

# Agilent Technologies

*Padraig McDonnell, President & CEO*

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# Safe harbor

This presentation contains forward-looking statements (including, without limitation, statements on Agilent's (the "company" or "our") strategy, priorities, growth and growth opportunities, productivity, reinvestment, customer focus, evolving product mix, work environment and innovation plans; the effects of our new organizational structure and Ignite transformation; the size and growth of our markets; our revenue, revenue growth, earnings per share, operating margin and margin expansion, operating cash flow, net interest and other income/expense, dividends, share repurchases and share count assumptions; the effects of acquisitions; and our products, services and solutions) that involve risks and uncertainties that could cause Agilent's results 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, 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, 2024.

The company assumes no obligation to update the information in this presentation. This presentation and the Q&A that follows include non-GAAP measures. Non-GAAP measures exclude charges primarily related to restructuring and other related costs, asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, and net (gain) loss on equity securities. 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.

# Takeaways for today

Established leader in \$80B markets driven by secular growth

Leading market share and sustainable competitive advantage via customer focus

Re-accelerating growth through innovation and market share gains

Driving productivity and reinvestment through Ignite

Cultivating strong leadership team and culture

Delivering 5-7% long-term core growth and double-digit EPS

# Leading lab partner with unsurpassed capabilities and scale

285K+

Labs served

110

Countries served

\$6.5B

FY24 revenue

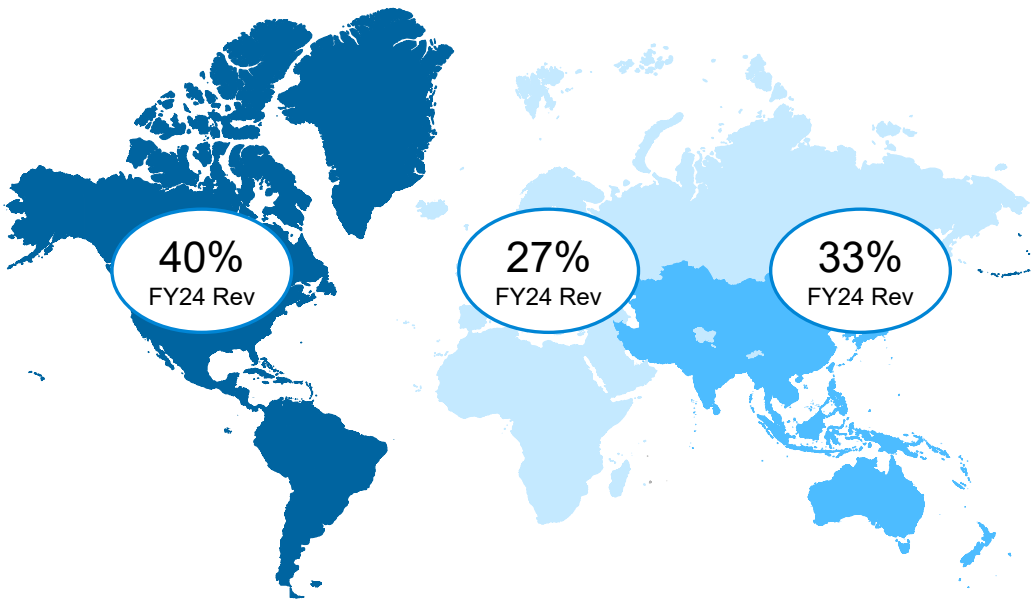
26.4%

FY24 operating margin<sup>(1)</sup>

\$5.29

FY24 earnings per share<sup>(1)</sup>

## Lab partner with global scale

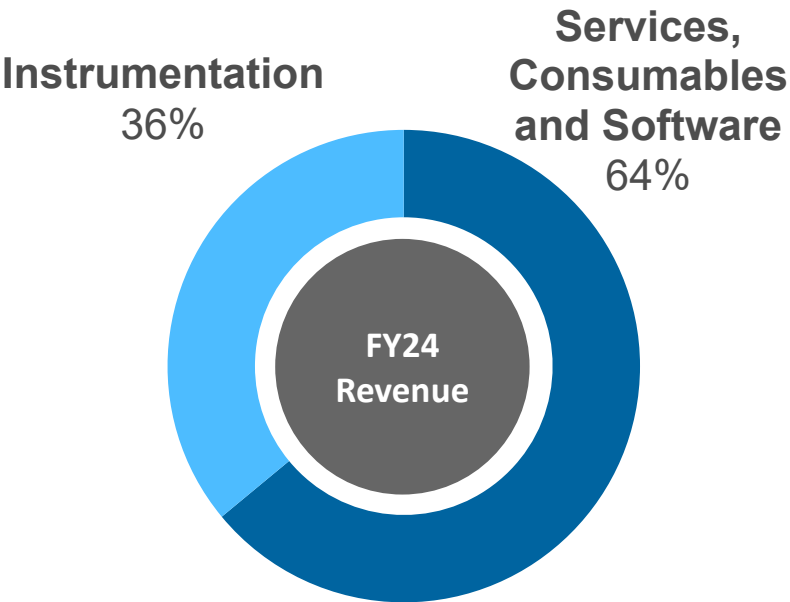


Americas

EMEA

Asia-Pacific

## Evolving product mix

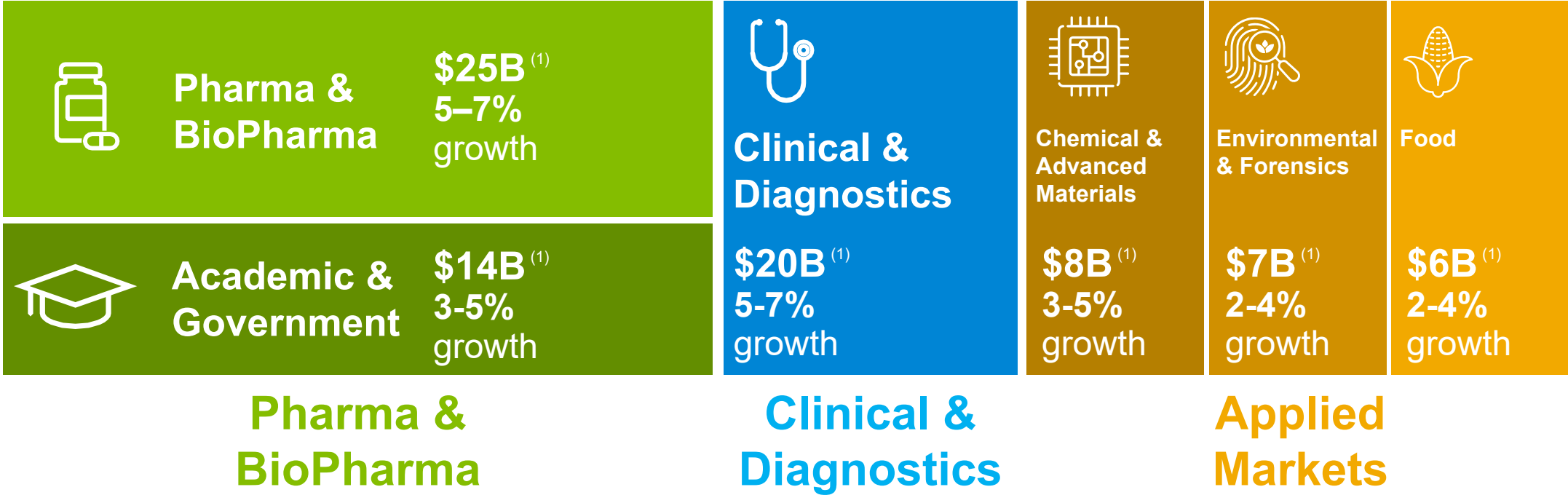


Services, consumables and software  
up 600bps in 5 years

(1) Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided on Agilent's Investor Relations website.

# Serving growing markets that advance quality of life

**\$80B<sup>(1)</sup>** Opportunity  
4-6% growth



(1) 2024 Total Available Market. Market size and long-term growth rates per company estimates.

