

Agilent Technologies, Inc.
Financial Information Index of Schedules

| | |
|-------------------------------------------------------------------------------------------------------------------------------|------|
| Financial Statements: | Page |
| Condensed Consolidated Statement of Operations - Three Months Ended April 30, 2016 and 2015 | 1 |
| Condensed Consolidated Statement of Operations - Six Months Ended April 30, 2016 and 2015 | 2 |
| Condensed Consolidated Statement of Comprehensive Income - Three and Six Months Ended April 30, 2016 and 2015 | 3 |
| Condensed Consolidated Balance Sheet as of April 30, 2016 and October 31, 2015 | 4 |
| Condensed Consolidated Cash Flows - Three and Six Months Ended April 30, 2016 | 5 |
| Supplemental Data: | |
| Life Sciences and Applied Markets Group (LSAG) Segment Results | 6 |
| Diagnostics and Genomics Group (DGG) Segment Results | 7 |
| Agilent CrossLab Group (ACG) Segment Results | 8 |
| Non-GAAP Operating Results - Trend | 9 |
| Revenue by Region | 10 |
| Reconciliations: | |
| QTD Statement of Operations - GAAP to Non-GAAP | 11 |
| YTD Statement of Operations - GAAP to Non-GAAP | 12 |
| Adjusted non-GAAP operating income and operating margin | 13 |
| Net Income & EPS - Trend | 14 |
| Core Revenue by Segment | 15 |
| Core Revenue by Region | 16 |
| Trend Core Revenue Growth | 17 |
| Net Cash | 18 |
| Fiscal Periods | |
| Q2 '15 - Three Months ended April 30, 2015 | |
| Q3 '15 - Three Months ended July 31, 2015 | |
| Q4 '15 - Three Months ended October 31, 2015 | |
| Q1 '16 - Three Months ended January 31, 2016 | |
| Q2 '16 - Three Months ended April 30, 2016 | |

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

| | Three Months Ended April 30, | | Percent Inc/(Dec) |
|-----------------------------------------------------------------|---------------------------------|----------------------|--------------------------|
| | 2016 | 2015 (As Revised) | |
| Net revenue | \$ 1,019 | \$ 963 | 6% |
| Costs and expenses: | | | |
| Cost of products and services | 489 | 483 | 1% |
| Research and development | 81 | 81 | — |
| Selling, general and administrative | 318 | 292 | 9% |
| Total costs and expenses | <u>888</u> | <u>856</u> | 4% |
| Income from operations | 131 | 107 | 22% |
| Interest income | 3 | 2 | 50% |
| Interest expense | (18) | (17) | 6% |
| Other income (expense), net | <u>1</u> | <u>4</u> | (75%) |
| Income from continuing operations before taxes | 117 | 96 | 22% |
| Provision for income taxes | <u>26</u> | <u>4</u> | — |
| Income from continuing operations | 91 | 92 | (1%) |
| Loss from discontinued operations, net of tax | <u>-</u> | <u>(5)</u> | — |
| Net income | <u>\$ 91</u> | <u>\$ 87</u> | 5% |
| Net income per share - Basic: | | | |
| Income from continuing operations | \$ 0.28 | \$ 0.28 | |
| Loss from discontinued operations | <u>\$ -</u> | <u>\$ (0.02)</u> | |
| Net income per share - Basic | <u>\$ 0.28</u> | <u>\$ 0.26</u> | |
| Net income per share - Diluted: | | | |
| Income from continuing operations | \$ 0.28 | \$ 0.27 | |
| Loss from discontinued operations | <u>\$ -</u> | <u>\$ (0.01)</u> | |
| Net income per share - Diluted | <u>\$ 0.28</u> | <u>\$ 0.26</u> | |
| Weighted average shares used in computing net income per share: | | | |
| Basic | 326 | 334 | |
| Diluted | 328 | 337 | |
| Cash dividends declared per common share | \$ 0.115 | \$ 0.100 | |

