PERKINELMER INC
Form 10-Q
November 05, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 29, 2013

or

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

For the transition period from ____________ to ____________

Commission File Number 001-5075

PerkinElmer, Inc.
(Exact name of Registrant as specified in its Charter)

Massachusetts	04-2052042
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

940 Winter Street
Waltham, Massachusetts 02451
(Address of principal executive offices) (Zip code)
(781) 663-6900
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨

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

Large accelerated filer	ý	Accelerated filer	¨
Non-accelerated filer	¨ (Do not check if a smaller reporting company)	Smaller reporting company	¨

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

As of October 31, 2013, there were outstanding 112,392,600 shares of common stock, $1 par value per share.

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PART I. FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements

PERKINELMER, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands, except per share data)			
Product revenue	$355,745	$349,067	$1,076,389	$1,070,504
Service revenue	168,532	160,537	496,563	471,780
Total revenue	524,277	509,604	1,572,952	1,542,284
Cost of product revenue	192,256	182,179	569,143	555,078
Cost of service revenue	98,509	96,685	303,113	285,658
Total cost of revenue	290,765	278,864	872,256	840,736
Selling, general and administrative expenses	143,649	145,442	443,901	452,026
Research and development expenses	31,541	32,408	100,321	99,101
Restructuring and contract termination charges, net	1,126	9,672	23,713	21,034
Operating income from continuing operations	57,196	43,218	132,761	129,387
Interest and other expense, net	12,340	11,872	37,245	36,060
Income from continuing operations before income taxes	44,856	31,346	95,516	93,327
Provision for (benefit from) income taxes	4,557	2,357	(4,008)	8,694
Income from continuing operations	40,299	28,989	99,524	84,633
(Loss) gain on disposition of discontinued operations before income taxes	(64)	898	457	1,915
Provision for (benefit from) income taxes on disposition of discontinued operations	37	293	(358)	752
(Loss) income from discontinued operations and dispositions	(101)	605	815	1,163
Net income	$40,198	$29,594	$100,339	$85,796
Basic earnings per share:				
Income from continuing operations	$0.36	$0.25	$0.89	$0.75
(Loss) income from discontinued operations and dispositions	(0.00)	0.01	0.01	0.01
Net income	$0.36	$0.26	$0.89	$0.76
Diluted earnings per share:				
Income from continuing operations	$0.36	$0.25	$0.88	$0.74
(Loss) income from discontinued operations and dispositions	(0.00)	0.01	0.01	0.01
Net income	$0.36	$0.26	$0.88	$0.75
Weighted average shares of common stock outstanding:				
Basic	111,827	113,860	112,285	113,491
Diluted	113,115	114,998	113,516	114,565
Cash dividends per common share	$0.07	$0.07	$0.21	$0.21

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

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PERKINELMER, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Net income	$40,198	$29,594	$100,339	$85,796
Other comprehensive income:				
Foreign currency translation adjustments	16,407	20,446	1,703	3,868
Reclassification adjustments for losses on derivatives included in net income, net of tax	299	299	897	897
Unrealized gains on securities, net of tax	40	19	10	41
Other comprehensive income	16,746	20,764	2,610	4,806
Comprehensive income	$56,944	$50,358	$102,949	$90,602

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

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PERKINELMER, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 29, 2013	December 30, 2012
	(In thousands, except share and per share data)	
Current assets:		
Cash and cash equivalents	$132,303	$171,444
Accounts receivable, net	428,531	457,011
Inventories, net	278,351	247,688
Other current assets	109,239	95,611
Total current assets	948,424	971,754
Property, plant and equipment, net:		
At cost	508,411	513,479
Accumulated depreciation	(313,716)	(302,963)
Property, plant and equipment, net	194,695	210,516
Marketable securities and investments	1,220	1,149
Intangible assets, net	481,417	529,901
Goodwill	2,131,051	2,122,788
Other assets, net	94,719	65,654
Total assets	$3,851,526	$3,901,762
Current liabilities:		
Short-term debt	$2,622	$1,772
Accounts payable	162,523	168,943
Accrued restructuring and contract termination charges	27,739	21,364
Accrued expenses and other current liabilities	396,126	388,026
Current liabilities of discontinued operations	381	995
Total current liabilities	589,391	581,100
Long-term debt	933,292	938,824
Long-term liabilities	409,272	442,026
Total liabilities	1,931,955	1,961,950
Commitments and contingencies (see Note 19)		
Stockholders’ equity:		
Preferred stock—$1 par value per share, authorized 1,000,000 shares; none issued or outstanding	—	—
Common stock—$1 par value per share, authorized 300,000,000 shares; issued and outstanding 112,382,000 shares and 115,036,000 shares at September 29, 2013 and at December 30, 2012, respectively	112,382	115,036
Capital in excess of par value	112,605	209,610
Retained earnings	1,625,381	1,548,573
Accumulated other comprehensive income	69,203	66,593
Total stockholders’ equity	1,919,571	1,939,812
Total liabilities and stockholders’ equity	$3,851,526	$3,901,762

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

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PERKINELMER, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	September 29, 2013	September 30, 2012
	(In thousands)	
Operating activities:		
Net income	$100,339	$85,796
Less: income from discontinued operations and dispositions, net of income taxes	(815)	(1,163)
Income from continuing operations	99,524	84,633
Adjustments to reconcile income from continuing operations to net cash provided by continuing operations:		
Restructuring and contract termination charges, net	23,713	21,034
Depreciation and amortization	96,453	94,791
Stock-based compensation	11,423	15,352
Amortization of deferred debt issuance costs, interest rate hedges and accretion of discounts	2,598	2,655
Gains on disposition	(1,566)	—
Amortization of acquired inventory revaluation	203	4,774
Changes in operating assets and liabilities which provided (used) cash, excluding effects from companies purchased and divested:		
Accounts receivable, net	26,839	15,088
Inventories, net	(31,782)	(24,447)
Accounts payable	(6,035)	(18,611)
Excess tax benefit from exercise of common stock options	—	(1,767)
Accrued expenses and other	(134,391)	(79,725)
Net cash provided by operating activities of continuing operations	86,979	113,777
Net cash used in operating activities of discontinued operations	(91)	(1,131)
Net cash provided by operating activities	86,888	112,646
Investing activities:		
Capital expenditures	(31,564)	(24,350)
Proceeds from surrender of life insurance policies	783	—
Proceeds from dispositions of property, plant and equipment, net	52,202	—
Changes in restricted cash balances	—	670
Activity related to acquisitions and investments, net of cash and cash equivalents acquired	(7,049)	(6,750)
Net cash provided by (used in) investing activities of continuing operations	14,372	(30,430)
Net cash provided by investing activities of discontinued operations	494	1,976
Net cash provided by (used in) investing activities	14,866	(28,454)
Financing activities:		
Payments on revolving credit facility	(429,000)	(333,000)
Proceeds from revolving credit facility	419,000	291,000
Payments of debt issuance costs	—	(416)
Settlement of cash flow hedges	1,363	—
Net proceeds from (payments on) other credit facilities	5,530	(143)
Payments for acquisition-related contingent consideration	—	(12,459)
Excess tax benefit from exercise of commons stock	—	1,767
Proceeds from issuance of common stock under stock plans	15,292	22,944

Purchases of common stock	(127,186)	(2,092)
Dividends paid	(23,733)	(23,875)
Net cash used in financing activities	(138,734)	(56,274)
Effect of exchange rate changes on cash and cash equivalents	(2,161)	568
Net (decrease) increase in cash and cash equivalents	(39,141)	28,486
Cash and cash equivalents at beginning of period	171,444	142,342
Cash and cash equivalents at end of period	$132,303	$170,828

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

PERKINELMER, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1: Basis of Presentation

The condensed consolidated financial statements included herein have been prepared by PerkinElmer, Inc. (the "Company"), without audit, in accordance with accounting principles generally accepted in the United States of America (the "U.S." or the "United States") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information in the footnote disclosures of the financial statements has been condensed or omitted where it substantially duplicates information provided in the Company's latest audited consolidated financial statements, in accordance with the rules and regulations of the SEC. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes included in its Annual Report on Form 10-K for the fiscal year ended December 30, 2012, filed with the SEC (the "2012 Form 10-K"). The balance sheet amounts at December 30, 2012 in this report were derived from the Company's audited 2012 consolidated financial statements included in the 2012 Form 10-K. The condensed consolidated financial statements reflect all adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position, results of operations and cash flows for the periods indicated. The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts and classifications of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The results of operations for the three and nine months ended September 29, 2013 and September 30, 2012, respectively, are not necessarily indicative of the results for the entire fiscal year or any future period. The Company has evaluated subsequent events from September 29, 2013 through the date of the issuance of these condensed consolidated financial statements and has determined that no material subsequent events have occurred that would affect the information presented in these condensed consolidated financial statements or would require additional disclosure.

Recently Adopted Accounting Pronouncements: During the first quarter of fiscal year 2013 the Company adopted new guidance on additional disclosure requirements of other comprehensive income. This new guidance requires the presentation of reclassifications out of accumulated other comprehensive income on the face of the financial statements or as a separate disclosure in the notes to the financial statements. The reclassifications out of accumulated other comprehensive income and into net income were not material for the three and nine months ended September 29, 2013. See Note 11 for additional details.

Recently Issued Accounting Pronouncements: From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board and are adopted by the Company as of the specified effective dates. Unless otherwise discussed, the Company believes that such recently issued pronouncements will not have a significant impact on the Company's condensed consolidated financial position, results of operations and cash flows or do not apply to the Company's operations.

Note 2: Business Combinations

Acquisition of Haoyuan Biotech Co., Ltd. In November 2012, the Company acquired all outstanding stock of Shanghai Haoyuan Biotech Co., Ltd. ("Haoyuan"). Haoyuan is a provider of nucleic acid-based blood screening solutions for the blood banking and clinical diagnostics markets. The Company expects this acquisition to extend the Company's capabilities into nucleic acid blood screening, as well as deepen its position in the growing molecular clinical diagnostics market in China. The Company paid the shareholders of Haoyuan $38.0 million in cash for the stock of Haoyuan. The Company recorded a receivable of $2.7 million from the shareholders of Haoyuan as a reduction of purchase price for the settlement of certain contingencies. As of the closing date, the Company potentially had to pay the shareholders additional contingent consideration of up to $30.0 million, which at closing had an estimated fair value of $1.9 million. The excess of the purchase price over the fair value of the acquired net assets represents cost and revenue synergies specific to the Company, as well as non-capitalizable intangible assets,

such as the employee workforce acquired, and has been allocated to goodwill, none of which is tax deductible. The Company reported the operations for this acquisition within the results of the Company's Human Health segment from the acquisition date.

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The total purchase price has been preliminarily allocated to the estimated fair values of assets acquired and liabilities assumed as follows:

	Haoyuan (Preliminary) (In thousands)
Fair value of business combination:	
Cash payments	$38,000
Contingent consideration	1,900
Working capital and other adjustments	(2,729)
Less cash acquired	(175)
Total	$36,996
Identifiable assets acquired and liabilities assumed:	
Current assets	$2,389
Property, plant and equipment	2,906
Identifiable intangible assets:	
Core technology	17,700
Trade names	400
IPR&D	300
Goodwill	19,682
Deferred taxes	(2,656)
Liabilities assumed	(3,725)
Total	$36,996

The weighted average amortization periods of identifiable definite-lived intangible assets for core technology and trade names were 8.0 years.

As of September 29, 2013, the purchase price allocation for the Haoyuan acquisition was preliminary. The preliminary allocation of the purchase price for the Haoyuan acquisition was based upon an initial valuation and the Company's estimates and assumptions underlying the initial valuation are subject to change within the measurement period (up to one year from the acquisition date). The primary areas of the preliminary purchase price allocation that are not yet finalized relate to the fair value of certain tangible and intangible assets acquired and liabilities assumed, assets and liabilities related to income taxes and related valuation allowances, and residual goodwill. The Company expects to continue to obtain information to assist in determining the fair values of the net assets acquired at the acquisition date during the measurement period. During the measurement period, the Company will adjust assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date. Adjustments to the preliminary allocation of the purchase price during the measurement period require the revision of comparative prior period financial information when reissued in subsequent financial statements. The effect of adjustments to the allocation of the purchase price made during the measurement period would be as if the adjustments had been completed on the acquisition date. The effects of any such adjustments, if material, will cause changes in depreciation, amortization, or other income or expense recognized in prior periods. All changes that do not qualify as adjustments made during the measurement period are included in current period earnings.

Allocations of the purchase price for acquisitions are based on estimates of the fair value of the net assets acquired and are subject to adjustment upon finalization of the purchase price allocations. The accounting for business combinations requires estimates and judgments as to expectations for future cash flows of the acquired business, and the allocation of those cash flows to identifiable intangible assets, in determining the estimated fair values for assets acquired and liabilities assumed. The fair values assigned to tangible and intangible assets acquired and liabilities assumed, including contingent consideration, are based on management’s estimates and assumptions, as well as other information compiled by management, including valuations that utilize customary valuation procedures and

techniques. Contingent consideration is measured at fair value at the acquisition date, based on the probability that revenue thresholds or product development milestones will be achieved during the earnout period, with changes in the fair value after the acquisition date affecting earnings to the extent it is to be settled in cash. Increases or decreases in the fair value of contingent consideration liabilities primarily result from changes in the estimated probabilities of achieving revenue thresholds or product development milestones during the earnout period. The Company may

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have to pay contingent consideration, related to all acquisitions with open contingency periods, of up to $37.0 million as of September 29, 2013. As of September 29, 2013, the Company has recorded contingent consideration obligations relating to these acquisitions, with an estimated fair value of $2.9 million. The earnout periods for each of these acquisitions do not exceed three years from the acquisition date. If the actual results differ from the estimates and judgments used in these fair values, the amounts recorded in the condensed consolidated financial statements could result in a possible impairment of the intangible assets and goodwill, require acceleration of the amortization expense of definite-lived intangible assets or the recognition of additional consideration which would be expensed.
Total transaction costs related to acquisition activities for the three and nine months ended September 29, 2013 were zero and $0.1 million, respectively. Total transaction costs related to acquisition activities for the three and nine months ended September 30, 2012 were $0.3 million and $0.6 million, respectively. These transaction costs were expensed as incurred and recorded in selling, general and administrative expenses in the Company's condensed consolidated statements of operations.

Note 3: Discontinued Operations

As part of the Company’s continuing efforts to focus on higher growth opportunities, the Company has discontinued certain businesses. The Company has accounted for these businesses as discontinued operations and, accordingly, has presented the results of operations and related cash flows as discontinued operations for all periods presented. Any remaining assets and liabilities of these businesses have been presented separately, and are reflected within the assets and liabilities from discontinued operations in the accompanying condensed consolidated balance sheets as of September 29, 2013 and December 30, 2012.
The Company recorded the following gains and losses, which have been reported as a (loss) gain on disposition of discontinued operations:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Gain on disposition of Photoflash business	$—	$974	$493	$1,966
Loss on disposition of other discontinued operations	(64)	(76)	(36)	(51)
(Loss) gain on disposition of discontinued operations before income taxes	$(64)	$898	$457	$1,915

In June 2010, the Company sold its Photoflash business, which was included in the Company's Environmental Health segment, for $13.5 million, including an adjustment for net working capital, plus potential additional contingent consideration. During the nine months ended September 29, 2013, the Company recognized a pre-tax gain of $0.5 million for contingent consideration related to this sale. During the nine months ended September 30, 2012, the Company recognized a pre-tax gain of $2.0 million for contingent consideration related to this sale. These gains were recognized as a gain on disposition of discontinued operations.
During the first nine months of both fiscal years 2013 and 2012, the Company settled various commitments related to the divestiture of other discontinued operations. The Company recognized pre-tax losses in the first nine months of both fiscal year 2013 and fiscal year 2012. These losses were recognized as a loss on disposition of discontinued operations.
The Company recorded a tax provision of $0.04 million and a tax benefit of $0.4 million on disposition of discontinued operations for the three and nine months ended September 29, 2013, respectively. The Company recorded tax provisions of $0.3 million and $0.8 million on disposition of discontinued operations for the three and nine months ended September 30, 2012, respectively.

Note 4: Restructuring and Contract Termination Charges, Net

The Company has undertaken a series of restructuring actions related to the impact of acquisitions and divestitures, alignment with the Company’s growth strategy and the integration of its business units. The current portion of restructuring and contract termination charges, is recorded in accrued restructuring and contract termination charges,

and the long-term portion of restructuring and contract termination charges, is recorded in long-term liabilities. The activities associated with these plans have been reported as restructuring and contract termination charges, net, and are included as a component of operating expenses from continuing operations.

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A description of the restructuring plans and the activity recorded for the nine months ended September 29, 2013 is listed below. Details of the plans initiated in previous years, particularly those listed under "Previous Restructuring and Integration Plans," are discussed more fully in Note 4 to the audited consolidated financial statements in the 2012 Form 10-K.

The restructuring plan for the third quarter of fiscal year 2013 was principally intended to shift certain of the Company's research and development resources into a newly opened Center for Innovation. The restructuring plan for the second quarter of fiscal year 2013 was principally intended to shift certain of the Company's operations into a newly established shared service center as well as realign operations, research and development resources and production resources as a result of previous acquisitions. The restructuring plan for the first quarter of fiscal year 2013 was principally intended to focus resources on higher growth end markets. The restructuring plan for the fourth quarter of fiscal year 2012 was principally intended to shift resources to higher growth geographic regions and end markets. The restructuring plan for the third quarter of fiscal year 2012 was principally intended to shift certain of the Company's operations into a newly established shared service center. The restructuring plans for the first and second quarters of fiscal year 2012 were principally intended to realign operations, research and development resources and production resources as a result of previous acquisitions.

A description of the restructuring plans and the activity recorded are as follows:

Q3 2013 Restructuring Plan

During the third quarter of fiscal year 2013, the Company's management approved a plan to shift certain of the Company's research and development resources into a newly opened Center for Innovation (the "Q3 2013 Plan"). As a result of the Q3 2013 Plan, the Company recognized a $0.5 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space. As part of the Q3 2013 Plan, the Company will reduce headcount by 30 employees. All employees were notified of termination under the Q3 2013 Plan by September 29, 2013.

The following table summarizes the Q3 2013 Plan activity for the nine months ended September 29, 2013:

	Severance	Closure of Excess Facility Space	Total
	(In thousands)		
Provision	$394	$138	$532
Amounts paid and foreign currency translation	—	(26)	(26)
Balance at September 29, 2013	$394	$112	$506

The Company anticipates that the remaining severance payments of $0.4 million for workforce reductions will be substantially completed by the end of the second quarter of fiscal year 2014. The Company also anticipates that the remaining payments of $0.1 million for the closure of the excess facility space will be paid through fiscal year 2013, in accordance with the terms of the applicable lease.

Q2 2013 Restructuring Plan

During the second quarter of fiscal year 2013, the Company's management approved a plan to shift certain of the Company's operations into a newly established shared service center as well as realign operations, research and development resources, and production resources as a result of previous acquisitions (the "Q2 2013 Plan"). As a result of the Q2 2013 Plan, and during the nine months ended September 29, 2013, the Company recognized a $10.3 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space and recognized a $8.8 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space. The Company expects to recognize an additional $0.3 million of incremental restructuring

expense in future periods as services are provided for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits. This expense will be recognized ratably over the required service period. As part of the Q2 2013 Plan, the Company will reduce headcount by 265 employees. All employees were notified of termination under the Q2 2013 Plan by June 30, 2013.

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The following table summarizes the Q2 2013 Plan activity for the nine months ended September 29, 2013:

	Severance	Closure of Excess Facility Space	Total
	(In thousands)		
Provision	$18,476	$572	$19,048
Amounts paid and foreign currency translation	(3,824)	(519)	(4,343)
Balance at September 29, 2013	$14,652	$53	$14,705

The Company anticipates that the remaining severance payments of $14.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014. The Company also anticipates that the remaining payments of $0.1 million for the closure of the facility space will be paid through fiscal year 2013, in accordance with the terms of the applicable leases.

Q1 2013 Restructuring Plan

During the first quarter of fiscal year 2013, the Company's management approved a plan to focus resources on higher growth end markets (the "Q1 2013 Plan"). As a result of the Q1 2013 Plan, the Company recognized a $2.3 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $0.2 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. As part of the Q1 2013 Plan, the Company reduced headcount by 62 employees. All employees were notified of termination under the Q1 2013 Plan by March 31, 2013.

