

DANAHER CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
AND SUPPLEMENTAL FORWARD-LOOKING INFORMATION
THREE-MONTH PERIODS AND YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2023

TABLE OF CONTENTS

Page	
1	Sales Growth (Decline) by Segment, Core Sales Growth (Decline) by Segment
1	Forecasted Core Sales (Decline) Growth and Adjusted Operating Profit Margin
2	Segment Sales, Operating Profit and Adjusted Operating Profit
3	Non-GAAP Profitability Measures
7	Other Non-GAAP Adjusted P&L Measures
13	Average and Adjusted Average Common Stock and Common Equivalent Diluted Shares Outstanding
14	Operating Profit Margins and Year-Over-Year Core Operating Margin Changes
16	Cash Flow from Continuing Operations, Free Cash Flow from Continuing Operations, Operating Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Ratio and Free Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio
17	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: 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 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 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 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 2023 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the third quarter of 2024. These forward-looking statements speak only as of the date of this document (January 28, 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, Core Sales Growth (Decline) by Segment

	% Change Three-Month Period Ended December 31, 2024 vs. Comparable 2023 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (decline) (GAAP)	2.0 %	6.5 %	5.5 %	(3.0)%
Impact of:				
Acquisitions	(1.5)%	— %	(5.0)%	— %
Currency exchange rates	0.5 %	1.5 %	0.5 %	1.0 %
Core sales growth (decline) (non-GAAP)	1.0 %	8.0 %	1.0 %	(2.0)%

	% Change Year Ended December 31, 2024 vs. Comparable 2023 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (decline) (GAAP)	— %	(6.0)%	2.5 %	2.0 %
Impact of:				
Acquisitions	(2.0)%	— %	(6.0)%	— %
Currency exchange rates	0.5 %	1.5 %	1.5 %	1.0 %
Core sales (decline) growth (non-GAAP)	(1.5)%	(4.5)%	(2.0)%	3.0 %

Forecasted Core Sales (Decline) Growth and Adjusted Operating Profit Margin

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 asset impairments, which would be reflected in any forecasted GAAP operating profit.

	% Change Three-Month Period Ending March 28, 2025 vs. Comparable 2024 Period	% Change Year Ending December 31, 2025 vs. Comparable 2024 Period
Core sales (decline) growth (non-GAAP)	-Low single digit	~3.0%

	Three-Month Period Ending March 28, 2025	Year Ending December 31, 2025
Adjusted operating profit margin (non-GAAP)	~26.5 %	~28.5 %

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

	Three-Month Period Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Sales (GAAP)				
Biotechnology	$ 1,869	$ 1,759	$ 6,759	$ 7,172
Life Sciences	2,032	1,930	7,329	7,141
Diagnostics	2,637	2,716	9,787	9,577
Total Company	$ 6,538	$ 6,405	$ 23,875	$ 23,890
Operating Profit (GAAP)				
Biotechnology	$ 508	$ 416	$ 1,685	$ 1,909
Life Sciences	376	235	879	1,209
Diagnostics	624	766	2,625	2,406
Other	(83)	(80)	(326)	(322)
Total Company	$ 1,425	$ 1,337	$ 4,863	$ 5,202
Amortization of Intangible Assets (GAAP)				
Biotechnology	$ 213	$ 215	$ 863	$ 864
Life Sciences	148	116	576	429
Diagnostics	47	49	192	198
Total Company	$ 408	$ 380	$ 1,631	$ 1,491
Other Operating Profit Adjustments[1]				
Biotechnology	$ —	$ 12	$ —	$ 54
Life Sciences	—	85	247	85
Diagnostics	99	23	99	23
Other	—	—	—	—
Total Company	$ 99	$ 120	$ 346	$ 162
Adjusted Operating Profit (non-GAAP)[2]				
Biotechnology	$ 721	$ 643	$ 2,548	$ 2,827
Life Sciences	524	436	1,702	1,723
Diagnostics	770	838	2,916	2,627
Other	(83)	(80)	(326)	(322)
Total Company	$ 1,932	$ 1,837	$ 6,840	$ 6,855

