2018 INVESTOR & ANALYST DAY

December 13, 2018
Forward Looking Statements

Statements in this presentation that are not strictly historical, including any statements regarding events or developments that we anticipate will or may occur in the future are “forward-looking” statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things, Danaher’s ability to complete the previously-announced spin-off of its Dental business on the currently contemplated timeline and achieve the intended benefits, deterioration of or instability in the economy, the markets we serve and the financial markets, developments and uncertainties in U.S. policy stemming from the current administration, such as changes in U.S. trade and tariff policies and the reaction of other countries thereto, contractions or growth rates and cyclicity of markets we serve, competition, our ability to develop and successfully market new products and technologies and expand into new markets, the potential for improper conduct by our employees, agents or business partners, our compliance with applicable laws and regulations (including regulations relating to medical devices and the health care industry), our ability to effectively address cost reductions and other changes in the health care industry, our ability to successfully identify, consummate and integrate appropriate acquisitions and strategic investments and successfully complete divestitures and other dispositions, our ability to integrate the businesses we acquire and achieve the anticipated benefits of such acquisitions, contingent liabilities relating to acquisitions, investments and divestitures (including tax-related and other contingent liabilities relating to past and future split-offs or spin-offs), security breaches or other disruptions of our information technology systems or violations of data privacy laws, the impact of our restructuring activities on our ability to grow, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, changes in tax laws applicable to multinational companies, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, the rights of the United States government to use, disclose and license certain intellectual property we license if we fail to commercialize it, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, the impact of our debt obligations on our operations and liquidity, our relationships with and the performance of our channel partners, uncertainties relating to collaboration arrangements with third parties, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, the impact of deregulation on demand for our products and services, labor matters, international economic, political, legal, compliance and business factors (including the impact of the UK's decision to leave the EU), disruptions relating to man-made and natural disasters, and pension plan costs. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our 2017 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the third quarter of 2018. These forward-looking statements speak only as of the date of this presentation and except to the extent required by applicable law, the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

With respect to the non-GAAP financial measures referenced in the following presentation, the accompanying information required by SEC Regulation G can be found in the back of the presentation and in the “Investors” section of Danaher’s web site, www.danaher.com, under the heading “Events & Presentations,” and event name “Danaher 2018 Investor & Analyst Meeting.” Unless otherwise indicated, all references in this presentation (1) to Company-specific financial metrics relate only to the continuing operations of Danaher’s business; (2) to “growth” or other period-to-period changes refer to year-over-year comparisons; (3) to Operating Profit below the segment level exclude amortization; (4) to “today” refers to the Company’s estimated 2018 performance (“2018E”); and (5) to “2018 YTD” refers to the first nine months of 2018. This presentation treats 2018E as the Company’s most recent fiscal year unless otherwise indicated. We may also describe certain products and devices which have applications submitted and pending for certain regulatory approvals.
# Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:30 am</td>
<td>Welcome</td>
<td>Matt Gugino</td>
</tr>
<tr>
<td>9:35 am</td>
<td>Opening Remarks</td>
<td>Tom Joyce</td>
</tr>
<tr>
<td>10:05 am</td>
<td>Life Sciences Dental Q&amp;A</td>
<td>Rainer Blair Amir Aghdaei Blair, Aghdaei</td>
</tr>
<tr>
<td>10:50 am</td>
<td>Environmental &amp; Applied Solutions (EAS) Diagnostics Q&amp;A</td>
<td>Joakim Weidemanis Dan Daniel Weidemanis, Daniel</td>
</tr>
<tr>
<td>11:35 am</td>
<td>Closing Remarks &amp; Guidance</td>
<td>Tom Joyce</td>
</tr>
<tr>
<td>11:45 am</td>
<td>Q&amp;A</td>
<td>Tom Joyce</td>
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<tr>
<td>12:00 pm</td>
<td>Program End / Lunch</td>
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OPENING REMARKS
Tom Joyce, President & CEO

2018 INVESTOR & ANALYST DAY
What You’ll Hear Today

Terrific results this year driven by DBS

Building and evolving into a stronger, better Danaher

Running the Danaher playbook: how we create long-term value
2018 YTD Financial Highlights

MEANINGFUL CORE REVENUE GROWTH STEP-UP VS PRIOR YEARS
— Life Sciences, Product ID, Water Quality & Diagnostics all MSD or better
— Recent innovation & commercial investments driving market share gains

EXPANDING MARGINS WHILE REINVESTING FOR GROWTH
— Core OMX +100bps, gross margin +60bps*, R&D spend +10%

STRONG ADJUSTED EPS GROWTH & SOLID FREE CASH FLOW
— Expect 2018 to be the 27th consecutive year that FCF exceeds Net Income

RECENT PORTFOLIO MOVES
— Closed $2B acquisition of IDT (Life Sciences); Blue Software (Product ID – Esko)
— Announced spin-off of our Dental business

Outstanding results driven by DBS

*As a % of sales

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+6.0%  CORE REVENUE GROWTH
100BPS  CORE OMX
123%  FCF / NI CONVERSION
DD  ADJUSTED EPS GROWTH
Building A Stronger, Better Danaher

Evolving into higher growth & higher recurring revenue portfolio

<table>
<thead>
<tr>
<th>Year</th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Env. &amp; Applied</th>
<th>Dental</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$6.5B</td>
<td>$6.2B</td>
<td>$4.3B</td>
<td>$2.8B</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2018</td>
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</tbody>
</table>

Core Revenue Growth
- LSD
- MSD

Recurring Revenue*
- ~45%
- ~70%

Direct GTM Revenue*
- ~60%
- ~70%

Gross Margin
- 52%
- 56%

All financial metrics shown reflect FY 2018E unless indicated otherwise; 2015 metrics shown include Fortive.
* As a % of total revenue
Majority of our recurring revenue is considered ‘captive’
**Evolving the Portfolio to Serve Attractive End-Markets**

<table>
<thead>
<tr>
<th>ADDRESSABLE MARKET SIZE</th>
<th>WATER QUALITY</th>
<th>~$20B</th>
<th>PRODUCT ID</th>
<th>~$10B</th>
<th>LIFE SCIENCES</th>
<th>~$50B</th>
<th>DIAGNOSTICS</th>
<th>~$35B</th>
<th>DENTAL</th>
<th>~$20B</th>
</tr>
</thead>
</table>

