

Danaher Diagnostics Investor & Analyst Day

September 5, 2024

Forward Looking Statements

Statements in this presentation that are not strictly historical, including any statements regarding Danaher's anticipated financial performance 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, unanticipated, further declines in demand for our COVID-19 related products, the impact of global health crises, the impact of our debt obligations on our operations and liquidity, deterioration of or instability in the global economy, the markets we serve and the financial markets, uncertainties with respect to the development, deployment, and use of artificial intelligence in our business and products, uncertainties relating to national laws or policies, including laws or policies to protect or promote domestic interests and/or address foreign competition, 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 compliance with applicable laws and regulations (including rules relating to off-label marketing and other 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, our ability to integrate the businesses we acquire and achieve the anticipated growth, synergies and other benefits of such acquisitions, contingent liabilities and other risks relating to acquisitions, investments, strategic relationships 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 with respect to our production capacity in times of national emergency or with respect to intellectual property/production capacity developed using government funding, risks relating to product, service or software defects, product liability and recalls, risks relating to our manufacturing operations and fluctuations in the cost and availability of the supplies we use (including commodities) and labor we need for our operations, our relationships with and the performance of our channel partners, uncertainties relating to collaboration arrangements with third-parties, the impact of deregulation on demand for our products and services, the impact of climate change, legal or regulatory measures to address climate change and our ability to address stakeholder expectations relating to climate change, labor matters and our ability to recruit, retain and motivate talented employees representing diverse backgrounds, experiences and skill sets, non-U.S. economic, political, legal, compliance, social and business factors (including the impact of military conflicts), disruptions relating to man-made and natural disasters, inflation and the impact of our By-law exclusive forum provisions. 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 2023 Annual Report on Form 10-K. 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, definitions and the accompanying information required by SEC Regulation G can be found in this presentation or in the "Investors" section of Danaher's web site, www.danaher.com. All references in this presentation (1) to 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; and (3) to operating profit below the segment level exclude amortization. We may also describe certain products and devices which have applications submitted and pending for certain regulatory approvals.

Agenda

10:00 AM	Welcome	John Bedford
10:05 AM	Diagnostics Overview	Julie Sawyer Montgomery
10:25 AM	Specialty Diagnostics	Julie Sawyer Montgomery
10:40 AM	Beckman Coulter Diagnostics	Chris Hagen
11:10 AM	Cepheid	Vitor Rocha & Peter Farrell
11:45 AM	Closing Remarks	Julie Sawyer Montgomery
11:50 PM	Q&A	All
12:15 PM	Program Ends	All

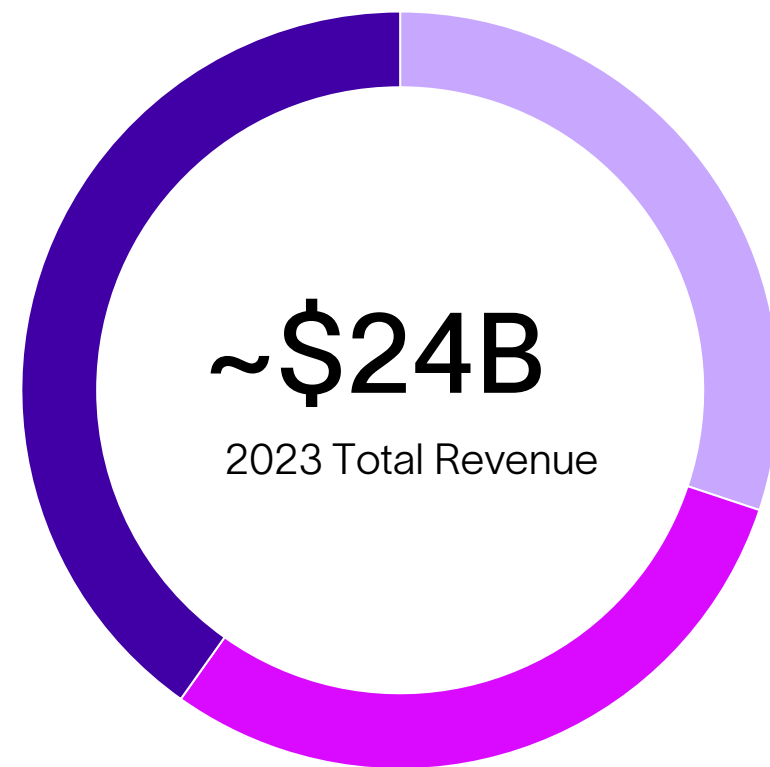
Diagnostics Overview

Julie Sawyer Montgomery

Executive Vice President, Danaher Diagnostics



Danaher Today



● Biotechnology ● Life Sciences ● Diagnostics

Biotechnology
~\$7.2B



Life Sciences
~\$7.1B

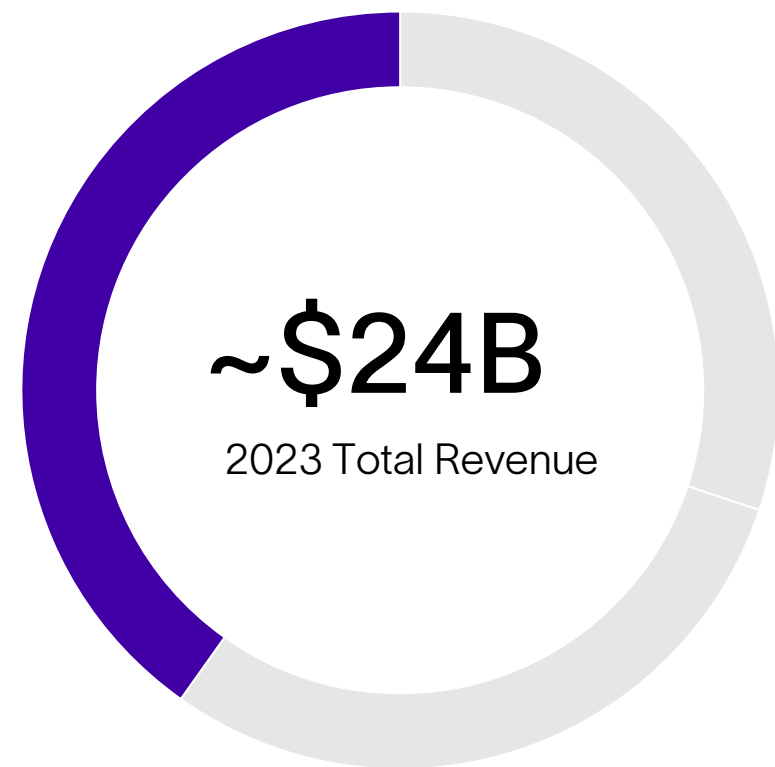


Diagnostics
~\$9.6B



Differentiated positioning, attractive end markets, improved financial profile

Danaher Today



● Biotechnology ● Life Sciences ● Diagnostics

Biotechnology
~\$7.2B



Life Sciences
~\$7.1B

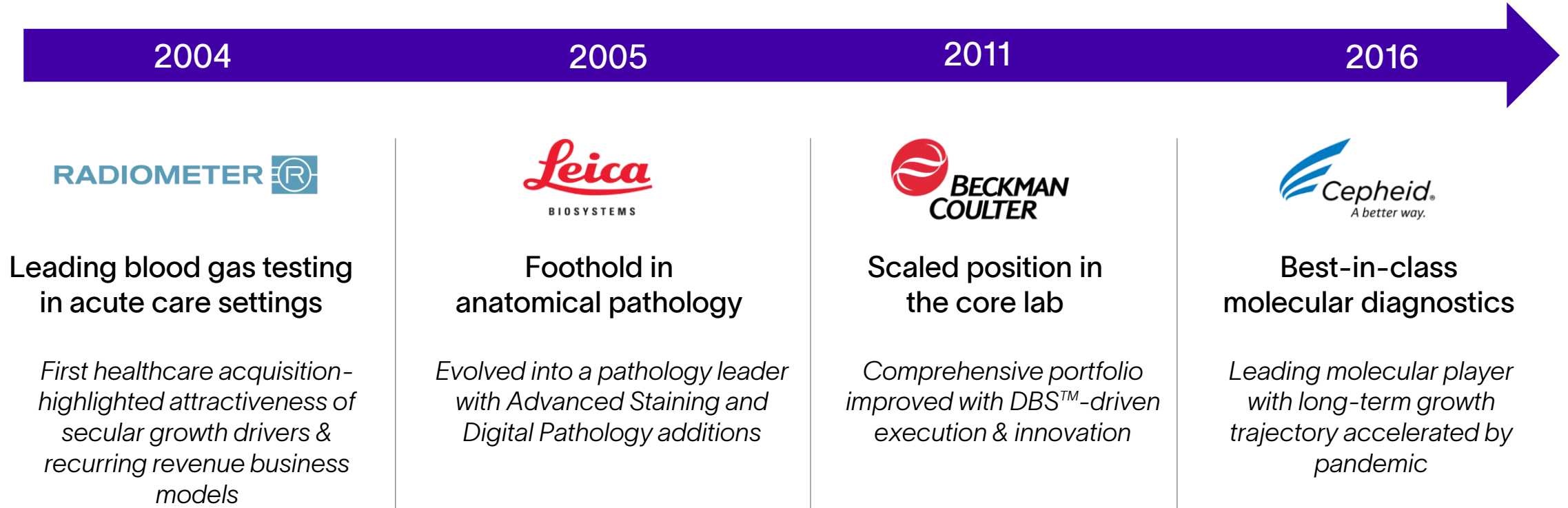


Diagnostics
~\$9.6B











Scaled & differentiated positions in many of the most attractive areas of Dx

Building the Diagnostics Platform



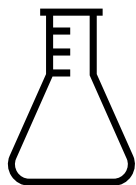
Acquiring leading positions and enhancing with DBS™

A Comprehensive Diagnostics Platform

			Annual Revenue at Acquisition	2023 Revenue	2023 Adj. Operating Profit Margin ¹
 EMERGENCY/ INTENSIVE CARE		Acquired 2004	~\$300M	~\$1.2B	>30%
 PATHOLOGY LAB		2005	~\$100M	~\$1.4B	>25%
 CORE LAB		2011	~\$2.9B	~\$4.0B	~20%
 MOLECULAR DX		2016	~\$600M	~\$3.0B	>30%

Scaled businesses with differentiated financial profiles

Strong Secular Growth Drivers



Predictive & Preventive Care

>70%

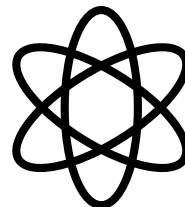
Of treatment decisions are informed by clinical diagnostics



Aging Global Population

>1.5B

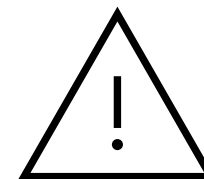
Estimated number of people over 65 by 2050 (2x vs 2023)



Adoption of New Technologies

2.5X

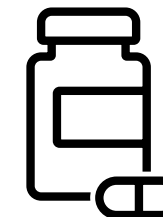
Increase in global molecular dx. market (2019-2023)



Skilled Labor Shortage

>15%

Of clinical laboratory roles are unfilled in the U.S.