# Agilent's strong fundamentals

Leading portfolio	Robust customer retention	Record level for digital orders	Unparalleled customer support	Strong free cash flow conversion
<b>#1</b> In key platform technologies	<b>90%+</b> Customer retention rate	<b>\$1B+</b> Digital orders in FY24	<b>90%+</b> Industry leading customer satisfaction rating	<b>84%</b> FY20-24 FCF as a % of adjusted net income

**Agilent's leading work environment enables teams to drive impact**

#11 Fortune's World's Best Workplaces | Forbes World's Best Employers | Newsweek America's greatest workplaces

# Strategy built on customer-centric vision

## Mission

To deliver trusted answers and insights to advance the quality of life

## Vision

Innovate and deliver seamless solutions for our customers to expand frontiers of science

## Customer end-markets

Pharma & BioPharma

Clinical & Diagnostics

Applied Markets

## Strategic priorities

Portfolio expansion  
and innovation

High growth  
segments

Lab productivity

Software and  
informatics

## Critical enablers

Commercial

Digital

Ignite

Top talent

# New organizational structure supports market and customer focus

Life Sciences & Diagnostics Group (LDG)



Simon May

\$2.5B

Liquid Chromatography (LC)  
LC Mass Spectrometry (LCMS)  
NASD + BIOVECTRA (CDMO)  
Cell Analysis  
Genomics  
Pathology  
Companion Diagnostics

Applied Markets Group (AMG)



Mike Zhang

\$1.3B

Gas Chromatography (GC)  
GC Mass Spectrometry (GCMS)  
Spectroscopy  
Vacuum  
Certified Pre-owned Instruments

Agilent CrossLab Group (ACG)