**KEY SECULAR GROWTH DRIVERS**

- **Water quality**
  - Water scarcity
  - Sustainability of water resources

- **Product ID**
  - Packaging proliferation
  - Global brand consistency

- **Life sciences**
  - Shift in medicine: Biologics
  - Evolution of LS research: genomics

- **Diagnostics**
  - Molecular Dx penetration
  - Decentralization of health care

- **Dental**
  - Digital dentistry
  - Aesthetic dentistry / implants

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**High Growth Markets** | **Regulatory Requirements** | **Workflow Efficiency**

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**Strong secular drivers underpinning growth opportunities**
DBS is our competitive advantage: it’s who we are, and how we do what we do.
Talent as a Competitive Advantage: Leading with DBS

**STRATEGIC PRIORITIES**
- THE BEST WORKPLACE
- THE BEST PEOPLE LEADERS

**OUR CULTURE**
- A CULTURE OF AND
  - Metrics AND Meaning
  - Performance AND People
  - Results AND Recognition

**OUR GOAL**
- My Organization & Purpose
- My Future & Development
- Me, My Manager & My Daily Work

**THE BEST WORKPLACE**

**THE BEST PEOPLE LEADERS**

**Our Engagement Pyramid**

**Meeting the needs of associates every day**

**+15%**
- Engaged Index improvement over last 5 years

**~85%**
- Internal Fill Rate Last 2 Years

**Associates are key to sustaining our competitive advantage**
How We Create Value: Running the Danaher Playbook

IMPROVE COST STRUCTURE

REINVEST FOR GROWTH

ACCELERATE MARGINS & CORE GROWTH

Balanced approach to create shareholder value

Core Revenue Growth + Margin Expansion + Strong Free Cash Flow + Acquisitions = TOP QUARTILE EPS GROWTH & COMPOUNDING RETURNS
Improving Cost Structure

**OPPORTUNITIES & FOCUS AREAS**

Increase gross margins

- Material costs, PPV, labor efficiencies, scrap, logistics
  
  **DBS ACTIONS** VAVE, Lean Conversion, Daily Mgmt., Visual Mgmt.
  
  **EXAMPLE** BEC LS gross margin +500bps since 2015

Reduce G&A

- Indirect, non-customer-facing costs
  
  **DBS ACTIONS** Visual Mgmt., Transactional Process Improvement (TPI)
  
  **EXAMPLE** Pall G&A* down >500bps since acquisition

RESULTS OVER THE LAST 3 YEARS

- >200bps INCREASE IN GROSS MARGIN

- -50bps DECREASE IN G&A AS A % OF SALES

Reducing non-customer facing costs allows us to reinvest back into the business
Reinvesting for Growth: Innovation

OPPORTUNITIES & FOCUS AREAS

• Encouraging an entrepreneurial spirit with DBS rigor
• Building upon innovative foundation at recent acquisitions
• Improving R&D project focus & prioritization
• Condensing project development cycle times

RESULTS OVER THE LAST 3 YEARS*

+50 BPS R&D SPEND AS % OF SALES
+40% R&D ASSOCIATES HIRED
>$1.2B ANNUAL R&D SPEND TODAY

DBS EXAMPLE

PROJECT FUNNEL

• Problem to Portfolio (P2P)
• Lean Product Definition

INCREMENTAL REVENUE PIPELINE

PROJECT OTD

• Visual Project Management Obeya
• Organization Talent Assessment

DEVELOPING PRODUCTS TO PLAN

REVENUE ACHIEVEMENT

• Launch Excellence
• Transformative Marketing

GENERATING PLANNED RESULTS

NEW PRODUCT DEVELOPMENT (NPD) GROWTH

DBS enables effective investment in innovation for competitive advantage

*Assumes all three years include a full year contribution from Pall
Reinvesting for Growth: Sales & Marketing

OPPORTUNITIES & FOCUS AREAS

- Increasing market visibility & contacts
- Expanding digital marketing capabilities
- Improving sales lead generation (quantity & quality)

DBS ACTIONS

Transformative Marketing
- VISIBILITY & CONTACTS
- CAMPAIGNS & EVENTS

Lead Handling
- QUALIFIED LEADS
- SALES FUNNEL

Funnel Management
- WIN RATE
- ORDERS & SALES

EXAMPLE: PALL COMMERCIAL RESULTS SINCE ACQUISITION

- CONTACTS / MARKET VISIBILITY: +80%
- QUALIFIED LEADS: +10X
- WIN RATE: +15%

Using DBS to drive better, sustainable S&M processes and growth
“Running the Danaher playbook” enhances our growth trajectory
M&A: Our Strategic Approach and Capacity

MARKET
- Secular growth drivers
- Fragmented
- Higher barriers to entry
- Optionality with multi-industry portfolio

COMPANY
- Competitive market position, strong brand
- Consistent revenue visibility
- Higher margin businesses
- Cultural fit

VALUATION
- Focus on ROIC
- DBS opportunities
- Sustainability
- Synergies

Greatest M&A capacity today since pre-Pall acquisition

"ROIC" is Return on Invested Capital
2014 financial metrics shown include Fortive

- DEBT TO EBITDA
  - 2014: >4X
  - 2015: ~2X
  - 2016: ~2X
  - 2017: ~2X
  - 2018E: ~2X

- ADJ. EPS GROWTH Y/Y
  - 2014: 8%
  - 2015: 12%
  - 2016: 21%
  - 2017: 12%
  - 2018E: 12%
Putting It All Together

- Portfolio evolution helping us build strong footholds in great markets with high-quality businesses
- Outstanding results driven by consistent DBS execution
- Well-positioned to pursue meaningful M&A opportunities

RESULTS OVER THE LAST 3 YEARS

$>200\text{BPS}$ + CORE GROWTH IMPROVEMENT

$>85\text{BPS}$ + CORE OMX AVG. ANNUAL

DD = FCF CAGR

Mid-teens = ADJ. EPS GROWTH AVG. ANNUAL

Focused on creating long-term shareholder value
LIFE SCIENCES
Rainer Blair, Executive Vice President

2018 INVESTOR & ANALYST DAY
LIFE SCIENCES

STRONG GLOBAL GROWTH DRIVERS

• Evolution of Life Science research (i.e. genomics)

• Shift in medicine (i.e. proliferation of biologics including cell & gene therapy)

• HGM investments in basic & applied research capacity

All financial metrics based on FY 2018E unless otherwise indicated; all pie chart percentages are % of 2018E revenues
2018 YTD Highlights

