



DANAHER

**THIRD QUARTER 2007 EARNINGS RELEASE
OCTOBER 18, 2007**

Statements in this presentation that are not strictly historical, including statements regarding expectations for the balance of 2007 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. 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. These factors include, among other things, competition, our ability to develop and successfully market new products and technologies, our ability to expand our business in new geographic markets, our ability to identify, consummate and integrate appropriate acquisitions, litigation and other contingent liabilities including intellectual property matters, our compliance with applicable laws and regulations, the performance of our distribution and other channel partners, our ability to achieve projected efficiencies, cost reductions, sales growth and earnings, economic conditions and regulations in the end-markets we sell into, commodity costs and surcharges, currency exchange rates, tax audits, and general domestic and international economic conditions. 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 2006 Annual Report on Form 10-K and Third Quarter 2007 Quarterly Report on Form 10-Q. These forward-looking statements speak only as of the date of this presentation and the Company does not intend to update any forward-looking statement.

EARNINGS PER SHARE *



Q3 07:

- Gain from net reduction in income tax reserves \$0.02

YTD 07:

- Gain from indemnity proceeds \$0.02

- Gain from net reduction in income tax reserves \$0.02

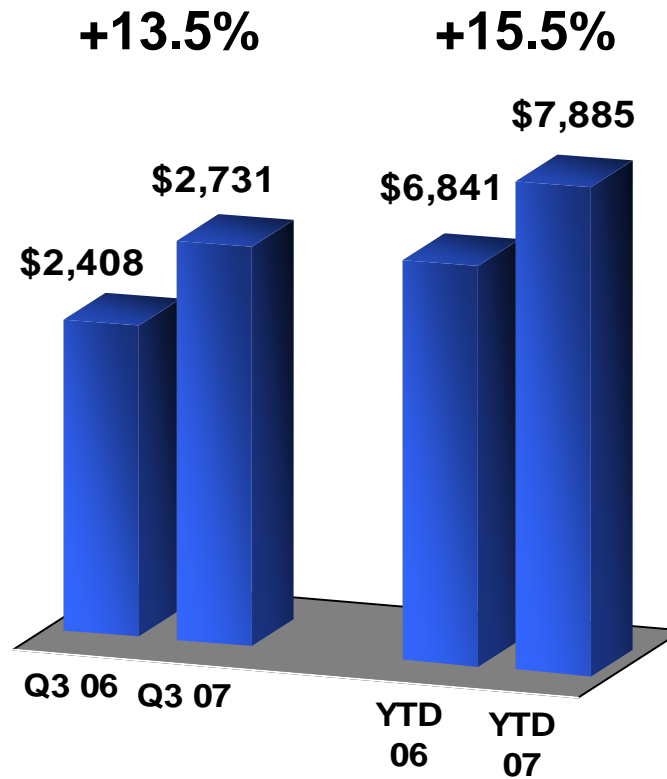
YTD 06:

- Gain on First Technology shares \$0.03

- Gain from net reductions in income tax reserves \$0.16

* From continuing operations

REVENUES (\$M)



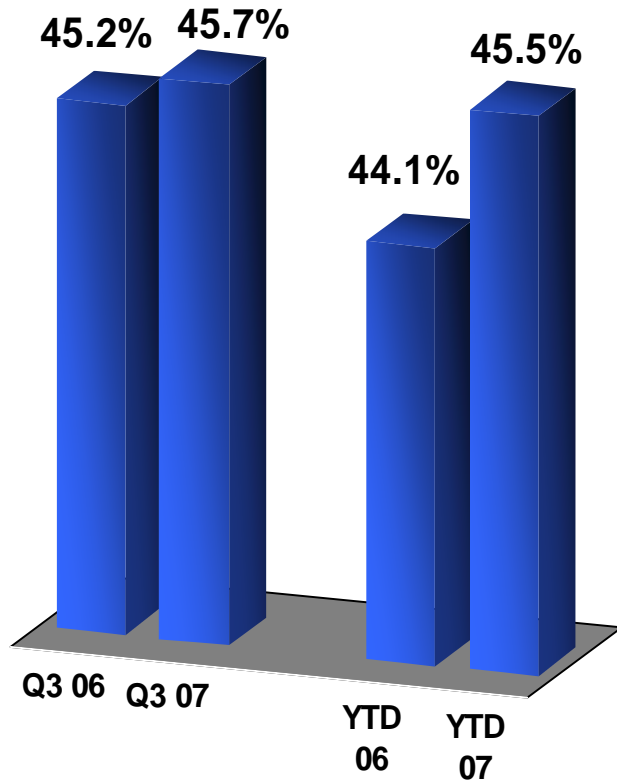
Core	5.0%	Core	4.0%
Acquisition	5.5%	Acquisition	8.5%
FX	3.0%	FX	3.0%

