

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 14, 2019

**AGILENT TECHNOLOGIES, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-15405**  
(Commission  
File Number)

**77-0518772**  
(IRS Employer  
Identification No.)

**5301 Stevens Creek Boulevard, Santa Clara, CA**  
(Address of principal executive offices)

**95051**  
(Zip Code)

Registrant's telephone number, including area code **(408) 345-8886**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Securities registered pursuant to Section 12(b) of the Act:**

TITLE OF EACH CLASS	TRADING SYMBOL(S)	NAME OF EACH EXCHANGE ON WHICH REGISTERED
COMMON STOCK, \$0.01 PAR VALUE	A	NEW YORK STOCK EXCHANGE

---

---

---

**Item 2.02. Results of Operations and Financial Condition.**

The information in this Item 2.02 of Form 8-K and Exhibit 99.1 attached hereto is furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

On May 14, 2019, Agilent Technologies, Inc. (the “Company”) issued its press release announcing financial results for the second fiscal quarter ended April 30, 2019. A copy of this press release is attached as Exhibit 99.1.

The Company provides non-GAAP financial information in order to provide meaningful supplemental information regarding its operational performance and to enhance its investors’ overall understanding of its core current financial performance and its prospects for the future. The Company believes that its investors benefit from seeing its results “through the eyes” of management in addition to the GAAP presentation. Management measures segment and enterprise performance using measures such as those that are disclosed in this release. This information facilitates management’s internal comparisons to the Company’s historical operating results and comparisons to competitors’ operating results. Non-GAAP information allows for greater transparency to supplemental information used by management in its financial and operations decision making. Historically, the Company has reported similar non-GAAP information to its investors and believe that the inclusion of comparative numbers provides consistency in its financial reporting.

This information is not in accordance with, or an alternative for, generally accepted accounting principles in the United States. It excludes items, such as restructuring and amortization, that may have a material effect on the Company’s expenses and earnings per share calculated in accordance with GAAP. Management monitors these items to ensure that expenses are in line with expectations and that the Company’s GAAP results are correctly stated but does not use them to measure the ongoing operating performance of the Company. The non-GAAP information the Company provides may be different from the non-GAAP information provided by other companies.

Additional explanation of non-GAAP information is provided in Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

The following is furnished as an exhibit to this report and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended:

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">99.1</a>	Press release announcing financial results for the second fiscal quarter ended April 30, 2019

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AGILENT TECHNOLOGIES, INC.

By: /s/ P. Diana Chiu  
Name: P. Diana Chiu  
Title: Vice President, Assistant General Counsel  
and Assistant Secretary

Date: May 14, 2019

## Agilent Technologies Reports Second Quarter Fiscal Year 2019 Financial Results

### Highlights:

- Revenue of \$1.24 billion represents 3 percent reported growth and 4 percent core revenue<sup>(1)</sup> growth
- GAAP net income of \$182 million and EPS of \$0.57
- Non-GAAP net income of \$228 million or \$0.71 per share<sup>(2)</sup>, up 9 percent year-over-year
- Full-year revenue outlook revised to \$5.085 billion to \$5.125 billion, with non-GAAP earnings guidance for the year maintained at \$3.03 to \$3.07 per share<sup>(3)</sup>

**SANTA CLARA, Calif., May 14, 2019** - Agilent Technologies, Inc. (NYSE: A) today reported revenue of \$1.24 billion for the second quarter ended April 30, 2019, up 3 percent year-over-year (up 4 percent on a core basis<sup>(1)</sup>).

On a GAAP basis, second-quarter net income was \$182 million or \$0.57 per share. This compares with \$205 million and \$0.63 per share in the second quarter of 2018. Non-GAAP net income<sup>(2)</sup> was \$228 million or \$0.71 per share during the quarter, compared with \$212 million and \$0.65 per share during the second quarter a year ago.