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

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

| | Six Months Ended April 30, | | Percent Inc/(Dec) |
|-----------------------------------------------------------------|-------------------------------|----------------------|--------------------------|
| | 2016 | 2015 (As Revised) | |
| Net revenue | \$ 2,047 | \$ 1,989 | 3% |
| Costs and expenses: | | | |
| Cost of products and services | 980 | 996 | (2%) |
| Research and development | 159 | 169 | (6%) |
| Selling, general and administrative | 622 | 602 | 3% |
| Total costs and expenses | <u>1,761</u> | <u>1,767</u> | — |
| Income from operations | 286 | 222 | 29% |
| Interest income | 5 | 4 | 25% |
| Interest expense | (36) | (33) | 9% |
| Other income (expense), net | <u>4</u> | <u>16</u> | (75%) |
| Income from continuing operations before taxes | 259 | 209 | 24% |
| Provision for income taxes | <u>45</u> | <u>24</u> | 88% |
| Income from continuing operations | 214 | 185 | 16% |
| Loss from discontinued operations, net of tax | <u>-</u> | <u>(35)</u> | — |
| Net income | <u>\$ 214</u> | <u>\$ 150</u> | 43% |
| Net income per share - Basic: | | | |
| Income from continuing operations | \$ 0.65 | \$ 0.55 | |
| Loss from discontinued operations | \$ - | \$ (0.10) | |
| Net income per share - Basic | <u>\$ 0.65</u> | <u>\$ 0.45</u> | |
| Net income per share - Diluted: | | | |
| Income from continuing operations | \$ 0.65 | \$ 0.55 | |
| Loss from discontinued operations | \$ - | \$ (0.10) | |
| Net income per share - Diluted | <u>\$ 0.65</u> | <u>\$ 0.45</u> | |
| Weighted average shares used in computing net income per share: | | | |
| Basic | 327 | 335 | |
| Diluted | 330 | 337 | |
| Cash dividends declared per common share | \$ 0.230 | \$ 0.200 | |

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

AGILENT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)
PRELIMINARY

| | Three Months Ended | | Six Months Ended | |
|----------------------------------------------------------------------|--------------------|--------------|------------------|--------------|
| | April 30, | | April 30, | |
| | 2016 | 2015 | 2016 | 2015 |
| | | (As Revised) | | (As Revised) |
| Net income | \$ 91 | \$ 87 | \$ 214 | \$ 150 |
| Other comprehensive income (loss), net of tax: | | | | |
| Unrealized gain (loss) on derivative instruments | (9) | (1) | (6) | 6 |
| Amounts reclassified into earnings related to derivative instruments | - | (5) | (1) | (8) |
| Foreign currency translation | 145 | (6) | 89 | (271) |
| Net defined benefit pension cost and post retirement plan costs: | | | | |
| Change in actuarial net loss | 6 | 6 | 21 | 10 |
| Change in net prior service benefit | (3) | (3) | (11) | (5) |
| Other comprehensive income (loss) | 139 | (9) | 92 | (268) |
| Total comprehensive income (loss) | \$ 230 | \$ 78 | \$ 306 | \$ (118) |

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

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

| | <u>April 30, 2016</u> | <u>October 31, 2015</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 2,139 | \$ 2,003 |
| Short-term restricted cash and cash equivalents | — | 242 |
| Accounts receivable, net | 602 | 606 |
| Inventory | 555 | 541 |
| Other current assets | 192 | 294 |
| Total current assets | 3,488 | 3,686 |
| Property, plant and equipment, net | 610 | 604 |
| Goodwill | 2,556 | 2,366 |
| Other intangible assets, net | 490 | 445 |
| Long-term investments | 157 | 86 |
| Other assets | 339 | 292 |
| Total assets | \$ 7,640 | \$ 7,479 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 220 | \$ 279 |
| Employee compensation and benefits | 211 | 221 |
| Deferred revenue | 279 | 258 |
| Short-term debt | 235 | — |
| Other accrued liabilities | 188 | 218 |
| Total current liabilities | 1,133 | 976 |
| Long-term debt | 1,654 | 1,655 |
| Retirement and post-retirement benefits | 242 | 264 |
| Other long-term liabilities | 446 | 414 |
| Total liabilities | 3,475 | 3,309 |
| 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; 612 million shares at April 30, 2016 and 611 million shares at October 31, 2015, issued | 6 | 6 |
| Treasury stock at cost; 287 million shares at April 30, 2016 and 279 million shares at October 31, 2015 | (10,368) | (10,074) |
| Additional paid-in-capital | 9,103 | 9,045 |
| Retained earnings | 5,720 | 5,581 |
| Accumulated other comprehensive loss | (299) | (391) |
| Total stockholders' equity | 4,162 | 4,167 |
| Non-controlling interest | 3 | 3 |
| Total equity | 4,165 | 4,170 |
| Total liabilities and equity | \$ 7,640 | \$ 7,479 |

