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 cyclicality 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 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 2018 Annual Report on Form 10-K. 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. All references in this presentation (1) to company-specific financial metrics relate only to the continuing operations of Danaher’s business, unless otherwise noted; 2) to “growth” or other period-to-period changes refer to year-over-year comparisons unless otherwise indicated; (3) to Operating Profit below the segment level exclude amortization; and (4) to “today” refers to the Company’s 2018 performance. We may also describe certain products and devices which have applications submitted and pending for certain regulatory approvals.
### Danaher Today

<table>
<thead>
<tr>
<th>LIFE SCIENCES</th>
<th>DIAGNOSTICS</th>
<th>ENVIRONMENTAL &amp; APPLIED SOLUTIONS</th>
<th>DENTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$6.5B</td>
<td>~$6.3B</td>
<td>~$4.3B</td>
<td>~$2.8B</td>
</tr>
</tbody>
</table>

Multi-industry science & technology portfolio provides competitive advantages

All financial metrics reflect FY 2018 revenue
2018 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 +70bps, all-time high gross margin of 55.8%, R&D spend up nearly 10%

STRONG ADJUSTED EPS GROWTH & SOLID FREE CASH FLOW
— 27th consecutive year that FCF exceeded 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
## Building A Stronger, Better Danaher

### 2018 Danaher Total Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Core Revenue Growth</th>
<th>Recurring Rev.*</th>
<th>Direct GTM Rev.*</th>
<th>Gross Margin</th>
<th>HGM*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>LSD</td>
<td>~45%</td>
<td>~60%</td>
<td>52%</td>
<td>27%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>MSD</td>
<td>~70%</td>
<td>~70%</td>
<td>56%</td>
<td>31%</td>
</tr>
</tbody>
</table>

### STRONG PORTFOLIO UNITED BY A COMMON BUSINESS MODEL

- Outstanding brands with market-leading positions
- Extensive installed base
- Strong ‘captive’ recurring revenues
- High level of customer intimacy

All financial metrics shown reflect FY 2018 unless indicated otherwise; 2015 metrics shown include Fortive

*As a % of total revenue

---

Evolving into higher growth & higher recurring revenue portfolio
**Evolving the Portfolio to Serve Attractive End-Markets**

**LIFE SCIENCES**
- Key Secular Growth Drivers:
  - Shift in medicine: Biologics
  - Evolution of LS research: genomics

**DIAGNOSTICS**
- Key Secular Growth Drivers:
  - Molecular Dx penetration
  - Decentralization of health care

**WATER QUALITY**
- Key Secular Growth Drivers:
  - Water scarcity
  - Sustainability of water resources

**PRODUCT ID**
- Key Secular Growth Drivers:
  - Packaging proliferation
  - Global brand consistency

**DENTAL**
- Key Secular Growth Drivers:
  - Digital dentistry
  - Aesthetic dentistry / implants

**MARKET SIZE**
- LIFE SCIENCES: ~$50B
- DIAGNOSTICS: ~$35B
- WATER QUALITY: ~$20B
- PRODUCT ID: ~$10B
- DENTAL: ~$20B

**Strong secular drivers underpinning growth opportunities**
Danaher Business System (DBS)

- **People:**
  - **Plan:** Innovation defines our future
  - **Process:** Danaher kaizen is our way of life

- **Performance:**
  - **Cost:** We compete for shareholders
  - **Quality:** The best team wins

- **Customers:**
  - Customers talk, we listen

**Our shared purpose:** Helping realize life’s potential
DBS Is Our Competitive Advantage

“Common sense, vigorously applied”
Evolution of the Danaher Business System (DBS)

As portfolio evolved, so has DBS – from Lean to a balanced approach
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

Our Engagement Pyramid
Meeting the needs of associates every day

My Organization & Purpose
My Future & Development
Me, My Manager & My Daily Work

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

**How We Create Value:**

- **Improve Cost Structure**
- **Reinvest for Growth**
- **Accelerate Margins & Core Growth**

**Core Revenue Growth** + **Margin Expansion** + **Strong Free Cash Flow** + **Acquisitions** = **Top Quartile EPS Growth & Compounding Returns**

**Balanced approach to create shareholder value**
Historical Performance

Double-digit adjusted EPS CAGR from 2015 – 2018
Superior Free Cash Flow Generation

2018 free cash flow exceeded net income for 27th year in a row

2015 2016 2017 2018

$2.4B $2.5B $2.9B $3.4B

TOTAL FCF

FCF/NET INCOME CONVERSION RATIO

136% 116% 117% 127%
Outperforming over the long term

25 Year Total Shareholder Return: DHR vs S&P 500

<table>
<thead>
<tr>
<th>Years</th>
<th>DHR</th>
<th>S&amp;P 500</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Year</td>
<td>49%</td>
<td>30%</td>
<td>19%</td>
</tr>
<tr>
<td>10 Year</td>
<td>400%</td>
<td>243%</td>
<td>157%</td>
</tr>
<tr>
<td>25 Year</td>
<td>5,989%</td>
<td>777%</td>
<td>5,212%</td>
</tr>
</tbody>
</table>

Source: FactSet
**LIFE SCIENCES**

**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 2018 unless otherwise indicated; all pie chart percentages are % of 2018 revenues.

