



CECP Investor Forum

Stanley Bergman
Chairman of the Board and CEO, Henry Schein, Inc.

February 24, 2020

Safe Harbor Provision

Cautionary Note Regarding Forward-Looking Statements and Use of Non-GAAP Financial Information

In accordance with the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995, we provide the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. All forward-looking statements made by us are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements include EPS guidance and are generally identified by the use of such terms as "may," "could," "expect," "intend," "believe," "plan," "estimate," "forecast," "project," "anticipate," "to be," "to make" or other comparable terms. A full discussion of our operations and financial condition, status of litigation matters, including factors that may affect our business and future prospects, is contained in documents we have filed with the United States Securities and Exchange Commission, or SEC, and will be contained in all subsequent periodic filings we make with the SEC. These documents identify in detail important risk factors that could cause our actual performance to differ materially from current expectations.

Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: effects of a highly competitive and consolidating market; increased competition by third party online commerce sites; our dependence on third parties for the manufacture and supply of our products; our dependence upon sales personnel, customers, suppliers and manufacturers; our dependence on our senior management; fluctuations in quarterly earnings; risks from expansion of customer purchasing power and multi-tiered costing structures; increases in shipping costs for our products or other service issues with our third-party shippers; general global macro-economic conditions; risks associated with currency fluctuations; risks associated with political and economic uncertainty; disruptions in financial markets; volatility of the market price of our common stock; changes in the health care industry; implementation of health care laws; failure to comply with regulatory requirements and data privacy laws; risks associated with our global operations; risks associated with the Novel Coronavirus Disease 2019 (COVID-19); risks associated with the United Kingdom's withdrawal from the European Union; transitional challenges associated with acquisitions, dispositions and joint ventures, including the failure to achieve anticipated synergies/benefits; financial and tax risks associated with acquisitions, dispositions and joint ventures; litigation risks; new or unanticipated litigation developments and the status of litigation matters; the dependence on our continued product development, technical support and successful marketing in the technology segment; our dependence on third parties for certain technologically advanced components; risks from disruption to our information systems; cyberattacks or other privacy or data security breaches; certain provisions in our governing documents that may discourage third-party acquisitions of us; and changes in tax legislation. The order in which these factors appear should not be construed to indicate their relative importance or priority.

We caution that these factors may not be exhaustive and that many of these factors are beyond our ability to control or predict. Accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. We undertake no duty and have no obligation to update forward-looking statements.

Included within the press release are non-GAAP financial measures that supplement the Company's Consolidated Statements of Income prepared under generally accepted accounting principles (GAAP). These non-GAAP financial measures adjust the Company's actual results prepared under GAAP to exclude certain items. In the schedules attached to this press release, the non-GAAP measures have been reconciled to and should be considered together with the Consolidated Statements of Income. Management believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance and allow for greater transparency with respect to key metrics used by management in operating our business. These non-GAAP financial measures are presented solely for informational and comparative purposes and should not be regarded as a replacement for corresponding, similarly captioned, GAAP measures.

Henry Schein – At a Glance

Largest Distributor of Health Care Products and Services to Office-based Dental and Medical Practitioners

SERVING MORE THAN

1 MILLION

CUSTOMERS

2019 GLOBAL
NET SALES

\$10.0

BILLION

19,000+

TEAM SCHEIN
MEMBERS

FORTUNE 500

15

YEARS

S&P 500

4

YEARS

FORTUNE
WORLD'S MOST
ADMIRED
COMPANIES[®] 2020
#1 HEALTH CARE WHOLESALER

19 YEARS

2019 WORLD'S MOST
ETHICAL
COMPANIES[™]
WWW.ETHISPHERE.COM

8 YEARS

**CORPORATE
EQUALITY INDEX**

BEST PLACE TO WORK
FOR LGBTQ EQUALITY

100% – 5 YEARS

FORBES

AMERICA'S BEST
EMPLOYERS LIST

4 YEARS

2018

HIGHER AMBITION
COMPANY OF THE YEAR

2018

FORTUNE CHANGE
THEWORLD LIST

Leading Market Positions & Consistent Growth

#1 Global dental products and technology provider

#2 Physicians and alternate care distributor in the U.S.

Consistent Growth

Track record of solid, long-term CAGR growth

13%

CAGR
SALES

14%

CAGR
Non-GAAP
EPS*

16%

CAGR
MARKET CAP
GROWTH



From continuing operations. CAGRs from 1995 to 2019.

*See the appendix of this slide set for a reconciliation of GAAP to non-GAAP measures.

