

THERMO FISHER SCIENTIFIC INC.
Form 10-Q
November 01, 2007

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

FORM 10-Q

(mark one)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the Quarter Ended September 29, 2007

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
(State of incorporation or organization)

04-2209186
(I.R.S. Employer Identification No.)

81 Wyman Street, P.O. Box 9046
Waltham, Massachusetts
(Address of principal executive offices)

02454-9046
(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 No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

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Class	Outstanding at September 29, 2007
Common Stock, \$1.00 par value	420,064,580

PART I — FINANCIAL INFORMATION**Item 1 — Financial Statements****THERMO FISHER SCIENTIFIC INC.**

Consolidated Balance Sheet

Assets

(In millions)	September 29, 2007 (Unaudited)	December 31, 2006
Current Assets:		
Cash and cash equivalents	\$ 830.8	\$ 667.4
Short-term investments, at quoted market value (amortized cost of \$22.0 and \$23.8)	15.4	23.8
Accounts receivable, less allowances of \$50.1 and \$45.0	1,458.1	1,392.7
Inventories:		
Raw materials	321.6	307.7
Work in process	131.6	121.7
Finished goods	753.0	735.1
Deferred tax assets	159.3	209.2
Other current assets	238.6	201.9
	3,908.4	3,659.5
Property, Plant and Equipment, at Cost	1,636.8	1,533.0
Less: Accumulated depreciation and amortization	398.2	276.3
	1,238.6	1,256.7
Acquisition-related Intangible Assets, net of Accumulated Amortization of \$723.9 and \$276.4	7,096.9	7,511.6
Other Assets	379.3	309.4
Goodwill	8,549.2	8,525.0
	\$ 21,172.4	\$ 21,262.2

THERMO FISHER SCIENTIFIC INC.

Consolidated Balance Sheet (continued)

Liabilities and Shareholders' Equity

(In millions except share amounts)	September 29, 2007 (Unaudited)	December 31, 2006
Current Liabilities:		
Short-term obligations and current maturities of long-term obligations	\$ 19.6	\$ 483.3
Accounts payable	661.5	630.8
Accrued payroll and employee benefits	239.0	253.3
Accrued income taxes	18.2	60.3
Deferred revenue	130.9	121.3
Other accrued expenses (Notes 2, 10 and 11)	561.7	603.3
	1,630.9	2,152.3
Deferred Income Taxes	2,365.5	2,557.5
Other Long-term Liabilities	552.0	459.9
Long-term Obligations (Note 9)	2,181.1	2,180.7
Shareholders' Equity:		
Preferred stock, \$100 par value, 50,000 shares authorized; none issued		
Common stock, \$1 par value, 1,200,000,000 shares authorized; 437,798,302 and 424,240,292 shares issued	437.8	424.2
Capital in excess of par value	12,202.2	11,810.4
Retained earnings	2,294.7	1,773.4
Treasury stock at cost, 17,733,722 and 7,635,184 shares	(795.0)	(246.4)
Accumulated other comprehensive items (Note 6)	303.2	150.2
	14,442.9	13,911.8
	\$ 21,172.4	\$ 21,262.2

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

THERMO FISHER SCIENTIFIC INC.Consolidated Statement of Income
(Unaudited)

(In millions except per share amounts)	Three Months Ended	
	September 29, 2007	September 30, 2006
Revenues	\$ 2,401.2	\$ 724.9
Costs and Operating Expenses:		
Cost of revenues	1,453.1	388.1
Selling, general and administrative expenses	626.5	217.9
Research and development expenses	58.8	