DANAHER CORPORATION

Third Quarter 2019 Earnings Release

October 24, 2019

DANAHER

Forward Looking Statements

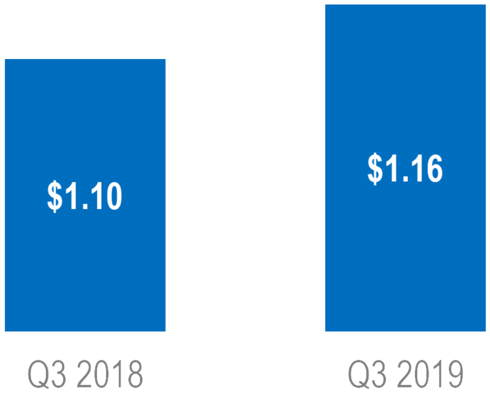
Statements in this presentation that are not strictly historical, including any statements regarding Danaher’s anticipated financial performance for the fourth quarter and full year 2019, and any other statements regarding events or developments that we anticipate will or may occur in the future are "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 anticipated distribution of its Dental business 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 Reports on Form 10-Q for each of the first, second and third quarters 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 of adjusted diluted net earnings per share, core revenue growth, year-over-year core operating margin changes and free cash flow referenced in the following presentation, definitions and the accompanying information required by SEC Regulation G can be found in the “Investors” section of Danaher’s web site under the heading “Financial Reports” and subheading “Quarterly Earnings,” and can also be found at the end of this presentation. In addition, in addressing various financial metrics the presentation describes certain of the more significant factors that impacted year-over-year performance. For additional factors that impacted year-over-year performance, please refer to our earnings release, Quarterly Report on Form 10-Q for the third quarter of 2019 and the other related presentation materials supplementing today’s call, all of which are available in the “Investors” section of Danaher’s web site under the heading “Financial Reports” and subheading “Quarterly Earnings”. In this presentation, all figures relate to Danaher’s continuing operations and revenue amounts are in millions.

Third Quarter 2019 Performance Summary

ADJUSTED DILUTED NET EARNINGS PER SHARE

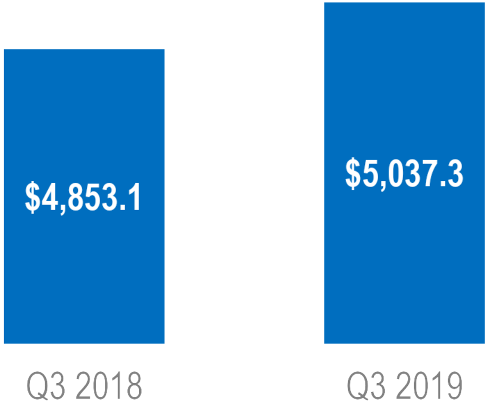
+5.5%



REVENUE

+4.0%

Core +5.0%
Acquisitions +0.5%
FX -1.5%



($ millions)

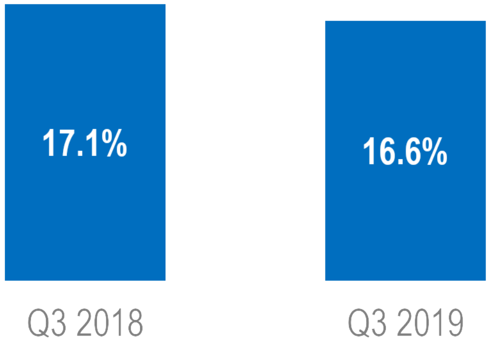
Throughout this presentation, with respect to revenue performance, for the definitions of "Acquisitions," "Core," and "FX," please refer to the accompanying information required by Regulation G, located at the end of this presentation and on the "Investors" section of Danaher's website.

Third Quarter 2019 Performance Summary

OPERATING PROFIT MARGIN

-50 BPS

Core +70 bps
Acquisitions -10 bps
Other -110 bps



GROSS MARGINS

Q3 2019 – 55.8%
Q3 2018 – 55.4%

+40 BPS

SG&A (as a % of Revenue)

Q3 2019 – 32.8%
Q3 2018 – 32.1%

+70 BPS

R&D (as a % of Revenue)

