

Life Technologies Corp
Form 10-Q
November 03, 2011
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2011

OR

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 0-25317

LIFE TECHNOLOGIES CORPORATION

(Exact name of registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization)	33-0373077 (I.R.S. Employer Identification No.)
5791 Van Allen Way, Carlsbad, CA (Address of principal executive offices)	92008 (Zip Code)
Registrant's telephone number, including area code: (760) 603-7200	

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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

As of November 2, 2011, 178,204,930 shares of the Registrant's common stock were outstanding.

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	September 30, 2011 (Unaudited)	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 594,216	\$ 813,569
Short-term investments	24,697	23,079
Restricted cash and investments	17,025	18,153
Trade accounts receivable, net of allowance for doubtful accounts of \$10,618 and \$10,389, respectively	634,372	587,456
Inventories, net	393,775	323,318
Deferred income tax assets	17,216	90,947
Prepaid expenses and other current assets	171,801	190,003
Total current assets	1,853,102	2,046,525
Long-term investments	25,855	22,448
Property and equipment, net	835,853	847,984
Goodwill	4,380,537	4,372,073
Intangible assets, net	1,812,298	2,040,175
Deferred income tax assets	24,048	26,752
Other assets	114,800	130,242
Total assets	\$ 9,046,493	\$ 9,486,199
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 445,732	\$ 347,749
Accounts payable	164,648	174,449
Deferred compensation and related benefits	176,824	202,229
Deferred revenues and reserves	110,193	109,981
Contingent considerations	281,640	
Accrued expenses and other current liabilities	211,383	257,987
Accrued income taxes	14,024	53,990
Total current liabilities	1,404,444	1,146,385
Long-term debt	2,298,072	2,727,624
Pension liabilities	146,409	145,298
Deferred income tax liabilities	432,040	557,982
Income taxes payable	97,919	114,726
Other long-term obligations	91,211	356,155

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Total liabilities	4,470,095	5,048,170
Commitments and contingencies		
Stockholders' equity:		
Preferred stock; \$0.01 par value, 6,405,884 shares authorized; no shares issued or outstanding		
Common stock; \$0.01 par value, 400,000,000 shares authorized; 210,939,849 and 207,243,588 shares issued, respectively		
	2,109	2,072
Additional paid-in-capital	5,413,813	5,222,859
Accumulated other comprehensive income	125,736	96,612
Retained earnings	817,923	532,499
Less cost of treasury stock; 32,233,629 shares and 24,992,450 shares, respectively	(1,786,624)	(1,419,966)
Total Life Technologies stockholders' equity	4,572,957	4,434,076
Non-controlling interest	3,441	3,953
Total equity	4,576,398	4,438,029
Total liabilities and equity	\$ 9,046,493	\$ 9,486,199

See accompanying notes to unaudited consolidated financial statements.

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LIFE TECHNOLOGIES CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)	For the three months ended September 30,		For the nine months ended September 30,	
	2011	2010	2011	2010
Revenues	\$ 928,198	\$ 867,082	\$ 2,765,227	\$ 2,655,757
Cost of revenues	315,062	282,505	955,840	857,259
Purchased intangibles amortization	73,901	70,216	226,527	210,353
Gross profit	539,235	514,361	1,582,860	1,588,145
Operating expenses:				
Selling, general and administrative	251,832	240,680	759,438	753,178
Research and development	103,856	90,057	287,723	266,754
Purchased in-process research and development				1,650
Business integration costs	23,126	17,714	56,468	66,426
Total operating expenses	378,814	348,451	1,103,629	1,088,008
Operating income	160,421	165,910	479,231	500,137
Other income (expense):				
Interest income	919	1,136	2,960	3,588
Interest expense	(37,992)	(35,206)	(123,911)	(116,033)
Loss on early extinguishment of debt				(54,185)
Gain on divestiture of equity investments				37,260
Other expense	(3,039)	(4,270)	(7,980)	(6,248)
Total other expense, net	(40,112)	(38,340)	(128,931)	(135,618)
Income before provision for income taxes	120,309	127,570	350,300	364,519
Income tax provision	(24,335)	(22,327)	(65,534)	(57,229)
Net income	95,974	105,243	284,766	307,290
Net loss attributable to noncontrolling interests	297	297	658	324
Net income attributable to Life Technologies	\$ 96,271	\$ 105,540	\$ 285,424	\$ 307,614
Earnings per common share attributable to Life Technologies stockholders:				
Basic	\$ 0.54	\$ 0.57	\$ 1.59	\$ 1.69
Diluted	\$ 0.52	\$ 0.56	\$ 1.54	\$ 1.62
Weighted average shares used in per share calculations:				
Basic	179,859	184,196	179,751	182,516
Diluted	186,812	190,149	185,946	190,356

See accompanying notes to unaudited consolidated financial statements.

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