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

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

| | Three Months Ended April 30, 2016 | Six Months Ended April 30, 2016 |
|---------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|
| | \$ | \$ |
| Cash flows from operating activities: | | |
| Net income | 91 | 214 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 64 | 130 |
| Share-based compensation | 13 | 36 |
| Excess tax benefit from share-based plans | 2 | — |
| Excess and obsolete inventory related charges | 8 | 12 |
| Other non-cash expenses, net | 6 | 8 |
| Changes in assets and liabilities: | | |
| Accounts receivable | 34 | 19 |
| Inventory | — | (13) |
| Accounts payable | (35) | (53) |
| Employee compensation and benefits | 34 | (13) |
| Other assets and liabilities | 39 | 20 |
| Net cash provided by operating activities ^(a) | 256 | 360 |
| Cash flows from investing activities: | | |
| Investments in property, plant and equipment | (25) | (63) |
| Proceeds from sale of investment securities | — | 1 |
| Payment to acquire Lasergen investment | (80) | (80) |
| Loan to equity method investment | (3) | (3) |
| Change in restricted cash and cash equivalents, net | — | 245 |
| Payment in exchange for convertible loan | — | (1) |
| Acquisition of businesses and intangible assets, net of cash acquired | — | (235) |
| Net cash used in investing activities | (108) | (136) |
| Cash flows from financing activities: | | |
| Issuance of common stock under employee stock plans | 8 | 32 |
| Treasury stock repurchases | (94) | (294) |
| Payment of dividends | (37) | (75) |
| Proceeds from revolving credit facility | 155 | 255 |
| Repayment of revolving credit facility | — | (20) |
| Excess tax benefit from share-based plans | (2) | — |
| Net cash provided by (used in) financing activities | 30 | (102) |
| Effect of exchange rate movements | 30 | 14 |
| Net increase in cash and cash equivalents | 208 | 136 |
| Cash and cash equivalents at beginning of period | 1,931 | 2,003 |
| Cash and cash equivalents at end of period | \$ 2,139 | \$ 2,139 |
| ^(a) Cash payments included in operating activities: | | |
| Severance payments | 1 | 3 |
| Income tax payments (refunds), net | (16) | 21 |

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)

| | 2016 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 526 | \$ 495 | | | \$ 1,021 |
| Gross margin % | 58.7% | 58.5% | | | 58.6% |
| Income from operations | \$ 114 | \$ 94 | | | \$ 208 |
| Operating margin % | 21.7% | 19.0% | | | 20.4% |

| | 2015 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 547 | \$ 473 | \$ 511 | \$ 515 | \$ 2,046 |
| Gross margin % | 56.1% | 56.1% | 55.6% | 56.9% | 56.2% |
| Income from operations | \$ 107 | \$ 75 | \$ 95 | \$ 103 | \$ 380 |
| Operating margin % | 19.6% | 15.8% | 18.7% | 20.0% | 18.6% |

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, pension curtailment gain, transformational initiatives, acquisition and integration costs 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)

| | 2016 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 158 | \$ 178 | | | \$ 336 |
| Gross margin % | 52.7% | 54.1% | | | 53.4% |
| Income from operations | \$ 15 | \$ 27 | | | \$ 42 |
| Operating margin % | 9.6% | 15.0% | | | 12.5% |

| | 2015 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 148 | \$ 169 | \$ 167 | \$ 178 | \$ 662 |
| Gross margin % | 48.9% | 54.8% | 57.0% | 56.0% | 54.4% |
| Income from operations | \$ 1 | \$ 25 | \$ 28 | \$ 34 | \$ 88 |
| Operating margin % | 0.5% | 15.0% | 16.8% | 19.2% | 13.3% |

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, pension curtailment gain, transformational initiatives and acquisition and integration 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.
AGILENT CROSSLAB SEGMENT
(Unaudited)
PRELIMINARY

(In millions, except margins data)

| | 2016 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 344 | \$ 346 | | | \$ 690 |
| Gross margin % | 50.1% | 49.3% | | | 49.7% |
| Income from operations | \$ 76 | \$ 74 | | | \$ 150 |
| Operating margin % | 22.1% | 21.5% | | | 21.8% |

| | 2015 | | | | |
|------------------------|-------------|-----------|-----------|-----------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| Net revenue | \$ 331 | \$ 321 | \$ 336 | \$ 342 | \$ 1,330 |
| Gross margin % | 50.1% | 49.6% | 48.5% | 50.3% | 49.6% |
| Income from operations | \$ 68 | \$ 69 | \$ 76 | \$ 86 | \$ 299 |
| Operating margin % | 20.7% | 21.5% | 22.6% | 25.1% | 22.5% |

