DANAHER CORPORATION

Tom Joyce, President & CEO

BERNSTEIN STRATEGIC DECISIONS CONFERENCE
May 30, 2019

DANAHER

Forward Looking Statements

Statements in this presentation that are not strictly historical, including any statements regarding the Company's anticipated future financial performance, the anticipated acquisition of GE Biopharma, the expected timetable for completing the acquisition, the anticipated impact of the acquisition on Danaher and any other 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, the uncertainty of regulatory approvals with respect to the GE Biopharma acquisition and the timing or conditionality thereof, the parties' ability to satisfy the acquisition agreement conditions and consummate the acquisition of GE Biopharma on the anticipated timetable and terms or at all, Danaher's ability to successfully integrate GE Biopharma's operations and employees with Danaher's existing business, the ability to realize anticipated financial, tax and operational synergies and benefits, GE Biopharma's performance and maintenance of important business relationships, Danaher's ability to complete the previously-announced initial public offering ("IPO") of its Dental business on the currently contemplated timeline or at all and achieve the intended benefits thereof, deterioration of or instability in the economy, the markets served by us or GE Biopharma 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 (including the impact of the additional debt Danaher expects to incur to finance the GE Biopharma acquisition), 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 and timing 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 Report on Form 10-Q for the first quarter 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 referenced in the following presentation, the accompanying information required by SEC Regulation G can be found in the back of the presentation. All references in this presentation (1) to company-specific financial metrics relate only to the continuing operations of Danaher's business, unless otherwise noted; (2) to "growth" or other period-to-period changes refer to year-over-year comparisons unless otherwise indicated; (3) to Operating Profit below the segment level exclude amortization; and (4) to "today" refers to the Company's 2018 performance. We may also describe certain products and devices which have applications submitted and pending for certain regulatory approvals.

Danaher Today

LIFE SCIENCES ~$6.5B	DIAGNOSTICS ~$6.3B	ENVIRONMENTAL & APPLIED SOLUTIONS ~$4.3B		DENTAL ~$2.8B
		WATER QUALITY	PRODUCT ID	
Beckman Coulter Life Sciences	Beckman Coulter	HACH	Videojet	KaVo Kerr
SCIEX	Leica Biosystems	Trojan technologies	Esko	Nobel Biocare
Molecular Devices	Radiometer	ChemTreat	x-rite PANTONE	Ormco
Leica Microsystems	Cepheid			
Pall				
phenomenex				
IDT Integrated DNA Technologies				

All financial metrics reflect FY 2018 revenue

Multi-industry science & technology portfolio provides competitive advantages

Building A Stronger, Better Danaher

$20B

2018 DANAHER TOTAL REVENUE

	2015	2016	2018
CORE REVENUE GROWTH	LSD		MSD
RECURRING REV.*	~45%		~70%
DIRECT GTM REV.*	~60%		~70%
GROSS MARGIN	52%		56%
HGM*	27%		31%

STRONG PORTFOLIO UNITED BY A COMMON BUSINESS MODEL

- Outstanding brands with market-leading positions
- Extensive installed base
- Strong 'captive' recurring revenues
- High level of customer intimacy
- Strong Free Cash Flow

All financial metrics shown reflect FY 2018 unless indicated otherwise; 2015 metrics shown include Fortive
** As a % of total revenue*

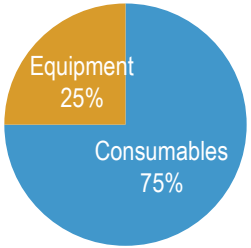
Evolving into higher growth & higher recurring revenue portfolio

GE Biopharma Acquisition

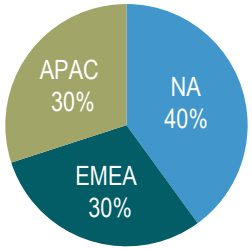
- Global leader in fast-growing, highly-attractive bioprocessing market; brings significant & complementary scale to our LS platform
- Contributes a talented & innovative team whose expertise will help us advance our customer solutions and accelerate growth
- Opportunities for DBS to enhance an already high-performing business