Q3 2019 – 6.3%
Q3 2018 – 6.2%

+10 BPS

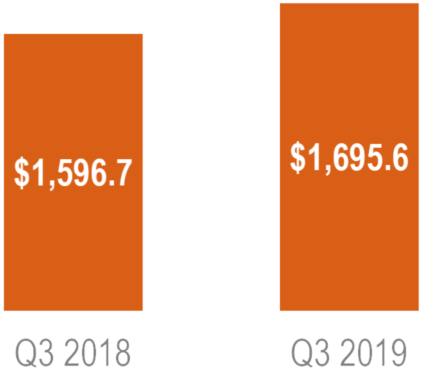
Throughout this presentation when referred to in connection with operating profit margins, "Acquisitions" refers to the impact of businesses owned for less than one year or disposed of during such period and not treated as discontinued operations, "Other" refers to certain acquisition-related charges and gains and costs associated with the anticipated acquisition of GE Biopharma and the Dental business separation, and "Core" refers to all other year-over-year operating profit margin changes; for further description of these items, please refer to the accompanying information required by Regulation G, located at the end of this presentation and on the "Investors" section of Danaher's website.

Third Quarter 2019: Life Sciences

REVENUE

+6.0%

Core +6.5%
Acquisitions +1.0%
FX -1.5%

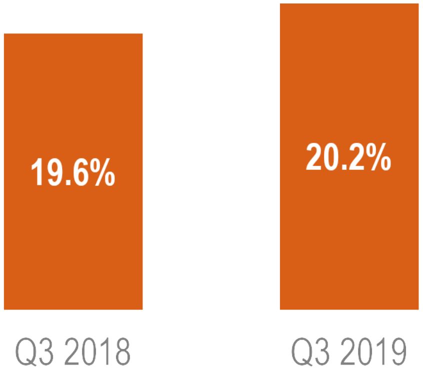


($ millions)

OPERATING PROFIT MARGIN

+60 BPS

Core +100 bps
Acquisitions -40 bps
Other — bps



Third Quarter 2019: Diagnostics

REVENUE

+6.5%

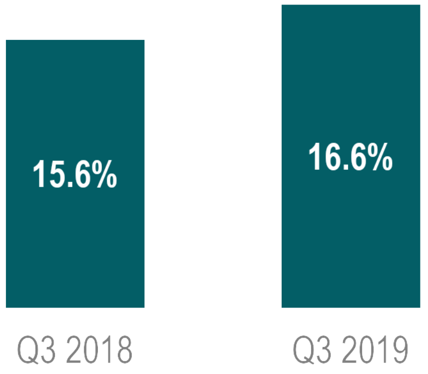
Core +8.0%
Acquisitions —%
FX -1.5%

($ millions)

OPERATING PROFIT MARGIN

+100 BPS

Core +100 bps
Acquisitions — bps
Other — bps

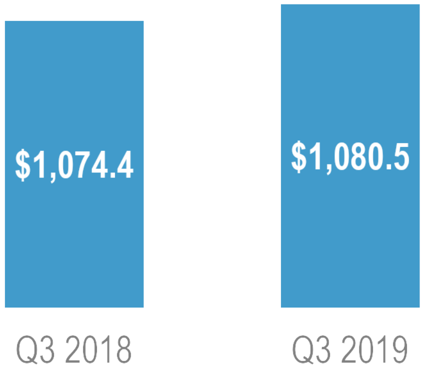


Third Quarter 2019: Environmental & Applied Solutions

REVENUE

+0.5%

Core +2.0%
Acquisitions —%
FX -1.5%

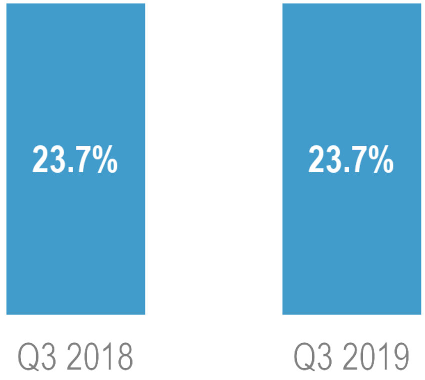


($ millions)

OPERATING PROFIT MARGIN

Flat

Core +10 bps
Acquisitions -10 bps
Other — bps



GUIDANCE

Q & A

DANAHER

Non-GAAP Reconciliations

Adjusted Diluted Net Earnings Per Share

	Three-Month Period Ended	
	September 27, 2019 [1]	September 28, 2018
Diluted Net Earnings Per Share (GAAP)	**$ 0.89**	**$ 0.93**
Pretax amortization of acquisition-related intangible assets [A]	0.24	0.25
Pretax Envista separation costs and costs related to establishing a new separate company infrastructure in connection with the Envista initial public offering, primarily related to incremental salaries, benefits and rent expense [B]	0.03	-
Pretax transaction costs deemed significant and integration preparation costs related to the anticipated GE Biopharma acquisition [C]	0.04	-
First quarter 2019 costs and estimated liabilities related to a legal contingency [D]	-	-
Pretax 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 [E]	-	-
Pretax gain on resolution of acquisition-related matters recognized in the second quarter of 2018 [F]	-	-
Tax effect of all adjustments reflected above [H]	(0.05)	(0.05)
Discrete tax adjustments and other tax-related adjustments [I]	-	(0.03)
Declared dividends on the MCPS assuming "if-converted" method [J]	0.01	-
Adjusted Diluted Net Earnings Per Share (Non-GAAP)	**$ 1.16**	**$ 1.10**