The following table summarizes the Q1 2013 Plan activity for the nine months ended September 29, 2013:

	Severance
	(In thousands)
Provision	$2,585
Amounts paid and foreign currency translation	(2,371)
Balance at September 29, 2013	$214

The Company anticipates that the remaining severance payments of $0.2 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014.

Q4 2012 Restructuring Plan

During the fourth quarter of fiscal year 2012, the Company's management approved a plan to shift resources to higher growth geographic regions and end markets (the "Q4 2012 Plan"). As a result of the Q4 2012 Plan, and during fiscal year 2012, the Company recognized a $0.6 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $2.4 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. As part of the Q4 2012 Plan, the Company reduced headcount by 54 employees. All employees were notified of termination under the Q4 2012 Plan by December 30, 2012.

The following table summarizes the Q4 2012 Plan activity for the nine months ended September 29, 2013:

	Severance
	(In thousands)
Balance at December 30, 2012	$2,682
Amounts paid and foreign currency translation	(2,016)
Balance at September 29, 2013	$666

The Company anticipates that the remaining severance payments of $0.7 million for workforce reductions will be substantially completed by the end of the second quarter of fiscal year 2014.

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Q3 2012 Restructuring Plan

During the third quarter of fiscal year 2012, the Company’s management approved a plan to shift certain of the Company's operations into a newly established shared service center (the “Q3 2012 Plan”). As a result of the Q3 2012 Plan, and during fiscal year 2012, the Company recognized $3.9 million pre-tax restructuring charges in each of the Human Health and Environmental Health segments related to a workforce reduction from reorganization activities. During the nine months ended September 29, 2013, the Company recorded a pre-tax restructuring reversal of $0.3 million in each of the Human Health and Environmental Health segments due to lower than expected costs associated with remaining severance payments. As part of the Q3 2012 Plan, the Company reduced headcount by 66 employees. All employees were notified of termination under the Q3 2012 Plan by September 30, 2012.

The following table summarizes the Q3 2012 Plan activity for the nine months ended September 29, 2013:

	Severance (In thousands)
Balance at December 30, 2012	$7,553
Change in estimates	(546)
Amounts paid and foreign currency translation	(2,859)
Balance at September 29, 2013	$4,148

The Company anticipates that the remaining severance payments of $4.1 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014.

Q2 2012 Restructuring Plan

During the second quarter of fiscal year 2012, the Company’s management approved a plan to realign operations, research and development resources, and production resources as a result of previous acquisitions (the “Q2 2012 Plan”). As a result of the Q2 2012 Plan, and during fiscal year 2012, the Company recognized a $7.2 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $0.2 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. During the nine months ended September 29, 2013, the Company recognized a $2.1 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and a $0.1 million pre-tax restructuring reversal in the Environmental Health segment due to lower than expected costs associated with remaining severance payments. The Company expects to recognize an additional $0.2 million of incremental restructuring expense in future periods as services are provided for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits. This expense will be recognized ratably over the required service period. As part of the Q2 2012 Plan, the Company will reduce headcount by 203 employees. All employees were notified of termination under the Q2 2012 Plan by July 1, 2012.

The following table summarizes the Q2 2012 Plan activity for the nine months ended September 29, 2013:

	Severance (In thousands)
Balance at December 30, 2012	$4,586
Provision	2,052
Amounts paid and foreign currency translation	(3,975)
Balance at September 29, 2013	$2,663

The Company anticipates that the remaining severance payments of $2.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2013.

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Q1 2012 Restructuring Plan

During the first quarter of fiscal year 2012, the Company's management approved a plan to realign operations and production resources as a result of previous acquisitions (the "Q1 2012 Plan"). As a result of the Q1 2012 Plan, and during fiscal year 2012, the Company recognized a $5.4 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space and recognized a $1.0 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. The Company expects to recognize no additional incremental restructuring expense in future periods as all services were provided for one-time termination benefits in which the employee was required to render service until termination in order to receive the benefits. As part of the Q1 2012 Plan, the Company reduced headcount by 112 employees. All employees were notified of termination and the Company completed all actions related to the closure of excess facility space under the Q1 2012 Plan by April 1, 2012.

The following table summarizes the Q1 2012 Plan activity for the nine months ended September 29, 2013:

	Severance
	(In thousands)
Balance at December 30, 2012	$1,281
Provision	30
Amounts paid and foreign currency translation	(594)
Balance at September 29, 2013	$717

The Company anticipates that the remaining severance payments of $0.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2013. The closure of the excess facility space will not require any additional payments.

Previous Restructuring and Integration Plans

The principal actions of the restructuring and integration plans from fiscal years 2001 through 2011 were workforce reductions related to the integration of the Company's businesses in order to reduce costs and achieve operational efficiencies as well as workforce reductions in both the Human Health and Environmental Health segments by shifting resources into geographic regions and end markets that are more consistent with the Company's growth strategy. During the nine months ended September 29, 2013, the Company paid $1.9 million related to these plans and recorded a reversal of $0.3 million primarily related to lower than expected costs associated with workforce reductions within the Environmental Health segment. As of September 29, 2013, the Company had $8.9 million of remaining liabilities associated with these restructuring and integration plans, primarily for residual lease obligations related to closed facilities and remaining severance payments for workforce reductions in both the Human Health and Environmental Health segments. The Company expects to make payments for these leases, the terms of which vary in length, through fiscal year 2022.

Contract Termination Charges

The Company has terminated various contractual commitments in connection with certain disposal activities and has recorded charges, to the extent applicable, for the costs of terminating these contracts before the end of their terms and the costs that will continue to be incurred for the remaining terms without economic benefit to the Company. The Company recorded an additional pre-tax charge of $0.3 million and made payments for these obligations of $0.9 million in the first nine months of fiscal year 2013. The remaining balance of these accruals as of September 29, 2013 was $0.1 million.

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Note 5: Interest and Other Expense, Net

Interest and other expense, net, consisted of the following:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Interest income	$(119)	$(74)	$(288)	$(434)
Interest expense	11,704	11,360	35,310	34,136
Other expense, net	755	586	2,223	2,358
Total interest and other expense, net	$12,340	$11,872	$37,245	$36,060

Note 6: Inventories, Net

Inventories as of September 29, 2013 and December 30, 2012 consisted of the following:

	September 29, 2013	December 30, 2012
	(In thousands)	
Raw materials	$101,562	$74,924
Work in progress	15,502	12,768
Finished goods	161,287	159,996
Total inventories, net	$278,351	$247,688

Note 7: Income Taxes

The Company regularly reviews its tax positions in each significant taxing jurisdiction in the process of evaluating its unrecognized tax benefits. The Company makes adjustments to its unrecognized tax benefits when: (i) facts and circumstances regarding a tax position change, causing a change in management's judgment regarding that tax position; (ii) a tax position is effectively settled with a tax authority at a differing amount; and/or (iii) the statute of limitations expires regarding a tax position.

At September 29, 2013, the Company had gross tax effected unrecognized tax benefits of $48.5 million, of which $42.1 million, if recognized, would affect the continuing operations effective tax rate. The remaining amount, if recognized, would affect discontinued operations.

The Company believes that it is reasonably possible that $11.5 million of its uncertain tax positions at September 29, 2013, including accrued interest and penalties, and net of tax benefits, may be resolved over the next twelve months as a result of lapses in applicable statutes of limitations and potential settlements. Various tax years after 2006 remain open to examination by certain jurisdictions in which the Company has significant business operations, such as China, Finland, Germany, Italy, Netherlands, Singapore, the United Kingdom and the United States. The tax years under examination vary by jurisdiction.

During the first nine months of fiscal year 2013, the Company recorded net discrete income tax benefits of $15.6 million primarily for reversals of uncertain tax position reserves and resolution of other tax matters, which included $9.4 million of reversals as a result of lapses in statutes of limitations during the first quarter of fiscal year 2013.

As a result of the Caliper acquisition, the Company concluded in fiscal year 2011 that certain foreign operations did not require the same level of capital as previously expected, and therefore the Company planned to repatriate approximately $350.0 million of previously unremitted earnings and has provided for the estimated taxes on the repatriation of those earnings. As a result of the planned repatriation, the Company recorded an increase to the Company's tax provision of $79.7 million in continuing operations in fiscal year 2011. The Company expects to utilize tax attributes, primarily those acquired in the Caliper acquisition, to minimize the cash taxes paid on the repatriation. As of September 29, 2013, the Company had completed the repatriation of the $350.0 million of foreign earnings and increased its estimated tax liability associated with the repatriation by approximately $2.4 million, which was recorded

as tax expense during the third quarter of fiscal year 2013. The Company continues to maintain its indefinite reinvestment assertion with regards to the remaining unremitted earnings of its foreign subsidiaries, and therefore does not accrue U.S. tax for the repatriation of its remaining unremitted foreign earnings.

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Note 8: Debt

Senior Unsecured Revolving Credit Facility. The Company's senior unsecured revolving credit facility provides for $700.0 million of revolving loans and has an initial maturity of December 16, 2016. As of September 29, 2013, undrawn letters of credit in the aggregate amount of $12.0 million were treated as issued and outstanding under the senior unsecured revolving credit facility. As of September 29, 2013, the Company had $440.0 million available for additional borrowing under the facility. The Company uses the senior unsecured revolving credit facility for general corporate purposes, which may include working capital, refinancing existing indebtedness, capital expenditures, share repurchases, acquisitions and strategic alliances. The interest rates under the senior unsecured revolving credit facility are based on the Eurocurrency rate at the time of borrowing plus a margin, or the base rate from time to time. The base rate is the higher of (i) the rate of interest in effect for such day as publicly announced from time to time by Bank of America, N.A. as its "prime rate," (ii) the Federal Funds rate plus 50 basis points or (iii) one-month Libor plus 1.00%. The Eurocurrency margin as of September 29, 2013 was 130 basis points. The weighted average Eurocurrency interest rate as of September 29, 2013 was 0.18%, resulting in a weighted average effective Eurocurrency rate, including the margin, of 1.48%, which is the interest applicable to borrowings outstanding under the Eurocurrency rate as of September 29, 2013. At September 29, 2013 and December 30, 2012, the Company had $248.0 million and $258.0 million, respectively, of borrowings in U.S. Dollars outstanding under the senior unsecured revolving credit facility with interest based primarily on the above described Eurocurrency rate. The credit agreement for the facility contains affirmative, negative and financial covenants and events of default customary for financings of this type and similar to those contained in the Company's credit agreement for its previous facility. The financial covenants in the Company's senior unsecured revolving credit facility include a debt-to-capital ratio, and two contingent covenants, a maximum consolidated leverage ratio and a minimum consolidated interest coverage ratio, applicable if the Company's credit rating is downgraded below investment grade.

6% Senior Unsecured Notes due 2015. On May 30, 2008, the Company issued $150.0 million aggregate principal amount of senior unsecured notes due 2015 (the “2015 Notes”) in a private placement and received $150.0 million of proceeds from the issuance. The 2015 Notes mature in May 2015 and bear interest at an annual rate of 6%. Interest on the 2015 Notes is payable semi-annually on May 30th and November 30th each year. The Company may redeem some or all of the 2015 Notes at any time, at its option, at a make-whole redemption price plus accrued and unpaid interest. The indenture governing the 2015 Notes includes a financial covenant of a debt-to-capital ratio, and a contingent covenant, a multiple of total debt to earnings ratio, applicable only if the Company's credit rating is downgraded below investment grade.

5% Senior Unsecured Notes due 2021. On October 25, 2011, the Company issued $500.0 million aggregate principal amount of senior unsecured notes due 2021 (the “2021 Notes”) in a registered public offering and received approximately $496.9 million of net proceeds from the issuance. The 2021 Notes were issued at 99.372% of the principal amount, which resulted in a discount of $3.1 million. As of September 29, 2013, the 2021 Notes had an aggregate carrying value of $497.4 million, net of $2.6 million of unamortized original issue discount. The 2021 Notes mature in November 2021 and bear interest at an annual rate of 5%. Interest on the 2021 Notes is payable semi-annually on May 15th and November 15th each year. Prior to August 15, 2021 (three months prior to their maturity date), the Company may redeem the 2021 Notes in whole or in part, at its option, at a redemption price equal to the greater of (i) 100% of the principal amount of the 2021 Notes to be redeemed, plus accrued and unpaid interest, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect to the 2021 Notes being redeemed, discounted on a semi-annual basis, at the Treasury Rate plus 45 basis points, plus accrued and unpaid interest. At any time on or after August 15, 2021 (three months prior to their maturity date), the Company may redeem the 2021 Notes, at its option, at a redemption price equal to 100% of the principal amount of the 2021 Notes to be redeemed plus accrued and unpaid interest. Upon a change of control (as defined in the indenture governing the 2021 Notes) and a contemporaneous downgrade of the 2021 Notes below investment grade, each holder of 2021 Notes will have the right to require the Company to repurchase such holder's 2021 Notes for 101% of their principal amount, plus accrued and unpaid interest.

Financing Lease Obligations. In September 2012, the Company entered into agreements with the lessors of buildings that the Company is currently occupying and leasing to expand those buildings. The Company provided a portion of

the funds needed for the construction of the additions to the buildings, which resulted in the Company being considered the owner of the buildings during the construction period. At the end of the construction period, the Company will not be reimbursed by the lessors for all of the construction costs. The Company is therefore deemed to have continuing involvement and the leases will qualify as financing leases under sale-leaseback accounting guidance, representing debt obligations for the Company and non-cash investing and financing activities. As a result, the Company capitalized $29.3 million in property and equipment, net, representing the fair value of the buildings with a corresponding increase to debt. The Company has also capitalized $11.5 million of the expected $15.0 million in additional construction costs to complete the renovations to the buildings, which were funded by the lessors. At September 29, 2013, the Company had $40.5 million recorded for these financing lease obligations, of which $2.6 million was recorded as short-term debt and $37.9 million was recorded as long-term debt. At December 30, 2012, the Company had $34.6 million recorded for these financing lease obligations, of which $1.7 million was recorded as short-

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term debt and $32.9 million was recorded as long-term debt. The buildings are being depreciated on a straight-line basis over the terms of the leases to their estimated residual values, which will equal the remaining financing obligation at the end of the lease term. At the end of the lease term, the remaining balances in property, plant and equipment, net and debt will be reversed against each other.

Note 9: Earnings Per Share

Basic earnings per share was computed by dividing net income by the weighted-average number of common shares outstanding during the period less restricted unvested shares. Diluted earnings per share was computed by dividing net income by the weighted-average number of common shares outstanding plus all potentially dilutive common stock equivalents, primarily shares issuable upon the exercise of stock options using the treasury stock method. The following table reconciles the number of shares utilized in the earnings per share calculations:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Number of common shares—basic	111,827	113,860	112,285	113,491
Effect of dilutive securities:				
Stock options	997	830	987	827
Restricted stock awards	291	308	244	247
Number of common shares—diluted	113,115	114,998	113,516	114,565
Number of potentially dilutive securities excluded from calculation due to antidilutive impact	465	1,381	493	1,448

Antidilutive securities include outstanding stock options with exercise prices and average unrecognized compensation cost in excess of the average fair market value of common stock for the related period. Antidilutive options were excluded from the calculation of diluted net income per share and could become dilutive in the future.

Note 10: Industry Segment Information

The Company discloses information about its operating segments based on the way that management organizes the segments within the Company for making operating decisions and assessing financial performance. The Company evaluates the performance of its operating segments based on revenue and operating income. Intersegment revenue and transfers are not significant. The Company’s management reviews the results of the Company’s operations by the Human Health and Environmental Health operating segments. The accounting policies of the operating segments are the same as those described in Note 1 to the audited consolidated financial statements in the 2012 Form 10-K.

The Company realigned its organization at the beginning of fiscal year 2013. The Company's field service for products previously sold by its former Bio-discovery business, as well as its Informatics business, was moved from the Environmental Health segment into the Human Health segment. The results reported for the three and nine months ended September 29, 2013 reflect this new alignment of the Company's operating segments. Financial information in this report relating to the three and nine months ended September 30, 2012 has been retrospectively adjusted to reflect the changes to the operating segments. The principal products and services of these two operating segments are:

- Human Health. Develops diagnostics, tools and applications to help detect diseases earlier and more accurately and to accelerate the discovery and development of critical new therapies. The Human Health segment serves both the diagnostics and research markets.
- Environmental Health. Provides technologies and applications to facilitate the creation of safer food and consumer products, more secure surroundings and efficient energy resources. The Environmental Health segment serves the environmental, industrial and laboratory services markets.

The Company has included the expenses for its corporate headquarters, such as legal, tax, audit, human resources, information technology, and other management and compliance costs, as well as the expense related to the mark-to-market adjustment on postretirement benefit plans, as “Corporate” below. The Company has a process to

allocate and recharge expenses to the reportable segments when these costs are administered or paid by the corporate headquarters based on the extent to which the segment benefited from the expenses. These amounts have been calculated in a consistent manner and are included in the Company’s calculations of segment results to internally plan and assess the performance of each segment for all purposes, including determining the compensation of the business leaders for each of the Company’s operating segments.

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Revenue and operating income (loss) by operating segment, excluding discontinued operations, are shown in the table below:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Human Health				
Product revenue	$227,167	$225,029	$682,164	$671,576
Service revenue	65,217	62,224	191,492	184,208
Total revenue	292,384	287,253	873,656	855,784
Operating income from continuing operations	43,901	34,398	98,997	82,962
Environmental Health				
Product revenue	128,578	124,038	394,225	398,928
Service revenue	103,315	98,313	305,071	287,572
Total revenue	231,893	222,351	699,296	686,500
Operating income from continuing operations	21,896	18,475	61,922	77,948
Corporate				
Operating loss from continuing operations[1]	(8,601)	(9,655)	(28,158)	(31,523)
Continuing Operations				
Product revenue	$355,745	$349,067	$1,076,389	$1,070,504
Service revenue	168,532	160,537	496,563	471,780
Total revenue	524,277	509,604	1,572,952	1,542,284
Operating income from continuing operations	57,196	43,218	132,761	129,387
Interest and other expense, net (see Note 5)	12,340	11,872	37,245	36,060
Income from continuing operations before income taxes	$44,856	$31,346	$95,516	$93,327

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(1) The expenses related to the mark-to-market adjustment on postretirement benefit plans have been included in the Corporate operating loss from continuing operations, and together constituted a pre-tax gain of $0.05 million and a pre-tax loss of $1.2 million for the nine months ended September 29, 2013 and September 30, 2012, respectively. There were no expenses related to the mark-to-market adjustment on postretirement benefit plans for either the three months ended September 29, 2013 or September 30, 2012.

Note 11: Stockholders' Equity

Comprehensive Income:

The components of accumulated other comprehensive income consisted of the following:

	September 29, 2013	December 30, 2012
	(In thousands)	
Foreign currency translation adjustments	$69,230	$67,527
Unrecognized prior service costs, net of income taxes	2,087	2,087
Unrealized and realized losses on derivatives, net of income taxes	(1,995)	(2,892)
Unrealized net losses on securities, net of income taxes	(119)	(129)
Accumulated other comprehensive income	$69,203	$66,593

During the nine months ended September 29, 2013, pre-tax losses of $1.5 million were reclassified from accumulated other comprehensive income into interest and other expense, net related to previously settled cash flow hedges. The Company recognized a tax provision of $0.6 million related to these amounts reclassified out of accumulated other comprehensive income for the nine months ended September 29, 2013.

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Stock Repurchase Program:

On October 24, 2012, the Board authorized the Company to repurchase up to 6.0 million shares of common stock under a stock repurchase program (the "Repurchase Program"). The Repurchase Program will expire on October 24, 2014 unless terminated earlier by the Board, and may be suspended or discontinued at any time. During the first nine months of fiscal year 2013, the Company repurchased 3.6 million shares of common stock in the open market at an aggregate cost of $123.0 million, including commissions, under the Repurchase Program. As of September 29, 2013, 2.4 million shares of the Company’s common stock remained available for repurchase from the 6.0 million shares authorized by the Board under the Repurchase Program.

