

DANAHER CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
AND SUPPLEMENTAL FORWARD-LOOKING INFORMATION
THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 26, 2025 AND SEPTEMBER 27, 2024

TABLE OF CONTENTS

Page	
1	Sales Growth (Decline) by Segment and Core Sales Growth (Decline) by Segment
2	Forecasted Core Sales Growth, Adjusted Operating Profit Margin and Adjusted Diluted Net Earnings Per Common Share
2	Supplemental Forward-Looking Information
3	Segment Sales, Operating Profit and Adjusted Operating Profit
4	Non-GAAP Profitability Measures
8	Other Non-GAAP Adjusted P&L Measures
13	Operating Profit Margins and Year-Over-Year Core Operating Profit Margin Changes
14	Total Cash Flow, Free Cash Flow, Operating Cash Flow to Net Earnings Conversion Ratio and Free Cash Flow to Net Earnings Conversion Ratio
15	Statement Regarding Non-GAAP Measures

FORWARD-LOOKING STATEMENTS DISCLOSURE

Statements in this document that are not strictly historical, including any statements regarding anticipated performance for any fiscal period that has not been completed, 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 the tariffs and related actions implemented by the U.S. and other countries, 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 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 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, government shutdowns 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 and Quarterly Report on Form 10-Q for the third quarter of 2025. These forward-looking statements speak only as of the date of this document (October 20, 2025) 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.

Sales Growth (Decline) by Segment and Core Sales Growth (Decline) by Segment

	% Change Three-Month Period Ended September 26, 2025 vs. Comparable 2024 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (GAAP)	4.5 %	9.0 %	0.5 %	4.0 %
Impact of:				
Divestitures	— %	— %	— %	0.5 %
Currency exchange rates	(1.5)%	(2.5)%	(1.5)%	(1.0)%
Core sales growth (decline) (non-GAAP)	3.0 %	6.5 %	(1.0)%	3.5 %

	% Change Nine-Month Period Ended September 26, 2025 vs. Comparable 2024 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (decline) (GAAP)	2.5 %	7.5 %	(1.0)%	1.0 %
Impact of:				
Acquisitions/divestitures	— %	— %	(1.0)%	0.5 %
Currency exchange rates	(1.0)%	(1.0)%	(0.5)%	— %
Core sales growth (decline) (non-GAAP)	1.5 %	6.5 %	(2.5)%	1.5 %

Forecasted Core Sales Growth, Adjusted Operating Profit Margin and Adjusted Diluted Net Earnings Per Common Share

The Company does not reconcile Non-GAAP forecasted core sales growth, adjusted operating profit margin and adjusted diluted net earnings per common share to their respective, comparable GAAP measures (except for estimated amortization of acquisition-related intangible assets of approximately $1.7 billion for the year ending December 31, 2025 and the impact of foreign currency on sales, which for the fourth quarter 2025 and the full year 2025 is estimated to increase sales by 2.5% and 1.0%, respectively, assuming the currency exchange rates in effect as of September 26, 2025), because the additional elements that would be reflected in any such GAAP measures (such as the impact of currency exchange rates on profitability, acquisitions, divested product lines, discrete tax adjustments, impairments, gains and losses on investments and the outcome of legal proceedings) are difficult to predict and estimate and are often dependent on future events that may be uncertain or outside of our control. The impact of these additional elements could be material to our results computed in accordance with GAAP.

	% Change Three-Month Period Ending December 31, 2025 vs. Comparable 2024 Period	% Change Year Ending December 31, 2025 vs. Comparable 2024 Period
Biotechnology	~+5%	
Life Sciences	-Low-single digit	
Diagnostics	Flat	
Core sales growth (non-GAAP)	+Low-single digit	+Low-single digit

	Three-Month Period Ending December 31, 2025
Adjusted operating profit margin (non-GAAP)	~27.0%

	Year Ending December 31, 2025
Adjusted diluted net earnings per common share (non-GAAP)	$7.70 - $7.80

Supplemental Forward-Looking Information
($ in millions)

