DANAHER CORPORATION

Fourth Quarter 2019 Earnings Release

JANUARY 30, 2020

DANAHER

Forward Looking Statements

Statements in this presentation that are not strictly historical, including any statements regarding events or developments that we believe or 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, 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 U.S. 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), the results of our clinical trials and perceptions thereof, our ability to effectively address cost reductions and other changes in the health care industry, our ability to successfully identify and consummate 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 IPOs, 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 United Kingdom's decision to leave the EU and uncertainty relating to the terms of such separation), 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 and Quarterly Reports on Form 10-Q for each of the first, second and third quarters of 2019. 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.

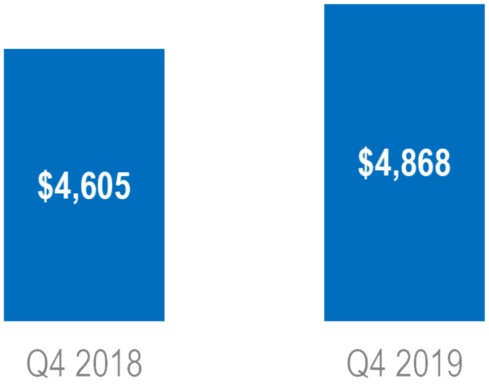
With respect to the non-GAAP financial measures of adjusted diluted net earnings per share, core revenue growth, year-over-year core operating margin changes and free cash flow referenced in the following presentation, definitions and the accompanying information required by SEC Regulation G can be found in the “Investors” section of Danaher’s web site under the heading “Financial Reports” and subheading “Quarterly Earnings,” and can also be found at the end of this presentation. In addition, in addressing various financial metrics the presentation describes certain of the more significant factors that impacted year-over-year performance. For additional factors that impacted year-over-year performance, please refer to our earnings release and the other related presentation materials supplementing today’s call, all of which are available in the “Investors” section of Danaher’s web site under the heading “Financial Reports” and subheading “Quarterly Earnings,” as well as our Annual Report on Form 10-K for the year ended December 31, 2019 when it is filed. In this presentation, all figures relate to Danaher’s continuing operations and revenue amounts are in millions.

2019 Performance Summary: Revenue

Q4 REVENUE

+5.5%

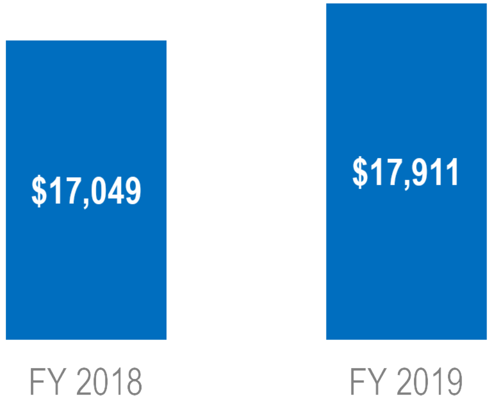
Core +6.0%
Acquisitions +0.5%
FX -1.0%



FY REVENUE

+5.0%

Core +6.0%
Acquisitions +1.0%
FX -2.0%



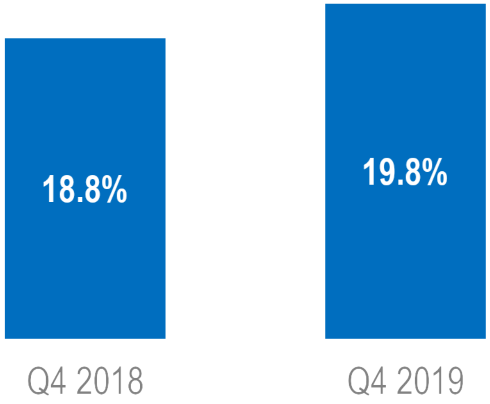
Amounts shown are in $ millions.
Throughout this presentation, with respect to revenue performance, for the definitions of "Acquisitions," "Core," and "FX," please refer to the accompanying information required by Regulation G, located at the end of this presentation and on the "Investors" section of Danaher's website.