“While overall revenues were below our expectations, the story of our second quarter results is one where we demonstrated the resilience of Agilent’s business model,” said Mike McMullen, Agilent president and CEO. “Two of our three business units continued to deliver strong growth while the third was affected by soft market conditions. We generated EPS of \$0.71, representing 9 percent growth, which was at the midpoint of our guidance.”

### Financial Highlights

#### *Life Sciences and Applied Markets Group*

Second-quarter revenue of \$529 million from Agilent’s Life Sciences and Applied Markets Group (LSAG) was down 1 percent year over year (down 1 percent on a core basis<sup>(1)</sup>). Demand in the environmental and forensics markets was strong, offset by weakness in the pharma and food markets. LSAG’s operating margin for the quarter was 20.3 percent.

#### *Agilent CrossLab Group*

Second-quarter revenue of \$455 million from the Agilent CrossLab Group (ACG) grew 7 percent year over year (up 9 percent on a core basis<sup>(1)</sup>). Growth was broad-based across all regions, led by China. ACG’s operating margin for the quarter was 25.2 percent.

#### *Diagnostics and Genomics Group*

Second-quarter revenue of \$254 million from Agilent’s Diagnostics and Genomics Group (DGG) grew 5 percent year over year (up 6 percent on a core basis<sup>(1)</sup>). Strength in the company’s pathology-related businesses and NASD led the group’s results. DGG’s operating margin for the quarter was 19.3 percent.

### Third-Quarter and Full-Year Outlook

Agilent expects third-quarter 2019 revenue in the range of \$1.225 billion to \$1.245 billion. Third-quarter 2019 non-GAAP earnings are expected to be in the range of \$0.71 to \$0.73 per share<sup>(3)</sup>.

For fiscal year 2019, the company is revising its full-year revenue guidance to a range of \$5.085 billion to \$5.125 billion while maintaining non-GAAP earnings guidance in the range of \$3.03 to \$3.07 per share<sup>(3)</sup>.

### Conference Call

Agilent’s management will present more details about its second-quarter fiscal year 2019 financial results on a conference call with investors today at 1:30 p.m. (Pacific Time). This event will be webcast live in listen-only

mode. Listeners may log on at [www.investor.agilent.com](http://www.investor.agilent.com) and select “Q2 2019 Agilent Technologies Inc. Earnings Conference Call” in the “News & Events - Calendar of Events” section. The webcast will remain available on the company’s website for 90 days.

Additional information regarding financial results can be found at [www.investor.agilent.com](http://www.investor.agilent.com) by selecting “Financial Results” in the “Financial Information” section.

A telephone replay of the conference call will be available at approximately 4:30 p.m. (Pacific Time) after the call on May 14 and through May 21 by dialing (855) 859-2056 (or (404) 537-3406 from outside the United States) and entering passcode 3086626.

### **About Agilent Technologies**

Agilent Technologies Inc. (NYSE: A) is a global leader in life sciences, diagnostics and applied chemical markets. With more than 50 years of insight and innovation, Agilent instruments, software, services, solutions and people provide trusted answers to customers' most challenging questions. The company generated revenues of \$4.91 billion in fiscal 2018 and employs 15,550 people worldwide. Information about Agilent is available at [www.agilent.com](http://www.agilent.com). To receive the latest Agilent news, subscribe to the Agilent [Newsroom](#). Follow Agilent on [LinkedIn](#), [Twitter](#), and [Facebook](#).