“Core” includes acquired businesses from and after the first anniversary of the acquisition, but excludes currency effect

GROSS MARGINS

+50 BPS

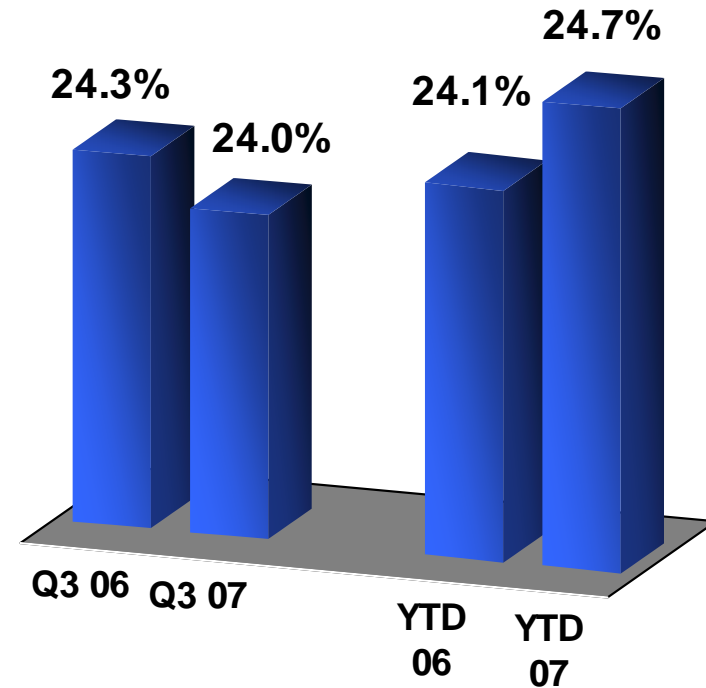
+140 BPS



SG & A

-30 BPS

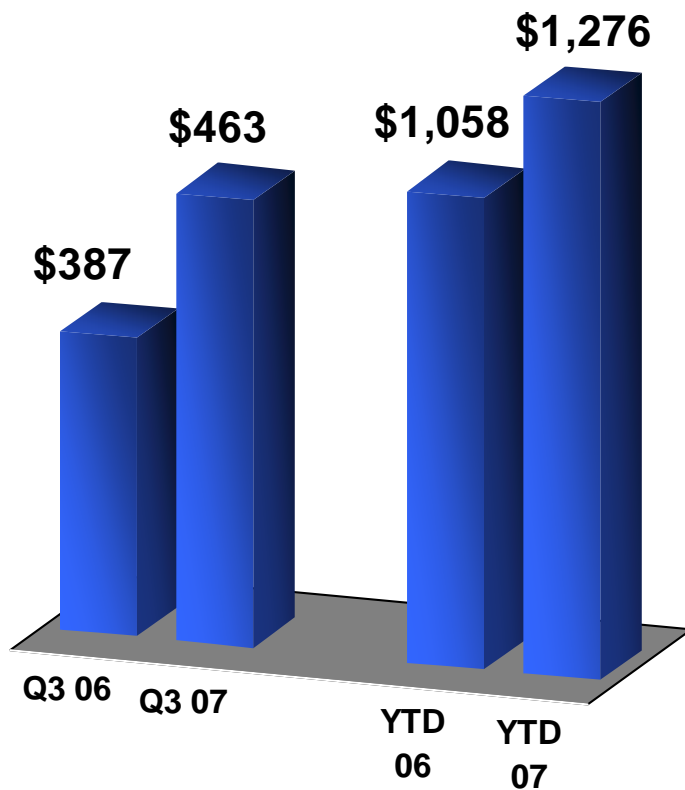
+60 BPS



OPERATING PROFIT (\$M)