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, pension curtailment gain, transformational initiatives and acquisition and integration 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.
Non-GAAP Operating Results Q1FY15 - Q2FY16
(Unaudited)

| M\$ | | | | | Preliminary | | Y/Y | |
|------------------------------------------|---------|----------|---------|---------|-------------|---------|----------|---------|
| | Q1'15 | Q2'15 | Q3'15 | Q4'15 | Q1'16 | Q2'16 | | |
| Net Revenue | 1,026 | 963 | 1,014 | 1,035 | 1,028 | 1,019 | | 6% |
| Gross Profit % | 53.1% | 53.8% | 53.5% | 54.6% | 54.9% | 54.6% | 0.8 ppt | |
| R&D | 82 | 80 | 77 | 77 | 80 | 80 | | 0% |
| % Revenue | 8.0% | 8.3% | 7.6% | 7.4% | 7.8% | 7.9% | -0.4 ppt | |
| SG&A | 286 | 269 | 266 | 265 | 280 | 281 | | 4% |
| % Revenue | 27.9% | 27.9% | 26.2% | 25.6% | 27.2% | 27.6% | -0.3 ppt | |
| Operating Profit | 176 | 169 | 199 | 223 | 205 | 195 | | 15% |
| Operating Margin | 17.2% | 17.6% | 19.7% | 21.5% | 20.0% | 19.1% | 1.5 ppt | |
| Other Income/ (Expense) | (2) | (8) | (15) | (13) | (14) | (14) | | 75% |
| Pre-Tax Earnings | 174 | 161 | 184 | 210 | 191 | 181 | | 12% |
| Income Tax | | Tax Rate | | | | | | |
| | 20% | 20% | 20% | 20% | 20% | 20% | 0 ppt | |
| Income Tax | 35 | 32 | 37 | 42 | 38 | 36 | | 13% |
| Income from continuing operations | 139 | 129 | 147 | 168 | 153 | 145 | | 12% |
| Net Margin | 13.5% | 13.4% | 14.5% | 16.2% | 14.9% | 14.2% | 0.8 ppt | |
| Regular Headcount | 11,700 | 11,600 | 11,600 | 11,800 | 12,100 | 12,200 | | 600 |
| Non-GAAP EPS | \$ 0.41 | \$ 0.38 | \$ 0.44 | \$ 0.50 | \$ 0.46 | \$ 0.44 | | \$ 0.06 |

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 the amortization of intangibles, pension curtailment gain, transformational initiatives, acquisition and integration costs and business exit and divestiture costs.

Asset impairments and write-downs 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, small site consolidations, 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 the post-separation resizing of the IT infrastructure and streamlining of IT systems as well as the expenses incurred primarily in fiscal year 2015 to effect the Agile Agilent reengineering.

Acquisition and integration costs include all incremental expenses incurred to effect a business combination. Such acquisition costs may include advisory, legal, accounting, valuation, and other professional or consulting fees. Such integration costs may include expenses directly related to integration of business and facility operations, information technology systems and infrastructure and other employee-related costs.

Business exit and divestiture costs include costs associated with the exit of the NMR business and the divestiture of the XRD

Pension curtailment gain resulted from certain retirement plans benefit reductions.

Other includes certain legal costs and settlements 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.
REVENUE BY REGION
(in millions)
(Unaudited)
PRELIMINARY

| | Q2'15 | Q3'15 | Q4'15 | Q1'16 | Q2'16 | Q2'16 Year Over Year Percent Inc/(Dec) |
|----------------|---------------|-----------------|-----------------|-----------------|-----------------|-------------------------------------------------|
| GAAP | | | | | | |
| Americas | \$ 344 | \$ 363 | \$ 383 | \$ 347 | \$ 352 | 2% |
| Europe | 298 | 304 | 315 | 331 | 297 | — |
| Asia Pacific | 321 | 347 | 337 | 350 | 370 | 15% |
| Revenue | \$ 963 | \$ 1,014 | \$ 1,035 | \$ 1,028 | \$ 1,019 | 6% |

Management believes that this measure provides useful information to investors by reflecting an additional way of viewing aspects of Agilent's operations that, when reconciled to the corresponding GAAP measures, help our investors to better identify underlying growth trends in our business and facilitate easier comparisons of our revenue performance with prior and future periods and to our peers.

The preliminary reconciliation of revenue by region is based on our current information.

AGILENT TECHNOLOGIES, INC.
RECONCILIATION FROM GAAP TO NON-GAAP

THREE MONTHS ENDED APRIL 30, 2016
(Unaudited)
PRELIMINARY

NON-GAAP ADJUSTMENTS

(in millions, except per share amounts)

