

Agilent Technologies, Inc.
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AGILENT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)
PRELIMINARY

	Three Months Ended October 31,		Years Ended October 31,	
	2022	2021	2022	2021
Net revenue	\$ 1,849	\$ 1,660	\$ 6,848	\$ 6,319
Costs and expenses:				
Cost of products and services	837	760	3,126	2,912
Research and development	119	116	467	441
Selling, general and administrative	422	389	1,637	1,619
Total costs and expenses	<u>1,378</u>	<u>1,265</u>	<u>5,230</u>	<u>4,972</u>
Income from operations	471	395	1,618	1,347
Interest income	5	1	9	2
Interest expense	(23)	(21)	(84)	(81)
Other income (expense), net	<u>2</u>	<u>73</u>	<u>(39)</u>	<u>92</u>
Income before taxes	455	448	1,504	1,360
Provision for income taxes	87	6	250	150
Net income	<u>\$ 368</u>	<u>\$ 442</u>	<u>\$ 1,254</u>	<u>\$ 1,210</u>
Net income per share:				
Basic	\$ 1.24	\$ 1.46	\$ 4.19	\$ 3.98
Diluted	\$ 1.23	\$ 1.45	\$ 4.18	\$ 3.94
Weighted average shares used in computing net income per share:				
Basic	296	303	299	304
Diluted	298	305	300	307

The preliminary income statement is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions, except par value and share amounts)
(Unaudited)
PRELIMINARY

	October 31, 2022	October 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,053	\$ 1,484
Short-term investments	—	91
Accounts receivable, net	1,405	1,172
Inventory	1,038	830
Other current assets	282	222
Total current assets	3,778	3,799
Property, plant and equipment, net	1,100	945
Goodwill and other intangible assets, net	4,773	4,956
Long-term investments	195	185
Other assets	670	820
Total assets	<u>\$ 10,516</u>	<u>\$ 10,705</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 580	\$ 446
Employee compensation and benefits	455	493
Deferred revenue	461	441
Short-term debt	36	—
Other accrued liabilities	329	328
Total current liabilities	1,861	1,708
Long-term debt	2,733	2,729
Retirement and post-retirement benefits	97	220
Other long-term liabilities	536	659
Total liabilities	5,227	5,316
Total Equity:		
Stockholders' equity:		
Preferred stock; \$0.01 par value; 125 million		
shares authorized; none issued and outstanding	—	—
Common stock; \$0.01 par value, 2 billion		
shares authorized; 295 million shares at October 31, 2022		
and 302 million shares at October 31, 2021, issued and outstanding	3	3
Additional paid-in-capital	5,325	5,320
Retained earnings	324	348
Accumulated other comprehensive loss	(363)	(282)
Total stockholders' equity	5,289	5,389
Total liabilities and stockholders' equity	<u>\$ 10,516</u>	<u>\$ 10,705</u>

The preliminary balance sheet is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In millions)
(Unaudited)
PRELIMINARY

