NVIDIA CORP
Form S-3
December 19, 2003
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As filed with the Securities and Exchange Commission on December 19, 2003

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

Under

The Securities Act of 1933

NVIDIA Corporation

(Exact name of registrant as specified in its charter)

Delaware	**94-3177549**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**

2701 San Tomas Expressway

Santa Clara, California 95050

(408) 486-2000

(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)

Jen-Hsun Huang

President and Chief Executive Officer

NVIDIA Corporation

2701 San Tomas Expressway

Santa Clara, California 95050

(408) 486-2000

(Name, address, including zip code, and telephone number, including area code, of agent for services)

Copies to:

Eric C. Jensen, Esq.

Cooley Godward LLP

Five Palo Alto Square

3000 El Camino Real

Palo Alto, California 94306

(650) 843-5000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ¨

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered (1)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee (3)
Common Stock, par value $0.001 per share		
Preferred Stock, par value $0.001 per share		
Warrants		
Debt Securities		
Total	$ 500,000,000	$ 40,450

(1) There are being registered hereunder such indeterminate number of shares of common stock and preferred stock, such indeterminate number of warrants to purchase common stock, preferred stock or debt securities and such indeterminate principal amount of debt securities as shall have an aggregate initial offering price not to exceed $500,000,000. If any debt securities are issued at an original issue discount, then the offering price of such debt securities shall be in such greater principal amount as shall result in an aggregate initial offering price not to exceed $500,000,000, less the aggregate dollar amount of all securities previously issued hereunder. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder. The securities registered also include such indeterminate amounts and numbers of common stock, preferred stock and debt securities as may be issued upon conversion of or exchange for preferred stock or debt securities that provide for conversion or exchange, upon exercise of warrants or pursuant to the antidilution provisions of any such securities.

(2) The proposed maximum aggregate offering price per class of security will be determined from time to time by the registrant in connection with the issuance by the registrant of the securities registered hereunder and is not specified as to each class of security pursuant to General Instruction II.D of Form S-3 under the Securities Act of 1933, as amended.

(3) Calculated pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities or accept an offer to buy these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject To Completion, Dated December 19, 2003

PROSPECTUS

NVIDIA CORPORATION

$500,000,000

Common Stock

Preferred Stock

Debt Securities

Warrants

From time to time, we may sell common stock, preferred stock, debt securities and/or warrants.

We will provide the specific terms of these securities in one or more supplements to this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest.

Our common stock currently trades on the Nasdaq National Market under the symbol NVDA. The applicable prospectus supplement will contain information, where applicable, as to any other listing (if any) on the Nasdaq National Market or any securities exchange of the securities covered by the prospectus supplement.

This prospectus may not be used to offer or sell any securities unless accompanied by a prospectus supplement.

Investing in our securities involves a high degree of risk. Please see the section entitled Quantitative and Qualitative Disclosures About Market Risk contained in our most recent annual report on Form 10-K and in our most recent quarterly report on Form 10-Q, as filed with the Securities and Exchange Commission, both of which are incorporated by reference herein in their entirety.

The securities may be sold directly by us to investors, through agents designated from time to time or to or through underwriters or dealers. For additional information on the methods of sale, you should refer to the section entitled Plan of Distribution. If any underwriters are involved in the sale of any securities with respect to which this prospectus is being delivered, the names of such underwriters and any applicable commissions or discounts will be set forth in a prospectus supplement. The net proceeds we expect to receive from such sale will also be set forth in a prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 200

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This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed, will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under Where You Can Find More Information.

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission, or the SEC. You should rely only on the information we have provided or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized anyone to provide you with information different from that contained in this prospectus. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representation. This prospectus is an offer to sell only the securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information in this prospectus or any prospectus supplement is accurate only as of the date on the front of the document and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus or any sale of a security.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC using a shelf registration process. Under this shelf registration process, we may sell common stock, preferred stock, debt securities and/or warrants in one or more offerings up to a total dollar amount of $500,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we sell common stock, preferred stock, debt securities and/or warrants, we will provide a prospectus supplement that will contain more specific information, as set forth below in the section entitled The Securities We May Offer. We may also add, update or change in the prospectus supplement any of the information contained in this prospectus. This prospectus, together with applicable prospectus supplements, includes all material information relating to this offering. Please carefully read both this prospectus and any prospectus supplement together with the additional information described below under Where You Can Find More Information. **This prospectus may not be used to consummate a sale of securities unless it is accompanied by a prospectus supplement.**

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NVIDIA CORPORATION

Overview

We are one of the world s largest fabless semiconductor companies, supplying graphics and media communications processors and related software that are integral to personal computers, or PCs, professional workstations, handheld devices and digital entertainment platforms. We provide an architecturally compatible top-to-bottom family of award-winning graphics processing units, or GPUs, which set the standard for performance, quality, compatibility and features for a broad range of personal computing platforms. Our graphics and communications processors are used for a wide variety of applications, including games, digital content creation, personal digital image editing, business productivity and product and industrial design. Our mission is to be the most important visual computing company in the world.

Interactive 3D graphics are integral to various computing and entertainment platforms such as workstations, consumer and commercial desktop PCs, Internet appliances and video gaming consoles. 3D graphics is a powerful broadband medium that enables the communication and visualization of information, whether it is in professional applications like digital content creation and computer assisted design and computer assisted manufacturing, or CAD/CAM, or commercial applications like financial analysis and business-to-business collaboration or simply surfing the Internet or playing games. The visually engaging and interactive nature of 3D graphics responds to consumers demands for a convincing simulation of reality beyond what is possible with traditional 2D graphics. We expect that the fundamental interactive capability and distributive nature of 3D graphics will make it the primary broadband medium for a digitally connected world. We believe that a substantial market opportunity exists for providers of performance 3D graphics processors, particularly as performance 3D graphics have become an increasingly important requirement and point of differentiation for PC original equipment manufacturers, or OEMs.

Our entire product line provides superior processing and rendering power at competitive prices and is designed to deliver the maximum performance from industry standards such as Microsoft s DirectX API and SGI s OpenGL API on Windows operating systems and Linux platforms. The GeForce family, representing our desktop GPUs, which also includes the GeForce2, GeForce3, GeForce4 and GeForce FX, is designed to deliver the highest performance and features for every price product line ranging from mainstream to performance PCs. The nForce family represents our platform processors for desktop and notebook PCs. We define a platform processor as a chipset that can off-load system functions, such as audio processing and network communications, and perform these operations independently from the host central processing unit, or CPU. The nForce family is the industry s first highly-integrated platform processor to incorporate a comprehensive set of multimedia capabilities, such as 2D, 3D, DVD, HDTV, Dolby Digital audio playback and fast broadband and networking communications. The GeForce Go family represents our mobile GPUs, which consists of the GeForce4 Go, GeForce2 Go, Quadro4 GL Go, Quadro2 Go and GeForce FX Go GPUs. These are designed to deliver desktop graphics performance and features for multiple notebook configurations from desktop replacements, performance notebooks and thin-and-lights to mobile workstations. NVIDIA s Quadro branded products are robust, high-performance workstation solutions for the professional user that are available for the high-end, mid-range, entry-level and multi-display product lines. The NVIDIA Quadro products are fully certified for all professional workstation applications, and are designed to deliver the graphics performance and precision required by professional applications. The Xbox processors feature the dual-processing architecture of NVIDIA s XGPU and MCP to power the video game system s standout graphics, audio and networking capabilities. The GoForce 2150 is the first product from the combined efforts of NVIDIA and MediaQ. The GoForce 2150 offers a host of advanced features for cell phones and PDAs. Using dedicated hardware accelerator engines, the GoForce 2150 delivers exceptionally high performance for multimedia applications and drives high-resolution displays, while extending handheld battery life through a variety of unique power management techniques.

Corporate Information

We were incorporated in California in April 1993 and reincorporated in Delaware in April 1998. Our executive offices are located at 2701 San Tomas Expressway, Santa Clara, California 95050, and our telephone

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number is (408) 486-2000. Our web site is located at www.nvidia.com. Information contained on our web site should not be deemed to be part of this prospectus.

All NVIDIA brand and product names are trademarks or registered trademarks of NVIDIA Corporation, in the United States and other countries. All other trade names, trademarks and service marks appearing in this prospectus are the property of their respective holders. We do not intend our use or display of other parties trade names, or trademarks or service marks to imply a relationship with, or endorsement or sponsorship of, us by these other parties.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Except for the historical information contained in this prospectus or incorporated by reference, this prospectus (and the information incorporated by reference in this prospectus) contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed here or incorporated by reference. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section entitled Quantitative and Qualitative Disclosures About Market Risk contained in our most recent annual report on Form 10-K, as amended, and contained in our most recent quarterly report on Form 10-Q filed with the SEC, both of which are incorporated herein by reference in their entirety.

Investment in our securities involves a high degree of risk. You should consider carefully the Quantitative and Qualitative Disclosures About Market Risk , as well as other information in this prospectus and the prospectus supplement before purchasing any of our securities. Each of these factors could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our securities.

FORWARD-LOOKING STATEMENTS

This prospectus and the documents that we have filed with the SEC that are included or incorporated or deemed to be incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Such statements may include words such as anticipate, estimate, expect, project, intend, plan, believe and other words and terms of similar meaning in with any discussion of future operating or financial performance. These forward-looking statements include but are not limited to: statements related to industry trends and future growth in the markets for three dimensional, or 3D, graphics and media communication processors; our product development efforts; the timing of our introduction of new products; industry and consumer acceptance of our products; and future profitability.

Any or all of our forward-looking statements in this prospectus and in the documents incorporated or deemed to be incorporated by reference in this prospectus may turn out to be wrong. They can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties. Many factors mentioned in our discussion in this prospectus will be important in determining future results. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. We advise you to consult any additional cautionary discussion of risks and uncertainties under Quantitative and Qualitative

Disclosures About Market Risk contained in our most recent annual report on Form 10-K, as amended, and contained in our most recent quarterly report on Form 10-Q. These are factors that we think could cause our actual results to differ materially from expected results. Other factors besides those listed in our most recent annual report on Form 10-K, as amended, and quarterly report on Form 10-Q could also adversely affect us. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995.

THE SECURITIES WE MAY OFFER

We may offer shares of our common stock and preferred stock, various series of debt securities and/or warrants to purchase any of such securities with a total value of up to $500,000,000 from time to time under this prospectus at prices and on terms to be determined by market conditions at the time of offering. This prospectus

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provides you with a general description of the securities we may offer. Each time we offer a type or series of securities, we will provide a prospectus supplement that will describe the specific amounts, prices and other important terms of the securities, including, to the extent applicable:

- designation or classification;
- aggregate principal amount or aggregate offering price;
- maturity, if applicable;
- rates and times of payment of interest or dividends, if any;
- redemption, conversion or sinking fund terms, if any;
- voting or other rights, if any;
- conversion prices, if any; and
- important federal income tax considerations.

The prospectus supplement also may add, update or change information contained in this prospectus or in documents we have incorporated by reference.

We may sell the securities directly to or through agents, underwriters or dealers. We, and our agents or underwriters, reserve the right to accept or reject all or part of any proposed purchase of securities. If we do offer securities through agents or underwriters, we will include in the applicable prospectus supplement:

- the names of those agents or underwriters;
- applicable fees, discounts and commissions to be paid to them; and
- the net proceeds to us.

Common Stock. We may issue shares of our common stock from time to time. Holders of common stock are entitled to one vote per share on all matters submitted to a vote of stockholders. Subject to any preferences of outstanding shares of preferred stock, holders of common stock are entitled to dividends when and if declared by our board of directors.

Preferred Stock. We may issue shares of our preferred stock from time to time, in one or more series. Our board of directors shall determine the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of any series. Convertible preferred stock will be convertible into our common stock. Conversion may be mandatory or at your option and would be at prescribed conversion rates. The issuance of preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments upon liquidation and could have the effect of delaying, deferring or preventing a change in control.

Debt Securities. We may offer debt securities from time to time, in one or more series, as either senior or subordinated debt or as senior or subordinated convertible debt. The senior debt securities will rank equally with any other unsecured and unsubordinated debt. The subordinated debt securities will be subordinate and junior in right of payment, to the extent and in the manner described in the instrument governing the debt, to all of our senior indebtedness. Convertible debt securities will be convertible into or exchangeable for our common stock or our other securities. Conversion may be mandatory or at your option and would be at prescribed conversion rates.

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The debt securities will be issued under one or more documents called indentures, which are contracts between us and a national banking association, as trustee. In this prospectus, we have summarized certain general features of the debt securities. We urge you, however, to read the prospectus supplements related to the series of debt securities being offered, as well as the complete indentures that contain the terms of the debt securities. Indentures have been filed as exhibits to the registration statement of which this prospectus is a part, and supplemental indentures and forms of debt securities containing the terms of debt securities being offered will be filed as exhibits to the registration statement of which this prospectus is a part or will be incorporated by reference from reports we file with the SEC.

Warrants. We may issue warrants for the purchase of common stock, preferred stock and/or debt securities in one or more series. We may issue warrants independently or together with common stock, preferred stock and/or debt securities, and the warrants may be attached to or separate from these securities. In this prospectus, we have summarized certain general features of the warrants. We urge you, however, to read the prospectus supplements related to the series of warrants being offered, as well as any warrant agreement that contains the terms of the warrants. The warrant agreement and form of warrant containing the terms of the warrants being offered will be filed as exhibits to the registration statement of which this prospectus is a part or will be incorporated by reference from reports we file with the SEC. We will evidence each series of warrants by warrant certificates that we will issue under a separate agreement. We will enter into the warrant agreement with a warrant agent. Each warrant agent will be a bank that we select which has its principal office in the United States and a combined capital and surplus of at least $50,000,000. We will indicate the name and address of the warrant agent in the applicable prospectus supplement relating to a particular series of warrants.

RATIO OF EARNINGS TO FIXED CHARGES

	Year Ended					**Nine Months Ended**	
	January 31, 1999	**January 30, 2000**	**January 28, 2001**	**January 27, 2002**	**January 26, 2003**	**October 27, 2002**	**October 26, 2003**
	(in thousands, except ratio of earnings)						
Fixed Charges:							
Interest expensed and debt cost amortization	$ 291	$ 332	$ 4,852	$ 16,173	$ 16,467	$ 12,318	$ 11,915
Estimate of interest within rental expense	513	825	1,032	4,565	8,445	6,343	6,481
Total Fixed Charges	$ 804	$ 1,157	$ 5,884	$ 20,738	$ 24,912	$ 18,661	$ 18,396
Earnings:							
Pre-tax gain (loss) from continuing operations	$ 4,487	$ 60,371	$ 144,808	$ 252,749	$ 150,557	$ 77,791	$ 60,424
Fixed charges	804	1,157	5,884	20,738	24,912	18,661	18,396
Total earnings (loss) for computation of ratio	$ 5,291	$ 61,528	$ 150,692	$ 273,487	$ 175,469	$ 96,452	$ 78,820
Ratio of earnings to fixed charges	6.58	53.16	25.61	13.19	7.04	5.17	4.28

USE OF PROCEEDS

Unless otherwise indicated in the applicable prospectus supplement, we intend to use the proceeds for working capital and general corporate purposes. In particular, we expect to incur significant operating expenses in connection with:

- continuing to develop our technology;
- hiring additional personnel;

- expanding our sales and marketing organization and activities;
- acquiring complementary technologies or businesses; and
- capital expenditures.

