Agilent Technologies
Deutsche Bank 34th Annual Healthcare Conference

May 19, 2009
The InterContinental Boston
Boston, MA
Agilent Technologies
Deutsche Bank 34th Annual Healthcare Conference

Nick Roelofs
Vice President and General Manager
Life Science Solutions
Safe Harbor Statement

This presentation contains forward-looking statements (including, without limitation, statements regarding the enhancement of shareholder value, restructuring activities, and information and future guidance on our goals, priorities, orders, revenues, demand, growth opportunities, customer service and innovation plans, new product introductions, financial condition, earnings, liquidity, capital structure, operating performance, cost structure, cyclicality, the continued strengths and expected growth of the markets we sell into, operations, operating earnings, balance sheet models and our cash flow expectations that involve risks and uncertainties that could cause results of Agilent to differ materially from management’s current expectations.

In addition, other risks that the company faces in running its operations include the ability to execute successfully through business cycles while it continues to implement cost reductions; the ability to meet and achieve the benefits of its cost-reduction goals and otherwise successfully adapt its cost structures to continuing changes in business conditions; ongoing competitive, pricing and gross margin pressures; the risk that our 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 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 quarterly report on Form 10-Q for the three-month period ended January 31, 2009.

The company assumes no obligation to update the information in these presentations. These presentations and the Q&A that follows include non-GAAP numbers. A presentation of the most directly comparable GAAP numbers and the reconciliations between the non-GAAP and GAAP numbers can be found at http://www.investor.agilent.com under “Financial Results” and accompany this slide set.
World’s Premier Measurement Company
Q209 – Controlling Costs; Restructuring Initiatives on Track

• Orders of $1.0 billion, down 33% from last year; Revenues of $1.1 billion, down 25% from last year

• Segment revenue growth y/y:
  BAM  -6%, EM  -33%, and SBT -63%

• Continued aggressive actions to reduce operating costs, while maintaining focus on key R&D programs

• Generated $137M in cash from operations and 8% ROIC*

• Expect revenues to trough in Q3 2009

*presented on a non-GAAP basis, a reconciliation to the closest GAAP equivalents has been provided
Organizational Structure
Solutions that address critical customer challenges

Executive Leadership

Electronic Measurement Group
- Ron Nersesian
- $3.6B

Bio-Analytical Measurement Business Units
- Mike McMullen
- Chemical Analysis
- $1.2B
- Nick Roelofs
- Life Sciences
- $1.0B

Business Segments

Electronic Measurement
- 2008 Revenue: $3.3B

Semi & Board Test
- $0.3B

Bio-Analytical Measurement
- 2008 Revenue: $2.2B
Agilent’s Q209 Business Mix

End Market
- Life Sciences: 22%
- Chemical Analysis: 24%
- General Purpose: 34%
- Communications: 20%

Global Reach
- Europe: 25%
- Americas: 36%
- Asia Pacific: 39%

*graphs represent revenue distribution*
Focus for FY09: Deliver in a Difficult Environment
Operating model discipline and resource allocation drives results

• **Agilent Operating Model** – rapid response to economic headwinds
• **Bio-Analytical Measurement** – positioned for growth
• **Electronic Measurement** – Focus on R&D, restructure to achieve 12% operating margin at $2.3B in revenue (30% below FY08)
• **Semiconductor & Board Test** – restructure to $40M/quarter breakeven
### Summary of Agilent Restructuring & Other Cost Saving Actions

**Q3 FY2008+**

#### Announced Restructuring

<table>
<thead>
<tr>
<th>Action Description</th>
<th>Annual Savings</th>
<th>Cost</th>
<th>People</th>
<th>Full Benefit Timing Est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temps elimination, targeted restructuring (ann. 12/17/08)</td>
<td>$65M</td>
<td>$55M</td>
<td>500</td>
<td>Q4 2009</td>
</tr>
<tr>
<td>Exited inspection business, restructure Global Infrastructure Organization (GIO) (ann. 2/17/09)</td>
<td>$150M</td>
<td>$100M</td>
<td>600</td>
<td>Q1 2010</td>
</tr>
<tr>
<td>Electronic Measurement &amp; Semi-Board Test restructuring (ann. 3/26/09)</td>
<td>$310M</td>
<td>$160M</td>
<td>2,700</td>
<td>Q2 2010</td>
</tr>
</tbody>
</table>

Subtotal - Restructuring: $525M, Cost: $315M, People: 3,800

#### Current Cost Savings Actions in Place

- Discretionary spending reductions, hiring freeze, merit pay raise elimination, & reduced AVP*: $285M
- 10% pay reduction (initiated 1/01/2009): $100M

