DANAHER

Electrical Products Group
May 16, 2011

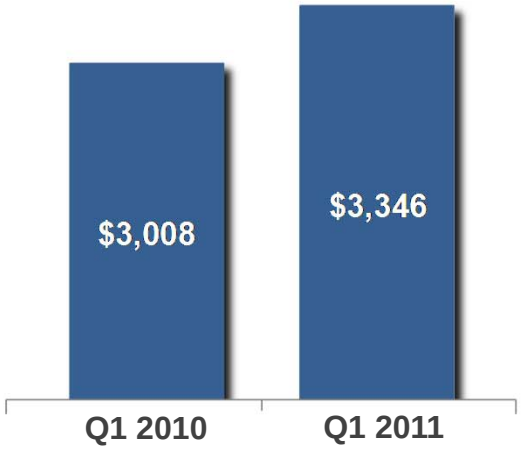
Forward Looking Statements

Statements in this presentation that are not strictly historical, including the statements regarding the global economy, the Company's business in emerging economies, the Company's 2011 product launches, the Company's positioning and expectations for 2011 and future periods, and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual events 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 uncertainty in the economy and financial markets, 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, our ability to successfully identify, consummate and integrate appropriate acquisitions, contingent liabilities relating to acquisitions, risks relating to potential impairment of goodwill and other long-lived assets, currency exchange rates, our compliance with applicable laws and regulations and changes in applicable laws and regulations, tax audits and changes in our tax rate and income tax liabilities, litigation and other contingent liabilities including intellectual property and environmental matters, risks relating to product defects and recalls, the impact of our debt obligations on our operations, pension plan costs, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, legislative health care reform and other changes in health care industry, labor matters, our relationships with and the performance of our channel partners, risks relating to man-made and natural disasters, our ability to achieve projected cost reductions and growth, and international economic, political, legal and business factors. 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 2010 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the first quarter of 2011. These forward-looking statements speak only as of the date of this presentation and 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.

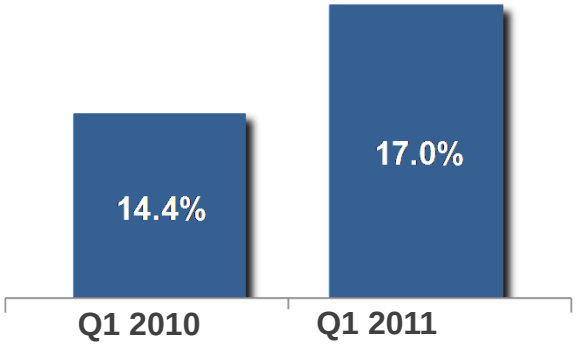
Q1 2011 Highlights

- **10% organic growth driven by DBS - all segments up MSD or more**
  - **Emerging markets +20% and developed economies up HSD**
- **Core operating margin ** expansion +245 bps – all segments up at least 200 bps**

Adjusted Diluted EPS



Revenue



Operating Margin

* Core refers to sales calculated according to GAAP, but excluding sales from acquired businesses recorded prior to the first anniversary of the acquisition and the impact of currency translation.
** For the definition of "core operating margin expansion" and the accompanying information required by Regulation G, please see the "Investors" section of Danaher's website, www.danaher.com, and the section titled "Earnings".

Outstanding Q1 performance positions us well for the balance of 2011

Beckman Coulter Update

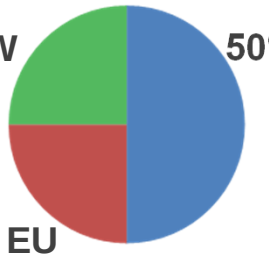
$25B
Market Size

MSD
Market Growth

$3.7B
Sales
70% Consumables & Service | 30% Instruments

Low teens
Operating Margin

Geographic Mix
(% of 2010 revenue)



Brand	Market Position
BECKMAN COULTER	#1 / #2

- Iconic life sciences & diagnostics company
- Great DBS opportunity
- Uniquely compelling value creation