Cadence of innovation helping to accelerate core growth across the platform

Strong core operating margin expansion driven by solid execution across the platform

Pall continues to exceed our initial expectations, delivering broad-based growth and margin improvement

Strategic M&A to increase our presence in attractive end-markets
  • $2B acquisition of IDT, a leading player in genomics consumables

All financial metrics refer to the 9 months ending Sep. 28, 2018 unless otherwise indicated

Strong execution providing good momentum into 2019
Life Sciences Platform Evolution

Enhancing our growth trajectory with DBS rigor & strategic M&A

5 YEARS AGO

LSD
- CORE REV. GROWTH: ~35%
- RECURRING REV.: Mid/high teens
- ADJ. EBITDA MARGIN: CORE REV. GROWTH

$2.4B

Revenue By End-Market

Biopharma
Research
Clinical
Ind.
Pharma

2018E

HSD
- CORE REV. GROWTH: ~65%
- RECURRING REV.: >25%
- ADJ. EBITDA MARGIN: 5 YEARS AGO

$6.5B

Revenue By End-Market

Biopharma
Research
Clinical
Ind.
Pharma
Applied
Other

How We Win in Life Sciences

OUR STRATEGIC FOCUS

**ATTRACTION END MARKETS**
Indexing our portfolio to high-growth end-markets in terms of applications (i.e. biologics, genomics, applied, gene therapy)

**INNOVATION**
Best-in-Class analytical technologies & high level of innovation focused on key applications

**COMMERCIAL**
Global high-tech sales force to target highest growth segments & regional opportunities; differentiated service offering with frequent, high-quality customer touch points

**HIGH GROWTH REGIONS**
Meaningfully expanding our presence in HGM e.g. China, where we have established local R&D and manufacturing capabilities: “in China, for China”

Focused on areas of highest growth & highest customer impact
Enhancing our offering in high-growth genomics applications

Expanding Our Presence in Genomics

GENOMICS: WHERE WE PLAY & HOW WE WIN

- qPCR
- NGS
- CRISPR
- Molecular Dx / OEM
- Gene Fragment

~$300M IDT TOTAL REVENUE

Mid-teens IDT CORE REVENUE CAGR LAST 3 YEARS

~$100M BEC LS ANNUAL GENOMICS REVENUE

FASTEST TURN-AROUND TIME | HIGH QUALITY | CADENCE OF INNOVATION | FLEXIBILITY & SCALABILITY

Enhancing our offering in high-growth genomics applications
Accelerating Innovation Across Life Sciences

EXAMPLES OF DBS GROWTH TOOLS HELPING TO DRIVE NPD IMPROVEMENTS

- **PRODUCT LAUNCH EXCELLENCE**
  - AT Leica Microsystems: +3x
  - AT Beckman Coulter Life Sciences: >20
  - AT Pall: +2x

- **ACCELERATED PRODUCT DEVELOPMENT**
  - AT HSD

- **PROBLEM TO PORTFOLIO**
  - AT LSD/MSD: Last 5 Years
  - AT 2018E: 2X

> 200bps of LS core growth step up attributable to new products
Strong Position in China

LS CHINA REVENUE

+2X TOTAL LS REVENUE IN CHINA TODAY VS 2015

$0.4B  $0.8B

2015  Today

‘IN CHINA, FOR CHINA’

- Well-positioned for strong growth drivers: rapid healthcare expansion; gov’t prioritization of LS research; early innings of biologic drug development
- Strong local presence, with multiple R&D and manufacturing facilities
- On-the-ground leadership & development: DBS University in Shanghai
- Enhancing our addressable market with strategic M&A: xitogen (BEC LS) and Agele (SCIEX)

DD+ annual core revenue growth in China last 3 years
Summary

Evolving our Life Sciences platform to focus on the most attractive parts of the market and increase recurring revenue

Enhancing our competitive advantage through DBS-driven innovation and lean execution

Nearly $1B presence in China provides meaningful opportunities to benefit from long-term secular growth drivers in the region
DENTAL
Amir Aghdaei, Group Executive

2018 INVESTOR & ANALYST DAY
DENTAL

OUTSTANDING BRANDS & INNOVATION

STRONG GLOBAL GROWTH DRIVERS
- Growth in emerging markets
- Digitization of the dental practice
- Increasing importance of aesthetics

~12,000 ASSOCIATES

HQ IN SOUTHERN CALIFORNIA

EXPERIENCED DANAHER TEAM TO LEAD DENTALCO

Revenue By Mix

- Specialty Consumables
- Implants & Ortho
- Equip.
- Trad'l. Cons.

Revenue By Geography

- HGM 23%
- EU 23%
- ROW 7%
- NA 47%

Direct vs. Distribution

- Distribution
- Direct

$2.8B TOTAL REVENUE

>55% GROSS MARGIN

Mid-teens ADJ. EBITDA MARGIN YTD

A leading global player covering entire dental workflow

All financial metrics based on FY 2018E unless otherwise indicated; all pie chart percentages are % of 2018E revenues
Recent Financial Highlights

Strong foundation & DBS execution supporting relative market outperformance

Good performance in specialty businesses & HGM

Signs of end-market stabilization in traditional consumables & equipment (North America, via distribution)

Benefitting from recent growth investments: launched key new products & executing commercial initiatives

Good relative performance – with ample upside
PURSUE LONG-TERM MARKET LEADERSHIP

REINVEST FOR GROWTH

ESTABLISH A STRONG FOUNDATION

BUILD SUSTAINABLE COMPETITIVE ADVANTAGE

ACCELERATE GROWTH AND PROFITABILITY

REDUCE BUSINESS COMPLEXITY AND GENERATE FUNDS FOR INVESTMENTS

Positioning Dental for long-term, sustainable outperformance
Establishing a Strong Foundation

RECENT ACTIONS
- Consolidated number of OpCos from 10 to 3
- Reduced manufacturing & back-office sites
- Shared platform services
- DBS integrated into lean, growth, & talent

RESULTS OVER THE LAST 3 YEARS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Today</th>
<th>Future</th>
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<tbody>
<tr>
<td>Gross Margin Improvement</td>
<td></td>
<td>~50+BPS EXPECTED ANNUALLY</td>
</tr>
<tr>
<td>Manufacturing &amp; Back Office Sites</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in Nobel G&amp;A as a % of Sales</td>
<td></td>
<td>~400BPS</td>
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</table>

