advanced **Test & Evaluation** capability

Execution Excellence



CMMI, L3 Certified Center

Process Rigor – New Product Development, Agile / Scrum methodology, Value Engineering

Industry Best Practices – Knowledge Management, Critical Design Review, Project Portfolio Management

Differentiated Innovation



40+ Patents (2017 – 2021)

Enabling **Cross OpCo Technology Leverage**

Intellectual Property (IP) Services

Business Impact



1 : 4 Engineering Cost Arbitrage

\$ ~90M NPD/ Product Engineering Revenue in 2019-21

>\$10M Productivity Savings / Cost Avoidance (2019-21)

Enabling Asia Pacific Business Growth

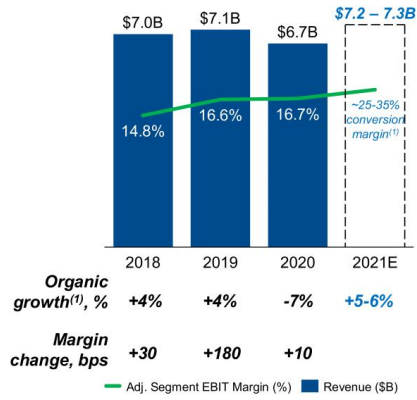
2021 metrics reflect currently planned targets

Dover Strategic Playbook Drives Results and Remains Unchanged

	✓ 2019 Results	✓ 2020 Results	2021 Plan
Improve Margins and Execution	<ul style="list-style-type: none"> ▪ -\$136M SG&A ▪ +180 bps margin⁽¹⁾ 	<ul style="list-style-type: none"> ▪ ~\$75M structural cost / efficiency actions ▪ Margin protected on lower volume (+10 bps⁽¹⁾) 	<ul style="list-style-type: none"> ▪ ~\$50M structural cost / efficiency ▪ ~25-35% conversion margin⁽¹⁾
Maintain Organic Growth	<ul style="list-style-type: none"> ▪ +4% organic growth⁽¹⁾ 	<ul style="list-style-type: none"> ▪ Limited downside vs. "old Dover" ▪ +21% backlog⁽²⁾ 	<ul style="list-style-type: none"> ▪ +5-6% organic growth⁽¹⁾
Reinvest in the Business	<ul style="list-style-type: none"> ▪ ~\$30M of SG&A savings reinvested ▪ ~\$60M Capex inv. in growth and productivity 	<ul style="list-style-type: none"> ▪ New CPC facility ▪ DFR automation ▪ Digital, operations, DBS 	<ul style="list-style-type: none"> ▪ Continued priority on organic reinvestment
Deploy Capital Smartly and Productively	<ul style="list-style-type: none"> ▪ M&A: 3 bolt-ons, \$191M⁽³⁾ ▪ Return of capital: \$425M⁽⁴⁾ 	<ul style="list-style-type: none"> ▪ M&A: 7 bolt-ons, \$320M⁽³⁾ ▪ Return of capital: \$391M⁽⁴⁾ 	<ul style="list-style-type: none"> ▪ Solid acquisition pipeline

Dover Strategy Delivers Through-Cycle Value Creation

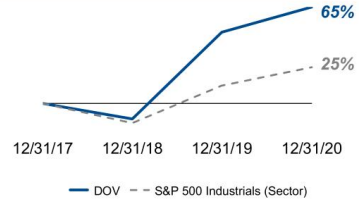
Revenue and Adj. Segment EBIT Margin⁽¹⁾



Adj. Earnings Per Share⁽¹⁾



Cumulative Total Shareholder Return⁽²⁾



2021 Business Outlook

Segment	Organic growth outlook	Comments
DEP	HSD	<ul style="list-style-type: none"> Strong backlog and bookings in vehicle services and industrial automation; continued strength and visibility in aerospace & defense Improving order rates in waste handling, fully booked for Q1 '21
DFS	LSD	<ul style="list-style-type: none"> Growth in software, new products ("Anthem") and continued recovery in select geographies outside the US in above- and below-ground fueling; recovery in vehicle wash US EMV becoming a headwind in 2021
DII	HSD	<ul style="list-style-type: none"> Continued stable growth in marking & coding supported by increased activity in serialization software Rebound in textile printer demand expected in H2 '21, textile printing consumables (inks) currently on recovering trajectory and serve as a leading indicator
DPPS	MSD	<ul style="list-style-type: none"> Robust growth in biopharma pumps and connectors; recovery in industrial pumps; plastics & polymer markets expected to remain stable Prolonged recovery in precision components end markets, particularly O&G
DRFE	HSD	<ul style="list-style-type: none"> Strong backlog and bookings trajectory across food retail, can making and heat exchangers Commercial foodservice (<10% of segment) recovering, but expect subdued activity through H1