Pending application of the net proceeds of this offering, we intend to invest the net proceeds in interest-bearing, investment grade securities.

DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock and certain provisions of our certificate of incorporation and bylaws is a summary and is qualified in its entirety by the provisions of our certificate of incorporation and bylaws.

Our authorized capital stock consists of 1,000,000,000 shares of common stock, $0.001 par value, and 2,000,000 shares of preferred stock, $0.001 par value. As of December 12, 2003, there were 163,915,729 shares of common stock outstanding and no shares of preferred stock outstanding.

Common Stock

The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. The holders of common stock are not entitled to cumulative voting rights with respect to the election of directors, and as a consequence, minority stockholders are not able to elect directors on the basis of their votes alone. Subject to preferences that may be applicable to any shares of preferred stock currently outstanding or issued in the future, holders of common stock are entitled to receive ratably such dividends as may be declared by our board of directors out of funds legally available therefor. In the event of our liquidation, dissolution or winding up, holders of our common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding preferred stock. Holders of common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are, and all shares of common stock that may be issued under this prospectus will be, fully paid and non-assessable.

Preferred Stock

Our board of directors has the authority, without further action by the stockholders, to issue up to 2,000,000 shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of such series, without any further vote or action by stockholders.

We will fix the rights, preferences, privileges and restrictions of the preferred stock of each series in the certificate of designation relating to that series. We will incorporate by reference as an exhibit to the registration statement that includes this prospectus or as an exhibit to a current report on Form 8-K, the form of any certificate of designation that describes the terms of the series of preferred stock we are offering before the issuance of the related series of preferred stock. This description will include:

- the title and stated value;
- the number of shares we are offering;
- the liquidation preference per share;

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- the purchase price;
- the dividend rate, period and payment date and method of calculation for dividends;
- whether dividends will be cumulative or non-cumulative and, if cumulative, the date from which dividends will accumulate;
- the procedures for any auction and remarketing, if any;
- the provisions for a sinking fund, if any;
- the provisions for redemption or repurchase, if applicable, and any restrictions on our ability to exercise those redemption and repurchase rights;
- any listing of the preferred stock on any securities exchange or market;
- whether the preferred stock will be convertible into our common stock, and, if applicable, the conversion price, or how it will be calculated, and the conversion period;
- whether the preferred stock will be exchangeable into debt securities, and, if applicable, the exchange price, or how it will be calculated, and the exchange period;
- voting rights, if any, of the preferred stock;
- preemption rights, if any;
- restrictions on transfer, sale or other assignment, if any;
- whether interests in the preferred stock will be represented by depositary shares;
- a discussion of any material or special United States federal income tax considerations applicable to the preferred stock;
- the relative ranking and preferences of the preferred stock as to dividend rights and rights if we liquidate, dissolve or wind up our affairs;
- any limitations on issuance of any class or series of preferred stock ranking senior to or on a parity with the series of preferred stock as to dividend rights and rights if we liquidate, dissolve or wind up our affairs; and
- any other specific terms, preferences, rights or limitations of, or restrictions on, the preferred stock.

If we issue shares of preferred stock under this prospectus, the shares will be fully paid and nonassessable and will not have, or be subject to, any preemptive or similar rights.

The Delaware General Corporation Law provides that the holders of preferred stock will have the right to vote separately as a class on any proposal involving fundamental changes in the rights of holders of that preferred stock. This right is in addition to any voting rights that may be provided for in the applicable certificate of designation.

The issuance of preferred stock, whether pursuant to this offering or otherwise, could adversely affect the voting power, conversion or other rights of holders of common stock. Preferred stock could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. Additionally, the issuance of preferred stock may have the effect of decreasing the market price of common stock.

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Anti-Takeover Effects of Provisions of Delaware Law and Our Charter Documents.

Certificate of Incorporation

Our certificate of incorporation provides for our board of directors to be divided into three classes, with staggered three-year terms. As a result, only one class of directors will be elected at each annual meeting of stockholders, with the other classes continuing for the remainder of their respective three-year terms. Stockholders have no cumulative voting rights.

Our certificate of incorporation also requires that any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of the stockholders and may not be effected by a consent in writing and that the stockholders may amend our bylaws or adopt new bylaws, only by the affirmative vote of 66 $^{2}/_{3}$% of the outstanding voting securities. A special meeting of the stockholders may be called by our Chairman, our Chief Executive Officer or a resolution adopted by a majority of the total number of authorized directors. These provisions may have the effect of delaying, deferring or preventing a change in control.

The classification of our board of directors and lack of cumulative voting will make it more difficult for our existing stockholders to replace our board of directors as well as for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management.

These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management. These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and in the policies of our board of directors and to discourage certain types of transactions that may involve an actual or threatened change in control. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy rights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, such provisions also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. Such provisions also may have the effect of preventing changes in our management.

Section 203 of the Delaware General Corporation Law

We are subject to Section 203 of the Delaware General Corporation Law, which, subject to certain exceptions, prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the time that such stockholder became an interested stockholder, unless:

- prior to such time, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested holder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (a) by persons who are directors and also officers and (b) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

at or subsequent to such time, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 $^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

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In general, Section 203 defines business combination to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines interested stockholder as an entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

Certain Transactions

Our bylaws provide that we will indemnify our directors and executive officers to the fullest extent permitted by Delaware law and any other applicable law. We are also empowered under our bylaws to indemnify other officers, employees and other agents to the fullest extent permitted by Delaware law or any other applicable law and to enter into indemnification contracts with our directors and executive officers and to purchase insurance on behalf of any person whom we are required or permitted to indemnify.

In addition, our certificate of incorporation provides that the liability of our directors for monetary damages shall be eliminated to the fullest extent permissible under Delaware law. Pursuant to Delaware law, our directors shall not be liable for monetary damages for breach of the directors fiduciary duty of care to us and our stockholders. However, this provision does not eliminate the duty of care, and in appropriate circumstances, equitable remedies such as injunctive or other forms of non-monetary relief that will remain available under Delaware law. In addition, each director will continue to be subject to liability for (a) breach of the directors duty of loyalty to us or our stockholders, (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) violating Section 174 of the Delaware General Corporation Law, or (d) any transaction from which the director derived an improper personal benefit. The provision also does not affect a director s responsibilities under any other law, such as the federal securities laws or state or federal environmental laws.

Transfer Agent and Registrar

Mellon Investor Services LLC is the transfer agent and registrar for our common stock. Mellon Investor Services address is 235 Montgomery Street, 23rd Floor, San Francisco, CA 94104 and telephone number is (415) 743-1444.

DESCRIPTION OF DEBT SECURITIES

The following description, together with the additional information we include in any applicable prospectus supplements, summarizes the material terms and provisions of the debt securities that we may offer under this prospectus. While the terms we have summarized below will apply generally to any future debt securities we may offer, we will describe the particular terms of any debt securities that we may offer in more detail in the applicable prospectus supplement. The terms of any debt securities we offer under a prospectus supplement may differ from the terms we describe below.

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We will issue the senior notes under the senior indenture, which we will enter into with the trustee named in the senior indenture. We will issue the subordinated notes under the subordinated indenture, which we will enter into with the trustee named in the subordinated indenture. We have filed forms of these documents as exhibits to the registration statement, which includes this prospectus. We use the term indentures to refer to both the senior indenture and the subordinated indenture.

The indentures will be qualified under the Trust Indenture Act of 1939. We use the term debenture trustee to refer to either the senior trustee or the subordinated trustee, as applicable.

The following summaries of material provisions of the senior notes, the subordinated notes and the indentures are subject to, and qualified in their entirety by reference to, all the provisions of the indenture applicable to a particular series of debt securities. Except as we may otherwise indicate, the terms of the senior indenture and the subordinated indenture are identical.

General

We will describe in each prospectus supplement the following terms relating to a series of debt securities:

- the title;
- the principal amount being offered, and if a series, the total amount authorized and the total amount outstanding;
- any limit on the amount that may be issued;
- whether or not we will issue the series of debt securities in global form, and if so, the terms and who the depository will be;
- the maturity date;
- the principal amount due at maturity, and whether the debt securities will be issued with original issue discount;
- whether and under what circumstances, if any, we will pay additional amounts on any debt securities held by a person who is not a United States person for tax purposes, and whether we can redeem the debt securities if we have to pay such additional amounts;
- the annual interest rate, which may be fixed or variable, or the method for determining the rate and the date interest will begin to accrue, the dates interest will be payable and the regular record dates for interest payment dates or the method for determining such dates;
- whether or not the debt securities will be secured or unsecured, and the terms of any secured debt;

the terms of the subordination of any series of subordinated debt;

the place where payments will be payable;

restrictions on transfer, sale or other assignment, if any;

our right, if any, to defer payment of interest and the maximum length of any such deferral period;

the date, if any, after which the conditions upon which, and the price at which, we may, at our option, redeem the series of debt securities pursuant to any optional or provisional redemption provisions and the terms of those redemptions provisions;

the date, if any, on which, and the price at which we are obligated, pursuant to any m	(30,388)	(64,423)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term obligations	(250,000)	(450,000)
Principal payments on short-term obligations	(267,000)	(75,000)
Proceeds from short-term obligations	491,000	200,000
Issuance cost payments on long-term obligations		(2,356)
Cash paid for business combination milestones	(1,815)	(162,349)
Incremental tax benefits from stock options exercised and restricted stock distributions	7,823	1,806
Proceeds from sale of common stock	51,602	18,099
Capital lease payments	(1,152)	(565)
Purchase of treasury stock	(125,804)	(193,007)
Net cash used in financing activities	(95,346)	(663,372)
Effect of exchange rate changes on cash	(2,741)	4,129
Net increase/(decrease) in cash and cash equivalents	6,244	(619,750)

Cash and cash equivalents, beginning of period		255,547		838,762
Cash and cash equivalents, end of period	$	261,791	$	219,012

See accompanying notes to unaudited consolidated financial statements.

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LIFE TECHNOLOGIES CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Basis of Presentation

Financial Statement Preparation

The unaudited consolidated financial statements have been prepared by Life Technologies Corporation according to the rules and regulations of the Securities and Exchange Commission (SEC) and, therefore, certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been omitted. The Company has evaluated subsequent events through the date the financial statements were issued.

In the opinion of management, the accompanying unaudited consolidated financial statements for the periods presented reflect all adjustments, which are normal and recurring, necessary to fairly state the financial position, results of operations and cash flows. These unaudited consolidated financial statements should be read in conjunction with the audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012 filed with the SEC on February 28, 2013.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation

The consolidated financial statements include the accounts of Life Technologies Corporation and its majority owned or controlled subsidiaries, collectively referred to as either Life Technologies or the Company. All significant intercompany accounts and transactions have been eliminated in consolidation. When there is a portion of equity in an acquired subsidiary not attributable, directly or indirectly, to the parent, the Company records the fair value of the noncontrolling interests at the acquisition date and classifies the amounts attributable to noncontrolling interests separately in equity in the Company s Consolidated Financial Statements. Any subsequent changes in a parent s ownership interest while the parent retains its controlling financial interest in its subsidiary are accounted for as equity transactions.

For purposes of these Notes to Consolidated Financial Statements, gross profit is defined as revenues less cost of revenues and purchased intangibles amortization and gross margin is defined as gross profit divided by revenues. Operating income is defined as gross profit less operating expenses and operating margin is defined as operating income divided by revenues.

Long-Lived Assets

The Company periodically re-evaluates the original assumptions and rationale utilized in the establishment of the carrying value and estimated lives of its long-lived assets. The criteria used for these evaluations include management s estimate of the asset s continuing ability to generate income from operations and positive cash flow in future periods as well as the strategic significance of any intangible asset to the Company s business objectives. If assets are considered to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets, which is determined by applicable market prices, when available. The Company did not recognize a significant impairment during the period other than that of the property sold which resulted in $28.3 million loss during the three months ended March 31, 2013. The loss was recognized as a result of the Company making the decision to move out of existing acquired facilities into a new facility in the current quarter.

Business Combinations

The Company has completed acquisitions that were not considered individually or collectively material to the overall consolidated financial statements and the results of the Company s operations. These acquisitions have been included in the consolidated financial statements from the respective dates of the acquisitions. The Company recognizes the assets acquired, liabilities assumed, and any noncontrolling interest at fair value at the date of acquisition. Certain acquisitions contain contingent consideration arrangements that require the Company to assess the acquisition date fair value of the contingent consideration liabilities, which is recorded as part of the purchase consideration of the acquisition. The Company continuously assesses and adjusts the fair value of the contingent consideration liabilities, if necessary, until the settlement or expiration of the contingency occurs. For additional details on the carrying value and potential future obligations under these arrangements, refer to Note 5 of the Consolidated Financial Statements, Commitments and Contingencies .

The Company also incurs various costs related to business combination and integration activities. These activities include restructuring and integrating acquired entities, aligning acquired and existing operations through business transformation activities and costs associated with divesting entities. Costs related to these activities are recorded as Business integration costs in the Consolidated Statement of Operations and Comprehensive Income.

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Fair Value of Financial Instruments

We account for our financial instruments at fair value based on *ASC Topic 820, Fair Value Measurements and Disclosures* and *ASC Topic 815, Derivatives and Hedging*. In determining fair value, we consider both the credit risk of our counterparties and our own creditworthiness. *ASC Topic 820, Fair Value Measurements and Disclosures*, defines fair value and establishes a framework for measuring fair value. The framework requires the valuation of investments using a three tiered approach. The Company reviews and evaluates the adequacy of the valuation techniques periodically. In the current year, there have not been any changes to the Company s valuation methodologies.

A derivative is an instrument whose value is derived from an underlying instrument or index, such as interest rates, equity securities, currencies, commodities or credit spreads. Derivatives include futures, forwards, swaps, or option contracts, or other financial instruments with similar characteristics. Derivative contracts often involve future commitments to exchange interest payment streams or currencies based on a notional or contractual amount (e.g., interest rate swaps or currency forwards).

The accounting for changes in fair value of a derivative instrument depends on the nature of the derivative and whether the derivative qualifies as a hedging instrument in accordance with *ASC Topic 815, Derivatives and Hedging*. Those hedging instruments that qualify for hedge accounting are included as an adjustment to revenue or interest expense, depending upon the nature of the underlying transactions the Company is hedging for. Those hedges that do not qualify for hedge accounting are included in other income (expense).

