

Agilent Technologies

Annual Shareholder Meeting



March 20, 2013



Agilent Technologies

James G. Cullen

Non-Executive Chairman of the Board



Agilent Technologies

William P. (Bill) Sullivan
Chief Executive Officer



Safe Harbor

This presentation contains forward-looking statements (including, without limitation, information and future guidance on our goals, priorities, revenues, demand, growth opportunities, customer service and innovation plans, new product introductions, financial condition, earnings, the continued strengths and expected growth of the markets we sell into, operations, operating earnings, and tax rates) 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; 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 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 quarter ended January 31, 2013.

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.

The World's Premier Measurement Company

FY12 Revenue \$6.9B, Growth +4%, Operating Margin* 20%, Operating Cash Flow \$1.2B

Diagnostics & Genomics

FY12 Revenue \$0.4B
Operating Margin 16%

Life Sciences

FY12 Revenue \$1.6B
Operating Margin 15%

Chemical Analysis

FY12 Revenue \$1.6B
Operating Margin 22%

Electronic Measurement

FY12 Revenue \$3.3B
Operating Margin 23%

- Improved operating margin and EPS to record levels
- Expanded total addressable market** to \$54 billion, adding diagnostics and clinical capabilities with the Dako acquisition
- Increased dividend by 20 percent to 12 cents per share, stock repurchase program of up to \$500 million in FY13

* Presented on a non-GAAP basis; reconciliation to closest GAAP equivalent available for actual results