Henry Schein's High-Touch, Value-Added Market Approach



EDUCATION

Our strategy is focused on delivering solutions that enable our customers to provide the best quality patient care while optimizing the efficiency of their practice.



SERVICE & SUPPORT



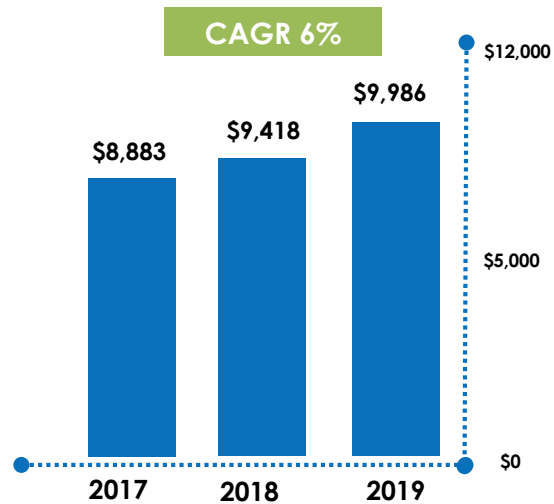
SOFTWARE & INNOVATION



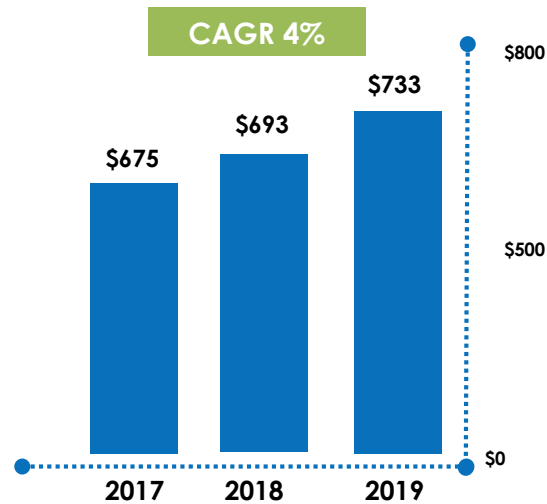
RELATIONSHIPS

Financial Highlights

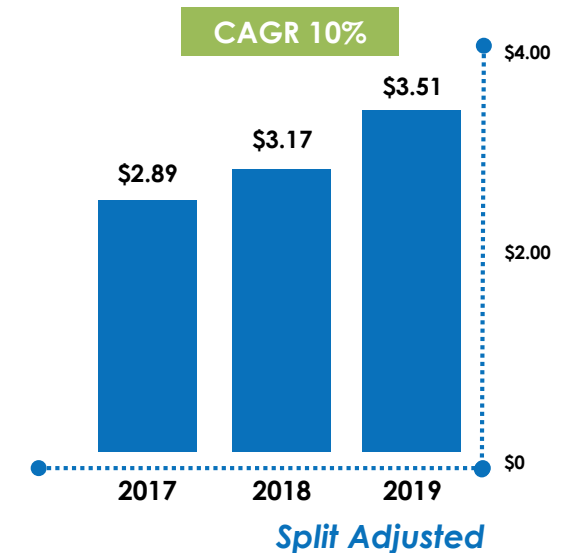
NET SALES (\$ in Millions)



NON-GAAP OPERATING INCOME* (\$ in Millions)



NON-GAAP EARNINGS PER DILUTED SHARE*



Mid-single to low-double digit CAGR growth in key financial metrics: sales, non-GAAP operating income and non-GAAP EPS

Global Megatrends

Digital Disruption



Customer Consolidation



Aging Population and Growing Middle Class



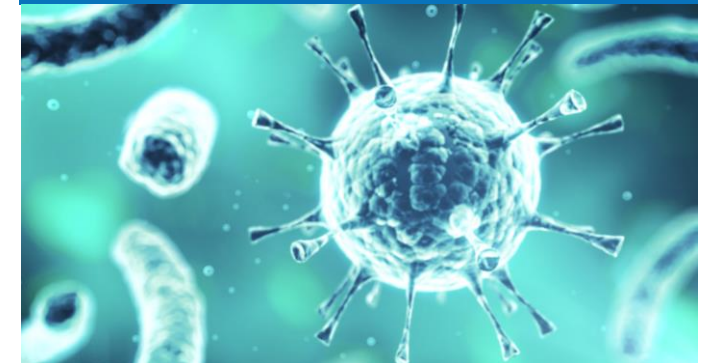
Increasing Appreciation of Wellness & Prevention



Demographics



Diseases Don't Have Passports



Dental & Medical Growth Opportunities



- Increase customer penetration organically and through acquisition
- Geographic expansion
- Continued focus on large accounts, health systems and surgery centers
- Advancing technology solutions, centered on software
- Digitalization of dentistry, including prosthetics
- Focus on specialty segments and solutions

Corporate Strengths Driving our Sustainability Efforts and Strategic Plan

STRATEGIC PLAN PILLARS

Expand our Core Business

Value-Added Solutions and Support

Enhancing our Brand Equity

Based on our deep understanding of the needs of health professionals, we deliver a platform of valuable solutions, powered by a network of people and technology.

