



# Q2 FY26 Earnings presentation

August 5, 2026



# Forward-looking statements and use of document

This presentation contains or incorporates by reference statements that relate to future events and expectations and, as such, constitute forward-looking statements that involve risk and uncertainties. All statements that reflect Solventum's expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, forecasts relating to discussions of future operations and financial performance and statements regarding Solventum's strategy for growth. Forward-looking statements include those containing such words as "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "forecasts," "goal," "guidance," "intends," "may," "outlook," "plans," "potential," "predicts," "projects," "seeks," "sees," "should," "targets," "will," "would," or other words of similar meaning or by using future dates. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and changes in circumstances. A further description of these factors is located under "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in Solventum's periodic reports on file with the SEC, including its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q and "Forward-Looking Statements" in our earnings release, which can be found on our investor relations website at [investors.solventum.com](https://investors.solventum.com). Solventum assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

## **Use of this document:**

This document does not purport to be a complete summary of our Q2 2026 financial performance. Therefore, please read additional relevant material, including our earnings release, which can be found on our investor relations website at [investors.solventum.com](https://investors.solventum.com), our Quarterly Report on Form 10-Q as filed with the SEC, and our Annual Report on Form 10-K as filed with the SEC.

References to organic sales growth throughout this document exclude the impact of currency as well as acquisitions and divestitures for the first 12 months post transaction. Unless stated otherwise, all growth rates comparing to prior year period are stated on an organic basis whereas sequential sales performance is reported as 'actual'. Certain columns and rows throughout this document may not sum due to the use of rounded numbers.

# Solventum | roadmap to the mission



# Solventum value creation formula

Attractive set up

diverse businesses, attractive markets and strong brands

+ Foundational  
enhancements

mission, talent, culture, innovation engine (commercial and R&D)

+ Strategic clarity

market selection and growth drivers – enable sales growth,  
margin expansion and cash flow improvement

+ Balance sheet flexibility

opportunity to enhance the plan

= Value creation

# Key Messages for the Quarter



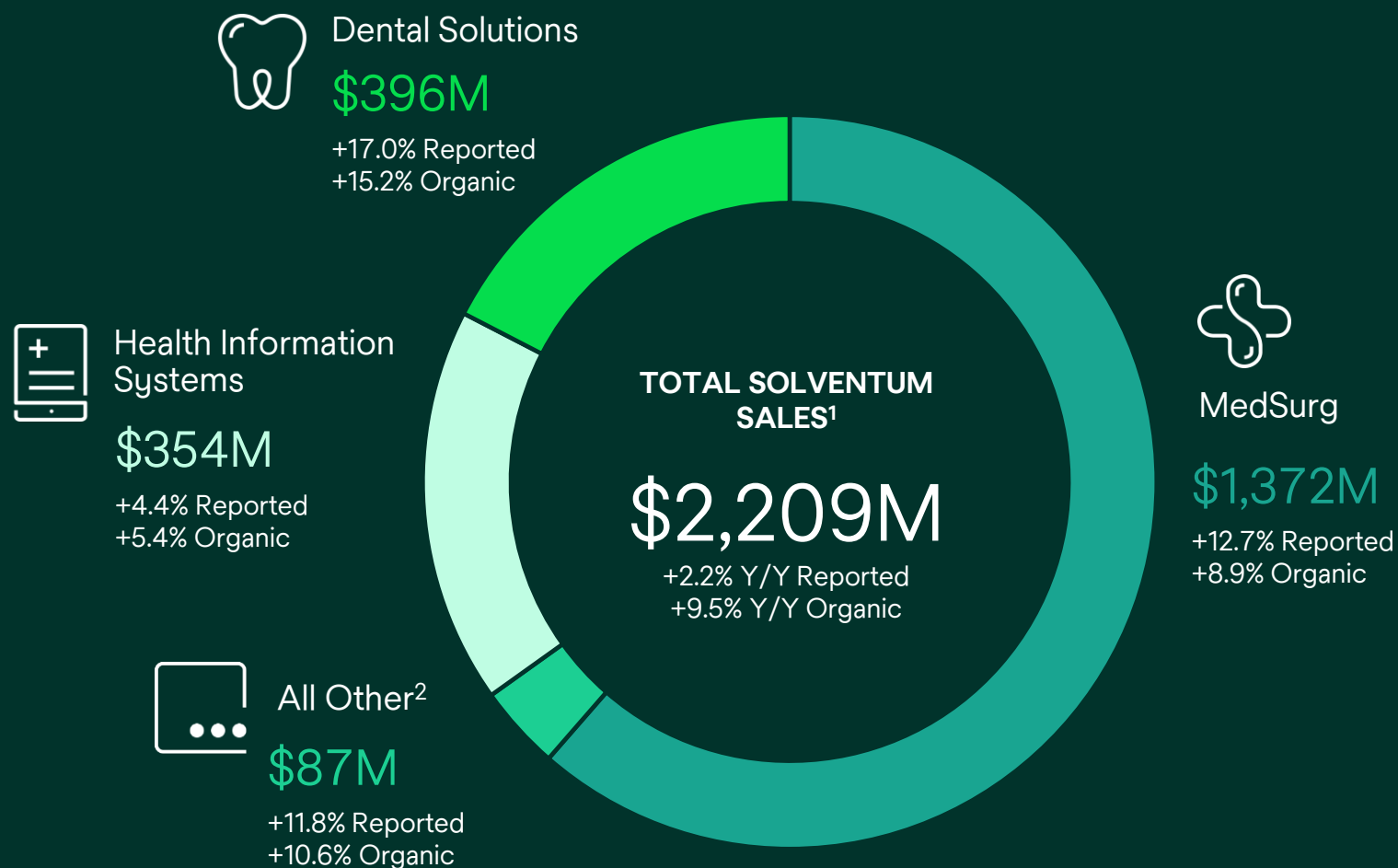
Solid results led  
by underlying  
sales momentum