	Years Ended	
	October 31, 2022	October 31, 2021
Cash flows from operating activities:		
Net income	\$ 1,254	\$ 1,210
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	317	321
Share-based compensation	125	110
Deferred taxes	8	14
Excess and obsolete inventory related charges	24	29
Loss on extinguishment of debt	9	17
Asset impairment charges	—	2
Net loss (gain) on equity securities	67	(98)
Change in fair value of contingent consideration	(25)	(21)
Other non-cash expenses, net	11	3
Changes in assets and liabilities:		
Accounts receivable, net	(321)	(128)
Inventory	(248)	(136)
Accounts payable	121	64
Employee compensation and benefits	(22)	112
Other assets and liabilities	(8)	(14)
Net cash provided by operating activities ^(a)	<u>1,312</u>	<u>1,485</u>
Cash flows from investing activities:		
Investments in property, plant and equipment	(291)	(188)
Proceeds from sale of property, plant and equipment	—	1
Proceeds from sale of equity securities	22	12
Payment to acquire equity securities	(13)	(22)
Payment in exchange for convertible note	(4)	(5)
Acquisition of businesses and intangible assets, net of cash acquired	(52)	(547)
Net cash used in investing activities	<u>(338)</u>	<u>(749)</u>
Cash flows from financing activities:		
Issuance of common stock under employee stock plans	58	55
Payment of taxes related to net share settlement of equity awards	(67)	(76)
Treasury stock repurchases	(1,139)	(788)
Payment of dividends	(250)	(236)
Issuance of senior notes and long-term loan	600	848
Debt issuance costs	—	(7)
Repayment of senior notes	(609)	(417)
Proceeds from commercial paper	1,295	1,647
Repayment of commercial paper	(1,260)	(1,722)
Net cash used in financing activities	<u>(1,372)</u>	<u>(696)</u>
Effect of exchange rate movements	(36)	3
Net increase (decrease) in cash, cash equivalents and restricted cash	(434)	43
Cash, cash equivalents and restricted cash at beginning of period	<u>1,490</u>	<u>1,447</u>
Cash, cash equivalents and restricted cash at end of period	<u>\$ 1,056</u>	<u>\$ 1,490</u>
Reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheet:		
Cash and cash equivalents	\$ 1,053	\$ 1,484
Restricted cash, included in other assets	3	6
Total cash, cash equivalents and restricted cash	<u>\$ 1,056</u>	<u>\$ 1,490</u>

^(a) Cash payments included in operating activities:

Income tax payments, net	\$ 279	\$ 211
Interest payments	\$ 85	\$ 76

The preliminary cash flow is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
LIFE SCIENCES AND APPLIED MARKETS SEGMENT
(Unaudited)
PRELIMINARY

(In millions, except margins data)

	2022				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 976	\$ 896	\$ 1,019	\$ 1,116	\$ 4,007
Gross margin %	60.5%	59.0%	60.5%	60.6%	60.2%
Income from operations	\$ 282	\$ 228	\$ 311	\$ 365	\$ 1,186
Operating margin %	28.9%	25.5%	30.5%	32.7%	29.6%

	2021				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 923	\$ 881	\$ 897	\$ 962	\$ 3,663
Gross margin %	60.3%	59.9%	60.4%	59.9%	60.2%
Income from operations	\$ 265	\$ 226	\$ 250	\$ 276	\$ 1,017
Operating margin %	28.6%	25.7%	27.9%	28.7%	27.8%

Income from operations reflect the results of our reportable segments under Agilent's management reporting system which are not necessarily in conformity with GAAP financial measures. Income from operations of our reporting segments 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 and business exit and divestiture costs.

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.

The preliminary segment information is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
DIAGNOSTICS AND GENOMICS SEGMENT
(Unaudited)
PRELIMINARY

(In millions, except margins data)

	2022				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 339	\$ 358	\$ 340	\$ 352	\$ 1,389
Gross margin %	52.8%	56.0%	54.0%	51.0%	53.5%
Income from operations	\$ 68	\$ 91	\$ 73	\$ 69	\$ 301
Operating margin %	20.1%	25.5%	21.5%	19.5%	21.7%

	2021				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 294	\$ 315	\$ 346	\$ 341	\$ 1,296
Gross margin %	51.6%	53.4%	53.5%	52.5%	52.8%
Income from operations	\$ 55	\$ 69	\$ 78	\$ 71	\$ 273
Operating margin %	18.6%	21.9%	22.6%	20.8%	21.0%

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The preliminary segment information is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
AGILENT CROSSLAB SEGMENT
(Unaudited)
PRELIMINARY

(In millions, except margins data)

	2022				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 359	\$ 353	\$ 359	\$ 381	\$ 1,452
Gross margin %	47.5%	47.1%	47.0%	48.6%	47.6%
Income from operations	\$ 91	\$ 87	\$ 88	\$ 104	\$ 370
Operating margin %	25.2%	24.6%	24.6%	27.4%	25.5%

	2021				
	Q1	Q2	Q3	Q4	Total
Net revenue	\$ 331	\$ 329	\$ 343	\$ 357	\$ 1,360
Gross margin %	46.8%	45.3%	46.6%	48.3%	46.8%
Income from operations	\$ 76	\$ 69	\$ 84	\$ 94	\$ 323
Operating margin %	23.1%	21.0%	24.4%	26.3%	23.8%

Income from operations reflect the results of our reportable segments under Agilent's management reporting system which are not necessarily in conformity with GAAP financial measures. Income from operations of our reporting segments 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 and business exit and divestiture costs.

