

DANAHER CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
AND SUPPLEMENTAL FORWARD-LOOKING INFORMATION
THREE-MONTH PERIODS AND YEARS ENDED DECEMBER 31, 2025 AND DECEMBER 31, 2024

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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 (January 28, 2026) 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 by Segment, Core Sales Growth (Decline) by Segment

	% Change Three-Month Period Ended December 31, 2025 vs. Comparable 2024 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (GAAP)	4.5 %	9.0 %	2.5 %	3.0 %
Impact of:				
Acquisitions/divestitures	0.5 %	— %	— %	1.0 %
Currency exchange rates	(2.5)%	(3.0)%	(2.0)%	(2.0)%
Core sales growth (non-GAAP)	2.5 %	6.0 %	0.5 %	2.0 %

	% Change Year Ended December 31, 2025 vs. Comparable 2024 Period			
		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Total sales growth (GAAP)	3.0 %	8.0 %	— %	1.5 %
Impact of:				
Acquisitions/divestitures	— %	— %	(0.5)%	0.5 %
Currency exchange rates	(1.0)%	(1.5)%	(1.0)%	(0.5)%
Core sales growth (decline) (non-GAAP)	2.0 %	6.5 %	(1.5)%	1.5 %

Forward-Looking Information
($ in millions, except per share amounts)

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, 2026 and the impact of foreign currency on sales, which for the first quarter 2026 and the full year 2026 is estimated to increase sales by 3.5% and 1.0%, respectively, assuming the currency exchange rates in effect as of December 31, 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 March 27, 2026 vs. Comparable 2025 Period	% Change Year Ending December 31, 2026 vs. Comparable 2025 Period
Core sales growth (decline) (non-GAAP)		
Biotechnology	+High-single digit	~+6.0%
Life Sciences	Flat/ -Low-single digit	Flat
Diagnostics	-Low-single digit	+Low-single digit
Total Company core sales growth (non-GAAP)	+Low-single digit	+3.0% - +6.0%

	Three-Month Period Ending March 27, 2026	Year Ending December 31, 2026
Adjusted operating profit margin (non-GAAP)	~28.5 %	
Adjusted diluted net earnings per common share (non-GAAP)		$8.35 - $8.50
Corporate expense[1]	~$(90)	~$(360)
Interest expense, net[2]	~$(45)	~($180)
Effective tax rate	~17.0%	~17.0%
Average adjusted diluted shares	~714.0	~717.0

[1] 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.

[2] 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 December 31, 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		Year Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Sales (GAAP)				
Biotechnology	$ 2,033	$ 1,869	$ 7,293	$ 6,759
Life Sciences	2,085	2,032	7,334	7,329
Diagnostics	2,720	2,637	9,941	9,787
Total Company	$ 6,838	$ 6,538	$ 24,568	$ 23,875
Operating Profit (GAAP)				
Biotechnology	$ 540	$ 508	$ 1,864	$ 1,685
Life Sciences	336	376	520	879
Diagnostics	713	624	2,650	2,625
Other	(87)	(83)	(344)	(326)
Total Company	$ 1,502	$ 1,425	$ 4,690	$ 4,863
Amortization of Intangible Assets (GAAP)				
Biotechnology	$ 230	$ 213	$ 902	$ 863
Life Sciences	151	148	604	576
Diagnostics	47	47	191	192
Total Company	$ 428	$ 408	$ 1,697	$ 1,631
Other Operating Profit Adjustments[3]				
Biotechnology	$ —	$ —	$ 101	$ —
Life Sciences	14	—	446	247
Diagnostics	(10)	99	5	99
Other	—	—	—	—
Total Company	$ 4	$ 99	$ 552	$ 346
Adjusted Operating Profit (non-GAAP)[4]				
Biotechnology	$ 770	$ 721	$ 2,867	$ 2,548
Life Sciences	501	524	1,570	1,702
Diagnostics	750	770	2,846	2,916
Other	(87)	(83)	(344)	(326)
Total Company	$ 1,934	$ 1,932	$ 6,939	$ 6,840

