Agilent Technologies

Q2 Fiscal Year 2013 Results

May 14, 2013
This presentation contains forward-looking statements (including, without limitation, information and future guidance on our goals, priorities, revenues, demand, growth opportunities, customer service and innovation plans, new product introductions, financial condition, earnings, the continued strengths and expected growth of the markets we sell into, operations, operating earnings, and tax rates) that involve risks and uncertainties that could cause results of Agilent to differ materially from management's current expectations.

In addition, other risks that the company faces in running its operations include the ability to execute successfully through business cycles; the ability to successfully adapt its cost structures to continuing changes in business conditions; ongoing competitive, pricing and gross margin pressures; the risk that our cost-cutting initiatives will impair our ability to develop products and remain competitive and to operate effectively; the impact of geopolitical uncertainties on our markets and our ability to conduct business; the ability to improve asset performance to adapt to changes in demand; the ability to successfully introduce new products at the right time, price and mix, and other risks detailed in the company’s filings with the Securities and Exchange Commission, including our quarterly report on Form 10-Q for the quarter ended January 31, 2013.

The company assumes no obligation to update the information in these presentations. These presentations and the Q&A that follows include non-GAAP numbers. A presentation of the most directly comparable GAAP numbers and the reconciliations between the non-GAAP and GAAP numbers can be found at http://www.investor.agilent.com under “Financial Results”.
**Q2’13 Financial Highlights**

- **Orders**: $1.69B, -8% y/y (-12% core*)
- **Revenues**: $1.73B, flat y/y (-4% core)
- **Operating Margin**: 19.3% of revenue, -20 basis points y/y
- **Operating Cash Flow**: $315M, -$38M y/y

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*Core revenue growth excludes the impact from M&A and FX. **Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided.
Q2’13 Revenue Distribution

Q2’13 Revenue: $1.73B

Q2'13 Revenue by Segment
- EMG 44%
- CAG 23%
- LSG 23%
- DGG 10%

Q2'13 Revenue by Region
- Asia Pacific 39%
- Americas 36%
- Europe 25%
**Q2’13 Revenue Distribution by Geography**

- **Q2’13 Y/Y revenue growth:**
  - Americas -2% (-7% core*)
  - Europe +10% (-2% core*)
  - Japan -14% (-7% core*)
  - Asia Pacific ex-Japan flat (flat core*)

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*Core revenue growth excludes the impact from M&A and FX.*
Q2’13 Revenue Distribution by End Market

Q2’13 Revenue: $1.73B

- Industrial, Comps & Semi: 19%
- Forensics/Environmental: 9%
- Food: 6%
- Chemical & Energy: 13%
- Pharma & Biotech: 14%
- Academia & Government: 7%
- Diagnostics & Clinical: 6%
- Communications: 16%
- Aerospace & Defense: 10%

Provided on a best estimate basis
**Mixed results:**

- **Up:** Diagnostics & Clinical, Pharma & Biotech, Chemical & Energy; Food
- **Flat:** Aerospace & Defense
- **Down:** Academia & Government, Environmental & Forensics, Communications, Industrial/Computers/Semiconductor

