



July 20, 2017 – 9:00am CT

Earnings Conference Call Second Quarter 2017

Forward looking statements and non-GAAP measures

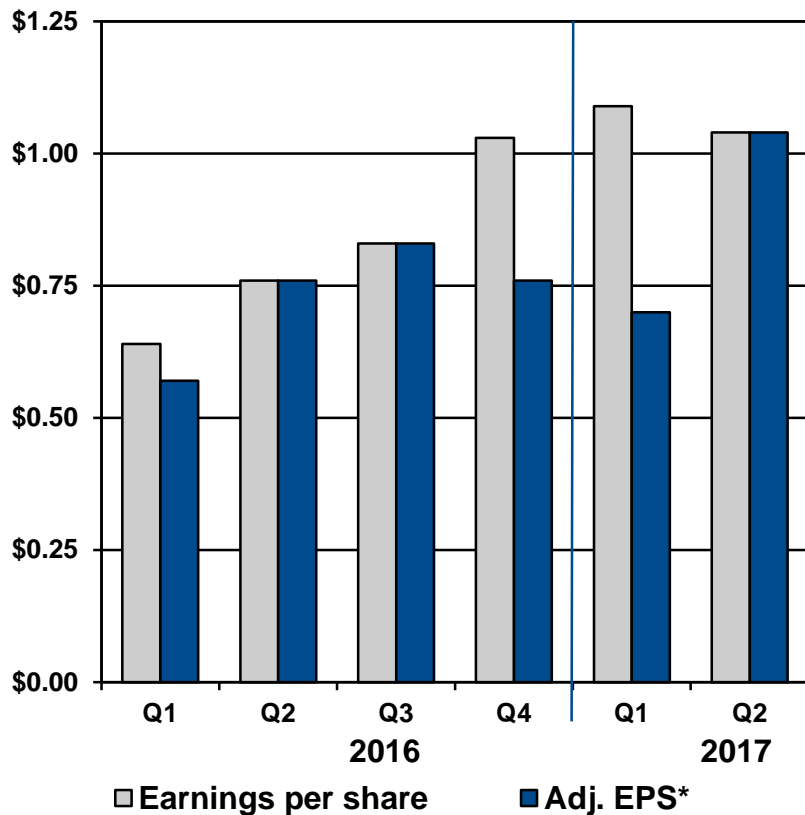
We want to remind everyone that our comments may contain forward-looking statements that are inherently subject to uncertainties and risks. We caution everyone to be guided in their analysis of Dover Corporation by referring to the documents we file from time to time with the SEC, including our Form 10-K for 2016, 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.

This document contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or Dover's earnings release and investor supplement for the second quarter, which are available on our website.

Q2 2017 Performance

Earnings Per Share



* Excludes gains on dispositions of \$0.07 in Q1 2016, \$0.36 in Q4 2016, \$0.39 in Q1 2017, and a \$0.09 voluntary product recall charge in Q4 2016

Note: EPS and Adj. EPS include restructuring costs of \$0.07 in Q1 2016, \$0.04 in Q2 2016, \$0.04 in Q3 2016, \$0.04 in Q4 2016, \$0.03 in Q1 2017, and \$0.01 in Q2 2017

	Q2	Q2/Q2
Revenue	\$2.0B	18%
EPS	\$1.04	37%
Bookings	\$2.0B	19%
Segment margin	15.0% ^(d)	190 bps
Organic Rev. ^(a)	10%	
Net Acq. Growth ^(b)	9%	
Cash flow from Ops	\$165M	-21%
FCF ^(c)	\$150M	-13%

Quarterly Comments

- Revenue growth driven by broad-based organic growth and acquisitions
- Solid organic growth in U.S., Europe and China
- Strong sequential margin improvement in Fluids and Refrigeration & Food Equipment
- Segment margin improvement largely driven by strong conversion on volume and the benefits of integration and productivity
- Bookings growth reflects broad-based organic increases and acquisitions
- Book-to-bill at 1.01

(a) Change in revenue from businesses owned over 12 months, excluding FX impact

(b) Change in revenue from acquisitions, less revenue from dispositions

(c) See Press Release for free cash flow reconciliation

(d) Up 320 basis points sequentially vs. Q1 2017 adjusted margin of 11.8%, which excludes gain on disposition of \$88M

Revenue

Q2 2017	Engineered Systems	Fluids	Refrigeration & Food Equip	Energy	Total Dover
Organic	5%	4%	5%	39%	10%
Acquisitions	10%	34%	-	-	12%
Dispositions	-4%	-	-6%	-	-3%
Currency	-1%	-2%	-	-1%	-1%
Total	11%	36%	-1%	39%	18%

Note: Totals may be impacted due to rounding

Engineered Systems

- Organic revenue growth of 5%
 - Printing & Identification driven by strong marking & coding markets
 - Industrial's growth was broad-based with particular strength in waste handling
- Recent acquisitions performing well, driving 10% acquisition growth
- Margin in-line with expectations
- Organic bookings growth is broad-based
- Book-to-bill of 0.99

\$ in millions

	Q2 2017	Q2 2016	% Change	% Organic
Revenue ^(a)	\$655	\$592	11%	5%
Earnings	\$107	\$104	3%	
Margin	16.3%	17.6%	-130 bps	
Bookings ^(b)	\$650	\$571	14%	9%

Revenue by End-Market	% of Q2 Revenue	Q2/Q2 Growth	Organic Growth
Printing & Identification	42%	6%	5%
Industrial	58%	15%	5%

(a) Revenue increased 11% overall, reflecting organic growth of 5% and acquisition growth of 10%, offset by a 4% impact from dispositions and a 1% unfavorable impact from FX

