DANAHER CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

Adjusted Diluted Net Earnings Per Common Share from Continuing Operations [1]

	Three-Month Period Ended	
	April 3, 2020	March 29, 2019
Diluted Net Earnings Per Common Share from Continuing Operations (GAAP)	**$ 0.81**	**$ 0.45**
Pretax amortization of acquisition-related intangible assets [A]	0.22	0.22
Pretax transaction costs deemed significant and integration preparation costs, in each case related to the acquisition of Cytiva [B]	0.08	0.02
Pretax impairment charges related to a facility in the Diagnostics segment and a trade name and other intangible assets in the Environmental & Applied Solutions segment [C]	0.01	-
Pretax fair value adjustments and losses on the Company's equity and limited partnership investments [D]	0.01	-
Tax effect of all adjustments reflected above [E]	(0.05)	(0.04)
Discrete tax adjustments and other tax-related adjustments [F]	(0.04)	0.34
Declared dividends on the MCPS assuming "if-converted" method [G]	0.01	-
Adjusted Diluted Net Earnings Per Common Share from Continuing Operations (Non-GAAP)	**$ 1.05**	**$ 0.99**

[1] Each of the per share adjustment amounts above have been calculated assuming the Mandatory Convertible Preferred Stock ("MCPS") had been converted into shares of common stock.

Adjusted Diluted Shares Outstanding

(shares in millions)	Three-Month Period Ended April 3, 2020	Three-Month Period Ended March 29, 2019
Average common stock and common equivalent shares outstanding - diluted	707.9	718.5
Converted shares [2]	12.4	4.3
Adjusted average common stock and common equivalent shares outstanding - diluted	720.3	722.8

[2] The number of converted shares assumes the conversion of all MCPS and issuance of the underlying shares applying the "if-converted" method of accounting and using an average 20 trading-day trailing volume weighted average price ("VWAP") of $132.64 and $128.09 as of April 3, 2020 and March 29, 2019, respectively.

Core Revenue Growth

	% Change Three-Month Period Ended April 3, 2020 vs. Comparable 2019 Period
Total sales growth (GAAP)	3.0%
Impact of:	
Currency exchange rates	1.5%
Core revenue growth (Non-GAAP)	4.5%

Forecasted Core Revenue Growth and Core Revenue Growth Including Cytiva

	% Change Three-Month Period Ending July 3, 2020 vs. Comparable 2019 Period
Core revenue growth (Non-GAAP)	(2.0%) to (12.0%)
Impact of:	
Cytiva	~2.0%
Core revenue growth including Cytiva (Non-GAAP)	Flat to (10.0%)

See the accompanying Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

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RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(continued)

Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

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

	Three-Month Period Ended	
	April 3, 2020	March 29, 2019
Pretax	$ 156.4	$ 157.4
After-tax	125.9	126.8

[B] Pretax costs incurred for transaction costs deemed significant and integration preparation costs, in each case related to the acquisition of Cytiva in the three-month periods ended April 3, 2020 and March 29, 2019 ($59 million pretax as reported in this line item, $53 million after-tax and $15 million pretax as reported in this line item, $13 million after-tax, respectively). 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.

[C] Pretax impairment charges related to a facility in the Diagnostics segment and a trade name and other intangible assets in the Environmental & Applied Solutions segment recorded in the three-month period ended April 3, 2020 ($8 million pretax as reported in this line item, $6 million after-tax).

[D] Pretax fair value adjustments and losses on the Company's equity and limited partnership investments recorded in the three-month period ended April 3, 2020 ($7 million pretax as reported in this line item, $5 million after-tax).

[E] This line item reflects the aggregate tax effect of all nontax adjustments reflected in the preceding line items of the table. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Danaher estimates the tax effect of each adjustment item 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. The MCPS dividends are not tax deductible and therefore the tax effect of the adjustments does not include any tax impact of the MCPS dividends.