The Board has authorized the Company to repurchase shares of common stock to satisfy minimum statutory tax withholding obligations in connection with the vesting of restricted stock awards and restricted stock unit awards granted pursuant to the Company’s equity incentive plans. During the first nine months of fiscal year 2013, the Company repurchased 122,015 shares of common stock for this purpose at an aggregate cost of $4.2 million. The repurchased shares have been reflected as additional authorized but unissued shares, with the payments reflected in common stock and capital in excess of par value.

Dividends:

The Board declared a regular quarterly cash dividend of $0.07 per share for each of the first three quarters of fiscal year 2013 and for each quarter of fiscal year 2012. At September 29, 2013, the Company had accrued $7.9 million for dividends declared on July 26, 2013 for the third quarter of fiscal year 2013, payable in November 2013. On October 24, 2013, the Company announced that the Board had declared a quarterly dividend of $0.07 per share for the fourth quarter of fiscal year 2013 that will be payable in February 2014. In the future, the Board may determine to reduce or eliminate the Company’s common stock dividend in order to fund investments for growth, repurchase shares or conserve capital resources.

Note 12: Stock Plans

In addition to the Company's Employee Stock Purchase Plan, the Company utilizes one stock-based compensation plan, the 2009 Incentive Plan (the “2009 Plan”). Under the 2009 Plan, 10.0 million shares of the Company’s common stock, as well as shares of the Company’s common stock previously granted under the Amended and Restated 2001 Incentive Plan and the 2005 Incentive Plan that were canceled or forfeited without the shares being issued, are authorized for stock option grants, restricted stock awards, performance units and stock grants as part of the Company’s compensation programs.

The following table summarizes total pre-tax compensation expense recognized related to the Company’s stock options, restricted stock, restricted stock units, performance units and stock grants, net of estimated forfeitures, included in the Company’s condensed consolidated statements of operations for the three and nine months ended September 29, 2013 and September 30, 2012:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Cost of product and service revenue	$337	$327	$958	$906
Research and development expenses	203	186	629	547
Selling, general and administrative expenses	3,241	4,588	9,836	13,899
Total stock-based compensation expense	$3,781	$5,101	$11,423	$15,352

The total income tax benefit recognized in the condensed consolidated statements of operations for stock-based compensation was $1.2 million and $3.6 million for the three and nine months ended September 29, 2013, respectively. The total income tax benefit recognized in the condensed consolidated statements of operations for stock-based compensation was $1.6 million and $5.0 million for the three and nine months ended September 30, 2012, respectively. Stock-based compensation costs capitalized as part of inventory were $0.3 million as of both September 29, 2013 and September 30, 2012. The excess tax benefit recognized from stock awards, classified as a

financing cash activity, was zero and $1.8 million for the nine months ended September 29, 2013 and September 30, 2012, respectively.

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Stock Options: The fair value of each option grant is estimated using the Black-Scholes option pricing model. The Company's weighted-average assumptions used in the Black-Scholes option pricing model were as follows:

	Three and Nine Months Ended	
	September 29, 2013	September 30, 2012
Risk-free interest rate	0.9 %	0.6 %
Expected dividend yield	0.8 %	1.2 %
Expected lives	5 years	4 years
Expected stock volatility	38.5 %	38.7 %

The following table summarizes stock option activity for the nine months ended September 29, 2013:

	Number of Shares (In thousands)	Weighted-Average Price	Weighted-Average Remaining Contractual Term (In years)	Total Intrinsic Value (In millions)
Outstanding at December 30, 2012	4,266	$21.64		
Granted	518	33.62		
Exercised	(721)	21.20		
Canceled	(7)	22.63		
Forfeited	(325)	22.82		
Outstanding at September 29, 2013	3,731	$23.29	3.6	$46.9
Exercisable at September 29, 2013	2,590	$20.82	2.7	$38.9
Vested and expected to vest in the future	3,683	$22.93	3.6	$46.5

There were no options granted during the three months ended September 29, 2013. The weighted-average per-share grant-date fair value of options granted for the nine months ended September 29, 2013 was $10.82. The weighted-average per-share grant-date fair value of options granted for the three and nine months ended September 30, 2012 was $7.71 and $7.36, respectively. The total intrinsic value of options exercised for the three and nine months ended September 29, 2013 was $6.2 million and $10.3 million, respectively. The total intrinsic value of options exercised for the three and nine months ended September 30, 2012 was $3.9 million and $9.1 million, respectively. Cash received from option exercises for the nine months ended September 29, 2013 and September 30, 2012 was $15.3 million and $22.9 million, respectively.

The total compensation expense recognized related to the Company's outstanding options was $1.1 million and $3.2 million for the three and nine months ended September 29, 2013, respectively, and $1.2 million and $3.7 million for the three and nine months ended September 30, 2012, respectively.

There was $6.8 million of total unrecognized compensation cost, net of estimated forfeitures, related to nonvested stock options granted as of September 29, 2013. This cost is expected to be recognized over a weighted-average period of 1.9 years and will be adjusted for any future changes in estimated forfeitures.

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Restricted Stock Awards: The following table summarizes restricted stock award activity for the nine months ended September 29, 2013:

	Number of Shares	Weighted-Average Grant-Date Fair Value
	(In thousands)	
Nonvested at December 30, 2012	781	$24.71
Granted	277	33.74
Vested	(327)	23.23
Forfeited	(70)	28.67
Nonvested at September 29, 2013	661	$28.80

The weighted-average per-share grant-date fair value of restricted stock awards granted during the three and nine months ended September 29, 2013 was $36.11 and $33.74, respectively. The weighted-average per-share grant-date fair value of restricted stock awards granted during the three and nine months ended September 30, 2012 was $27.06 and $25.85, respectively. The fair value of restricted stock awards vested for the three and nine months ended September 29, 2013 was $0.4 million and $7.6 million, respectively. The fair value of restricted stock awards vested for the three and nine months ended September 30, 2012 was $0.1 million and $4.2 million, respectively. The total compensation expense recognized related to the Company's outstanding restricted stock awards was $1.7 million and $5.6 million for the three and nine months ended September 29, 2013, respectively, and $1.9 million and $6.1 million for the three and nine months ended September 30, 2012, respectively.

As of September 29, 2013, there was $10.8 million of total unrecognized compensation cost, net of forfeitures, related to nonvested restricted stock awards. That cost is expected to be recognized over a weighted-average period of 1.4 years.

Performance Units: The Company granted 98,056 and 122,675 performance units during the nine months ended September 29, 2013 and September 30, 2012, respectively, as part of the Company's executive incentive program. The weighted-average per-share grant-date fair value of performance units granted during the nine months ended September 29, 2013 and September 30, 2012 was $34.06 and $26.18, respectively. The total compensation expense recognized related to these performance units was $1.0 million and $1.9 million for the three and nine months ended September 29, 2013, respectively, and $1.9 million and $4.9 million for the three and nine months ended September 30, 2012, respectively. As of September 29, 2013, there were 282,044 performance units outstanding and subject to forfeiture, with a corresponding liability of $5.4 million recorded in accrued expenses and other current liabilities.

Stock Awards: The Company generally grants stock awards only to non-employee members of the Board. The Company granted 3,263 shares and 3,580 shares to each non-employee member of the Board during the nine months ended September 29, 2013 and September 30, 2012, respectively. The Company also granted 955 shares to a new non-employee member of the Board during the nine months ended September 30, 2012. The weighted-average per-share grant-date fair value of the stock awards granted during the nine months ended September 29, 2013 and September 30, 2012 was $30.65 and $27.87, respectively. No compensation expense was recognized related to these stock awards in each of the three months ended September 29, 2013 and September 30, 2012. The total compensation expense recognized related to these stock awards was $0.7 million for each of the nine months ended September 29, 2013 and September 30, 2012.

Employee Stock Purchase Plan: During the nine months ended September 29, 2013, the Company issued 89,521 shares of common stock under the Company's Employee Stock Purchase Plan at a weighted-average price of $30.51 per share. At September 29, 2013, an aggregate of 1.1 million shares of the Company's common stock remained available for sale to employees out of the 5.0 million shares authorized by shareholders for issuance under this plan.

Note 13: Goodwill and Intangible Assets, Net

The Company tests goodwill and non-amortizing intangible assets at least annually for possible impairment. Accordingly, the Company completes the annual testing of impairment for goodwill and non-amortizing intangible assets on the later of January 1 or the first day of each fiscal year. In addition to its annual test, the Company regularly evaluates whether events or circumstances have occurred that may indicate a potential impairment of goodwill or non-amortizing intangible assets.

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As discussed in Note 10, the Company realigned its organization at the beginning of fiscal year 2013, which resulted in a change in the composition of the Company's reporting units and reportable segments. The Company's field service for products previously sold by its former Bio-discovery business, as well as its Informatics business, was moved from the Environmental Health segment into the Human Health segment. The results reported for this quarter reflect this new alignment of the Company's operating segments. Financial information in this report relating to fiscal year 2012 has been retrospectively adjusted to reflect the changes to the operating segments. As a result of the realignment, the Company reallocated goodwill from the Environmental Health segment to the Human Health segment based on the relative fair value, determined using the income approach, of the businesses within the historical Environmental Health segment. The change resulted in $215.7 million of goodwill being allocated from the Environmental Health segment to the Human Health segment as of December 30, 2012.

The process of testing goodwill for impairment involves the determination of the fair value of the applicable reporting units. The test consists of a two-step process. The first step is the comparison of the fair value to the carrying value of the reporting unit to determine if the carrying value exceeds the fair value. The second step measures the amount of an impairment loss, and is only performed if the carrying value exceeds the fair value of the reporting unit. The Company performed its annual impairment testing for its reporting units as of January 1, 2013, its annual impairment date for fiscal year 2013, and concluded based on the first step of the process that there was no goodwill impairment. The fair values of each of the Company's reporting units were substantially in excess of their carrying values.

The Company has consistently employed the income approach to estimate the current fair value when testing for impairment of goodwill. A number of significant assumptions and estimates are involved in the application of the income approach to forecast operating cash flows, including markets and market share, sales volumes and prices, costs to produce, tax rates, capital spending, discount rate and working capital changes. Cash flow forecasts are based on approved business unit operating plans for the early years' cash flows and historical relationships in later years. The income approach is sensitive to changes in long-term terminal growth rates and the discount rates. The long-term terminal growth rates are consistent with the Company's historical long-term terminal growth rates, as the current economic trends are not expected to affect the long-term terminal growth rates of the Company. The long-term terminal growth rates for the Company's reporting units ranged from 4.5% to 6.0% for the fiscal year 2013 impairment analysis. The range for the discount rates for the reporting units was 10.5% to 12.0%. Keeping all other variables constant, a 10.0% change in any one of the input assumptions for the various reporting units would still allow the Company to conclude, based on the first step of the process, that there was no impairment of goodwill.

The Company has consistently employed the relief from royalty model to estimate the current fair value when testing for impairment of non-amortizing intangible assets. The impairment test consists of a comparison of the fair value of the non-amortizing intangible asset with its carrying amount. If the carrying amount of a non-amortizing intangible asset exceeds its fair value, an impairment loss in an amount equal to that excess is recognized. In addition, the Company currently evaluates the remaining useful life of its non-amortizing intangible assets at least annually to determine whether events or circumstances continue to support an indefinite useful life. If events or circumstances indicate that the useful lives of non-amortizing intangible assets are no longer indefinite, the assets will be tested for impairment. These intangible assets will then be amortized prospectively over their estimated remaining useful lives and accounted for in the same manner as other intangible assets that are subject to amortization. The Company performed its annual impairment testing as of January 1, 2013, and concluded that there was no impairment of non-amortizing intangible assets. An assessment of the recoverability of amortizing intangible assets takes place when events have occurred that may give rise to an impairment. No such events occurred during the first nine months of fiscal year 2013.

The changes in the carrying amount of goodwill for the period ended September 29, 2013 from December 30, 2012 were as follows:

	Human Health	Environmental Health	Consolidated
	(In thousands)		
Balance at December 30, 2012	$1,632,487	$490,301	$2,122,788

Foreign currency translation	7,069	556	7,625
Acquisitions and other	—	638	638
Balance at September 29, 2013	$1,639,556	$491,495	$2,131,051

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Identifiable intangible asset balances at September 29, 2013 and December 30, 2012 by category were as follows:

	September 29, 2013	December 30, 2012
	(In thousands)	
Patents	$101,831	$107,969
Less: Accumulated amortization	(85,789)	(89,954)
Net patents	16,042	18,015
Trade names and trademarks	36,430	37,694
Less: Accumulated amortization	(15,784)	(13,886)
Net trade names and trademarks	20,646	23,808
Licenses	79,208	80,607
Less: Accumulated amortization	(50,509)	(47,368)
Net licenses	28,699	33,239
Core technology	408,342	407,545
Less: Accumulated amortization	(271,440)	(248,510)
Net core technology	136,902	159,035
Customer relationships	325,533	327,637
Less: Accumulated amortization	(122,499)	(108,384)
Net customer relationships	203,034	219,253
IPR&D	7,510	7,463
Less: Accumulated amortization	(2,000)	(1,496)
Net IPR&D	5,510	5,967
Net amortizable intangible assets	410,833	459,317
Non-amortizing intangible assets:		
Trade names and trademarks	70,584	70,584
Total	$481,417	$529,901

Total amortization expense related to definite-lived intangible assets was $23.1 million and $67.9 million for the three and nine months ended September 29, 2013, respectively, and $22.0 million and $68.7 million for the three and nine months September 30, 2012, respectively. Estimated amortization expense related to definite-lived intangible assets for each of the next five years is $21.9 million for the remainder of fiscal year 2013, $81.1 million for fiscal year 2014, $67.7 million for fiscal year 2015, $58.8 million for fiscal year 2016, and $47.7 million for fiscal year 2017.

The Company entered into a strategic agreement in fiscal year 2012 under which it acquired certain intangible assets and received a license to certain core technology for an analytics and data discovery platform, as well as the exclusive right to distribute the platform in certain scientific research and development markets. During fiscal year 2012, the Company paid $6.8 million for net intangible assets and $25.0 million for prepaid royalties. During the third quarter of fiscal year 2013, the Company extended the existing agreement for an additional year. In addition, the Company entered into a new agreement to expand the distribution rights to the clinical and other related markets and acquired additional intangible assets. During the first nine months of fiscal year 2013, the Company paid $7.0 million for net intangible assets and $27.8 million for prepaid royalties, and expects to pay an additional $13.0 million in prepaid royalties within the next twelve months. The Company expects to expense royalties as revenue is recognized. These intangible assets are being amortized over their estimated useful lives. The Company has reported the amortization of these intangible assets within the results of the Company's Human Health segment from the execution date.

Note 14: Warranty Reserves

The Company provides warranty protection for certain products usually for a period of one year beyond the date of sale. The majority of costs associated with warranty obligations include the replacement of parts and the time for service personnel to respond to repair and replacement requests. A warranty reserve is recorded based upon historical results, supplemented by management’s expectations of future costs. Warranty reserves are included in “Accrued

expenses and other current liabilities” on the condensed consolidated balance sheets.

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Warranty reserve activity for the three and nine months ended September 29, 2013 and September 30, 2012 is summarized below:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Balance beginning of period	$10,451	$10,625	$11,003	$10,412
Provision charged to income	4,160	4,063	12,673	12,960
Payments	(4,113)	(4,304)	(12,781)	(13,344)
Adjustments to previously provided warranties, net	268	221	(54)	708
Foreign currency translation and acquisitions	122	154	47	23
Balance end of period	$10,888	$10,759	$10,888	$10,759

Note 15: Employee Postretirement Benefit Plans

The following table summarizes the components of net periodic benefit (credit) cost for the Company’s various defined benefit employee pension and postretirement plans for the three and nine months ended September 29, 2013 and September 30, 2012:

	Defined Benefit Pension Benefits		Postretirement Medical Benefits	
	Three Months Ended			
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Service cost	$916	$977	$28	$28
Interest cost	5,312	5,774	36	37
Expected return on plan assets	(6,261)	(5,140)	(241)	(219)
Amortization of prior service costs	(67)	(60)	—	—
Net periodic benefit (credit) cost	$(100)	$1,551	$(177)	$(154)

	Defined Benefit Pension Benefits		Postretirement Medical Benefits	
	Nine Months Ended			
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Service cost	$2,757	$2,934	$85	$85
Interest cost	15,925	17,381	107	111
Expected return on plan assets	(18,778)	(15,422)	(723)	(657)
Amortization of prior service	(201)	(180)	—	—
Net periodic benefit (credit) cost	$(297)	$4,713	$(531)	$(461)

During the first nine months of fiscal year 2013, the Company made contributions of $37.0 million for the 2012 plan year to its defined benefit pension plan in the United States. The Company contributed $17.9 million, in the aggregate, to plans outside of the United States during the first nine months of fiscal year 2013, including an additional contribution of $10.0 million to its defined benefit pension plan in the United Kingdom.

Note 16: Derivatives and Hedging Activities

The Company uses derivative instruments as part of its risk management strategy only, and includes derivatives utilized as economic hedges that are not designated as hedging instruments. By nature, all financial instruments

involve market and credit risks. The Company enters into derivative instruments with major investment grade financial institutions and has policies to monitor the credit risk of those counterparties. The Company does not enter into derivative contracts for trading or other

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speculative purposes, nor does the Company use leveraged financial instruments. Approximately 60% of the Company's business is conducted outside of the United States, generally in foreign currencies. The fluctuations in foreign currency can increase the costs of financing, investing and operating the business. The intent of these economic hedges is to offset gains and losses that occur on the underlying exposures from these currencies, with gains and losses resulting from the forward currency contracts that hedge these exposures.

In the ordinary course of business, the Company enters into foreign exchange contracts for periods consistent with its committed exposures to mitigate the effect of foreign currency movements on transactions denominated in foreign currencies. Transactions covered by hedge contracts include intercompany and third-party receivables and payables. The contracts are primarily in European and Asian currencies, have maturities that do not exceed 12 months, have no cash requirements until maturity, and are recorded at fair value on the Company's condensed consolidated balance sheets. Unrealized gains and losses on the Company's foreign currency contracts are recognized immediately in earnings for hedges designated as fair value and, for hedges designated as cash flow, the related unrealized gains or losses are deferred as a component of other comprehensive income in the accompanying condensed consolidated balance sheets. Deferred gains and losses are recognized in income in the period in which the underlying anticipated transaction occurs and impacts earnings.

Principal hedged currencies include the British Pound, Euro, Japanese Yen and Singapore Dollar. The Company held forward foreign exchange contracts, designated as fair value hedges, with U.S. equivalent notional amounts totaling $110.0 million, $64.3 million and $66.6 million at September 29, 2013, December 30, 2012 and September 30, 2012, respectively, and the approximate fair value of these foreign currency derivative contracts was insignificant. The gains and losses realized on foreign currency derivative contracts are not material. The duration of these contracts was generally 30 days or less during both fiscal years 2013 and 2012.

In December 2012, the Company entered into forward foreign exchange contracts with settlement dates in fiscal year 2013 and combined Euro denominated notional amounts of €50.0 million, designated as cash flow hedges. During the first two quarters of fiscal year 2013 the Company settled these Euro denominated forward foreign exchange contracts. The derivative gains were amortized into interest and other expense, net, when the hedged exposures affected interest and other expense, net. Such amounts were not material for the nine months ended September 29, 2013.

In May 2008, the Company settled forward interest rate contracts with notional amounts totaling $150.0 million upon the issuance of its 2015 Notes, and recognized $8.4 million, net of taxes of $5.4 million, of accumulated derivative losses in other comprehensive income. As of September 29, 2013, the balance remaining in accumulated other comprehensive income related to the effective cash flow hedges was a loss of $2.0 million, net of taxes of $1.3 million. The Company amortized a pre-tax loss of $1.5 million into interest and other expense, net during each of the nine months ended September 29, 2013 and September 30, 2012, respectively. The derivative losses are being amortized into interest and other expense, net when the hedged exposure affects interest and other expense, net. Assuming current market conditions continue, a $2.0 million pre-tax loss is expected to be reclassified from accumulated other comprehensive income into interest and other expense, net within the next 12 months.

Note 17: Fair Value Measurements

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of temporary cash investments, marketable securities and accounts receivable. The Company believes it had no significant concentrations of credit risk as of September 29, 2013.