| | | | GAAP | Intangible Amortization | Transformational Initiatives | Acquisition & Integration Costs | Business Exit and Divestiture Costs | Other | Adjustment for Taxes | Non-GAAP | |
|------------------------------------------------|-----------------------|-------|----------|----------------------------|---------------------------------|---------------------------------------|----------------------------------------------|-------|-------------------------|----------|--------------------------|
| Net Revenue | Change Year Over Year | 6% | \$ 1,019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,019 | 6% Change Year Over Year |
| Costs and expenses: | | | | | | | | | | | |
| Cost of products and services | Gross Margin | 52.0% | 489 | (24) | - | - | (2) | - | - | 463 | 54.6% Gross Margin |
| Research and development | As a % of Revenue | 7.9% | 81 | - | (1) | (1) | - | 1 | - | 80 | 7.9% As a % of Revenue |
| Selling, general and administrative | As a % of Revenue | 31.2% | 318 | (16) | (9) | (11) | 1 | (2) | - | 281 | 27.6% As a % of Revenue |
| Total costs and expenses | | | 888 | (40) | (10) | (12) | (1) | (1) | - | 824 | |
| Income from operations | Operating Margin | 12.9% | 131 | 40 | 10 | 12 | 1 | 1 | - | 195 | 19.1% Operating Margin |
| Other income(expense), net | | | (14) | - | - | - | - | - | - | (14) | |
| Income from continuing operations before taxes | | | 117 | 40 | 10 | 12 | 1 | 1 | - | 181 | |
| Provision for income taxes | Tax Rate | 22.2% | 26 | - | - | - | - | - | 10 | 36 | 20% Tax Rate |
| Income (loss) from continuing operations | Net Margin | 8.9% | \$ 91 | \$ 40 | \$ 10 | \$ 12 | \$ 1 | \$ 1 | \$ (10) | \$ 145 | 14.2% Net Margin |

Income (loss) from continuing operations per share - Basic and Diluted:

| | | | | | | | | |
|---------|---------|---------|---------|---------|------|------|-----------|---------|
| Basic | \$ 0.28 | \$ 0.12 | \$ 0.03 | \$ 0.04 | \$ - | \$ - | \$ (0.03) | \$ 0.44 |
| Diluted | \$ 0.28 | \$ 0.12 | \$ 0.03 | \$ 0.04 | \$ - | \$ - | \$ (0.03) | \$ 0.44 |

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

| | | | | | | | | |
|---------|-----|-----|-----|-----|-----|-----|-----|-----|
| Basic | 326 | 326 | 326 | 326 | 326 | 326 | 326 | 326 |
| Diluted | 328 | 328 | 328 | 328 | 328 | 328 | 328 | 328 |

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

AGILENT TECHNOLOGIES, INC.
RECONCILIATION FROM GAAP TO NON-GAAP

SIX MONTHS ENDED APRIL 30, 2016
(Unaudited)
PRELIMINARY

NON-GAAP ADJUSTMENTS

(in millions, except per share amounts)

| | | | GAAP | Intangible Amortization | Transformational Initiatives | Acquisition & Integration Costs | Pension Curtailment | Business Exit and Divestiture Costs | Other | Adjustment for Taxes | Non-GAAP | |
|------------------------------------------------|-----------------------|-------|----------|----------------------------|---------------------------------|---------------------------------------|------------------------|----------------------------------------------|-------|-------------------------|----------|--------------------------|
| Net Revenue | Change Year Over Year | 3% | \$ 2,047 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,047 | 3% Change Year Over Year |
| Costs and expenses: | | | | | | | | | | | | |
| Cost of products and services | Gross Margin | 52.1% | 980 | (51) | - | - | 5 | (6) | (2) | - | 926 | 54.8% Gross Margin |
| Research and development | As a % of Revenue | 7.8% | 159 | - | (2) | (1) | 3 | - | 1 | - | 160 | 7.8% As a % of Revenue |
| Selling, general and administrative | As a % of Revenue | 30.4% | 622 | (32) | (19) | (16) | 8 | - | (2) | - | 561 | 27.4% As a % of Revenue |
| Total costs and expenses | | | 1,761 | (83) | (21) | (17) | 16 | (6) | (3) | - | 1,647 | |
| Income from operations | Operating Margin | 14.0% | 286 | 83 | 21 | 17 | (16) | 6 | 3 | - | 400 | 19.5% Operating Margin |
| Other income(expense), net | | | (27) | - | - | - | - | (1) | - | - | (28) | |
| Income from continuing operations before taxes | | | 259 | 83 | 21 | 17 | (16) | 5 | 3 | - | 372 | |
| Provision for income taxes | Tax Rate | 17% | 45 | - | - | - | - | - | - | 29 | 74 | 20% Tax Rate |
| Income (loss) from continuing operations | Net Margin | 10.5% | \$ 214 | \$ 83 | \$ 21 | \$ 17 | \$ (16) | \$ 5 | \$ 3 | \$ (29) | \$ 298 | 14.6% Net Margin |

