



danaher™

NYSE: DHR
Danaher Corporation

Fundamental Analysis



The Globetrotting Investor
Ben, MBA | Value Investing

© Copyright



Disclaimer

This content by The Globetrotting Investor is in no way a solicitation or offer to sell securities or investment advisory services. The Globetrotting Investor is not intended to be a source for professional advice. Our content is intended to be used and must be used for informational purposes only and this is not a place for giving or receiving financial advice, advice concerning investment decisions or tax or legal advice. It is very important to do your analysis before making any investment based on your circumstances. Readers should always seek the advice of a qualified professional before making any investment decisions.

The Globetrotting Investor is a content aggregator and educational forum for analysing, learning and discussing general and generic information related to stocks, investments and strategies. No content constitutes or should be understood as constituting a recommendation to enter into any securities transactions or to engage in any of the investment strategies presented in our site content. We do not provide personalised recommendations or views as to whether a stock or investment approach is suited to the financial needs of a specific individual.

All information throughout this content is obtained from sources which The Globetrotting Investor believes are reliable, but that does not warrant or guarantee the timeliness or accuracy of the information. We have no access to non-public information about publicly traded companies.

Nothing in this content should be interpreted to state or imply that past results are an indication of future performance. Neither The Globetrotting Investor nor our information providers shall be liable for any errors or inaccuracies, regardless of cause.

This content may include forward-looking statements. All statements other than statements of historical fact are forward-looking statements (including words such as "may", "will", "should", "anticipate", "estimate", "expect" and "believe"). Although The Globetrotting Investor believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those discussed in such forward-looking statements.

The investment return will fluctuate with market conditions. Views regarding the economy, securities markets or other specialized areas, like all predictors of future events, cannot be guaranteed to be accurate and may result in economic loss to the investor.

There are no guarantees, expressed or implied, as to accuracy, completeness, or results obtained from any information presented in this content.





Introduction

NYSE: DHR

GICS Sector: Healthcare



CEO: Rainer Blair

Tenure: 3.8 years

Danaher Corporation's management team has an average tenure of **6.6 years**. It is considered experienced.

Business Overview:

- Danaher Corporation designs, manufactures, and markets professional, medical, industrial, and commercial products and services worldwide.
- The company offers equipment, consumables, software, and services for various scientific applications.
- There are three segments:
 - Biotechnology focuses on bioprocessing used in drug development
 - Life Sciences provides tools for research and analysis
 - Diagnostics offers instruments for disease diagnosis
- Danaher has grown by acquiring companies like Pall, Cytiva, and Beckman Coulter.
- Visit my website to learn more.

