

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q**

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 28, 2024 or

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

Commission File Number 1-8002

THERMO FISHER SCIENTIFIC INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

04-2209186

(I.R.S. Employer Identification No.)

168 Third Avenue

Waltham, Massachusetts 02451

(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$1.00 par value	TMO	New York Stock Exchange
0.125% Notes due 2025	TMO 25B	New York Stock Exchange
2.000% Notes due 2025	TMO 25	New York Stock Exchange
3.200% Notes due 2026	TMO 26B	New York Stock Exchange
1.400% Notes due 2026	TMO 26A	New York Stock Exchange
1.450% Notes due 2027	TMO 27	New York Stock Exchange
1.750% Notes due 2027	TMO 27B	New York Stock Exchange
0.500% Notes due 2028	TMO 28A	New York Stock Exchange
1.375% Notes due 2028	TMO 28	New York Stock Exchange
1.950% Notes due 2029	TMO 29	New York Stock Exchange
0.875% Notes due 2031	TMO 31	New York Stock Exchange
2.375% Notes due 2032	TMO 32	New York Stock Exchange
3.650% Notes due 2034	TMO 34	New York Stock Exchange
2.875% Notes due 2037	TMO 37	New York Stock Exchange
1.500% Notes due 2039	TMO 39	New York Stock Exchange
1.875% Notes due 2049	TMO 49	New York Stock Exchange

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

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

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of September 28, 2024, the Registrant had 382,500,265 shares of Common Stock outstanding.

THERMO FISHER SCIENTIFIC INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED SEPTEMBER 28, 2024
TABLE OF CONTENTS

	<u>Page</u>
PART I - FINANCIAL INFORMATION	
<u>Item 1.</u>	
<u>Financial Statements (Unaudited)</u>	<u>3</u>
<u>Condensed Consolidated Balance Sheets</u>	<u>3</u>
<u>Condensed Consolidated Statements of Income</u>	<u>4</u>
<u>Condensed Consolidated Statements of Comprehensive Income</u>	<u>5</u>
<u>Condensed Consolidated Statements of Cash Flows</u>	<u>6</u>
<u>Condensed Consolidated Statements of Redeemable Noncontrolling Interest and Equity</u>	<u>7</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>9</u>
<u>Note 1. Nature of Operations and Summary of Significant Accounting Policies</u>	<u>9</u>
<u>Note 2. Acquisitions</u>	<u>10</u>
<u>Note 3. Revenues and Contract-related Balances</u>	<u>12</u>
<u>Note 4. Business Segment and Geographical Information</u>	<u>13</u>
<u>Note 5. Income Taxes</u>	<u>14</u>
<u>Note 6. Earnings per Share</u>	<u>15</u>
<u>Note 7. Debt and Other Financing Arrangements</u>	<u>15</u>
<u>Note 8. Commitments and Contingencies</u>	<u>17</u>
<u>Note 9. Comprehensive Income/(Loss) and Shareholders' Equity</u>	<u>18</u>
<u>Note 10. Fair Value Measurements and Fair Value of Financial Instruments</u>	<u>19</u>
<u>Note 11. Supplemental Cash Flow Information</u>	<u>22</u>
<u>Note 12. Restructuring and Other Costs</u>	<u>22</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>
PART II - OTHER INFORMATION	
<u>Item 1.</u>	<u>Legal Proceedings</u>
<u>Item 1A.</u>	<u>Risk Factors</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>
<u>Item 5.</u>	<u>Other Information</u>
<u>Item 6.</u>	<u>Exhibits</u>

THERMO FISHER SCIENTIFIC INC.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions except share and per share amounts)	September 28, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,645	\$ 8,077
Short-term investments	2,000	3
Accounts receivable, less allowances of \$204 and \$193	8,255	8,221
Inventories	5,430	5,088
Contract assets, net	1,541	1,443
Other current assets	1,911	1,757
Total current assets	<u>23,783</u>	<u>24,589</u>
Property, plant and equipment, net	9,412	9,448
Acquisition-related intangible assets, net	16,262	16,670
Other assets	4,180	3,999
Goodwill	46,726	44,020
Total assets	<u>\$ 100,364</u>	<u>\$ 98,726</u>
Liabilities, redeemable noncontrolling interest and equity		
Current liabilities:		
Short-term obligations and current maturities of long-term obligations	\$ 4,116	\$ 3,609
Accounts payable	2,606	2,872
Accrued payroll and employee benefits	1,823	1,596
Contract liabilities	2,663	2,689
Other accrued expenses	3,393	3,246
Total current liabilities	<u>14,601</u>	<u>14,012</u>
Deferred income taxes	1,123	1,922
Other long-term liabilities	4,343	4,642
Long-term obligations	31,197	31,308
Redeemable noncontrolling interest	127	118
Equity:		
Thermo Fisher Scientific Inc. shareholders' equity:		
Preferred stock, \$100 par value, 50,000 shares authorized; none issued	—	—
Common stock, \$1 par value, 1,200,000,000 shares authorized; 443,676,411 and 442,188,634 shares issued	444	442
Capital in excess of par value	17,831	17,286
Retained earnings	51,421	47,364
Treasury stock at cost, 61,176,146 and 55,541,290 shares	(18,227)	(15,133)
Accumulated other comprehensive income/(loss)	(2,477)	(3,224)
Total Thermo Fisher Scientific Inc. shareholders' equity	48,992	46,735
Noncontrolling interests	(20)	(11)
Total equity	<u>48,972</u>	<u>46,724</u>
Total liabilities, redeemable noncontrolling interest and equity	<u>\$ 100,364</u>	<u>\$ 98,726</u>