Angelica Riemann

\$2.7B

Analytical Consumables  
Services  
Software  
Lab Automation

Commercial Organization

Providing best-in-class customer-first service across all end markets

Pharma & BioPharma

Clinical & Diagnostics

Applied Markets



# Launching innovative solutions to meet customer needs

## Pharma & BioPharma

*Upgrading solutions to drive higher throughput and efficiency*



1290 & 1260  
Infinity III LC

Revident  
LC/Q-TOF

First smart-  
featured LC

High resolution  
and accuracy

## Clinical & Diagnostics

*Delivering superior patient outcomes with enhanced precision*



Dako Omnis  
IHC/ISH platform

Leading throughput  
and turnaround

## Applied Markets

*Enhancing sensitivity and speed instruments for high-growth applications*



8850 GC  
System

New 7010D Triple  
Quadrupole GCMS

Smallest high-  
performance GC

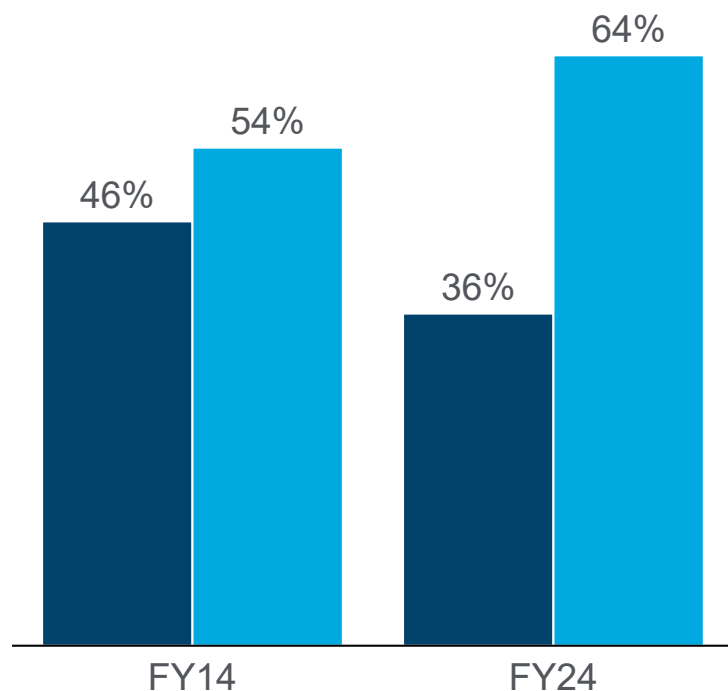
Leading  
sensitivity

**Hundreds of Instrument + Consumables + Services workflows launched to solve customer problems**

# Continuing to shift portfolio towards recurring revenues

## Over the past decade

■ Instruments ■ Non-Instruments



Non-Instruments contributed 80% of revenue growth in past decade<sup>(1)</sup>

## Recent Progress

**~400 bps**

FY20-24 increase in service-contract attach rate

**\$1.6B<sup>(2)</sup> in Services**

FY20-24 Core Revenue CAGR: 10%

**\$0.9B<sup>(3)</sup> in Consumables**

FY20-24 Core Revenue CAGR: 8%

**\$0.3B<sup>(2)</sup> in NASD**

FY20-24 Core Revenue CAGR: 19%

(1) 2014 revenue excluding Keysight Technologies = \$4.0B increasing to \$6.5B in FY24, non-instruments represented \$2.0B of increase; (2) FY24 Revenue for Analytical Lab Services; (3) FY24 Revenue

# Ignite: Embarking on a transformational journey

## Growth Acceleration



Better combine product offerings, expand portfolio, and accelerate innovation

## Simplicity & Customer-Centricity



Operate with customer first mindset and reduce complexity in processes

## Productivity & Scalability



Increase operational productivity and reduce overlapping activities

### ▼ Impact ▼



### For our customers

*Create a seamless customer experience across Agilent products, software and services*



### For our employees

*Reduce bureaucracy and complexity to enhance our ability to serve our customers*