The Company uses the market approach technique to value its financial instruments and there were no changes in valuation techniques during the nine months ended September 29, 2013. The Company's financial assets and liabilities carried at fair value are primarily comprised of marketable securities, derivative contracts used to hedge the Company's currency risk, and acquisition-related contingent consideration. The Company has not elected to measure any additional financial instruments or other items at fair value.

Valuation Hierarchy: The following summarizes the three levels of inputs required to measure fair value. For Level 1 inputs, the Company utilizes quoted market prices as these instruments have active markets. For Level 2 inputs, the Company utilizes quoted market prices in markets that are not active, broker or dealer quotations, or utilizes

alternative pricing sources with reasonable levels of price transparency. For Level 3 inputs, the Company utilizes unobservable inputs based on the best information available, including estimates by management primarily based on information provided by third-party fund managers, independent brokerage firms and insurance companies. A financial asset's or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

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The following tables show the assets and liabilities carried at fair value measured on a recurring basis as of September 29, 2013 and December 30, 2012 classified in one of the three classifications described above:

	Fair Value Measurements at September 29, 2013 Using:			
	Total Carrying Value at September 29, 2013 (In thousands)	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable securities	$1,220	$ 1,220	$ —	$—
Foreign exchange derivative assets	246	—	246	—
Foreign exchange derivative liabilities	(207)	—	(207)	—
Contingent consideration	(2,858)	—	—	(2,858)

	Fair Value Measurements at December 30, 2012 Using:			
	Total Carrying Value at December 30, 2012 (In thousands)	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable securities	$1,149	$ 1,149	$ —	$—
Foreign exchange derivative assets	274	—	274	—
Foreign exchange derivative liabilities	(294)	—	(294)	—
Contingent consideration	(3,017)	—	—	(3,017)

Valuation Techniques: The Company's Level 1 and Level 2 assets and liabilities are comprised of investments in equity and fixed-income securities as well as derivative contracts. For financial assets and liabilities that utilize Level 1 and Level 2 inputs, the Company utilizes both direct and indirect observable price quotes, including common stock price quotes, foreign exchange forward prices and bank price quotes. Below is a summary of valuation techniques for Level 1 and Level 2 financial assets and liabilities.

Marketable securities: Include equity and fixed-income securities measured at fair value using the quoted market prices at the reporting date.

Foreign exchange derivative assets and liabilities: Include foreign exchange derivative contracts that are valued using quoted forward foreign exchange prices at the reporting date.

Contingent consideration: The Company has classified its net liabilities for contingent consideration relating to its acquisitions of ID Biological Systems, Inc., Dexela Limited, Haoyuan and Tetra Teknolojik Sistemler Limited Sirketi within Level 3 of the fair value hierarchy because the fair value is determined using significant unobservable inputs, which included probability weighted cash flows. A description of the significant acquisitions is included within Note 2 to the Company's audited consolidated financial statements filed with the 2012 Form 10-K. Contingent consideration is measured at fair value at the acquisition date, based on the probability that revenue thresholds or product development milestones will be achieved during the earnout period. Increases or decreases in the fair value of contingent consideration liabilities primarily result from changes in the estimated probabilities of achieving revenue thresholds or product development milestones during the earnout period. The Company may have to pay contingent consideration, related to all acquisitions with open contingency periods, of up to $37.0 million as of September 29, 2013. As of September 29, 2013, the Company has recorded contingent consideration obligations relating to these acquisitions, with an estimated fair value of $2.9 million at September 29, 2013. The earnout periods for each of these acquisitions do not exceed three years from the acquisition date.

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A reconciliation of the beginning and ending Level 3 net liabilities is as follows:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Balance beginning of period	$(3,715)	$(7,315)	$(3,017)	$(20,298)
Additions	—	—	(1,100)	—
Amounts paid and foreign currency translation	31	3,771	95	17,417
Change in fair value (included within selling, general and administrative expenses)	826	2,338	1,164	1,675
Balance end of period	$(2,858)	$(1,206)	$(2,858)	$(1,206)

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value due to the short-term maturities of these assets and liabilities. If measured at fair value, cash and cash equivalents would be classified as Level 1.
The Company’s senior unsecured revolving credit facility, which provides for $700 million of revolving loans, had amounts outstanding, excluding letters of credit, of $248.0 million and $258.0 million as of September 29, 2013 and December 30, 2012, respectively. The interest rate on the Company’s senior unsecured revolving credit facility is reset at least monthly to correspond to variable rates that reflect currently available terms and conditions for similar debt. The Company had no change in credit standing during the first nine months of fiscal year 2013. Consequently, the carrying value of the current year and prior year credit facilities approximate fair value and would be classified as Level 2.
The Company’s 2015 Notes, with a face value of $150.0 million, had an aggregate carrying value of $150.0 million and a fair value of $159.9 million as of September 29, 2013. The 2015 Notes had an aggregate carrying value of $150.0 million and a fair value of $165.4 million as of December 30, 2012. The Company's 2021 Notes, with a face value of $500.0 million, had an aggregate carrying value of $497.4 million, net of $2.6 million of unamortized original issue discount, and a fair value of $531.9 million as of September 29, 2013. The 2021 Notes had an aggregate carrying value of $497.2 million, net of $2.8 million of unamortized original issue discount, and a fair value of $558.3 million as of December 30, 2012. The fair values of the 2015 Notes and the 2021 Notes are estimated using market quotes from brokers, or are based on current rates offered for similar debt. The Company's financing lease obligations had an aggregate carrying value of $40.5 million as of September 29, 2013 and approximated the fair value given the timing of the recognition of these obligations to the balance sheet date. As of September 29, 2013, the 2015 Notes, 2021 Notes and financing lease obligations were classified as Level 2.
As of September 29, 2013, there has not been any significant impact to the fair value of the Company’s derivative liabilities due to credit risk. Similarly, there has not been any significant adverse impact to the Company’s derivative assets based on the evaluation of its counterparties’ credit risks.

Note 18: Leases

On August 22, 2013, the Company sold one of its facilities located in Boston, Massachusetts for $49.5 million. Simultaneously with the closing of the sale of the property, the Company entered into a lease agreement to lease back the property for its continued use. The lease has an initial term of 15 years and the Company has the right to extend the term of the lease for two additional periods of ten years each. The lease is accounted for as an operating lease and the Company has deferred $26.5 million of gains which will be amortized in operating expenses over the initial lease term of 15 years. Minimum rental commitments under the noncancelable operating lease are as follows: $3.2 million in fiscal year 2014, $3.2 million in fiscal year 2015, $3.3 million in fiscal year 2016, $3.4 million in fiscal year 2017, $3.5 million in fiscal year 2018 and $37.6 million in the aggregate thereafter. During the third quarter of fiscal year 2013, the Company amortized $0.2 million of deferred gains related to the lease. At September 29, 2013, $26.3 million of these deferred gains remained to be amortized.

Note 19: Contingencies

The Company is conducting a number of environmental investigations and remedial actions at current and former locations of the Company and, along with other companies, has been named a potentially responsible party ("PRP") for certain waste disposal sites. The Company accrues for environmental issues in the accounting period that the Company's responsibility is established and when the cost can be reasonably estimated. The Company has accrued $6.9 million as of September 29, 2013, which represents management's estimate of the total cost of the ultimate remediation of known environmental matters, and does not include any potential liability for related personal injury or property damage claims. This amount is not discounted

and does not reflect the recovery of any amounts through insurance or indemnification arrangements. These cost estimates are subject to a number of variables, including the stage of the environmental investigations, the magnitude of the possible contamination, the nature of the potential remedies, possible joint and several liability, the time period over which remediation may occur, and the possible effects of changing laws and regulations. For sites where the Company has been named a PRP, management does not currently anticipate any additional liability to result from the inability of other significant named parties to contribute. The Company expects that the majority of such accrued amounts could be paid out over a period of up to ten years. As assessment and remediation activities progress at each individual site, these liabilities are reviewed and adjusted to reflect additional information as it becomes available. There have been no environmental problems to date that have had, or are expected to have, a material adverse effect on the Company’s condensed consolidated financial statements. While it is possible that a loss exceeding the amounts recorded in the condensed consolidated financial statements may be incurred, the potential exposure is not expected to be materially different from those amounts recorded.

Enzo Biochem, Inc. and Enzo Life Sciences, Inc. (collectively, “Enzo”) filed a complaint dated October 23, 2002 in the United States District Court for the Southern District of New York, Civil Action No. 02-8448, seeking injunctive and monetary relief against Amersham plc, Amersham BioSciences, PerkinElmer, Inc., PerkinElmer Life Sciences, Inc., Sigma-Aldrich Corporation, Sigma Chemical Company, Inc., Molecular Probes, Inc., and Orchid BioSciences, Inc. The complaint alleges that the Company breached its distributorship and settlement agreements with Enzo, infringed Enzo's patents, engaged in unfair competition and fraud, and committed torts against Enzo by, among other things, engaging in commercial development and exploitation of Enzo's patented products and technology, separately and together with the other defendants. The Company filed an answer and a counterclaim alleging that Enzo's patents are invalid. In 2007, after the court issued a decision in 2006 regarding the construction of the claims in Enzo's patents that effectively limited the coverage of certain of those claims and, the Company believes, excluded certain of the Company's products from the coverage of Enzo's patents, summary judgment motions were filed by the defendants. The case was assigned to a new district court judge in January 2009 and in March 2009, the new judge denied the pending summary judgment motions without prejudice and ordered a stay of the case until the federal appellate court decided Enzo's appeal of the judgment of the United States District Court for the District of Connecticut in Enzo Biochem vs. Applera Corp. and Tropix, Inc. (the “Connecticut Case”), which involved a number of the same patents and which could materially affect the scope of Enzo's case against the Company. In March 2010, the United States Court of Appeals for the Federal Circuit affirmed-in-part and reversed-in-part the judgment in the Connecticut Case. The district court permitted the Company and the other defendants to jointly file a motion for summary judgment on certain patent and other issues common to all of the defendants. On September 12, 2012, the court granted in part and denied in part the Company's motion for summary judgment of non-infringement. On December 21, 2012, the Company filed a second motion for summary judgment on claims that were not addressed in the first motion, which the court also granted in part and denied in part. The case is expected to go to trial in early 2014.

The Company believes it has meritorious defenses to the matter described above, and it is contesting the action vigorously. While this matter is subject to uncertainty, in the opinion of the Company’s management, based on its review of the information available at this time, the resolution of this matter will not have a material adverse effect on the Company’s condensed consolidated financial statements.

The Company is also subject to various other claims, legal proceedings and investigations covering a wide range of matters that arise in the ordinary course of its business activities. Although the Company has established accruals for potential losses that it believes are probable and reasonably estimable, in the opinion of the Company’s management, based on its review of the information available at this time, the total cost of resolving these other contingencies at September 29, 2013 should not have a material adverse effect on the Company’s condensed consolidated financial statements. However, each of these matters is subject to uncertainties, and it is possible that some of these matters may be resolved unfavorably to the Company.

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

This quarterly report on Form 10-Q, including the following management's discussion and analysis, contains forward-looking information that you should read in conjunction with the condensed consolidated financial statements and notes to the condensed consolidated financial statements that we have included elsewhere in this report. For this purpose, any statements contained in this report that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "plans," "anticipates," "intends," "expects," "will" and similar expressi are intended to identify forward-looking statements. Our actual results may differ materially from the plans, intentions or expectations we disclose in the forward-looking statements we make. We have included important factors below under the heading "Risk Factors" in Part II, Item 1A. that we believe could cause actual results to differ materially from the forward-looking statements we make. We are not obligated to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Overview

We are a leading provider of products, services and solutions to the diagnostics, research, environmental, industrial and laboratory services markets. Through our advanced technologies, solutions, and services, we address critical issues that help to improve the health and safety of people and their environment.

We realigned our organization at the beginning of fiscal year 2013. Our field service for products previously sold by our former Bio-discovery business, as well as our Informatics business, were moved from our Environmental Health segment into our Human Health segment. The results reported for the three and nine months ended September 29, 2013 reflect this new alignment of our operating segments. Financial information in this report relating to the three and nine months ended September 30, 2012 has been retrospectively adjusted to reflect the changes in our operating segments. The principal products and services of our two operating segments are:

- Human Health. Develops diagnostics, tools and applications to help detect diseases earlier and more accurately and to accelerate the discovery and development of critical new therapies. The Human Health segment serves both the diagnostics and research markets.
- Environmental Health. Provides technologies and applications to facilitate the creation of safer food and consumer products, more secure surroundings and efficient energy resources. The Environmental Health segment serves the environmental, industrial and laboratory services markets.

As a result of the realignment, we reallocated goodwill from the Environmental Health segment to the Human Health segment based on the relative fair value, determined using the income approach, of the businesses within the historical Environmental Health segment. The change resulted in $215.7 million of goodwill being allocated from the Environmental Health segment to the Human Health segment as of December 30, 2012.

Overview of the Third Quarter of Fiscal Year 2013

Our fiscal year ends on the Sunday nearest December 31. We report fiscal years under a 52/53 week format, and as a result certain fiscal years will contain 53 weeks. Both our 2013 and 2012 fiscal years include 52 weeks.

Our overall revenue in the third quarter of fiscal year 2013 was $524.3 million and increased $14.7 million, or 3%, as compared to the third quarter of fiscal year 2012, reflecting an increase of $5.1 million, or 2%, in our Human Health segment revenue and an increase of $9.5 million, or 4%, in our Environmental Health segment revenue. The increase in our Human Health segment revenue during the three months ended September 29, 2013 was due to growth generated from our informatics offerings and in-vivo business in the research market. The increase in our Environmental Health segment revenue during the three months ended September 29, 2013 was primarily due to an increase in our OneSource multivendor service offerings within our lab services market.

In our Human Health segment during the third quarter of fiscal year 2013 as compared to the third quarter of fiscal year 2012, we experienced growth in the research market as demand increased for our informatics offerings and our in-vivo imaging systems. In the diagnostics market we experienced growth from continued expansion of our prenatal, newborn and infectious disease screening solutions in key regions outside the United States, particularly in emerging markets such as China and the Middle East. This growth was offset by declines in our medical imaging business despite continued growth in our complementary metal-oxide-semiconductor imaging technology with two new industrial product offerings. As the rising cost of healthcare continues to be one of the critical issues facing our

customers, we anticipate that the benefits of providing earlier detection of disease, which can result in savings of long-term health care costs as well as create better outcomes for patients, are increasingly valued and we expect to see continued growth in these markets.

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In our Environmental Health segment, our laboratory services business offers services designed to enable our customers to increase efficiencies and production time, while reducing maintenance costs, all of which continue to be critical for our customers. During the third quarter of fiscal year 2013, we continued to grow our laboratory services business by the addition of new customers to our OneSource multivendor service offering. In the third quarter of fiscal year 2013, as compared to the third quarter of fiscal year 2012, we had an increase in demand across most of our products in the environmental and safety and industrial markets. We anticipate that the continued development of contaminant regulations and corresponding testing protocols will result in increased demand for efficient, analytically sensitive and information rich testing solutions.

Our consolidated gross margins decreased 74 basis points in the third quarter of fiscal year 2013, as compared to the third quarter of fiscal year 2012, due to pricing pressure, unfavorable changes in product mix, with an increase in sales of lower gross margin product offerings, and inflation, which were partially offset by increased sales volume and cost containment and productivity initiatives. Our consolidated operating margins increased 243 basis points in the third quarter of fiscal year 2013, as compared to the third quarter of fiscal year 2012, primarily due to lower costs as a result of restructuring activities and cost containment and productivity initiatives, which were partially offset by lower gross margins.

We believe we are well positioned to continue to take advantage of the spending trends in our end markets and to promote our efficiencies in markets where current conditions may increase demand for certain services. Overall, we believe that our strategic focus on Human Health and Environmental Health coupled with our breadth of end markets, deep portfolio of technologies and applications, leading market positions, global scale and financial strength will provide us with a foundation for growth.

Critical Accounting Policies and Estimates

The preparation of condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, sales and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to revenue recognition, warranty costs, bad debts, inventories, accounting for business combinations and dispositions, long-lived assets, income taxes, restructuring, pensions and other postretirement benefits, contingencies and litigation. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting policies are those policies that affect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements. We believe our critical accounting policies include our policies regarding revenue recognition, warranty costs, allowances for doubtful accounts, inventory valuation, business combinations, value of long-lived assets, including goodwill and other intangibles, employee compensation and benefits, restructuring activities, gains or losses on dispositions and income taxes.

For a more detailed discussion of our critical accounting policies and estimates, please refer to the Notes to our Audited Consolidated Financial Statements and Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in our Annual Report on Form 10-K for the fiscal year ended December 30, 2012 (our “2012 Form 10-K”), as filed with the Securities and Exchange Commission (the "SEC"). There have been no significant changes in our critical accounting policies and estimates during the nine months ended September 29, 2013.

Consolidated Results of Continuing Operations

Revenue

Revenue for the three months ended September 29, 2013 was $524.3 million, as compared to $509.6 million for the three months ended September 30, 2012, an increase of $14.7 million, or 3%, which includes an approximate 0.2% decrease in revenue attributable to unfavorable changes in foreign exchange rates and an approximate 1% increase from acquisitions. The analysis in the remainder of this paragraph compares segment revenue for the three months ended September 29, 2013 as compared to the three months ended September 30, 2012 and includes the effect of

foreign exchange rate fluctuations and acquisitions. Our Human Health segment revenue increased $5.1 million, or 2%, due to an increase in research market revenue of $6.2 million, partially offset by a decrease in diagnostics market revenue of $1.1 million. Our Environmental Health segment revenue increased $9.5 million, or 4%, due to an increase in laboratory services market revenue of $5.1 million and increases in environmental and safety and industrial markets revenue of $4.5 million. As a result of adjustments to deferred revenue related to certain acquisitions required by business combination rules, we did not recognize $0.9 million of revenue for the three months ended September 29, 2013 and $5.2 million for the three months ended September 30, 2012 that otherwise would have been recorded by the acquired businesses during each of the respective periods.

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Revenue for the nine months ended September 29, 2013 was $1,573.0 million, as compared to $1,542.3 million for the nine months ended September 30, 2012, an increase of $30.7 million, or 2%, which includes an approximate 0.5% decrease in revenue attributable to unfavorable changes in foreign exchange rates and an approximate 1% increase from acquisitions. The analysis in the remainder of this paragraph compares segment revenue for the nine months ended September 29, 2013 as compared to the nine months ended September 30, 2012 and includes the effect of foreign exchange rate fluctuations and acquisitions. Our Human Health segment revenue increased $17.9 million, or 2%, due to an increase in diagnostics market revenue of $9.3 million and an increase in research market revenue of $8.6 million. Our Environmental Health segment revenue increased $12.8 million, or 2%, due to an increase in laboratory services market revenue of $17.8 million, partially offset by decreases in environmental and safety and industrial markets revenue of $5.0 million. As a result of adjustments to deferred revenue related to certain acquisitions required by business combination rules, we did not recognize $6.6 million of revenue for the nine months ended September 29, 2013 and $22.2 million for the nine months ended September 30, 2012 that otherwise would have been recorded by the acquired businesses during each of the respective periods.

Cost of Revenue

Cost of revenue for the three months ended September 29, 2013 was $290.8 million, as compared to $278.9 million for the three months ended September 30, 2012, an increase of $11.9 million, or 4%. As a percentage of revenue, cost of revenue increased to 55.5% for the three months ended September 29, 2013, from 54.7% for the three months ended September 30, 2012, resulting in a decrease in gross margin of 74 basis points to 44.5% for the three months ended September 29, 2013, from 45.3% for the three months ended September 30, 2012. Amortization of intangible assets increased and was $14.2 million for the three months ended September 29, 2013, as compared to $12.7 million for the three months ended September 30, 2012. Stock-based compensation expense was $0.3 million for each of the three months ended September 29, 2013 and September 30, 2012. Acquisition related costs related to certain acquisitions were $0.2 million for the three months ended September 29, 2013. In addition to the above, the overall decrease in gross margin was primarily the result of pricing pressure and unfavorable changes in product mix with an increase in sales of lower gross margin product offerings, partially offset by cost containment and productivity improvements.

