



NEWS RELEASE

# Avantor® Reports Fourth Quarter and Full Year 2024 Results

2025-02-07

## Fourth Quarter 2024

- Net sales of \$1.69 billion, decrease of 2%; organic growth of 1%
- Net income of \$500.4 million; Adjusted EBITDA of \$307.7 million
- Diluted GAAP EPS of \$0.73; adjusted EPS of \$0.27
- Operating cash flow of \$173.3 million; free cash flow of \$222.1 million

## Full Year 2024

- Net sales of \$6.78 billion, decrease of 3%; organic decline of 2%
- Net income of \$711.5 million; Adjusted EBITDA of \$1,198.8 million
- Diluted GAAP EPS of \$1.04; adjusted EPS of \$0.99
- Operating cash flow of \$840.8 million; free cash flow of \$768.3 million

RADNOR, Pa., Feb. 7, 2025 /PRNewswire/ -- Avantor, Inc. (NYSE: AVTR), a leading global provider of mission-critical products and services to customers in the life sciences and advanced technology industries, today reported financial results for its fourth fiscal quarter and year ended December 31, 2024.

"Our fourth quarter results highlight our team's commitment to commercial intensity, operational discipline, and enabling breakthrough therapies. As anticipated, we returned to growth in the fourth quarter and delivered sequential and year-over-year growth in adjusted EBITDA margin, adjusted EPS, and best-in-class free cash flow conversion. We grew our bioprocessing platform high-single-digits and expect continued strength driven by our focused execution and improving end market conditions," said Michael Stubblefield, President and Chief Executive Officer.



"Looking ahead, we're entering the year with strong momentum and a clear focus on innovation-driven revenue growth, margin expansion, and continued deleveraging. Our new operating model is driving greater efficiency, and our cost transformation program is ahead of schedule. With our industry-leading portfolio, resilient supply chain, and relentless efficiency, we are confident in achieving both our near-term and long-term financial goals," Stubblefield concluded.

## Fourth Quarter 2024

For the three months ended December 31, 2024, net sales were \$1,686.6 million, a decrease of 2% compared to the fourth quarter of 2023. Foreign currency translation and our Clinical Services divestiture had a negative impact, resulting in sales growth of 1% on an organic basis.

Net income increased to \$500.4 million from \$98.5 million in the fourth quarter of 2023, and adjusted net income was \$183.9 million as compared to \$166.7 million in the comparable prior period. Net Income margin was 29.7%. Adjusted EBITDA was \$307.7 million and Adjusted EBITDA margin was 18.2%. Adjusted Operating Income was \$279.4 million and Adjusted Operating Income margin was 16.6%.

Diluted earnings per share on a GAAP basis was \$0.73, while adjusted EPS was \$0.27.

Operating cash flow was \$173.3 million, while free cash flow was \$222.1 million.

## Full Year 2024

For the full year ended December 31, 2024, net sales were \$6,783.6 million, a decrease of 3% compared to 2023. Modest foreign currency translation benefit was offset by our Clinical Services divestiture, resulting in a sales decline of 2% on an organic basis.

Net income increased to \$711.5 million from \$321.1 million in 2023, and adjusted net income was \$677.7 million as compared to \$720.1 million in the comparable prior period. Net Income margin was 10.5%. Adjusted EBITDA was \$1,198.8 million and Adjusted EBITDA margin was 17.7%. Adjusted Operating Income was \$1,089.8 million and Adjusted Operating Income margin was 16.1%.

Diluted earnings per share on a GAAP basis was \$1.04, while adjusted EPS was \$0.99.

Operating cash flow was \$840.8 million, while free cash flow was \$768.3 million. Adjusted net leverage was 3.2x as of December 31, 2024.

## Fourth Quarter 2024 – Segment Results

### Laboratory Solutions

- Net sales were \$1,125.8 million, a reported decrease of 5%, as compared to \$1,182.4 million in the fourth quarter of 2023. Foreign currency translation and our Clinical Services divestiture had a negative impact resulting in sales decline of 1% on an organic basis.
- Adjusted Operating Income was \$147.4 million as compared to \$157.3 million in the comparable prior period. Adjusted Operating Income margin was 13.1%.