**Strong global brands with leading market positions**
**DIAGNOSTICS**

*Global Growth Drivers*
- Improving standards of care in HGM
- Skilled labor shortages & cost pressures necessitating automated solutions
- POC & decentralization of health care

*Revenue By Mix*
- Recurring: 84%
- Nonrecurring: 16%

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

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

*Total Revenue: $6.3B*
*Core Revenue Growth: 6.5%*
*Adjusted EBITDA Margin: >25%*

Strong brands with a broad global presence

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

$4.3B TOTAL REVENUE

6.0% CORE REVENUE GROWTH

>25% ADJ. EBITDA MARGIN YTD

Strong global brands with market-leading positions
DENTAL

GLOBAL GROWTH DRIVERS

- Growth in emerging markets & expanding access to health care
- Digitization of the dental practice
- Increasing importance of aesthetics
- Demand for full workflow solutions

$2.8B TOTAL REVENUE

LSD CORE REVENUE GROWTH

High-teens ADJ. EBITDA MARGIN

A leading global player covering entire dental workflow

All financial metrics based on FY 2018 unless otherwise indicated; all pie chart percentages are % of 2018 revenues
Non-GAAP Reconciliations

Revenue Performance

<table>
<thead>
<tr>
<th></th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>EAS</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales growth (GAAP)</td>
<td>13.5%</td>
<td>7.0%</td>
<td>1.0%</td>
<td>9.0%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

Less the impact of:

<table>
<thead>
<tr>
<th></th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>EAS</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisitions and other</td>
<td>(5.0%)</td>
<td>-</td>
<td>-</td>
<td>(2.0%)</td>
<td>(2.0%)</td>
</tr>
<tr>
<td>Currency exchange rates</td>
<td>(1.0%)</td>
<td>(0.5%)</td>
<td>(0.5%)</td>
<td>(1.0%)</td>
<td>(0.5%)</td>
</tr>
</tbody>
</table>

Core revenue growth (non-GAAP)

<table>
<thead>
<tr>
<th></th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>EAS</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 vs. 2017</td>
<td>7.5%</td>
<td>6.5%</td>
<td>0.5%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

We use the term “core revenue” to refer to GAAP revenue 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 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.

Operating Profit (GAAP)

<table>
<thead>
<tr>
<th></th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>EAS</th>
<th>Other</th>
<th>Total Danaher</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,229.3</td>
<td>$1,073.8</td>
<td>$346.7</td>
<td>$988.0</td>
<td>$234.0</td>
<td>$3,403.8</td>
</tr>
<tr>
<td>Depreciation</td>
<td>127.4</td>
<td>379.2</td>
<td>39.4</td>
<td>47.0</td>
<td>8.5</td>
<td>601.5</td>
</tr>
<tr>
<td>Amortization</td>
<td>343.8</td>
<td>299.8</td>
<td>90.6</td>
<td>62.0</td>
<td>0.0</td>
<td>706.2</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
<td>$1,700.5</td>
<td>$1,662.8</td>
<td>$476.7</td>
<td>$1,097.0</td>
<td>$225.5</td>
<td>$4,711.5</td>
</tr>
</tbody>
</table>

Interest, net

|                  | (148.2)       |

Other Income

|                  | 37.2          |

Income Taxes

|                  | (641.9)       |

Depreciation

|                  | (601.5)       |

Amortization

|                  | (706.2)       |

Net Income Continuing Ops (GAAP)

|                  | $2,650.9      |

Adjusted EBITDA Margin (Non-GAAP)

|                  | >25%          |

Year-Ended December 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>Life Sciences</th>
<th>Diagnostics</th>
<th>Dental</th>
<th>EAS</th>
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Interest, net

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Other Income

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Depreciation

|                  | (601.5)       |

Amortization

|                  | (706.2)       |

Net Income Continuing Ops (GAAP)

|                  | $2,650.9      |

Adjusted EBITDA Margin (Non-GAAP)

|                  | >25%          |

(1) Management defines "Adjusted EBITDA" as GAAP operating income excluding (1) depreciation and (2) amortization, and defines "Adjusted EBITDA Margin" as Adjusted EBITDA divided by sales.
Non-GAAP Reconciliations