2019 Performance Summary: Operating Profit Margin

Q4 OPERATING PROFIT MARGIN

+100 bps

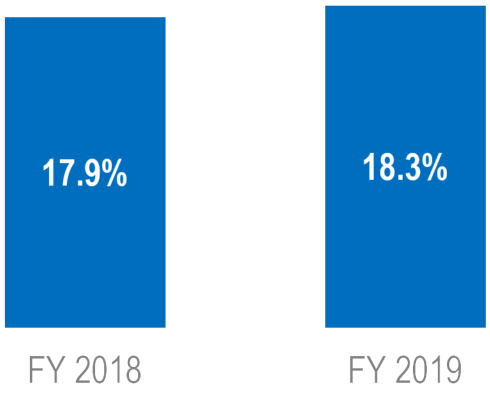
Core +175 bps
Acquisitions -15 bps
Other -60 bps



FY OPERATING PROFIT MARGIN

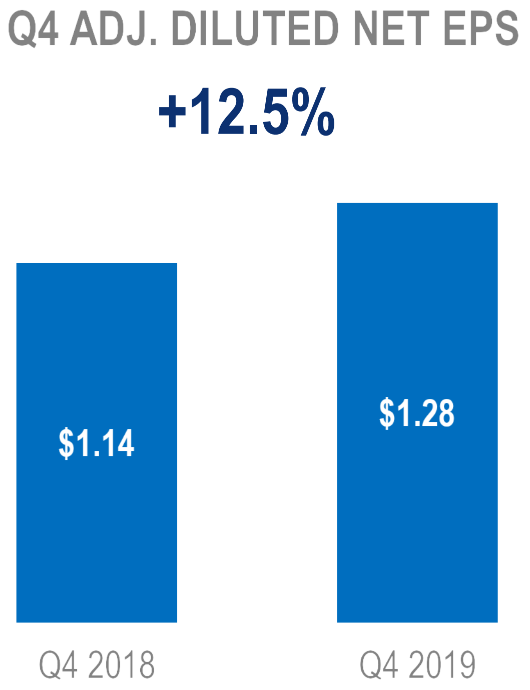
+40 bps

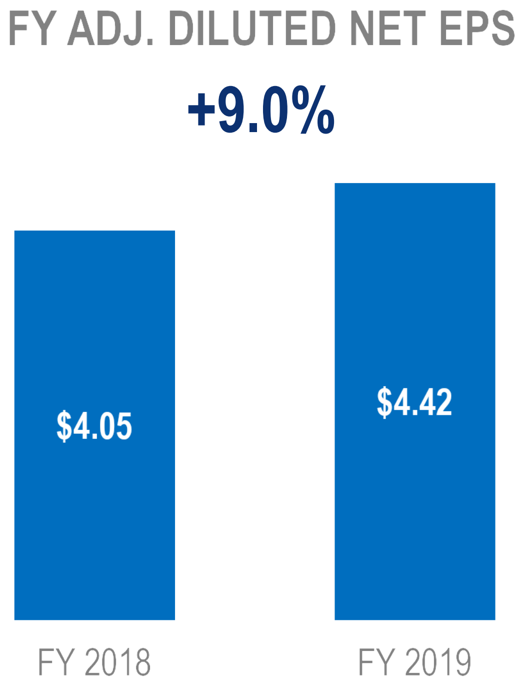
Core +100 bps
Acquisitions -15 bps
Other -45 bps



Throughout this presentation when referred to in connection with operating profit margins, "Acquisitions" refers to the impact of businesses owned for less than one year or disposed of during such period and not treated as discontinued operations, "Other" refers to certain acquisition-related charges and gains and restructuring and impairment-related charges, and "Core" refers to all other year-over-year operating profit margin changes; for further description of these items, please refer to the accompanying information required by Regulation G, located at the end of this presentation and on the "Investors" section of Danaher's website.