Increase in Complementary Diagnostics

>50%

Of pharma clinical trials use biomarker-based tests for enrollment

Long-term secular growth drivers underpin strategy

Portfolio Indexed to Highly Attractive Areas of Diagnostics

Best-in-Class Molecular Dx	Leading molecular player with largest installed base & test menu		DD	Cepheid Non-Respiratory Revenue CAGR (2019-2023)
Scaled Specialty Dx Positions	Scaled pathology and blood gas leaders, each >\$1B annual revenue		HSD	LBS & Radiometer Core Revenue CAGR (2013-2023)
Strong Core Lab Presence	Comprehensive portfolio with strong footholds in the core lab		MSD	Beckman Avg. Annual Core Revenue Growth (2022, 2023)

Diagnostics portfolio focused on high-growth segments

How We Win in Diagnostics

Our Competitive Advantage

Innovation	DBS Growth Tools™ driving higher cadence of innovation
Commercial Execution	Account wins driven by focus on operational efficiency & clinical value advantage
High Growth Segments	Establishing positions in attractive, fast-growing areas: <i>Neurodegenerative, Host-Response Infectious Disease, Oncology</i>

~2X
Increase in New Product Launches (2022-24 vs. 2019-21)

>40%
Increase in Bec Dx Competitive Wins (2018-2023)

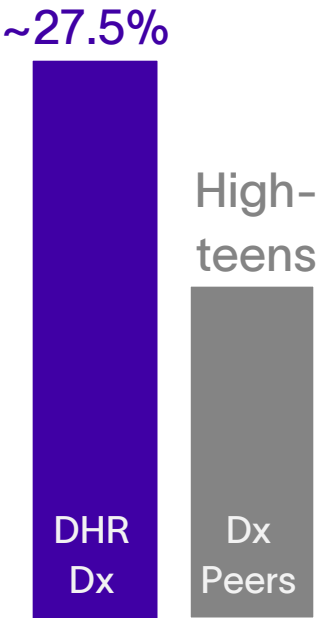
+DD
Long-Term Market Growth in Target Disease Areas²

Differentiated Financial Profile

Core Revenue Growth¹
CAGR 2018-2023



2023 Adj. Operating Profit Margin



Our Diagnostics platform has outperformed peers

Positioned to Win in Emerging High-Growth, High-Impact Areas of Diagnostics



Neurodegenerative Disease

Clinical Need

Addressable Market Increase¹

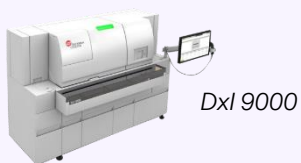
Danaher Enabling Technology

Partnerships

Accessible, non-invasive Dx for early detection & monitoring

>\$5B

Highest sensitivity clinical protein detection platform



Dxl 9000

Blood-based biomarker development



Infectious Disease

Rising complexity in infectious disease management

>\$20B

Highly differentiated Molecular and Immunoassay platforms



GeneXpert System

Dxl 9000

Precision medicine for Sepsis & Host-Immune Response Dx



Oncology

Targeted therapies need greater precision & access to Dx insights

>\$30B

Leading IHC Position and Digital Pathology Slide Scanner



BOND PRIME






GT 450

DHR Dx Centers of Innovation for Companion Dx



Helping solve some of healthcare's biggest challenges

Harnessing the Power of the Platform

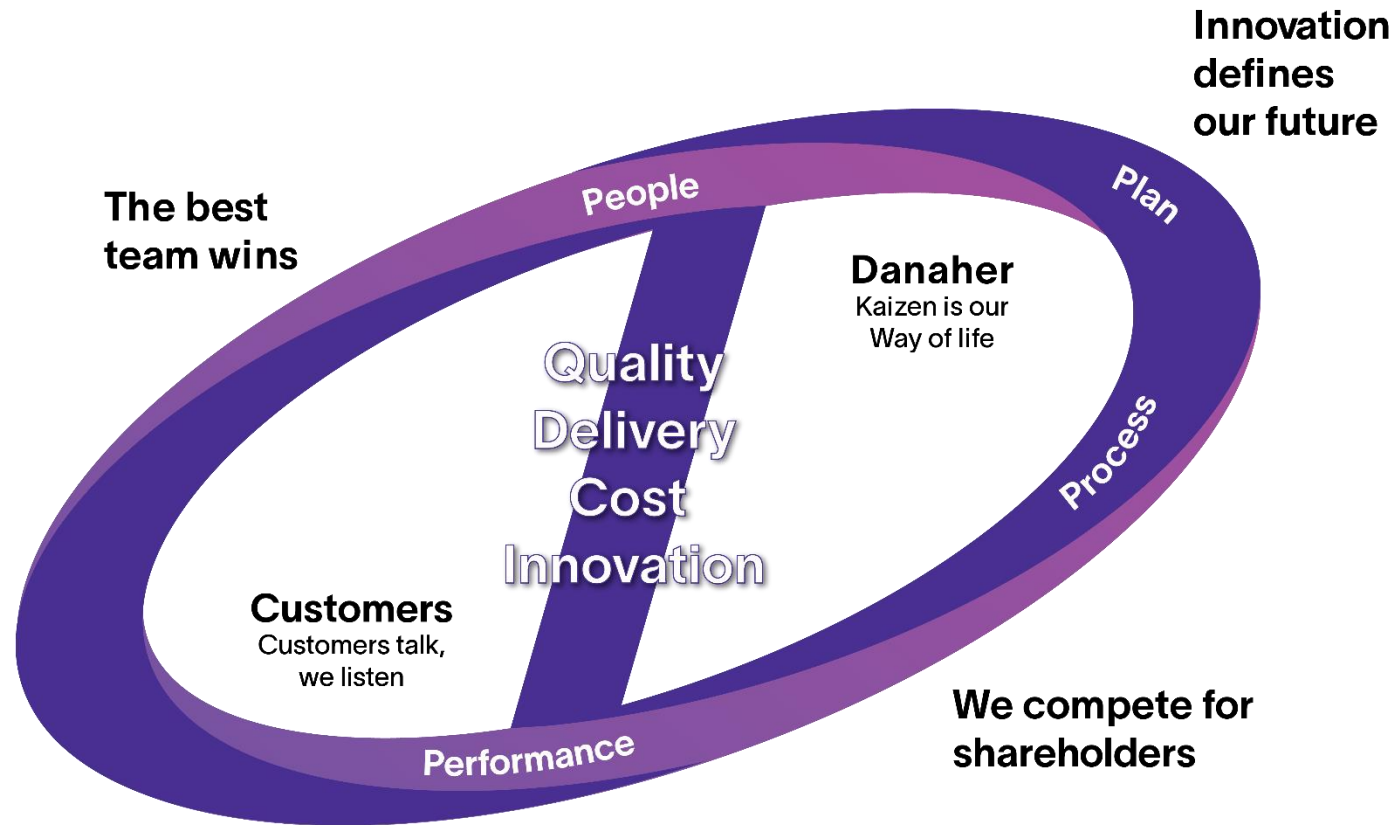
Commercial	Innovation	Partnerships
<p>Selling the value of Danaher's comprehensive portfolio across large healthcare networks</p> <div><p>Core Lab Molecular Pathology Intensive Care</p></div>	<p>Aligning capabilities across the platform to accelerate innovation in areas of highest impact</p> <div><p>Danaher Dx Global Innovation Centers</p></div>	<p>Partnering with researchers & leading institutions to drive breakthroughs in Diagnostics</p> <div><p>Danaher Beacons</p><div><p>Oxford University partnership to enable precision medicine care for sepsis</p><p>Collaborating with Johns Hopkins University to improve diagnosis of mild TBI</p></div></div>



Strengthening our value proposition with platform level capabilities



The Danaher Business System (DBS)[™]



DBS[™] enabling differentiated execution, at scale

What You'll Hear Today

Specialty Diagnostics

Scaled pathology and acute care businesses with commercial execution and innovation driving above market revenue growth

Core Lab

Beckman Coulter Diagnostics a comprehensive core lab player with innovation & commercial execution paving clear path to MSD to HSD core revenue growth

Molecular Diagnostics

Cepheid expanding on its leading positions in respiratory & non-respiratory
Molecular Dx