ANNOUNCED IN FEBRUARY 2019*

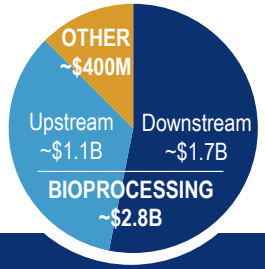
Revenue By Mix



By Geography



By Product Line



~$3.2B

2019E TOTAL REVENUE

~6-7%

ANTICIPATED CORE REVENUE GROWTH

A leading global player in bioprocessing

All financial metrics based on FY 2019E unless otherwise indicated; all pie chart percentages are % of 2019E revenues
** Closing subject to regulatory approval*

DANAHER

Evolving the Portfolio to Serve Attractive End-Markets

	LIFE SCIENCES	DIAGNOSTICS	WATER QUALITY	PRODUCT ID	DENTAL
ADDRESSABLE MARKET SIZE	~$50B	~$35B	~$20B	~$10B	~$20B
KEY SECULAR GROWTH DRIVERS	• Shift in medicine: biologics • Evolution of LS research: genomics	• Molecular Dx penetration • Decentralization of health care	• Water scarcity • Sustainability of water resources	• Packaging proliferation • Global brand consistency	• Digital dentistry • Aesthetic dentistry / implants

High Growth Markets | Regulatory Requirements | Workflow Efficiency

Strong secular drivers underpinning growth opportunities

Danaher Business System (DBS)

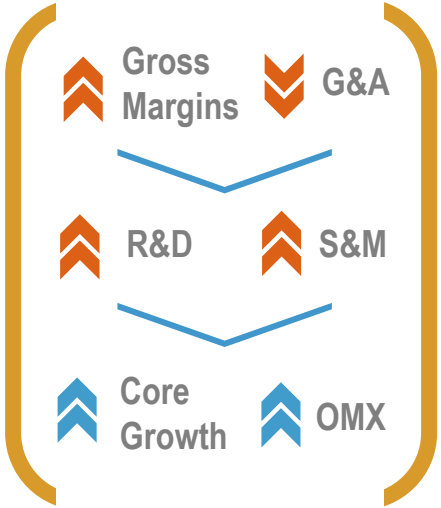
DBS is who we are, and how we do what we do

How We Create Value: Running the Danaher Playbook

IMPROVE COST STRUCTURE

REINVEST FOR GROWTH

ACCELERATE MARGINS & CORE GROWTH



Core Revenue Growth

+

Margin Expansion

+

Strong Free Cash Flow

+

Acquisitions

=

TOP QUARTILE EPS GROWTH & COMPOUNDING RETURNS

Balanced approach to create shareholder value

Our Strategic Approach to M&A

MARKET

- Secular growth drivers
- Fragmented
- Higher barriers to entry
- Optionality with multi-industry portfolio

COMPANY

- Competitive market position
- Strong brand / channel
- Consistent revenue visibility
- Higher margin businesses
- Cultural fit
- Leadership assessment

VALUATION

- Focus on ROIC
- DBS opportunities
- Sustainability
- Synergies with DHR OpCos
- Combination of value & growth deals

Selectively pursuing value creation opportunities

"ROIC" is Return on Invested Capital

Each Acquisition Has a Tailored DBS Approach

PALL

ACQUIRED AUG 2015

INITIAL PRIORITIES / KEY AREAS OF DBS FOCUS

1) ACCELERATE INNOVATION
2) IMPROVE EXECUTION
3) REDUCE COSTS

	RESULTS	
	AT ACQ.	TODAY
Core Growth	LSD	MSD / HSD
Gross Margin	~50%	~55%
OPM	High-teens	>25%