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The preliminary segment information is estimated based on our current information.

Agilent Technologies, Inc.
Non-GAAP Financial Results Q4'21 - Q4'22
(Unaudited)

		Preliminary				
		Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
M\$						Q4 Y/Y
Net Revenue		1,660	1,674	1,607	1,718	1,849
Gross Profit %		55.9%	56.1%	55.7%	56.4%	56.3%
R&D		115	116	114	115	118
% Revenue		6.9%	6.9%	7.1%	6.7%	6.4%
SG&A		372	383	375	382	384
% Revenue		22.4%	22.9%	23.3%	22.2%	20.8%
Operating Profit		441	441	406	472	538
Operating Margin		26.5%	26.3%	25.3%	27.5%	29.1%
Other Income/ (Expense)		(18)	(12)	(11)	(7)	(7)
Pre-Tax Earnings		423	429	395	465	531
Tax Rate		13%	14%	14%	14%	14%
Income Tax		55	61	55	64	75
Net Income		368	368	340	401	456
Net Margin		22.2%	22.0%	21.2%	23.3%	24.7%
Non-GAAP EPS		\$ 1.21	\$ 1.21	\$ 1.13	\$ 1.34	\$ 1.53
						\$ 0.32

We provide the non-GAAP income statements 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 amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration, business exit and divestiture costs, pension settlement loss, loss on extinguishment of debt and net loss (gain) on equity securities.

Transformational initiatives include expenses associated with targeted cost reduction activities such as manufacturing transfers including costs to move manufacturing, 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.

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.

Loss on extinguishment of debt 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.

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

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

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.

For reconciliations of the non-GAAP financial information to the most directly comparable GAAP information, please see the non-GAAP reconciliations for all prior periods provided at the Investor's page of our website.

AGILENT TECHNOLOGIES, INC.
RECONCILIATION OF NON-GAAP AND GAAP FINANCIAL RESULTS
(In millions, except margin data)
(Unaudited)
PRELIMINARY

GROSS MARGIN	Q4'22	Gross Margin %	Q4'21	Gross Margin %
Revenue:	\$ 1,849		\$ 1,660	
Gross margin:				
Cost of products and services	\$ 837	54.7%	\$ 760	54.2%
Add:				
Intangible amortization	(26)		(29)	
Transformational initiatives	—		1	
Acquisition and integration costs	(1)		(1)	
Business exit and divestiture costs	(1)		1	
Non-GAAP cost of products and services	\$ 809	56.3%	\$ 732	55.9%

RESEARCH & DEVELOPMENT EXPENSES	Q4'22	R&D as % of Revenue	Q4'21	R&D as % of Revenue
Revenue:	\$ 1,849		\$ 1,660	
Research and development expenses	\$ 119	6.4%	\$ 116	7.0%
Add:				
Transformational initiatives	(1)		—	
Acquisition and integration costs	(1)		(1)	
Other	1		—	
Non-GAAP research and development expenses	\$ 118	6.4%	\$ 115	6.9%

SELLING, GENERAL & ADMINISTRATIVE EXPENSES	Q4'22	SG&A as % of Revenue	Q4'21	SG&A as % of Revenue
Revenue:	\$ 1,849		\$ 1,660	
Selling, general and administrative expenses	\$ 422	22.8%	\$ 389	23.4%
Add:				
Intangible amortization	(16)		(22)	
Transformational initiatives	(8)		(6)	
Acquisition and integration costs	(4)		(7)	
Change in fair value of contingent consideration	—		21	
Business exit and divestiture costs	1		(1)	
Other	(11)		(2)	
Non-GAAP selling, general & administrative expenses	\$ 384	20.8%	\$ 372	22.4%

We provide non-GAAP gross margin, research & development and selling, general & administrative expense 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 amortization of intangibles, transformational initiatives, acquisition and integration costs, business exit and divestiture costs and change in fair value of contingent consideration.

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.