Specialty Diagnostics

Julie Sawyer Montgomery
Executive Vice President, Danaher Diagnostics

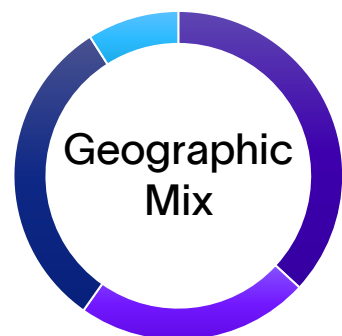


Specialty Diagnostics Overview

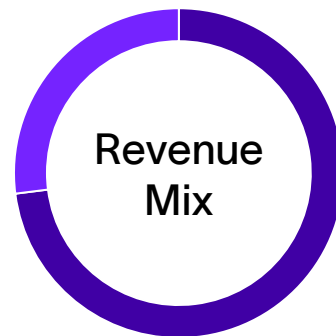
~\$2.6B
2023 Revenue



- Pathology
- Acute/POC



- N. America
- W. Europe
- HGM
- ROW



- Recurring
- Non-recurring

Leica

BIO SYSTEMS

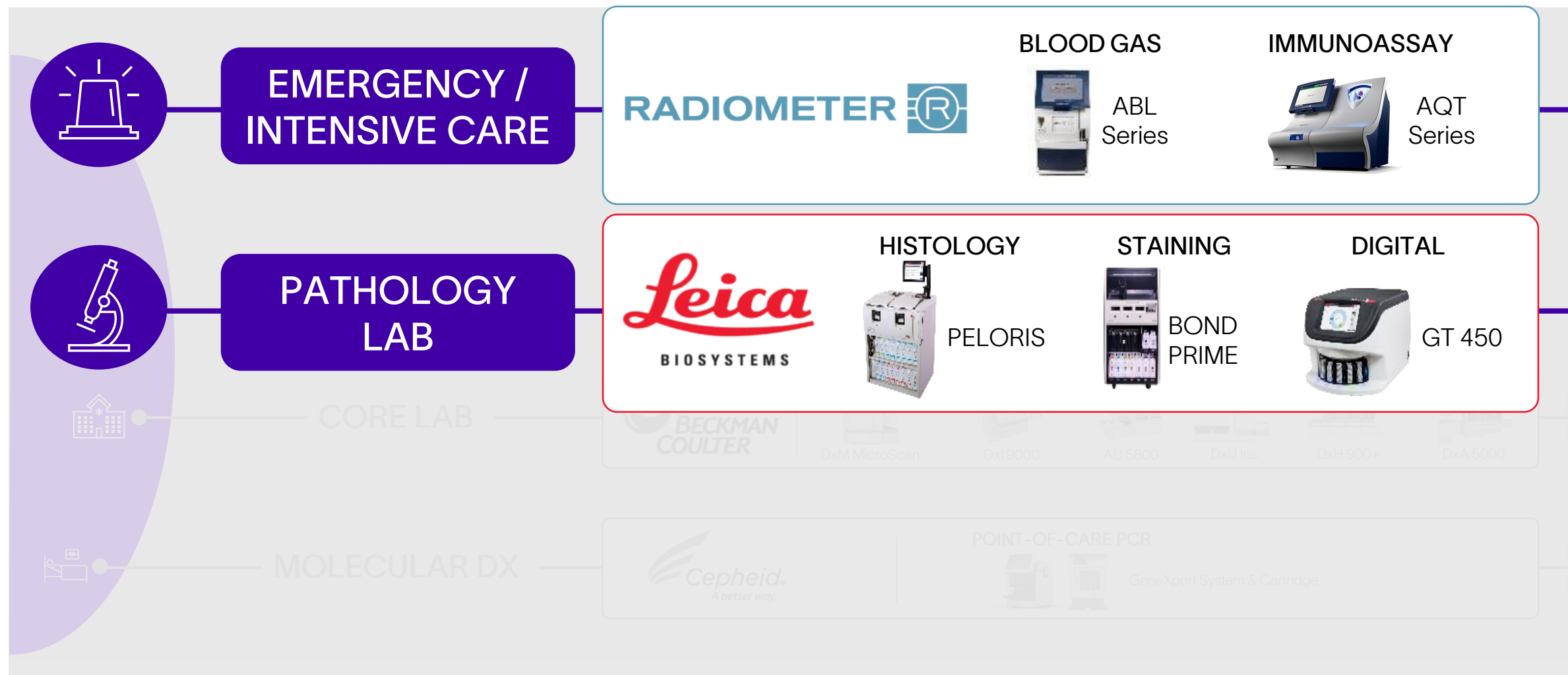
RADIOMETER

Global growth drivers

- Skilled labor shortages in context of increasing caseload & complexity
- Aging global population and increasing number of cancer diagnoses
- Improving standards of care in HGM
- Artificial Intelligence improving diagnostic decision making

Strong global brands with leading market positions

Where We Play Across Specialty Diagnostics



Leading positions in pathology and acute care

Strong Execution Driving Growth at Radiometer

Strategic Focus Areas

Innovation & New Products

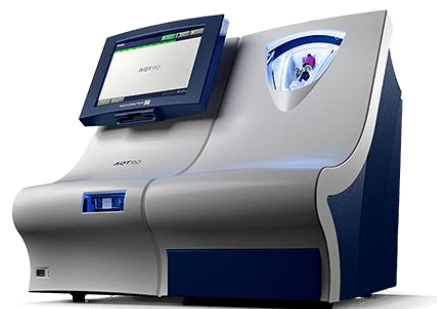
High quality, broad product line for blood gas and immunoassay testing at hospital POC

Execution in HGM

Expanding commercial capabilities & direct sales channels in high-growth markets

Reinvesting for Growth

Running the Danaher Playbook to fund growth investments and expand margins



AQT POC-Immunoassay Platform development funded by DBS™-driven operational and G&A efficiency

Results 2018-2023

+3X

Connected Blood Gas Analyzers

+LDD

HGM Avg. Annual Revenue Growth

+LDD

Avg. Annual Core Growth in POC Immunoassay

Avg. Annual Core Revenue Growth 2018-2023

>300 BPS

Avg. Annual Outperformance

HSD

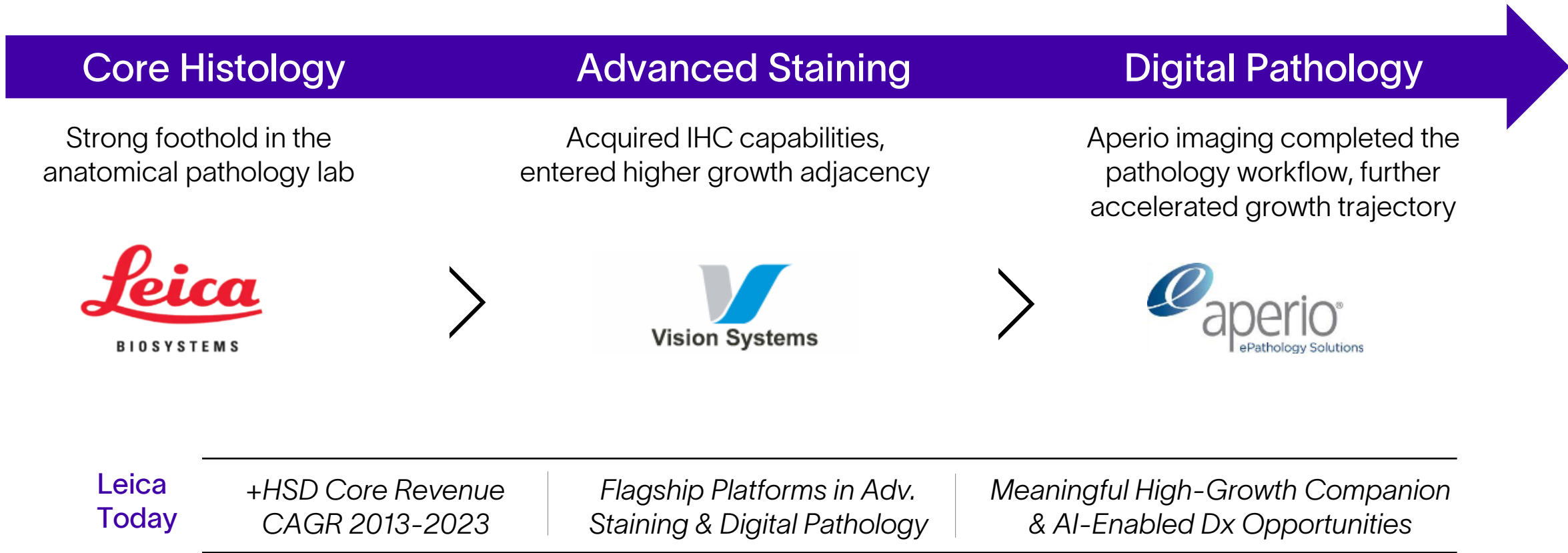


LSD

Peers

Outperformance driven by consistent, DBS™-driven execution & innovation

Leica's Pathology Business Evolution



DBS™-driven execution & strategic M&A have driven long-term outperformance

Accelerating Innovation at Leica Biosystems



Aperio GT 450

- Leading FDA 510(K) cleared digital pathology slide scanner
- Complete ecosystem built for digitizing anatomic pathology



~40%

Faster Turnaround
Time Than Prior
Platforms

DD

Estimated Digital
Pathology Share Gains
(2018-2023)

BOND- PRIME

- High-speed advanced staining with industry leading turnaround time
- Enables fully automated pathology lab workflow



>2X

Faster Throughput vs.
Leading Competitors

>10%

Advanced Staining
Average Annual Core
Growth (2018-2023)

Innovation increasing productivity and driving market share gains

Putting It All Together

How We Win in Specialty Diagnostics

Attractive Positioning

Scaled and leading positions in acute care and in the pathology lab

DBS-Driven Execution™

DBS™-led commercial execution and innovation driving above market growth and financial performance

Innovation

Focused on improving patient outcomes while driving long-term growth

Outstanding Long-Term Performance

Core Revenue Growth
2013-2023

+HSD

+

2023
Adj. Operating
Profit Margin

>25%

=

2023
ROIC

>20%

Scaled businesses have grown above market, driven by commercial execution & innovation