+20%

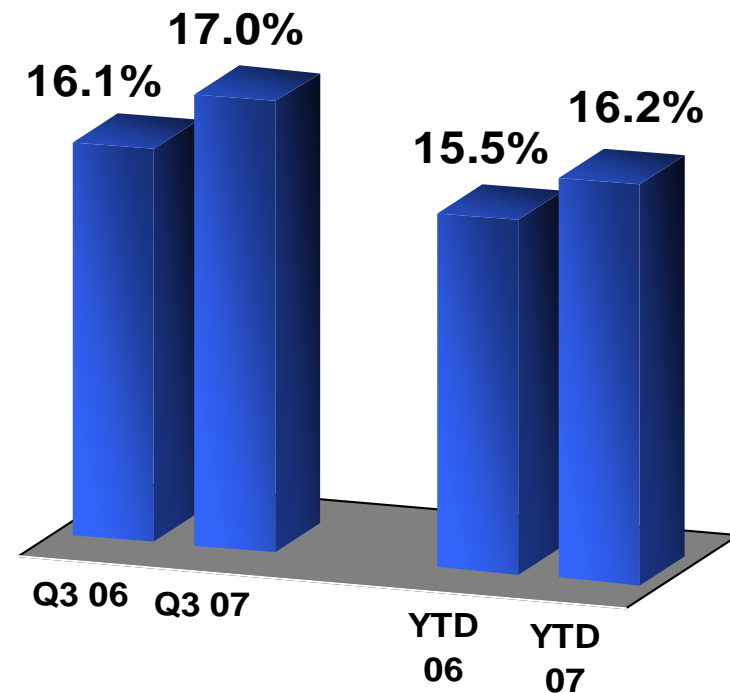
+21%



OPERATING MARGINS

+90 BPS

+70 BPS

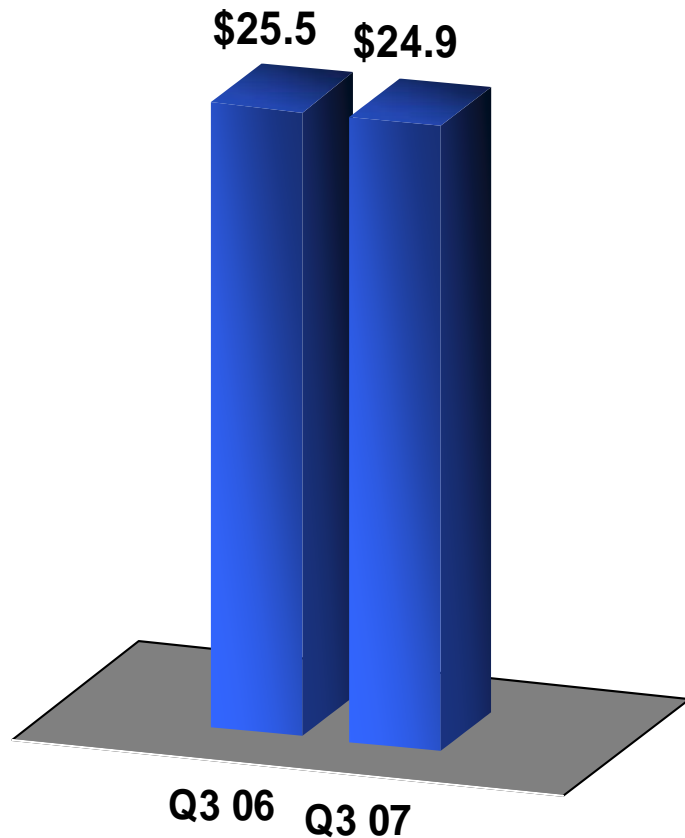


Q3 07:
- Acquisition impact

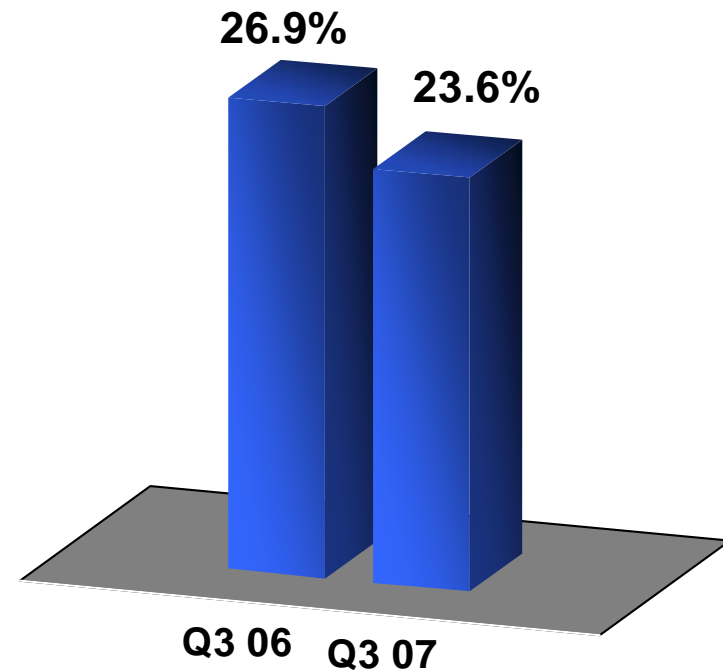
-30 BPS

NET INTEREST EXPENSE (\$M)

