

DANAHER CORPORATION REPORTS RECORD FOURTH QUARTER AND 2000 RESULTS

PRNewswire
WASHINGTON

Danaher Corporation announced today results for the fourth quarter and year ended December 31, 2000. Net earnings for the fourth quarter of 2000 were \$87.8 million, up 18% from \$74.3 million for the 1999 fourth quarter. Diluted earnings per share were \$.60 for the 2000 fourth quarter, an increase of 18% from \$.51 in 1999. Sales for the 2000 fourth quarter were \$1,032.4 million, compared to \$848.2 million for the fourth quarter of 1999, an increase of 22%.

For the full year, net earnings (excluding the one-time charge associated with the pooling-of-interests with Hach Company in 1999) increased 19% on an 18% sales gain. Net earnings for 2000 were \$324.2 million, compared to \$271.4 million before the one-time charge for the year ended December 31, 1999. Diluted earnings per share were \$2.23 for 2000, a 20% increase compared to \$1.86 in 1999, before the one-time charge. Sales in 2000 were \$3.778 billion, compared to \$3.197 billion in 1999.

George M. Sherman, President and Chief Executive Officer, stated, "We are extremely pleased to report record performance for both the fourth quarter and all of 2000. Process/Environmental Control segment sales were strong during the fourth quarter, allowing us to realize 4% core volume growth despite the expected sales decline in several Tools and Components segment businesses. The new strategic platforms that we have created over the past few years in our Process/Environmental Control segment provided excellent growth for the full year, allowing us to achieve 6% overall core volume growth for the full year. Operating profit for 2000 was 21% higher than in 1999, reflecting continued cost improvements in both business segments. Operating cash flow increased \$93.1 million to a record \$512.2 million in 2000. While we are cautious with respect to the U.S. economic slow-down, we are well-positioned with strength in our key growth businesses and a cost structure consistent with a slow to no growth scenario for the U.S. economy. We remain confident that Danaher will continue to deliver superior performance in 2001."

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 AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands, except per share amounts)

Quarter Ended	Year Ended
(unaudited)	

12/31/00 12/31/99 12/31/00 12/31/99

Net sales	\$1,032,369	\$848,194	\$3,777,777	\$3,197,238
Cost of sales	636,774	520,260	2,315,731	1,960,822
Selling, general and administrative expenses	244,584	205,681	909,897	778,409
Total operating expenses	881,358	725,941	3,225,628	2,739,231
Operating profit	151,011	122,253	552,149	458,007
One-time costs of merger before tax (1)	--	--	11,778	
Interest expense	9,456	1,434	29,225	16,667
Earnings before income taxes	141,555	120,819	522,924	429,562
Income taxes	53,791	46,516	198,711	167,938
Net earnings	\$87,764	\$74,303	\$324,213	\$261,624
Basic earnings per share	\$.62	\$.52	\$2.28	\$1.84
Average shares outstanding	142,516	142,946	142,469	141,832
Diluted earnings per share	\$.60	\$.51	\$2.23	\$1.79
Average shares and equivalents outstanding	146,095	146,799	145,499	146,089

(1) After-tax effect of one- time costs	--	--	--	\$9,800
Per diluted share	--	--	--	\$.07

DANAHER CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands)

As of December 31,

ASSETS

	2000	1999
Current assets:		
Cash and equivalents	\$176,924	\$260,281
Trade accounts receivable, less allowance for doubtful accounts of \$37,000 and \$28,000	704,214	544,738
Inventories	460,610	324,673
Prepaid expenses and other	132,558	72,425
Total current assets	1,474,306	1,202,117
Property, plant and equipment, net	575,531	500,189
Other assets	117,942	52,476
Excess of cost over net assets of acquired companies, less accumulated amortization of \$245,000 and \$196,000	1,863,900	1,292,289
	\$4,031,679	\$3,047,071

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Notes payable and current portion of debt	\$81,633	\$33,597
Trade accounts payable	262,095	213,209
Accrued expenses	674,812	461,980
Total current liabilities	1,018,540	708,786
Other liabilities	357,249	288,494
Long-term debt	713,557	341,037
Stockholders' equity:		
Common stock, one cent par value; 300,000 shares authorized; 155,650 and 154,035 issued; 142,013 and 142,440 outstanding	1,556	1,540
Additional paid-in capital	364,426	420,036
Accumulated other comprehensive income	(59,130)	(34,105)
Retained earnings	1,635,481	1,321,283
Total stockholders' equity	1,942,333	1,708,754
	\$4,031,679	\$3,047,071

(in thousands)

Year Ended December 31,

2000 1999

Cash flows from operating activities:

Net earnings	\$324,213	\$261,624
Depreciation and amortization	149,721	126,419
Change in accounts receivable	(15,926)	(60,327)
Change in inventories	(38,451)	11,149
Change in accounts payable	(81)	45,852
Change in other assets		
and liabilities	92,769	34,390

Total operating cash flows 512,245 419,107

Cash flows from investing activities:

Payments for additions to property, plant and equipment, net	(88,503)	(88,909)
Disposition of businesses	--	--
Net cash paid for acquisitions	(706,794)	(64,834)
Net cash used in investing activities	(795,297)	(153,743)

Cash flows from financing activities:

Proceeds from sale of treasury stock	--	69,845
Proceeds from issuance of common stock	26,580	18,141
Dividends paid	(10,015)	(9,912)
Borrowings (repayments) of debt	266,090	(129,851)
Purchase of common stock	(82,174)	--
Net cash provided by (used in) financing activities	200,481	(51,777)
Effect of exchange rate changes on cash	(786)	(1,104)
Net change in cash and equivalents	(83,357)	212,483
Beginning balance of cash and equivalents	260,281	47,798
Ending balance of cash and equivalents	\$176,924	\$260,281

SOURCE: Danaher Corporation

Contact: Patrick Allender, Chief Financial Officer of Danaher Corporation, 202-828-0850

Website: <http://www.danaher.com/>

<https://investors.danaher.com/2001-01-24-Danaher-Corporation-Reports-Record-Fourth-Quarter-and-2000-Results>