[1] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[2] 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 December 31, 2024				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 1,086
Interest, Net					47
Other Nonoperating (Income) Expense					63
Income Taxes					229
Operating Profit (GAAP)	$ 508	$ 376	$ 624	$ (83)	$ 1,425
Other Operating Profit Adjustments[1]	—	—	99	—	99
Amortization of Intangible Assets	213	148	47	—	408
Adjusted Operating Profit (Non-GAAP)[2]	721	524	770	(83)	1,932
Depreciation	38	44	102	3	187
Adjusted EBITDA (Non-GAAP)	$ 759	$ 568	$ 872	$ (80)	$ 2,119
Interest, Net					(47)
Other Nonoperating Income (Expense)					(63)
Income Taxes					(229)
Other Operating Profit Adjustments[1]					(99)
Amortization of Intangible Assets					(408)
Depreciation					(187)
Net Earnings from Continuing Operations (GAAP)					$ 1,086
Sales (GAAP)	$ 1,869	$ 2,032	$ 2,637		$ 6,538
Net Earnings from Continuing Operations Margin (GAAP)					16.6 %
Operating Profit Margin (GAAP)	27.2 %	18.5 %	23.7 %		21.8 %
Adjusted Operating Profit Margin (Non-GAAP)[3]	38.6 %	25.8 %	29.2 %		29.6 %
Adjusted EBITDA Margin (Non-GAAP)[4]	40.6 %	28.0 %	33.1 %		32.4 %

1 Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
2 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).
3 Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
4 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 December 31, 2023				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 1,121
Interest, Net					(32)
Other Nonoperating (Income) Expense					137
Income Taxes					111
Operating Profit (GAAP)	$ 416	$ 235	$ 766	$ (80)	$ 1,337
Other Operating Profit Adjustments[1]	12	85	23	—	120
Amortization of Intangible Assets	215	116	49	—	380
Adjusted Operating Profit (Non-GAAP)[2]	643	436	838	(80)	1,837
Depreciation	43	37	97	1	178
Adjusted EBITDA (Non-GAAP)	$ 686	$ 473	$ 935	$ (79)	$ 2,015
Interest, Net					32
Other Nonoperating Income (Expense)					(137)
Income Taxes					(111)
Other Operating Profit Adjustments[1]					(120)
Amortization of Intangible Assets					(380)
Depreciation					(178)
Net Earnings from Continuing Operations (GAAP)					$ 1,121
Sales (GAAP)	$ 1,759	$ 1,930	$ 2,716		$ 6,405
Net Earnings from Continuing Operations Margin (GAAP)					17.5 %
Operating Profit Margin (GAAP)	23.6 %	12.2 %	28.2 %		20.9 %
Adjusted Operating Profit Margin (Non-GAAP)[3]	36.6 %	22.6 %	30.9 %		28.7 %
Adjusted EBITDA Margin (Non-GAAP)[4]	39.0 %	24.5 %	34.4 %		31.5 %

1 Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
2 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).
3 Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
4 Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Non-GAAP Profitability Measures
($ in millions)

	Year Ended December 31, 2024				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 3,899
Interest, Net					161
Other Nonoperating (Income) Expense					56
Income Taxes					747
Operating Profit (GAAP)	$ 1,685	$ 879	$ 2,625	$ (326)	$ 4,863
Other Operating Profit Adjustments[1]	—	247	99	—	346
Amortization of Intangible Assets	863	576	192	—	1,631
Adjusted Operating Profit (Non-GAAP)[2]	2,548	1,702	2,916	(326)	6,840
Depreciation	151	167	394	9	721
Adjusted EBITDA (Non-GAAP)	$ 2,699	$ 1,869	$ 3,310	$ (317)	$ 7,561
Interest, Net					(161)
Other Nonoperating Income (Expense)					(56)
Income Taxes					(747)
Other Operating Profit Adjustments[1]					(346)
Amortization of Intangible Assets					(1,631)
Depreciation					(721)
Net Earnings from Continuing Operations (GAAP)					$ 3,899
Sales (GAAP)	$ 6,759	$ 7,329	$ 9,787		$ 23,875
Net Earnings from Continuing Operations Margin (GAAP)					16.3 %
Operating Profit Margin (GAAP)	24.9 %	12.0 %	26.8 %		20.4 %
Adjusted Operating Profit Margin (Non-GAAP)[3]	37.7 %	23.2 %	29.8 %		28.6 %
Adjusted EBITDA Margin (Non-GAAP)[4]	39.9 %	25.5 %	33.8 %		31.7 %

1 Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
2 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).
3 Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
4 Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by Sales (GAAP).

