

Q1 2023 Revenue, earnings and cash flow finished better than expected

Q1 base business core revenue growth +6.0%, by segment:

- **Biotechnology ~Flat**
 - Bioprocessing +LSD, in line with expectations
- **LS +HSD**
 - Life sciences instruments +MSD
 - Genomics consumables +DD
- **Dx +LDD**
 - +>30% at Cepheid
 - Radiometer +DD, LBS and Bec Dx +MSD
- **EAS +6.5%**
 - WQ +LDD
 - PID +LSD

Q1 Core revenue growth -4.0%, impacted by lower COVID revenues y/y

COVID revenues

- Cepheid's respiratory testing revenue of ~\$550M was above our expectation of ~\$450M driven by higher volume and greater mix of 4-in-1 vs. COVID-only tests
- COVID Vx/Tx revenue was ~\$30M

Q1 Adjusted OP margins of 30.8% exceeded expectations

Q1 Adjusted EPS of \$2.36

Q1 2023 Free Cash Flow (FCF) was ~\$1.7B with FCF to net income conversion of 115%

Anticipated Q2 and FY 2023 Core Growth

- Q2 and FY 2023 base business core growth of +MSD which assumes operating environment remains largely consistent with Q1 for the remainder of 2023.
- In bioprocessing, we anticipate both Q2 and FY 2023 base business core growth will be largely consistent with the first quarter
- We'll provide additional color on the earnings call today

<u>2023 Core Growth</u>	<u>Q2 2023</u>	<u>FY 2023</u>
Base business	+MSD	+MSD
COVID vx,tx, testing headwind	-LDD	-LDD
DHR core growth	-HSD	-HSD

Anticipated Operating Profit Margin

FY 2023

- We anticipate adjusted operating profit margin of ~30%
- Change vs prior expectation of ~31% is due to lower expected revenues in bioprocessing and capacity reduction costs in biotechnology and diagnostics

Q2 2023

- We anticipate adjusted operating profit margin of ~26%
- Impacted by the same factors as above - most of capacity reduction costs are in Q2/Q3

2023 Model Items

COVID Items – no change to our prior expectations

- Anticipate Cepheid testing revenue of \$175M in Q2 and \$1.2B for FY 2023
- Anticipate Vx/Tx revenue of \$150M for FY 2023

Corporate expense (excluding EAS Separation costs): ~\$80M in Q2 and ~\$310M for FY 2023

Adjusted non-operating income: ~\$2M per quarter for remainder of 2023

Assumed Interest expense, net: ~\$20M per quarter for remainder of 2023

Tax rate: ~19.5% for Q2 and FY 2023

Average adjusted diluted shares

- ~748M for Q2
- ~749M for FY 2023

FORWARD-LOOKING STATEMENTS DISCLOSURE

Statements in this document 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, potential future, adverse impacts on our business, results of operations and financial condition related to the COVID-19 pandemic, the impact of our debt obligations on our operations and liquidity, deterioration of or instability in the economy, the markets we serve and the financial markets, uncertainties relating to national laws or policies, including laws or policies to protect or promote domestic interests and/or address foreign competition, 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 rules relating to off-label marketing and other 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 growth, synergies and other benefits of such acquisitions, contingent liabilities and other risks relating to acquisitions, investments, strategic relationships 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 with respect to our production capacity in times of national emergency or with respect to intellectual property/production capacity developed using government funding, risks relating to product, service or software defects, product liability and recalls, risks relating to fluctuations in the cost and availability of the supplies we use (including commodities) and labor we need for our operations, our relationships with and the performance of our channel partners, uncertainties relating to collaboration arrangements with third-parties, the impact of deregulation on demand for our products and services, the impact of climate change, legal or regulatory measures to address climate change and our ability to address stakeholder expectations relating to climate change, labor matters and our ability to recruit, retain and motivate talented employees representing diverse backgrounds, experiences and skill sets, non-U.S. economic, political, legal, compliance, social and business factors (including the impact of the military conflict between Russia and Ukraine), disruptions relating to man-made and natural disasters, pension plan and healthcare costs, inflation and the impact of our By-law exclusive forum provisions. 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 2022 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the first quarter of 2023. These forward-looking statements speak only as of the date of this document 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 above, definitions and the accompanying information required by SEC Regulation G can be found in the document accompanying this note or in the "Investors" section of Danaher's web site, www.danaher.com, under the heading "Financial Reports" and subheading "Quarterly Earnings."