



July 20, 2021 – 9:00am CT

Earnings Conference Call Second Quarter 2021

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 2020 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](https://www.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 second quarter, which are available on Dover's website.

Q2 2021 Highlights

Revenue

+36% Y-o-Y at \$2.0B

+30% organic⁽¹⁾

Growth in all segments (sequentially and Y-o-Y)

Bookings⁽²⁾

+68% Y-o-Y to \$2.4B

+61% organic⁽²⁾

Book-to-bill⁽²⁾: 1.17, >1 across all segments

Segment EBIT Margin⁽³⁾

+510 bps to 19.2%

+450 bps Adj. Segment EBIT Margin⁽¹⁾ to 19.7%

YTD Free Cash Flow⁽¹⁾

+36% Y-o-Y

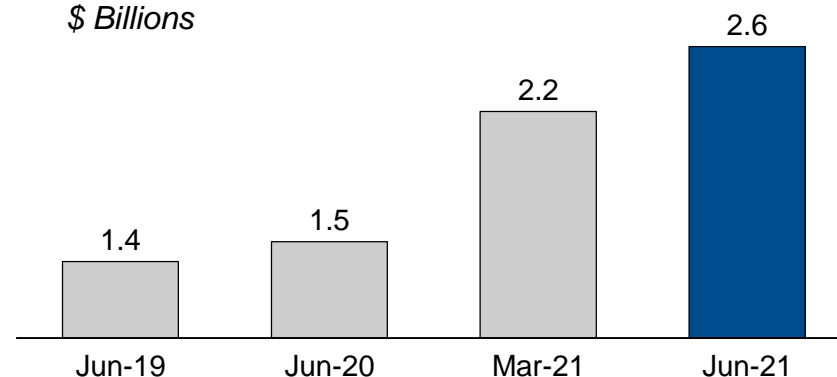
+\$96M Y-o-Y

+80bps to 9.3% of Revenue

Backlog⁽²⁾

+69% Y-o-Y growth rate

\$ Billions



Diluted EPS

+112% Y-o-Y to \$1.82

+82% Adjusted Diluted EPS⁽¹⁾ to \$2.06

FY '21 Guidance

Revised upward

Revenue growth: 15% - 17% (All-in)

EPS: \$6.45 - \$6.55 (GAAP); \$7.30 - \$7.40 (Adjusted⁽¹⁾)

FCF⁽¹⁾: 12%-14% of Revenue

Summary Corporate Q2 Results

		Q2 2021	Highlights and Comments
Revenue change (Y-o-Y)	All-in	+36%	<ul style="list-style-type: none"> Y-o-Y growth in all segments
	Organic ⁽¹⁾	+30%	<ul style="list-style-type: none"> Q2 FX impact: +5%; acquisitions +1%
Bookings change (Y-o-Y)	All-in ⁽²⁾	+68%	<ul style="list-style-type: none"> Q2 book-to-bill⁽²⁾: 1.17; bookings up Y-o-Y in all five segments
	Organic ⁽²⁾	+61%	<ul style="list-style-type: none"> Backlog +69% Y-o-Y; up across all five segments
Segment EBIT margin improvement (Y-o-Y)	Reported ⁽³⁾	+510 bps	<ul style="list-style-type: none"> Accretion driven by volume and productivity initiatives
	Adjusted ⁽¹⁾	+450 bps	<ul style="list-style-type: none"> 32% Y-o-Y Adj. EBIT conversion margin⁽¹⁾
Net Earnings	Reported	\$265M	<ul style="list-style-type: none"> Reported Q2 Y-o-Y change: +112%
	Adjusted ⁽¹⁾	\$299M	<ul style="list-style-type: none"> Adjusted⁽¹⁾ Q2 Y-o-Y change: +82%
Diluted EPS	Reported	\$1.82	<ul style="list-style-type: none"> Reported Q2 Y-o-Y change: +112%
	Adjusted ⁽¹⁾	\$2.06	<ul style="list-style-type: none"> Adjusted⁽¹⁾ Q2 Y-o-Y change: +82%
Free Cash Flow (% of)⁽¹⁾	Revenue	11%	<ul style="list-style-type: none"> Q2 FCF⁽¹⁾ down \$15M (-6%) Y-o-Y on working capital investment
	Adj. Earnings	73%	
Guidance and other activities			<ul style="list-style-type: none"> 2021 revised guidance: <ul style="list-style-type: none"> Revenue growth: 15% - 17% (All-in) EPS: \$6.45 - \$6.55 (GAAP); \$7.30 - \$7.40 (Adjusted⁽¹⁾) FCF⁽¹⁾: 12%-14% of Revenue