[3] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[4] 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, 2025				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 1,183
Interest, Net					42
Other Nonoperating (Income) Expense					87
Income Taxes					190
Operating Profit (GAAP)	$ 540	$ 336	$ 713	$ (87)	$ 1,502
Other Operating Profit Adjustments[3]	—	14	(10)	—	4
Amortization of Intangible Assets	230	151	47	—	428
Adjusted Operating Profit (Non-GAAP)[4]	770	501	750	(87)	1,934
Depreciation	39	48	106	2	195
Adjusted EBITDA (Non-GAAP)	$ 809	$ 549	$ 856	$ (85)	$ 2,129
Interest, Net					(42)
Other Nonoperating Income (Expense)					(87)
Income Taxes					(190)
Other Operating Profit Adjustments[3]					(4)
Amortization of Intangible Assets					(428)
Depreciation					(195)
Net Earnings from Continuing Operations (GAAP)					$ 1,183
Sales (GAAP)	$ 2,033	$ 2,085	$ 2,720		$ 6,838
Net Earnings from Continuing Operations Margin (GAAP)					17.3 %
Operating Profit Margin (GAAP)	26.6 %	16.1 %	26.2 %		22.0 %
Adjusted Operating Profit Margin (Non-GAAP)[5]	37.9 %	24.0 %	27.6 %		28.3 %
Adjusted EBITDA Margin (Non-GAAP)[6]	39.8 %	26.3 %	31.5 %		31.1 %

[3] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[4] 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).
[5] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[6] 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, 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[3]	—	—	99	—	99
Amortization of Intangible Assets	213	148	47	—	408
Adjusted Operating Profit (Non-GAAP)[4]	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[3]					(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)[5]	38.6 %	25.8 %	29.2 %		29.6 %
Adjusted EBITDA Margin (Non-GAAP)[6]	40.6 %	28.0 %	33.1 %		32.4 %

[3] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[4] 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).
[5] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[6] 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, 2025				
	Biotechnology	Life Sciences	Diagnostics	Other	Total Company
Net Earnings from Continuing Operations (GAAP)					$ 3,600
Interest, Net					235
Other Nonoperating (Income) Expense					222
Income Taxes					633
Operating Profit (GAAP)	$ 1,864	$ 520	$ 2,650	$ (344)	$ 4,690
Other Operating Profit Adjustments[3]	101	446	5	—	552
Amortization of Intangible Assets	902	604	191	—	1,697
Adjusted Operating Profit (Non-GAAP)[4]	2,867	1,570	2,846	(344)	6,939
Depreciation	149	185	407	9	750
Adjusted EBITDA (Non-GAAP)	$ 3,016	$ 1,755	$ 3,253	$ (335)	$ 7,689
Interest, Net					(235)
Other Nonoperating Income (Expense)					(222)
Income Taxes					(633)
Other Operating Profit Adjustments[3]					(552)
Amortization of Intangible Assets					(1,697)
Depreciation					(750)
Net Earnings from Continuing Operations (GAAP)					$ 3,600
Sales (GAAP)	$ 7,293	$ 7,334	$ 9,941		$ 24,568
Net Earnings from Continuing Operations Margin (GAAP)					14.7 %
Operating Profit Margin (GAAP)	25.6 %	7.1 %	26.7 %		19.1 %
Adjusted Operating Profit Margin (Non-GAAP)[5]	39.3 %	21.4 %	28.6 %		28.2 %
Adjusted EBITDA Margin (Non-GAAP)[6]	41.4 %	23.9 %	32.7 %		31.3 %

[3] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[4] 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).
[5] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[6] 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[3]	—	247	99	—	346
Amortization of Intangible Assets	863	576	192	—	1,631
Adjusted Operating Profit (Non-GAAP)[4]	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[3]					(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)[5]	37.7 %	23.2 %	29.8 %		28.6 %
Adjusted EBITDA Margin (Non-GAAP)[6]	39.9 %	25.5 %	33.8 %		31.7 %