	Three-Month Period Ending December 31, 2025
Impact of currency exchange rates on sales[1]	~+2.5%
Corporate expense[2]	~$(85)
Interest expense, net[3]	~$(50)
Effective tax rate	~17.0%

[1] Impact of currency exchange rates on sales for the fourth quarter 2025 is estimated to increase sales by 2.5%, assuming the currency exchange rates in effect as of September 26, 2025.
[2] Corporate expense represents the operating profit (GAAP) for the Other segment, which consists of unallocated corporate costs and other costs not considered part of management's evaluation of reportable segment operating performance.
[3] Interest expense, net is defined as interest expense net of interest income. This line item is an assumption rather than a forecast. The estimated interest expense, net is calculated assuming the currency exchange rates in effect as of September 26, 2025 are to prevail throughout the remainder of the period indicated and no change in the amount of commercial paper outstanding.

Segment Sales, Operating Profit and Adjusted Operating Profit
($ in millions)

	Three-Month Period Ended		Nine-Month Period Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Sales (GAAP)				
Biotechnology	$ 1,798	$ 1,653	$ 5,260	$ 4,890
Life Sciences	1,792	1,782	5,249	5,297
Diagnostics	2,463	2,363	7,221	7,150
Total Company	$ 6,053	$ 5,798	$ 17,730	$ 17,337
Operating Profit (GAAP)				
Biotechnology	$ 352	$ 390	$ 1,324	$ 1,177
Life Sciences	222	35	184	503
Diagnostics	665	615	1,937	2,001
Other	(85)	(82)	(257)	(243)
Total Company	$ 1,154	$ 958	$ 3,188	$ 3,438
Amortization of Intangible Assets (GAAP)				
Biotechnology	$ 231	$ 218	$ 672	$ 650
Life Sciences	154	147	453	428
Diagnostics	48	49	144	145
Total Company	$ 433	$ 414	$ 1,269	$ 1,223
Other Operating Profit Adjustments[4]				
Biotechnology	$ 86	$ —	$ 101	$ —
Life Sciences	—	222	432	247
Diagnostics	15	—	15	—
Other	—	—	—	—
Total Company	$ 101	$ 222	$ 548	$ 247
Adjusted Operating Profit (Non-GAAP)[5]				
Biotechnology	$ 669	$ 608	$ 2,097	$ 1,827
Life Sciences	376	404	1,069	1,178
Diagnostics	728	664	2,096	2,146
Other	(85)	(82)	(257)	(243)
Total Company	$ 1,688	$ 1,594	$ 5,005	$ 4,908

[4] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[5] Adjusted Operating Profit (Non-GAAP) is defined as Operating Profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).

Non-GAAP Profitability Measures
($ in millions)

	Three-Month Period Ended September 26, 2025				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings (GAAP)					$ 908
Interest, Net					64
Other Nonoperating (Income) Expense					14
Income Taxes					168
Operating Profit (GAAP)	$ 352	$ 222	$ 665	$ (85)	$ 1,154
Other Operating Profit Adjustments[4]	86	—	15	—	101
Amortization of Intangible Assets	231	154	48	—	433
Adjusted Operating Profit (Non-GAAP)[5]	669	376	728	(85)	1,688
Depreciation	38	47	101	3	189
Adjusted EBITDA (Non-GAAP)	$ 707	$ 423	$ 829	$ (82)	$ 1,877
Interest, Net					(64)
Other Nonoperating Income (Expense)					(14)
Income Taxes					(168)
Other Operating Profit Adjustments[4]					(101)
Amortization of Intangible Assets					(433)
Depreciation					(189)
Net Earnings (GAAP)					$ 908
Sales (GAAP)	$ 1,798	$ 1,792	$ 2,463		$ 6,053
Net Earnings Margin (GAAP)					15.0 %
Operating Profit Margin (GAAP)	19.6 %	12.4 %	27.0 %		19.1 %
Adjusted Operating Profit Margin (Non-GAAP)[6]	37.2 %	21.0 %	29.6 %		27.9 %
Adjusted EBITDA Margin (Non-GAAP)[7]	39.3 %	23.6 %	33.7 %		31.0 %