Non-GAAP Profitability Measures
($ in millions)

	Year Ended December 31, 2023				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 4,221
Interest, Net					(17)
Other Nonoperating (Income) Expense					175
Income Taxes					823
Operating Profit (GAAP)	$ 1,909	$ 1,209	$ 2,406	$ (322)	$ 5,202
Other Operating Profit Adjustments[1]	54	85	23	—	162
Amortization of Intangible Assets	864	429	198	—	1,491
Adjusted Operating Profit (Non-GAAP)[2]	2,827	1,723	2,627	(322)	6,855
Depreciation	162	129	379	5	675
Adjusted EBITDA (Non-GAAP)	$ 2,989	$ 1,852	$ 3,006	$ (317)	$ 7,530
Interest, Net					17
Other Nonoperating Income (Expense)					(175)
Income Taxes					(823)
Other Operating Profit Adjustments[1]					(162)
Amortization of Intangible Assets					(1,491)
Depreciation					(675)
Net Earnings from Continuing Operations (GAAP)					$ 4,221
Sales (GAAP)	$ 7,172	$ 7,141	$ 9,577		$ 23,890
Net Earnings from Continuing Operations Margin (GAAP)					17.7 %
Operating Profit Margin (GAAP)	26.6 %	16.9 %	25.1 %		21.8 %
Adjusted Operating Profit Margin (Non-GAAP)[3]	39.4 %	24.1 %	27.4 %		28.7 %
Adjusted EBITDA Margin (Non-GAAP)[4]	41.7 %	25.9 %	31.4 %		31.5 %

1 Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
2 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).
3 Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
4 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 December 31, 2024

	Sales	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings from continuing operations before income taxes	Income taxes	Net earnings from continuing operations for calculation of diluted earnings per common share	Diluted net earnings per common share from continuing operations[5]
Reported (GAAP)	$ 6,538	$ (2,648)	59.5 %	$ 1,425	21.8 %	$ 1,315	$ (229)	$ 1,086 [J]	$ 1.49
Amortization of acquisition-related intangible assets[A]	—	—	—	408	6.2	408		408	0.56
Fair value net (gains) losses on investments[B]	—	—	—	—	—	64		64	0.09
Impairments[C]	—	—	—	43	0.7	43		43	0.06
Contract termination expense[F]	—	—	—	56	0.9	56		56	0.08
Tax effect of the above adjustments[G]							(97)	(97)	(0.13)
Discrete tax adjustments[H]							(4)	(4)	(0.01)
Adjusted (Non-GAAP)	$ 6,538	$ (2,648)	59.5 %	$ 1,932	29.6 %	$ 1,886	$ (330)	$ 1,556	$ 2.14

Three-Month Period Ended December 31, 2024

	Sales	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)	$ 6,538	$ (2,023)	(30.9)%	$ (442)	(6.8)%	$ (63)	$ (47)
Amortization of acquisition-related intangible assets[A]	—	408	6.2	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	—	64	—
Impairments[C]	—	43	0.7	—	—	—	—
Contract settlement expense[F]	—	56	0.9	—	—	—	—
Rounding	—	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ 6,538	$ (1,516)	(23.2)%	$ (442)	(6.8)%	$ 1	$ (47)

[5] Diluted net earnings per common share amounts 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)

Three-Month Period Ended December 31, 2023

	Sales	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings from continuing operations before income taxes	Income taxes	Net earnings from continuing operations for calculation of diluted earnings per common share	Diluted net earnings per common share from continuing operations[5]
Reported (GAAP)	$ 6,405	$ (2,626)	59.0 %	$ 1,337	20.9 %	$ 1,232	$ (111)	$ 1,121 [J]	$ 1.50
Amortization of acquisition-related intangible assets[A]	—	—	—	380	5.9	380		380	0.51
Fair value net (gains) losses on investments[B]	—	—	—	—	—	139		139	0.19
Impairments[C]	—	—	—	35	0.5	35		35	0.05
Acquisition-related items[D]	—	8	0.1	95	1.5	95		95	0.13
Litigation gains[E]	—	—	—	(10)	(0.2)	(10)		(10)	(0.01)
Tax effect of the above adjustments[G]							(131)	(131)	(0.18)
Discrete tax adjustments[H]							(71)	(71)	(0.10)
Rounding		—	—	—	0.1	—	—	—	—
Adjusted (Non-GAAP)	$ 6,405	$ (2,618)	59.1 %	$ 1,837	28.7 %	$ 1,871	$ (313)	$ 1,558	$ 2.09

