

THERMO FISHER SCIENTIFIC INC.
Form 10-Q
August 04, 2017

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

FORM 10-Q

ý Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Quarter Ended July 1, 2017

¨ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 1-8002

THERMO FISHER SCIENTIFIC INC.

(Exact name of Registrant as specified in its charter)

Delaware 04-2209186

(State of incorporation or organization) (I.R.S. Employer Identification No.)

168 Third Avenue

Waltham, Massachusetts 02451

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (781) 622-1000

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ý No o

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes ý No o

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý Accelerated filer o Non-accelerated filer o

Smaller reporting company o Emerging growth company o

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. o

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No ý

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

Class	Outstanding at July 1, 2017
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Common Stock, \$1.00 par value	390,119,503
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THERMO FISHER SCIENTIFIC INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JULY 1, 2017
TABLE OF CONTENTS

	Page
PART I	
<u>Item 1. Financial Statements (Unaudited)</u>	<u>3</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>30</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>42</u>
<u>Item 4. Controls and Procedures</u>	<u>42</u>
PART II	
<u>Item 1. Legal Proceedings</u>	<u>42</u>
<u>Item 1A. Risk Factors</u>	<u>42</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>48</u>
<u>Item 6. Exhibits</u>	<u>48</u>

THERMO FISHER SCIENTIFIC INC.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED BALANCE SHEET

(Unaudited)

	July 1, 2017	December 31, 2016
(In millions except share and per share amounts)		
Assets		
Current Assets:		
Cash and cash equivalents	\$611.0	\$786.2
Accounts receivable, less allowances of \$87.6 and \$77.3	3,258.3	3,048.5
Inventories	2,422.2	2,213.3
Refundable income taxes	414.9	378.3
Other current assets	746.1	594.7
Total current assets	7,452.5	7,021.0
Property, Plant and Equipment, Net	2,599.7	2,577.8
Acquisition-related Intangible Assets, Net	13,575.6	13,969.0
Other Assets	1,040.4	1,011.9
Goodwill	21,845.5	21,327.8
Total Assets	\$46,513.7	\$45,907.5
Liabilities and Shareholders' Equity		
Current Liabilities:		
Short-term obligations and current maturities of long-term obligations	\$1,540.4	\$1,255.5
Accounts payable	982.2	926.2
Accrued payroll and employee benefits	612.6	708.7
Accrued income taxes	89.9	165.4
Deferred revenue	542.1	485.9
Other accrued expenses	1,308.6	1,324.1
Total current liabilities	5,075.8	4,865.8
Deferred Income Taxes	2,320.4	2,557.4
Other Long-term Liabilities	1,470.2	1,572.6
Long-term Obligations	15,255.7	15,372.4
Shareholders' Equity:		
Preferred stock, \$100 par value, 50,000 shares authorized; none issued		
Common stock, \$1 par value, 1,200,000,000 shares authorized; 416,944,144 and 415,138,564 shares issued	416.9	415.1
Capital in excess of par value	12,328.2	12,139.6
Retained earnings	14,972.3	13,926.9
Treasury stock at cost, 26,824,641 and 21,690,679 shares	(3,069.7)	(2,306.0)
Accumulated other comprehensive items	(2,256.1)	(2,636.3)

Total shareholders' equity	22,391.6	21,539.3
Total Liabilities and Shareholders' Equity	\$46,513.7	\$45,907.5

The accompanying notes are an integral part of these consolidated financial statements.

3

THERMO FISHER SCIENTIFIC INC.

CONSOLIDATED STATEMENT OF INCOME

(Unaudited)

	Three Months Ended		Six Months Ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
(In millions except per share amounts)				
Revenues				
Product revenues	\$4,298.1	\$3,896.1	\$8,400.2	\$7,586.5
Service revenues	691.9	639.1	1,354.8	1,243.5