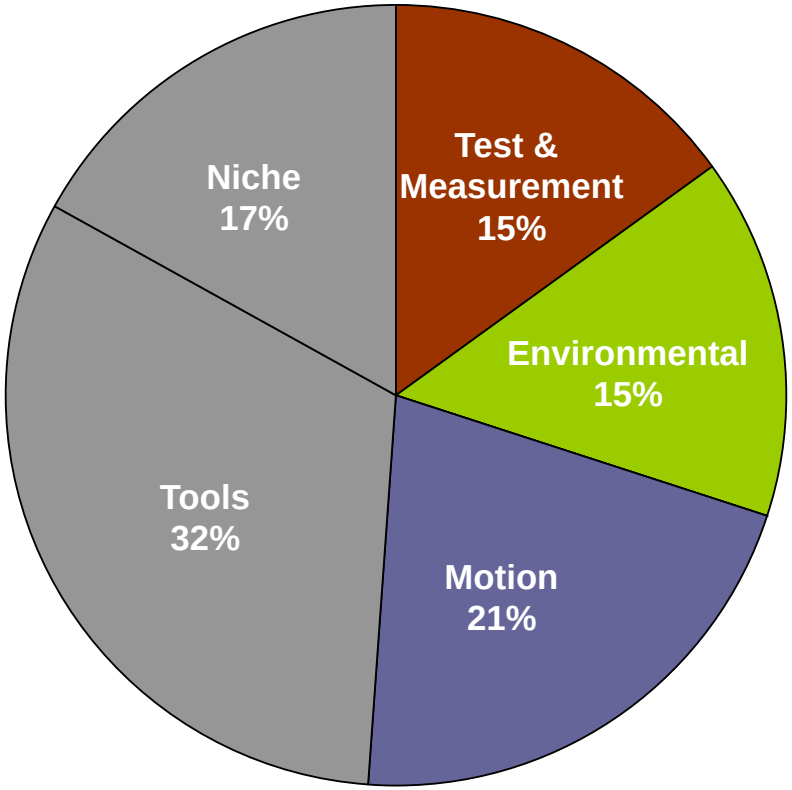
Great brand, broad reach and technology leadership

Portfolio Segmentation

Environmental	Test & Measurement	Dental	Life Sciences & Diagnostics	Industrial Technologies
2010 Revenues				
$2.7B	$2.8B	$1.8B	$2.3B	$2.8B
HACH	FLUKE	KaVo. Dental Excellence.	Leica MICROSYSTEMS	VIDEOJET
LANGE FOR WATER QUALITY	Tektronix	Kerr	RADIOMETER	LINX
TROJAN UV WATER CONFIDENCE	FLUKE networks	Ormco	AB SCIEX	ESKO artwork
ChemTreat, Inc.	Tektronix Communications	DEXIS	Molecular Devices	KOLLMORGEN
GILBARCO VEEDER-ROOT		Pelton & Crane		THOMSON

