



Fortive 2018 Investor Day

June 12, 2018

FORWARD-LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES



Statements in this presentation that are not strictly historical, statements regarding the Company's anticipated earnings, business and acquisition opportunities, anticipated revenue growth, anticipated operating margin expansion, anticipated cash flow, economic conditions, future prospects, the proposed acquisition of Advanced Sterilization Products business ("ASP"), the pending transactions with Altra Industrial Motion and any other statements identified by their use of words like "anticipate," "expect," "believe," "outlook," "guidance," or "will" or other words of similar meaning 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: deterioration of or instability in the economy, the markets we serve and the financial markets, contractions or lower growth rates and cyclicalities of markets we serve, competition, changes in industry standards and governmental regulations, our ability to successfully identify, consummate, integrate and realize the anticipated value of appropriate acquisitions and successfully complete divestitures and other dispositions, our ability to develop and successfully market new products, software, and services and expand into new markets, the potential for improper conduct by our employees, agents or business partners, contingent liabilities relating to acquisitions and divestitures, impact of changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, political, legal, compliance and business factors, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, the parties' ability to complete the pending transactions on the anticipated terms and schedule, the impact of our debt obligations on our operations, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, our ability to adequately protect our intellectual property rights, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, labor matters, disruptions relating to man-made and natural disasters, impact on changes to tax laws, impact of our separation from Danaher on our operations or financial results, and impact of our indemnification obligation to Danaher. 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 the year ended December 31, 2017. These forward-looking statements speak only as of the date of this presentation and Fortive does 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.

This presentation contains references to "adjusted diluted net earnings per share," "core revenue growth," "core operating margin expansion (core OMX)," "return on invested capital (ROIC)" of Fortive, which are, in each case, not presented in accordance with generally accepted accounting principles ("GAAP"). Fortive is unable to provide a quantitative reconciliation of the forward-looking projections on "core revenue growth," "core OMX," and "ROIC" of Fortive to the most directly comparable GAAP measures because the items that would be reconciled are inherently difficult to predict and estimate. Information required by Regulation G with respect to forward-looking adjusted diluted net earnings per share of Fortive is included in the supplemental reconciliation schedule attached hereto.

The historical non-GAAP financial measures should not be considered in isolation or as a substitute for the GAAP financial measures but should instead be read in conjunction with the corresponding GAAP financial measures.

TODAY'S AGENDA

Welcome	Lisa Curran, VP Investor Relations	10:00 AM
Opening Remarks and Q&A	Jim Lico, President & CEO Chuck McLaughlin, SVP & CFO	10:05 AM
Field Solutions and Fluke	Wes Pringle, SVP	10:35 AM
Qualitrol	Linda Rae, President - Qualitrol	10:55 AM
Fluke Health Solutions (FHS)	Kris Gorriaran, VP and GM - FHS	11:05 AM
Industrial Scientific Corporation (ISC)	Justin McElhattan, President - ISC	11:20 AM
Q&A	FTV Panel	11:40 AM
Trade Show & Lunch	FTV Representatives	12:00 PM
FBS for Growth and Q&A	Barbara Hult, SVP	1:00 PM
Closing Remarks and Q&A	Jim Lico, President & CEO Chuck McLaughlin, SVP & CFO	1:30 PM
ISC Tours	ISC Representatives	1:45 PM
Adjourn		3:00 PM



FORTIVE



Opening Remarks

Jim Lico | President & CEO

OUR SHARED PURPOSE

Essential technology for the people who accelerate progress.

**We build
extraordinary teams
for extraordinary results**

**Customer success
inspires our innovation**

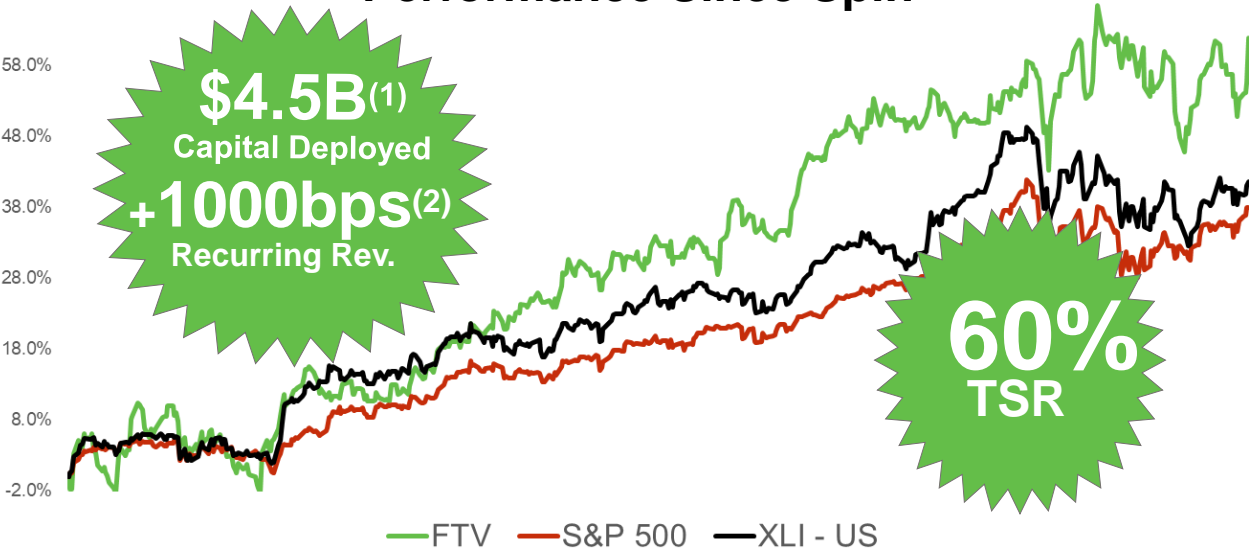


**We compete
for shareholders**

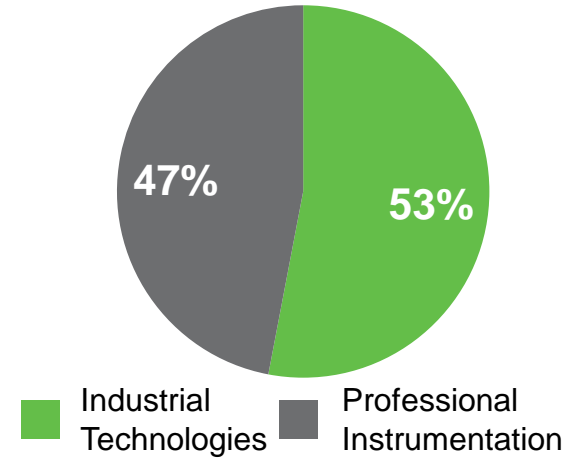
**Kaizen
is our way of life**

FORTIVE OVERVIEW

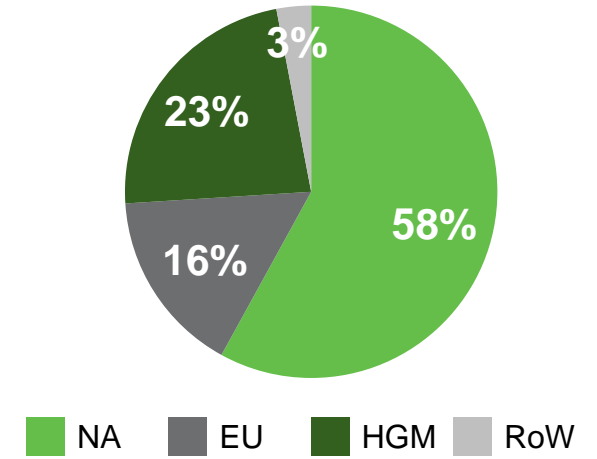
Performance Since Spin



Revenue By Business



Revenue By Geography³



Business Characteristics

- Fortive Business System is cornerstone of culture and competitive advantage
- Economic moat, leading brands and market positions
- Capital allocation prioritized toward M&A; Proven M&A playbook
- Strong cash flow/conversion
- Growth and technology focused

Growth Initiatives

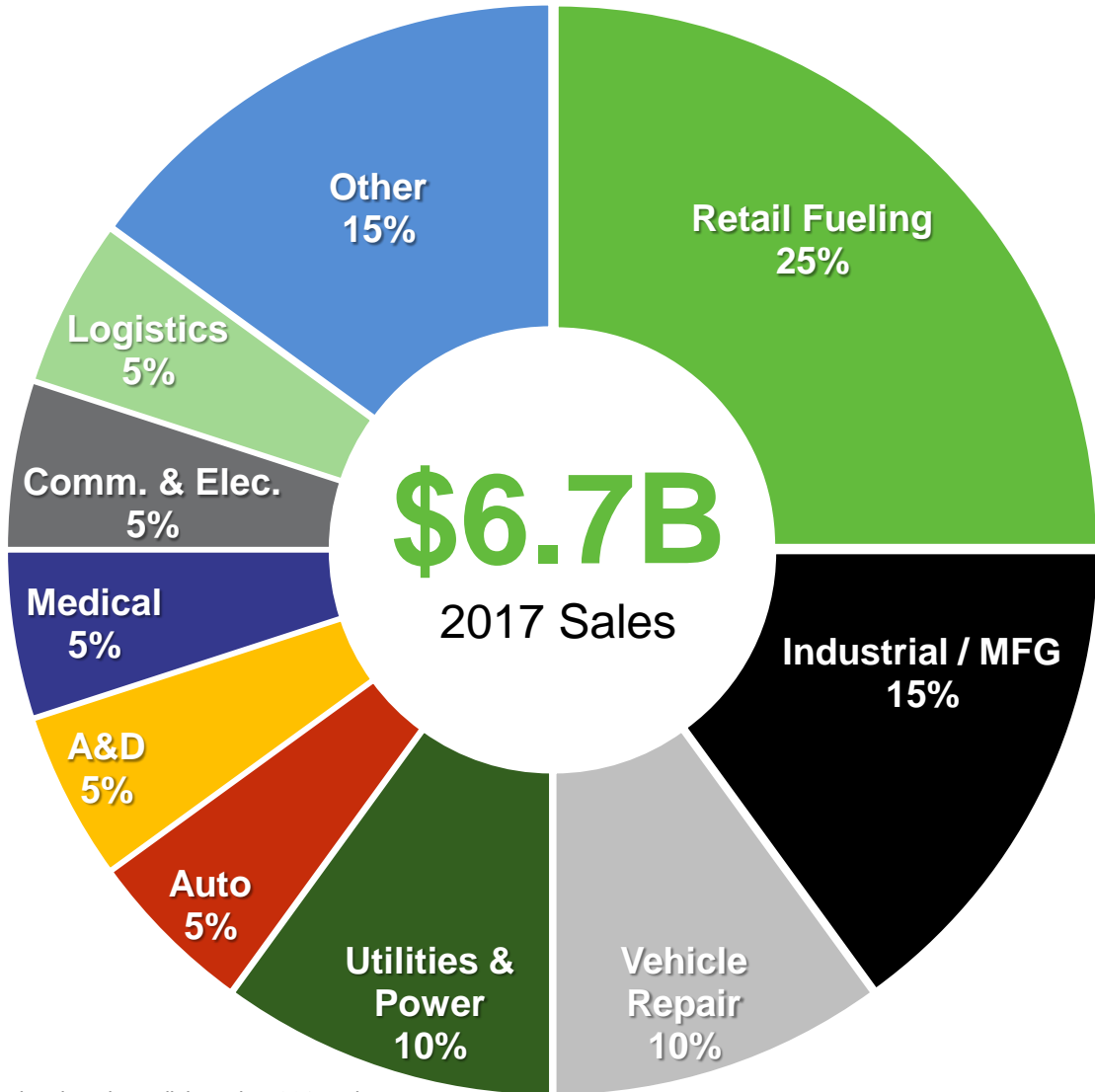
- Drive Digital, IoT
- Capture EMV Market Opportunity (nearer term)
- Expand in High Growth Markets
- Enhance Portfolio Growth

¹ Includes binding offer to acquire Johnson & Johnson's Advanced Sterilization Products (ASP) Business

