



# AGILENT TECHNOLOGIES

## CREDIT SUISSE ANNUAL TECHNOLOGY CONFERENCE

**RON NERSESIAN**  
PRESIDENT  
ELECTRONIC MEASUREMENT GROUP

**DECEMBER 2, 2010**  
THE PHOENICIAN  
SCOTTSDALE, AZ

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 July 31, 2010.

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

## Electronic Measurement Group



FY10 Revenue: \$2.8B  
FY10 Op Profit Margin\* 16%

Ron Nersesian  
President & GM

## Chemical Analysis Group



FY10 Revenue: \$1.2B  
FY10 Op Profit Margin\* 23%

Mike McMullen  
President & GM

## Life Sciences Group



FY10 Revenue: \$1.5B  
FY10 Op Profit Margin\* 15%

Nick Roelofs  
President & GM

FY10 Revenue \$5.5B, +19% organic growth Y/Y, 17% Op. Profit Margin\*  
FY10 Non-GAAP EPS \$2.00. Up from \$0.80 in FY09

\* Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided .

# Q4 2010 FINANCIAL HIGHLIGHTS

**Orders** = \$1.69B, +32% y/y (+23% organic)

**Revenues** = \$1.58B, +36% y/y (+26% organic):

**LSG** +35% y/y (+17% organic)

**CAG** +73% y/y (+17% organic)

**EMG** +23% y/y (+35% organic)

**Cash Flow from Operations** = \$367M

**ROIC\*** = 24%

**Operating Profit Margin\*** = 19%

\* Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided .

# HOW WE WIN

- **Market reach and customer trust**
  - 5,500 sales and marketing employees supporting customers in over 100 countries
  - #1 customer loyalty ranking in every major product category\*
  - 37% of Agilent revenue from Asia Pacific in Q4'10
- **Technology leadership**
  - \$600M/year, 11% Revenue invested in R&D, 2,600 researchers to ensure technology leadership
  - Highest performing Oscilloscopes, Sources & Signal Analyzers, Network Analyzers, and Liquid and Gas Chromatographs and Mass Spectrometers
- **Scale**
  - Among the lowest instrument cost of sales in the industry
  - Purchasing and infrastructure leverage
- **Team**
  - Employee satisfaction top quartile
  - Well below average industry turnover



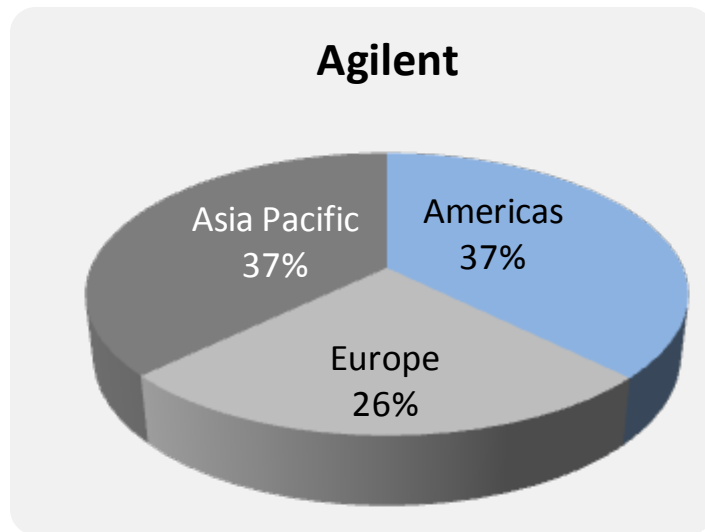
**All built on Agilent's operating model**

