

# Danaher Corporation

2024 Overview

Innovation at the speed of life.

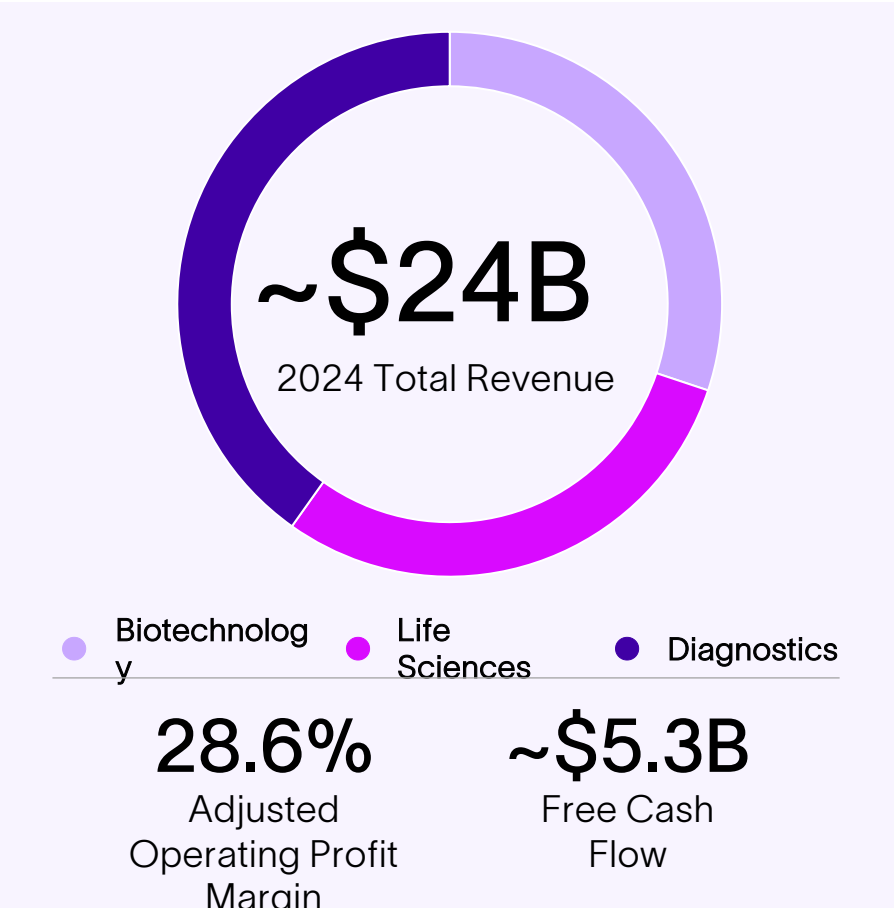


# Forward Looking Statements

Statements in this presentation that are not strictly historical, including any statements regarding Danaher's estimated or 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: 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, the impact of global health crises, 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 healthcare industry), the results of our clinical trials and perceptions thereof, our ability to effectively address cost reductions and other changes in the healthcare 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, regulatory proceedings 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, the impact of climate change, legal or regulatory measures to address climate change and other sustainability topics and our ability to address regulatory requirements or stakeholder expectations relating to climate change and other sustainability topics, risks relating to 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, labor matters and our ability to recruit, retain and motivate talented employees, U.S. and non-U.S. economic, political, geopolitical, legal, compliance, social and business factors (including the impact of elections, regulatory changes or uncertainty and military conflicts), disruptions and other impacts 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 2024 Annual Report on Form 10-K. These forward-looking statements speak only as of the date of this release 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, calculations of these measures, explanations of what these measures represent, the reasons why we believe these measures provide useful information to investors, a reconciliation of these measures to the most directly comparable GAAP measures, as applicable, and other information relating to these non-GAAP measures can be found in this presentation or in the "Investors" section of Danaher's web site, [www.danaher.com](http://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.