[1] Each of the per share amounts above have been calculated assuming the Mandatory Convertible Preferred Stock ("MCPS") had been converted into shares of common stock.

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

	Three-Month Period Ended	
	September 27, 2019	September 28, 2018
Pretax	$ 177.9	$ 174.1
After-tax	143.2	139.1

Pretax amortization for the three-month period and year ending December 31, 2019, has been reduced by $4.3 million pretax as reported in this line item, $3.5 million after-tax to reflect the amount that will be allocated to the Envista noncontrolling interest.

[B] Pretax costs incurred in the three-month period ended September 27, 2019, ($25 million pretax as reported in this line item, $22 million after-tax), the nine-month period ended September 27, 2019, and year ending December 31, 2019, ($47 million pretax as reported in this line item, $41 million after-tax) related to preparation for the Envista separation and initial public offering primarily related to professional fees for legal, tax, finance and information technology services and duplicative general and administrative costs related to establishing a public company infrastructure for the business including incremental salaries, benefits and rent expense.

[C] Pretax costs incurred (or anticipated to be incurred, as applicable) for transaction costs deemed significant and integration preparation costs in the three-month period ended September 27, 2019, ($30 million pretax as reported in this line item, $28 million after-tax), the nine-month period ended September 27, 2019, ($63 million pretax as reported in this line item, $57 million after-tax), the three-month period ending December 31, 2019, ($49 million pretax as reported in this line item, $43 million after-tax) and the year ending December 31, 2019, ($112 million pretax as reported in this line item, $100 million after-tax) related to the anticipated GE Biopharma acquisition. The Company deems acquisition-related transaction costs incurred in a given period to be significant (generally relating to the Company's larger acquisitions) if it determines that such costs exceed the range of acquisition-related transaction costs typical for Danaher in a given period.

[D] Provision for potential costs and liabilities in connection with a legal contingency ($36 million pretax as reported in this line item, $29 million after-tax) recorded in the first quarter of 2019.

[E] Acquisition-related transaction costs deemed significant ($15 million pretax as reported 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 second quarter of 2018.

[F] Net gains on resolution of acquisition-related matters in the Life Sciences segment ($9 million pretax as reported in this line item, $7 million after-tax) for the second quarter of 2018.

[G] Loss on early extinguishment of debt resulting from "make-whole" payments associated with the retirement of the 2020 U.S. Notes and the 2020 Assumed Pall Notes ($7 million pretax as reported in this line item, $5 million after-tax) in the three-month period ending December 31, 2019.

[H] This line item reflects the aggregate tax effect of all nontax adjustments reflected in the preceding line items of the table. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Danaher estimates the tax effect of each adjustment item 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. The MCPS dividends are not tax deductible and therefore the tax effect of the adjustments does not include any tax impact of the MCPS dividends.

[I] Discrete tax adjustments and other tax-related adjustments for the nine-month period ended September 27, 2019, includes the impact of net discrete tax charges of $227 million or $0.31 per diluted share. The discrete tax matters relate primarily to changes in estimates associated with prior period uncertain tax positions and audit settlements, net of the release of valuation allowances associated with certain foreign tax credits and tax benefits resulting from a change in law. The Company anticipates excess tax benefits from stock compensation of approximately $7 million per quarter and therefore excludes benefits in excess of this amount in the calculation of Adjusted Diluted Net Earnings Per Share.

[J] In March 2019, the Company issued $1.65 billion in aggregate liquidation preference of our 4.75% MCPS. Dividends on the MCPS are payable on a cumulative basis at an annual rate of 4.75% on the liquidation preference of $1,000 per share. Unless earlier converted, each share of MCPS will automatically convert on April 15, 2022 into between 6.6382 and 8.1318 shares of Danaher's common stock, subject to further anti-dilution adjustments. The number of shares of Danaher's common stock issuable on conversion of the MCPS will be determined based on the VWAP per share of our common stock over the 20 consecutive trading day period beginning on, and including, the 21st scheduled trading day immediately before April 15, 2022. For the purposes of calculating adjusted earnings per share, the Company has excluded the anticipated MCPS cash dividends and assumed the "if-converted" method of share dilution (the incremental shares of common stock deemed outstanding applying the "if-converted" method of calculating share dilution are referred to as the "Converted Shares.") The Company believes that using the "if-converted" method provides additional insight to investors on the anticipated impact of the MCPS once they are converted into common stock no later than April 15, 2022.