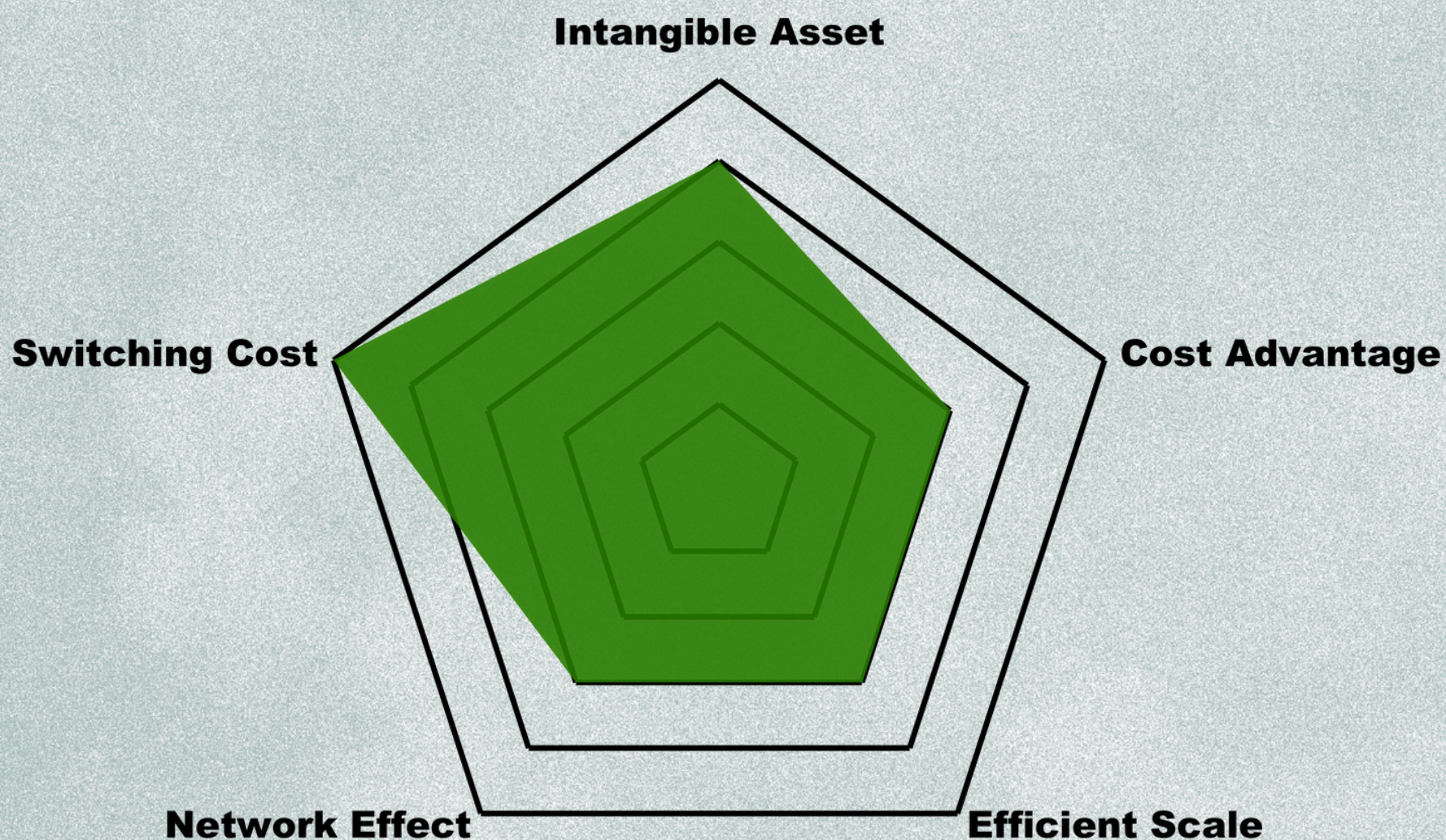


The Globetrotting Investor

Ben, MBA | Value Investing

© Copyright

Economic Moat



Economic moat: **Narrow**

There are many ways to identify a company's economic moat, but I focus on the above 5 types. The rating is purely subjective, and it is based on my in-depth understanding and analysis of the company.



The Globetrotting Investor
Ben, MBA | Value Investing

© Copyright

Performance

Yes**Inconsistent****No**

Revenue growing YoY for the past 5 years consistently?

☐☒☐

Net income growing YoY for the past 5 years consistently?

☐☒☐

Cash flow from operating activities growing YoY for the past 5 years consistently?

☐☒☐

Free cash flow is positive for the past 5 years?

☒☐☐

Gross margin % is consistent/ growing for the past 5 years?

☒☐☐

EPS growing for the past 5 years?