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

THERMO FISHER SCIENTIFIC INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In millions except per share amounts)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
Product revenues	\$ 6,148	\$ 6,157	\$ 18,266	\$ 18,832
Service revenues	4,450	4,417	13,218	13,139
Total revenues	10,598	10,574	31,484	31,971
Costs and operating expenses:				
Cost of product revenues	3,170	3,214	9,189	9,829
Cost of service revenues	3,100	3,044	9,415	9,435
Selling, general and administrative expenses	2,098	2,049	6,392	6,313
Research and development expenses	346	319	1,016	1,010
Restructuring and other costs	45	84	151	379
Total costs and operating expenses	8,759	8,710	26,163	26,966
Operating income	1,838	1,864	5,321	5,005
Interest income	277	246	851	570
Interest expense	(356)	(359)	(1,073)	(985)
Other income/(expense)	(16)	14	(2)	(32)
Income before income taxes	1,742	1,765	5,096	4,558
Provision for income taxes	(99)	(53)	(507)	(151)
Equity in earnings/(losses) of unconsolidated entities	(14)	(17)	(75)	(58)
Net income	1,629	1,695	4,514	4,349
Less: net income/(losses) attributable to noncontrolling interests and redeemable noncontrolling interest	—	(20)	9	(16)
Net income attributable to Thermo Fisher Scientific Inc.	<u>\$ 1,630</u>	<u>\$ 1,715</u>	<u>\$ 4,505</u>	<u>\$ 4,365</u>
Earnings per share attributable to Thermo Fisher Scientific Inc.				
Basic	<u>\$ 4.26</u>	<u>\$ 4.44</u>	<u>\$ 11.79</u>	<u>\$ 11.31</u>
Diluted	<u>\$ 4.25</u>	<u>\$ 4.42</u>	<u>\$ 11.75</u>	<u>\$ 11.25</u>
Weighted average shares				
Basic	<u>382</u>	<u>386</u>	<u>382</u>	<u>386</u>
Diluted	<u>384</u>	<u>388</u>	<u>383</u>	<u>388</u>

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

THERMO FISHER SCIENTIFIC INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Comprehensive income				
Net income	\$ 1,629	\$ 1,695	\$ 4,514	\$ 4,349
Other comprehensive income/(loss):				
Currency translation adjustment:				
Currency translation adjustment (net of tax provision (benefit) of \$(244), \$71, \$10 and \$35)	(54)	(112)	748	57
Unrealized gains/(losses) on available-for-sale debt securities				
Unrealized holding losses arising during the period (net of tax (provision) benefit of \$0, \$0, \$0 and \$0)	—	—	(1)	—
Unrealized gains/(losses) on hedging instruments:				
Reclassification adjustment for losses included in net income (net of tax (provision) benefit of \$0, \$0, \$1 and \$1)	1	1	2	5
Pension and other postretirement benefit liability adjustments:				
Pension and other postretirement benefit liability adjustments arising during the period (net of tax (provision) benefit of \$2, \$(1), \$2 and \$(1))	(5)	2	(4)	2
Amortization of net loss included in net periodic pension cost (net of tax (provision) benefit of \$0, \$(1), \$1 and \$(1))	—	—	2	(2)
Total other comprehensive income/(loss)	(58)	(109)	747	62
Comprehensive income	<u>1,572</u>	<u>1,586</u>	<u>5,261</u>	<u>4,411</u>
Less: comprehensive income/(loss) attributable to noncontrolling interests and redeemable noncontrolling interest	6	(26)	9	(26)
Comprehensive income attributable to Thermo Fisher Scientific Inc.	<u>\$ 1,566</u>	<u>\$ 1,612</u>	<u>\$ 5,252</u>	<u>\$ 4,437</u>

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

THERMO FISHER SCIENTIFIC INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In millions)	Nine months ended	
	September 28, 2024	September 30, 2023
Operating activities		
Net income	\$ 4,514	\$ 4,349
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property, plant and equipment	852	792
Amortization of acquisition-related intangible assets	1,514	1,775
Change in deferred income taxes	(1,007)	(631)
Stock-based compensation	222	217
Other non-cash expenses, net	254	441
Changes in assets and liabilities, excluding the effects of acquisitions	(973)	(2,260)
Net cash provided by operating activities	5,377	4,683
Investing activities		
Purchases of property, plant and equipment	(920)	(1,074)
Proceeds from sale of property, plant and equipment	40	76
Proceeds from cross-currency interest rate swap interest settlements	203	36
Acquisitions, net of cash acquired	(3,132)	(3,660)
Purchases of investments	(2,065)	(200)
Other investing activities, net	14	56
Net cash used in investing activities	(5,861)	(4,766)
Financing activities		
Net proceeds from issuance of debt	1,204	3,466
Repayment of debt	(1,107)	(2,000)
Proceeds from issuance of commercial paper	—	1,620
Repayments of commercial paper	—	(1,935)
Purchases of company common stock	(3,000)	(3,000)
Dividends paid	(434)	(387)
Other financing activities, net	212	42
Net cash used in financing activities	(3,126)	(2,194)
Exchange rate effect on cash	182	(92)
Decrease in cash, cash equivalents and restricted cash	(3,427)	(2,369)
Cash, cash equivalents and restricted cash at beginning of period	8,097	8,537
Cash, cash equivalents and restricted cash at end of period	\$ 4,670	\$ 6,168

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

THERMO FISHER SCIENTIFIC INC.

CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE NONCONTROLLING INTEREST AND EQUITY
(Unaudited)

