

Henry Schein, Inc.
Third Quarter 2019 Analyst Presentation
Growth Since Going Public
From Continuing Operations
(in millions, except per share data)

	GAAP Basis			Special Management Compensation Costs		Litigation Settlement		Restructuring Costs		Reconciling Items Tax Reorganization Charges related to HS One, Entity Outside U.S., and Animal Health Spin-Off	Transition Tax on Repatriated Earnings	Non-GAAP		
	1995	2018	CAGR	1995	2018	1995	2018	1995	2018	1995	2018	1995	2018	CAGR
Net Sales	\$ 583.6	\$ 9,417.6	13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 583.6	\$ 9,417.6	13%
Operating Income	\$ (2.5)	\$ 600.6	-227%	\$ 20.8	\$ -		\$ 38.5		\$ 54.4			\$ 18.3	\$ 693.5	17%
Operating Margin	-0.43%	6.38%	681 bp									3.13%	7.36%	423 bp
Net Income	\$ (11.0)	\$ 430.7	-217%	\$ 19.6	\$ -		\$ 28.9		\$ 40.8	\$ (3.6)	\$ (10.0)	\$ 8.6	\$ 486.8	19%
Diluted EPS	\$ (0.21)	\$ 2.80	-212%	\$ 0.37	\$ -		\$ 0.19		\$ 0.27	\$ (0.02)	\$ (0.07)	\$ 0.16	\$ 3.17	14%

Henry Schein, Inc.
Third Quarter 2019 Analyst Presentation
Full Year 2018 Financial Highlights
From Continuing Operations
(in millions, except per share data)

Reconciling Items																				
	GAAP Basis			Litigation Settlement		Restructuring		Loss on Sale of Equity Investment		Tax Reorganizatrion Charges related to HS One, Entity Outside U.S., and Animal Health Spin-Off		Deferred Tax Adjustment		Transition Tax on Repatriated Earnings		Total Reconciling Items		Non-GAAP		
	2017	2018	Growth	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	Growth
Net Sales	\$ 8,883.4	\$ 9,417.6	6.0%													\$ -	\$ -	\$ 8,883.4	\$ 9,417.6	6.0%
Operating Income	\$ 669.8	\$ 600.6	-10.3%	\$ 5.3	\$ 38.5		\$ 54.4									\$ 5.3	\$ 92.9	\$ 675.1	\$ 693.5	2.7%
Operating Margin	7.54%	6.38%	(116) bp															7.60%	7.36%	(24) bp
Net Income	\$ 293.2	\$ 430.7	46.9%	\$ 3.2	\$ 28.9		\$ 40.8	\$ 17.6		\$ (3.6)	\$ 3.0		\$ 140.0	\$ (10.0)	\$ 163.8	\$ 56.0	\$ 457.0	\$ 486.8	6.5%	
Diluted EPS	\$ 1.85	\$ 2.80	51.4%	\$ 0.02	\$ 0.19		\$ 0.27	\$ 0.11		\$ (0.02)	\$ 0.02		\$ 0.88	\$ (0.07)	\$ 1.03	\$ 0.37	\$ 2.89	\$ 3.17	9.7%	

Henry Schein, Inc.
Third Quarter 2019 Analyst Presentation
Q3 2019 - Financial Highlights
From Continuing Operations
(in millions, except per share data)

Reconciling Items

	GAAP Basis				2019-Restructuring, and Tax Credit related to the Animal Health Spin-Off			2018-Restructuring, Litigation Settlements, One Time Tax on Reorganization Related to HS One, and Transitional Tax on Repatriated Foreign Earnings			Non-GAAP		
	Q3 2018	Q3 2019	Growth		Q3 2018	Q3 2019		Q3 2018	Q3 2019		Q3 2018	Q3 2019	Growth
Net Sales	\$ 2,355.6	\$ 2,508.8	6.5%								\$ 2,355.6	\$ 2,508.8	6.5%
Operating Income	\$ 123.3	\$ 187.2	51.9%		\$ 47.0	(0.8)		\$ 170.3	\$ 186.4	9.4%			
Operating Margin (1)	5.23%	7.46%	223 bp					7.23%	7.43%	20 bp			
Net Income	\$ 90.8	\$ 134.9	48.6%		\$ 29.2	(0.6)		\$ 120.0	\$ 134.3	12.0%			
Diluted EPS	\$ 0.59	\$ 0.91	54.2%		\$ 0.19	(0.01)		\$ 0.78	\$ 0.90	15.4%			

(1) A The impact from acquisitions and acquisition related expenses this quarter on non-GAAP operating margin was a gain of 12 basis points. Excluding this impact, our Q3 2019 non-GAAP operating margin would have increased by 8 basis points.