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

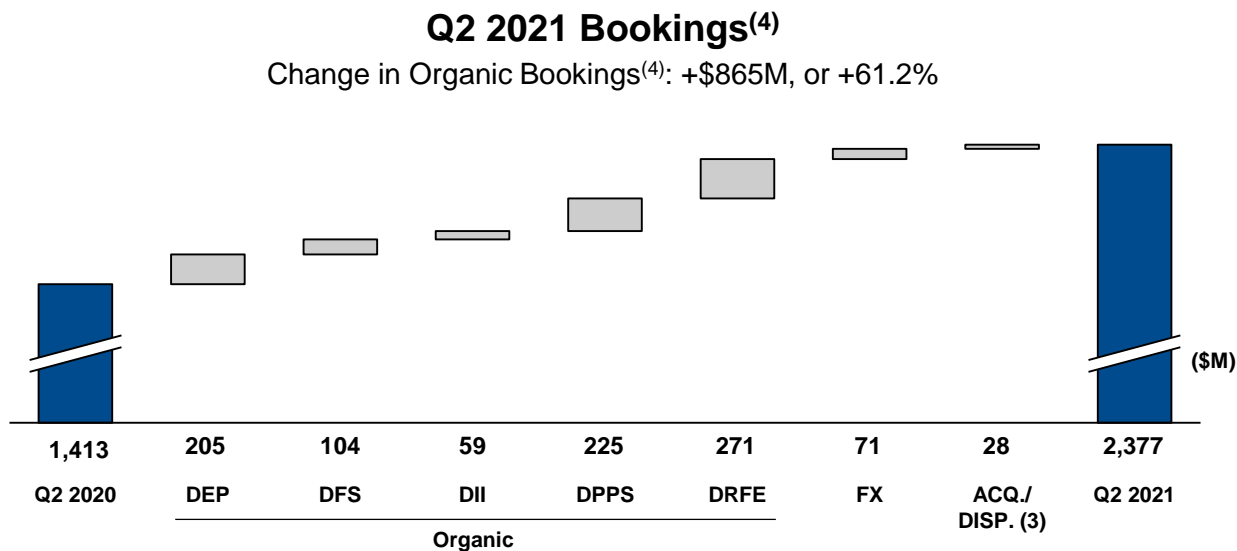
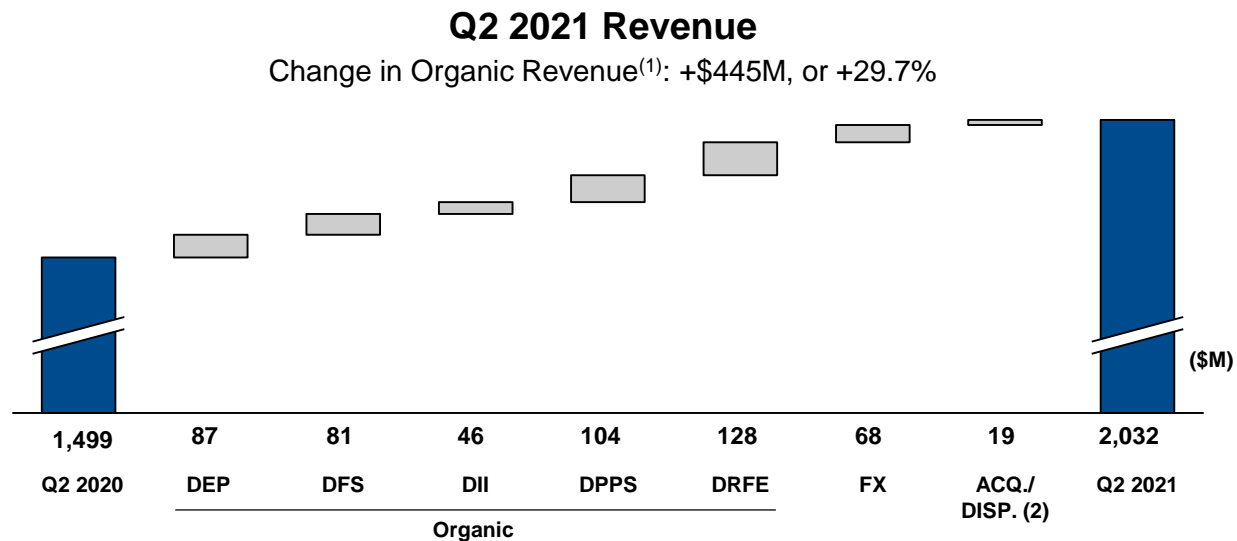
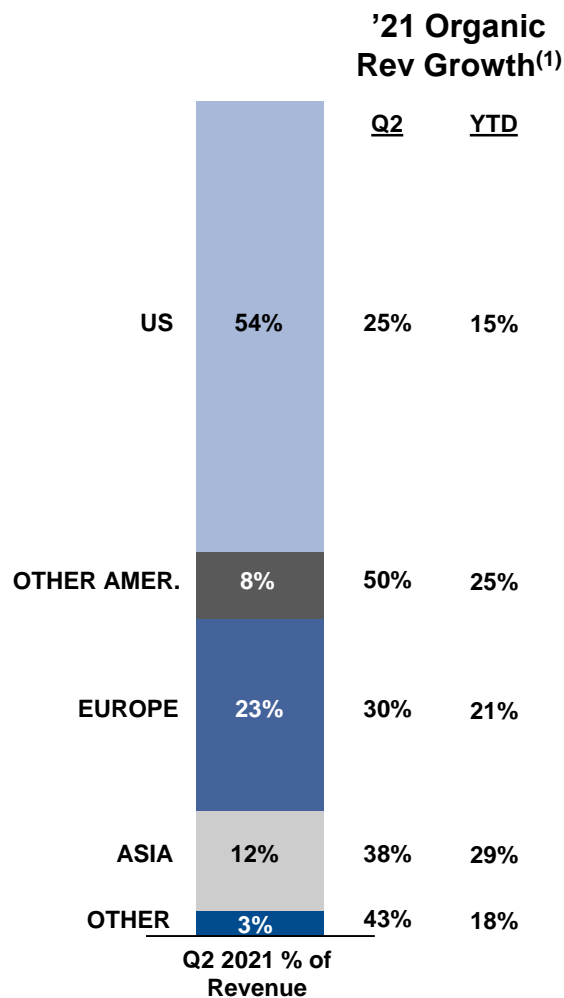
Segment Results