-2%



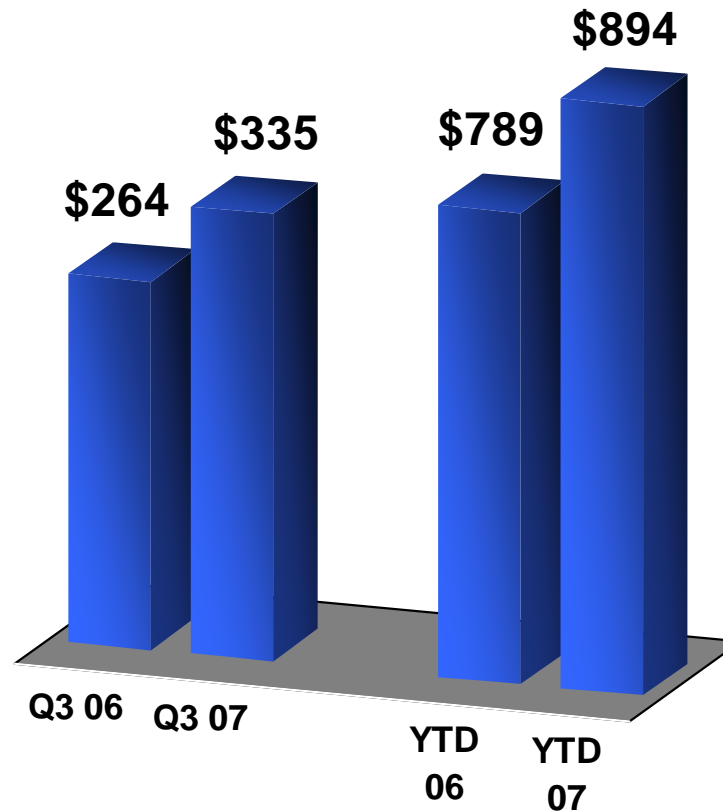
TAX RATE



NET INCOME (\$M) *

+26%

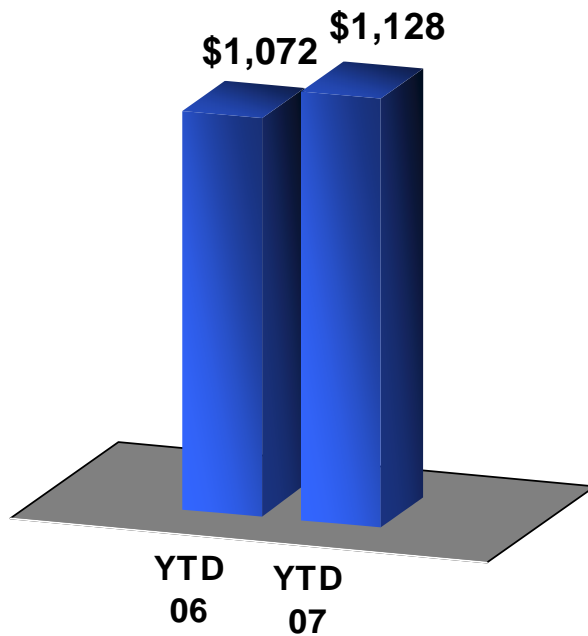
+13%



* From continuing operations

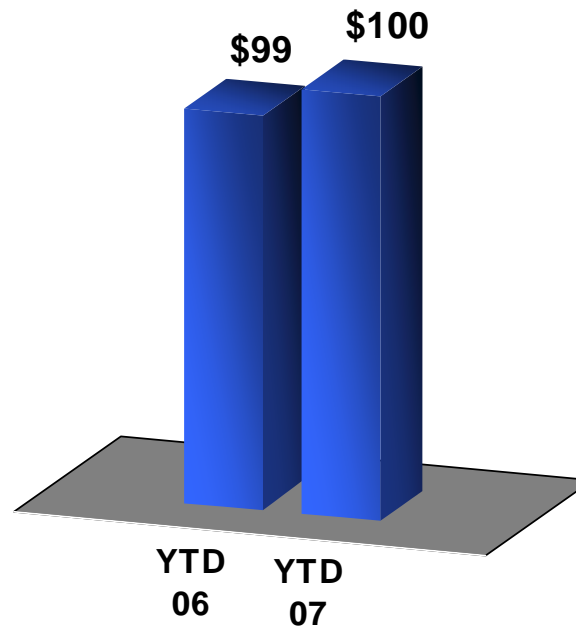
OPERATING CASH FLOW (\$M)*

