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## Danaher Corporation Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Nicole Parent – Credit Suisse

#### Nicole Parent – Credit Suisse

You gave us some sense of Motion trends and what you're thinking for 2009 versus the fourth quarter and full year '08. How should we think about some of the other sub segments in terms of core growth relative to what we've been seeing? Could you give us a sense of margin performance as well?

#### Larry Culp

Within Motion core or more broadly?

#### Nicole Parent – Credit Suisse

More broadly. You gave us a sense in your comments that Motion was going to be below the current trend level.

#### Larry Culp

As we reconfirmed the full year guidance we're probably not of a much different mindset then we were when we saw you in December. The core outlook for 2009 is still going to be in that down 2% to down 6% for Danaher with the first quarter representing a very challenging start, the first half likely to be tougher than the second half.

If you look at the full year for a moment, if you take the midpoint of that down 2% to down 6% what we would anticipate is that the dispense of businesses, the businesses that are clearly demonstrated already in the fourth quarter here their resilience it should be safe to call flat to slightly positive. Obviously Water, dental consumables, Sybron, Radiometer and Leica then you're talking about \$4 billion of our \$12 billion in revenue.

The businesses that we would expect to be down low to mid single digits; Fluke, Gilbarco Veeder-Root, possibly KaVo, Product ID and certainly Tools. These businesses are going to be down mid single maybe a little bit more. F Net Tech and the company mentioned in your question Motion given what we know and given what we don't know right now.

#### Dan Comas

From a margin perspective if we're down in that core being negative 4% we would expect core margins to be down slightly year on year, 25 to 50 basis points.

**Nicole Parent – Credit Suisse**

Within the Test & Measurement sub-segment could you give us a sense of the end market strength and weakness that you're seeing like you did in the Motion?

**Larry Culp**

What we're seeing is on balance at Fluke general softness, as you know we've got a very hot product lineup in Thermography, it's a new application across a number of verticals. As we look at the general industrial and electronic markets that we serve there customers have pulled back, channel partners are taking a cautious position in inventories as we've both ended the year and have started the year. At F Net we certainly have seen both a core telecom business there and more importantly the general IT spending get pushed out, get deferred which is why they were down so much and why we think they could have a very tough '09.

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