Beckman Coulter Diagnostics

Chris Hagen

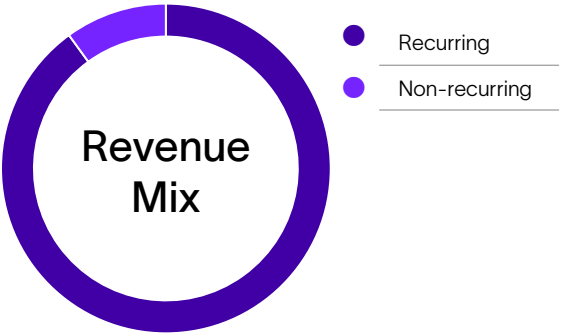
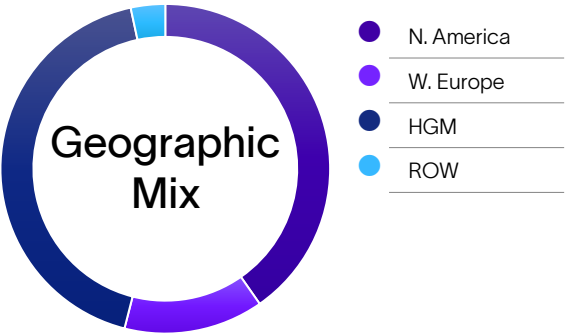
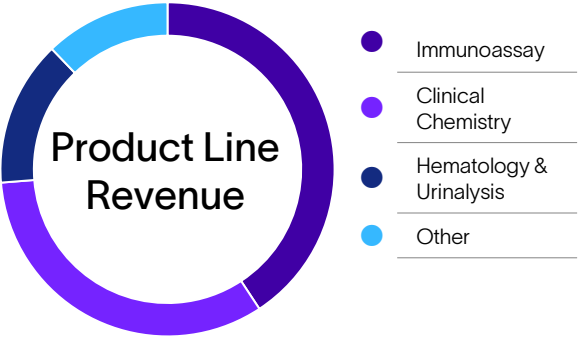
Sr. Vice President and GM, Beckman Coulter Diagnostics



Beckman Coulter Overview



~\$4.0B
2023 Revenue

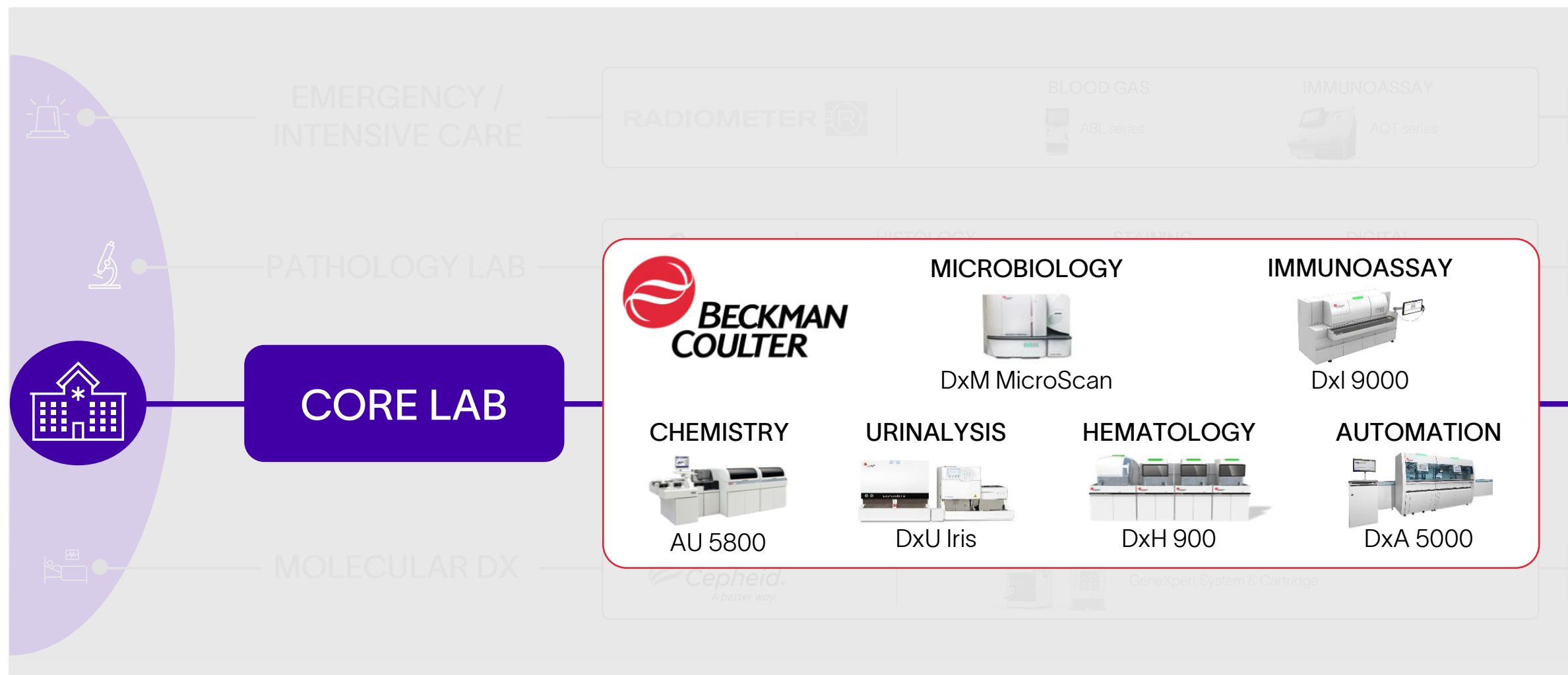


Global growth drivers

- Aging global population
- Skilled labor shortages & cost pressures necessitating automated solutions
- Emergence of complementary diagnostics
- Improving standards of care in HGM

Strong global brand with leading core lab position

Where We Play Across Beckman Coulter Diagnostics



Comprehensive portfolio with strong footholds across the core lab

Accelerating Performance at Beckman Coulter

Strategic Focus Areas & Results

Innovation & New Products

- High value, high-impact new products
- Comprehensive portfolio upgrade

~2x

Increase in Annual Revenue from New Products (2018 vs. 2023)

Commercial Execution

- Increasing win rate at strategic accounts
- Targeting 'high fit' customers

~20%

YOY Increase in Competitive Wins (2023)

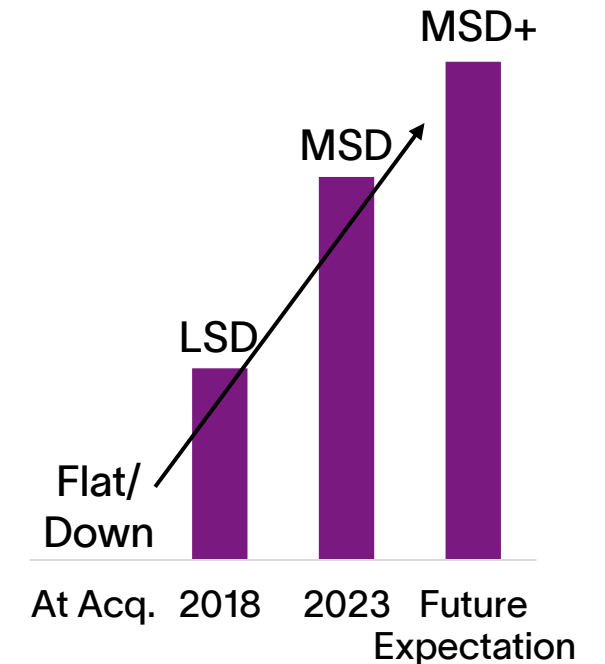
Repositioning to Higher Growth Areas of Clinical Dx

- Leading positions in attractive, higher growth market segments: immunoassay & automation

+HSD

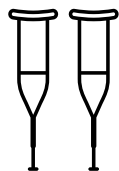
Immunoassay Core Revenue Growth (2023)

Beckman Coulter Annual Core Revenue Growth



Positive trajectory driven by strategic realignment & innovation

Hospital Customers Face Significant Challenges



In the Lab

- Staff & skilled labor shortages
- Increasing demand for standardization



In the Clinic

- Difficult to drive clinical impact through hospital
- Innovation constrained by IVD partner innovation



Across the Hospital

- Pressure on profitability
- Increasing shareholder expectations

We are solving our customers' biggest challenges

Bringing *Automation For All* To The Market

Small DxC500i

<750K

- Integrated Chemistry & Immunoassay analyzer
- Small footprint and workflow automation for low-volume labs



Medium DxA 5000 Fit

750K - 5M

- Compact footprint brings value of automation to mid-size labs
- Reduces time spent on manual steps by >70% vs. workcells



Large DxA 5000

>5M

- Maximum scalability, flexibility & connectivity
- Solves lab staffing challenges
- Improves turnaround time for quicker patient results



>2x automation installs at customers in 2023 vs. 2018

DxI 9000: Unlocking New Markets & Enabling Early Disease Detection

Key DxI 9000 Benefits

Improves Customer Workflows

- Industry leading throughput
- Simplifies and reduces maintenance requirements

Menu Expansion for Beckman IA

- Blood Virus
- Cardiac: NT-proBNP

High-Sensitivity Disease Detection

- Neurodegeneration
- Reproductive / Hormones
- Infectious Disease

4X

Less Maintenance
Than Competitive
Systems

>\$3B

Blood Virus and
Cardiac Addressable
Market Expanded

100X

More Sensitive vs.
Traditional IA Systems

DxI 9000
ACCESS IMMUNOASSAY ANALYZER



Expanding addressable market and enabling high-sensitivity innovation

Improving Commercial Execution with DBS™

Situation 5 years ago

- Execution limited by sales force size, structure & expertise
- Defensive strategic account focus, limited to legacy customer
- Focus on product feature-based selling

DBS™ Actions

- **Performance Partnership** team & experienced sales hires
- **Solution-based selling** using workflow automation
- Focused **Strategic Accounts** team on largest health systems

