

Henry Schein Reports Fourth Quarter and Full Year 2025 Financial Results and Introduces 2026 Financial Guidance

2026-02-24

- Q4 2025 GAAP diluted EPS of \$0.85, compared to \$0.74 GAAP diluted EPS in Q4 2024
- Q4 2025 non-GAAP diluted EPS of \$1.34, compared to \$1.19 non-GAAP diluted EPS in Q4 2024
- 2026 non-GAAP diluted EPS expected to be in the range of \$5.23 to \$5.37, with total sales growth expected to be 3-5%

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 reported financial results for the fourth quarter ended December 27, 2025.

"Our fourth-quarter sales reflect continuing momentum resulting in the highest sales growth in 15 quarters. We are pleased with the sales results across all our businesses, particularly our global equipment, specialty products and technology businesses. This drove our strong fourth-quarter earnings which exceeded the increased 2025 financial guidance we provided in our third quarter earnings release," said Stanley M. Bergman, Chairman of the Board and Chief Executive Officer of Henry Schein.

"The growth we have achieved, especially over the second half of 2025, demonstrates the effective execution of our 2025-2027 BOLD+1 strategic plan, and positions us well for the future. Our 2026 financial guidance underscores sustained growth through continued strong execution of these strategies," added Mr. Bergman. "I am excited that Fred Lowery will join Henry Schein as our CEO next week and believe that he will lead Henry Schein to even greater success."

Fourth Quarter 2025 Financial Results

- Total net sales for the quarter were \$3.4 billion. Total net sales increased 7.7% compared with the fourth quarter of 2024 and reflects 4.9% internal sales growth, 0.9% sales growth from acquisitions, and a 1.9% increase resulting from foreign currency exchange. Fourth-quarter sales growth is detailed in Exhibit A¹.
- Global Distribution and Value-Added Services sales for the quarter increased 7.0%, and by 5.2% in constant

currencies compared with the fourth quarter of 2024. The main components are:

- Global Dental Distribution merchandise sales for the quarter increased 6.4%, and by 3.7% in constant currencies, compared with the fourth quarter of 2024, reflecting continuing strong sales momentum from the prior quarter.
- Global Dental Distribution equipment sales for the quarter increased 12.2%, and by 9.1% in constant currencies, compared with the fourth quarter of 2024, with strong growth particularly in the U.S., Germany, Brazil, Canada and Australia.
- Global Medical Distribution sales for the quarter increased 4.9%, and by 4.8% in constant currencies, compared with the fourth quarter of 2024, reflecting good underlying growth in medical products despite softness in the respiratory product category.
- Global Value-Added Services sales for the quarter increased 9.6%, and by 8.5% in constant currencies, compared with the fourth quarter of 2024, with sales growth driven by consulting services.
- Global Specialty Products sales for the quarter increased 14.6%, and by 11.1% in constant currencies, compared with the fourth quarter of 2024, reflecting strong overall dental implant and solid endodontics sales growth.
- Global Technology sales for the quarter increased 8.4%, and by 7.6% in constant currencies, compared with the fourth quarter of 2024, reflecting accelerated adoption of cloud-based software and revenue from newly launched solutions.
- GAAP net income² for the quarter was \$101 million, or \$0.85 per diluted share⁴, and compares with fourth-quarter 2024 GAAP net income of \$94 million, or \$0.74 per diluted share.
- Non-GAAP net income² for the quarter was \$160 million, or \$1.34 per diluted share⁴, and compares with fourth-quarter 2024 non-GAAP net income of \$149 million, or \$1.19 per diluted share.
- Adjusted EBITDA³ for the quarter was \$291 million, and compares with fourth-quarter 2024 Adjusted EBITDA of \$270 million.

Full-Year Financial Results

- Total net sales for 2025 were \$13.2 billion. Total net sales increased 4.0% compared with 2024 and reflects 2.6% internal sales growth, 0.9% sales growth from acquisitions, and a 0.5% increase resulting from foreign currency exchange. Sales growth is detailed in Exhibit A¹.
- GAAP net income² for 2025 was \$398 million, or \$3.27 per diluted share⁴, and compares with 2024 GAAP net income of \$390 million, or \$3.05 per diluted share.
- Non-GAAP net income² for 2025 was \$605 million, or \$4.97 per diluted share⁴, and compares with 2024 non-GAAP net income of \$605 million, or \$4.74 per diluted share.
- Adjusted EBITDA³ for 2025 was \$1,101 million and compares with 2024 Adjusted EBITDA of \$1,061 million.