[4] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[5] Adjusted Operating Profit (Non-GAAP) is defined as Operating Profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).
[6] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[7] Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Non-GAAP Profitability Measures
($ in millions)

	Three-Month Period Ended September 27, 2024				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings (GAAP)					$ 818
Interest, Net					83
Other Nonoperating (Income) Expense					(102)
Income Taxes					159
Operating Profit (GAAP)	$ 390	$ 35	$ 615	$ (82)	$ 958
Other Operating Profit Adjustments[4]	—	222	—	—	222
Amortization of Intangible Assets	218	147	49	—	414
Adjusted Operating Profit (Non-GAAP)[5]	608	404	664	(82)	1,594
Depreciation	36	44	95	2	177
Adjusted EBITDA (Non-GAAP)	$ 644	$ 448	$ 759	$ (80)	$ 1,771
Interest, Net					(83)
Other Nonoperating Income (Expense)					102
Income Taxes					(159)
Other Operating Profit Adjustments[4]					(222)
Amortization of Intangible Assets					(414)
Depreciation					(177)
Net Earnings (GAAP)					$ 818
Sales (GAAP)	$ 1,653	$ 1,782	$ 2,363		$ 5,798
Net Earnings Margin (GAAP)					14.1 %
Operating Profit Margin (GAAP)	23.6 %	2.0 %	26.0 %		16.5 %
Adjusted Operating Profit Margin (Non-GAAP)[6]	36.8 %	22.7 %	28.1 %		27.5 %
Adjusted EBITDA Margin (Non-GAAP)[7]	39.0 %	25.1 %	32.1 %		30.5 %

[4] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[5] Adjusted Operating Profit (Non-GAAP) is defined as Operating Profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).
[6] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[7] Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Non-GAAP Profitability Measures
($ in millions)

	Nine-Month Period Ended September 26, 2025				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings (GAAP)					$ 2,417
Interest, Net					193
Other Nonoperating (Income) Expense					135
Income Taxes					443
Operating Profit (GAAP)	$ 1,324	$ 184	$ 1,937	$ (257)	$ 3,188
Other Operating Profit Adjustments[4]	101	432	15	—	548
Amortization of Intangible Assets	672	453	144	—	1,269
Adjusted Operating Profit (Non-GAAP)[5]	2,097	1,069	2,096	(257)	5,005
Depreciation	110	137	301	7	555
Adjusted EBITDA (Non-GAAP)	$ 2,207	$ 1,206	$ 2,397	$ (250)	$ 5,560
Interest, Net					(193)
Other Nonoperating Income (Expense)					(135)
Income Taxes					(443)
Other Operating Profit Adjustments[4]					(548)
Amortization of Intangible Assets					(1,269)
Depreciation					(555)
Net Earnings (GAAP)					$ 2,417
Sales (GAAP)	$ 5,260	$ 5,249	$ 7,221		$ 17,730
Net Earnings Margin (GAAP)					13.6 %
Operating Profit Margin (GAAP)	25.2 %	3.5 %	26.8 %		18.0 %
Adjusted Operating Profit Margin (Non-GAAP)[6]	39.9 %	20.4 %	29.0 %		28.2 %
Adjusted EBITDA Margin (Non-GAAP)[7]	42.0 %	23.0 %	33.2 %		31.4 %

[4] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[5] Adjusted Operating Profit (Non-GAAP) is defined as Operating Profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).
[6] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[7] Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Non-GAAP Profitability Measures
($ in millions)