### For our shareholders

*Deliver industry-leading shareholder value through differentiated growth*

# Outcomes: deliver above-market growth & margin expansion



Above Market  
Growth

Core Revenue

**5-7% annually<sup>(1)(2)</sup>**



Operating Margin  
Expansion

**50-100+ bps/yr<sup>(1)</sup>**



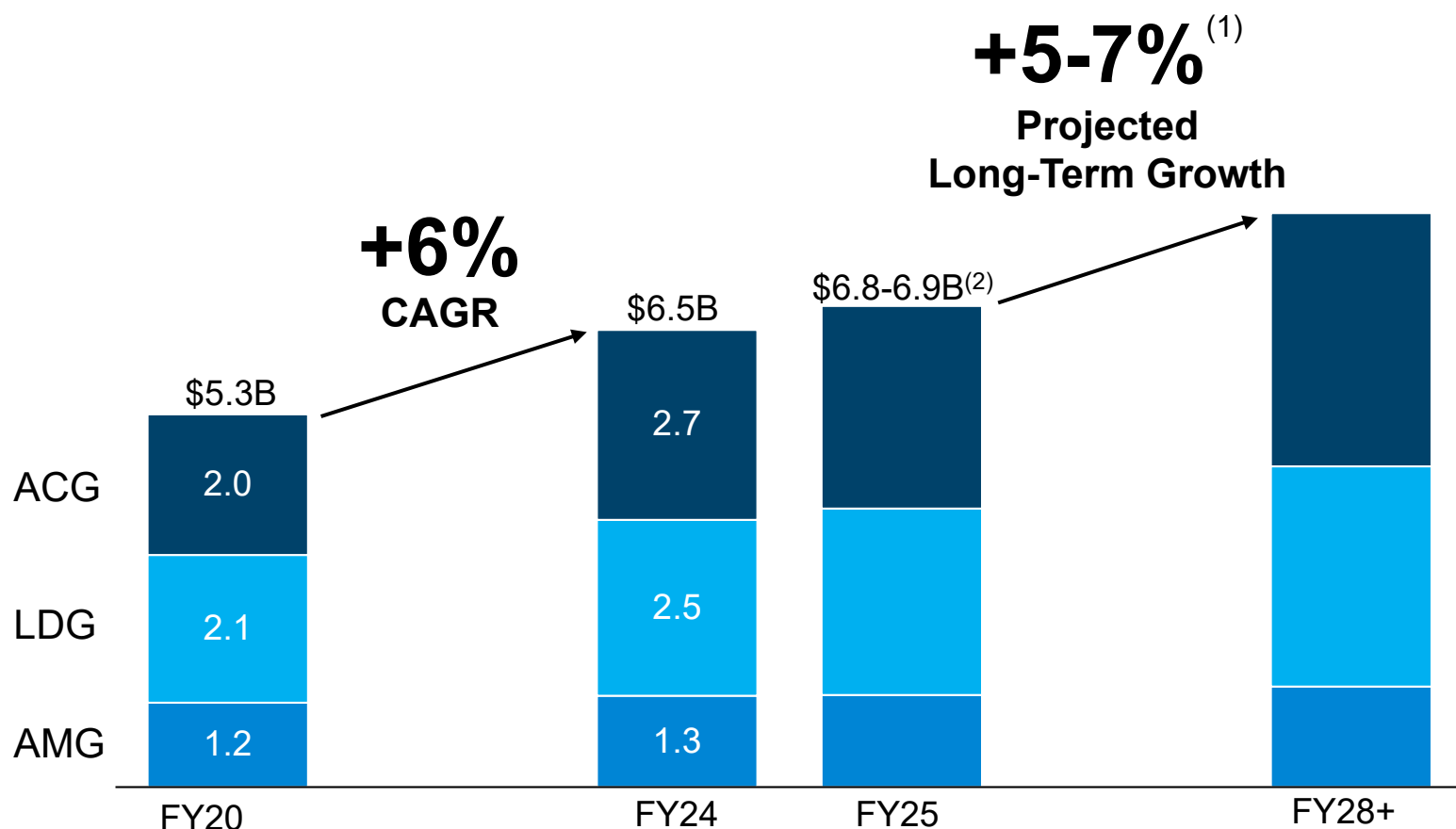
EPS Growth

**Double Digits**

**Our new market-centric strategy and Ignite transformation drive differentiated results.  
Inorganic capital deployment is an upside to long-range guidance.**

(1) Operating Model over the next 3-5 years assuming normalized market growth of 4-6%, Does not include FY25 guidance; (2) Core revenue growth excludes impact of future M&A and changes in currency translation.

# Capturing market opportunities drives long-term growth algorithm



## Long-term Projected Segment Growth

Key Growth Drivers

### High-Single Digits

Increasing connect rates  
New productivity solutions  
Enterprise Solutions

### Mid to High-Single Digits

Maximizing NPI (eg Infinity III)  
Specialized CDMO capabilities  
Pathology growth via advanced staining