# Danaher Today



Biotechnology  
~\$6.8B



Life Sciences  
~\$7.3B

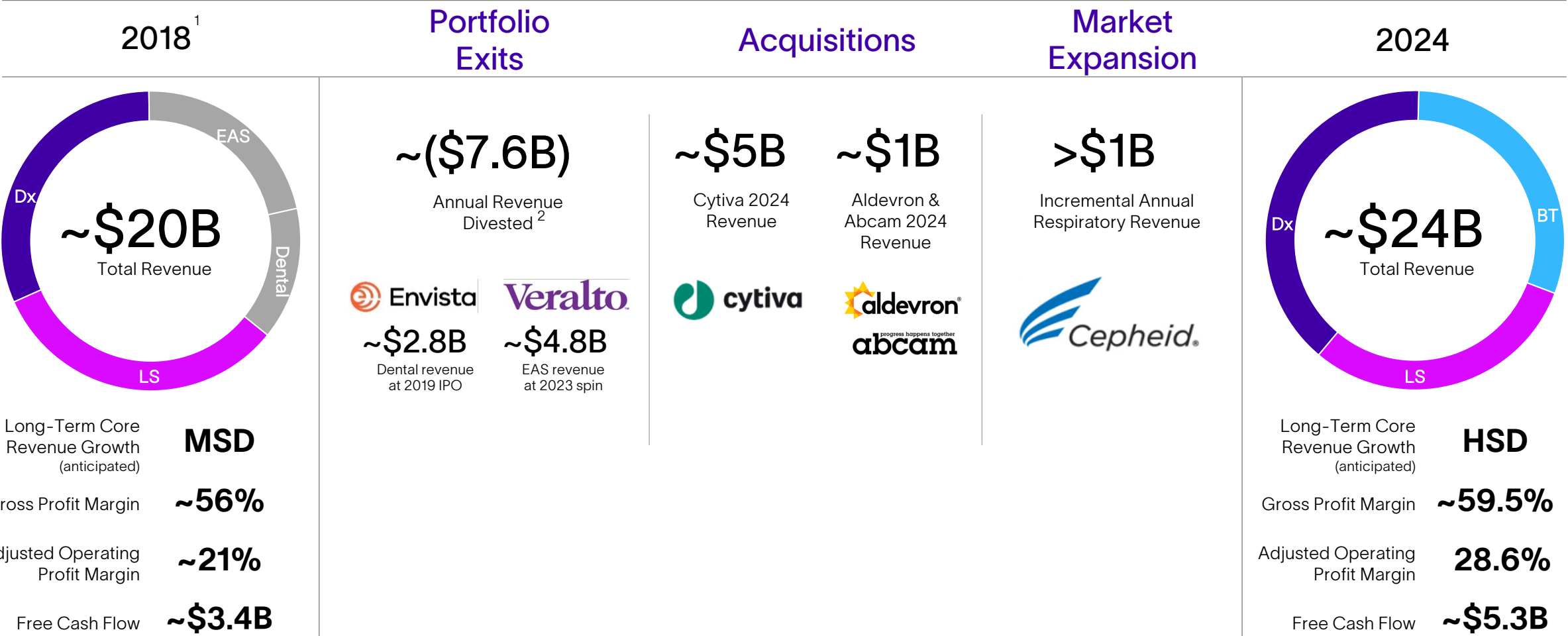


Diagnostics  
~\$9.8B



Differentiated positioning, attractive end markets, improved financial profile

# Portfolio Transformation Into a Stronger, Better Danaher



Financial profile has improved significantly vs. pre-pandemic



1. Reflects reported revenue for 2018 prior to the presentation of the Dental and Environmental & Applied Solutions businesses as discontinued operations.  
2. Reflects reported revenue for the last full year prior to separation (respectively)

# High-Quality Businesses in Attractive End Markets

## Leading positions in attractive, fast-growing end markets

- Long-term, strong secular growth drivers
- Regulatory requirements



## United by a common business model

- Steady consumables stream off extensive installed base
- High value, 'mission-critical' applications



Enhanced with innovation & DBS to accelerate growth & earnings

# Strong Secular Growth Drivers Central to Our Strategy



**Aging Global Population**

**>1.5B**

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



**Shift in Medicine to Biologics**

**>20K**

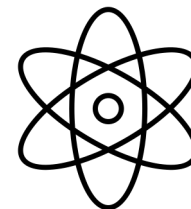
Biologics currently in development (vs. ~600 FDA approved today)



**Proliferation of Monoclonal Antibodies**

**+DD**

Monoclonal Antibody Production Volume CAGR (2019-2024)



