

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

	Three Months Ended April 30,		Six Months Ended April 30,	
	2022	2021	2022	2021
Net revenue	\$ 1,607	\$ 1,525	\$ 3,281	\$ 3,073
Costs and expenses:				
Cost of products and services	746	708	1,510	1,418
Research and development	115	109	232	212
Selling, general and administrative	386	420	803	827
Total costs and expenses	<u>1,247</u>	<u>1,237</u>	<u>2,545</u>	<u>2,457</u>
Income from operations	360	288	736	616
Interest income	1	1	2	1
Interest expense	(21)	(20)	(42)	(39)
Other income (expense), net	<u>(7)</u>	<u>4</u>	<u>(44)</u>	<u>7</u>
Income before taxes	333	273	652	585
Provision for income taxes	59	57	95	81
Net income	<u>\$ 274</u>	<u>\$ 216</u>	<u>\$ 557</u>	<u>\$ 504</u>
Net income per share:				
Basic	\$ 0.92	\$ 0.71	\$ 1.86	\$ 1.65
Diluted	\$ 0.91	\$ 0.70	\$ 1.84	\$ 1.64
Weighted average shares used in computing net income per share:				
Basic	299	304	300	305
Diluted	301	307	302	308

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**

	<b>April 30, 2022</b>	<b>October 31, 2021</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,186	\$ 1,484
Short-term investments	21	91
Accounts receivable, net	1,237	1,172
Inventory	937	830
Other current assets	262	222
Total current assets	3,643	3,799
Property, plant and equipment, net	1,010	945
Goodwill and other intangible assets, net	4,854	4,956
Long-term investments	190	185
Other assets	758	820
Total assets	\$ 10,455	\$ 10,705
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 503	\$ 446
Employee compensation and benefits	347	493
Deferred revenue	511	441
Short-term debt	175	—
Other accrued liabilities	277	328
Total current liabilities	1,813	1,708
Long-term debt	2,730	2,729
Retirement and post-retirement benefits	187	220
Other long-term liabilities	603	659
Total liabilities	5,333	5,316
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; 299 million shares at April 30, 2022 and 302 million shares at October 31, 2021, issued and outstanding	3	3
Additional paid-in-capital	5,292	5,320
Retained earnings	160	348
Accumulated other comprehensive loss	(333)	(282)
Total stockholders' equity	5,122	5,389
Total liabilities and stockholders' equity	\$ 10,455	\$ 10,705

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, 2022	April 30, 2021
Cash flows from operating activities:		
Net income	\$ 557	\$ 504
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	164	153
Share-based compensation	71	66
Excess and obsolete inventory related charges	10	14
Loss on extinguishment of debt	—	17
Asset impairment charges	—	2
Net loss (gain) on equity securities	62	(15)
Change in fair value of contingent consideration	(25)	—
Other non-cash expenses, net	9	2
Changes in assets and liabilities:		
Accounts receivable, net	(108)	(17)
Inventory	(124)	(80)
Accounts payable	54	51
Employee compensation and benefits	(144)	(3)
Other assets and liabilities	12	16
Net cash provided by operating activities <sup>(a)</sup>	538	710
Cash flows from investing activities:		
Investments in property, plant and equipment	(139)	(72)
Acquisition of businesses and intangible assets, net of cash acquired	(18)	(547)
Payment to acquire equity securities	(3)	(8)
Proceeds from sale of equity securities	6	—
Payment in exchange for convertible note	(1)	(2)
Net cash used in investing activities	(155)	(629)
Cash flows from financing activities:		
Issuance of common stock under employee stock plans	27	26
Payment of taxes related to net share settlement of equity awards	(64)	(73)
Issuance of senior notes	—	848
Debt issuance costs	—	(7)
Payment of dividends	(126)	(118)
Repayment of senior notes	—	(417)
Proceeds from commercial paper	575	1,232
Repayment of commercial paper	(400)	(1,102)
Treasury stock repurchases	(681)	(539)
Net cash used in financing activities	(669)	(150)
Effect of exchange rate movements	(16)	9
Net decrease in cash, cash equivalents and restricted cash	(302)	(60)
Cash, cash equivalents and restricted cash at beginning of period	1,490	1,447
Cash, cash equivalents and restricted cash at end of period	\$ 1,188	\$ 1,387
Reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheet:		
Cash and cash equivalents	\$ 1,186	\$ 1,380
Restricted cash, included in other assets	2	7
Total cash, cash equivalents and restricted cash	\$ 1,188	\$ 1,387

<sup>(a)</sup> Cash payments included in operating activities:

Income tax payments, net	\$ 134	\$ 116
Interest payments	\$ 40	\$ 36

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 April 30,				Six Months Ended April 30,			
	2022	Diluted EPS	2021	Diluted EPS	2022	Diluted EPS	2021	Diluted EPS
GAAP net income	\$ 274	\$ 0.91	\$ 216	\$ 0.70	\$ 557	\$ 1.84	\$ 504	\$ 1.64
Non-GAAP adjustments:								
Asset impairments	—	—	2	0.01	—	—	2	0.01
Intangible amortization	50	0.17	46	0.15	101	0.34	90	0.29
Transformational initiatives	9	0.03	9	0.03	13	0.04	20	0.06
Acquisition and integration costs	8	0.03	13	0.04	15	0.05	22	0.07
Change in fair value of contingent consideration	(28)	(0.09)	—	—	(25)	(0.08)	—	—
Loss on extinguishment of debt	—	—	12	0.04	—	—	17	0.06
Business exit and divestiture costs	7	0.02	3	0.01	7	0.02	4	0.01
Net loss (gain) on equity securities	16	0.05	(11)	(0.04)	61	0.20	(11)	(0.04)
Other	—	—	3	0.01	—	—	6	0.02
Adjustment for taxes <sup>(a)</sup>	4	0.01	6	0.02	(21)	(0.07)	(27)	(0.09)
Non-GAAP net income	<u>\$ 340</u>	<u>\$ 1.13</u>	<u>\$ 299</u>	<u>\$ 0.97</u>	<u>\$ 708</u>	<u>\$ 2.34</u>	<u>\$ 627</u>	<u>\$ 2.03</u>

<sup>(a)</sup> 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, 2022, management used a non-GAAP effective tax rate of 13.92%. For the six months ended April 30, 2022, management used a non-GAAP effective tax rate of 14.00%. For the three and six months ended April 30, 2021, management used a non-GAAP effective tax rate of 14.75%.

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 asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration, loss on extinguishment of debt, business exit and divestiture costs and net loss (gain) on equity securities.

**Asset impairments** 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 including costs to move manufacturing, 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.

**Change in fair value of contingent consideration** represents changes in the fair value estimate of acquisition-related contingent consideration.

**Loss on extinguishment of debt** relates to the net loss recorded on the redemption of the remaining \$300 million of the \$400 million outstanding 3.2% 2022 senior notes due on October 1, 2022, called on March 5, 2021 and settled on April 5, 2021.

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

**Net loss (gain) on equity securities** relates to the realized and unrealized mark-to-market adjustments for our marketable and non-marketable equity securities.

**Other** includes certain legal costs and settlements, special compliance costs and acceleration of share-based compensation expense 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.**  
**SEGMENT INFORMATION**  
(In millions, except where noted)  
(Unaudited)  
**PRELIMINARY**

**Quarter-over-Quarter**

**Life Sciences and Applied Markets Group**

	<u>Q2'22</u>	<u>Q2'21</u>
Revenue	\$ 896	\$ 881
Gross Margin, %	59.0%	59.9%
Income from Operations	\$ 228	\$ 226
Operating margin, %	25.5%	25.7%

**Diagnostics and Genomics Group**

	<u>Q2'22</u>	<u>Q2'21</u>
Revenue	\$ 358	\$ 315
Gross Margin, %	56.0%	53.4%
Income from Operations	\$ 91	\$ 69
Operating margin, %	25.5%	21.9%

**Agilent CrossLab Group**

	<u>Q2'22</u>	<u>Q2'21</u>
Revenue	\$ 353	\$ 329
Gross Margin, %	47.1%	45.3%
Income from Operations	\$ 87	\$ 69
Operating margin, %	24.6%	21.0%

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 asset impairments, amortization of intangibles, transformational initiatives, acquisition and integration costs, change in fair value of contingent consideration 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.**  
**RECONCILIATIONS OF REVENUE BY SEGMENT**  
**EXCLUDING ACQUISITIONS, DIVESTITURES AND THE IMPACT OF CURRENCY ADJUSTMENTS (CORE)**  
(in millions)  
(Unaudited)  
**PRELIMINARY**

	Year-over-Year					
	GAAP					
<u>GAAP Revenue by Segment</u>	Q2'22	Q2'21	Year-over-Year % Change			
Life Sciences and Applied Markets Group	\$ 896	\$ 881	2%			
Diagnostics and Genomics Group	358	315	14%			
Agilent CrossLab Group	353	329	7%			
Agilent	<u>\$ 1,607</u>	<u>\$ 1,525</u>	5%			

  

	Non-GAAP (excluding Acquisitions & Divestitures)			Year-over-Year at Constant Currency <sup>(a)</sup>		Current Quarter Currency Impact <sup>(b)</sup>
<u>Non GAAP Revenue by Segment</u>	Q2'22	Q2'21	Year-over-Year % Change	Year-over-Year % Change	Percentage Point Impact from Currency	Current Quarter Currency Impact <sup>(b)</sup>
Life Sciences and Applied Markets Group	\$ 896	\$ 881	2%	4%	-2 ppts	\$ (16)
Diagnostics and Genomics Group	355	315	13%	15%	-2 ppts	(8)
Agilent CrossLab Group	353	329	7%	10%	-3 ppts	(8)
Agilent (Core)	<u>\$ 1,604</u>	<u>\$ 1,525</u>	5%	7%	-2 ppts	<u>\$ (32)</u>

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.