

Danaher Reaffirms 2015 Guidance, Initiates 2016 Outlook

WASHINGTON, Dec. 16, 2015 /PRNewswire/ -- Ahead of an investor and analyst meeting to be held in New York, Danaher Corporation (NYSE: DHR) (the "Company") reaffirmed the Company's adjusted diluted net earnings per share guidance of \$1.25 to \$1.29 for the fourth quarter 2015.

The Company anticipates that 2016 adjusted diluted net earnings per share will be in the range of \$4.80 to \$4.95 which assumes core revenue growth between 2% and 3%.

Thomas P Joyce, Jr., President and Chief Executive Officer, stated, "This has been a remarkable year for Danaher. Year-to-date, we have completed the largest acquisition in our history with Pall, announced our 2016 separation into two independent, publicly traded companies with Fortive, and driven solid core revenue growth, operating margin expansion and free cash flow in a difficult global environment."

Joyce continued, "Looking ahead, we remain mindful of the current economic landscape. Although we have seen some order softness in our more industrial-oriented businesses, our team continues to execute well and is generating solid margin performance. With the Danaher Business System as our driving force, we look forward to delivering earnings outperformance and long-term shareholder value for many years to come."

Danaher will host a live video webcast of its investor and analyst meeting today, December 16, 2015, beginning at 11:00 a.m. ET and concluding at approximately 2:30 p.m. The video webcast will be available on the Investors section of Danaher's website, www.danaher.com, under Events & Presentations. A replay of the webcast will be available shortly after the conclusion of the presentation.

ABOUT DANAHER

Danaher is a global science and technology innovator committed to helping its customers solve complex challenges and improving quality of life around the world. Our family of world-class brands has leadership positions in some of the most demanding and attractive industries, including health care, environmental and industrial. The Company's globally diverse team of approximately 80,000 associates is united by a common culture and operating system, the Danaher Business System. In 2014, Danaher generated \$19.9 billion in revenue and its market capitalization exceeded \$60 billion. For more information please visit: www.danaher.com.

FORWARD LOOKING STATEMENTS

Statements in this release that are not strictly historical, including the statements regarding the Company's anticipated adjusted diluted net earnings per share for the fourth quarter of 2015 and full year 2016, core revenue growth for 2016, anticipated separation into two independent companies in 2016, anticipated margin performance, earnings outperformance and creation of long-term shareholder value 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, deterioration of or instability in the economy, the markets we serve and the financial markets, the impact of our restructuring activities on our ability to grow, contractions or growth rates and cyclicity 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 ability to successfully identify, consummate and integrate appropriate acquisitions and successfully complete divestitures and other dispositions, contingent liabilities relating to acquisitions and divestitures, our ability to successfully consummate the separation of Danaher into two public companies and realize the anticipated benefits of that transaction, our compliance with applicable laws and regulations (including regulations relating to medical devices and the healthcare industry) and changes in applicable laws and regulations, our ability to effectively address cost reductions and other changes in the healthcare industry, 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, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, 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, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, labor matters, international economic, political, legal, compliance and business factors, disruptions relating to man-made and natural disasters, security breaches or other disruptions of our information technology systems 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 2014 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the third quarter of 2015. These forward-looking statements speak only as of the date of this release and 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 forward-looking information presented on a non-GAAP basis, the Company is unable to provide a quantitative reconciliation to GAAP because the items that would be excluded are difficult to predict and estimate and are primarily dependent on future events.

Danaher Corporation

Reconciliation of GAAP Financial Measures to Non-GAAP Measures

Forecasted Adjusted Diluted Net Earnings Per Share

Year Ending
December

	31, 2015	Year Ending December 31, 2016	
	Mid-point of Guidance Range	Low End of Guidance Range	High End of Guidance Range
Diluted Net Earnings Per Share (GAAP)	\$ 3.63	\$ 4.07	\$ 4.22
Fair value adjustments to Nobel Biocare acquisition-related inventory (\$20 million pre-tax, \$15 million after-tax)	0.02	-	-
Acquisition-related transaction costs deemed significant (\$21 million pre-tax, \$16 million after-tax), change in control payments, and fair value adjustments to inventory balances (\$47 million pre-tax, \$36 million after-tax), in each case related to the acquisition of Pall Corporation	0.14	-	-
Gain on sale of marketable securities (\$12 million pre-tax, \$8 million after-tax)	(0.01)	-	-
Costs incurred in 2015 (\$22 million pre-tax, \$17 million after-tax) and expected to be incurred in 2016 (\$36 million pre-tax, \$28 million after-tax) related to preparation for Danaher's 2016 separation	0.02	0.04	0.04
Impact of discrete tax items in 2015 (\$16 million)	(0.02)	-	-
Impairment related to certain tradenames	0.01	-	-
Add Back Amortization of Intangible Assets to be incurred in 2015 (\$478 million pre-tax (\$366 million after-tax)) and 2016 (\$630 million pre-tax (\$482 million after-tax))	0.51	0.69	0.69
Adjusted Diluted Net Earnings Per Share (Non-GAAP)	\$ 4.30	\$ 4.80	\$ 4.95
Year-Over-Year Adjusted Diluted Net Earnings Per Share Growth (Non-GAAP) *		12%	15%

Adjusted Diluted Net Earnings Per Share

We disclose the non-GAAP measure of adjusted diluted net earnings per share which refers to GAAP diluted net earnings per share excluding the items identified in the reconciliation schedule above. This non-GAAP measure should be considered in addition to, and not as a replacement for or superior to, GAAP diluted net earnings per share, and may not be comparable to similarly titled measures reported by other companies.

Management believes that this measure provides useful information to investors by reflecting additional ways of viewing aspects of Danaher's operations that, when reconciled to the corresponding GAAP measure, helps our investors to better understand the long-term profitability trends of our business, and facilitates easier

comparisons of our profitability to prior and future periods and to our peers. The items described above have been excluded from this measure because items of this nature and/or size occur with inconsistent frequency, occur for reasons that may be unrelated to Danaher's commercial performance during the period and/or we believe are not indicative of Danaher's ongoing operating costs or gains in a given period, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult. The Company deems acquisition-related costs incurred in a given period to be significant (generally relating to the Company's acquisitions) if it determines that such costs exceed the range of acquisition-related transaction costs typical for Danaher in a given period.

The Company estimates the tax effect of the items identified in the reconciliation schedule above by applying the Company's overall estimated effective tax rate to the pre-tax amount, unless the nature of the item and/or the tax jurisdiction in which the item have 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.

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For further information: Matthew E. Gugino, Vice President, Investor Relations, Danaher Corporation, Telephone: (202) 828-0850, Fax: (202) 828-0860

<https://investors.danaher.com/2015-12-16-Danaher-Reaffirms-2015-Guidance-Initiates-2016-Outlook>