**Adoption of New Technologies**

**2.5X**

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



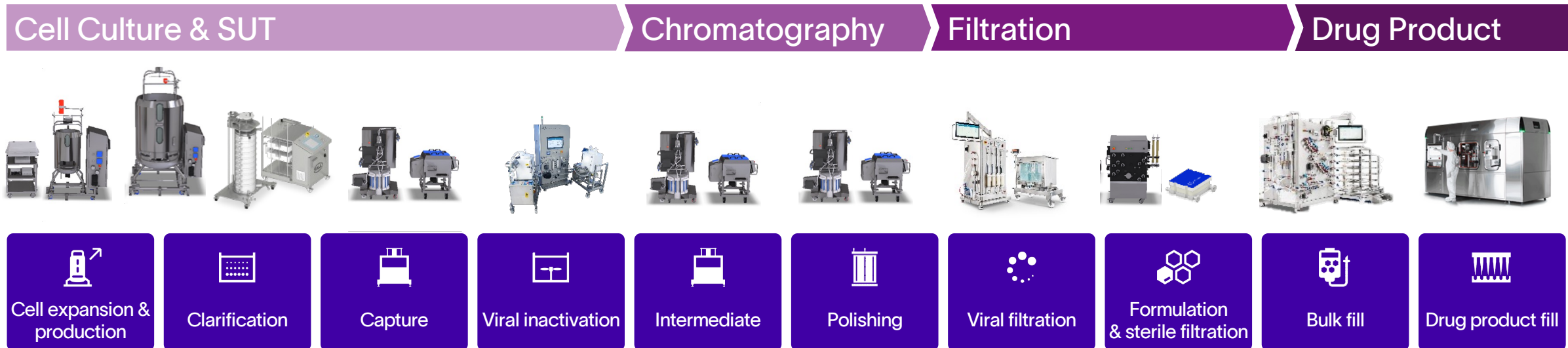
**Advancements in Life Science Research**

**+10X**

Increase in cell & gene therapies in development (since 2015)

**Portfolio aligns to long-term secular growth drivers**

# Leading Bioprocessing Franchise



~\$6B 2024  
Bioprocessing  
Revenue

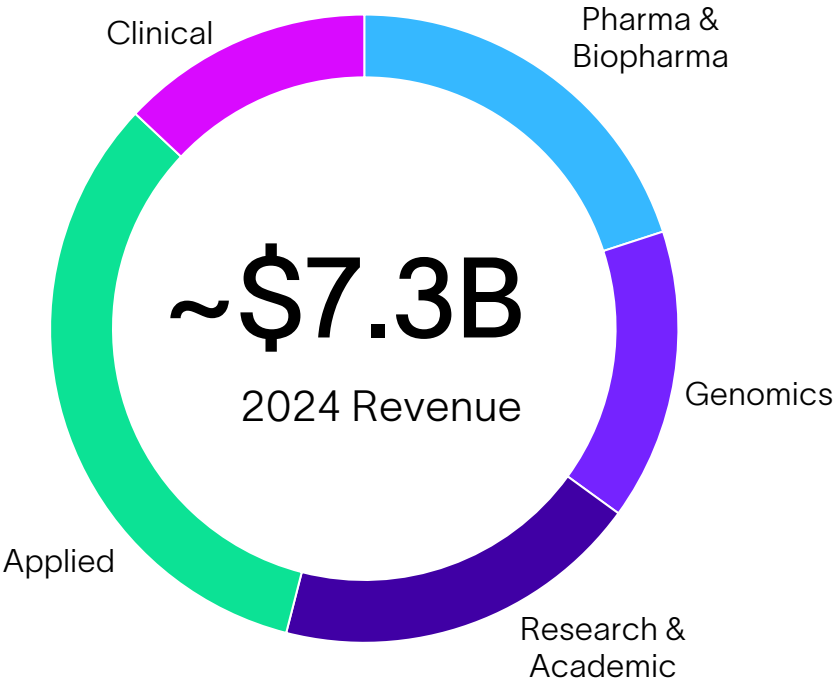
>75% % of revenue  
from monoclonal  
antibodies  
(mAbs)

>90% Global mAb  
production volume  
supported by  
Cytiva

Cytiva well-positioned for HSD long-term core revenue growth




# Well-Positioned in Life Sciences

Strategic End-Market Exposure	<ul style="list-style-type: none"><li>Differentiated positions in genomics, proteomics &amp; analytical instrumentation</li></ul>
Attractive Business Models	<ul style="list-style-type: none"><li>~65% recurring revenue</li><li>Long-term margin expansion opportunities</li></ul>
Breakthrough Innovation	<ul style="list-style-type: none"><li>Accelerating proteomic &amp; genomic research</li><li>Helping reduce drug development timelines</li></ul>