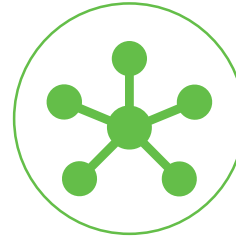
² Assuming close of Fortive A&S and Altra Combination as well as ASP transaction

³ NA is North America (55% in the U.S.), EU is Europe, HGM is High Growth Markets, RoW is Rest of World

DIVERSIFIED PORTFOLIO WITH STRONG SECULAR TRENDS



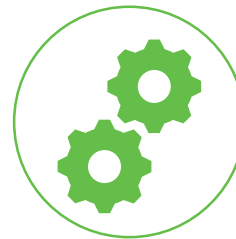
Secular Trends



Connected devices, software/SaaS, advanced analytics, condition-based monitoring



Digitalization/increasing vehicle complexity



Productivity, safety and security requirements



Increasing regulatory environment

Estimated end-market split based on 2017 sales

FORTIVE TODAY

Professional Instrumentation

Revenue	GM%	OP Margin
\$3.1B	>55%	22%

Field Solutions*



Product Realization*



Sensing Technologies



Industrial Technologies

Revenue	GM%	OP Margin
\$3.5B	>40%	20%

Transportation Technologies



GLOBAL TRAFFIC TECHNOLOGIES

Automation & Specialty



** Operating companies to be combined with Altra Industrial Motion Corp

Franchise Distribution



All financial metrics based on 2017 annual results
*Advanced Instrumentation & Solutions

KEY GROWTH DRIVERS



DIGITAL STRATEGY


Connected Devices & IoT



Software Enabled Workflow



Advanced Analytics, Artificial Intelligence




EMV UPDATE: ADOPTION ON-TRACK

- ~35% of US market has EMV capable dispensers
 - Customer perception and fraud migration drive adoption
 - EMV transactions at the dispenser expected to accelerate in 2018

- Major Oil Companies continue to provide programs and incentives to support EMV upgrades
 - Major GVR partnerships include: Exxon/Mobil, Chevron/Texaco, Circle K, and Valero

- Continue to expect deadline delay (*from 2017 to 2020*) will allow for smoother sales ramp and shift to more dispensers vs kits

- Opportunity for advanced offerings, alternative business model, and SaaS services (Insite 360) to drive sales consistency



VALERO DEALER NETWORK WIN

Exclusive relationship

Valero is contributing \$3k/dispenser through 2018

6k sites; over 75% left to upgrade

MOC's are moving forward



HIGH GROWTH MARKETS

- **2017/2018 Highlights**

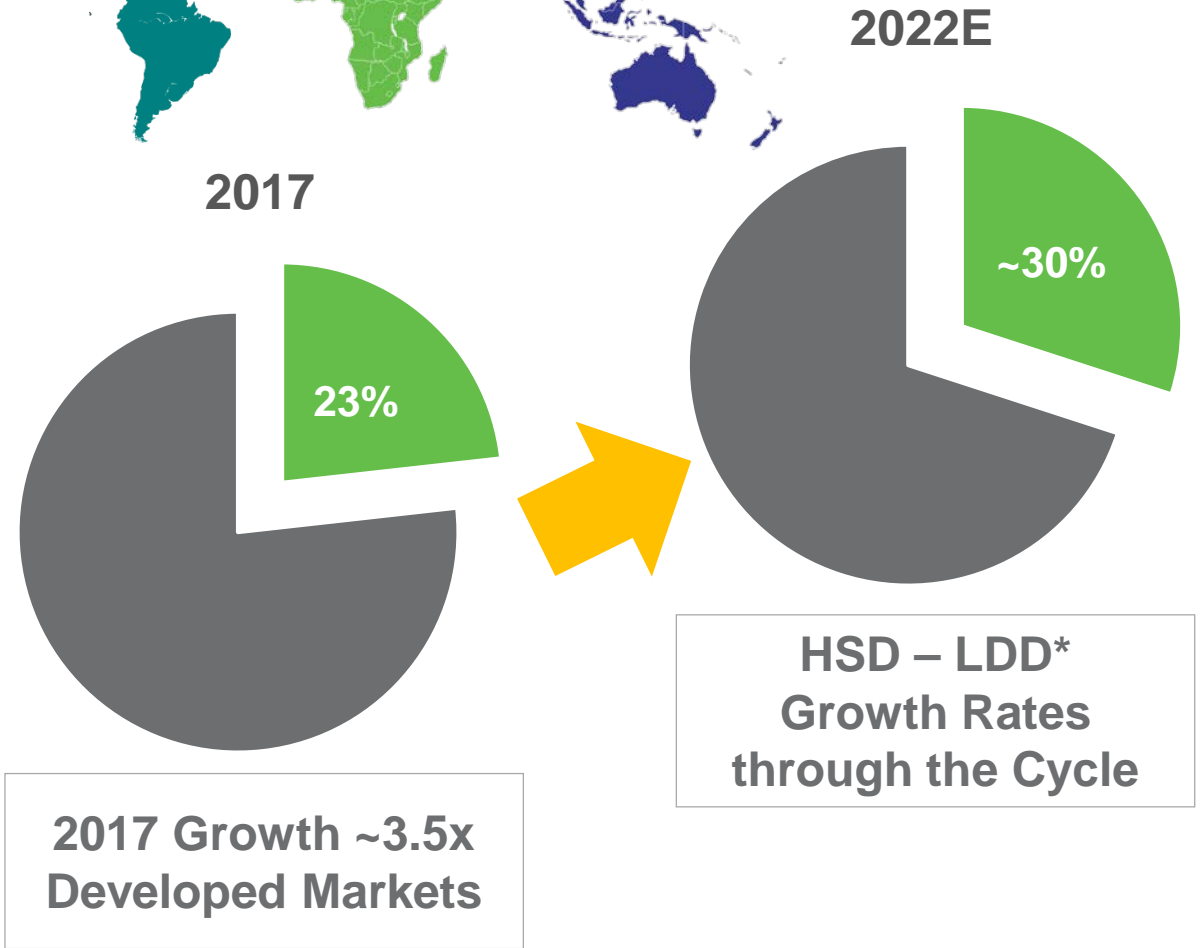
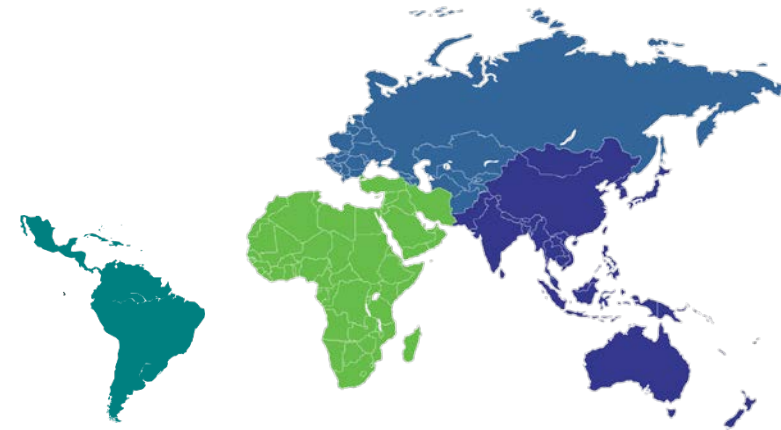
- Expanded HGM mix by 150bps
- LDD growth
- Acquired Orpak
- Acquired Midco (2018)

- **Growth Drivers**

- Electrical grid infrastructure buildout
- China semi-cycle / industry buildout
- Fuel automation; continued expansion of gas station coverage and privatization
- Increased focus on safety and productivity

Primed for Sustainable Growth

- Further “flag planting” in next wave of geographies
- Regional R&D Centers to match local customer needs
- Continued “hosting” of sister OpCos allows for focused growth investment



*Anticipated growth rate



BUILDING A BETTER, STRONGER FORTIVE

Smart Capital Deployment to Accelerate Strategy

Field Solutions

INDUSTRIAL SCIENTIFIC

65% RR

LANDAUER®

90% RR

Cemaint™
A Fluke Company

100% RR

SCHAD

Transportation Technologies

ORPAM

65% RR

midco

45% RR

GTT™

GLOBAL TRAFFIC TECHNOLOGIES

- \$1.8B deployed since spin on 6 strategic acquisitions
- Over \$430M in acquired revenue with MSD/HSD trajectory
- Weighted ROIC of 10% by Year 3

Value Creation through Tax-Efficient Reverse Morris Trust

- Accelerates portfolio enhancement strategy
- Increases relative recurring revenue content
- Provides significant increase in M&A capacity

KOLLMORGEN™

THOMSON™

Portescap

Jacobs Vehicle Systems™

Altra™
Industrial Motion

BINDING OFFER TO ACQUIRE JOHNSON & JOHNSON'S ADVANCED STERILIZATION PRODUCTS (ASP) BUSINESS

Global market leader with 30+ year history of market creation, innovation and strong brands

Pioneer and market leader in Low Temperature Terminal Sterilization and a brand leader in High-Level Disinfection

Provides entry into attractive mid-single digit growth medical sterilization and disinfection market with runway for advanced solutions into other hospital workflows and international growth

Aging population, increasing procedure volumes, use of minimally invasive & robotic surgeries, focus on Hospital Acquired Infections / HGM and product adjacencies growth opportunities

Large global installed base with significant recurring revenue of >80%*

Market leading, global installed base in 130 countries / Premier Brand / Highly recurring & sticky consumables / Best-in-class Service

Continues our journey to offer critical industrial technologies for safety and productivity into healthcare settings

Builds on our leading positions in medical instrument calibration and dosimetry measurement

Compelling financial profile; expected to be accretive to earnings in first full year

Strong Adj. EBITDA margins ~25% and strong FCF conversion / Retains balance sheet and strategic flexibility*

Expected to achieve 10% ROIC in 4 years

Cost and growth synergy opportunity through application of the Fortive Business System




*Based on unaudited historical 2017 financial measures of ASP provided by J&J

ASP: DIFFERENTIATED PRODUCT PORTFOLIO WITH HIGH RECURRING REVENUE OF >80%



Terminal Sterilization

Key Products




Capital		STERRAD NX / 100S / 100NX Systems w/ ALLClear Technology
Consumables		STERRAD sterilant Cassettes & biological indicators (BI)
Software		ASP ACCESS Technology Connectivity Solution

Key Differentiators

- ✓ Large, global installed base supports razor / razor blade model with proprietary cassettes
- ✓ Pioneer and continued leader in low-temp sterilization
- ✓ Premier technology and ongoing commitment to innovation
- ✓ Integrated digital ecosystem improves processing time and safety / compliance
- ✓ Over 24K medical devices validated for sterilization

High-Level Disinfection

Key Products

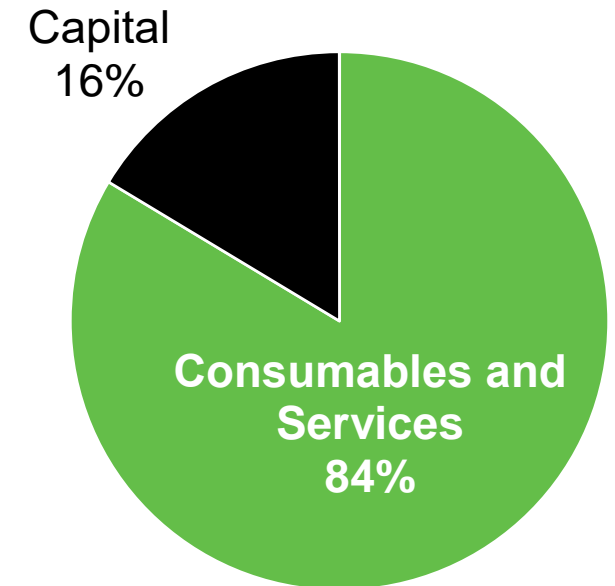
Capital		EVOTECH Endoscope Cleaner & Reprocessor
		ENDOCLENS Automated Endoscope Reprocessor
Consumables		CIDEX (biocide)