Income from continuing operations per share - Basic and Diluted:

| | | | | | | | | | |
|---------|---------|---------|---------|---------|-----------|---------|---------|-----------|---------|
| Basic | \$ 0.65 | \$ 0.25 | \$ 0.06 | \$ 0.05 | \$ (0.05) | \$ 0.02 | \$ 0.01 | \$ (0.08) | \$ 0.91 |
| Diluted | \$ 0.65 | \$ 0.25 | \$ 0.06 | \$ 0.05 | \$ (0.05) | \$ 0.02 | \$ 0.01 | \$ (0.09) | \$ 0.90 |

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

| | | | | | | | | | |
|---------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Basic | 327 | 327 | 327 | 327 | 327 | 327 | 327 | 327 | 327 |
| Diluted | 330 | 330 | 330 | 330 | 330 | 330 | 330 | 330 | 330 |

The preliminary reconciliation from GAAP to Non-GAAP net income 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**

| | Q2 2016 | Operating Margin % |
|---------------------------------------------------------|-----------------|-------------------------------|
| Revenue: | \$ 1,019 | |
| Income from operations: | | |
| GAAP Income from operations | \$ 131 | 12.9% |
| Add: | | |
| Intangible amortization | 40 | |
| Transformational initiatives | 10 | |
| Acquisition and integration costs | 12 | |
| Business exit and divestiture costs | 1 | |
| Other | 1 | |
| Non-GAAP income from operations | \$ 195 | 19.1% |
| Reimbursement from Keysight for services ^(a) | 3 | |
| Adjusted non-GAAP income from operations | \$ 198 | 19.4% |

(a) Post separation, Agilent is providing Keysight Technologies, Inc. certain site services. These site services are included in our operating expenses. The amounts billed to Keysight for these services are recorded in other income.

We provide non-GAAP income from operations 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 the amortization of intangibles, transformational initiatives, acquisition and integration costs 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 INCOME FROM CONTINUING OPERATIONS AND DILUTED EPS RECONCILIATIONS
(In millions, except per share amounts)
(Unaudited)
PRELIMINARY

| | Q2 2015 | | Q3 2015 | | Q4 2015 | | Q1 2016 | | Q2 2016 | |
|---------------------------------------------------------------------------------|-----------------------------------|-------------|-----------------------------------|-------------|-----------------------------------|-------------|-----------------------------------|-------------|-----------------------------------|-------------|
| | Income from continuing operations | Diluted EPS | Income from continuing operations | Diluted EPS | Income from continuing operations | Diluted EPS | Income from continuing operations | Diluted EPS | Income from continuing operations | Diluted EPS |
| | (As Revised) | | (As Revised) | | (As Revised) | | | | (As Revised) | |
| GAAP Income from continuing operations | \$ 92 | \$ 0.27 | \$ 113 | \$ 0.34 | \$ 140 | \$ 0.42 | \$ 123 | \$ 0.37 | \$ 91 | \$ 0.28 |
| Non-GAAP adjustments: | | | | | | | | | | |
| Asset impairments and write-downs | — | — | — | — | 3 | 0.01 | — | — | — | — |
| Acceleration of share-based compensation expense related to workforce reduction | 1 | — | — | — | — | — | — | — | — | — |
| Intangible amortization | 38 | 0.11 | 38 | 0.11 | 37 | 0.11 | 43 | 0.13 | 40 | 0.12 |
| Transformational initiatives | 17 | 0.05 | 12 | 0.04 | 15 | 0.05 | 11 | 0.03 | 10 | 0.03 |
| Acquisition and integration costs | 1 | — | 4 | 0.01 | 7 | 0.02 | 5 | 0.02 | 12 | 0.04 |
| Business exit and divestiture costs | 10 | 0.03 | — | — | 1 | — | 4 | 0.01 | 1 | — |
| Pension curtailment gain | — | — | — | — | — | — | (16) | (0.05) | — | — |
| Other | (2) | (0.01) | 2 | 0.01 | 4 | 0.01 | 2 | 0.01 | 1 | — |
| Adjustment for taxes ^(a) | (28) | (0.07) | (22) | (0.07) | (39) | (0.12) | (19) | (0.06) | (10) | (0.03) |
| Non-GAAP Income from continuing operations | \$ 129 | \$ 0.38 | \$ 147 | \$ 0.44 | \$ 168 | \$ 0.50 | \$ 153 | \$ 0.46 | \$ 145 | \$ 0.44 |

^(a) The adjustment for taxes excludes tax benefits that management believes are not directly related to ongoing operations and which are either isolated or cannot be expected to occur again with any regularity or predictability. For both FY 2016 and FY 2015, management uses a non-GAAP effective tax rate of 20%, respectively, that we believe to be indicative of on-going operations.

