

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, 2023						
	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision/(Benefit)	Consolidated Net Income	Diluted EPS
GAAP results	\$ 21,677	10.2%	\$ 15,746	\$ 3,235	\$ 12,511	\$ 0.35
Non-GAAP Adjustments						
Amortization of intangible assets	8,132	3.8%	8,132			
Restructuring, divestiture and other costs	3,877	1.8%	3,877			
Acquisition related costs	746	0.4%	746			
Foreign exchange transaction (gains) losses, net			(118)			
Other non-recurring costs	241	0.2%	241			
Tax effect of Non-GAAP adjustments				2,921		
Non-GAAP tax adjustments				(196)		
Total non-GAAP adjustments	12,996	6.2%	12,878	2,725	10,153	0.28
Adjusted results (Non-GAAP)	\$ 34,673	16.4%	\$ 28,624	\$ 5,960	\$ 22,674	\$ 0.63
Weighted average shares outstanding - Diluted						36,052

Three Months Ended March 29, 2024						
	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision/(Benefit)	Consolidated Net Income	Diluted EPS
GAAP results	\$ 25,607	11.1%	\$ 16,916	\$ 2,240	\$ 14,676	\$ 0.41
Non-GAAP Adjustments						
Amortization of intangible assets	9,442	4.1%	9,442			
Restructuring, divestiture and other costs	548	0.2%	548			
Acquisition related costs	1,735	0.8%	1,735			
Acquisition fair value adjustments	2,777	1.2%	2,777			
Foreign exchange transaction (gains) losses, net			321			
Tax effect of Non-GAAP adjustments				2,963		
Non-GAAP tax adjustments				(98)		
Total non-GAAP adjustments	14,502	6.3%	14,823	2,865	11,958	0.33
Adjusted results (Non-GAAP)	\$ 40,109	17.4%	\$ 31,739	\$ 5,105	\$ 26,634	\$ 0.74
Weighted average shares outstanding - Diluted						36,127

Three Months Ended June 28, 2024						
	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision/(Benefit)	Consolidated Net Income	Diluted EPS
GAAP results	\$ 25,715	10.9%	\$ 17,130	\$ 3,375	\$ 13,755	\$ 0.38
Non-GAAP Adjustments						
Amortization of intangible assets	10,592	4.5%	10,592			
Restructuring, divestiture and other costs	2,523	1.1%	2,523			
Acquisition related costs	20	0.0%	20			
Inventory related charges associated with a product line closure	2,493	1.0%	2,493			
Foreign exchange transaction (gains) losses, net			264			
Tax effect of Non-GAAP adjustments				3,228		
Non-GAAP tax adjustments				(48)		
Total non-GAAP adjustments	15,628	6.6%	15,892	3,180	12,712	0.35
Adjusted results (Non-GAAP)	\$ 41,343	17.5%	\$ 33,022	\$ 6,555	\$ 26,467	\$ 0.73
Weighted average shares outstanding - Diluted						36,092

Three Months Ended September 27, 2024						
	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision/(Benefit)	Consolidated Net Income	Diluted EPS
GAAP results	\$ 32,555	13.3%	\$ 24,225	\$ 5,033	\$ 19,192	\$ 0.53
Non-GAAP Adjustments						
Amortization of intangible assets	10,297	4.2%	10,297			
Restructuring, divestiture and other costs	1,919	0.8%	1,919			
Acquisition related costs	580	0.2%	580			
Officer transition costs	1,411	0.6%	1,411			
Foreign exchange transaction (gains) losses, net			202			
Tax effect of Non-GAAP adjustments				2,903		
Non-GAAP tax adjustments				53		
Total non-GAAP adjustments	14,207	5.8%	14,409	2,956	11,453	0.32
Adjusted results (Non-GAAP)	\$ 46,762	19.1%	\$ 38,634	\$ 7,989	\$ 30,645	\$ 0.85
Weighted average shares outstanding - Diluted						36,129

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						
	Operating Income	Operating Margin	Income Before Income Taxes	Income Tax Provision (benefit)	Consolidated 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						
	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	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 ERP 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						
	Operating Income	Operating Margin	Income From Operations Before Income Taxes	Income Tax Provision (benefit)	Net income attributable to Novanta Inc.	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			
ERP 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