Year-Over-Year Core Operating Margin Changes

<table>
<thead>
<tr>
<th>Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.30%</td>
<td></td>
</tr>
</tbody>
</table>

Year Ended December 31, 2017 Operating Profit Margins (GAAP) 16.30%

Full year 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)

Incremental year-over-year impact of full year 2018 Dental segment tradename impairments and related restructuring compared to comparable fourth quarter 2017 charges 0.05

Acquisition-related transaction costs deemed significant and fair value adjustments to inventory, in each case related to the acquisition of IDT and incurred in the second quarter of 2018. (0.10)

Fourth quarter 2017 and second quarter 2018 gains on resolution of acquisition-related matters -

Fourth quarter 2018 Dental segment separation costs (0.05)

Full year 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 0.40

Year-over-year core operating profit margin changes for full year 2018 (defined as all year-over-year operating profit margin changes other than the changes identified in the lines above) (non-GAAP) 0.70

Year Ended December 31, 2018 Operating Profit Margins (GAAP) 17.10%

2015 2016 2017 2018

<table>
<thead>
<tr>
<th>Cash Flows from Continuing Operations ($ in millions):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cash Flows from Continuing Operations (GAAP)</td>
</tr>
<tr>
<td>Investing Cash Flows from Continuing Operations (GAAP)</td>
</tr>
<tr>
<td>Financing Cash Flows from Continuing Operations (GAAP)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Free Cash Flow from Continuing Operations ($ in millions):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cash Flows from Continuing Operations (GAAP)</td>
</tr>
<tr>
<td>Less: payments for additions to property, plant &amp; equipment (capital expenditures) from continuing operations (GAAP)</td>
</tr>
<tr>
<td>Plus: proceeds from sales of property, plant &amp; equipment (capital disposals) from continuing operations (GAAP)</td>
</tr>
<tr>
<td>Free Cash Flow from Continuing Operations (Non-GAAP)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ratio of Free Cash Flow to Net Earnings ($ in millions):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow from Continuing Operations from Above (Non-GAAP)</td>
</tr>
<tr>
<td>Net Earnings from Continuing Operations (GAAP)</td>
</tr>
<tr>
<td>Free Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio (Non-GAAP)</td>
</tr>
</tbody>
</table>

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”).
Non-GAAP Reconciliations

Adjusted Diluted Net Earnings Per Share from Continuing Operations

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<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>$3.74</td>
</tr>
<tr>
<td>Pretax amortization of acquisition-related intangible assets A</td>
<td>0.38 A</td>
<td>0.56 A</td>
<td>0.83 A</td>
<td>0.94 A</td>
<td>1.00 A</td>
</tr>
<tr>
<td>Pretax gains on resolution of acquisition-related matters B,C,D</td>
<td>-</td>
<td>-</td>
<td>(0.02) B</td>
<td>(0.02) C</td>
<td>(0.01) D</td>
</tr>
<tr>
<td>Pretax gain on sales of investments E,F,G</td>
<td>(0.17) E</td>
<td>(0.02) F</td>
<td>(0.32) G</td>
<td>(0.10) H</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 I</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>-</td>
<td>0.11 J</td>
<td>-</td>
</tr>
<tr>
<td>Pretax charge for early extinguishment of borrowings K</td>
<td>-</td>
<td>-</td>
<td>0.26 K</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 L</td>
<td>0.21 LM</td>
<td>0.12 N</td>
<td>-</td>
<td>0.02 O</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 (“Dental Separation”) primarily related to professional fees for legal, tax, finance and information technology services P</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.02 P</td>
</tr>
<tr>
<td>Tax effect of all adjustments reflected above Q</td>
<td>(0.04) Q</td>
<td>(0.16) Q</td>
<td>(0.21) Q</td>
<td>(0.19) Q</td>
<td>(0.22) Q</td>
</tr>
<tr>
<td>Discrete tax adjustments related to the Dental Separation R</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.02 R</td>
</tr>
<tr>
<td>Discrete tax adjustments and other tax-related adjustments S,T,U,V,W</td>
<td>0.09 S</td>
<td>(0.08) T</td>
<td>(0.13) U</td>
<td>(0.21) V</td>
<td>(0.05) W</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>$4.52</td>
</tr>
</tbody>
</table>

Year over Year Growth %

| 12% | 21% | 12% | 12% |
Non-GAAP Reconciliations

(continued)

A. 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 Ended December 31</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pretax</td>
<td>$269.2</td>
<td>$396.8</td>
<td>$583.1</td>
<td>$668.9</td>
<td>$760.2</td>
</tr>
<tr>
<td>After-tax</td>
<td>215.3</td>
<td>313.4</td>
<td>449.7</td>
<td>523.5</td>
<td>563.4</td>
</tr>
</tbody>
</table>

B. Pretax 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.

C. Net gains on resolution of acquisition-related matters in the Life Sciences and Diagnostics segment ($1 million pretax as presented in this line item, $8 million after-tax) for the year ended December 31, 2017.