Cepheid

ACQUIRED NOV 2016

INITIAL PRIORITIES / KEY AREAS OF DBS FOCUS

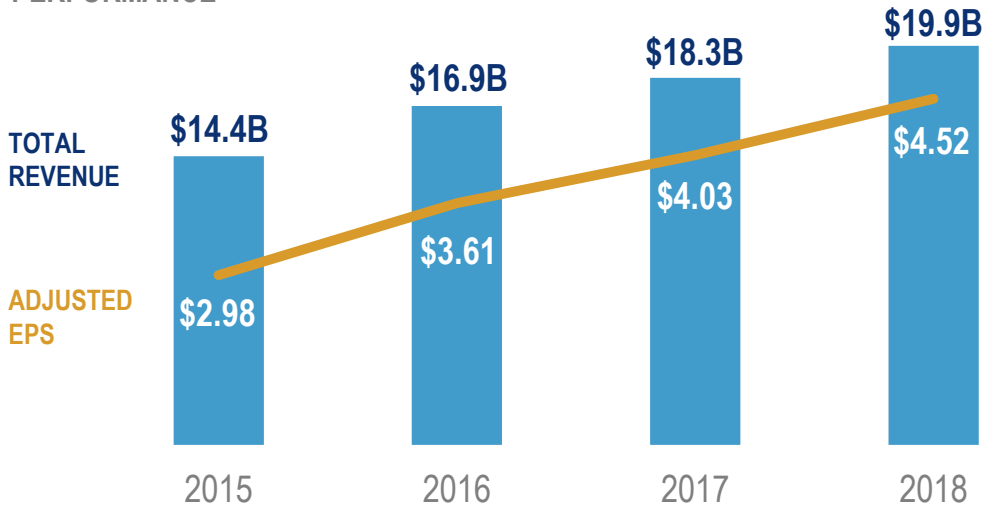
1) ENHANCE COMMERCIAL EXECUTION
2) IMPROVE OPERATIONAL LEVERAGE
3) BUILD SCALE GLOBALLY

	RESULTS	
	AT ACQ.	TODAY
Core Growth	DD	DD
Gross Margin	~50%	~60%
OPM	Flat / LSD	~20%

Rapid DBS adoption has been a critical driver of Pall & Cepheid's positive starts

Putting It All Together

DANAHER HISTORICAL PERFORMANCE



DHR RESULTS OVER THE LAST 3 YEARS

+250BPS CORE GROWTH IMPROVEMENT

+

+85BPS CORE OMX AVG. ANNUAL

+

DD FCF CAGR

=

Mid-teens ADJ. EPS GROWTH AVG. ANNUAL

All financial metrics based on FY 2018 unless otherwise indicated

Focused on creating long-term shareholder value

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Summary

Building a better, stronger Danaher

M&A approach differentiated by DBS

Balanced, sustainable approach to create long-term value for shareholders

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Non-GAAP Reconciliations

Core Revenue Growth	Year Ended December 31		
	2016	2017	2018
Total sales growth (GAAP)	**17.0%**	**8.5%**	**8.5%**
Less the impact of:			
Acquisitions and other	(15.0%)	(4.5%)	(2.0%)
Currency exchange rates	1.0%	(0.5%)	(0.5%)
Core revenue growth (Non-GAAP) [1]	**3.0%**	**3.5%**	**6.0%**

[1] We use the term "core revenue" to refer to GAAP revenue from continuing operations excluding (1) sales from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to divested businesses or product lines not considered discontinued operations ("acquisition sales") and (2) the impact of currency translation. The portion of GAAP revenue from continuing operations attributable to currency translation is calculated as the difference between (a) the period-to-period change in revenue (excluding acquisition sales) and (b) the period-to-period change in revenue (excluding acquisition sales) after applying current period foreign exchange rates to the prior year period. We use the term "core revenue growth" to refer to the measure of comparing current period core revenue with the corresponding period of the prior year.

Reconciliation of Average Core Operating Profit Margins from Continuing Operations (in Basis Points)	Year Ended December 31		
	2016	2017	2018
Year-over year core operating profit margin changes for the years ended December 31, 2018, 2017 and 2016 (non-GAAP) (See note below)	115	70	70
Average			85

Note: Core operating margin changes defined as all period-over-period operating profit margin changes other than the changes identified in the line items in the reconciliations for the particular period posted on Danaher's web site.

