Novanta

Reconciliation of GAAP to Non-GAAP Financial Measures
Adjusted Operating Income and Adjusted EPS (Non-GAAP)
(In thousands of U.S. dollars, except percentage data and per share amounts)
(Unaudited)

Three Months Ended December, 31, 2024	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision/(Benefit)	Consolidated Net Income	Diluted EPS
GAAP results	**$ 26,707**	**11.2%**	**$ 20,795**	**$ 4,331**	**$ 16,464**	**$ 0.46**
Non-GAAP Adjustments						
Amortization of intangible assets	10,236	4.3%	10,236			
Restructuring costs	5,495	2.3%	5,495			
Acquisition related costs	889	0.4%	889			
Foreign exchange transaction (gains) losses, net			(1,200)			
Tax effect of non-GAAP adjustments				5388		
Non-GAAP tax adjustments				(1,047)		
Total non-GAAP adjustments	16,620	7.0%	15,420	4,341	11,079	0.30
Adjusted results (Non-GAAP)	**$ 43,327**	**18.2%**	**$ 36,215**	**$ 8,672**	**$ 27,543**	**$ 0.76**
Weighted average shares outstanding - Diluted						36,148

Three Months Ended March 28, 2025	Income	Margin	Income Taxes	(benefit)	Net Income	Diluted EPS
GAAP results	**$ 32,421**	**13.9%**	**$ 26,418**	**$ 5,210**	**$ 21,208**	**$ 0.59**
Non-GAAP Adjustments						
Amortization of intangible assets	9,115	3.9%	9,115			
Restructuring costs	(3,005)	(1.3)%	(3,005)			
Acquisition related costs	550	0.2%	550			
Foreign exchange transaction (gains) losses, net			368			
Tax effect of non-GAAP adjustments				1,006		
Non-GAAP tax adjustments				446		
Total non-GAAP adjustments	6,660	2.8%	7,028	1,452	5,576	0.15
Adjusted results (Non-GAAP)	**$ 39,081**	**16.7%**	**$ 33,446**	**$ 6,662**	**$ 26,784**	**$ 0.74**
Weighted average shares outstanding - Diluted						36,130

Three Months Ended June 27, 2025	Income	Margin	Operations Before	(benefit)	attributable to	Diluted EPS
GAAP results	**$ 14,911**	**6.2%**	**$ 5,789**	**$ 1,292**	**$ 4,497**	**$ 0.12**
Non-GAAP Adjustments						
Amortization of intangible assets	11,091	4.6%	11,091			
Restructuring, divestiture and other costs	10,221	4.2%	10,221			
Acquisition related costs	2,351	1.0%	2,351			
Planning and design phase of the financial and operation system implementation	1,693	0.7%	1,693			
Costs incurred for insurance recovery claim	324	0.1%	324			
Inventory related charges associated with a product line closure	65	0.1%	65			
Write-off of unamortized deferred financing costs			426			
Foreign exchange transaction (gains) losses, net			2,744			
Tax effect of Non-GAAP adjustments				6,249		
Non-GAAP tax adjustments				(293)		
Total non-GAAP adjustments	25,745	10.7%	28,915	5,956	22,959	0.64
Adjusted results (Non-GAAP)	**$ 40,656**	**16.9%**	**$ 34,704**	**$ 7,248**	**$ 27,456**	**$ 0.76**
Weighted average shares outstanding - Diluted						36,076

Three Months Ended September 26, 2025	Income	Margin	Operations Before	(benefit)	attributable to	Diluted EPS
GAAP results	**$ 21,848**	**8.8%**	**$ 15,758**	**$ 5,105**	**$ 10,653**	**$ 0.30**
Non-GAAP Adjustments						
Amortization of intangible assets	11,180	4.5%	11,180			
Restructuring, divestiture and other costs	5,203	2.1%	5,203			
Acquisition related costs	1,474	0.6%	1,474			
Planning and design phase of the financial and operation system implementation	3,519	1.4%	3,519			
Costs incurred for insurance recovery claim	3,042	1.2%	3,042			
Officer transition costs	1,137	0.5%	1,137			
Foreign exchange transaction (gains) losses, net			(14)			
Tax effect of Non-GAAP adjustments				4,536		
Non-GAAP tax adjustments				161		
Total non-GAAP adjustments	25,555	10.3%	25,541	4,697	20,844	0.57
Adjusted results (Non-GAAP)	**$ 47,403**	**19.1%**	**$ 41,299**	**$ 9,802**	**$ 31,497**	**$ 0.87**
Weighted average shares outstanding - Diluted						36,040