As growth accelerates, expect cost actions to drive higher fall-through.
Reinvesting for Growth

RECENT ACTIONS
• Increased cadence of innovation
• Executing commercial initiatives
• Expanding presence in HGM
• Strengthening digital capabilities

RESULTS OVER THE LAST 3 YEARS
>20% increase in annual R&D spend
>10% increase in feet on the street
+2.5X number of software engineers

Building our competitive advantage & driving sustainable growth
Focused on High-Impact Growth Opportunities

NEW PRODUCTS + COMMERCIAL EXECUTION

Innovation driving growth
- +20% annual R&D spend since 2015
- >25 new products launched

Enhanced GTM strategy
- Added +15% FOS globally since 2015

NEW PRODUCT INTRODUCTION

Ormco

Spark™ Clear Aligner
- Australia launch Jun’18
- US 510k clearance in Oct’18
- Full-scale system
- Highly aesthetic treatment option

HGM EXPANSION

Market opportunity
- Early innings of penetration
- Only 10% of China population is seeing a dentist annually

A leading player in China
- ‘One-Stop-Solution’
- Expanding local presence

MSD ANNUAL CORE REVENUE GROWTH AT NOBEL SINCE ACQUISITION

~$2.5B NEW ADDRESSABLE MARKET WITH SPARK

>20% CHINA CORE REVENUE CAGR LAST 5 YEARS

Differentiating our offering through commercial & product innovation
Pursuing Long-Term Market Leadership

EXPANDING OUR PRESENCE & CAPABILITIES

<table>
<thead>
<tr>
<th>ATTRACTIVE MARKET SEGMENTS</th>
<th>SUPPORTED BY STRONG SECULAR GROWTH DRIVERS</th>
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<tbody>
<tr>
<td>— Specialists (implants &amp; ortho)</td>
<td>~5% IMPLANT PENETRATION GLOBALLY</td>
</tr>
<tr>
<td>— DSOs</td>
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<td>— HGM</td>
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<table>
<thead>
<tr>
<th>DIGITAL OFFERING</th>
<th></th>
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<tr>
<td>— DTX digital ecosystem software connecting equipment &amp; consumables</td>
<td>&gt;20X DENTAL SPEND PER CAPITA IN THE US VS CHINA</td>
</tr>
<tr>
<td>— Largest imaging installed base globally</td>
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<table>
<thead>
<tr>
<th>STRATEGIC M&amp;A</th>
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<tbody>
<tr>
<td>— Implant systems (Nobel)</td>
<td>&gt;90% OF DENTISTS’ CLINICAL SPEND CAN BE CAPTURED BY OUR PRODUCTS</td>
</tr>
<tr>
<td>— Technology &amp; software</td>
<td></td>
</tr>
<tr>
<td>— Treatment planning</td>
<td></td>
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</table>

Expanding our offering in the most attractive parts of the market
Putting It All Together

DENTALCO ANTICIPATED EARNINGS FORMULA

- **Core Revenue Growth**: Flat/LSD today with opportunity to accelerate
- **Margin Expansion**: ~50+bps core OMX annually
- **Strong Free Cash Flow**: FCF spent primarily on M&A
- **Acquisitions**: Investment grade credit rating; DBS at the core of what we do

Attractive opportunity for meaningful growth & margin acceleration
The Best Team Wins: Dental Leadership Team

Amir Aghdaei
President & CEO

President, KaVo Kerr
President, Nobel Biocare
President, China & APAC
President, Ormco
CFO
CHRO
Strategy & Corp Dev
General Counsel
RA/QA
DBSO

~90% of corporate leadership team comprised of Danaher Associates

~12,000 associates globally

Senior leaders have combined >85 years of Danaher service
Summary

Comprehensive offering and increasing exposure to the most attractive areas of the Dental market

Strong foundation for core revenue growth acceleration and meaningful margin improvement

Attractive earnings growth profile with significant upside
ENVIRONMENTAL & APPLIED SOLUTIONS
Joakim Weidemanis,
Executive Vice President

2018 INVESTOR & ANALYST DAY
ENVIRONMENTAL & APPLIED SOLUTIONS (EAS)

STRONG GLOBAL GROWTH DRIVERS

- Increasing regulatory requirements
- Demand for full workflow solutions and process efficiencies
- Packaging proliferation & brand consistency
- Quality & sustainability of water resources

All financial metrics based on FY 2018E unless otherwise indicated; all pie chart percentages are % of 2018E revenues

$4.3B TOTAL REVENUE

>25% ADJ. EBITDA MARGIN YTD

$30B ADDRESSABLE MARKET SIZE

Strong global brands with market-leading positions
2018 YTD Highlights

Continued share gains driven by innovation & commercial execution
- Hach: continued strength across core muni & industrial businesses
- Trojan: meaningful increases in win rate
- Videojet: great market reception from recent new project launches

Strong position in attractive regions and end-markets
- Hach: China >25% core growth; developed markets +MSD
- Videojet: largest global installed base of remotely connected printers

Recent acquisitions augmenting core growth

Sustained outperformance across EAS

All financial metrics refer to the 9 months ending Sep. 28, 2018 unless otherwise indicated
Strong Recurring Revenues

RESILIENT PORTFOLIO

- Low cyclicality applications
- Increasing regulatory & testing requirements drive “stickiness”
- Low cost, high value-add instrumentation & consumables

EXAMPLES

- **HACH Portable Parallel Analyzer (PPA)**
  - Municipality uses Hach Chemkey™ reagents to analyze up to 6 parameters simultaneously

- **CIJ 1580 Printer**
  - Coca-Cola bottling plant prints lot codes with Videojet ink on 10-20M cans per day

2-4X TYPICAL AMOUNT OF CONSUMABLES REVENUE VS INSTRUMENT REVENUE AT HACH & VIDEOJET

>2X NUMBER OF VIDEOJET PRINTERS UNDER SERVICE CONTRACT SINCE 2014

Extensive installed base & “sticky” applications drive strong recurring revenue stream
Water Quality: How We Differentiate & Win

**INNOVATION**
- Increased cadence of new product launches
- Accessing new markets, providing new technologies & applications

**GO-TO-MARKET**
- Accelerating Digital Marketing; Platform approach
- Expanding e-commerce platform

**HIGH GROWTH MARKETS**
- Increasing ‘go-direct’ and local presence via FOS additions and M&A

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**CORE REVENUE GROWTH VS. PEERS**