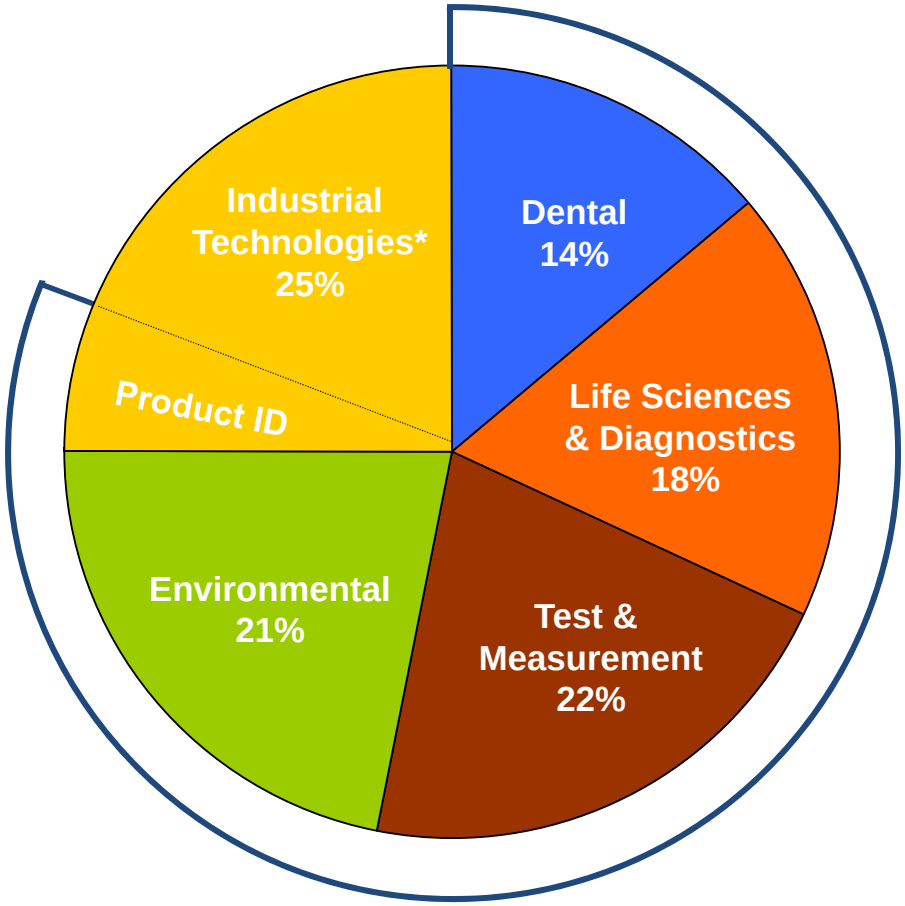
Portfolio Evolution

2001



Revenue: $3.8B
Gross Margin: 38%
~30% International
EPS: $0.57

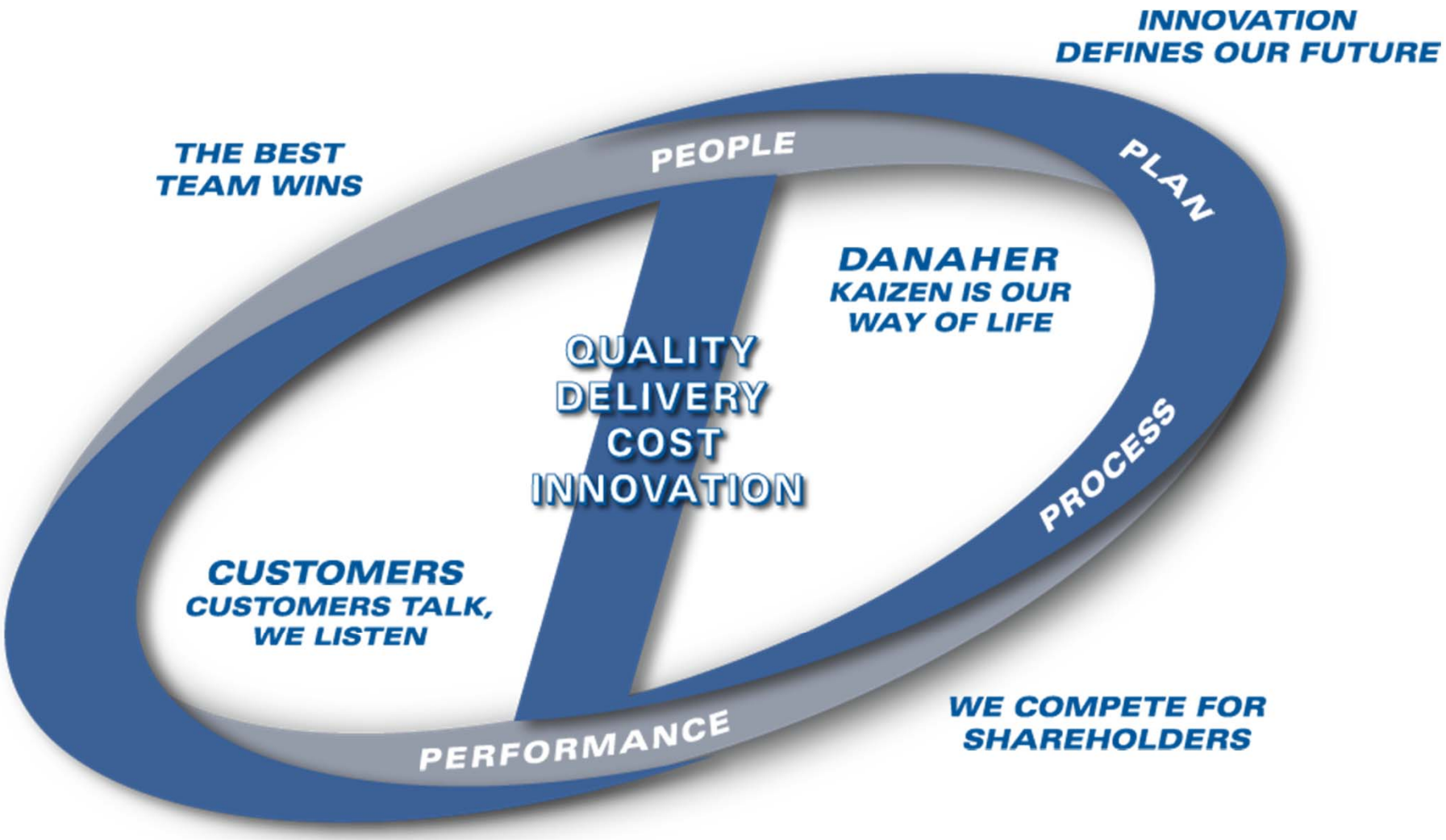
2010



Revenue: $12.8B
Gross Margin: >50%
>50% International
EPS: $2.23

*** Includes revenue from Apex businesses prior to formation of JV**

Danaher Business System