Subtotal - Variable: $385M

**Total Annualized Savings:** $910M

*Agilent variable pay
## 2009 Results Forecast

Despite uncertain market conditions model drives superior results

<table>
<thead>
<tr>
<th>EM Growth</th>
<th>BAM Growth</th>
<th>Semi &amp; Board Test Growth</th>
<th>Total Agilent Growth</th>
<th>Operating Margin</th>
<th>Non-GAAP EPS</th>
<th>ROIC</th>
<th>Operating Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>-15%</td>
<td>0%</td>
<td>-25%</td>
<td>-10%</td>
<td>12.8%</td>
<td>$1.50</td>
<td>18%</td>
<td>$600</td>
</tr>
<tr>
<td>-25%</td>
<td>-5%</td>
<td>-50%</td>
<td>-20%</td>
<td>10.0%</td>
<td>$1.00</td>
<td>12%</td>
<td>$400</td>
</tr>
<tr>
<td>-33%</td>
<td>-7%</td>
<td>-55%</td>
<td>-25%</td>
<td>7.4%</td>
<td>$0.65</td>
<td>9%</td>
<td>$100</td>
</tr>
</tbody>
</table>

- **Q109 Earnings Forecast (2/09)**
- **Q209 Earnings Forecast (5/09)**
- **mid-point Analyst Meeting (12/08)**
**General Purpose Market**

**+’s**
- U.S. Aerospace & Defense spending stabilizing
- Education market

**-’s**
- Customer capital equipment budgets frozen
- Manufacturing weakness continues (overcapacity)
- Decline in demand for consumer electronics
- Semi & Board test remains considerably weak

**Communications Market**

**+’s**
- China 3G
- Early stage investments related to LTE
- Rate of decline in wireless R&D slowed

**-’s**
- Customer capital equipment budgets frozen
- All major end markets down y/y
- Wireless Manufacturing down over 60% on excess capacity
Life Sciences
Q209 Strengths and Weaknesses

+’s
- Academic & Government revenue up 10% y/y
- LC/MS and Microarrays sales up 30%+ y/y
- China
- Announced 1290 Infinity Ultra-High Perf. LC

-’s
- Pharma and Biotech revenue weak
- LC & GC product sales
- Replacement business
Life Sciences Overview
FY08 revenue $1 billion, up 23% year-over-year

Life Sciences Market: $18B

Market Drivers
- Academic and government investment
- Fundamentally linked to human health
- Life Science applications – “omics”
- Growth in generics and CROs
- Therapeutic conversion from New Chemical Entities to New Biological Entities

Focus for FY09
- Accelerate academic/government market penetration
- Emphasizing focus on technology adoption
- Agricultural sector and emerging economies
- Capture opportunities in global stimulus packages targeted at Life Science
1290 Infinity UHPLC System
Offering the industry largest power range (1200bar, 5ml/min) for highest speed and resolution and 2-80x increased sensitivity. Also comes as method development solution with industry highest versatility and HT System processing more than 2000 samples/day.

6400 Series Triple Quadrupole, 6500 Series Q-TOF & 6200 Series TOF
Speed, sensitivity, software, and solutions. Fast pos/neg switching and unique Dynamic MRM to meet the demands of UHPLC separations. AMRT databases and libraries for fast screening and ID.

SurePrint G3 CGH and CNV Microarrays (1M feature)
Expanded CGH and CNV platforms with empirically validated probes, high-throughput assay protocols, robust analysis tools, and flexible multi-pack formats for both catalog and custom arrays.
SureSelect™ Target Enrichment System
The first fully customizable liquid genome partitioning / enrichment reagent system. This system enhances and accelerates nucleic acid sequencing experiment when used in front of “next generation” sequencing technologies. By partitioning the input sample the complexity of the sequencing experiment is reduced in sequencing time, data output and sequencing cost.

Agilent’s Direct Drive Robot
Agilent’s new robot is an enabling engine for the next generation of automation systems. The Direct Drive robot offers unparalleled performance and ease of use and laboratory environment safety.

HPLC-chip for phosphopeptide analysis via MS
Agilent’s new HPLC-chip when attached to an Agilent MS enables automation of phosphopeptide analysis workflow, improving the study of cellular phosphorylation events. The HPLC-chip is a reusable, nanoflow-rate chip that contains an enrichment section with titanium dioxide beads flanked on both sides with C18 reverse phase material.