Cost of revenue for the nine months ended September 29, 2013 was $872.3 million, as compared to $840.7 million for the nine months ended September 30, 2012, an increase of $31.5 million, or 4%. As a percentage of revenue, cost of revenue increased to 55.5% for the nine months ended September 29, 2013, from 54.5% for the nine months ended September 30, 2012, resulting in a decrease in gross margin of 94 basis points to 44.5% for the nine months ended September 29, 2013, from 45.5% for the nine months ended September 30, 2012. Amortization of intangible assets increased and was $39.8 million for the nine months ended September 29, 2013, as compared to $38.7 million for the nine months ended September 30, 2012. Stock-based compensation expense was $1.0 million for the nine months ended September 29, 2013, as compared to $0.9 million for the nine months ended September 30, 2012. The amortization of purchase accounting adjustments to record the inventory from certain acquisitions and other acquisition costs was $0.4 million for the nine months ended September 29, 2013, as compared to $4.8 million for the nine months ended September 30, 2012. In addition to the above, the overall decrease in gross margin was primarily the result of pricing pressure and unfavorable changes in product mix with an increase in sales of lower gross margin product offerings, partially offset by productivity improvements.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended September 29, 2013 were $143.6 million, as compared to $145.4 million for the three months ended September 30, 2012, a decrease of $1.8 million, or 1%. As a percentage of revenue, selling, general and administrative expenses decreased and were 27.4% for the three months ended September 29, 2013, as compared to 28.5% for the three months ended September 30, 2012. Amortization of intangible assets decreased and was $8.8 million for the three months ended September 29, 2013, as compared to $9.2 million for the three months ended September 30, 2012. Stock-based compensation expense decreased and was $3.2 million for the three months ended September 29, 2013, as compared to $4.6 million for the three months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions decreased and provided a benefit of $1.1 million for the three months ended September 29, 2013,

as compared to a benefit of $1.8 million for the three months ended September 30, 2012. In addition to the above, the decrease in selling, general and administrative expenses was primarily the result of cost containment and productivity initiatives.

Selling, general and administrative expenses for the nine months ended September 29, 2013 were $443.9 million, as compared to $452.0 million for the nine months ended September 30, 2012, a decrease of $8.1 million, or 2%. As a percentage of revenue, selling, general and administrative expenses decreased and were 28.2% for the nine months ended September 29, 2013, as compared to 29.3% for the nine months ended September 30, 2012. Amortization of intangible assets decreased and was $27.8 million for the nine months ended September 29, 2013, as compared to $29.6 million for the nine months ended September 30, 2012. Stock-based compensation expense decreased and was $9.8 million for the nine months ended

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September 29, 2013, as compared to $13.9 million for the nine months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions increased and provided a benefit of $1.0 million for the nine months ended September 29, 2013, as compared to a benefit of $0.3 million for the nine months ended September 30, 2012. In addition to the above, the decrease in selling, general and administrative expenses was primarily the result of cost containment and productivity initiatives.

Research and Development Expenses

Research and development expenses for the three months ended September 29, 2013 were $31.5 million, as compared to $32.4 million for the three months ended September 30, 2012, a decrease of $0.9 million, or 3%. As a percentage of revenue, research and development expenses decreased and were 6.0% for the three months ended September 29, 2013, as compared to 6.4% for the three months ended September 30, 2012. Amortization of intangible assets was $0.1 million for each of the three months ended September 29, 2013 and September 30, 2012. Stock-based compensation expense was $0.2 million for each of the three months ended September 29, 2013 and September 30, 2012. Acquisition related costs related to certain acquisitions were $0.2 million for the three months ended September 29, 2013. We primarily directed research and development efforts during fiscal years 2013 and 2012 toward the diagnostics and research markets within our Human Health segment, and the environmental, and laboratory service and support markets within our Environmental Health segment, in order to help accelerate our growth initiatives.

Research and development expenses for the nine months ended September 29, 2013 were $100.3 million, as compared to $99.1 million for the nine months ended September 30, 2012, an increase of $1.2 million, or 1%. As a percentage of revenue, research and development expenses were 6.4% for each of the nine months ended September 29, 2013 and September 30, 2012. Amortization of intangible assets decreased and was $0.2 million for the nine months ended September 29, 2013, as compared to $0.4 million for the nine months ended September 30, 2012. Stock-based compensation expense increased and was $0.6 million for the nine months ended September 29, 2013, as compared to $0.5 million for the nine months ended September 30, 2012. Acquisition related costs related to certain acquisitions were $0.2 million for the three months ended September 29, 2013.

Restructuring and Contract Termination Charges, Net

We have undertaken a series of restructuring actions related to the impact of acquisitions and divestitures, alignment with our growth strategy and the integration of our business units. The current portion of restructuring and contract termination charges, is recorded in accrued restructuring and contract termination charges, and the long-term portion of restructuring and contract termination charges, is recorded in long-term liabilities. The activities associated with these plans have been reported as restructuring and contract termination charges, net, and are included as a component of operating expenses from continuing operations.

A description of the restructuring plans and the activity recorded for the nine months ended September 29, 2013 is listed below. Details of the plans initiated in previous years, particularly those listed under “Previous Restructuring and Integration Plans,” are discussed more fully in Note 4 to the audited consolidated financial statements in the 2012 Form 10-K.

The restructuring plan for the third quarter of fiscal year 2013 was principally intended to shift certain of our research and development resources into a newly opened Center for Innovation. The restructuring plan for the second quarter of fiscal year 2013 was principally intended to shift certain of our operations into a newly established shared service center as well as realign operations, research and development resources and production resources as a result of previous acquisitions. The restructuring plan for the first quarter of fiscal year 2013 was principally intended to focus resources on higher growth end markets. The restructuring plan for the fourth quarter of fiscal year 2012 was principally intended to shift resources to higher growth geographic regions and end markets. The restructuring plan for the third quarter of fiscal year 2012 was principally intended to shift certain of our operations into a newly established shared service center. The restructuring plans for the first and second quarters of fiscal year 2012 were principally intended to realign operations, research and development resources and production resources as a result of previous acquisitions. We expect the impact of future cost savings on operating results and cash flows from restructuring activities executed in fiscal year 2013 will exceed $3.0 million, on an annual basis, beginning in fiscal year 2015. We

expect the impact of future cost savings on operating results and cash flows from restructuring activities executed in fiscal year 2012 will exceed $11.0 million, on an annual basis, beginning in fiscal year 2014. These future cost savings will be primarily a decrease to cost of revenue and a decrease to selling, general and administrative expenses.

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Q3 2013 Restructuring Plan

During the third quarter of fiscal year 2013, our management approved a plan to shift certain of our research and development resources into a newly opened Center for Innovation (the "Q3 2013 Plan"). As a result of the Q3 2013 Plan, we recognized a $0.5 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space. As part of the Q3 2013 Plan, we will reduce headcount by 30 employees. All employees were notified of termination under the Q3 2013 Plan by September 29, 2013.

The following table summarizes the Q3 2013 Plan activity for the nine months ended September 29, 2013:

	Severance	Closure of Excess Facility Space	Total
	(In thousands)		
Provision	$394	$138	$532
Amounts paid and foreign currency translation	—	(26)	(26)
Balance at September 29, 2013	$394	$112	$506

We anticipate that the remaining severance payments of $0.4 million for workforce reductions will be substantially completed by the end of the second quarter of fiscal year 2014. We also anticipate that the remaining payments of $0.1 million for the closure of the excess facility space will be paid through fiscal year 2013, in accordance with the terms of the applicable lease.

Q2 2013 Restructuring Plan

During the second quarter of fiscal year 2013, our management approved a plan to shift certain of our operations into a newly established shared service center as well as realign operations, research and development resources, and production resources as a result of previous acquisitions (the "Q2 2013 Plan"). As a result of the Q2 2013 Plan, and during the nine months ended September 29, 2013, we recognized a $10.3 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space and recognized a $8.8 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space. We expect to recognize an additional $0.3 million of incremental restructuring expense in future periods as services are provided for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits. This expense will be recognized ratably over the required service period. As part of the Q2 2013 Plan, we will reduce headcount by 265 employees. All employees were notified of termination under the Q2 2013 Plan by June 30, 2013.

The following table summarizes the Q2 2013 Plan activity for the nine months ended September 29, 2013:

	Severance	Closure of Excess Facility Space	Total
	(In thousands)		
Provision	$18,476	$572	$19,048
Amounts paid and foreign currency translation	(3,824)	(519)	(4,343)
Balance at September 29, 2013	$14,652	$53	$14,705

We anticipate that the remaining severance payments of $14.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014. We also anticipate that the remaining payments of $0.1 million for the closure of the facility space will be paid through fiscal year 2013, in accordance with the terms of the applicable leases.

Q1 2013 Restructuring Plan
During the first quarter of fiscal year 2013, our management approved a plan to focus resources on higher growth end markets (the "Q1 2013 Plan"). As a result of the Q1 2013 Plan, we recognized a $2.3 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $0.2 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. As part of the Q1 2013 Plan, we reduced headcount by 62 employees. All employees were notified of termination under the Q1 2013 Plan by March 31, 2013.

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The following table summarizes the Q1 2013 Plan activity for the nine months ended September 29, 2013:

	Severance (In thousands)
Provision	$2,585
Amounts paid and foreign currency translation	(2,371)
Balance at September 29, 2013	$214

We anticipate that the remaining severance payments of $0.2 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014.

Q4 2012 Restructuring Plan

During the fourth quarter of fiscal year 2012, our management approved a plan to shift resources to higher growth geographic regions and end markets (the “Q4 2012 Plan”). As a result of the Q4 2012 Plan, and during fiscal year 2012, we recognized a $0.6 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $2.4 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. As part of the Q4 2012 Plan, we reduced headcount by 54 employees. All employees were notified of termination under the Q4 2012 Plan by December 30, 2012.

The following table summarizes the Q4 2012 Plan activity for the nine months ended September 29, 2013:

	Severance (In thousands)
Balance at December 30, 2012	$2,682
Amounts paid and foreign currency translation	(2,016)
Balance at September 29, 2013	$666

We anticipate that the remaining severance payments of $0.7 million for workforce reductions will be substantially completed by the end of the second quarter of fiscal year 2014.

Q3 2012 Restructuring Plan

During the third quarter of fiscal year 2012, our management approved a plan to shift certain of our operations into a newly established shared service center (the “Q3 2012 Plan”). As a result of the Q3 2012 Plan, and during fiscal year 2012, we recognized $3.9 million pre-tax restructuring charges in each of the Human Health and Environmental Health segments related to a workforce reduction from reorganization activities. During the nine months ended September 29, 2013, we recorded a pre-tax restructuring reversal of $0.3 million in each of the Human Health and Environmental Health segments due to lower than expected costs associated with remaining severance payments. As part of the Q3 2012 Plan, we reduced headcount by 66 employees. All employees were notified of termination under the Q3 2012 Plan by September 30, 2012.

The following table summarizes the Q3 2012 Plan activity for the nine months ended September 29, 2013:

	Severance (In thousands)
Balance at December 30, 2012	$7,553
Change in estimates	(546)
Amounts paid and foreign currency translation	(2,859)
Balance at September 29, 2013	$4,148

We anticipate that the remaining severance payments of $4.1 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2014.

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Q2 2012 Restructuring Plan

During the second quarter of fiscal year 2012, our management approved a plan to realign operations, research and development resources, and production resources as a result of previous acquisitions (the “Q2 2012 Plan”). As a result of the Q2 2012 Plan, and during fiscal year 2012, we recognized a $7.2 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and recognized a $0.2 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. During the nine months ended September 29, 2013, we recognized a $2.1 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and a $0.1 million pre-tax restructuring reversal in the Environmental Health segment due to lower than expected costs associated with remaining severance payments. We expect to recognize an additional $0.2 million of incremental restructuring expense in future periods as services are provided for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits. This expense will be recognized ratably over the required service period. As part of the Q2 2012 Plan, we will reduce headcount by 203 employees. All employees were notified of termination under the Q2 2012 Plan by July 1, 2012.

The following table summarizes the Q2 2012 Plan activity for the nine months ended September 29, 2013:

	Severance
	(In thousands)
Balance at December 30, 2012	$4,586
Provision	2,052
Amounts paid and foreign currency translation	(3,975)
Balance at September 29, 2013	$2,663

We anticipate that the remaining severance payments of $2.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2013.

Q1 2012 Restructuring Plan

During the first quarter of fiscal year 2012, our management approved a plan to realign operations and production resources as a result of previous acquisitions (the “Q1 2012 Plan”). As a result of the Q1 2012 Plan, and during fiscal year 2012, we recognized a $5.4 million pre-tax restructuring charge in the Human Health segment related to a workforce reduction from reorganization activities and the closure of excess facility space and recognized a $1.0 million pre-tax restructuring charge in the Environmental Health segment related to a workforce reduction from reorganization activities. We expect to recognize no additional incremental restructuring expense in future periods as all services were provided for one-time termination benefits in which the employee was required to render service until termination in order to receive the benefits. As part of the Q1 2012 Plan, we reduced headcount by 112 employees. All employees were notified of termination and we completed all actions related to the closure of excess facility space under the Q1 2012 Plan by April 1, 2012.

The following table summarizes the Q1 2012 Plan activity for the nine months ended September 29, 2013:

	Severance
	(In thousands)
Balance at December 30, 2012	$1,281
Provision	30
Amounts paid and foreign currency translation	(594)
Balance at September 29, 2013	$717

We anticipate that the remaining severance payments of $0.7 million for workforce reductions will be substantially completed by the end of the fourth quarter of fiscal year 2013. The closure of the excess facility space will not require any additional payments.

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Previous Restructuring and Integration Plans

The principal actions of the restructuring and integration plans from fiscal years 2001 through 2011 were workforce reductions related to the integration of our businesses in order to reduce costs and achieve operational efficiencies as well as workforce reductions in both the Human Health and Environmental Health segments by shifting resources into geographic regions and end markets that are more consistent with our growth strategy. During the nine months ended September 29, 2013, we paid $1.9 million related to these plans and recorded a reversal of $0.3 million primarily related to lower than expected costs associated with workforce reductions within the Environmental Health segment. As of September 29, 2013, we had $8.9 million of remaining liabilities associated with these restructuring and integration plans, primarily for residual lease obligations related to closed facilities and remaining severance payments for workforce reductions in both the Human Health and Environmental Health segments. We expect to make payments for these leases, the terms of which vary in length, through fiscal year 2022.

Contract Termination Charges

We have terminated various contractual commitments in connection with certain disposal activities and have recorded charges, to the extent applicable, for the costs of terminating these contracts before the end of their terms and the costs that will continue to be incurred for the remaining terms without economic benefit to us. We recorded an additional pre-tax charge of $0.3 million and made payments for these obligations of $0.9 million in the first nine months of fiscal year 2013. The remaining balance of these accruals as of September 29, 2013 was $0.1 million.

Interest and Other Expense, Net

Interest and other expense, net, consisted of the following:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Interest income	$(119)	$(74)	$(288)	$(434)
Interest expense	11,704	11,360	35,310	34,136
Other expense, net	755	586	2,223	2,358
Total interest and other expense, net	$12,340	$11,872	$37,245	$36,060

Interest and other expense, net, for the three months ended September 29, 2013 was an expense of $12.3 million, as compared to an expense of $11.9 million for the three months ended September 30, 2012, an increase of $0.5 million. The increase in interest and other expense, net, for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012, was primarily due to the increase in interest expense related to increases in our financing lease obligations and an increase in other expense, net related to foreign currency transaction expenses. Interest expense increased by $0.3 million for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012, primarily due to an increase in our financing lease obligations. Other expense, net increased by $0.2 million for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012 and consisted primarily of expenses related to foreign currency transactions and foreign currency translation.

Interest and other expense, net, for the nine months ended September 29, 2013 was an expense of $37.2 million, as compared to an expense of $36.1 million for the nine months ended September 30, 2012, an increase of $1.2 million. The increase in interest and other expense, net, for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, was primarily due to the increase in interest expense related to increases in our financing lease obligations. Interest income decreased by $0.1 million for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, primarily due to lower cash balances. Interest expense increased by $1.2 million for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, primarily due to increases in our financing lease obligations. Other expense, net decreased by $0.1 million for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012 and consisted primarily of expenses related to foreign currency transactions and foreign currency translation.

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Provision for (Benefit from) Income Taxes

For the three months ended September 29, 2013, the provision for income taxes from continuing operations was a provision of $4.6 million, as compared to a provision of $2.4 million for the three months ended September 30, 2012. For the nine months ended September 29, 2013, the provision for income taxes from continuing operations was a benefit of $4.0 million, as compared to a provision of $8.7 million for the nine months ended September 30, 2012. The effective tax rate from continuing operations was a provision of 10.2% and a benefit of 4.2% for the three and nine months ended September 29, 2013, as compared to a provision of 7.5% and 9.3% for the three and nine months ended September 30, 2012. The lower effective tax rate during the first nine months of fiscal year 2013 as compared to the first nine months of fiscal year 2012 was due to net discrete income tax benefits of $15.6 million primarily for reversals of uncertain tax position reserves and resolution of other tax matters, which included $9.4 million of reversals as a result of lapses in statutes of limitations during the first quarter of fiscal year 2013.

Discontinued Operations

As part of our continuing efforts to focus on higher growth opportunities, we have discontinued certain businesses. We have accounted for these businesses as discontinued operations and, accordingly, have presented the results of operations and related cash flows as discontinued operations for all periods presented. Any remaining assets and liabilities of these businesses have been presented separately, and are reflected within the assets and liabilities from discontinued operations in the accompanying condensed consolidated balance sheets as of September 29, 2013 and December 30, 2012.

We recorded the following gains and losses, which have been reported as a (loss) gain on disposition of discontinued operations:

	Three Months Ended		Nine Months Ended	
	September 29, 2013	September 30, 2012	September 29, 2013	September 30, 2012
	(In thousands)			
Gain on disposition of Photoflash business	$—	$974	$493	$1,966
Loss on disposition of other discontinued operations	(64)	(76)	(36)	(51)
(Loss) gain on disposition of discontinued operations before income taxes	$(64)	$898	$457	$1,915

In June 2010, we sold our Photoflash business, which was included in our Environmental Health segment, for $13.5 million, including an adjustment for net working capital, plus potential additional contingent consideration. During the nine months ended September 29, 2013, we recognized a pre-tax gain of $0.5 million for contingent consideration related to this sale. During the nine months ended September 30, 2012, we recognized a pre-tax gain of $2.0 million for contingent consideration related to this sale. These gains were recognized as a gain on disposition of discontinued operations.

During the first nine months of both fiscal years 2013 and 2012, we settled various commitments related to the divestiture of other discontinued operations. We recognized pre-tax losses in the first nine months of both fiscal year 2013 and fiscal year 2012. These losses were recognized as a loss on disposition of discontinued operations.

We recorded a tax provision of $0.04 million and a tax benefit of $0.4 million on disposition of discontinued operations for the three and nine months ended September 29, 2013, respectively. We recorded tax provisions of $0.3 million and $0.8 million on disposition of discontinued operations for the three and nine months ended September 30, 2012, respectively.

Contingencies, Including Tax Matters

We are conducting a number of environmental investigations and remedial actions at our current and former locations and, along with other companies, have been named a potentially responsible party (“PRP”) for certain waste disposal sites. We accrue for environmental issues in the accounting period that our responsibility is established and when the cost can be reasonably estimated. We have accrued $6.9 million as of September 29, 2013, which represents our management’s estimate of the total cost of the ultimate remediation of known environmental matters, and does not include any potential liability for related personal injury or property damage claims. This amount is not discounted and does not reflect the recovery of any amounts through insurance or indemnification arrangements. These cost

estimates are subject to a number of variables, including the stage of the environmental investigations, the magnitude of the possible contamination, the nature of the potential remedies, possible joint and several liability, the time period over which remediation may occur, and the possible effects of changing laws and regulations. For sites where we have been named a PRP, our management does not currently anticipate any additional liability to result from the inability of other significant named parties to contribute. We expect that the majority of

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such accrued amounts could be paid out over a period of up to ten years. As assessment and remediation activities progress at each individual site, these liabilities are reviewed and adjusted to reflect additional information as it becomes available. There have been no environmental problems to date that have had, or are expected to have, a material adverse effect on our condensed consolidated financial statements. While it is possible that a loss exceeding the amounts recorded in the condensed consolidated financial statements may be incurred, the potential exposure is not expected to be materially different from those amounts recorded.