Key Differentiators

- ✓ CIDEX is the established leader in biocides with a 50+ year legacy
- ✓ Innovation in biocides and processors
- ✓ Subject matter expertise in advanced disinfection and sterilization solutions with platform presence in both categories
- ✓ Offering of automated-value and automated-premium machines

Services

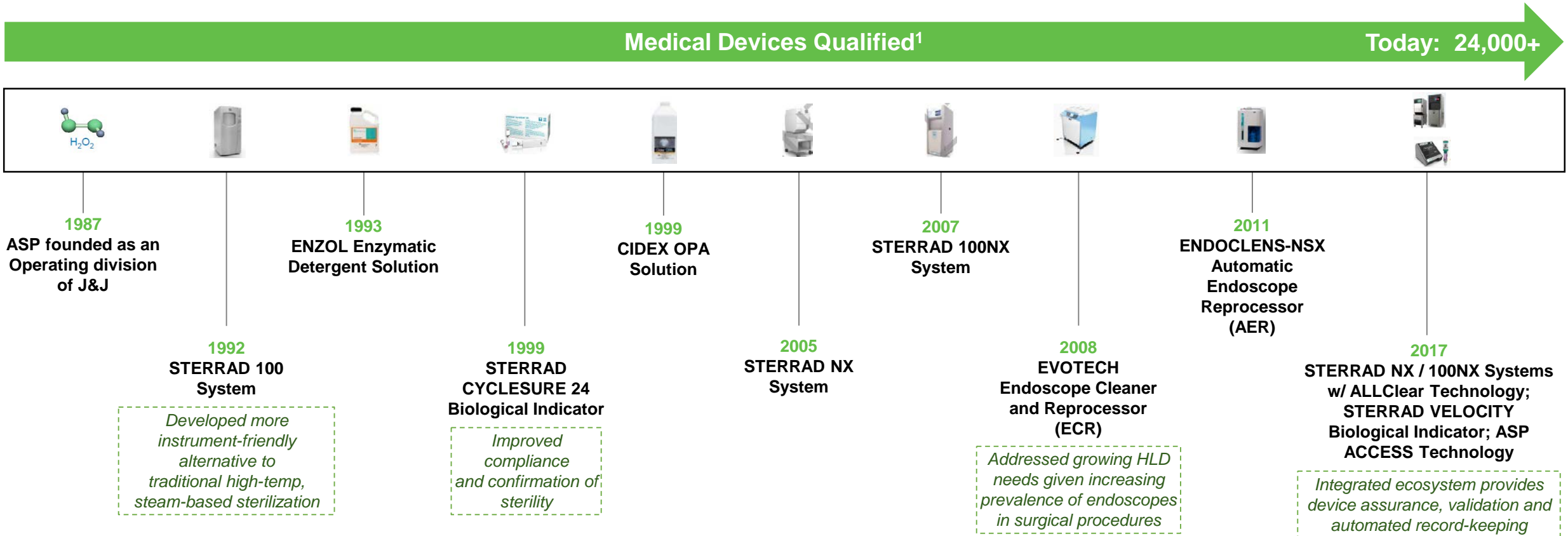
- Service revenue can come from maintenance contracts (preventative and annual) or repair charges
- In some markets, like the U.S., a high proportion of installed base is under service contracts



Source: J&J website and Management

GLOBAL MARKET LEADER WITH +30 YEAR HISTORY OF INNOVATION AND STRONG BRANDS

ASP Timeline



Significant recent innovation and product launches – 6 new product launches in 2017 within Terminal Sterilization

Source: J&J Management

¹ ASP's Medical Device Manufacturer (MDM) program works with device manufacturers to continuously increase the number of instruments validated for sterilization with the STERRAD system.

ENHANCE PORTFOLIO GROWTH

Key Investment Areas



Professional Instrumentation

- Mobile Worker
- Smart Factory
- IoT / Sensor Proliferation
- **Safety and Compliance**



Industrial Technologies

- Autonomous Vehicles / Electric Vehicles
- Urbanization / Smart City
- Supply Chain / **Logistics**



Attractive Megatrends

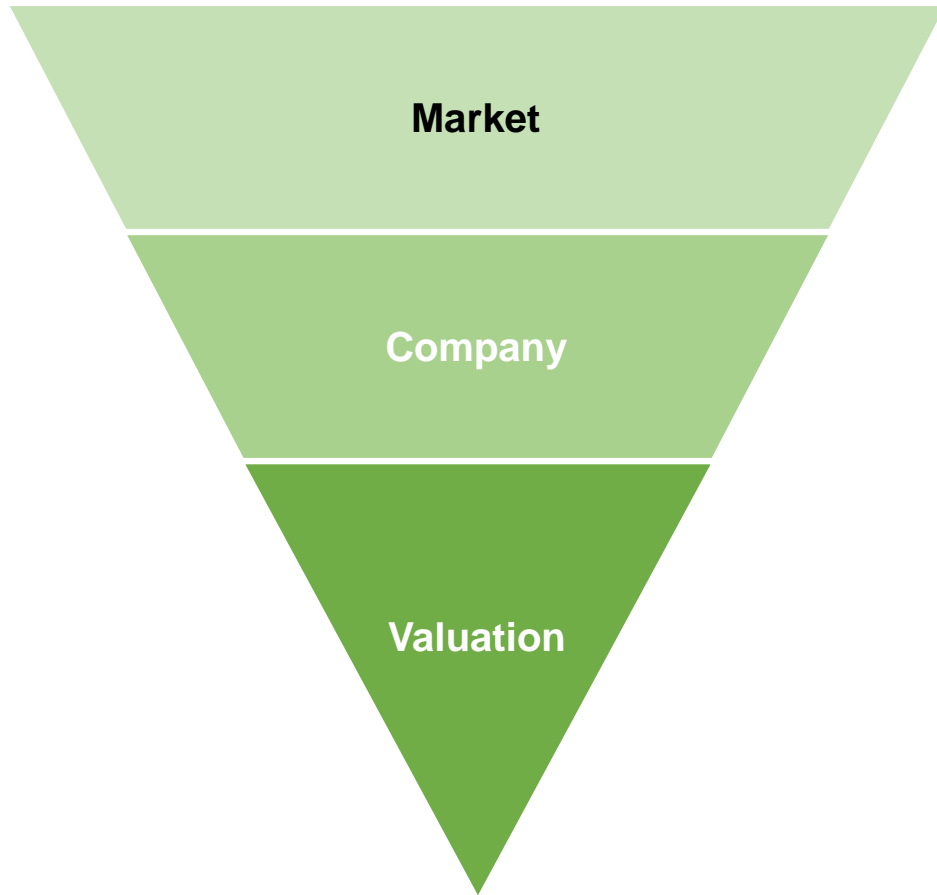
- **Software Enabled Workflows**
- **Aging Population / Health**
- Food / Water Sustainability
- Environmental Stewardship

ASP's commitment to elevate standard of care, enhance compliance, and drive operational improvements is highly complementary to Fortive's expertise in critical customer workflows and drive for growth, innovation, and continuous improvement through FBS



CONTINUED APPLICATION OF PROVEN M&A PLAYBOOK

M&A Considerations What We Look For



Attractive Markets

- Secular / structural growth drivers, including addressing aging population / health
- Runway for future M&A

Company Profile

- Competitive market position with potential to increase share, become leading player
- Strong brand and / or channel
- Higher margin businesses / strong margin potential

Value Creation

- Significant FBS opportunities, sustainability
- Combination of value and growth deals
- ROIC hurdles



THE FORTIVE FORMULA



Note: All financial metrics reflect anticipated annual performance unless otherwise indicated

WHAT YOU'LL HEAR TODAY

Overview of our Field Solutions Platform and market insight

Competitive advantage via digital strategy – real vs. aspirational

Clear examples of M&A that accelerate strategy and enhance market positions

Power of the Fortive Business System (FBS) to drive growth across the platform



FORTIVE



Field Solutions and Fluke Overview

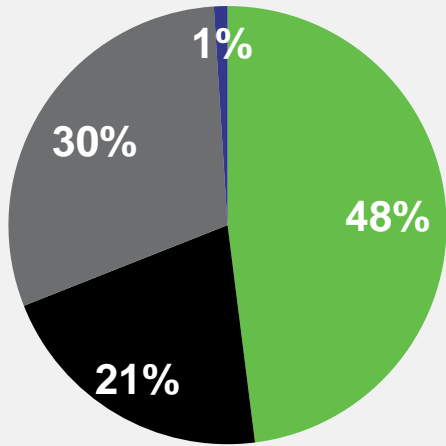
Wes Pringle | Senior Vice President Fortive Field Solutions,
Fluke President

FIELD SOLUTIONS OVERVIEW

2017 Revenue

~\$1.6B

Revenue Mix*



■ NA ■ EU ■ HGM ■ RoW

~30% Direct | ~15% Recurring

*FY 2017 assuming full-year of ISC and Landauer

Market Dynamics

Market Size ~\$9B

Growth Rate +LSD/MSD

Brands

FLUKE

QUALITROL
Defining Reliability

**INDUSTRIAL
SCIENTIFIC**

Customer Base

- Industrial maintenance and safety professionals
- Utilities, retail and commercial facilities
- Government labs, Military
- Hospitals and Clinics

Secular Growth Drivers

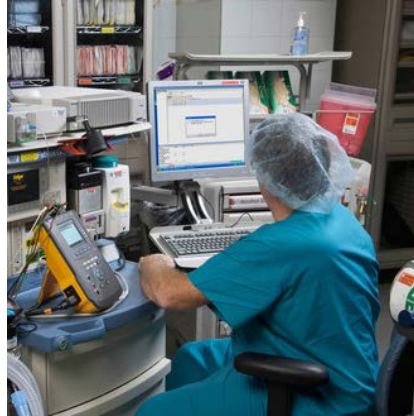
- Efficiency, uptime assurance and IoT
- Safety and environmental regulations
- Data infrastructure investments
- High growth market expansion

Leading Brands and Footprint Provide a Strong Platform for Growth Acceleration

FIELD SOLUTIONS

Platform Evolution

- Large installed base of handheld instrumentation
- Expansion into market adjacencies
- Connected devices
- Software-enabled workflow, Hardware-as-a-Service



Measurement



Connected Maintenance



Safety as a Service



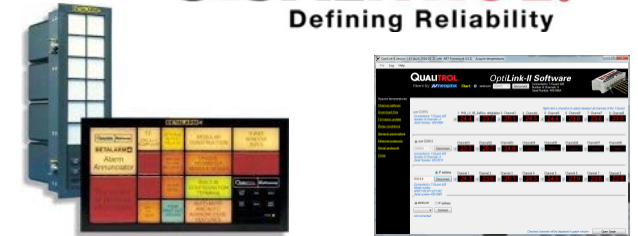
Workflow Software



**INDUSTRIAL
SCIENTIFIC**



QUALITROL
Defining Reliability



FLUKE CORPORATION OVERVIEW

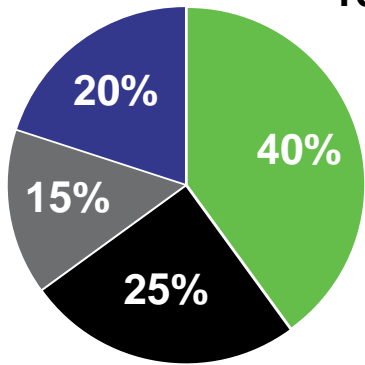


A Global Leader in Industrial Maintenance, Calibration, and Medical Certification and a Pioneer in Next-Generation Connected Maintenance & Safety Technologies

Market TAM: \$6B / Market Growth: LSD / MSD

2017 Revenue

~\$1.3B
~10% Recurring*



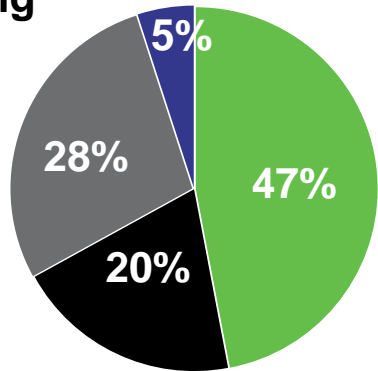
■ Ind/Mfg ■ Util/Power
■ Medical ■ Other

