

DANAHER CORP /DE/
Form DEF 14A
April 02, 2014

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

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

DANAHER CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than The Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

DANAHER CORPORATION

2200 Pennsylvania Avenue, N.W., Suite 800W

Washington, D.C. 20037-1701

Notice of 2014 Annual Meeting of Shareholders

- When: Tuesday, May 6, 2014 at 3:00 p.m., local time.
- Where: Mayflower Hotel, 1127 Connecticut Avenue, N.W., Washington, D.C.
- Items of Business:
1. To elect the ten directors named in the attached proxy statement to hold office until the 2015 annual meeting of shareholders and until their successors are elected and qualified.
 2. To ratify the selection of Ernst & Young LLP as Danaher's independent registered public accounting firm for the year ending December 31, 2014.
 3. To approve on an advisory basis the Company's named executive officer compensation.
 4. To act upon a shareholder proposal requesting that Danaher issue a report disclosing its political expenditure policies and direct and indirect political expenditures.
 5. To act upon a shareholder proposal requesting that Danaher adopt a policy requiring the Chair of Danaher's Board of Directors to be independent.
 6. To consider and act upon such other business as may properly come before the meeting or any adjournment thereof.
- Who Can Vote: Shareholders of Danaher common stock at the close of business on March 7, 2014.
- Attending the Meeting: Shareholders who wish to attend the meeting in person should review the instructions set forth in the attached proxy statement under "Annual Meeting Admission."
- Date of Mailing: The date of mailing of this Proxy Statement is on or about April 2, 2014.

YOUR VOTE IS IMPORTANT. PLEASE SUBMIT YOUR PROXY OR VOTING INSTRUCTIONS AT YOUR EARLIEST CONVENIENCE, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING. Most shareholders have a choice of voting over the Internet, by telephone or by using a traditional proxy card. Please refer to the attached proxy materials or the information forwarded by your bank, broker or other holder of record to see which voting methods are available to you.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 6, 2014. This Proxy Statement and the accompanying annual report are available at: <http://www.danaher.com/proxy>.

By Order of the Board of Directors,

JAMES F. O REILLY

Secretary

April 2, 2014

PROXY SUMMARY

To assist you in reviewing the proposals to be acted upon at our 2014 Annual Meeting, below is summary information regarding the meeting, Danaher Corporation's business performance, corporate governance and executive compensation and each proposal to be voted upon at the meeting. The following description is only a summary. For more information about these topics, please review the Annual Report on Form 10-K of Danaher Corporation (Danaher) and the complete Proxy Statement.

2014 ANNUAL MEETING OF SHAREHOLDERS

Date and time: May 6, 2014, 3:00 p.m. local time

Place: Mayflower Hotel, 1127 Connecticut Avenue, N.W., Washington, D.C.

Record date: March 7, 2014

BUSINESS HIGHLIGHTS

2013 Performance

Danaher's business performance has been strong, both historically and in 2013 in particular. In 2013, the global economy continued to expand at a tepid pace, with growth in the developed countries weak at best and many high-growth markets growing at slower rates than experienced in recent years. In response to this low-growth economic environment, Danaher's executive leadership continued to aggressively manage costs while using its strong financial position to increase market share and continue investing robustly in current and future growth opportunities. During 2013, Danaher consummated fourteen strategic acquisitions, gained additional market share in a number of key businesses, deployed over \$100 million in restructuring activities to reduce fixed costs and invested record amounts in growth initiatives such as digital innovation, new product development, and increasing sales resources and product localization in high-growth markets. Danaher also divested its interest in the Apex Tool Group joint venture, which included Danaher's legacy hand tool business, representing a key milestone in Danaher's evolution into a science and technology leader. Even while investing heavily in the Company's future growth, Danaher achieved a 2013 operating profit margin of 17.1%, returned over \$50 million to shareholders through dividends and in February 2014 increased Danaher's regular quarterly dividend amount by 300%. Danaher's 2013 and prior year growth investments yielded substantial results in 2013:

Danaher 2012-2013 Year-Over-Year Growth from Continuing Operations

Our commitment to continue investing in future growth despite a slow-growth economy, and our generation of the cash flow to fund such investments, has positioned us to grow our business on a profitable and sustainable basis.