SUSTAINABILITY EFFORTS

Strengthening Access to Care

Enhancing Healthcare System Sustainability

Engaging Stakeholders to Create Purpose-Driven Value

“The What?”

DOING WELL
by
DOING GOOD

HIGHER
AMBITION



“The How?”

Our “Higher Ambition” belief is that we marry our company’s sense of purpose and commitment to our values as an important vehicle to drive our long-term economic success while also making a positive difference in the world.



1989

Establishment of Henry Schein's concept of the *Mosaic of Success*

2018

Larry Fink's 1st Letter to CEOs on Purpose

2019

BR Business Roundtable

2020

WORLD
ECONOMIC
FORUM

Davos Manifesto
2020

“The Why?”

T R U S T



Brand Value



**Consumer
Loyalty**



**Ethical
Behavior**

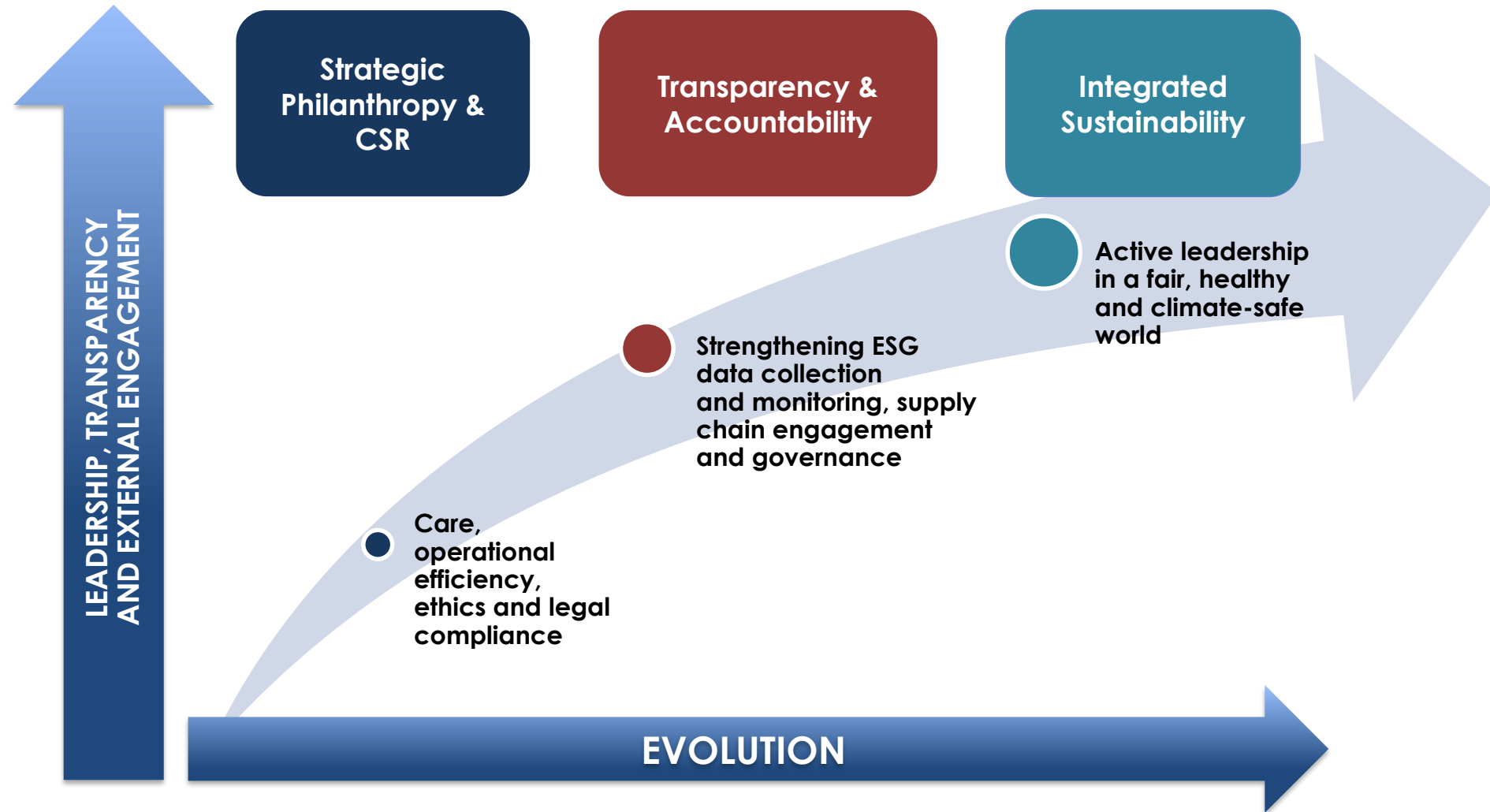


**Employee
Retention**



Sustainability

ESG Journey



Sustainability Program – A Commitment to Environmental Progress

CURRENT



75% less emissions Due to our enhanced UPS mostly ground transport network vs. traditional network. Equivalent to removing **> 17,500 passenger vehicles** from the roads for a year



>11,100 tons of waste material recycled by our North American DCs (2018)



Recycling has reduced carbon emissions by 6,500 metric tons (2018). Equivalent to removing **>4,700 cars** from our roadways



FUTURE

- **Measurement**
- **Mitigation**
- **Evaluation of Carbon Neutrality**

Sustainability Program – A Commitment to Social Progress

CURRENT

In 2018, TSMs completed
563,800 training hours

Celebrated 1-year anniversary
of the Women's Leadership
Network, our first ERG, in 2018

Almost 12,000 volunteer hours
donated by TSMs in 2018 for
Company-supported initiatives
around the world

**Nearly \$12.5 million in cash and
in-kind donations** provided in 2018
through Henry Schein Cares and the