<table>
<thead>
<tr>
<th>MSD</th>
<th>WATER QUALITY</th>
<th>Reduction in Trojan’s Time-to-Market for New Products Since 2016</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>LSD</td>
<td>PEERS</td>
<td>Water Quality Digital Revenue CAGR Since 2015</td>
<td>&gt;50%</td>
</tr>
<tr>
<td></td>
<td>Avg. Annual Core Revenue Growth Last 5 Years</td>
<td>Water Quality High Growth Markets Revenue Growth 2018 YTD</td>
<td>&gt;15%</td>
</tr>
</tbody>
</table>

Enhancing our competitive advantage & driving share gains
Differentiated Digital Workflow Solution at Hach

**CLAROS**

*FOR Water Treatment Plants*

**CUSTOMER SOLUTIONS FOR:**

<table>
<thead>
<tr>
<th>Instrument Management</th>
<th>Process Management</th>
<th>Data Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Predictive diagnostics</td>
<td>- Real-time-control to manage treatment processes</td>
<td>- Collect, access &amp; share data</td>
</tr>
<tr>
<td>- Maintenance alerts</td>
<td>- Keep facility compliant</td>
<td>- View at any time on any device</td>
</tr>
<tr>
<td>- Step-by-step instructions</td>
<td></td>
<td>- Easier reporting &amp; decision-making</td>
</tr>
</tbody>
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**NEW ADDRESSABLE MARKET WITH CLAROS CAPABILITIES**

$500M

**REAL-TIME CONTROL SITES GLOBALLY**

>2,000

Simplifying plant management with unique combination of software suite & connected instruments
Product ID: How We Differentiate & Win

REMOTE SERVICE OFFERING
- Largest remotely connected installed base globally
- Expanding remote solutions & predictive analytics

PRODUCT INNOVATION
- Launching better new products into the market faster

DIGITAL CAPABILITIES & SOLUTIONS
- Ongoing digitization of customers’ physical workflows
- Esko’s BLUE acquisition adds scale & reach with label, packaging, artwork design & workflow mgmt. software

CORE REVENUE GROWTH VS. PEERS

- 10,000 CONNECTED PRINTERS GLOBALLY
- +2X VIDEOJET PROJECTS ON-TIME-TO-MARKET SINCE 2017
- +30% INCREASE IN BRAND OWNER USERS AT ESKO SINCE 2017

PEERS
- ~3-3.5%

Avg. Annual Core Revenue Growth Last 5 Years

Innovative solutions rooted in customer needs underpin our growth
Connectivity & Remote Service at Videojet

**OPPORTUNITIES & FOCUS AREAS**

- Reducing customer downtime and increasing productivity
- Expanding Remote Service Solutions and enhancing predictive analytics with innovation
- Connected to the ‘cloud’ with a continuous flow of data

**RESULTS**

DD

- SERVICE REVENUE CAGR SINCE 2015
- NUMBER OF CUSTOMER PROBLEMS RESOLVED REMOTELY TODAY
- 50%

**IOT FRAMEWORK**

- 6M lines of code
- 53 sensors
- 175 data points

- Eco-system
  - Zero lost productivity
- Differentiated
  - Guaranteed uptime
- Intelligent
  - Pre-empt failures
- Serviceable
  - Better first-time fix rate
- Connected
  - Fewer on-site service visits
- Unconnected
  - Reactive service

Differentiating with service & innovation to drive share gains
Enhancing Our Offering with Strategic M&A: Examples

**WATER QUALITY**

- **Technology** – accretive, ‘gap-filling’ bolt-ons
- **Adjacencies** – adding capabilities in meteorology
- **HGM** – expanding direct, local presence

**PRODUCT ID**

- **Scale** – adding scale & reach with brand owner SaaS
- **Technology** – adding in-line inspection and track & trace systems
- **HGM** – expanding direct, local presence

Augmenting growth with ~$400M of strategic M&A over the last two years
Well-positioned in attractive end-markets and applications, with strong recurring revenues off a market-leading installed base

Differentiated product offering & customer support driving sustained market outperformance

Continuing to pursue high-impact organic & inorganic growth opportunities
DIAGNOSTICS
Dan Daniel, Executive Vice President

2018 INVESTOR & ANALYST DAY
**Diagnostics**

- **Strong brands with a broad global presence**
- **TOTAL REVENUE**: $6.2B
- **ADJ. EBITDA MARGIN YTD**: >25%
- **ADDRESSABLE MARKET SIZE**: $35B

**Revenue By Mix**
- Recurring: 85%
- Non-Recurring: 15%

**By Geography**
- ROW: 6%
- HGM: 37%
- EU: 19%
- NA: 38%

**By OpCo**
- Beckman Diagnostics
- Radiometer
- Cepheid
- LBS

**STRONG GLOBAL GROWTH DRIVERS**
- Improving standards of care in HGM
- Skilled labor shortages & cost pressures necessitating automated solutions
- POC & decentralization of health care

---

All financial metrics based on FY 2018E unless otherwise indicated; all pie chart percentages are % of 2018E revenues

Strong brands with a broad global presence
2018 YTD Highlights

Strong core revenue growth driven by innovation & DBS execution

Outstanding performance at Cepheid, delivering double-digit core growth and meaningful margin expansion

New products contributing to HSD core revenue growth at Radiometer and Leica Biosystems

Continued strength across HGM, particularly China & India

All financial metrics refer to the 9 months ending Sep. 28, 2018 unless otherwise indicated

Accelerating growth and driving sustainable long-term results
Orienting our Diagnostics portfolio towards attractive end-markets
Looking Ahead: Well-Positioned to Win in Diagnostics

**WHERE WE PLAY & 2018E CORE REVENUE GROWTH**

<table>
<thead>
<tr>
<th>MOLECULAR</th>
<th>DD</th>
</tr>
</thead>
<tbody>
<tr>
<td>PATHOLOGY LAB</td>
<td>MSD/HSD</td>
</tr>
<tr>
<td>ACUTE CARE &amp; POC</td>
<td>MSD/HSD</td>
</tr>
<tr>
<td>CORE LAB</td>
<td>LSD</td>
</tr>
</tbody>
</table>

**CORE REVENUE GROWTH VS PEERS**

**2013 – 2015**
- **LSD**
- **MSD/HSD**

**2016 – 2018 YTD**
- **LSD**
- **MSD/HSD**

Comprehensive portfolio with strong footholds across Dx landscape
Accelerating Growth at Beckman Diagnostics