+5%



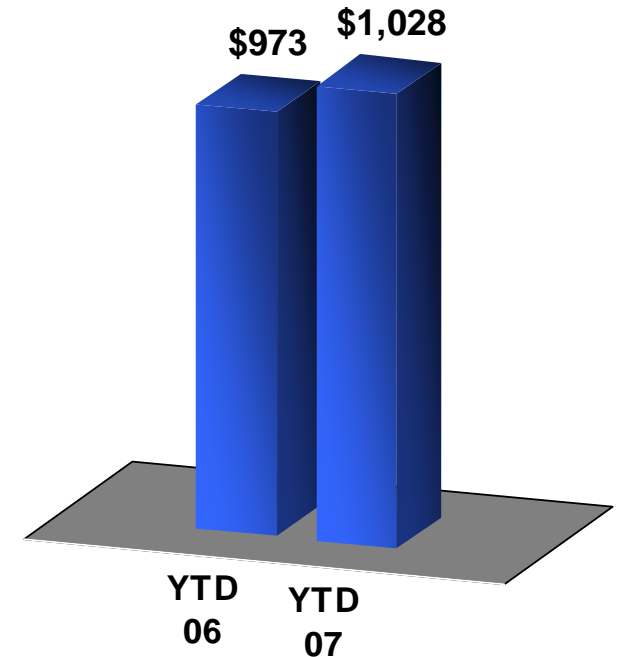
CAP EX (\$M)

+2%



FREE CASH FLOW (\$M)*

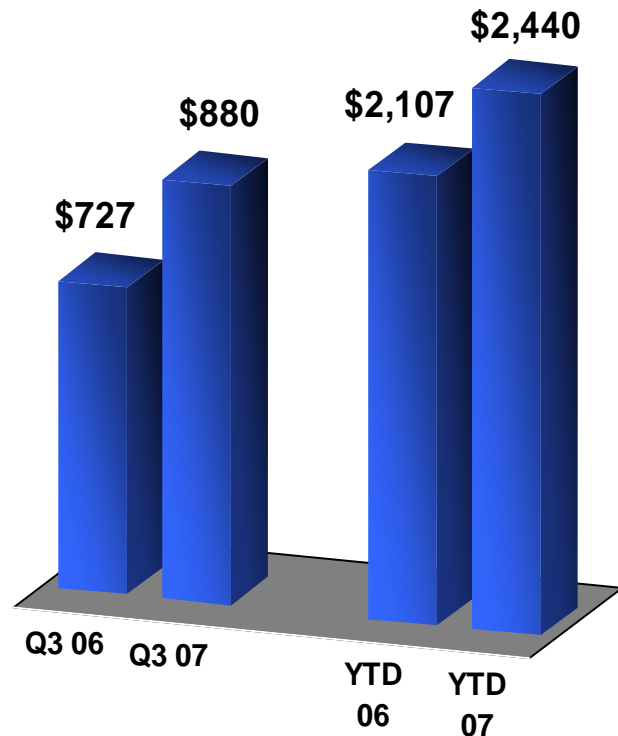
+6%



* From continuing operations

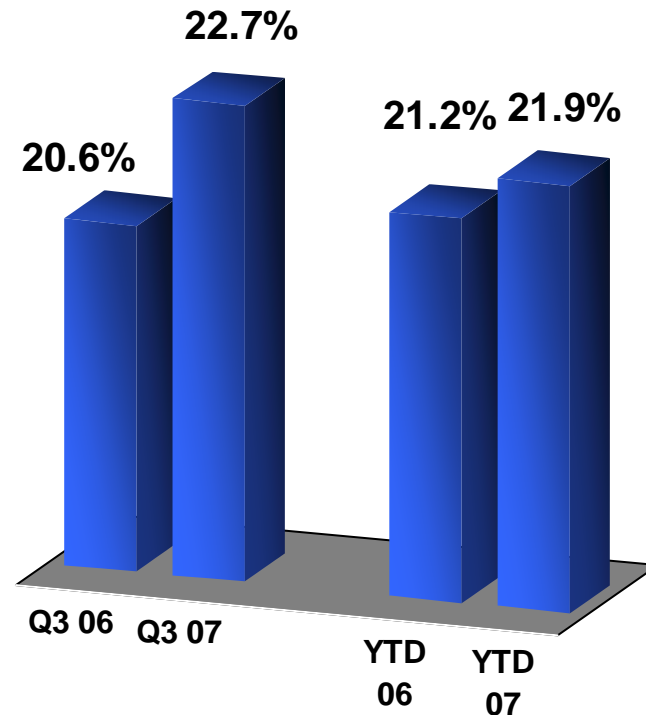
REVENUES (\$M)

