Envista Reports Third Quarter 2025 Results

BREA, Calif., October 29, 2025 /PRNewswire/ -- Envista Holdings Corporation (NYSE: NVST) today announced results for the quarter ended September 26, 2025.

"This was another strong quarter for Envista, with core growth, adjusted EBITDA, and adjusted EPS all ahead of expectations," said Paul Keel, CEO. "We delivered positive growth in all major businesses and once again captured share with Spark aligners, while also turning to profitability in the business. My thanks to our teams around the world for making all this progress possible."

Financial Highlights:

- **Q3 2025 highlights**
  - Sales were $670 million, with core sales growth of 9.4% over the third quarter of 2024.
  - GAAP EPS of ($0.18) and adjusted EPS of $0.32 (+167% year-on-year)
  - GAAP Net Loss was $30 million, as a result of a tax charge from the restructuring of certain intercompany loans
  - Adjusted EBITDA was $97 million (+77% year-on-year) and adjusted EBITDA margin of 14.5% (+540 bps year-on-year)
- **Q3 YTD 2025 highlights:**
  - Sales were $1,969 million, with core sales growth of 5.0% over the first nine months of 2024
  - GAAP EPS of $0.08 and adjusted EPS of $0.82 (+67% year-on-year)
  - GAAP Net income was $14 million
  - Adjusted EBITDA was $260 million (+27% year-on-year) and adjusted EBITDA margin of 13.2% (+220 bps year-on-year)

Q3 2025 Business Highlights

- Growth: All major businesses delivered positive growth supported by several new product launches
- Operations: Ongoing broad-based contributions from the Envista Business System (EBS), including Spark achieving positive operating margin
- People: Published our 2024 Sustainability report detailing our progress in areas such as community engagement and environmental stewardship

Net Income, EBITDA, and EPS (in millions, except per share amounts)**:**

	Three Months Ended		Nine Months Ended	
	September 26, 2025	**September 27, 2024**	**September 26, 2025**	**September 27, 2024**
GAAP Net (Loss) Income	$ (30)	$ 8	$ 14	$ (1,120)
Adjusted Net Income	$ 54	$ 21	$ 139	$ 85
Adjusted EBITDA	$ 97	$ 55	$ 260	$ 205
GAAP Diluted (Loss) Earnings Per Share	$ (0.18)	$ 0.05	$ 0.08	$ (6.51)
Adjusted Diluted Earnings Per Share	$ 0.32	$ 0.12	$ 0.82	$ 0.49

Cash flow:

Operating cash flow for the third quarter of 2025 was $79 million and free cash flow was $68 million, compared to $71 million and $63 million in the third quarter of 2024, respectively.

Share repurchases:

During the quarter ended September 26, 2025, we repurchased 2.1 million shares for approximately $41 million. At the end of the quarter, we had $108 million remaining repurchase capacity under our stock repurchase program.

Outlook:

The Company is updating its guidance for the full year 2025:

	Current 2025 Guidance	Prior 2025 Guidance
Core Sales Growth	~4%	3% to 4%
Adjusted EBITDA Margin	~14%	~14%
Adjusted Diluted Earnings Per Share	$1.10 to $1.15	$1.05 to $1.15

Please note, we do not provide forward-looking estimates on a GAAP basis as certain information is not available and cannot be reasonably estimated.

Envista will discuss its quarterly results and provide details on its outlook for 2025 during an investor conference call on October 30, 2025 starting at 2:00 P.M. PT. The call and an accompanying slide presentation will be webcast on the "Investors" section of Envista's website, www.envistaco.com, under the subheading "Events & Presentations." A replay of the webcast will be available in the same section of Envista's website shortly after the conclusion of the presentation and will remain available until the next quarterly earnings call.

The conference call can be accessed by dialing 800-836-8184 within the U.S. or +1 646-357-8785 outside the U.S. a few minutes before 2:00 PM PT and referencing conference ID #95263. A replay of the conference call will be available shortly after the conclusion of the call. You can access the replay dial-in information on the "Investors" section of Envista's website under the subheading "Events & Presentations." Presentation materials relating to Envista's results have been posted to the "Investors" section of Envista's website under the subheading "Quarterly Earnings."