Overview

- **DBS generating outstanding free cash flow**
- **The Leica Story**
- **Driving growth with digital marketing**

Free Cash Flow Conversion

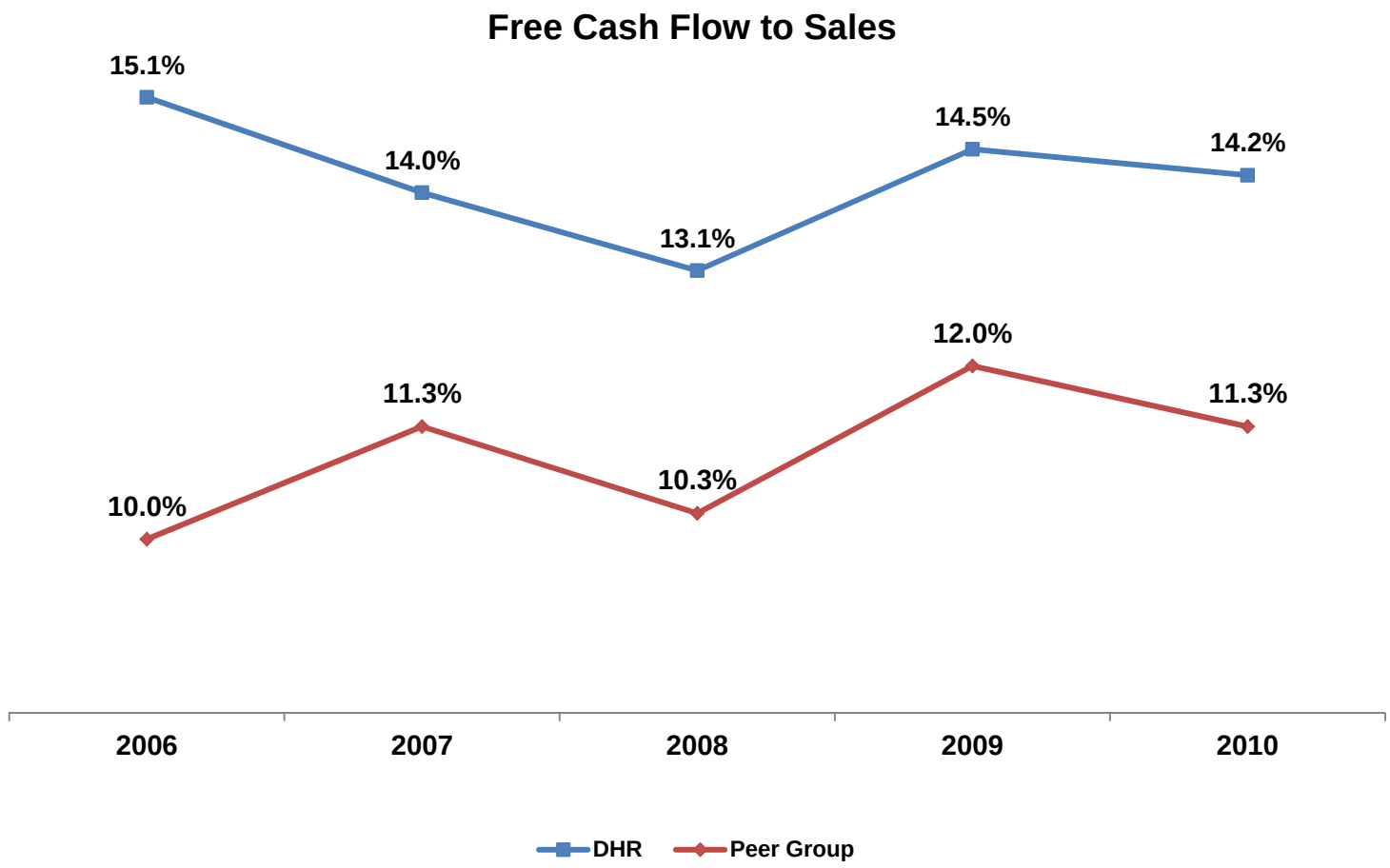
$ (in billions)	2006	2007	2008	2009	2010
Net Income	1.1	1.2	1.3	1.1	1.5*
Free Cash Flow	1.4	1.5	1.6	1.6	1.8
FCF/NI Conversion Ratio	1.28	1.26	1.27	1.40	1.20