** Market size and growth data per company estimates

Diagnostics and Genomics Group Overview

Market Size*: **\$7B**

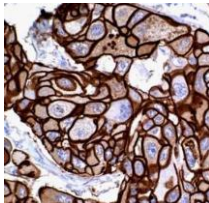
Long Term Market Growth*: **8-10%**

2012 DGG Revenue **\$402M**

2012 Operating Margin **16%**

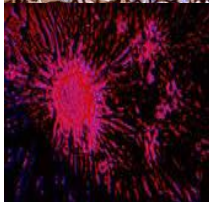
Markets & Market Position

Anatomic Pathology



#2

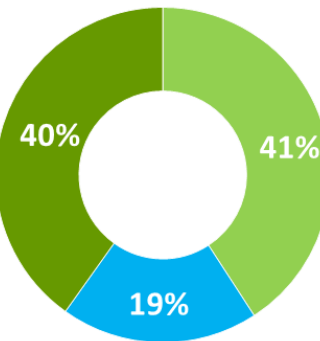
Molecular
Diagnostics



Emerging

Revenue Mix by Geography

Americas



Europe

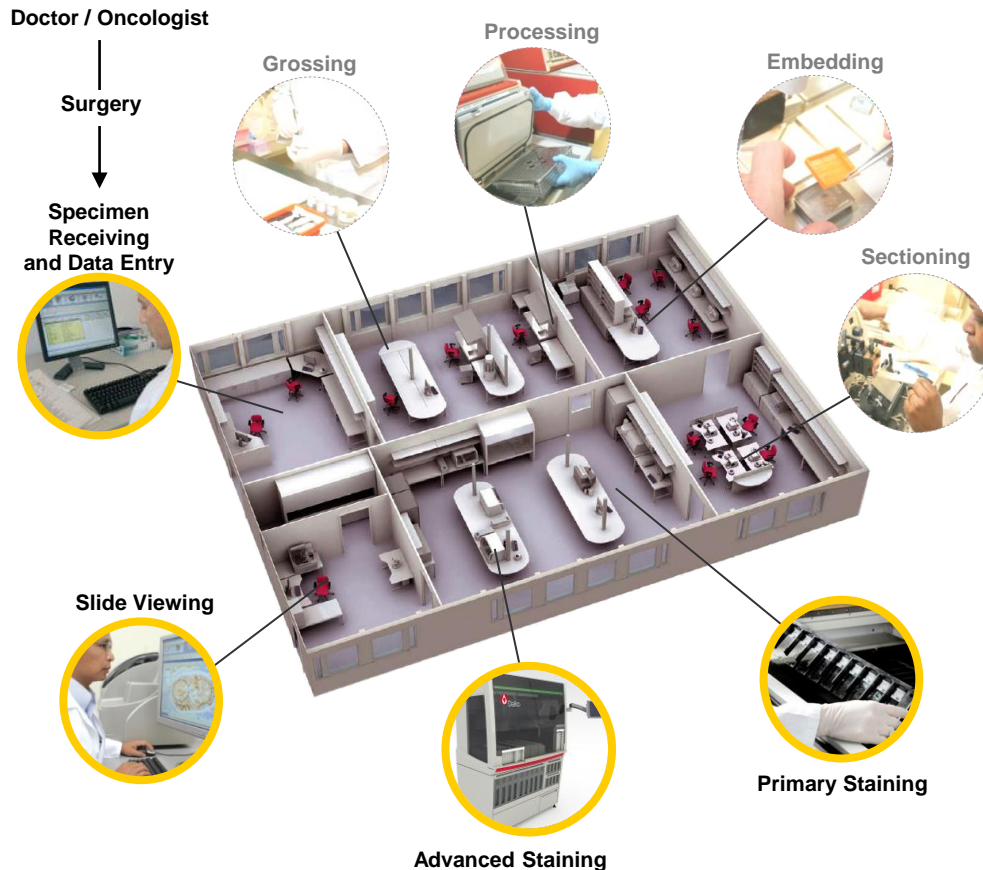
Asia Pacific

*DGG also sells into the pharmaceutical
and research markets*

* Market size and growth data per company estimates

Diagnostics and Genomics Group

Pathology Lab Workflow



- Dako: “Connecting to fight cancer”
- **Anatomic pathology:** workflow solutions for the pathology lab
- **Companion diagnostics:** collaboration agreements with Eli Lilly and Pfizer
- We touch one third of all solid cancer tumor samples around the world

○ Focus area for Dako

Life Sciences Group Overview

Market Size*: **\$21B**

Long Term Market Growth*: **4-5%**

Markets & Market Position

Pharma & Biotech



#3

Academia &
Government
Research



#4

#1 in Liquid Chromatography (LC)
#3 in Mass Spectrometry (MS)
#2 in Nuclear Magnetic Resonance (NMR)

LSG also sells into the applied markets

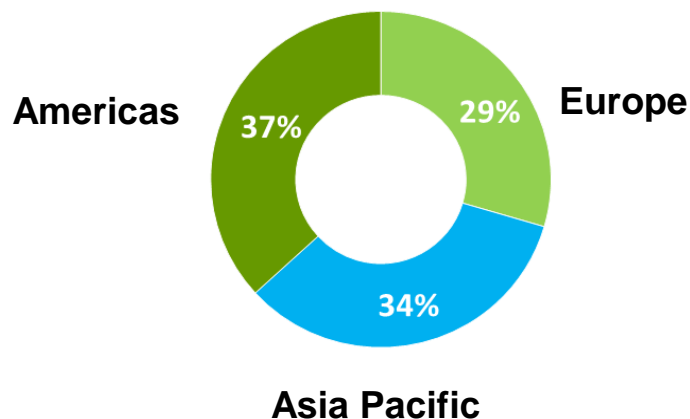
* Market size and growth data per company estimates