Separation  
workstreams  
winding down

Announced intent  
to separate HIS  
business

Increased full  
year guidance

# Q2 FY26 financial summary



1. Q2 FY26 Sales and growth benefited from approximately \$125M or 630bps of advance ordering to mitigate ERP cutovers. Segment impact disclosed on following slides for MedSurg and Dental Solutions.

2. All Other sales includes Drinking Water Filtration business, products supplied to 3M, and other supply agreements related to legacy 3M non-health care business that were assumed by the company at spin-off.

## Key metrics

|                                                    | GAAP   | Non-GAAP <sup>3</sup> |
|----------------------------------------------------|--------|-----------------------|
| Operating margin                                   | 8.2%   | 28.4%                 |
| Diluted EPS                                        | \$0.53 | \$2.55                |
| Cash from operations / Free cash flow <sup>3</sup> | \$227M | \$144M                |

3. See non-GAAP financial measures and reconciliation schedules in the appendix of this document.

# MedSurg summary

## Q2 financial results

|           | Q2 FY26  | Q2 FY25  | Y/Y*                             |
|-----------|----------|----------|----------------------------------|
| Net sales | \$1,372M | \$1,218M | Reported +12.7%<br>Organic +8.9% |

### Segment drivers:

- IP&SS led by continued adoption of differentiated and higher-value antimicrobial IV securement dressings to reduce catheter related bloodstream infections<sup>1</sup>
- AWC growth driven by NPWT led by strong market reception of Peel and Place dressing and continued growth of single-use Prevena

*\* MedSurg Q2 FY26 organic sales growth benefitted from an estimated 700bps of ERP related temporary advance order timing*