Three-Month Period Ended December 31, 2023

	Sales	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)	$ 6,405	$ (2,035)	(31.8)%	$ (407)	(6.4)%	$ (137)	$ 32
Amortization of acquisition-related intangible assets[A]	—	380	5.9	—	—	—	—
Fair value (gains) losses on investments[B]	—	—	—	—	—	139	—
Impairments[C]	—	35	0.5	—	—	—	—
Acquisition-related items[D]	—	87	1.4	—	—	—	—
Litigation gains[E]	—	(10)	(0.2)	—	—	—	—
Rounding	—	—	0.1	—	—	—	—
Adjusted (Non-GAAP)	$ 6,405	$ (1,543)	(24.1)%	$ (407)	(6.4)%	$ 2	$ 32

[5] Diluted net earnings per common share amounts 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)

Year Ended December 31, 2024

	Sales	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings from continuing operations before income taxes	Income taxes	Net earnings from continuing operations for calculation of diluted earnings per common share	Diluted net earnings per common share from continuing operations[6]
Reported (GAAP)	$ 23,875	$ (9,669)	59.5 %	$ 4,863	20.4 %	$ 4,646	$ (747)	$ 3,899 [J]	$ 5.29
Amortization of acquisition-related intangible assets[A]	—	—	—	1,631	6.8	1,631		1,631	2.21
Fair value net (gains) losses on investments[B]	—	—	—	—	—	57		57	0.08
Impairments[C]	—	—	—	265	1.1	265		265	0.36
Acquisition-related items[D]	—	25	0.1	25	0.1	25		25	0.03
Contract termination expense[F]	—	—	—	56	0.2	56		56	0.08
Tax effect of the above adjustments[G]							(373)	(373)	(0.51)
Discrete tax adjustments[H]							(49)	(49)	(0.07)
Rounding	—	—	—	—	—	—	—	—	0.01
Adjusted (Non-GAAP)	$ 23,875	$ (9,644)	59.6 %	$ 6,840	28.6 %	$ 6,680	$ (1,169)	$ 5,511	$ 7.48

Year Ended December 31, 2024

	Sales	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)	$ 23,875	$ (7,759)	(32.5)%	$ (1,584)	(6.6)%	$ (56)	$ (161)
Amortization of acquisition-related intangible assets[A]	—	1,631	6.8	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	—	57	—
Impairments[C]	—	265	1.1	—	—	—	—
Contract termination expense[F]	—	56	0.2	—	—	—	—
Rounding	—	—	0.1	—	—	—	—
Adjusted (Non-GAAP)	$ 23,875	$ (5,807)	(24.3)%	$ (1,584)	(6.6)%	$ 1	$ (161)

[6] For the year ended December 31, 2023, each of the per share amounts above have been calculated assuming the Mandatory Convertible Preferred Stock ("MCPS") had been converted into shares of common stock for all periods presented prior to their conversion on April 17, 2023. Diluted net earnings per common share amounts 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)

Year Ended December 31, 2023

	Sales	Cost of sales	Gross profit margin	Operating profit	Operating profit margin	Earnings from continuing operations before income taxes	Income taxes	Net earnings from continuing operations for calculation of diluted earnings per common share	Diluted net earnings per common share from continuing operations[6]
Reported (GAAP)	$ 23,890	$ (9,856)	58.7 %	$ 5,202	21.8 %	$ 5,044	$ (823)	$ 4,200 [J]	$ 5.65
Amortization of acquisition-related intangible assets[A]	—	—	—	1,491	6.2	1,491		1,491	2.00
Fair value net (gains) losses on investments[B]	—	—	—	—	—	182		182	0.24
Impairments[C]	—	14	0.1	77	0.3	77		77	0.10
Acquisition-related items[D]	—	8	—	95	0.4	95		95	0.13
Litigation gains[E]	—	—	—	(10)	—	(10)		(10)	(0.01)
Tax effect of the above adjustments[G]							(354)	(354)	(0.47)
Discrete tax adjustments[H]							(47)	(47)	(0.06)
MCPS "as if converted"[I]	—	—	—	—	—	—	—	21	0.01
Rounding	—	—	—	—	—	—	—	—	(0.01)
Adjusted (Non-GAAP)	$ 23,890	$ (9,834)	58.8 %	$ 6,855	28.7 %	$ 6,879	$ (1,224)	$ 5,655	$ 7.58