For details on the assets and liabilities subject to fair value measurements and the related valuation techniques used, and for details on derivative instruments, refer to Note 9 of the Consolidated Financial Statements, Fair Value of Financial Instruments .

Computation of Earnings Per Share

Basic earnings per share was computed by dividing net income attributable to Life Technologies by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential dilution that could occur from the following items:

Convertible senior notes where the effect of those securities is dilutive;

Dilutive stock options and restricted stock units; and

Dilutive Employee Stock Purchase Plan (ESPP).

Computations for basic and diluted earnings per share are as follows:

(in thousands, except per share data) (unaudited)	Net Income Attributable to Life Technologies (Numerator)	Shares (Denominator)	Earnings Per Share
Three Months Ended March 31, 2013			
Basic earnings per share:			
Net income attributable to Life Technologies	$ 121,196	170,807	$ 0.71
Diluted earnings per share:			
Dilutive stock options and restricted stock units		3,674	
Net income attributable to Life Technologies plus assumed conversions	$ 121,196	174,481	$ 0.69
Potentially dilutive securities not included above since they are antidilutive:			
Antidilutive stock options		27	

Three Months Ended March 31, 2012					
Basic earnings per share:					
Net income attributable to Life Technologies	$	132,639	178,873	$	0.74
Diluted earnings per share:					
Dilutive stock options and restricted stock units			4,193		
Employee Stock Purchase Plan			13		
1 1/2% Convertible Senior Notes due 2024		12	34		
Net income attributable to Life Technologies plus assumed conversions	$	132,651	183,113	$	0.72
Potentially dilutive securities not included above since they are antidilutive:					
Antidilutive stock options			1,824		

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Share-Based Compensation

Under the Life Technologies Corporation 2009 Equity Incentive Plan (the 2009 Plan), as of March 31, 2013, the Company has the ability to grant stock options, stock appreciation rights, restricted stock units, restricted stock awards, performance awards, and deferred stock awards with 11.0 million shares of the Company s common stock reserved for the granting of new awards. Stock option awards are granted to eligible employees and directors at an exercise price equal to the fair market value of such stock on the date of grant, generally vest over four years, and are exercisable in whole or in installments and expire ten years from the date of grant. Restricted stock awards, which are granted in connection with the Life Technologies Corporation Deferred Compensation Plan (the Deferred Compensation Plan), restricted stock units, and performance based restricted stock units are granted to eligible employees and directors and represent rights to receive shares of common stock at a future date, generally vesting over three or four years. An exercise price and monetary payment are not required for receipt or issuance of these awards, instead, consideration is furnished in the form of the participant s services to the Company. The compensation cost for these awards is valued based on the estimated fair value of such award on the date of grant.

Under the Company s qualified employee stock purchase plan, (the 2010 ESPP Plan), all eligible employees of the Company may elect to withhold up to 15% of their compensation to purchase shares of the Company s stock on a quarterly basis at a discounted price equal to 85% of the lower of the employee s offering price or the closing price of the stock on the date of purchase. Effective immediately after the October 31, 2012 purchase, the Company suspended the 2010 ESPP Plan to all employees. No shares will be purchased under the 2010 ESPP Plan unless and until reinstated by the Company.

The Company uses the Black-Scholes option-pricing model (Black-Scholes model) to value share-based employee stock option and purchase right awards. The Company uses Monte Carlo simulations (Monte Carlo model), the Company s selected binomial model, to value performance based restricted stock units. The determination of fair value of stock-based payment awards using the Black-Scholes model and the Monte Carlo model requires the use of certain estimates and assumptions that affect the reported amount of share-based compensation cost recognized in the Consolidated Statements of Operations and Comprehensive Income. Among these estimates that affect share-based compensation cost recognized are the expected term of awards, estimated forfeitures, expected volatility of the Company s stock price, expected dividends, the risk-free interest rate, and correlation coefficients for performance based conditions.

Stock Options and Purchase Rights

The Company did not grant any employee stock options or purchase rights during the three months ended March 31, 2013. The underlying assumptions used to value employee stock options and purchase rights granted during the three months ended March 31, 2012 were as follows:

(unaudited)		**Three months ended March 31, 2012**
Stock Options		
Weighted average risk free interest rate		0.7%
Expected term of share-based awards		4.4 yrs
Expected stock price volatility		38%
Expected dividend yield		0%
Weighted average fair value of share-based awards granted	$	15.70
Purchase Rights		
Weighted average risk free interest rate		0.1%
Expected term of share-based awards		0.5 yrs
Expected stock price volatility		22%
Expected dividend yield		0%
Weighted average fair value of share-based awards granted	$	9.37

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The Company is required to estimate forfeitures at the time of grant and revise those estimates in subsequent periods on a cumulative basis in the period the estimated forfeiture rate changes. The Company considered its historical experience of pre-vesting option forfeitures as the basis to arrive at its estimated annual pre-vesting option forfeiture rate of 7.2% and 5.6% per year for each of the three months ended March 31, 2013 and 2012, respectively. All option awards, including those with graded vesting, were valued as a single award with a single average expected term and are amortized on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. At March 31, 2013, there was $15.3 million remaining in unrecognized compensation cost related to employee stock options, which is expected to be recognized over a weighted average period of 1.3 years. No compensation cost was capitalized in inventory during the three months ended March 31, 2013 as the amounts involved were not material.

Total share-based compensation expense for employee stock options and purchase rights for the three months ended March 31, 2013 and 2012 was comprised of the following:

	Three months ended March 31,	
(in thousands) (unaudited)	**2013**	**2012**
Cost of revenues	$ 280	$ 588
Selling, general and administrative	2,685	4,520
Research and development	198	662
Share-based compensation expense before taxes	3,163	5,770
Related income tax benefits	1,737	1,902
Share-based compensation expense, net of taxes	$ 1,426	$ 3,868

Restricted Stock Units

Restricted stock units represent a right to receive shares of common stock at a future date determined in accordance with the participant s award agreement. An exercise price and monetary payment are not required for receipt of restricted stock units or the shares issued in settlement of the award. Instead, consideration is furnished in the form of the participant s services to the Company. Restricted stock units have either graded vesting terms of four years, or cliff vesting terms which generally vest over three years. Compensation cost for these awards is based on the estimated fair value on the date of grant and recognized as compensation expense on a straight-line basis over the requisite service period. During the three months ended March 31, 2013 and 2012, the Company estimated pre-vesting forfeitures and applied an annual pre-vesting forfeiture rate of 7.0% and 8.0% for restricted stock units with graded vesting terms and cliff vesting terms, respectively. Performance based restricted stock units have three year cliff vesting terms whereby vesting is based on the completion of the requisite service and the ultimate issuance amount is determined by the Company s total shareholder return over the same three year period. Share payout levels range from zero to two hundred percent for each granted unit relative to total shareholder return. At March 31, 2013 there was $94.1 million remaining in unrecognized compensation cost related to restricted stock units, which is expected to be recognized over a weighted average period of 2.6 years. The weighted average fair value of restricted stock units granted during the three months ended March 31, 2013 and 2012 was $93.65 and $42.94, respectively. The grants during the three months ended March 31, 2013 include performance based restricted stock units.

Total share-based compensation expense for restricted stock units for the three months ended March 31, 2013 and 2012 was composed of the following:

	Three months ended March 31,	
(in thousands) (unaudited)	**2013**	**2012**
Cost of revenues	$ 885	$ 1,134
Selling, general and administrative	11,367	10,633
Research and development	956	1,374
Share-based compensation expense before taxes	13,208	13,141
Related income tax benefits	3,503	4,864

Share-based compensation expense, net of taxes	$ 9,705	$ 8,277

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Deferred Stock Awards and Restricted Stock Awards

Deferred stock awards are fully vested and expensed when issued, but shares are placed in a deferral account under the Deferred Compensation Plan, at an eligible employee s or director s discretion, until distributed to the employee or director at a future date. The Deferred Compensation Plan allows eligible directors and employees to defer, on a pre-tax basis, a portion or all of their compensation, bonuses, or director s fees in the form of cash or deferred stock awards. The deferred compensation plan provides matching contributions by the Company to the participants, based on the deferred compensation plan agreement, in the form of restricted stock awards. During the three months ended March 31, 2013 and 2012, the Company granted restricted stock awards with a total deferred compensation value of $0.8 million and $0.6 million, respectively, which will be recognized over the requisite service period of three years with an applicable forfeiture rate. The restricted stock awards, issued but unvested, are held in a deferral account, and are subject to a three year cliff vesting. Refer to Note 9 of the Consolidated Financial Statements, Fair Value of Financial Instruments for further information on the fair market valuation of the deferred compensation plan assets.

Recent Accounting Pronouncements

In February 2013, the FASB issued ASU 2013-02, *Reporting of Amounts Reclassified out of Accumulated Other Comprehensive Income,* updating *ASC Topic 220, Comprehensive Income.* Under the amended *ASC Topic 220*, an entity is required to present, either on the face of the statement where net income is presented or in the notes to the financial statements, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional details of those amounts. The guidance does not impact the components of other comprehensive income or when an item of other comprehensive income must be reclassified to net income. The adoption of the guidance in the fiscal year 2013 did not have an impact on the Company s Consolidated Financial Statements and is not expected to have an impact on the Company s future operating results.

2. Composition of Certain Financial Statement Items

Inventories

Inventories consisted of the following:

(in thousands)	March 31, 2013 (unaudited)	December 31, 2012
Raw materials and components	$ 97,411	$ 101,370
Work in process (materials, labor and overhead)	71,858	96,725
Finished goods (materials, labor and overhead)	238,186	204,639
Adjustments to write up acquired finished goods to fair value		754
Total inventories, net	$ 407,455	$ 403,488

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following:

(in thousands)	March 31, 2013 (unaudited)	December 31, 2012
Forward exchange contracts	$ 14,750	$ 1,597
Prepaid expenses	109,854	99,039
Other current assets	41,501	42,096

Total prepaid expenses and other current assets	$ 166,105	$ 142,732

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Property and Equipment

Property and equipment consisted of the following:

(in thousands)	Estimated Useful Life (in years)	March 31, 2013 (unaudited)	December 31, 2012
Land		$ 111,334	$ 139,889
Building and improvements	1-50	448,505	479,194
Machinery and equipment	1-10	540,928	497,370
Internal use software	1-10	267,687	263,376
Construction in process		75,788	78,064
Total gross property and equipment		1,444,242	1,457,893
Accumulated depreciation and amortization		(672,822)	(613,201)
Total property and equipment, net		$ 771,420	$ 844,692

Goodwill and Other Intangible Assets

The $6.1 million decrease in goodwill on the Consolidated Balance Sheet from December 31, 2012 to March 31, 2013 was primarily the result of $18.4 million of foreign currency translation adjustments offset by $12.3 million from business combinations. Intangible assets consisted of the following:

	March 31, 2013 (unaudited)			December 31, 2012		
(in thousands)	Weighted average Life	Gross carrying Amount	Accumulated Amortization	Weighted average Life	Gross carrying Amount	Accumulated Amortization
Amortized intangible assets:						
Purchased technology	7 years	$ 1,272,751	$ (1,022,611)	7 years	$ 1,270,012	$ (1,003,531)
Purchased tradenames and trademarks	9 years	327,815	(190,933)	9 years	329,588	(184,272)
Purchased customer base	11 years	1,463,006	(574,082)	11 years	1,464,042	(544,736)
Other intellectual property	6 years	380,673	(264,885)	6 years	375,164	(250,295)
Total intangible assets		$ 3,444,245	$ (2,052,511)		$ 3,438,806	$ (1,982,834)
Intangible assets not subject to amortization:						
Purchased tradenames and trademarks		$ 7,451			$ 7,451	
In-process research and development		62,400			62,400	

Amortization expense related to purchased intangible assets for the three months ended March 31, 2013 and 2012 was $72.4 million and $72.1 million, respectively. Estimated aggregate amortization expense is expected to be $220.1 million for the remainder of fiscal year 2013. Estimated aggregate amortization expense for fiscal years 2014, 2015, 2016 and 2017 is $248.8 million, $228.9 million, $176.6 million and $161.5 million, respectively. During the three months ended March 31, 2013, there were no material impairments identified.

Acquired in-process research and development assets are accounted for as indefinite life intangible assets subject to annual impairment test, or earlier if an event or circumstance indicates that impairment may have occurred, until completion or abandonment of the acquired projects. Upon reaching the end of the relevant research and development project, the Company will amortize the acquired in-process research and development over its estimated useful life or expense the acquired in-process research and development should the research and development project be unsuccessful with no future alternative use.

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Accrued Expenses and Other Current Liabilities

Accrued Expenses and Other Current Liabilities consist of royalty accruals, hedge liabilities, product warranties, interest accruals, legal accruals and other current liabilities.

In February 2012, the Company received an unfavorable verdict in its litigation with Promega Corporation that resulted in charges to cost of revenues and a legal accrual of $52.0 million, which was recorded in the December 31, 2011 financial statements and remained recorded as a liability as of March 31, 2013 and December 31, 2012. Although a federal judge reversed the verdict in September 2012, Promega responded to the judge s decision by filing various motions for a new trial. The Company intends to vigorously challenge all motions for a new trial.

In November 2012, the Company received an unfavorable verdict in its litigation with Enzo Biochem, resulting in charges to cost of revenues and a legal accruals of $60.9 million, which was recorded in the December 31, 2012 financial statements and remains recorded as a liability as of March 31, 2013. The Company strongly disagrees with the verdict and intends to vigorously challenge it in the trial court and on appeal.

None of the other liabilities in Accrued Expenses and Other Current Liabilities was individually material at March 31, 2013 and December 31, 2012.

Reconciliation of Equity

The following table provides a reconciliation of the beginning and ending carrying amounts of total equity, equity attributable to the Company, and equity attributable to non-controlling interests:

(in thousands) (unaudited)	Total	Common Stock	Additional Paid-in-Capital	Treasury Stock	Accumulated Other Comprehensive Income	Retained Earnings	Non-Controlling Interests
Balance at December 31, 2012	$ 4,653,463	$ 2,187	$ 5,731,568	$ (2,481,990)	$ 59,070	$ 1,341,846	$ 782
Amortization of stock based compensation	16,508		16,508				
Common stock issuance under employee stock plans	54,218	15	54,229	(26)			
Net tax benefit on employee stock plans	7,452		7,452				
Issuance of restricted shares, net of shares repurchased for minimum tax liability	(20,890)	9	(9)	(20,890)			
Issuance of deferred stock	3,335	1	9,282	(5,948)			
Purchase of treasury stock	(104,888)			(104,888)			
Realized gain on hedging transactions, reclassed into earnings, net of related tax effects	(92)				(92)		
Pension liability, net of deferred taxes	(9,505)				(9,505)		
Foreign currency translation adjustment, net of related tax effects	(34,389)				(34,391)		2
Net income (loss)	121,109					121,196	(87)
Balance at March 31, 2013	$ 4,686,321	$ 2,212	$ 5,819,030	$ (2,613,742)	$ 15,082	$ 1,463,042	$ 697

Accumulated Other Comprehensive Income and Components of Other Comprehensive Income

Accumulated other comprehensive income includes unrealized gains and losses that are excluded from the Consolidated Statements of Operations. The unrealized gains and losses include foreign currency translation adjustments, cash flow hedge adjustments, and pension liabilities adjustments, net of tax.

