2023 JP Morgan Healthcare Conference

Agilent Presentation

January 10, 2023

Safe Harbor Statement

These presentations contain forward-looking statements (including, without limitation, information, and future guidance on the company’s goals, priorities, revenue, revenue growth, earnings per share, operating margin, operating cash flow, capital expenditures, capital allocation, growth opportunities, new products and solutions, customer service and innovation plans, financial condition and considerations, impact of acquisitions, share repurchases, dividends, the markets the company sells into, operations, and manufacturing site plans) that involve risks and uncertainties that could cause results of Agilent to differ materially from management’s current expectations. The words “anticipate,” “plan,” “estimate,” “expect,” “intend,” “will,” “should,” “forecast,” “project” and similar expressions, as they relate to the company, are intended to identify forward-looking statements.

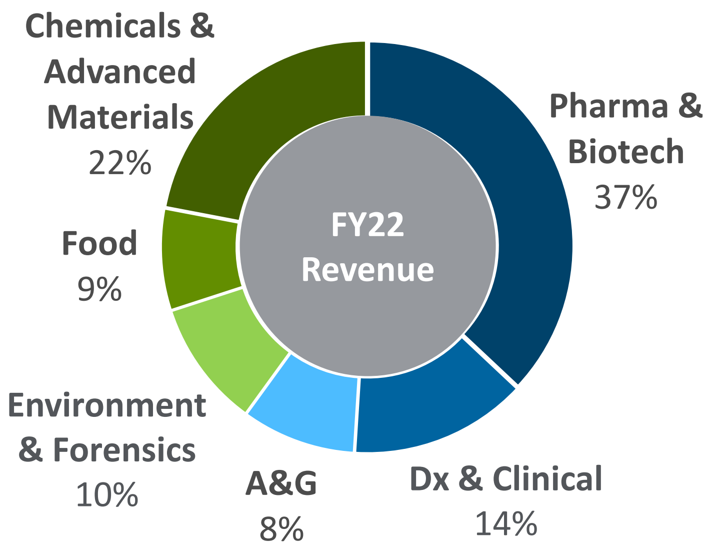
In addition, other risks that the company faces in running its operations include the ability to execute successfully through business cycles; the ability to successfully adapt its cost structures to continuing changes in business conditions; ongoing competitive, pricing and gross margin pressures; the risk that our strategic and 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 impact of currency exchange rates on our financial results; 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, the adverse impacts of and risks posed by the COVID-19 pandemic, and other risks detailed in the company's filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the year ended October 31, 2022.

The company assumes no obligation to update the information in these presentations. These presentations and the Q&A that follows include non-GAAP measures. Non-GAAP measures exclude primarily the impacts of amortization of intangibles, acquisition and integration costs, transformational initiatives, and business exits and divestitures. We also exclude any tax benefits that are not directly related to ongoing operations and which are either isolated or are not expected to occur again with any regularity or predictability. With respect to the company’s guidance, most of these excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy. Accordingly, no reconciliation to GAAP amounts has been provided.

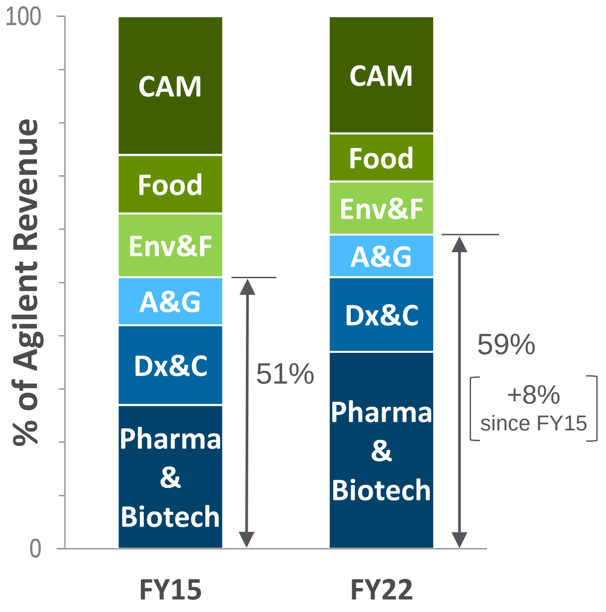
Overview of Agilent Technologies in 2022

$6.8B	+12%	27.1%	+20%
FY22 Revenue	FY22 Core Rev. Growth (1)(2)	FY22 Operating Margin (1)	FY22 EPS Growth (1)
+$0.5B y/y		+160bps y/y	

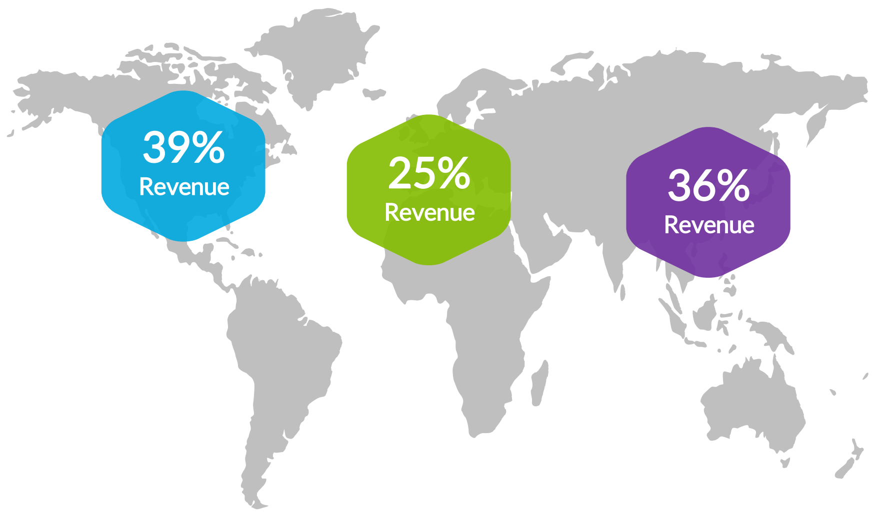
Leadership in Large ($68B+)[4] and Growing End-Markets



Mix Shifting to Higher Growth Pharma / Dx / Research Markets



Global Footprint (3)



(1) Presented on a non-GAAP basis, reconciliations to closest GAAP equivalent provided
(2) Core growth is reported growth adjusted for the effects of acquisitions and FX
(3) Based on FY22 revenue
(4) Based on internal company estimates

A leading lab partner with unsurpassed capabilities and scale

Agilent's shareholder value creation model
driving strong revenue and earnings growth

Above Market Growth	Operating Margin Expansion	Balanced Capital Deployment
5 – 7% Core	**50 bps to 100 bps**	**Continued balanced deployment**