Share Repurchases

During the fourth quarter of 2025, the Company repurchased approximately 2.8 million shares of common stock at

an average price of \$71.10 per share for a total of \$200 million.

For the full year 2025, the Company repurchased approximately 12.1 million shares of common stock at an average price of \$70.47 per share for a total of \$850 million. This includes 3.5 million shares of common stock purchased under the Accelerated Stock Repurchase plan (ASR) which was completed in the third quarter, at an average price of \$71.60 per share for a total of \$250 million.

At year-end, Henry Schein had \$780 million authorized and available for future stock repurchases.

2026 Financial Guidance

Henry Schein today provided financial guidance for 2026. 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, costs associated with shareholder advisory matters, select implementation-related costs supporting value creation initiatives, and litigation settlements. This guidance also assumes that foreign currency exchange rates remain generally consistent with current levels.

- 2026 non-GAAP diluted EPS attributable to Henry Schein, Inc. is expected to be \$5.23 to \$5.37.
- 2026 total sales growth is expected to be approximately 3% to 5% over 2025.
- 2026 Adjusted EBITDA³ is expected to grow mid-single digits compared with 2025.

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.

Fourth-Quarter 2025 Conference Call Webcast

The Company will hold a conference call to discuss fourth-quarter 2025 financial results today, beginning at 8:00 a.m. Eastern time. Individual investors are invited to listen to the conference call through Henry Schein's website by

visiting <https://investor.henryschein.com/webcasts>. In addition, a replay will be available beginning shortly after the call has ended for a period of one week.

The Company will be posting slides that provide a summary of its fourth-quarter 2025 financial results on its website at <https://investor.henryschein.com/financials/quarterly-results/>.

About Henry Schein, Inc.

Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With more than 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, [Facebook.com/HenrySchein](https://www.facebook.com/HenrySchein), [Instagram.com/HenrySchein](https://www.instagram.com/HenrySchein), and [@HenrySchein](https://twitter.com/HenrySchein) on X.

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 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 have filed with the United States Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K, 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: 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; 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 war in Ukraine, the Israel-Gaza war 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 (including, without limitation, the transition to a new Chief Executive Officer), 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. 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, 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.

¹ See Exhibit A for details of sales growth. Internal sales growth is calculated from total net sales using constant foreign currency exchange rates and excludes sales from acquisitions.

² See Exhibit B for a reconciliation of GAAP net income and diluted EPS to non-GAAP net income and diluted EPS.

³ See Exhibit C for a reconciliation of GAAP net income to Adjusted EBITDA.

⁴ References to diluted EPS refer to diluted EPS attributable to Henry Schein, Inc.

HENRY SCHEIN, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except share and per share data)

	Three Months Ended		Years Ended	
	December 27, 2025	December 28, 2024	December 27, 2025	December 28, 2024
Net sales	\$ (unaudited) 3,437	\$ (unaudited) 3,191	\$ 13,184	\$ 12,673
Cost of sales	2,374	2,198	9,079	8,657
Gross profit	1,063	993	4,105	4,016
Operating expenses:				
Selling, general and administrative	808	738	3,084	3,034
Depreciation and amortization	69	63	263	251
Restructuring and related costs	23	37	105	110
Operating income	163	155	653	621
Other income (expense):				
Interest income	9	6	33	24
Interest expense	(39)	(35)	(150)	(131)
Other, net	-	-	(3)	(1)
Income before taxes, equity in earnings of affiliates and noncontrolling interests	133	126	533	513
Income taxes	(32)	(31)	(126)	(128)
Equity in earnings of affiliates, net of tax	2	1	12	13
Net income	103	96	419	398
Less: Net income attributable to noncontrolling interests	(2)	(2)	(21)	(8)
Net income attributable to Henry Schein, Inc.	\$ 101	\$ 94	\$ 398	\$ 390
Earnings per share attributable to Henry Schein, Inc.:				
Basic	\$ 0.86	\$ 0.75	\$ 3.29	\$ 3.07
Diluted	\$ 0.85	\$ 0.74	\$ 3.27	\$ 3.05
Weighted-average common shares outstanding:				
Basic	117,359,505	124,505,908	120,813,977	126,788,997
Diluted	118,335,539	125,626,639	121,717,876	127,779,228