- **FCF good predictor of future year's net income**
- **Drivers of strong conversion ratio:**
  - **Amortization (est. $225M in 2011)**
  - **Working capital turns**

*Excludes after-tax $232 million non-cash Apex gain

Free cash flow exceeded net income for 19th year in a row

Free Cash Flow to Sales



Source: Capital IQ
Peer group includes: 3M, Agilent, Cooper, Dover, Emerson, Honeywell, Illinois Tool Works, Thermo Fisher, United Technologies

Consistent and sustainable outperformance

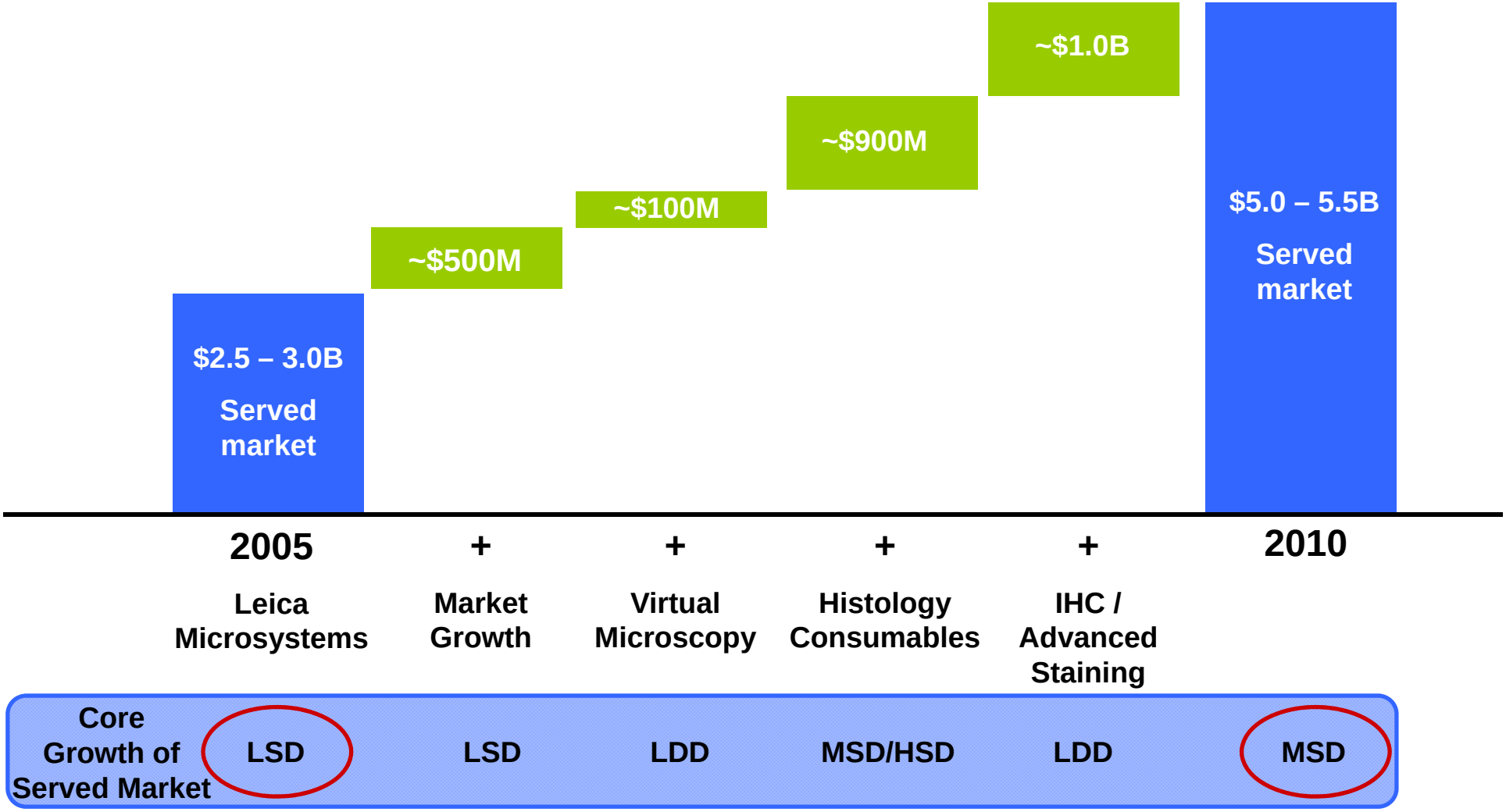
Overview

- DBS generating outstanding free cash flow
- **The Leica Story**
- Driving growth with digital marketing

The Leica Story

- **Invested in innovation and emerging markets**
  - **High-impact investment opportunity in Virtual Microscopy - $100M market**
  - **LMS vitality index >50%**
  - **Revenue growth of >25% per annum in China since 2006**
- **Expanded served market and enhanced growth profile via bolt-on acquisitions**
  - **Vision provided entry into IHC / Advanced Staining market**
