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**AGILENT TECHNOLOGIES FOUNDATION  
(A CALIFORNIA NON-PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**THREE AND TWELVE MONTHS ENDED OCTOBER 31, 2015**

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**AGILENT TECHNOLOGIES FOUNDATION  
FINANCIAL STATEMENTS  
THREE AND TWELVE MONTHS ENDED OCTOBER 31, 2015**

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of  
Agilent Technologies Foundation  
Santa Clara, CA

Management is responsible for the accompanying financial statements of Agilent Technologies Foundation (a nonprofit organization), which comprise the statement of the financial position as of October 31, 2015, the related statements of activities and cash flows for the three and twelve months then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The supplementary information contained in the Schedules of Grants Authorized is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

*NICHOLS, RICK & COMPANY*

San Jose, CA  
March 29, 2016

**Agilent Technologies Foundation**  
**Statement of Financial Position**  
**October 31, 2015**

ASSETS

Assets:

Cash	\$	29,804
Cash equivalent - Schwab Value Advantage Money Fund		4,474,052
		4,503,856
Grant receivable from Agilent Corporation		-
		4,503,856
Fixed Assets - archive display cases		19,581
Less: accumulated depreciation		(19,581)
		-
Fixed assets, net		-
Collection - Agilent Company Archives		200,000
		200,000
Total assets	\$	4,703,856

LIABILITIES & NET ASSETS

Liabilities:

Current liabilities		
Accounts payable	\$	22,224
Grants payable		930,908
		953,132
Long term liabilities		
Grants payable		126,379
		126,379
Total liabilities		1,079,511
Net Assets:		
Unrestricted net assets		3,624,345
		3,624,345
Total liabilities and net assets	\$	4,703,856

**Agilent Technologies Foundation**  
**Statements of Activities**  
**For the three and twelve months ended October 31, 2015**

	Three Months (8/1/15 to 10/31/15)	Twelve Months (11/1/14 to 10/31/15)
Unrestricted Support and Revenue		
Gain on donation of collection	420,000	420,000
Interest income	\$ 39	\$ 310
Dividend income	640	1,033
Total unrestricted support and revenue	420,679	421,343
 Expenses		
Grants		
Grant payments made	663,875	2,110,970
(Decrease) increase in grants authorized but unpaid	(114,908)	398,089
Total grant expense	548,967	2,509,059
Support services		
Donation of collection	3,546,000	3,546,000
Administrative services	22,224	87,497
Professional services	6,896	22,857
Filing fees	-	160
Total expenses	4,124,087	6,165,573
 Decrease in unrestricted net assets	(3,703,408)	(5,744,230)
 Unrestricted net assets, beginning of the period	7,327,753	9,368,575
 Unrestricted net assets, October 31, 2015	\$ 3,624,345	\$ 3,624,345

**Agilent Technologies Foundation**  
**Statements of Cash Flows**  
**For the three and twelve months ended October 31, 2015**

	Three Months (8/1/15 to 10/31/15)	Twelve Months (11/1/14 to 10/31/15)
Cash flows from operating activities:		
Decrease in net assets	\$ (3,703,408)	\$ (5,744,230)
Adjustments to reconcile decrease in net assets to net cash used by operating activities:		
Depreciation expense		
Collection donation	3,546,000	3,546,000
Gain on donation of collection	(420,000)	(420,000)
Changes in assets & liabilities:		
Increase (decrease) in accounts payable	1,389	(14,780)
(Decrease) increase in grants payable	<u>(114,908)</u>	<u>398,089</u>
Net cash used by operating activities	(690,927)	(2,234,921)
Net cash from investing activities:	-	-
Net cash from financing activities:	<u>-</u>	<u>-</u>
Net decrease in cash	(690,927)	(2,234,921)
Cash and cash equivalents, beginning of the period	5,194,783	6,738,777
Cash and cash equivalents, October 31, 2015	<u>\$ 4,503,856</u>	<u>\$ 4,503,856</u>

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SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

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Cash paid during the period for:

Interest	\$	0	\$	0
Income taxes	\$	0	\$	0

Noncash items:

Cost basis of collection donation	\$	3,126,000	\$	3,126,000
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**AGILENT TECHNOLOGIES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Organization

Agilent Technologies Foundation (“Foundation”), is a non-profit California corporation incorporated in September 1999. The Foundation was formed for the purpose of supporting various philanthropic organizations and activities. Resources for the Foundation’s activities are provided by donations from Agilent Technologies, Inc. and income earned from cash and cash equivalents.