Long-Term Performance

Over the last twenty years, Danaher's compounded, annual average shareholder return¹ has outperformed every company in its peer group (described on page 37) and every company in the peer group that Institutional Shareholder Services (ISS) used in its pay-for-performance assessment relating to Danaher's 2013 annual meeting. We believe a long-term performance period most accurately compares relative performance within our peer group, because over shorter periods (such as the three-year performance period used by ISS) performance comparisons are skewed by the easier performance baselines of peer companies that have experienced periods of historical underperformance. Danaher has not experienced a sustained period of underperformance over the last twenty years, and we believe the consistency of our performance over the last twenty years is unmatched within our peer group:

Danaher is the only company in its peer group whose total shareholder return (TSR) outperformed the S&P 500 index in 16 of the 20 years in the period 1994-2013.

Danaher is the only company in its peer group whose TSR outperformed the S&P 500 index over every rolling 3 year period from 1994-2013.

Danaher is the only company in its peer group whose TSR outperformed the S&P 500 index by more than 750 basis points over every rolling 3 year period from 2004-2013.

Danaher's compounded, average annual shareholder return has outperformed the compounded, average annual shareholder return of the S&P 500 index over each of the last one-, two-, three-, five-, ten-, fifteen- and twenty-year periods:

Danaher Compounded, Average Annual Shareholder Returns, 1994-2013

The graph below compares Danaher's TSR to the TSR of the S&P 500 index over the last twenty years:

¹ All references in this Proxy Statement to compounded, average annual shareholder return and total shareholder return are calculated on a dividend reinvested basis.

CORPORATE GOVERNANCE HIGHLIGHTS

Our Board of Directors recognizes that Danaher's success over the long-term requires a strong framework of corporate governance that serves the best interests of all our shareholders. Below are highlights of our corporate governance framework:

our Chairman and CEO positions are separate;
 our Board has established a robust Lead Independent Director position, elected by the independent directors;
 all of our directors are elected annually;
 in uncontested elections, our directors must be elected by a majority of the votes cast by our shareholders, and an incumbent director who fails to receive such a majority is required to tender his or her resignation to the Board;
 all members of our Audit, Compensation and Nominating and Governance Committees are independent as defined by the New York Stock Exchange listing standards and applicable SEC rules;
 our shareholders have the right to act by written consent;
 shareholders owning 25% or more of our outstanding shares may call a special meeting of shareholders;
 we have never had a shareholder rights plan;
 we have no supermajority voting requirements in our Certificate of Incorporation or Bylaws; and
 Danaher and its subsidiaries made no political expenditures in 2013 and have no intention of contributing any Danaher funds or assets for political purposes, and we disclose our political expenditures policy on our public website.

Below is an overview of each of the director nominees you are being asked to elect at the 2014 Annual Meeting.

DIRECTOR			COMMITTEE MEMBERSHIPS
NAME	SINCE	PRIMARY OCCUPATION	
H. Lawrence Culp, Jr.	2001	President and Chief Executive Officer,	F
Donald J. Ehrlich*	1985	Danaher Corporation Former President and CEO, Schwab Corp.	A, C (Chair); Lead Independent
Linda Hefner Filler*	2005	President, North America, Claire's Stores, Inc.	Director N (Chair)
Teri List-Stoll*	2011	Executive Vice President and Chief Financial Officer,	A
Walter G. Lohr, Jr.*	1983	Kraft Foods Group, Inc. Retired partner, Hogan Lovells	C, F, N
Mitchell P. Rales	1983	Chairman of the Executive Committee, Danaher Corporation	F (Chair)
Steven M. Rales	1983	Chairman of the Board, Danaher Corporation	F

