

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): March 6, 2019



(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or other Jurisdiction  
of Incorporation)

**3005 Highland Parkway**  
**Downers Grove, Illinois**  
(Address of Principal Executive Offices)

**1-4018**  
(Commission File Number)

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

**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))

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.**

Richard J. Tobin, President and Chief Executive Officer of Dover Corporation (the "Company" or "Dover"), will speak at the J.P. Morgan Aviation, Transportation and Industrials Conference in New York, New York, on Wednesday, March 6, 2019, at 2:50 p.m. EST. A copy of the slide presentation to be used by the Company is attached as Exhibit 99.1 to this Current Report on Form 8-K. A link to the live audio webcast of the presentation and related materials will be available on the Company's website ([www.dovercorporation.com](http://www.dovercorporation.com)) and a replay of the webcast will be available on the website for 30 days.

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 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

99.1 [Dover Corporation Presentation dated March 6, 2019.](#)

**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: March 6, 2019

**DOVER CORPORATION**  
(Registrant)

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



March 6, 2019

# Dover Corporation

J.P. Morgan Aviation, Transportation & Industrials Conference

Rich Tobin, President & CEO














## 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 2018, 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](http://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. Reconciliations and definitions are included either in this presentation or in Dover's earnings release and investor supplement for the fourth quarter of 2018, which are available on Dover's website.

## Dover portfolio: strong fundamentals, GDP+ growth exposure, low cyclicality

	Platforms	Dover Positions	Common Market and Business Model Attributes
<b>Fluids</b> <b>\$2.8bn</b>	<ul style="list-style-type: none"> <li> Retail Fueling/Transport</li> <li> Industrial Pumps</li> <li> Plastics &amp; Polymers</li> <li> Hygienic &amp; Pharma</li> <li> Precision Components</li> </ul>	<ul style="list-style-type: none"> <li>▪ Global #2; #1 EU, Asia</li> <li>▪ Leader high-value apps</li> <li>▪ #1 in pumps, pelletizers</li> <li>▪ Niche component leader</li> <li>▪ Niche component leader</li> </ul>	<ul style="list-style-type: none"> <li>▪ GDP+ long-term growth</li> <li>▪ Limited cyclicality</li> <li>▪ Attractive industry structure</li> <li>▪ Predictable replacement or consumable demand</li> <li>▪ Highly engineered and proprietary content</li> <li>▪ Delivering customer ROI through superior performance, efficiency, safety</li> <li>▪ Digital component to the business model</li> <li>▪ Low capital intensity</li> </ul>
<b>Engineered Systems</b> <b>\$2.7bn</b>	<ul style="list-style-type: none"> <li> Marking &amp; Coding</li> <li> Digital Printing</li> <li> Vehicle Services</li> <li> Solid Waste Processing</li> <li> Industrial Components</li> </ul>	<ul style="list-style-type: none"> <li>▪ #2 globally</li> <li>▪ #1 globally in textile</li> <li>▪ #1-2 in lifts &amp; collision</li> <li>▪ #1 in US refuse trucks</li> <li>▪ Niche leaders</li> </ul>	
<b>Refrigeration and Food Equipment</b> <b>\$1.5bn</b>	<ul style="list-style-type: none"> <li> Retail Refrigeration</li> <li> Food Equipment</li> <li> Heat Transfer</li> </ul>	<ul style="list-style-type: none"> <li>▪ #1 in NA</li> <li>▪ Niche leader</li> <li>▪ #2 globally in BPHE</li> </ul>	
<b>Businesses with leading positions in attractive markets</b>			

Segment Revenue based on 2018 results.

## Q4 2018 - Highlights

### Revenue increases 3% to \$1.8B

*Organic growth of 6%*

### Adjusted earnings from continuing operations<sup>(1)</sup> increases 17% to \$211M

*Earnings from continuing operations on a GAAP basis down 45% to \$158M<sup>(3)</sup>*

### Segment performance

*Adjusted EBIT<sup>(1)</sup> increases 9% to \$285M, with margin at 15.7%*

*Adjusted EBITDA<sup>(1)</sup> up 6% to \$352M*

### Bookings up 8% to \$1.9B

*Organic growth of 10%*

### Adjusted diluted EPS from continuing operations<sup>(2)</sup> at \$1.43, up 25%

*\$0.08 benefit related to tax items<sup>(4)</sup>*

*Diluted EPS from continuing operations on a GAAP basis at \$1.07, down 42%<sup>(3)</sup>*