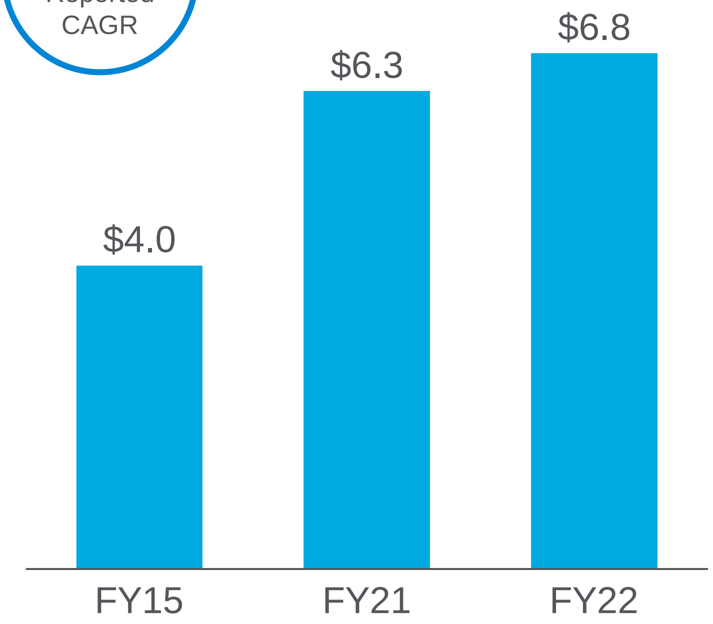
Expected Result: **Double Digit EPS Growth**

Our 'Build and Buy' growth strategy continues to deliver
accelerating core growth and earnings per share

Above Market Organic Growth[1]

8%
Reported
CAGR

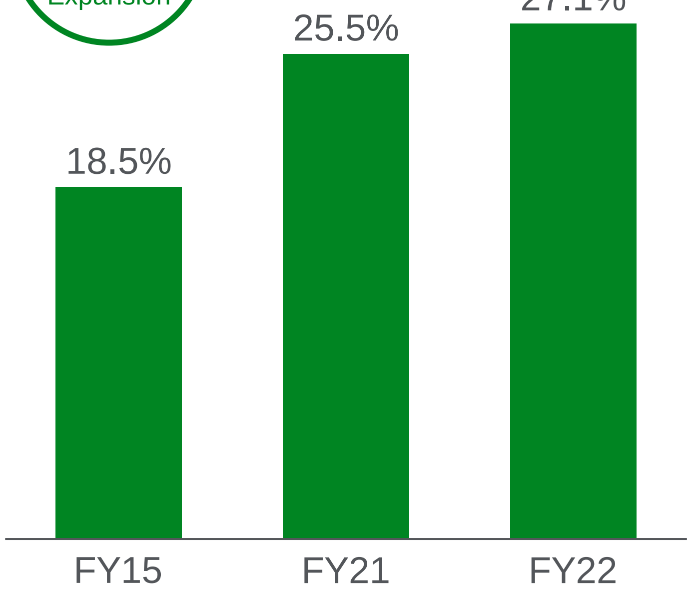
+15% YoY core growth	+12% YoY core growth



REVENUE

Operating Margin Expansion[2]

800+
BPS
Expansion

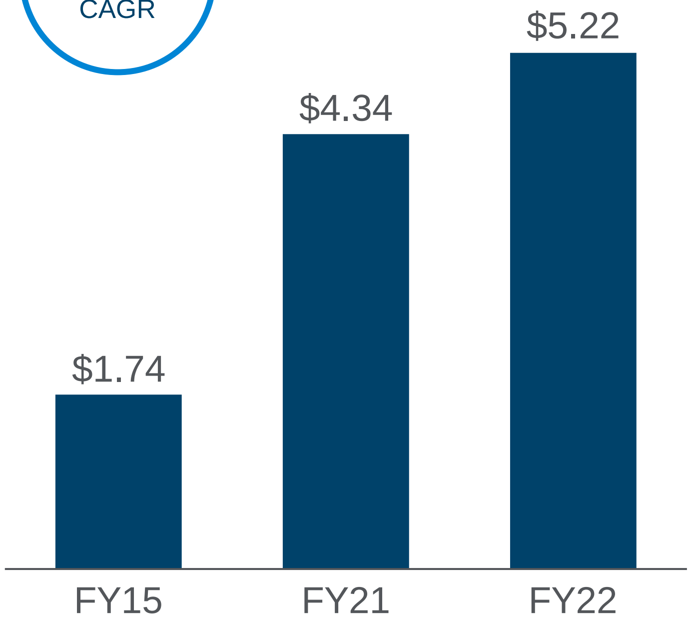


OPERATING MARGIN

Superior Earnings Growth[2]

17%
CAGR

+32% YoY EPS growth	+20% YoY EPS growth



EARNINGS PER SHARE

(1) Reported revenue growth
(2) Presented on a non-GAAP basis, reconciliations to closest GAAP equivalent provided at www.investor.agilent.com.

Balanced capital deployment

driving accelerated growth and high returns for shareholders

Investing for Growth

M&A

$3.0B deployed since FY15

Cap Ex

$1.3B invested since FY15

While Returning Capital to Shareholders

Dividends

$1.6B paid since FY15

Share Repurchases

$4.4B purchased since FY15

Advancing ESG within our operations, *and* the world’s labs

Sustainability in Our Operations

INVESTOR'S BUSINESS DAILY 2022 BEST ESG COMPANIES ENVIRONMENTAL, SOCIAL & GOVERNANCE

Committed to **net-zero emissions by 2050**

34% **Reduction in carbon emissions** since 2014.

$3.5M **Donated to a leading historically black university to increase diversity in STEM**, including scholarships, lab instruments, and mentorship.

30% **Increase in the share of women leaders** who report to the CEO in 2021.

Great Place To Work.

Certification in 20+ countries in 2022. Industry leading employee engagement scores.

Sustainable Lab Solutions for Our Customers

Green Instruments & Product labeling

Engineered for Sustainability

Our Ultivo Triple Quadrupole LC/MS offers radically reduced electrical consumption. It’s one of many Agilent instruments that use less energy and/or minimize waste.

Certified Pre-Owned Instruments

Our refurbished instruments reduce environmental waste and serve the often-overlooked market of budget- conscious customers.

“Eco” Product Labels

Provides customers information they seek on the environmental footprint of instruments.

Technology to Reduce Lab Energy Use

Our CrossLab Connect technology enables labs, which are energy intensive, to run more efficiently through:

- Asset Health/Status
- Asset Monitoring
- Asset Scheduling
- Asset Calibration
- Remote Support

Replacing helium with hydrogen, a renewable energy, as the carrier gas for several GC/MS applications.

Agilent’s HydroInert source

Agilent

Agilent
Trusted Answers

A **diversified** and **resilient** business with **multiple growth drivers**.