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John T. Schwieters*	2003	Senior Executive, Perseus LLC, and Principal, Perseus Realty, LLC	A (Chair), N
Alan G. Spoon*	1999	General Partner, Polaris Partners	C
Elias A. Zerhouni, M.D.*	2009	President, Global Research & Development, Sanofi- Aventis	N

* Independent director F Finance Committee

A Audit Committee N Nominating and Governance Committee

C Compensation Committee

EXECUTIVE COMPENSATION HIGHLIGHTS

Overview of Executive Compensation Program

As discussed in detail under the heading *Executive Compensation – Compensation Discussion and Analysis*, our executive compensation program is designed to attract and retain executives with the leadership skills, attributes and experience necessary to succeed in an enterprise with Danaher's size, diversity and global footprint; motivate executives to demonstrate exceptional personal performance and perform consistently over the long-term at or above the levels that we expect; and link compensation to the achievement of near-term and long-term corporate goals that we believe best correlate with the creation of long-term shareholder value. We believe our executive compensation program has been highly effective in achieving these objectives, both historically and in 2013 in particular, as evidenced by the business highlights noted above. H. Lawrence Culp, Jr. has served as Danaher's President and Chief Executive Officer since May 2001 and has the fourth-longest tenure as Chief Executive Officer among the CEOs in Danaher's peer group.

Danaher Shareholder Returns Since May 2001

Our executive compensation program operates within a strong framework of compensation governance. Our Compensation Committee regularly reviews external executive compensation practices and trends and in recent periods has revised Danaher's executive compensation policies and practices to:

- effective for 2014, simplify the performance formula under the Company's executive annual cash incentive compensation program and add annual performance targets and a third performance metric to the formula;

- eliminate tax reimbursement and gross-up provisions in our executive compensation program (except under any policy applicable to management employees generally such as a relocation policy);

- eliminate club membership, automobile and executive life insurance perquisites and limit the amount of our CEO's and CFO's personal aircraft usage perquisite;

- implement a rigorous compensation recoupment policy that is triggered even in the absence of wrongdoing; and

- require executive officers to maintain robust stock ownership levels, and prohibit hedging against the economic risk of such ownership.

These more recent changes complement strong compensation governance practices that have long been a hallmark of Danaher's program:

the vesting terms of our executive officer equity awards have typically been five years, which is longer than typical for our peer group and is intended to foster a long-term business perspective and enhance the Company's ability to retain top talent;

our executive officers have no pension program (apart from a small cash balance plan that operated in lieu of a 401(k) plan from 1997- 2003);

none of our named executive officer long-term incentive compensation is denominated or paid in cash;

none of our executive officers has any rights to automatic acceleration of equity award vesting or cash compensation triggered solely by a change of control; and

the Committee's compensation consultant has never provided any services to the Company other than the compensation-related services provided to the Committee and the Nominating and Governance Committee.

2013 Compensation Summary

Named Executive Officers 2013 Compensation

The following table sets forth the 2013 compensation of our President and Chief Executive Officer, our Executive Vice President and Chief Financial Officer, and our three other most highly compensated executive officers, whom we collectively refer to as our named executive officers. Please see pages 39-42 for information regarding 2012 and 2011 compensation, as well as footnotes.

NAME AND PRINCIPAL POSITION	SALARY	STOCK AWARDS	OPTION AWARDS	NON-EQUITY INCENTIVE PLAN COMPENSATION	CHANGE IN PENSION VALUE AND NONQUALIFIED DEFERRED COMPENSATION EARNINGS	ALL OTHER COMPENSATION	TOTAL
Lawrence							
Wulp, Jr., President and CEO	\$1,217,778	\$7,562,150	\$6,004,119	\$4,490,000	\$1,930	\$429,478	\$19,705,356
Comas, Executive Vice President	\$745,000	\$1,815,062	\$1,441,128	\$1,250,000	\$2,442	\$193,788	\$5,447,410
William K. Executive Vice President and CFO	\$625,000	\$1,260,358	\$1,000,848	\$850,000	\$0	\$77,526	\$3,813,732
Daniel II, Executive Vice President	\$635,000	\$4,646,551	\$2,945,689	\$1,080,000	\$3,854	\$117,126	\$9,428,220
Thomas P. Executive Vice President	\$630,000	\$4,545,613	\$2,865,691	\$940,000	\$2,593	\$117,126	\$9,101,023
Lico,							