AWC

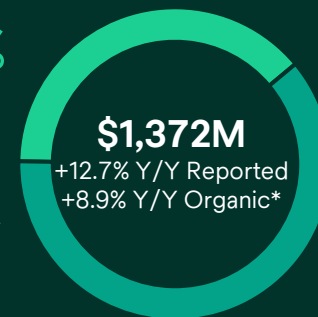
**\$537M | 39%**

+14.9% Y/Y Rep  
+7.1% Y/Y Org

IP&SS

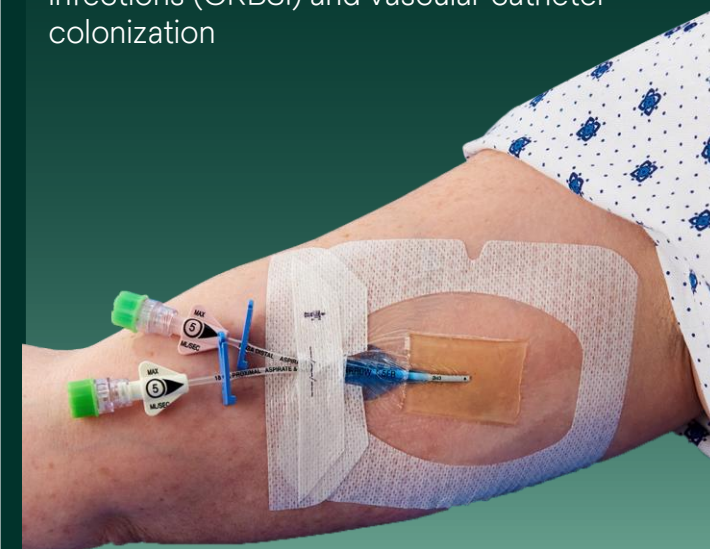
**\$836M | 61%**

+11.3% Y/Y Rep  
+10.1% Y/Y Org



Tegaderm™ CHG (chlorhexidine gluconate) IV securement dressings

<sup>1</sup> The only transparent dressing cleared by the FDA to reduce catheter-related bloodstream infections (CRBSI) and vascular catheter colonization



# Dental Solutions summary

## Q2 financial results

|           | Q2 FY26 | Q2 FY25 | Y/Y*                              |
|-----------|---------|---------|-----------------------------------|
| Net sales | \$396M  | \$338M  | Reported +17.0%<br>Organic +15.2% |

## Segment drivers:

- Innovation driving core restoratives growth and shift into higher-growth aesthetics, led by Clarity™ Aligners
- Filtek™ Composite Warmer placements continuing to drive pull-through sales, supporting momentum for Filtek™ Easy Match and Easy Match Flowable launches alongside ongoing benefit from ClinPro™ Clear

*\* Dental Solutions Q2 FY26 organic sales growth benefitted from an estimated 1,040bps of ERP related temporary advance order timing*

## Solventum™ Filtek™ Composite Warmer Kit

Easy one-button operation warms composite material in as little as two minutes with capacity for six capsules and one flowable syringe. Designed especially for Filtek™ dental restoratives to achieve improved adaptation, better flow and more.



reddot winner 2026

# Health Information Systems summary

## Q2 financial results

|           | Q2 FY26 | Q2 FY25 | Y/Y                             |
|-----------|---------|---------|---------------------------------|
| Net sales | \$354M  | \$339M  | Reported +4.4%<br>Organic +5.4% |

## Segment drivers & separation update:

- Growth in revenue cycle management supported by adoption of 360 Encompass™ and ongoing international expansion; team focused on accelerating rollout of autonomous coding solutions
- Announced intent to separate the HIS business; strengthens Solventum’s focus as a dedicated MedTech company; positions HIS to accelerate its strategic vision and growth agenda

## Solventum™ 360 Encompass™ System

Latest generation coding solution combines coding and reimbursement processes along with workflow improvements to help hospitals streamline revenue cycle processes, receive accurate reimbursement, promote compliance and make data-informed decisions.



# Executing a balanced capital plan

## Debt paydown



- Divested P&F business<sup>1</sup>; net proceeds primarily used for debt paydown
- Net debt reduced by \$2.6B since separation to \$4.7B
- Strong liquidity position and balance sheet flexibility to execute across our capital allocation levers
- Targeting solid investment grade credit ratings

## Invest for growth



- Announced intent to separate HIS, will create a more dedicated MedTech with more targeted investment and capital allocation flexibility
- Portfolio optimization: Target rich environment for tuck-in M&A and continual assessment of our businesses for strategic and financial fit
- Executing multi-year 'Transform for the Future' initiative. Expect to generate ~\$500M in annual cost savings with a cumulative pretax cost of ~\$500M

## Return capital to shareholders



- In Q2 2026, repurchased 3.9M shares for total consideration of \$288M under \$1B share repurchase authorization.
- Expect continued share repurchases as part of our balanced capital allocation strategy
- May consider dividends over time

<sup>1</sup>Divestiture of Purification & Filtration business completed Sept. 1, 2025.