Agilent Technologies, Inc. announced on September 17, 2014 that its board of directors approved the separation of Keysight Technologies, the new name for its electronic measurement subsidiary, from the corporation. The formal separation was completed on November 1, 2014. As a result of this separation, in October 2015, the Foundation’s management donated a significant portion of the collection at an estimated value of \$3,546,000. This donation, and the resulting gain of \$420,000, is reflected on the Statements of Activities.

Basis of Presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The financial statements of the Foundation are prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Contributions

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. In addition, pledges and unconditional promises to give are reported as temporarily restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirements. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Donations

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials, services, equipment, and supplies are reflected as contributions in the accompanying statements at their estimated value at date of notification. The Foundation receives from Agilent Technologies, Inc. the use of facilities, miscellaneous supplies, and some support services at no charge. The value of these items has not been determined. As of October 31, 2015, no material amounts of services meeting the measurement requirements of FASB ASC 958-605-50 were contributed.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

Grants Receivable

When applicable, the Foundation considers all grants receivable to be collectible within the next year.

**AGILENT TECHNOLOGIES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):**

Income Taxes

The Foundation is exempt from Federal income taxes under Internal Revenue Code (“Code”) Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law, and has been determined to be an organization that is a private foundation. As a private foundation, the Code imposes an excise tax of 2% (reduced to 1% if certain conditions are met) on net taxable investment income of the Foundation. The tax years ending from October 2011 through current are still subject to potential examination by the appropriate authorities. Management has determined the implementation of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, did not have a material impact on its financial statements.

Depreciation

Fixed assets, consisting of display cases for the collection, are reported at cost, and depreciated using the straight-line method over the estimated seven year useful life of the asset. The Foundation’s policy is to capitalize expenditures of this nature equal to or in excess of \$1,000. Fixed asset additions as of and through October 31, 2015 totaled \$0, and depreciation expense as of and through October 31, 2015 was \$0.

Fair Value

Management has adopted FASB ASC 820-10, *Fair Value Measurements*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. For cash and cash equivalents, the Association utilized Level 1 inputs, consisting of unadjusted quoted prices in active markets for identical assets and having the highest priority. Level 2 and Level 3 inputs were not utilized. The carrying amounts of accounts and grants payable approximate fair value because of the relative terms and/or short maturity of these financial instruments.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**2. COLLECTION:**

The Foundation has capitalized collections since its inception. The Collection consists of printed materials and equipment detailing the legacy of Agilent Technologies, Inc.’s former parent company, Hewlett-Packard, and more specifically the history of David Packard and William Hewlett. The materials include publications, news clippings, photographs, laboratory notebooks, manuscripts, and other historical records. The Collection is stated at the estimated fair market value at the time of donation, based on an independent appraisal. Gains and losses on the deaccession of donated collection items are classified in the statement of activities based on the absence or existence and nature of donor restrictions placed on the item at the time of donation.



**AGILENT TECHNOLOGIES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2015**

**3. RELATED PARTY TRANSACTIONS and ACCRUED COMPENSATION:**

The Foundation reimburses Agilent Technologies, Inc. for the actual salary cost incurred by individuals performing services for the Foundation plus an additional 31% for benefits and related payroll costs. Agilent Technologies, Inc. employees accrue 15 to 30 days of flexible time off (FTO), depending upon length of service, up to a maximum accrual of 22½ to 45 days. The FTO hours may be used for vacation, sick leave, holidays, family emergencies, religious observances, preventive health or dental care, and personal time. Upon termination, employees are compensated by Agilent Technologies, Inc. for unused FTO hours. Benefited part-time employees receive the FTO benefits on a pro-rated basis.

