

Dover Corporation
Non-GAAP Reconciliation & Performance Measures
2025 Annual Report and 2026 Company Overview

This document defines, reconciles non-GAAP measures to GAAP and discloses the relevance to investors of the non-GAAP measures included in the 2025 Annual Report and 2026 Company Overview.

Adjusted Earnings Per Share from Continuing Operations

(In thousands, except per share data)

Adjusted earnings from continuing operations:

	2025	2024	2023	2022	2021
Earnings from continuing operations	\$ 1,097,429	\$ 1,399,968	\$ 943,864	\$ 989,912	\$ 1,065,320
Purchase accounting expenses, pre-tax ¹	218,445	186,241	158,582	174,397	137,535
Purchase accounting expenses, tax impact ²	(50,487)	(41,015)	(35,328)	(40,151)	(33,695)
Restructuring and other costs, pre-tax ³	77,986	84,983	62,927	36,209	37,242
Restructuring and other costs, tax impact ²	(15,367)	(17,542)	(13,026)	(7,639)	(7,055)
Disposition costs, pre-tax ⁴	—	—	1,302	—	—
Disposition costs, tax impact ²	—	—	(270)	—	—
(Gain) loss on dispositions, pre-tax ⁵	(4,644)	(597,798)	—	194	(206,338)
(Gain) loss on dispositions, tax impact ²	1,124	135,413	—	(27)	53,218
Tax Cuts and Jobs Act ⁶	—	—	—	(22,579)	—
Adjusted earnings from continuing operations	\$ 1,324,486	\$ 1,150,250	\$ 1,118,051	\$ 1,130,316	\$ 1,046,227
Diluted average shares outstanding	137,777	138,696	140,599	143,595	145,273
Adjusted diluted earnings per share from continuing operations*	\$ 9.61	\$ 8.29	\$ 7.95	\$ 7.87	\$ 7.20

¹ Purchase accounting expenses are primarily comprised of amortization of acquired intangible assets. FY 2022 includes \$20.0 million of amortization of inventory step-up primarily related to the Q4 2021 acquisitions within our Clean Energy & Fueling segment.

² Adjustments were tax effected using the statutory tax rates in the applicable jurisdictions or the effective tax rate, where applicable, for each period.

³ Restructuring and other costs relate to actions taken for headcount reductions, facility consolidations and site closures, product line exits, and other asset charges. FY 2025 include other costs of \$6.3 million associated with a footprint reduction and \$4.0 million associated with a product line exit within our Climate & Sustainability Technologies segment. FY 2024 includes \$3.4 million and FY 2023 includes \$3.3 million of non-cash asset impairment charges for our Climate & Sustainability Technologies segment. FY 2022 includes \$5.5 million of non-cash foreign currency translation losses reclassified to earnings and \$2.1 million related to the write-off of assets due to an exit from certain Latin America countries for our Climate & Sustainability Technologies segment. FY 2021 includes a \$12.1 million other-than-temporary impairment charge related to an equity method investment and a \$6.1 million write-off of assets incurred in connection with an exit from certain Latin America countries for our Climate & Sustainability Technologies segment. Additionally, FY 2021 includes a \$9.1 million payment received for previously incurred restructuring costs related to a product line exit in our Engineered Products segment.

⁴ FY 2023 disposition costs relate to the sale of De-Sta-Co in our Engineered Products segment.

⁵ (Gain) loss on dispositions represents a gain of \$530.3 million recorded in FY 2024 on the disposition of De-Sta-Co in the Engineered Products segment and a gain of \$67.5 million from a minority-owned equity method investment in the Climate & Sustainability Technologies segment. This includes post-closing adjustments recorded throughout the year. FY 2022 represents working capital adjustments related to prior dispositions. FY 2021 represents gain on dispositions of \$181.6 million and \$24.7 million due to the sales of Unified Brands in our Climate & Sustainability Technologies segment and Race Winning Brands equity method investment in our Engineered Products segment, respectively.

⁶ FY 2022 represents a reduction to income taxes previously recorded related to the Tax Cuts and Jobs Act.

* Per share data and totals may be impacted by rounding.

Reconciliation of Segment Earnings to Earnings from Continuing Operations

(in thousands)

Earnings from continuing operations:

Segment earnings:

	2025	2024	2023
Engineered Products	\$ 217,266	\$ 231,237	\$ 224,051
Clean Energy & Fueling	418,070	359,993	328,604
Imaging & Identification	314,735	301,707	272,512
Pumps & Process Solutions	651,600	536,606	484,405
Climate & Sustainability Technologies	265,647	250,875	305,380
Total segment earnings	1,867,318	1,680,418	1,614,952
Purchase accounting expenses ¹	218,445	186,241	158,582
Restructuring and other costs ²	77,986	84,983	62,927
Disposition costs ³	—	—	1,302
Gain (loss) on dispositions ⁴	(4,644)	(597,798)	—
Corporate expense / other ⁵	164,539	155,963	151,333
Interest expense	109,772	131,171	131,304
Interest income	(73,032)	(37,158)	(13,496)
Earnings before provision for income taxes	1,374,252	1,757,016	1,123,000
Provision for income taxes ⁶	276,823	357,048	179,136
Earnings from continuing operations	\$ 1,097,429	\$ 1,399,968	\$ 943,864

¹ Purchase accounting expenses are primarily comprised of amortization of intangible assets.