ABOUT ENVISTA

Envista is a global family of more than 30 trusted dental brands, including Nobel Biocare, Ormco, DEXIS, and Kerr united by a shared purpose: to partner with professionals to improve lives. Envista helps its customers deliver the best possible patient care through industry-leading dental consumables, solutions, technology, and services. Our comprehensive portfolio, including dental implants and treatment options, orthodontics, and digital imaging technologies, covers a wide range of dentists' clinical needs for diagnosing, treating, and preventing dental conditions as well as improving the aesthetics of the human smile. With a foundation comprised of the proven Envista Business System (EBS) methodology, an experienced leadership team, and a strong culture grounded in continuous improvement, commitment to innovation, and deep customer focus, Envista is well equipped to meet the end-to-end needs of dental professionals worldwide. Envista is one of the largest global dental products companies, with significant market positions in some of the most attractive segments of the dental products industry. For more information, please visit www.envistaco.com.

NON-GAAP MEASURES

All "Adjusted" amounts including core sales growth and free cash flow are non-GAAP items. Calculations of these measures, the reasons why we believe these measures provide useful information to investors, a reconciliation of these measures to the most directly comparable GAAP measures, and other information relating to these non-GAAP measures are included in the attached supplemental schedules. We do not reconcile forward looking non-GAAP measures to the comparable GAAP measures because of the inherent difficulty in predicting and estimating the future impact and timing of currency translation, acquisitions, discontinued products, and any other potential adjustments which would be reflected in any forecasted GAAP measure.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release are "forward-looking" statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things, the conditions in the U.S. and global economy, the impact of inflation and increasing interest rates, slower economic growth or recession, international economic, political, legal, compliance and business factors, the markets served by us and the financial markets, the impact of our debt obligations on our operations and liquidity, developments and uncertainties in trade policies and regulations including tariffs or other impositions on imported goods, contractions or growth rates and cyclicality of markets we serve, risks relating to product manufacturing, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole or limited sources of supply, disruptions relating to war, terrorism, climate change, widespread protests and civil unrest, man-made and natural disasters, public health issues and other events, security breaches or other disruptions of our information technology systems or violations of data privacy laws, security breaches or other disruptions affecting our external information technology contractors, vendors or other service providers, fluctuations in inventory of our distributors and customers, loss of a key distributor, our relationships with and the performance of our channel partners, competition, our ability to develop and successfully market new products and services, our ability to attract, develop and retain our key personnel, the potential for improper conduct by our employees, agents or business partners, our compliance with applicable laws and regulations (including regulations relating to medical devices and the health care industry), the results of our clinical trials and perceptions thereof, penalties associated with any off-label marketing of our products, modifications to our products that require new marketing clearances or authorizations, our ability to effectively address cost reductions and other changes in the health care industry, our ability to successfully identify and consummate appropriate acquisitions and strategic investments, our ability to integrate the businesses we acquire and achieve the anticipated benefits of such acquisitions, contingent liabilities relating to acquisitions, investments and divestitures, our ability to adequately protect our intellectual property, the impact of our restructuring activities on our ability to grow, risks relating to impairment charges for our goodwill and intangible assets, changes in accounting standards and subjective assumptions, estimates and judgment by management, currency exchange rates, changes in tax laws applicable to multinational companies, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, risks relating to product, service or software defects, the impact of regulation on demand for our products and services, and labor matters. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our Annual Report on Form 10-K for fiscal year 2024 and our Quarterly reports on Form 10-Q. These forward-looking statements speak only as of the date of this press release and except to the extent required by applicable law, we do not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

CONTACT

Jim Gustafson
Vice President, Investor Relations
Envista Holdings Corporation
200 S. Kraemer Blvd., Building E
Brea, CA 92821
IR@envistaco.com