FY2021 Guidance

Revenue	▪ All-in:	8% - 10%
	▪ Organic ⁽¹⁾ :	5% - 6%
EPS and other	▪ Tax rate:	21% – 22%
	▪ GAAP EPS:	\$5.42 - \$5.62
	▪ Adjusted EPS ⁽¹⁾ :	\$6.25 - \$6.45
Cash Flow	▪ Free Cash Flow ⁽¹⁾ :	11-13% of Revenue
	▪ Capex:	~\$175 – 200 million

Euro/Dollar assumption: 1.22

17 ⁽¹⁾ Non-GAAP measure (definition and/or reconciliation in appendix)



Appendix

Q4 2019 to Q4 2020 Revenue and Bookings Bridges by Segment

Revenue Bridge by Segment						
(\$ in millions)	DEP	DFS	DII	DPPS	DRFE	Total
Q4 2019 Revenue	422	445	274	328	368	1,776
Organic Growth	(37)	(42)	(8)	6	40	(41)
FX	7	6	7	9	5	34
Acquisitions / Dispositions	2	-	15	4	(9)	12
Q4 2020 Revenue	394	409	288	347	342	1,780

Bookings Bridge by Segment						
(\$ in millions)	DEP	DFS	DII	DPPS	DRFE	Total
Q4 2019 Bookings	457	426	276	318	362	1,841
Organic Growth	15	(26)	2	34	20	45
FX	9	3	6	9	5	31
Acquisitions / Dispositions	3	-	21	3	(7)	20
Q4 2020 Bookings	484	403	305	365	379	1,936

Note: Numbers may not add due to rounding

Organic Revenue and Bookings Bridges

Segment Growth Factors						
	Revenue Growth				Bookings Growth	
	Q4 2020	FY 2020	FY 2019	FY 2018	Q4 2020	FY 2020
Organic						
Engineered Products	8.8%	-10.3%	5.4%	6.6%	3.3%	-9.5%
Fueling Solutions	-9.4%	-8.8%	10.5%	9.9%	-6.0%	-8.0%
Imaging & Identification	-2.9%	-7.2%	1.2%	4.6%	0.7%	-6.3%
Pumps & Process Solutions	1.6%	-2.3%	3.9%	7.4%	10.6%	-4.8%
Refrigeration & Food Equipment	13.2%	-3.0%	-2.7%	-7.9%	5.5%	6.5%
Total Organic	-2.3%	-6.6%	3.8%	3.7%	2.4%	-4.6%
Acquisitions	1.2%	1.0%	0.8%	0.5%	1.5%	1.0%
Dispositions	-0.5%	-0.7%	-0.5%	-2.5%	-0.4%	-0.6%
Currency translation	1.9%	0.0%	-2.0%	0.8%	1.7%	-0.2%
Total	0.3%	-6.3%	2.1%	2.5%	5.2%	-4.4%

Geographic Revenue Growth Factors		
	Q4 2020	FY 2020
Organic		
US	-1.0%	-3.1%
Other Americas	-1.4%	-12.1%
Europe	-2.5%	-8.5%
Asia	-11.4%	-13.5%
Other	10.9%	-9.3%
Total Organic	-2.3%	-6.6%
Acquisitions	1.2%	1.0%
Dispositions	-0.5%	-0.7%
Currency translation	1.9%	0.0%
Total	0.3%	-6.3%

Note: Numbers may not add due to rounding

Reconciliation of Q4 2020 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	Q4 2020					Total
	DEP	DFS	DR	DPPS	DRFE	
Revenue	394	409	288	347	342	1,780
Net earnings	-	-	-	-	-	182
Adjustments:						
Corporate expense	-	-	-	-	-	40
Interest expense, net	-	-	-	-	-	28
Income tax expense	-	-	-	-	-	38
Segment earnings (EBIT)	56	70	52	82	28	288
EBIT %	14.3%	17.0%	18.1%	23.5%	8.1%	16.2%
Adjustments:						
Rightizing and other costs	5	3	6	3	1	17
Adjusted EBIT - Segment	61	72	58	85	28	305
Adjusted EBIT %	15.5%	17.7%	20.2%	24.4%	8.3%	17.1%
Adjusted depreciation and amortization expense⁽¹⁾	10	18	10	18	11	68
Adjusted EBITDA - Segment	71	91	68	102	40	373
Adjusted EBITDA %	18.1%	22.1%	23.6%	29.5%	11.7%	20.9%