Expect HSD long-term core revenue growth with opportunity for margin expansion

# Portfolio Indexed to Highly Attractive Areas of Diagnostics

Anticipated Long-Term Performance		
Best-in-Class Molecular Dx	Leading molecular player with largest installed base & test menu	 <b>DD</b> Cepheid Long-Term Core Revenue Growth
Scaled Specialty Dx Positions	Scaled pathology and blood gas leaders, each >\$1B annual revenue	 <b>HSD</b> LBS & Radiometer Long-Term Core Revenue Growth
Strong Core Lab Presence	Comprehensive portfolio with strong footholds in the core lab	 <b>MSD+</b> Beckman Diagnostics Long-Term Core Revenue Growth
Scaled \$9.8B* Dx platform poised for HSD long-term core revenue growth		

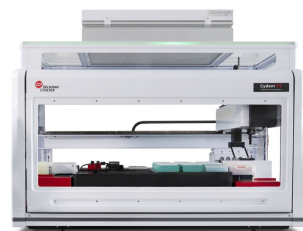
# Helping solve some of healthcare's biggest challenges



## Accelerating Drug Discovery

### Cydem VT Automated Cell Culture System

Helping reduce time to market by simplifying & accelerating the cell line development process



90%

Reduction in manual steps required for cell line development experiments



## Reducing Biologic Manufacturing Costs

### Sefia™ cell therapy manufacturing platform

Addressing critical cost & capacity constraints in cell therapy manufacturing



50%

Increased manufacturing productivity<sup>1</sup>

70%

Reduction in labor cost<sup>1</sup>



## Improving Patient Diagnoses

### Dxl 9000 Immunoassay Analyzer

Leading sensitivity, workflow & global installed base enabling meaningful opportunities in Alzheimer's Diagnostics



100x

More Sensitive vs. Traditional IA Systems

Accelerating innovation with ~\$1.6B of annual R&D investments<sup>2</sup>

1. Compared to industry standard manual workflows, 2. reflects FY24 results

# Long-term Value Creation Through Strategic M&A



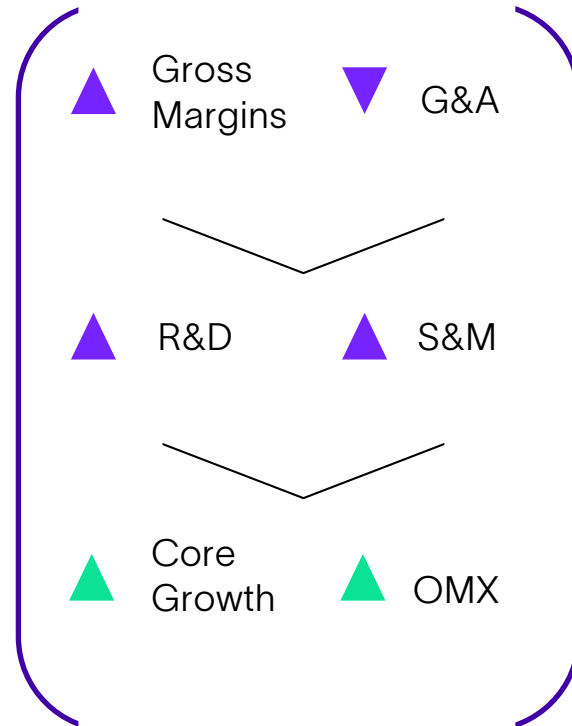
Well positioned to pursue select value creation opportunities