Non-GAAP Reconciliations

Year-Over-Year Core Operating Margin Changes

	Total Company	Segments: Life Sciences	Diagnostics	Dental/Envista	Environmental & Applied Solutions
Three-Month Period Ended September 28, 2018 Operating Profit Margins (GAAP)	**17.10%**	**19.60%**	**15.60%**	**12.70%**	**23.70%**
Third quarter 2019 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	(0.10)	(0.40)	-	-	(0.10)
Third quarter 2019 transaction costs deemed significant and integration preparation costs related to the anticipated acquisition of the GE Biopharma business	(0.60)	-	-	-	
Third quarter 2019 Envista separation costs and costs related to establishing new separate company infrastructure and Envista initial public offering, primarily related to incremental salaries, benefits and rent expense	(0.50)	-	-	-	-
Year-over-year core operating profit margin changes for the third quarter 2019 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	0.70	1.00	1.00	(0.80)	0.10
Three-Month Period Ended September 27, 2019 Operating Profit Margins (GAAP)	**16.60%**	**20.20%**	**16.60%**	**11.90%**	**23.70%**

Core Revenue Growth [2]

	% Change Three-Month Period Ended September 27, 2019 vs. Comparable 2018 Period
Total sales growth (GAAP)	4.0%
Less the impact of:	
Acquisitions	(0.5%)
Currency exchange rates	1.5%
Core revenue growth (Non-GAAP)	5.0%

2 We use the term "core revenue" to refer to GAAP revenue 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 ("acquisitions") and (2) the impact of currency translation. The portion of GAAP revenue 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.

Non-GAAP Reconciliations

Statement Regarding Non-GAAP Measures

Each of the non-GAAP measures set forth above should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP measure, and may not be comparable to similarly titled measures reported by other companies. Management believes that these measures provide useful information to investors by offering additional ways of viewing Danaher Corporation's ("Danaher" or the "Company") results that, when reconciled to the corresponding GAAP measure, help our investors to:

- with respect to Adjusted Diluted Net Earnings Per Share, understand the long-term profitability trends of our business and compare our profitability to prior and future periods and to our peers; and
- with respect to core revenue and adjusted core revenue, identify underlying growth trends in our business and compare our revenue performance with prior and future periods and to our peers.

Management uses these non-GAAP measures to measure the Company's operating and financial performance, and uses core revenue and non-GAAP measures similar to Adjusted Diluted Net Earnings Per Share in the Company's executive compensation program.

The items excluded from the non-GAAP measures set forth above have been excluded for the following reasons:

With respect to Adjusted Diluted Net Earnings Per Share:

  - We exclude the amortization of acquisition-related intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe however that it is important for investors to understand that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.
  - We exclude costs incurred pursuant to discrete restructuring plans that are fundamentally different (in terms of the size, strategic nature and planning requirements, as well as the inconsistent frequency, of such plans) from the ongoing productivity improvements that result from application of the Danaher Business System. Because these restructuring plans are incremental to the core activities that arise in the ordinary course of our business and we believe are not indicative of Danaher's ongoing operating costs in a given period, we exclude these costs from the calculation of Adjusted Diluted Net Earnings Per Share to facilitate a more consistent comparison of operating results over time.
  - With respect to the other items excluded from Adjusted Diluted Net Earnings Per Share, we exclude these items because they are of a nature and/or size that occur with inconsistent frequency, occur for reasons that may be unrelated to Danaher's commercial performance during the period and/or we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult. For example, the first quarter 2019 legal contingency charges excluded from Adjusted Earnings Per Share were excluded because legal contingencies of this nature and amount are atypical for our businesses, infrequent and not representative of a trend in our underlying business.

- With respect to core revenue and adjusted core revenue, (1) we exclude the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends, and (2) we exclude the effect of acquisitions and divested product lines because the timing, size, number and nature of such transactions can vary significantly from period-to-period and between us and our peers, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult. With respect to adjusted core revenue, we also exclude the impact of our Envista business as we have indicated that we intend to distribute our remaining stake in Envista, and presenting core revenue on this basis gives investors insights into Danaher's core revenue excluding Envista.