### **Forward-Looking Statements**

This news release contains forward-looking statements as defined in the Securities Exchange Act of 1934 and is subject to the safe harbors created therein. The forward-looking statements contained herein include, but are not limited to, information regarding Agilent’s revenue and non-GAAP earnings guidance for the third quarter and full fiscal year 2019 and future amortization of intangibles. These forward-looking statements involve risks and uncertainties that could cause Agilent’s results to differ materially from management’s current expectations. Such risks and uncertainties include, but are not limited to, unforeseen changes in the strength of its customers’ businesses; unforeseen changes in the demand for current and new products, technologies, and services; unforeseen changes in the currency markets; customer purchasing decisions and timing, and the risk that Agilent is not able to realize the savings expected from integration and restructuring activities. In addition, other risks that Agilent faces in running its operations include the ability to execute successfully through business cycles; 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 its cost-cutting initiatives will impair its ability to develop products and remain competitive and to operate effectively; the impact of geopolitical uncertainties and global economic conditions on its operations, its markets and its ability to conduct business; the ability to improve asset performance to adapt to changes in demand; the ability of its supply chain to adapt to changes in demand; the ability to successfully introduce new products at the right time, price and mix; the ability of Agilent to successfully integrate recent acquisitions; the ability of Agilent to successfully comply with certain complex regulations; and other risks detailed in Agilent’s filings with the Securities and Exchange Commission, including its quarterly report on Form 10-Q for the quarter ended January 31, 2019. Forward-looking statements are based on the beliefs and assumptions of Agilent’s management and on currently available information. Agilent undertakes no responsibility to publicly update or revise any forward-looking statement.

(1) Core revenue growth excludes the impact of currency and acquisitions and divestitures within the past 12 months. Core revenue is a non-GAAP measure. A reconciliation between Q2 FY19 GAAP revenue and core revenue is set forth on page 6 of the attached tables along with additional information regarding the use of this non-GAAP measure. Core revenue growth rate as projected for Q3 FY19 and full fiscal year 2019 excludes the impact of currency and acquisitions and divestitures within the past 12 months. Most of the excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy and could differ materially. Therefore, no reconciliation to GAAP amounts has been provided for the projection.

(2) Non-GAAP net income and non-GAAP earnings per share primarily exclude the impacts of non-cash intangibles amortization, transformational initiatives, acquisition and integration costs, pension settlement gain, Nucleic Acid Solutions Division (“NASD”) site costs and special compliance costs. Agilent also excludes any tax benefits or expenses that are not directly related to ongoing operations and which are either isolated or are not

expected to occur again with any regularity or predictability including the impact of the 2017 Tax Act. A reconciliation between non-GAAP net income and GAAP net income is set forth on page 4 of the attached tables along with additional information regarding the use of this non-GAAP measure.

(3) Non-GAAP earnings per share as projected for Q3 FY19 and full fiscal year 2019 excludes primarily the impacts of non-cash intangibles amortization, transformational initiatives, acquisition and integration costs, pension settlement gain, Nucleic Acid Solutions Division (“NASD”) site costs and special compliance costs. Agilent also excludes any tax benefits or expenses that are not directly related to ongoing operations and which are either isolated or are not expected to occur again with any regularity or predictability. Most of these excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy and could differ materially. Therefore, no reconciliation to GAAP amounts has been provided. Future amortization of intangibles is expected to be approximately \$26 million per quarter.

#####

NOTE TO EDITORS: Further technology, corporate citizenship and executive news is available on the Agilent news site at [www.agilent.com/go/news](http://www.agilent.com/go/news).

INVESTOR CONTACT:

Ankur Dhingra  
+1 408-345-8948  
[ankur\\_dhingra@agilent.com](mailto:ankur_dhingra@agilent.com)

MEDIA CONTACT:

Tom Beermann  
+1 408-553-2914  
[tom.beermann@agilent.com](mailto:tom.beermann@agilent.com)

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

	Three Months Ended		Six Months Ended	
	April 30		April 30	
	2019	2018 <sup>(a)</sup>	2019	2018 <sup>(a)</sup>
Net revenue	\$ 1,238	\$ 1,206	\$ 2,522	\$ 2,417
Costs and expenses:				
Cost of products and services	569	563	1,146	1,104
Research and development	99	92	201	186
Selling, general and administrative	354	341	709	688
Total costs and expenses	<u>1,022</u>	<u>996</u>	<u>2,056</u>	<u>1,978</u>
Income from operations	216	210	466	439
Interest income	10	10	20	19
Interest expense	(17)	(19)	(35)	(39)
Other income (expense), net	9	26	15	41
Income before taxes	218	227	466	460
Provision for (benefit from) income taxes	36	22	(220)	575
Net income (loss)	<u>\$ 182</u>	<u>\$ 205</u>	<u>\$ 686</u>	<u>\$ (115)</u>
Net income (loss) per share:				
Basic	\$ 0.57	\$ 0.64	\$ 2.16	\$ (0.36)
Diluted	\$ 0.57	\$ 0.63	\$ 2.13	\$ (0.36)
Weighted average shares used in computing net income (loss) per share:				
Basic	317	322	318	323
Diluted	321	326	322	323