As of October 31, 2015, the Foundation paid a total of \$102,277 for the reimbursement of services performed by Agilent Technologies, Inc. employees. In addition, as of October 31, 2015, the Foundation owed \$22,224 to Agilent Technologies, Inc. for these services.

**4. GRANTS PAYABLE:**

Grants payable represents all unconditional grants that have been authorized prior to year-end, but remain unpaid as of October 31, 2015. Conditional grants are expensed and considered payable in the period the conditions are substantially met. There were no conditional grants at October 31, 2015. The carrying amounts for current grants payable reported in the statement of financial position approximate fair values as all amounts are due within one year. The carrying amount for long term grants payable, when applicable, is reported at gross, which approximates fair value.

Included in grants payable as of October 31, 2015 was an estimate of \$51,771 for contributions to various non-profit organizations based on pledges received by November 30, 2014 from Agilent Technologies, Inc.'s employees. The provisions of this contribution stipulate the Foundation will match Agilent Technologies, Inc. employees' contributions, up to a maximum of \$5,000 per employee, with a total annual maximum of \$500,000.

Included in grants payable is an estimate of \$505,516 for contributions to various non-profit organizations based on pledges received by October 31, 2015 from Agilent Technologies, Inc.'s employees. The provisions of this contribution stipulate the Foundation will match Agilent Technologies, Inc. employees' contributions, up to a maximum of \$5,000 per employee, with a total annual maximum of \$500,000 for pledges by its North American employees.

**5. CONCENTRATIONS AND CONTINGENCIES:**

At times during the quarter ended October 31, 2015, the Foundation maintained balances in excess of federally insured limits at one financial institution.

The Foundation, during the normal course of operating its business, may be subject to various lawsuits and government audits. Management believes that losses resulting from these matters, if any, would either be covered under the Foundation's insurance policy or are immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of the Foundation.

**6. SUBSEQUENT EVENTS:**

Management has evaluated subsequent events through March 29, 2016, the date on which the financial statements were available to be issued.

**Agilent Technologies Foundation**  
**Schedule of Grants Authorized**  
**October 31, 2015**

**Grants Authorized Summary**

	Total Amount Authorized	Amounts Paid During Fiscal Years Ended:			Amount Authorized Remaining Balance
		10/31/13 & Prior	10/31/14	10/31/15	
<i>Grants Authorized Through October 31, 2014</i>	\$ 41,623,336	\$ 38,806,230	\$ 2,157,908	\$ 659,198	\$ -
<i>Grants Authorized for the twelve months ended October 31, 2015:</i>					
<i>Foreign Charities - Government Entities or Equivalency Determination - page 10</i>	1,116,756	-	-	586,321	530,435
<i>Foreign Charities - Expenditure Responsibility - page 11</i>	16,000	-	-	16,000	-
<i>U.S. Charities - Projects and Employee Match - page 12</i>	1,376,303	-	-	849,451	526,852
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Sub-totals - Grants Authorized for the twelve months ended October 31, 2015:</i>	<u>2,509,059</u>	<u>-</u>	<u>-</u>	<u>1,451,772</u>	<u>1,057,287</u>
<i>Totals - Grants Authorized as of October 31, 2015:</i>	<u>\$ 44,132,395</u>	<u>\$ 38,806,230</u>	<u>\$ 2,157,908</u>	<u>\$ 2,110,970</u>	<u>\$ 1,057,287</u>