Investing in faster-growing Pharma and Clinical & Dx

while taking advantage of secular growth trends in applied markets

Agilent's

$68B(1)

Opportunity

4-6% Growth

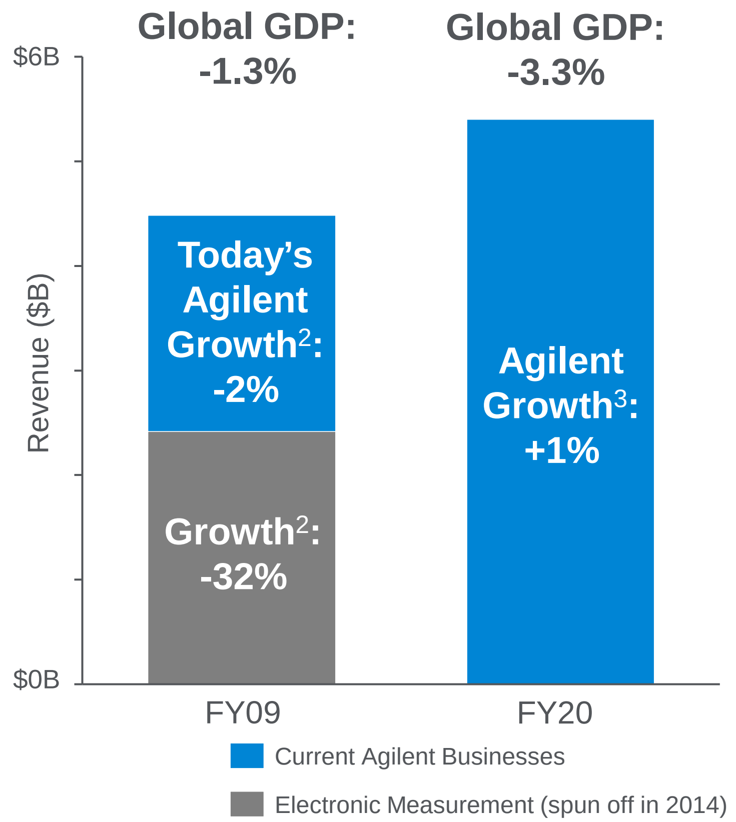
	Pharma	Clinical & Diagnostics	Academic & Government	Environmental & Forensics	Chemicals & Advanced Materials	Food
Market	**$21B** *5-7% growth*	**$18B** *5-7% growth*	**$13B** *3-5% growth*	**$6B** *2-4% growth*	**$5B** *3-5% growth*	**$5B** *2-4% growth*
Agilent FY22 Growth *+12%*	**+16%**	**+6%**	**+3%**	**+4%**	**+18%**	**+6%**

(1) Total Available Market. Market size and growth rates per company estimates.

Building a more resilient business

increasing share of fast growing, recurring revenue

Revenue Growth
GFC[1] vs Pandemic

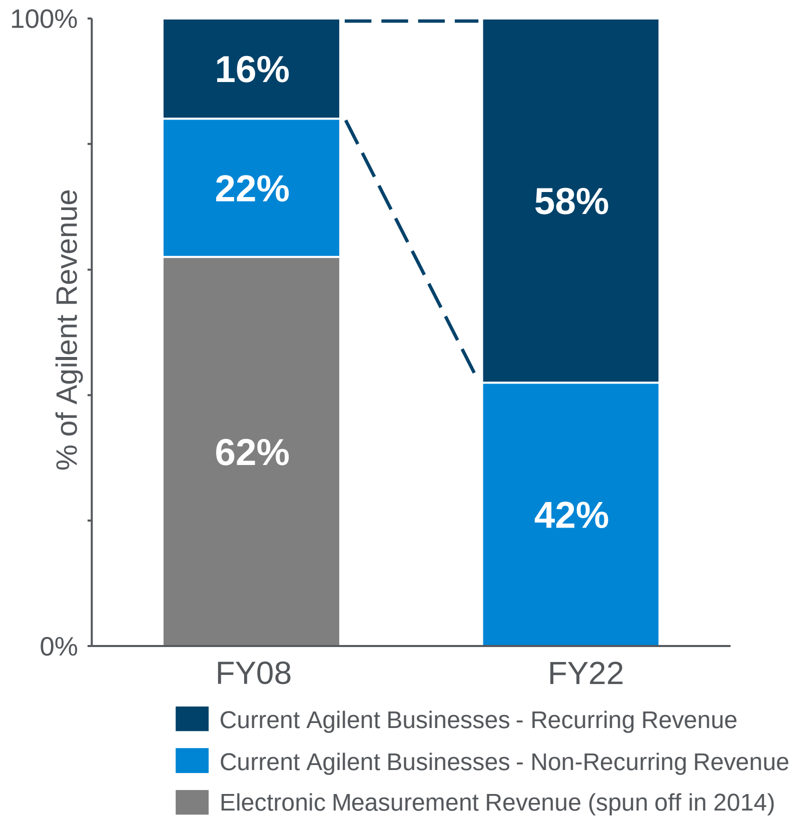


(1) GFC: Great Financial Crisis of 2008-09
(2) Local currency growth is reported growth adjusted for the effects of FX
(3) Core growth is reported growth adjusted for the effects of acquisitions and FX

How we Built Resiliency

- **Spun off highly-cyclical electronic measurement business.**
- **Implemented CrossLab strategy to expand services and consumables.**
- **Entered and expanded in the clinical and diagnostics market.**
- **Investments in biopharma APIs.**