<sup>(a)</sup> Adjusted to include the impact of the adoption of ASU 2017-07 (pension expense reclassification) as of 11/1/2018. There is no impact to net income (loss) or net income (loss) per share.

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

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

	April 30, 2019	October 31, 2018
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,155	\$ 2,247
Accounts receivable, net	819	776
Inventory	657	638
Other current assets	181	187
Total current assets	3,812	3,848
Property, plant and equipment, net	827	822
Goodwill and other intangible assets, net	3,650	3,464
Long-term investments	96	68
Other assets	637	339
Total assets	\$ 9,022	\$ 8,541
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 314	\$ 340
Employee compensation and benefits	292	304
Deferred revenue	347	324
Other accrued liabilities	165	203
Total current liabilities	1,118	1,171
Long-term debt	1,798	1,799
Retirement and post-retirement benefits	229	239
Other long-term liabilities	752	761
Total liabilities	3,897	3,970
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; 317 million shares at April 30, 2019 and 318 million shares at October 31, 2018, issued	3	3
Treasury stock at cost; 9 thousand shares at April 30, 2019 and zero shares at October 31, 2018	(1)	—
Additional paid-in-capital	5,343	5,308
Retained earnings (accumulated deficit)	178	(336)
Accumulated other comprehensive loss	(398)	(408)
Total stockholders' equity	5,125	4,567
Non-controlling interest	—	4
Total equity	5,125	4,571
Total liabilities and equity	\$ 9,022	\$ 8,541

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



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

	Six Months Ended	
	April 30,	
	2019	2018
Cash flows from operating activities:		
Net income (loss)	\$ 686	\$ (115)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	107	101
Share-based compensation	40	43
Excess and obsolete inventory related charges	7	17
Other non-cash expenses, net	2	2
Changes in assets and liabilities:		
Accounts receivable, net	(17)	(21)
Inventory	(21)	(34)
Accounts payable	(8)	(14)
Employee compensation and benefits	(13)	(7)
Change in assets and liabilities due to Tax Act	—	533
Other assets and liabilities	(318)	13
Net cash provided by operating activities (a)	465	518
Cash flows from investing activities:		
Investments in property, plant and equipment	(78)	(108)
Payment to acquire fair value investments	(18)	(1)
Payment in exchange for convertible note	(2)	(2)
Acquisition of businesses and intangible assets, net of cash acquired	(248)	(7)
Net cash used in investing activities	(346)	(118)
Cash flows from financing activities:		
Issuance of common stock under employee stock plans	33	36
Payment of taxes related to net share settlement of equity awards	(14)	(29)
Payment of dividends	(104)	(96)
Proceeds from revolving credit facility	—	356
Repayment of debt and revolving credit facility	—	(251)
Purchase of non-controlling interest	(4)	—
Treasury stock repurchases	(125)	(93)
Net cash used in financing activities	(214)	(77)
Effect of exchange rate movements	2	9
Net increase (decrease) in cash, cash equivalents and restricted cash	(93)	332
Cash, cash equivalents and restricted cash at beginning of period	2,254	2,686
Cash, cash equivalents and restricted cash at end of period	\$ 2,161	\$ 3,018
Reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheet:		
Cash and cash equivalents	\$ 2,155	\$ 3,011
Restricted cash, included in other assets	\$ 6	\$ 7
Total cash, cash equivalents and restricted cash	\$ 2,161	\$ 3,018

(a) Cash payments included in operating activities:

Income tax payments (refunds), net	\$	104	\$	48
Interest payments	\$	36	\$	43

The preliminary cash flow is estimated based on our current information.

