Henry Schein Updates Presentation of Non-GAAP Financial Measures

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- **Company will exclude acquisition-related remeasurement gains from non-GAAP financial results. This change better reflects underlying operating performance and improves comparability across reporting periods**
- **FY2026 non-GAAP diluted EPS guidance updated to $5.42 to $5.48 solely to reflect the change**

MELVILLE, N.Y.--(BUSINESS WIRE)-- Henry Schein, Inc. (Nasdaq: HSIC), the world's largest provider of health care solutions to office-based dental and medical practitioners, today announced an update to its presentation of certain non-GAAP financial measures.

Beginning with its fourth-quarter 2026 financial results, Henry Schein will exclude the gains resulting from the remeasurement to fair value of previously held equity interests from its non-GAAP financial results. These gains arise when the Company acquires a controlling interest in an entity in which it previously held a non-controlling equity interest. Management believes excluding these gains better reflects underlying operating performance and improves comparability across reporting periods.

This voluntary change does not affect the Company's reported GAAP financial results. To provide investors with consistent and comparable financial information, Henry Schein has recast its historical operating income by segment, non-GAAP diluted earnings per share, and Adjusted EBITDA for 2024, 2025 and the first nine months of 2026 to reflect the updated presentation. The recast historical information is included in the tables accompanying this release.

Updated 2026 Financial Guidance

As a result of the announced change in the Company's presentation of non-GAAP financial measures, Henry Schein is updating its FY2026 non-GAAP diluted EPS guidance to $5.42 to $5.48, compared with its previously announced guidance of $5.50 to $5.56. The $0.08 reduction reflects the full year 2026 impact from the exclusion of acquisition-related remeasurement gains recognized in the first quarter of 2026. There are no other changes to the Company's 2026 financial guidance or its underlying business outlook as a result of this change.

	Updated Guidance	**Previous Guidance**
Non-GAAP diluted EPS	$5.42 - $5.48	$5.50 - $5.56
Total sales growth	4.5% - 5.5%	4.5% - 5.5%
Adjusted EBITDA growth	High-single-digits	High-single-digits

The Company intends to apply this treatment to acquisition-related remeasurement gains in its non-GAAP financial measures going forward.

Guidance is for current continuing operations and does not include the impact of restructuring expenses and related costs, amortization expense of acquired intangible assets, the impairment of intangible assets, changes in contingent consideration, select implementation-related costs supporting value creation initiatives, litigation settlements, and acquisition-related remeasurement gains as described in this release. This guidance also assumes that foreign currency exchange rates remain generally consistent with current levels and no significant tariff refunds in the fourth quarter of 2026.

Historical Non-GAAP Financial Information

The tables accompanying this release provide recast operating income by segment, non-GAAP diluted EPS and Adjusted EBITDA for 2024, 2025 and the first nine months of 2026. The recast information reflects the exclusion of acquisition-related remeasurement gains from the Company's non-GAAP results and is being provided to facilitate comparison of financial performance across periods. The change has no impact on the Company's historical GAAP financial statements.

Adjustments to 2026 GAAP Net Income and Diluted EPS

The Company is providing guidance for 2026 diluted EPS and for 2026 Adjusted EBITDA on a non-GAAP basis, as noted above. The Company is not providing a reconciliation of its 2026 non-GAAP diluted EPS guidance to its projected 2026 diluted EPS prepared on a GAAP basis, or its 2026 Adjusted EBITDA guidance to net income prepared on a GAAP basis. This is because the Company is unable to provide without unreasonable effort an estimate of restructuring expenses and related costs, including its ongoing value-creation initiatives, and the corresponding tax effect, which will be included in the Company's 2026 diluted EPS and net income, prepared on a GAAP basis. The inability to provide this reconciliation is due to the uncertainty and inherent difficulty of predicting the occurrence, magnitude, financial impact and timing of related costs.

Management does not believe these items are representative of the Company's underlying business performance. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

About Henry Schein, Inc.

Henry Schein, Inc. (Nasdaq: HSIC) is a products, services, and technology platforms company for health care customers. With approximately 25,000 Team Schein Members worldwide, the Company's network of trusted advisors provides more than 1 million customers globally with more than 300 valued solutions that help improve operational success and clinical outcomes. Our Business, Clinical, Technology and Supply Chain solutions help office-based dental and medical practitioners work more efficiently so they can provide quality care more effectively. These solutions also support dental laboratories, government and institutional health care clinics, as well as other alternate care sites.

Henry Schein operates through a centralized and automated distribution network, with a selection of more than 300,000 branded products and Henry Schein corporate brand products in our main distribution centers.