Henry Schein, Inc.
 Third Quarter 2019 Analyst Presentation
 Q3 2019 - Financial Highlights
 From Continuing Operations
 (in millions, except per share data)

Reconciling Items									
2019-Restructuring, and Tax Credit related to the Animal Health Spin-Off									
2018-Restructuring, Litigation Settlements, One Time Tax on Reorganization Related to HS One, and Transitional Tax on Repatriated									
	GAAP Basis			Foreign Earnings			Non-GAAP		
	Q3 2018	Q3 2019	Growth	Q3 2018	Q3 2019		Q3 2018	Q3 2019	Growth
Net Sales	\$ 2,355.6	\$ 2,508.8	6.5%	\$ -	\$ -		\$ 2,355.6	\$ 2,508.8	6.5%
Operating Income	\$ 123.3	\$ 187.2	51.9%	\$ 47.0	\$ (0.8)		\$ 170.3	\$ 186.4	9.4%
Operating Margin	5.23%	7.46%	223 bp				7.23%	7.43%	20 bp

Henry Schein, Inc.
Third Quarter 2019 Analyst Presentation
Operating Income and Margin Highlights
From Continuing Operations
(in millions, except per share data)

	GAAP				Reconciling Items			
	2016	2017	2018	Q3 2019	2016	2017	2018	Q3 2019
Net Sales	\$ 8,218.9	\$ 8,883.4	\$ 9,417.6	\$ 2,508.8				
Operating Income	\$ 591.8	\$ 669.8	\$ 600.6	\$ 187.2	\$ 38.6	\$ 5.3	\$ 92.9	\$ (0.8)
Operating Margin	7.20%	7.54%	6.38%	7.46%				
Operating Income Growth %		13%	-10%					
Operating Margin %		7.54%	6.38%					
CAGR			1%					

	Non-GAAP			
	2016	2017	2018	Q3 2019
Net Sales	\$ 8,218.9	\$ 8,883.4	\$ 9,417.6	\$ 2,508.8
Operating Income	\$ 630.5	\$ 675.1	\$ 693.5	\$ 186.4
Operating Margin	7.67%	7.60%	7.36%	7.43%
Operating Income Growth %		7%	3%	
Operating Margin %		7.60%	7.36%	
CAGR			5%	

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

	GAAP EPS			
	2016	2017	2018	Q3 2019
GAAP Earnings per share	\$ 2.45	\$ 1.85	\$ 2.80	\$ 0.91
GAAP EPS Growth %		-24%	51%	
GAAP EPS CAGR			7%	

	2016	2017	2018	Q3 2019
Restructuring costs (credits)	\$ 0.18	\$ -	\$ 0.27	\$ (0.01)
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	

	Non-GAAP EPS			
	2016	2017	2018	Q3 2019
Non-GAAP EPS	\$ 2.63	\$ 2.89	\$ 3.17	\$ 0.90
Non-GAAP EPS Growth %		10%		
Non-GAAP EPS CAGR			10%	

	GAAP Net Income			
	2016	2017	2018	Q3 2019
GAAP Net Income	\$ 401.3	\$ 293.2	\$ 430.7	\$ 134.9

	2016	2017	2018	Q3 2019
Restructuring costs (credits)	\$ 29.0		\$ 40.8	\$ (0.6)
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	

	Non-GAAP Net Income			
	2016	2017	2018	Q3 2019
Non-GAAP Net Income	\$ 430.3	\$ 457.0	\$ 486.8	\$ 134.3

Henry Schein, Inc.
Third Quarter 2019 Analyst Presentation
Income Tax Rate Reconciliation
From Continuing Operations
(in millions, except tax rate)

	Q3 2019		
	Pretax income	Tax Expense	Tax Rate
Income Tax Rate - GAAP	\$ 178.6	\$ (42.0)	23.50%
Add back Non-GAAP Adjustments			
Restructuring credits	(0.8)	0.2	
Income Tax Rate - Non-GAAP	<u>\$ 177.8</u>	<u>\$ (41.8)</u>	23.49%