\*Source: Lieberman Research Worldwide

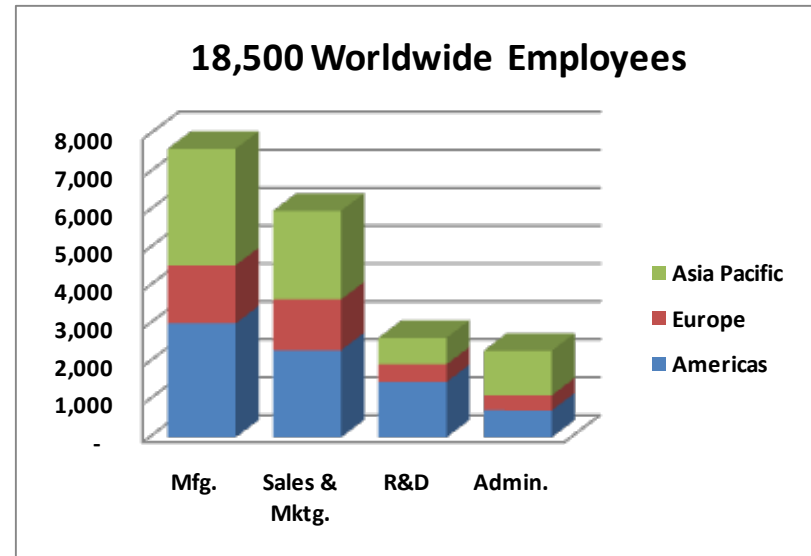
# GLOBAL SCALE AND SCOPE

Global revenue and operational footprint offers unmatched coverage and hedges risk

Revenue by Geography Q4'10



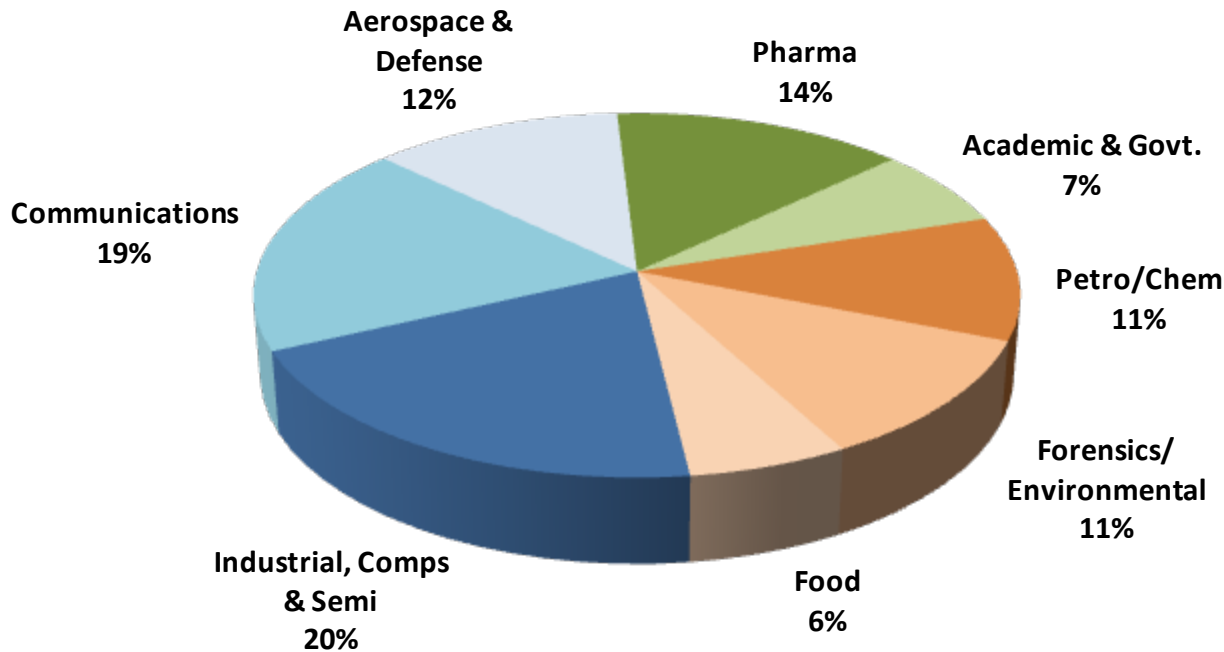
Headcount by Geography Q4'10



- Natural currency hedge through global revenue and operations
- Large Manufacturing and Admin presence in low cost regions driving operational excellence
- Broad distribution of R&D talent provides technology leadership worldwide
- Investment in sales & support focused on fast growing markets such as China and India

# AGILENT REVENUE DISTRIBUTION BY END MARKET

## FY 2010 Agilent Revenue



## \$41B Measurement Market Opportunity

Markets	Size (\$B)	Growth
Life Sciences	19	5% - 7%
Chemical Analysis	10	5% - 6%
Electronic Measurement	12	4% - 5%
Total Market	41	5% - 7%

Provided on a best estimate basis. November 2009 through October 2010.