Enzo Biochem, Inc. and Enzo Life Sciences, Inc. (collectively, "Enzo") filed a complaint dated October 23, 2002 in the United States District Court for the Southern District of New York, Civil Action No. 02-8448, seeking injunctive and monetary relief against Amersham plc, Amersham BioSciences, PerkinElmer, Inc., PerkinElmer Life Sciences, Inc., Sigma-Aldrich Corporation, Sigma Chemical Company, Inc., Molecular Probes, Inc., and Orchid BioSciences, Inc. The complaint alleges that we breached our distributorship and settlement agreements with Enzo, infringed Enzo's patents, engaged in unfair competition and fraud, and committed torts against Enzo by, among other things, engaging in commercial development and exploitation of Enzo's patented products and technology, separately and together with the other defendants. We filed an answer and a counterclaim alleging that Enzo's patents are invalid. In 2007, after the court issued a decision in 2006 regarding the construction of the claims in Enzo's patents that effectively limited the coverage of certain of those claims and, we believe, excluded certain of our products from the coverage of Enzo's patents, summary judgment motions were filed by the defendants. The case was assigned to a new district court judge in January 2009 and in March 2009, the new judge denied the pending summary judgment motions without prejudice and ordered a stay of the case until the federal appellate court decided Enzo's appeal of the judgment of the United States District Court for the District of Connecticut in Enzo Biochem vs. Applera Corp. and Tropix, Inc. (the "Connecticut Case"), which involved a number of the same patents and which could materially affect the scope of Enzo's case against us. In March 2010, the United States Court of Appeals for the Federal Circuit affirmed-in-part and reversed-in-part the judgment in the Connecticut Case. The district court permitted us and the other defendants to jointly file a motion for summary judgment on certain patent and other issues common to all of the defendants. On September 12, 2012, the court granted in part and denied in part our motion for summary judgment of non-infringement. On December 21, 2012, we filed a second motion for summary judgment on claims that were not addressed in the first motion, which the court also granted in part and denied in part. The case is expected to go to trial in early 2014.

We believe we have meritorious defenses to the matter described above, and we are contesting the action vigorously. While this matter is subject to uncertainty, in the opinion of our management, based on its review of the information available at this time, the resolution of this matter will not have a material adverse effect on our condensed consolidated financial statements.

Various tax years after 2006 remain open to examination by certain tax jurisdictions in which we have significant business operations, such as China, Finland, Germany, Italy, Netherlands, Singapore, the United Kingdom and the United States. The tax years under examination vary by jurisdiction. We regularly review our tax positions in each significant taxing jurisdiction in the process of evaluating our unrecognized tax benefits. We make adjustments to our unrecognized tax benefits when: (i) facts and circumstances regarding a tax position change, causing a change in management's judgment regarding that tax position; (ii) a tax position is effectively settled with a tax authority; and/or (iii) the statute of limitations expires regarding a tax position.

We are also subject to various other claims, legal proceedings and investigations covering a wide range of matters that arise in the ordinary course of our business activities. Although we have established accruals for potential losses that we believe are probable and reasonably estimable, in the opinion of our management, based on its review of the information available at this time, the total cost of resolving these other contingencies at September 29, 2013 should not have a material adverse effect on our condensed consolidated financial statements. However, each of these matters is subject to uncertainties, and it is possible that some of these matters may be resolved unfavorably to us.

Reporting Segment Results of Continuing Operations

Human Health

Revenue for the three months ended September 29, 2013 was $292.4 million, as compared to $287.3 million for the three months ended September 30, 2012, an increase of $5.1 million, or 2%, which includes an approximate 0.1% increase in revenue attributable to favorable changes in foreign exchange rates and an approximate 2% increase from acquisitions. The analysis in the remainder of this paragraph compares selected revenue by market and product type for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012, and includes the effect of foreign exchange fluctuations and acquisitions. The increase in revenue in our Human Health segment reflects an increase in research market revenue of $6.2 million and a decrease in diagnostics market revenue of $1.1 million. As a result of adjustments to deferred revenue related to certain acquisitions required by business combination rules, we did not recognize $0.9 million of revenue in our Human Health segment for the three months ended September 29, 2013 and $5.2 million for the three months ended

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September 30, 2012 that otherwise would have been recorded by the acquired businesses during each of the respective periods. The increase in our Human Health segment revenue during the three months ended September 29, 2013 was due to growth in the research market as demand increased for our informatics offerings and our in-vivo imaging systems. In the diagnostics market we experienced growth from continued expansion of our prenatal, newborn and infectious disease screening solutions in key regions outside the United States, particularly in emerging markets such as China and the Middle East. This growth was offset by slight declines in our medical imaging business despite continued growth in our complementary metal-oxide-semiconductor imaging technology with two new industrial product offerings.

Revenue for the nine months ended September 29, 2013 was $873.7 million, as compared to $855.8 million for the nine months ended September 30, 2012, an increase of $17.9 million, or 2%, which includes an approximate 0.4% decrease in revenue attributable to unfavorable changes in foreign exchange rates and an approximate 2% increase from acquisitions. The analysis in the remainder of this paragraph compares selected revenue by market and product type for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, and includes the effect of foreign exchange fluctuations and acquisitions. The increase in revenue in our Human Health segment reflects an increase in diagnostics market revenue of $9.3 million and an increase in research market revenue of $8.6 million. As a result of adjustments to deferred revenue related to certain acquisitions required by business combination rules, we did not recognize $6.6 million of revenue in our Human Health segment for the nine months ended September 29, 2013 and $22.2 million for the nine months ended September 30, 2012 that otherwise would have been recorded by the acquired businesses during each of the respective periods. The increase in our Human Health segment revenue during the nine months ended September 29, 2013 was due to growth in the diagnostics market as birth rates in the United States increased and from continued expansion of our prenatal, newborn and infectious disease screening solutions in key regions outside the United States, particularly in emerging markets such as China, the Middle East and Africa, and Korea, as well as increased demand for our informatics offerings in the research market. This growth was partially offset by slight declines in our medical imaging business despite continued growth in our complementary metal-oxide-semiconductor imaging technology, as well as declines in our in-vivo and radiometric detection businesses within the research market, as a result of sequestration concerns in the United States, European austerity and weakening research markets in Asia, particularly in Japan.

Operating income from continuing operations for the three months ended September 29, 2013 was $43.9 million, as compared to $34.4 million for the three months ended September 30, 2012, an increase of $9.5 million, or 28%. Amortization of intangible assets increased and was $20.6 million for the three months ended September 29, 2013, as compared to $19.7 million for the three months ended September 30, 2012. Restructuring and contract termination charges, net, were $1.0 million for the three months ended September 29, 2013, as compared to $5.7 million for the three months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions was $0.7 million for the three months ended September 29, 2013, as compared to $1.9 million for the three months ended September 30, 2012. In addition to the above, increased sales volume in the research market, favorable changes in product mix, cost containment initiatives and lower costs related to growth and productivity investments increased operating income for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012.

Operating income from continuing operations for the nine months ended September 29, 2013 was $99.0 million, as compared to $83.0 million for the nine months ended September 30, 2012, an increase of $16.0 million, or 19%. Amortization of intangible assets decreased and was $60.4 million for the nine months ended September 29, 2013, as compared to $60.9 million for the nine months ended September 30, 2012. Restructuring and contract termination charges, net, were $14.9 million for the nine months ended September 29, 2013, as compared to $15.0 million for the nine months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions provided a benefit of $0.8 million for the nine months ended September 29, 2013, as compared to a benefit of $0.4 million for the nine months ended September 30, 2012. The amortization of purchase accounting adjustments to record the inventory from certain acquisitions was $0.2 million for the nine months ended September 29, 2013, as compared to $4.8 million for the nine months ended September 30, 2012. In addition to the above, increased sales volume in the diagnostics and research markets, favorable changes in product mix, and cost

containment initiatives increased operating income for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, which were partially offset by higher costs related to growth and productivity investments.

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Environmental Health

Revenue for the three months ended September 29, 2013 was $231.9 million, as compared to $222.4 million for the three months ended September 30, 2012, an increase of $9.5 million, or 4%, which includes an approximate 0.5% decrease in revenue attributable to unfavorable changes in foreign exchange rates and an approximate 1% increase from acquisitions. The analysis in the remainder of this paragraph compares selected revenue by market and product type for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012, and includes the effect of foreign exchange fluctuations and acquisitions. The increase in revenue in our Environmental Health segment reflects an increase in laboratory services market revenue of $5.1 million and increases in environmental and safety and industrial markets revenue of $4.5 million. The increase in our Environmental Health segment revenue during the three months ended September 29, 2013 was due to growth in our laboratory services business by the addition of new customers to our OneSource multivendor service offering as well as increases in demand across most of our products in the environmental and safety and industrial markets.

Revenue for the nine months ended September 29, 2013 was $699.3 million, as compared to $686.5 million for the nine months ended September 30, 2012, an increase of $12.8 million, or 2%, which includes an approximate 1% decrease in revenue attributable to unfavorable changes in foreign exchange rates and an approximate 0.4% increase from acquisitions. The analysis in the remainder of this paragraph compares selected revenue by market and product type for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, and includes the effect of foreign exchange fluctuations and acquisitions. The increase in revenue in our Environmental Health segment reflects an increase in laboratory services market revenue of $17.8 million, partially offset by decreases in environmental and safety and industrial markets revenue of $5.0 million. The increase in our Environmental Health segment revenue during the nine months ended September 29, 2013 was due primarily to growth in our laboratory services business by the addition of new customers to our OneSource multivendor service offering, partially offset by decreased demand across some of our products in the environmental and safety and industrial markets.

Operating income from continuing operations for the three months ended September 29, 2013 was $21.9 million, as compared to $18.5 million for the three months ended September 30, 2012, an increase of $3.4 million, or 19%. Amortization of intangible assets increased and was $2.5 million for the three months ended September 29, 2013, as compared to $2.3 million for the three months ended September 30, 2012. Restructuring and contract termination charges, net, were $0.1 million for the three months ended September 29, 2013, as compared to $4.0 million for the three months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions were $0.02 million for the three months ended September 29, 2013, as compared to $0.1 million for the three months ended September 30, 2012. In addition to the above, increased sales volume and cost containment initiatives increased operating income for the three months ended September 29, 2013, as compared to the three months ended September 30, 2012, which was offset by pricing pressure and unfavorable changes in product mix, with an increase in sales of lower gross margin product offerings.

Operating income from continuing operations for the nine months ended September 29, 2013 was $61.9 million, as compared to $77.9 million for the nine months ended September 30, 2012, a decrease of $16.0 million, or 21%. Amortization of intangible assets decreased and was $7.5 million for the nine months ended September 29, 2013, as compared to $7.9 million for the nine months ended September 30, 2012. Restructuring and contract termination charges, net, were $8.9 million for the nine months ended September 29, 2013, as compared to $6.0 million for the nine months ended September 30, 2012. Acquisition related costs for contingent consideration and other acquisition costs related to certain acquisitions were $0.1 million for each of the nine months ended September 29, 2013 and September 30, 2012. In addition to the above, pricing pressure, unfavorable changes in product mix, with an increase in sales of lower gross margin product offerings, and increased costs related to growth investments decreased operating income for the nine months ended September 29, 2013, as compared to the nine months ended September 30, 2012, which was partially offset by increased sales volume and cost containment and productivity initiatives.

Liquidity and Capital Resources

We require cash to pay our operating expenses, make capital expenditures, make strategic acquisitions, service our debt and other long-term liabilities, repurchase shares of our common stock and pay dividends on our common stock. Our principal sources of funds are from our operations and the capital markets, particularly the debt markets. We anticipate that our internal operations will generate sufficient cash to fund our operating expenses, capital expenditures, smaller acquisitions, interest payments on our debt and dividends on our common stock. However, we expect to use external sources to satisfy the balance of our debt when due, any larger acquisitions and other long-term liabilities, such as contributions to our postretirement benefit plans.

Principal factors that could affect the availability of our internally generated funds include:

- changes in sales due to weakness in markets in which we sell our products and services, and

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- changes in our working capital requirements.

Principal factors that could affect our ability to obtain cash from external sources include:

- financial covenants contained in the financial instruments controlling our borrowings that limit our total borrowing capacity,
- increases in interest rates applicable to our outstanding variable rate debt,
- a ratings downgrade that could limit the amount we can borrow under our senior unsecured revolving credit facility and our overall access to the corporate debt market,
- increases in interest rates or credit spreads, as well as limitations on the availability of credit, that affect our ability to borrow under future potential facilities on a secured or unsecured basis,
- a decrease in the market price for our common stock, and
- volatility in the public debt and equity markets.

At September 29, 2013, we had cash and cash equivalents of $132.3 million and a senior unsecured revolving credit facility with $440.0 million available for additional borrowing under the facility.

Most of our cash is denominated in foreign currencies. We utilize a variety of tax planning and financing strategies to ensure that our worldwide cash is available in the locations in which it is needed. As a result of the Caliper acquisition, we concluded in fiscal year 2011 that certain foreign operations did not require the same level of capital as previously expected, and therefore we planned to repatriate approximately $350.0 million of previously unremitted earnings and have provided for the estimated taxes on the repatriation of those earnings. As a result of the planned repatriation, we recorded an increase to our tax provision of $79.7 million in continuing operations in fiscal year 2011. We expect to utilize tax attributes, primarily those acquired in the Caliper acquisition, to minimize the cash taxes paid on the repatriation. As of September 29, 2013, we had completed the repatriation of the $350.0 million of foreign earnings and increased our estimated tax liability associated with the repatriation by approximately $2.4 million, which was recorded as tax expense during the third quarter of fiscal year 2013. We expect accumulated non-U.S. cash balances will remain outside of the U.S. and that we will meet U.S. liquidity needs through future cash flows, use of U.S. cash balances, external borrowings, or some combination of these sources.

On October 24, 2012, our Board authorized us to repurchase up to 6.0 million shares of common stock under a stock repurchase program (the "Repurchase Program"). The Repurchase Program will expire on October 24, 2014 unless terminated earlier by our Board, and may be suspended or discontinued at any time. During the first nine months of fiscal year 2013, we repurchased 3.6 million shares of common stock in the open market at an aggregate cost of $123.0 million, including commissions, under the Repurchase Program. As of September 29, 2013, 2.4 million shares of our common stock remained available for repurchase from the 6.0 million shares authorized by our Board under the Repurchase Program.

Our Board has authorized us to repurchase shares of common stock to satisfy minimum statutory tax withholding obligations in connection with the vesting of restricted stock awards and restricted stock unit awards granted pursuant to our equity incentive plans. During the first nine months of fiscal year 2013, we repurchased 122,015 shares of common stock for this purpose at an aggregate cost of $4.2 million. The repurchased shares have been reflected as additional authorized but unissued shares, with the payments reflected in common stock and capital in excess of par value.

The repurchased shares have been reflected as a reduction in shares outstanding, but remain available to be reissued with the payments reflected in common stock and capital in excess of par value. Any repurchased shares will be available for use in connection with corporate programs. If we continue to repurchase shares, the Repurchase Program will be funded using our existing financial resources, including cash and cash equivalents, and our existing senior unsecured revolving credit facility.

Distressed global financial markets could adversely impact general economic conditions by reducing liquidity and credit availability, creating increased volatility in security prices, widening credit spreads and decreasing valuations of certain investments. The widening of credit spreads may create a less favorable environment for certain of our businesses and may affect the fair value of financial instruments that we issue or hold. Increases in credit spreads, as well as limitations on the availability of credit at rates we consider to be reasonable, could affect our ability to borrow under future potential facilities on a secured or unsecured basis, which may adversely affect our liquidity and results

of operations. In difficult global financial markets, we may be forced to fund our operations at a higher cost, or we may be unable to raise as much funding as we need to support our business activities.

Our pension plans have not experienced a material impact on liquidity or counterparty exposure due to the volatility and uncertainty in the credit markets. During the first nine months of fiscal year 2013, we made contributions of $37.0 million for the 2012 plan year to our defined benefit pension plan in the United States. We expect to contribute approximately $22.0

million in the aggregate to plans outside of the United States during fiscal year 2013. We contributed $17.9 million, in the aggregate, to these plans during the first nine months of fiscal year 2013, including an additional contribution of $10.0 million to our defined benefit pension plan in the United Kingdom. We could potentially have to make additional funding payments in future periods for all pension plans. We expect to use existing cash and external sources to satisfy future contributions to our pension plans. We recognize actuarial gains and losses in operating results in the fourth quarter of the year in which the gains and losses occur, unless there is an interim remeasurement required for one of our plans. It is difficult to reliably predict whether there will be an adjustment for gains and losses in fiscal year 2013. Such adjustments are primarily driven by events and circumstances beyond our control, including changes in interest rates and the performance of the financial markets. To the extent the discount rates decrease or the value of our pension and postretirement investments decrease, a loss to operations will be recorded in fiscal year 2013. Conversely, to the extent the discount rates increase or the value of our pension and postretirement investments increase more than expected, a gain will be recorded in fiscal year 2013.

We entered into a strategic agreement in fiscal year 2012 under which we acquired certain intangible assets and received a license to certain core technology for an analytics and data discovery platform, as well as the exclusive right to distribute the platform in certain scientific research and development markets. During fiscal year 2012, we paid $6.8 million for net intangible assets and $25.0 million for prepaid royalties. During the third quarter of fiscal year 2013, we extended the existing agreement for an additional year. In addition, we entered into a new agreement to expand the distribution rights to the clinical and other related markets and acquired additional intangible assets. During the first nine months of fiscal year 2013, we paid $7.0 million for net intangible assets and $27.8 million for prepaid royalties, and we expect to pay an additional $13.0 million in prepaid royalties within the next twelve months. We expect to expense royalties as revenue is recognized.

On August 22, 2013, we sold one of our facilities located in Boston, Massachusetts for $49.5 million. Simultaneously with the closing of the sale of the property, we entered into a lease agreement to lease back the property for our continued use. The lease has an initial term of 15 years and we have the right to extend the term of the lease for two additional periods of ten years each. The lease is accounted for as an operating lease and we have deferred $26.5 million of gains which will be amortized in operating expenses over the initial lease term of 15 years. During the third quarter of fiscal year 2013, we amortized $0.2 million of deferred gains related to the lease. At September 29, 2013, $26.3 million of these deferred gains remained to be amortized.

Cash Flows

Operating Activities. Net cash provided by continuing operations was $87.0 million for the nine months ended September 29, 2013, as compared to net cash provided by continuing operations of $113.8 million for the nine months ended September 30, 2012, a decrease in cash provided of $26.8 million. The cash provided by operating activities for the nine months ended September 29, 2013 was principally a result of income from continuing operations of $99.5 million, depreciation and amortization of $96.5 million, stock-based compensation expense of $11.4 million and restructuring and contract termination charges, net, of $23.7 million. These increases in net cash were partially offset by a net cash decrease from working capital of $11.0 million. Contributing to the net cash decrease from working capital for the nine months ended September 29, 2013, excluding the effect of foreign exchange rate fluctuations, was an increase in inventory of $31.8 million and a decrease in accounts payable of $6.0 million, partially offset by a decrease in accounts receivable of $26.8 million. The increase in inventory overall was primarily a result of the realignment of operations, research and development resources, and production resources within our Environmental Health and Human Health segments to ensure responsiveness to customer requirements as this realignment occurs. The decrease in accounts payable was primarily a result of the timing of disbursements during the first nine months of fiscal year 2013. The decrease in accounts receivable was a result of strong performance in accounts receivable collections during the first nine months of fiscal year 2013. Changes in accrued expenses, other assets and liabilities and other items, net, decreased cash provided by operating activities by $133.2 million for the nine months ended September 29, 2013, and primarily related to the timing of payments for tax, defined benefit pension plans, royalties, restructuring, salary and benefits. During the first nine months of fiscal year 2013, we paid $27.8 million for prepaid royalties and we made contributions of $37.0 million to our defined benefit pension plan in the United States. We also contributed $17.9 million, in the aggregate, to plans outside of the United States during the first nine months of fiscal

year 2013, including an additional contribution of $10.0 million to our defined benefit pension plan in the United Kingdom.