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Accumulated other comprehensive income, net of taxes, attributable to Life Technologies, consists of the following at March 31, 2013:

(in thousands) (unaudited)	Total	Cash Flow Hedges	Pension Liabilities	Foreign Currency Translation Adjustments
Balance at December 31, 2012	$ 59,070	$ 1,594	$ (104,787)	$ 162,263
Current-period change	(43,988)	(92)	(9,505)	(34,391)
Balance at March 31, 2013	$ 15,082	$ 1,502	$ (114,292)	$ 127,872

The components of other comprehensive income (loss) for the three months ended March 31, 2013 are as follows:

	Three months ended March 31, 2013		
(in thousands) (unaudited)	Before-Tax Amount	Tax Benefit	Net-of-Tax Amount
Curtailment gain on pension plans, reclassified into earnings	$ (15,264)	$ 5,759	$ (9,505)
Realized gain on cash flow hedges, reclassified into earnings	(146)	54	(92)
Foreign currency translation adjustments	(34,391)		(34,391)
Other comprehensive income (loss)	$ (49,801)	$ 5,813	$ (43,988)

The details about reclassifications out of accumulated other comprehensive income into net income for the three months ended March 31, 2013 are as follows:

(in thousands) (unaudited)	Amount Reclassified from AOCI	Affected Line Item in Statement of Operations
(Gains)/losses on cash flow hedges		
Forward interest rate swap contracts	$ (146)	Interest expense
	(146)	Total before tax
	54	Income tax provision
	$ (92)	Net of tax
Defined benefit pension plan items		
Curtailment gain	$ (15,264)	Business integration costs
	(15,264)	Total before tax
	5,759	Income tax provision
	$ (9,505)	Net of tax
Total reclassifications	$ (9,597)	Net of tax

3. Long-Term Debt

Long-term debt consisted of the following:

(in thousands)	March 31, 2013 (unaudited)	December 31, 2012
3.375% Senior Notes (principal due 2013), net of unamortized discount	$	$ 249,993
4.400% Senior Notes (principal due 2015), net of unamortized discount	499,320	499,235
3.500% Senior Notes (principal due 2016), net of unamortized discount	399,629	399,598
6.000% Senior Notes (principal due 2020), net of unamortized discount	748,848	748,815
5.000% Senior Notes (principal due 2021), net of unamortized discount	398,546	398,508
Capital leases	26,684	17,920
Total debt	2,073,027	2,314,069
Less current portion	(4,048)	(253,214)
Total long-term debt	$ 2,068,979	$ 2,060,855

Senior Notes

During 2010, the Company filed a prospectus that allows the Company to issue in one or more offerings, senior or subordinated debt securities covered by the prospectus by filing a prospectus supplement that contains specific information about the securities and specific terms being offered. Under the prospectus, the Company has issued a principal amount of $2,300.0 million of fixed unsecured and unsubordinated Senior Notes (the Notes), of which $1,500.0 million were offered in February 2010 and $800.0 million were offered in December 2010. The $1,500.0 million of fixed rate unsecured notes which were issued in February 2010 consisted of an aggregate principal amount of $250.0 million of 3.375% Senior Notes due 2013 (the 2013 Notes) at an issue price of 99.95%, an aggregate principal amount of $500.0 million of 4.40% Senior Notes due 2015 (the 2015 Notes) at an issue price of 99.67% and an aggregate principal amount of $750.0 million of 6.00% Senior Notes due 2020 (the 2020 Notes) at an issue price of 99.80%. The additional $800.0 million of fixed rate unsecured notes which were issued in December 2010 consisted of an aggregate principal amount of $400.0 million of 3.50% Senior Notes due 2016 (the 2016 Notes) at an issue price of 99.84% and an aggregate principal amount of $400.0 million of 5.00% Senior Notes due 2021 (the 2021 Notes) at an issue price of 99.56%. The effective interest rates, net of hedging transactions, are 3.39%, 4.47%, 3.53%, 6.03%, and 5.06% for the 2013, 2015, 2016, 2020 and 2021 Notes, respectively, with interest payments due semi-annually.

As a result of the issuances, the Company has recorded an aggregate $5.7 million of debt discounts for the Notes. At March 31, 2013, the unamortized debt discount balance was $3.7 million. The debt discounts are amortized over the lives of the associated Notes using the effective interest method.

The aggregate net proceeds from the Note offerings in 2010 were $2,276.4 million after deducting the debt discounts as well as underwriting discounts of $17.9 million. Total deferred financing costs associated with the issuances of the Notes were $21.8 million, including the $17.9 million of underwriting discounts and $3.9 million of legal and accounting fees. At March 31, 2013, the unamortized issuance costs for the Notes were $12.5 million which are expected to be recognized over a weighted average period of 5.8 years.

During March 2013, the Company used cash on hand and proceeds from the line of credit to pay off the entire outstanding balance of the 3.375% Senior Notes of $250.0 million, plus accrued interest due on the date of repayment. The Company did not recognize any gain or loss associated with the repayment of the 2013 Notes. At December 31, 2012, the Company held the carrying value of $250.0 million, and the related debt discount, of the 2013 Notes in current liabilities. For details on the revolving credit facility, refer to Note 4 Lines of Credit .

The Company recognized aggregate contractual interest expense of $26.7 million and $27.4 million for the three months ended March 31, 2013 and 2012, respectively.

The Company, at its option, may redeem outstanding Notes (prior to October 15, 2020 for the 2021 Notes) in whole or in part at any time at a redemption price equal to the greater of 100% of the principal amount of the notes to be redeemed or the sum of the present values of the remaining scheduled payments of the notes to be redeemed discounted on a semi-annual basis at a rate equal to the sum of the rate on a comparable United States Treasury note plus 25 basis points for the 2015 Notes, the 2016 Notes, and the 2021 Notes, and 35 basis points for the 2020 Notes, plus accrued and unpaid interest through the date of redemption, if any. Commencing on October 15, 2020, the Company may redeem the 2021 Notes, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest through the redemption date. Upon the occurrence of a change of control of the Company that results in a downgrade of the notes below an investment grade rating, the indenture requires under certain circumstances that the Company makes an offer to purchase then outstanding Notes equal to 101% of the principal amount plus any accrued and unpaid interest to the date of repurchase.

The indentures governing the Notes contain certain covenants that, among other things, limit the Company s ability to create or incur certain liens and engage in sale and leaseback transactions. In addition, the indentures limit the Company s ability to consolidate, merge, sell, convey, transfer, lease or otherwise dispose of all or substantially all of its property and assets. These covenants are subject to certain exceptions and qualifications.

Convertible Senior Notes

During January 2012, the Company notified the holders of the 1 $^{1}/_{2}$% Convertible Senior Note due 2024 (2024 Notes) of its intention to redeem all of the outstanding 2024 Notes on February 15, 2012. During February 2012, the Company redeemed the outstanding 2024 Notes, with no excess of the 2024 Notes conversion value over par, in $450.0 million of cash. The Company did not recognize any gain or loss on the settlement of the 2024 Notes.

The Company recognized total interest cost of $2.5 million for the three months ended March 31, 2012 based on the effective interest rate of 6.10% for the 2024 Notes. The interest expense consisted of $0.8 million of contractual interest based on the stated coupon rate and $1.7 million of amortization of the discount on the liability component associated with the bifurcation requirements prescribed by *ASC Topic 470-20, Debt with Conversion and Other Options,* for the three months ended March 31, 2012.

4. Lines of Credit

In February 2012, the Company entered into a new credit agreement (the Revolving Credit Facility) for $750.0 million for the purpose of general working capital, capital expenditures, and/or other capital needs. Fees and interest on borrowed amounts vary depending on leverage. The commitment fee for unused funds ranges from 10 to 27.5 basis points and fees for the letter of credit range from 100 to 200 basis points. The interest rate on borrowings is determined using, at the Company s election, either: a) the higher of Bank of America s prime rate or the Federal Funds rate plus 50 basis points, plus a spread ranging from 0 to 100 basis points, depending on leverage; or b) the British Banker s Association LIBOR, plus a spread ranging from 100 to 200 basis points, depending on leverage.

During the three months ended March 31, 2013, the Company withdrew $491.0 million on the Revolving Credit Facility and repaid $267.0 million. The Company had an outstanding balance of $324.0 million and $100.0 million as of March 31, 2013 and December 31, 2012, respectively. Additionally, the Company has issued $10.2 million of letters of credit under the Revolving Credit Facility, and accordingly, the remaining available credit is $415.8 million. The applicable borrowing rate was 1.45% for the Revolving Credit Facility at March 31, 2013.

At the same time the Company entered into the Revolving Credit Facility in February 2012, the Company extinguished the previously existing revolving credit facility of $500.0 million and as a result recognized a $3.7 million loss, recorded in interest expense, on unamortized deferred financing costs.

As of March 31, 2013 foreign subsidiaries in Mexico and India had available bank lines of credit denominated in local currency to meet short-term working capital requirements. Each credit facility would bear interest at a fixed rate or a variable rate indexed to a local interbank offering rate or equivalent, should there be withdrawals. The United States dollar equivalent of these facilities totaled $3.8 million at March 31, 2013, none of which was outstanding at March 31, 2013.

5. Commitments and Contingencies

Letters of Credit

The Company had outstanding letters of credit totaling $31.5 million at March 31, 2013, of which $13.6 million was to support performance bond agreements, $9.5 million was to support liabilities associated with the Company s self-insured worker s compensation programs, $5.2 million was to support its building lease requirements, and $3.2 million was to support duty on imported products.

Executive Employment Agreements

The Company has employment contracts with key executives that provide for the continuation of salary if terminated for reasons other than cause, as defined in those agreements. At March 31, 2013, future employment contract commitments for such key executives were approximately $38.7 million. In certain circumstances, the employment agreements call for the acceleration of equity vesting. The non-cash financial impact of the acceleration of equity vesting is not reflected in the above information.

Acquisition-Related Contingent Obligations

As a result of contingent consideration arrangements associated with certain business acquisitions, the Company may have future payment obligations which are based on certain technological or operational milestones. In accordance with *ASC Topic 805, Business Combinations*, the Company records these obligations at fair value at the time of acquisition with subsequent fair value adjustments to the contingent consideration reflected in the line items of the Consolidated Statement of Operations commensurate with the nature of the contingent consideration.

At March 31, 2013, the total amount accrued for contingent consideration liabilities was $42.4 million, of which $16.1 million was included in current liabilities. At December 31, 2012, the total amount accrued for contingent consideration liabilities was $44.3 million, of which $16.7 million was included in current liabilities. During the three months ended March 31, 2013, $1.8 million of

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contingent consideration liabilities were paid. During the three months ended March 31, 2012, $283.1 million of contingent consideration was paid, of which $282.2 million was a result of a $300.0 million milestone arrangement related to the Ion Torrent acquisition. The milestone was achieved during the year ended December 31, 2011 and paid in January 2012 in a combination of $192.4 million in cash and 2.7 million shares of the Company s common stock or the equivalent of $107.6 million at the time of settlement.

The Company could be required to make additional contingent payments based on currently existing purchase agreements through 2022. For more information on contingent consideration valuation, refer to Note 9 of the Consolidated Financial Statements, Fair Value of Financial Instruments .

Environmental Liabilities

As a result of previous mergers and acquisitions, the Company assumed certain environmental exposure liabilities. At March 31, 2013, aggregate undiscounted environmental reserves were $8.7 million, including current reserves of $3.9 million. Based upon currently available information, the Company believes that it has adequately provided for these environmental exposures and that the outcome of these matters will not have a material adverse effect on its Consolidated Statement of Operations.

Litigation

We are subject to potential liabilities under government regulations and various claims and legal actions that are pending or may be asserted. These matters arise in the ordinary course and conduct of our business, and, at times, as a result of our acquisitions and dispositions and as a result of our proposed acquisition by Thermo Fisher Scientific Inc., a Delaware corporation (Thermo Fisher). They include, for example, commercial, intellectual property, environmental, securities, employment matters and federal and state putative class action lawsuits challenging the proposed merger transaction with Thermo Fisher. Some are expected to be covered, at least partly, by insurance. We intend to continue to defend ourselves vigorously in such matters. We regularly assess contingencies to determine the degree of probability and range of possible loss for potential accrual in our financial statements. An estimated loss contingency is accrued in our financial statements if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Based on our assessment, we have accrued an amount in our financial position for contingent liabilities associated with these legal actions and claims that the Company considers immaterial to its overall financial position. Litigation is inherently unpredictable, and unfavorable resolutions could occur. As a result, assessing contingencies is highly subjective and requires judgment about future events. The amount of ultimate loss may exceed our current accruals, and it is possible that our cash flows or results of operations could be materially affected in any particular period by the unfavorable resolution of one or more of these contingencies.

Indemnifications

In the normal course of business, we enter into some agreements under which we indemnify third-parties for intellectual property infringement claims or claims arising from breaches of representations or warranties. In addition, from time to time, we provide indemnity protection to third-parties for claims relating to past performance arising from undisclosed liabilities, product liabilities, environmental obligations, representations and warranties, and other claims. In these agreements, the scope and amount of remedy, or the period in which claims can be made, may be limited. It is not possible to determine the maximum potential amount of future payments, if any, due under these indemnities due to the conditional nature of the obligations and the unique facts and circumstances involved in each agreement. Historically, payments made related to these indemnifications have not been material to our consolidated financial position.

Guarantees

The Company is a guarantor of a pension plan benefit that was assumed in conjunction with the Applied Biosystems merger that is accounted for under *the ASC Topic 460, Guarantees*. As part of the divestiture of the Analytical Instruments business in 1999 by Applied Biosystems, the purchaser of the Analytical Instruments business has agreed to pay for the pension benefits for employees of a former German subsidiary. However, the Company was required to guarantee payment of these pension benefits should the purchaser fail to do so, because these payment obligations were not transferable to the buyer under German law. The guaranteed payment obligation is not expected to have a material adverse effect on the Consolidated Financial Statements.

6. Pension Plans and Postretirement Health and Benefit Program

The Company has several defined benefit pension plans covering its United States employees and employees in several foreign countries.