ENVISTA HOLDINGS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
($ and shares in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Sales	$ 669.9	$ 601.0	$ 1,968.9	$ 1,857.7
Cost of sales	299.7	283.7	892.8	857.5
Gross profit	370.2	317.3	1,076.1	1,000.2
Operating expenses:				
Selling, general and administrative	284.4	270.9	851.4	858.3
Research and development	28.3	25.5	81.9	72.4
Goodwill and intangible asset impairment	—	—	—	1,153.8
Operating profit (loss)	57.5	20.9	142.8	(1,084.3)
Nonoperating (expense) income:				
Other income (expense), net	1.4	0.6	3.1	(0.4)
Interest expense, net	(9.0)	(11.9)	(26.3)	(36.5)
Income (loss) before income taxes	49.9	9.6	119.6	(1,121.2)
Income tax expense (benefit)	80.2	1.4	105.5	(1.4)
Net (loss) income	$ (30.3)	$ 8.2	$ 14.1	$ (1,119.8)
(Loss) earnings per share:				
(Loss) earnings - basic	$ (0.18)	$ 0.05	$ 0.08	$ (6.51)
(Loss) earnings - diluted	$ (0.18)	$ 0.05	$ 0.08	$ (6.51)
Average common stock and common equivalent shares outstanding:				
Basic	166.1	172.2	169.2	172.1
Diluted	166.1	172.9	170.3	172.1

ENVISTA HOLDINGS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
($ in millions, except share amounts)

	As of	
	September 26, 2025	**December 31, 2024**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,133.9	$ 1,069.1
Trade accounts receivable, less allowance for credit losses of $21.8 and $26.6, respectively	405.9	363.0
Inventories, net	290.8	241.0
Prepaid expenses and other current assets	117.7	115.2
Total current assets	1,948.3	1,788.3
Property, plant and equipment, net	288.4	277.0
Operating lease right-of-use assets	148.0	142.8
Other long-term assets	249.3	230.6
Goodwill	2,362.7	2,261.9
Other intangible assets, net	645.8	649.9
Total assets	$ 5,642.5	$ 5,350.5
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt	$ —	$ 116.0
Trade accounts payable	156.0	174.6
Accrued expenses and other liabilities	626.5	553.6
Operating lease liabilities	39.2	34.5
Total current liabilities	821.7	878.7
Operating lease liabilities	117.5	118.9
Other long-term liabilities	169.7	139.8
Long-term debt	1,445.4	1,278.3
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 15.0 million shares authorized; no shares issued or outstanding at September 26, 2025 and December 31, 2024	—	—
Common stock, $0.01 par value, 500.0 million shares authorized; 175.3 million shares issued and 165.0 million shares outstanding at September 26, 2025; 174.2 million shares issued and 172.2 million shares outstanding at December 31, 2024	1.8	1.7
Treasury stock at cost; 10.3 million shares and 2.0 million shares at September 26, 2025 and December 31, 2024, respectively	(199.0)	(50.5)
Additional paid-in capital	3,871.8	3,842.1
Accumulated deficit	(473.3)	(487.4)
Accumulated other comprehensive loss	(113.1)	(371.1)
Total stockholders' equity	3,088.2	2,934.8
Total liabilities and stockholders' equity	$ 5,642.5	$ 5,350.5

ENVISTA HOLDINGS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
($ in millions)

	Nine Months Ended	
	September 26, 2025	**September 27, 2024**
Cash flows from operating activities:		
Net income (loss)	$ 14.1	$ (1,119.8)
Noncash items:		
Depreciation	30.0	31.6
Amortization	56.9	63.7
Allowance for credit losses	6.0	16.0
Stock-based compensation expense	27.2	26.1
Gain on investments in rabbi trust, net	(3.0)	(0.6)
Loss on equity investments, net	—	1.1
Loss on sale of property, plant and equipment	0.3	—
Goodwill and intangible asset impairments	—	1,153.8
Fixed assets impairments and other charges	2.2	17.1
Non-cash operating lease costs	25.8	23.1
Amortization of debt discount and issuance costs	3.2	3.7
Deferred income taxes	25.4	(46.8)
Change in trade accounts receivable	(23.6)	(0.9)
Change in inventories	(34.6)	(11.6)
Change in trade accounts payable	(25.9)	(7.5)
Change in prepaid expenses and other assets	1.5	(12.9)
Change in accrued expenses and other liabilities	95.0	99.5
Change in operating lease liabilities	(32.8)	(31.5)
Net cash provided by operating activities	167.7	204.1
Cash flows from investing activities:		
Payments for additions to property, plant and equipment	(29.0)	(25.2)
Purchases of investments held in rabbi trust	(9.6)	(32.6)
Proceeds from sale of investments held in rabbi trust	9.9	8.8
Proceeds from sales of property, plant and equipment	0.5	—
Proceeds from sale of equity investment	—	0.4
All other investing activities, net	(7.4)	1.4
Net cash used in investing activities	(35.6)	(47.2)
Cash flows from financing activities:		
Proceeds from stock option exercises	2.5	2.0
Cash paid for treasury stock	(142.3)	—
Tax withholding payment related to net settlement of equity awards	(5.0)	(4.0)
Repayment of convertible notes due 2025	(116.3)	—
Repayment of borrowings	—	(100.0)
Proceeds from revolving line of credit	115.4	—
All other financing activities	—	(0.8)
Net cash used in financing activities	(145.7)	(102.8)
Effect of exchange rate changes on cash and cash equivalents	78.4	(2.8)
Net change in cash and cash equivalents	64.8	51.3
Beginning balance of cash and cash equivalents	1,069.1	940.0
Ending balance of cash and cash equivalents	$ 1,133.9	$ 991.3