# EM STRENGTHS LEVERAGED BROADLY

From the beginning,  
EM is the technology foundation  
to launch and build HP/Agilent businesses.

Together we win.

Life Sciences

Chemical Analysis

Computer

Medical

EM Technology and Expertise

Electronic Measurement

1939

2010



# EM MARKET SEGMENTS AND AGILENT POSITION



Electronic  
Measurement  
Market

## Aerospace Defense

**\$3B**  
**market**  
Secular  
growth:  
4-7%

#1 in market

Customers include: US  
Department of Defense,  
Raytheon, Lockheed Martin

## Industrial, Computers, Semiconductors

**\$5B**  
**market**  
Secular  
growth:  
3-6%

#1 in market

Customers include: Intel,  
Foxconn, Flextronics, IBM,  
HP, universities

## Communications

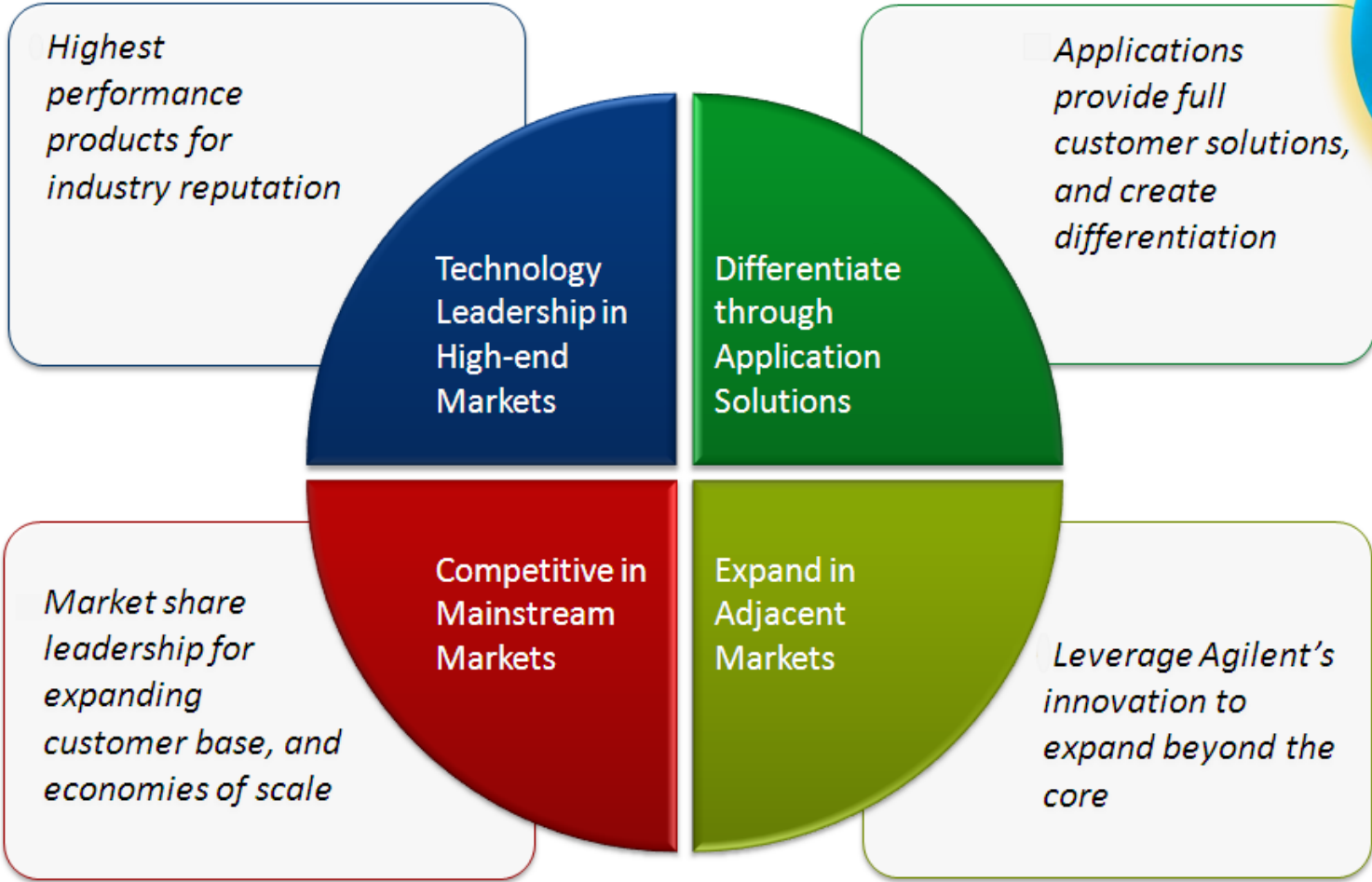
**\$4B**  
**market**  
Secular  
growth:  
3-6%

