

# Danaher Issues Revised Fourth Quarter Earnings Guidance

---

PRNewswire-FirstCall  
WASHINGTON

Danaher Corporation announced today that it expects fourth quarter 2008 adjusted earnings per share to be in the range of \$1.03 to \$1.10 compared to the guidance range of adjusted earnings per share provided on October 16, 2008 of \$1.17 to \$1.25. Fourth quarter 2007 adjusted earnings per share were \$1.12. Earnings per share for the fourth quarter of 2008 (including the impact of the fourth quarter 2008 restructuring charge and certain non-cash charges related to the acquisition of Tektronix for the fair value adjustments to recorded inventory and deferred revenue) are expected to be in the range of \$0.82 to \$0.89, while fourth quarter 2007 earnings per share were \$0.97.

Adjusted earnings per share for full year 2008 are expected to be in the range of \$4.15 to \$4.22, which, based on the mid-point of the range, would be an increase of 9% over full year 2007 adjusted earnings per share. Earnings per share for the full year 2008 are expected to be in the range of \$3.85 to \$3.92 which, based on the mid-point of the range, would be an increase of 4% over full year 2007 earnings per share. Please see the attached schedule for a reconciliation of the adjusted earnings per share measures provided above to the comparable GAAP measures.

H. Lawrence Culp, Jr., President and Chief Executive Officer, stated, "Global economic conditions have continued to deteriorate over the last several weeks impacting many of our customers as well as a number of our businesses. In addition, the strengthening of the dollar against other global currencies has created additional headwinds that will negatively impact our financial results. However, we still expect continued strong free cash flow performance in the fourth quarter. In order to better position the company in light of the current economic backdrop we are deploying approximately \$90 million of restructuring investments in the fourth quarter, eliminating approximately 1700 net positions and 13 facilities. We are expecting these investments to generate approximately \$100 million of savings in 2009. In addition, we have implemented a wage and salary freeze across most of our geographies and businesses. We believe these actions coupled with our high quality portfolio, our talented organization and our Danaher Business System, provide us the ability to outperform during these challenging times."

Danaher will host its Analyst and Investor event in New York City on December 11th, during which management will discuss the outlook for the fourth quarter of 2008 and 2009. This event and the accompanying slide presentation will be webcast on the "Investors" section of Danaher's website at <http://www.danaher.com/>. A replay of the audio portion of the webcast and the slide presentation can be accessed on the "Investors" section of Danaher's website (under the subheading "Web Events") shortly after the conclusion of the presentation, and the webcast will remain available until December 19th.

Danaher Corporation is a leading manufacturer of Professional Instrumentation, Medical Technologies, Industrial Technologies, and Tools and Components ([www.danaher.com](http://www.danaher.com)).

Statements in this release that are not strictly historical, including the statements regarding expectations for the balance of 2008 and 2009, anticipated cost savings for 2009 and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements. These factors include, among other things, the current economic recession and the upheaval in the credit markets and financial services industry, competition, our ability to develop and successfully market new products and technologies, our ability to expand our business in new markets, our ability to identify, consummate and integrate appropriate acquisitions, litigation and other contingent liabilities including intellectual property and environmental matters, our compliance with applicable laws and regulations and changes in applicable laws and regulations, tax audits and changes in our tax rate, currency exchange rates, commodity costs and surcharges, our relationships with and the performance of our channel partners, our ability to achieve projected efficiencies, cost reductions, sales growth and earnings, economic and other conditions in the end-markets we sell into, and general domestic and international economic conditions. 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 2007 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the third quarter of 2008. These forward-looking statements speak only as of the date of this release and the Company does not intend to update any forward-looking statement.

Danaher Corporation  
Supplemental Reconciliation of Forecasted Diluted Earnings Per Share to  
Forecasted Adjusted Diluted Earnings Per Share  
Three Months ended December 31, 2008 and Full Year 2008 Forecasted  
Earnings Per Share

Period	Low High		Impact of charges related to the acquisition of Tektronix, for fair value adjustments to recorded inventory and deferred revenue balances				Impact of forecasted restructuring charges relating to Gains from a formal net reduction in income tax reserves and discrete tax benefits		Impact of forecasted restructuring charges relating to a formal restructuring plan adopted in the fourth quarter of 2008	
Three Months Ended March 28, 2008	\$0.83	\$0.83	\$0.06	\$-			\$-			\$-
Three Months Ended June 27, 2008	\$1.09	\$1.09	\$0.03	\$(0.03)						\$-
Three Months Ended September 26, 2008	\$1.11	\$1.11	\$0.03	\$-			\$-			\$-
Three Months Ended December 31, 2008	\$0.82	\$0.89	\$0.01	\$-			\$-			\$0.20

Year Ended					
December 31, 2008	\$3.85	\$3.92	\$0.13	\$(0.03)	\$0.20

Forecasted Adjusted Diluted  
Earnings Per Share (Non-GAAP)

	Low	High
--	-----	------

Period

Three Months Ended		
March 28, 2008	\$0.89	\$0.89

Three Months Ended		
June 27, 2008	\$1.09	\$1.09

Three Months Ended		
September 26, 2008	\$1.14	\$1.14

Three Months Ended		
December 31, 2008	\$1.03	\$1.10

Year Ended		
December 31, 2008	\$4.15	\$4.22

Danaher Corporation  
Supplemental Reconciliation of 2008 Forecasted Adjusted Diluted Earnings  
Per Share to 2007 Adjusted Diluted Earnings Per Share