HENRY SCHEIN, INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	December 27, 2025	December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 156	\$ 122
Accounts receivable, net of allowance for credit losses of \$90 and \$78	1,651	1,482
Inventories, net	2,002	1,810
Prepaid expenses and other	655	569
Total current assets	4,464	3,983
Property and equipment, net	621	531
Operating lease right-of-use assets	301	293
Goodwill	4,213	3,887
Other intangibles, net	1,018	1,023
Investments and other	598	501
Total assets	\$ 11,215	\$ 10,218
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,154	\$ 962
Bank credit lines	764	650
Current maturities of long-term debt	33	56
Operating lease liabilities	78	75
Accrued expenses:		

Payroll and related	340	303
Taxes	179	139
Other	680	618
Total current liabilities	<u>3,228</u>	<u>2,803</u>
Long-term debt	2,310	1,830
Deferred income taxes	146	102
Operating lease liabilities	251	259
Other liabilities	486	387
Total liabilities	<u>6,421</u>	<u>5,381</u>
Redeemable noncontrolling interests	895	806
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, none outstanding	-	-
Common stock, \$0.01 par value, 480,000,000 shares authorized, 115,771,149 issued and outstanding on December 27, 2025 and 124,155,884 issued and outstanding on December 28, 2024	1	1
Additional paid-in capital	177	-
Retained earnings	3,293	3,771
Accumulated other comprehensive loss	(226)	(379)
Total Henry Schein, Inc. stockholders' equity	<u>3,245</u>	<u>3,393</u>
Noncontrolling interests	654	638
Total stockholders' equity	<u>3,899</u>	<u>4,031</u>
Total liabilities, redeemable noncontrolling interests and stockholders' equity	<u>\$ 11,215</u>	<u>\$ 10,218</u>

HENRY SCHEIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Three Months Ended		Years Ended	
	December 27, 2025	December 28, 2024	December 27, 2025	December 28, 2024
	(unaudited)	(unaudited)		
Cash flows from operating activities:				
Net income	\$ 103	\$ 96	\$ 419	\$ 398
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	82	76	311	297
Impairment charge on intangible assets	15	-	16	-
Impairment of capitalized software	-	12	-	12
Non-cash restructuring and related charges	1	21	8	32
Stock-based compensation expense	10	9	39	39
Provision for losses on trade and other accounts receivable	7	2	16	14
Provision for (benefit from) deferred income taxes	5	(20)	5	(61)
Equity in earnings of affiliates	(2)	(1)	(12)	(13)
Distributions from equity affiliates	2	2	11	12
Changes in unrecognized tax benefits	(2)	2	4	5
Other	(13)	(2)	(57)	(27)
Changes in operating assets and liabilities, net of acquisitions:				
Accounts receivable	74	127	(124)	315
Inventories	(70)	(97)	(95)	(59)
Other current assets	(42)	9	(45)	47
Accounts payable and accrued expenses	211	(32)	216	(163)
Net cash provided by operating activities	<u>381</u>	<u>204</u>	<u>712</u>	<u>848</u>
Cash flows from investing activities:				
Purchases of property and equipment	(43)	(36)	(139)	(148)
Payments related to equity investments and business acquisitions, net of cash acquired	(87)	(7)	(199)	(230)
Proceeds from loan to affiliate	1	1	3	4
Capitalized software costs	(14)	(9)	(52)	(39)
Other	(4)	(7)	(13)	(17)
Net cash used in investing activities	<u>(147)</u>	<u>(58)</u>	<u>(400)</u>	<u>(430)</u>
Cash flows from financing activities:				
Net change in bank credit lines	(149)	13	108	387
Proceeds from issuance of long-term debt	175	-	489	120

Principal payments for long-term debt	(16)	(125)	(44)	(318)
Debt issuance costs	-	-	(2)	-
Issuance of common stock	-	-	250	-
Proceeds from issuance of stock upon exercise of stock options	1	3	2	6
Payments for repurchases and retirement of common stock	(200)	(75)	(850)	(385)
Payments for taxes related to shares withheld for employee taxes	(1)	-	(15)	(9)
Distributions to noncontrolling shareholders	(18)	(18)	(30)	(54)
Payments for contingent consideration	-	(2)	(19)	(2)
Acquisitions of noncontrolling interests in subsidiaries	2	-	(77)	(255)
Net cash used in financing activities	(206)	(204)	(188)	(510)
Effect of exchange rate changes on cash and cash equivalents	(8)	54	(90)	43
Net change in cash and cash equivalents	20	(4)	34	(49)
Cash and cash equivalents, beginning of period	136	126	122	171
Cash and cash equivalents, end of period	\$ 156	\$ 122	\$ 156	\$ 122