### Bioscience Production

- Net sales were \$560.8 million, a reported increase of 4%, as compared to \$540.4 million in the fourth quarter of 2023. Sales also increased 4% on an organic basis.
- Adjusted Operating Income was \$149.2 million, as compared to \$132.0 million in the comparable prior period. Adjusted Operating Income margin was 26.6%.

## Full Year 2024 – Segment Results

### Laboratory Solutions

- Net sales were \$4,610.1 million, a reported decrease of 3%, as compared to \$4,738.3 million in 2023. Modest foreign currency translation benefit was offset by our Clinical Services divestiture resulting in sales declines of 2% on an organic basis.
- Adjusted Operating Income was \$598.0 million as compared to \$668.3 million in the comparable prior period. Adjusted Operating Income margin was 13.0%.

### Bioscience Production

- Net sales were \$2,173.5 million, a reported decrease of 3%, as compared to \$2,228.9 million in 2023. Sales also declined 3% on an organic basis.
- Adjusted Operating Income was \$558.2 million, as compared to \$601.9 million in the comparable prior period. Adjusted Operating Income margin was 25.7%.

Adjusted Operating Income is Avantor's segment reporting profitability measure under generally accepted accounting principles and is used by management to measure and evaluate the performance of our Company's business segments.

## Conference Call

We will host a conference call to discuss our results today, February 7, 2025, at 8:00 a.m. Eastern Time. The live webcast and presentation, as well as a replay, will be available on the **investor section of Avantor's website**.

## About Avantor

Avantor<sup>®</sup> is a leading life science tools company and global provider of mission-critical products and services to the life sciences and advanced technology industries. We work side-by-side with customers at every step of the scientific journey to enable breakthroughs in medicine, healthcare, and technology. Our portfolio is used in virtually every stage of the most important research, development and production activities at more than 300,000 customer locations in 180 countries. For more information, visit [avantorsciences.com](https://www.avantorsciences.com) and find us on **LinkedIn, X (Twitter)** and **Facebook**.

## Use of Non-GAAP Financial Measures

To evaluate our performance, we monitor a number of key indicators. As appropriate, we supplement our results of operations determined in accordance with U.S. generally accepted accounting principles ("GAAP") with certain non-GAAP financial measures that we believe are useful to investors, creditors and others in assessing our performance. These measures should not be considered in isolation or as a substitute for reported GAAP results because they may include or exclude certain items as compared to similar GAAP-based measures, and such measures may not be comparable to similarly titled measures reported by other companies. Rather, these measures should be considered as an additional way of viewing aspects of our operations that provide a more complete understanding of our business. We strongly encourage investors to review our consolidated financial statements included in reports filed with the SEC in their entirety and not rely solely on any one single financial measure or communication.

The non-GAAP financial measures used in this press release are sales growth (decline) on an organic basis, Adjusted Operating Income, Adjusted Operating Income margin, Adjusted EBITDA, Adjusted EBITDA margin, adjusted net income, adjusted EPS, adjusted net leverage, free cash flow and free cash flow conversion.

- Organic net sales growth (decline) eliminates from our reported net sales change the impacts of revenues from acquisitions and divestitures that occurred in the last year and changes in foreign currency exchange rates. We believe that this measurement is useful to investors as a way to measure and evaluate our underlying commercial operating performance consistently across our segments and the periods presented. This measure is used by our management for the same reason.
- Adjusted Operating Income is our net income or loss adjusted for the following items: (i) interest expense, (ii) income tax expense, (iii) amortization of acquired intangible assets, (iv) losses on extinguishment of debt, (v) charges associated with the impairment of certain assets, (vi) gain on sale of business, (vii) and certain other adjustments. Adjusted Operating Income margin is Adjusted Operating Income divided by net sales as

determined under GAAP. We believe that these measures are useful to investors as ways to analyze the underlying trends in our business consistently across the periods presented. These measures are used by our management for the same reason. Additionally, Adjusted Operating Income is our segment reporting profitability measure under GAAP.