+21% **+16%**



OPERATING MARGINS

+210 BPS **+70 BPS**



Core	6.5%	Core	7.0%
Acquisition	11.5%	Acquisition	6.0%
FX	3.0%	FX	3.0%

Q3 07:
- Acquisition impact **-80 BPS**



Q3 07 vs. Q3 06

Revenue Growth 21.5%

Breakdown:

Core 5.5%

Acquisition 12.5%

FX 3.5%

YTD 07 vs. YTD 06

Revenue Growth 14.0%

Breakdown:

Core 6.0%

Acquisition 4.5%

FX 3.5%



Q3 07 vs. Q3 06

Revenue Growth 21.0%

Breakdown:

Core 9.0%

Acquisition 9.5%

FX 2.5%



YTD 07 vs. YTD 06

Revenue Growth 19.5%

Breakdown:

Core 9.0%

Acquisition 8.0%

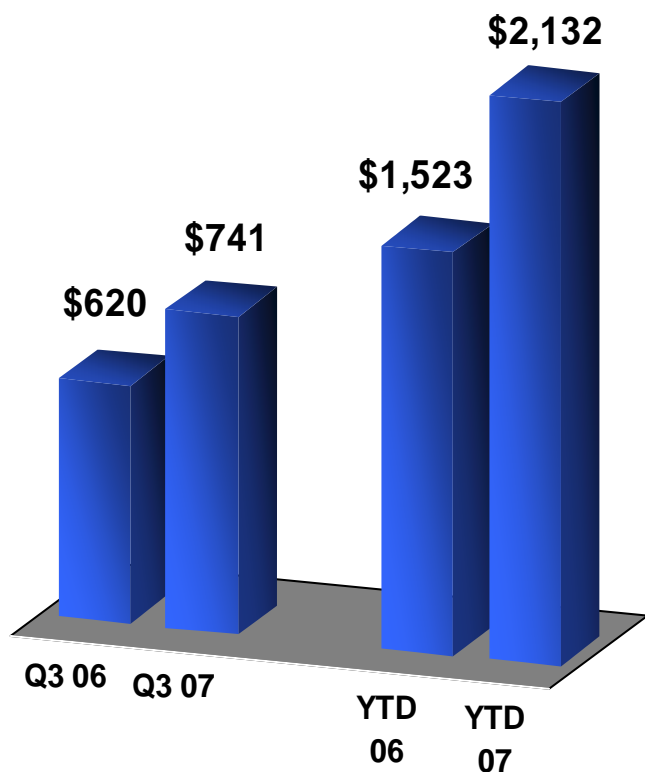
FX 2.5%



REVENUES (\$M)