ENVISTA HOLDINGS CORPORATION
SUMMARY OF FINANCIAL METRICS (Unaudited)
($ in millions, except per share amounts)

	GAAP			
	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Gross Profit	$ 370.2	$ 317.3	$ 1,076.1	$ 1,000.2
Operating Profit (Loss)	$ 57.5	$ 20.9	$ 142.8	$ (1,084.3)
Net (Loss) Income	$ (30.3)	$ 8.2	$ 14.1	$ (1,119.8)
Diluted (Loss) Earnings Per Share	$ (0.18)	$ 0.05	$ 0.08	$ (6.51)
Operating Cash Flow	$ 78.7	$ 70.7	$ 167.7	$ 204.1

	NON-GAAP *			
	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Adjusted Gross Profit	$ 375.7	$ 317.4	$ 1,085.2	$ 1,018.3
Adjusted Operating Profit	$ 85.6	$ 43.8	$ 227.3	$ 172.8
Adjusted Net Income	$ 53.7	$ 21.1	$ 138.9	$ 85.4
Adjusted Diluted EPS	$ 0.32	$ 0.12	$ 0.82	$ 0.49
Adjusted EBITDA	$ 97.1	$ 54.9	$ 260.4	$ 205.1
Free Cash Flow	$ 67.9	$ 63.3	$ 139.2	$ 178.9

***** For information on non-GAAP measures see "Reconciliation of GAAP to Non-GAAP Financial Measures" below. Also see the accompanying "Notes to Reconciliation of GAAP to Non-GAAP Financial Measures."

ENVISTA HOLDINGS CORPORATION
SEGMENT INFORMATION (Unaudited)
($ in millions)

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Sales				
Specialty Products & Technologies	$ 431.5	$ 381.7	$ 1,276.9	$ 1,205.5
Equipment & Consumables	238.4	219.3	692.0	652.2
Total	$ 669.9	$ 601.0	$ 1,968.9	$ 1,857.7
Operating Profit (Loss)				
Specialty Products & Technologies	$ 48.1	$ 12.3	$ 131.0	$ 62.5
Equipment & Consumables	41.5	38.6	109.5	100.7
Other	(32.1)	(30.0)	(97.7)	(1,247.5)
Total	$ 57.5	$ 20.9	$ 142.8	$ (1,084.3)
Operating Margins				
Specialty Products & Technologies	11.1 %	3.2 %	10.3 %	5.2 %
Equipment & Consumables	17.4 %	17.6 %	15.8 %	15.4 %
Total	8.6 %	3.5 %	7.3 %	(58.4)%

ENVISTA HOLDINGS CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)
($ and shares in millions, except per share amounts)

Adjusted Gross Profit and Adjusted Gross Margin

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Gross Profit	$ 370.2	$ 317.3	$ 1,076.1	$ 1,000.2
Restructuring costs and asset impairments [B]	4.9	0.1	7.1	18.1
Fair value adjustment of acquisition-related inventory [C]	0.6	—	2.0	—
Adjusted Gross Profit	$ 375.7	317.4	$ 1,085.2	$ 1,018.3
Gross Margin (Gross Profit / Sales)	55.3 %	52.8 %	54.7 %	53.8 %
Adjusted Gross Margin (Adjusted Gross Profit / Sales)	56.1 %	52.8 %	55.1 %	54.8 %

