

# DANAHER CORPORATION ANNOUNCES RECORD FIRST QUARTER RESULTS

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WASHINGTON

Danaher Corporation announced today that net earnings for its first quarter ended March 28, 2003 were \$103.1 million, 25% higher than its 2002 first quarter net earnings, before the effect of a change in accounting principle, of \$82.7 million. Diluted earnings per share for the 2003 first quarter were \$0.65, an 18% increase over the comparable \$0.55 for the 2002 first quarter. The net loss for the 2002 first quarter, after the effect of the accounting change, was \$91.0 million, or \$0.58 per diluted share. Sales for the 2003 first quarter were \$1,196.2 million, 19% higher than the \$1,004.2 million reported for the 2002 first quarter.

H. Lawrence Culp, Jr., President and Chief Executive Officer, stated, "We are pleased to report record first quarter 2003 earnings. Record sales were driven by acquisition growth of 15% and core volume growth of 1%. Currency gains added approximately 3% to sales. Organic growth in our Process/Environmental Controls segment, in particular in our Motion business, offset the expected decline in the Tools and Components segment. Our operating cash flow of \$214 million was more than twice net income. We are pleased with our performance through this period of uncertainty but we remain cautious regarding the economic challenges that persist. Nevertheless, we remain confident in our ability to deliver positive results for the balance of the year. "

Danaher Corporation is a leading manufacturer of Process/Environmental Controls and Tools and Components. ([www.danaher.com](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 risks and uncertainties relating to customer and supplier relationships and prices, competition, market demand, litigation and other contingent liabilities, the integration and operation of acquired businesses, and economic, political, governmental and technological factors affecting the Company's operations, markets, products, services and prices, among others, as set forth in the Company's SEC filings.

DANAHER CORPORATION  
Results of Operations  
(thousands, except per share amounts)  
(unaudited)

|  | Three Months Ended |                   |
|--|--------------------|-------------------|
|  | March 28,<br>2003  | March 29,<br>2002 |

|       |             |             |
|-------|-------------|-------------|
| Sales | \$1,196,215 | \$1,004,207 |
|-------|-------------|-------------|

Operating costs and expenses:

|   |           |            |         |
|---|-----------|------------|---------|
| Cost of sales   | 728,816   | 628,184    |         |
| Selling, general and administrative expenses                    | 301,181   |            | 238,802 |
| Gain on sale of real estate                                     | (775)     | --         |         |
| <br>  |           |            |         |
| Total operating expenses  | 1,029,222 | 866,986    |         |
| Operating profit  | 166,993   | 137,221    |         |
| Interest expense, net   | 11,916    | 10,908     |         |
| Earnings before income taxes and<br>effect of accounting change | 155,077   | 126,313    |         |
| Income taxes  | 51,951    | 43,578     |         |
| <br>  |           |            |         |
| Net earnings, before effect of accounting change                | 103,126   |            | 82,735  |
| <br>  |           |            |         |
| Effect of accounting change, net of tax                         | --        | (173,750)  |         |
| Net earnings (loss)   | \$103,126 | \$(91,015) |         |

Basic earnings (loss) per share:

|   |        |         |
|---|--------|---------|
| Net earnings before effect of accounting change | \$ .67 | \$ .57  |
| Less: Effect of accounting change               | --     | (1.20)  |
| Net earnings (loss)                             | \$ .67 | \$(.63) |

Diluted net earnings (loss) per share:

|   |        |         |
|---|--------|---------|
| Net earnings before effect of accounting change | \$ .65 | \$ .55  |
| Less: Effect of accounting change               | --     | (1.13)  |
| Net earnings (loss)                             | \$ .65 | \$(.58) |

Average common stock and common equivalent  
shares outstanding

|         |         |         |
|---------|---------|---------|
| Basic   | 152,877 | 145,173 |
| Diluted | 160,667 | 153,942 |

A complete copy of Danaher's Form 10-Q financial statements is available on the Company's web site ([www.danaher.com](http://www.danaher.com)).

SOURCE: Danaher Corporation

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

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