[3] Refer to the Reconciliation of GAAP to Adjusted P&L Measures for a description of the components of Other Operating Profit Adjustments.
[4] 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).
[5] Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by Sales (GAAP).
[6] 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, 2025

	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[7]
Reported (GAAP)	$ (2,872)	58.0 %	$ 1,502	22.0 %	$ 1,373	$ (190)	$ 1,183	$ 1.66
Amortization of acquisition-related intangible assets[A]	—	—	428	6.3	428		428	0.60
Fair value net (gains) losses on investments[B]	—	—	—	—	99		99	0.14
Impairments[C]	14	0.2	14	0.2	14		14	0.02
Gain on sale of a facility[D]	—	—	—	—	(11)		(11)	(0.02)
Resolution of an acquisition contingency[E]	—	—	(10)	(0.1)	(10)		(10)	(0.01)
Tax effect of the above adjustments[I]						(91)	(91)	(0.13)
Discrete tax adjustments[J]						(26)	(26)	(0.04)
Rounding	—	—	—	(0.1)	—	—	—	0.01
Adjusted (Non-GAAP)	$ (2,858)	58.2 %	$ 1,934	28.3 %	$ 1,893	$ (307)	$ 1,586	$ 2.23

Three-Month Period Ended December 31, 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)	$ (2,026)	(29.6)%	$ (438)	(6.4)%	$ (87)	$ (42)
Amortization of acquisition-related intangible assets[A]	428	6.3	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	99	—
Gain on sale of a facility[D]	—	—	—	—	(11)	—
Resolution of an acquisition contingency[E]	(10)	(0.1)	—	—	—	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (1,608)	(23.5)%	$ (438)	(6.4)%	$ 1	$ (42)

[7] 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, 2024

	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[7]
Reported (GAAP)	$ (2,648)	59.5 %	$ 1,425	21.8 %	$ 1,315	$ (229)	$ 1,086	$ 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[I]						(97)	(97)	(0.13)
Discrete tax adjustments[J]						(4)	(4)	(0.01)
Adjusted (Non-GAAP)	$ (2,648)	59.5 %	$ 1,932	29.6 %	$ 1,886	$ (330)	$ 1,556	$ 2.14

Three-Month Period Ended December 31, 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)	$ (2,023)	(30.9)%	$ (442)	(6.8)%	$ (63)	$ (47)
Amortization of acquisition-related intangible assets[A]	408	6.2	—	—	—	—
Fair value (gains) losses on investments[B]	—	—	—	—	64	—
Impairments[C]	43	0.7	—	—	—	—
Contract termination expense[F]	56	0.9	—	—	—	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (1,516)	(23.2)%	$ (442)	(6.8)%	$ 1	$ (47)

[7] 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, 2025

	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
Reported (GAAP)	$ (10,045)	59.1 %	$ 4,690	19.1 %	$ 4,233	$ (633)	$ 3,600	$ 5.03
Amortization of acquisition-related intangible assets[A]	—	—	1,697	6.9	1,697		1,697	2.37
Fair value net (gains) losses on investments[B]	—	—	—	—	248		248	0.35
Impairments[C]	29	0.1	562	2.3	562		562	0.78
Gain on sale of a facility[D]	—	—	—	—	(11)		(11)	(0.02)
Resolution of an acquisition contingency[E]	—	—	(10)	—	(10)		(10)	(0.01)
Gain on product line disposition[G]	—	—	—	—	(9)		(9)	(0.01)
Tax effect of the above adjustments[I]						(480)	(480)	(0.67)
Discrete tax adjustments[J]						(14)	(14)	(0.02)
Rounding	—	—	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (10,016)	59.2 %	$ 6,939	28.2 %	$ 6,710	$ (1,127)	$ 5,583	$ 7.80