#1 in market

Customers include: Nokia,  
Ericsson, Samsung, RIM,  
Apple, Cisco, Alcatel

# EMG'S STRATEGY TO DIFFERENTIATE AND WIN

EMG introduced >200 new products & applications in FY09-10



# SIGNIFICANT SHIFT IN AGILENT'S BUSINESS MIX

SEGMENT	PAST * (FY05)	CURRENT (FY10)
Aerospace Defense TOTAL	11%	24%
Industrial, Computer, Semiconductor TOTAL	63%	40%
<b>GENERAL PURPOSE TOTAL</b>	74%	64%
<b>COMMUNICATIONS TOTAL</b>	26%	36%
<b>Agilent non-bio-analytical TOTAL</b>	100%	100%

\* Includes divested semiconductor businesses

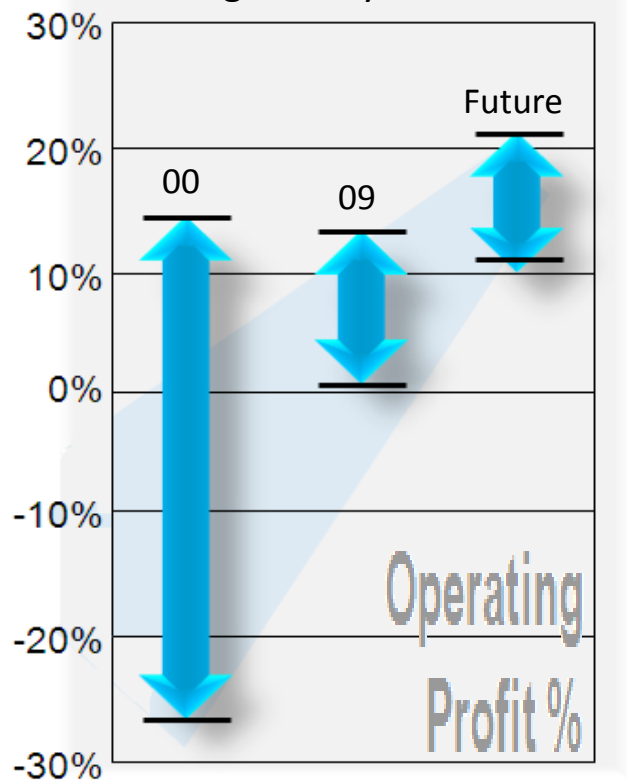
SEGMENT	PAST * (FY05)	CURRENT* (FY10)
<b>Semiconductor Capital Equipment</b>	43%	6%

\* Non bio-analytical revenues

# NEW EMG BUSINESS MODEL INCREASES PROFITS

Actions taken through recent cycle position EMG for superior financial performance compared with previous cycles

Improving business model through the cycle



	Previous Cycle	This Cycle (2008-2009)	Future Similar Cycle
<b>PEAK</b>	FY00	FY08	FY - -
Revenue	\$5.4B	\$3.6B	\$3.6B
OP%	14%	13%	21%
ROIC %	26%	24%	33%
<b>TROUGH</b>	FY02	FY09	FY - -
Revenue	\$2.8B	\$2.4B	\$2.4B
OP%	-27%	0%	12%
ROIC %	-15%	1%	15%
<b>THROUGH CYCLE</b>	FY01 – FY08		FY09 – FY - -
Average OP%	3%		15%
Average ROIC %	9%		>20%