# How We Create Value: Running The Danaher Playbook

**Improve cost structure**

**Reinvest for growth**

**Accelerate margins & core growth**



**Core Revenue Growth**

**+**

**Margin Expansion**

**+**

**Strong Free Cash Flow**

**+**

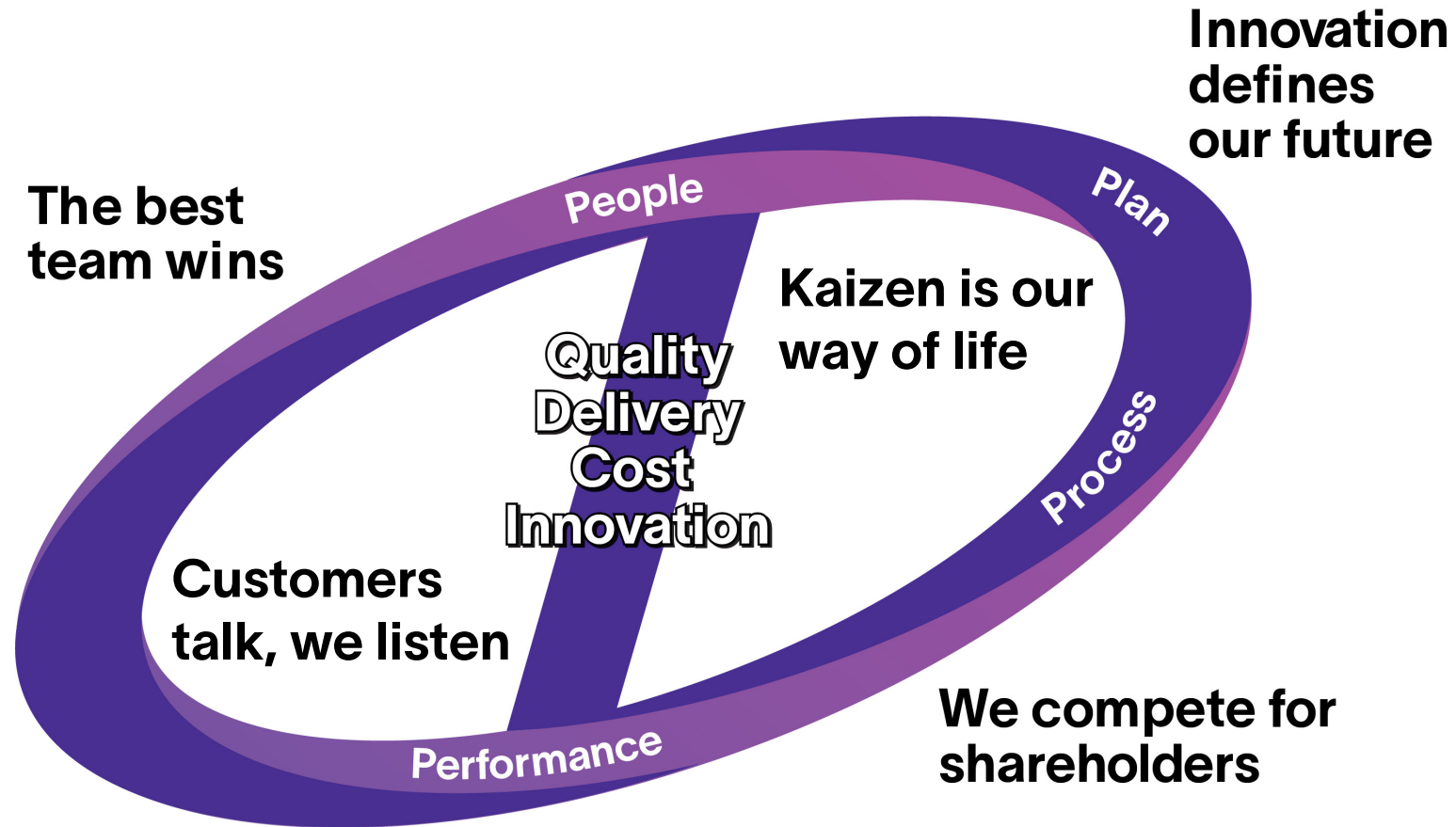
**Acquisitions**

**=**

**Top Quartile EPS Growth & Compounding Returns**

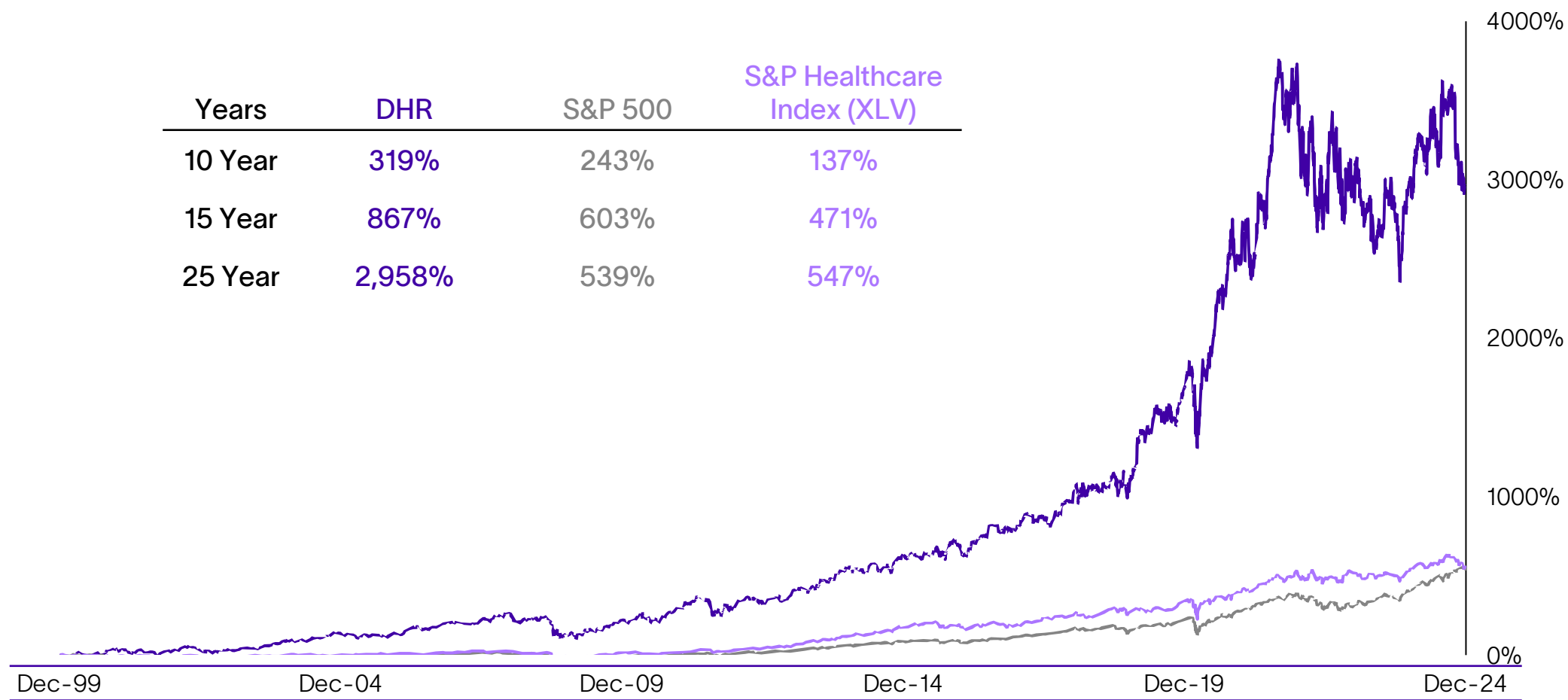
**Balanced approach to create shareholder value**

# The Danaher Business System (DBS)



DBS enables differentiated execution, at scale