### Margin initiatives

*SG&A rightsizing program largely completed; began first phase of footprint rationalization in Q4*

- *\$30M total benefit in 2018 from rightsizing initiatives*
- *Announced footprint actions; expect ~\$18M annualized benefit, mostly post-2019*

### Other activities

*\$1B repurchase program completed. ~147.1M diluted shares outstanding at year end*

*Belanger acquisition closed on January 25, 2019*

(1) Non-GAAP measures (definitions and reconciliations in appendix)

(2) Adjusted diluted EPS excludes acquisition-related amortization and rightsizing costs (reconciliation in appendix)

(3) GAAP measures in 2017 primarily impacted by net benefits from dispositions and a net benefit from the Tax Cuts and Jobs Act (reconciliation in appendix)

(4) Includes \$0.03 benefit from discrete taxes in the quarter

## Expect healthy revenue growth and strong EPS accretion in 2019

2019	Engineered Systems	Fluids	Refrigeration & Food Equip	Total
Organic revenue	3% - 4%	3% - 4%	1% - 3%	2% - 4%
Acquisitions	-	2%	-	1%
Dispositions	-	-	-	-
Currency	(1%)	(2%)	(1%)	(2%)
<b>Total revenue</b>	<b>2% - 3%</b>	<b>3% - 4%</b>	<b>0% - 2%</b>	<b>2% - 3%</b>

- **Net interest expense:** ≈ \$122 million
- **Tax rate:** ≈ 21% - 23%
- **Capital expenditures:** ≈ 3.1% - 3.4% of revenue
- **Free cash flow:** ≈ 8% - 12% of revenue

**Adjusted EPS: \$5.65 - \$5.85<sup>(1)</sup>**

Dollar/Euro assumption: 1.14

Note: Numbers may not add due to rounding

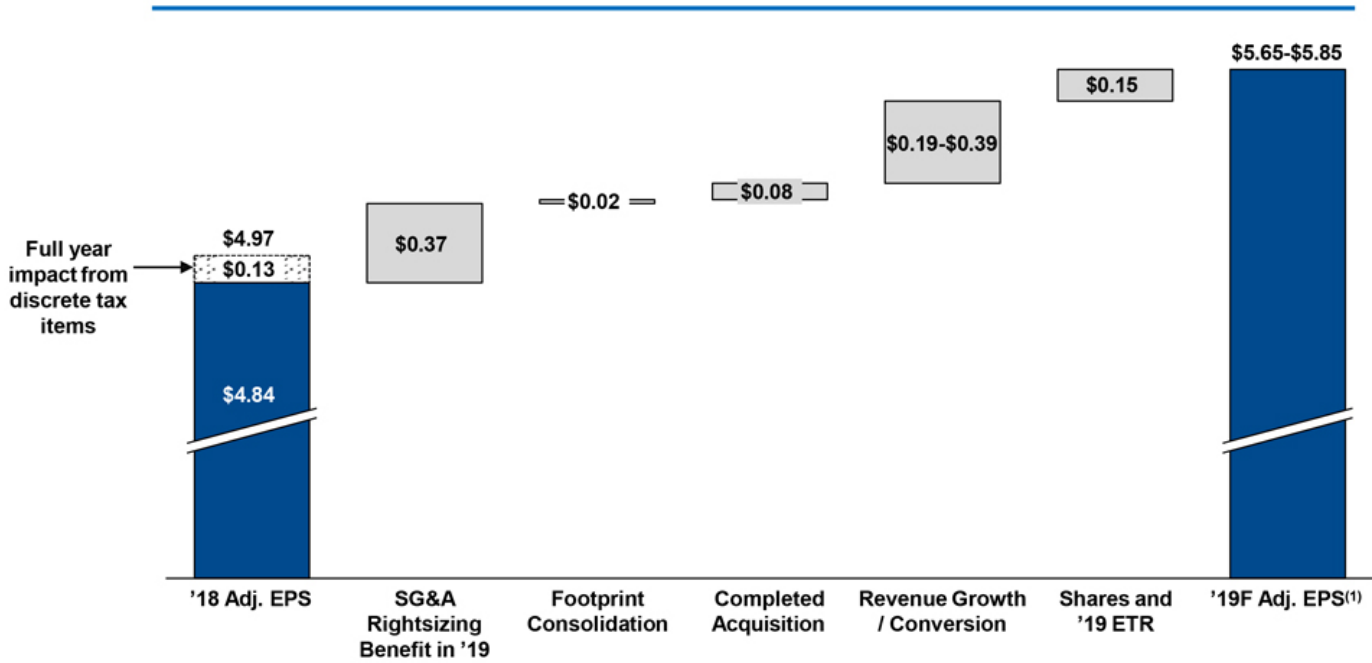
(1) Adjusted EPS excludes acquisition-related amortization costs and rightsizing and other costs (reconciliation in appendix); assumes 147.1 million diluted weighted average shares outstanding





