



Agilent Technologies



AGILENT TO ACQUIRE DAKO

INVESTOR PRESENTATION

MAY 17, 2012



Agilent Technologies

SAFE HARBOR

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, 2012.

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".

DAKO OVERVIEW

- Founded in 1966 with headquarters in Denmark, Dako employs over 1,000 people worldwide, primarily in Denmark; Carpinteria, California; and other parts of the world
- Dako is a leader within cancer diagnostics in Anatomic Pathology
 - Pathology represents ~85% of Dako's revenue
 - IHC* is the largest pathology business area for Dako with significant revenue contribution from the pharmDx and Special Stains businesses
- Dako also provides OEM sales through the Reagent Partnership Division
 - Reagent Partnerships represent ~15% of Dako's revenue
- Dako products are sold in more than 100 countries

*IHC: Immunohistochemistry

STRATEGIC RATIONALE FOR TRANSACTION

- Builds a solid foundation in two high growth diagnostics markets
 - Anatomic Pathology - \$2.2B growing 8-10%*
 - Molecular Diagnostics - \$4.5B growing 10-15%*
- Adds channel and regulatory capability
- Strategically complements Agilent's capabilities
 - SureFISH
 - SureSelect, HaloPlex
 - Cytogenetic arrays
- Increases recurring revenues, reduces volatility
 - Dako > 90% reagents & services
 - Agilent recurring revenues grow from 25% to 30% of total revenue
- Accelerates Dako's penetration into the emerging markets
- Immediately EPS accretive and creates shareholder value
- Effectively utilizes Agilent's overseas cash

*Market size and growth data per Company estimates

TRANSACTION OVERVIEW AND FINANCIAL IMPACT

Transaction Terms

- \$2.2B purchase price, all-cash transaction
- Currently owned by European private equity firm, EQT Partners
- Expected to close within the next 60 days, subject to customary closing conditions and regulatory approvals

Financial Impact

- Funded entirely by offshore cash
- Internal rate of return 10%
- Expect Dako standalone to generate \$373M of revenue in FY13 with \$68M operating profit and 18% operating margin
- Expected FY13 revenue and cost synergies:
 - Revenue synergies \$39M with \$25M operating profit
 - Invest additional \$10M in sales and R&D
 - Cost synergies \$63M due to lower variable pay
- Agilent combined ROIC ~22% in FY13, adding 3ppt per year
- Expected to be immediately EPS accretive:
 - Projected to add 35 cents to FY13 Non-GAAP EPS
- Dako will be reported as a separate segment

COMPLEMENTARY MERGER



Agilent Technologies

- Global leader in instrumentation for bio-analytical measurement
- Portfolio of cutting-edge technologies poised to make an impact in molecular diagnostics
- Innovative culture and history of redefining categories



Dako

- Global leader in anatomic pathology reagents
- Long-time, trusted supplier of clinical labs community
- Significant experience registering products with FDA and other regulators
- Culture rooted in research and development



Merger of Complementary Strengths

- Accelerates Agilent's penetration in Life Sciences and Diagnostics markets
- Adds strong technology platform, channel, and regulatory capability
- Doubles Agilent's reagents business