** RPD includes NMR and MRI products

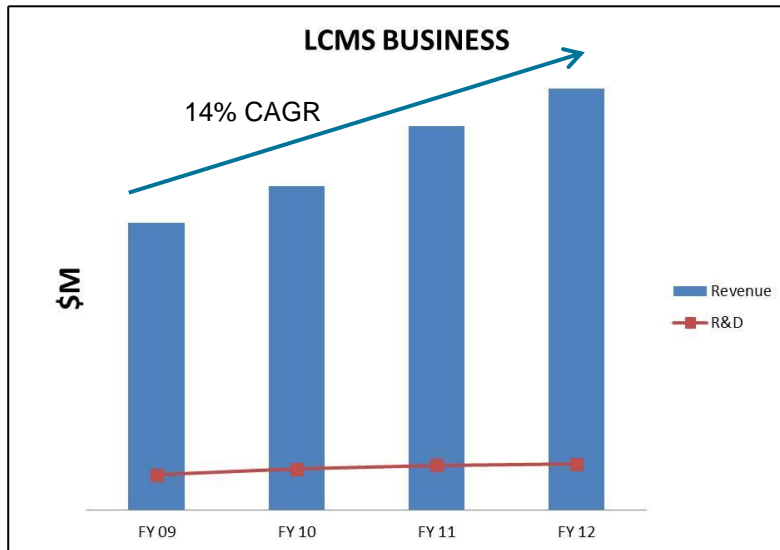
2012 LSG Revenue **\$1.6B**

2012 Operating Margin **15%**
19% Excl. RPD**

Revenue Mix by Geography



Life Sciences Group



- LCMS: one of Agilent's biggest success stories
- First entered high-end market in 2007
- Leveraged entire company:
 - EMG: RF modulation, A-to-D converters
 - CAG: GCMS
- Currently the broadest family in the industry – close to No. 1 in QQQ marketshare
- The industry workhorse for genomics, proteomics and metabolomics

Chemical Analysis Group Overview

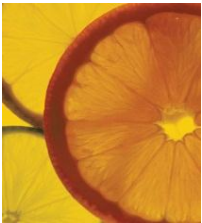
Market Size*: **\$13B**

Long Term Market Growth*: **4-5%**

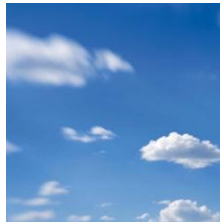
2012 CAG Revenue **\$1.6B**

2012 Operating Margin **22%**

Markets and Market Position



**Food
#1**

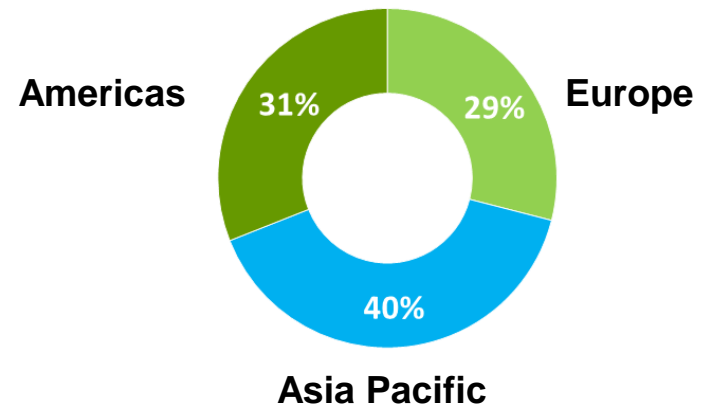


**Environmental
and Forensics
#1 and #2**



**Chemical
and Energy
#1**

Revenue Mix by Geography



* Market size and growth data per company estimates

Chemical Analysis Group



4100 MP-AES

Runs on air

*"2012 R&D 100
Award Winner"*



7200 GC Q-TOF

World's first
GC Q-TOF



8800 ICP-MS QQQ

World's first
ICP-MS QQQ

*"ASMS Product
of the Show"*

- Making the world a safer and healthier place
- Market growth driven by global trends:
 - Safety of global **food** supply
 - New **environmental** contaminants (air, water, soil)
 - Abuse of prescription **drugs**
 - Rising **energy** demands
- Recognized leader in product technology and quality
- Superior customer value and service