	Nine-Month Period Ended September 27, 2024				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings (GAAP)					$ 2,813
Interest, Net					114
Other Nonoperating (Income) Expense					(7)
Income Taxes					518
Operating Profit (GAAP)	$ 1,177	$ 503	$ 2,001	$ (243)	$ 3,438
Other Operating Profit Adjustments[4]	—	247	—	—	247
Amortization of Intangible Assets	650	428	145	—	1,223
Adjusted Operating Profit (Non-GAAP)[5]	1,827	1,178	2,146	(243)	4,908
Depreciation	113	123	292	6	534
Adjusted EBITDA (Non-GAAP)	$ 1,940	$ 1,301	$ 2,438	$ (237)	$ 5,442
Interest, Net					(114)
Other Nonoperating Income (Expense)					7
Income Taxes					(518)
Other Operating Profit Adjustments[4]					(247)
Amortization of Intangible Assets					(1,223)
Depreciation					(534)
Net Earnings (GAAP)					$ 2,813
Sales (GAAP)	$ 4,890	$ 5,297	$ 7,150		$ 17,337
Net Earnings Margin (GAAP)					16.2 %
Operating Profit Margin (GAAP)	24.1 %	9.5 %	28.0 %		19.8 %
Adjusted Operating Profit Margin (Non-GAAP)[6]	37.4 %	22.2 %	30.0 %		28.3 %
Adjusted EBITDA Margin (Non-GAAP)[7]	39.7 %	24.6 %	34.1 %		31.4 %

[4] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[5] Adjusted Operating Profit (Non-GAAP) is defined as Operating Profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).
[6] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[7] Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Other Non-GAAP Adjusted P&L Measures
($ in millions, except per share data)

Three-Month Period Ended September 26, 2025

	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings before income taxes	Income taxes	Net earnings for calculation of diluted earnings per common share	Diluted net earnings per common share
Reported (GAAP)	$ (2,530)	58.2 %	$ 1,154	19.1 %	$ 1,076	$ (168)	$ 908	$ 1.27
Amortization of acquisition-related intangible assets[A]	—	—	433	7.2	433		433	0.61
Fair value net (gains) losses on investments[B]	—	—	—	—	15		15	0.02
Impairments[C]	—	—	101	1.7	101		101	0.14
Tax effect of the above adjustments[F]						(108)	(108)	(0.15)
Rounding	—	—	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (2,530)	58.2 %	$ 1,688	27.9 %	$ 1,625	$ (276)	$ 1,349	$ 1.89

Three-Month Period Ended September 26, 2025

	Selling, general and administrative expenses	Selling, general and administrative expenses as a % of sales	Research and development expenses	Research and development expenses as a % of sales	Nonoperating income (expense), net (excluding interest)	Interest income (expense), net
Reported (GAAP)	$ (1,991)	(32.9)%	$ (378)	(6.2)%	$ (14)	$ (64)
Amortization of acquisition-related intangible assets[A]	433	7.2	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	15	—
Impairments[C]	101	1.7	—	—	—	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (1,457)	(24.1)%	$ (378)	(6.2)%	$ 1	$ (64)

Other Non-GAAP Adjusted P&L Measures
($ in millions, except per share data)

Three-Month Period Ended September 27, 2024

	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings before income taxes	Income taxes	Net earnings for calculation of diluted earnings per common share	Diluted net earnings per common share
Reported (GAAP)	$ (2,397)	58.7 %	$ 958	16.5 %	$ 977	$ (159)	$ 818	$ 1.12
Amortization of acquisition-related intangible assets[A]	—	—	414	7.1	414		414	0.57
Fair value net (gains) losses on investments[B]	—	—	—	—	(103)		(103)	(0.14)
Impairments[C]	—	—	222	3.8	222		222	0.30
Tax effect of the above adjustments[F]						(105)	(105)	(0.14)
Rounding	—	—	—	0.1	—	—	—	—
Adjusted (Non-GAAP)	$ (2,397)	58.7 %	$ 1,594	27.5 %	$ 1,510	$ (264)	$ 1,246	$ 1.71

Three-Month Period Ended September 27, 2024

	Selling, general and administrative expenses	Selling, general and administrative expenses as a % of sales	Research and development expenses	Research and development expenses as a % of sales	Nonoperating income (expense), net (excluding interest)	Interest income (expense), net
Reported (GAAP)	$ (2,060)	(35.5)%	$ (383)	(6.6)%	$ 102	$ (83)
Amortization of acquisition-related intangible assets[A]	414	7.1	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	(103)	—
Impairments[C]	222	3.8	—	—	—	—
Adjusted (Non-GAAP)	$ (1,424)	(24.6)%	$ (383)	(6.6)%	$ (1)	$ (83)