Executive

President

VOTING MATTERS

PROPOSAL	DESCRIPTION	BOARD RECOMMENDATION
Item 1: Election of Directors (page 13)	We are asking our shareholders to elect each of the ten directors identified above to serve until the 2015 annual meeting of shareholders.	<u>FOR</u> each nominee
Item 2: Ratification of the Appointment of the Independent Registered Public Accounting Firm (page 69)	We are asking our shareholders to ratify our Audit Committee's selection of Ernst & Young LLP (E&Y) to act as the independent registered public accounting firm for Danaher for 2014. Although our shareholders are not required to approve the selection of E&Y, our Board believes that it is advisable to give our shareholders an opportunity to ratify this selection.	<u>FOR</u>
Item 3: Advisory Vote to Approve Named Executive Officer Compensation (page 71)	We are asking our shareholders to cast a non-binding, advisory vote on our executive compensation program. In evaluating this year's say on pay proposal, we recommend that you review our CD&A, which explains how and why the Compensation Committee of our Board arrived at its executive compensation actions and decisions for 2013.	<u>FOR</u>
Item 4: Shareholder Proposal (page 73)	You are being asked to consider a shareholder proposal requesting that Danaher issue a report disclosing its political expenditure policies and direct and indirect political expenditures.	<u>AGAINST</u>
Item 5: Shareholder Proposal (page 75)	You are being asked to consider a shareholder proposal requesting that Danaher adopt a policy requiring the Chair of Danaher's Board of Directors to be independent.	<u>AGAINST</u>

PROXY STATEMENT

DANAHER CORPORATION

2200 Pennsylvania Avenue, N.W., Suite 800W

Washington, D.C. 20037-1701

2014 ANNUAL MEETING OF SHAREHOLDERS

MAY 6, 2014

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (Board) of Danaher Corporation, a Delaware corporation (Danaher), of proxies for use at the 2014 Annual Meeting of Shareholders (Annual Meeting) to be held at the Mayflower Hotel, 1127 Connecticut Avenue, N.W., Washington, D.C., on May 6, 2014 at 3:00 p.m., local time, and at any and all postponements or adjournments thereof. Danaher 's principal address is 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037-1701. The date of mailing of this Proxy Statement is on or about April 2, 2014.

Purpose of the Annual Meeting

The purpose of the meeting is to: elect the ten directors named in this proxy statement to hold office until the 2015 Annual Meeting of Shareholders and until their successors are elected and qualified; ratify the selection of Ernst & Young LLP as Danaher 's independent registered public accounting firm for the year ending December 31, 2014; approve on an advisory basis the Company 's named executive officer compensation; act upon a shareholder proposal requesting that Danaher issue a report disclosing its political expenditure policies and direct and indirect political expenditures, if properly presented at the meeting; act upon a shareholder proposal requesting that Danaher adopt a policy requiring the Chair of Danaher 's Board of Directors to be independent, if properly presented at the meeting; and consider and act upon such other business as may properly come before the meeting or any adjournment thereof.

Annual Meeting Admission

Please be prepared to present photo identification for admittance. If you are a shareholder of record or hold your shares through a Danaher 401(k) plan, your name will be verified against the list of shareholders of record or plan participants on the record date prior to your being admitted to the Annual Meeting. If you are not a shareholder of record or a 401(k) plan participant but hold shares through a broker, bank or nominee (*i.e.*, in street name), you should also be prepared to provide proof of beneficial ownership as of the record date, such as a recent brokerage account statement showing your ownership, a copy of the voting instruction card provided by your broker, bank or nominee, or other similar evidence of ownership.