  - **Histology consumables**
  - **Enhanced Virtual Microscopy workflow with Genetix**
- **Replaced matrixed structure with end-user focused model driving growth and expanding margins**
  - **Focused business around customer segments eliminating multiple touch points and layers**
  - **LMS core growth 3x the rate prior to acquisition**
  - **Gross margin +>500 bps on PPV, lean conversion, quality improvement**

Enhanced Growth Profile @ Leica



Organic investments and acquisitions have enhanced organic growth profile

Leica Results

- APD, SFI, Value Selling drive above market growth
- Growth investments targeted at higher margin, higher growth opportunities
- DBS improved cost structure
- Leverage global sales and service organization to drive growth and margin expansion

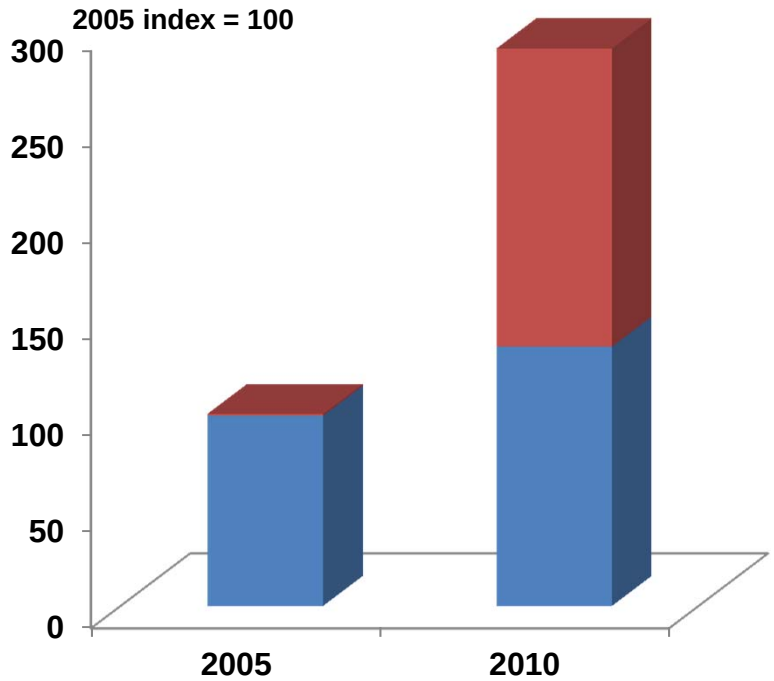
	2005	2010
Sales	~$525M	~$1.1B
Core Growth	LSD	HSD
Gross Margin %	Mid-40's	Mid-50's
Operating Margin %	~5%	Mid-teens
R&D as % of sales	~5%	>6%
ROIC	MSD	Double digit