2019 Performance Summary: Adjusted Diluted Net EPS



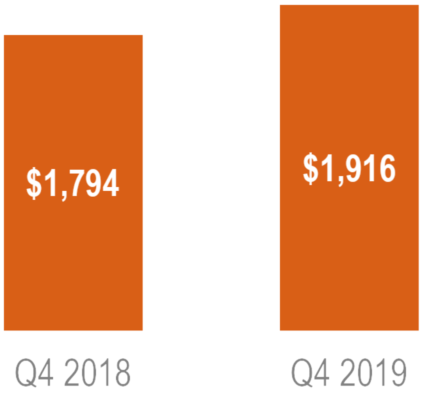


Fourth Quarter 2019: Life Sciences

REVENUE

+7.0%

Core +6.5%
Acquisitions +1.0%
FX -0.5%

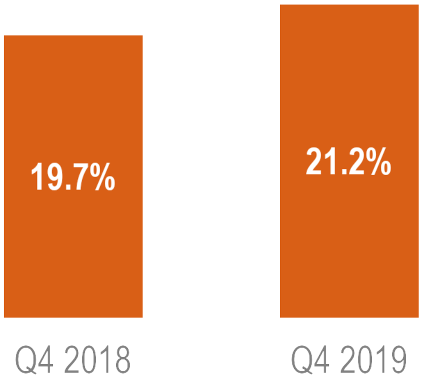


($ millions)

OPERATING PROFIT MARGIN

+150 BPS

Core +190 bps
Acquisitions -40 bps
Other — bps



BECKMAN COULTER Life Sciences
SCIEX
Leica MICROSYSTEMS
MOLECULAR DEVICES
PALL
phenomenex
IDT INTEGRATED DNA TECHNOLOGIES

Fourth Quarter 2019: Diagnostics

REVENUE

+7.0%

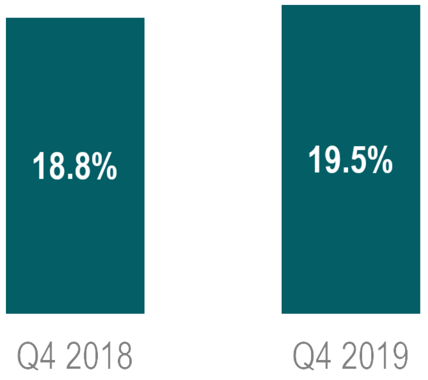
Core +8.0%
Acquisitions —%
FX -1.0%

($ millions)

OPERATING PROFIT MARGIN

+70 BPS

Core +70 bps
Acquisitions — bps
Other — bps

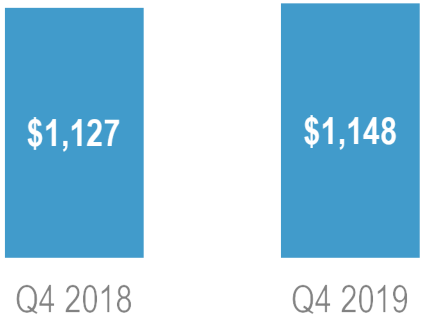


Fourth Quarter 2019: Environmental & Applied Solutions

REVENUE

+2.0%

Core +2.5%
Acquisitions —%
FX -0.5%

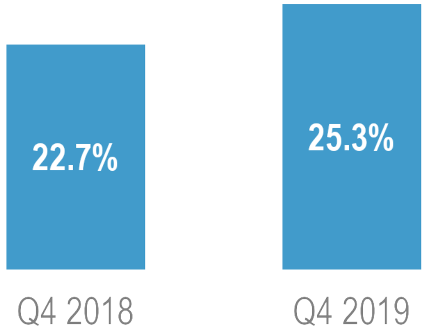


($ millions)

OPERATING PROFIT MARGIN

+260 BPS

Core +265 bps
Acquisitions -5 bps
Other — bps



GUIDANCE

Q & A

DANAHER

Non-GAAP Reconciliations

Core Revenue Growth	% Change Three-Month Period Ended December 31, 2019 vs. Comparable 2018 Period	% Change Year Ended December 31, 2019 vs. Comparable 2018 Period
Total sales growth from continuing operations (GAAP)	5.5%	5.0%
Less the impact of:		
Acquisitions	(0.5%)	(1.0%)
Currency exchange rates	1.0%	2.0%
Core revenue growth from continuing operations (Non-GAAP)	6.0%	6.0%

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 December 31, 2018 Operating Profit Margins From Continuing Operations (GAAP)	**18.80%**	**19.70%**	**18.80%**	**22.70%**
Fourth quarter 2019 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	(0.15)	(0.40)	-	(0.05)
Fourth quarter 2019 transaction costs deemed significant and integration preparation costs related to the anticipated acquisition of the GE Biopharma business	(0.60)	-	-	
Year-over-year core operating profit margin changes for the fourth quarter 2019 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	1.75	1.90	0.70	2.65
Three-Month Period Ended December 31, 2019 Operating Profit Margins From Contiuing Operations (GAAP)	**19.80%**	**21.20%**	**19.50%**	**25.30%**