Outstanding Stock and Voting Rights

In accordance with Danaher 's Amended and Restated Bylaws, the Board has fixed the close of business on March 7, 2014 as the record date for determining the shareholders entitled to notice of, and to vote at, the Annual Meeting. Only shareholders of record at the close of business on that date will be entitled to vote. The only outstanding securities of Danaher entitled to vote at the Annual Meeting are shares of Common Stock, \$.01 par value. Each outstanding share of Danaher Common Stock entitles the holder to one vote on each directorship and other matter brought before the Annual Meeting. As of the close of business on March 7, 2014, 699,310,642 shares of Danaher Common Stock were outstanding, excluding shares held by or for the account of Danaher.

The proxies being solicited hereby are being solicited by Danaher's Board. The total expense of the solicitation will be borne by Danaher, including reimbursement paid to banks, brokerage firms and other nominees for their reasonable expenses in forwarding material regarding the Annual Meeting to beneficial owners. Solicitation of proxies may be made personally or by mail, telephone, internet, e-mail or facsimile by

officers and other management employees of Danaher, who will receive no additional compensation for their services. We have retained Georgeson Shareholder Communications, Inc. to aid in the solicitation of proxies. For these services, we expect to pay Georgeson a fee of less than \$15,000 and reimburse it for certain out-of-pocket disbursements and expenses.

Proxies will be voted as specified in the shareholder's proxy. If you sign your proxy card with no further instructions, your shares will be voted (1) FOR each of the nominees named herein as directors, (2) FOR ratification of the selection of Ernst & Young LLP as Danaher's independent registered public accounting firm for the year ending December 31, 2014, (3) FOR approval of the Company's named executive officer compensation, (4) AGAINST the shareholder proposal requesting that Danaher issue a report disclosing its political expenditure policies and direct and indirect political expenditures, (5) AGAINST the shareholder proposal requesting that Danaher adopt a policy requiring the Chair of Danaher's Board of Directors to be independent, and (6) in the discretion of the proxy holders on any other matter that properly comes before the meeting or any adjournment thereof. The Board has selected Steven Rales and Mitchell Rales to act as proxies with full power of substitution.

Voting Requirements With Respect to Each of the Proposals Described in this Proxy Statement

Quorum. The quorum necessary to conduct business at the Annual Meeting consists of a majority of the issued and outstanding shares of Danaher Common Stock entitled to vote at the Annual Meeting as of the record date. Abstentions and broker non-votes will be counted as present in determining whether the quorum requirement is satisfied.

Broker Non-Votes. Under New York Stock Exchange (NYSE) rules, if your broker holds your shares in its name and does not receive voting instructions from you, your broker has discretion to vote those shares on Proposal 2, which is considered a routine matter. However, on non-routine matters such as Proposals 1 and 3-5, your broker must receive voting instructions from you, as it does not have discretionary voting power for these particular items. Therefore, if you are a beneficial owner and do not provide your broker with voting instructions, your shares may constitute broker non-votes with respect to Proposals 1 and 3-5. Broker non-votes will not affect the required vote with respect to Proposals 1 and 3-5 (and will not affect the attainment of a quorum since the broker has discretion to vote on Proposal 2 and these votes will be counted toward establishing a quorum).

Approval Requirements. If a quorum is present, the vote required under the Company's Amended and Restated Bylaws to approve each of the proposals is as follows. All votes will be counted by the inspector of election appointed for the meeting.

With respect to Proposal 1, the election of directors, you may vote for or against any or all director nominees or you may abstain as to any or all director nominees. In uncontested elections of directors, such as this election, a nominee is elected by a majority of the votes cast by the shares present in person or represented by proxy and entitled to vote. A majority of the votes cast means that the number of votes cast for a director nominee must exceed the number of votes cast against that nominee. A vote to abstain is not treated as a vote for or against, and thus will have no effect on the outcome of the vote. Under our director resignation policy, our Board will not nominate a director for election, or appoint a director to fill a vacancy or new directorship, unless the individual has tendered in advance an irrevocable resignation effective in such circumstances where the individual does not receive a majority of the votes cast in an uncontested election and such resignation is accepted by the Board. If an incumbent director is not elected by a majority of the votes cast in an uncontested election, our Nominating and Governance Committee will submit for prompt consideration by the Board a recommendation whether to accept or reject the director's resignation. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation.