Henry Schein Cares Foundation, Inc.



FUTURE

- **Expand Employee Resource Groups (ERGs) and Launch Diversity Council**
- **Continued Diversity and Inclusion Transparency and Training**
- **Continued Progress in Occupational Health and Safety Systems and Processes**

Sustainability Program – A Commitment to Governance Progress

CURRENT

Operating at
high ethical standards

Committed to transparency
on our ESG performance

Developing our governance
system for the oversight and
management of ESG issues
that matter to our business
and our stakeholders



FUTURE

- Board oversight through Nominating and Governance Committee
- Continued transparency and accountability

Long-Term Financial Goals

Sales

- Grow 1% to 2% faster than end-market growth rates (organic)

Non-GAAP EPS

- Mid- to high single-digit diluted EPS growth, including share repurchases and acquisition contribution

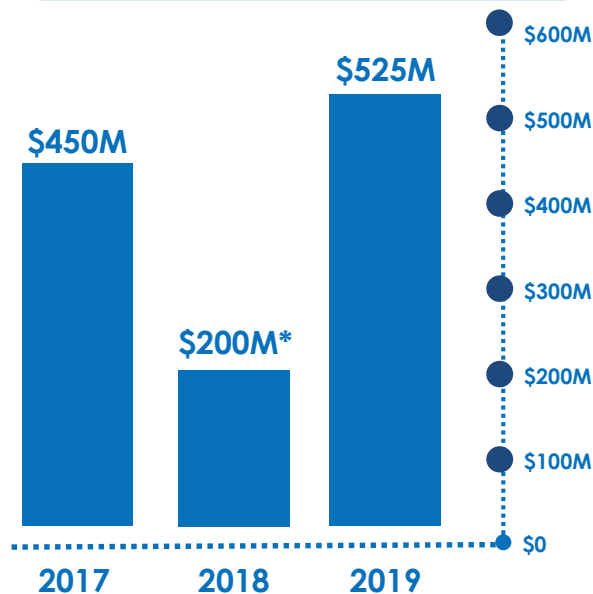
Cash Flow

- Cash flow from operations to exceed net income

Capital Allocation Strategy

Primarily allocate annual free cash flow to a combination of:

SHARE REPURCHASES



*Blackout in early part of 2018 due to spin-off of animal health business

M&A

Strategy:

- Geographic Expansion
- Fold-in Acquisitions
- Access to a Key Product or Service
- **Successfully integrated over 250 acquisitions since IPO in 1995**

ORGANIC INVESTMENT

- **Enhancing products, technologies and solutions to support core businesses**
- **Focused investment in Team Schein**

ESG and Our Long-Term Success

- **Building an ESG platform aligned with the needs of our key constituents**
- **Multiple organic and strategic growth opportunities**
- **Proven financial track record**
- **Experienced management team and robust talent bench**





THANK YOU!