- Adjusted EBITDA is our net income or loss adjusted for the following items: (i) interest expense, (ii) income tax expense, (iii) amortization of acquired intangible assets, (iv) depreciation expense, (v) losses on extinguishment of debt, (vi) charges associated with the impairment of certain assets, (vii) gain on sale of business, (viii) and certain other adjustments. Adjusted EBITDA margin is Adjusted EBITDA divided by net sales as determined under GAAP. We believe that these measures are useful to investors as ways to analyze the underlying trends in our business consistently across the periods presented. These measures are used by our management for the same reason.
- Adjusted net income is our net income or loss first adjusted for the following items: (i) amortization of acquired intangible assets, (ii) losses on extinguishment of debt, (iii) charges associated with the impairment of certain assets, (iv) gain on sale of business, (v) and certain other adjustments. From this amount, we then add or subtract an assumed incremental income tax impact on the above-noted pre-tax adjustments, using estimated tax rates, to arrive at Adjusted Net Income. We believe that this measure is useful to investors as a way to analyze the business consistently across the periods presented. This measure is used by our management for the same reason.
- Adjusted EPS is our adjusted net income divided by our diluted GAAP weighted average share count adjusted for anti-dilutive instruments. We believe that this measure is useful to investors as an additional way to analyze the underlying trends in our business consistently across the periods presented. This measure is used by our management for the same reason.
- Adjusted net leverage is equal to our gross debt, reduced by our cash and cash equivalents, divided by our trailing 12-month Adjusted EBITDA (excluding stock-based compensation expense and including the expected run-rate effect of cost synergies and the incremental results of completed acquisitions and divestitures as if those acquisitions and divestitures had occurred on the first day of the trailing 12-month period). We believe that this measure is useful to investors as a way to evaluate and measure the Company's capital allocation strategies and the underlying trends in the business. This measure is used by our management for the same reason.
- Free cash flow is equal to our cash flows from operating activities, less capital expenditures, plus direct transaction costs and income taxes paid related to acquisitions and divestitures (as applicable) in the period. Free cash flow conversion is free cash flow divided by adjusted net income. We believe that these measures are useful to investors as they provide a view on the Company's ability to generate cash for use in financing or investing activities. These measures are used by our management for the same reason.

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are

included in the tables accompanying this release.

## Forward-Looking and Cautionary Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this press release are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, including our cost transformation initiative, objectives, future performance and business. These statements may be preceded by, followed by or include the words "aim," "anticipate," "assumption," "believe," "continue," "estimate," "expect," "forecast," "goal," "guidance," "intend," "likely," "long-term," "near-term," "objective," "opportunity," "outlook," "plan," "potential," "project," "projection," "prospects," "seek," "target," "trend," "can," "could," "may," "should," "would," "will," the negatives thereof and other words and terms of similar meaning.

Forward-looking statements are inherently subject to risks, uncertainties and assumptions; they are not guarantees of performance. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that the assumptions and expectations will prove to be correct. Factors that could contribute to these risks, uncertainties and assumptions include, but are not limited to, the factors described in "Risk Factors" in our most recent Annual Report on Form 10-K, and subsequent quarterly reports on Form 10-Q, as such risk factors may be updated from time to time in our periodic filings with the SEC.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. In addition, all forward-looking statements speak only as of the date of this press release. We undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

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Avantor, Inc. and subsidiaries  
Consolidated statements of operations

(in millions, except per share data)	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Net sales	\$ 1,686.6	\$ 1,722.8	\$ 6,783.6	\$ 6,967.2
Cost of sales	1,123.7	1,152.4	4,504.3	4,603.4
Gross profit	562.9	570.4	2,279.3	2,363.8
Selling, general and administrative expenses	371.4	387.1	1,641.1	1,506.6
Impairment charges	—	—	—	160.8
Gain on sale of business	(446.6)	—	(446.6)	—
Operating income	638.1	183.3	1,084.8	696.4
Interest expense, net	(44.9)	(65.3)	(218.8)	(284.8)
Loss on extinguishment of debt	(4.4)	(1.0)	(10.9)	(6.9)
Other (expense) income, net	(4.6)	2.5	(1.2)	5.8
Income before income taxes	584.2	119.5	853.9	410.5
Income tax expense	(83.8)	(21.0)	(142.4)	(89.4)
Net income	\$ 500.4	\$ 98.5	\$ 711.5	\$ 321.1
Earnings per share:				
Basic	\$ 0.74	\$ 0.15	\$ 1.05	\$ 0.48
Diluted	\$ 0.73	\$ 0.15	\$ 1.04	\$ 0.47
Weighted average shares outstanding:				
Basic	680.7	676.4	679.6	675.6
Diluted	682.7	679.2	681.9	678.4