Year Ended December 31, 2023

	Sales	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)	$ 23,890	$ (7,329)	(30.7)%	$ (1,503)	(6.3)%	$ (175)	$ 17
Amortization of acquisition-related intangible assets[A]	—	1,491	6.2	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	—	182	—
Impairments[C]	—	63	0.3	—	—	—	—
Acquisition-related items[D]	—	87	0.4	—	—	—	—
Litigation gains[E]	—	(10)	—	—	—	—	—
Rounding	—	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ 23,890	$ (5,698)	(23.9)%	$ (1,503)	(6.3)%	$ 7	$ 17

[6] For the year ended December 31, 2023, each of the per share amounts above have been calculated assuming the Mandatory Convertible Preferred Stock ("MCPS") had been converted into shares of common stock prior to their conversion on April 17, 2023. Diluted net earnings per common share amounts 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 ($ in millions) (only the pretax amounts set forth below are reflected in the amortization line item above):

	Three-Month Period Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Pretax	$ 408	$ 380	$ 1,631	$ 1,491
After-tax	338	317	1,346	1,226

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

	Three-Month Period Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Pretax	$ 64	$ 139	$ 57	$ 182
After-tax	48	98	39	130

C Impairment charges related to a trade name in the Diagnostics segment recorded in the three-month period and year ended December 31, 2024 ($43 million pretax as reported in this line item, $32 million after-tax), a trade name in the Life Sciences segment recorded in the year ended December 31, 2024 ($222 million pretax as reported in this line item, $169 million after-tax), technology-based intangible assets in the Diagnostics segment recorded in the three-month period and year ended December 31, 2023 ($23 million pretax as reported in this line, $18 million after-tax) and technology-based intangible assets and other assets in the Biotechnology segment recorded in the three-month period and year ended December 31, 2023 ($12 million and $54 million pretax as reported in this line item, $8 million and $40 million after-tax, respectively).

D Costs incurred for the fair value adjustment to inventory related to the acquisition of Abcam plc (“Abcam”) for the year ended December 31, 2024 ($25 million pretax as reported in this line item, $19 million after-tax). Transaction costs deemed significant, settlement of pre-acquisition share-based payment awards and fair value adjustments to inventory in each case related to the acquisition of Abcam in the three-month period and year ended December 31, 2023 ($95 million pretax as reported in this line item, $75 million after-tax). 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 the Company in a given period.

E Gain related to settlement of litigation in the Life Sciences segment recorded in the three-month period and year ended December 31, 2023 ($10 million pretax as reported in this line, $8 million after-tax).

F Loss on the termination of a commercial agreement in the Diagnostics segment in the three-month period and year ended December 31, 2024 ($56 million pretax as reported in this line item, $56 million after-tax).

G This line item reflects the aggregate tax effect of all non-tax adjustments reflected in the preceding line items of the table. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Danaher estimates the tax effect of each adjustment item by applying Danaher’s overall estimated effective tax rate to the pretax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment. The MCPS dividends are not tax deductible and therefore the tax effect of the adjustments does not include any tax impact of the MCPS dividends.

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

H Discrete tax adjustments and other tax-related adjustments for the three-month period ended December 31, 2024, include the impact of net discrete tax benefits of $4 million due principally to net discrete tax benefits resulting from the release of reserves for uncertain tax positions due to the expiration of statutes of limitation and changes in estimates related to prior year tax filing positions, net of charges related to changes in estimates associated with prior period uncertain tax positions. Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2024 include the impact of net discrete tax benefits of $49 million due principally to net discrete tax benefits resulting from excess tax benefits from stock compensation, the release of reserves for uncertain tax positions due to the expiration of statutes of limitation and changes in estimates related to prior year tax filing positions, net of charges related to changes in estimates associated with prior period uncertain tax positions. Discrete tax adjustments for the three-month period ended December 31, 2023, include the impact of net discrete tax benefits of $71 million due principally to net deferred tax benefits resulting from changes in estimates related to prior year tax filing positions and the release of reserves for uncertain tax positions due to the expiration of statutes of limitation, net of charges related to changes in estimates associated with prior period uncertain tax positions. Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2023 include the impact of net discrete tax benefits of $47 million due principally to net discrete tax benefits from changes in estimates related to prior year tax filing positions, the release of reserves for uncertain tax positions due to the expiration of statutes of limitation and excess tax benefits from stock-based compensation, net of charges related to tax costs related to the separation of Veralto Corporation, tax costs from legal and operational actions undertaken to realign certain of its businesses and changes in estimates associated with prior period uncertain tax positions. The Company anticipates excess tax benefits from stock compensation of approximately $7 million per quarter and therefore excludes benefits in excess of this amount in the calculation of adjusted diluted net earnings from continuing operations per common share.