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

	Three Months Ended				Six Months Ended			
	April 30				April 30			
	2019	Diluted EPS	2018	Diluted EPS	2019	Diluted EPS	2018	Diluted EPS
GAAP net income (loss)	\$ 182	\$ 0.57	\$ 205	\$ 0.63	\$ 686	\$ 2.13	\$ (115)	\$ (0.36) <sup>(b)</sup>
Non-GAAP adjustments:								
Intangible amortization	26	0.08	25	0.08	54	0.17	50	0.15
Business exit and divestiture costs	—	—	8	0.02	—	—	8	0.02
Transformational initiatives	9	0.03	5	0.02	14	0.04	9	0.03
Acquisition and integration costs	10	0.03	4	0.01	20	0.06	7	0.02
Pension settlement gain	—	—	—	—	—	—	(5)	(0.02)
NASD site costs	4	0.01	2	0.01	6	0.02	4	0.01
Special compliance costs	1	—	1	—	1	—	2	0.01
Other	5	0.02	(14)	(0.04)	6	0.02	(13)	(0.04)
Adjustment for Tax Reform	—	—	—	—	—	—	533	1.63
Tax benefit on intra-entity asset transfer	—	—	—	—	(299)	(0.93)	—	—
Adjustment for taxes <sup>(a)</sup>	(9)	(0.03)	(24)	(0.08)	(16)	(0.04)	(52)	(0.14)
Non-GAAP net income	<u>\$ 228</u>	<u>\$ 0.71</u>	<u>\$ 212</u>	<u>\$ 0.65</u>	<u>\$ 472</u>	<u>\$ 1.47</u>	<u>\$ 428</u>	<u>\$ 1.31</u> <sup>(c)</sup>

(a) The adjustment for taxes excludes tax benefits that management believes are not directly related to on-going operations and which are either isolated or cannot be expected to occur again with any regularity or predictability. For the three months ended April 30, 2019, management used a non-GAAP effective tax rate of 16.48%. For the six months ended April 30, 2019, management used a non-GAAP effective tax rate of 16.75%. In the same periods last year, management used a non-GAAP effective tax rate of 18%.

(b) GAAP diluted net loss per share was computed using 323 million weighted average diluted shares which excludes from consideration the anti-dilutive effects of all potential common shares outstanding.

(c) Non-GAAP diluted net income per share was computed using 326 million weighted average diluted shares which includes the dilutive effects of potential common shares outstanding.

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 amortization of intangibles, business exit and divestiture costs, transformational initiatives, acquisition and integration costs, pension settlement gain, NASD site costs, special compliance costs, adjustment for Tax Reform, and tax benefit on intra-entity asset transfer.

**Business exit and divestiture costs** include costs associated with business divestitures.

**Transformational initiatives** include expenses associated with targeted cost reduction activities such as manufacturing transfers including costs to move manufacturing due to new tariffs and tariff remediation actions, small site consolidations, legal entity and other business reorganizations, insourcing or outsourcing of activities. Such costs may include move and relocation costs, one-time termination benefits and other one-time reorganization costs. Included in this category are also expenses associated with company programs to transform our product lifecycle management (PLM) system, human resources and financial systems.

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

**Pension settlement gain** resulted from transfer of the substitutional portion of our Japanese pension plan to the government.

**NASD site costs** include all the costs related to the expansion of our manufacturing of nucleic acid active pharmaceutical ingredients incurred prior to the commencement of commercial manufacturing.

**Special compliance costs** include costs associated with transforming our processes to implement new regulations such as the EU's General Data Protection Regulation (GDPR), revenue recognition and certain tax reporting requirements.