Other Non-GAAP Adjusted P&L Measures
($ in millions, except per share data)

Nine-Month Period Ended September 26, 2025

	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings before income taxes	Income taxes	Net earnings for calculation of diluted earnings per common share	Diluted net earnings per common share [8]
Reported (GAAP)	$ (7,173)	59.5 %	$ 3,188	18.0 %	$ 2,860	$ (443)	$ 2,417	$ 3.37
Amortization of acquisition-related intangible assets[A]	—	—	1,269	7.2	1,269		1,269	1.77
Fair value net (gains) losses on investments[B]	—	—	—	—	149		149	0.21
Impairments[C]	15	0.1	548	3.1	548		548	0.76
Gain on a product line disposition[D]	—	—	—	—	(9)		(9)	(0.01)
Tax effect of the above adjustments[F]						(389)	(389)	(0.54)
Discrete tax adjustments[G]						12	12	0.02
Rounding	—	—	—	(0.1)	—	—	—	(0.01)
Adjusted (Non-GAAP)	$ (7,158)	59.6 %	$ 5,005	28.2 %	$ 4,817	$ (820)	$ 3,997	$ 5.57

Nine-Month Period Ended September 26, 2025

	Selling, general and administrative expenses	Selling, general and administrative expenses as a % of sales	Research and development expenses	Research and development expenses as a % of sales	Nonoperating income (expense), net (excluding interest)	Interest income (expense), net
Reported (GAAP)	$ (6,209)	(35.0)%	$ (1,160)	(6.5)%	$ (135)	$ (193)
Amortization of acquisition-related intangible assets[A]	1,269	7.2	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	149	—
Impairments[C]	533	3.0	—	—	—	—
Gain on a product line disposition[D]	—	—	—	—	(9)	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (4,407)	(24.9)%	$ (1,160)	(6.5)%	$ 5	$ (193)

[8] Net earnings per diluted common share for the relevant three-month periods may not add to the year-to-date amounts due to rounding.

Other Non-GAAP Adjusted P&L Measures
($ in millions, except per share data)

Nine-Month Period Ended September 27, 2024

	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings before income taxes	Income taxes	Net earnings for calculation of diluted earnings per common share	Diluted net earnings per common share [8]
Reported (GAAP)	$ (7,021)	59.5 %	$ 3,438	19.8 %	$ 3,331	$ (518)	$ 2,813	$ 3.80
Amortization of acquisition-related intangible assets[A]	—	—	1,223	7.1	1,223		1,223	1.65
Fair value net (gains) losses on investments[B]	—	—	—	—	(7)		(7)	(0.01)
Impairments[C]	—	—	222	1.3	222		222	0.30
Acquisition-related items[E]	25	0.1	25	0.1	25		25	0.03
Tax effect of the above adjustments[F]						(276)	(276)	(0.37)
Discrete tax adjustments[G]						(45)	(45)	(0.06)
Adjusted (Non-GAAP)	$ (6,996)	59.6 %	$ 4,908	28.3 %	$ 4,794	$ (839)	$ 3,955	$ 5.34

Nine-Month Period Ended September 27, 2024

	Selling, general and administrative expenses	Selling, general and administrative expenses as a % of sales	Research and development expenses	Research and development expenses as a % of sales	Nonoperating income (expense), net (excluding interest)	Interest income (expense), net
Reported (GAAP)	$ (5,736)	(33.1)%	$ (1,142)	(6.6)%	$ 7	$ (114)
Amortization of acquisition-related intangible assets[A]	1,223	7.1	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	(7)	—
Impairments[C]	222	1.3	—	—	—	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (4,291)	(24.8)%	$ (1,142)	(6.6)%	$ —	$ (114)

[8] Net earnings per diluted common share for the relevant three-month periods may not add to the year-to-date amounts due to rounding.