Q2 2021⁽¹⁾

Segment	Revenue (\$M) / Organic Change %	Adj. EBIT % / bps Δ Y-o-Y	Organic Revenue Change Q2'21 vs. '19	Performance Commentary
DEP	\$442 +25%	15.2% +0 bps	+0%	<ul style="list-style-type: none"> Top line strength in vehicle aftermarket, industrial automation, and aerospace & defense; recovery in industrial winches; waste handling flat on shipment timing Backlog⁽²⁾ up \$235M Y-o-Y (+62%); book-to-bill⁽²⁾ 1.12; organic bookings⁽²⁾ up 74% driven by strong orders in waste handling and vehicle aftermarket
DFS	\$437 +25%	18.4% +370 bps	+6%	<ul style="list-style-type: none"> Strength in NA retail fueling (above and below ground, EMV) and vehicle wash; continued softness in Asia (China) and fuel transport Backlog⁽²⁾ up \$57M Y-o-Y (+29%); book-to-bill⁽²⁾ 1.04; organic bookings⁽²⁾ up 34% on activity in NA retail fueling, vehicle wash
DII	\$294 +20%	20.7% +420 bps	+3%	<ul style="list-style-type: none"> Robust demand in marking & coding, serialization software. Textiles improving Backlog⁽²⁾ up \$37M Y-o-Y (+22%); book-to-bill⁽²⁾ 1.02; organic bookings⁽²⁾ up 27% driven by textiles and marking & coding
DPSS	\$429 +34%	32.5% +910 bps	+22%	<ul style="list-style-type: none"> Growth in biopharma connectors and pumps, industrial pumps (+24%) and polymer processing. Activity in compression improving Backlog⁽²⁾ up \$255M Y-o-Y (+67%); book-to-bill⁽²⁾ 1.22; organic bookings⁽²⁾ up 82% on double-digit growth across all operating units
DRFE	\$431 +44%	12.0% +580 bps	+15%	<ul style="list-style-type: none"> Strong demand in food retail, heat exchangers, and can making. Growth in foodservice equipment chains, improving outlook in institutional foodservice Backlog⁽²⁾ up \$464M Y-o-Y (+119%) to \$854M, driven by can making and food retail (\$290M and \$457M as of 6/30/21, respectively); book-to-bill⁽²⁾ 1.41; organic bookings⁽²⁾ up 83% on 50+% growth across all operating units