Adjusted Operating Profit

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Consolidated				
Operating Profit (Loss)	$ 57.5	$ 20.9	$ 142.8	$ (1,084.3)
Amortization of acquisition-related and other intangible assets	19.1	18.7	56.9	63.7
Goodwill and intangible asset impairments [A]	—	—	—	1,153.8
Restructuring costs and asset impairments [B]	8.3	4.2	24.4	34.9
Fair value adjustment of acquisition-related inventory [C]	0.6	—	2.0	—
Litigation settlement [D]	—	—	0.8	4.7
Acquisition-related expenses [F]	0.1	—	0.4	—
Adjusted Operating Profit	$ 85.6	$ 43.8	$ 227.3	$ 172.8
Adjusted Operating Profit as a % of Sales	12.8 %	7.3 %	11.5 %	9.3 %
Specialty Products & Technologies				
Operating Profit	$ 48.1	$ 12.3	$ 131.0	$ 62.5
Amortization of acquisition-related and other intangible assets	15.1	14.4	44.5	43.1
Restructuring costs and asset impairments [B]	3.5	0.2	7.8	21.1
Adjusted Operating Profit	$ 66.7	$ 26.9	$ 183.3	$ 126.7
Adjusted Operating Profit as a % of Sales	15.5 %	7.0 %	14.4 %	10.5 %
Equipment & Consumables				
Operating Profit	$ 41.5	$ 38.6	$ 109.5	$ 100.7
Amortization of acquisition-related and other intangible assets	4.0	4.3	12.4	20.6
Restructuring costs and asset impairments [B]	2.4	1.0	5.9	4.2
Litigation settlement [D]	—	—	0.8	—
Adjusted Operating Profit	$ 47.9	$ 43.9	$ 128.6	$ 125.5
Adjusted Operating Profit as a % of Sales	20.1 %	20.0 %	18.6 %	19.2 %

See the accompanying Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

Adjusted Net Income

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net (Loss) Income	$ (30.3)	$ 8.2	$ 14.1	$ (1,119.8)
Amortization of acquisition-related and other intangible assets	19.1	18.7	56.9	63.7
Goodwill and intangible asset impairments [A]	—	—	—	1,153.8
Restructuring costs and asset impairments [B]	8.3	4.2	24.4	34.9
Fair value adjustment of acquisition-related inventory [C]	0.6	—	2.0	—
Litigation settlement [D]	—	—	0.8	4.7
Loss on equity investments, net [E]	—	—	—	1.1
Acquisition-related expenses [F]	0.1	—	0.4	—
Tax effect of adjustments reflected above [G]	(5.3)	(10.2)	(20.3)	(53.8)
Discrete tax adjustments and other tax-related adjustments [H]	61.2	0.2	60.6	0.8
Adjusted Net Income	$ 53.7	$ 21.1	$ 138.9	$ 85.4

Adjusted Diluted Earnings Per Share

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Diluted (Loss) Earnings	$ (0.18)	$ 0.05	$ 0.08	$ (6.51)
Amortization of acquisition-related and other intangible assets	0.11	0.11	0.33	0.37
Goodwill and intangible asset impairments [A]	—	—	—	6.67
Restructuring costs and asset impairments [B]	0.05	0.02	0.14	0.20
Fair value adjustment of acquisition-related inventory [C]	—	—	0.01	—
Litigation settlement [D]	—	—	0.01	0.03
Loss on equity investments, net [E]	—	—	—	0.01
Acquisition-related expenses [F]	—	—	—	—
Tax effect of adjustments reflected above [G]	(0.03)	(0.06)	(0.12)	(0.31)
Discrete tax adjustments and other tax-related adjustments [H]	0.37	—	0.37	—
Net (loss) to adjusted net income share adjustment [I]	—	—	—	0.03
Adjusted Diluted Earnings Per Share	$ 0.32	$ 0.12	$ 0.82	$ 0.49

Adjusted Diluted Shares Outstanding

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Average common stock shares outstanding - basic	166.1	172.2	169.2	172.1
Assumed exercise of dilutive options, vesting of dilutive restricted stock and performance stock units and assumed conversion of 2025 Convertible Notes [I]	1.4	0.7	1.1	0.9
Average common stock and common equivalent shares outstanding - diluted	167.5	172.9	170.3	173.0