☐☒☐



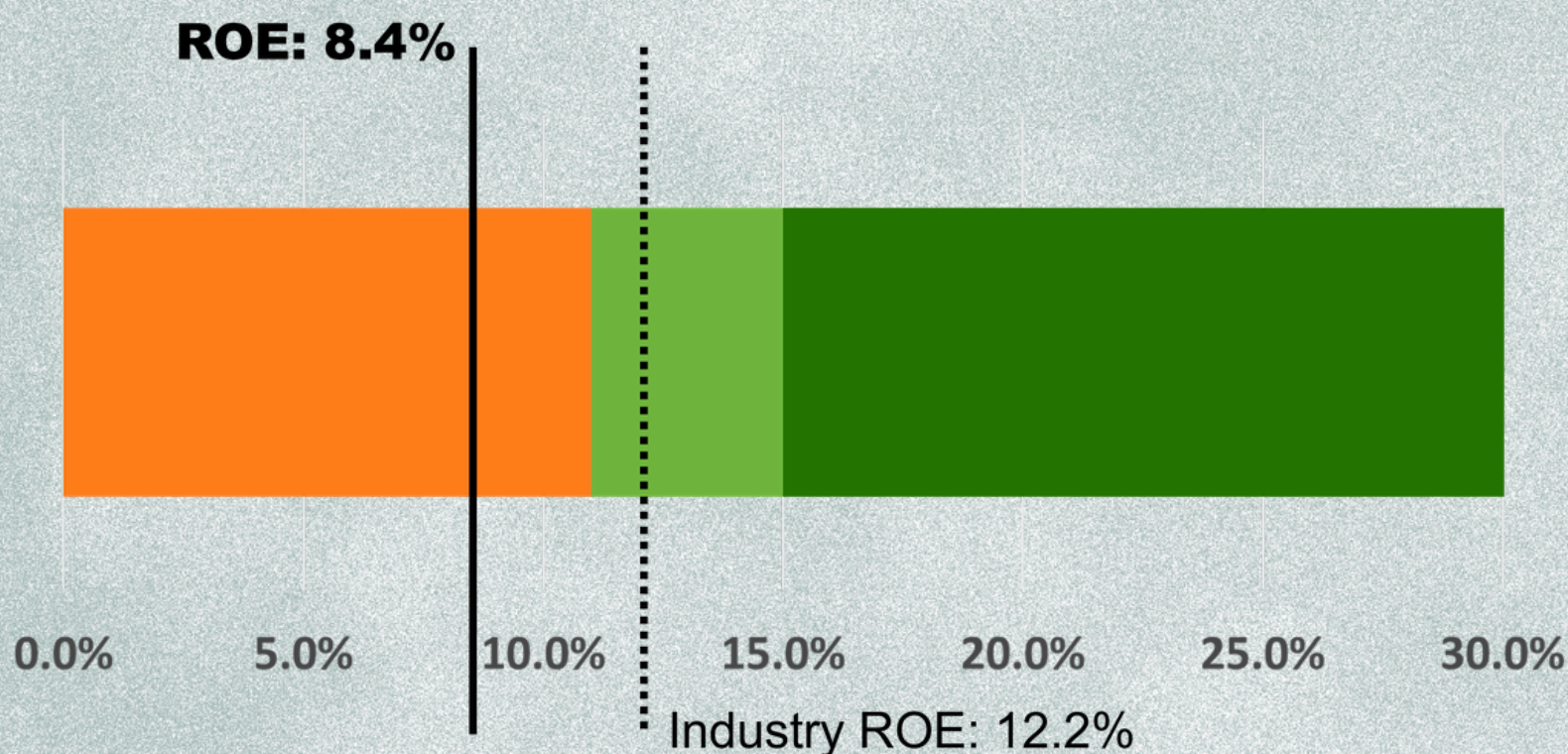
Management Effectiveness

Yes

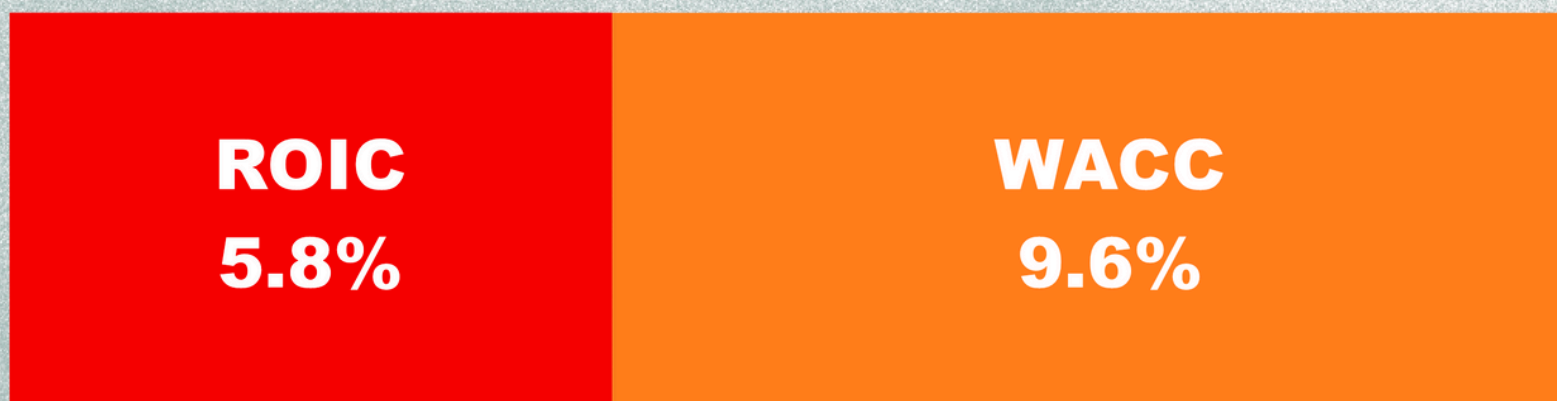
Inconsistent

No

ROE is consistently at 12%-15%
YoY for the past 5 years?