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

Revenue & Bookings



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

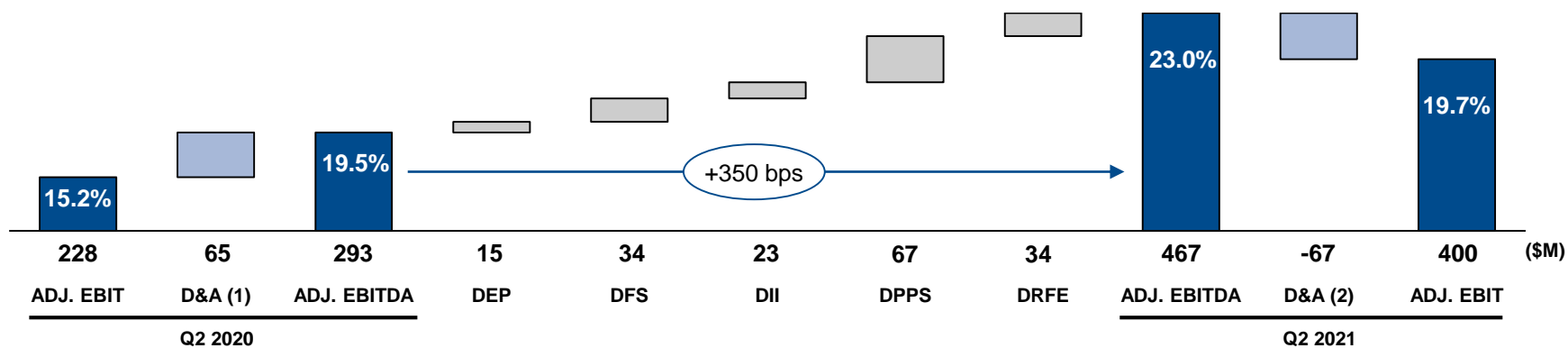
(1) Non-GAAP measure (definition and reconciliation in appendix)
 (2) Acquisitions: \$19M, dispositions: \$0M

(3) Acquisitions: \$28M, dispositions: \$0M
 (4) See performance measure definitions in appendix