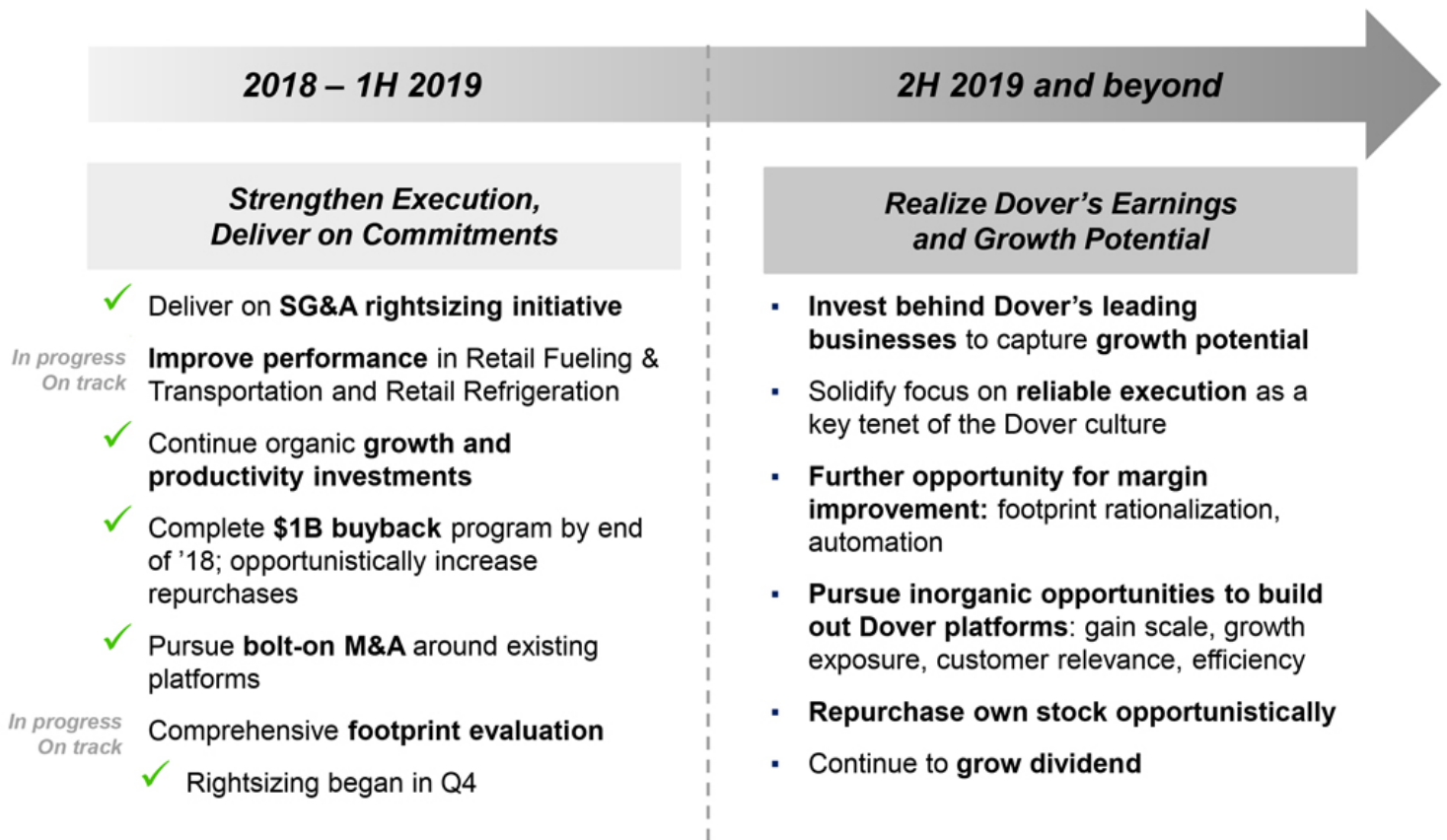
# Growth and margin improvement initiatives expected to deliver ~17-21% growth in Adjusted EPS in 2019