(In millions)	Redeemable Noncontrolling Interest	Common Stock		Capital in Excess of Par Value	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Items	Total Thermo Fisher Scientific Inc. Shareholders' Equity	Noncontrolling Interests	Total Equity
		Shares	Amount			Shares	Amount				
Three months ended September 28, 2024											
Balance at June 29, 2024	\$ 115	443	\$ 443	\$ 17,649	\$ 49,940	61	\$ (18,187)	\$ (2,413)	\$ 47,432	\$ (12)	\$ 47,419
Issuance of shares under stock plans	—	1	1	115	—	—	(40)	—	75	—	75
Stock-based compensation	—	—	—	68	—	—	—	—	68	—	68
Dividends declared (\$0.39 per share)	—	—	—	—	(149)	—	—	—	(149)	—	(149)
Net income/(loss)	6	—	—	—	1,630	—	—	—	1,630	(6)	1,624
Other comprehensive items	6	—	—	—	—	—	—	(63)	(63)	(1)	(64)
Contributions from (distributions to) noncontrolling interests	—	—	—	—	—	—	—	—	—	(1)	(1)
Excise tax from stock repurchases	—	—	—	—	—	—	1	—	1	—	1
Balance at September 28, 2024	\$ 127	444	\$ 444	\$ 17,831	\$ 51,421	61	\$ (18,227)	\$ (2,477)	\$ 48,992	\$ (20)	\$ 48,972
Three months ended September 30, 2023											
Balance at July 1, 2023	\$ 113	441	\$ 441	\$ 17,030	\$ 44,289	55	\$ (15,084)	\$ (2,924)	\$ 43,752	\$ 50	\$ 43,802
Issuance of shares under stock plans	—	1	1	68	—	1	(37)	—	32	—	32
Stock-based compensation	—	—	—	67	—	—	—	—	67	—	67
Dividends declared (\$0.35 per share)	—	—	—	—	(135)	—	—	—	(135)	—	(135)
Net income/(loss)	6	—	—	—	1,715	—	—	—	1,715	(26)	1,689
Other comprehensive items	(1)	—	—	—	—	—	—	(103)	(103)	(5)	(108)
Contributions from (distributions to) noncontrolling interests	—	—	—	—	—	—	—	—	—	(1)	(1)
Balance at September 30, 2023	\$ 118	442	\$ 442	\$ 17,165	\$ 45,869	56	\$ (15,121)	\$ (3,027)	\$ 45,328	\$ 18	\$ 45,346

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

THERMO FISHER SCIENTIFIC INC.

CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE NONCONTROLLING INTEREST AND EQUITY (Continued)
(Unaudited)

(In millions)	Redeemable Noncontrolling Interest	Common Stock		Capital in Excess of Par Value	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Items	Total Thermo Fisher Scientific Inc. Shareholders' Equity	Noncontrolling Interests	Total Equity
		Shares	Amount			Shares	Amount				
Nine months ended September 28, 2024											
Balance at December 31, 2023	\$ 118	442	\$ 442	\$ 17,286	\$ 47,364	56	\$ (15,133)	\$ (3,224)	\$ 46,735	\$ (11)	\$ 46,724
Issuance of shares under stock plans	—	1	1	324	—	—	(66)	—	259	—	259
Stock-based compensation	—	—	—	222	—	—	—	—	222	—	222
Purchases of company common stock	—	—	—	—	—	6	(3,000)	—	(3,000)	—	(3,000)
Dividends declared (\$1.17 per share)	—	—	—	—	(448)	—	—	—	(448)	—	(448)
Net income/(loss)	16	—	—	—	4,505	—	—	—	4,505	(7)	4,498
Other comprehensive items	—	—	—	—	—	—	—	747	747	—	747
Contributions from (distributions to) noncontrolling interest	(7)	—	—	—	—	—	—	—	—	(1)	(1)
Excise tax from stock repurchases	—	—	—	—	—	—	(27)	—	(27)	—	(27)
Balance at September 28, 2024	\$ 127	444	\$ 444	\$ 17,831	\$ 51,421	61	\$ (18,227)	\$ (2,477)	\$ 48,992	\$ (20)	\$ 48,972
Nine months ended September 30, 2023											
Balance at December 31, 2022	\$ 116	441	\$ 441	\$ 16,743	\$ 41,910	50	\$ (12,017)	\$ (3,099)	\$ 43,978	\$ 54	\$ 44,032
Issuance of shares under stock plans	—	1	1	205	—	1	(75)	—	131	—	131
Stock-based compensation	—	—	—	217	—	—	—	—	217	—	217
Purchases of company common stock	—	—	—	—	—	5	(3,000)	—	(3,000)	—	(3,000)
Dividends declared (\$1.05 per share)	—	—	—	—	(406)	—	—	—	(406)	—	(406)
Net income/(loss)	14	—	—	—	4,365	—	—	—	4,365	(30)	4,335
Other comprehensive items	(5)	—	—	—	—	—	—	72	72	(5)	67
Contributions from (distributions to) noncontrolling interest	(7)	—	—	—	—	—	—	—	—	(1)	(1)
Excise tax from stock repurchases	—	—	—	—	—	—	(29)	—	(29)	—	(29)
Balance at September 30, 2023	\$ 118	442	\$ 442	\$ 17,165	\$ 45,869	56	\$ (15,121)	\$ (3,027)	\$ 45,328	\$ 18	\$ 45,346

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

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Thermo Fisher Scientific Inc. (the company or Thermo Fisher) enables customers to make the world healthier, cleaner and safer by helping them accelerate life sciences research, solve complex analytical challenges, increase laboratory productivity, and improve patient health through diagnostics and the development and manufacture of life-changing therapies. Markets served include pharmaceutical and biotech, academic and government, industrial and applied, as well as healthcare and diagnostics.

Interim Financial Statements

The interim condensed consolidated financial statements presented herein have been prepared by the company, are unaudited and, in the opinion of management, reflect all adjustments of a normal recurring nature necessary for a fair statement of the financial position at September 28, 2024, the results of operations for the three- and nine-month periods ended September 28, 2024 and September 30, 2023, and the cash flows for the nine-month periods ended September 28, 2024 and September 30, 2023. Interim results are not necessarily indicative of results for a full year.

The condensed consolidated balance sheet presented as of December 31, 2023, has been derived from the audited consolidated financial statements as of that date. The condensed consolidated financial statements and notes are presented as permitted by Form 10-Q and do not contain all information that is included in the annual financial statements and notes thereto of the company. The condensed consolidated financial statements and notes included in this report should be read in conjunction with the 2023 financial statements and notes included in the company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC). Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

Note 1 to the consolidated financial statements for 2023 describes the significant accounting estimates and policies used in preparation of the consolidated financial statements. There have been no material changes in the company's significant accounting policies during the nine months ended September 28, 2024.

Amounts and percentages reported within these condensed consolidated financial statements are presented and calculated based on underlying unrounded amounts. As a result, the sum of components may not equal corresponding totals due to rounding.