Results

~25%

N. America Increase
in Competitive Wins
YOY (2023)

>1.5X

Increased Market
Visibility 2018 vs.
2023

>2X

Automation Installs
2018 vs. 2023

Winning and Retaining Key Accounts



Tenet Health

Indiana University

Scion Health

Henry Ford Health

Atrium Health

**Northwestern
University**



**Ardent
Healthcare**

New sales structure & focus accelerating performance

Performance Partnerships at Beckman

Harnessing DBS fundamentals™ to optimize customers' operations



Regional Health System Illustration



- 900+ beds
- 8 hospitals
- 1M+ patients annually
- \$30M annual core lab spend

Customer Results

\$1.5M

Annual operational savings

17.5%

Increase in staff productivity

>50%

Improvement in turnaround time for acute cardiac tests

Incremental revenue from key account wins of >\$45M since 2022

Beckman's Alzheimer's Disease Opportunity

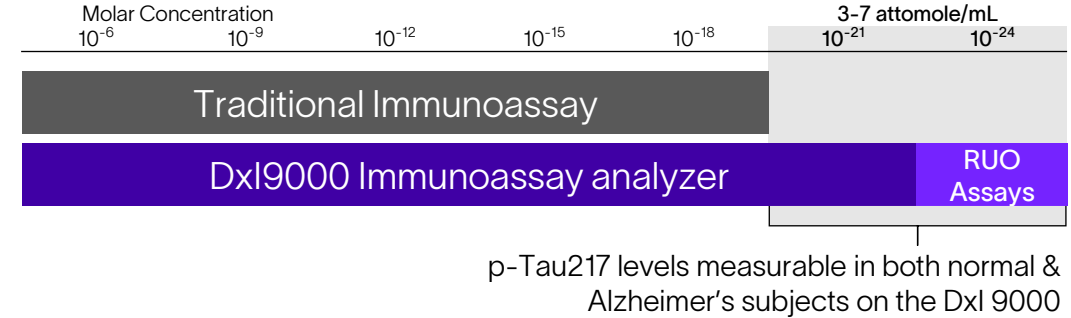
The Alzheimer's Diagnostics Challenge

- Novel treatments need accessible biomarkers
- Biomarker concentrations up to 100X less concentrated in blood than cerebral spinal fluid

What the Dxl 9000 Enables

- Measures p-Tau217, a promising blood-based biomarker, at or below leading assays in development
- Fully automated, high-throughput workflow
- Ability to utilize Beckman's global installed base

Dxl 9000 RUO Sensitivity



Collaborating to develop blood-based biomarkers

RUO Assays **4** available today **6** under development

Key Partnerships  ALZpath  FUJIREBIO

Dxl 9000's leading sensitivity, global installed base & partnerships open meaningful Alzheimer's Opportunities

Putting It All Together

Key Priorities

Menu Expansion

- Blood virus
- High sensitivity cardiac menu

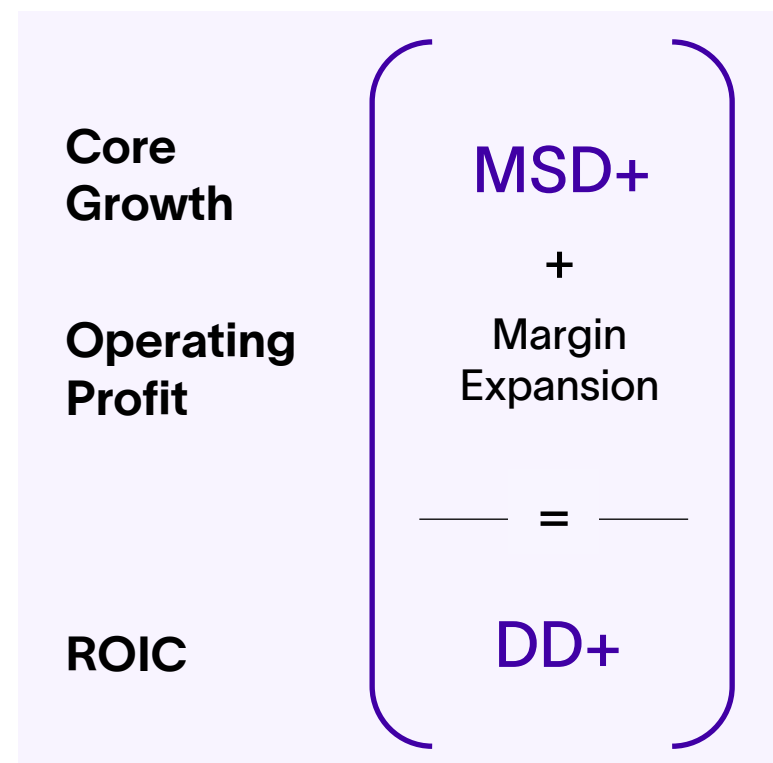
High-Value Disease States

- Neurology
- Infectious Disease
- Hem-Oncology

Enhancing Operational Efficiency

- Running the DHR playbook to fund growth investments, expand margins

Anticipated Long Term Performance at Beckman



Meaningful opportunity to improve growth and margin through DBS™-driven innovation & commercial execution

Cepheid

Vitor Rocha
President, Cepheid

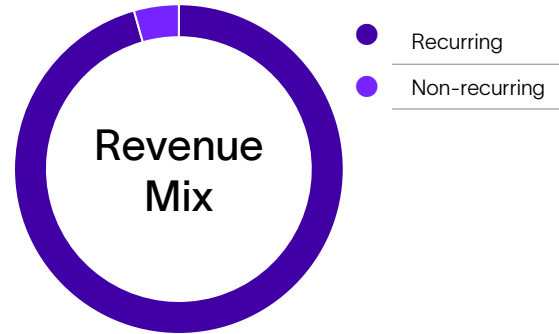
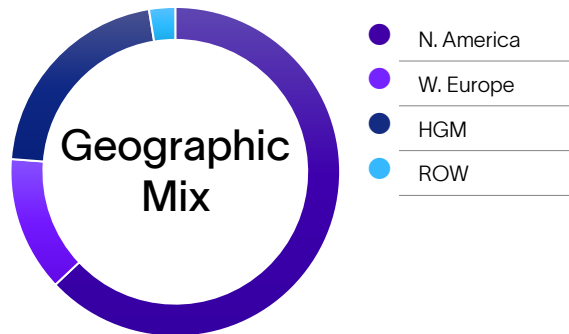
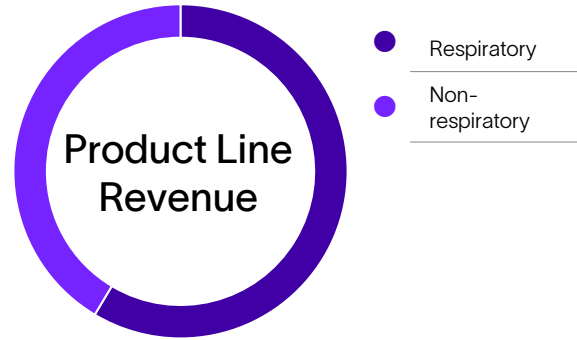
Peter Farrell
EVP Worldwide Commercial Operations, Cepheid



Cepheid Overview



~\$3.0B
2023 Revenue

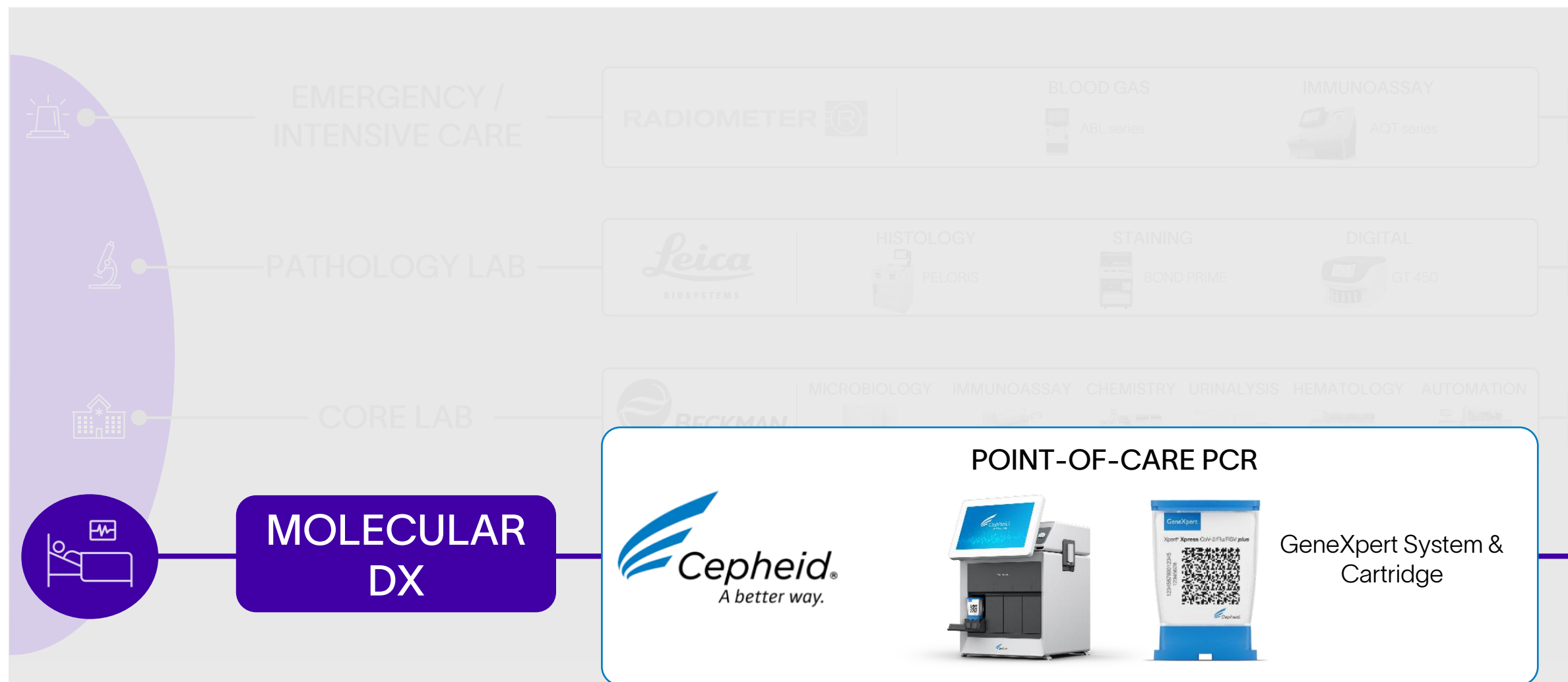


Global growth drivers

- Penetration of molecular diagnostics
- Point-of-care & decentralization of health care
- Increasing infectious disease testing
- Improving standards of care in HGM