OUR STRATEGIC FOCUS AREAS

COMMERCIAL INITIATIVES
- Strategic Accounts / IDNs focus
- GTM alignment
- DBS Growth ‘War Room’

HGM EXPANSION
- ‘Go-direct’ strategy, particularly in China
- Increased sales presence
- Direct service experience

INNOVATION & NEW PRODUCTS*

Hematology Analyzers
DxH900 with Early Sepsis Indicator
DxH520

Automation
DxA5000

Test Menu Additions
High Sensitivity Troponin (hsTnI)
Sensitive Estradiol
AMH

Digital Workflow Solutions
DxONE Workflow Manager
Remisol Workflow Manager

* This slide describes certain products and devices which have applications submitted and pending for certain regulatory approvals or are available only in certain markets

Core Revenue Growth

Good trajectory driven by DBS execution & innovation
Strengthening Our Competitive Advantage at Cepheid

**COMMERCIAL EXECUTION**
- **+3X** MARKET VISIBILITY
- **+2X** SALES FUNNEL $
- **+20%** NEW CUSTOMERS

**INNOVATION**
- **+2X** PROJECTS ON-TIME TO MARKET SINCE ACQUISITION

**NEW PRODUCTS**
- Recent Product Launches
  - GeneXpert Edge (HGM)
  - CLIA-waived Xpert Xpress tests: Flu, Flu/RSV, Strep A

**RESULTS SINCE ACQUISITION**
- **2 YEARS IN**
  - Core Growth: DD
  - Gross Margin: ~50% → ~60%
  - Operating Profit Margin: ~20%
  - Flat/LSD: ~20%
  - On-time Delivery (OTD): <80% → >95%

DBS helping to deliver sustainable growth & margin expansion

Operating Profit Margin excludes amortization
Summary

Strong portfolio of Diagnostics businesses oriented towards higher-growth, attractive parts of the market

Well-positioned for growth acceleration opportunities

Cepheid continues to drive meaningful improvements with strong DBS execution
What You Heard Today

Outstanding 2018 results driven by broad-based strength

Strategically building a better, stronger Danaher: increasing recurring revenues & accelerating core revenue growth

Strong DBS execution is our foundation for creating long-term shareholder value
2019 Outlook

Core revenue growth of ~4% with 35-40% fall-through

F/X & tariff headwinds of ~$0.15
- F/X negative revenue impact of ~$425M at ~25% fall-through (~$0.12)

Tax rate of 19.5%

Anticipated EPS seasonality (as a % of FY 2019 adjusted EPS guidance)
- Q1: ~21%    Q2: ~25%    Q3: ~24%    Q4: ~30%

2019 adjusted EPS guidance of $4.75-4.85*

*Does not include accretion from any future acquisitions
2019 Adjusted EPS Guidance

2019 adjusted EPS guidance of $4.75–4.85*

*Does not include accretion from any future acquisitions
Looking Ahead

Focused on creating long-term shareholder value

5 YEAR ADJ. EPS SUMMARY

2015: $2.98
2016: $3.61
2017: $4.03
2018E: $4.49 - $4.52
2019E*: $4.75 - $4.85

LONG-TERM FINANCIAL FRAMEWORK

MSD

CORE OMX AVERAGE ANNUAL

50-75 BPS

>100%

FCF / NI CONVERSION

M&A

ATTRACTIONG EPS GROWTH

LOW-TEENS ADJUSTED EPS CAGR

*Does not include accretion from any future acquisitions
### Non-GAAP Reconciliations

#### Adjusted EBITDA Margins

<table>
<thead>
<tr>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>Environmental and Applied Solutions</th>
<th>Other</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Profit (GAAP)</strong></td>
<td>$ 875.6</td>
<td>$ 757.4</td>
<td>$ 241.8</td>
<td>$ 732.5 (166.1)</td>
<td>$ 2,441.2</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>94.8</td>
<td>284.5</td>
<td>29.1</td>
<td>34.8</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Amortization</strong></td>
<td>255.4</td>
<td>157.8</td>
<td>68.0</td>
<td>46.3</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA (Non-GAAP)</strong></td>
<td>$ 1,225.8</td>
<td>$ 1,199.7</td>
<td>$ 338.9</td>
<td>$ 813.6 (159.9)</td>
<td>$ 3,418.1</td>
</tr>
</tbody>
</table>

#### Year-Over-Year Core Operating Margin Changes

**Nine Month Period Ended September 28, 2018 Operating Profit Margins from Continuing Operations (GAAP)**

<table>
<thead>
<tr>
<th>Total Company</th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>Environmental and Applied Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.50%</td>
<td>16.60%</td>
<td>13.20%</td>
<td>14.70%</td>
<td>23.00%</td>
</tr>
</tbody>
</table>

First nine months 2018 impact from operating profit margins of businesses that have been owned for less than one year or were disposed of during such period and did not qualify as discontinued operations

- (0.20) (0.30) - (0.10) (0.50)

Second quarter 2018 gain on resolution of acquisition-related matters

- 0.05 0.20 - - -

First nine months 2017 impact of restructuring, impairment and related charges related to the discontinuation of a product line in the Diagnostics segment in the second quarter of 2017

- 0.55 - 1.80 - -

Year-over-year core operating profit margin changes for first nine months 2018 (defined as all year-over-year operating profit margin changes other than the changes identified in the lines above) (non-GAAP)

- 1.00 2.55 1.60 (3.00) 0.40

Note: The Company deems acquisition-related transaction costs incurred in a given period to be significant (generally relating to the Company’s larger acquisitions) if it determines that such costs exceed the range of acquisition-related transaction costs typical for Danaher in a given period.