I In May 2020, the Company issued $1.72 billion in aggregate liquidation preference of 5.0% MCPS. Dividends on the MCPS were payable on a cumulative basis at an annual rate of 5.0% on the liquidation preference of $1,000 per share. Each share of MCPS converted on April 17, 2023 into 5.0175 shares of Danaher's common stock. For the calculation of net earnings per common share from continuing operations, the impact of the dilutive MCPS is calculated under the "if-converted" method and the related MCPS dividends are excluded. For the purposes of calculating adjusted earnings per common share from continuing operations, the Company has excluded the paid MCPS cash dividends and assumed the "if-converted" method of share dilution (the incremental shares of common stock deemed outstanding applying the "if-converted" method of calculating share dilution only with respect to any MCPS the conversion of which would be dilutive in the particular period are referred to as the "Converted Shares") for any MCPS that were anti-dilutive for the given period. For additional information about the impact of the MCPS on the calculation of diluted EPS, see note 7 in the Average and Adjusted Average Common Stock and Common Equivalent Diluted Shares Outstanding table below.

J Net earnings from continuing operations for calculation of diluted earnings per common share is summarized as follows ($ in millions):

	Three-Month Period Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net earnings from continuing operations	$ 1,086	$ 1,121	$ 3,899	$ 4,221
MCPS dividends	—	—	—	(21)
Net earnings from continuing operations attributable to common stockholders for Basic and Diluted EPS	$ 1,086	$ 1,121	$ 3,899	$ 4,200

Average and Adjusted Average Common Stock and Common Equivalent Diluted Shares Outstanding
(shares in millions)

	Three-Month Period Ended		Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Average common stock and common equivalent shares outstanding - diluted (GAAP)[7]	728.2	746.1	737.2	743.1
Converted shares[8]	—	—	—	2.5
Adjusted average common stock and common equivalent shares outstanding - diluted (non-GAAP)	728.2	746.1	737.2	745.6

[7] The impact of the MCPS calculated under the if-converted method was anti-dilutive for the year ended December 31, 2023 and as such, approximately 2.5 million shares underlying the MCPS were excluded from the calculation of diluted EPS for the period and the related MCPS dividends of $21 million were included in the calculation of net earnings for diluted EPS for the period. As of April 17, 2023, all outstanding shares of the MCPS converted into 8.6 million shares of the Company's common stock.

[8] The number of converted shares assumes the conversion of all MCPS and issuance of the underlying shares applying the "if-converted" method of accounting and using the actual conversion rates as of December 31, 2023.

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

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Three-Month Period Ended December 31, 2023 Operating Profit Margins from Continuing Operations (GAAP)	**20.90 %**	**23.60 %**	**12.20 %**	**28.20 %**
Fourth quarter 2024 impact from operating profit margins of businesses that have been owned for less than one year	(0.70)	—	(1.80)	0.85
Fourth quarter 2024 loss on the termination of a commercial arrangement in the Diagnostics segment	(0.85)	—	—	(2.15)
Fourth quarter 2023 transaction costs deemed significant, settlement of pre-acquisition share-based payment awards and fair value adjustments to inventory, in each case related to the acquisition of Abcam	1.50	—	4.90	—
Fourth quarter 2024 impairment charge related to a trade name in the Diagnostics segment net of fourth quarter 2023 impairment charges related to technology-based intangible assets in the Diagnostics segment and technology-based intangible assets and other assets in the Biotechnology segment	(0.10)	0.70	—	(1.65)
Fourth quarter 2023 gain from the resolution of a litigation contingency in the Life Sciences segment	(0.15)	—	(0.55)	—
Year-over-year core operating profit margin changes for the fourth quarter 2024 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**1.20**	**2.90**	**3.75**	**(1.55)**
Three-Month Period Ended December 31, 2024 Operating Profit Margins from Continuing Operations (GAAP)	21.80 %	27.20 %	18.50 %	23.70 %

Note: 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 the Company in a given period.