The net periodic pension cost for three months ended March 31, 2013 includes a curtailment gain of $20.2 million. During the three months ended March 31, 2013 the Company spun off an employee and retiree grouping of the Applied Biosystems, Inc. Retiree Welfare Plan and no longer offered retiree medical coverage to these participants. The Company accounted for the termination of benefits to both active and retired employees a plan curtailment and recorded the corresponding gain in the current period in accordance with *ASC Topic 715, Compensation Retirement Benefits*. The Applied Biosystems, Inc. Retiree Welfare Plan still retained certain retirees who will continue to receive benefits under the provisions of the plan.

The components of net periodic pension cost or (benefit) for the Company s pension plans and postretirement benefits plans for the three months ended March 31, 2013 and 2012 were as follows:

	Domestic Plans Three months ended March 31,	
(in thousands) (unaudited)	**2013**	**2012**
Service cost	$ 412	$ 385
Interest cost	7,705	8,713
Expected return on plan assets	(9,215)	(9,383)
Amortization of prior service cost	15	15
Amortization of actuarial loss	1,278	954
Net periodic pension cost	$ 195	$ 684

	Postretirement Plans Three months ended March 31,	
(in thousands) (unaudited)	**2013**	**2012**
Service cost	$ 1	$ 10
Interest cost	85	342
Expected return on plan assets	(129)	(115)
Amortization of prior service cost	(608)	(474)
Amortization of actuarial loss	128	153
Curtailment gain	(20,240)	
Total periodic pension benefit	$ (20,763)	$ (84)

	Foreign Plans Three months ended March 31,	
(in thousands) (unaudited)	**2013**	**2012**
Service cost	$ 677	$ 614
Interest cost	1,236	1,205
Expected return on plan assets	(853)	(926)
Amortization of actuarial (gain) loss	197	(10)
Net periodic pension cost	$ 1,257	$ 883

7. Income Taxes

Income taxes are determined using an estimated annual effective tax rate applied against income, and then adjusted for the tax impacts of certain significant and discrete items. For the three months ended March 31, 2013, the Company treated the tax impact related to the following as discrete events for which the tax effect was recognized separately from the application of the estimated annual effective tax rate: the impact of the new tax legislation, changes in tax reserves, and disqualifying dispositions of qualified stock grants. The Company s effective tax rate recorded for the three months ended March 31, 2013 was 20.0%. Excluding the impact of the discrete items discussed above, the effective tax rate would have been 24.5%.

On January 2, 2013 the President signed the American Taxpayer Relief Act of 2012 (the Act). As a result, the 2012 federal research credit was retroactively reinstated and a $7.6 million tax benefit was recognized during the three months ended March 31, 2013. Additionally, the Act retroactively reduced certain tax benefits for deemed repatriation activities recorded in 2012 requiring the Company to recognize $2.5 million of tax expense during the three months ended March 31, 2013.

In accordance with the disclosure requirements as described in *ASC Topic 740, Income Taxes*, the Company has classified uncertain tax positions as non-current income tax liabilities, or a reduction in non-current deferred tax assets, unless expected to be paid within one year. The Company s continuing practice is to recognize interest and/or penalties related to income tax matters in income tax expense. It is reasonably possible that there will be a reduction to the balance of unrecognized tax benefits up to $69.9 million in the next twelve months largely due to the expected settlement with the Internal Revenue Service of the 2008 and 2009 federal exam.

The Company continues to benefit from reduced tax rates in Singapore and Israel. Singapore s taxing authority granted the Company pioneer company status that provides an incentive encouraging companies to undertake activities that have the effect of promoting economic or technological development in Singapore. This incentive equates to a tax exemption on earnings associated with most of the Company s manufacturing activities in Singapore and continues through December 31, 2021. The Company qualifies for an incentive tax benefit in Israel that provides for a reduced 3.5% tax rate on earnings from its subsidiary in Israel. This incentive has been granted for an indefinite period provided that minimum sales and investment levels are maintained. The impact of these tax holidays decreased the annual effective tax rate by 2.5% and increased earnings per share by approximately $0.02 for the three months ended March 31, 2013.

8. Stock Repurchase Programs

In July 2012, the Board of Directors of the Company approved a program (the July 2012 program) authorizing management to repurchase up to $750.0 million of common stock. During the year ended December 31, 2012, the Company repurchased 4.9 million shares of its common stock under this program at a total cost of $238.0 million. During the three months ended March 31, 2013, the Company repurchased 2.0 million shares of its common stock under this program at a total cost of $104.9 million. As of March 31, 2013, there was $407.1 million of authorization remaining under this program.

In July 2011, the Board of Directors of the Company approved a program (the July 2011 program) authorizing management to repurchase up to $200.0 million of common stock. During the year ended December 31, 2012, the Company repurchased 4.6 million shares of its common stock under this program at a total cost of $200.0 million, the maximum amount authorized, thereby completing the July 2011 program.

In December 2010, the Board of Directors of the Company approved a program (the December 2010 program), authorizing management to repurchase up to $500.0 million of common stock. During the year ended December 31, 2011, the Company repurchased 6.4 million shares of its common stock under this program at a total cost of $303.0 million. During the year ended December 31, 2012, the Company repurchased an additional 4.3 million shares of its common stock at a total cost of $197.0 million, thereby completing the December 2010 program by repurchasing an aggregate of 10.7 million shares at a total cost of $500.0 million, the maximum amount authorized.

In addition, the Company s employee stock plan allows for certain net share settlement of stock awards. The Company accounts for the net share settlement withholding as a treasury share repurchase transaction. The cost of repurchasing shares is included in treasury stock and reported as a reduction in total equity when a repurchase occurs.

9. Fair Value of Financial Instruments

The carrying amounts of financial instruments such as cash equivalents, foreign cash accounts, accounts receivable, prepaid expenses, other current assets, accounts payable, accrued expenses, and other current liabilities approximate the related fair values due to the short-term maturities of these instruments. The Company may invest its excess cash into financial instruments which are readily convertible into cash, such as marketable securities, money market funds, corporate notes, government securities, highly liquid debt instruments, time deposits, and certificates of deposit with original maturities of three months or less at the date of purchase. The Company considers all highly liquid investments with maturities of three months or less from the date of purchase to be cash equivalents. The Company has established guidelines to maintain safety and liquidity for our financial instruments, and the cost of securities sold is based on the specific identification method.

Investments consisted of the following:

(in thousands)	March 31, 2013 (unaudited)	December 31, 2012
Short-term		
Bank time deposits	$ 16,084	$ 5,726
Total short-term investments	16,084	5,726
Long-term		

Equity securities	29,266	26,677
Total long-term investments	29,266	26,677
Total investments	$ 45,350	$ 32,403

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ASC Topic 820, Fair Value Measurements and Disclosures requires the Company to establish a framework for measuring fair value. The framework requires the valuation of assets and liabilities subject to fair value measurements using a three tiered approach and fair value measurement be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).

The following table represents the financial instruments measured at fair value on a recurring basis on the financial statements of the Company subject to *ASC Topic 820, Fair Value Measurements and Disclosures* and the valuation approach applied to each class of financial instruments:

(in thousands) (unaudited)		Fair Value Measurements at Reporting Date Using		
Description	**Balance at March 31, 2013**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Bank time deposits	$ 16,084	$ 16,084	$	$
Money market funds	2,231	2,231		
Deferred compensation plan assets-mutual funds	27,261	27,261		
Assets-derivative forward exchange contracts	14,750		14,750	
Total assets	$ 60,326	$ 45,576	$ 14,750	$
Liabilities-derivative forward exchange contracts	2,860		2,860	
Contingent considerations	42,423			42,423
Total liabilities	$ 45,283	$	$ 2,860	$ 42,423

At March 31, 2013, the carrying value of the financial instruments measured and classified within level 1 was based on quoted prices and marked to market.

The Company manages the Life Technologies Corporation Deferred Compensation Plan (the Deferred Compensation Plan) which allows eligible directors and employees to defer, on a pre-tax basis, a portion or all of their compensation, bonuses, or director s fees. As of March 31, 2013, the Company held $27.3 million in deferred compensation plan assets in other assets in its Consolidated Balance Sheet which were invested in mutual funds. The fair market value of the assets held in the Deferred Compensation Plan was based on unadjusted quoted prices in active markets. The Company carries a corresponding deferred compensation liability of $27.3 million as of March 31, 2013 in other long-term obligations in its Consolidated Balance Sheet.

Exchange traded derivatives are valued using quoted market prices, when available, and classified within level 1 of the fair value hierarchy. Level 2 derivatives include foreign currency forward contracts for which fair value is determined by using observable market spot rates and forward points adjusted by risk-adjusted discount rates. The risk-adjusted discount rate is derived by United States dollar zero coupon yield bonds for the corresponding duration of the maturity of derivatives, then adjusted with a counter party default risk for the value of our derivative assets or our credit risk for the value of our derivative liabilities. Credit risk is derived by observable credit default swaps (CDS) spreads. Because CDS spreads information is not available for our Company, our credit risk is determined by analyzing CDS spreads of similar size public entities in the same industry with similar credit ratings. The value of our derivatives discounted by risk-adjusted discount rates represents the present value of amounts estimated to be received for the assets or paid to transfer the liabilities at the measurement date from a marketplace participant in settlement of these instruments.

Level 3 Fair Value Measurements

Contingent consideration arrangements obligate the Company to pay former owners of an acquired entity if specified future events occur or conditions are met such as the achievement of certain technological milestones or operational milestones. The Company measures such liabilities using level 3 unobservable inputs, applying the income approach, such as the discounted cash flow technique, or the probability-weighted scenario method. The Company used various key assumptions, such as the probability of achievement on the agreed milestones arrangement and the discount rate, to represent the non-performing risk factors and time value when applying the income approach. The Company continuously monitors the fair value of the contingent considerations, with

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subsequent revisions reflected in the Statement of Operations in the line items commensurate with the underlying nature of milestone arrangements. For further discussion on contingent consideration accounting, refer to Note 5 of the Consolidated Financial Statements, Commitments and Contingencies .

At March 31, 2013, the Company s level 3 liabilities, which represent the estimated fair value of existing contingent consideration agreements, individually or collectively are not considered material to the Company s consolidated financial statements. Reasonable changes in the unobservable inputs would not be expected to have a significant impact on the Company s consolidated financial statements.

For financial instrument liabilities with significant level 3 inputs, the following table summarizes the activity for the three months ended March 31, 2013:

(in thousands) (unaudited)		**Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Contingent Considerations**
Beginning balance at January 1, 2013	$	44,323
Settlements		(1,797)
Total unrealized gain included in earnings		(19)
Foreign currency translation adjustments		(84)
Ending balance at March 31, 2013	$	42,423
Total amount of unrealized losses for the period included in other comprehensive loss attributable to the change in fair market value of related liabilities still held at the reporting date	$	

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Non-financial assets and liabilities are recognized at fair value subsequent to initial recognition when they are deemed to be other-than-temporarily impaired. There were no material non-financial assets and liabilities deemed to be other-than-temporarily impaired and measured at fair value on a nonrecurring basis for the three months ended March 31, 2013 other than that of the property sold which resulted in $28.3 million loss. The Company evaluates its investments in equity and debt securities that are accounted for using the equity method or cost method to determine whether an other-than-temporary impairment or a credit loss exists at period end. At March 31, 2013, the Company held an aggregate $29.3 million of long-term investments in equity securities that are accounted for under the cost method. The Company assesses these investments for impairment each quarter, but does not calculate a fair value. Due to the nature of these investments, mainly non-public and early stage companies, the Company believes calculating a fair value not to be practicable. In the event the Company identified an indicator of impairment, the assessment of fair value would be based on all available factors, and may include valuation methodologies using level 3 unobservable inputs, which include discounted cash flows, estimates of sales proceeds, net investment values and appraisals, as appropriate. At March 31, 2013, the Company determined that no event or change in circumstances with a significant adverse effect on the fair value of the cost method investments had occurred during the three months ended March 31, 2013, and, accordingly, no material impairment charges were recorded during the period.

Foreign Currencies and Derivative Financial Instruments

The Company translates the financial statements of its foreign subsidiaries using end-of-period exchange rates for assets and liabilities and average exchange rates during each reporting period for results of operations. Net gains or losses resulting from the translation of foreign financial statements and the effect of exchange rate changes on intercompany receivables and payables of a long-term investment nature are recorded as a separate component of stockholders equity. These adjustments will affect net income only upon sale or liquidation of the underlying investment in a foreign subsidiary.

Some of the Company s reporting entities conduct a portion of their business in currencies other than the entity s functional currency. These transactions give rise to receivables and payables that are denominated in currencies other than the entity s functional currency. The value of these receivables and payables is subject to changes in currency exchange rates from the point in which the transactions are originated until the settlement in cash. Both realized and unrealized gains and losses in the value of these receivables and payables are included in the determination of net income. Net currency exchange gains (losses) recognized on business transactions, net of hedging transactions, were $(0.4) million and $0.3 million for the three months ended March 31, 2013 and March 31, 2012, respectively, and such gains or losses are included in other income/(expense) in the Consolidated Statements of Operations and Comprehensive Income.

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To manage the foreign currency exposure risk, the Company uses derivatives for activities in entities that have receivables and payables denominated in a currency other than the entity s functional currency. Realized and unrealized gains or losses on the value of financial contracts entered into to hedge the exchange rate exposure of these receivables and payables are also included in the determination of net income as they have not been designated for hedge accounting under *ASC Topic 815, Derivatives and Hedging*. These contracts, which settle in April 2013 through July 2013, effectively fix the exchange rate at which these specific receivables and payables will be settled in, so that gains or losses on the forward contracts offset the gains or losses from changes in the value of the underlying receivables and payables. At March 31, 2013, the Company had a notional principal amount of $923.2 million in foreign currency forward contracts outstanding to hedge currency risk relative to our foreign receivables and payables. The Company s currency exposures vary, but are primarily concentrated in the euro, British pound, and Japanese yen.

During the year ended December 31, 2010, the Company entered into forward interest rate swap agreements for a notional amount totaling $1,500.0 million for a certain part of Notes issuances. These agreements were to hedge the variability in future probable interest payments attributable to changes in the benchmark interest rate from the date the Company entered into the forward interest rate swap agreements to the date the Company issued the Notes. These agreements effectively hedged a series of semi-annual future interest payments to the fixed interest rates for forecasted debt issuances. The Company recorded total proceeds of $4.3 million from the forward interest rate swaps in accumulated other comprehensive income, which is reclassified to interest expense in the same period during which the hedged transactions affect interest expense. For further information related to interest expense on the Notes, refer to Note 3 of the Consolidated Financial Statements, Long-Term Debt .