ROIC is consistently at 12%-15%
YoY for the past 5 years?



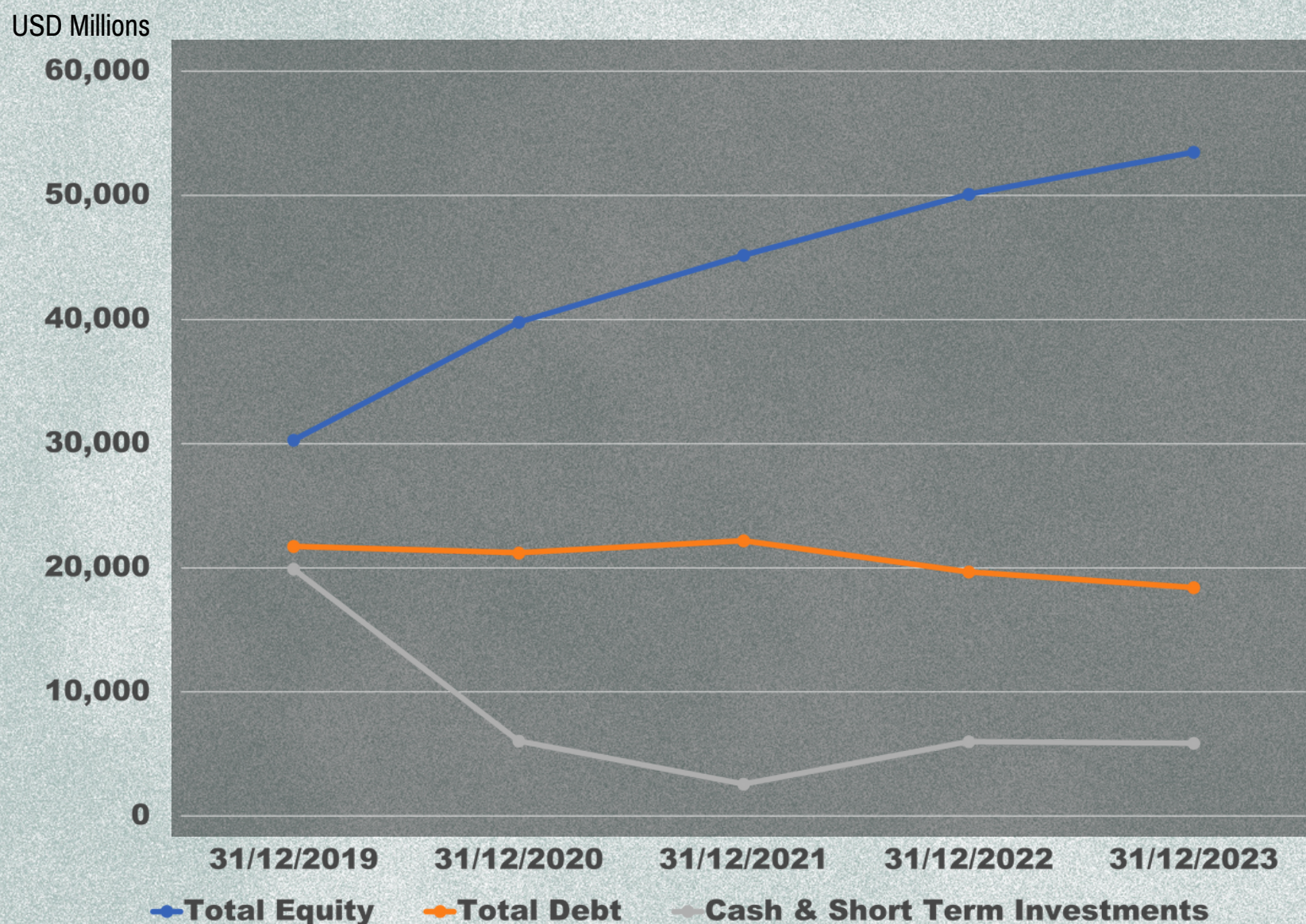
The Globetrotting Investor

Ben, MBA | Value Investing

© Copyright



Financial Health



Current Ratio: 1.9



Debt-to-EBITDA: 2.6



Interest Coverage: 17.0



Debt Servicing Ratio: 4.0%



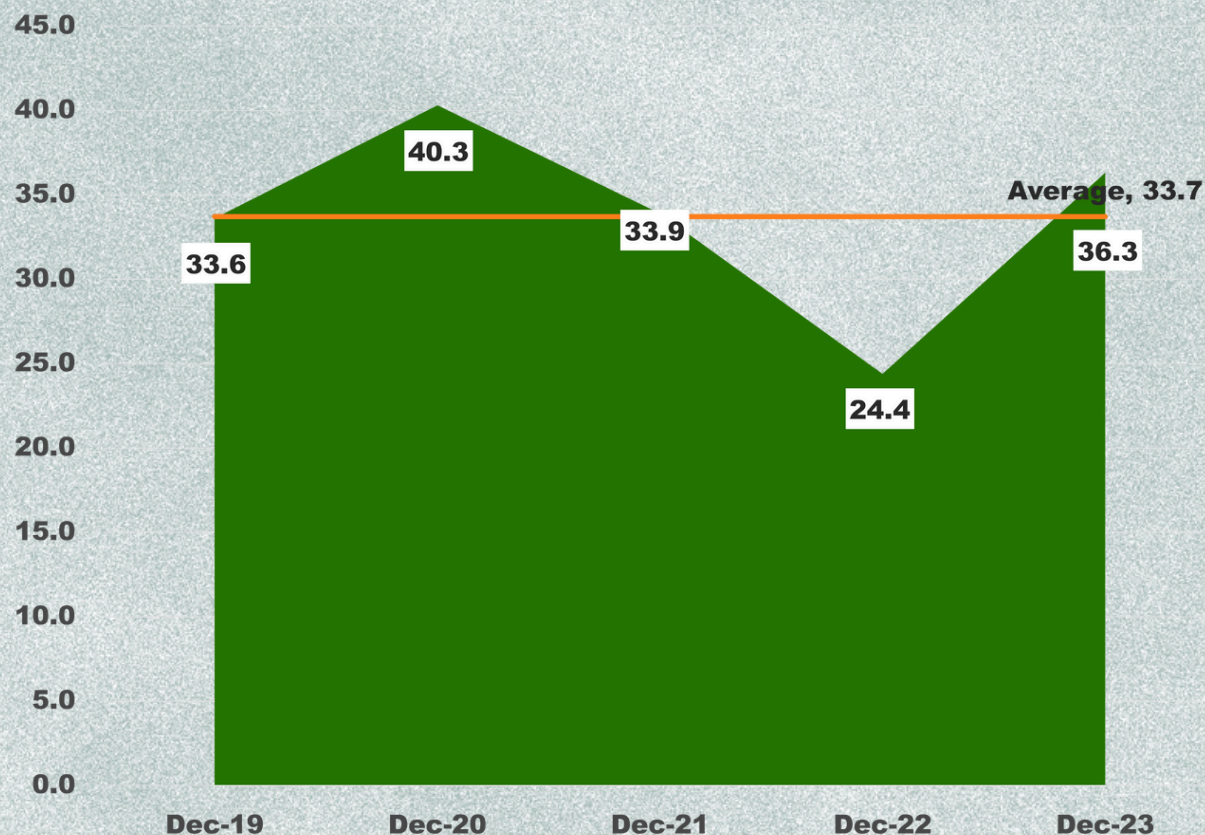
The Globetrotting Investor

Ben, MBA | Value Investing

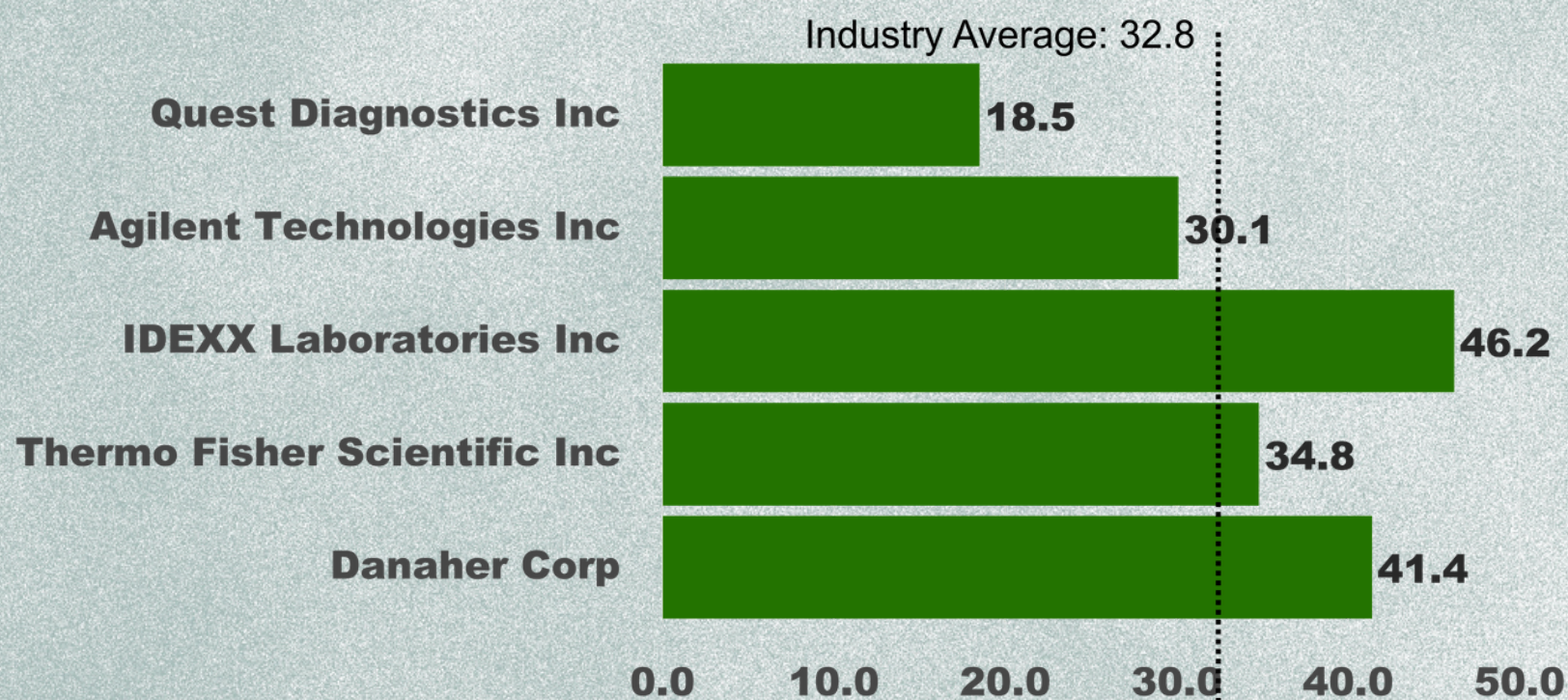
© Copyright



Relative Valuation



Historical Price-Earnings Ratio



Price-Earnings Ratio vs its Peers





Intrinsic Valuation