Customer Base

- Industrial maintenance professionals
- Hospitals and large healthcare organizations
- Government and private labs
- Network installers

Secular Growth Drivers

- IoT, data connectivity
- Increasing regulation for safety & compliance
- Increasing need for integrated workflow solutions to drive effectiveness and efficiency



■ NA ■ EU
■ HGM ■ ROW

* FY 2017 recurring, end market, and geographic mix assuming full-year of Landauer

FLUKE GROWTH INITIATIVES

Establish an Advantaged Connected System

- Build integrated (SW + HW), online maintenance and safety monitoring
- Stimulate hardware upgrade



Pursue Adjacent Markets through Innovation

- Pursue emerging adjacencies by leveraging FBS Innovation Tools
- Accelerate adoption of connected solutions by creating step change improvements in existing customer workflows



HGM Expansion

- Product investment, new vertical segmentation and focus on penetrating growth verticals in China and India



ESTABLISH AN ADVANTAGED CONNECTED SYSTEM

Fluke Accelix

Accelix™



Condition Detection



- WORK ORDER MANAGEMENT
- ANALYTICS AND REPORTS
- ASSET MANAGEMENT
- CONDITION MONITORING

Data collection

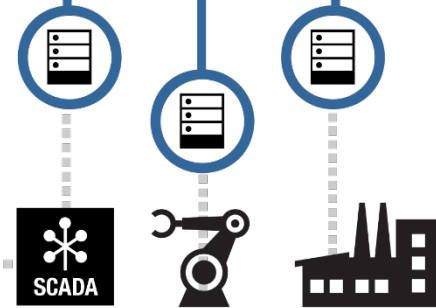
Data collection



CONNECTED TOOLS

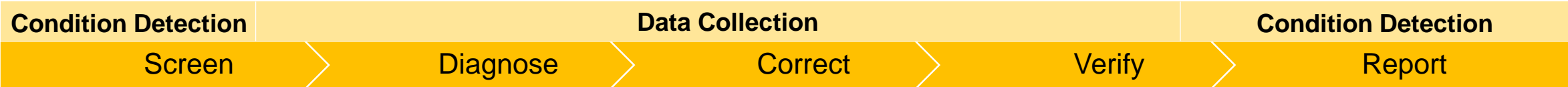
CONNECTED SENSORS

INTEGRATED THIRD PARTY WORKFLOWS



SCHAD

Full reliability maintenance workflow



Building the World's Premier Reliability System for Maintenance Teams

ESTABLISH AN ADVANTAGED CONNECTED SYSTEM

Fluke Accelix

Update: Fluke Accelix



- YTD CMMS revenue growth >20%
- Churn remaining at best in class for market
- ARPU expansion above expectations



- Sales accelerating sequentially
- Traction on key accounts and distribution launch



- Connected tools >25% of hardware revenue
- Unique users of FC software +25% YTD YoY

2018 Priorities

- Expand key account pilots
- Accelerate eMaint growth internationally
- Activate distribution support of sensors for scale
- Continue to launch new modalities



FBS-DRIVEN TECHNOLOGY LEADERSHIP

Non-Contact Voltage

- Launched Q4-17: market adoption 5x higher than expected
- Expanding to clamps & DMMs, ~\$40M by 2021



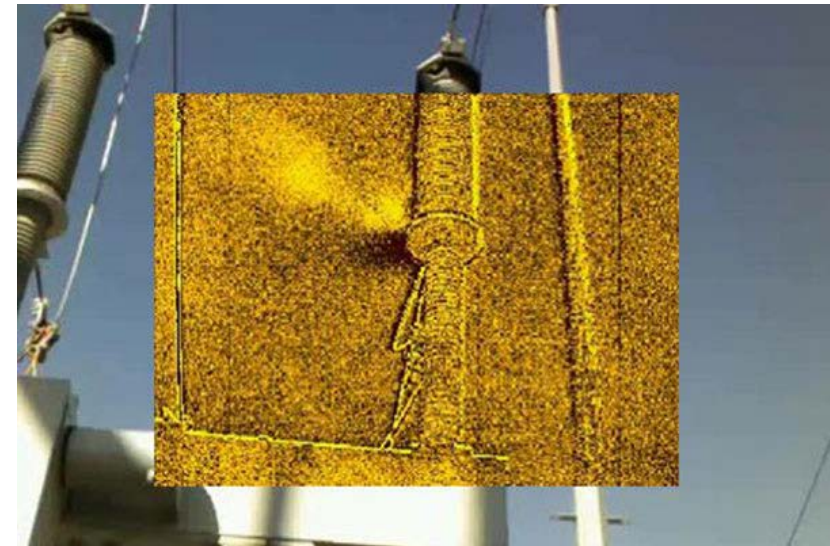
Measures voltage and current, without test leads

“I’ve never seen anything like that; that’s really handy and safe.”

-- Industrial Electrician

Gas-Finding Thermal Imager

- Uncooled camera finds SF6 gas leaks in breakers and switchgear – also a full featured thermal imager
- Performance well above expectations



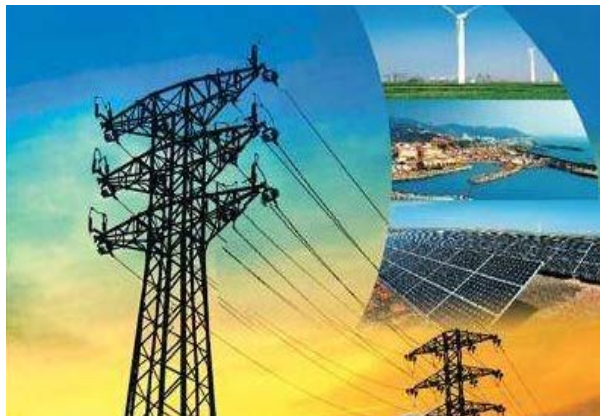
HIGH GROWTH MARKET EXPANSION

HGM Vertical Expansion & Emerging Segments

Investment in Power, Infrastructure, and Automotive:

- China: leverage government incentives in automotive and microgrid to pursue rapidly growing segments
- India: continuing focus on penetrating new verticals, including automotive, infrastructure, & power generation

Productize regional needs: retrofit advanced sensors and mid-priced products in region/for region to capture growth



FBS Driven Innovation: China Electric Vehicles

China as lead market for a global initiative

+100 Idea-networking interviews	~10 Relevant Personas
+75 Intensive VOC sessions	
~15 Solutions being experimented w/	
+50 Customers in May and June	



Establish a position in emerging **EV Calibration, Safety and Maintenance**



FBS IN ACTION: PROBLEM SOLVING IMPACT ON POWER QUALITY AT FLUKE

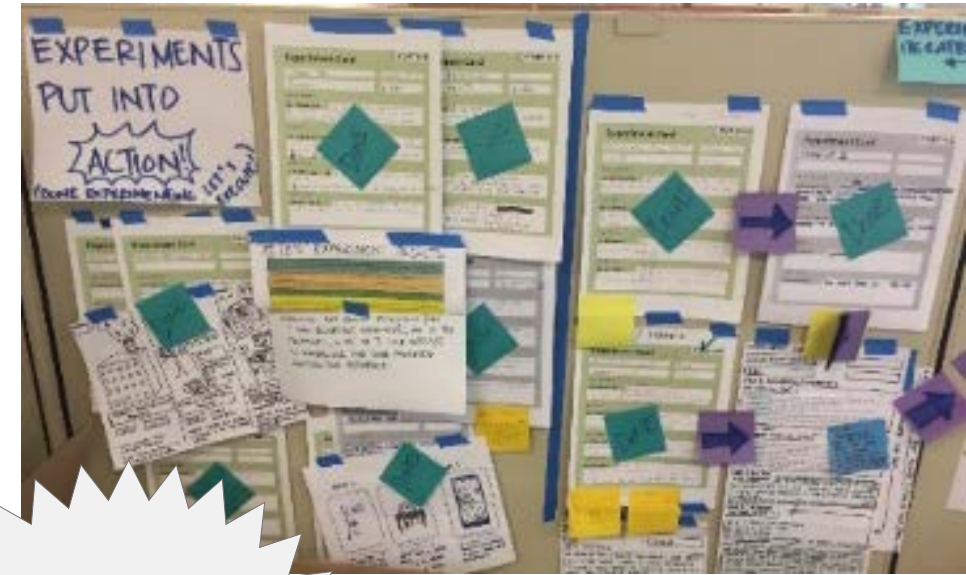
The Challenge

Strategic imperative to successfully enter new customer segments

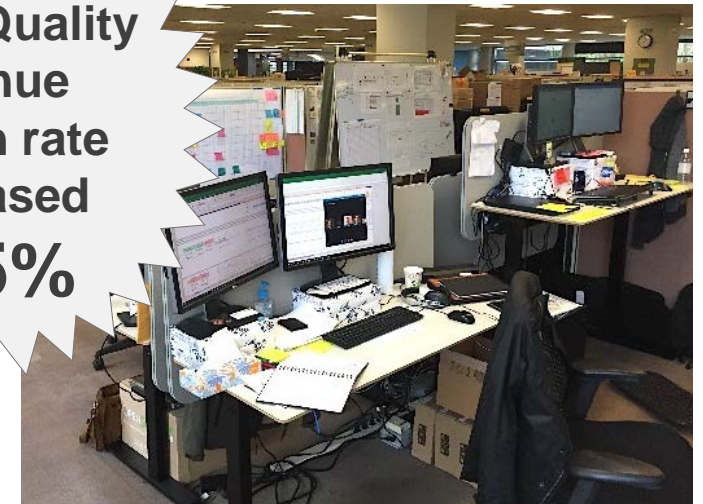
Learn how to use new FBS tools to solve commercial problems

The Solution

- ▶ Deployed new Problem Solving Process focused on better “gemba” understanding
- ▶ Talked to ~50 customers / non-customers and ran 15 experiments in one week
- ▶ Rebuilt messaging and created new channel actions to more effectively target key segments
- ▶ Sustainment led to ongoing iteration, accelerating revenue impact



**Power Quality
revenue
growth rate
increased
>25%**



FLUKE SUMMARY

Leading brand with large installed base and a global footprint

Expanding portfolio through market adjacencies and workflow software

First to market with critical technologies within our markets

FBS has been, and continues to be a powerful source of advantage



FORTIVE



Qualitrol

Linda Rae | President, Qualitrol

QUALITROL OVERVIEW

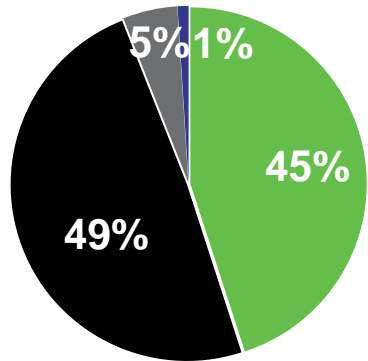


Delivers solutions enabling grid reliability and the transition from scheduled to condition based maintenance across the globe

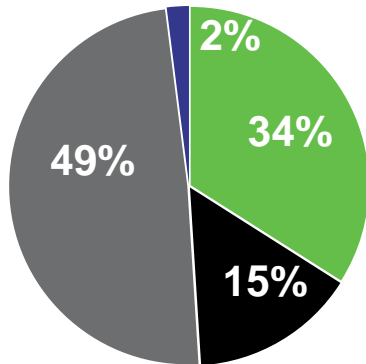
Market TAM: \$2B / Market Growth: LSD

2017 Revenue

~\$230M
 <5% Recurring



■ Utility ■ OEM
 ■ EPC ■ Services



■ NA ■ EU
 ■ HGM ■ ROW

Customer Base

- Reliability Engineers
- Specification Engineers
- Operations/Maintenance Engineers

Secular Growth Drivers

- Aging infrastructure in developed markets
- Investment in infrastructure build outs in high growth markets
- Distributed energy resources (DER) adding complexity to the grid
- Demand for external experts and data analytics to interpret asset information

All financial metrics based on 2017 annual results

QUALITROL GROWTH INITIATIVES

Expanding Qualitrol Solution

- Offering complete condition-based monitoring solutions to simplify customer workflows