Avantor, Inc. and subsidiaries  
Consolidated balance sheets

(in millions)	December 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 261.9	\$ 262.9
Accounts receivable, net	1,034.5	1,150.2
Inventory	731.5	828.1
Other current assets	118.7	143.7
Total current assets	2,146.6	2,384.9
Property, plant and equipment, net	708.1	737.5
Other intangible assets, net	3,360.2	3,775.3
Goodwill, net	5,539.2	5,716.7
Other assets	360.4	358.3
Total assets	\$ 12,114.5	\$ 12,972.7
Liabilities and stockholders' equity		

Current liabilities:		
Current portion of debt	\$ 821.1	\$ 259.9
Accounts payable	662.8	625.9
Employee-related liabilities	168.2	133.1
Accrued interest	48.6	50.2
Other current liabilities	306.8	411.2
Total current liabilities	2,007.5	1,480.3
Debt, net of current portion	3,234.7	5,276.7
Deferred income tax liabilities	557.3	612.8
Other liabilities	358.3	350.3
Total liabilities	6,157.8	7,720.1
Stockholders' equity:		
Common stock including paid-in capital	3,937.7	3,830.1
Accumulated earnings	2,203.0	1,491.5
Accumulated other comprehensive loss	(184.0)	(69.0)
Total stockholders' equity	5,956.7	5,252.6
Total liabilities and stockholders' equity	\$ 12,114.5	\$ 12,972.7

Avantor, Inc. and subsidiaries  
Consolidated statements of cash flows

(in millions)	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net income	\$ 500.4	\$ 98.5	\$ 711.5	\$ 321.1
Reconciling adjustments:				
Depreciation and amortization	100.9	100.6	405.5	402.3
Impairment charges	—	—	—	160.8
Gain on sale of business	(446.6)	—	(446.6)	—
Stock-based compensation expense	11.1	8.8	46.8	40.5
Non-cash restructuring charges	0.5	—	16.9	—
Provision for accounts receivable and inventory	19.3	22.0	75.1	84.5
Deferred income tax expense (benefit)	28.4	(78.3)	(46.9)	(172.4)
Amortization of deferred financing costs	2.6	3.1	11.2	13.0
Loss on extinguishment of debt	4.4	1.0	10.9	6.9
Foreign currency remeasurement (gain) loss	(3.3)	0.5	(0.3)	(2.6)
Pension termination charges	9.3	—	9.3	—
Changes in assets and liabilities:				
Accounts receivable	11.7	21.9	45.9	77.0
Inventory	3.0	21.2	(18.5)	30.3
Accounts payable	17.7	(43.8)	59.6	(139.6)
Accrued interest	14.9	10.6	(1.6)	0.3
Other assets and liabilities	(100.7)	87.1	(37.7)	48.6
Other	(0.3)	(1.6)	(0.3)	(0.7)
Net cash provided by operating activities	173.3	251.6	840.8	870.0
Cash flows from investing activities:				
Capital expenditures	(27.5)	(50.6)	(148.8)	(146.4)
Proceeds from sale of disposal group, net of cash sold	585.2	—	585.2	—
Other	0.8	0.6	2.5	2.7
Net cash provided by (used in) investing activities	558.5	(50.0)	438.9	(143.7)
Cash flows from financing activities:				
Debt repayments	(756.8)	(188.1)	(1,341.8)	(846.0)
Payments of debt refinancing fees and premiums	—	—	—	(2.3)
Proceeds received from exercise of stock options	1.9	4.2	69.2	18.3
Shares repurchased to satisfy employee tax obligations for vested stock-based awards	(0.4)	(0.2)	(8.6)	(13.7)
Net cash used in financing activities	(755.3)	(184.1)	(1,281.2)	(843.7)
Effect of currency rate changes on cash and cash equivalents	(22.1)	9.5	(21.5)	8.2
Net change in cash, cash equivalents and restricted cash	(45.6)	27.0	(23.0)	(109.2)
Cash, cash equivalents and restricted cash, beginning of period	310.3	260.7	287.7	396.9