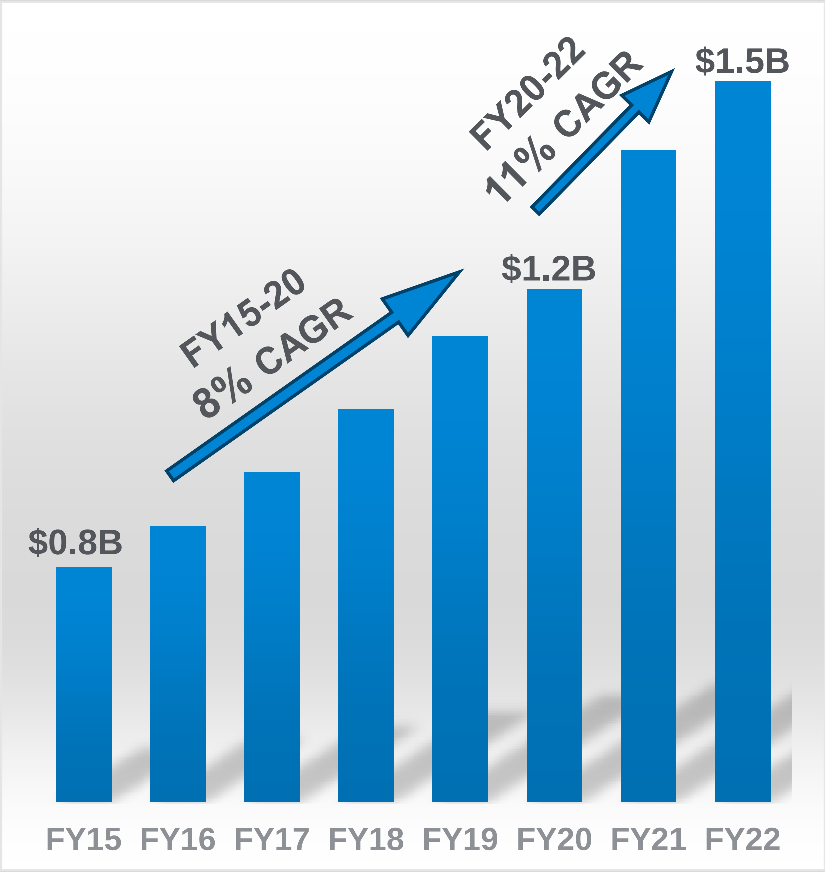
Revenue Mix
FY08 to FY22

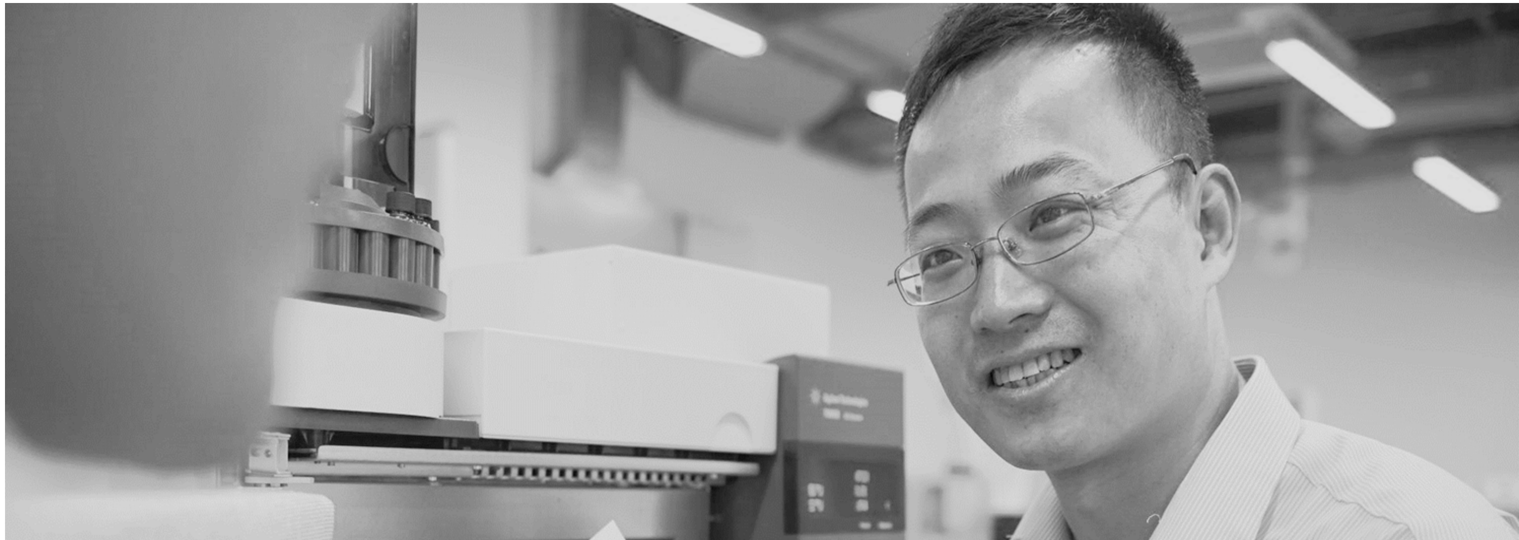


Services – A Key Differentiator for Agilent

A resilient and profitable growth engine that drives customer satisfaction

CrossLab Group Revenue



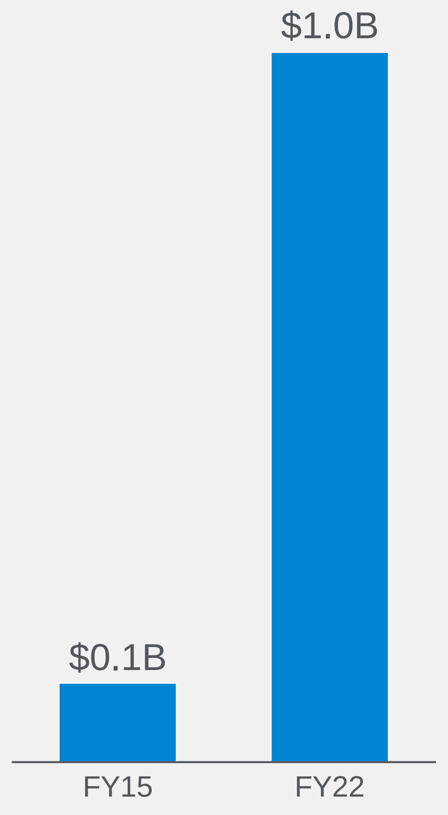


- Our best-in-class Customer Service Organization drives **customer satisfaction** while scale enables **continued margin expansion.**
- 60%+ of revenues from annual or multi-year service agreements, delivering a **strong recurring revenue stream**.
- **30%+ services and consumables attach rate**, with substantial headroom to grow.

Our Focus on Biopharma Is Paying Off

Now represents **39% of pharma business**

Agilent Biopharma Revenue



Leveraging our positions across the biopharma value chain to expand offerings

Agilent's Plays:	Disease Research, Target ID, & Drug Dev.	Bioprocess Development	Clinical Trials	Bioprocessing & Quality Control
Leading analytical solutions in and out of the lab	Analytical Solutions			Analytical Solutions
Leader in biopharma services for therapy selection	CDx Service		CDx Service	
Market leadership in RNAi-based API's and growing CRISPR position		Therapeutics CDMO		Therapeutics CDMO
Integrated cell analysis solutions	Cell Analysis		Cell Analysis	

Agilent

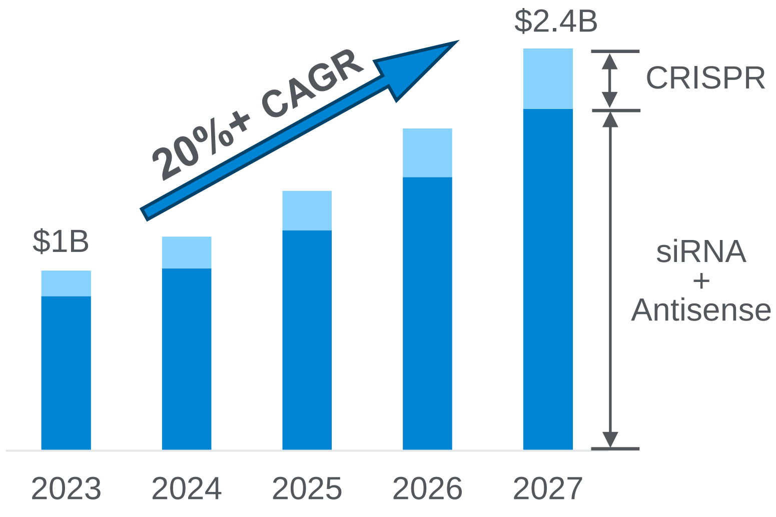
Leadership Position in Therapeutic Oligonucleotide CDMO

Compelling Market

$1B
2023 Market TAM (1)

20%+
Market CAGR(2)

Oligo Tx CDMO Manufacturing Forecast



Expecting **market growth rate to accelerate** over the forecast period

(1) 2023 siRNA, Antisense, and CRISPR Oligo Tx CDMO estimated market size
(2) Estimated Oligo Tx CDMO CAGR from 2022 to 2027