EMG's highest order growth, gross margin %, and operating margin in the last decade (FY01-FY10)

	FY10	Growth vs. FY09
Orders	\$2,994M	+ 25%
Revenue	\$2,784M	+ 15%
Gross Margin	58.4%	+ 4.9 points
Op Profit*	\$438M 16%	+\$437M
ROIC*	23%	+ 22 points

\* Presented on a non-GAAP basis; reconciliations to closest GAAP equivalent provided .



# APPENDIX

# EM MARKET DRIVERS

MARKET SEGMENT	GROWTH DRIVERS
A/D T&M	U.S. Defense RDT&E budget; test equipment modernization; defense program spending with bidding process; growth outside US
A/D Op Surveillance	Homeland security; greenfield for new Agilent products
Semiconductor	SIA semiconductor revenues; consumer devices
Computer	New Bus and Interface Technology Development; corporate spending
Industrial & Consumer	Electronics everywhere; growth in Asia
Academic & Government	Research and development collaboration; funding of electronics studies <i>(includes non-defense government spending)</i>
Automotive	Increasing demand for automotive electronics and telematics
Wireless R&D	4G/LTE development; technology complexity; strong R&D investment
Wireless Mfg	3G-4G production; Smartphone explosion; China 3G expansion
Broadband / I&M	Wireless broadband convergence; growing internet bandwidth needs

# TRANSFORMED EMG BUSINESS MODEL

Restructure to 12% operating profit (non GAAP) at \$600M quarterly revenue	Migrate portfolio to less cyclical markets	Increase variability of cost structure to modulate with business cycles	Proof points
<ul style="list-style-type: none"> <li>• Shed non-performing businesses—NSD, AXI/AOI</li> <li>• Reduced headcount by 3000</li> <li>• Combined entities for less management overhead, increased SOC</li> <li>• Reduced # of sites</li> <li>• Centralized Labs</li> </ul>	<ul style="list-style-type: none"> <li>• Less investment in mfg test and wireless mfg</li> <li>• More investment in R&amp;D—high performance scopes, PXA, PNA-X</li> <li>• Increase SW apps</li> <li>• Add markets with low share immune to cycles</li> <li>• Modular</li> <li>• New growth markets/diversity—surveillance, nano</li> </ul>	<ul style="list-style-type: none"> <li>• Expanded indirect sales organization</li> <li>• More partner investments</li> </ul>	<ul style="list-style-type: none"> <li>• Share in mfg vs. R&amp;D</li> <li>• Gross margins</li> <li>• Indirect/direct sales mix</li> <li>• OP</li> </ul>



## Based upon foundation of

Customer focus	Operational excellence
Customer satisfaction and loyalty Superior support Global account focus Metrics	Eliminate division overlap R&D portfolio management—less redundancy, volatility Created Technology Leadership Organization Metrics



- On track to meet revenue and synergy targets
- Increased synergies to \$100M from \$75M, net of incremental investments in Varian R&D and Support
- Legal entities combined November 1, 2010
- Employees transferred to Agilent entities and systems
- Customer facing processes, systems, and sales forces integrated Nov. 1
- Varian to be at Agilent tax rate by end of 2011

AGILENT TECHNOLOGIES, INC  
RECONCILIATION FROM GAAP TO NON-GAAP

THREE MONTHS ENDED October 31, 2010  
(Unaudited)