Inventories

The components of inventories are as follows:

(In millions)	September 28, 2024	December 31, 2023
Raw materials	\$ 1,958	\$ 2,057
Work in process	902	705
Finished goods	2,570	2,326
Inventories	<u>\$ 5,430</u>	<u>\$ 5,088</u>

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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 company's estimates include, among others, asset reserve requirements as well as the amounts of future cash flows associated with certain assets and businesses that are used in assessing the risk of impairment. Actual results could differ from those estimates.

Recent Accounting Pronouncements

The following table provides a description of recent accounting pronouncements adopted and those standards not yet adopted with potential for a material impact on the company's financial statements or disclosures.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Standard	Description	Required adoption timing and approach	Impact of adoption or other significant matters
Standards recently adopted			
ASU No. 2022-04, Liabilities-Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations	New guidance to disclose information about supplier finance programs. Among other things, the new guidance requires expanded disclosure about key program terms, payment terms, and amounts outstanding for obligations under supplier finance programs for each period presented.	Some aspects adopted in 2023 using a retrospective method and will adopt other aspects in 2024 annual report using a prospective method	Not material
Standards not yet adopted			
ASU No. 2023-07, Segment Reporting (Topic 280): Improving Reportable Segment Disclosures	Among other things, new guidance to disclose significant segment expenses and other items by reportable segment as well as information about the chief operating decision maker.	2024 annual report and interim periods thereafter using a retrospective method	Will increase disclosures in Note 4
ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures	Among other things, new guidance to disclose additional information about the tax rate reconciliation and income taxes paid.	2025 annual report and interim periods thereafter using a prospective or retrospective method	Will increase disclosures in Note 5

Note 2. Acquisitions

The company's acquisitions have historically been made at prices above the determined fair value of the acquired identifiable net assets, resulting in goodwill, primarily due to expectations of the synergies that will be realized by combining the businesses and the benefits that will be gained from the assembled workforces. These synergies include the elimination of redundant facilities, functions and staffing; use of the company's existing commercial infrastructure to expand sales of the acquired businesses' products and services; and use of the commercial infrastructure of the acquired businesses to cost-effectively expand sales of company products and services.

Acquisitions have been accounted for using the acquisition method of accounting, and the acquired companies' results have been included in the accompanying financial statements from their respective dates of acquisition.

2024

On July 10, 2024, the company acquired, within the Life Sciences Solutions segment, Olink Holding AB (publ), a Swedish-based provider of next-generation proteomics solutions. The acquisition enhances the segment's capabilities in the high-growth proteomics market with the addition of highly differentiated solutions. It also complements the existing life sciences and mass spectrometry offerings, accelerating protein biomarker discovery and providing strong synergy opportunities. The goodwill recorded as a result of this business combination is not expected to be tax deductible.

The components of the preliminary purchase price and net assets acquired are as follows:

(In millions)	Olink
Purchase price	
Cash paid	\$ 3,215
Purchase price payable	28
Cash acquired	(97)
	<u>\$ 3,146</u>
Net assets acquired	
Definite-lived intangible assets	
Customer relationships	\$ 710
Product technology	184
Tradenames	97
Goodwill	2,263
Net tangible assets	73
Deferred tax assets (liabilities)	(181)
	<u>\$ 3,146</u>

The weighted-average amortization periods for definite-lived intangible assets acquired in 2024 are 19 years for customer relationships, 15 years for product technology, and 15 years for tradenames. The weighted-average amortization period for definite-lived intangible assets acquired in 2024 is 18 years.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

The preliminary allocation of the purchase price for the acquisition of Olink is based on the estimates of the fair value of the net assets acquired and is subject to adjustment upon finalization, largely with respect to acquired intangible assets and the related deferred taxes. Measurements of these items inherently require significant estimates and assumptions.

2023

On January 3, 2023, the company acquired, within the Specialty Diagnostics segment, The Binding Site Group, a U.K.-based provider of specialty diagnostic assays and instruments to improve the diagnosis and management of blood cancers and immune system disorders. The acquisition expands the segment's portfolio with the addition of pioneering innovation in diagnostics and monitoring for multiple myeloma. The goodwill recorded as a result of this business combination is not tax deductible.

On August 14, 2023, the company acquired, within the Laboratory Products and Biopharma Services segment, CorEvitas, LLC, a U.S.-based provider of regulatory-grade, real-world evidence for approved medical treatments and therapies. The acquisition expands the segment's portfolio with the addition of highly complementary real-world evidence solutions to enhance decision-making as well as the time and cost of drug development. The goodwill recorded as a result of this business combination is not tax deductible.

The components of the purchase price and net assets acquired are as follows:

(In millions)	The Binding Site	CorEvitas
Purchase price		
Cash paid	\$ 2,412	\$ 730
Debt settled	307	184
Cash acquired	(20)	(4)
	<u>\$ 2,699</u>	<u>\$ 910</u>
Net assets acquired		
Definite-lived intangible assets:		
Customer relationships	\$ 868	\$ 260
Product technology	162	47
Tradenames	42	—
Backlog	—	46
Goodwill	1,741	627
Net tangible assets	174	(2)
Deferred tax assets (liabilities)	(288)	(68)
	<u>\$ 2,699</u>	<u>\$ 910</u>

In addition, in 2023, the company acquired, within the Analytical Instruments segment, a U.S.-based developer of Raman-based spectroscopy solutions for in-line measurement.

The weighted-average amortization periods for definite-lived intangible assets acquired in 2023 are 18 years for customer relationships, 14 years for product technology, 15 years for tradenames, and 13 years for backlog. The weighted average amortization period for all definite-lived intangible assets acquired in 2023 is 17 years.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 3. Revenues and Contract-related Balances

Disaggregated Revenues

Revenues by type are as follows:

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
Consumables	\$ 4,379	\$ 4,289	\$ 13,070	\$ 13,228
Instruments	1,769	1,868	5,196	5,604
Services	4,450	4,417	13,218	13,139
Consolidated revenues	<u>\$ 10,598</u>	<u>\$ 10,574</u>	<u>\$ 31,484</u>	<u>\$ 31,971</u>

Revenues by geographic region based on customer location are as follows:

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
North America	\$ 5,591	\$ 5,668	\$ 16,640	\$ 17,160
Europe	2,686	2,643	7,968	7,898
Asia-Pacific	1,923	1,913	5,755	5,801
Other regions	397	350	1,122	1,112
Consolidated revenues	<u>\$ 10,598</u>	<u>\$ 10,574</u>	<u>\$ 31,484</u>	<u>\$ 31,971</u>

Each reportable segment earns revenues from consumables, instruments and services in North America, Europe, Asia-Pacific and other regions. See Note 4 for revenues by reportable segment and other geographic data.