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 the amortization of intangibles, pension curtailment gain, transformational initiatives, asset impairments, acquisition and integration costs and business exit and divestiture costs.

Asset impairments and write-downs 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, small site consolidations, 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 the post-separation resizing of the IT infrastructure and streamlining of IT systems as well as the expenses incurred primarily in fiscal year 2015 to effect the Agile Agilent reengineering.

Acquisition and integration costs include all incremental expenses incurred to effect a business combination. Such acquisition costs may include advisory, legal, accounting, valuation, and other professional or consulting fees. Such integration costs may include expenses directly related to integration of business and facility operations, information technology systems and infrastructure and other employee-related costs.

Business exit and divestiture costs include costs associated with the exit of the NMR business and the divestiture of the XRD business.

Pension curtailment gain resulted from certain retirement plans benefit reductions.

Other includes certain legal costs and settlements 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 THE NMR BUSINESS,
ACQUISITIONS, DIVESTITURES AND THE IMPACT OF CURRENCY ADJUSTMENTS (CORE)
(in millions)
(Unaudited)
PRELIMINARY

| | Year-over-Year | | | | | | | |
|-----------------------------------------------------------------------|-----------------|---------------|-------|----------------------------|-------------------------|----------------------------------|---------------|----------------------------|
| GAAP Revenue by Segment | GAAP | | | Year-over-Year % Change | Currency Adjustments | Currency-Adjusted ^(a) | | |
| | Q2'16 | Q2'15 | Q2'15 | | | Q2'16 | Q2'15 | Year-over-Year % Change |
| Life Sciences and Applied Markets Group | \$ 495 | \$ 473 | | 5% | | | | |
| Diagnostics and Genomics Group | 178 | 169 | | 5% | | | | |
| Agilent CrossLab Group | 346 | 321 | | 8% | | | | |
| Agilent | <u>\$ 1,019</u> | <u>\$ 963</u> | | 6% | | | | |
| | Non-GAAP | | | Year-over-Year % Change | Currency Adjustments | Currency-Adjusted ^(a) | | |
| Non GAAP Revenue by Segment | Q2'16 | Q2'15 | Q2'15 | | | Q2'16 | Q2'15 | Year-over-Year % Change |
| Life Sciences and Applied Markets Group excluding acquisition and NMR | \$ 484 | \$ 453 | | 7% | \$ (6) | \$ 490 | \$ 453 | 8% |
| Diagnostics and Genomics Group excluding acquisition | 177 | 169 | | 4% | (1) | 178 | 169 | 5% |
| Agilent CrossLab Group | 346 | 321 | | 8% | (6) | 352 | 321 | 10% |
| Agilent Revenue (Core) | <u>\$ 1,007</u> | <u>\$ 943</u> | | 7% | <u>\$ (13)</u> | <u>\$ 1,020</u> | <u>\$ 943</u> | 8% |

^(a) We compare the year-over-year change in revenue excluding the effect of the NMR business, recent acquisitions and divestitures and foreign currency rate fluctuations to assess the performance of our underlying business. To determine the impact of currency fluctuations, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rate in effect during the respective prior periods.

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

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

| <u>GAAP Revenue by Region</u> | Year-over-Year | | | | | | | |
|-------------------------------|----------------|--------|----------------------------|--|--|--|--|--|
| | GAAP | | | | | | | |
| | Q2'16 | Q2'15 | Year-over-Year % Change | | | | | |
| Revenue | \$ 1,019 | \$ 963 | 6% | | | | | |
| Americas | 352 | 344 | 2% | | | | | |
| Europe | 297 | 298 | — | | | | | |
| Japan | 61 | 60 | 3% | | | | | |
| Asia Pacific, excluding Japan | 309 | 261 | 18% | | | | | |
| Total Revenue | \$ 1,019 | \$ 963 | 6% | | | | | |
| Asia Pacific | \$ 370 | \$ 321 | 15% | | | | | |

| <u>Non-GAAP Revenue by Region</u> | Non-GAAP | | | Currency Adjustments | Currency-Adjusted ^(a) | | |
|-----------------------------------|----------------|--------|----------|-------------------------|----------------------------------|--------|----------------------------|
| | Year-over-Year | | | | | | |
| | Q2'16 | Q2'15 | % Change | Q2'16 | Q2'16 | Q2'15 | Year-over-Year % Change |
| Revenue | \$ 1,007 | \$ 943 | 7% | \$ (13) | \$ 1,020 | \$ 943 | 8% |
| Americas | 344 | 335 | 3% | (4) | 348 | 335 | 4% |
| Europe | 295 | 293 | — | (4) | 299 | 293 | 2% |
| Japan | 61 | 60 | 3% | 1 | 60 | 60 | — |
| Asia Pacific, excluding Japan | 307 | 255 | 20% | (6) | 313 | 255 | 23% |
| Total Revenue (CORE) | \$ 1,007 | \$ 943 | 7% | \$ (13) | \$ 1,020 | \$ 943 | 8% |
| Asia Pacific | \$ 368 | \$ 315 | 17% | \$ (5) | \$ 373 | \$ 315 | 18% |