Note: Numbers may not add due to rounding

Reconciliation of Q4 2019 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	Q4 2019					Total
	DEP	DFS	DII	DPPS	DRFE	
Revenue	422	445	274	328	306	1,776
Net earnings	-	-	-	-	-	168
Add back:						
Corporate expense	-	-	-	-	-	40
Interest expense, net	-	-	-	-	-	29
Income tax expense	-	-	-	-	-	29
Loss on extinguishment of debt	-	-	-	-	-	24
Segment earnings (EBIT)	73	74	57	71	14	290
EBIT %	17.4%	16.6%	20.9%	21.8%	4.7%	16.3%
Adjustments:						
Rightizing and other costs	1	2	4	4	2	13
Adjusted EBIT - Segment	75	75	62	75	17	304
Adjusted EBIT %	17.7%	17.0%	22.5%	22.9%	5.4%	17.1%
Adjusted depreciation and amortization expense ⁽¹⁾	10	19	8	17	13	67
Adjusted EBITDA - Segment	85	95	70	92	29	371
Adjusted EBITDA %	20.1%	21.4%	25.3%	28.1%	9.5%	20.9%

Note: Numbers may not add due to rounding

Reconciliation of FY 2020 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	FY 2020					Total
	DEP	DFS	DI	DPPS	DRFE	
Revenue	1,831	1,476	1,038	1,324	1,316	6,684
Net earnings	-	-	-	-	-	683
Add back:						
Corporate expense	-	-	-	-	-	127
Interest expense, net	-	-	-	-	-	108
Income tax expense	-	-	-	-	-	158
Segment earnings (EBIT)	238	237	193	305	103	1,077
EBIT %	15.6%	16.1%	18.6%	23.1%	7.8%	16.1%
Adjustments:						
Right-sizing and other costs	12	7	6	13	6	44
Gain on AMS Chero	-	-	-	-	(5)	(5)
Adjusted EBIT - Segment	250	244	200	319	104	1,116
Adjusted EBIT %	16.3%	16.5%	19.2%	24.1%	7.9%	16.7%
Adjusted depreciation and amortization expense⁽¹⁾	41	72	38	68	47	265
Adjusted EBITDA - Segment	290	316	238	387	151	1,381
Adjusted EBITDA %	19.0%	21.4%	22.9%	29.2%	11.4%	20.7%

Note: Numbers may not add due to rounding

Reconciliation of FY 2019 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	FY 2019					Total
	DEP	DFS	DI	DPSS	DRFE	
Revenue	1,688	1,620	1,084	1,339	1,397	7,136
Net earnings	-	-	-	-	-	678
Adjustments:						
Corporate expense	-	-	-	-	-	124
Interest expense, net	-	-	-	-	-	121
Income tax expense	-	-	-	-	-	165
Loss on extinguishment of debt	-	-	-	-	-	24
Segment earnings (EBIT)	292	232	229	240	119	1,112
EBIT %	17.2%	14.3%	21.2%	17.9%	8.5%	15.6%
Adjustments:						
Right-sizing and other costs	3	5	6	6	6	27
Loss on sale of Pinder	-	-	-	47	-	47
Adjusted EBIT - Segment	295	237	236	293	125	1,186
Adjusted EBIT %	17.4%	14.6%	21.7%	21.9%	8.9%	16.6%
Adjusted depreciation and amortization expense⁽¹⁾	40	75	30	67	51	263
Adjusted EBITDA - Segment	335	312	266	360	176	1,449
Adjusted EBITDA %	19.8%	19.2%	24.5%	26.9%	12.6%	20.3%

Note: Numbers may not add due to rounding

Reconciliation of H2 2020 and H2 2019 DRFE Earnings from Continuing Operations to Adj. Segment EBIT and Calculation of Adj. EBIT Margin

(\$ in millions)	Refrigeration & Food Equipment Segment					
	Q3 2020	Q4 2020	H2 2020	Q3 2019	Q4 2019	H2 2019
Revenue	368	342	711	370	306	677
Segment earnings (EBIT)	40	28	68	35	14	50
EBIT %	10.9%	8.1%	9.5%	9.5%	4.7%	7.3%
Adjustments:						
Rightsizing and other costs	(1)	1	(0)	1	2	3
Loss on disposition	1	-	1	-	-	-
Adjusted EBIT - Segment	40	28	68	36	17	53
Adjusted EBIT %	10.8%	8.3%	9.6%	9.7%	5.4%	7.8%

Note: Numbers may not add due to rounding

Reconciliation of FY 2018 and FY 2017 Earnings from Continuing Operations to Adj. Segment EBIT and Calculation of Adj. EBIT Margin

(\$ in millions)	FY 2018	FY 2017
Revenue	6,892	6,821
Earnings from continuing operations	591	747
Add back:		
Corporate expense	130	155
Interest expense, net	122	136
Income tax expense	134	129
Segment earnings (EBIT)	977	1,167
EBIT %	14.0%	17.1%
Adjustments:		
Gain on dispositions	-	(205)
Disposition costs	-	5
Rightsizing and other costs	59	33
Product recall reversal	-	(7)
Adjusted EBIT - Segment	1,036	992
Adjusted EBIT %	14.8%	14.5%