Cash, cash equivalents and restricted cash, end of period	\$ 264.7	\$ 287.7	\$ 264.7	\$ 287.7
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Avantor, Inc. and subsidiaries  
Reconciliations of non-GAAP measures

Adjusted EBITDA and Adjusted EBITDA Margin

(dollars in millions, % based on net sales)	Three months ended December 31,				Year ended December 31,			
	2024		2023		2024		2023	
	\$	%	\$	%	\$	%	\$	%
Net income	\$ 500.4	29.7 %	\$ 98.5	5.7 %	\$ 711.5	10.5 %	\$ 321.1	4.6 %
Amortization	74.2	4.4 %	75.0	4.4 %	299.8	4.4 %	307.7	4.4 %
Loss on extinguishment of debt	4.4	0.3 %	1.0	— %	10.9	0.2 %	6.9	0.1 %
Integration-related expenses <sup>1</sup>	—	— %	(0.7)	— %	—	— %	7.6	0.1 %
Restructuring and severance charges <sup>2</sup>	0.5	— %	8.5	0.5 %	82.8	1.2 %	26.5	0.4 %
Transformation expenses <sup>3</sup>	12.3	0.8 %	5.4	0.3 %	58.9	0.9 %	5.4	0.1 %
Reserve for certain legal matters, net <sup>4</sup>	1.3	0.1 %	3.1	0.2 %	9.2	0.2 %	7.1	0.1 %
Other <sup>5</sup>	(3.5)	(0.3) %	(0.6)	— %	(3.9)	(0.2) %	(2.8)	— %
Impairment charges <sup>6</sup>	—	— %	—	— %	—	— %	160.8	2.3 %
Gain on sale of business <sup>7</sup>	(446.6)	(26.5) %	—	— %	(446.6)	(6.6) %	—	— %
Pension termination charges <sup>8</sup>	9.3	0.6 %	—	— %	9.3	0.2 %	—	— %
Income tax expense (benefit) applicable to pretax adjustments	31.6	1.8 %	(23.5)	(1.4) %	(54.2)	(0.8) %	(120.2)	(1.8) %
Adjusted net income	183.9	10.9 %	166.7	9.7 %	677.7	10.0 %	720.1	10.3 %
Interest expense, net	44.9	2.7 %	65.3	3.8 %	218.8	3.2 %	284.8	4.1 %
Depreciation	26.7	1.6 %	25.6	1.4 %	105.7	1.6 %	94.6	1.3 %
Income tax provision applicable to Adjusted Net income	52.2	3.0 %	\$ 44.5	2.6 %	\$ 196.6	2.9 %	\$ 209.6	3.1 %
Adjusted EBITDA	\$ 307.7	18.2 %	\$ 302.1	17.5 %	\$ 1,198.8	17.7 %	\$ 1,309.1	18.8 %

1. Represents direct costs incurred with third parties and the accrual of a long-term retention incentive to integrate acquired companies. These expenses represent incremental costs and are unrelated to normal operations of our business. Integration expenses are incurred over a pre-defined integration period specific to each acquisition.
2. Reflects the incremental expenses incurred in the period related to restructuring initiatives to increase profitability and productivity. Costs included in this caption are specific to employee severance, site-related exit costs, and contract termination costs. The expenses recognized in 2024 represent costs incurred to achieve the Company's publicly-announced cost transformation initiative.
3. Represents incremental expenses directly associated with the Company's publicly-announced cost transformation initiative, primarily related to the cost of external advisors.
4. Represents charges and legal costs, net of recoveries, in connection with certain litigation and other contingencies that are unrelated to our core operations and not reflective of on-going business and operating results.
5. Represents net foreign currency (gain) loss from financing activities and other stock-based compensation expense (benefit).
6. Related to impairment of Ritter.
7. Related to gain on sale of our Clinical Services business.
8. Represents pension termination charges related to termination of our U.S. Pension Plan.