Stratagene Gradient Cycler
Accurate and rapid thermal cycling for PCR amplification and related molecular biological assays, which easily accommodates changing research environments with flexible features such as interchangeable thermal blocks, intuitive software, pre-loaded protocols, and a large LCD touch-screen for quick operation.
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Mike McMullen
Vice President and General Manager
Chemical Analysis Solutions
Chemical Analysis
Q209 Strengths and Weaknesses

**+’s**
- Food Safety revenue up 30% y/y
- China – Continued “Double-Digit” growth
- New Product Launches

**–’s**
- Petrochemical revenue down 14% y/y
- Environmental revenue down 12% y/y
- Replacement business - GC
Chemical Analysis Overview – *taking share in difficult market*

FY08 revenue $1.2 billion, up 12% year-over-year

**Chemical Analysis Market:** $9B

**Market Drivers**
- Food Safety Testing
- Lab Productivity
- Global government stimulus efforts
- China

**Focus for FY09**
- Food Testing market leadership
- Extensive new product launches
- Expand consumables & services portfolio
- Customer experience improvements

<table>
<thead>
<tr>
<th>Test Type</th>
<th>Revenue (B)</th>
<th>% of Agilent revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petrochemical &amp; Chemical Testing</td>
<td>$0.4 B</td>
<td>7%</td>
</tr>
<tr>
<td>Environmental Testing</td>
<td>$0.4 B</td>
<td>6%</td>
</tr>
<tr>
<td>Food Testing</td>
<td>$0.3 B</td>
<td>5%</td>
</tr>
<tr>
<td>Forensics Testing</td>
<td>$0.1 B</td>
<td>2%</td>
</tr>
</tbody>
</table>
Chemical Analysis
Products and solutions released in FY09

7000A Triple Quadrupole GC/MS
- Unmatched sensitivity and selectivity for complex samples with Agilent’s traditional reliability & Mass Hunter software

Agilent 7693 - Automation & Sample Preparation Capabilities
- Sample handling and sample preparation
- Compatible with all 6890, 6850, 7890 GC’s

Enhanced Agilent 7890 GC System Capabilities
- New technologies - Bloss bead, RVM “fast GC”, Capillary Flow, Multi-Mode Technologies

Agilent 7820 Gas Chromatograph
- Easy to use, superior performance and quality for chemical and academic markets
- Developed in Shanghai, China
Chemical Analysis
Products and solutions released in FY09

Sample Preparation – Expansion of SampliQ SPE Portfolio
• New sample prep solutions available in a wide variety of formats for enhanced productivity in food safety & other applications

GC Columns – Expansion of Ultra Inert
• Unmatched Inertness & ultra low column bleed for the most demanding applications

HPLC Columns – Solutions for Addressing the ACN Shortage
• ZORBAX Solvent Saver smaller ID columns
• ZORBAX Rapid Resolution High Throughput shorter length columns
Raising the Bar for a “Cleaner” Olympics

• Agilent 7000A Triple Quad GC/MS will change the laboratory and the playing field at the Vancouver 2010 Winter Games

• Montreal’s Institut National de la Recherche Scientifique (INRS)
  – Canada’s only WADA-accredited lab, will operate a state-of-the-art drug testing program
  – Evaluated the 7000A as an alternative to the more complex and expensive High Resolution Mass Spectrometry (HRMS)
  – Ordered Six Agilent 7000A Triple Quad GC/MS systems for analysis of anabolic steroids
Commitment
Deliver performance consistent with Agilent’s Operating Model

- **Agilent Operating Model**
  - 20% ROIC on average across the cycle
  - 30-40% operating profit incremental/decremental
  - Operating cash flow positive at every point in the cycle

- **Take additional action** – where automatic flexibility not enough
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## AGILENT TECHNOLOGIES, INC.
### RECONCILIATION OF ROIC
#### (IN MILLIONS)
##### PRELIMINARY

<table>
<thead>
<tr>
<th>Numerator:</th>
<th>Agilent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted income from operations</td>
<td>$67 $215</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
</tr>
<tr>
<td>Taxes and Other (income)/expense</td>
<td>10 45</td>
</tr>
<tr>
<td>Agilent return (a)</td>
<td>57 170</td>
</tr>
<tr>
<td>Agilent return annualized</td>
<td>$228 $680</td>
</tr>
</tbody>
</table>

| Denominator:                           |               |
| Agilent assets (b)                     | $3,734 $3,600 |
| Less:                                  |               |
| Net current liabilities (c)           | 848 745       |
| Invested capital                      | $2,886 $2,855 |
| Average invested capital              | $2,957 $2,848 |
| ROIC                                  | 8% 24%        |

ROIC calculation: (annualized current quarter segment return)/(average of the two most recent quarter-end balances of Agilent Invested Capital)

(a) Agilent return is equal to adjusted net income from continuing operations minus net interest income after tax.
   Please see "Adjusted Net Income and EPS Reconciliations" for a reconciliation of adjusted net income from continuing operations to GAAP income from continuing operations.

(b) Assets consist of inventory, accounts receivable, property plant and equipment, gross goodwill and other intangibles, deferred taxes and allocated corporate assets.

(c) Includes accounts payable, employee compensation and benefits, other accrued liabilities and allocated corporate liabilities.

Historical amounts were reclassified to conform with current period presentation.