Investing Activities. Net cash provided by the investing activities of our continuing operations was $14.4 million for the nine months ended September 29, 2013, as compared to net cash used in the investing activities of our continuing operations of $30.4 million for the nine months ended September 30, 2012, an increase in cash provided of $44.8 million. The increase in net cash provided by the investing activities of our continuing operations for the nine months ended September 29, 2013 was principally a result of proceeds from dispositions of property, plant and equipment of $52.2 million from the sale of one of our facilities located in Boston, Massachusetts. This increase in net cash was partially offset by capital expenditures for the nine months ended September 29, 2013 of $31.6 million, primarily for manufacturing equipment and other capital equipment purchases, which includes $5.9 million of capital improvements to leased buildings that have been funded by the lessor, as

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described below in our financing lease obligations. This compares to capital expenditures for the nine months ended September 30, 2012 of $24.4 million, primarily in the areas of tooling and other capital equipment purchases. For the nine months ended September 29, 2013, we paid $7.0 million of net cash for acquisitions and investments and received $0.8 million from the settlement of life insurance policies.

Financing Activities. Net cash used in the financing activities of our continuing operations was $138.7 million for the nine months ended September 29, 2013, as compared to net cash used in financing activities of our continuing operations of $56.3 million for the nine months ended September 30, 2012, an increase in cash used of $82.5 million. For the nine months ended September 29, 2013, we repurchased 3.7 million shares of our common stock, including 122,015 shares of our common stock to satisfy minimum statutory tax withholding obligations in connection with the vesting of restricted stock awards, for a total cost of $127.2 million, including commissions. This compares to repurchases of 0.1 million shares of our common stock to satisfy minimum statutory tax withholding obligations in connection with the vesting of restricted stock awards for the nine months ended September 30, 2012, for a total cost of $2.1 million, including commissions. This use of cash was partially offset by proceeds from the issuance of common stock under stock plans of $15.3 million for the nine months ended September 29, 2013. This compares to the proceeds from the issuance of common stock under stock plans of $24.7 million, including $1.8 million for the related excess tax benefit, for the nine months ended September 30, 2012. During the nine months ended September 29, 2013, debt payments on our senior unsecured revolving credit facility totaled $429.0 million, which were partially offset by debt borrowings of $419.0 million. This compares to debt payments on our senior unsecured revolving credit facility of $333.0 million, which were partially offset by debt borrowings of $291.0 million during the nine months ended September 30, 2012. We paid $23.7 million and $23.9 million in dividends during the nine months ended September 29, 2013 and September 30, 2012, respectively. In addition, we received $1.4 million for settlement of forward foreign exchange contracts for the nine months ended September 29, 2013. We also recorded $5.9 million of financing related to capital improvements to leased buildings, which have been funded by the lessor, as described below in our financing lease obligations.

Borrowing Arrangements

Senior Unsecured Revolving Credit Facility. Our senior unsecured revolving credit facility provides for $700.0 million of revolving loans and has an initial maturity of December 16, 2016. As of September 29, 2013, undrawn letters of credit in the aggregate amount of $12.0 million were treated as issued and outstanding under the senior unsecured revolving credit facility. As of September 29, 2013, we had $440.0 million available for additional borrowing under the facility. We use the senior unsecured revolving credit facility for general corporate purposes, which may include working capital, refinancing existing indebtedness, capital expenditures, share repurchases, acquisitions and strategic alliances. The interest rates under the senior unsecured revolving credit facility are based on the Eurocurrency rate at the time of borrowing plus a margin, or the base rate from time to time. The base rate is the higher of (i) the rate of interest in effect for such day as publicly announced from time to time by Bank of America, N.A. as its "prime rate," (ii) the Federal Funds rate plus 50 basis points or (iii) one-month Libor plus 1.00%. The Eurocurrency margin as of September 29, 2013 was 130 basis points. The weighted average Eurocurrency interest rate as of September 29, 2013 was 0.18%, resulting in a weighted average effective Eurocurrency rate, including the margin, of 1.48%, which is the interest applicable to borrowings outstanding under the Eurocurrency rate as of September 29, 2013. At September 29, 2013 and December 30, 2012, we had $248.0 million and $258.0 million, respectively, of borrowings in U.S. Dollars outstanding under the senior unsecured revolving credit facility with interest based primarily on the above described Eurocurrency rate. The credit agreement for the facility contains affirmative, negative and financial covenants and events of default customary for financings of this type and similar to those contained in the credit agreement for our previous facility. The financial covenants in our senior unsecured revolving credit facility include a debt-to-capital ratio, and two contingent covenants, a maximum consolidated leverage ratio and a minimum consolidated interest coverage ratio, applicable if our credit rating is downgraded below investment grade. We were in compliance with all applicable covenants as of September 29, 2013.

6% Senior Unsecured Notes due 2015. On May 30, 2008, we issued $150.0 million aggregate principal amount of senior unsecured notes due 2015 (the "2015 Notes") in a private placement and received $150.0 million of proceeds from the issuance. The 2015 Notes mature in May 2015 and bear interest at an annual rate of 6%. Interest on the 2015

Notes is payable semi-annually on May 30th and November 30th each year. We may redeem some or all of the 2015 Notes at any time, at our option, at a make-whole redemption price plus accrued and unpaid interest. The indenture governing the 2015 Notes includes financial covenants of a debt-to-capital ratio and a contingent covenant, a multiple of total debt to earnings ratio, applicable only if our credit rating is downgraded below investment grade. We were in compliance with all applicable covenants as of September 29, 2013.

5% Senior Unsecured Notes due 2021. On October 25, 2011, we issued $500.0 million aggregate principal amount of senior unsecured notes due 2021 (the "2021 Notes") in a registered public offering and received approximately $496.9 million of net proceeds from the issuance. The 2021 Notes were issued at 99.372% of the principal amount, which resulted in a discount of $3.1 million. As of September 29, 2013, the 2021 Notes had an aggregate carrying value of $497.4 million, net of $2.6 million of unamortized original issue discount. The 2021 Notes mature in November 2021 and bear interest at an annual

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rate of 5%. Interest on the 2021 Notes is payable semi-annually on May 15th and November 15th each year. Prior to August 15, 2021 (three months prior to their maturity date), we may redeem the 2021 Notes in whole or in part, at our option, at a redemption price equal to the greater of (i) 100% of the principal amount of the 2021 Notes to be redeemed, plus accrued and unpaid interest, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect to the 2021 Notes being redeemed, discounted on a semi-annual basis, at the Treasury Rate plus 45 basis points, plus accrued and unpaid interest. At any time on or after August 15, 2021 (three months prior to their maturity date), we may redeem the 2021 Notes, at our option, at a redemption price equal to 100% of the principal amount of the 2021 Notes to be redeemed plus accrued and unpaid interest. Upon a change of control (as defined in the indenture governing the 2021 Notes) and a contemporaneous downgrade of the 2021 Notes below investment grade, each holder of 2021 Notes will have the right to require us to repurchase such holder's 2021 Notes for 101% of their principal amount, plus accrued and unpaid interest. We were in compliance with all applicable covenants as of September 29, 2013.
Financing Lease Obligations. In September 2012, we entered into agreements with the lessors of buildings that we are currently occupying and leasing to expand those buildings. We provided a portion of the funds needed for the construction of the additions to the buildings, which resulted in us being considered the owner of the buildings during the construction period. At the end of the construction period, we will not be reimbursed by the lessors for all of the construction costs. We are therefore deemed to have continuing involvement and the leases will qualify as financing leases under sale-leaseback accounting guidance, representing debt obligations for us and non-cash investing and financing activities. As a result, we capitalized $29.3 million in property and equipment, net, representing the fair value of the buildings with a corresponding increase to debt. We have also capitalized $11.5 million of the expected $15.0 million in additional construction costs to complete the renovations to the buildings, which were funded by the lessors. At September 29, 2013, we had $40.5 million recorded for these financing lease obligations, of which $2.6 million was recorded as short-term debt and $37.9 million was recorded as long-term debt. At December 30, 2012, we had $34.6 million recorded for these financing lease obligations, of which $1.7 million was recorded as short-term debt and $32.9 million was recorded as long-term debt. The buildings are being depreciated on a straight-line basis over the terms of the leases to their estimated residual values, which will equal the remaining financing obligation at the end of the lease term. At the end of the lease term, the remaining balances in property, plant and equipment, net and debt will be reversed against each other.

Dividends

Our Board declared a regular quarterly cash dividend of $0.07 per share for each of the first three quarters of fiscal year 2013 and for each quarter of fiscal year 2012. At September 29, 2013, we had accrued $7.9 million for dividends declared on July 26, 2013 for the third quarter of fiscal year 2013, payable in November 2013. On October 24, 2013, we announced that our Board had declared a quarterly dividend of $0.07 per share for the fourth quarter of fiscal year 2013 that will be payable in February 2014. In the future, our Board may determine to reduce or eliminate our common stock dividend in order to fund investments for growth, repurchase shares or conserve capital resources.

Contractual Obligations

During the third quarter of fiscal year 2013, we sold one of our facilities located in Boston, Massachusetts. Simultaneously with the closing of the sale of the property we entered into a lease agreement to lease back the property. Our contractual obligations, as described in the contractual obligations table contained in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended December 30, 2012 changed as a result of our entry into this agreement. Our total rental payments to the lessors are now expected to be $15.0 million for the remainder of fiscal year 2013, $52.9 million for fiscal year 2014, $35.1 million for fiscal year 2015, $24.1 million for fiscal year 2016, $20.1 million for fiscal year 2017 and $99.3 million in the aggregate thereafter. There have not been any other material changes during the first nine months of fiscal year 2013 to the amounts presented in the aforementioned table.

Effects of Recently Adopted Accounting Pronouncements

During the first quarter of fiscal year 2013 we adopted new guidance on additional disclosure requirements of other comprehensive income. This new guidance requires the presentation of reclassifications out of accumulated other comprehensive income on the face of the financial statements or as a separate disclosure in the notes to the financial statements. The reclassifications out of accumulated other comprehensive income and into net income were not material for the three and nine months ended September 29, 2013. See Note 11 to our condensed consolidated financial statements included in this quarterly report on Form 10-Q for additional details.

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Effects of Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board and are adopted by us as of the specified effective dates. Unless otherwise discussed, we believe that such recently issued pronouncements will not have a significant impact on our condensed consolidated financial position, results of operations and cash flows or do not apply to our operations.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk. We are exposed to market risk, including changes in interest rates and currency exchange rates. To manage the volatility relating to these exposures, we enter into various derivative transactions pursuant to our policies to hedge against known or forecasted market exposures. We briefly describe several of the market risks we face below. The following disclosure is not materially different from the disclosure provided under the heading, Item 7A. “Quantitative and Qualitative Disclosure About Market Risk,” in our 2012 Form 10-K.

Foreign Exchange Risk. The potential change in foreign currency exchange rates offers a substantial risk to us, as approximately 60% of our business is conducted outside of the United States, generally in foreign currencies. Our risk management strategy currently uses forward contracts to mitigate certain balance sheet foreign currency transaction exposures. The intent of these economic hedges is to offset gains and losses that occur on the underlying exposures, with gains and losses resulting from the forward contracts that hedge these exposures. Moreover, we are able to partially mitigate the impact that fluctuations in currencies have on our net income as a result of our manufacturing facilities located in countries outside the United States, material sourcing and other spending which occur in countries outside the United States, resulting in natural hedges.

We do not enter into derivative contracts for trading or other speculative purposes, nor do we use leveraged financial instruments. Although we attempt to manage our foreign currency exchange risk through the above activities, when the U.S. dollar weakens against other currencies in which we transact business, generally sales and net income will be positively, but not proportionately, impacted.

Principal hedged currencies include the British Pound, Euro, Japanese Yen and Singapore Dollar. We held forward foreign exchange contracts, designated as fair value hedges, with U.S. equivalent notional amounts totaling $110.0 million, $64.3 million and $66.6 million at September 29, 2013, December 30, 2012 and September 30, 2012, respectively, and the approximate fair value of these foreign currency derivative contracts was insignificant. The gains and losses realized on foreign currency derivative contracts are not material. The duration of these contracts was generally 30 days or less during both fiscal years 2013 and 2012.

In December 2012, we entered into forward foreign exchange contracts with settlement dates in fiscal year 2013 and combined Euro denominated notional amounts of €50.0 million, designated as cash flow hedges. During the first two quarters of fiscal year 2013, we settled these Euro denominated forward foreign exchange contracts. The derivative gains were amortized into interest and other expense, net when the hedged exposures affected interest and other expense, net. Such amounts were not material for the nine months ended September 29, 2013.

Foreign Currency Risk—Value-at-Risk Disclosure. We continue to measure foreign currency risk using the Value-at-Risk model described in Item 7A. “Quantitative and Qualitative Disclosure About Market Risk,” in our 2012 Form 10-K. The measures for our Value-at-Risk analysis have not changed materially.

Interest Rate Risk. As described above, our debt portfolio includes variable rate instruments. Fluctuations in interest rates can therefore have a direct impact on both our short-term cash flows, as they relate to interest, and our earnings. To manage the volatility relating to these exposures, we periodically enter into various derivative transactions pursuant to our policies to hedge against known or forecasted interest rate exposures.

In May 2008, we settled forward interest rate contracts with notional amounts totaling $150.0 million upon the issuance of our 2015 Notes, and recognized $8.4 million, net of taxes of $5.4 million, of accumulated derivative losses in other comprehensive income. As of September 29, 2013, the balance remaining in accumulated other comprehensive income related to the effective cash flow hedges was a loss of $2.0 million, net of taxes of $1.3 million. We amortized a pre-tax loss of $1.5 million into interest and other expense, net during each of the nine months ended September 29, 2013 and September 30, 2012, respectively. The derivative losses are being amortized into interest and other expense, net when the hedged exposure affects interest and other expense, net.

Interest Rate Risk—Sensitivity. Our 2012 Form 10-K presents sensitivity measures for our interest rate risk. The measures for our sensitivity analysis have not changed materially. More information is available in Item 7A. “Quantitative and Qualitative Disclosure About Market Risk,” in our 2012 Form 10-K for our sensitivity disclosure.

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Item 4. Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of our fiscal quarter ended September 29, 2013. The term "disclosure controls and procedures" as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by our company in the reports that it files or submits under the 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 a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of the end of our fiscal quarter ended September 29, 2013, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended September 29, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Enzo Biochem, Inc. and Enzo Life Sciences, Inc. (collectively, "Enzo") filed a complaint dated October 23, 2002 in the United States District Court for the Southern District of New York, Civil Action No. 02-8448, seeking injunctive and monetary relief against Amersham plc, Amersham BioSciences, PerkinElmer, Inc., PerkinElmer Life Sciences, Inc., Sigma-Aldrich Corporation, Sigma Chemical Company, Inc., Molecular Probes, Inc., and Orchid BioSciences, Inc. The complaint alleges that we breached our distributorship and settlement agreements with Enzo, infringed Enzo's patents, engaged in unfair competition and fraud, and committed torts against Enzo by, among other things, engaging in commercial development and exploitation of Enzo's patented products and technology, separately and together with the other defendants. We filed an answer and a counterclaim alleging that Enzo's patents are invalid. In 2007, after the court issued a decision in 2006 regarding the construction of the claims in Enzo's patents that effectively limited the coverage of certain of those claims and, we believe, excluded certain of our products from the coverage of Enzo's patents, summary judgment motions were filed by the defendants. The case was assigned to a new district court judge in January 2009 and in March 2009, the new judge denied the pending summary judgment motions without prejudice and ordered a stay of the case until the federal appellate court decided Enzo's appeal of the judgment of the United States District Court for the District of Connecticut in Enzo Biochem vs. Applera Corp. and Tropix, Inc. (the "Connecticut Case"), which involved a number of the same patents and which could materially affect the scope of Enzo's case against us. In March 2010, the United States Court of Appeals for the Federal Circuit affirmed-in-part and reversed-in-part the judgment in the Connecticut Case. The district court permitted us and the other defendants to jointly file a motion for summary judgment on certain patent and other issues common to all of the defendants. On September 12, 2012, the court granted in part and denied in part our motion for summary judgment of non-infringement. On December 21, 2012, we filed a second motion for summary judgment on claims that were not addressed in the first motion, which the court also granted in part and denied in part. The case is expected to go to trial in early 2014.

We believe we have meritorious defenses to the matter described above, and we are contesting the action vigorously. While this matter is subject to uncertainty, in the opinion of our management, based on its review of the information available at this time, the resolution of this matter will not have a material adverse effect on our condensed consolidated financial statements.

We are also subject to various other claims, legal proceedings and investigations covering a wide range of matters that arise in the ordinary course of our business activities. Although we have established accruals for potential losses that we believe are probable and reasonably estimable, in the opinion of our management, based on its review of the information available at this time, the total cost of resolving these other contingencies at September 29, 2013 should not have a material adverse effect on our condensed consolidated financial statements. However, each of these matters is subject to uncertainties, and it is possible that some of these matters may be resolved unfavorably to us.

Item 1A. Risk Factors

The following important factors affect our business and operations generally or affect multiple segments of our business and operations:

If the markets into which we sell our products decline or do not grow as anticipated due to a decline in general economic conditions, or there are uncertainties surrounding the approval of government or industrial funding proposals, or there are unfavorable changes in government regulations, we may see an adverse effect on the results of our business operations.

Our customers include pharmaceutical and biotechnology companies, laboratories, academic and research institutions, public health authorities, private healthcare organizations, doctors and government agencies. Our quarterly revenue and results of operations are highly dependent on the volume and timing of orders received during the quarter. In addition, our revenues and earnings forecasts for future quarters are often based on the expected trends in our markets. However, the markets we serve do not always experience the trends that we may expect. Negative fluctuations in our customers' markets, the inability of our customers to secure credit or funding, restrictions in capital expenditures,

general economic conditions, cuts in government funding or unfavorable changes in government regulations would likely result in a reduction in demand for our products and services. In addition, government funding is subject to economic conditions and the political process, which is inherently fluid and unpredictable. Our revenues may be adversely affected if our customers delay or reduce purchases as a result of uncertainties surrounding the approval of government or industrial funding proposals. Such declines could harm our consolidated financial position, results of operations, cash flows and trading price of our common stock, and could limit our ability to sustain profitability.

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Our growth is subject to global economic and political conditions, and operational disruptions at our facilities.
Our business is affected by global economic conditions and the state of the financial markets, particularly as the United States and other countries balance concerns around debt, inflation, growth and budget allocations in their policy initiatives. There can be no assurance that global economic conditions and financial markets will not worsen and that we will not experience any adverse effects that may be material to our consolidated cash flows, results of operations, financial position or our ability to access capital, such as the adverse effects resulting from a prolonged shutdown in government operations both in the United States and internationally. Our business is also affected by local economic environments, including inflation, recession, financial liquidity and currency volatility or devaluation. Political changes, some of which may be disruptive, could interfere with our supply chain, our customers and all of our activities in a particular location.
While we take precautions to prevent production or service interruptions at our global facilities, a major earthquake, fire, flood, power loss or other catastrophic event that results in the destruction or delay of any of our critical business operations could result in our incurring significant liability to customers or other third parties, cause significant reputational damage or have a material adverse effect on our business, operating results or financial condition.
Certain of these risks can be hedged to a limited degree using financial instruments, or other measures, and some of these risks are insurable, but any such mitigation efforts are costly and may not always be fully successful. Our ability to engage in such mitigation efforts has decreased or become even more costly as a result of recent market developments.
If we do not introduce new products in a timely manner, we may lose market share and be unable to achieve revenue growth targets.
We sell many of our products in industries characterized by rapid technological change, frequent new product and service introductions, and evolving customer needs and industry standards. Many of the businesses competing with us in these industries have significant financial and other resources to invest in new technologies, substantial intellectual property portfolios, substantial experience in new product development, regulatory expertise, manufacturing capabilities, and established distribution channels to deliver products to customers. Our products could become technologically obsolete over time, or we may invest in technology that does not lead to revenue growth or continue to sell products for which the demand from our customers is declining, in which case we may lose market share or not achieve our revenue growth targets. The success of our new product offerings will depend upon several factors, including our ability to:

- accurately anticipate customer needs,
- innovate and develop new technologies and applications,
- successfully commercialize new technologies in a timely manner,
- price our products competitively, and manufacture and deliver our products in sufficient volumes and on time, and
- differentiate our offerings from our competitors' offerings.