The following table summarizes the fair values of derivative instruments at March 31, 2013 and December 31, 2012:

(in thousands)	Asset Derivatives Balance Sheet Location	Asset Derivatives Fair Value March 31, 2013 (unaudited)	Asset Derivatives Fair Value December 31, 2012	Liability Derivatives Balance Sheet Location	Liability Derivatives Fair Value March 31, 2013 (unaudited)	Liability Derivatives Fair Value December 31, 2012
Derivatives instruments not designated as cash flow hedges						
Forward exchange contracts	Other current assets	$ 14,750	$ 1,597	Other current liabilities	$ 2,860	$ 9,436
Total derivatives		$ 14,750	$ 1,597		$ 2,860	$ 9,436

The following table summarizes the effect of derivative instruments on the Consolidated Statements of Operations and Comprehensive Income for the three months ended March 31, 2013 and 2012:

(in thousands) (unaudited)	Three months ended March 31, 2013: Amount of (Gain)/Loss Recognized in OCI	Three months ended March 31, 2013: Location of Gain/(Loss) Reclassified from AOCI into Income Effective Portion	Three months ended March 31, 2013: Amount of Gain/(Loss) Reclassified from AOCI into Income	Three months ended March 31, 2012: Amount of (Gain)/Loss Recognized in OCI	Three months ended March 31, 2012: Location of Gain/(Loss) Reclassified from AOCI into Income Effective Portion	Three months ended March 31, 2012: Amount of Gain/(Loss) Reclassified from AOCI into Income
Derivatives instruments designated and qualified as cash flow hedges						
Forward interest rate swap contracts	$	Interest expense	$ 146	$	Interest expense	$ 146
Total derivatives	$		$ 146	$		$ 146

(in thousands) (unaudited)	Three months ended March 31, 2013 Location of (Gain)/Loss Recognized in Income	Amount of (Gain)/Loss Recognized in Income	Three months ended March 31, 2012 Location of (Gain)/Loss Recognized in Income	Amount of (Gain)/Loss Recognized in Income
Derivatives instruments not designated as cash flow hedges				
Forward exchange contracts	Other (income) expense	$ (3,183)	Other (income) expense	$ 10,606
Total derivatives		$ (3,183)		$ 10,606

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Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk are cash and cash equivalents, investments, and accounts receivable. We attempt to minimize the risks related to cash and cash equivalents and investments by using highly-rated financial institutions that invest in a broad and diverse range of financial instruments. We have established guidelines relative to credit ratings and maturities intended to maintain safety and liquidity. Concentration of credit risk with respect to accounts receivable is limited due to our large and diverse customer base, which is dispersed over different geographic areas. Allowances are maintained for potential credit losses and such losses have historically been within our expectations. The Company does sell to various institutions in Southern Europe, particularly Spain and Italy, which are either partially or directly funded by government institutions. Given the current fiscal environment, the Company is continuously monitoring the credit and economic conditions of our customer base. The Company believes its current reserves are appropriate given the current economic condition of its customers. If continued deterioration was to occur in these markets, we may not be able to collect on receivables and our write-offs of uncollectible accounts may increase. The Company s current exposure in this region is immaterial to the Company s overall financial position.

Our investment portfolio is maintained in accordance with our investment policy that defines allowable investments, specifies credit quality standards and limits the credit exposure of any single issuer. We continue to monitor the global economic environment, including that of the Eurozone. We do not believe the current economic uncertainties in several European markets, including Greece, Spain, Italy, and Portugal, will have a material adverse effect on our investment portfolio or future results of operations.

Our derivatives instruments have an element of risk in that the counterparties may be unable to meet the terms of the agreements. We attempt to minimize this risk by limiting the counterparties to a diverse group of highly-rated domestic and international financial institutions. In the event of non-performance by these counterparties, the asset position carrying values of our financial instruments represent the maximum amount of loss we could incur as of March 31, 2013. However, we do not expect to record any losses as a result of counterparty default in the foreseeable future. We do not require and are not required to pledge collateral for these financial instruments. The Company does not use derivative financial instruments for speculation or trading purposes or for activities other than risk management and we are not a party to leveraged derivatives. In addition, we do not carry any master netting arrangements to mitigate the credit risk. The Company continually evaluates the costs and benefits of its hedging program.

Debt Obligations

The Company has certain financial instruments in which the carrying value does not equal the fair value. The estimated fair value of the senior notes was determined by using observable market information (level 1 inputs). The fair value and carrying amounts of the Company s debt obligations were as follows:

	Fair Value		**Carrying Amounts**	
(in thousands)	**March 31, 2013 (unaudited)**	**December 31, 2012**	**March 31, 2013 (unaudited)**	**December 31, 2012**
3.375% Senior Notes (principal due 2013)	$	$ 251,320	$	$ 249,993
4.400% Senior Notes (principal due 2015)	523,690	533,965	499,320	499,235
3.500% Senior Notes (principal due 2016)	419,392	421,864	399,629	399,598
6.000% Senior Notes (principal due 2020)	842,370	895,590	748,848	748,815
5.000% Senior Notes (principal due 2021)	434,000	454,912	398,546	398,508

For details on the carrying amounts of the debt obligations, refer to Note 3 of the Consolidated Financial Statements, Long-Term Debt .

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10. Subsequent Events

On April 14, 2013, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) with Thermo Fisher Scientific Inc., a Delaware corporation (Thermo Fisher), and Polpis Merger Sub Co., a Delaware corporation and a wholly owned subsidiary of Thermo Fisher (Merger Sub), providing for, subject to the satisfaction or waiver of specified conditions, the acquisition of the Company by Thermo Fisher at a price of $76 per share in cash, subject to adjustment as described below. Subject to the terms and conditions of the Merger Agreement, the closing of the merger is expected to occur early in 2014. If the merger does not close by January 14, 2014, by reason of the failure to obtain certain required antitrust approvals or the issuance or enactment by a governmental authority of an order or law prohibiting or restraining the merger (and such prohibition or restraint is in respect of an antitrust law), the cash price per share will increase by $0.0062466 per day during the period commencing on, and including, January 14, 2014, and ending on, and including, the closing date. For additional information related to the Merger Agreement, please refer to the Current Report on Form 8-K filed with the SEC on April 16, 2013 (the April 16th 8-K). The foregoing description of the Merger Agreement is qualified in its entirety by reference to the full text of the Merger Agreement attached as Exhibit 2.1 to the April 16th 8-K.

ITEM 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of financial condition and results of operations should be read in conjunction with the Unaudited Consolidated Financial Statements and Notes thereto included elsewhere in this report and the Consolidated Financial Statements and Notes thereto included in our annual report on Form 10-K for the fiscal year ended December 31, 2012.

Forward-looking Statements

Any statements in this Quarterly Report on Form 10-Q about our expectations, beliefs, plans, objectives, prospects, financial condition, assumptions or future events or performance that are not historical facts are forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as believe, anticipate, should, intend, plan, will, expect(s), estimate(s) positioned, strategy, outlook and similar expressions. Additionally, statements concerning future matters, such as the development of new products, enhancements of technologies, sales levels and operating results and other statements regarding matters that are not historical facts are forward-looking statements. Accordingly, all such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from the results expressed in the statements. Any forward-looking statements are qualified in their entirety by reference to the risk, uncertainties and other factors discussed throughout this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, including those described in Item 1-A Risk Factors of our Annual Report on Form 10-K and this Form 10-Q. Among the key factors that could cause our actual results to differ materially from those projected in our forward-looking statements, include our ability to:

- successfully complete our proposed merger with Thermo Fisher, which is dependent and/or may be affected by a number of factors, including, without limitation (i) the receipt of stockholder approval for the transaction, and (ii) the timely receipt of the regulatory approvals required for the transaction;

- continually develop and offer new products and services that are commercially successful;

- successfully compete and maintain the pricing of products and services;

- maintain our revenue and profitability during periods of adverse economic and business conditions;

- successfully integrate and develop acquired businesses and technologies;

- successfully acquire new products, services, and technologies through additional acquisitions;
- successfully procure our products and supplies from our existing supply chain;
- successfully secure and deploy capital;
- satisfy our debt obligations; and
- the additional risks and other factors described under the caption Risk Factors under Item 1A of the Annual Report on Form 10-K for the fiscal year ended December 31, 2012, filed with the Securities and Exchange Commission on February 28, 2013 and this Quarterly Report on Form 10-Q.

Because the factors referred to above could cause our actual results or outcomes to differ materially from those expressed in any forward-looking statements made by us, you should not place undue reliance on any such forward-looking statements. Further, any forward-looking statement speaks only as of the date of this Quarterly Report on Form 10-Q, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after such date.

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OVERVIEW

Revenues for the three months ended March 31, 2013 were $962.5 million, with net income attributable to the Company of $121.2 million. Revenues for the three months ended March 31, 2012 were $939.1 million, with net income attributable to the Company of $132.6 million.

Proposed Acquisition by Thermo Fisher

On April 14, 2013, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) with Thermo Fisher Scientific Inc., a Delaware corporation (Thermo Fisher), and Polpis Merger Sub Co., a Delaware corporation and a wholly owned subsidiary of Thermo Fisher (Merger Sub), providing for, subject to the satisfaction or waiver of specified conditions, the acquisition of the Company by Thermo Fisher at a price of $76 per share in cash, subject to adjustment as described below. Subject to the terms and conditions of the Merger Agreement, the closing of the merger is expected to occur early in 2014. If the merger does not close by January 14, 2014, by reason of the failure to obtain certain required antitrust approvals or the issuance or enactment by a governmental authority of an order or law prohibiting or restraining the merger (and such prohibition or restraint is in respect of an antitrust law), the cash price per share will increase by $0.0062466 per day during the period commencing on, and including, January 14, 2014, and ending on, and including, the closing date.

Additional information about the merger and the terms of the Merger Agreement can be found in the Current Report on Form 8-K filed by the Company under Item 1.01 of that Form 8-K on April 16, 2013, including the full text of the Merger Agreement filed as Exhibit 2.1 to that Form 8-K. In connection with the proposed merger, the Company intends to file relevant materials with the SEC, including the Company s proxy statement in preliminary and definitive form. Stockholders of the Company are urged to read all relevant documents filed with the SEC, including Life Technologies definitive proxy statement, because they will contain important information about the proposed transaction. Investors and security holders are able to obtain the documents (once available) free of charge at the SEC s web site, http://www.sec.gov, or for free from the Company by contacting (760) 603-7208 or ir@lifetech.com. Such documents are not currently available.

Our Business

We are a global life sciences company dedicated to helping our customers make scientific discoveries and ultimately improve the quality of life. Our systems, reagents, and services enable scientific researchers to accelerate scientific exploration, driving to discoveries and developments that make life better. Life Technologies customers do their work across the biological spectrum, working to advance genomic medicine, regenerative science, molecular diagnostics, agricultural and environmental research, and forensics.

The Company offers many different products and services, and is continually developing and/or acquiring others. Some of our specific product categories include the following:

Capillary electrophoresis, SOLiD®, and Ion Torrent® DNA sequencing systems and reagents, which are used to discover sources of genetic and epigenetic variation, to catalog the DNA structure of organisms *de novo*, to verify the composition of genetic research material, and to apply these genetic analysis discoveries in markets such as forensic human identification.

High-throughput gene cloning and expression technology, which allows customers to clone and expression-test genes on an industrial scale.

Pre-cast electrophoresis products, which improve the speed, reliability and convenience of separating nucleic acids and proteins.

Antibodies, which allow researchers to capture and label proteins, visualize their location through use of Molecular Probes® dyes and discern their role in disease.

Magnetic beads, which are used in a variety of settings, such as attachment of molecular labels, nucleic acid purification, and organ and bone marrow tissue-type testing.

Molecular Probes® fluorescence-based technologies, which facilitate the labeling of molecules for biological research and drug discovery.

Fluorescence microscopy instrumentation, which facilitates monitoring and measuring cell density and morphology as well as quick detection and verification of fluorescently labeled cells through imaging.

Transfection reagents, which are widely used to transfer genetic elements into living cells enabling the study of protein function and gene regulation.

PCR and Real Time PCR systems and reagents, which enable researchers to amplify and detect targeted nucleic acids (DNA and RNA molecules) for a host of applications in molecular biology.

Cell culture media and reagents used in the scale-up and manufacture of biological drugs at cGMP facilities.

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RNA Interference reagents, which enable scientists to selectively turn off genes in biology systems to gain insight into biological pathways.

Food safety and animal health products, which are used to for pathogen detection, molecular testing for production animals, crop testing and environmental testing products.

A lab developed test, which is used within our CLIA certified lab to help physicians stratify the risk of recurrence for their patients with early-stage, non-squamous, non-small cell lung cancer.

The Company aligns our products and services into three business groups: Research Consumables, Genetic Analysis and Applied Sciences.

The Research Consumables business group includes our molecular and cell biology reagents, endpoint PCR and other benchtop instruments and consumables. These products include RNAi, DNA synthesis, sample prep, transfection, cloning and protein expression profiling and protein analysis, cell culture media used in research, stem cells and related tools, cellular imaging products, antibodies and cell therapy related products.

The Genetic Analysis business group includes our capillary electrophoresis (also referred to as CE) instruments used for research applications and all CE consumables, real-time and digital qPCR instruments used in research applications and all qPCR consumables and genomic assays, as well as our next generation sequencing systems and reagents for the SOLiD® and Ion Torrent® systems.

The Applied Sciences business group includes our BioProduction, forensics and animal health and food safety reagent kits, CE and qPCR instruments that are used in applied markets applications and our medical sciences business which includes our molecular diagnostics products and services and transplant diagnostics.

CRITICAL ACCOUNTING POLICIES

Our critical accounting policies are those that require significant judgment. For additional information on our critical accounting policies, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and for additional information on the recent accounting pronouncements impacting our business, see Note 1 of the Notes to Consolidated Financial Statements.

RESULTS OF OPERATIONS

First Quarter of 2013 Compared to the First Quarter of 2012

The following table compares revenues and gross profit for the first quarter of 2013 and 2012:

(in millions) (unaudited)	Three months ended March 31, 2013	2012	$ Increase/ (Decrease)	% Increase/ (Decrease)
Research Consumables	$ 409.3	$ 420.1	$ (10.8)	(3)%
Genetic Analysis	364.7	355.7	9.0	3%
Applied Sciences	188.8	161.5	27.3	17%
Corporate and other	(0.3)	1.8	(2.1)	NM
Total revenues	$ 962.5	$ 939.1	$ 23.4	2%
Total gross profit	$ 564.1	$ 553.3	$ 10.8	2%
Total gross profit %	58.6%	58.9%		

Revenue

The Company s revenues increased by $23.4 million or 2% for the first quarter of 2013 compared to the first quarter of 2012. The increase in revenue was driven primarily by an increase of $24.0 million in volume and pricing, $10.0 million as a result of acquisitions and $7.5 million from royalties including licensing settlements, partially offset by $17.7 million in unfavorable currency impacts. Volume and pricing relates to the impact on revenue due to existing and new product total unit sales as well as year over year change in unit pricing and its impact on gross revenue.