Year Ended December 31, 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)	$ (8,235)	(33.5)%	$ (1,598)	(6.5)%	$ (222)	$ (235)
Amortization of acquisition-related intangible assets[A]	1,697	6.9	—	—	—	—
Fair value net (gains) losses on investments[B]	—	—	—	—	248	—
Impairments[C]	533	2.2	—	—	—	—
Gain on sale of a facility[D]	—	—	—	—	(11)	—
Resolution of an acquisition contingency[E]	(10)	—	—	—	—	—
Gain on product line disposition[G]	—	—	—	—	(9)	—
Rounding	—	(0.1)	—	—	—	—
Adjusted (Non-GAAP)	$ (6,015)	(24.5)%	$ (1,598)	(6.5)%	$ 6	$ (235)

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

Year Ended December 31, 2024

	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
Reported (GAAP)	$ (9,669)	59.5 %	$ 4,863	20.4 %	$ 4,646	$ (747)	$ 3,899	$ 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
Contract termination expense[F]	—	—	56	0.2	56		56	0.08
Acquisition-related items[H]	25	0.1	25	0.1	25		25	0.03
Tax effect of the above adjustments[I]						(373)	(373)	(0.51)
Discrete tax adjustments[J]						(49)	(49)	(0.07)
Rounding	—	—	—	—	—	—	—	0.01
Adjusted (Non-GAAP)	$ (9,644)	59.6 %	$ 6,840	28.6 %	$ 6,680	$ (1,169)	$ 5,511	$ 7.48

Year Ended December 31, 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)	$ (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)	$ (5,807)	(24.3)%	$ (1,584)	(6.6)%	$ 1	$ (161)

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, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Pretax	$ 428	$ 408	$ 1,697	$ 1,631
After-tax	359	338	1,412	1,346

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, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Pretax	$ 99	$ 64	$ 248	$ 57
After-tax	75	48	188	39

C Impairment charges related to a facility in the Life Sciences segment recorded in the three-month period and year ended December 31, 2025 ($14 million pretax as reported in this line item, $11 million after-tax), technology, other intangible assets and a facility in the Biotechnology segment recorded in the year ended December 31, 2025 ($101 million pretax as reported in this line item, $69 million after-tax), a trade name in the Diagnostics segment recorded in the year ended December 31, 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 year ended December 31, 2025 ($432 million pretax as reported in this line item, $328 million after-tax), 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) and 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).

D Gain on the sale of a facility in the three-month period and year ended December 31, 2025 ($11 million pretax as reported in this line item, $8 million after-tax).

E Resolution of an acquisition contingency in the three-month period and year ended December 31, 2025 ($10 million pretax as reported in this line item, $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 Gain on a product line disposition in the year ended December 31, 2025 ($9 million pretax as reported in this line item, $7 million after-tax).

H 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).

I 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.

Other Non-GAAP Adjusted P&L Measures

($ in millions, except per share data)

[J] Discrete tax adjustments and other tax-related adjustments for the three-month period ended December 31, 2025, include the impact of net discrete tax benefits of $26 million due principally to net discrete tax benefits resulting from the release of reserves for uncertain tax positions due to audit settlements and the expiration of statutes of limitation, partially offset by changes in estimates related to prior year tax filing positions and a valuation allowance recorded on certain tax credits in a foreign jurisdiction. Discrete tax adjustments and other tax-related adjustments for the year ended December 31, 2025 include the impact of net discrete tax benefits of $14 million due principally to net discrete tax benefits resulting from the release of reserves for uncertain tax positions due to audit settlements and the expiration of statutes of limitation and the remeasurement of deferred taxes in a jurisdiction which enacted a tax rate change, partially offset by charges related to changes in estimates associated with prior period uncertain tax positions and valuation allowances recorded on foreign operating losses and tax credits in certain foreign jurisdictions. Discrete tax 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.

