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## **Fortive to Acquire Gordian for Approximately \$775 Million in Cash**

- Agreement to Acquire Leading Provider of Construction Cost Data, Software and Service
- Provides Entry into the Attractive, High-Single Digit Growth Facilities Maintenance and Management Segment within the \$20 Billion Total Addressable Construction Software Market
- Long Runway of Consistent Revenue Growth; Positions Fortive in Underpenetrated, Low Volatility Verticals Serving the \$1.5B Segment
- Advances Fortive's Portfolio Enhancement Strategy to Invest in Software Enabled Workflows to Increase Growth Profile while Reducing Cyclicity
- Expected to Achieve 10% ROIC in less than 5 Years

Everett, Washington – July 2, 2018 – Fortive Corporation (“Fortive”) (NYSE: FTV) announced today that it has entered into a definitive agreement with Warburg Pincus to acquire Gordian, a privately-held, leading provider of construction cost data, software and service. The acquisition will be subject to customary closing conditions, including regulatory approvals, and will be financed with available cash.

Since pioneering the industry's first procurement platform, Gordian has expanded into cost estimating and facility planning workflow solutions across an extensive set of industry verticals. Gordian's comprehensive offerings serve the entire building lifecycle and provide workflow solutions to optimize every stage of an asset owner's construction and maintenance needs, including connecting the owner and contractors in the same exchange and providing access to cost and facilities metrics databases via a subscription-based model.

James A. Lico, President and Chief Executive Officer of Fortive, stated: “We are excited to acquire an industry leader in the attractive, high-growth facilities maintenance and management segment. The pending acquisition of Gordian advances our portfolio enhancement strategy to invest in software enabled workflows to increase our growth profile while reducing cyclicity.”

Mr. Lico continued, “Gordian's over 70 years of proprietary construction cost data and domain expertise and a seasoned management team created the industry standard in construction task data, workflow software and service. We look forward to working with the Gordian team to drive continued growth, innovation and value creation for customers across the facilities management ecosystem.”

Alex Berzofsky, Managing Director of Warburg Pincus, stated: “Gordian has established itself as the leading provider of facility and construction cost data, software and expertise. We have been pleased to support the company and its talented management team as the business has grown and filled a critical need in solving the challenges of those in construction with technology and insights. We wish the team the best in their next step with Fortive.”

The purchase price for the acquisition is \$775 million and the transaction is expected to close in the third quarter, 2018. Fortive expects Gordian to generate approximately \$130 million of revenue in 2018. Upon closing, Gordian will become part of Fortive's Field Solutions platform (comprising Fluke, Qualitrol, and Industrial Scientific) within Fortive's Professional Instrumentation segment.

### **ADVISORS**

Credit Suisse served as financial advisor to Fortive.

## **ABOUT FORTIVE**

Fortive is a diversified industrial growth company comprised of Professional Instrumentation and Industrial Technologies businesses that are recognized leaders in attractive markets. With 2017 revenues of \$6.7 billion, Fortive's well-known brands hold leading positions in field instrumentation, transportation, sensing, product realization, automation and specialty, and franchise distribution. Fortive is headquartered in Everett, Washington and employs a team of more than 26,000 research and development, manufacturing, sales, distribution, service and administrative employees in more than 50 countries around the world. With a culture rooted in continuous improvement, the core of our company's operating model is the Fortive Business System. For more information please visit: [www.fortive.com](http://www.fortive.com).

## **ABOUT WARBURG PINCUS**

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$45 billion in private equity assets under management. The firm's active portfolio of more than 165 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 17 private equity funds which have invested more than \$68 billion in over 820 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai and Singapore. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com).

## **FORWARD-LOOKING STATEMENTS**

Statements in this release that are not strictly historical, including statements regarding the proposed acquisition, the anticipated timing and terms of the acquisition, future financial impact or results of the acquisition, the anticipated prospects of Gordian or the industry following the acquisition, future growth opportunities following the acquisition, future cyclicity, and any other statements regarding events or developments that Fortive expects or anticipates will or may occur in the future, are "forward-looking" statements within the meaning of the federal securities laws. There are a number of important risks and uncertainties 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 risks and uncertainties include, among other things, the ability of the parties to satisfy the conditions to the acquisition on a timely basis, the parties' ability to complete the acquisition on the anticipated terms and schedule, including the ability to obtain regulatory approvals, deterioration of or instability in the economy, international trade policies, and the financial markets, contractions or lower growth rates and cyclicity of markets Fortive or Gordian serves, competition, changes in industry standards and governmental regulations, Fortive's ability to successfully integrate and realize the anticipated value of Gordian's operations, the ability to realize anticipated growth, synergies and cost savings, and Gordian's performance and maintenance of important business relationships pending closing of the acquisition. 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 and our Quarterly Report on Form 10-Q for the quarter ended March 30, 2018. These forward-looking statements speak only as of the date of this release, 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.

With respect to the non-GAAP forwarding-looking projections on "ROIC," Fortive is unable to provide a quantitative reconciliation to the most directly comparable GAAP measure because the items that would be reconciled are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance.

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