The Company operates our business under three business groups Research Consumables, Genetic Analysis, and Applied Sciences. Revenue for the Research Consumables business group decreased by $10.8 million or 3% in the first quarter of 2013 compared to the first quarter 2012. This decrease was driven primarily by a decrease of $9.1 million in volume and pricing and $6.2 million in unfavorable currency impacts, partially offset by an increase of $5.3 million as a result of acquisitions. Revenue for the Genetic Analysis business group increased $9.0 million or 3% for the first quarter of 2013 compared to the first quarter of 2012. This increase was driven primarily by a $7.5 million net increase in volume and pricing and an increase of $9.3 million from royalties including licensing settlements, partially offset by $7.8 million in unfavorable currency impacts. Revenue for the Applied Sciences business group increased by $27.3 million or 17% for the first quarter of 2013 compared to the first quarter of 2012. The increase was primarily driven by a $27.3 million net increase in volume and pricing and an increase of $4.7 million as a result of acquisitions, partially offset by $3.8 million in unfavorable currency impacts.

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Changes in exchange rates of foreign currencies, especially in the euro, British pound, and Japanese yen, can significantly increase or decrease our reported revenue on sales made in these currencies and could result in a material positive or negative impact on our reported results. In addition to currency exchange rates, we expect that future revenues will be affected by, among other things, new product introductions, competitive conditions, customer research budgets, government research funding, the rate of expansion of our customer base, price increases, product discontinuations, and acquisitions or dispositions of businesses or product lines.

Gross Profit

Gross profit increased $10.8 million or 2% in the first quarter of 2013 compared to the first quarter of 2012. The increase in gross profit was primarily driven by a $17.6 million net increase from price, volume, and product mix, and $7.5 million from royalties including licensing settlements, partially offset by $12.7 million in unfavorable currency impacts.

Operating Expenses

The following table compares operating expenses for the first quarter of 2013 and 2012:

	Three months ended March 31,					
	2013		2012			
(in millions) (unaudited)	Operating expense	As a percentage of revenues	Operating expense	As a percentage of revenues	$ Increase/ (Decrease)	% Increase/ (Decrease)
Operating Expenses:						
Selling, general and administrative	$ 271.2	28%	$ 253.4	27%	$ 17.8	7%
Research and development	83.5	9%	88.6	9%	(5.1)	(6)%
Business consolidation costs	26.7	3%	14.3	2%	12.4	87%

Selling, General and Administrative

For the first quarter of 2013, selling, general and administrative expenses increased $17.8 million or 7% compared to the first quarter of 2012. This increase was driven primarily by an $18.6 million increase in compensation and benefits, and as a result, the costs are slightly up from the prior year as a percentage of revenues.

Research and Development

For the first quarter of 2013, research and development expenses decreased $5.1 million or 6% compared to the first quarter of 2012. The decrease was primarily driven by a $2.0 million decrease in purchased services and a $1.2 million decrease in depreciation, amortization and licensing fees. The Company continues to invest in research and development programs, and as a percentage of revenue, costs are comparable period to period.

Business Integration Costs

Business integration costs for the first quarter of 2013 were $26.7 million, compared to $14.3 million for the first quarter of 2012. The expenses for both periods primarily include costs of integration and restructuring efforts for our acquisitions and divestitures activities. Included in the first quarter of 2013 is a loss of $28.3 million related to the sale of assets which were obtained from a previous acquisition, offset by a $17.7 million curtailment gain as a result of a plan change of a postretirement medical plan.

Other Income (Expense)

Interest Income

Interest income was $0.5 million for the first quarter of 2013 compared to $0.8 million for the first quarter of 2012.

Interest income in the future will be affected by changes in short-term interest rates and changes in cash balances, which may materially increase or decrease as a result of operations, acquisitions, debt repayment, stock repurchase programs and other activities.

Interest Expense

Interest expense was $29.4 million for the first quarter of 2013 compared to $35.7 million for the first quarter of 2012. The decrease in interest expense was primarily driven by lower debt balances caused by the payoff of the 2013 Notes in March 2013 and the 2024 Convertible Senior Notes in February 2012, and a $3.7 million charge as a result of the extinguishment of a line of credit during the three months ended March 31, 2012.

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Other Expense, Net

Other expense, net, was $2.5 million for the first quarter of 2013 compared to $5.7 million for the same period of 2012. Included in the first quarter of 2013 and 2012 were foreign currency gains and (losses) of $(0.4) million and $0.3 million, net of hedging activities, respectively, driven by currency fluctuation in major currencies. Included in the first quarter of 2012 was $5.3 million of charges associated with divesture related activities.

Provision for Income Taxes

The provision for income taxes as a percentage of pre-tax income from continuing operations was 20.0% for the first quarter of 2013 compared with 15.2% for the first quarter of 2012. The lower first quarter 2012 effective tax rate was primarily driven by the tax benefit associated with the election to use the California single sales factor. The first quarter 2013 effective tax rate of 20.0% was lower than the annual effective tax rate for the year of 24.5% primarily due to the 2012 federal research credit benefit being re-enacted in the first quarter of 2013 and, therefore, being recorded entirely in this quarter.

LIQUIDITY AND CAPITAL RESOURCES

Our future capital requirements and the adequacy of our available funds will depend on many factors, including future business acquisitions, debt repayment, share repurchases, scientific progress in our research and development programs and the magnitude of those programs, our ability to establish collaborative and licensing arrangements, the cost involved in preparing, filing, prosecuting, maintaining and enforcing patent claims and competing technological and market developments. We intend to continue our strategic investment activities in new product development, in-licensing technologies and acquisitions that support our platforms.

Our working capital factors, such as inventory turnover and days sales outstanding, are seasonal and, on an interim basis during the year, may require an influx of short-term working capital. We believe our current cash and cash equivalents, investments, cash provided by operations and cash available from bank loans and lines of credit will satisfy our working capital requirements, debt obligations and capital expenditures for the foreseeable future. In addition, we will continue to monitor the global economic environment, including that of the eurozone, to ensure that we continue to have adequate available funds to support domestic and international operations.

The Company has, and expects to be able to, continue to generate positive cash flow from operations. Future debt repayment, share repurchases, pension funding, future acquisitions or additional payments for contingent consideration upon the achievement of milestones pertaining to previous acquisitions may be financed by a combination of cash on hand, our positive cash flow generation, a revolving credit facility, or an issuance of new debt or stock.

The Company will continuously assess the most appropriate method of financing the Company s short and long term operations. While conditions of the credit market at any given time may impact our ability to obtain credit, the Company believes that it has the ability to raise funding, if needed, through public and private markets at reasonable rates based on the Company s risk profile, along with its history of strong cash generation and timely debt repayments.

It is the Company s intention to indefinitely reinvest a majority of current foreign earnings in order to ensure sufficient foreign working capital and to expand its existing operations outside the United States. Additionally, the Company intends to use such unrepatriated cash held by its foreign subsidiaries to fund future foreign investments, including acquisitions. While the Company has repatriated significant earnings in the past, primarily due to certain debt obligations and covenants that no longer exist, similar repatriation of earnings is no longer expected or required. In addition to cash on hand in the United States, the Company has the ability to raise cash through bank loans, debt obligations or by settling loans with its foreign subsidiaries in order to cover its domestic needs. Accordingly, it is the intention of the Company s management to indefinitely reinvest a majority of current earnings from foreign operations. For those limited foreign earnings that the Company, in the past, had determined will not be indefinitely reinvested, the Company has recorded the appropriate tax obligations in the statement of operations. In the event the Company is required to repatriate funds outside of the United States, such repatriation will be subject to local laws and taxes. The Company does not anticipate any period in which the Company would repatriate all funds held outside of the United States. The Company does not believe these tax obligations will materially alter the Company s future cash flows. For more information on income taxes, refer to Note 7 of the Consolidated Financial Statements, Income Taxes .

Cash and cash equivalents were $261.8 million at March 31, 2013, an increase of $6.2 million from December 31, 2012, primarily due to cash provided by operating activities of $134.7 million, offset by cash used in financing activities of $95.3 million, cash used in investing activities of $30.4 million, and the effect of exchange rates on cash of $2.7 million. Further discussion surrounding the makeup of each cash flow component movement for the first three months of 2013 is listed below.

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Operating Activities

Operating activities provided net cash of $134.7 million through the first three months of 2013 primarily from our net income of $121.1 million plus net non-cash charges of $106.7 million, offset by a decrease in cash from operating assets and liabilities of $93.1 million. Non-cash charges were primarily comprised of amortization of intangibles of $76.0 million, depreciation of $30.8 million, loss on sales and disposal of assets of $29.8 million, and stock-based compensation expense of $16.5 million, offset by a change in deferred income taxes of $22.5 million, other non-cash adjustments of $17.6 million, and $7.8 million of incremental tax benefits from the exercise of stock options and restricted stock distributions. The decrease of $93.1 million in cash within operating assets and liabilities was mainly due to a $75.2 million decrease in accrued expenses and other liabilities which was primarily driven by the timing of interest payments and the annual bonus payments, a $13.2 million increase in prepaid expenses and other current assets, a $12.7 million decrease from currency impact related to intercompany settlements, an $11.8 million increase in inventories, and a $10.1 million increase in trade accounts receivable. These were partially offset by a $37.4 million increase in current income tax liabilities. The movement in cash as a result of changes in operating assets and liabilities is consistent with normal ongoing operations.

As of March 31, 2013, we had cash and cash equivalents of $261.8 million, short-term investments of $16.1 million, and restricted cash of $14.7 million. Our working capital was $598.3 million as of March 31, 2013, including restricted cash. Our funds for cash and cash equivalents are currently primarily invested in marketable securities, money market funds, and bank deposits with maturities of less than three months. Cash and cash equivalents held by our foreign subsidiaries at March 31, 2013 was approximately $235.7 million.

The Company s pension plans and post retirement benefit plans are funded in accordance with local statutory requirements or by voluntary contributions, which often have different funded status requirements than the funded positions reported under accounting disclosure rules. The funding requirement is based on the funded status, which is measured by using various actuarial assumptions, such as interest rate, rate of compensation increase, or expected return on plan assets. The Company s future contribution may change when new information is available or local statutory requirement is changed. Any large funding requirements would be a reduction to operating cash flow. At the current time, the Company is in compliance with all funding requirements and does not expect to have to significantly fund the pension plans in the current year in order to meet the minimum statutory funding requirements.

Investing Activities

Net cash used in investing activities through the first three months of 2013 was $30.4 million. The primary drivers were cash paid for business combinations of $25.7 million, $23.6 million for the purchases of property and equipment, $14.6 million for the purchases of investments, partially offset by $36.7 million in proceeds from the sale of assets.

The Company completed several acquisitions in the past that were not material individually or collectively to the overall consolidated financial statements and its results of operations. The results of operations for these acquisitions were included in the Company s results from the date of acquisition. Pursuant to the purchase agreements for certain acquisitions, the Company could be required to make additional contingent payments based on certain technological milestones or operational milestones. The Company has sufficient cash on hand, positive cash flow generation and a revolving credit facility to fund such contingent payments if they become due.

For more information on our acquisition related obligations, refer to Note 5 of the Consolidated Financial Statements, Commitments and Contingencies .

Financing Activities

Net cash used in financing activities during the first three months of 2013 was $95.3 million. The primary drivers were $267.0 million for principal payments of short-term obligations, $250.0 million for principal payments on long-term obligations, and $125.8 million for the purchase of treasury stock, partially offset by proceeds from short-term obligations of $491.0 million, the exercise of employee stock options and purchase rights of $51.6 million and $7.8 million of incremental tax benefits from the exercise of stock options and restricted stock distributions.

During the three months ended March 31, 2012, the Company settled the $300.0 million Ion Torrent milestone in a combination of $192.4 million in cash, and in 2.7 million shares of the Company s common stock or the equivalent of $107.6 million at the time of settlement. Of the $192.4 million settled in cash, $161.4 million was classified as a financing activity and $31.0 million was classified as an operating activity commensurate with the nature of the payments.

Senior Notes

During March 2013, the Company used cash on hand and proceeds from the line of credit facility to pay off the entire outstanding balance of the 3.375% Senior Notes of $250.0 million, plus accrued interest due on the date of repayment. The Company did not recognize any gain or loss associated with the repayment of the 2013 Notes. At December 31, 2012, the Company held the carrying value of $250.0 million, and the related debt discount, of the 2013 Notes in current liabilities.

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The Credit Agreement

In February 2012, the Company entered into a credit agreement (the Revolving Credit Facility) for $750.0 million for the purpose of general working capital, capital expenditures, and/or other capital needs, as deemed necessary. During the three months ended March 31, 2013, the Company withdrew $491.0 million on the Revolving Credit Facility and repaid $267.0 million. The Company had an outstanding balance of $324.0 million and $100.0 million as of March 31, 2013 and December 31, 2012, respectively. Additionally, the Company has issued $10.2 million of letters of credit under the Revolving Credit Facility, and accordingly, the remaining available credit is $415.8 million as of March 31, 2013. The Company may make additional draws on the Revolving Credit Facility. Refer to Note 4 of the Consolidated Financial Statements Lines of Credit .

During the three months ended March 31, 2012, the Company extinguished the previously existing revolving credit facility of $500.0 million at the same time the Company entered into the new credit agreement. As a result, the Company recognized a $3.7 million loss, recorded in interest expense, on unamortized deferred financing costs associated with the termination of the $500.0 million revolving credit facility.

Convertible Senior Notes

During February 2012, the Company redeemed the outstanding balance of the 1 $^{1}/_{2}$% Convertible Senior Notes (2024 Notes), with no excess of the 2024 Notes conversion value over par, for $450.0 million of cash. The settlement was funded by cash on hand including proceeds from the Senior Notes offering made during the fiscal year 2010, and a portion from cash drawn on the $750.0 million revolving credit facility which the Company secured in February 2012. The redemption of the 2024 Notes triggered increased tax payments in 2012 by approximately $85.0 million, which were paid in the third and fourth quarters of 2012 and reflected in operating cash flow activities.

Stock Repurchase Program

In July 2012, the Board of Directors of the Company approved a program (the July 2012 program) authorizing management to repurchase up to $750.0 million of common stock. During the year ended December 31, 2012, the Company repurchased 4.9 million shares of its common stock under this program at a total cost of $238.0 million. During the three months ended March 31, 2013, the Company repurchased 2.0 million shares of its common stock under this program at a total cost of $104.9 million. As of March 31, 2013, there was $407.1 million of authorization remaining under this program.

In July 2011, the Board of Directors of the Company approved a program (the July 2011 program) authorizing management to repurchase up to $200.0 million of common stock. During the year ended December 31, 2012, the Company repurchased 4.6 million shares of its common stock under this program at a total cost of $200.0 million, the maximum amount authorized, thereby completing the July 2011 program.