## 25 Year Total Shareholder Return: DHR vs S&P 500 and XLV



Outperforming over the long term

# Summary

Differentiated positions in many of the most attractive areas of Biotechnology, Life Sciences and Diagnostics

---

Portfolio transformation driving higher revenue growth, profit margin and cash flow profile

---

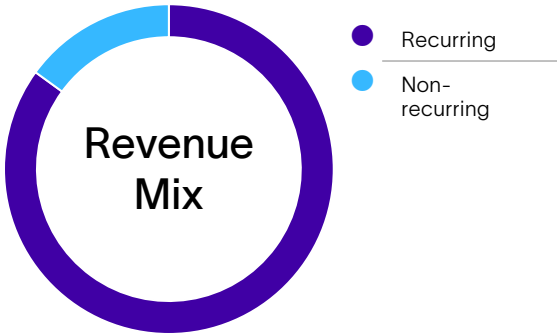
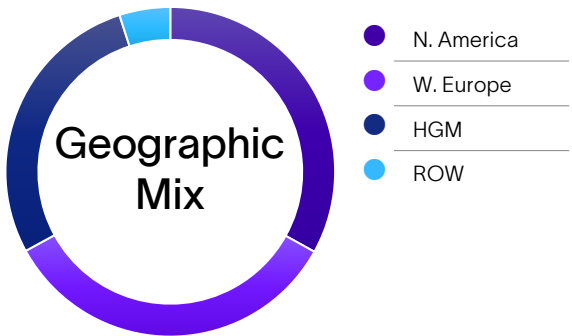
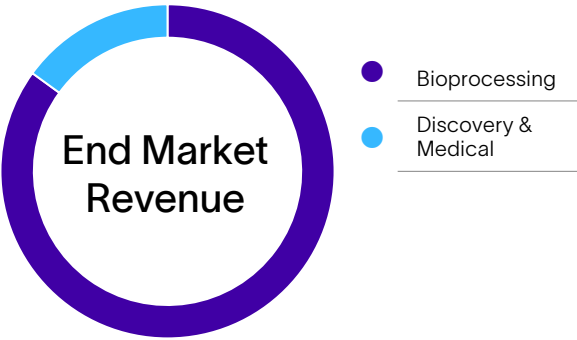
Well-positioned to generate sustainable long-term shareholder value, driven by DBS