Non-GAAP Reconciliations

Adjusted Diluted Net Earnings Per Common Share from Continuing Operations	Three-Month Period Ended				Year Ended			
	December 31, 2019 [1]		December 31, 2018		December 31, 2019 [1]		December 31, 2018	
Diluted Net Earnings Per Common Share from Continuing Operations (GAAP)	**$**	**1.07**	**$**	**0.96**	**$**	**3.26**	**$**	**3.39**
Pretax amortization of acquisition-related intangible assets [A]		0.21		0.22		0.85		0.87
Pretax transaction costs deemed significant and integration preparation costs related to the anticipated GE Biopharma acquisition [B]		0.04		-		0.13		-
Loss on early extinguishment of debt [C]		0.01		-		0.01		-
Loss on partial settlement of a defined benefit plan [D]		0.01		-		0.01		-
Pretax 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 [E]		-		-		-		0.02
Pretax gain on resolution of acquisition-related matters recognized in the second quarter of 2018 [F]		-		-		-		(0.01)
Tax effect of all adjustments reflected above [G]		(0.05)		(0.04)		(0.17)		(0.17)
Discrete tax adjustments and other tax-related adjustments [H]		(0.02)		-		0.29		(0.05)
Declared dividends on the MCPS assuming "if-converted" method [I]		0.01		-		0.04		-
Adjusted Diluted Net Earnings Per Common Share from Continuing Operations (Non-GAAP)	**$**	**1.28**	**$**	**1.14**	**$**	**4.42**	**$**	**4.05**

[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.

Non-GAAP Reconciliations

Notes to Reconciliation of GAAP to Non-GAAP Financial Measures

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

	Three-Month Period Ended		Year Ended		Forecasted	
					Three-Month Period Ending	Year Ending
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	April 3, 2020	December 31, 2020
Pretax	$ 155.8	$ 156.1	$ 625.1	$ 615.6	$ 155.4	$ 621.0
After-tax	125.1	125.8	504.1	494.5	125.1	499.9

B Pretax costs incurred (or anticipated to be incurred, as applicable) for transaction costs deemed significant and integration preparation costs in the three-month period ended December 31, 2019, ($30 million pretax as reported in this line item, $27 million after-tax), the year ended December 31, 2019, ($93 million pretax as reported in this line item, $84 million after-tax), the three-month period ending April 3, 2020, ($74 million pretax as reported in this line item, $66 million after-tax) and the year ending December 31, 2020, ($84 million pretax as reported in this line item, $74 million after-tax) related to the anticipated GE Biopharma acquisition. The costs in the three-month period ending April 3, 2020 anticipate a closing of the anticipated GE Biopharma acquisition in the three-month period ending April 3, 2020. 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 Loss on early extinguishment of debt resulting from "make-whole" payments associated with the retirement of the 2020 U.S. Notes and the 2020 Assumed Pall Notes ($7 million pretax as reported in this line item, $5 million after-tax) in both the three-month period and year ended December 31, 2019.

D Loss on partial settlement of a defined benefit plan resulting from the transfer of a portion of Danaher's non-U.S. pension liabilities to a third party ($7 million pretax as reported in this line item, $6 million after-tax) in both the three-month period and year ended December 31, 2019.

E Acquisition-related transaction costs deemed significant ($15 million pretax as reported 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 IDT and incurred in the second quarter of 2018.

F Gain on resolution of acquisition-related matters in the Life Sciences segment ($9 million pretax as reported in this line item, $7 million after-tax) recognized in the second quarter of 2018.

G 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.

H Discrete tax adjustments and other tax-related adjustments for the three-month period and year ended December 31, 2019, include the impact of net discrete tax gains of $12 million (or $0.02 per diluted share) and discrete tax charges of $215 million (or $0.29 per diluted share), respectively. Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2018, include the impact of net discrete tax gains of $39 million (or $0.05 per diluted share). The discrete tax matters relate 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 and tax benefits resulting from a change in law. 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.

I In March 2019, the Company issued $1.65 billion in aggregate liquidation preference of Danaher's 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 6.6531 and 8.1500 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.") The Company believes that using the "if-converted" method provides additional insight to investors on the anticipated impact of the MCPS once they are converted into common stock no later than April 15, 2022.

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.

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, (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 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.