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

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Three-Month Period Ended December 31, 2024 Operating Profit Margins from Continuing Operations (GAAP)	**21.80 %**	**27.20 %**	**18.50 %**	**23.70 %**
Fourth quarter 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	(0.10)	—	(0.05)	(0.20)
Fourth quarter 2025 resolution of an acquisition contingency in the Diagnostics segment	0.15	—	—	0.35
Fourth quarter 2024 impairment charge related to a trade name in the Diagnostics segment, net of a 2025 impairment charge related to a facility in the Life Sciences segment	0.45	—	(0.70)	1.60
Fourth quarter 2024 loss on the termination of a commercial arrangement in the Diagnostics segment	0.85	—	—	2.15
Year-over-year core operating profit margin changes for the fourth quarter 2025 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**(1.15)**	**(0.60)**	**(1.65)**	**(1.40)**
Three-Month Period Ended December 31, 2025 Operating Profit Margins from Continuing Operations (GAAP)	22.00 %	26.60 %	16.10 %	26.20 %

		Segments		
	Total Company	Biotechnology	Life Sciences	Diagnostics
Year Ended December 31, 2024 Operating Profit Margins from Continuing Operations (GAAP)	**20.40 %**	**24.90 %**	**12.00 %**	**26.80 %**
Full year 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)	—	(0.30)	(0.15)
Full year 2025 resolution of an acquisition contingency in the Diagnostics segment	0.05	—	—	0.10
Full year 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 and a facility in the Life Sciences segment, net of full year 2024 impairment charges related to a trade name in each of the Life Sciences and Diagnostics segments	(1.20)	(1.30)	(3.05)	0.30
Full year 2024 loss on the termination of a commercial arrangement in the Diagnostics segment	0.25	—	—	0.60
Full year 2024 acquisition-related fair value adjustment to inventory related to the acquisition of Abcam	0.10	—	0.35	—
Year-over-year core operating profit margin changes for full year 2025 (defined as all year-over-year operating profit margin changes other than the changes identified in the line items above) (non-GAAP)	**(0.30)**	**2.00**	**(1.90)**	**(0.95)**
Year Ended December 31, 2025 Operating Profit Margins from Continuing Operations (GAAP)	19.10 %	25.60 %	7.10 %	26.70 %

Cash Flow from Continuing Operations, Free Cash Flow from Continuing Operations and Related Measures
($ in millions)

	Three-Month Period Ended		Year-over-Year Change	Year Ended		Year-over-Year Change
	December 31, 2025	December 31, 2024		December 31, 2025	December 31, 2024	
Total Cash Flows from Continuing Operations:						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,117	$ 2,019		$ 6,416	$ 6,688	
Total cash used in investing activities from continuing operations (GAAP)	$ (384)	$ (694)		$ (1,196)	$ (1,981)	
Total cash provided by (used in) financing activities from continuing operations (GAAP)	$ 1,322	$ (1,692)		$ (2,961)	$ (8,385)	
Free Cash Flow from Continuing Operations:						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,117	$ 2,019	~5.0 %	$ 6,416	$ 6,688	~(4.0)%
Less: payments for additions to property, plant & equipment (capital expenditures) from continuing operations (GAAP)	(371)	(516)		(1,156)	(1,392)	
Plus: proceeds from sales of property, plant & equipment (capital disposals) from continuing operations (GAAP)	23	1		33	13	
Free cash flow from continuing operations (non-GAAP)	$ 1,769	$ 1,504	~17.5 %	$ 5,293	$ 5,309	~(0.5)%
Operating Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio (GAAP)						
Total cash provided by operating activities from continuing operations (GAAP)	$ 2,117	$ 2,019		$ 6,416	$ 6,688	
Net earnings from continuing operations (GAAP)	$ 1,183	$ 1,086		$ 3,600	$ 3,899	
Operating cash flow from continuing operations to net earnings from continuing operations conversion ratio	1.79	1.86		1.78	1.72	
Free Cash Flow from Continuing Operations to Net Earnings from Continuing Operations Conversion Ratio (non-GAAP)						
Free cash flow from continuing operations from above (non-GAAP)	$ 1,769	$ 1,504		$ 5,293	$ 5,309	
Net earnings from continuing operations (GAAP)	$ 1,183	$ 1,086		$ 3,600	$ 3,899	
Free cash flow from continuing operations to net earnings from continuing operations conversion ratio (non-GAAP)	1.50	1.38		1.47	1.36	

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 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 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 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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