Avantor, Inc. and subsidiaries  
Reconciliations of non-GAAP measures (continued)

Adjusted Operating Income and Adjusted Operating Income Margin

(dollars in millions, % based on net sales)	Three months ended December 31,				Year ended December 31,			
	2024		2023		2024		2023	
	\$	%	\$	%	\$	%	\$	%
Net income	\$ 500.4	29.7 %	\$ 98.5	5.7 %	\$ 711.5	10.5 %	\$ 321.1	4.6 %
Interest expense, net	44.9	2.7 %	65.3	3.8 %	218.8	3.2 %	284.8	4.1 %
Income tax expense	83.8	4.8 %	21.0	1.2 %	142.4	2.1 %	89.4	1.3 %
Loss on extinguishment of debt	4.4	0.3 %	1.0	— %	10.9	0.2 %	6.9	0.1 %
Other (expense) income, net	4.6	0.3 %	(2.5)	(0.1) %	1.2	— %	(5.8)	(0.1) %
Operating income	638.1	37.8 %	183.3	10.6 %	1,084.8	16.0 %	696.4	10.0 %
Amortization	74.2	4.4 %	75.0	4.4 %	299.8	4.4 %	307.7	4.4 %
Integration-related expenses <sup>1</sup>	—	— %	(0.7)	— %	—	— %	7.6	0.1 %
Restructuring and severance charges <sup>2</sup>	0.5	— %	8.5	0.5 %	82.8	1.2 %	26.5	0.4 %
Transformation expenses <sup>3</sup>	12.3	0.8 %	5.4	0.3 %	58.9	0.9 %	5.4	0.1 %
Reserve for certain legal matters, net <sup>4</sup>	1.3	0.1 %	3.1	0.2 %	9.2	0.2 %	7.1	0.1 %
Other <sup>5</sup>	(0.4)	— %	0.2	— %	0.9	— %	0.3	— %
Impairment charges <sup>6</sup>	—	— %	—	— %	—	— %	160.8	2.3 %
Gain on sale of business <sup>7</sup>	(446.6)	(26.5) %	—	— %	(446.6)	(6.6) %	—	— %
Adjusted Operating Income	\$ 279.4	16.6 %	\$ 274.8	16.0 %	\$ 1,089.8	16.1 %	\$ 1,211.8	17.4 %

1. Represents direct costs incurred with third parties and the accrual of a long-term retention incentive to integrate acquired companies. These expenses represent incremental costs and are unrelated to normal operations of our business. Integration expenses are incurred over a pre-defined integration period specific to each acquisition.
2. Reflects the incremental expenses incurred in the period related to restructuring initiatives to increase profitability and productivity. Costs included in this caption are specific to employee severance, site-related exit costs, and contract termination costs. The expenses recognized in 2024 represent costs incurred to achieve the Company's publicly-announced cost transformation initiative.
3. Represents incremental expenses directly associated with the Company's publicly-announced cost transformation initiative, primarily related to the cost of external advisors.
4. Represents charges and legal costs, net of recoveries, in connection with certain litigation and other contingencies that are unrelated to our core operations and not reflective of on-going business and operating results.
5. Represents other stock-based compensation expense (benefit).
6. Related to impairment of Ritter.
7. Related to gain on sale of our Clinical Services business.

Avantor, Inc. and subsidiaries  
Reconciliations of non-GAAP measures (continued)

Adjusted earnings per share

Three months ended

Year ended

(shares in millions)	December 31,		December 31,	
	2024	2023	2024	2023
Diluted earnings per share (GAAP)	\$ 0.73	\$ 0.15	\$ 1.04	\$ 0.47
Amortization	0.11	0.11	0.44	0.45
Loss on extinguishment of debt	0.01	—	0.02	0.01
Integration-related expenses	—	—	—	0.01
Restructuring and severance charges	—	0.01	0.12	0.04
Transformation expenses	0.02	0.01	0.09	0.01
Reserve for certain legal matters, net	—	—	0.01	0.01
Other	—	—	(0.01)	—
Impairment charges	—	—	—	0.24
Gain on sale of business	(0.66)	—	(0.65)	—
Pension termination charges	0.01	—	0.01	—
Income tax expense (benefit) applicable to pretax adjustments	0.05	(0.03)	(0.08)	(0.18)
Adjusted EPS (non-GAAP)	\$ 0.27	\$ 0.25	\$ 0.99	\$ 1.06
Weighted average diluted shares outstanding:				
Share count for Adjusted EPS (non-GAAP)	682.7	679.2	681.9	678.4

