

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Growth Since Going Public
From Continuing Operations
(in millions, except per share data)

Reconciling Items

	GAAP Basis			Special Management Compensation Costs		Restructuring Costs		Tax Credit Related to Animal Health Spin-Off		Net Gain on Sale of Investments		Non-GAAP		
	1995	2019	CAGR	1995	2019	1995	2019	1995	2019	1995	2019	1995	2019	CAGR
Net Sales	\$ 583.6	\$ 9,985.8	12.56%	\$ -	\$ -	\$ -	\$ -					\$ 583.6	\$ 9,985.8	12.6%
Operating Income	\$ (2.5)	\$ 718.3	n/a (1)	\$ 20.8	\$ -		\$ 14.7					\$ 18.3	\$ 733.0	16.6%
Operating Margin	-0.43%	7.19%	762 bp									3.13%	7.34%	18 bps*
Net Income	\$ (11.0)	\$ 700.7	n/a (1)	\$ 19.6	\$ -		\$ 11.0	\$ (1.3)		\$ (186.8)		\$ 8.6	\$ 523.6	18.7%
Diluted EPS	\$ (0.21)	\$ 4.69	n/a (1)	\$ 0.37	\$ -		\$ 0.07	\$ (0.01)		\$ (1.25)		\$ 0.16	\$ 3.51	13.7%

* Average annual increase

(1) In 1995, Operating Income, Net Income and Diluted EPS were negative, and CAGR amounts cannot be calculated. Using 1996 as a base year the CAGR for Operating Income, Net Income and Diluted EPS was 15.08%, 17.15%, and 14.23%, respectively. For 1996, there were no reconciling items on a GAAP to Non-GAAP basis.

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Full Year 2019 Financial Highlights
From Continuing Operations
(in millions, except per share data)

Reconciling Items																								
	GAAP Basis			Litigation Settlement		Restructuring		Net Gain on Sale of Investments		Tax Credit Related to Animal Health Spin-off		One-time tax reorganization related to HS One		One-time tax charge related to the Animal Health Spin-off		International Legal Entity Reorganization		Transition Tax on Repatriated Foreign Earnings		Total Reconciling Items		Non-GAAP		
	2018	2019	Growth	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	Growth
Net Sales	\$ 9,417.6	\$ 9,985.8	6.0%																	\$ -	\$ -	\$ 9,417.6	\$ 9,985.8	6.0%
Operating Income	\$ 600.6	\$ 718.3	19.6%	\$ 38.5	\$ -	\$ 54.4	\$ 14.7													\$ 92.9	\$ 14.7	\$ 693.5	\$ 733.0	5.7%
Operating Margin	6.38%	7.19%	81 bp																			7.36%	7.34%	(2) bp
Net Income	\$ 430.7	\$ 700.7	62.7%	\$ 28.9	\$ -	\$ 40.8	\$ 11.0	\$ -	\$ (186.8)	\$ -	\$ (1.3)	\$ 3.9	\$ -	\$ 3.1	\$ -	\$ (10.6)	\$ -	\$ (10.0)	\$ -	\$ 56.0	\$ (177.1)	\$ 486.8	\$ 523.6	7.6%
Diluted EPS	\$ 2.80	\$ 4.69	67.5%	\$ 0.19	\$ -	\$ 0.27	\$ 0.07	\$ -	\$ (1.25)	\$ -	\$ (0.01)	\$ 0.03	\$ -	\$ 0.02	\$ -	\$ (0.07)	\$ -	\$ (0.07)	\$ -	\$ 0.37	\$ (1.19)	\$ 3.17	\$ 3.51	10.7%

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Q3 2020 - Financial Highlights
From Continuing Operations
(in millions, except per share data)

	GAAP Basis			Reconciling Items		Non-GAAP		
	Q3 2019	Q3 2020	Growth	2019-Restructuring Credits	2020-Restructuring Costs	Q3 2019	Q3 2020	Growth
Net Sales	\$ 2,508.8	\$ 2,840.1	13.2%			\$ 2,508.8	\$ 2,840.1	13.2%
Operating Income	\$ 187.2	\$ 187.7	0.3%	\$ (0.8)	\$ 7.0	\$ 186.4	\$ 194.7	4.4%
Operating Margin	7.46%	6.61%	(85) bp			7.43%	6.85%	(58) bp
Net Income	\$ 134.9	\$ 141.7	5.0%	\$ (0.6)	\$ 5.2	\$ 134.3	\$ 147.0	9.4%
Diluted EPS	\$ 0.91	\$ 0.99	8.8%	\$ (0.01)	\$ 0.04	\$ 0.90	\$ 1.03	14.4%

Henry Schein, Inc.
 Third Quarter 2020 Analyst Presentation
 Q3 2020 - Financial Highlights
 From Continuing Operations
 (in millions, except per share data)

	Reconciling Items										
	GAAP Basis				2019 Restructuring Credits and 2020 Restructuring Costs				Non-GAAP		
	Q3 2019	Q3 2020	Growth		Q3 2019	Q3 2020		Q3 2019	Q3 2020	Growth	
Net Sales	\$ 2,508.8	\$ 2,840.1	13.2%		\$ -	\$ -		\$ 2,508.8	\$ 2,840.1	13.2%	
Operating Income	\$ 187.2	\$ 187.7	0.3%		(0.8)	7.0		\$ 186.4	\$ 194.7	4.4%	
Operating Margin	7.46%	6.61%	(85) bp					7.43%	6.85%	(58) bp	