With respect to Proposals 2-5, the affirmative vote of a majority of the shares of Danaher Common Stock represented in person or by proxy and entitled to vote on the proposal is required for approval. For these proposals, abstentions are counted for purposes of determining the minimum number of affirmative votes required for approval and, accordingly, have the effect of a vote against the proposal.

Voting Methods

If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered the registered holder of those shares. As the registered shareholder, you can ensure your shares are voted at the Annual Meeting by submitting your instructions by telephone, over the internet, by completing, signing, dating and returning the enclosed proxy card in the envelope provided, or by attending the Annual Meeting and voting your shares at the meeting. Telephone and internet voting for registered shareholders will be available 24 hours a day, up until 11:59 p.m., Central time on May 5, 2014. You may obtain directions to the Annual Meeting in order to vote in person by calling Danaher's Investor Relations department at 202-828-0850.

Most Danaher shareholders hold their shares through a broker, bank or another nominee, rather than registered directly in their name. In that case, you are considered the beneficial owner of shares held in street name, and the proxy materials are being forwarded to you by your broker, bank or other nominee, together with a voting instruction card. As the beneficial owner, you are entitled to direct the voting of your shares by your intermediary. Brokers, banks and other nominees typically offer telephonic or electronic means by which the beneficial owners of shares held by them can submit voting instructions, in addition to the traditional mailed voting instruction cards.

If you participate in the Danaher Stock Fund through the Danaher Corporation & Subsidiaries Savings Plan (the 401(k) Plan) or the Danaher Corporation & Subsidiaries Retirement and Savings Plan (collectively with the 401(k) Plan, the Savings Plans), your proxy will also serve as a voting instruction for Fidelity Management Trust Company (Fidelity), the trustee of the Savings Plans, with respect to shares of Common Stock attributable to your Savings Plan account as of the record date. Fidelity will vote your Savings Plan shares as of the record date in the manner directed by you. If Fidelity does not receive voting instructions from you by May 1, 2014, Fidelity will not vote your Savings Plan shares on any of the proposals brought at the Annual Meeting.

Changing Your Vote

Any person giving a proxy pursuant to this solicitation has the power to revoke it at any time before it is voted. It may be revoked by filing with the Secretary of Danaher a written notice of revocation or a duly executed proxy bearing a later date, or it may be revoked by attending the meeting and voting in person. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to revoke your proxy or vote at the meeting, you must follow the instructions provided to you by the record holder and/or obtain from the record holder a proxy issued in your name. Attendance at the meeting will not, by itself, revoke a proxy.

Householding

We are permitted to send a single set of our proxy statement and annual report to shareholders who share the same last name and address. This procedure is called householding and is intended to reduce our printing and postage costs. We will promptly deliver a separate copy of our annual report and proxy statement to you if you contact us at Danaher Corporation, Attn: Investor Relations, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037-1701; telephone us at 202-828-0850; or email us at investor.relations@danaher.com. In addition, if you want to receive separate copies of the proxy statement or annual report in the future; if you and another shareholder sharing an address would like to request delivery of a single copy of the proxy statement or annual report at such address in the future; or if you would like to make a

permanent election to receive either printed or electronic copies of the proxy materials and annual report in the future, you may contact us at the same address, telephone number or email address. If you hold your shares through a broker or other intermediary and would like additional copies of our proxy statement or annual report or would like to request householding, please contact your broker or other intermediary.