**Agilent Technologies Foundation  
Schedule of Grants Authorized  
For the twelve months ended October 31, 2015**

**Foreign Charities - Government Entities or Equivalency Determination**

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
China Science and Technology Museum (CSTM)	CSTM Science education tools development program.	\$ 50,000	\$ 50,000	\$ -
Dairy Association of China	To support the dairy technology lab and training center project.	1,000,000	500,000	500,000
Giving Campaign China	Giving Campaign Employee Match	6,150	6,150	-
Giving Campaign Hong Kong	Giving Campaign Employee Match	183	183	-
Giving Campaign Japan	Giving Campaign Employee Match	7,165	7,165	-
Giving Campaign Taiwan	Giving Campaign Employee Match	7,323	7,323	-
International Art & Technology Cooperation Organization (ArTech)	Implement an environmental education program, called Kids' ISO 14000 for elementary school students in Japan.	6,000	6,000	-
Japan Society of Breast Health	Increase awareness and importance of breast cancer screening	3,500	3,500	-
NPO Goldribbon Network	A scholarship program for childhood cancer survivors that were affected by the Great East Japan Earthquake.	6,000	6,000	-
Giving Campaign China	Giving Campaign Employee Match	6,197	-	6,197
Giving Campaign Hong Kong	Giving Campaign Employee Match	376	-	376
Giving Campaign Japan	Giving Campaign Employee Match	7,819	-	7,819
Giving Campaign Taiwan	Giving Campaign Employee Match	6,589	-	6,589
Giving Campaign Europe	Giving Campaign Employee Match	9,454	-	9,454
		-	-	-
<b>Totals - Foreign Charities - Government Entities or Equivalency Determination - to page 9</b>		<b>\$ 1,116,756</b>	<b>\$ 586,321</b>	<b>\$ 530,435</b>

**Agilent Technologies Foundation**  
**Schedule of Grants Authorized**  
**For the twelve months ended October 31, 2015**  
**Foreign Charities - Expenditure Responsibility**

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Amount Authorized Remaining Balance
Japan Science Foundation	To challenge high school students skills in biology giving them the opportunity to participate in international science competitions.	\$ 16,000	\$ 16,000	\$ -
		<u>-</u>	<u>-</u>	<u>-</u>
<i>Totals - Foreign Charities - Expenditure Responsibility - to page 9</i>		<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ -</u>

**Agilent Technologies Foundation**  
**Schedule of Grants Authorized**  
**For the twelve months ended October 31, 2015**

**United States Charities - Projects and Agilent Corporation Employee Contribution Matching**

Recipient	Purpose	Total Amount Authorized	Total Amount Paid	Authorized Remaining Balance
The JK Group	US & Canada Giving Campaign Employee Match	\$ 394,164	\$ 342,393	\$ 51,771
American Leadership Forum Silicon Valley	To support the general fund.	25,000	25,000	-
American Red Cross	Nepal Earthquake Relief efforts - matching employee donations.	12,975	12,975	-
Association of Women in Science	AWIS leadership in STEM PROGRAM	24,500	24,500	-
Canary Foundation	To support the bike event to raise funds for Cancer Research.	20,000	20,000	-
Children's Discovery Museum of San Jose	To support Cultivating Connections.	250,000	250,000	-
Stanford University	Eight week summer research program for high school students.	10,000	10,000	-
The JK Group	University Match	44,168	44,168	-
The JK Group, Inc.	U.S. University Match	58,615	58,615	-
The JK Group, Inc.	U.S. University Match	51,800	51,800	-
Youth Science Institute	A supplemental science education program to low-income in Santa Clara County.	10,000	10,000	-
The JK Group	U.S. & Canada Giving Campaign Employee Match	419,993	-	419,993
American Cancer Society	U.S. Fundraisers Employee Match	27,370	-	27,370
Colorado Springs Amateur Hockey Association	U.S. Fundraisers Employee Match	350	-	350
Little Falls/ Delaware	U.S. Fundraisers Employee Match	9,981	-	9,981
Canary Foundation	U.S. Fundraisers Employee Match	15,732	-	15,732
Leukemia & Lymphoma Society	U.S. Fundraisers Employee Match	1,655	-	1,655
		-	-	-
<b>Totals - U.S. Charities - Projects and Agilent Corporation Employee Contribution Matching - to page 9</b>		<b><u>\$ 1,376,303</u></b>	<b><u>\$ 849,451</u></b>	<b><u>\$ 526,852</u></b>