Q2 2021 Adjusted Segment EBIT and Adjusted Net Earnings

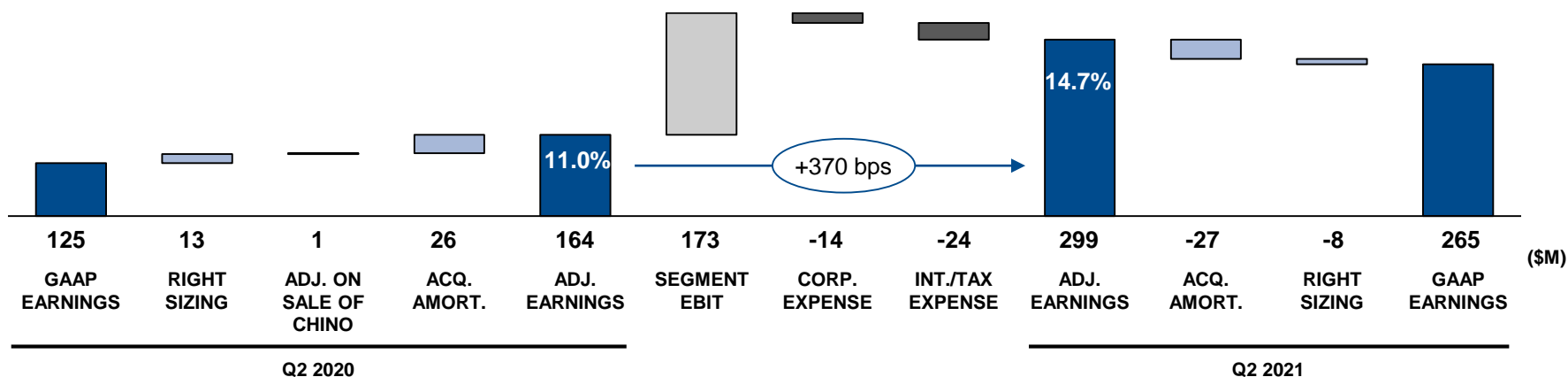
Change in Adjusted Segment EBIT ⁽³⁾

+\$173M



Change in Adjusted Net Earnings ⁽³⁾

+\$135M



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

(1) Depreciation: \$31M, Amortization: \$34M
 (2) Depreciation: \$32M, Amortization: \$35M
 (3) Non-GAAP measures (definitions and reconciliations in appendix)

YTD 2021 Free Cash Flow

\$M	YTD '21	YTD '20	Δ
Net earnings	497	301	+196
D&A	145	136	+9
Adjustment for gain on disposition	-	(6)	+6
Change in working capital	(188)	(101)	-87
Change in other ⁽¹⁾	(17)	17	-35
Cash flow from operations	437	348	+89
Capex	(73)	(79)	+6
Free cash flow⁽²⁾	364	269	+96
FCF % of revenue⁽²⁾	9.3%	8.5%	+80 bps
FCF % of adj. earnings⁽²⁾	64.8%	73.0%	-820 bps

Note: Numbers may not add due to rounding

H2 Outlook for Key Performance Drivers

Segment	Market / Demand	Operations ¹	Price – Cost	Mix	H2 2021 Comments
DEP					<ul style="list-style-type: none"> Robust backlogs in vehicle aftermarket and waste handling Largest materials cost headwind in the portfolio Supply chain and hiring constraints
DFS					<ul style="list-style-type: none"> US EMV headwind; growth in software/systems, underground; vehicle wash - mix from EMV and Asia, M&A / + mix from underground and vehicle wash
DII					<ul style="list-style-type: none"> Robust activity in core marking & coding and serialization software; recovery in textile printing ongoing
DPPS					<ul style="list-style-type: none"> Durable strength in biopharma and pumps; industrial pumps ramping Recovery in compression impacts mix (-)
DRFE					<ul style="list-style-type: none"> Double-digit growth expected in all four operating businesses Components, labor and logistics costs Volume leverage and productivity offset input cost inflation

- Directional impact on top-line and earnings margin (positive, neutral, negative)

(1) Inputs and labor availability, logistics

Capital Deployment Update

Select Capex Projects

DEP	ESG	Productivity Safety	<ul style="list-style-type: none"> Paint line upgrade
	VSG		<ul style="list-style-type: none"> Floor plan optimization
DFS	DFS	Efficiency	<ul style="list-style-type: none"> Global product platform harmonization
DII	M-I	Capacity Efficiency	<ul style="list-style-type: none"> India facility consolidation and expansion
DPPS	CPC	Capacity	<ul style="list-style-type: none"> Process automation
	PSG		<ul style="list-style-type: none"> Clean room expansion
DRFE	Belvac	Capacity	<ul style="list-style-type: none"> Lynchburg facility expansion
	SWEP		<ul style="list-style-type: none"> European facility expansion