### Q2’13 Agilent End Market Performance

<table>
<thead>
<tr>
<th>End Markets</th>
<th>% of Agilent Revenue*</th>
<th>Market Size** $</th>
<th>Agilent Results Q2’13 vs. Q2’12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharma &amp; Biotech</td>
<td>14%</td>
<td>$11B</td>
<td>Up 8%, driven by continued technology upgrade cycle</td>
</tr>
<tr>
<td>Academia &amp; Government</td>
<td>7%</td>
<td>$10B</td>
<td>Down 5% due to the U.S. sequestration</td>
</tr>
<tr>
<td>Diagnostics &amp; Clinical</td>
<td>6%</td>
<td>$7B</td>
<td>Primarily Dako-related; up 38% excluding Dako acquisition</td>
</tr>
<tr>
<td>Chemical &amp; Energy</td>
<td>13%</td>
<td>$4B</td>
<td>Up 3% on strength in emerging markets</td>
</tr>
<tr>
<td>Environmental &amp; Forensics</td>
<td>9%</td>
<td>$5B</td>
<td>Down 7% on weak government spending</td>
</tr>
<tr>
<td>Food</td>
<td>6%</td>
<td>$4B</td>
<td>Up 8% on strength in emerging markets</td>
</tr>
<tr>
<td>Communications</td>
<td>16%</td>
<td>$4B</td>
<td>Down 14% on softness in handset manufacturing test</td>
</tr>
<tr>
<td>Aerospace &amp; Defense</td>
<td>10%</td>
<td>$3B</td>
<td>Flat on stronger spending outside the U.S. offsetting weak U.S. government spending</td>
</tr>
<tr>
<td>Industrial, Computers, Semiconductor</td>
<td>19%</td>
<td>$6B</td>
<td>Down 18% on weakness in semi capacity expansion and PCs and soft macro impact on industrials</td>
</tr>
</tbody>
</table>

* Percentage of Agilent revenue based on Q3’12-Q2’13  
** Market size per Company estimates
Q2’13 EMG Highlights

- Orders: $701M, -27% y/y (-26% core*)
- Revenues: $760M, -13% y/y (-12% core*)
- Operating Margin: 20.5% of revenue, -290 basis points y/y

*Core revenue growth excludes the impact from M&A and FX.
Q2’13 LSG Highlights

- Orders: $416M, +2% y/y (+3% core*)
- Revenues: $405M, +2% y/y (+4% core*)
- Operating Margin: 15.0% of revenue, +390 basis points y/y

*Core revenue growth excludes the impact from M&A and FX.
Q2’13 CAG Highlights

- Orders: $408M, flat y/y (+2% core*)
- Revenues: $401M, +3% y/y (+5% core*)
- Operating Margin: 22.1% of revenue, +320 basis points y/y

*CORE revenue growth excludes the impact from M&A and FX.

**Q2'13 CAG Revenue by Region**

- Asia Pacific: 42%
- Americas: 30%
- Europe: 28%

**CAG Net Revenue**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Revenue $ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'12</td>
<td>388</td>
</tr>
<tr>
<td>Q3'12</td>
<td>381</td>
</tr>
<tr>
<td>Q4'12</td>
<td>394</td>
</tr>
<tr>
<td>Q1'13</td>
<td>394</td>
</tr>
<tr>
<td>Q2'13</td>
<td>401</td>
</tr>
</tbody>
</table>

**CAG Income from Operations**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Income $ millions</th>
</tr>
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<tbody>
<tr>
<td>Q2'12</td>
<td>73</td>
</tr>
<tr>
<td>Q3'12</td>
<td>80</td>
</tr>
<tr>
<td>Q4'12</td>
<td>97</td>
</tr>
<tr>
<td>Q1'13</td>
<td>81</td>
</tr>
<tr>
<td>Q2'13</td>
<td>89</td>
</tr>
</tbody>
</table>
Orders: $163M, +145% y/y (+5% core*)
Revenues: $166M, +124% y/y (flat core*)
Operating Margin: 16.7% of revenue, -340 basis points y/y

*Core revenue growth excludes the impact from M&A and FX.
# Q3’13 AND FY 2013 GUIDANCE

<table>
<thead>
<tr>
<th></th>
<th>Q3’13</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$1.63B - $1.66B</td>
<td>$6.75B – 6.85B</td>
</tr>
<tr>
<td>Revenue Growth (mid-point)</td>
<td>-5%</td>
<td>-1%</td>
</tr>
<tr>
<td>Core Revenue Growth* (mid-point)</td>
<td>-6%</td>
<td>-3%</td>
</tr>
<tr>
<td>EPS</td>
<td>$0.60 - $0.64</td>
<td>$2.70 - $2.85</td>
</tr>
<tr>
<td>EPS Growth (mid-point)</td>
<td>-22%</td>
<td>-11%</td>
</tr>
</tbody>
</table>

*Presented on a non-GAAP basis; guidance as of May 14th, 2013

*Core revenue growth excludes the impact from M&A and FX.