In December 2010, the Board of Directors of the Company approved a program (the December 2010 program), authorizing management to repurchase up to $500.0 million of common stock. During the year ended December 31, 2011, the Company repurchased 6.4 million shares of its common stock under this program at a total cost of $303.0 million. During the year ended December 31, 2012, the Company repurchased an additional 4.3 million shares of its common stock at a total cost of $197.0 million, thereby completing the December 2010 program by repurchasing an aggregate of 10.7 million shares at a total cost of $500.0 million, the maximum amount authorized.

In addition, the Company s employee stock plan allows for certain net share settlement of stock awards. The Company accounts for the net share settlement withholding as a treasury share repurchase transaction. The cost of repurchasing shares is included in treasury stock and reported as a reduction in total equity when a repurchase occurs.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any material off balance sheet arrangements. For further discussion on the Company s commitments and contingencies, refer to Note 5 of the Consolidated Financial Statements, Commitments and Contingencies .

CONTRACTUAL OBLIGATIONS

The Company did not enter into any material contractual obligations during the three months ended March 31, 2013. The Company has no material contractual obligations not fully recorded on our Consolidated Balance Sheets or fully disclosed in the Notes to our Consolidated Financial Statements.

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ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk related to changes in foreign currency exchange rates, commodity prices and interest rates, and we selectively use financial instruments to manage these risks. We do not enter into financial instruments for speculation or trading purposes. These financial exposures are monitored and managed by us as an integral part of our overall risk management program, which recognizes the unpredictability of financial markets and seeks to reduce potentially adverse effects on our results.

Foreign Currency

We translate the financial statements of each foreign subsidiary with a functional currency other than the United States dollar into the United States dollar for consolidation using end-of-period exchange rates for assets and liabilities and average exchange rates during each reporting period for results of operations. Net gains or losses resulting from the translation of foreign financial statements and the effect of exchange rate changes on intercompany receivables and payables of a long-term investment nature are recorded as a separate component of stockholders equity. These adjustments will affect net income only upon sale or liquidation of the underlying investment in foreign subsidiaries. Net gains and losses resulting from the effect of exchange rate changes on intercompany receivables and payables of a short-term nature are recorded in the results of operations as other income (expense).

Foreign Currency Transactions

We have operations through legal entities in Europe, Asia-Pacific and the Americas. As a result, our financial position, results of operations and cash flows can be affected by fluctuations in foreign currency exchange rates. As of March 31, 2013, the Company had $462.0 million of accounts receivable and $35.1 million of accounts payable, respectively, denominated in a foreign currency. These accounts receivables and payables are denominated either in the functional currency of the legal entity or in a currency that differs from the functional currency of the legal entity owning the receivable or payable. For receivables and payables denominated in the legal entity s functional currency, the Company does not have financial statement risk, and therefore does not hedge such transactions. For those receivables and payables denominated in a currency that differs from the functional currency of the legal entity, the Company hedges such transactions to prevent financial statement risk. As a result, a hypothetical movement in foreign currency rates would not be expected to have a material financial statement impact on the settlement of these outstanding receivables and payables.

Both realized and unrealized gains and losses on the value of these receivables and payables were included in other income (expense) in the Consolidated Statements of Operations and Comprehensive Income. Net currency exchange gains (losses) recognized on business transactions, net of hedging transactions, were $(0.4) million and $0.3 million for the three months ended March 31, 2013 and March 31, 2012, respectively. These gains and losses arise from the timing of cash collections compared to the hedged transactions, which can vary based on timing of actual customer payments and intercompany settlements.

The Company s intercompany foreign currency receivables and payables are primarily concentrated in the euro, British pound, and Japanese yen. Historically, the Company has used foreign currency forward contracts to mitigate foreign currency risk on these intercompany foreign currency receivables and payables. At March 31, 2013, the Company had a notional principal amount of $923.2 million in foreign currency forward contracts outstanding, predominantly to hedge currency risk on specific intercompany receivables and payables denominated in a currency that differs from the legal entity s functional currency. These foreign currency forward contracts, as of March 31, 2013, which settle in April 2013 through July 2013, effectively fix the exchange rate at which these specific receivables and payables will be settled, so that gains or losses on the forward contracts offset the losses or gains from changes in the value of the underlying receivables and payables. At March 31, 2013, the Company does not expect there will be a significant impact from unhedged foreign currency intercompany transactions.

The notional principal amounts provide one measure of the transaction volume outstanding as of period end, but do not represent the amount of our exposure to market loss. In many cases, outstanding principal amounts offset assets and liabilities and the Company s exposure is significantly less than the notional amount. The estimates of fair value are based on applicable and commonly used pricing models using prevailing financial market information. The amounts ultimately realized upon settlement of these financial instruments, together with the gains and losses on the underlying exposures, will depend on actual market conditions during the remaining life of the instruments.

Refer to Note 9 of the Consolidated Financial Statements, Fair Value of Financial Instruments , for more information on the Company s hedging programs.

Commodity Prices

Our exposure to commodity price changes relates to certain manufacturing operations that utilize certain commodities as raw materials. We manage our exposure to changes in those prices primarily through our procurement and sales practices.

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Interest Rates

Our investment portfolio is maintained in accordance with our investment policy that defines allowable investments, specifies credit quality standards and limits the credit exposure of any single issuer. The fair value of our cash equivalents, marketable securities, short-term investments, and derivatives is subject to change as a result of changes in market interest rates and investment risk related to the issuers credit worthiness or our own credit risk. The Company uses credit default swap spread to derive risk-adjusted discount rate to measure the fair value of some of our financial instruments. At March 31, 2013 we had $292.6 million in cash, cash equivalents, restricted cash and short-term investments, all of which approximated the fair value. Changes in market interest rates would not be expected to have a material impact on the fair value of these assets as these assets consist of highly liquid securities with short-term maturities. The Company accounts for the $29.3 million of its long-term investments under the cost method and due to the nature of these investments, mainly non-public and early stage companies, the Company believes calculating a fair value thereon not to be practicable. Thus, changes in market interest rates would not be expected to have an impact on these investments.

As of March 31, 2013, the Company had a carrying value of $2,046.3 million in debt with fixed interest rates, thus, the variability in market interest rates would not be expected to have a material impact on our scheduled interest payments. The Company will continuously assess the most appropriate method of financing the Company s short and long term operations.

As of March 31, 2013, the Company had $324.0 million of short-term borrowings under its revolving credit facility. The applicable borrowing rate as of March 31, 2013 is based on the British LIBOR plus a spread of 100 to 200 basis points, depending on leverage. Given the short-term nature of the LIBOR used, variability in the rate is not expected to have a material impact on our short-term borrowings. Refer to Note 4 of the Consolidated Financial Statements, Line of Credits , for more information on our short-term borrowings.

Refer to Note 9 of the Consolidated Financial Statements, Fair Value of Financial Instruments , for more information on the Company s financial instruments.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. We are responsible for maintaining disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended. Disclosure controls and procedures are controls and other procedures designed to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Based on our management s evaluation (with the participation of our Chief Executive Officer and Chief Financial Officer) of our disclosure controls and procedures as required by Rule 13a-15 under the Securities Exchange Act, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to achieve their stated purpose as of March 31, 2013, the end of the period covered by this report.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

We are subject to potential liabilities under government regulations and various claims and legal actions that are pending or may be asserted. These matters arise in the ordinary course and conduct of our business, and, at times, as a result of our acquisitions and dispositions and as a result of our proposed acquisition by Thermo Fisher. They include, for example, commercial, intellectual property, environmental, securities, and employment matters and federal and state putative class action lawsuits challenging the proposed transaction with Thermo Fisher. Some are expected to be covered, at least partly, by insurance. We intend to continue to defend ourselves vigorously in such matters. We regularly assess contingencies to determine the degree of probability and range of possible loss for potential accrual in our financial statements. An estimated loss contingency is accrued in our financial statements if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Based on our assessment, we currently have accrued an immaterial amount in our financial statements for contingent liabilities associated with these legal actions and claims. Litigation is inherently unpredictable, and unfavorable resolutions could occur. As a result, assessing contingencies is highly subjective and requires judgment about future events. The amount of ultimate loss may exceed our current accruals, and it is possible that our cash flows or results of operations could be materially affected in any particular period by the unfavorable resolution of one or more of these contingencies.

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ITEM 1A. Risk Factors

You should consider the risks and uncertainties described under Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, which we filed with the Securities and Exchange Commission on February 28, 2013, together with all other information contained or incorporated by reference in this Quarterly Report on Form 10-Q when evaluating our business and our prospects. Except as set forth below, there have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012. If any of the risks and uncertainties described in our Annual Report on Form 10-K or this Quarterly Report on Form 10-Q actually occurs, our business, financial condition, results of operations and our future growth prospects could be materially and adversely affected.

Risks Related to Our Proposed Acquisition by Thermo Fisher

On April 14, 2013, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) with Thermo Fisher Scientific Inc., a Delaware corporation (Thermo Fisher), and Polpis Merger Sub Co., a Delaware corporation and a wholly owned subsidiary of Thermo Fisher (Merger Sub), providing for, subject to the satisfaction or waiver of specified conditions, the acquisition of the Company by Thermo Fisher at a price of $76 per share in cash, subject to adjustment as described below. Subject to the terms and conditions of the Merger Agreement, the closing of the merger is expected to occur early in 2014. If the merger does not close by January 14, 2014, by reason of the failure to obtain certain required antitrust approvals or the issuance or enactment by a governmental authority of an order or law prohibiting or restraining the merger (and such prohibition or restraint is in respect of an antitrust law), the cash price per share will increase by $0.0062466 per day during the period commencing on, and including, January 14, 2014, and ending on, and including, the closing date.

For additional information related to the Merger Agreement, please refer to the Current Report on Form 8-K filed with the SEC on April 16, 2013 (the April 16th 8-K). The foregoing description of the Merger Agreement is qualified in its entirety by reference to the full text of the Merger Agreement attached as Exhibit 2.1 to the April 16th 8-K.

The announcement and pendency of our proposed merger with Thermo Fisher could adversely affect our business, financial results and operations

The announcement and pendency of the proposed acquisition of our Company by Thermo Fisher could cause disruptions in and create uncertainty surrounding our business, including affecting our relationships with our existing and future customers, suppliers and employees, which could have an adverse effect on our business, financial results and operations, regardless of whether the proposed merger is completed. In particular, we could potentially lose important personnel as a result of the departure of employees who decide to pursue other opportunities in light of the proposed acquisition. We could also potentially lose customers or suppliers, and new customer or supplier contracts could be delayed or decreased. In addition, we have diverted, and will continue to divert, significant management resources towards the completion of the transaction, which could adversely affect our business and results of operations.

We are also subject to restrictions on the conduct of our business prior to the consummation of the merger as provided in the Merger Agreement, including, among other things, certain restrictions on our ability to acquire other businesses, sell, transfer or license our assets, amend our organizational documents, and incur indebtedness. These restrictions could result in our inability to respond effectively to competitive pressures, industry developments and future opportunities and may otherwise harm our business, financial results and operations.

Failure to complete the proposed merger could adversely affect our business and the market price of our common stock

There is no assurance that the closing of the merger will occur. Consummation of the merger is subject to various conditions, including, among other things, the approval of the Merger Agreement and the merger by the holders of a majority of our outstanding shares of common stock, and certain other customary conditions, including, among other things, the absence of laws or judgements prohibiting or restraining the merger and the receipt of certain regulatory approvals. We cannot predict with certainty whether and when any of these conditions will be satisfied. In addition, the Merger Agreement may be terminated under certain specified circumstances, including, but not limited to, a change in the recommendation of the board of directors of the Company or a termination of the Merger Agreement by the Company to enter into an agreement for a superior proposal . If the merger is not consummated, our stock price will likely decline as our stock has recently traded at prices based on speculation regarding a potential acquisition of the Company and more recently based on the proposed per share price for the merger. We will have incurred significant costs, including, among other things, the diversion of management resources, for which we will have received little or no benefit if the closing of the merger does not occur. A failed transaction may result in negative publicity and a negative impression of us in the investment community. The occurrence of any of these events individually or in combination could have a material adverse effect on our results of operations and our stock price.

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ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) None.

b) None.

c) The following table contains information about our purchases of equity securities during the first quarter of 2013:

	(a) Total Number of Shares (or Units) purchased (1)	(b) Average Price Paid per Share (or Unit)	(c) Total Dollar of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
January 1 January 31	1,961,568	53.47	104,888,408	$ 407,109,859
February 1 February 28				
March 1 March 31				
Total	1,961,568	$ 53.47	$ 104,888,408	$ 407,109,859

(1) On July 24, 2012, the Board of Directors of the Company approved a program (the July 2012 program) authorizing management to repurchase up to $750.0 million of common stock. During the three months ended March 31, 2013, the Company repurchased 2.0 million shares of its common stock under this program at a total cost of $104.9 million. As of March 31, 2013, there was $407.1 million of authorization remaining under this program.

The Company did not make any share purchases other than through publically announced plans.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

None.

ITEM 6. Exhibits

Exhibits: For a list of exhibits filed with this report, refer to the Index to Exhibits.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIFE TECHNOLOGIES CORPORATION

Date: May 2, 2013

By: /s/ David F. Hoffmeister
David F. Hoffmeister

Chief Financial Officer

(Principal Financial Officer and

Authorized Signatory)

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INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
2.1	Agreement and Plan of Merger, dated as of April 14, 2013, among Life Technologies Corporation, Thermo Fisher Scientific Inc. and Polpis Merger Sub Co. (1)
3.1	Amended and Restated Certificate of Incorporation of Life Technologies Corporation (2)
3.2	Seventh Amended and Restated Bylaws of Life Technologies Corporation (3)
10.1	Form of Performance Restricted Stock Units Award Grant Notice and Performance Restricted Stock Units Agreement under the Life Technologies Corporation 2009 Equity Incentive Plan.
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document (4)
101.SCH	XBRL Taxonomy Extension Schema (4)
101.CAL	XBRL Taxonomy Extension Calculation Linkbase (4)
101.DEF	XBRL Taxonomy Extension Definition Linkbase (4)
101.LAB	XBRL Taxonomy Extension Labels Linkbase (4)
101.PRE	XBRL Taxonomy Extension Presentation Linkbase (4)

(1) Incorporated by reference to Exhibit 2.1 to Registrant s Current Report on Form 8-K, filed on April 16, 2013 (File No. 000-25317).
(2) Incorporated by reference to Exhibit 3.1 to Registrant s Current Report on Form 8-K, filed on April 28, 2011 (File No. 000-25317).
(3) Incorporated by reference to Exhibit 3.2 to Registrant s Current Report on Form 8-K, filed on April 28, 2011 (File No. 000-25317).
(4) Furnished, not filed.