The preliminary reconciliation of gross margin, research & development expenses and selling, general & administrative expenses is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
RECONCILIATION OF NON-GAAP AND GAAP FINANCIAL RESULTS
(In millions, except margin data)
(Unaudited)
PRELIMINARY

<u>GROSS MARGIN</u>	<u>FY22</u>	<u>Gross Margin %</u>	<u>FY21</u>	<u>Gross Margin %</u>
Revenue:	\$ 6,848		\$ 6,319	
Gross margin:				
Cost of products and services	\$ 3,126	54.4%	\$ 2,912	53.9%
Add:				
Intangible amortization	(111)		(109)	
Transformational initiatives	(6)		(3)	
Acquisition and integration costs	(3)		(4)	
Business exit and divestiture costs	(2)		(1)	
Non-GAAP cost of products and services	<u>\$ 3,004</u>	56.1%	<u>\$ 2,795</u>	55.8%

<u>RESEARCH & DEVELOPMENT EXPENSES</u>	<u>FY22</u>	<u>R&D as % of Revenue</u>	<u>FY21</u>	<u>R&D as % of Revenue</u>
Revenue:	\$ 6,848		\$ 6,319	
Research and development expenses	\$ 467	6.8%	\$ 441	7.0%
Add:				
Transformational initiatives	(1)		(3)	
Acquisition and integration costs	(3)		(3)	
Business exit and divestiture costs	—		(1)	
Non-GAAP research and development expenses	<u>\$ 463</u>	6.8%	<u>\$ 434</u>	6.9%

<u>SELLING, GENERAL & ADMINISTRATIVE EXPENSES</u>	<u>FY22</u>	<u>SG&A as % of Revenue</u>	<u>FY21</u>	<u>SG&A as % of Revenue</u>
Revenue:	\$ 6,848		\$ 6,319	
Selling, general and administrative expenses	\$ 1,637	23.9%	\$ 1,619	25.6%
Add:				
Asset impairments	—		(2)	
Intangible amortization	(80)		(85)	
Transformational initiatives	(23)		(31)	
Acquisition and integration costs	(19)		(34)	
Business exit and divestiture costs	(5)		(3)	
Change in fair value of contingent consideration	25		21	
Other	(11)		(8)	
Non-GAAP selling, general & administrative expenses	<u>\$ 1,524</u>	22.3%	<u>\$ 1,477</u>	23.4%

We provide non-GAAP gross margin, research & development and selling, general & administrative expense 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, business exit and divestiture costs and change in fair value of contingent consideration.

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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The preliminary reconciliation of gross margin, research & development expenses and selling, general & administrative expenses is estimated based on our current information.

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

	Q4'22	Operating Margin %	Q4'21	Operating Margin %	Year Over Year Percent Pts Inc/(Dec)
Revenue:	\$ 1,849		\$ 1,660		
Income from operations:					
GAAP Income from operations	\$ 471	25.5%	\$ 395	23.8%	
Add:					
Intangible amortization	42		51		
Transformational initiatives	9		5		
Acquisition and integration costs	6		9		
Change in fair value of contingent consideration	—		(21)		
Business exit and divestiture costs	—		1		
Other	10		1		
Non-GAAP income from operations	<u>\$ 538</u>	29.1%	<u>\$ 441</u>	26.5%	2.6%

We provide non-GAAP income from operations and non-GAAP operating margin 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 amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration and business exit and divestiture costs.

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.

The preliminary reconciliation of income from operations and operating margins is estimated based on our current information.

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

	FY22	Operating Margin %	FY21	Operating Margin %	Year Over Year Percent Pts Inc/(Dec)
Revenue:	\$ 6,848		\$ 6,319		
Income from operations:					
GAAP Income from operations	\$ 1,618	23.6%	\$ 1,347	21.3%	
Add:					
Asset impairments	—		2		
Intangible amortization	191		194		
Transformational initiatives	30		37		
Acquisition and integration costs	25		41		
Change in fair value of contingent consideration	(25)		(21)		
Business exit and divestiture costs	7		5		
Other	11		8		
Non-GAAP income from operations	\$ 1,857	27.1%	\$ 1,613	25.5%	1.6%

We provide non-GAAP income from operations and non-GAAP operating margin 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 and business exit and divestiture costs.