Remaining Performance Obligations

The aggregate amount of the transaction price allocated to the remaining performance obligations for all open customer contracts as of September 28, 2024, was \$25.30 billion. The company will recognize revenues for these performance obligations as they are satisfied, approximately 52% of which is expected to occur within the next twelve months. Amounts expected to occur thereafter generally relate to contract manufacturing, clinical research and extended warranty service agreements, which typically have durations of three to five years.

Contract-related Balances

Noncurrent contract assets and noncurrent contract liabilities are included within other assets and other long-term liabilities in the accompanying balance sheet, respectively. Contract asset and liability balances are as follows:

(In millions)	September 28, 2024	December 31, 2023
Current contract assets, net	\$ 1,541	\$ 1,443
Noncurrent contract assets, net	8	4
Current contract liabilities	2,663	2,689
Noncurrent contract liabilities	1,428	1,499

In the three and nine months ended September 28, 2024, the company recognized revenues of \$0.36 billion and \$2.36 billion, respectively, that were included in the contract liabilities balance at December 31, 2023. In the three and nine months ended September 30, 2023, the company recognized revenues of \$0.35 billion and \$2.32 billion, respectively, that were included in the contract liabilities balance at December 31, 2022.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 4. Business Segment and Geographical Information

Business Segment Information

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
Life Sciences Solutions	\$ 2,387	\$ 2,433	\$ 7,027	\$ 7,508
Analytical Instruments	1,808	1,754	5,277	5,226
Specialty Diagnostics	1,129	1,083	3,355	3,300
Laboratory Products and Biopharma Services	5,740	5,728	17,221	17,322
Eliminations	(467)	(424)	(1,397)	(1,385)
Consolidated revenues	10,598	10,574	31,484	31,971
Segment Income				
Life Sciences Solutions	845	872	2,551	2,525
Analytical Instruments	451	468	1,289	1,321
Specialty Diagnostics	293	283	886	860
Laboratory Products and Biopharma Services	773	937	2,262	2,554
Subtotal reportable segments	2,362	2,560	6,987	7,260
Cost of revenues adjustments	(9)	(14)	(25)	(73)
Selling, general and administrative expenses adjustments	(21)	(14)	24	(28)
Restructuring and other costs	(45)	(84)	(151)	(379)
Amortization of acquisition-related intangible assets	(450)	(584)	(1,514)	(1,775)
Consolidated operating income	1,838	1,864	5,321	5,005
Interest income	277	246	851	570
Interest expense	(356)	(359)	(1,073)	(985)
Other income/(expense)	(16)	14	(2)	(32)
Consolidated income before taxes	\$ 1,742	\$ 1,765	\$ 5,096	\$ 4,558

Cost of revenues adjustments included in the above table consist of charges for the sale of inventories revalued at the date of acquisition, inventory write-downs associated with large-scale abandonment of product lines, and accelerated depreciation on manufacturing assets to be abandoned due to facility consolidations. Selling, general and administrative expenses adjustments included in the above table consist of third-party transaction/integration costs related to recent acquisitions, charges/credits for changes in estimates of contingent acquisition consideration, charges associated with product liability litigation, and accelerated depreciation on fixed assets to be abandoned due to facility consolidations.

Geographical Information

Revenues by country based on customer location are as follows:

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
United States	\$ 5,406	\$ 5,490	\$ 16,075	\$ 16,608
Other	5,192	5,084	15,409	15,363
Consolidated revenues	10,598	10,574	31,484	31,971

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 5. Income Taxes

The provision for income taxes in the accompanying statements of income differs from the provision calculated by applying the statutory federal income tax rate to income before provision for income taxes due to the following:

(In millions)	Nine months ended	
	September 28, 2024	September 30, 2023
Statutory federal income tax rate	21 %	21 %
Provision for income taxes at statutory rate	\$ 1,070	\$ 957
Increases (decreases) resulting from:		
Foreign rate differential	(93)	(176)
Income tax credits	(207)	(217)
Global intangible low-taxed income	90	66
Foreign-derived intangible income	(73)	(104)
Excess tax benefits from stock options and restricted stock units	(64)	(60)
Provision for (reversal of) tax reserves, net	216	9
Intra-entity transfers	(102)	(144)
Foreign exchange loss on inter-company debt refinancing	—	(112)
Provision for (reversal of) valuation allowances, net	(161)	(44)
Withholding taxes	10	22
Tax return reassessments and settlements	(130)	(63)
State income taxes, net of federal tax	50	45
Equity method investments	(48)	(9)
Other, net	(51)	(19)
Provision for income taxes	<u>\$ 507</u>	<u>\$ 151</u>

During the first nine months of 2024, the company recorded a tax reserve and associated interest of \$240 million related to the settlement of international tax audits for tax years 2009 through 2016, which were settled in the third quarter of 2024. The company also recorded tax benefits of \$307 million, primarily in jurisdictions where the deferred tax assets are now expected to be realized due to forecasted income. These benefits were partially offset by tax provisions primarily associated with disallowed interest expense that is not expected to be realized.

During the third quarter of 2023, the company released a valuation allowance of \$183 million in jurisdictions where the deferred tax assets are now expected to be realized. In the first nine months of 2023, the company also recorded a tax benefit of \$91 million, net of related tax expenses, from a foreign exchange loss on an intercompany debt refinancing transaction, as well as a \$144 million tax benefit resulting from a capital loss generated as part of an intra-entity transaction.