Strong margin expansion with continued investment in R&D

Overview

- DBS generating outstanding free cash flow
- The Leica Story
- **Driving growth with digital marketing**

Accelerating Digital Marketing @ Fluke



Traditional Marketing

- Print ads
- Trade shows
- Brochures/catalogs
- POP displays
- Direct mail

Digital Marketing

- SEO, PPC, e-media, email
- Videos
- Websites & social sites
- Marketing automation

2010 vs. 2009 results

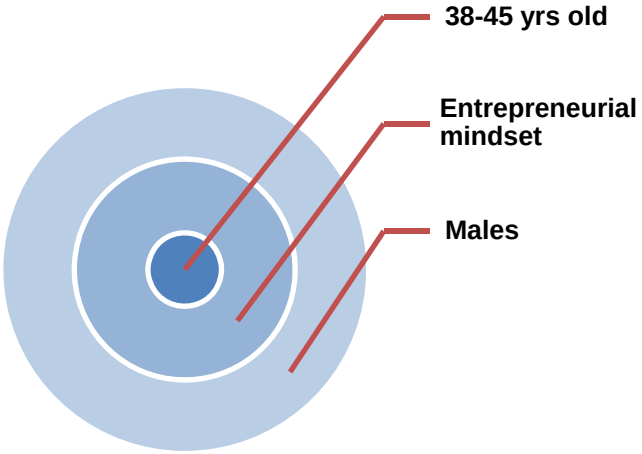
- **Thermography qualified leads up ~50% at ~40% lower cost per lead**
- **Power Quality leads improved >95% at ~45% lower cost per lead**

Digital marketing requires skills transformation…leverage outside help

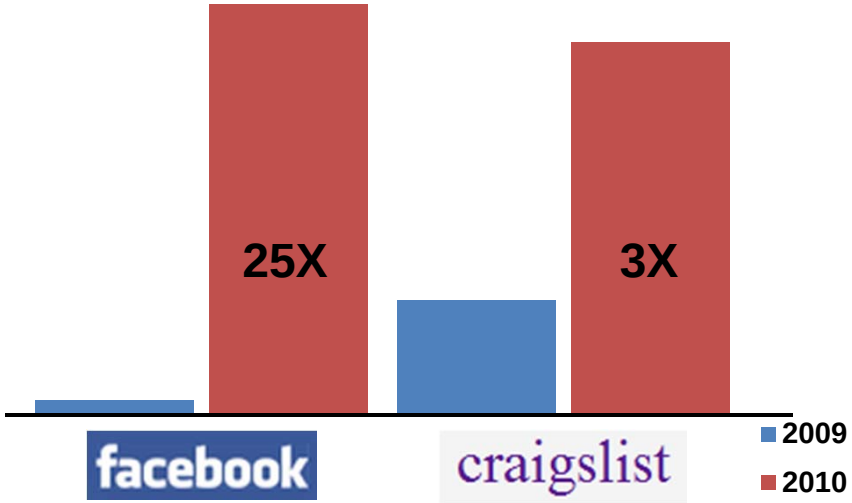
Franchise Lead Generation @ Matco

- **Demographic targeting ensure ads are shown only to the most qualified leads**
- **Use innovative channels to reach qualified leads**
  - Facebook, Craigslist
  - YouTube, LinkedIn, and Business.com
- **Results to date**
  - Leads generated: 325+
  - Cost per lead: ~$12
  - Cost per qualified lead: ~$40