Acquisitions



Digital

- Secure wireless communications



Digital

- Brand protection and customer engagement software



Digital

- Connected dispensing systems



Single-use pumps

- New disposable micro-dosing pump technology

Total Spend: ~\$75M¹

Total Spend: \$88M²

(1) Total spend over 2020, 2021, 2022

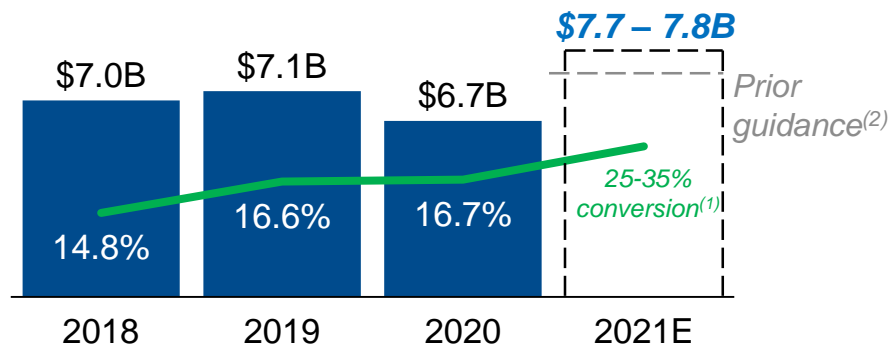
(2) Net of cash acquired and including contingent consideration

FY2021 Guidance Update

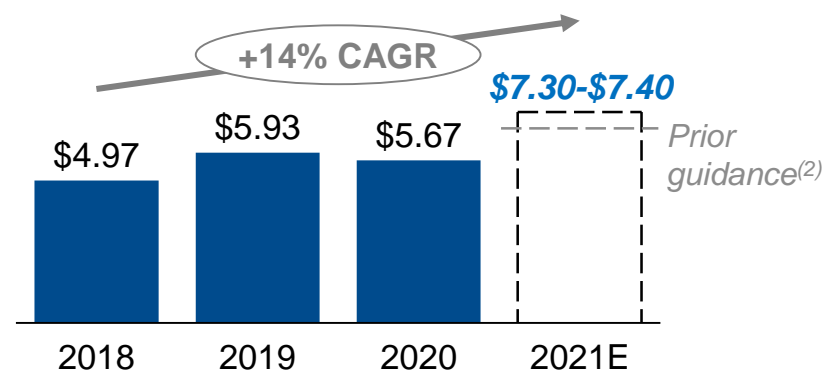
		Post-Q1 Guide		Revised Guide
All-in Revenue Growth		10-12%	+5 ppt →	15-17%
EPS	GAAP	\$5.92 - \$6.02		\$6.45 - \$6.55
	Adj.⁽¹⁾	\$6.75 - \$6.85	+\$0.55 →	\$7.30 - \$7.40
Tax rate		21% - 22%		No change
FCF⁽¹⁾ % of Revenue		11% - 13%	+1 ppt →	12% - 14%
Capex		~\$175 – 200 million		No change

Revenue and Adj. Segment EBIT Margin⁽¹⁾

— Adj. Segment EBIT Margin (%) ■ Revenue (\$B)



Adj. Earnings Per Share⁽¹⁾



Euro/Dollar assumption: 1.19

(1) Non-GAAP measure (definition and/or reconciliation in appendix)
 (2) Mid-point

Appendix

Organic Revenue and Bookings Bridges

	Q2 2021 Organic Growth	
	Revenue	Bookings
Organic		
Engineered Products	25.4%	73.5%
Fueling Solutions	24.9%	33.5%
Imaging & Identification	20.2%	26.6%
Pumps & Process Solutions	33.6%	81.7%
Refrigeration & Food Equipment	43.5%	83.1%
Total Organic	29.7%	61.2%
Acquisitions	1.3%	2.0%
Dispositions	0.0%	0.0%
Currency translation	4.5%	5.0%
Total	35.5%	68.2%

	Geographic Revenue Growth Factors	
	Q2 2021	Q2 2021 YTD
Organic		
US	25.0%	15.4%
Other Americas	49.6%	24.7%
Europe	29.8%	20.6%
Asia	37.6%	29.0%
Other	43.0%	17.8%
Total Organic	29.7%	18.7%
Acquisitions	1.3%	1.3%
Dispositions	0.0%	-0.2%
Currency translation	4.5%	3.8%
Total	35.5%	23.6%

Note: Numbers may not add due to rounding

Q2 2020 to Q2 2021 Revenue and Bookings Bridges by Segment

Revenue Bridge by Segment

(\$ in millions)

	DEP	DFS	DII	DPPS	DRFE	Total
Q2 2020 Revenue	342	326	228	309	294	1,499
Organic Growth	87	81	46	104	128	445
FX	13	15	17	14	9	68
Acquisitions / Dispositions	-	14	3	2	-	19
Q2 2021 Revenue	442	437	294	429	431	2,032