		Non-GAAP Adjustments												
		GAAP	Restructuring and Other Related Costs - FY 2009 Plan	Asset Impairments	Intangible Amortization	Transformational Restructuring	Business Divestitures	Varian Acquisition & Integration Costs	Varian Acquisition Related Fair Value Adjustments	Tax Sharing Settlement	Other	Adjustment for Taxes	Non-GAAP	
Orders	Change Year Over Year	32%	\$ 1,687	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,687	32% Change Year Over Year
Net revenue	Change Year Over Year	35%	\$ 1,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ 1,584	36% Change Year Over Year
Costs and expenses:														
Cost of products and services	Gross Margin	52.9%	742	(1)	(17)	(3)	-	(1)	(10)	-	(1)	-	709	55.3% Gross Margin
Research and development	As a % of Revenue	10.1%	159	(1)	-	(2)	-	-	-	-	1	-	157	9.9% As a % of Revenue
Selling, general and administrative	As a % of Revenue	29.9%	472	(6)	(5)	(13)	(5)	(2)	(24)	-	(2)	-	415	26.2% As a % of Revenue
Total costs and expenses			1,373	(8)	(5)	(30)	(10)	(2)	(25)	(10)	(2)	-	1,281	
Income from operations	Operating Margin	12.9%	203	8	5	30	10	2	25	18	-	2	303	19.1% Operating Margin
Other income (expense), net			40	-	-	-	-	(4)	-	-	(54)	(4)	(22)	
Income before taxes			243	8	5	30	10	(2)	25	18	(54)	(2)	281	
Provision for taxes	Tax rate (incl. Valuation Allowance)	5%	11	-	-	-	-	-	-	-	-	-	42	19% Tax rate (incl. Valuation Allowance)
Net income	Net Margin	14.7%	\$ 232	\$ 8	\$ 5	\$ 30	\$ 10	\$ (2)	\$ 25	\$ 18	\$ (54)	\$ (2)	\$ (42)	14.4% Net Margin

Net income per share - Basic and Diluted:

Basic	\$ 0.67	\$ 0.02	\$ 0.01	\$ 0.09	\$ 0.03	\$ (0.01)	\$ 0.07	\$ 0.05	\$ (0.16)	\$ (0.01)	\$ (0.10)	\$ 0.66
Diluted	\$ 0.66	\$ 0.02	\$ 0.01	\$ 0.09	\$ 0.03	\$ (0.01)	\$ 0.07	\$ 0.05	\$ (0.15)	\$ (0.01)	\$ (0.11)	\$ 0.65

Weighted average shares used in computing net income per share:

Basic	346	346	346	346	346	346	346	346	346	346	346	346
Diluted	352	352	352	352	352	352	352	352	352	352	352	352

AGILENT TECHNOLOGIES, INC  
RECONCILIATION FROM GAAP TO NON-GAAP

TWELVE MONTHS ENDED October 31, 2010  
(Unaudited)

		Non-GAAP Adjustments															
			Restructuring and Other Related Costs - FY 2009 Plan	Asset Impairments	Intangible Amortization	Transformational Restructuring	Litigation Settlement	Business Divestitures	Varian Acquisition & Integration Costs	Varian Acquisition Related Fair Value Adjustments	Acceleration of Share-Based Compensation Expense Related to Workforce Reduction	Tax Sharing Settlement	Other	Adjustment for Taxes	Non-GAAP		
(In millions, except per share amounts)																	
Orders	Change Year Over Year	28%	\$ 5,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,744	28% Change Year Over Year
Net revenue	Change Year Over Year	21%	\$ 5,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19	\$ -	\$ -	\$ -	\$ -	\$ 5,463	22% Change Year Over Year
Costs and expenses:																	
Cost of products and services	Gross Margin	53.8%	2,514	(8)	(5)	(49)	(15)	-	-	(1)	(32)	-	-	(1)	2,403	56.0% Gross Margin	
Research and development	As a % of Revenue	11.2%	612	(3)	-	-	(7)	-	-	-	-	-	-	(1)	601	11.0% As a % of Revenue	
Selling, general and administrative	As a % of Revenue	32.2%	1,752	(53)	(14)	(28)	(17)	-	(13)	(101)	-	(1)	-	(2)	1,523	27.8% As a % of Revenue	
Total costs and expenses			4,878	(64)	(19)	(77)	(39)	-	(13)	(102)	(32)	(1)	-	(4)	-	4,527	
Income from operations	Operating Margin	10.4%	566	64	19	77	39	-	13	102	51	1	-	4	936	17.1% Operating Margin	
Other income (expense), net			126	-	-	-	-	(8)	(129)	-	-	-	(54)	1	(64)		
Income before taxes			692	64	19	77	39	(8)	(116)	102	51	1	(54)	5	872		
Provision for taxes	Tax rate (incl. Valuation Allowance)	10%	68	-	-	-	-	-	-	-	-	-	-	-	98	166	Tax rate (incl. Valuation Allowance)
Net income	Net Margin	11.5%	\$ 624	\$ 64	\$ 19	\$ 77	\$ 39	\$ (8)	\$ (116)	\$ 102	\$ 51	\$ 1	\$ (54)	\$ 5	\$ (98)	\$ 706	12.9% Net Margin