Winning Strategy

~$300M
FY22 Agilent Revenue

29%
FY15-22 CAGR

Agilent Differentiators

- **High Quality Oligo API Material**
- **Superior Customer Service**
- **Solid & Diversified Client Portfolio**
- **Deep Technical Acumen**
- **Innovating to capture market growth**
  Agilent's unique RUO to GMP-grade CRISPR gRNA offering

Investing for Growth now…

$150M+
New Revenue Capacity

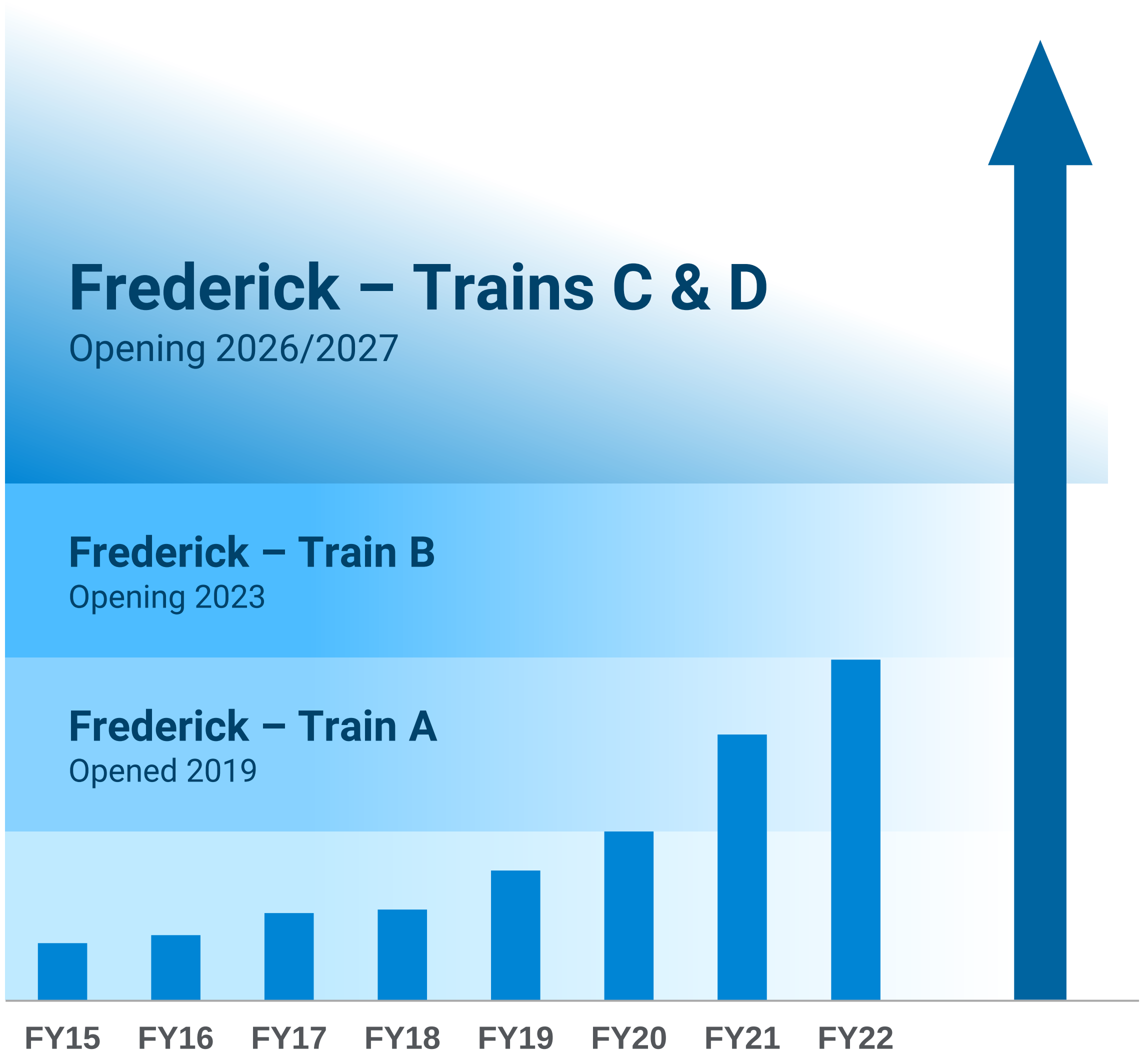
Train B – Frederick, CO

On track to be operational **mid-year 2023**

…and for the **future**

Announcing New NASD Capacity Expansion

On the road to $1B in revenue



- **Investing an estimated $725M** in a new, state of the art, oligo production facility for high volume siRNA, Antisense and CRISPR gRNA materials.
- **Doubles revenue** capacity of NASD.
- Will **include CRISPR molecule GMP capabilities at scale**, using Agilent's unique *ClinGuide* approach to gRNA manufacturing.
- Facility design will also incorporate **improved sustainability** by enabling material conservation and recycling.

Cell Analysis – The "Buy" Side Is Working

Differentiated portfolio oriented towards growth

$5B
Market TAM (1)

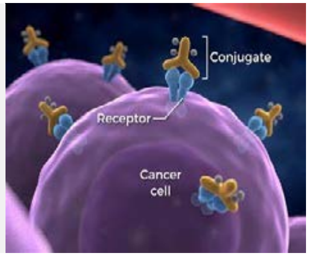
5-7%
Market Growth (1)

$400M+
FY22 Agilent Revenue

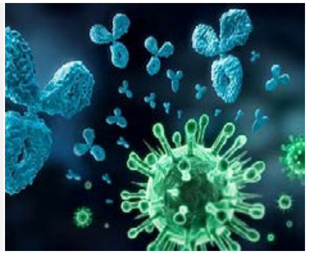
15%+
FY20-22 CAGR

Targeting Key High-growth Segments

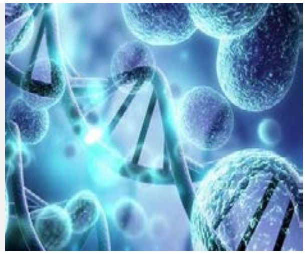
Immunology,
Immuno-oncology,
and Immunotherapy