Bookings Bridge by Segment

(\$ in millions)

	DEP	DFS	DII	DPPS	DRFE	Total
Q2 2020 Bookings	278	311	221	276	326	1,413
Organic Growth	205	104	59	225	271	865
FX	14	17	17	15	9	71
Acquisitions / Dispositions	-	20	2	5	-	28
Q2 2021 Bookings	497	453	300	521	607	2,377

Note: Numbers may not add due to rounding

Organic Revenue Growth and Q2 2021 vs. Q2 2019 Comparison

Segment Growth Factors

	Q2 Organic Growth		Q2 '21 vs. Q2 '19 Organic Growth
	2020	2021	
Organic			
Engineered Products	-20.1%	25.4%	0.3%
Fueling Solutions	-14.8%	24.9%	6.4%
Imaging & Identification	-14.0%	20.2%	3.3%
Pumps & Process Solutions	-8.8%	33.6%	21.8%
Refrigeration & Food Equipment	-20.2%	43.5%	14.5%
Total Organic	-16.0%	29.7%	9.0%
Acquisitions	0.7%	1.3%	2.0%
Dispositions	-0.7%	0.0%	-0.7%
Currency translation	-1.2%	4.5%	3.2%
Total	-17.2%	35.5%	12.2%

Note: Numbers may not add due to rounding

Reconciliation of Q2 2021 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	Q2 2021					Total
	DEP	DFS	DII	DPPS	DRFE	
Revenue	442	437	294	429	431	2,032
Net earnings	-	-	-	-	-	265
Add back:						
Corporate expense	-	-	-	-	-	41
Interest expense, net	-	-	-	-	-	26
Income tax expense	-	-	-	-	-	59
Segment earnings (EBIT)	63	79	61	139	49	390
EBIT %	14.2%	18.0%	20.7%	32.3%	11.4%	19.2%
Adjustments:						
Rightsizing and other costs	5	2	0	1	3	10
Adjusted EBIT - Segment	67	80	61	140	52	400
Adjusted EBIT %	15.2%	18.4%	20.7%	32.5%	12.0%	19.7%
Adjusted depreciation and amortization expense ⁽¹⁾	10	19	9	17	12	67
Adjusted EBITDA - Segment	77	100	70	156	64	467
Adjusted EBITDA %	17.4%	22.9%	23.8%	36.5%	14.8%	23.0%

Note: Numbers may not add due to rounding

(1) Adjusted depreciation and amortization expense excludes depreciation and amortization included within rightsizing and other costs

Reconciliation of Q2 2020 Net Earnings to Adj. EBIT and Adj. EBITDA and Calculation of Adj. EBIT Margin and Adj. EBITDA Margin by Segment

(\$ in millions)	Q2 2020					
	DEP	DFS	DII	DPPS	DRFE	Total
Revenue	342	326	228	309	294	1,499
Net earnings	-	-	-	-	-	125
Add back:						
Corporate expense	-	-	-	-	-	27
Interest expense, net	-	-	-	-	-	28
Income tax expense	-	-	-	-	-	32
Segment earnings (EBIT)	48	47	38	68	11	212
EBIT %	13.9%	14.5%	16.7%	21.9%	3.9%	14.1%
Adjustments:						
Rightsizing and other costs	4	1	(1)	5	6	15
Loss on Disposition	-	-	-	-	1	1
Adjusted EBIT - Segment	52	48	38	72	18	228
Adjusted EBIT %	15.2%	14.7%	16.5%	23.4%	6.2%	15.2%
Adjusted depreciation and amortization expense ⁽¹⁾	10	18	9	17	11	65
Adjusted EBITDA - Segment	62	66	47	89	30	293
Adjusted EBITDA %	18.0%	20.2%	20.5%	28.9%	10.1%	19.5%

Note: Numbers may not add due to rounding

(1) Adjusted depreciation and amortization expense excludes depreciation and amortization included within rightsizing and other costs

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

(\$ in millions, except per share data)