Adjusted EPS (\$/share)

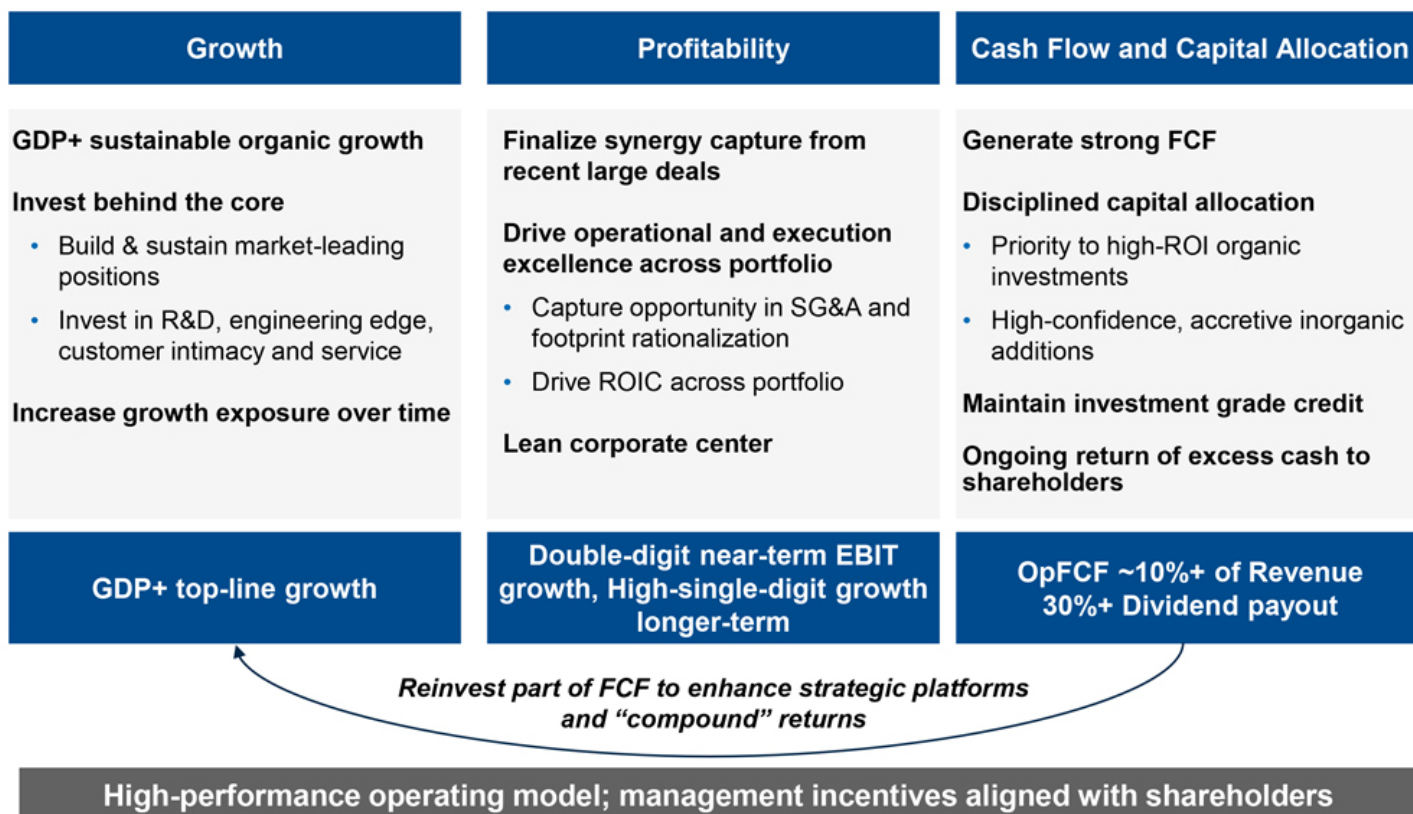


(1) Excludes one-time costs associated with execution of the SG&A and footprint rightsizing actions