The company has operations and a taxable presence in approximately 70 countries outside the U.S. The company's effective income tax rate differs from the U.S. federal statutory rate each year due to certain operations that are subject to tax incentives, state and local taxes, and foreign taxes that are different than the U.S. federal statutory rate.

Unrecognized Tax Benefits

As of September 28, 2024, the company had \$0.52 billion of unrecognized tax benefits substantially all of which, if recognized, would reduce the effective tax rate. A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

(In millions)	2024
Balance at beginning of year	<u>\$ 540</u>
Additions for tax positions of current year	9
Additions for tax positions of prior years	220
Reductions for tax positions of prior years	(46)
Settlements	(199)
Balance at end of period	<u><u>\$ 524</u></u>

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 6. Earnings per Share

(In millions except per share amounts)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net income attributable to Thermo Fisher Scientific Inc.	\$ 1,630	\$ 1,715	\$ 4,505	\$ 4,365
Basic weighted average shares	382	386	382	386
Plus effect of: stock options and restricted stock units	1	2	1	2
Diluted weighted average shares	384	388	383	388
Basic earnings per share	\$ 4.26	\$ 4.44	\$ 11.79	\$ 11.31
Diluted earnings per share	\$ 4.25	\$ 4.42	\$ 11.75	\$ 11.25
Antidilutive stock options excluded from diluted weighted average shares	2	2	2	2

Note 7. Debt and Other Financing Arrangements

(Dollars in millions)	Effective interest rate at September 28, 2024	September 28, 2024	December 31, 2023
0.75% 8-Year Senior Notes, Due 9/12/2024 (euro-denominated)		—	1,104
1.215% 3-Year Senior Notes, Due 10/18/2024	1.39 %	2,500	2,500
0.125% 5.5-Year Senior Notes, Due 3/1/2025 (euro-denominated)	0.41 %	893	883
2.00% 10-Year Senior Notes, Due 4/15/2025 (euro-denominated)	2.09 %	714	706
0.853% 3-Year Senior Notes, Due 10/20/2025 (Japanese yen-denominated)	1.05 %	157	158
0.00% 4-Year Senior Notes, Due 11/18/2025 (euro-denominated)	0.15 %	614	607
3.20% 3-Year Senior Notes, Due 1/21/2026 (euro-denominated)	3.38 %	558	552
1.40% 8.5-Year Senior Notes, Due 1/23/2026 (euro-denominated)	1.53 %	781	773
4.953% 3-Year Senior Notes, Due 8/10/2026	5.18 %	600	600
5.00% 3-Year Senior Notes, Due 12/5/2026	5.25 %	1,000	1,000
1.45% 10-Year Senior Notes, Due 3/16/2027 (euro-denominated)	1.65 %	558	552
1.75% 7-Year Senior Notes, Due 4/15/2027 (euro-denominated)	1.97 %	670	662
1.054% 5-Year Senior Notes, Due 10/20/2027 (Japanese yen-denominated)	1.18 %	203	205
4.80% 5-Year Senior Notes, Due 11/21/2027	5.00 %	600	600
0.50% 8.5-Year Senior Notes, Due 3/1/2028 (euro-denominated)	0.77 %	893	883
1.6525% 4-Year Senior Notes, Due 3/7/2028 (Swiss franc-denominated)	1.79 %	393	—
0.77% 5-Year Senior Notes, Due 9/6/2028 (Japanese yen-denominated)	0.90 %	204	206
1.375% 12-Year Senior Notes, Due 9/12/2028 (euro-denominated)	1.46 %	670	662
1.75% 7-Year Senior Notes, Due 10/15/2028	1.89 %	700	700
5.00% 5-Year Senior Notes, Due 1/31/2029	5.24 %	1,000	1,000
1.95% 12-Year Senior Notes, Due 7/24/2029 (euro-denominated)	2.08 %	781	773
2.60% 10-Year Senior Notes, Due 10/1/2029	2.74 %	900	900
1.279% 7-Year Senior Notes, Due 10/19/2029 (Japanese yen-denominated)	1.44 %	33	33
4.977% 7-Year Senior Notes, Due 8/10/2030	5.12 %	750	750
0.80% 9-Year Senior Notes, Due 10/18/2030 (euro-denominated)	0.89 %	1,953	1,932
0.875% 12-Year Senior Notes, Due 10/1/2031 (euro-denominated)	1.13 %	1,005	993
2.00% 10-Year Senior Notes, Due 10/15/2031	2.23 %	1,200	1,200
1.8401% 8-Year Senior Notes, Due 3/8/2032 (Swiss franc-denominated)	1.92 %	494	—

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(Dollars in millions)	Effective interest rate at September 28, 2024	September 28, 2024	December 31, 2023
2.375% 12-Year Senior Notes, Due 4/15/2032 (euro-denominated)	2.55 %	670	662
1.49% 10-Year Senior Notes, Due 10/20/2032 (Japanese yen-denominated)	1.60 %	44	45
4.95% 10-Year Senior Notes, Due 11/21/2032	5.09 %	600	600
5.086% 10-Year Senior Notes, Due 8/10/2033	5.20 %	1,000	1,000
1.125% 12-Year Senior Notes, Due 10/18/2033 (euro-denominated)	1.20 %	1,674	1,656
5.20% 10-Year Senior Notes, Due 1/31/2034	5.34 %	500	500
3.65% 12-Year Senior Notes, Due 11/21/2034 (euro-denominated)	3.76 %	837	828
1.50% 12-Year Senior Notes, Due 9/6/2035 (Japanese yen-denominated)	1.58 %	151	152
2.0375% 12-Year Senior Notes, Due 3/7/2036 (Swiss franc-denominated)	2.10 %	387	—
2.875% 20-Year Senior Notes, Due 7/24/2037 (euro-denominated)	2.94 %	781	773
1.50% 20-Year Senior Notes, Due 10/1/2039 (euro-denominated)	1.73 %	1,005	993
2.80% 20-Year Senior Notes, Due 10/15/2041	2.90 %	1,200	1,200
1.625% 20-Year Senior Notes, Due 10/18/2041 (euro-denominated)	1.77 %	1,395	1,380
2.069% 20-Year Senior Notes, Due 10/20/2042 (Japanese yen-denominated)	2.13 %	103	104
5.404% 20-Year Senior Notes, Due 8/10/2043	5.50 %	600	600
2.02% 20-Year Senior Notes, Due 9/6/2043 (Japanese yen-denominated)	2.06 %	204	206
5.30% 30-Year Senior Notes, Due 2/1/2044	5.37 %	400	400
4.10% 30-Year Senior Notes, Due 8/15/2047	4.23 %	750	750
1.875% 30-Year Senior Notes, Due 10/1/2049 (euro-denominated)	1.98 %	1,116	1,104
2.00% 30-Year Senior Notes, Due 10/18/2051 (euro-denominated)	2.07 %	837	828
2.382% 30-Year Senior Notes, Due 10/18/2052 (Japanese yen-denominated)	2.43 %	234	236
Other		78	77
Total borrowings at par value		35,390	35,028
Unamortized discount		(104)	(113)
Unamortized debt issuance costs		(173)	(188)
Total borrowings at carrying value		35,113	34,727
Finance lease liabilities		200	190
Less: Short-term obligations and current maturities		4,116	3,609
Long-term obligations		<u>\$ 31,197</u>	<u>\$ 31,308</u>

