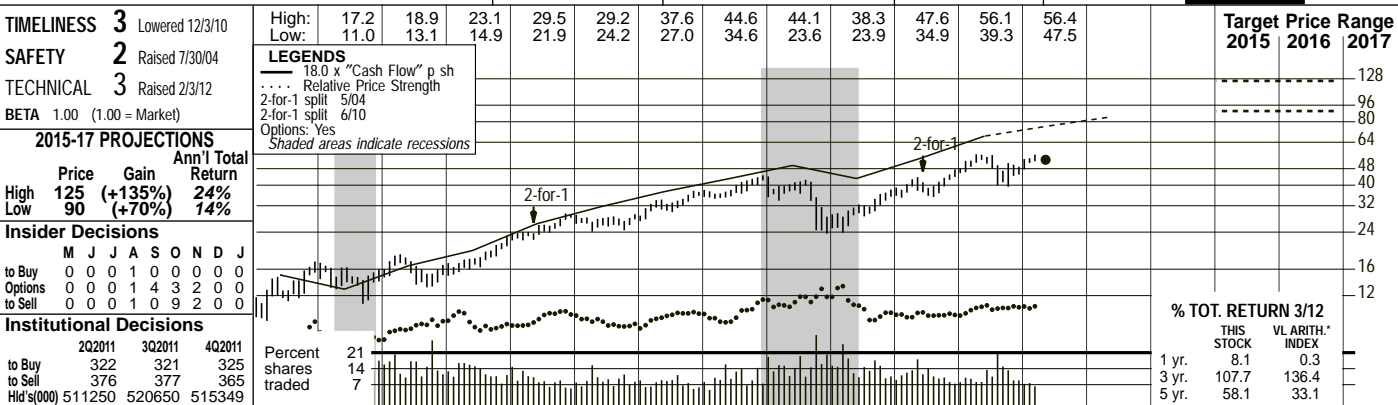


DANAHER CORP. NYSE-DHR

RECENT PRICE **52.83** P/E RATIO **16.6** (Trailing: 18.7; Median: 19.0) RELATIVE P/E RATIO **1.11** DIV'D YLD **0.2%** VALUE LINE



Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
High	4.2	4.9	5.38	5.61	6.65	6.58	7.50	8.61	11.15	13.07	15.57	17.32	19.92	17.29	20.03	23.34	26.85	28.40	Revenues per sh	37.25
Low	3.85	4.38	4.8	5.61	6.65	6.58	7.50	8.61	11.15	13.07	15.57	17.32	19.92	17.29	20.03	23.34	26.85	28.40	"Cash Flow" per sh	6.60
Gain	.27	.32	.34	.46	.56	.58	.69	.82	1.15	1.38	1.65	1.92	2.12	1.81	2.31	2.83	3.30	3.70	Earnings per sh ^A	5.40
Options to Buy	.01	.01	.01	.02	.02	.02	.02	.03	.03	.04	.04	.05	.06	.06	.08	.09	.10	.12	Div'ds Decl'd per sh ^B	.20
Options to Sell	.11	.13	.17	.16	.16	.14	.11	.13	.19	.20	.22	.25	.30	.29	.33	.48	.55	.60	Cap'l Spending per sh	.75
Hld's(000)	1.70	1.96	2.50	3.00	3.42	3.88	4.93	5.93	7.48	8.31	10.78	14.27	15.39	17.98	20.80	24.62	28.55	31.90	Book Value per sh ^C	42.85
202011	471.11	467.83	540.43	569.76	568.05	574.52	610.13	614.72	617.84	611.14	616.48	636.60	637.40	646.96	659.18	689.29	690.00	690.00	Common Shs Outst'g ^D	700.00
302011	18.4	20.0	28.1	29.8	23.1	25.4	23.3	22.1	21.8	19.5	19.8	20.1	17.0	17.1	17.3	17.4	17.4	17.4	Avg Ann'l P/E Ratio	20.0
402011	1.15	1.15	1.46	1.70	1.50	1.30	1.27	1.26	1.15	1.04	1.07	1.07	1.02	1.14	1.10	1.10	1.10	1.10	Relative P/E Ratio	1.35
to Buy	.2%	.2%	.1%	.1%	.1%	.1%	.1%	.1%	.1%	.1%	.1%	.1%	.2%	.2%	.2%	.2%	.2%	.2%	Avg Ann'l Div'd Yield	.2%
to Sell																				
Hld's(000)	511250	520650	515349																	