Three Months Ended December 31, 2025

	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	Diluted EPS
GAAP results	**$ 24,832**	**9.6%**	**$ 21,677**	**$ 4,206**	**$ 17,471**	**$ 0.45**
Non-GAAP Adjustments						
Amortization of intangible assets	12,367	4.8%	12,367			
Restructuring, divestiture and other costs	3,705	1.4%	3,705			
Acquisition related costs	2,153	0.8%	2,153			
Planning and design phase of the financial and operation system implementation	2,392	0.9%	2,392			
Costs incurred for insurance recovery claim	2,854	1.1%	2,854			
Foreign exchange transaction (gains) losses, net			(908)			
Tax effect of Non-GAAP adjustments				5,173		
Non-GAAP tax adjustments				(314)		
Total non-GAAP adjustments	23,471	9.1%	22,563	4,859	17,704	0.46
Adjusted results (Non-GAAP)	**$ 48,303**	**18.7%**	**$ 44,240**	**$ 9,065**	**$ 35,175**	**$ 0.91**
Weighted average shares outstanding - Diluted						38,681

Three Months Ended April 3, 2026

	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	Diluted EPS
GAAP results	**$ 27,539**	**10.7%**	**$ 26,354**	**$ 5,255**	**$ 21,099**	**$ 0.51**
Non-GAAP Adjustments						
Amortization of intangible assets	9,533	3.7%	9,533			
Restructuring, divestiture and other costs	1,525	0.6%	1,525			
Acquisition related costs	1,080	0.4%	1,080			
Planning and design phase of the financial and operation system implementation	2,658	1.0%	2,658			
Operational transformation costs	556	0.2%	556			
EU medical device regulation charges	269	0.1%	269			
Foreign exchange transaction (gains) losses, net			(731)			
Tax effect of Non-GAAP adjustments				3,359		
Non-GAAP tax adjustments				(752)		
Total non-GAAP adjustments	15,621	6.0%	14,890	2,607	12,283	0.30
Adjusted results (Non-GAAP)	**$ 43,160**	**16.7%**	**$ 41,244**	**$ 7,862**	**$ 33,382**	**$ 0.81**
Weighted average shares outstanding - Diluted						41,158

Three Months Ended July 3, 2026

	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	Diluted EPS
GAAP results	**$ 18,061**	**6.8%**	**$ 15,898**	**$ 3,357**	**$ 12,541**	**$ 0.30**
Non-GAAP Adjustments						
Amortization of intangible assets	10,170	3.8%	10,170			
Restructuring, divestiture and other costs	4,672	1.8%	4,672			
Acquisition related costs	7,827	2.9%	7,827			
Planning and design phase of the financial and operation system implementation	2,204	0.8%	2,204			
Operational transormation costs	797	0.3%	797			
EU medical device regulation charges	378	0.1%	378			
Costs incurred for insurance recovery claim	3,368	1.3%	3,368			
Foreign exchange transaction (gains) losses, net			801			
Tax effect of Non-GAAP adjustments				5,974		
Non-GAAP tax adjustments				255		
Total non-GAAP adjustments	29,416	11.1%	30,217	6,229	23,988	0.59
Adjusted results (Non-GAAP)	**$ 47,477**	**17.9%**	**$ 46,115**	**$ 9,586**	**$ 35,529**	**$ 0.89**
Weighted average shares outstanding - Diluted						41,164

Three Months Ended October 2, 2026

	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	Diluted EPS
GAAP results	**$ 13,911**	**4.6%**	**$ 6,346**	**$ 4,329**	**$ 2,017**	**$ 0.05**
Non-GAAP Adjustments						
Amortization of intangible assets	21,408	7.0%	21,408			
Restructuring, divestiture and other costs	3,867	1.3%	3,867			
Acquisition related costs	19,219	6.3%	19,219			
Inventory acquisition fair value adjustments	800	0.3%	800			
Planning and design phase of the financial and operation system implementation	3,686	1.2%	3,686			
Operational transormation costs	921	0.3%	921			
EU medical device regulation charges	1,047	0.3%	1,047			
Costs incurred for insurance recovery claim	221	0.0%	221			
Foreign exchange transaction (gains) losses, net			(659)			
Tax effect of Non-GAAP adjustments				7,406		
Non-GAAP tax adjustments				101		
Total non-GAAP adjustments	51,169	16.7%	50,510	7,507	43,003	1.00
Adjusted results (Non-GAAP)	**$ 65,080**	**21.3%**	**$ 56,856**	**$ 11,836**	**$ 45,020**	**$ 1.05**
Weighted average shares outstanding - Diluted						42,709