BENEFICIAL OWNERSHIP OF DANAHER COMMON STOCK BY DIRECTORS, OFFICERS AND PRINCIPAL SHAREHOLDERS

The following table sets forth as of March 7, 2014 (unless otherwise indicated) the number of shares and percentage of Danaher Common Stock beneficially owned by (1) each person who owns of record or is known to Danaher to beneficially own more than five percent of Danaher's Common Stock, (2) each of Danaher's directors and nominees for director and each of the executive officers named in the Summary Compensation Table (the named executive officers), and (3) all executive officers and directors of Danaher as a group. Except as otherwise indicated and subject to community property laws where applicable, each person or entity included in the table below has sole voting and investment power with respect to the shares beneficially owned by that person or entity. Under applicable SEC rules, the definition of beneficial ownership for purposes of this table includes shares over which a person or entity has sole or shared voting or investment power, whether or not the person or entity has any economic interest in the shares, and also includes shares as to which the person has the right to acquire beneficial ownership within 60 days of March 7, 2014.

Name	Number of Shares	Percent
	<u>Beneficially Owned (1)</u>	<u>of Class (1)</u>
H. Lawrence Culp, Jr.	2,821,466 (2)	*
Donald J. Ehrlich	174,700 (3)	*
Linda Hefner Filler	62,614 (4)	*
Teri List-Stoll	6,080 (5)	*
Walter G. Lohr, Jr.	673,902 (6)	*
Mitchell P. Rales	45,879,783 (7)	6.6%
Steven M. Rales	43,142,667 (8)	6.2%
John T. Schwieters	73,702 (9)	*
Alan G. Spoon	79,046 (10)	*
Elias A. Zerhouni, M.D.	25,200 (11)	*
Daniel L. Comas	644,075 (12)	*
William K. Daniel II	325,252 (13)	*
Thomas P. Joyce, Jr.	539,043 (14)	*
James A. Lico	564,767 (15)	*
T. Rowe Price Associates, Inc.	66,953,857 (16)	9.6%
FMR LLC	47,561,429 (17)	6.8%
All executive officers and directors as a group (19 persons)	96,129,311 (18)	13.7%

(1) Balances credited to each executive officer's account under the Amended and Restated Danaher Corporation Executive Deferred Incentive Program (the EDIP) which are vested or are scheduled to vest within 60 days of March 7, 2014, are included in the table. For purposes of the table, the number of shares of Danaher Common

Stock attributable to a person's EDIP account is equal to (1) the person's outstanding EDIP balance as of March 7, 2014 (to the extent such balance is vested or will become vested within 60 days of March 7, 2014), divided by (2) the closing price of Danaher Common Stock as reported on the NYSE on March 7, 2014 (\$77.43 per share). In addition, for purposes of the table, the number of shares attributable to each executive officer's 401(k) account is equal to (a) the officer's balance, as of March 7, 2014, in the Danaher stock fund included in the executive officer's 401(k)

account (the 401(k) Danaher Stock Fund), divided by (b) the closing price of Danaher Common Stock as reported on the NYSE on March 7, 2014. The 401(k) Danaher Stock Fund consists of a unitized pool of Danaher Common Stock and cash. The table also includes shares that may be acquired upon exercise of options that are exercisable within 60 days of March 7, 2014.

- (2) Includes options to acquire 1,699,704 shares, 3,632 shares attributable to Mr. Culp's 401(k) account, 282,175 shares attributable to Mr. Culp's EDIP account and 580,678 shares owned indirectly.
- (3) Includes options to acquire 57,700 shares, 2,000 shares owned by Mr. Ehrlich's spouse and 32,000 other shares owned indirectly. Mr. Ehrlich disclaims beneficial ownership of the shares held by his spouse.
- (4) Includes options to acquire 49,700 shares.
- (5) Includes options to acquire 6,080 shares.
- (6) Includes options to acquire 65,700 shares, 53,546 shares held by a charitable foundation of which Mr. Lohr is president, 106,656 shares held by Mr. Lohr as trustee of trusts for his children and 448,000 other shares held indirectly. Mr. Lohr disclaims beneficial ownership of the shares held by the charitable foundation and the shares held in trust for his children.
- (7) Includes 36,000,000 shares owned by limited liability companies of which Mr. Rales is the sole member, 133,044 shares attributable to Mr. Rales' 401(k) account and 3,117,507 other shares owned indirectly. The shares he