Electronic Measurement Group Overview

Market Size*: **\$13B**

Long Term Market Growth*: **3-4%**

Markets & Market Position

Communications



#1

Industrial,
Computers,
Semiconductors



#1

Aerospace/Defense

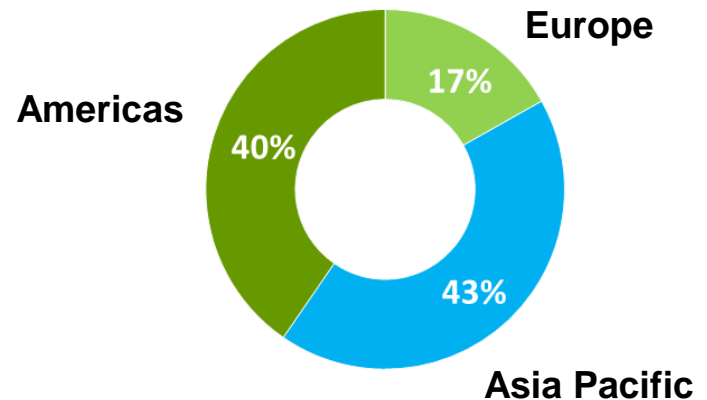


#1

2012 EMG Revenue **\$3.3B**

2012 Operating Margin **23%**

Revenue Mix by Geography

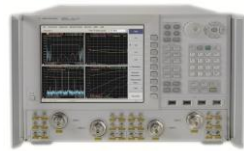


* Market size and growth data per company estimates

Electronic Measurement Group



Oscilloscopes



Network Analyzers



Signal Analyzers



Signal Sources



Mobility



Modularity

- Enabling and testing the next generation of electronics and communications
- Technology and market leadership
- Industry-leading sales and support, with complementary direct and indirect sales
- Market opportunities for growth:
 - **Mobility**: portable packages for lab-quality measurements anywhere
 - **Modularity**: modular and hybrid systems for best cost-of-test

Agilent Order Fulfillment Excellence

Operational Excellence

- Gross margin improvement
- Procurement leveraging
- Value engineering
- Supply chain streamlining

Technology Excellence

- Technology building blocks
- Quick ramp-to-volume for new products

Best Customer Experience

- Uncompromising product quality
- Emerging markets order fulfillment



Key manufacturing hubs

- Colorado Springs
- Little Falls
- Santa Rosa
- Penang
- Shanghai
- Singapore
- Waldbronn

\$56 million cost savings in FY12

FY 2013 Priorities

- Increase organic growth rate
Invest in market expansion and R&D
- Improve gross margins
Multi-year effort to reduce manufacturing and logistics costs by \$180M – one-third complete
- Ensure Dako success
Launch autostainer, leverage our genomics and pathology businesses

Agilent Technologies

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Agilent Technologies

Reconciliations



AGILENT TECHNOLOGIES, INC.
ELECTRONIC MEASUREMENT SEGMENT
(Unaudited)
PRELIMINARY

<u>(In millions, except margins and ROIC data)</u>	<u>FY 2012</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 757	\$ 957	\$ 811	\$ 755	\$ 3,280
Net revenue	\$ 778	\$ 876	\$ 845	\$ 816	\$ 3,315
Gross margin %	57.8%	57.0%	55.9%	57.1%	56.9%
Income from operations	\$ 160	\$ 205	\$ 197	\$ 189	\$ 751
Operating margin %	20.6%	23.4%	23.3%	23.2%	22.7%
	<u>FY 2011</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 797	\$ 844	\$ 842	\$ 822	\$ 3,305
Net revenue	\$ 771	\$ 834	\$ 856	\$ 855	\$ 3,316
Gross margin %	58.1%	59.5%	57.7%	58.4%	58.4%
Income from operations	\$ 156	\$ 191	\$ 204	\$ 209	\$ 760
Operating margin %	20.3%	22.9%	23.8%	24.4%	22.9%

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 the amortization of intangibles, the impact of restructuring charges, acquisition and integration costs.

In general, recorded orders represent firm purchase commitments from our customers with established terms and conditions for products and services that will be delivered within six months.

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.
CHEMICAL ANALYSIS SEGMENT
(Unaudited)
PRELIMINARY

(In millions, except margins and ROIC data)	FY 2012				
	Q1	Q2	Q3	Q4	Total
Orders	\$ 403	\$ 408	\$ 372	\$ 421	\$ 1,604
Net revenue	\$ 396	\$ 388	\$ 381	\$ 394	\$ 1,559
Gross margin %	51.7%	50.8%	50.1%	52.9%	51.4%
Income from operations	\$ 88	\$ 73	\$ 80	\$ 97	\$ 338
Operating margin %	22.2%	18.9%	20.9%	24.6%	21.7%
	FY 2011				
	Q1	Q2	Q3	Q4	Total
Orders	\$ 388	\$ 380	\$ 400	\$ 421	\$ 1,589
Net revenue	\$ 349	\$ 381	\$ 383	\$ 405	\$ 1,518
Gross margin %	51.1%	50.3%	50.7%	52.4%	51.1%
Income from operations	\$ 65	\$ 72	\$ 79	\$ 97	\$ 313
Operating margin %	18.7%	18.9%	20.6%	24.0%	20.6%