# Delivering on commitments - Dover near and medium term priorities



# Balanced model to deliver sustained long-term top-quartile TSR



## Looking ahead

Sep. 2018	Jan. 2019	Sep. 2019
<ul style="list-style-type: none"><li>✓ Share results from initial business assessment</li><li>✓ Set near-term priorities</li><li>✓ Commit to improve execution and operations</li><li>✓ Announce new rightsizing plan and Retail Fueling and Retail Refrigeration margin improvement initiatives</li><li>✓ Communicate capital allocation framework</li></ul>	<ul style="list-style-type: none"><li>✓ Report card on interim progress</li><li>✓ Give 2019 guidance</li><li>✓ Operational focus continues</li><li>✓ Continued execution of smart capital allocation applying framework</li><li>✓ Update on footprint optimization initiatives</li></ul>	<ul style="list-style-type: none"><li>▪ Report on operational progress, including facility consolidation actions</li><li>▪ More holistic view of portfolio strategy, growth drivers and areas for investment</li><li>▪ Demonstrate progress on capital allocation priorities</li><li>▪ Articulate longer term goals for the “new” Dover</li></ul>

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# Appendix

## Reconciliation of Q4 2018 and 2017 Earnings from Continuing Operations to Adj. EBIT and Adj. EBITDA and calculation of Adj. EBIT margin and Adj. EBITDA margin (U.S. GAAP)

Q4 2018	
\$ in millions	
Revenue	1,809
Earnings from continuing operations	158
<b>Add back:</b>	
Corporate expense	39
Net Interest expense	30
Income tax expense	29
<b>EBIT</b>	<b>255</b>
EBIT %	14.1%
<b>Adjustments:</b>	
Rightsizing and other costs	29
<b>Adjusted EBIT - Segment</b>	<b>285</b>
Adjusted EBIT %	15.7%
Adjusted depreciation and amortization expense <sup>(1)</sup>	67
<b>Adjusted EBITDA - Segment</b>	<b>352</b>
Adjusted EBITDA %	19.5%

Q4 2017	
\$ in millions	
Revenue	1,753
Earnings from continuing operations	290
<b>Add back:</b>	
Corporate expense	52
Net Interest expense	35
Income tax benefit	(26)
<b>EBIT</b>	<b>350</b>
EBIT %	20.0%
<b>Adjustments:</b>	
Gain on dispositions	(117)
Disposition costs	2
Rightsizing and other costs	33
Product recall reversal	(7)
<b>Adjusted EBIT - Segment</b>	<b>261</b>
Adjusted EBIT %	14.9%
Depreciation and amortization expense	70
<b>Adjusted EBITDA - Segment</b>	<b>331</b>
Adjusted EBITDA %	18.9%

<sup>(1)</sup> Adjusted depreciation and amortization expense excludes depreciation and amortization included within rightsizing and other costs.

## Reconciliation of FY 2018 and 2017 Earnings from Continuing Operations to Adj. EBIT and Adj. EBITDA and calculation of Adj. EBIT margin and Adj. EBITDA margin (U.S. GAAP)

\$ in millions	FY 2018	FY 2017
<b>Revenue</b>	<b>6,992</b>	<b>6,821</b>
<b>Earnings from continuing operations</b>	<b>591</b>	<b>747</b>
<b>Add back:</b>		
Corporate expense	130	155
Net Interest expense	122	136
Income tax expense	134	129
<b>EBIT</b>	<b>977</b>	<b>1,167</b>
EBIT %	14.0%	17.1%
<b>Adjustments:</b>		
Gain on dispositions	—	(205)
Disposition costs	—	5
Rightsizing and other costs	59	33
Product recall reversal	—	(7)
<b>Adjusted EBIT - Segment</b>	<b>1,036</b>	<b>992</b>
Adjusted EBIT %	14.8%	14.5%
Adjusted depreciation and amortization expense <sup>(1)</sup>	269	278
<b>Adjusted EBITDA - Segment</b>	<b>1,305</b>	<b>1,271</b>
Adjusted EBITDA %	18.7%	18.6%

<sup>(1)</sup> Adjusted depreciation and amortization expense excludes depreciation and amortization included within rightsizing and other costs.