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.

The preliminary reconciliation of income from operations and operating margins is estimated based on our current information.

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

	Q4'21		Q1'22		Q2'22		Q3'22		Q4'22		Year Ended October 31, 2021		Year Ended October 31, 2022	
	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	\$ 442	\$ 1.45	\$ 283	\$ 0.93	\$ 274	\$ 0.91	\$ 329	\$ 1.10	\$ 368	\$ 1.23	\$ 1,210	\$ 3.94	\$ 1,254	\$ 4.18
Non-GAAP adjustments:														
Asset impairments	—	—	—	—	—	—	—	—	—	—	2	0.01	—	—
Intangible amortization	51	0.17	51	0.17	50	0.17	48	0.16	42	0.14	194	0.63	191	0.64
Transformational initiatives	5	0.02	4	0.01	9	0.03	8	0.03	9	0.03	37	0.12	30	0.10
Acquisition and integration costs	9	0.03	7	0.02	8	0.03	4	0.01	6	0.02	41	0.13	25	0.08
Change in fair value of contingent consideration	(21)	(0.07)	3	0.01	(28)	(0.09)	—	—	—	—	(21)	(0.07)	(25)	(0.08)
Business exit and divestiture costs	1	—	—	—	7	0.02	—	—	—	—	5	0.02	7	0.02
Pension settlement loss	1	—	—	—	—	—	—	—	4	0.01	1	—	4	0.01
Loss on extinguishment of debt	—	—	—	—	—	—	9	0.03	—	—	17	0.06	9	0.03
Net loss (gain) on equity securities	(73)	(0.24)	45	0.15	16	0.05	(3)	(0.01)	5	0.02	(92)	(0.30)	63	0.21
Other	2	0.01	—	—	—	—	2	0.01	10	0.03	9	0.02	12	0.04
Adjustment for taxes ^(a)	(49)	(0.16)	(25)	(0.08)	4	0.01	4	0.01	12	0.05	(71)	(0.22)	(5)	(0.01)
Non-GAAP net income	<u>\$ 368</u>	<u>\$ 1.21</u>	<u>\$ 368</u>	<u>\$ 1.21</u>	<u>\$ 340</u>	<u>\$ 1.13</u>	<u>\$ 401</u>	<u>\$ 1.34</u>	<u>\$ 456</u>	<u>\$ 1.53</u>	<u>\$ 1,332</u>	<u>\$ 4.34</u>	<u>\$ 1,565</u>	<u>\$ 5.22</u>

^(a) The adjustment for taxes excludes tax expense (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 three months ended October 31, 2021, management used a non-GAAP effective tax rate of 13.00%. For the three months ended January 31, 2022, management used a non-GAAP effective tax rate of 14.25%. For the three months ended April 30, 2022, management used a non-GAAP effective tax rate of 13.92%. For the three months ended July 31, 2022, management used a non-GAAP effective tax rate of 13.76%. For the three months ended October 31, 2022, management used a non-GAAP effective tax rate of 14.12%. For the year ended October 2021, management used a non-GAAP effective tax rate of 14.25%. For the year ended October 31, 2022, management used a non-GAAP effective tax rate of 14.00%.

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, business exit and divestiture costs, pension settlement loss, loss on extinguishment of debt and net loss (gain) on equity securities.

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 including costs to move manufacturing, 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.

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.

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.

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

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

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.

The preliminary non-GAAP net income and diluted EPS reconciliation is estimated based on our current information.