Avantor, Inc. and subsidiaries  
Reconciliations of non-GAAP measures (continued)

Free cash flow

(in millions)	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 173.3	\$ 251.6	\$ 840.8	\$ 870.0
Capital expenditures	(27.5)	(50.6)	(148.8)	(146.4)
Divestiture-related transaction expenses and taxes paid	76.3	—	76.3	—
Free cash flow (non-GAAP)	\$ 222.1	\$ 201.0	\$ 768.3	\$ 723.6

Adjusted net leverage

(dollars in millions)	December 31, 2024
Total debt, gross	\$ 4,077.8
Less cash and cash equivalents	(261.9)
	\$ 3,815.9
Trailing twelve months Adjusted EBITDA <sup>(1)</sup>	\$ 1,149.7
Trailing twelve months ongoing stock-based compensation expense	47.0
	\$ 1,196.7
Adjusted net leverage (non-GAAP)	3.2 x

1. Represents the Adjusted EBITDA of Avantor for the trailing twelve-month period minus the results attributable to the divested business as if such divestiture had been completed on the 1st day of such trailing twelve-month period, as contemplated by our debt covenants.

Avantor, Inc. and subsidiaries  
Reconciliations of non-GAAP measures (continued)

Net sales by segment

(in millions)	December 31		Reconciliation of net sales growth (decline) to organic net sales growth (decline)			
	2024	2023	Net sales growth (decline)	Foreign currency impact	Divestiture impact	Organic net sales growth (decline)
	Three months ended:					
Laboratory Solutions	\$ 1,125.8	\$ 1,182.4	\$ (56.6)	\$ (3.4)	\$ (42.4)	\$ (10.8)
Bioscience Production	560.8	540.4	20.4	(1.8)	—	22.2
Total	\$ 1,686.6	\$ 1,722.8	\$ (36.2)	\$ (5.2)	\$ (42.4)	\$ 11.4
Year ended:						
Laboratory Solutions	\$ 4,610.1	\$ 4,738.3	\$ (128.2)	\$ 5.5	\$ (42.4)	\$ (91.3)
Bioscience Production	2,173.5	2,228.9	(55.4)	1.8	—	(57.2)
Total	\$ 6,783.6	\$ 6,967.2	\$ (183.6)	\$ 7.3	\$ (42.4)	\$ (148.5)

(dollars in millions, % based on net sales)	December 31		Reconciliation of net sales growth (decline) to organic net sales growth (decline)			
	2024	2023	Net sales growth (decline)	Foreign currency impact	Divestiture impact	Organic net sales growth (decline)
	Three months ended:					
Laboratory Solutions	\$ 1,125.8	\$ 1,182.4	(4.8) %	(0.3) %	(3.6) %	(0.9) %
Bioscience Production	560.8	540.4	3.8 %	(0.3) %	— %	4.1 %
Total	\$ 1,686.6	\$ 1,722.8	(2.1) %	(0.3) %	(2.5) %	0.7 %
Year ended:						
Laboratory Solutions	\$ 4,610.1	\$ 4,738.3	(2.7) %	0.1 %	(0.9) %	(1.9) %
Bioscience Production	2,173.5	2,228.9	(2.5) %	0.1 %	— %	(2.6) %
Total	\$ 6,783.6	\$ 6,967.2	(2.6) %	0.1 %	(0.6) %	(2.1) %

Adjusted Operating Income by segment

(dollars in millions, % represent Adjusted Operating Income margin)	Three months ended December 31,				Year ended December 31,			
	2024		2023		2024		2023	
	\$	%	\$	%	\$	%	\$	%
Laboratory Solutions	\$ 147.4	13.1 %	\$ 157.3	13.3 %	\$ 598.0	13.0 %	\$ 668.3	14.1 %
Bioscience Production	149.2	26.6 %	132.0	24.4 %	558.2	25.7 %	601.9	27.0 %
Corporate	(17.2)	— %	(14.5)	— %	(66.4)	— %	(58.4)	— %
Total	\$ 279.4	16.6 %	\$ 274.8	16.0 %	\$ 1,089.8	16.1 %	\$ 1,211.8	17.4 %

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