Year-Over-Year Core Operating Margin Changes	Total Company
Year Ended December 31, 2017 Operating Profit Margins (GAAP)	**16.30%**
Full year 2018 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	(0.20)
Incremental year-over-year impact of full year 2018 Dental segment tradename impairments and related restructuring compared to comparable fourth quarter 2017 charges	0.05
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.	(0.10)
Fourth quarter 2017 and second quarter 2018 gains on resolution of acquisition-related matters	-
Fourth quarter 2018 Dental segment separation costs	(0.05)
Full year 2017 impact of restructuring, impairment and related charges related to the discontinuation of a product line in the Diagnostics segment in the second quarter of 2017	0.40
Year-over-year core operating profit margin changes for full year 2018 (defined as all year-over-year operating profit margin changes other than the changes identified in the lines above) (non-GAAP)	0.70
Year Ended December 31, 2018 Operating Profit Margins (GAAP)	**17.10%**

Non-GAAP Reconciliations

	Full Year Ended December 31			
	2015	2016	2017	2018
Cash Flows from Continuing Operations ($ in millions):				
Operating Cash Flows from Continuing Operations (GAAP)	$ 2,832.2	$ 3,087.5	$ 3,477.8	$ 4,022.0
Investing Cash Flows from Continuing Operations (GAAP)	$ (14,738.5)	$ (5,173.2)	$ (843.4)	$ (2,949.4)
Financing Cash Flows from Continuing Operations (GAAP)	$ 9,050.2	$ 2,528.0	$ (3,098.5)	$ (797.4)
Free Cash Flow from Continuing Operations ($ in millions):				
Operating Cash Flows from Continuing Operations (GAAP)	$ 2,832.2	$ 3,087.5	$ 3,477.8	$ 4,022.0
Less: payments for additions to property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(512.9)	(589.6)	(619.6)	(655.7)
Plus: proceeds from sales of property, plant & equipment (capital disposals) from continuing operations (GAAP)	60.4	9.8	32.6	6.3
Free Cash Flow from Continuing Operations (Non-GAAP)	$ 2,379.7	$ 2,507.7	$ 2,890.8	$ 3,372.6
Ratio of Free Cash Flow to Net Earnings ($ in millions):				
Free Cash Flow from Continuing Operations from Above (Non-GAAP)	$ 2,379.7	$ 2,507.7	$ 2,890.8	$ 3,372.6
Net Earnings from Continuing Operations (GAAP)	$ 1,746.7	$ 2,153.4	$ 2,469.8	$ 2,650.9
Free Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio (Non-GAAP)	1.36	1.16	1.17	1.27

We define free cash flow as operating cash flows from continuing operations, less payments for additions to property, plant and equipment from continuing operations (“capital expenditures”) plus the proceeds from sales of plant, property and equipment from continuing operations (“capital disposals”).