The effective interest rates for the fixed-rate debt include the stated interest on the notes, the accretion of any discounts/premiums and the amortization of any debt issuance costs.

See Note 10 for fair value information pertaining to the company's long-term borrowings.

Credit Facilities

The company has a revolving credit facility (the Facility) with a bank group that provides for up to \$5.00 billion of unsecured multi-currency revolving credit. The Facility expires on January 7, 2027. The revolving credit agreement calls for interest at either a Term Secured Overnight Financing Rate (SOFR), a Euro Interbank Offered Rate (EURIBOR)-based rate (for funds drawn in euro), or a rate based on the prime lending rate of the agent bank, at the company's option. The agreement contains affirmative, negative and financial covenants, and events of default customary for facilities of this type. The covenants in the Facility include a Consolidated Net Interest Coverage Ratio (Consolidated EBITDA to Consolidated Net Interest Expense), as such terms are defined in the Facility. Specifically, the company has agreed that, so long as any lender has any commitment under the Facility, any letter of credit is outstanding under the Facility, or any loan or other obligation is outstanding under the Facility, it will maintain a minimum Consolidated Net Interest Coverage Ratio of 3.5:1.0 as of the last day of any fiscal quarter. As of September 28, 2024, no borrowings were outstanding under the Facility, although available capacity was reduced by immaterial outstanding letters of credit.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Commercial Paper Programs

The company has commercial paper programs pursuant to which it may issue and sell unsecured, short-term promissory notes (CP Notes). Under the U.S. program, a) maturities may not exceed 397 days from the date of issue and b) the CP Notes are issued on a private placement basis under customary terms in the commercial paper market and are not redeemable prior to maturity nor subject to voluntary prepayment. Under the euro program, maturities may not exceed 183 days and may be denominated in euro, U.S. dollars, Japanese yen, British pounds sterling, Swiss franc, Canadian dollars or other currencies. Under both programs, the CP Notes are issued at a discount from par (or premium to par, in the case of negative interest rates), or, alternatively, are sold at par and bear varying interest rates on a fixed or floating basis.

Senior Notes

Interest is payable annually on the euro and Swiss franc-denominated fixed rate senior notes and semi-annually on all other senior notes. Each of the U.S. dollar and euro-denominated fixed rate senior notes and Japanese yen-denominated private placement notes may be redeemed at a redemption price of 100% of the principal amount plus a specified make-whole premium and accrued interest, together with swap breakage costs payable to holders of Japanese yen-denominated private placement notes who have entered into cross-currency swap agreements. The company is subject to certain affirmative and negative covenants under the indentures and note purchase agreement governing the senior notes, the most restrictive of which limits the ability of the company to pledge certain property and assets as security under borrowing arrangements. The company was in compliance with all covenants related to its senior notes at September 28, 2024.

Thermo Fisher Scientific (Finance I) B.V. (Thermo Fisher International), a wholly-owned finance subsidiary of the company, issued each of the following notes outstanding as of September 28, 2024, included in the table above (collectively, the “Euronotes”) in registered public offerings: the 0.00% Senior Notes due 2025, the 0.80% Senior Notes due 2030, the 1.125% Senior Notes due 2033, the 1.625% Senior Notes due 2041, and the 2.00% Senior Notes due 2051. The company has fully and unconditionally guaranteed all of Thermo Fisher International’s obligations under the Euronotes and all of Thermo Fisher International’s other debt securities, and no other subsidiary of the company will guarantee these obligations. Thermo Fisher International is a “finance subsidiary” as defined in Rule 13-01(a)(4)(vi) of the Exchange Act, with no assets or operations other than those related to the issuance, administration and repayment of the Euronotes and other debt securities issued by Thermo Fisher International from time to time. The financial condition, results of operations and cash flows of Thermo Fisher International are consolidated in the financial statements of the company.

Note 8. Commitments and Contingencies

Environmental Matters

The company is currently involved in various stages of investigation and remediation related to environmental matters. The company cannot predict all potential costs related to environmental remediation matters and the possible impact on future operations given the uncertainties regarding the extent of the required cleanup, the complexity and interpretation of applicable laws and regulations, the varying costs of alternative cleanup methods and the extent of the company’s responsibility. Expenses for environmental remediation matters related to the costs of installing, operating and maintaining groundwater-treatment systems and other remedial activities related to historical environmental contamination at the company’s domestic and international facilities were not material in any period presented. At September 28, 2024, there have been no material changes to the accruals for pending environmental-related matters disclosed in the company’s 2023 financial statements and notes included in the company’s Annual Report on Form 10-K. While management believes the accruals for environmental remediation are adequate based on current estimates of remediation costs, the company may be subject to additional remedial or compliance costs due to future events such as changes in existing laws and regulations, changes in agency direction or enforcement policies, developments in remediation technologies or changes in the conduct of the company’s operations, which could have a material adverse effect on the company’s financial position, results of operations and cash flows.