Exhibit A - Fourth Quarter Sales

Henry Schein, Inc. 2025 Fourth Quarter Sales Summary (in millions) (unaudited) Q4 2025 over Q4 2024

	2025	2024	Constant Currency Growth		Total Constant Currency Growth	Foreign Exchange Impact	Total Sales Growth
			Local Internal Growth	Acquisition Growth			
<u>U.S. Distribution and Value-Added Services</u>							
Merchandise	\$ 583	\$ 562	3.6%	0.0%	3.6%	0.0%	3.6%
Equipment	274	247	10.6%	0.0%	10.6%	0.0%	10.6%
Value-Added Services	53	52	0.8%	0.9%	1.7%	0.0%	1.7%
Total Dental	910	861	5.5%	0.0%	5.5%	0.0%	5.5%
Medical	1,045	996	3.1%	1.8%	4.9%	0.0%	4.9%
Total U.S. Distribution and Value-Added Services	1,955	1,857	4.2%	1.0%	5.2%	0.0%	5.2%
<u>International Distribution and Value-Added Services</u>							
Merchandise	635	582	3.9%	-0.1%	3.8%	5.4%	9.2%
Equipment	262	231	7.5%	0.0%	7.5%	6.4%	13.9%
Value-Added Services	11	6	59.7%	7.0%	66.7%	10.0%	76.7%
Total Dental	908	819	5.3%	0.0%	5.3%	5.7%	11.0%
Medical	28	26	1.9%	0.0%	1.9%	4.8%	6.7%
Total International Distribution and Value-Added Services	936	845	5.2%	0.0%	5.2%	5.7%	10.9%
<u>Global Distribution and Value-Added Services</u>							
Global Merchandise	1,218	1,144	3.7%	0.0%	3.7%	2.7%	6.4%
Global Equipment	536	478	9.1%	0.0%	9.1%	3.1%	12.2%
Global Value-Added Services	64	58	6.9%	1.6%	8.5%	1.1%	9.6%
Global Dental	1,818	1,680	5.4%	0.0%	5.4%	2.8%	8.2%
Global Medical	1,073	1,022	3.1%	1.7%	4.8%	0.1%	4.9%
Total Global Distribution and Value-Added Services	2,891	2,702	4.5%	0.7%	5.2%	1.8%	7.0%
Global Specialty Products	422	368	6.4%	4.7%	11.1%	3.5%	14.6%
Global Technology	173	160	7.6%	0.0%	7.6%	0.8%	8.4%
Eliminations	(49)	(39)	n/a	n/a	n/a	n/a	n/a
Total Global	\$ 3,437	\$ 3,191	4.9%	0.9%	5.8%	1.9%	7.7%

Note: Prior period amounts have been reclassified to conform to the current period presentation.

Exhibit A - Year-to-Date Sales

Henry Schein, Inc.
Full Year 2025
Sales Summary
(in millions)
(unaudited)
Full Year 2025 over Full Year 2024

	2025	2024	Constant Currency Growth		Total Constant Currency Growth	Foreign Exchange Impact	Total Sales Growth
			Local Internal Growth	Acquisition Growth			
<u>U.S. Distribution and Value-Added Services</u>							
Merchandise	\$ 2,383	\$ 2,350	1.3%	0.0%	1.3%	0.0%	1.3%
Equipment	897	897	0.0%	0.0%	0.0%	0.0%	0.0%
Value-Added Services	206	211	-4.0%	1.3%	-2.7%	0.0%	-2.7%
Total Dental	3,486	3,458	0.6%	0.1%	0.7%	0.0%	0.7%
Medical	4,162	3,974	3.2%	1.5%	4.7%	0.0%	4.7%
Total U.S. Distribution and Value-Added Services	7,648	7,432	2.0%	0.9%	2.9%	0.0%	2.9%
<u>International Distribution and Value-Added Services</u>							
Merchandise	2,448	2,373	1.5%	0.4%	1.9%	1.3%	3.2%
Equipment	902	826	5.7%	1.0%	6.7%	2.6%	9.3%
Value-Added Services	32	22	16.5%	31.0%	47.5%	1.5%	49.0%
Total Dental	3,382	3,221	2.7%	0.8%	3.5%	1.5%	5.0%
Medical	108	107	-0.8%	0.0%	-0.8%	1.5%	0.7%
Total International Distribution and Value-Added Services	3,490	3,328	2.5%	0.8%	3.3%	1.6%	4.9%
<u>Global Distribution and Value-Added Services</u>							
Global Merchandise	4,831	4,723	1.4%	0.2%	1.6%	0.6%	2.2%
Global Equipment	1,799	1,723	2.7%	0.5%	3.2%	1.2%	4.4%
Global Value-Added Services	238	233	-2.0%	4.0%	2.0%	0.2%	2.2%
Global Dental	6,868	6,679	1.6%	0.4%	2.0%	0.8%	2.8%
Global Medical	4,270	4,081	3.1%	1.5%	4.6%	0.0%	4.6%
Total Global Distribution and Value-Added Services	11,138	10,760	2.2%	0.8%	3.0%	0.5%	3.5%
Global Specialty Products	1,544	1,446	3.3%	2.4%	5.7%	1.0%	6.7%
Global Technology	675	630	6.7%	0.0%	6.7%	0.4%	7.1%
Eliminations	(173)	(163)	n/a	n/a	n/a	n/a	n/a
Total Global	\$ 13,184	\$ 12,673	2.6%	0.9%	3.5%	0.5%	4.0%