Matco's Target Audience



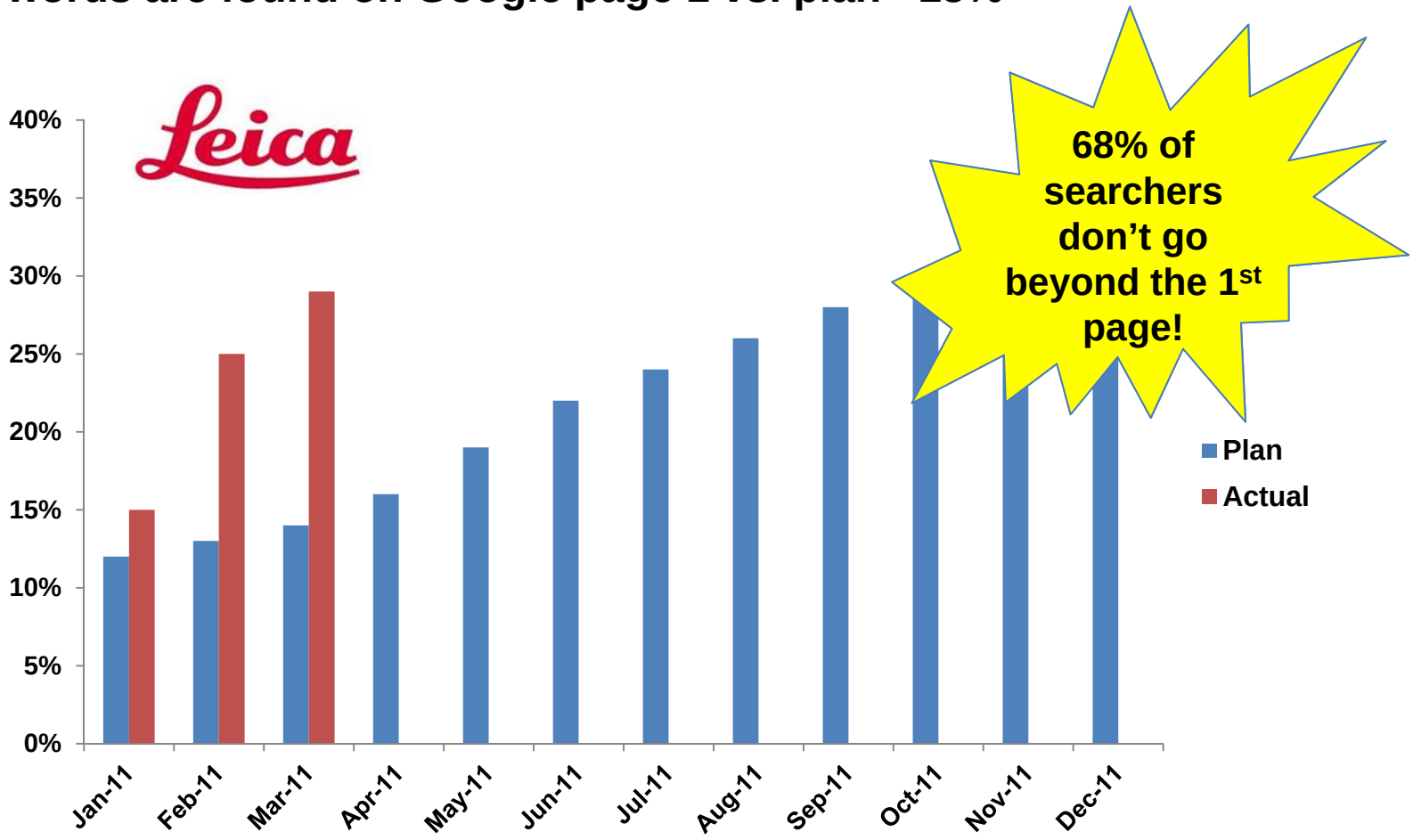
Lead Generation



New digital channels effectively driving leads

Search Engine Optimization @ Leica Biosystems

- **Since optimization of website in Q4 2010, ~30% of Leica Biosystems keywords are found on Google page 1 vs. plan ~15%**



Fast turnaround & implementation of SEO accelerating plan

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