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

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Year Ended December 31, 2023 Operating Profit Margins from Continuing Operations (GAAP)	**21.80 %**	**26.60 %**	**16.90 %**	**25.10 %**
Full year 2024 impact from operating profit margins of businesses that have been owned for less than one year	(0.85)	—	(2.45)	—
Full year 2023 transaction costs deemed significant, settlement of pre-acquisition share-based payment awards and fair value adjustments to inventory, net of full year 2024 acquisition-related fair value adjustment to inventory, in each case related to the acquisition of Abcam	0.30	—	1.00	—
Full year 2024 impairment charges related to a trade name in each of the Life Sciences and Diagnostics segments, net of full year 2023 impairment charges related to technology-based intangible assets in the Diagnostics segment and technology-based intangible assets and other assets in the Biotechnology segment	(0.75)	0.75	(3.05)	(0.20)
Full year 2024 loss on the termination of a commercial arrangement in the Diagnostics segment	(0.25)	—	—	(0.60)
Full year 2023 gain from the resolution of a litigation contingency in the Life Sciences segment	(0.05)	—	(0.15)	—
Year-over-year core operating profit margin changes for full year 2024 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**0.20**	**(2.45)**	**(0.25)**	**2.50**
Year Ended December 31, 2024 Operating Profit Margins from Continuing Operations (GAAP)	20.40 %	24.90 %	12.00 %	26.80 %

Note: 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 the Company in a given period.

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

	Three-Month Period Ended		Year-over-Year Change	Year Ended		Year-over-Year Change
	December 31, 2024	December 31, 2023		December 31, 2024	December 31, 2023	
Total Cash Flows from Continuing Operations:						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,019	$ 1,591		$ 6,688	$ 6,490	
Total cash used in investing activities from continuing operations (GAAP)	$ (694)	$ (6,017)		$ (1,981)	$ (7,048)	
Total cash (used in) provided by financing activities from continuing operations (GAAP)	$ (1,692)	$ (1,819)		$ (8,385)	$ 154	
Free Cash Flow from Continuing Operations:						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,019	$ 1,591	~27.0 %	$ 6,688	$ 6,490	~3.0 %
Less: payments for additions to property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(516)	(434)		(1,392)	(1,383)	
Plus: proceeds from sales of property, plant & equipment (capital disposals) from continuing operations (GAAP)	1	6		13	12	
Free cash flow from continuing operations (non-GAAP)	$ 1,504	$ 1,163	~29.5 %	$ 5,309	$ 5,119	~3.5 %
Operating Cash Flow to Net Earnings Ratio (GAAP)						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,019	$ 1,591		$ 6,688	$ 6,490	
Net earnings from continuing operations (GAAP)	$ 1,086	$ 1,121		$ 3,899	$ 4,221	
Operating cash flow from continuing operations to net earnings from continuing operations conversion ratio	1.86	1.42		1.72	1.54	
Free Cash Flow to Net Earnings Ratio (non-GAAP)						
Free cash flow from continuing operations from above (non-GAAP)	$ 1,504	$ 1,163		$ 5,309	$ 5,119	
Net earnings from continuing operations (GAAP)	$ 1,086	$ 1,121		$ 3,899	$ 4,221	
Free cash flow from continuing operations to net earnings from continuing operations conversion ratio (non-GAAP)	1.38	1.04		1.36	1.21	

The Company defines free cash flow as operating cash flows from continuing operations, less payments for additions to property, plant and equipment from continuing operations (“capital expenditures”) plus the proceeds from sales of plant, property and equipment from continuing operations (“capital disposals”). All amounts presented above reflect only continuing operations.

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 from continuing operations 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 from Continuing Operations and the FCF Measure in the Company's executive compensation program.

- The items excluded from the non-GAAP profitability 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 Adjusted Diluted Net Earnings Per Common Share from Continuing Operations, 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 adjusted average common stock and common equivalent shares outstanding, Danaher's MCPS mandatorily converted into Danaher common stock on the mandatory conversion date of April 17, 2023 (unless converted or redeemed earlier in accordance with the terms of the applicable certificate of designations). With respect to the calculation of Adjusted Diluted Net Earnings Per Common Share from Continuing Operations, we apply the "if converted" method of share dilution to the MCPS in all applicable periods irrespective of whether such preferred shares were dilutive or anti-dilutive in the period. We believe this presentation provides useful information to investors by helping them understand the net impact on Danaher's earnings per share-related measures irrespective of the period.

Statement Regarding Non-GAAP Measures

- 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 exclude 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.

The Company provides forecasted sales only on a non-GAAP 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.


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