Entering Adjacent Markets

- Targeting new applications resulting from the integration of distributed energy resources into the grid

Increasing Recurring Revenue

- Creating competitive software and service offerings that expand value proposition

Margin Expansion with FBS

- Driving cost reductions, productivity improvements, and product innovation across all sites

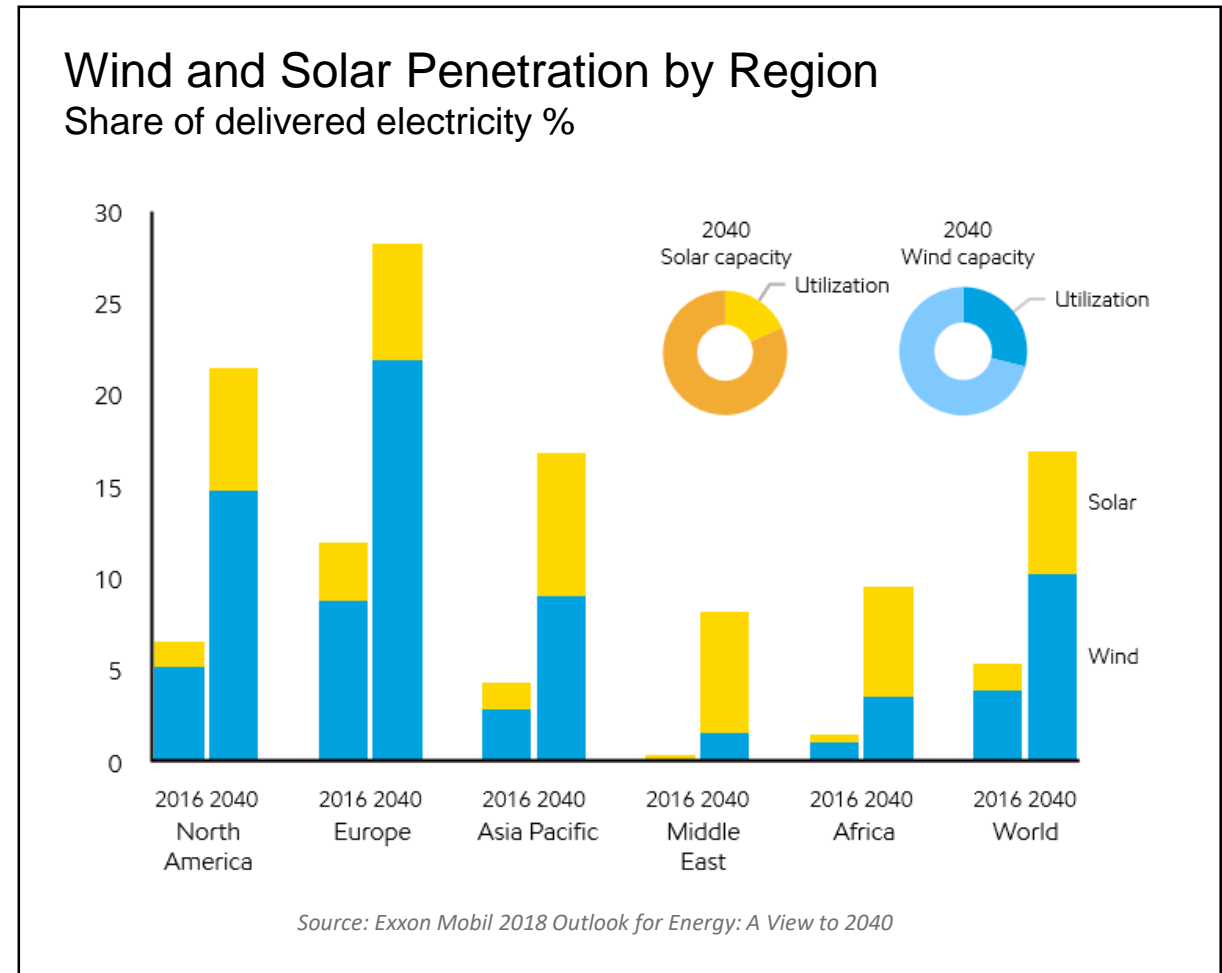
CBM MARKET EXPANSION WITH DISTRIBUTED ENERGY RESOURCES

Market Situation

- Global electricity demand expected to grow by 60% from 2016 to 2040
- Share of electricity delivered through solar and wind expected to triple from 5% to 15% in same time-frame
- Utilities still understanding impact from Distributed Energy Resources (DERs) on asset life and quality of electric service

Expansion Opportunities

- Grid stability and power quality represent adjacent condition monitoring opportunities as DER integration progresses
- Qualitrol's product portfolio addresses both traditional power generation and DER impact
- Additional \$350M in served market opportunity available with new DER applications

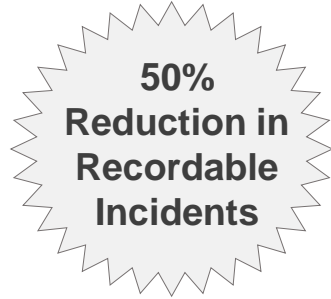


FBS CASE STUDY: BEST PLANT PERFORMANCE

Embedded FBS Culture

- Certified FBS champions company-wide
- Daily focus on KPI metrics and visual management
- Prioritized use of lean and growth tools
- 30+ kaizens per year to drive continuous improvement

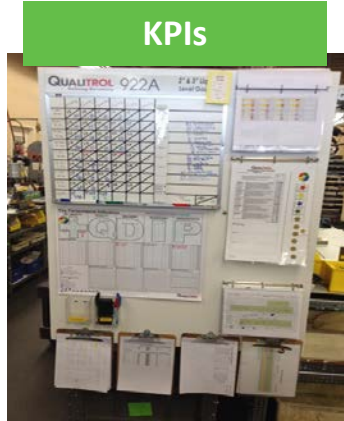
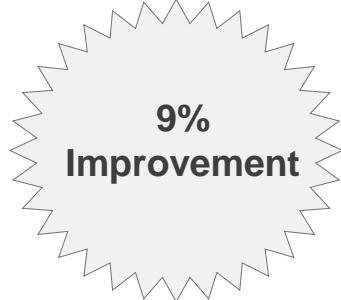
Health & Safety



Inventory Management



Productivity



QUALITROL SUMMARY

Strong global brand with extensive installed base

Condition-based monitoring solutions simplify customer workflow

Integration of DERs leading to new monitoring applications

FBS continues to be a cornerstone in all daily activities



Fluke Health Solutions Overview

Kris Gorriaran | VP-GM, Fluke Health Solutions

FLUKE HEALTH SOLUTIONS OVERVIEW



Global leaders in medical device and radiation measurement quality assurance solutions

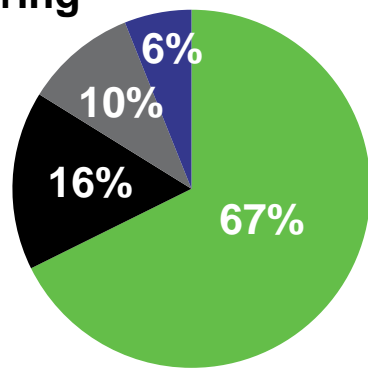
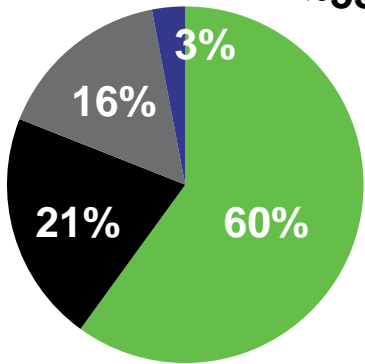
Market TAM: \$1.5B* / Market Growth: MSD

2017 Pro-Forma Revenue

Customer Base

Secular Growth Drivers

~\$250M**
~55% Recurring



■ Dosimetry ■ Biomedical
■ Imaging ■ Other

■ NA ■ EU
■ HGM ■ ROW

- Biomedical Engineers
- Medical Physicists
- Radiation Safety Officers

- Hospital integration and multi-site management creating workflow challenges
- Increasing global healthcare regulations and enforcement
- Operational efficiency and compliance needs leading to higher data volume and use
- Growth of radiation treatment and diagnostic imaging services

* Included within Fluke's TAM

** Reported on a Pro-Forma basis (includes full-year impact Landauer)

BUILDING TODAY'S FLUKE HEALTH SOLUTIONS

2005 - Present



Biomed QA

Electrical Safety

Patient Monitors

Ventilators



2013 - Present



Imaging QA

X-Ray

CTs

Real-time dosimetry



2017 - Present



Radiation Safety

Subscription Services

Passive Dosimetry

Remote Diagnostic Services



Future

Healthcare Compliance Leader

Active/Real-time Dosimetry
Subscription Services

Workflow Software

Data Driven Insights

Adjacent Compliance Technologies

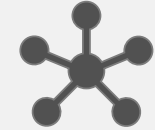
2012: \$55M Annual Sales | >30% OP -----> 2017: \$250M Annual Sales | >30% OP | Low-mid teens ROIC

Creating the Market Leading Healthcare Compliance Company

FLUKE HEALTH SOLUTIONS GROWTH INITIATIVES

Digital / Connected Strategy

- Common workflow software and data insight platform



Adjacent Markets

- Radiation technology expansion, advancing QA processes, seamlessly combined into treatment workflows



Accelerate Sales Growth

- Enable existing channels to sell adjacent portfolios
Expand OEM partnerships



Deploy Fortive Business System

- Using the full power of FBS to improve internal efficiencies, streamline SG&A, and drive growth



CASE STUDY: DRIVING SUCCESSFUL INTEGRATION

The Challenge: Landauer Integration

Core growth

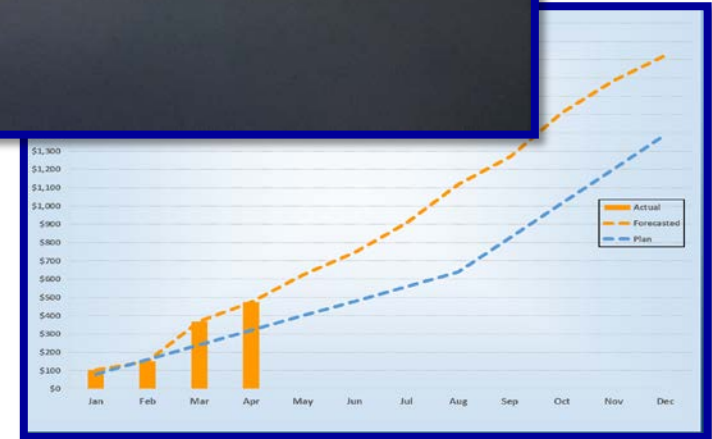
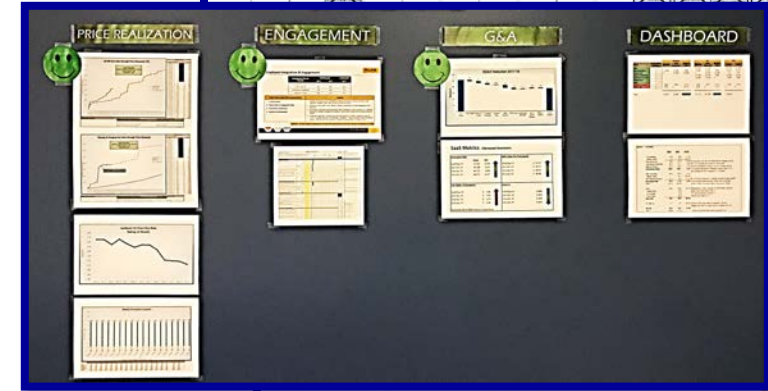
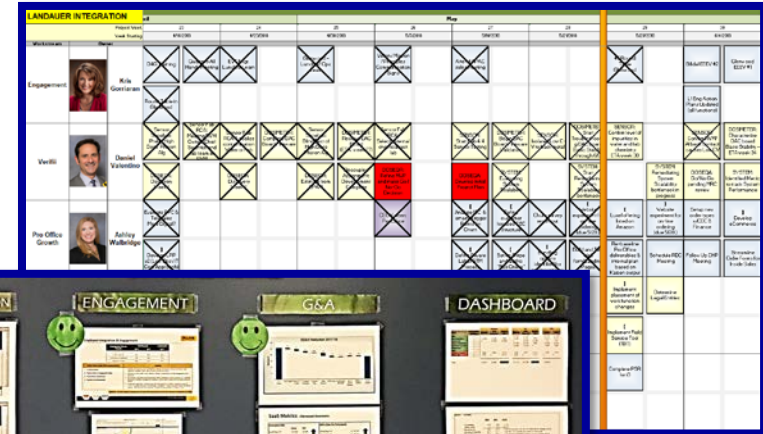
Profitability