#### Reconciliation of Average Core Operating Profit Margins from Continuing Operations

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Nine Month Period Ended September 28</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>115</td>
<td>70</td>
</tr>
</tbody>
</table>

Year-over-year core operating margin changes for the nine month period ended September 28, 2018 and the years ended December 31, 2017 and 2016 (non-GAAP) (See note below)

Note: Core operating margin changes defined as all period-over-period operating profit margin changes other than the changes identified in the line items in the reconciliations for the particular period posted on Danaher’s web site.
Non-GAAP Reconciliations

Core Revenue Growth

<table>
<thead>
<tr>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>Environmental and Applied Solutions</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.5%</td>
<td>8.5%</td>
<td>1.5%</td>
<td>10.5%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

Less the impact of:

<table>
<thead>
<tr>
<th>Acquisitions</th>
<th>Currency exchange rates</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td>(4.5%)</td>
<td>(2.5%)</td>
<td>(1.5%)</td>
</tr>
</tbody>
</table>

Core Revenue Growth from Continuing Operations (Non-GAAP)  

<table>
<thead>
<tr>
<th>Nine Month Period Ended September 28, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.5%</td>
</tr>
</tbody>
</table>

Reconciliation of Operating Cash Flows from Continuing Operations (GAAP) to Free Cash Flow from Continuing Operations (Non-GAAP) ($ in Millions)

<table>
<thead>
<tr>
<th>Nine Month Period Ended September 28, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow from Continuing Operations:</td>
</tr>
<tr>
<td>Net operating cash provided by continuing operations</td>
</tr>
<tr>
<td>Net operating cash used in investing activities</td>
</tr>
<tr>
<td>Net operating cash provided by financing activities</td>
</tr>
<tr>
<td>Less: payments for additions to property, plant &amp; equipment (capital expenditures) from continuing operations</td>
</tr>
<tr>
<td>Free Cash Flow from Continuing Operations (Non-GAAP)</td>
</tr>
</tbody>
</table>

Ratio of Free Cash Flow to Net Earnings:

Free Cash Flow from Continuing Operations from Above (Non-GAAP) $2,344.7

We define free cash flow as operating cash flows from continuing operations, less payments for additions to property, plant and equipment from continuing operations ("capital expenditures") plus the proceeds from sales of plant, property and equipment from continuing operations ("capital disposals").

We use the term "core revenue" to refer to GAAP revenue from continuing operations excluding (1) sales from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to divested businesses or product lines not considered discontinued operations ("acquisition sales") and (2) the impact of currency translation. The portion of GAAP revenue from continuing operations attributable to currency translation is calculated as the difference between (a) the period-to-period change in revenue (excluding acquisition sales) and (b) the period-to-period change in revenue (excluding acquisition sales) after applying current period foreign exchange rates to the prior year period. We use the term “core revenue growth” to refer to the measure of comparing current period core revenue with the corresponding period of the prior year.
### Adjusted Diluted Net Earnings Per Share from Continuing Operations

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Year Ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low End</td>
<td>High End</td>
<td>Low End</td>
<td>High End</td>
<td></td>
</tr>
<tr>
<td>Diluted Net Earnings Per Share from Continuing Operations (GAAP)</td>
<td>$2.29</td>
<td>$2.47</td>
<td>$3.08</td>
<td>$3.50</td>
<td>$3.72</td>
</tr>
<tr>
<td>Pretax amortization of acquisition-related intangible assets A</td>
<td>0.38</td>
<td>0.56</td>
<td>0.83</td>
<td>0.94</td>
<td>1.00</td>
</tr>
<tr>
<td>Pretax gains on resolution of acquisition-related matters B,C,D</td>
<td>-</td>
<td>-</td>
<td>(0.02)</td>
<td>(0.02)</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Pretax gain on sales of investments E,F,G,H</td>
<td>(0.17)</td>
<td>(0.02)</td>
<td>(0.32)</td>
<td>(0.10)</td>
<td></td>
</tr>
<tr>
<td>Pretax productivity charges in excess of amounts originally budgeted and publicly communicated in December 2013 I</td>
<td>0.09</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Pretax restructuring, impairment and other related charges recorded in the second quarter of 2017 J</td>
<td>-</td>
<td>-</td>
<td>0.26</td>
<td>0.11</td>
<td></td>
</tr>
<tr>
<td>Pretax charge for early extinguishment of borrowings K</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Pretax acquisition-related transaction costs deemed significant, change in control payments and restructuring costs and fair value adjustments to inventory and deferred revenue L,M,N,O</td>
<td>0.02</td>
<td>0.21</td>
<td>0.12</td>
<td>-</td>
<td>0.02</td>
</tr>
<tr>
<td>Pretax costs incurred in the year ending December 31, 2018 related to preparation for the 2019 separation of the Dental segment (&quot;Dental Separation&quot;) primarily related to professional fees for legal, tax, finance and information technology services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.01</td>
</tr>
<tr>
<td>Tax effect of all adjustments reflected above Q</td>
<td>(0.04)</td>
<td>(0.16)</td>
<td>(0.21)</td>
<td>(0.19)</td>
<td>(0.21)</td>
</tr>
<tr>
<td>Discrete tax adjustments and other tax-related adjustments R,S,T,U,V</td>
<td>0.09</td>
<td>(0.08)</td>
<td>(0.13)</td>
<td>(0.21)</td>
<td>(0.04)</td>
</tr>
<tr>
<td>Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)</td>
<td>$2.66</td>
<td>$2.98</td>
<td>$3.61</td>
<td>$4.03</td>
<td>$4.49</td>
</tr>
</tbody>
</table>

**Year over Year Growth %**

|                      | 12% | 21% | 12% | 12% |

1 The forward-looking estimates set forth above do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges and discrete tax items.
Non-GAAP Reconciliations

(continued)

\[\text{(1)}\] Amortization of acquisition-related intangible assets in the following periods ($ in millions) (only the pretax amounts set forth below are reflected in the amortization line item above):

<table>
<thead>
<tr>
<th>Year Endeded December 31</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-tax cost</td>
<td>$209.2</td>
<td>296.8</td>
<td>283.1</td>
<td>600.5</td>
<td>704.6</td>
</tr>
<tr>
<td>After-tax cost</td>
<td>215.3</td>
<td>313.4</td>
<td>440.7</td>
<td>525.3</td>
<td>562.1</td>
</tr>
</tbody>
</table>

\[\text{(2)}\] Gains on resolution of acquisition-related matters ($18 million pretax as presented in this line item, $14 million after-tax) for the year ended December 31, 2016.

\[\text{(3)}\] Net gains on resolution of acquisition-related matters in the Life Sciences and Diagnostics segments ($11 million pretax as presented in this line item, $8 million after-tax) for the year ended December 31, 2017.

\[\text{(4)}\] Net gains on resolution of acquisition-related matters in the Life Sciences segment ($9 million pretax as presented in this line item, $7 million after-tax) for the year ended December 31, 2018.

\[\text{(5)}\] Gain on sales of marketable equity securities in the year ended December 31, 2014 ($123 million pretax as presented in this line item, $77 million after-tax).