# FY2026 financial guidance and considerations<sup>1</sup>

## Organic sales growth

**+2.5% to +3.0%**

vs prior range of +2.0% to +3.0%  
Ex-SKU +3.5% to +4.0%

## Adjusted EPS

**\$7.10 to \$7.20**

vs prior range of \$6.40 to \$6.60  
includes \$0.48 for tariff refund

## Free cash flow

**\$200M to \$300M**

High-end reflects  
~\$100M tariff refunds in 2H

## Additional 2026 considerations

### ERP timing impact

## Majority reverses in Q3

Expect most of Q2 Sales \$125M & EPS \$0.34 benefits will reverse in 2H, with majority in Q3

### FX impact net sales

**~100bps benefit**

### Operating Margin

**22.2% to 22.7%**

Vs. prior range of 21.0 to 21.5%  
Reflects +120bps benefit of expected tariff refund

### Tariff impact

**Neutral**

Vs. prior range of \$100M to \$120M  
IEEPA tariff refunds offset ongoing tariff costs<sup>2</sup>

### Effective Tax Rate

**19.5% to 20.5%**

1. See Non-GAAP financial measures in the appendix of this document

2. Tariff impact estimate based on now expired Section 122 tariffs (expired July 24<sup>th</sup>) and newly enacted Section 301 tariffs (effective July 24<sup>th</sup>)

# Appendix

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# Non-GAAP financial measures

In addition to reporting financial results in accordance with U.S. GAAP, Solventum also provides non-GAAP measures that we use, and plan to continue using, when monitoring and evaluating operating performance. The adjusted measures are not in accordance with, nor are they a substitute for GAAP measures. These non-GAAP financial measures are supplemental measures of our performance and our liquidity that we believe help investors understand our underlying business performance and Solventum uses these measures as an indication of the strength of Solventum and its ability to generate cash. Refer to the reconciliation schedules included in our earnings release dated August 5, 2026, which can be found on our investor relations website, for descriptions and reconciliations of financial measures. Solventum calculates forward-looking non-GAAP financial measures, including organic sales growth, adjusted gross margin, adjusted operating income, adjusted operating income margin, adjusted effective tax rate, adjusted earnings per share and free cash flow based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. Solventum does not provide reconciliations of these forward-looking non-GAAP financial measures to the respective GAAP metrics as it is unable to predict with reasonable certainty and without unreasonable effort certain items such as the impact of changes in currency exchange rates, impacts associated with business acquisitions or divestitures, and the timing and magnitude of restructuring activities, among other items. The timing and amounts of these items are uncertain and could have a material impact on Solventum's results in accordance with GAAP.

Solventum's Q2 2026 financial statements and financial information, including reconciliations of non-GAAP financial measures, are available on Solventum's investor relations website: [investors.solventum.com](https://investors.solventum.com).