# Reconciliation of Adjusted Earnings from Continuing Operations to Earnings from Continuing Operations and calculation of Adjusted diluted EPS under U.S. GAAP

\$ in millions

	Q4 2018	Q4 2017	FY 2018	FY 2017
<b>Earnings from continuing operations</b>	<b>158</b>	<b>290</b>	<b>591</b>	<b>747</b>
Acquisition-related amortization, pre-tax	35	37	146	151
Acquisition-related amortization, tax impact	(9)	(12)	(37)	(49)
Tax Cuts and Jobs Act	(3)	(55)	(3)	(55)
Gain on dispositions, pre-tax	—	(117)	—	(205)
Gain on dispositions, tax impact	—	6	—	33
Disposition costs, pre-tax	—	2	—	5
Disposition costs, tax impact	—	(1)	—	(2)
Rightsizing and other costs, pre-tax	37	49	73	49
Rightsizing and other costs, tax impact	(8)	(15)	(15)	(15)
Product recall reversal, pre-tax	—	(7)	—	(7)
Product recall reversal, tax impact	—	3	—	3
<b>Adjusted earnings from continuing operations</b>	<b>211</b>	<b>180</b>	<b>756</b>	<b>655</b>
Weighted average shares outstanding - diluted (thousand)	148	158	152	158
<b>Diluted EPS (\$)</b>	<b>1.07</b>	<b>1.83</b>	<b>3.89</b>	<b>4.73</b>
Acquisition-related amortization, pre-tax	0.24	0.23	0.96	0.96
Acquisition-related amortization, tax impact	(0.06)	(0.08)	(0.24)	(0.31)
Tax Cuts and Jobs Act	(0.02)	(0.35)	(0.02)	(0.35)
Gain on dispositions, pre-tax	—	(0.74)	—	(1.30)
Gain on dispositions, tax impact	—	0.04	—	0.21
Disposition costs, pre-tax	—	0.01	—	0.03
Disposition costs, tax impact	—	(0.01)	—	(0.02)
Rightsizing and other costs, pre-tax	0.25	0.31	0.48	0.31
Rightsizing and other costs, tax impact	(0.05)	(0.09)	(0.10)	(0.09)
Product recall reversal, pre-tax	—	(0.05)	—	(0.05)
Product recall reversal, tax impact	—	0.02	—	0.02
<b>Adjusted diluted EPS (\$)</b>	<b>1.43</b>	<b>1.14</b>	<b>4.97</b>	<b>4.15</b>

Note: Numbers may not add due to rounding





# Reconciliation of Free Cash Flow; and EPS from Continuing Operations to Adjusted EPS from Continuing Operations Reconciliation

## Free Cash Flow Reconciliation

\$ in millions	December 31, 2018	December 31, 2017
<b>Net Cash provided by Operating Activities</b>	<b>789</b>	<b>739</b>
Capital Expenditures	(171)	(170)
<b>Free Cash Flow</b>	<b>618</b>	<b>569</b>

## Adjusted EPS from Continuing Operations Reconciliation

	Range	
<b>2019 Guidance for Earnings per Share from Continuing Operations, GAAP</b>	<b>\$ 4.81</b>	<b>\$ 5.01</b>
Acquisition-related amortization, net		0.76
Rightsizing and other costs, net		0.08
<b>2019 Guidance for Adjusted Earnings per Share from Continuing Operations</b>	<b>\$ 5.65</b>	<b>\$ 5.85</b>

## Non-GAAP Definitions

### Definitions of Non-GAAP Measures:

**Adjusted Earnings from Continuing Operations:** is defined as earnings from continuing operations adjusted for the effect of acquisition-related amortization, the Tax Cuts and Jobs Act, gains on disposition of businesses, disposition costs, rightsizing and other costs, and a product recall reserve reversal.

**Adjusted Diluted Earnings Per Share from Continuing Operations:** is defined as adjusted net earnings from continuing operations divided by average diluted shares.

**Adjusted EBIT by Segment:** is defined as earnings from continuing operations before income taxes, net interest expense, corporate expenses, and rightsizing activities.

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

**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.

**Free Cash Flow:** is defined as net cash provided by operating activities minus capital expenditures.

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