**Other** includes certain legal costs and settlements in addition to other miscellaneous adjustments.

**Adjustment for Tax Reform** primarily consists of an estimated provision of \$480 million for U.S. transition tax and correlative items on deemed repatriated earnings of non-U.S. subsidiaries and an estimated provision of \$53 million associated with the decrease in the U.S. corporate tax rate from 35% to 21% and its impact on our U.S. deferred tax assets and liabilities. The taxes payable associated with the transition tax, net of tax attributes, on deemed repatriation of foreign earnings is approximately \$440 million, payable over 8 years.

**Tax benefit on intra-entity asset transfer** relates to our operations in Singapore along with our application of the new accounting rules for income tax consequences of intra-entity transfer of assets as adopted on November 1, 2018.

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.**  
**SEGMENT INFORMATION**  
(In millions, except where noted)  
(Unaudited)  
**PRELIMINARY**

**Life Sciences and Applied Markets Group**

	<b>Q2'19</b>	<b>Q2'18</b>
Revenues	\$ 529	\$ 537
Gross Margin, %	60.6%	59.7%
Income from Operations	\$ 107	\$ 113
Operating margin, %	20.3%	21.0%

**Diagnostics and Genomics Group**

	<b>Q2'19</b>	<b>Q2'18</b>
Revenues	\$ 254	\$ 243
Gross Margin, %	54.8%	54.8%
Income from Operations	\$ 49	\$ 48
Operating margin, %	19.3%	19.9%

**Agilent CrossLab Group**

	<b>Q2'19</b>	<b>Q2'18</b>
Revenues	\$ 455	\$ 426
Gross Margin, %	51.3%	50.0%
Income from Operations	\$ 115	\$ 96
Operating margin, %	25.2%	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 amortization of intangibles, business exit and divestiture costs, transformational initiatives, acquisition and integration costs, pension settlement gain, NASD site costs, and special compliance 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.**  
**RECONCILIATION OF REVENUE BY SEGMENT EXCLUDING**  
**ACQUISITIONS, DIVESTITURES AND THE IMPACT OF CURRENCY ADJUSTMENTS (CORE)**  
(In millions)  
(Unaudited)  
**PRELIMINARY**

<b>GAAP Revenue by Segment</b>	<b>Year-over-Year</b>			
	<b>GAAP</b>			<b>Year-over-Year % Change</b>
	<b>Q2'19</b>	<b>Q2'18</b>		
Life Sciences and Applied Markets Group	\$ 529	\$ 537		(1)%
Diagnostics and Genomics Group	254	243		5%
Agilent CrossLab Group	455	426		7%
<b>Agilent</b>	<b>\$ 1,238</b>	<b>\$ 1,206</b>		<b>3%</b>

<b>Non-GAAP Revenue by Segment</b>	<b>Non-GAAP (excluding Acquisitions and Divestitures)</b>			<b>Year-over-Year at Constant Currency <sup>(a)</sup></b>		<b>Current Quarter Currency Impact <sup>(b)</sup></b>
	<b>Q2'19</b>	<b>Q2'18</b>	<b>Year-over-Year % Change</b>	<b>Year-over-Year % Change</b>	<b>Percentage Point Impact from Currency</b>	
	Life Sciences and Applied Markets Group	\$ 519	\$ 537	(3)%	(1)%	
Diagnostics and Genomics Group	248	243	2%	6%	-4 ppts	(8)
Agilent CrossLab Group	448	426	5%	9%	-4 ppts	(18)
<b>Agilent (Core)</b>	<b>\$ 1,215</b>	<b>\$ 1,206</b>	<b>1%</b>	<b>4%</b>	<b>-3 ppts</b>	<b>\$ (38)</b>

We compare the year-over-year change in revenue excluding the effect of recent acquisitions and divestitures and foreign currency rate fluctuations to assess the performance of our underlying business.

<sup>(a)</sup> The constant currency year-over-year growth percentage is calculated by recalculating all periods in the comparison period at the foreign currency exchange rates used for accounting during the last month of the current quarter, and then using those revised values to calculate the year-over-year percentage change.

<sup>(b)</sup> The dollar impact from the current quarter currency impact is equal to the total year-over-year dollar change less the constant currency year-over-year change.

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