(b) Bookings growth of 14% reflects organic growth of 9% and acquisition growth of 9%, partially offset by a 4% impact from dispositions

Fluids

- Revenue growth driven by acquisitions and 4% organic growth
- Return to organic revenue growth driven by:
 - Solid retail fueling markets and industrial pump markets
 - Continued strong Hygienic & Pharma markets
- Margin primarily impacted by acquisitions and business mix
 - Sequentially up 330 basis points, benefiting from retail fueling integration
- Bookings growth reflecting acquisitions and solid Pumps and Hygienic & Pharma markets
- Book-to-bill at 1.00

\$ in millions

	Q2 2017	Q2 2016	% Change	% Organic
Revenue	\$553	\$406	36%	4%
Earnings	\$ 74	\$ 54	36%	
Margin	13.3%	13.3%	Flat	
Bookings	\$555	\$414	34%	4%

Revenue by End-Market	% of Q2 Revenue	Q2/Q2 Growth	Organic Growth
Pumps	29%	7%	7%
Fueling & Transport	60%	69%	1%
Hygienic & Pharma	11%	4%	5%

Refrigeration & Food Equipment

\$ in millions

- Organic revenue growth reflects strong activity in retail refrigeration market
 - Door and specialty case product lines continue to perform well
 - Within Food Equipment, can-shaping equipment growth offsets softness in commercial food equip.
- Margin performance reflects improved productivity and volume leverage in retail refrigeration, offset, in part, by material cost inflation
 - Margin up 600 points sequentially
- Organic bookings growth driven by Food Equipment
- Book-to-bill at 1.09

	Q2 2017	Q2 2016	% Change	% Organic
Revenue ^(a)	\$426	\$429	-1%	5%
Earnings	\$ 66	\$ 63	4%	
Margin	15.4%	14.7%	70 bps	
Bookings ^(b)	\$466	\$469	-1%	6%

Revenue by End-Market	% of Q2 Revenue	Q2/Q2 Growth	Organic Growth
Refrigeration	83%	6%	6%
Food Equipment	17%	-24%	1%

(a) Revenue decline of 1% reflects organic growth of 5%, offset by a 6% impact from dispositions

(b) Bookings decline of 1% reflects organic growth of 6%, offset by a 6% impact from dispositions and 1% impact from FX

Energy

- Revenue increase driven by continued improvement in U.S. rig count and increased well completions
 - Bearings & Compression growth driven by improved OEM build rates
 - Automation benefitting from customer capex increases
- Margin of 14.9% reflects significantly higher volume and strong incrementals
- Bookings growth is broad-based
- Book-to-bill at 0.98

\$ in millions

	Q2 2017	Q2 2016	% Change	% Organic
Revenue	\$359	\$259	39%	39%
Earnings	\$ 53	\$ 0	NM	
Margin	14.9%	0%	NM	
Bookings	\$353	\$246	43%	44%

Revenue by End-Market	% of Q2 Revenue	Q2/Q2 Growth	Organic Growth
Drilling & Production	67%	47%	47%
Bearings & Compression	22%	17%	19%
Automation	11%	45%	45%

Q2 2017 Overview

Q2 2017	
Net Interest Expense	\$35 million
Corporate Expense	\$34 million
Effective Tax Rate	Q2 rate was 28.9%, including the impact of discrete costs. Excluding these costs, normalized rate was 27.8%
Capex	\$48 million
Share Repurchases	No activity

FY 2017F Updated Guidance

2017F	Engineered Systems	Fluids	Refrigeration & Food Equip	Energy	Total
Organic rev.	3% - 4%	2% - 3%	1% - 3%	24% - 27%	5% - 7%
Acquisitions	≈ 8%	≈ 31%	-	-	≈ 10%
Dispositions	(3%)	-	(5%)	-	(2%)
Currency	(1%)	(1%)	-	-	(1%)
Total revenue	7% - 8%	32% - 33%	(4% - 2%)	24% - 27%	12% - 14%

- **Corporate expense:** ≈ \$135 million
- **Net interest expense:** ≈ \$134 million
- **Q3 – Q4 tax rate:** ≈ 28%
- **Capital expenditures:** ≈ 2.4% of revenue
- **FY free cash flow:** ≈ 11% of revenue or 140% of net income*

* Excludes the gain on sale of business



Appendix

2017F EPS Guidance – Updated Bridge

■ 2016 EPS – Continuing Ops (GAAP):	\$3.25
– Less 2016 gain on dispositions ⁽¹⁾ :	(0.44)
– Less 2016 earnings from dispositions ⁽²⁾ :	(0.05)
– Plus 2016 charges related to recall:	0.09
■ 2016 Adjusted EPS	<u>\$2.85</u>
– Net restructuring ⁽³⁾ :	0.08 - 0.10
– Performance including restructuring benefits:	1.36 – 1.40
– Compensation & investment:	(0.19 - 0.17)
– Interest / Corp. / Tax rate / Shares / Other (net):	(0.22 - 0.20)
– Net benefit of disposition ⁽⁴⁾	0.35
■ 2017F EPS – Continuing Ops	<u><u>\$4.23 - \$4.33</u></u>

(1) Includes \$0.07 gain on the disposition of THI in Q1 2016 and \$0.36 gain on the disposition of Tipper Tie in Q4 2016

(2) Includes 2016 operating earnings from THI and Tipper Tie

(3) Includes restructuring costs of approximately \$0.18 in FY 2016 and \$0.08 - \$0.10 in FY 2017F

(4) Includes \$0.39 gain on the disposition of PMI in Q1 2017, partially offset by (\$0.04) of PMI operational earnings in the prior forecast