Fortive Business
System Deployment

The Solution

- ▶ Deployed FBS Visual Project Management (VPM) Tool to drive integration schedule
- ▶ Dispersed team uses video conference from Obeya room
- ▶ Weekly tracking of critical workstreams with metrics identified
- ▶ Problem solving in case of a metric miss

LANDAUER®



**Q1 Pro-
Forma Revenue
Growth
~5%**

**Q1 GM
Expansion
+400bps**

**Q1 OPEX
Reduction
~19%**

FLUKE HEALTH SOLUTIONS SUMMARY

Regulations and radiation safety driving the need for healthcare compliance

FBS driving Fluke Health Solutions growth and profitability

Expand into radiation technologies market

Monetization of data with common workflow software and data insight platform



Industrial Scientific Overview

Justin McElhattan | President

INDUSTRIAL SCIENTIFIC CORPORATION OVERVIEW



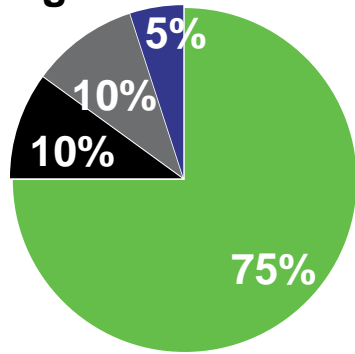
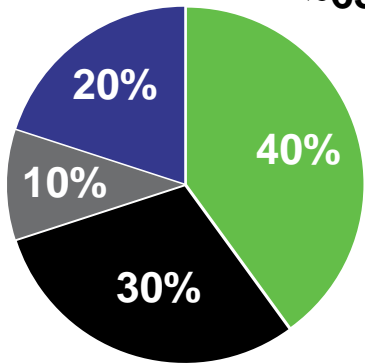
A Leading Provider of Portable Gas Detection Equipment and Services;
Next-Generation Connected Safety Technologies and Safety-as-a-Service Pioneer

Market TAM: \$1B / Market Growth: MSD

2017 Revenue*

~\$180M

~65% Recurring



■ O&G ■ Ind / MFG
■ Utilities ■ Other

■ NA ■ EU
■ HGM ■ ROW

Customer Base

- Safety professionals
- Maintenance professionals

Secular Growth Drivers

- IoT, data connectivity
- Increasing regulation and compliance
- Greater enforcement of safety in HGM
- Increasing need for integrated workflow solutions to drive effectiveness and efficiency

All financial metrics based on 2017 annual results
* Acquired by FTV in August 2017

OUR VISION

INDUSTRIAL **SCIENTIFIC**

Industrial Scientific people are dedicating their careers to eliminating death on the job by the year 2050

Each year:
2.8M people die from workplace accidents + illness
374.0M non-fatal workplace accidents

Tragedy

Economic burden of workplace accidents estimated to exceed **\$1.5 trillion** of loss.

Massive cost

Source: International Labour Organization / Special agency of the United Nations

PRODUCT OVERVIEW

INDUSTRIAL SCIENTIFIC



Gas Detection

Detecting potentially hazardous atmospheres



Advanced Safety

Digitizing workflows, connecting people and devices, and applying predictive analytics



Live Monitoring

Receiving data back from the field in real-time



Portfolio Based on Critical and Growing Customer Needs

INDUSTRIAL SCIENTIFIC GROWTH INITIATIVES

Digital Strategy: Connected Tools & Solutions

- iNet: Gas detection as a service
- SafetyNet: Predictive Solutions advanced analytics

Customer- Inspired Innovation

- iNet Now
- LENS Wireless
- iAssign

Geographic Expansion

- EMEA iNet growth
- High Growth Market access

FBS-Driven Growth

- Lean fundamentals drive on-time delivery
- PPV / VAVE fueling gross margin expansion
- iNet funnel management

GAS DETECTION AS A SERVICE: iNet



iNet Solutions

- Industry pioneer
- Proven, transformed business model, channel evolution
- Installed base of over 250k at 11k customer sites
- Over 1.5 trillion data log readings
- CAGR of 15% over last 5 years; now over 40% of ISC revenue
- Exceptional retention rate

 Collect

 Analyze

 Predict

\$\$\$ Impact

Cloud Platforms

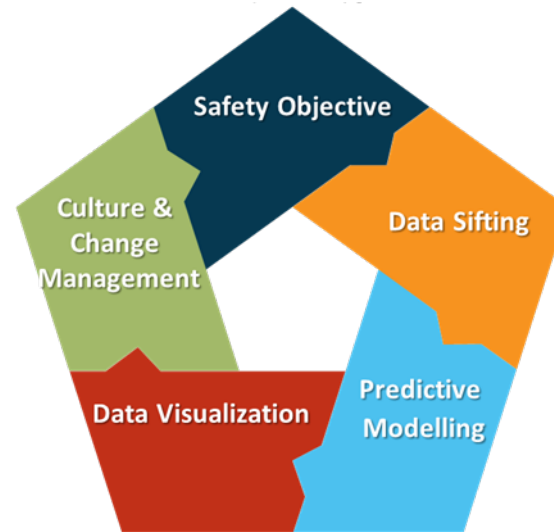
SafetyNet  SmartWork

Digitizing workplace safety and behavior data, performing advanced and predictive analytics, communicating risk factors to prevent workplace incidents



Predictive Modeling & Services

Custom services to assist customers through necessary steps to deliver **actionable insights** and preventive actions.

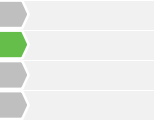


Leading U.S. Utility

▼ 83% 
decrease in incident rate

▼ 88% 
decrease in lost time

▼ 97% 
decrease in lost work



CUSTOMER-INSPIRED INNOVATION

“How do I know where my people are and whether they are safe?”

DEVICE CONNECTIVITY



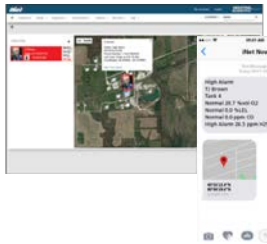
- Simple, real-time network creation
- Device-to-device and device-to-cloud pathways
- Communication between area monitors and wearable devices

DYNAMIC SITE ASSIGNMENT



- iAssign makes it easy to assign and track user and site information
- Intrinsically safe beacons
- Simple proximity and permission alarm functions

LIVE MONITORING



- Track personnel condition and environment in the field
- Drive workflow around response to various alarm conditions
- Multiple growth paths

CASE STUDY: IMPROVE ON TIME DELIVERY (OTD)

The Challenge

Gas detection services are often unplanned by our customers, fast delivery can win orders

ISC OTD ~80% to customer request date

The Solution

- ▶ VoC to understand customer priority to request-date (vs promise date)
- ▶ Value stream mapping to determine OTD losses

Waste ↓ = Labor Productivity ↑ = OMX ↑

- ▶ PSP Kaizen -- “How” to bridge gap
- ▶ Daily and visual management to ensure sustainment

+500bps
Improvement
in OTD

OTD
+90%
and
Improving

Results

- Unplanned Natural Emergency
Hawaii Volcano Erupts – May 3
- Order Request – May 6th
Trusted Partner -- Airgas
- Received – May 8th
by FedEx Honolulu
- Customer Receipt – May 8th
“Yes it’s in Honolulu FedEx. Shipping to Hilo soon. Thanks for everyone’s hustle on this order!”



INDUSTRIAL SCIENTIFIC SUMMARY

Proven connected device technology and integrated business model

15 yrs of channel evolution to deliver connected solutions, safety as a service

Opportunity for expansion in High Growth Markets

Early FBS wins with runway for more

Positioned for HSD growth and continued margin expansion



Fortive Business System - Growth Overview

Barbara Hulit | Senior Vice President

FBS IS...

Tools & Processes that span across business functions

Our Way of Working



We build extraordinary teams for extraordinary results

Customer success defines our innovation

Kaizen is our way of life

We compete for shareholders

Fundamental belief in Continuous Improvement

Our Culture

An Inextricable Part Of Who We Are

FBS DRIVES OUR BUSINESS

Core Value Drivers

Shareholders

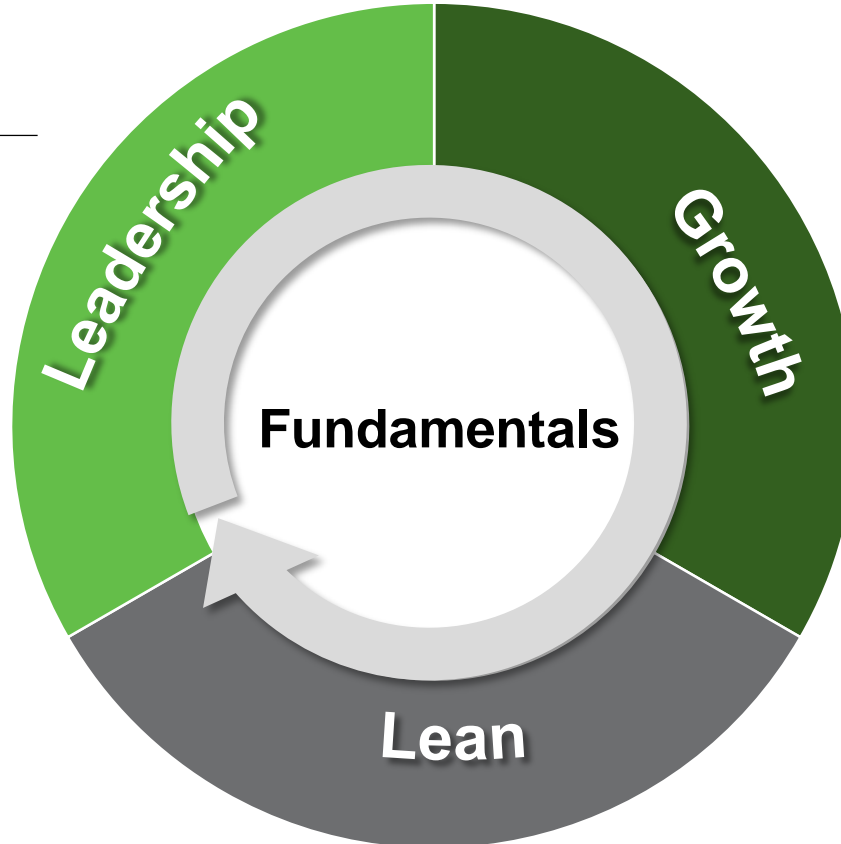
- Core Growth
- Operating Margin Expansion
- Cash Flow
- ROIC

Customers

- Quality (External PPM)
- On-time Delivery

Employees

- Internal fill rate
- Turnover



Select FBS Tools

Fundamentals Tools

- Voice of the Customer
- Kaizen Basics
- Problem Solving Process
- Visual & Daily Management
- Value Stream Mapping
- Standard Work

Growth Tools

- Speed Design Review
- Lean Software Development
- Transformative Marketing
- Funnel Management
- Digital Marketing