Strong global brand with leading market position

Where We Play Across Cepheid



Leading player in molecular diagnostics

Leading Menu with a Balanced Revenue Base

	Test Menu	Annual Revenue
Respiratory Assays	<ul style="list-style-type: none">• 4-in-1 (Flu A/B, RSV, COV-19)• COVID-19• Flu A/B	~\$1.6B Endemic State Expectation
Non-Respiratory Assays, Systems & Service	<ul style="list-style-type: none">• HAI & Critical Infections• Sexual & Women's Health• TB, Virology, Infectious Disease• Oncology	~\$1.3B 2023 Actual



Long-term growth opportunities across both respiratory and non-respiratory

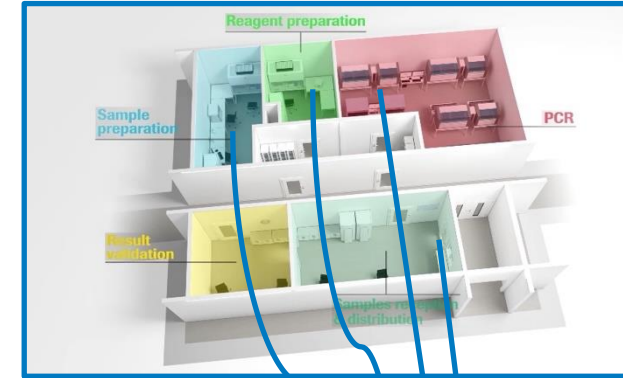
Best-in-Class Molecular Diagnostics Offering

How We Win at Cepheid

- Differentiated & scalable positions at critical, point-of-care settings and majority of U.S. IDNs
- Workflow + speed + accuracy
- Broadest test menu: >35 OUS, >20 in the U.S.



Enabled by the Ingenious GeneXpert Cartridge



Traditional labs required many rooms for PCR



For Cepheid, those rooms are the chambers of a cartridge

Differentiated positioning and ease of use with broadest test menu

Durable Long-Term Respiratory Diagnostics Franchise



Why Cepheid Leads in Respiratory Testing

Respiratory Market Expansion

Endemic respiratory market >5x larger than pre-pandemic

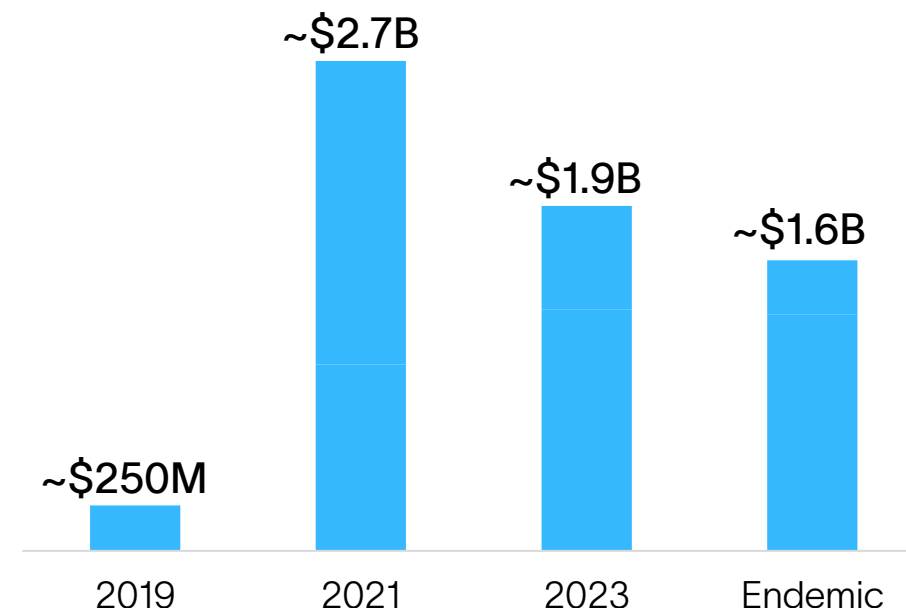
Differentiated Positioning

Cepheid technology uniquely suited for symptomatic testing at the POC

Anchor Assay

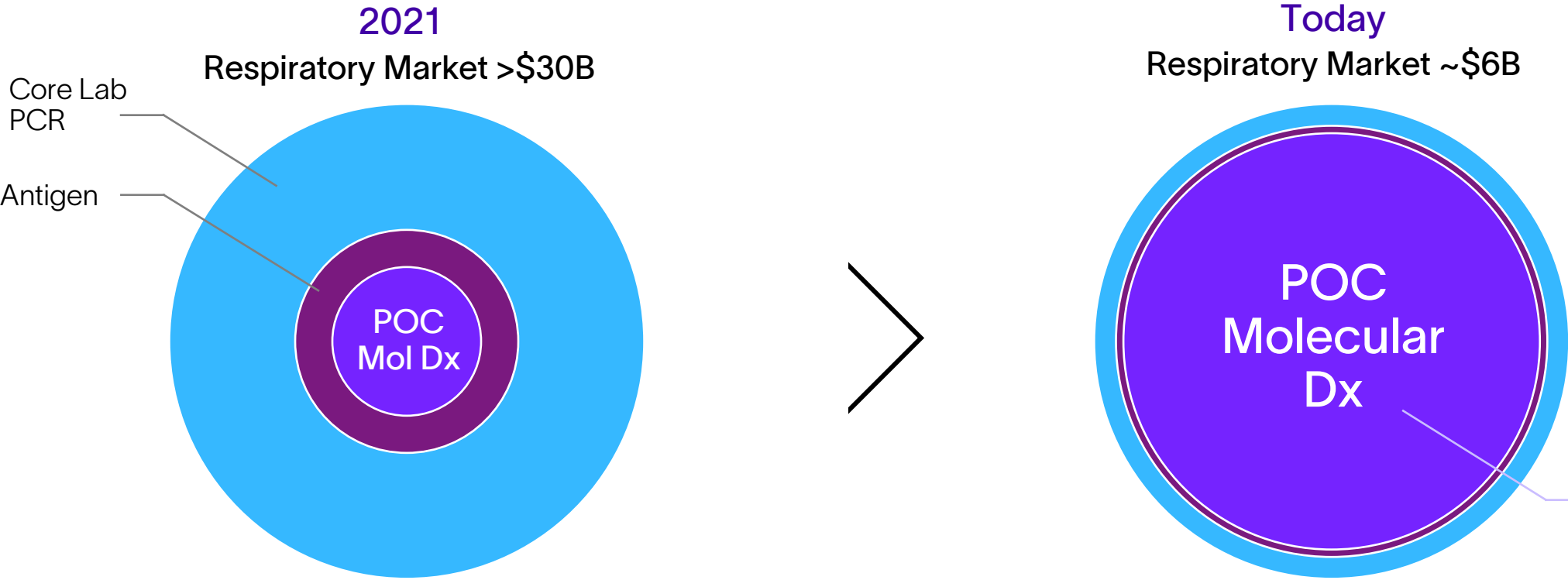
4-in-1 test (Flu A/B, RSV, COVID-19) becoming the preference for respiratory diagnostics

Annual Respiratory Revenue



Majority of respiratory revenue from 4-in-1 test for Flu A/B, RSV, COVID-19

Respiratory Testing Durable at Critical Point-of-Care Locations



Test volume driven by:

Monitoring & controlling spread of COVID-19



Diagnosing & treating symptomatic patients

Cepheid's GeneXpert best positioned at the point-of-care



The Pandemic Accelerated GeneXpert Adoption

Anchor Assay

- COVID-19 drove rapid customer adoption of molecular diagnostics and the GeneXpert
- 4-in-1 test (Flu A/B, RSV, COVID-19) becoming the preference for respiratory diagnostics