Emerging Therapeutic
Modalities:
Cell & Gene Therapy



Infectious Disease, Virology,
& Vaccine Research



How We Win

Portfolio Breadth
Live-cell kinetic measurement plus traditional techniques

Accessibility
Advanced capabilities to bench-scientists & clinics

Modular Workflows
Integrating multiple techniques and applications

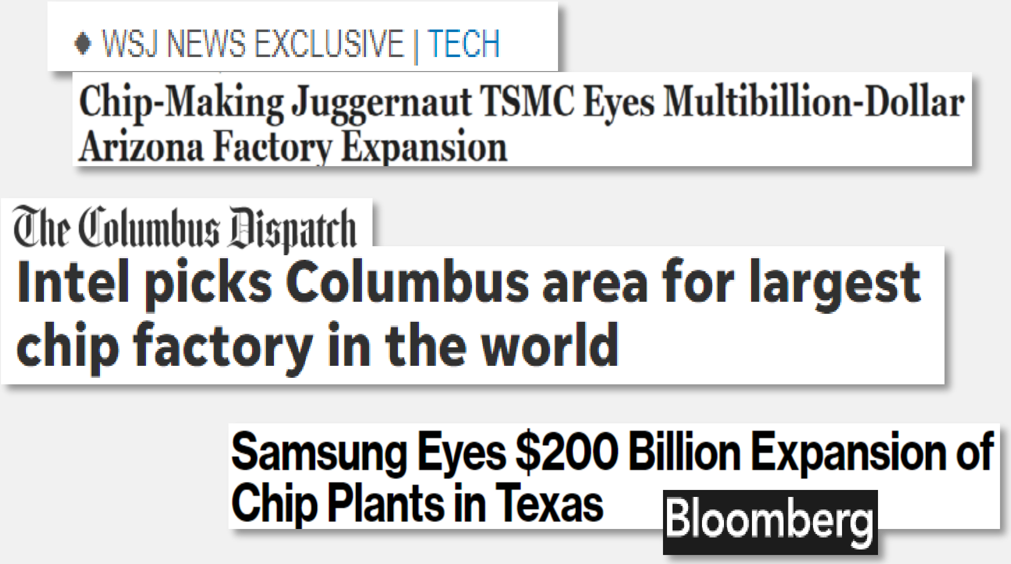
Interoperability
Critical measurement tools with data consolidation & integration

(1) based on internal company estimates

Advanced Materials: A Secular $1.5B+[(1)] High-Growth Market

Leveraging leadership in Spectroscopy and Gas Chromatography

Semiconductors


WSJ NEWS EXCLUSIVE | TECH

Chip-Making Juggernaut TSMC Eyes Multibillion-Dollar Arizona Factory Expansion

The Columbus Dispatch

Intel picks Columbus area for largest chip factory in the world

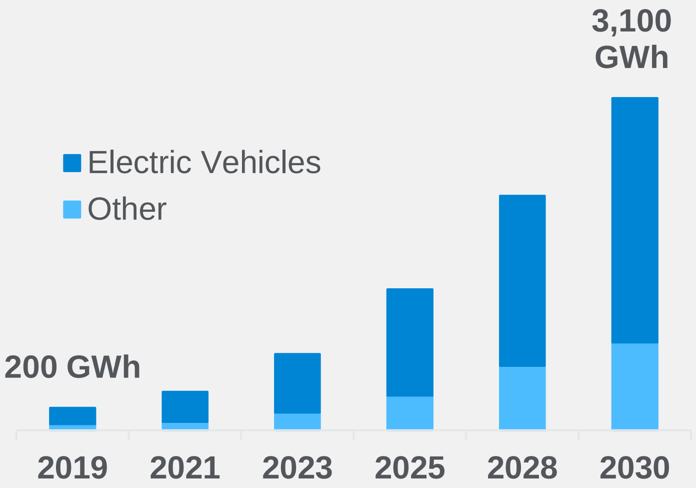
Samsung Eyes $200 Billion Expansion of Chip Plants in Texas

Bloomberg

- Trade tensions, supply chain instability, and geopolitics driving semiconductor self-sufficiency.
- Support from global governments fueling corporate investments into new and expanded fabs with focus on advanced semiconductors.

Batteries

Global demand for LiB



- Agilent's portfolio addresses the entire battery value chain – from mining and materials processing, to cell components and recycling.
- Surging demand for electric vehicles as the world transitions to renewable energy, with government spending driving private investment.

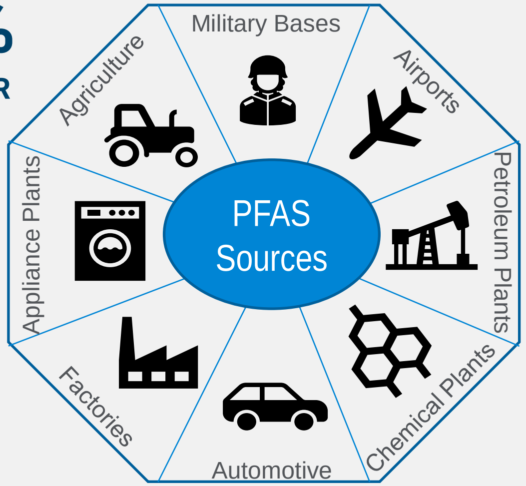
(1) Total available market, based on internal company estimates

PFAS – An Emerging Public Health Challenge

Growing regulation of "Forever" chemicals drives testing demand

PFAS Market Opportunity

~15%
Market CAGR



$0.2B+
SAM Opportunity

- Growing consumer awareness and government regulations drive **demand for testing** and remediation.
- **Public funding supports regular testing** in drinking water, and increasingly for wastewater discharge, soil and consumer products.

The Preferred PFAS Solution

- Our **pre-configured workflow solution** provides full characterization and allows customers to address all current regulatory requirements.
- Agilent **PFAS-specific consumables** are tested to ensure they are free of regulated PFAS chemicals.

Q1'23 and FY23 Guidance and Forward-looking Considerations

Q1'23 Guidance (1)	Low End	High End
Net Revenue ($M)	**$1,680**	**$1,700**
Y/Y Core Revenue Growth (2)	*6.8%*	*8.0%*
Assumes -6.6% FX, +0.1% M&A		
EPS	**$1.29**	**$1.31**

FY'23 Guidance (1)	Low End	High End
Net Revenue ($M)	**$6,900**	**$7,000**
Y/Y Core Revenue Growth (2)	*5.0%*	*6.5%*
Assumes -4.3% FX, +0.1% M&A		
EPS	**$5.61**	**$5.69**

Agilent's Value Creation Model **continues to deliver**

(1) As of Nov 21, 2022 based on October 31, 2022 exchange rates. Presented on a non-GAAP basis.
(2) Core growth is reported growth adjusted for the effects of acquisitions and divestitures, and FX.

In Summary

Agilent has…

- …a **diversified and resilient** business
- with **multiple growth drivers** in **fast growing markets**
- driven by an **Agilent team focused on our customers** with a **proven track record** of success and **unmatched execution capabilities**.

We will continue…

- …to prioritize **investments for growth,**
- expand our base of **recurring revenue**
- and **anticipate and react quickly** to changing conditions to **deliver at a high level**.