\[\text{(6)}\] Gain on sales of marketable equity securities in the year ended December 31, 2015 ($12 million pretax as presented in this line item, $8 million after-tax).

\[\text{(7)}\] Gain on sales of investments in the year ended December 31, 2016 ($233 million pretax as presented in this line item, $140 million after-tax).

\[\text{(8)}\] Gain on sales of investments in the year ended December 31, 2017 ($73 million pretax as presented in this line item, $46 million after-tax).

\[\text{(9)}\] Continuing operations portion of productivity charges for the year ended December 31, 2014 in excess of amounts originally budgeted and publicly communicated in December 2013 ($4 million pretax as presented in this line item, $49 million after-tax).

\[\text{(10)}\] During the year ended December 31, 2017, the Company recorded $76 million of pretax restructuring, impairment and other related charges ($11 million after-tax) primarily related to the Company’s strategic decision to discontinue a molecular diagnostic product line in its Diagnostics segment. As a result, the Company incurred noncash charges for the impairment of certain technology-related intangibles as well as related inventory, plant, property and equipment with no further use totaling $49 million. In addition, the Company incurred cash restructuring costs primarily related to employee severance and related charges totaling $27 million.

\[\text{(11)}\] Charge for early extinguishment of borrowings ($179 million pretax as presented in this line item, $12 million after-tax) incurred in the third quarter of 2016.

\[\text{(12)}\] Acquisition-related transaction costs deemed significant ($12 million pretax as presented in this line item, $9 million after-tax) for the year ended December 31, 2014 and fair value adjustments to inventory ($5 million pretax as presented in this line item, $4 million after-tax) for the year ended December 31, 2014 and fair value adjustments to inventory ($20 million pretax as presented in this line item, $15 million after-tax) incurred in the year ended December 31, 2015, in each case incurred in connection with the acquisitions of Nebulix Biocare. Danaher deems acquisition-related transaction costs incurred in a given period to be significant (generally relating to Danaher’s large acquisitions), if it determines that such costs exceed the range of acquisition-related transaction costs typical for Danaher in a given period.

\[\text{(13)}\] Acquisition-related transaction costs deemed significant ($21 million pretax as presented in this line item, $16 million after-tax), change in control payments, and fair value adjustments to inventory and deferred revenue, not of the impact of freezing pension benefits, in each case related to the acquisition of Pall Corporation and incurred in the year ended December 31, 2015 ($307 million pretax as presented in this line item, $204 million after-tax).

\[\text{(14)}\] Acquisition-related transaction costs deemed significant ($12 million pretax as presented in this line item, $9 million after-tax), change in control payments and restructuring costs ($49 million pretax as presented in this line item, $30 million after-tax), and fair value adjustments to inventory and deferred revenue ($22 million pretax as presented in this line item, $14 million after-tax), in each case related to the acquisitions of Cepheid and Phenomenex and incurred in the year ended December 31, 2016.

\[\text{(15)}\] Acquisition-related transaction costs deemed significant ($15 million pretax as presented in this line item, $13 million after-tax), and fair value adjustments to inventory ($8 million pretax as presented in this line item, $6 million after-tax), in each case related to the acquisition of IDT and incurred in the year ended December 31, 2018.

\[\text{(16)}\] Pre-tax costs incurred in the year ended December 31, 2018 ($10 million pretax as reported in this line item, $8 million after-tax) related to preparation for the 2019 separation of the Dental segment (“Dental Separation”) primarily related to professional fees for legal, tax, financial and information technology services.

On January 1, 2017, Danaher adopted the updated accounting guidance required by ASU No. 2016-09, Compensation—Stock Compensation 4, which requires income statement recognition of all excess tax benefits and deficiencies related to equity compensation. We exclude from Adjusted Diluted Net EPS any excess tax benefits that exceed the amount we believe are representative of historical experience. In the first quarter of 2017, we anticipated $10 million of equity compensation-related excess tax benefits and realized $20 million of excess tax benefits, and therefore we have excluded $10 million of these benefits in the calculation of Adjusted Diluted Net Earnings per Share. In the other periods presented, realized equity compensation-related excess tax benefits approximated the anticipated benefit and no adjustments were required.

Represents discrete income tax gains, primarily related to the release of valuation allowances associated with certain foreign operating losses ($25 million and $32 million, respectively, in the year ended December 31, 2018).

\[\text{(17)}\] Year over year growth for the year ended December 31, 2018 represents the growth at the midpoint of the range from the forecasted adjusted diluted EPS from continuing operations.
Non-GAAP Reconciliations

### Adjusted Forecasted Diluted Net Earnings Per Share from Continuing Operations

<table>
<thead>
<tr>
<th></th>
<th>Low End of Guidance Range</th>
<th>High End of Guidance Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pretax amortization of acquisition-related intangible assets</td>
<td>$0.99 (^A)</td>
<td>$0.99 (^A)</td>
</tr>
<tr>
<td>Pretax costs anticipated to be incurred in the year ending December 31, 2019 related to preparation for the 2019 separation of the Dental segment (&quot;Dental Separation&quot;) primarily related to professional fees for legal, tax, finance and information technology services</td>
<td>$0.07 (^B)</td>
<td>$0.07 (^B)</td>
</tr>
<tr>
<td>Tax effect of all adjustments reflected above</td>
<td>$(0.19) (^C)</td>
<td>$(0.19) (^C)</td>
</tr>
</tbody>
</table>

#### Year Ending December 31, 2019

**Forecasted Diluted Net Earnings Per Share from Continuing Operations (GAAP)**

|                              | $3.88 | $3.98 |

**Forecasted Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)**

|                              | $4.75 | $4.85 |

---

1. The forward-looking estimates set forth above do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance, such as certain future gains or losses on the sale of investments, acquisition or divestiture-related gains or charges and discrete tax items.

2. Amortization of acquisition-related intangible assets as quantified below ($ in millions) (only the pretax amounts set forth below are reflected in the amortization line item above):

| Pretax | $707 |
| After-tax | 569 |

3. Pretax costs anticipated to be incurred in the year ending December 31, 2019 ($50 million pretax as reported in this line item, $47 million after-tax) related to preparation for the 2019 separation of the Dental segment ("Dental Separation") primarily related to professional fees for legal, tax, finance and information technology services.

4. This line item reflects the aggregate tax effect of all nontax adjustments reflected in the table above. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Danaher estimates the tax effect of the adjustment items identified in the reconciliation schedule above by applying Danaher's overall estimated effective tax rate to the pretax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.