A FORTUNE 500 Company and a member of the S&P 500® index, Henry Schein is headquartered in Melville, N.Y., and has operations or affiliates in 34 countries and territories. The Company's sales reached $13.2 billion in 2025, and have grown at a compound annual rate of approximately 11.0 percent since Henry Schein became a public company in 1995.

For more information, visit Henry Schein at www.henryschein.com.

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 total sales growth, EPS and Adjusted EBITDA guidance and statements about our business expectations, 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 fuller discussion of our operations, financial condition and status of litigation matters, including factors that may affect our business and future prospects, is contained in

documents we file with the United States Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K, and will be contained in 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: our dependence on third parties for the manufacture and supply of our products and where we manufacture products, our dependence on third parties for raw materials or purchased components; risks relating to the achievement of our strategic growth objectives, including anticipated results of restructuring and value creation initiatives; risks related to the Strategic Partnership Agreement with KKR Hawaii Aggregator L.P. entered into in January 2025; transitions in senior company leadership, (including, without limitation, our Chief Executive Officer, Chief Financial Officer, and other executive officers); our ability to develop or acquire and maintain and protect new products (particularly technology and specialty products) and services and utilize new technologies that achieve market acceptance with acceptable margins; transitional challenges associated with acquisitions and joint ventures, including the failure to achieve anticipated synergies/benefits, as well as significant demands on our operations, information systems, legal, regulatory, compliance, financial and human resources functions in connection with acquisitions, dispositions and joint ventures; certain provisions in our governing documents that may discourage third-party acquisitions of us; adverse changes in supplier rebates or other purchasing incentives; risks related to the sale of corporate brand products; risks related to activist investors; security risks associated with our information systems and technology products and services, such as cyberattacks or other privacy or data security breaches (including the October 2023 incident); effects of a highly competitive (including, without limitation, competition from third-party online commerce sites) and consolidating market; political, economic, and regulatory influences on the health care industry; 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, and increases in fuel and energy costs; changes in laws and policies governing manufacturing, development and investment in territories and countries where we do business; general global and domestic macro-economic and political conditions, including inflation, deflation, recession, unemployment (and corresponding increase in under-insured populations), consumer confidence, sovereign debt levels, fluctuations in energy pricing and the value of the U.S. dollar as compared to foreign currencies and changes to other economic indicators; failure to comply with existing and future regulatory requirements, including relating to health care; risks associated with the EU Medical Device Regulation; failure to comply with laws and regulations relating to health care fraud or other laws and regulations; failure to comply with laws and regulations relating to the collection, storage and processing of sensitive personal information or standards in electronic health records or transmissions; changes in tax legislation, changes in tax rates and availability of certain tax deductions; risks related to product liability, intellectual property and other claims; risks associated with customs policies or legislative import restrictions; risks associated with disease outbreaks, epidemics, pandemics (such as the COVID-19 pandemic), or similar wide-spread public health concerns and other natural or man-made disasters; risks associated with our global operations; the threat or outbreak of war (including, without limitation, geopolitical wars), terrorism or public unrest (including, without limitation, the wars in Ukraine and Iran, the Israel-Gaza conflict and other unrest and threats in the Middle East and the possibility of a wider European or global conflict); changes to laws and policies governing foreign trade, tariffs and sanctions or greater restrictions on imports and exports, including changes to international trade agreements and the current imposition of (and the potential for additional) tariffs by the U.S. on numerous countries and retaliatory tariffs; supply chain disruption; litigation risks; new or unanticipated litigation developments and the status of litigation matters; our dependence on our senior management, employee hiring and retention, increases in labor costs or health care costs, and our relationships with customers, suppliers and manufacturers; and disruptions in financial markets. 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 except as required by law.

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 schedule attached to the press release, the non-GAAP measures have been reconciled to and should be considered together with the Consolidated Statements of Income. Comparisons of non-GAAP performance across periods should be made using measures calculated on a consistent basis, including the recast historical measures accompanying this release. 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. The impact of certain items that are excluded include integration and restructuring costs, acquisition-related remeasurement gains, amortization of acquisition-related assets, the insurance claim recovery associated with the cybersecurity incident, changes in contingent consideration, costs associated with shareholder advisory matters and select value creation consulting costs, and litigation settlements because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate and occur on an unpredictable basis. 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.