Note: Prior period amounts have been reclassified to conform to the current period presentation.

Exhibit B

Henry Schein, Inc.
2025 Fourth Quarter and Full Year
Reconciliation of reported GAAP net income and diluted EPS attributable to Henry Schein, Inc.
to non-GAAP net income and diluted EPS attributable to Henry Schein, Inc.
(in millions, except per share data)
(unaudited)

	Fourth Quarter			Full Year		
	2025	2024	% Growth	2025	2024	% Growth
Net income attributable to Henry Schein, Inc.	\$ 101	\$ 94	7.9%	\$ 398	\$ 390	2.2%
Diluted EPS attributable to Henry Schein, Inc.	\$ 0.85	\$ 0.74	14.9%	\$ 3.27	\$ 3.05	7.2%
Non-GAAP Adjustments, net of tax and attribution to noncontrolling interests						
Restructuring and related costs (1)	\$ 14	\$ 28		\$ 72	\$ 79	
Acquisition intangible amortization (2)	28	27		109	112	
Cyber incident-insurance proceeds, net of third-party advisory expenses (3)	-	(15)		(15)	(23)	

Impairment of capitalized assets (4)	-	6		-	6	
Change in contingent consideration (5)	(5)	7		(2)	35	
Litigation settlements (6)	2	-		4	4	
Costs associated with shareholder advisory matters and select value creation consulting costs (7)	9	2		27	2	
Impairment of intangible assets (8)	11	-		12	-	
Non-GAAP adjustments to net income	\$ 59	\$ 55		\$ 207	\$ 215	
Non-GAAP net income attributable to Henry Schein, Inc.	\$ 160	\$ 149	6.6%	\$ 605	\$ 605	(0.1)%
Non-GAAP diluted EPS attributable to Henry Schein, Inc.	\$ 1.34	\$ 1.19	12.6%	\$ 4.97	\$ 4.74	4.9%

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. Net income growth rates are based on actual values and may not recalculate due to rounding. Amounts may not sum due to rounding.

(1) Restructuring and Related Costs

The following table presents details of our restructuring and related costs:

	Fourth Quarter		Full Year	
	2025	2024	2025	2024
Restructuring and related costs - pre-tax, as reported	\$ 23	\$ 37	\$ 105	\$ 110
Income tax benefit	(2)	(7)	(23)	(25)
Amount attributable to noncontrolling interests	(7)	(2)	(10)	(6)
Restructuring and related costs, net	\$ 14	\$ 28	\$ 72	\$ 79

(2) Acquisition Intangible Amortization

The following table presents details of amortization of acquired intangible assets:

	Fourth Quarter		Full Year	
	2025	2024	2025	2024
Acquisition intangible amortization - pre-tax, as reported	\$ 46	\$ 44	\$ 179	\$ 184
Income tax benefit	(12)	(11)	(45)	(46)
Amount attributable to noncontrolling interests	(6)	(6)	(25)	(26)
Acquisition intangible amortization, net	\$ 28	\$ 27	\$ 109	\$ 112

(3) Represents cyber insurance proceeds, net of one time professional and other fees related to remediation of our Q4 2023 cyber incident. During Q1 2025, we received insurance proceeds of \$20 million (\$15 million, net of taxes) under this policy representing the remaining insurance recovery of losses related to the cyber incident. During Q4 2024 and YTD 2024, we received insurance proceeds of \$20 million (\$15 million, net of taxes) and \$40 million (\$30 million, net of taxes), respectively, representing a partial insurance recovery of losses related to the cyber incident. One time professional and other fees were \$0 million (\$0 million, net of taxes) and \$9 million (\$7 million, net of taxes), for Q4 2024 and YTD 2024, respectively.

