

Danaher Corporation Announces Third Quarter Results

PRNewswire-FirstCall
WASHINGTON

Danaher Corporation announced today that net earnings for its third quarter ended September 27, 2002 were \$116.0 million, 32% above the corresponding 2001 period earnings of \$87.7 million. Diluted earnings per share for the 2002 quarter were \$0.74, an increase of 25% over the \$0.59 reported for the 2001 third 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 third quarter of 2001, earnings per share would have been \$0.69. The third quarter of 2002 included a \$1.8 million after-tax gain (\$0.01 per share) from the sale of real estate. Sales for the 2002 third quarter were \$1,151.7 million, 28% higher than the \$901.6 million for the quarter ended September 28, 2001.

For the nine month period ended September 27, 2002, net earnings, before the effect of a change in accounting principle in connection with the Company's adoption of SFAS 142, were \$302.4 million, up 14% from the \$264.6 million reported in 2001. Diluted earnings per share for the 2002 nine month period of \$1.95 (before the effect of the change in accounting principle related to SFAS 142) increased 10% from the \$1.78 in 2001. Excluding goodwill amortization from the 2001 nine month period, earnings per share would have been \$2.04. Net earnings for the 2002 nine month period, after the effect of a first quarter \$173.8 million one-time non-cash charge for impairment of goodwill, were \$128.7 million. Sales of \$3,302.3 million for the 2002 nine month period were 15% higher than the \$2,863.5 million reported in 2001.

H. Lawrence Culp, Jr., President and Chief Executive Officer, stated, "We are pleased with our third quarter results. Total sales for the quarter grew 28%, resulting primarily from our first quarter acquisitions of Videojet, Gilbarco and Viridor. Continued softness in several of our Process/Environmental Controls businesses was more than offset by strong performance in our Tools and Components segment, resulting in slightly positive core volume growth. Our pace to achieve record 2002 cash flow continues, with operating cash flow of \$565.4 million for the nine month period, 31% higher than in 2001. We are keeping a cautious eye on a sluggish economy but remain comfortable that our momentum places us in a position to continue to outperform for the full year 2002."

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.

(thousands, except per share amounts)
(unaudited)

	Quarter Ended		Nine Months Ended	
	September	September	September	September
	27,	28,	27,	28,
	2002	2001	2002	2001
Net sales	\$1,151,721	\$901,588	\$3,302,254	\$2,863,512
Operating costs and expenses:				
Cost of sales	691,648	547,630	2,021,740	1,757,328
Selling, general and administrative expenses	272,889	190,481	785,049	617,690
Gains on sale of real estate	(2,674)	--	(5,205)	--
Goodwill and other amortization	2,428	15,837	6,444	45,823
Total operating costs and expenses	964,291	753,948	2,808,028	2,420,841
Operating profit	187,430	147,640	494,226	442,671
Interest expense, net	10,287	7,244	32,503	19,385
Earnings before income taxes and effect of accounting change	177,143	140,396	461,723	423,286
Income taxes	61,114	52,650	159,294	158,733
Net Earnings, before effect of accounting change	116,029	87,746	302,429	264,553
Effect of accounting change, net of tax, adoption of SFAS No. 142	--	--	173,750	--
Net Earnings	\$ 116,029	\$ 87,746	\$ 128,679	\$ 264,553
Per share amounts before accounting change				
Basic earnings per share	\$.76	\$.61	\$2.02	\$1.84
Weighted average shares outstanding - Basic	151,842	143,835	149,432	143,575
Diluted earnings per share	\$.74	\$.59	\$1.95	\$1.78
Weighted average shares outstanding - Diluted	159,611	152,198	157,868	151,769
Per share amounts after accounting change				
Basic earnings per share	\$.76	\$.61	\$.86	\$1.84
Diluted earnings per share	\$.74	\$.59	\$.85	\$1.78
Per share effect of accounting change - Basic	--	--	\$1.16	--
Per share effect of accounting change - Diluted	--	--	\$1.10	--

Notes:

1) Net earnings,

before effect of
accounting change and
after adjustment
for 2001 goodwill

amortization	\$116,029	\$101,326	\$302,429	\$303,797
Per diluted share	\$.74	\$.69	\$1.95	\$2.04

2) 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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Web site: <http://www.danaher.com/>

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