Note: Numbers may not add due to rounding

Reconciliation of Adjusted Net Earnings to Net Earnings and Calculation of Adjusted Diluted EPS under U.S. GAAP

(\$ in millions, except per share data)	Q4 2020	Q4 2019	FY 2020	FY 2019	FY 2018
Net earnings from continuing operations (\$)	182	168	683	678	691
Acquisition-related amortization, pre tax	35	33	139	138	146
Acquisition-related amortization, tax impact	(9)	(8)	(34)	(35)	(37)
Right-sizing and other costs, pre tax	21	18	51	32	73
Right-sizing and other costs, tax impact	(4)	(4)	(11)	(7)	(15)
Loss on extinguishment of debt, pre-tax	-	24	-	24	-
Loss on extinguishment of debt, tax impact	-	(5)	-	(5)	-
Loss (gain) on disposition, pre tax	-	-	(5)	-	-
Loss (gain) on disposition, tax impact	-	-	1	-	-
Loss on assets held for sale	-	-	-	47	-
Tax Cuts and Jobs Act	-	-	-	-	(3)
Adjusted net earnings from continuing operations (\$)	225	226	824	872	758
Adjusted net earnings margin	12.6%	12.7%	12.3%	12.2%	10.8%
Weighted average shares outstanding – diluted	145	147	145	147	152
Diluted EPS from continuing operations (\$)	1.25	1.15	4.70	4.61	3.89
Acquisition-related amortization, pre tax	0.24	0.23	0.95	0.94	0.96
Acquisition-related amortization, tax impact	(0.08)	(0.06)	(0.24)	(0.24)	(0.24)
Right-sizing and other costs, pre tax	0.14	0.12	0.35	0.22	0.48
Right-sizing and other costs, tax impact	(0.03)	(0.03)	(0.07)	(0.06)	(0.10)
Loss on extinguishment of debt, pre-tax	-	0.16	-	0.16	-
Loss on extinguishment of debt, tax impact	-	(0.04)	-	(0.04)	-
Loss (gain) on disposition, pre tax	-	-	(0.03)	-	-
Loss (gain) on disposition, tax impact	-	-	0.01	-	-
Loss on assets held for sale	-	-	-	0.32	-
Tax Cuts and Jobs Act	-	-	-	-	(0.02)
Adjusted diluted EPS from continuing operations (\$)	1.55	1.54	5.67	5.93	4.97

Note: Numbers may not add due to rounding

Reconciliation of Free Cash Flow and EPS to Adjusted EPS

(\$ millions)	Free Cash Flow			
	Q4 2020	Q4 2019	FY 2020	FY 2019
Net Cash Provided by Operating Activities	418	361	1,105	945
Capital Expenditures	(42)	(50)	(166)	(187)
Free Cash Flow	376	312	939	758
Free Cash Flow as a % of Earnings	206.3%	185.4%	137.4%	111.9%
Free Cash Flow as a % of Adjusted Earnings	167.0%	138.1%	113.9%	87.0%
Free Cash Flow as a % of Revenue	21.1%	17.6%	14.1%	10.6%

Range		
2021 Guidance for Earnings per Share (GAAP)	\$5.42	\$5.62
Acquisition-related amortization, net	0.72	
Right-sizing and other costs, net	0.11	
2021 Guidance for Adjusted Earnings per Share (Non-GAAP)	\$6.25	\$6.45

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 acquisition-related amortization, rightsizing and other costs, gain/loss on dispositions, disposition costs, loss on debt extinguishment, loss on assets held for sale, the Tax Cuts and Jobs Act and a product recall reserve reversal.

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

Adjusted Diluted Net Earnings Per Share: is defined as adjusted net earnings divided by average diluted shares.

Total Segment Earnings (EBIT): is defined as net earnings before income taxes, net interest expense and corporate expenses.

Total Segment Earnings (EBIT) Margin: is defined as total segment earnings (EBIT) divided by revenue.

Adjusted EBIT by Segment: is defined as net earnings before income taxes, net interest expense, corporate expenses, rightsizing and other costs, gain/loss on dispositions, disposition costs, loss on assets held for sale, and a product recall reserve reversal.

Adjusted EBIT Margin by Segment: is defined as adjusted EBIT by segment divided by segment revenue. The bps change Y- \rightarrow -Y is calculated as the difference between adjusted EBIT margin for the current period and the prior period.

Adjusted EBITDA by Segment: is defined as adjusted EBIT by segment plus depreciation and amortization, excluding depreciation and amortization included within rightsizing and other costs.

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

EBIT Conversion Margin: is defined as the change in total adjusted segment earnings (EBIT) divided by the change in 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 net earnings equals free cash flow divided by net earnings. 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 fourth quarter.

Performance Measure 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.

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.

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.

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.