Return on invested capital (ROIC) is a non-GAAP measure that management believes provides useful supplemental information for management and the investor. ROIC is a tool by which we track how much value we are creating for our shareholders. Management uses ROIC as a performance measure for our businesses, and our senior managers’ compensation is linked to ROIC improvements as well as other performance criteria. We believe that ROIC provides our management with a means to analyze and improve their business, measuring segment profitability in relation to net asset investments. We acknowledge that ROIC may not be calculated the same way by every company. We compensate for this limitation by monitoring and providing to the reader a full GAAP income statement and balance sheet.

Readers are reminded that non-GAAP numbers are merely a supplement to,

The preliminary reconciliation of ROIC is estimated based on our current information.
<table>
<thead>
<tr>
<th></th>
<th>Q2'09</th>
<th>Q2'08</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$1,400</td>
<td>$1,710</td>
<td>-18.1%</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>1,572</td>
<td>1,584</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Investments - debt securities</td>
<td>65</td>
<td>132</td>
<td>-50.8%</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>(1,515)</td>
<td>(1,752)</td>
<td>-13.5%</td>
</tr>
<tr>
<td>Senior notes</td>
<td>(600)</td>
<td>(600)</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Net Cash</strong></td>
<td><strong>$922</strong></td>
<td><strong>$1,074</strong></td>
<td><strong>-14.2%</strong></td>
</tr>
</tbody>
</table>
AGILENT TECHNOLOGIES, INC  
RECONCILIATION FROM GAAP TO NON-GAAP (INCLUDES FAS 123R IN GAAP & NON-GAAP)  
THREE MONTHS ENDED April 30, 2009  
(Unaudited)  

<table>
<thead>
<tr>
<th>GAAP</th>
<th>Restructuring and Other Related Costs</th>
<th>Asset Impairments</th>
<th>Acceleration of Share-Based Compensation Expense Related to Workforce Reduction</th>
<th>Intangible Amortization</th>
<th>Other</th>
<th>Adjustment for Taxes</th>
<th>Non-GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>Change Year Over Year</td>
<td>-33%</td>
<td>$1,026</td>
<td>-</td>
<td>-</td>
<td>$1,026</td>
<td></td>
</tr>
<tr>
<td>Net revenue</td>
<td>Change Year Over Year</td>
<td>-25%</td>
<td>$1,091</td>
<td>-</td>
<td>-</td>
<td>$1,091</td>
<td></td>
</tr>
<tr>
<td>Costs and expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of products and services</td>
<td>Gross Margin</td>
<td>48.6%</td>
<td>561</td>
<td>(23)</td>
<td>(6)</td>
<td>-</td>
<td>(9)</td>
</tr>
<tr>
<td>Research and development</td>
<td>As a % of Revenue</td>
<td>15.6%</td>
<td>170</td>
<td>(18)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>As a % of Revenue</td>
<td>37.3%</td>
<td>457</td>
<td>(45)</td>
<td>(3)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>Total costs and expenses</td>
<td></td>
<td></td>
<td>1,138</td>
<td>(86)</td>
<td>(9)</td>
<td>(3)</td>
<td>(12)</td>
</tr>
<tr>
<td>Income (loss) from operations</td>
<td>Operating Margin</td>
<td>-4.3%</td>
<td>(47)</td>
<td>86</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td></td>
<td></td>
<td>(11)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income (loss) from operations before taxes</td>
<td></td>
<td></td>
<td>(58)</td>
<td>86</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Provision (benefit) for taxes</td>
<td></td>
<td></td>
<td>43</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>Net Margin</td>
<td>-9.3%</td>
<td>$101</td>
<td>86</td>
<td>9</td>
<td>3</td>
<td>12</td>
</tr>
</tbody>
</table>

Net income (loss) per share - Basic and Diluted:  

<table>
<thead>
<tr>
<th>Basic</th>
<th>$0.29</th>
<th>$0.25</th>
<th>$0.03</th>
<th>$0.01</th>
<th>$0.03</th>
<th>$0.01</th>
<th>$0.09</th>
<th>$0.13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted</td>
<td>$0.29</td>
<td>$0.25</td>
<td>$0.03</td>
<td>$0.01</td>
<td>$0.03</td>
<td>$0.01</td>
<td>$0.09</td>
<td>$0.13</td>
</tr>
</tbody>
</table>

Weighted average shares used in computing net income (loss) per share:  

<table>
<thead>
<tr>
<th>Basic</th>
<th>Diluted</th>
</tr>
</thead>
<tbody>
<tr>
<td>344</td>
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</tr>
<tr>
<td>344</td>
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<td>344</td>
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<tr>
<td>344</td>
<td>344</td>
</tr>
</tbody>
</table>

The preliminary reconciliation from GAAP to Non-GAAP net income is estimated based on our current information.