APPENDIX

GAAP & Non-GAAP Reconciliations

Growth Since Going Public

Henry Schein, Inc.															
Fourth Quarter 2019 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	225%		\$ 20.8	\$ -		\$ 14.7					\$ 18.3	\$ 733.0	16.6%
Operating Margin	-0.43%	7.19%	762 bp										3.13%	7.34%	421 bp
Net Income	\$ (11.0)	\$ 700.7	218%		\$ 19.6	\$ -		\$ 11.0		\$ (1.3)		\$ (186.8)	\$ 8.6	\$ 523.6	18.7%
Diluted EPS	\$ (0.21)	\$ 4.69	213%		\$ 0.37	\$ -		\$ 0.07		\$ (0.01)		\$ (1.25)	\$ 0.16	\$ 3.51	13.7%

GAAP & Non-GAAP Reconciliations

Operating Income

Henry Schein, Inc.											
Fourth Quarter 2019 Analyst Presentation											
Operating Income and Margin Highlights											
From Continuing Operations											
(in millions, except per share data)											
	GAAP			Reconciling Items				Non-GAAP			
	2017	2018	2019	2017	2018	2019		2017	2018	2019	
Net Sales	\$ 8,883.4	\$ 9,417.6	\$ 9,985.8				Net Sales	\$ 8,883.4	\$ 9,417.6	\$ 9,985.8	
Operating Income	\$ 669.8	\$ 600.6	\$ 718.3	\$ 5.3	\$ 92.9	\$ 14.7	Operating Income	\$ 675.1	\$ 693.5	\$ 733.0	
Operating Margin	7.54%	6.38%	7.19%				Operating Margin	7.60%	7.36%	7.34%	
Operating Income Growth %			20%				Operating Income Growth %			6%	
Operating Margin %			7.19%				Operating Margin %			7.34%	
CAGR			3.56%				CAGR			4.20%	

GAAP & Non-GAAP Reconciliations

Earnings Highlights

Henry Schein, Inc.									
Fourth Quarter 2019 Analyst Presentation									
Earnings Highlights									
From Continuing Operations									
(in millions, except per share data)									
	GAAP EPS					GAAP Net Income			
	2017	2018	2019			2017	2018	2019	
GAAP Earnings per share	\$ 1.85	\$ 2.80	\$ 4.69		GAAP Net Income	\$ 293.2	\$ 430.7	\$ 700.7	
GAAP EPS Growth %		51%	68%						
GAAP EPS CAGR			51%						
	2017	2018	2019			2017	2018	2019	
Restructuring costs (credits)	\$ -	\$ 0.27	\$ 0.07		Restructuring costs (credits)		\$ 40.8	\$ 11.0	
Litigation Settlement	\$ 0.02	\$ 0.19			Litigation Settlement	\$ 3.2	\$ 28.9		
Loss on Sale of Equity Investment	\$ 0.11				Loss on Sale of Equity Investment	\$ 17.6			
Transitional Tax on Repatriated Foreign Earnings	\$ 0.88	\$ (0.07)			Transitional Tax on Repatriated Foreign Earnings	\$ 140.0	\$ (10.0)		
Deferred Taxes Associated with U.S. Tax Reform Legislation	\$ 0.02				Deferred Taxes Associated with U.S. Tax Reform Legislation	\$ 3.0			
One-time tax on reorganization related to HS One		\$ 0.03			One-time tax on reorganization related to HS One		\$ 3.9		
International Legal Entity Reorganization		\$ (0.07)			International Legal Entity Reorganization		\$ (10.6)		
One-Time Tax Charge Related to the Animal Health Spin-Off		\$ 0.02			One-Time Tax Charge Related to the Animal Health Spin-Off		\$ 3.1		
Tax Credit Related to Animal Health Spin-Off			\$ (0.01)		Tax Credit Related to Animal Health Spin-Off			\$ (1.3)	
Net Gain on Sale of Investments			\$ (1.25)		Net Gain on Sale of Investments			\$ (186.8)	
	Non-GAAP EPS					Non-GAAP Net Income			
	2017	2018	2019			2017	2018	2019	
Non-GAAP EPS	\$ 2.89	\$ 3.17	\$ 3.51		Non-GAAP Net Income	\$ 457.0	\$ 486.8	\$ 523.6	
Non-GAAP EPS Growth %		10%	11%						
Non-GAAP EPS CAGR			10%						