# Q2 FY26 non-GAAP reconciliation & free cash flow

| (\$ Millions, except per share data) | Q2 FY26<br>GAAP | Amortization | Restructuring<br>costs | 3M Spin-off &<br>separation-related<br>costs | Certain litigation-<br>related costs | Purification<br>and Filtration<br>separation-related | Acquisition-related<br>costs | Planned separation of<br>Health Information<br>Systems-related | Q2 FY26<br>non-GAAP |
|--------------------------------------|-----------------|--------------|------------------------|----------------------------------------------|--------------------------------------|------------------------------------------------------|------------------------------|----------------------------------------------------------------|---------------------|
| Net sales                            | 2,209           |              |                        |                                              |                                      |                                                      |                              |                                                                | 2,209               |
| Gross margin                         | 1,286           |              | 9                      | 33                                           |                                      | (1)                                                  |                              |                                                                | 1,328               |
| % of sales                           | 58.2%           |              | 0.4%                   | 1.5%                                         |                                      | (0.0)%                                               |                              |                                                                | 60.1%               |
| R&D                                  | 178             | (48)         | (0)                    | (3)                                          |                                      | 1                                                    | (1)                          |                                                                | 126                 |
| % of sales                           | 8.1%            | (2.2)%       | (0.0)%                 | (0.1)%                                       |                                      | 0.0%                                                 | (0.0)                        |                                                                | 5.7%                |
| SG&A                                 | 927             | (42)         | (33)                   | (109)                                        | (157)                                | 7                                                    | (14)                         | (6)                                                            | 575                 |
| % of sales                           | 42.0%           | (1.9)%       | (1.5)%                 | (4.9)%                                       | (7.1)%                               | 0.3%                                                 | (0.6)%                       | (0.3)%                                                         | 26.0%               |
| Operating expense <sup>1</sup>       | 1,105           | (90)         | (33)                   | (112)                                        | (157)                                | 7                                                    | (15)                         | (6)                                                            | 701                 |
| Operating income                     | 181             | 90           | 42                     | 145                                          | 157                                  | (8)                                                  | 15                           | 6                                                              | 627                 |
| Operating income margin              | 8.2%            | 4.1%         | 1.9%                   | 6.6%                                         | 7.1%                                 | (0.4)%                                               | 0.7%                         | 0.3%                                                           | 28.4%               |
| Interest expense, net                | 64              |              |                        |                                              |                                      |                                                      |                              |                                                                | 64                  |
| Other non-op expense/(income), net   | 9               |              |                        |                                              |                                      |                                                      |                              |                                                                | 9                   |
| Income before income taxes           | 108             | 90           | 42                     | 145                                          | 157                                  | (8)                                                  | 15                           | 6                                                              | 554                 |
| Provision for income taxes           | 15              | 14           | 10                     | 31                                           | 38                                   | (2)                                                  | 4                            | 1                                                              | 112                 |
| Net income                           | 92              | 76           | 32                     | 114                                          | 119                                  | (6)                                                  | 11                           | 4                                                              | 442                 |
| Diluted EPS                          | 0.53            | 0.44         | 0.18                   | 0.65                                         | 0.69                                 | (0.04)                                               | 0.07                         | 0.03                                                           | 2.55                |

## Free cash flow (\$ Millions)

## Q2 FY26

|                                                     |      |
|-----------------------------------------------------|------|
| Net cash provided by/(used in) operating activities | 227  |
| Purchases of property, plant and equipment          | (83) |
| Free cash flow                                      | 144  |

<sup>1</sup>Operating expense includes the combination of research and development and selling, general and administrative expense line items from the Condensed Consolidated Statements of Income

# Glossary and definitions

## Abbreviation    Elaboration

|         |                                             |
|---------|---------------------------------------------|
| AI      | Artificial intelligence                     |
| AWC     | Advanced Wound Care                         |
| CHG     | Chlorhexidine gluconate                     |
| FCF     | Free cash flow                              |
| FY      | Fiscal year                                 |
| HCIT    | Healthcare information technology           |
| IP&SS   | Infection Prevention and Surgical Solutions |
| NPWT    | Negative pressure wound therapy             |
| OEM     | Original equipment manufacturer             |
| P&F     | Purification and Filtration                 |
| R&D     | Research and development                    |
| SG&A    | Sales, general and administrative expenses  |
| SKU     | Stock-keeping unit                          |
| V.A.C.® | Vacuum-Assisted Closure                     |

### Organic sales growth

Total net sales less the impacts of foreign currency and sales from business acquisitions or divestitures for the first 12 months post-transaction

### Adjusted gross margin

Gross margin excluding restructuring costs, 3M spin-off and separation-related costs, impacts related to the separation and gain on sale of the Purification and Filtration business, and acquisition-related costs

### Adjusted operating income

Operating income excluding amortization of acquired intangible assets, restructuring costs, 3M spin-off and separation-related costs, certain litigation-related costs, impacts related to the separation and gain on sale of the Purification and Filtration business, acquisition-related costs and Health Information Systems separation-related costs

### Adjusted operating income margin

Adjusted operating income divided by total net sales

### Adjusted net income

Net income excluding amortization of acquired intangible assets, restructuring costs, 3M spin-off and separation-related costs, certain litigation-related costs, impacts related to the separation and gain on sale of the Purification and Filtration business, acquisition-related costs and Health Information Systems separation-related costs

### Adjusted earnings per share

Diluted earnings per share excluding the per share impacts of amortization of acquired intangible assets, restructuring costs, 3M spin-off and separation-related costs, certain litigation-related costs, impacts related to the separation and gain on sale of the Purification and Filtration business, acquisition-related costs and Health Information Systems separation-related separation costs

**Free cash flow** Net cash provided by operating activities less purchases of property, plant and equipment

### Free cash flow conversion

Free cash flow divided by Adjusted Net Income