Agilent

Trusted Answers

AGILENT TECHNOLOGIES, INC.
RECONCILIATIONS OF REVENUE EXCLUDING ACQUISITIONS AND DIVESTITURES
AND THE IMPACT OF CURRENCY ADJUSTMENTS (CORE)
(in millions)
(Unaudited)

	Year Ended October 31,			Year Ended October 31,			Year Ended October 31,			Year Ended October 31,		
	2022	2021	% Growth	2021	2020	% Growth	2020	2019	% Growth	2019	2018	% Growth
GAAP Revenue	$ 6,848	$ 6,319	8%	$ 6,319	$ 5,339	18%	$ 5,339	$ 5,163	3%	$ 5,163	$ 4,914	5%
Less: Revenue related to acquistions and divestitures	(12)	—		(14)	—		(149)	—		(115)	—	
Non-GAAP Revenue	$ 6,836	$ 6,319		$ 6,305	$ 5,339		$ 5,190	$ 5,163		$ 5,048	$ 4,914	
Less: Currency adjustment [(a)]	(230)	—		153	—		(18)	—		(107)	—	
Agilent Core Revenue	$ 7,066	$ 6,319	11.9%	$ 6,152	$ 5,339	15.2%	$ 5,208	$ 5,163	0.9%	$ 5,155	$ 4,914	5.0%

	Year Ended October 31,			Year Ended October 31,			Year Ended October 31,			Year Ended October 31,		
	2018	2017	% Growth	2017	2016	% Growth	2016	2015	% Growth	2015	2014	% Growth
GAAP Revenue	$ 4,914	$ 4,472	10%	$ 4,472	$ 4,202	6%	$ 4,202	$ 4,038	4%	$ 4,038	$ 4,048	0%
Less: Revenue related to acquistions and divestitures	(33)	(4)		(17)	(8)		(56)	(61)		(61)	(83)	
Non-GAAP Revenue	$ 4,881	$ 4,468		$ 4,455	$ 4,194		$ 4,146	$ 3,977		$ 3,977	$ 3,965	
Less: Currency adjustment [(a)]	95	—		(17)	—		(70)	-		(244)	-	
Agilent Core Revenue	$ 4,786	$ 4,468	7.1%	$ 4,472	$ 4,194	6.7%	$ 4,216	$ 3,977	5.9%	$ 4,221	$ 3,965	6.4%

[(a)] We compare the year-over-year change in revenue excluding the effect of recent acquisitions and divestitures and foreign currency rate fluctuations to assess the performance of our underlying business. To determine the impact of currency fluctuations, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rate in effect during the respective prior periods.

AGILENT TECHNOLOGIES, INC.
NON-GAAP NET INCOME AND DILUTED EPS RECONCILIATIONS
(In millions, except per share amounts)
(Unaudited)

	FY 2022		FY 2021		FY 2020		FY 2019		FY 2018		FY 2017		FY 2016		FY 2015	
	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS
GAAP net income	$ 1,254	$ 4.18	$ 1,210	$ 3.94	$ 719	$ 2.30	$ 1,071	$ 3.37	$ 316	$ 0.97	$ 684	$ 2.10	$ 462	$ 1.40	$ 438	$ 1.31
Non-GAAP adjustments:																
Asset impairments	–	–	2	0.01	99	0.32	—	—	21	0.06	—	—	4	0.01	3	0.01
Intangible amortization	191	0.64	194	0.63	184	0.59	125	0.39	105	0.32	117	0.36	152	0.46	156	0.47
Transformational initiatives	30	0.10	37	0.12	53	0.17	44	0.14	25	0.08	12	0.04	38	0.12	56	0.17
Acquisition and integration costs	25	0.08	41	0.13	41	0.13	48	0.15	23	0.07	32	0.10	41	0.12	13	0.04
Change in fair value of contingent consideration	(25)	(0.08)	(21)	(0.07)	—	—	—	—	—	—	—	—	—	—	—	—
Loss on extinguishment of debt	9	0.03	17	0.06	—	—	9	0.03	—	—	—	—	—	—	—	—
Business exit and divestiture costs	7	0.02	5	0.02	2	0.01	—	—	9	0.03	—	—	10	0.03	14	0.04
Pension settlement loss	4	0	1	—	4	0.01	—	—	—	—	—	—	—	—	—	—
Pension settlement gain	—	—	—	—	—	—	—	—	(5)	(0.02)	(32)	(0.10)	(1)	—	—	—
Pension curtailment gain	—	—	—	—	—	—	—	—	—	—	—	—	(15)	(0.05)	—	—
Net loss (gain) on equity securities	63	0.21	(92)	(0.30)	(28)	(0.09)	—	—	—	—	—	—	—	—	—	—
Gain on step acquisition of Lasergen	—	—	—	—	—	—	—	—	(20)	(0.06)	—	—	—	—	—	—
NASD site costs	—	—	—	—	—	—	12	0.04	8	0.02	—	—	—	—	—	—
Special compliance costs	—	—	—	—	—	—	2	0.01	4	0.01	—	—	—	—	—	—
Impairment of investment and loans	—	—	—	—	—	—	—	—	—	—	—	—	25	0.08	—	—
Other	12	0.04	9	0.03	10	0.04	29	0.09	(10)	(0.03)	5	0.02	6	0.02	5	0.01
Adjustment for Tax Reform	—	—	—	—	—	—	—	—	552	1.70	—	—	—	—	—	—
Tax benefit on intra-entity asset transfer	—	—	—	—	—	—	(299)	(0.94)	—	—	—	—	—	—	—	—
Adjustment for taxes [(a)]	(5)	(0.01)	(71)	(0.23)	(61)	(0.20)	(52)	(0.17)	(121)	(0.36)	(50)	(0.16)	(71)	(0.21)	(102)	(0.31)
Non-GAAP net income	$ 1,565	$ 5.22	$ 1,332	$ 4.34	$ 1,023	$ 3.28	$ 989	$ 3.11	$ 907	$ 2.79	$ 768	$ 2.36	$ 651	$ 1.98	$ 583	$ 1.74

[(a)] The adjustment for taxes excludes tax benefits that management believes are not directly related to on-going operations and which are either isolated or cannot be expected to occur again with any regularity or predictability. For the years ended October 31, 2022, October 31, 2021, October 31, 2020, October 31, 2019, October 31, 2018, October 31, 2017, October 31, 2016 and October 31, 2015, management used a non-GAAP effective tax rate of 14.00%, 14.25%, 15.25%, 16.75%, 18.00%, 18.00%, 19.00% and 20.00%, respectively.

Historical amounts are reclassified to conform with current presentation.

We provide non-GAAP net income and non-GAAP net income per share amounts in order to provide meaningful supplemental information regarding our operational performance and our prospects for the future. These supplemental measures exclude, among other things, charges related to asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration, loss on extinguishment of debt, business exit and divestiture costs, pension settlement loss, pension settlement gain, pension curtailment gain, net loss (gain) on equity securities, gain on step acquisition of Lasergen, NASD site costs, special compliance costs, impairment of investment and loans, adjustment for Tax Reform and tax benefit on intra-entity asset transfer.

Asset impairments include assets that have been written-down to their fair value.

Transformational initiatives include expenses associated with targeted cost reduction activities such as manufacturing transfers, site consolidations, legal entity and other business reorganizations, insourcing or outsourcing of activities. Such costs may include move and relocation costs, one-time termination benefits and other one-time reorganization costs. Included in this category are also expenses associated with company programs to transform our product lifecycle management (PLM) system and human resources and financial systems.

Acquisition and Integration costs include all incremental expenses incurred to effect a business combination. Such acquisition costs may include advisory, legal, tax, accounting, valuation, and other professional or consulting fees. Such integration costs may include expenses directly related to integration of business and facility operations, the transfer of assets and intellectual property, information technology systems and infrastructure and other employee-related costs.