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

	Year-over-Year					
GAAP Revenue by Segment	GAAP					
	Q4'22	Q4'21	Year-over-Year % Change			
Life Sciences and Applied Markets Group	\$ 1,116	\$ 962	16%			
Diagnostics and Genomics Group	352	341	3%			
Agilent CrossLab Group	381	357	7%			
Agilent	<u>\$ 1,849</u>	<u>\$ 1,660</u>	<u>11%</u>			

Non GAAP Revenue by Segment	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		Current Quarter Currency Impact ^(b)
	Q4'22	Q4'21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	
Life Sciences and Applied Markets Group	\$ 1,114	\$ 962	16%	22%	-6 ppts	\$ (58)
Diagnostics and Genomics Group	352	341	3%	8%	-5 ppts	(18)
Agilent CrossLab Group	381	357	7%	14%	-7 ppts	(27)
Agilent (Core)	<u>\$ 1,847</u>	<u>\$ 1,660</u>	<u>11%</u>	<u>17%</u>	<u>-6 ppts</u>	<u>\$ (103)</u>

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current quarter currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

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

	Year-over-Year					
	GAAP					
GAAP Revenue by Segment	FY22	FY21	Year-over-Year % Change			
Life Sciences and Applied Markets Group	\$ 4,007	\$ 3,663	9%			
Diagnostics and Genomics Group	1,389	1,296	7%			
Agilent CrossLab Group	1,452	1,360	7%			
Agilent	<u>\$ 6,848</u>	<u>\$ 6,319</u>	8%			

	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		Current Quarter Currency Impact ^(b)
Non GAAP Revenue by Segment	FY22	FY21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	
Life Sciences and Applied Markets Group	\$ 4,005	\$ 3,663	9%	13%	-4 pts	\$ (127)
Diagnostics and Genomics Group	1,379	1,296	6%	10%	-4 pts	(44)
Agilent CrossLab Group	1,452	1,360	7%	11%	-4 pts	(59)
Agilent (Core)	<u>\$ 6,836</u>	<u>\$ 6,319</u>	8%	12%	-4 pts	<u>\$ (230)</u>

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current year currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

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

	Year-over-Year					
	GAAP					
<u>GAAP Revenue by Region</u>	Q4'22	Q4'21	Year-over-Year % Change			
Americas	\$ 715	\$ 662	8%			
Europe	418	413	1%			
Asia Pacific	716	585	22%			
Total Revenue	<u>\$ 1,849</u>	<u>\$ 1,660</u>	11%			
China and Hong Kong	\$ 465	\$ 332	40%			

	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		
	Q4'22	Q4'21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	Current Quarter Currency Impact ^(b)
<u>Non GAAP Revenue by Region</u>						
Americas	\$ 715	\$ 662	8%	8%	—	\$ (2)
Europe	416	413	1%	14%	-13 pts	(56)
Asia Pacific	716	585	22%	31%	-9 pts	(45)
Total Revenue (Core)	<u>\$ 1,847</u>	<u>\$ 1,660</u>	11%	17%	-6 pts	<u>\$ (103)</u>
China and Hong Kong	\$ 465	\$ 332	40%	44%	-4 pts	\$ (11)

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current quarter currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

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

	Year-over-Year					
<u>GAAP Revenue by Region</u>	GAAP					
	FY22	FY21	Year-over-Year % Change			
Americas	\$ 2,682	\$ 2,404	12%			
Europe	1,699	1,688	1%			
Asia Pacific	2,467	2,227	11%			
Total Revenue	<u>\$ 6,848</u>	<u>\$ 6,319</u>	8%			
China and Hong Kong	\$ 1,498	\$ 1,271	18%			

<u>Non GAAP Revenue by Region</u>	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		Current Quarter Currency Impact ^(b)
	FY22	FY21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	
Americas	\$ 2,672	\$ 2,404	11%	11%	—	\$ (1)
Europe	1,697	1,688	—	8%	-8 pts	(135)
Asia Pacific	2,467	2,227	11%	15%	-4 pts	(94)
Total Revenue (Core)	<u>\$ 6,836</u>	<u>\$ 6,319</u>	8%	12%	-4 pts	<u>\$ (230)</u>
China and Hong Kong	\$ 1,498	\$ 1,271	18%	18%	—	\$ (11)

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current year currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

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

	Year-over-Year					
	GAAP					
GAAP Revenue by Market	Q4'22	Q4'21	Year-over-Year % Change			
Pharmaceutical	\$ 681	\$ 597	14%			
Academia and government	150	153	(2%)			
Diagnostics and clinical	245	246	—			
Chemicals and advanced materials	424	353	20%			
Food	171	151	13%			
Environmental and forensics	178	160	12%			
Total Revenue	<u>\$ 1,849</u>	<u>\$ 1,660</u>	11%			