	Years Ended		
	December 31,		
	2008		
	Mid-Point of		
	Forecasted		
	Range		
	December 31,	% Change	
	2007		
Diluted Earnings Per Share from Continuing Operations per GAAP	\$3.88	\$3.72	4%
After-tax charges for fair value adjustments to recorded inventory and deferred revenue balances and purchased in-process research and development related to the acquisition of Tektronix (\$59.5 million and \$68.2 million pre-tax for the years ended December	0.13	0.20	
After-tax gain on indemnity proceeds related to litigation matter (\$12.5 million pre-tax)	-	(0.02)	
Gains from net reduction in income tax reserves and discrete tax benefits	(0.03)	(0.07)	
Forecasted restructuring charges relating to a formal restructuring plan adopted in the fourth quarter of 2008	0.20	-	
Adjusted Diluted Earnings Per Share from Continuing Operations (Non-GAAP)	\$4.18	\$3.83	9%

Supplemental Reconciliation of Diluted Earnings Per Share from Continuing Operations (GAAP) to Adjusted Diluted Earnings Per Share from Continuing Operations (Non-GAAP)

Three Months Ended December 31, 2007

	December 31, 2007
Diluted Earnings Per Share from Continuing Operations per GAAP	\$0.97
Gains from net reduction in income tax reserves and discrete tax benefits	(0.05)
After-tax charges related to the acquisition of Tektronix, for purchased in-process research and development and fair value adjustments to recorded inventory and deferred revenue balances (\$68.2 Million pre-tax)	0.20
Adjusted Diluted Earnings Per Share from Continuing Operations (Non-GAAP)	\$1.12

In addition to the results provided in this release in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), the Company has provided forecasted adjusted diluted earnings per share ("forecasted adjusted EPS") for the three months ending December 31, 2008 and the year ending December 31, 2008, on a basis which excludes (a) certain non-cash charges related to the acquisition of Tektronix, Inc. for fair value adjustments to recorded inventory and deferred revenue balances, (b) gains related to a reduction of income tax reserves and discrete tax benefits, and (c) charges relating to a formal restructuring plan adopted in the fourth quarter of 2008. The Company also compares the forecasted adjusted EPS for the year ended December 31, 2008 to adjusted diluted earnings per share ("adjusted EPS") for the year ended December 31, 2007, and presents adjusted EPS for the three months ended December 31, 2007, on a basis which excludes in the 2007 periods (a) certain charges for fair value adjustments to recorded inventory and deferred revenue balances and purchased in-process research and development related to the acquisition of Tektronix, (b) a gain on indemnity proceeds related to a litigation matter, and (c) gains from net reduction in income tax reserves and discrete tax benefits.

Forecasted adjusted EPS and adjusted EPS should be considered in addition to, and not as a replacement for or superior to, forecasted diluted earnings per share ("forecasted EPS") and diluted earnings per share ("EPS"), as applicable. Danaher may define forecasted adjusted EPS and adjusted EPS differently than similar non-GAAP measures that are used by other companies.

Danaher's management believes that forecasted adjusted EPS and adjusted EPS reflect an additional way of viewing aspects of Danaher's operations that, when viewed with and reconciled to forecasted EPS and EPS, provide a more complete understanding of Danaher's anticipated results of operations and help identify underlying trends in Danaher's business. The Tektronix acquisition-related charges, income tax-related gains and indemnity proceeds have been excluded from forecasted adjusted EPS and adjusted EPS because items of this nature and size occur with inconsistent frequency and for reasons that may be unrelated to Danaher's commercial performance during the period,

and we believe are not indicative of Danaher's ongoing operating costs or gains in a given period. The restructuring plan charges have been excluded from forecasted adjusted EPS because formal restructuring plans of this size occur with inconsistent frequency and we believe are not indicative of Danaher's ongoing operating costs in a given period.

Danaher's management uses forecasted adjusted EPS and adjusted EPS in forecasting financial results for future periods and comparing forecasted performance against prior period performance, and in making decisions about internal budgets, resource allocation and financial goals for its business units. Danaher's management believes that forecasted adjusted EPS and adjusted EPS help investors and others, if they so choose, in understanding and evaluating Danaher's forecasted and actual operating performance and future prospects in the same manner as management does. In addition, Danaher believes that analysts and others in the investment community use these non- GAAP measures to estimate Danaher's future financial performance and compare it to prior period performance, compare Danaher's forecasted performance to the forecasted and prior period performance of our peer companies and identify trends in Danaher's performance.

A general limitation of forecasted adjusted EPS and adjusted EPS is that use of these measures (as compared to forecasted EPS and EPS) may reduce comparability with other companies who may calculate similar non-GAAP measures differently. A particular limitation of forecasted adjusted EPS and adjusted EPS is that they exclude charges that can significantly affect Danaher's results of operations and that may recur in the course of Danaher's business (though at times and in amounts that may be difficult to predict). Danaher management compensates, and believes that investors should compensate, for these and other limitations of forecasted adjusted EPS and adjusted EPS by also considering Danaher's forecasted EPS and EPS.

First Call Analyst:

FCMN Contact:

SOURCE: Danaher Corporation

CONTACT: Andy Wilson, Vice President, Investor Relations of Danaher Corporation, +1-202-828-0850, Fax, +1-202-828-0860

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

---

<https://investors.danaher.com/2008-12-08-Danaher-Issues-Revised-Fourth-Quarter-Earnings-Guidance>