Henry Schein, Inc.
 Third Quarter 2020 Analyst Presentation
 Operating Income and Margin Highlights
 From Continuing Operations
 (in millions, except per share data)

	GAAP				Reconciling Items			
	2017	2018	2019	Q3 2020	2017	2018	2019	Q3 2020
Net Sales	\$ 8,883.4	\$ 9,417.6	\$ 9,985.8	\$ 2,840.1				
Operating Income	\$ 669.8	\$ 600.6	\$ 718.3	\$ 187.7	\$ 5.3	\$ 92.9	\$ 14.7	\$ 7.0
Operating Margin	7.54%	6.38%	7.19%	6.61%				
Operating Income Growth %			20%					
Operating Margin %			7.19%					
CAGR			3.56%					

	Non-GAAP			
	2017	2018	2019	Q3 2020
Net Sales	\$ 8,883.4	\$ 9,417.6	\$ 9,985.8	\$ 2,840.1
Operating Income	\$ 675.1	\$ 693.5	\$ 733.0	\$ 194.7
Operating Margin	7.60%	7.36%	7.34%	6.85%
Operating Income Growth %			6%	
Operating Margin %			7.34%	
CAGR			4.20%	

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Earnings Highlights
From Continuing Operations
(in millions, except per share data)

	GAAP EPS			
	2017	2018	2019	Q3 2020
GAAP Earnings per share	\$ 1.85	\$ 2.80	\$ 4.69	\$ 0.99
GAAP EPS Growth %		51%	68%	
GAAP EPS CAGR			51%	

	2017	2018	2019	Q3 2020
Restructuring costs	\$ -	\$ 0.27	\$ 0.07	\$ 0.04
Litigation Settlement	\$ 0.02	\$ 0.19		
Loss on Sale of Equity Investment	\$ 0.11			
Transitional Tax on Repatriated Foreign Earnings	\$ 0.88	\$ (0.07)		
Deferred Taxes Associated with U.S. Tax Reform Legislation	\$ 0.02			
One-time tax on reorganization related to HS One		\$ 0.03		
International Legal Entity Reorganization		\$ (0.07)		
One-Time Tax Charge Related to the Animal Health Spin-Off		\$ 0.02		
Tax Credit Related to Animal Health Spin-Off			\$ (0.01)	
Net Gain on Sale of Investments			\$ (1.25)	

	Non-GAAP EPS			
	2017	2018	2019	Q3 2020
Non-GAAP EPS	\$ 2.89	\$ 3.17	\$ 3.51	\$ 1.03
Non-GAAP EPS Growth %		10%	11%	
Non-GAAP EPS CAGR			10%	

	GAAP Net Income			
	2017	2018	2019	Q3 2020
GAAP Net Income	\$ 293.2	\$ 430.7	\$ 700.7	\$ 141.7

	2017	2018	2019	Q3 2020
Restructuring costs		\$ 40.8	\$ 11.0	\$ 5.2
Litigation Settlement	\$ 3.2	\$ 28.9		
Loss on Sale of Equity Investment	\$ 17.6			
Transitional Tax on Repatriated Foreign Earnings	\$ 140.0	\$ (10.0)		
Deferred Taxes Associated with U.S. Tax Reform Legislation	\$ 3.0			
One-time tax on reorganization related to HS One		\$ 3.9		
International Legal Entity Reorganization		\$ (10.6)		
One-Time Tax Charge Related to the Animal Health Spin-Off		\$ 3.1		
Tax Credit Related to Animal Health Spin-Off			\$ (1.3)	
Net Gain on Sale of Investments			\$ (186.8)	

	Non-GAAP Net Income			
	2017	2018	2019	Q3 2020
Non-GAAP Net Income	\$ 457.0	\$ 486.8	\$ 523.6	\$ 147.0

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Income Tax Rate Reconciliation
From Continuing Operations
(in millions, except tax rate)

	Q3 2020		
	Pretax income	Tax Expense	Tax Rate
Income Tax Rate - GAAP	\$ 177.2	\$ (29.0)	16.37%
Add back Non-GAAP Adjustments			
Restructuring costs	7.0	(1.7)	
Income Tax Rate - Non-GAAP	<u>\$ 184.2</u>	<u>\$ (30.7)</u>	16.70%

Henry Schein, Inc.
Third Quarter 2020 Analyst Presentation
Net Debt to EBITDA
From Continuing Operations
(in millions, except ratio)

Last Twelve Months Ending September 2020						
Reconciling Items						
Impairment						
Charges and Deal						
	GAAP	Letters of Credit	Cash Adjustment	Costs	Restructuring Costs	Non-GAAP
Net Debt	\$ 599.2	\$ 12.9	\$ 283.5		\$ -	\$ 895.6
EBITDA, as calculated	755.9			\$ 7.9	26.7	790.4
Net Debt to EBITDA	<u>0.79</u>					<u>1.13</u>