Net income per share - Basic and Diluted:

Basic	\$ 1.80	\$ 0.18	\$ 0.05	\$ 0.22	\$ 0.11	\$ (0.02)	\$ (0.33)	\$ 0.29	\$ 0.15	\$ -	\$ (0.16)	\$ 0.01	\$ (0.27)	\$ 2.03
Diluted	\$ 1.77	\$ 0.18	\$ 0.05	\$ 0.22	\$ 0.11	\$ (0.02)	\$ (0.33)	\$ 0.29	\$ 0.14	\$ -	\$ (0.15)	\$ 0.01	\$ (0.27)	\$ 2.00

Weighted average shares used in computing net income per share:

Basic	347	347	347	347	347	347	347	347	347	347	347	347	347	347	347
Diluted	353	353	353	353	353	353	353	353	353	353	353	353	353	353	353

**AGILENT TECHNOLOGIES, INC.**  
**RECONCILIATION OF ROIC**  
(In millions)  
(Unaudited)  
**PRELIMINARY**

	LSG Q4'10	CAG Q4'10	EMG Q4'10	Agilent Q4'10	LSG Q4'09	CAG Q4'09	EMG Q4'09	Agilent Q4'09	LSG Q3'10	CAG Q3'10	EMG Q3'10
<b>Numerator:</b>											
Non-GAAP income (loss) from operations	\$ 62	\$ 86	\$ 153	\$ 303	\$ 47	\$ 62	\$ 40	\$ 150	\$ 56	\$ 69	\$ 127
Less:											
Taxes and Other (income)/expense	10	17	27	57	8	13	3	26	11	14	24
Segment return	52	69	126	246 <sup>(a)</sup>	39	49	37	124 <sup>(a)</sup>	45	55	103
Segment return annualized	\$ 208	\$ 276	\$ 504	\$ 984	\$ 156	\$ 196	\$ 148	\$ 496	\$ 181	\$ 220	\$ 412
<b>Denominator:</b>											
Segment assets <sup>(b)</sup>	\$ 1,564	\$ 1,635	\$ 2,245	\$ 5,442	\$ 1,019	\$ 463	\$ 2,084	\$ 3,566	\$ 1,493	\$ 1,592	\$ 2,191
Less:											
Net current liabilities <sup>(c)</sup>	327	262	660	1,250	206	137	578	927	290	239	576
Invested capital	\$ 1,237	\$ 1,373	\$ 1,585	\$ 4,192	\$ 813	\$ 326	\$ 1,506	\$ 2,639	\$ 1,203	\$ 1,353	\$ 1,615
Average invested capital	\$ 1,220	\$ 1,363	\$ 1,600	\$ 4,182	\$ 815	\$ 332	\$ 1,538	\$ 2,683	\$ 1,244	\$ 1,306	\$ 1,645
ROIC	17%	20%	32%	24%	19%	59%	10%	18%	15%	17%	25%

Historical amounts are reclassified to conform with current period presentation

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

<sup>(a)</sup> Agilent return is equal to non-GAAP net income from operations of \$228 million plus net interest expense after tax of \$18 million for Q4'10, and \$111 million plus net interest expense after tax of \$13 million for Q4'09. Please see "Non-GAAP Net Income and Diluted EPS Reconciliations" for a reconciliation of non-GAAP net income from operations to GAAP income (loss) from operations.

<sup>(b)</sup> Segment assets consist of inventory, accounts receivable, property plant and equipment, gross goodwill and other intangibles, deferred taxes and allocated corporate assets.

<sup>(c)</sup> Includes accounts payable, employee compensation and benefits, deferred revenue, other accrued liabilities and allocated corporate liabilities.