Adjusted EBITDA

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net Income (Loss)	$ (30.3)	$ 8.2	$ 14.1	$ (1,119.8)
Interest expense, net	9.0	11.9	26.3	36.5
Income tax expense (benefit)	80.2	1.4	105.5	(1.4)
Depreciation	10.1	10.5	30.0	31.6
Amortization of acquisition-related and other intangible assets	19.1	18.7	56.9	63.7
Goodwill and intangible asset impairments [A]	—	—	—	1,153.8
Restructuring costs and asset impairments [B]	8.3	4.2	24.4	34.9
Fair value adjustment of acquisition-related inventory [C]	0.6	—	2.0	—
Litigation settlement [D]	—	—	0.8	4.7
Loss on equity investments, net [E]	—	—	—	1.1
Acquisition-related expenses [F]	0.1	—	0.4	—
Adjusted EBITDA	$ 97.1	$ 54.9	$ 260.4	$ 205.1
Adjusted EBITDA as a % of Sales	14.5 %	9.1 %	13.2 %	11.0 %

See the accompanying Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

Core Sales Growth [1]

Consolidated	% Change Three Month Period Ended September 26, 2025 vs. Comparable 2024 Period	% Change Nine Month Period Ended September 26, 2025 vs. Comparable 2024 Period
Total sales growth	11.5 %	6.0 %
Plus the impact of:		
Acquisitions	(0.2)%	(0.2)%
Currency exchange rates	(1.9)%	(0.8)%
Core sales growth	9.4 %	5.0 %
Specialty Products & Technologies		
Total sales growth	13.0 %	5.9 %
Plus the impact of:		
Acquisitions	(0.3)%	(0.3)%
Currency exchange rates	(2.1)%	(0.9)%
Core sales growth	10.6 %	4.7 %
Equipment & Consumables		
Total sales growth	8.7 %	6.1 %
Plus the impact of:		
Currency exchange rates	(1.4)%	(0.6)%
Core sales growth	7.3 %	5.5 %

[1] We use the term "core sales" to refer to GAAP revenue excluding (1) sales from acquired businesses recorded prior to the first anniversary of the acquisition ("acquisitions"), (2) sales from discontinued products and (3) the impact of currency translation. Sales from discontinued products includes major brands or products that Envista has made the decision to discontinue as part of a portfolio restructuring. Discontinued brands or products consist of those which Envista (1) is no longer manufacturing, (2) is no longer investing in the research or development of, and (3) expects to discontinue all significant sales within one year from the decision date to discontinue. The portion of sales attributable to discontinued brands or products is calculated as the net decline of the applicable discontinued brand or product from period-to-period. The portion of GAAP revenue attributable to currency exchange rates is calculated as the difference between (a) the period-to-period change in sales and (b) the period-to-period change in sales after applying current period foreign exchange rates to the prior year period. We use the term "core sales growth" to refer to the measure of comparing current period core sales with the corresponding period of the prior year.

Reconciliation of Operating Cash Flows to Free Cash Flow

	Three Months Ended		Nine Months Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Net Operating Cash Provided by Operating Activities	$ 78.7	$ 70.7	$ 167.7	$ 204.1
Less: payments for additions to property, plant and equipment (capital expenditures)	(10.8)	(7.4)	(29.0)	(25.2)
Plus: proceeds from sales of property, plant and equipment	—	—	0.5	—
Free Cash Flow (FCF)	$ 67.9	$ 63.3	$ 139.2	$ 178.9
FCF to Adjusted Net Income Conversion Ratio	126 %	300 %	100 %	209 %

See the accompanying Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

ENVISTA HOLDINGS CORPORATION
NOTES TO RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (UNAUDITED)

[A] Represents impairment charge related to goodwill and certain intangible assets.

[B] We exclude impairment of certain long-lived assets, executive transition costs, and cost incurred pursuant to discrete restructuring plans.

[C] Represents the fair value adjustment related to inventory acquired in connection with acquisitions.

[D] Represents the settlement of certain litigation matters.

[E] Represents losses on equity investments.

[F] Represents acquisition-related transaction expenses and integration costs with respect to business combinations.

[G] This line item reflects the aggregate tax effect of all pretax adjustments reflected in the preceding line items of the table using each adjustment's applicable tax rate, including the effect of interim tax accounting requirements of Accounting Standards Codification Topic 740 *Income Taxes.*

[H] The discrete tax matters relate to excess tax benefits from stock-based compensation, changes in estimates associated with prior period uncertain tax positions and audit settlements, tax benefits resulting from a change in law, changes in determination of realization of certain deferred tax assets and tax expense related to the restructuring of certain intercompany loans.