^(a) We compare the year-over-year change in revenue excluding the effect of the NMR business, recent acquisitions and divestitures and foreign currency rate fluctuations to assess the performance of our underlying business. To determine the impact of currency fluctuations, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rate in effect during the respective prior periods.

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

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

| | Three Months Ended Jan. 31, | | | Three Months Ended April 30, | | | Three Months Ended July 31, | | | Three Months Ended October 31, | | | Year Ended October 31, | | |
|-------------------------------------------------------------|-----------------------------|----------|----------|------------------------------|--------|----------|-----------------------------|------|----------|--------------------------------|------|----------|------------------------|------|----------|
| | 2016 | 2015 | % Growth | 2016 | 2015 | % Growth | 2016 | 2015 | % Growth | 2016 | 2015 | % Growth | 2016 | 2015 | % Growth |
| GAAP Revenue | \$ 1,028 | \$ 1,026 | 0% | \$ 1,019 | \$ 963 | 6% | | | | | | | | | |
| Less: Revenue related to NMR, Acquisitions and Divestitures | (14) | (24) | | (12) | (20) | | | | | | | | | | |
| Non-GAAP Revenue | \$ 1,014 | \$ 1,002 | | \$ 1,007 | \$ 943 | | \$ - | \$ - | | \$ - | \$ - | | \$ - | \$ - | |
| Less: Currency adjustment ^(a) | (53) | - | | (13) | - | | | | | | | | | | |
| Agilent Core Revenue | \$ 1,067 | \$ 1,002 | 6% | \$ 1,020 | \$ 943 | 8% | \$ - | \$ - | | \$ - | \$ - | | \$ - | \$ - | |

| | Three Months Ended Jan. 31, | | | Three Months Ended April 30, | | | Three Months Ended July 31, | | | Three Months Ended October 31, | | | Year Ended October 31, | | |
|-------------------------------------------------------------|-----------------------------|----------|----------|------------------------------|--------|----------|-----------------------------|----------|----------|--------------------------------|----------|----------|------------------------|----------|----------|
| | 2015 | 2014 | % Growth | 2015 | 2014 | % Growth | 2015 | 2014 | % Growth | 2015 | 2014 | % Growth | 2015 | 2014 | % Growth |
| GAAP Revenue | \$ 1,026 | \$ 1,008 | 2% | \$ 963 | \$ 988 | (3%) | \$ 1,014 | \$ 1,009 | 1% | \$ 1,035 | \$ 1,043 | (1%) | \$ 4,038 | \$ 4,048 | 0% |
| Less: Revenue related to NMR, Acquisitions and Divestitures | (24) | (22) | | (20) | (24) | | (9) | (22) | | (8) | (15) | | (61) | (83) | |
| Non-GAAP Revenue | \$ 1,002 | \$ 986 | | \$ 943 | \$ 964 | | \$ 1,005 | \$ 987 | | \$ 1,027 | \$ 1,028 | | \$ 3,977 | \$ 3,965 | |
| Less: Currency adjustment ^(a) | (39) | - | | (68) | - | | (71) | - | | (66) | - | | (244) | - | |
| Agilent Core Revenue | \$ 1,041 | \$ 986 | 6% | \$ 1,011 | \$ 964 | 5% | \$ 1,076 | \$ 987 | 9% | \$ 1,093 | \$ 1,028 | 6% | \$ 4,221 | \$ 3,965 | 6.4% |

^(a) We compare the year-over-year change in revenue excluding the effect of the NMR business, recent acquisitions and divestitures and foreign currency rate fluctuations to assess the performance of our underlying business. To determine the impact of currency fluctuations, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rate in effect during the respective prior periods.

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

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

| | <u>Q2'16</u> | <u>Q2'15</u> | <u>Q1'16</u> |
|----------------------------|---------------|---------------|---------------|
| Cash and cash equivalents | \$ 2,139 | \$ 2,197 | \$ 1,931 |
| Short-term debt, par value | (235) | - | (80) |
| Senior notes, par value | (1,600) | (1,600) | (1,600) |
| Other debt | (39) | (38) | (37) |
| Total Net Cash | <u>\$ 265</u> | <u>\$ 559</u> | <u>\$ 214</u> |

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.