Table A

Henry Schein, Inc.
Full Year 2024 and 2025, and First Nine Months of 2026
Impact of recasting remeasurement gains to diluted EPS attributable to Henry Schein, Inc.
(unaudited)

	Full Year 2024	*First Quarter 2025*	*Second Quarter 2025*	*Third Quarter 2025*	*Fourth Quarter 2025*	*Full Year 2025*	*First Quarter 2026*	*Second Quarter 2026*	*Third Quarter 2026*	*YTD September 2026*
Diluted EPS Attributable to Henry Schein, Inc. GAAP EPS As Reported	**$3.05**	$0.88	$0.70	$0.84	$0.85	**$3.27**	$0.92	$0.82	$1.06	**$2.80**
Non-GAAP EPS Adjustments as Reported	**1.68**	0.26	0.40	0.54	0.50	**1.70**	0.39	0.45	0.50	**1.34**
Non-GAAP EPS As Reported	**4.74**	1.15	1.10	1.38	1.34	**4.97**	1.32	1.27	1.56	**4.14**
Impact of Recasting of Remeasurement Gains	**(0.16)**	-	(0.03)	(0.23)	(0.05)	**(0.32)**	(0.08)	-	-	**(0.08)**
Non-GAAP EPS As Recast	**$4.58**	$1.15	$1.07	$1.15	$1.29	**$4.65**	$1.24	$1.27	$1.56	**$4.06**

Note: Amounts may not sum, and certain amounts may differ from amounts previously presented, due to rounding and the use of weighted-average share counts, as applicable.

Table B

Henry Schein, Inc.
Full Year 2024 and 2025, and First Nine Months of 2026
Impact of recasting remeasurement gains to Operating Income
(in millions)
(unaudited)

	Full Year 2024	*First Quarter 2025*	*Second Quarter 2025*	*Third Quarter 2025*	*Fourth Quarter 2025*	*Full Year 2025*	*First Quarter 2026*	*Second Quarter 2026*	*Third Quarter 2026*	*YTD September 2026*
Operating Income As Reported										
Global Distribution and Value-Added Services	**$696**	$167	$159	$178	$176	**$680**	$183	$181	$221	**$585**
Global Specialty Products	**178**	56	52	71	63	**242**	58	62	56	**176**
Global Technology	**152**	42	45	46	47	**180**	46	49	53	**148**
Total Segment Operating Income	**1,026**	265	256	295	286	**1,102**	287	292	330	**909**
Corporate	**(77)**	(35)	(31)	(33)	(31)	**(130)**	(34)	(42)	(51)	**(127)**
Adjustments	**(328)**	(55)	(74)	(98)	(92)	**(319)**	(71)	(79)	(86)	**(236)**
Total Operating Income	**$621**	$175	$151	$164	$163	**$653**	$182	$171	$193	**$546**
Remeasurement Gain Adjustments										
Global Distribution and										

Value-Added Services	**$(19)**	$-	$(4)	$-	$(5)	**$(9)**	$-	$-	$-	**$-**
Global Specialty Products	**-**	-	-	(28)	(1)	**(29)**	(11)	-	-	**(11)**
Total Remeasurement Gains	**$(19)**	$-	$(4)	$(28)	$(6)	**$(38)**	$(11)	$-	$-	**$(11)**
Operating Income As Recast										
Global Distribution and Value-Added Services	**$677**	$167	$155	$178	$171	**$671**	$183	$181	$221	**$585**
Global Specialty Products	**178**	56	52	43	62	**213**	47	62	56	**165**
Global Technology	**152**	42	45	46	47	**180**	46	49	53	**148**
Total Segment Operating Income as Recast	**1,007**	265	252	267	280	**1,064**	276	292	330	**898**
Corporate	**(77)**	(35)	(31)	(33)	(31)	**(130)**	(34)	(42)	(51)	**(127)**
Adjustments as Recast	**(309)**	(55)	(70)	(70)	(86)	**(281)**	(60)	(79)	(86)	**(225)**
Total Operating Income	**$621**	$175	$151	$164	$163	**$653**	$182	$171	$193	**$546**

Table C

Henry Schein, Inc.
Full Year 2024 and 2025, and First Nine Months of 2026
Impact of recasting remeasurement gains to Adjusted EBITDA
(in millions)
(unaudited)

	Full Year 2024	*First Quarter 2025*	*Second Quarter 2025*	*Third Quarter 2025*	*Fourth Quarter 2025*	*Full Year 2025*	*First Quarter 2026*	*Second Quarter 2026*	*Third Quarter 2026*	*YTD September 2026*
EBITDA										
GAAP Net income as Reported	**$398**	$113	$94	$109	$103	**$419**	$112	$102	$126	**$340**
Definitional, Non-GAAP, and Other Adjustments as Reported	**663**	146	162	186	188	**682**	177	186	195	**558**
Non-GAAP Adjusted EBITDA as Reported	**1,061**	259	256	295	291	**1,101**	289	288	321	**898**
Remeasurement Gains	**(19)**	-	(4)	(28)	(6)	**(38)**	(11)	-	-	**(11)**
Non-GAAP Adjusted EBITDA as Recast	**$1,042**	$259	$252	$267	$285	**$1,063**	$278	$288	$321	**$887**

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