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, 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 ROIC is estimated based on our current information.

**AGILENT TECHNOLOGIES, INC.  
LIFE SCIENCES INFORMATION**

**(Unaudited)**

<b>(In millions)</b>	<b>FY 2010</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 336	\$ 331	\$ 391	\$ 468	\$ 1,526
Net revenue	\$ 340	\$ 334	\$ 374	\$ 431	\$ 1,479
Gross margin	54.4%	55.0%	53.8%	51.2%	53.5%
Income from operations	\$ 55	\$ 48	\$ 56	\$ 62	\$ 221
	<b>FY 2009</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 307	\$ 287	\$ 288	\$ 352	\$ 1,234
Net revenue	\$ 309	\$ 298	\$ 293	\$ 319	\$ 1,219
Gross margin	54.5%	54.7%	53.2%	54.4%	54.2%
Income from operations	\$ 44	\$ 44	\$ 39	\$ 47	\$ 174

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, the acquisition of Varian, Inc., and the sale of our businesses.

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.

Historical amounts have been reclassified to conform with current period presentation.

**AGILENT TECHNOLOGIES, INC.**  
**CHEMICAL ANALYSIS INFORMATION**

(Unaudited)

<b>(In millions)</b>	<b>FY 2010</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 242	\$ 231	\$ 350	\$ 401	\$ 1,224
Net revenue	\$ 244	\$ 238	\$ 329	\$ 389	\$ 1,200
Gross margin	55.1%	54.5%	52.7%	52.5%	53.5%
Income from operations	\$ 67	\$ 57	\$ 69	\$ 86	\$ 279
	<b>FY 2009</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 216	\$ 194	\$ 205	\$ 238	\$ 853
Net revenue	\$ 216	\$ 200	\$ 203	\$ 225	\$ 844
Gross margin	55.1%	53.3%	53.8%	55.1%	54.4%
Income from operations	\$ 57	\$ 45	\$ 52	\$ 62	\$ 216

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, the acquisition of Varian, Inc., and the sale of our businesses.

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.

Historical amounts have been reclassified to conform with current period presentation.

**AGILENT TECHNOLOGIES, INC.**  
**ELECTRONIC MEASUREMENT INFORMATION**

(Unaudited)

<b>(In millions)</b>	<b>FY 2010</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 642	\$ 784	\$ 750	\$ 818	\$ 2,994
Net revenue	\$ 629	\$ 699	\$ 692	\$ 764	\$ 2,784
Gross margin	57.3%	58.8%	58.8%	58.7%	58.4%
Income from operations	\$ 58	\$ 100	\$ 127	\$ 153	\$ 438
	<b>FY 2009</b>				
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Total</b>
Orders	\$ 592	\$ 545	\$ 578	\$ 684	\$ 2,399
Net revenue	\$ 641	\$ 593	\$ 561	\$ 623	\$ 2,418
Gross margin	53.9%	50.4%	53.1%	56.5%	53.5%
Income (loss) from operations	\$ (6)	\$ (22)	\$ (11)	\$ 40	\$ 1

Income (loss) 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 (loss) from operations of our reporting segments exclude, among other things, charges related to the amortization of intangibles, the impact of restructuring charges, the acquisition of Varian, Inc., and the sale of our businesses.

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.

Historical amounts have been reclassified to conform with current period presentation.

**AGILENT TECHNOLOGIES, INC.**  
**NET CASH**  
(In millions)  
(Unaudited)  
**PRELIMINARY**

	<u>Q4'10</u>	<u>Q4'09</u>
Cash and cash equivalents	\$ 2,649	\$ 2,479
Restricted cash and cash equivalents	1,550	1,566
Investments - debt securities	-	36
Short-term debt	(1,501)	-
Long-term debt	-	(1,516)
Senior notes, par value	(2,100)	(1,350)
<b>Total Net Cash</b>	<b>\$ 598</b>	<b>\$ 1,215</b>

The preliminary reconciliation of net cash is estimated based on our current information.

Management believes this metric provides useful information to investors about the Company's overall liquidity and financial position. Net Cash is a measure at a point in time and does not reflect the Company's future financial prospects or liquidity.