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
Total Debt	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	5305.2	Revenues (\$mill)	26075
LT Debt	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	5206.8	Operating Margin	23.0%
Leases, Uncapitalized	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	195.0	Depreciation (\$mill)	850
Pension Assets-12/11	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	1735.4	Net Profit (\$mill)	3780
Pfd Stock	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None	Income Tax Rate	26.0%
Common Stock	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	689,294,694	Net Profit Margin	14.5%
MARKET CAP	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	\$36.4 billion	Working Cap'l (\$mill)	3500
CURRENT POSITION (SMILL.)	2009	2010	12/31/11																Long-Term Debt (\$mill)	2700
Cash Assets	1721.9	1632.9	537.0																Shr. Equity (\$mill)	30000
Receivables	1916.8	2219.0	3049.9																Return on Total Cap'l	12.0%
Inventory (LIFO)	993.0	1225.2	1781.4																Return on Shr. Equity	12.5%
Other	588.9	652.4	904.1																Retained to Com Eq	12.0%
Current Assets	5220.6	5729.5	6272.4																All Div'ds to Net Prof	4%
Accts Payable	1051.5	1215.8	1422.4																	
Debt Due	44.2	40.8	98.4																	
Other	1665.3	2048.2	2651.2																	
Current Liab.	2761.0	3304.8	4172.0																	

CAPITAL STRUCTURE as of 12/31/11
Total Debt \$5305.2 mill. Due in 5 Yrs \$1200.0 mill.
LT Debt \$5206.8 mill. LT Interest \$290.0 mill. (23% of Cap'l)
Leases, Uncapitalized Annual rentals \$195.0 mill.
Pension Assets-12/11 \$1735.4 mill.
Pfd Stock None
Common Stock 689,294,694 shs.
MARKET CAP: \$36.4 billion (Large Cap)

Year	2009	2010	12/31/11	2009	2010	12/31/11
Cash Assets	1721.9	1632.9	537.0	14.0%	14.3%	15.8%
Receivables	1916.8	2219.0	3049.9	3%	3%	2%
Inventory (LIFO)	993.0	1225.2	1781.4	14.3%	14.7%	16.1%
Other	588.9	652.4	904.1	15.8%	17.2%	15.6%
Current Assets	5220.6	5729.5	6272.4	3%	3%	2%
Accts Payable	1051.5	1215.8	1422.4	13.4%	13.4%	13.4%
Debt Due	44.2	40.8	98.4	14.1%	14.1%	14.1%
Other	1665.3	2048.2	2651.2	10.0%	11.1%	11.0%
Current Liab.	2761.0	3304.8	4172.0	11.1%	11.5%	11.0%

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '08-'10 to '15-'17
 Revenues 12.5% 12.0% 11.0%
 "Cash Flow" 15.0% 13.5% 14.0%
 Earnings 16.5% 13.0% 15.0%
 Dividends 16.5% 17.5% 18.0%
 Book Value 20.0% 20.0% 13.0%

Cal-endar	QUARTERLY REVENUES (\$mill) ^A	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	
2009	2627 2673 2750 3132	11184
2010	3092 3311 3190 3610	13203
2011	3292 3635 4445 4716	16091
2012	4335 4630 4625 4935	18525
2013	4600 4900 4900 5200	19600

Cal-endar	EARNINGS PER SHARE ^A	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	
2009	.36 .45 .45 .55	1.81
2010	.48 .56 .60 .67	2.31
2011	.61 .69 .73 .81	2.83
2012	.70 .82 .85 .93	3.30
2013	.80 .92 .95 1.03	3.70

Cal-endar	QUARTERLY DIVIDENDS PAID ^B	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	
2008	.015 .015 .015 .015	.06
2009	.015 .015 .015 .015	.06
2010	.02 .02 .02 .02	.08
2011	.02 .02 .02 .025	.085
2012	.025 .025	

Danaher's bottom line should advance by roughly 17% this year. Each of the company's many segments are reporting organic revenue growth led by strong upticks at the life sciences and diagnostics arms. Margins have been contracting of late, but this is largely due to the newer businesses being acquired that churn out lower profits before truly being wrung through Danaher's system that has been stripping away excess costs and squeezing out maximum gains for years. Much of the current headwind comes from 2011's huge purchase of Beckman Coulter (more color below) and should diminish on a sliding scale as 2012 goes on. With that, we think EPS of \$3.30 will be well within reach when all is said and done.

The company's growth-via-acquisition strategy should continue to be on display in the coming quarters. Some thought after the aforementioned megadeal that DHR might take a breather. Yes, we do not think management will undertake an acquisition of that scope, but new businesses continue to be bolted on at a breakneck pace. For example, to close out 2011, a late shopping spree netted 10 purchases in the final quarter alone. Presently, the market for such pacts is attractive, and the financing of these moves is at Danaher's disposal. On that note, we think an elongated period of wheeling and dealing may be here.

The Beckman Coulter integration continues to progress well ahead of expectations. Those who DHR wanted to plant in the key positions at Beckman are already in place. Restructuring and better pricing implementation are in full swing. Early indications are that BC will hit the preset goal of flat sales for this year, an impressive feat given the wholesale shakeups at that entity. More importantly, overall costs may well be pared by \$350 million on an annual basis in the next two years. If these plans go off without a hitch, our earnings estimate of \$3.70 for 2013 may need to be ratcheted up.

These shares may well pique the interest of investors with a 3- to 5-year bent. For the year ahead, however, we anticipate the stock will perform in line with the broader market indices. Too, the dividend remains paltry versus its peers.

Erik M. Manning
 April 20, 2012