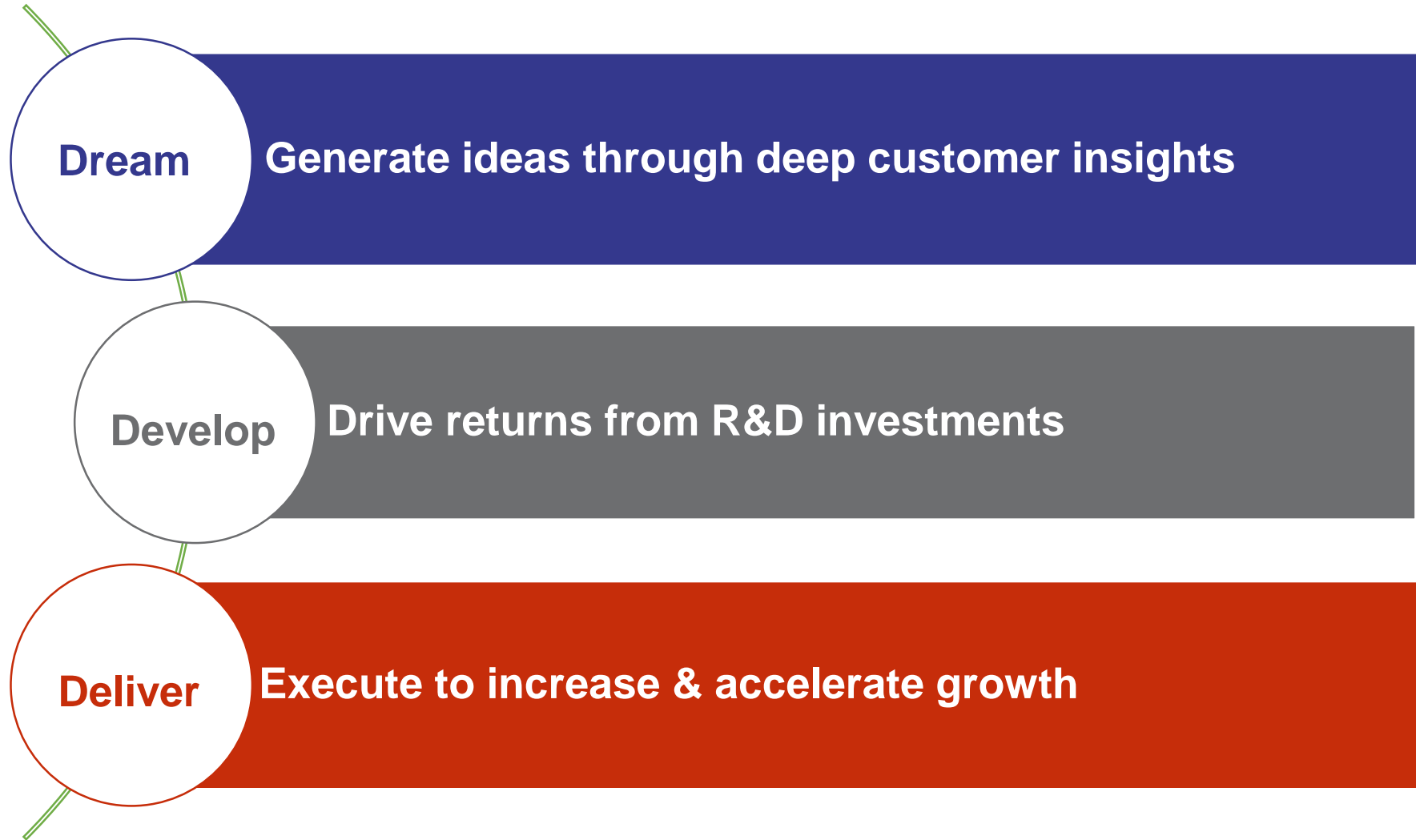
Lean Tools

- Lean Conversion
- Fortive Materials System
- Fortive Reliability System

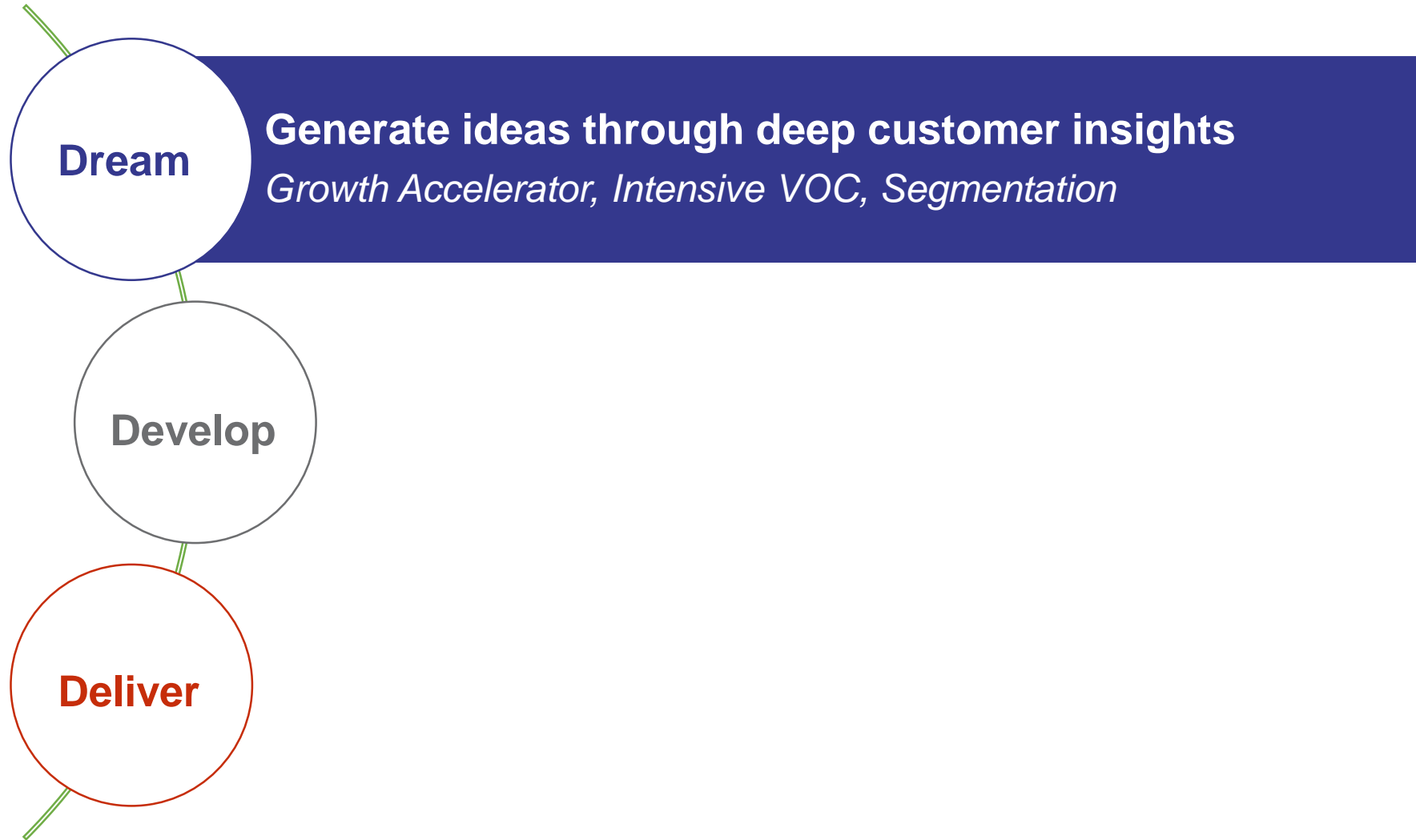
Leadership

- Policy Deployment
- Accelerated Leadership Program
- Talent for Growth Processes

FBS GROWTH FRAMEWORK

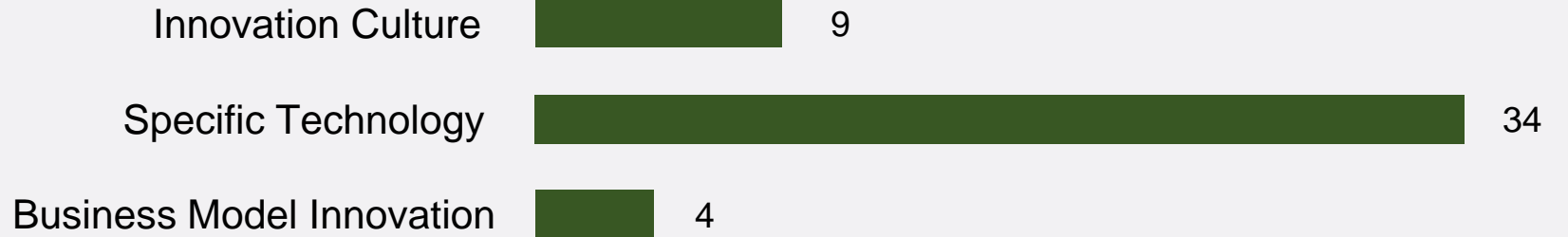


FBS GROWTH FRAMEWORK



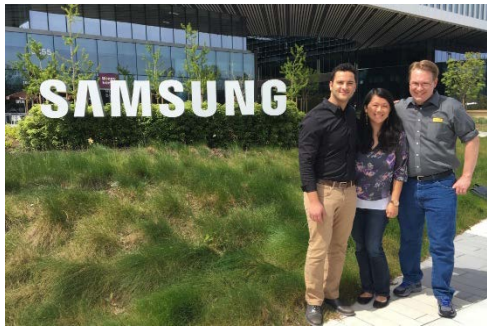
WHAT IS EXTERNAL NETWORKING?

IDEA NETWORKING THEMES



TOTAL ACTIVITIES

47



TOTAL CALLS

16



IN PERSON VISITS

31



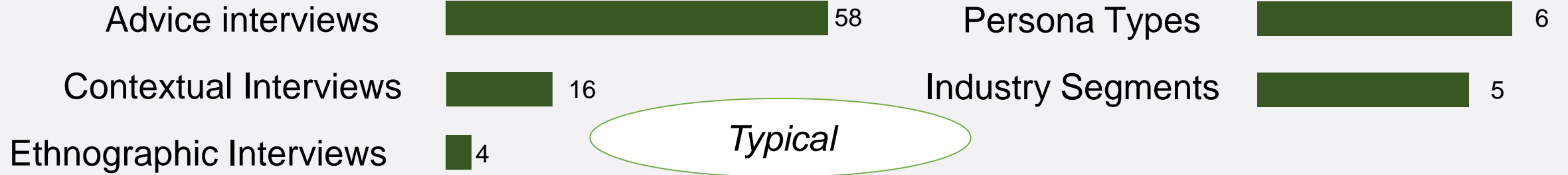
CITIES VISITED

6



Explored Augmented & Virtual Reality, Machine Learning, & Voice

WHAT IS INTENSIVE VOC?