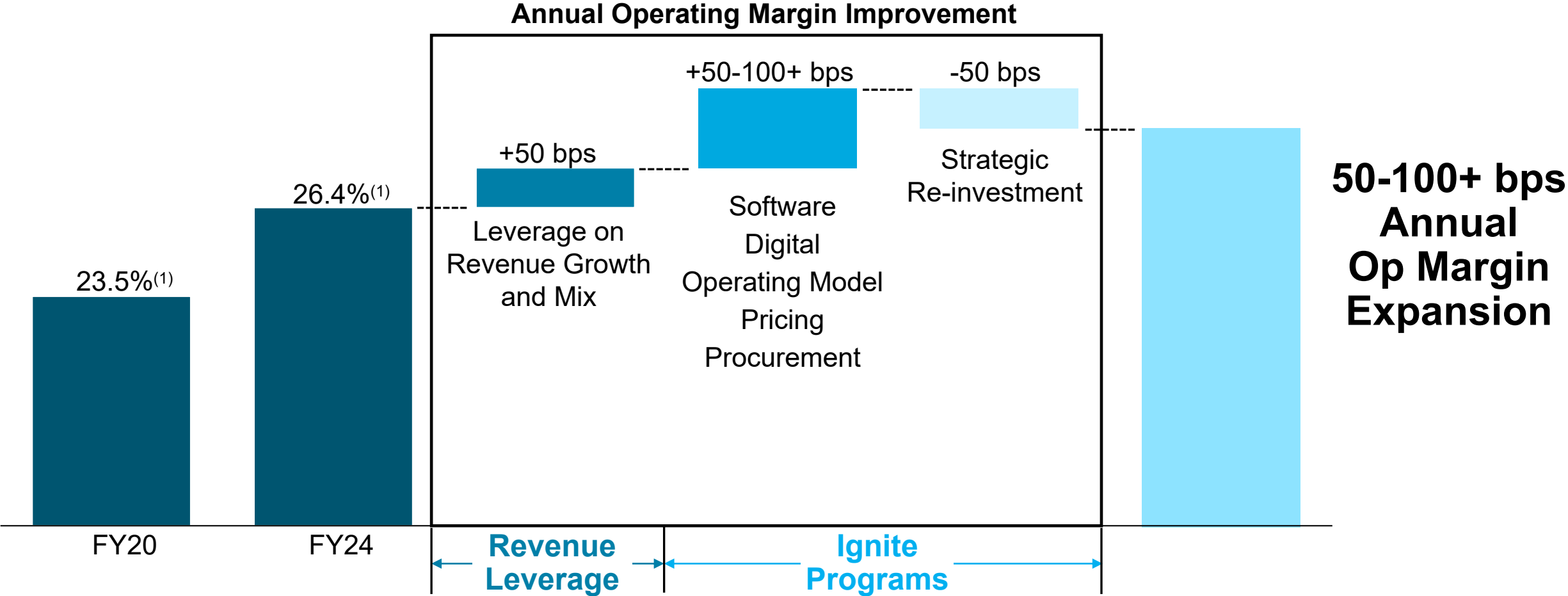
### Low to Mid-Single Digits

PFAS Market Leadership  
Leveraging Semicon and EV battery growth

**Market-focused organization delivering above market growth**

(1) Core growth, excluding the impact of FX and future M&A – Assumes normalized market growth of 4-6%. (2) Per company guidance as of Nov 25, 2024

# Margin expansion and reinvestment enabled by Ignite



Leverage on revenue growth and Ignite drive 50-100+ bps annual Op Margin Expansion

(1) Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided on Agilent's Investor Relations website.

# Q1 & FY25 guidance reminder

Based on forecasted currency exchange rates

Q1 25 Guidance <sup>(1)</sup>	Low End	High End
Net Revenue (\$M)	\$1,650	\$1,680
Core Revenue Growth <sup>(2)</sup> -0.3% FX, +1.8% M&A includes -2% Lunar New Year impact	-2.0%	-0.2%
EPS	\$1.25	\$1.28

FY 25 Guidance <sup>(1)</sup>	Low End	High End
Net Revenue (\$M)	\$6,790	\$6,870
Core Revenue Growth <sup>(2)</sup> -0.2% FX, +2.0% to +2.2% M&A	+2.5%	+3.5%
EPS	\$5.54	\$5.61

## FY25 Financial Considerations

Net Interest + Other Income/Expense: \$25M of expense (\$2M expense for Q1)

Guidance assumes diluted share counts of 286M for Q1 and for the full year

Operating Cash Flow of \$1.6-1.7B and CapEx of \$0.45B

Shareholder Returns: \$287M in dividends. Anti-dilutive share repurchases at a minimum.<sup>(3)</sup>

EPS Guidance includes \$0.05 of dilution from BIOVECTRA and associated financing

(1) As of Nov 25, 2024, based on forecasted currency exchange rates. Presented on a non-GAAP basis.

(2) Core growth is reported growth adjusted for the effects of acquisitions and divestitures, and FX.

(3) The 2024 Stock Repurchase Program that authorized up to \$2 billion was approved by the Board in May 2024. The new program became effective on August 1, 2024; however, the 2023 Stock Repurchase Program was allowed to be depleted first.

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# Agilent

Trusted Answers

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

	FY24	Operating Margin %	FY20	Operating Margin %	Year Over Year Percent Pts Inc/(Dec)
<b>GAAP Revenue</b>	\$ 6,510		\$ 5,339		
<b>Income from operations:</b>					
<b>GAAP Income from operations</b>	\$ 1,488	22.9%	\$ 846	15.8%	
Non-GAAP adjustments:					
Restructuring and other related costs	76		—		
Asset impairments	8		99		
Intangible amortization	102		184		
Transformational initiatives	11		53		
Acquisition and integration costs	12		41		
Other	24		33		
<b>Non-GAAP income from operations</b>	<u><u>\$ 1,721</u></u>	26.4%	<u><u>\$ 1,256</u></u>	23.5%	2.9%

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 restructuring and other related costs, asset impairments, amortization of intangibles, transformational initiatives and acquisition and integration 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.