Other Non-GAAP Adjusted P&L Measures

($ in millions, except per share data)

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

	Three-Month Period Ended		Nine-Month Period Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Pretax	$ 433	$ 414	$ 1,269	$ 1,223
After-tax	359	341	1,053	1,008

B Net (gains) losses on the Company's equity and limited partnership investments recorded in the following historical periods (only the pretax amounts set forth below are reflected in the fair value net (gains) losses on investments line above):

	Three-Month Period Ended		Nine-Month Period Ended	
	September 26, 2025	September 27, 2024	September 26, 2025	September 27, 2024
Pretax	$ 15	$ (103)	$ 149	$ (7)
After-tax	12	(82)	113	(9)

C Impairment charges related to technology and other intangible assets in the Biotechnology segment recorded in both the three and nine-month periods ended September 26, 2025 ($86 million pretax as reported in this line item, $58 million after-tax), a trade name in the Diagnostics segment recorded in both the three and nine-month periods ended September 26, 2025 ($15 million pretax as reported in this line item, $12 million after-tax), a trade name in the Life Sciences segment recorded in the nine-month period ended September 26, 2025 ($432 million pretax as reported in this line item, $328 million after-tax), a facility in the Biotechnology segment recorded in the nine-month period ended September 26, 2025 ($15 million pretax as reported in this line item, $11 million after-tax) and a trade name in the Life Sciences segment recorded in both the three and nine-month periods ended September 27, 2024 ($222 million pretax as recorded in this line item, $169 million after-tax).

D Gain on a product line disposition in the nine-month period ended September 26, 2025 ($9 million pretax as reported in this line item, $7 million after-tax).

E Costs incurred for the fair value adjustment to inventory related to the acquisition of Abcam plc (“Abcam”) for the nine-month period ended September 27, 2024 ($25 million pretax as reported in this line item, $19 million after-tax).

F 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.

G There were no net discrete tax adjustments for the three-month period ended September 26, 2025, as a valuation allowance recorded on certain foreign operating losses was offset by benefits from the remeasurement of deferred taxes in a jurisdiction which enacted a tax rate change. Discrete tax adjustments and other tax-related adjustments for the nine-month period ended September 26, 2025, include the impact of net discrete tax charges of $12 million related primarily to a valuation allowance recorded on certain foreign operating losses and changes in uncertain tax positions, partially offset by the remeasurement of deferred taxes in a jurisdiction which enacted a tax rate change and the release of reserves for uncertain tax positions due to the expiration of statutes of limitations. There were no net discrete tax adjustments and other tax-related adjustments for the three-month period ended September 27, 2024 as excess tax benefits from stock-based compensation were offset by other discrete tax charges. Discrete tax adjustments and other tax-related adjustments for the nine-month period ended September 27, 2024, include net discrete tax benefits of $45 million related primarily to excess tax benefits from stock-based compensation, release of reserves for uncertain tax positions due to the expiration of statutes of limitations and changes in estimates associated with prior period uncertain tax positions.

Operating Profit Margins and Year-Over-Year Core Operating Profit Margin Changes

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Three-Month Period Ended September 27, 2024 Operating Profit Margins (GAAP)	**16.50 %**	**23.60 %**	**2.00 %**	**26.00 %**
Third quarter 2025 impact from operating profit margin 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	(0.05)	—	—	(0.10)
Third quarter 2024 impairment charge related to a trade name in the Life Sciences segment, net of impairment charges related to technology and other intangible assets in the Biotechnology segment and a trade name in the Diagnostics segment in the third quarter of 2025	2.20	(4.75)	12.45	(0.60)
Year-over-year core operating profit margin changes for the third quarter 2025 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**0.45**	**0.75**	**(2.05)**	**1.70**
Three-Month Period Ended September 26, 2025 Operating Profit Margins (GAAP)	19.10 %	19.60%	12.40 %	27.00 %

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Nine-Month Period Ended September 27, 2024 Operating Profit Margins (GAAP)	**19.80 %**	**24.10 %**	**9.50 %**	**28.00 %**
First nine months of 2025 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	(0.20)	—	(0.35)	(0.15)
First nine months of 2025 impairment charges related to trade names in the Life Sciences and Diagnostics segments and technology, other intangible assets and a facility in the Biotechnology segment, net of an impairment charge related to a trade name in the Life Sciences segment in the first nine months of 2024	(1.80)	(1.90)	(4.05)	(0.20)
First nine months of 2024 acquisition-related fair value adjustment to inventory related to the acquisition of Abcam	0.15	—	0.45	—
Year-over-year core operating profit margin changes for the first nine months of 2025 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**0.05**	**3.00**	**(2.05)**	**(0.85)**
Nine-Month Period Ended September 26, 2025 Operating Profit Margins (GAAP)	18.00 %	25.20 %	3.50 %	26.80 %