Strategic Installed Base Growth Since 2019

~65%

Placed at Existing
Customers Adding
Menu and Care
Settings

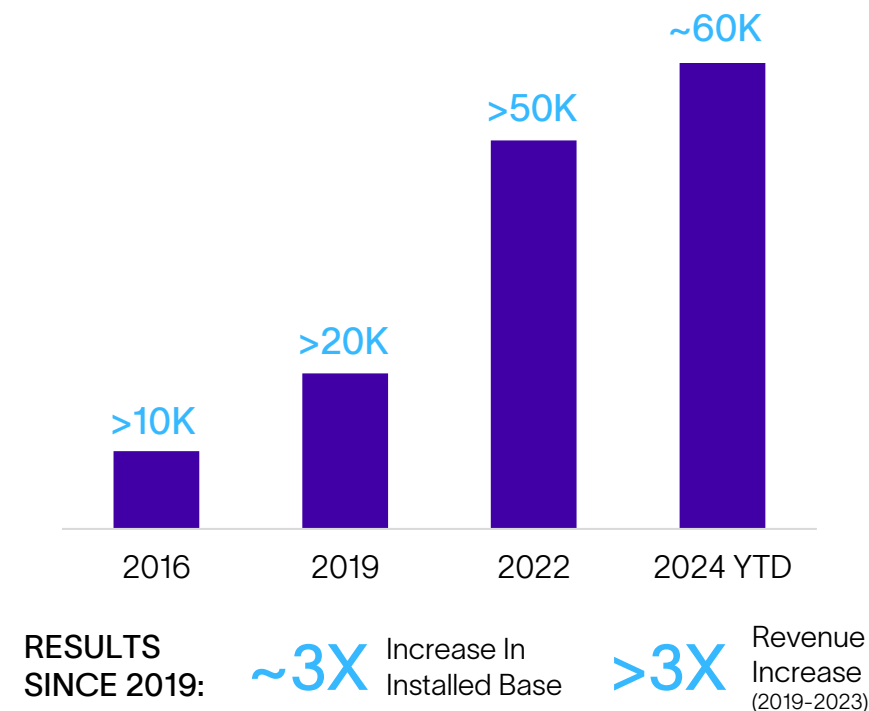
~75%

Of Installed Base in
Hospital Settings

>5X

Growth in Non-
Hospital Installed
Base

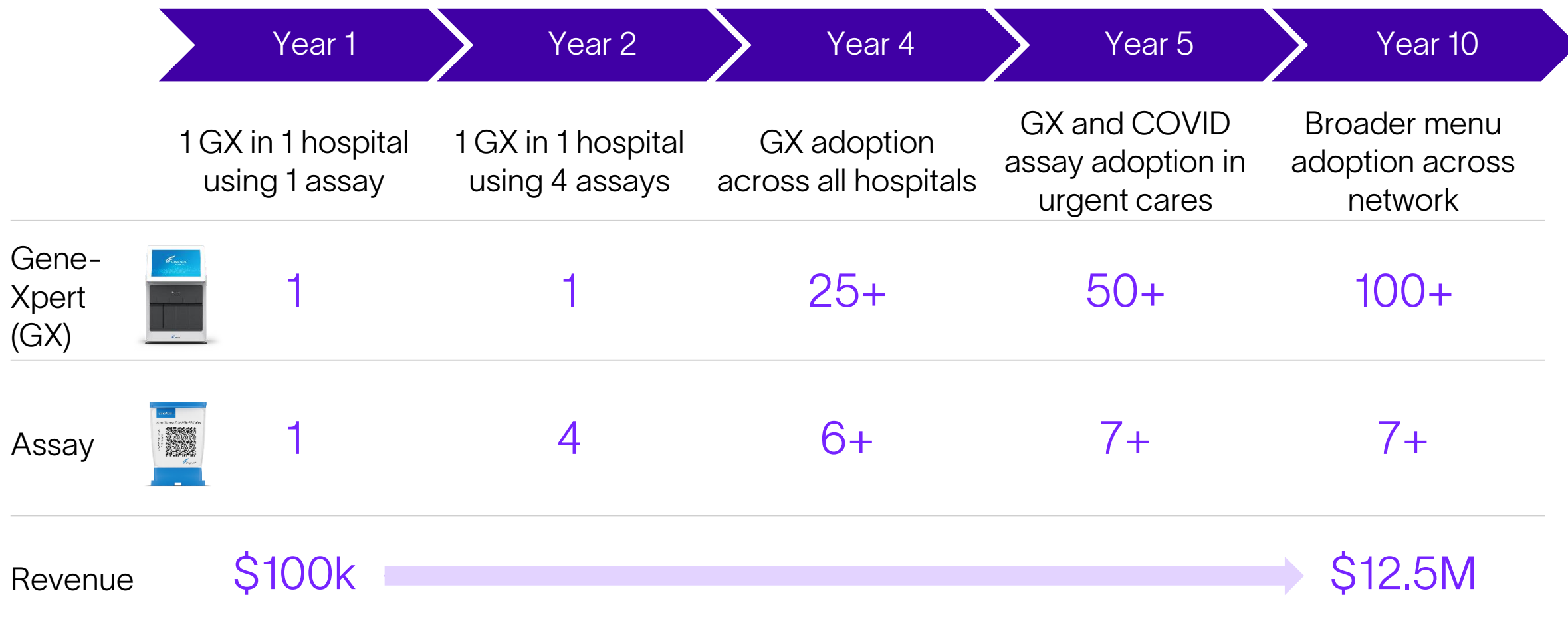
Cepheid Global Installed Base



Instrument placements focused on customer needs beyond the pandemic

Illustrative Customer Example

U.S. Health System: 40 Hospitals, 4k Beds, and 400+ Outpatient Clinics



Extending Cepheid's clinical advantages across the hospital system

How Cepheid Wins Going Forward

1 Utilization

Increasing utilization to existing global install base (IB) via menu beyond respiratory

+

2

Market Penetration & Geographic Expansion

Further growing IB, especially in U.S. outpatient settings & outside the U.S.

+

3

Menu Expansion

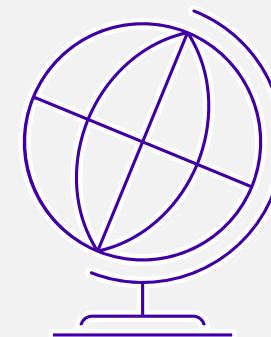
Expanding test menu including into higher-plex panels



>20%
Non-Respiratory
Core Revenue
Growth FY2023



<30% U.S. Physician
Office Lab
Penetration
<50% EU5 Hospital
Penetration

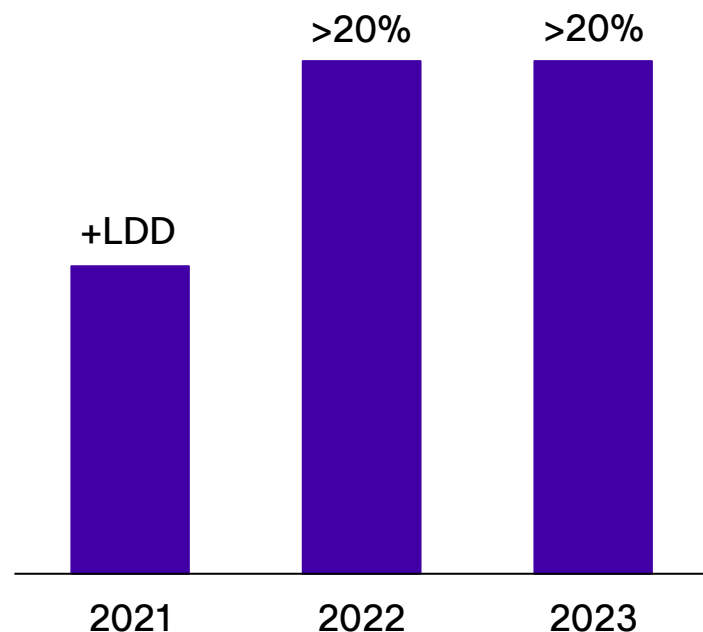


>\$2B Cepheid
Growth
Opportunity
Over Time

Cepheid uniquely positioned for long-term growth opportunity

Increasing Non-Respiratory Menu Utilization

Cepheid Non-Respiratory Assay Annual Revenue Growth



Growth Drivers & Recent Cepheid Results

Hospitals returning to pre-pandemic testing protocols

>10%

Growth in HAI Revenue (2023)

Existing customers adding new assays

>25%

Growth in Group A Strep Revenue (2023)

Utilization of recent menu additions

>20%

Growth in Sexual Health Revenue (2023)

Enabled by 3x increase in GeneXpert installed base

Increasing Clinical Adoption

Driving Adoption at Critical Care & Outpatient Settings

- Expanding usage to outpatient settings (e.g., CLIA-waived Flu A/B, RSV, COVID-19)
- Providing accurate low-plex results to hospital labs (e.g., MTB, MRSA)
- Growing installed base in underpenetrated areas outside of the U.S.

<30%

U.S. Physician Office
Lab Penetration

<30%

High-Growth Market
Penetration

What We Enable for Clinicians

**Faster
life-saving treatments**
(severe infections, drug-resistant
TB, oncology)



HOSPITAL

**Better patient
management**
(respiratory, hospital-acquired
infections, sexual health, TB)



Test & treat
(respiratory, HCV, sexual health)



OUTPATIENT

Extending deeper into hospital systems and outpatient sites

Innovation and Menu Expansion

High-Value Menu Expansion Across Cepheid

- **Respiratory**
Extended Respiratory Panel
- **HAI & Critical Infections**
Candida auris, Blood Culture ID
- **Sexual & Women's Health**
CLIA Waived Multiplex Vaginal Panel
- **Tuberculosis, Virology & Emerging Infections**
Non-Tuberculosis Mycobacterium

20+
Menu Additions
Planned Next 5
Years (2024-2029)



Additional Multiplex Panels

- Adding multiplex panels: more results/test
- Respiratory & GI Panels initially, other infectious disease presentations to follow
- Guiding high-risk & severe cases to the right treatment faster

>\$2B Addressable
Market Expansion

Expect several high-value menu additions in the coming years

Products in development. Not for use in diagnostic procedures. Not reviewed by any regulatory body. Products in development are subject to change and target menu is subject to revision. Products in development may not be available in all geographies.

Putting It All Together

How Cepheid Wins over the Long-Term

Durable \$1.6B Respiratory Franchise

- 4-in-1 test is the standard of care for respiratory Dx
- Endemic respiratory market >5x larger than pre-pandemic

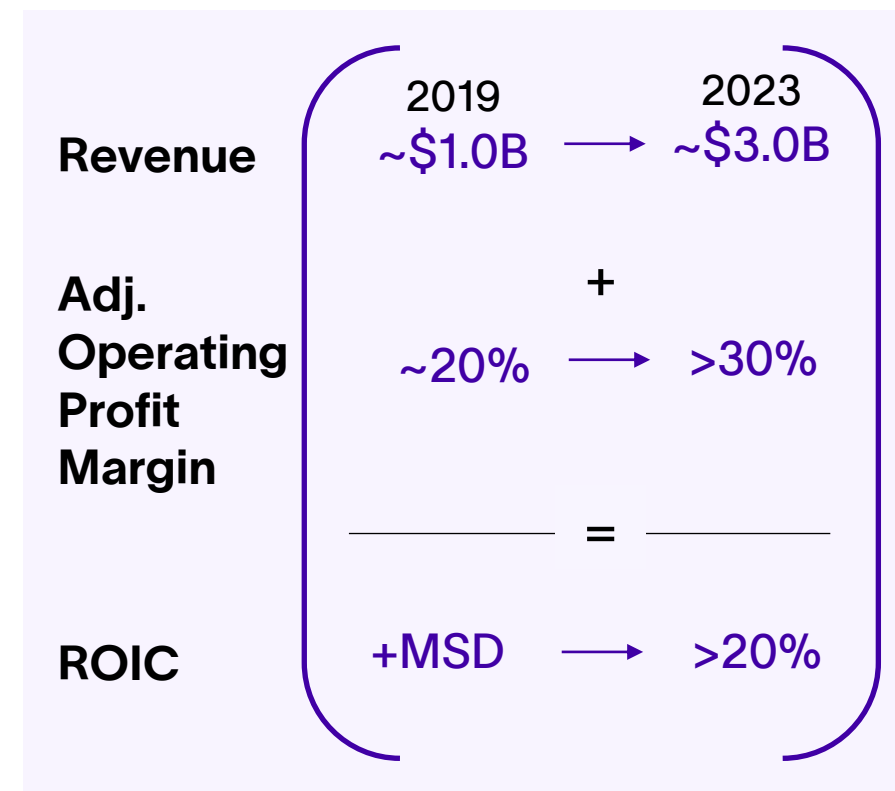
Utilization on 3x Larger Installed Base

- Existing customers increasingly adding non-respiratory assays to their testing protocols