² Restructuring and other costs relate to actions taken for headcount reductions, facility consolidations and site closures, product line exits, and other asset charges.

³ FY 2023 disposition costs relate to the sale of De-Sta-Co in our Engineered Products segment.

⁴ (Gain) loss on dispositions, including post-closing adjustments.

⁵ Certain expenses are maintained at the corporate level and not allocated to the segments. These expenses include executive and functional compensation costs, non-service pension costs, non-operating insurance expenses, shared business services and digital and IT overhead costs, deal-related expenses and various administrative expenses relating to the corporate headquarters.

⁶ FY 2023 includes the net income tax benefit of internal reorganizations executed in 2023.

Adjusted Return on Average Equity

(in thousands)	2025	2024	2023
Adjusted earnings from continuing operations	\$ 1,324,486	\$ 1,150,250	\$ 1,118,051
Beginning stockholders' equity	\$ 6,953,996	\$ 5,106,605	\$ 4,286,366
Ending stockholders' equity	7,405,206	6,953,996	5,106,605
Average stockholders' equity	\$ 7,179,601	\$ 6,030,301	\$ 4,696,486
Adjusted return on average equity	18.4 %	19.1 %	23.8 %

Free Cash Flow

(in thousands)	2025	2024	2023
Cash flow from operating activities	\$ 1,338,005	\$ 1,087,833	\$ 1,219,546
Less: Capital expenditures	(220,263)	(167,533)	(183,406)
Free cash flow	\$ 1,117,742	\$ 920,300	\$ 1,036,140
Revenue	\$ 8,092,571	\$ 7,745,909	\$ 7,684,476
Free cash flow as a percentage of revenue	13.8 %	11.9 %	13.5 %

Revenue Growth Factors

	2025	2024	2023	2022
Organic				
Engineered Products	(6.6)%	8.2 %	(9.3)%	14.7 %
Clean Energy & Fueling	4.6 %	2.6 %	(4.0)%	(0.3)%
Imaging & Identification	1.9 %	2.4 %	0.2 %	2.9 %
Pumps & Process Solutions	6.7 %	1.4 %	(3.3)%	4.1 %
Climate & Sustainability Technologies	(2.1)%	(11.2)%	2.4 %	18.5 %
Total organic	1.6 %	— %	(2.8)%	7.8 %
Acquisitions	2.6 %	3.0 %	1.0 %	4.6 %
Dispositions	(0.7)%	(2.0)%	— %	(1.6)%
Currency translation	1.0 %	(0.2)%	(0.2)%	(4.2)%
Total*	4.5 %	0.8 %	(2.0)%	6.6 %

* Totals may be impacted by rounding.

Non-GAAP Disclosures

The items described in our definitions herein, unless otherwise noted, relate solely to our continuing operations.

Adjusted earnings from continuing operations represents earnings from continuing operations adjusted for the effect of purchase accounting expenses, restructuring and other costs/benefits, Tax Cuts and Jobs Act, disposition costs and gain/loss on dispositions. Purchase accounting expenses are primarily comprised of amortization of intangible assets. We exclude after-tax purchase accounting expenses because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions the Company consummates. While we have a history of acquisition activity, our acquisitions do not happen in a predictive cycle. Exclusion of purchase accounting expenses facilitates more consistent comparisons of operating results over time. We believe it is important to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation. We exclude the other items because they occur for reasons that may be unrelated to the Company's commercial performance during the period and/or management believes they are not indicative of the Company's ongoing operating costs or gains in a given period.

Adjusted diluted earnings per share from continuing operations or adjusted earnings per share from continuing operations represents diluted earnings per share from continuing operations adjusted for the effect of purchase accounting expenses, restructuring and other costs/benefits, disposition costs, gain/loss on disposition and Tax Cuts and Jobs Act.

Total segment earnings is defined as the sum of earnings before purchase accounting expenses, restructuring and other costs/benefits, disposition costs, gain/loss on dispositions, corporate expenses/other, interest expense, interest income and provision for income taxes for all segments.

Management believes the non-GAAP measures above are useful to investors to better understand the Company's ongoing profitability as they will better reflect the Company's core operating results, offer more transparency and facilitate easier comparability to prior and future periods and to its peers.

Free cash flow represents net cash provided by operating activities minus capital expenditures. Free cash flow as a percentage of revenue equals free cash flow divided by revenue. Management believes that free cash flow and free cash flow ratios are important measures of liquidity because they provide management and investors a measurement of cash generated from operations that is available for mandatory payment obligations and investment opportunities, such as funding acquisitions, paying dividends, repaying debt and repurchasing our common stock.

Management believes that reporting organic revenue growth, which excludes the impact of foreign currency exchange rates and the impact of acquisitions and dispositions, provides a useful comparison of our revenue and trends between periods.

Adjusted return on average equity is defined as adjusted earnings from continuing operations divided by average stockholders' equity. Management believes that reporting adjusted return on average equity provides a useful measure of financial performance.