

Danaher Corporation Announces Second Quarter Results

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Danaher Corporation announced today that net earnings for its second quarter ended June 28, 2002 were \$103.7 million, 10% above the corresponding 2001 period earnings of \$94.2 million. Diluted earnings per share for the 2002 quarter were \$0.66, an increase of 5% over the \$0.63 reported for the 2001 second quarter. In accordance with the adoption of Statement of Financial Accounting Standards 142 (SFAS 142), the Company stopped amortizing goodwill as of January 1, 2002. Excluding goodwill amortization from the second quarter of 2001, earnings per share would have been \$0.71. The second quarter of 2002 included a \$1.6 million after-tax gain (\$0.01 per share) from the sale of real estate. Sales for the 2002 second quarter were \$1,146.3 million, 20% higher than the \$956.6 million for the quarter ended June 29, 2001.

For the six month period ended June 28, 2002, net earnings, before the effect of a change in accounting principle in connection with the Company's adoption of SFAS 142, were \$186.4 million, up 5% from the \$176.8 million reported in 2001. Diluted earnings per share for the 2002 six month period of \$1.21 (before the effect of the change in accounting principle related to SFAS 142) increased 2% from the \$1.19 in 2001. Excluding goodwill amortization from the 2001 six month period, earnings per share would have been \$1.35. Net earnings for the 2002 six month period, after the effect of a first quarter \$173.8 million one-time non-cash charge for impairment of goodwill, was \$12.7 million. Sales of \$2,150.5 million for the 2002 six month period were 10% higher than the \$1,961.9 million reported in 2001.

H. Lawrence Culp, Jr., President and Chief Executive Officer, stated, "We are pleased with our second quarter results. Total sales for the quarter grew 20%, resulting primarily from our first quarter acquisitions of Gilbarco, Videojet and Viridor. Although continued softness in several of our Process/Environmental Controls businesses led to a 7% overall core volume decline for the quarter, our Tools and Components segment reported 5% core volume growth. Our pace to achieve record 2002 cash flow continues, with operating cash flow of \$393 million for the six month period 26% higher than in 2001. We are optimistic that our results will show continued improvement throughout 2002, as the markets we serve stabilize and as we fully integrate our recent restructuring initiatives and acquisitions."

Danaher Corporation is a leading manufacturer of Process/Environmental Controls and Tools and Components. (<http://www.danaher.com/>)

Statements in this release that are not strictly historical may be "forward-looking" statements, which involve risks and uncertainties. These include economic and currency conditions, market demand, pricing, and competitive and technological factors, among others, as set forth in the company's SEC filings.

DANAHER CORPORATION
Results of Operations

(thousands, except per share amounts)
(unaudited)

	Quarter Ended		Six Months Ended	
	June 28, 2002	June 29, 2001	June 28, 2002	June 29, 2001
Net sales	\$1,146,326	\$ 956,641	\$2,150,533	\$1,961,924
Operating costs and expenses:				
Cost of sales	701,908	581,300	1,330,092	1,209,698
Selling, general and administrative expenses	273,576	203,347	509,629	427,209
Goodwill and other amortization	1,267	15,381	4,016	29,986
Total operating expenses	976,751	800,028	1,843,737	1,666,893
Operating profit	169,575	156,613	306,796	295,031
Interest expense, net	11,308	5,845	22,216	12,141
Earnings before income taxes and effect of accounting change	158,267	150,768	284,580	282,890
Income taxes	54,602	56,538	98,180	106,083
Net earnings, before effect of accounting change	103,665	94,230	186,400	176,807
Effect of accounting change, net of tax, adoption of SFAS No. 142	--	--	(173,750)	--
Net earnings	\$103,665	\$94,230	\$12,650	\$176,807
Per share amounts before accounting change				
Basic earnings per share	\$.69	\$.65	\$1.26	\$1.23
Weighted average shares outstanding				
-- Basic	151,274	144,016	148,223	143,445
Diluted earnings per share	\$.66	\$.63	\$1.21	\$1.19
Weighted average shares outstanding				
-- Diluted	160,045	152,642	156,994	151,554
Per share amounts after accounting change				
Basic earnings per share	\$.69	\$.65	\$.09	\$1.23
Diluted earnings per share	\$.66	\$.63	\$.11	\$1.19
Per share effect of accounting change				
-- Basic	--	--	\$1.17	--
Per share effect of accounting change				
-- Diluted	--	--	\$1.10	--

Notes:

- Net earnings, before effect of accounting change and after adjustment for 2001 goodwill amortization

	\$103,665	\$107,404	\$186,400	\$202,471
Per diluted share	\$ 0.66	\$ 0.71	\$ 1.21	\$ 1.35

- A complete copy of Danaher's Form 10-Q financial statements is

available on the Company's web site (<http://www.danaher.com/>).

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SOURCE: Danaher Corporation

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