Innovation & Market Penetration

- DBS Growth Tools™ driving new menu innovation and adoption in new care settings
- Global market penetration opportunities

Value Creation at Cepheid



Delivering outstanding financial returns while expanding leading position

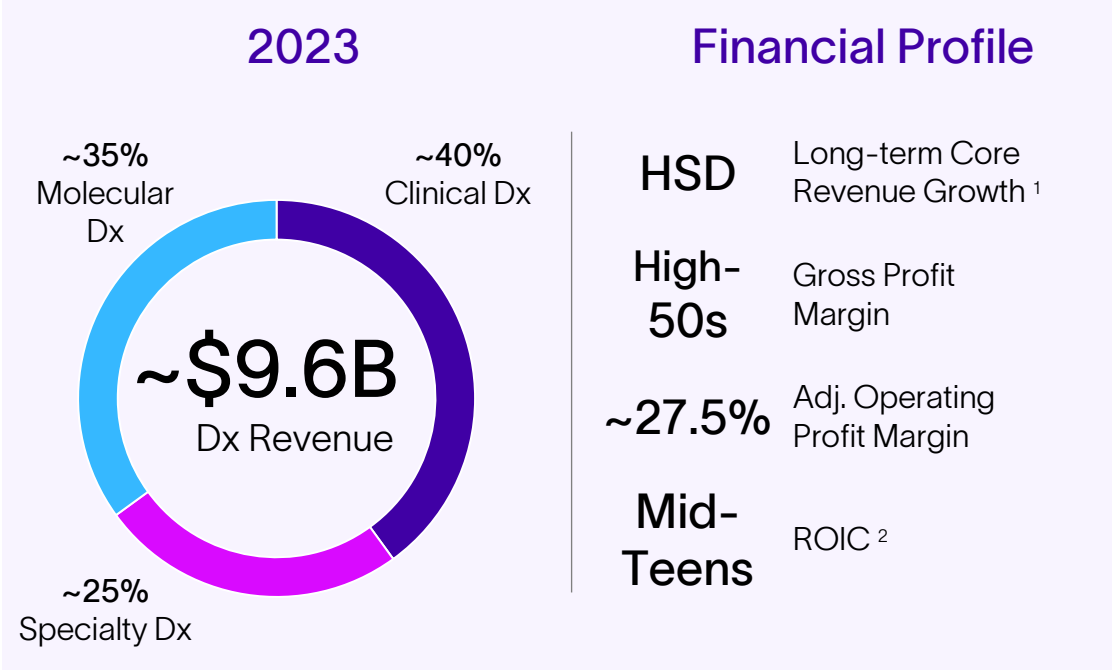
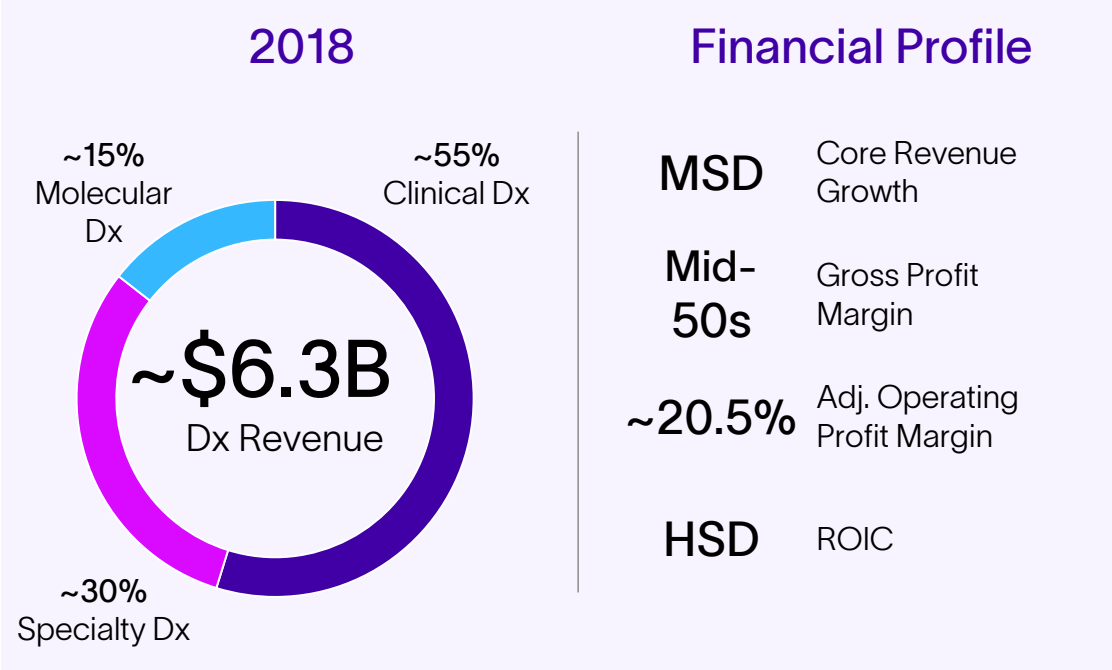
Summary

Julie Sawyer Montgomery

Executive Vice President, Danaher Diagnostics



Differentiated Growth and Margin Profile



RADIOMETER 

Leica
BIOSYSTEMS

 **BECKMAN
COULTER**

 **Cepheid®**
A better way.

Strengthening our position with DBS™ rigor & strategic growth investments



danaHER

1. Anticipated long-term average annual core revenue growth rate, 2. The Company calculates ROIC as adjusted operating profit after taxes divided by invested capital, which results in the same ROIC had GAAP operating profit after taxes been used. . 49

What You Heard Today

Scaled ~\$9.6B franchise with differentiated positions in many of the most attractive areas of Diagnostics and an attractive financial profile

Well positioned to gain market share through innovation and go-to-market execution

DBS™ helping drive sustainable long-term results and compounding returns



Non-GAAP Reconciliations

Sales Growth and Core Sales (Decline) Growth - Diagnostics Segment

	% Change Year Ended December 31, 2023 vs. Comparable 2022 Period	% Change Year Ended December 31, 2022 vs. Comparable 2021 Period	% Change Year Ended December 31, 2021 vs. Comparable 2020 Period	% Change Year Ended December 31, 2020 vs. Comparable 2019 Period	% Change Year Ended December 31, 2019 vs. Comparable 2018 Period	% Change Year Ended December 31, 2018 vs. Comparable 2017 Period	Core Growth CAGR 2018 - 2023
Total sales growth (GAAP)	(11.5)%	10.0 %	33.0 %	13.0 %	5.0 %	7.0 %	
Impact of:							
Acquisitions/divestitures	— %	(0.5)%	(0.5)%	— %	— %	— %	
Currency exchange rates	1.0 %	4.0 %	(1.5)%	0.5 %	2.0 %	(0.5)%	
Core sales growth (non-GAAP)	<u>(10.5)%</u>	<u>13.5 %</u>	<u>31.0 %</u>	<u>13.5 %</u>	<u>7.0 %</u>	<u>6.5 %</u>	<u>9.0 %</u>

Non-GAAP Profitability Measures - Diagnostics Segment

	Year Ended December 31	
	2023	2018
Operating Profit (GAAP)	\$ 2,406	\$ 1,074
Other Operating Profit Adjustments ¹	23	—
Amortization of Intangible Assets	198	210
Adjusted Operating Profit (Non-GAAP)	<u>\$ 2,627</u>	<u>\$ 1,284</u>
Sales (GAAP)	\$ 9,577	\$ 6,258
Operating Profit Margin (GAAP)	<u>25.1 %</u>	<u>17.2 %</u>
Adjusted Operating Profit Margin (Non-GAAP) ²	<u>27.4 %</u>	<u>20.5 %</u>
Operating Profit (GAAP)	\$ 2,406	\$ 1,074
Effective Tax Rate	16.3 %	18.8 %
Operating Profit After Taxes	<u>\$ 2,014</u>	<u>\$ 872</u>

¹ Other Operating Profit Adjustments consist of an impairment charge related to technology-based assets recorded in the year ended December 31, 2023 (\$23 million pretax as reported on this line, \$18 million after-tax).

² Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).

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:

- with respect to the profitability-related non-GAAP measures, understand the long-term profitability trends of our business and compare our profitability to prior and future periods and to our peers;
- with respect to core sales, identify underlying growth trends in our business and compare our sales performance with prior and future periods and to our peers; and

Management uses the non-GAAP profitability measures referenced above to measure the Company's operating and financial performance, and uses core sales 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:
 - **Amortization of Intangible Assets:** 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 sales generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.
 - **Restructuring Charges:** 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 to facilitate a more consistent comparison of operating results over time.
 - **Other Adjustments:** With respect to the other items excluded from the non-GAAP profitability measures, 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.
- With respect to core sales, (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.

The Company provides forecasted sales only on a non-GAAP core revenue basis because of the difficulty in estimating the other components of GAAP revenue, such as currency translation, acquisitions and divested product lines. Additionally, we do not reconcile forecasted adjusted operating profit margin (or components thereof) to the comparable GAAP measures because of the difficulty in estimating the other components (in addition to items identified in the prior sentence) such as investment gains and losses and impairments, which would be reflected in any forecasted GAAP operating profit.