Non-GAAP Reconciliations

Adjusted Diluted Net Earnings Per Share from Continuing Operations

	Year Ended December 31				
	2014	**2015**	**2016**	**2017**	**2018**
Diluted Net Earnings Per Share from Continuing Operations (GAAP)	**$ 2.29**	**$ 2.47**	**$ 3.08**	**$ 3.50**	**3.74**
Pretax amortization of acquisition-related intangible assets [A]	0.38 [A]	0.56 [A]	0.83 [A]	0.94 [A]	1.00 [A]
Pretax gains on resolution of acquisition-related matters [B,C,D]	-	-	(0.02) [B]	(0.02) [C]	(0.01) [D]
Pretax gain on sales of investments [E,F,G, H]	(0.17) [E]	(0.02) [F]	(0.32) [G]	(0.10) [H]	-
Pretax productivity charges in excess of amounts originally budgeted and publicly communicated in December 2013 [I]	0.09 [I]	-	-	-	-
Pretax restructuring, impairment and other related charges recorded in the second quarter of 2017 [J]	-	-	-	0.11 [J]	-
Pretax charge for early extinguishment of borrowings [K]	-	-	0.26 [K]	-	-
Pretax acquisition-related transaction costs deemed significant, change in control payments and restructuring costs and fair value adjustments to inventory and deferred revenue [L,M,N,O]	0.02 [L]	0.21 [L,M]	0.12 [N]	-	0.02 [O]
Pretax costs incurred in the year ending December 31, 2018 related to preparation for the 2019 separation of the Dental segment ("Dental Separation") primarily related to professional fees for legal, tax, finance and information technology services [P]	-	-	-	-	0.02 [P]
Tax effect of all adjustments reflected above [Q]	(0.04) [Q]	(0.16) [Q]	(0.21) [Q]	(0.19) [Q]	(0.22) [Q]
Discrete tax adjustments related to the Dental Separation [R]	-	-	-	-	0.02 [R]
Discrete tax adjustments and other tax-related adjustments [S,T,U,V,W]	0.09 [S]	(0.08) [T]	(0.13) [U]	(0.21) [V]	(0.05) [W]
Adjusted Diluted Net Earnings Per Share from Continuing Operations (Non-GAAP)	**$ 2.66**	**$ 2.98**	**$ 3.61**	**$ 4.03**	**$ 4.52**
Year over Year Growth %		12%	21%	12%	12%

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Non-GAAP Reconciliations

(continued)

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

	Year Ended December 31				
	2014	2015	2016	2017	2018
Pretax	$ 269.2	396.8	$ 583.1	$ 660.5	$ 706.2
After-tax	215.3	313.4	449.7	523.5	563.4

B Gains on resolution of acquisition-related matters ($18 million pretax as presented in this line item, $14 million after-tax) for the year ended December 31, 2016.

C Net gains on resolution of acquisition-related matters in the Life Sciences and Diagnostics segments ($11 million pretax as presented in this line item, $8 million after-tax) for the year ended December 31, 2017.

D Net gains on resolution of acquisition-related matters in the Life Sciences segment ($9 million pretax as presented in this line item, $7 million after-tax) for the year ended December 31, 2018.

E Gain on sale of marketable equity securities in the year ended December 31, 2014 ($123 million pretax as presented in this line item, $77 million after-tax).

F Gain on sale of marketable equity securities in the year ended December 31, 2015 ($12 million pretax as presented in this line item, $8 million after-tax).

G Gain on sales of investments in the year ended December 31, 2016 ($223 million pretax as presented in this line item, $140 million after-tax).

H Gain on sales of investments in the year ended December 31, 2017 ($73 million pretax as presented in this line item, $46 million after-tax).

I Continuing operations portion of productivity charges for the year ended December 31, 2014 in excess of amounts originally budgeted and publicly communicated in December 2013 ($64 million pretax as presented in this line item, $49 million after-tax).

J During the year ended December 31, 2017, the Company recorded $76 million of pretax restructuring, impairment and other related charges ($51 million after-tax) primarily related to the Company's strategic decision to discontinue a molecular diagnostic product line in its Diagnostics segment. As a result, the Company incurred noncash charges for the impairment of certain technology-related intangibles as well as related inventory and plant, property and equipment with no further use totaling $49 million. In addition, the Company incurred cash restructuring costs primarily related to employee severance and related charges totaling $27 million.

K Charge for early extinguishment of borrowings ($179 million pretax as presented in this line item, $112 million after-tax) incurred in the third quarter of 2016.

L Acquisition-related transaction costs deemed significant ($12 million pretax as presented in this line item, $9 million after-tax) for the year ended December 31, 2014 and fair value adjustments to inventory ($5 million pretax as presented in this line item, $4 million after-tax) for the year ended December 31, 2014 and fair value adjustments to inventory ($20 million pretax as presented in this line item, $15 million after-tax) incurred in the year ended December 31, 2015, in each case incurred in connection with the acquisition of Nobel Biocare. Danaher deems acquisition-related transaction costs incurred in a given period to be significant (generally relating to Danaher's larger acquisitions) if it determines that such costs exceed the range of acquisition-related transaction costs typical for Danaher in a given period.