[I] The Company was in a net loss position for the three months ended September 26, 2025, therefore no shares reserved for issuance upon exercise of stock options, or vesting of restricted stock and performance stock units were included in the computation of diluted loss per share as their inclusion would have been anti-dilutive. However, given that the adjustments noted in footnotes A-H resulted in adjusted net income for the three months ended September 26, 2025, the dilutive impact of stock options and restricted stock and performance stock units are being included to arrive at adjusted diluted shares outstanding. Additionally, the Company was in a net loss position for the nine months ended September 27, 2024, therefore no shares reserved for issuance upon exercise of stock options, vesting of restricted stock and performance stock units or assumed conversion of the convertible senior notes due 2025 were included in the computation of diluted loss per share as their inclusion would have been anti-dilutive. However, given that the adjustments noted in footnotes A-H resulted in adjusted net income for the nine months ended September 27, 2024, the dilutive impact of stock options, restricted stock and performance stock units and assumed conversion of the convertible senior secured notes due 2025 are being included to arrive at adjusted diluted shares outstanding.

Statement Regarding Non-GAAP Measures

Each of the non-GAAP measures set forth above should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP measure, and may not be comparable to similarly titled measures reported by other companies. Management believes that these measures provide useful information to investors by offering additional ways of viewing Envista Holdings Corporation's (“Envista” or the “Company”) results that, when reconciled to the corresponding GAAP measure, help our investors to:

- with respect to Core Sales, identify underlying growth trends in Envista’s business and compare Envista’s revenue performance with prior and future periods and to Envista’s peers;

- with respect to Adjusted Gross Profit, Adjusted Operating Profit, Adjusted Net Income, Adjusted Diluted Earnings Per Share and Adjusted EBITDA, understand the long-term profitability trends of Envista’s business and compare Envista’s profitability to prior and future periods and to Envista’s peers;

- with respect to Adjusted EBITDA, help investors understand operational factors associated with Envista's financial performance because it excludes the following from consideration: interest, taxes, depreciation, amortization, and infrequent or unusual losses or gains such as goodwill impairment charges or nonrecurring and restructuring charges. Management uses Adjusted EBITDA, as a supplemental measure for assessing operating performance in conjunction with related GAAP amounts. In addition, Adjusted EBITDA is used in connection with operating decisions, strategic planning, annual budgeting, evaluating Company performance and comparing operating results with historical periods and with industry peer companies; and

- with respect to Free Cash Flow (the "FCF Measure"), understand Envista's ability to generate cash without external financings, in order to invest and grow its business through acquisitions and other strategic opportunities. A limitation of free cash flow is that it does not take into account the Company's debt service requirements and other non-discretionary expenditures, and as a result the entire Free Cash Flow amount is not necessarily available for discretionary expenditures.

Management uses these non-GAAP measures to evaluate the Company's operating and financial performance.

The items excluded from the non-GAAP measures set forth above have been excluded for the following reasons:

- With respect to Adjusted Gross Profit, Adjusted Operating Profit, Adjusted Net Income, Adjusted Diluted Earnings Per Share and Adjusted EBITDA:

    - We exclude amortization of acquisition-related and other intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe, however, that it is important for investors to understand that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.

    - With respect to the other items excluded from Adjusted Gross Profit, Adjusted Net Income, Adjusted Operating Profit, Adjusted Diluted Earnings Per Share and Adjusted EBITDA, we exclude these items because they are of a nature and/or size that occur with inconsistent frequency, occur for reasons that may be unrelated to Envista's commercial performance during the period and/or we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult.

- With respect to core sales, we exclude (1) the effect of acquisitions and divested product lines because the timing, size, number and nature of such transactions can vary significantly from period-to-period and between us and our peers, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult, (2) sales from discontinued products because discontinued products do not have a continuing contribution to operations and management believes that excluding such items provides investors with a means of evaluating our on-going operations and facilitates comparisons to our peers, and (3) the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends.

- With respect to the FCF Measure, we adjust for payments for additions to property, plant and equipment (net of the proceeds from capital disposals) to arrive at the amount of operating cash flow for the period that remains after accounting for the Company's capital expenditure requirements.