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

<u>(In millions, except margins and ROIC data)</u>	<u>FY 2012</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 394	\$ 410	\$ 373	\$ 417	\$ 1,594
Net revenue	\$ 395	\$ 395	\$ 391	\$ 401	\$ 1,582
Gross margin %	50.9%	48.9%	50.5%	52.8%	50.8%
Income from operations	\$ 58	\$ 44	\$ 57	\$ 71	\$ 230
Operating margin %	14.6%	11.2%	14.5%	17.7%	14.5%
	<u>FY 2011</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 376	\$ 406	\$ 382	\$ 433	\$ 1,597
Net revenue	\$ 338	\$ 392	\$ 383	\$ 402	\$ 1,515
Gross margin %	52.1%	50.4%	49.8%	49.5%	50.4%
Income from operations	\$ 42	\$ 52	\$ 51	\$ 57	\$ 202
Operating margin %	12.3%	13.4%	13.3%	14.2%	13.3%

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

<u>(In millions, except margins and ROIC data)</u>	<u>FY 2012</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 69	\$ 66	\$ 106	\$ 158	\$ 399
Net revenue	\$ 66	\$ 74	\$ 106	\$ 156	\$ 402
Gross margin %	62.6%	65.3%	60.8%	63.4%	62.9%
Income from operations	\$ 8	\$ 15	\$ 16	\$ 26	\$ 65
Operating margin %	11.9%	20.1%	15.2%	16.7%	16.1%
	<u>FY 2011</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Orders	\$ 66	\$ 73	\$ 63	\$ 76	\$ 278
Net revenue	\$ 66	\$ 72	\$ 70	\$ 69	\$ 277
Gross margin %	59.7%	61.8%	59.2%	63.2%	61.0%
Income from operations	\$ 6	\$ 9	\$ 9	\$ 11	\$ 35
Operating margin %	9.5%	12.2%	12.6%	15.5%	12.5%

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AGILENT TECHNOLOGIES, INC
RECONCILIATION FROM GAAP TO NON-GAAP

YEAR ENDED October 31, 2012
(Unaudited)
PRELIMINARY

NON-GAAP ADJUSTMENTS

(In millions, except per share amounts)

			GAAP	Asset Impairments	Intangible Amortization	Transformational Initiatives	Acquisition & Integration Costs	Agilent Foundation Donation	Other	Adjustment for Taxes	Non-GAAP	
Orders	Change Year Over Year	2%	\$ 6,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,877	2% Change Year Over Year
Net revenue	Change Year Over Year	4%	\$ 6,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,858	4% Change Year Over Year
Costs and expenses:												
Cost of products and services	Gross Margin	52.6%	3,254	-	(88)	(14)	(37)	-	(2)	-	3,113	54.6% Gross Margin
Research and development	As a % of Revenue	9.7%	668	(1)	-	(1)	(2)	-	(1)	-	663	9.7% As a % of Revenue
Selling, general and administrative	As a % of Revenue	26.5%	1,817	(15)	(49)	(10)	(35)	(10)	-	-	1,698	24.8% As a % of Revenue
Total costs and expenses			5,739	(16)	(137)	(25)	(74)	(10)	(3)	-	5,474	
Income from operations	Operating Margin	16.3%	1,119	16	137	25	74	10	3	-	1,384	20.2% Operating Margin
Other income (expense), net			(76)	-	-	-	14	-	(12)	-	(74)	
Income before taxes			1,043	16	137	25	88	10	(9)	-	1,310	
Provision (benefit) for income taxes	Tax rate	-11%	(110)	-	-	-	-	-	-	320	210	16% Tax rate
Net income	Net Margin	16.8%	\$ 1,153	\$ 16	\$ 137	\$ 25	\$ 88	\$ 10	\$ (9)	\$ (320)	\$ 1,100	16.0% Net Margin

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

Basic	\$ 3.31	\$ 0.05	\$ 0.39	\$ 0.07	\$ 0.25	\$ 0.03	\$ (0.03)	\$ (0.91)	\$ 3.16
Diluted	\$ 3.27	\$ 0.05	\$ 0.39	\$ 0.07	\$ 0.25	\$ 0.03	\$ (0.03)	\$ (0.91)	\$ 3.12

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

Basic	348	348	348	348	348	348	348	348	348
Diluted	353	353	353	353	353	353	353	353	353

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