---

## Segment Overviews

# Biotechnology Overview

~\$6.8B  
2024 Revenue



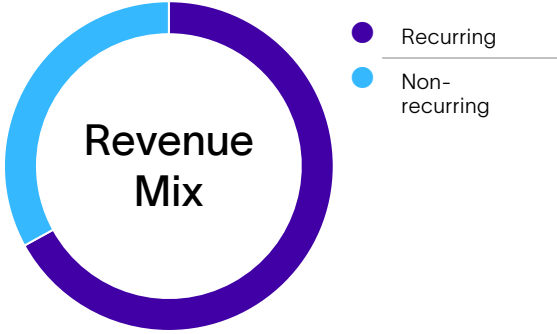
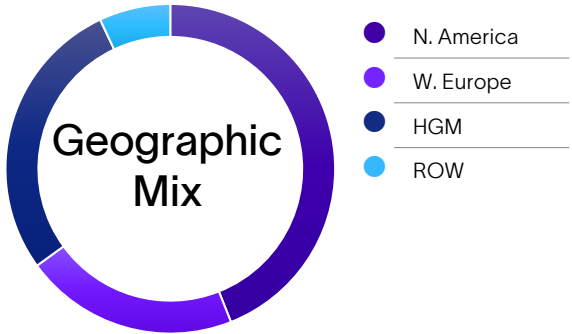
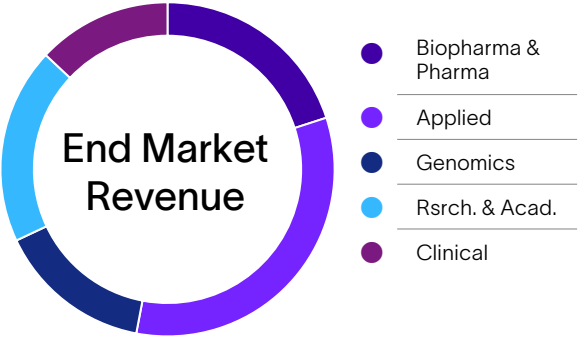
## Global growth drivers

- Shift in medicine towards biologics
- Growth in biologics R&D pipeline
- Increasing focus on genomic medicine
- High-growth market (HGM) investments in bioprocessing

Strong global brands with leading market positions

# Life Sciences Overview

~\$7.3B  
2024 Revenue



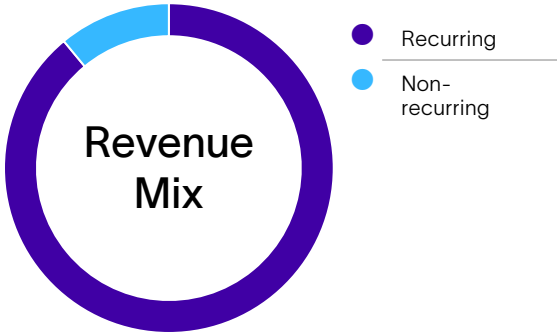
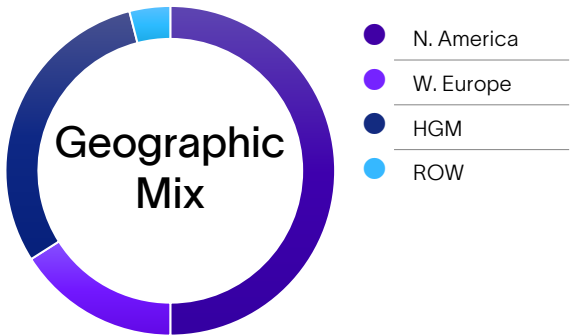
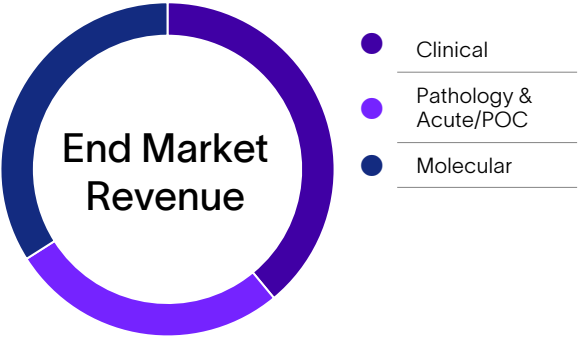
## Global growth drivers

- Shift in medicine towards biologics
- Growth in biologics R&D pipeline
- Increasing focus on genomic medicine
- Adoption of gene editing & sequencing technologies
- Global investments in basic & applied research capacity