[F] Discrete tax adjustments and other tax-related adjustments for the three-month period ended April 3, 2020, include the impact of net discrete tax gains of $27 million (or $0.04 per diluted common share) related primarily to excess tax benefits from stock-based compensation and the release of reserves for uncertain tax positions due to the expiration of statutes of limitation. Discrete tax adjustments and other tax-related adjustments for the three-month period ended March 29, 2019, include the impact of net discrete tax charges of $245 million (or $0.34 per diluted common share) related primarily to changes in estimates associated with prior period uncertain tax positions and audit settlements, net of the release of valuation allowances associated with certain foreign tax credits, tax benefits resulting from a change in tax law and excess tax benefits from stock-based compensation. The Company anticipates excess tax benefits from stock compensation of approximately $7 million per quarter and therefore excludes benefits in excess of this amount in the calculation of Adjusted Diluted Net Earnings Per Common Share from Continuing Operations.

[G] In March 2019, the Company issued $1.65 billion in aggregate liquidation preference of 4.75% MCPS. Dividends on the MCPS are payable on a cumulative basis at an annual rate of 4.75% on the liquidation preference of $1,000 per share. Unless earlier converted, each share of MCPS will automatically convert on April 15, 2022 into between 6.6542 and 8.1513 shares of Danaher's common stock, subject to further anti-dilution adjustments. The number of shares of Danaher's common stock issuable on conversion of the MCPS will be determined based on the VWAP per share of our common stock over the 20 consecutive trading day period beginning on, and including, the 21st scheduled trading day immediately before April 15, 2022. For the purposes of calculating adjusted earnings per share, the Company has excluded the paid and anticipated MCPS cash dividends and assumed the "if-converted" method of share dilution (the incremental shares of common stock deemed outstanding applying the "if-converted" method of calculating share dilution are referred to as the "Converted Shares".)

Statement Regarding Non-GAAP Measures

Each of the non-GAAP measures set forth above should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP measure, and may not be comparable to similarly titled measures reported by other companies. Management believes that these measures provide useful information to investors by offering additional ways of viewing Danaher Corporation's ("Danaher" or the "Company") results that, when reconciled to the corresponding GAAP measure, help our investors to:

- with respect to Adjusted Diluted Net Earnings Per Common Share from Continuing Operations, understand the long-term profitability trends of our business and compare our profitability to prior and future periods and to our peers; and
- with respect to core revenue from continuing operations, identify underlying growth trends in our business and compare our revenue performance with prior and future periods and to our peers.

Beginning with respect to forecasted results for the second quarter of 2020, we also present core revenue from continuing operations on a basis that includes revenue attributable to Cytiva (formerly the Biopharma Business of General Electric Company's ("GE") Life Sciences business), which Danaher acquired from GE on March 31, 2020. Historically Danaher has calculated core revenue solely on a basis that excludes revenues from acquired businesses recorded prior to the first anniversary of the acquisition. However, given Cytiva's significant size and historical core revenue growth rate, in each case compared to Danaher's existing businesses, management believes it is appropriate to also present core revenue on a basis that includes Cytiva. Management believes this presentation provides useful information to investors by demonstrating now the impact Cytiva has on the Company's growth profile, rather than waiting to demonstrate such impact twelve months after the acquisition when Cytiva would normally have been included in Danaher's core revenue calculation. Danaher calculates period-to-period core revenue from continuing operations including Cytiva by adding to the baseline period revenue Cytiva's historical revenue from such period (when it was owned by GE), net of the revenues of the product lines Danaher divested to obtain regulatory approval for the Cytiva acquisition, and also adding Cytiva's net revenues to the current period.

Management uses these non-GAAP measures to measure the Company's operating and financial performance, and uses core revenue and non-GAAP measures similar to Adjusted Diluted Net Earnings Per Common Share from Continuing Operations in the Company's executive compensation program.

The items excluded from the non-GAAP measures set forth above have been excluded for the following reasons:

- With respect to Adjusted Diluted Net Earnings Per Common Share from Continuing Operations:
  - We exclude the amortization of acquisition-related intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe however that it is important for investors to understand that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.
  - We exclude costs incurred pursuant to discrete restructuring plans that are fundamentally different (in terms of the size, strategic nature and planning requirements, as well as the inconsistent frequency, of such plans) from the ongoing productivity improvements that result from application of the Danaher Business System. Because these restructuring plans are incremental to the core activities that arise in the ordinary course of our business and we believe are not indicative of Danaher's ongoing operating costs in a given period, we exclude these costs to facilitate a more consistent comparison of operating results over time.
  - With respect to the other items excluded, we exclude these items because they are of a nature and/or size that occur with inconsistent frequency, occur for reasons that may be unrelated to Danaher's commercial performance during the period and/or we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult.
  - Danaher's Mandatory Convertible Preferred Stock ("MCPS") will mandatorily convert into Danaher common stock on the mandatory conversion date, which is expected to be April 15, 2022 (unless converted or redeemed earlier in accordance with the terms of the applicable certificate of designations). On the prior pages, we present the earnings per share-related measures on a basis which assumes the MCPS had already been converted as of the beginning of the applicable period (and accordingly also exclude the dividends that were actually paid on the MCPS during such period, since such dividends would no longer be paid once the MCPS convert). We believe this presentation provides useful information to investors by helping them understand what the net impact will be on Danaher's earnings per share-related measures once the MCPS convert into Danaher common stock.
- With respect to core revenue from continuing operations and core revenue from continuing operations including Cytiva, (1) we exclude the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends, and (2) we exclude the effect of acquisitions (other than Cytiva, in the case of core revenue from continuing operations including Cytiva) and divested product lines because the timing, size, number and nature of such transactions can vary significantly from period-to-period and between us and our peers, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult.

Forward-looking estimates of Adjusted Diluted Net Earnings Per Common Share from Continuing Operations 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, discrete tax items and legal contingency provisions. With respect to forecasted core revenue from continuing operations and forecasted core revenue from continuing operations including Cytiva, we do not reconcile these measures to the comparable GAAP measure because of the inherent difficulty in predicting and estimating the future impact and timing of currency translation, acquisitions and divested product lines, which would be reflected in any forecasted GAAP revenue.

DANAHER CORPORATION

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

	Three Month Period Ended April 3, 2020	Three Month Period Ended March 29, 2019	Year-over-Year Change
Cash Flows from Continuing Operations ($ in millions):			
Operating Cash Flows from Continuing Operations (GAAP)	$ 826.0	$ 712.7	
Investing Cash Flows from Continuing Operations (GAAP)	$ (20,868.6)	$ (483.2)	
Financing Cash Flows from Continuing Operations (GAAP)	$ 4,633.5	$ 2,877.8	
Free Cash Flow from Continuing Operations ($ in millions):			
Operating Cash Flows from Continuing Operations (GAAP)	$ 826.0	$ 712.7	≈ 16.0%
Less: payments for additions to property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(132.5)	(140.1)	
Plus: proceeds from sales of property, plant & equipment (capital disposals) from continuing operations (GAAP)	0.5	0.5	
Free Cash Flow from Continuing Operations (Non-GAAP)	$ 694.0	$ 573.1	≈ 21.0%
Ratio of Free Cash Flow to Net Earnings ($ in millions):			
Free Cash Flow from Continuing Operations from Above (Non-GAAP)	$ 694.0	$ 573.1	
Net Earnings from Continuing Operations (GAAP)	595.1	332.3	
Free Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio (Non-GAAP)	1.17	1.72	

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").

DANAHER CORPORATION
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Year-Over-Year Core Operating Margin Changes From Continuing Operations

The Company defines core operating profit margin changes as all year-over-year operating profit margin changes other than the adjustments reflected below for the respective period.

		Segments		
	Total Company	**Life Sciences**	**Diagnostics**	**Environmental & Applied Solutions**
Three-Month Period Ended March 29, 2019 Operating Profit Margins From Continuing Operations (GAAP)	**17.10%**	**19.00%**	**15.20%**	**23.20%**
First quarter 2020 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	(0.05)	(0.20)	-	-
First quarter 2020 incremental acquisition-related transaction costs deemed significant and integration preparation costs, in each case related to the acquisition of Cytiva	(1.00)	-	-	-
First quarter 2020 impairment charges related to a facility in the Diagnostics segment and a trade name and other intangible assets in the Environmental & Applied Solutions segment	(0.20)	-	(0.30)	(0.30)
Year-over-year core operating profit margin changes for the first quarter 2020 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**0.25**	**0.90**	**0.50**	**(0.40)**
Three-Month Period Ended April 3, 2020 Operating Profit Margins From Continuing Operations (GAAP)	16.10%	19.70%	15.40%	22.50%

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.