Total Cash Flow, Free Cash Flow, Operating Cash Flow to Net Earnings Conversion Ratio and Free Cash Flow to Net Earnings Conversion Ratio
($ in millions)

	Three-Month Period Ended		Year-over-Year Change	Nine-Month Period Ended		Year-over-Year Change
	September 26, 2025	September 27, 2024		September 26, 2025	September 27, 2024	
Total Cash Flow:						
Net cash provided by operating activities (GAAP)	$ 1,662	$ 1,513		$ 4,299	$ 4,669	
Total cash used in investing activities (GAAP)	$ (312)	$ (606)		$ (812)	$ (1,287)	
Total cash used in financing activities (GAAP)	$ (2,781)	$ (845)		$ (4,283)	$ (6,693)	
Free Cash Flow:						
Net cash provided by operating activities (GAAP)	$ 1,662	$ 1,513	~ 10.0 %	$ 4,299	$ 4,669	~ (8.0)%
Less: payments for additions to property, plant & equipment (capital expenditures) (GAAP)	(292)	(298)		(785)	(876)	
Plus: proceeds from sales of property, plant & equipment (capital disposals) (GAAP)	—	11		10	12	
Free cash flow (non-GAAP)	$ 1,370	$ 1,226	~ 11.5 %	$ 3,524	$ 3,805	~ (7.5)%
Operating Cash Flow to Net Earnings Conversion Ratio:						
Net cash provided by operating activities (GAAP)	$ 1,662	$ 1,513		$ 4,299	$ 4,669	
Net earnings (GAAP)	908	818		2,417	2,813	
Operating cash flow to net earnings conversion ratio (GAAP)	1.83	1.85		1.78	1.66	
Free Cash Flow to Net Earnings Conversion Ratio:						
Free cash flow from above (non-GAAP)	$ 1,370	$ 1,226		$ 3,524	$ 3,805	
Net earnings (GAAP)	908	818		2,417	2,813	
Free cash flow to net earnings conversion ratio (non-GAAP)	1.51	1.50		1.46	1.35	

We define 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”).

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
- with respect to free cash flow and related non-GAAP cash flow measures (the "FCF Measure"), understand Danaher's ability to generate cash without external financings, strengthen its balance sheet, invest in its business and grow its business through acquisitions and other strategic opportunities (although a limitation of free cash flow is that it does not take into account the Company's debt service requirements and other non-discretionary expenditures, and as a result the entire free cash flow amount is not necessarily available for discretionary expenditures).

Management uses the non-GAAP measures referenced above to measure the Company's operating and financial performance, and uses core sales and non-GAAP measures similar to Adjusted Diluted Net Earnings Per Common Share and the FCF Measure 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 the 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 Adjusted Diluted Net Earnings Per Common 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.
- With respect to core operating profit margin changes, in addition to the explanation set forth in the bullets above relating to "restructuring charges" and "other adjustments", we exclude the impact of businesses owned for less than one year (or disposed of during such period and not treated as discontinued operations) because the timing, size, number and nature of such transactions can vary significantly from period to period and may obscure underlying business trends and make comparisons of long-term performance difficult.
- We calculate adjusted EBITDA by adding to operating profit amounts equal to depreciation and amortization and making the other adjustments reflected in the applicable tables above, which allows us to calculate and disclose such measure by segment. Given Danaher's diversification, we believe this helps our investors compare the profitability of our individual segments to peer companies with like business lines.
- 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.
- With respect to the FCF Measure, we deduct payments for additions to property, plant and equipment (net of the proceeds from capital disposals) to demonstrate the amount of operating cash flow for the period that remains after accounting for the Company's capital expenditure requirements.


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