	Q2 2021	Q2 2020	FY 2020	FY 2019	FY 2018
Net earnings from continuing operations (\$)	265	125	683	678	591
Acquisition-related amortization, pre tax	35	34	139	138	146
Acquisition-related amortization, tax impact	(9)	(8)	(34)	(35)	(37)
Rightsizing and other costs, pre tax	11	17	51	32	73
Rightsizing and other costs, tax impact	(3)	(3)	(11)	(7)	(15)
(Loss) / Gain on disposition, pre tax	-	1	(5)	-	-
(Loss) / Gain on disposition, tax impact	-	-	1	-	-
Loss on extinguishment of debt, pre-tax	-	-	-	24	-
Loss on extinguishment of debt, tax impact	-	-	-	(5)	-
Loss on assets held for sale	-	-	-	47	-
Tax Cuts and Jobs Act	-	-	-	-	(3)
Adjusted net earnings from continuing operations (\$)	299	164	824	872	756
Adjusted net earnings margin	14.7%	11.0%	12.3%	12.2%	10.8%
Weighted average shares outstanding – diluted	145	145	145	147	152
Diluted EPS from continuing operations (\$)	1.82	0.86	4.70	4.61	3.89
Acquisition-related amortization, pre tax	0.24	0.24	0.95	0.94	0.96
Acquisition-related amortization, tax impact	(0.06)	(0.06)	(0.24)	(0.24)	(0.24)
Rightsizing and other costs, pre tax	0.07	0.12	0.35	0.22	0.48
Rightsizing and other costs, tax impact	(0.02)	(0.02)	(0.07)	(0.06)	(0.10)
(Loss) / Gain on disposition, pre tax	-	-	(0.03)	-	-
(Loss) / Gain on disposition, tax impact	-	-	0.01	-	-
Loss on extinguishment of debt, pre-tax	-	-	-	0.16	-
Loss on extinguishment of debt, tax impact	-	-	-	(0.04)	-
Loss on assets held for sale	-	-	-	0.32	-
Tax Cuts and Jobs Act	-	-	-	-	(0.02)
Adjusted diluted EPS from continuing operations (\$)	2.06	1.13	5.67	5.93	4.97

Note: Numbers may not add due to rounding

Reconciliation of FY 2020, FY 2019, and FY 2018 Earnings from Continuing Operations to Adj. Segment EBIT and Calculation of Adj. EBIT Margin

(\$ in millions)	FY 2020	FY 2019	FY 2018
Revenue	6,684	7,136	6,992
Earnings from continuing operations	683	678	591
Add back:			
Corporate expense	127	124	130
Interest expense, net	108	121	122
Income tax expense	158	165	134
Loss on extinguishment of debt	-	24	-
Segment earnings (EBIT)	1,077	1,112	977
EBIT %	16.1%	15.6%	14.0%
Adjustments:			
Rightsizing and other costs	44	27	59
Gain on AMS Chino	(5.0)	-	-
Loss on sale of Finder	-	47	-
Adjusted EBIT - Segment	1,116	1,186	1,036
Adjusted EBIT %	16.7%	16.6%	14.8%

Reconciliation of Free Cash Flow, EPS to Adjusted EPS, and Adjusted EBIT Conversion Margin

(\$ millions)	Free Cash Flow	
	YTD 2021	YTD 2020
Net Cash Provided by Operating Activities	437	348
Capital Expenditures	(73)	(79)
Free Cash Flow	364	269
Free Cash Flow as a % of Net Earnings	73.2%	89.2%
Free Cash Flow as a % of Adjusted Net Earnings	64.8%	73.0%
Free Cash Flow as a % of Revenue	9.3%	8.5%

	Range	
2021 Guidance for Earnings per Share (GAAP)	\$6.45	\$6.55
Acquisition-related amortization, net		\$0.74
Rightsizing and other costs, net		\$0.11
2021 Guidance for Adjusted Earnings per Share (Non-GAAP)	\$7.30	\$7.40

(\$ in millions)	Adj. EBIT Conversion Margin		
	Q2 2021	Q2 2020	Δ
Revenue	2,032	1,499	533
Adjusted EBIT - Segment	400	228	172
Adjusted EBIT Conversion Margin			32%

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, and gain on dispositions.

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, and gain on dispositions

Adjusted EBIT Margin by Segment: is defined as adjusted EBIT by segment divided by segment revenue. The bps change Y-o-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.

Adjusted 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 second 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.