Strong global brands with leading market positions

# Diagnostics Overview

**~\$9.8B**  
2024 Revenue



## Global growth drivers

- Penetration of molecular diagnostics
- Point-of-care & decentralization of health care
- Skilled labor shortages & cost pressures necessitating automated solutions
- Improving standards of care in HGM

**Strong global brands with leading market positions**



# Non-GAAP Reconciliations

## Operating Profit, Adjusted Operating Profit, Operating Profit Margin and Adjusted Operating Profit Margin<sup>1</sup> (\$ in millions)

	Year Ended December 31, 2024			Year Ended December 31, 2018 <sup>2</sup>		
	Sales	Operating profit	Operating profit margin	Sales	Operating profit	Operating profit margin
<b>Reported (GAAP)</b>	\$ 23,875	\$ 4,863	20.4 %	\$ 19,893	\$ 3,404	17.1 %
Amortization of acquisition-related intangible assets <sup>A</sup>		1,631	6.8		706	3.5
Impairments <sup>B</sup>		265	1.1		—	—
Acquisition-related items <sup>C</sup>		25	0.1		16	0.1
Contract termination expense <sup>D</sup>		56	0.2		—	—
Litigation and other gains <sup>E</sup>		—	—		(9)	—
Dental separation costs <sup>F</sup>		—	—		15	0.1
<b>Adjusted (Non-GAAP)</b>		<b>\$ 6,840</b>	<b>28.6 %</b>		<b>\$ 4,132</b>	<b>20.8 %</b>

<sup>1</sup> Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).

<sup>2</sup> Items reflect operations as reported in 2018, prior to the presentation of the Dental and Environmental & Applied Solutions businesses as discontinued operations.

<sup>A</sup> Amortization of acquisition-related intangible assets in the following historical periods (\$ in millions) (only the pretax amounts set forth below are reflected in the amortization line item above):

	Year Ended	
	December 31, 2024	December 31, 2018
Pretax	\$ 1,631	\$ 706
After-tax	1,346	563

<sup>B</sup> Impairment charges related to a trade name in the Diagnostics segment (\$43 million pretax as reported in this line item, \$32 million after-tax) and a trade name in the Life Sciences segment (\$222 million pretax as reported in this line item, \$169 million after-tax), recorded in the year ended December 31, 2024.

<sup>C</sup> Costs incurred for the fair value adjustment to inventory related to the acquisition of Abcam plc for the year ended December 31, 2024 (\$25 million pretax as reported in this line item, \$19 million after-tax). 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 reported in this line item, \$1 million after-tax), in each case related to the acquisition of IDT and incurred in the year ended December 31, 2018. 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.

<sup>D</sup> Loss on the termination of a commercial agreement in the Diagnostics segment in the year ended December 31, 2024 (\$56 million pretax as reported in this line item, \$56 million after-tax).

<sup>E</sup> Net gains on resolution of acquisition-related matters in the Life Sciences segment in the year-ended December 31, 2018 (\$9 million pretax as reported in this line, \$7 million after-tax).

<sup>F</sup> Pretax costs incurred in the year ended December 31, 2018 (\$15 million pretax as reported in this line item, \$14 million after-tax) related to preparation for the anticipated Dental Separation primarily related to professional fees for legal, tax, finance and information technology services.

# Non-GAAP Reconciliations

## Cash Flow and Free Cash Flow (\$ in millions)

	Year Ended	
	December 31, 2024	December 31, 2018 <sup>1</sup>
<b>Total Cash Flows:</b>		
Total cash provided by operating activities (GAAP)	\$ 6,688	\$ 4,022
Total cash used in investing activities (GAAP)	\$ (1,981)	\$ (2,949)
Total cash used in financing activities (GAAP)	\$ (8,385)	\$ (797)
<b>Free Cash Flow:</b>		
Total cash provided by operating activities (GAAP)	\$ 6,688	\$ 4,022
Less: payments for additions to property, plant & equipment (capital expenditures) (GAAP)	(1,392)	(655)
Plus: proceeds from sales of property, plant & equipment (capital disposals) (GAAP)	13	6
Free cash flow (non-GAAP)	<u>\$ 5,309</u>	<u>\$ 3,373</u>

The Company defines free cash flow as operating cash flows, less payments for additions to property, plant and equipment ("capital expenditures") plus the proceeds from sales of plant, property and equipment ("capital disposals").

<sup>1</sup> Items reflect operations as reported in 2018, prior to the presentation of the Dental and Environmental & Applied Solutions businesses as discontinued operations.