(4) Represents impairment of certain capitalized asset costs of \$12 million (\$6 million net of taxes and noncontrolling interests) recorded during Q4 2024.

(5) Represents a change in the fair value of contingent consideration of \$6 million (\$5 million, net of taxes) and \$2 million (\$2 million, net of taxes) recorded during Q4 2025 and YTD 2025, respectively, related to acquisitions and \$7 million (\$7 million, net of taxes) and \$45 million (\$35 million, net of taxes) recorded during Q4 2024 and YTD 2024, respectively, related to certain 2022 and 2023 acquisitions.

(6) Represents settlement amounts for litigation at one of our businesses during Q4 2025 and YTD 2025 as well as certain opioid related lawsuits during YTD 2025. Represents YTD 2024 settlement amounts for litigation related to the October 2023 cyber incident and settlement of certain opioid related lawsuits.

(7) Represents costs associated with shareholder advisory matters and select value creation consulting costs of \$12 million (\$9 million, net of taxes) and \$36 million (\$27 million, net of taxes) recorded during Q4 2025 and YTD 2025, respectively, and \$2 million (\$2 million, net of taxes) recorded during Q4 2024.

(8) The following table presents details of impairment charges recorded in relation to certain intangible assets:

	Fourth Quarter 2025	Full Year 2025
Impairment charges - pre-tax, as reported	\$ 15	\$ 16
Income tax benefit	(3)	(3)
Amount attributable to noncontrolling interests	(1)	(1)
Impairment charges, net	<u>\$ 11</u>	<u>\$ 12</u>

Exhibit C

Henry Schein, Inc.
2025 Fourth Quarter and Full Year
Reconciliation of reported GAAP net income to Adjusted EBITDA
(in millions)
(unaudited)

	Fourth Quarter		Full Year	
	2025	2024	2025	2024
Net income attributable to Henry Schein, Inc. (GAAP)	\$ 101	\$ 94	\$ 398	\$ 390
Income attributable to noncontrolling interests	2	2	21	8
Net income (GAAP)	<u>103</u>	<u>96</u>	<u>419</u>	<u>398</u>
Definitional adjustments:				
Interest income	(9)	(6)	(33)	(24)
Interest expense	39	35	150	131
Income taxes	32	31	126	128
Depreciation and amortization	82	76	311	297
Non-GAAP adjustments:				
Restructuring and related costs	23	37	105	110
Cyber incident-insurance proceeds, net of third-party advisory expenses	-	(20)	(20)	(31)
Impairment of capitalized assets	-	12	-	12
Impairment of intangible assets	15	1	16	1
Change in contingent consideration	(6)	7	(2)	45
Costs associated with shareholder advisory matters and select value creation consulting costs	12	2	36	2
Litigation settlements	2	-	5	5
Other adjustments:				
Equity in earnings of affiliates, net of tax	(2)	(1)	(12)	(13)
Adjusted EBITDA (non-GAAP)	<u>\$ 291</u>	<u>\$ 270</u>	<u>\$ 1,101</u>	<u>\$ 1,061</u>

Adjusted EBITDA is a non-GAAP measure that we calculate in the manner reflected on Exhibit C. We define Adjusted EBITDA as net income, excluding (i) net income attributable to noncontrolling interests, (ii) interest income and expense, (iii) income taxes, (iv) depreciation and amortization, (v) restructuring and related costs, (vi) cyber incident-insurance proceeds, net of third-party advisory expenses, (vii) impairment of capitalized assets, (viii) impairment of intangible assets, (ix) change in contingent consideration, (x) costs associated with shareholder advisory matters and select value creation consulting costs, (xi) litigation settlements and (xii) equity in earnings of affiliates, net of tax. Amounts may not sum due to rounding.

Investors

Ronald N. South

Senior Vice President and Chief Financial Officer

ronald.south@henryschein.com

(631) 843-5500

Graham Stanley

Vice President, Investor Relations and Strategic Financial Project Officer

graham.stanley@henryschein.com

(631) 843-5500

Media

Tim Vassilakos

Vice President, Global Corporate Communications

timothy.vassilakos@henryschein.com

(516) 510-0926

Source: Henry Schein, Inc.