INTENSIVE VOC CANVAS

Project Name

Team Members

CUSTOMER PERSONAS

Customer Persona 1		Customer Persona 2	
Visual of the Customer Persona (pictures, sketches, storyboards, etc.)	Demographics or other details of the Persona	Visual of the Customer Persona (pictures, sketches, storyboards, etc.)	Demographics or other details of the Persona
<div style="border: 1px dashed gray; height: 100px;"></div>	<div style="border: 1px dashed gray; height: 100px;"></div>	<div style="border: 1px dashed gray; height: 100px;"></div>	<div style="border: 1px dashed gray; height: 100px;"></div>

CUSTOMER JOBS

TOP SOCIAL JOBS	<div style="border: 1px dashed gray; height: 40px;"></div>		
TOP EMOTIONAL JOBS	<div style="border: 1px dashed gray; height: 40px;"></div>		
TOP FUNCTIONAL JOBS	<div style="border: 1px dashed gray; height: 40px;"></div>		

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<div style="border: 1px dashed gray; height: 40px;"></div>	<div style="border: 1px dashed gray; height: 40px;"></div>	<div style="border: 1px dashed gray; height: 40px;"></div>

Several Potential New Business Ideas & One Business In Incubation

FBS GROWTH FRAMEWORK



DEVELOP CASE STUDY: DRIVE RETURNS FROM R&D INVESTMENTS

The Challenge

Increasing software content in our offerings

Need to drive improvements in specifications, quality, and time-to-market

Gilbarco's Challenge was to significantly improve speed and quality for new SaaS offering

The Solution

- ▶ Lean Product Definition & Lean Software Development to accelerate requirements and early prototyping
- ▶ 2 week sprints leveraging Visual Project Management to drive improvements in OTD
- ▶ Software Quality improvements via Personal Review Team Inspection and Software Process Automation tools

Quality Improved
>30%

33%
Faster
To Market



Passport EDGE is the only forecourt-focused POS solution, streamlined for the small business owner



FBS GROWTH FRAMEWORK



DELIVER CASE STUDY: EXECUTE TO INCREASE & ACCELERATE GROWTH

The Challenge

Faster, more successful uptake of commercial initiatives

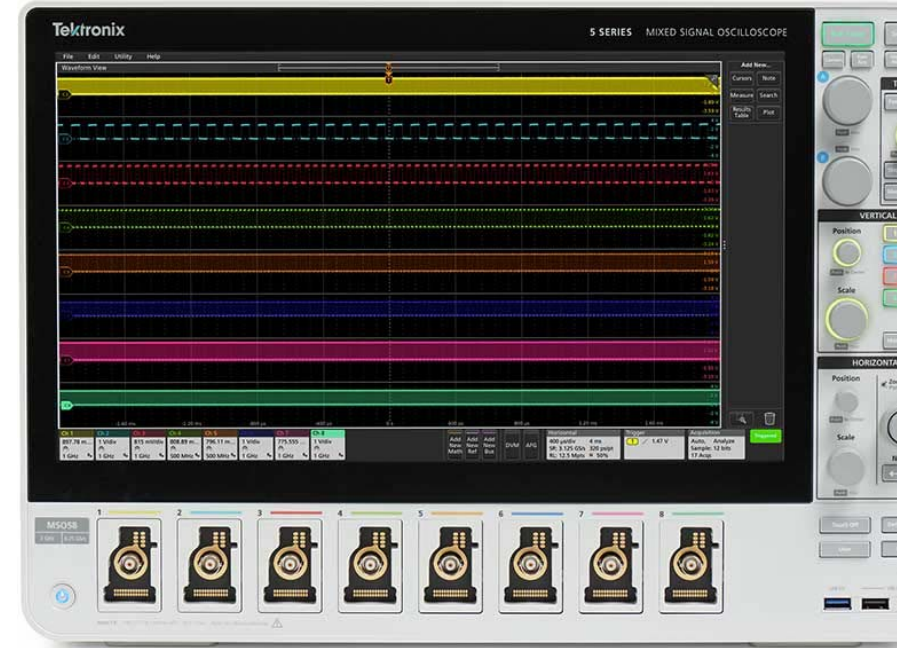
Tektronix launch of 5 Series Scopes in 2017

The Solution

- ▶ Intensive VoC with Tek and competitive scope users
- ▶ Identified jobs-to-be done, emotional / social / functional needs and pain points
- ▶ Rapid prototyping/ experimentation on value prop, configurator, virtual demo and concierge service
- ▶ A new way of marketing at Tektronix

Beat Plan
>300%

Drove
+250 bps
Growth



WHAT IS RAPID PROTOTYPING/ EXPERIMENTATION?

Tektronix

Get the most out of your lab.
Then get out of your lab.

Stop slaving away over the minutiae and let our tools do the heavy-lifting.
The new 5-series MSO is designed so you can focus on what's most important.

The best user experience on a scope. Ever.

- ✓ Access important controls directly through waveforms, cursors, levels, and readouts ("badges") on the display rather than navigating menus
- ✓ More than intuitive, the pinch, zoom swipe touch display facilitates quick, easy analysis of the increased number and variety of signals provided by this scope
- ✓ More channels allow you to see more signals at the same time to better understand the complex interactions of signals in your design

TRY DEMO NOW



Don't miss your deadline.
Don't miss out on your life either.

- ✓ Debug faster than ever before by getting to the root cause of the issue faster
- ✓ Gain deeper visibility into signals that have been next to impossible to measure before with the largest screen and highest resolution on a scope ever

TRY DEMO NOW

Tektronix

BRAINS MEETS BEAUTY

We've designed the newest 5-series MSO from the ground up to give you our most graceful user experience ever, without sacrificing any of the horsepower or sophistication that you've come to expect from Tektronix.

"Well, hello Gorgeous."

- ✓ With a true HD 15.6" touchscreen, it's the world's largest, most beautiful oscilloscope display.
- ✓ Go ahead. Touch it. The high-resolution touchscreen shows all the beautiful curves of your waveform.
- ✓ The new 5 Series MSO delivers a user experience so delightful you'll actually find yourself enjoying work.

TRY DEMO NOW

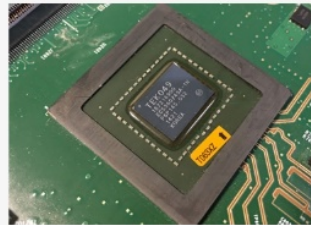


Brainpower to accompany the looks.

Don't be fooled by its beautiful lines, the new 5 Series MSO has the highest processing power of any scope before it.

- ✓ Powered by the proprietary TekD49 ASIC, the 5 Series MSO has the highest processing power of any scope before it.
- ✓ The FlexChannel™ input architecture detects whether an analog or digital probe was attached and automatically configures the channel and display.
- ✓ No other oscilloscope on the market can deliver 6.25GS/s digital sample rate simultaneously across up to 64 digital channels.

TRY DEMO NOW



Tektronix

LIMITLESS VISIBILITY.
UNLIMITED FLEXIBILITY.

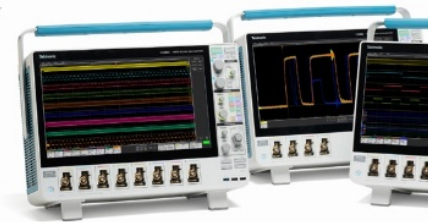
Introducing the most flexible, future-proof oscilloscope ever.
Tektronix 5-Series MSO.

Limitless Visibility

The only type of mixed signals you want from a lab partner

- ✓ Explore waveforms, digital signals, and serial buses on a big, 15.6-inch HD display
- ✓ 4, 6 or 8 FlexChannel input channels
- ✓ 12-bit analog-to-digital converter with enhanced resolution to 16 bits

TRY DEMO NOW



Unlimited Flexibility

Your tools. Your preferences. The new 5-Series MSO is designed to adapt to your work environment and ensure that your investment never becomes obsolete.

- ✓ FlexChannels measure 1 analog signal or 8 digital signals, simply by changing the probe
- ✓ Address a wide range of challenges with a built-in signal generator, protocol support and jitter analysis
- ✓ Adapt to future projects by field-upgrading bandwidth, record length, and analysis options

TRY DEMO NOW

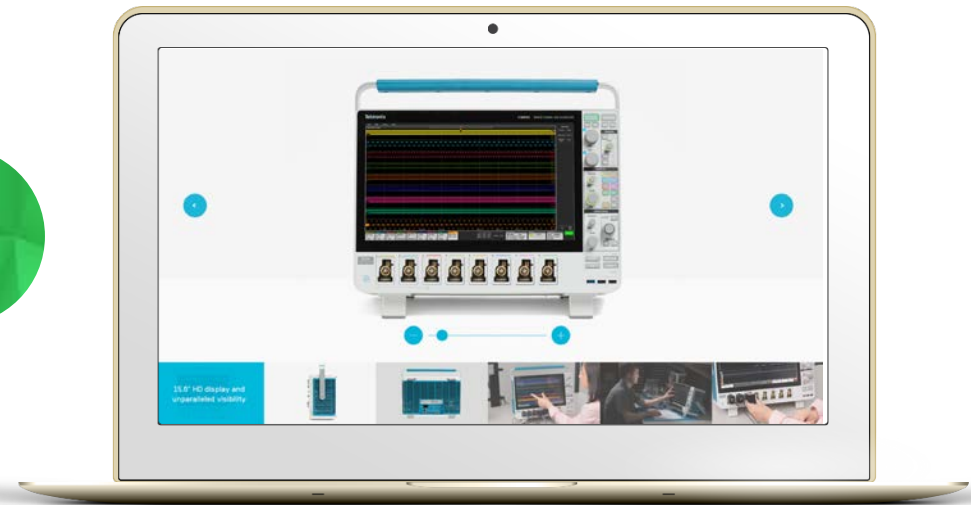


Optimized Value Proposition Created & Tested In Days (Not Weeks)

WHAT IS RAPID PROTOTYPING/ EXPERIMENTATION?



First Prototype



After Customer Feedback

Optimized Virtual Demo Created & Tested In Days (Not Weeks)

DIGITAL CASE STUDY: GOOGLE AI TO GAIN ADVERTISING EFFICIENCY

The Challenge

Reduce cost per lead from paid search advertising in highly competitive AdWords keyword auctions

Teletrac Navman faced high cost per click in high demand keywords in the US market

The Solution

- ▶ Implemented Google AI bid management to increase quality of leads while rationalizing spend
- ▶ Digital analytics to analyze and drive optimization actions
- ▶ Digital marketing Daily Management drove focus and results

**Reduced
Cost Per Lead
50%**

**Increased
Conversion
127%**

The screenshot shows a Google search for "fleet eld software". The top result is for Teletrac Navman's website, titled "Fleet Management Software | Teletrac Navman® Official Site". The search result snippet includes the text: "Currently Tracking Over 500,000 Vehicles Worldwide. Get a Free Demo/Quote Today! 3X+ ROI." The search interface also shows the search bar, navigation tabs (All, Shopping, News, Images, Videos, More), and search filters (Settings, Tools).

FBS GROWTH SUMMARY

FBS continues to be our foundation

FBS will evolve as Fortive evolves

FBS is successful in helping manage risks associated with breakthrough innovation

FBS is successful in areas like software development, SaaS business models

FBS is accelerating organic growth



FORTIVE



Summary & Outlook

Jim Lico | President & CEO

KEY MESSAGES

Key Growth Drivers intact and progressing

Connected offerings driving accelerated growth

Portfolio transformation underway via smart, substantial capital deployment

Business model and technology innovation ensures long run way of growth

Power of the Fortive Business System (FBS)

REAFFIRMING 2018 GUIDANCE

GUIDANCE

FY 2018

Adj. Dil. Net EPS

\$3.40 to \$3.50

18% - 21% Growth

Core Growth

3.0% to 4.0%

Core OMX*

50 to 75bps

Q2 2018

Adj. Dil. Net EPS

\$0.86 to \$0.90

21% - 27% Growth

Core Growth

+Mid Single Digits

Core OMX*

~50bps

BUSINESS / MARKET UPDATE

PROFESSIONAL INSTRUMENTATION

- POS remains strong in short-cycle businesses
- New product introductions across the segment driving share gains
- China semi continues to be a source of growth
- Acquisitions performing to plan, enhancing Digital / Connected presence

INDUSTRIAL TECHNOLOGIES

- Outdoor EMV ramp expected to contribute to MSD growth at GVR for balance of year
- Fuel automation and regulation driving HGM success
- Robotics continue to grow strong double-digits

*Core Operating Margin Expansion

INVEST WITH US



Outstanding Portfolio With Market-leading Brands And Strong Secular Drivers

Deep Experience In Fortive Business System Drives Sales Growth, Margin Expansion And Talent Development

Strong Capital Structure, Superior FCF Generation, And Proven Playbook That Allows For Substantial M&A To Drive Long-term Value Creation



FORTIVE

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURE

Forecasted Adjusted Diluted Net Earnings per Share

	Three Months Ending June 29, 2018		Year Ending December 31, 2018	
	Low End	High End	Low End	High End
Forecasted Diluted Net Earnings Per Share	\$ 0.80	\$ 0.84	\$ 3.18	\$ 3.28
Anticipated pretax amortization of acquisition-related intangible assets in the three months ending June 29, 2018 (\$25 million pretax, \$20 million after-tax) and year ending December 31, 2018 (\$100 million pretax, \$81 million after-tax)	0.07	0.07	0.28	0.28
Tax effect of the adjustment reflected above	(0.01)	(0.01)	(0.05)	(0.05)
TCJA Adjustments	—	—	(0.01)	(0.01)
Forecasted Adjusted Diluted Net Earnings Per Share	\$ 0.86	\$ 0.90	\$ 3.40	\$ 3.50