+19.5%

+40%



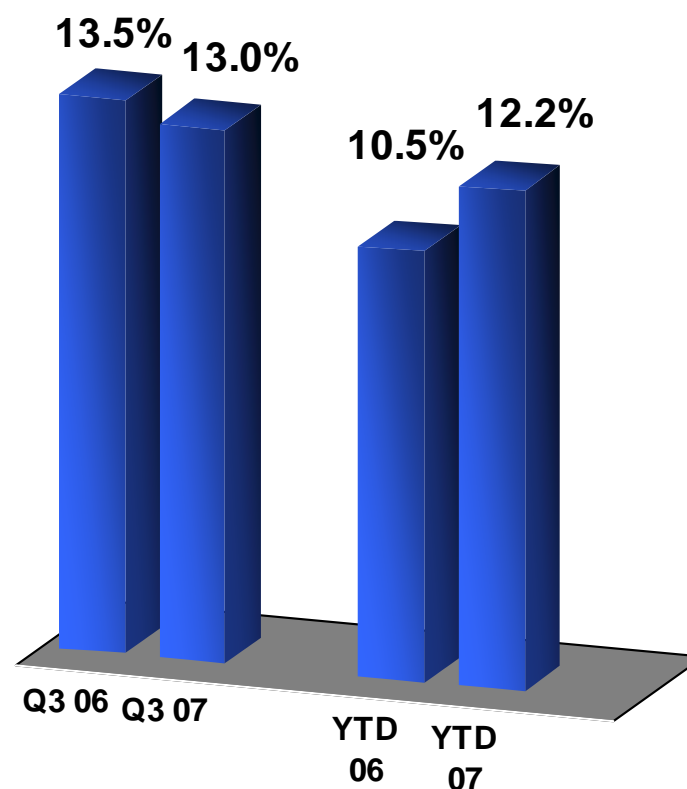
Core	7.5%
Acquisition	8.0%
FX	4.0%

Core	7.5%
Acquisition	28.5%
FX	4.0%

OPERATING MARGINS

-50 BPS

+170 BPS



Q3 07:
- Acquisition impact

-90 BPS



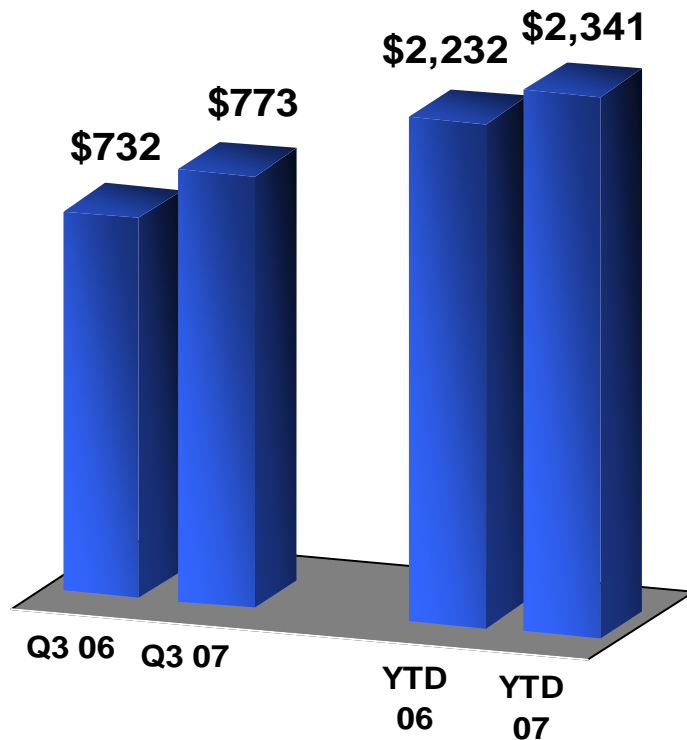
KaVo. Dental Excellence.



REVENUES (\$M)

+5.5%

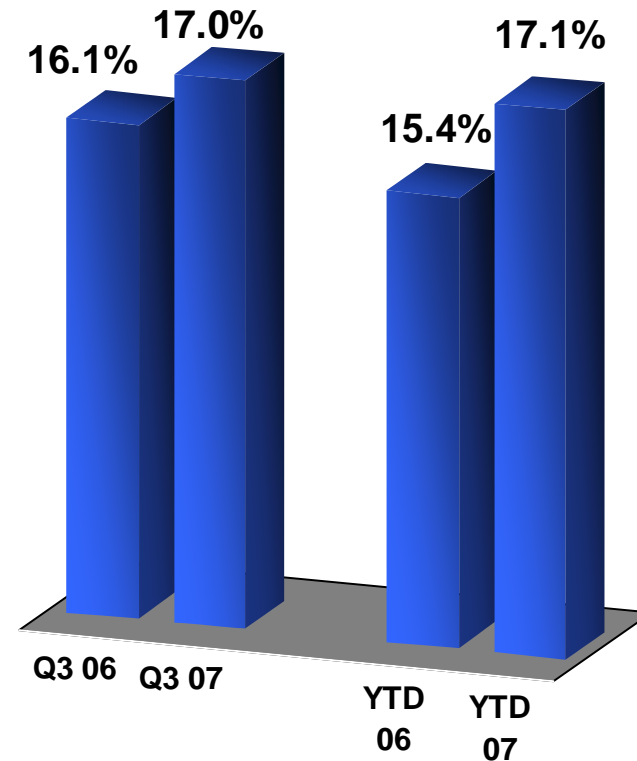
+5%



OPERATING MARGINS

+90 BPS

+170 BPS



Core	2.0%	Core	1.0%
Acquisition	0.5%	Acquisition	1.0%
FX	3.0%	FX	3.0%



Q3 07 vs. Q3 06

Revenue Growth 6.0%

Breakdown:

Core 1.5%

Acquisition 1.0%

FX 3.5%

YTD 07 vs. YTD 06

Revenue Growth 2.0%

Breakdown:

Core (2.5%)

Acquisition 1.5%

FX 3.0%

KOLLMORGEN



Portescap
A Danaher Motion Company

Q3 07 vs. Q3 06

Revenue Decline (0.5%)

Breakdown:

Core (4.0%)

FX 3.5%

YTD 07 vs. YTD 06

Revenue Growth 1.5%

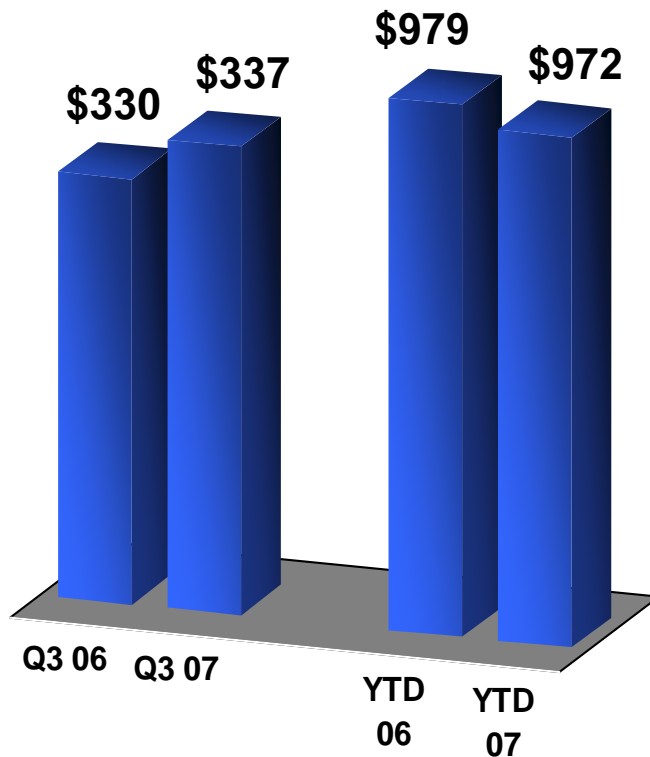
Breakdown:

Core (2.0%)

FX 3.5%

REVENUES (\$M)

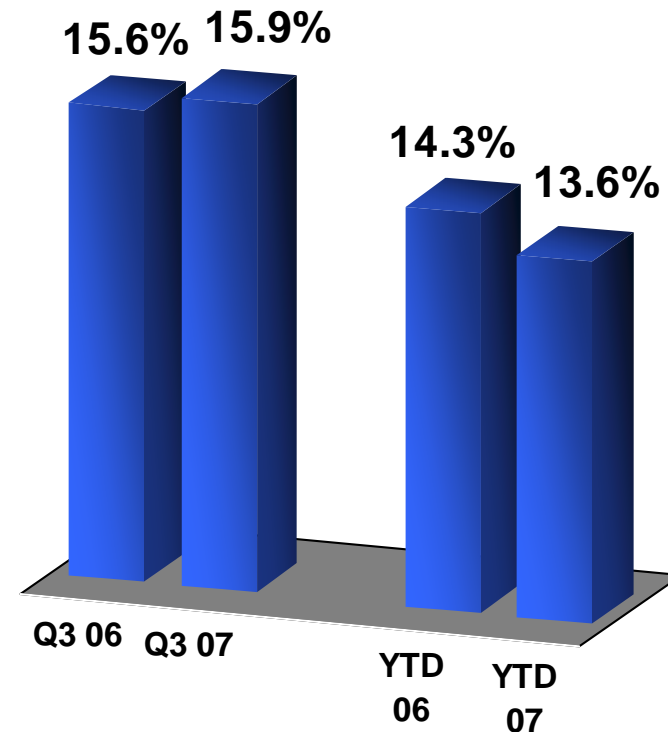
+2% **-1%**



Core	3.0%	Core	0.0%
Acquisition	(1.0%)	Acquisition	(1.0%)
FX	0.0%	FX	0.0%

OPERATING MARGINS

+30 BPS **-70 BPS**



Q3 07:

- JVS impact	-25 BPS
- Gains on sales of real estate	-25 BPS
- Q2 06 divestiture impact	15 BPS



Q3 07 vs. Q3 06

Revenue Growth 3.0%

Breakdown:

Core 3.0%

YTD 07 vs. YTD 06

Revenue Growth 1.5%

Breakdown:

Core 1.5%

Guidance

Q & A



DANAHER