**AGILENT TECHNOLOGIES, INC.**  
**RECONCILIATION OF OPERATING INCOME AND MARGIN TO NON-GAAP AND SEGMENT**  
**OPERATING INCOME AND MARGIN**  
(In millions, except margin data)  
(Unaudited)

	FY24	Operating Margin %
<b>Revenue:</b>		
Life Sciences and Diagnostics Markets Group (LDG)	\$ 2,466	
Agilent Crosslab Group (ACG)	2,747	
Applied Markets Group (AMG)	1,297	
<b>Agilent GAAP Revenue</b>	<u><u>\$ 6,510</u></u>	
<b>Income from operations:</b>		
<b>GAAP Income from operations</b>	\$ 1,488	22.9%
Non-GAAP adjustments:		
Restructuring and other related costs	76	
Asset impairments	8	
Intangible amortization	102	
Transformational initiatives	11	
Acquisition and integration costs	12	
Other	24	
<b>Non-GAAP income from operations</b>	<u><u>\$ 1,721</u></u>	26.4%
<b>Breakdown of reportable segment income from operations:</b>		
Life Sciences and Diagnostics Markets Group (LDG)	\$ 484	19.6%
Agilent Crosslab Group (ACG)	925	33.7%
Applied Markets Group (AMG)	312	24.0%
<b>Agilent - Non-GAAP income from operations</b>	<u><u>\$ 1,721</u></u>	26.4%

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

	FY24	
	Net income	Diluted EPS
GAAP net income	\$ 1,289	\$ 4.43
Non-GAAP adjustments:		
Restructuring and other related costs	76	0.26
Asset impairments	19	0.06
Intangible amortization	102	0.35
Transformational initiatives	11	0.04
Acquisition and integration costs	12	0.04
Pension settlement loss	2	0.01
Net (gain) loss on equity securities	(1)	—
Other	17	0.06
Adjustment for taxes <sup>(a)</sup>	12	0.04
Non-GAAP net income	<u>\$ 1,539</u>	<u>\$ 5.29</u>

<sup>(a)</sup> 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 years ended October 31, 2024 and October 31, 2020, management used a non-GAAP effective tax rate of 12.50% and 15.25%, 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 restructuring and other related costs, asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, pension settlement loss and net (gain) loss on equity securities.

**Restructuring and other related costs** include incremental expenses incurred in the period associated with restructuring programs, usually aimed at changes in business and/or cost structure. Such costs may include one-time termination benefits, facility-related costs and contract termination fees.

**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.

**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.

**Net (gain) loss 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, acceleration of stock-based compensation expense and 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.

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**AGILENT TECHNOLOGIES, INC.**  
**RECONCILIATION OF FREE CASH FLOWS TO NON-GAAP NET INCOME RATIO**  
(in millions, except ratio data)  
(Unaudited)

	FY24	FY23	FY22	FY21	FY20	Total
Net cash provided by operating activities	\$ 1,751	\$ 1,772	\$ 1,312	\$ 1,485	\$ 921	\$ 7,241
Less: Payments to acquire property, plant and equipment	(378)	(298)	(291)	(188)	(119)	(1,274)
<b>Free cash flows</b>	<b>\$ 1,373</b>	<b>\$ 1,474</b>	<b>\$ 1,021</b>	<b>\$ 1,297</b>	<b>\$ 802</b>	<b>\$ 5,967</b>
GAAP net income	\$ 1,289	1,240	1,254	1,210	\$ 719	\$ 5,712
Non-GAAP adjustments:						
Restructuring and other related costs	76	46	—	—	—	122
Asset impairments	19	277	—	2	99	397
Intangible amortization	102	139	191	194	184	810
Transformational initiatives	11	25	30	37	53	156
Acquisition and integration costs	12	16	25	41	41	135
Business exit and divestiture costs (gain)	—	(43)	7	5	—	(31)
Pension settlement loss	2	4	4	1	4	15
Net (gain) loss on equity securities	(1)	42	63	(92)	(28)	(16)
Change in fair value of contingent consideration	—	1	(25)	(21)	—	(45)
Loss on extinguishment of debt	—	—	9	17	—	26
Other	17	20	12	9	12	70
Adjustment for taxes	12	(158)	(5)	(71)	(61)	(283)
<b>Non-GAAP net income</b>	<b>\$ 1,539</b>	<b>\$ 1,609</b>	<b>\$ 1,565</b>	<b>\$ 1,332</b>	<b>\$ 1,023</b>	<b>\$ 7,068</b>

**Free cash flows to non-GAAP net income ratio**

**84%**