Many of our products are used by our customers to develop, test and manufacture their products. We must anticipate industry trends and consistently develop new products to meet our customers' expectations. In developing new products, we may be required to make significant investments before we can determine the commercial viability of the new product. If we fail to accurately foresee our customers' needs and future activities, we may invest heavily in research and development of products that do not lead to significant revenue. We may also suffer a loss in market share and potential revenue if we are unable to commercialize our technology in a timely and efficient manner.
In addition, some of our licensed technology is subject to contractual restrictions, which may limit our ability to develop or commercialize products for some applications.
We may not be able to successfully execute acquisitions or license technologies, integrate acquired businesses or licensed technologies into our existing businesses, make acquired businesses or licensed technologies profitable, or successfully divest businesses.
We have in the past supplemented, and may in the future supplement, our internal growth by acquiring businesses and licensing technologies that complement or augment our existing product lines, such as our acquisition of Haoyuan in the fourth quarter of fiscal year 2012. However, we may be unable to identify or complete promising acquisitions or license transactions for many reasons, such as:

- competition among buyers and licensees,
- the high valuations of businesses and technologies,
- the need for regulatory and other approval, and

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- our inability to raise capital to fund these acquisitions.

Some of the businesses we acquire may be unprofitable or marginally profitable, or may increase the variability of our revenue recognition. Accordingly, the earnings or losses of acquired businesses may dilute our earnings. For these acquired businesses to achieve acceptable levels of profitability, we would have to improve their management, operations, products and market penetration. We may not be successful in this regard and may encounter other difficulties in integrating acquired businesses into our existing operations, such as incompatible management, information or other systems, cultural differences, loss of key personnel, unforeseen regulatory requirements, previously undisclosed liabilities or difficulties in predicting financial results. Additionally, if we are not successful in selling businesses we seek to divest, the activity of such businesses may dilute our earnings and we may not be able to achieve the expected benefits of such divestitures. As a result, our financial results may differ from our forecasts or the expectations of the investment community in a given quarter or over the long term.

To finance our acquisitions, we may have to raise additional funds, either through public or private financings. We may be unable to obtain such funds or may be able to do so only on terms unacceptable to us. We may also incur expenses related to completing acquisitions or licensing technologies, or in evaluating potential acquisitions or technologies, which may adversely impact our profitability.

We may not be successful in adequately protecting our intellectual property.

Patent and trade secret protection is important to us because developing new products, processes and technologies gives us a competitive advantage, although it is time-consuming and expensive. We own many United States and foreign patents and intend to apply for additional patents. Patent applications we file, however, may not result in issued patents or, if they do, the claims allowed in the patents may be narrower than what is needed to protect fully our products, processes and technologies. The expiration of our previously issued patents may cause us to lose a competitive advantage in certain of the products and services we provide. Similarly, applications to register our trademarks may not be granted in all countries in which they are filed. For our intellectual property that is protected by keeping it secret, such as trade secrets and know-how, we may not use adequate measures to protect this intellectual property.

Third parties may also challenge the validity of our issued patents, may circumvent or “design around” our patents and patent applications, or may claim that our products, processes or technologies infringe their patents. In addition, third parties may assert that our product names infringe their trademarks. We may incur significant expense in legal proceedings to protect our intellectual property against infringement by third parties or to defend against claims of infringement by third parties. Claims by third parties in pending or future lawsuits could result in awards of substantial damages against us or court orders that could effectively prevent us from manufacturing, using, importing or selling our products in the United States or other countries.

If we are unable to renew our licenses or otherwise lose our licensed rights, we may have to stop selling products or we may lose competitive advantage.

We may not be able to renew our existing licenses, or licenses we may obtain in the future, on terms acceptable to us, or at all. If we lose the rights to a patented or other proprietary technology, we may need to stop selling products incorporating that technology and possibly other products, redesign our products or lose a competitive advantage. Potential competitors could in-license technologies that we fail to license and potentially erode our market share.

Our licenses typically subject us to various economic and commercialization obligations. If we fail to comply with these obligations, we could lose important rights under a license, such as the right to exclusivity in a market. In some cases, we could lose all rights under the license. In addition, rights granted under the license could be lost for reasons out of our control. For example, the licensor could lose patent protection for a number of reasons, including invalidity of the licensed patent, or a third-party could obtain a patent that curtails our freedom to operate under one or more licenses.

If we do not compete effectively, our business will be harmed.

We encounter aggressive competition from numerous competitors in many areas of our business. We may not be able to compete effectively with all of these competitors. To remain competitive, we must develop new products and periodically enhance our existing products. We anticipate that we may also have to adjust the prices of many of our products to stay competitive. In addition, new competitors, technologies or market trends may emerge to threaten or

reduce the value of entire product lines.

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Our quarterly operating results could be subject to significant fluctuation, and we may not be able to adjust our operations to effectively address changes we do not anticipate, which could increase the volatility of our stock price and potentially cause losses to our shareholders.

Given the nature of the markets in which we participate, we cannot reliably predict future revenue and profitability. Changes in competitive, market and economic conditions may require us to adjust our operations, and we may not be able to make those adjustments or make them quickly enough to adapt to changing conditions. A high proportion of our costs are fixed, due in part to our research and development and manufacturing costs. As a result, small declines in sales could disproportionately affect our operating results in a quarter. Factors that may affect our quarterly operating results include:

- demand for and market acceptance of our products,
- competitive pressures resulting in lower selling prices,
- changes in the level of economic activity in regions in which we do business,
- changes in general economic conditions or government funding,
- settlements of income tax audits,
- expenses incurred in connection with claims related to environmental conditions at locations where we conduct or formerly conducted operations,
- differing tax laws and changes in those laws, or changes in the countries in which we are subject to taxation,
- changes in our effective tax rate,
- changes in industries, such as pharmaceutical and biomedical,
- changes in the portions of our revenue represented by our various products and customers,
- our ability to introduce new products,
- our competitors' announcement or introduction of new products, services or technological innovations,
- costs of raw materials, energy or supplies,
- changes in healthcare or other reimbursement rates paid by government agencies and other third parties for certain of our products and services,
- our ability to execute ongoing productivity initiatives,
- changes in the volume or timing of product orders,
- fluctuation in the expense related to the mark-to-market adjustment on postretirement benefit plans, and
- changes in assumptions used to determine contingent consideration in acquisitions.

A significant disruption in third-party package delivery and import/export services, or significant increases in prices for those services, could interfere with our ability to ship products, increase our costs and lower our profitability.

We ship a significant portion of our products to our customers through independent package delivery and import/export companies, including UPS and Federal Express in the United States; TNT, UPS and DHL in Europe; and UPS in Asia. We also ship our products through other carriers, including national trucking firms, overnight carrier services and the United States Postal Service. If one or more of the package delivery or import/export providers experiences a significant disruption in services or institutes a significant price increase, we may have to seek alternative providers and the delivery of our products could be prevented or delayed. Such events could cause us to incur increased shipping costs that could not be passed on to our customers, negatively impacting our profitability and our relationships with certain of our customers.

Disruptions in the supply of raw materials, certain key components and other goods from our limited or single source suppliers could have an adverse effect on the results of our business operations, and could damage our relationships with customers.

The production of our products requires a wide variety of raw materials, key components and other goods that are generally available from alternate sources of supply. However, certain critical raw materials, key components and other goods required for the production and sale of some of our principal products are available from limited or single sources of supply. We generally have multi-year contracts with no minimum purchase requirements with these suppliers, but those contracts may not fully protect us from a failure by certain suppliers to supply critical materials or from the delays inherent in being required to change suppliers and, in some cases, validate new raw materials. Such raw materials, key components and other goods can

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usually be obtained from alternative sources with the potential for an increase in price, decline in quality or delay in delivery. A prolonged inability to obtain certain raw materials, key components or other goods is possible and could have an adverse effect on our business operations, and could damage our relationships with customers.

We are subject to the rules of the Securities and Exchange Commission requiring disclosure as to whether certain materials known as conflict minerals (tantalum, tin, gold and tungsten), which may be contained in our products are mined from the Democratic Republic of the Congo and adjoining countries. As a result of these rules, we may incur additional costs in complying with the disclosure requirements and in satisfying those customers who require that the components used in our products be certified as conflict-free, and the potential lack of availability of these materials at competitive prices could increase our production costs.

The manufacture and sale of products and services may expose us to product liability claims for which we could have substantial liability.

We face an inherent business risk of exposure to product liability claims if our products, services or product candidates are alleged or found to have caused injury, damage or loss. We may in the future be unable to obtain insurance with adequate levels of coverage for potential liability on acceptable terms or claims of this nature may be excluded from coverage under the terms of any insurance policy that we can obtain. If we are unable to obtain such insurance or the amounts of any claims successfully brought against us substantially exceed our coverage, then our business could be adversely impacted.

If we fail to maintain satisfactory compliance with the regulations of the United States Food and Drug Administration and other governmental agencies in the United States and abroad, we may be forced to recall products and cease their manufacture and distribution, and we could be subject to civil, criminal or monetary penalties.

Our operations are subject to regulation by different state and federal government agencies in the United States and other countries, as well as to the standards established by international standards bodies. If we fail to comply with those regulations or standards, we could be subject to fines, penalties, criminal prosecution or other sanctions. Some of the products produced by our Human Health segment are subject to regulation by the United States Food and Drug Administration and similar foreign and domestic agencies. These regulations govern a wide variety of product activities, from design and development to labeling, manufacturing, promotion, sales and distribution. If we fail to comply with those regulations or standards, we may have to recall products, cease their manufacture and distribution, and may be subject to fines or criminal prosecution.

We are also subject to a variety of laws, regulations and standards that govern, among other things, the importation and exportation of products, the handling, transportation and manufacture of toxic or hazardous substances, and our business practices in the United States and abroad such as anti-bribery, anti-corruption and competition laws. This requires that we devote substantial resources to maintaining our compliance with those laws, regulations and standards. A failure to do so could result in the imposition of civil, criminal or monetary penalties having a material adverse effect on our operations.

Changes in governmental regulations may reduce demand for our products or increase our expenses.

We compete in markets in which we or our customers must comply with federal, state, local and foreign regulations, such as environmental, health and safety, and food and drug regulations. We develop, configure and market our products to meet customer needs created by these regulations. Any significant change in these regulations could reduce demand for our products or increase our costs of producing these products.

The healthcare industry is highly regulated and if we fail to comply with its extensive system of laws and regulations, we could suffer fines and penalties or be required to make significant changes to our operations which could have a significant adverse effect on the results of our business operations.

The healthcare industry, including the genetic screening market, is subject to extensive and frequently changing international and United States federal, state and local laws and regulations. In addition, legislative provisions relating to healthcare fraud and abuse, patient privacy violations and misconduct involving government insurance programs provide federal enforcement personnel with substantial powers and remedies to pursue suspected violations. We believe that our business will continue to be subject to increasing regulation as the federal government continues to strengthen its position on healthcare matters, the scope and effect of which we cannot predict. If we fail to comply with applicable laws and regulations, we could suffer civil and criminal damages, fines and penalties, exclusion from

participation in governmental healthcare programs, and the loss of various licenses, certificates and authorizations necessary to operate our business, as well as incur liabilities from third-party claims, all of which could have a significant adverse effect on our business.

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Economic, political and other risks associated with foreign operations could adversely affect our international sales and profitability.

Because we sell our products worldwide, our businesses are subject to risks associated with doing business internationally. Our sales originating outside the United States represented the majority of our total revenue in nine months ended September 29, 2013. We anticipate that sales from international operations will continue to represent a substantial portion of our total revenue. In addition, many of our manufacturing facilities, employees and suppliers are located outside the United States. Accordingly, our future results of operations could be harmed by a variety of factors, including:

- changes in foreign currency exchange rates,
- changes in a country's or region's political or economic conditions, particularly in developing or emerging markets,
- longer payment cycles of foreign customers and timing of collections in foreign jurisdictions,
- trade protection measures and import or export licensing requirements,
- differing tax laws and changes in those laws, or changes in the countries in which we are subject to tax,
- adverse income tax audit settlements or loss of previously negotiated tax incentives,
- differing business practices associated with foreign operations,
- difficulty in transferring cash between international operations and the United States,
- difficulty in staffing and managing widespread operations,
- differing labor laws and changes in those laws,
- differing protection of intellectual property and changes in that protection,
- increasing global enforcement of anti-bribery and anti-corruption laws, and
- differing regulatory requirements and changes in those requirements.

If we do not retain our key personnel, our ability to execute our business strategy will be limited.

Our success depends to a significant extent upon the continued service of our executive officers and key management and technical personnel, particularly our experienced engineers and scientists, and on our ability to continue to attract, retain, and motivate qualified personnel. The competition for these employees is intense. The loss of the services of key personnel could have a material adverse effect on our operating results. In addition, there could be a material adverse effect on us should the turnover rates for key personnel increase significantly or if we are unable to continue to attract qualified personnel. We do not maintain any key person life insurance policies on any of our officers or employees.

Our success also depends on our ability to execute leadership succession plans. The inability to successfully transition key management roles could have a material adverse effect on our operating results.

If we experience a significant disruption in, or breach in security of, our information technology systems, or if we fail to implement new systems, software and technologies successfully, our business could be adversely affected.

We rely on several centralized information technology systems throughout our company to provide products and services, keep financial records, process orders, manage inventory, process shipments to customers and operate other critical functions. Our information technology systems may be susceptible to damage, disruptions or shutdowns due to power outages, hardware failures, computer viruses, attacks by computer hackers, telecommunication failures, user errors, catastrophes or other unforeseen events. If we were to experience a prolonged system disruption in the information technology systems that involve our interactions with customers or suppliers, it could result in the loss of sales and customers and significant incremental costs, which could adversely affect our business. In addition, security breaches of our information technology systems could result in the misappropriation or unauthorized disclosure of confidential information belonging to us or to our employees, partners, customers or suppliers, which could result in our suffering significant financial or reputational damage.

We have a substantial amount of outstanding debt, which could impact our ability to obtain future financing and limit our ability to make other expenditures in the conduct of our business.

Our debt level and related debt service obligations could have negative consequences, including:

- requiring us to dedicate significant cash flow from operations to the payment of principal and interest on our debt, which reduces the funds we have available for other purposes, such as acquisitions and stock repurchases;

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- reducing our flexibility in planning for or reacting to changes in our business and market conditions; and
- exposing us to interest rate risk since a portion of our debt obligations are at variable rates.

In addition, we may incur additional indebtedness in the future to meet future financing needs. If we add new debt, the risks described above could increase.

Restrictions in our senior unsecured revolving credit facility and other debt instruments may limit our activities.

Our senior unsecured revolving credit facility, our 2015 Notes and our 2021 Notes include restrictive covenants that limit our ability to engage in activities that could otherwise benefit our company. These include restrictions on our ability and the ability of our subsidiaries to:

- pay dividends on, redeem or repurchase our capital stock,
- sell assets,
- incur obligations that restrict our subsidiaries' ability to make dividend or other payments to us,
- guarantee or secure indebtedness,
- enter into transactions with affiliates, and
- consolidate, merge or transfer all, or substantially all, of our assets and the assets of our subsidiaries on a consolidated basis.

We are also required to meet specified financial ratios under the terms of certain of our existing debt instruments. Our ability to comply with these financial restrictions and covenants is dependent on our future performance, which is subject to prevailing economic conditions and other factors, including factors that are beyond our control, such as foreign exchange rates, interest rates, changes in technology and changes in the level of competition. In addition, if we are unable to maintain our investment grade credit rating, our borrowing costs would increase and we would be subject to different and potentially more restrictive financial covenants under some of our existing debt instruments. Any future indebtedness that we incur may include similar or more restrictive covenants. Our failure to comply with any of the restrictions in our senior unsecured revolving credit facility, our 2015 Notes, our 2021 Notes or any future indebtedness may result in an event of default under those debt instruments, which could permit acceleration of the debt under those debt instruments, and require us to prepay that debt before its scheduled due date under certain circumstances.

Our results of operations will be adversely affected if we fail to realize the full value of our intangible assets.

As of September 29, 2013, our total assets included $2.6 billion of net intangible assets. Net intangible assets consist principally of goodwill associated with acquisitions and costs associated with securing patent rights, trademark rights, core technology and technology licenses, net of accumulated amortization. We test certain of these items—specifically all of those that are considered "non-amortizing"—at least annually for potential impairment by comparing the carrying value to the fair market value of the reporting unit to which they are assigned. All of our amortizing intangible assets are also evaluated for impairment should events occur that call into question the value of the intangible assets. Adverse changes in our business, adverse changes in the assumptions used to determine the fair value of our reporting units, or the failure to grow our Human Health and Environmental Health segments may result in impairment of our intangible assets, which could adversely affect our results of operations.

Our share price will fluctuate.

Over the last several quarters, stock markets in general and our common stock in particular have experienced significant price and volume volatility. Both the market price and the daily trading volume of our common stock may continue to be subject to significant fluctuations due not only to general stock market conditions but also to a change in sentiment in the market regarding our operations and business prospects. In addition to the risk factors discussed above, the price and volume volatility of our common stock may be affected by:

- operating results that vary from the expectations of securities analysts and investors,
- the financial performance of the major end markets that we target,
- the operating and securities price performance of companies that investors consider to be comparable to us,
- announcements of strategic developments, acquisitions and other material events by us or our competitors, and

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- changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, commodity and equity prices and the value of financial assets.

Dividends on our common stock could be reduced or eliminated in the future.

On July 26, 2013, we announced that our Board had declared a quarterly dividend of $0.07 per share for the third quarter of fiscal year 2013 that will be payable in November 2013. On October 24, 2013, we announced that our Board had declared a quarterly dividend of $0.07 per share for the fourth quarter of fiscal year 2013 that will be payable in February 2014. In the future, our Board may determine to reduce or eliminate our common stock dividend in order to fund investments for growth, repurchase shares or conserve capital resources.

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

Stock Repurchase Program

The following table provides information with respect to the shares of common stock repurchased by us for the periods indicated.

Period	Issuer Repurchases of Equity Securities			
	Total Number of Shares Purchased[(1)(2)]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
July 1, 2013—July 28, 2013	4,733	$33.21	—	2,400,000
July 29, 2013—August 25, 2013	816	$37.25	—	2,400,000
August 26, 2013—September 29, 2013	120	$37.69	—	2,400,000
Activity for quarter ended September 29, 2013	5,669	$33.89	—	2,400,000

(1) On October 24, 2012, our Board authorized us to repurchase up to 6.0 million shares of common stock under a stock repurchase program (the "Repurchase Program"). The Repurchase Program will expire on October 24, 2014 unless terminated earlier by our Board, and may be suspended or discontinued at any time. During the third quarter of fiscal year 2013, we did not repurchase any shares of common stock in the open market under the Repurchase Program. As of September 29, 2013, 2.4 million shares of our common stock remained available for repurchase from the 6.0 million shares authorized by our Board under the Repurchase Program.

(2) Our Board has authorized us to repurchase shares of common stock to satisfy minimum statutory tax withholding obligations in connection with the vesting of restricted stock awards and restricted stock unit awards granted pursuant to our equity incentive plans. During the third quarter of fiscal year 2013, we repurchased 5,669 shares of common stock for this purpose. The repurchased shares have been reflected as additional authorized but unissued shares with the payments reflected in common stock and capital in excess of par value.

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Item 6. Exhibits

Exhibit Number	Exhibit Name
10.1	Purchase and Sale Agreement dated July 18, 2013 between PerkinElmer Health Sciences, Inc. and Senior Housing Properties Trust filed as Exhibit 10.1 to the registrant's current report on Form 8-K filed on July 22, 2013 and incorporated herein by reference.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language):
(i) Condensed Consolidated Statements of Operations for the three and nine months ended September 29, 2013 and September 30, 2012, (ii) Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 29, 2013 and September 30, 2012, (iii) Condensed Consolidated Balance Sheets at September 29, 2013 and December 30, 2012, (iv) Condensed Consolidated Statement of Cash Flows for the nine months ended September 29, 2013 and September 30, 2012, and (v) Notes to Condensed Consolidated Financial Statements.

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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.

	PERKINELMER, INC.
November 5, 2013	By: /s/ FRANK A. WILSON Frank A. Wilson Senior Vice President and Chief Financial Officer (Principal Financial Officer)
	PERKINELMER, INC.
November 5, 2013	By: /s/ ANDREW OKUN Andrew Okun Vice President and Chief Accounting Officer (Principal Accounting Officer)

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