Estimated intrinsic value: **\$135.87**

Value is calculated using discounted cash flow method (taking into account their cash and debt) and scenario planning.

Average free cash flow used: USD\$6,200M

Projected growth rate: 7%

Beta: 0.9

Discount rate: 7.5%

Date of calculation: 3 Jul 2024

Estimated intrinsic value of
Danaher Corporation.

\$135.87

\$182.09

\$269.11

52 weeks range

Uncertainty: High

40% Margin of Safety

Price range after the
margin of safety

<\$82.00

Visit my website to learn more.



The Globetrotting Investor


Ben, MBA | Value Investing

© Copyright

WANT MORE OF SUCH ANALYSIS?

 www.theglobetrottinginvestor.com


 [/theglobetrottinginvestor](https://www.facebook.com/theglobetrottinginvestor)

 [@theglobetrottinginvestor](https://www.instagram.com/theglobetrottinginvestor)

 [@InvestwithTGI](https://twitter.com/InvestwithTGI)

 [/theglobetrottinginvestor](https://www.telegram.com/join/theglobetrottinginvestor)

 [/theglobetrottinginvestor](https://www.pinterest.com/theglobetrottinginvestor)

 [@theglobetrottinginvestor](https://www.tiktok.com/@theglobetrottinginvestor)



The Globetrotting Investor

Ben, MBA | Value Investing

© Copyright