Change in fair value of contingent consideration represents changes in the fair value estimate of acquisition-related contingent consideration.

Loss on extinguishment of debt for the year ended October 31, 2022 relates to the net loss recorded on the redemption of the $600 million outstanding 3.875% 2023 senior notes due on July 15, 2023, called on April 4, 2022 and settled on May 4, 2022. For the year ended October 31, 2021, it relates to the net loss recorded on the redemption of the $100 million of the $400 million outstanding 3.2% 2022 senior notes due on October 1, 2022, called on December 22, 2020 and settled on January 21, 2021 and the net loss recorded on the redemption of the remaining $300 million called on March 5, 2021 and settled on April 5, 2021. For the year ended October 2019, it relates to the net loss recorded on full redemption of $500 million of outstanding 5.00% senior notes due July 2020, called on August 16, 2019 and settled on September 17, 2019.

Business exit and divestiture costs include costs associated with business divestitures.

Pension settlement loss relates to the relief of the US Retirement Plan pension obligation due to increased lump sum payouts over a specified accounting threshold.

Pension settlement gain resulted from transfer of the substitutional portion of our Japanese pension plan to the government.

Pension curtailment gain resulted from certain retirement plans benefit reductions.

Net loss (gain) on equity securities relates to the realized and unrealized mark-to-market adjustments for our marketable and non-marketable equity securities.

Gain on step acquisition of Lasergen resulted from the measurement at fair value of our equity interest held at the date of business combination.

NASD site costs include all the costs related to the expansion of our manufacturing of nucleic acid active pharmaceutical ingredients incurred prior to the commencement of commercial manufacturing.

Special compliance costs include costs associated with transforming our processes to implement new regulations such as the EU's General Data Protection Regulation (GDPR), revenue recognition and certain tax reporting requirements.

Impairment of investment and loans include investments and their related convertible loans that have been written down to their fair value.

Other includes certain legal costs and settlements and acceleration of share-based compensation expense in addition to other miscellaneous adjustments.

Adjustment for Tax Reform primarily consists of an estimated provision of $499 million for U.S. transition tax and correlative items on deemed repatriated earnings of non-U.S. subsidiaries and an estimated provision of $53 million associated with the decrease in the U.S. corporate tax rate from 35% to 21% and its impact on our U.S. deferred tax assets and liabilities. The taxes payable associated with the transition tax, net of tax attributes, on deemed repatriation of foreign earnings is approximately $426 million, payable over 8 years.

Tax benefit on intra-entity asset transfer relates to our operations in Singapore along with our application of the new accounting rules for income tax consequences of intra-entity transfer of assets as adopted on November 1, 2018.

Our management uses non-GAAP measures to evaluate the performance of our core businesses, to estimate future core performance and to compensate employees. Since management finds this measure to be useful, we believe that our investors benefit from seeing our results “through the eyes” of management in addition to seeing our GAAP results. This information facilitates our management’s internal comparisons to our historical operating results as well as to the operating results of our competitors.

Our management recognizes that items such as amortization of intangibles can have a material impact on our cash flows and/or our net income. Our GAAP financial statements including our statement of cash flows portray those effects. Although we believe it is useful for investors to see core performance free of special items, investors should understand that the excluded items are actual expenses that may impact the cash available to us for other uses. To gain a complete picture of all effects on the company’s profit and loss from any and all events, management does (and investors should) rely upon the GAAP income statement. The non-GAAP numbers focus instead upon the core business of the company, which is only a subset, albeit a critical one, of the company’s performance.

Readers are reminded that non-GAAP numbers are merely a supplement to, and not a replacement for, GAAP financial measures. They should be read in conjunction with the GAAP financial measures. It should be noted as well that our non-GAAP information may be different from the non-GAAP information provided by other companies.

AGILENT TECHNOLOGIES, INC.
RECONCILIATION OF ADJUSTED NON-GAAP INCOME FROM OPERATIONS AND OPERATING MARGINS
(In millions, except margin data)
(Unaudited)

	FY 2022	Operating Margin %	FY 2021	Operating Margin %	FY 2020	Operating Margin %	FY 2019	Operating Margin %	FY 2018	Operating Margin %	FY 2017	Operating Margin %	FY 2016	Operating Margin %	FY 2015	Operating Margin %
Agilent GAAP Revenue	$ 6,848		$ 6,319		$ 5,339		$ 5,163		$ 4,914		$ 4,472		$ 4,202		$ 4,038	
Income from operations:																
GAAP Income from operations	$ 1,618		$ 1,347		$ 846		$ 941		$ 928		$ 841		$ 615		$ 522	
Pension reclass adjustment	—		—		—		—		$ (24)		$ (34)		(28)		(19)	
GAAP income from operations	$ 1,618	23.6%	$ 1,347	21.3%	$ 846	15.8%	$ 941	18.2%	$ 904	18.4% [a]	$ 807	18.0% [a]	$ 587	14.0% [a]	$ 503	12.5% [a]
Add:																
Asset impairments	—		2		99		—		21		—		4		3	
Intangible amortization	191		194		184		125		105		117		152		156	
Transformational initatives	30		37		53		44		25		12		38		56	
Business exit and divestiture costs	7		5		2		—		9		—		11		12	
Acquisition and integration costs	25		41		41		48		23		30		41		13	
Change in fair value of contingent consideration	(25)		(21)		—		—		—		—		—		—	
NASD site costs	—		—		—		12		8		—		—		—	
Special compliance costs	—		—		—		2		4		—		—		—	
Impairment of investment and loans	—		—		—		—		—		—		7		—	
Other	11		8		31		30		5		7		7		5	
Non-GAAP income from operations	**$ 1,857**	27.1%	**$ 1,613**	25.5%	**$ 1,256**	23.5%	**$ 1,202**	23.3%	**$ 1,104**	22.5% [a]	**$ 973**	21.7% [a]	**$ 847**	20.2% [a]	**$ 748**	18.5% [a]

[a] Adjusted to include the impact of pension expense reclassification due to adoption of new accounting pronouncement as of November 1, 2018.

We provide non-GAAP income from operations in order to provide meaningful supplemental information regarding our operational performance and our prospects for the future. These supplemental measures exclude, among other things, charges related to asset impairments, amortization of intangibles, transformational initiatives, business exit and divestiture costs, acquisition and integration costs, change in fair value of contingent consideration, NASD site costs, special compliance costs and impairment of investment and loans.

Our management recognizes that items such as amortization of intangibles can have a material impact on our cash flows and/or our net income. Our GAAP financial statements including our statement of cash flows portray those effects. Although we believe it is useful for investors to see core performance free of special items, investors should understand that the excluded items are actual expenses that may impact the cash available to us for other uses. To gain a complete picture of all effects on the company's profit and loss from any and all events, management does (and investors should) rely upon the GAAP income statement. The non-GAAP numbers focus instead upon the core business of the company, which is only a subset, albeit a critical one, of the company's performance.

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