	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		
	Q4'22	Q4'21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	Current Quarter Currency Impact ^(b)
Pharmaceutical	\$ 681	\$ 597	14%	20%	-6 pts	\$ (34)
Academia and government	150	153	(2%)	3%	-5 pts	(7)
Diagnostics and clinical	245	246	(1%)	6%	-7 pts	(16)
Chemicals and advanced materials	422	353	20%	27%	-7 pts	(25)
Food	171	151	13%	20%	-7 pts	(10)
Environmental and forensics	178	160	12%	18%	-6 pts	(11)
Total Revenue (Core)	<u>\$ 1,847</u>	<u>\$ 1,660</u>	11%	17%	-6 pts	<u>\$ (103)</u>

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current quarter currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

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

	Year-over-Year		
	GAAP		
	FY22	FY21	Year-over-Year % Change
GAAP Revenue by Market			
Pharmaceutical	\$ 2,515	\$ 2,225	13%
Academia and government	576	576	—
Diagnostics and clinical	963	937	3%
Chemicals and advanced materials	1,521	1,329	15%
Food	617	601	3%
Environmental and forensics	656	651	1%
Total Revenue	<u>\$ 6,848</u>	<u>\$ 6,319</u>	8%

	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency ^(a)		
	FY22	FY21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	Current Quarter Currency Impact ^(b)
Non GAAP Revenue by Market						
Pharmaceutical	\$ 2,515	\$ 2,225	13%	16%	-3 pts	\$ (77)
Academia and government	575	576	—	3%	-3 pts	(18)
Diagnostics and clinical	953	937	2%	6%	-4 pts	(38)
Chemicals and advanced materials	1,520	1,329	14%	18%	-4 pts	(53)
Food	617	601	3%	6%	-3 pts	(21)
Environmental and forensics	656	651	1%	4%	-3 pts	(23)
Total Revenue (Core)	<u>\$ 6,836</u>	<u>\$ 6,319</u>	8%	12%	-4 pts	<u>\$ (230)</u>

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.

^(a) The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter and then using those revised values to calculate the year-over-year percentage change.

^(b) The dollar impact from the current year currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

The preliminary reconciliation of GAAP revenue adjusted for recent acquisitions and divestitures and impact of currency is estimated based on our current information.

AGILENT TECHNOLOGIES, INC.
NET DEBT TO ADJUSTED EBITDA CALCULATION
(in millions, except ratio data)
(Unaudited)
PRELIMINARY

	As of October 31, 2022
Long-term debt	\$ 2,733
Short-term debt	36
Cash & cash equivalents	(1,053)
Net debt	\$ 1,716

	Q1'22	Q2'22	Q3'22	Q4'22	Trailing 12- Month
GAAP net income	\$ 283	\$ 274	\$ 329	\$ 368	\$ 1,254
Intangible amortization	51	50	48	42	191
Transformational initiatives	4	9	8	9	30
Acquisition and integration costs	7	8	4	6	25
Loss on extinguishment of debt	—	—	9	—	9
Change in fair value of contingent consideration	3	(28)	—	—	(25)
Business exit and divestiture costs	—	7	—	—	7
Pension settlement loss	—	—	—	4	4
Net loss (gain) on equity securities	45	16	(3)	5	63
Other	—	—	2	10	12
Adjustment for taxes	(25)	4	4	12	(5)
Non-GAAP net income	\$ 368	\$ 340	\$ 401	\$ 456	\$ 1,565
Add:					
(1) Net interest expense	\$ 20	\$ 20	\$ 17	\$ 18	\$ 75
GAAP provision for income taxes	36	59	68	87	250
Adjustment for taxes	25	(4)	(4)	(12)	5
(2) Non-GAAP provision for income taxes	\$ 61	\$ 55	\$ 64	\$ 75	\$ 255
(3) Depreciation expense	\$ 31	\$ 32	\$ 32	\$ 31	\$ 126
Adjusted EBITDA					\$ 2,021
Net debt to adjusted EBITDA ratio					0.8

The preliminary net debt to adjusted EBITDA ratio is estimated based on our current information.