M Acquisition-related transaction costs deemed significant ($21 million pretax as presented in this line item, $16 million after-tax), change in control payments, and fair value adjustments to inventory and deferred revenue, net of the impact of freezing pension benefits, in each case related to the acquisition of Pall Corporation and incurred in the year ended December 31, 2015 ($107 million pretax as presented in this line item, $84 million after-tax).

N Acquisition-related transaction costs deemed significant ($12 million pretax as presented in this line item, $9 million after-tax), change in control payments and restructuring costs ($49 million pretax as presented in this line item, $30 million after-tax), and fair value adjustments to inventory and deferred revenue ($23 million pretax as presented in this line item, $14 million after-tax), in each case related to the acquisitions of Cepheid and Phenomenex and incurred in the year ended December 31, 2016.

O Acquisition-related transaction costs deemed significant ($15 million pretax as presented 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 year ended December 31, 2018.

P Pretax costs incurred in the year ended December 31, 2018 ($15 million pretax as reported in this line item, $14 million after-tax) related to preparation for the anticipated separation of the Dental segment ("Dental Separation") primarily related to professional fees for legal, tax, finance and information technology services.

Q This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the table above. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Danaher estimates the tax effect of the adjustment items identified in the reconciliation schedule above 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.

R Represents discrete income tax expense related to preparation for the anticipated Dental Separation primarily related to legal entity restructuring-related capital gains incurred in the year ended December 31, 2018.

S Discrete income tax charges net of discrete income tax gains and benefits from a lower than expected effective tax rate in the year ended December 31, 2014 (compared to the anticipated effective tax rate publicly communicated in December 2013), due primarily to year-end 2014 tax law changes

T Discrete income tax gains net of discrete income tax charges incurred in the year ended December 31, 2015 ($58 million).

U Discrete income tax gains net of discrete income tax charges and Fortive separation-related tax costs related to repatriation of earnings and legal entity realignments incurred in the year ended December 31, 2016 ($91 million).

V Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2017 include:

($ in millions)	Year Ended December 31, 2017
Discrete income tax gains, primarily related to expiration of statute of limitations [1]	$ 129
Impact of ASU No. 2016-09, *Compensation—Stock Compensation* [2]	16
Remeasurement of deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act of 2017 [3]	1,219
Transition tax on deemed repatriation of foreign earnings as a result of the Tax Cuts and Jobs Act of 2017 [4]	(1,218)
	$ 146

Represents (1) discrete income tax gains, primarily related to expiration of statute of limitations ($129 million in the year ended December 31, 2017), (2) equity compensation-related excess tax benefits ($16 million in the year ended December 31, 2017), (3) remeasurement of deferred tax assets and liabilities, net related to enactment of the Tax Cuts and Jobs Act ($1.2 billion gain in the year ended December 31, 2017), and (4) transition tax on deemed repatriation of foreign earnings in connection with enactment of the Tax Cuts and Jobs Act ($1.2 billion provision in the year ended December 31, 2017).

On January 1, 2017, Danaher adopted the updated accounting guidance required by ASU No. 2016-09, *Compensation—Stock Compensation*, which requires income statement recognition of all excess tax benefits and deficiencies related to equity compensation. We exclude from Adjusted Diluted Net EPS any excess tax benefits that exceed the levels we believe are representative of historical experience. In the first quarter of 2017, we anticipated $10 million of equity compensation-related excess tax benefits and realized $26 million of excess tax benefits, and therefore we have excluded $16 million of these benefits in the calculation of Adjusted Diluted Net Earnings per Share. In the other periods presented, realized equity compensation-related excess tax benefits approximated the anticipated benefit and no adjustments were required.

W Represents discrete income tax gains, primarily related to the release of valuation allowances associated with certain foreign operating losses and release of reserves upon the expiration of statute of limitations ($32 million in year ended December 31, 2018) and from finalizing the accounting related to the implementation of the Tax Cuts and Jobs Act as required by SAB No. 118 ($5 million in the year ended December 31, 2018).

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