D. 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.

E. Gain on sale of marketable equity securities in the year ended December 31, 2014 ($123 million pretax as presented in this line item, $77 million after-tax).

F. Gain on sale of marketable equity securities in the year ended December 31, 2015 ($12 million pretax as presented in this line item, $8 million after-tax).

G. Gain on sales of investments in the year ended December 31, 2016 ($223 million pretax as presented in this line item, $140 million after-tax).

H. 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).

I. Continuing operations portion of productivity charges for the year ended December 31, 2014 in excess of amounts originally budgeted and publicly communicated in December 2015 ($64 million pretax as presented in this line item, $49 million after-tax).

During the year ended December 31, 2017, the Company recorded $76 million of pretax restructuring, impairment and other related charges ($51 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 and 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.

J. Charge for early extinguishment of borrowings ($179 million pretax as presented in this line item, $122 million after-tax) incurred in the second quarter of 2016.

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

M. 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, net of the impact of foreign currency gains, in each case related to the acquisition of Pall Corporation and incurred in the year ended December 31, 2015 ($107 million pretax as presented in this line item, $84 million after-tax).

N. 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, $39 million after-tax), and fair value adjustments to inventory and deferred revenue ($23 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.

O. 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 ($1 million pretax as presented in this line item, $0.8 million after-tax), in each case related to the acquisition of BD and incurred in the year ended December 31, 2018.

P. Pretax costs incurred in the year ended December 31, 2018 ($15 million pretax as reported in this line item, $14 million after-tax) related to preparation for the anticipated separation of the Dental segment ("Dental Separation") primarily related to professional fees for legal, tax, finance and information technology services.

Q. During the year ended December 31, 2018, Danaher recorded $15 million of pretax restructuring, impairment and other related charges ($12 million after-tax) primarily related to the anticipated separation of the Dental segment.

R. This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the table above. In addition, the footnote above indicates 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 each item is estimated by applying such specific tax rate or tax treatment.

S. Represents discrete income tax expense related to preparation for the anticipated Dental Separation primarily related to legal entity restructuring-related capital gains incurred in the year ended December 31, 2018.

T. Discrete income tax charges net of discrete income tax gains and benefits from a lower than expected effective tax rate in the year ended December 31, 2014 (comparable to the anticipated effective tax rate publically communicated in December 2013) due primarily to year-end tax law changes.

U. Discrete income tax gains net of discrete income tax charges incurred in the year ended December 31, 2015 ($58 million).

V. Discrete income tax gains net of discrete income tax charges and Fortive separation-related tax costs related to repatriation of earnings and kelp entity realizability adjustments incurred in the year ended December 31, 2016 ($91 million).

W. Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2017 include:

<table>
<thead>
<tr>
<th>Year Ended December 31, 2017</th>
<th>(in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pretax income taxes, primarily related to expiration of statute of limitations</td>
<td>$129</td>
</tr>
<tr>
<td>Impact of ASU No. 2016-09, Compensation—Stock Compensation</td>
<td>16</td>
</tr>
<tr>
<td>Remeasurement of deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act of 2017</td>
<td>1,219</td>
</tr>
<tr>
<td>Transition tax on deemed repatriation of foreign earnings as a result of the Tax Cuts and Jobs Act of 2017</td>
<td>(1,218)</td>
</tr>
<tr>
<td>Adjusted Diluted Net Income per Share</td>
<td>$146</td>
</tr>
</tbody>
</table>

Y. Represents (1) discrete income tax gains, primarily related to expiration of statute of limitations ($129 million in the year ended December 31, 2017), (2) equity compensation-related excess tax benefits ($16 million in the year ended December 31, 2017), (3) remeasurement of deferred tax assets and liabilities, net related to enactment of the Tax Cuts and Jobs Act ($1.2 billion gain in the year ended December 31, 2017), and (4) transition tax on deemed repatriation of foreign earnings in connection with enactment of the Tax Cuts and Jobs Act ($1.2 billion provision in the year ended December 31, 2017).

On January 1, 2017, Danaher adopted the updated accounting guidance required by ASU No. 2016-09, Compensation—Stock Compensation, 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 levels 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 $26 million of excess tax benefits, and therefore we have excluded $16 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.

Z. Represents discrete income tax gains, primarily related to the release of valuation allowances associated with certain foreign operating losses and release of reserves upon the expiration of statute of limitations ($52 million in the year ended December 31, 2018) and from finalizing the accounting related to the implementation of the Tax Cuts and Jobs Act as required by SAB No. 118 ($85 million in the year ended December 31, 2018).