Litigation and Related Contingencies

The company is involved in various disputes, governmental and/or regulatory inspections, inquiries, investigations and proceedings, and litigation matters that arise from time to time in the ordinary course of business. The disputes and litigation matters include product liability, intellectual property, employment and commercial issues. Due to the inherent uncertainties associated with pending litigation or claims, the company cannot predict the outcome, nor, with respect to certain pending litigation or claims where no liability has been accrued, make a meaningful estimate of the reasonably possible loss or range of loss that could result from an unfavorable outcome. The company has no material accruals for pending litigation or claims for which accrual amounts are not disclosed in the company’s 2023 financial statements and notes included in the company’s Annual Report on Form 10-K, nor are material losses deemed probable for such matters. It is reasonably possible, however, that

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

an unfavorable outcome that exceeds the company's current accrual estimate, if any, for one or more such matters could have a material adverse effect on the company's results of operations, financial position and cash flows.

Product Liability, Workers Compensation and Other Personal Injury Matters

The company is involved in various proceedings and litigation that arise from time to time in connection with product liability, workers compensation and other personal injury matters. At September 28, 2024, there have been no material changes to the accruals for pending product liability, workers compensation, and other personal injury matters disclosed in the company's 2023 financial statements and notes included in the company's Annual Report on Form 10-K. Although the company believes that the amounts accrued and estimated insurance recoveries are probable and appropriate based on available information, including actuarial studies of loss estimates, the process of estimating losses and insurance recoveries involves a considerable degree of judgment by management and the ultimate amounts could vary, which could have a material adverse effect on the company's results of operations, financial position, and cash flows. Insurance contracts do not relieve the company of its primary obligation with respect to any losses incurred. The collectability of amounts due from its insurers is subject to the solvency and willingness of the insurer to pay, as well as the legal sufficiency of the insurance claims. Management monitors the payment history as well as the financial condition and ratings of its insurers on an ongoing basis.

Note 9. Comprehensive Income/(Loss) and Shareholders' Equity

Comprehensive Income/(Loss)

Changes in each component of accumulated other comprehensive income/(loss), net of tax, are as follows:

(In millions)	Currency translation adjustment	Unrealized gains/(losses) on available-for-sale debt securities	Unrealized gains/(losses) on hedging instruments	Pension and other postretirement benefit liability adjustment	Total
Three months ended September 28, 2024					
Balance at June 29, 2024	\$ (2,133)	\$ (1)	\$ (26)	\$ (253)	\$ (2,413)
Other comprehensive income/(loss) before reclassifications	(54)	—	—	(5)	(59)
Amounts reclassified from accumulated other comprehensive income/(loss)	(6)	—	1	—	(5)
Net other comprehensive income/(loss)	(60)	—	1	(5)	(63)
Balance at September 28, 2024	<u>\$ (2,193)</u>	<u>\$ (1)</u>	<u>\$ (26)</u>	<u>\$ (258)</u>	<u>\$ (2,477)</u>
Nine months ended September 28, 2024					
Balance at December 31, 2023	\$ (2,941)	\$ —	\$ (28)	\$ (255)	\$ (3,224)
Other comprehensive income/(loss) before reclassifications	749	(1)	—	(4)	744
Amounts reclassified from accumulated other comprehensive income/(loss)	—	—	2	2	4
Net other comprehensive income/(loss)	749	(1)	2	(3)	747
Balance at September 28, 2024	<u>\$ (2,193)</u>	<u>\$ (1)</u>	<u>\$ (26)</u>	<u>\$ (258)</u>	<u>\$ (2,477)</u>

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 10. Fair Value Measurements and Fair Value of Financial Instruments

Fair Value Measurements

The following tables present information about the company's financial assets and liabilities measured at fair value on a recurring basis:

(In millions)	September 28, 2024	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash equivalents	\$ 1,609	\$ 1,609	\$ —	\$ —
Bank time deposits	2,000	2,000	—	—
Investments	45	19	—	26
Insurance contracts	239	—	239	—
Derivative contracts	93	—	93	—
Total assets	<u>\$ 3,987</u>	<u>\$ 3,629</u>	<u>\$ 333</u>	<u>\$ 26</u>
Liabilities				
Derivative contracts	\$ 202	\$ —	\$ 202	\$ —
Contingent consideration	8	—	—	8
Total liabilities	<u>\$ 210</u>	<u>\$ —</u>	<u>\$ 202</u>	<u>\$ 8</u>

(In millions)	December 31, 2023	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash equivalents	\$ 5,021	\$ 5,021	\$ —	\$ —
Bank time deposits	3	3	—	—
Investments	20	20	—	—
Insurance contracts	210	—	210	—
Derivative contracts	8	—	8	—
Total assets	<u>\$ 5,262</u>	<u>\$ 5,044</u>	<u>\$ 218</u>	<u>\$ —</u>
Liabilities				
Derivative contracts	\$ 290	\$ —	\$ 290	\$ —
Contingent consideration	87	—	—	87
Total liabilities	<u>\$ 377</u>	<u>\$ —</u>	<u>\$ 290</u>	<u>\$ 87</u>

The company determines the fair value of its insurance contracts by obtaining the cash surrender value of the contracts from the issuer. The fair value of derivative contracts is the estimated amount that the company would receive/pay upon liquidation of the contracts, taking into account the change in interest rates and currency exchange rates. The company initially measures the fair value of acquisition-related contingent consideration based on amounts expected to be transferred (probability-weighted) discounted to present value. Changes to the fair values of contingent consideration are recorded in selling, general and administrative expense. The company determines the fair value of its investments by considering factors such as financial position, operating results and cash flows of the investee; recent transactions in the same or similar securities; significant recent events affecting the investee; the price paid by Thermo Fisher; among others.

In the three- and nine-month periods ended September 28, 2024, the company recorded \$(4) million and \$7 million, respectively, of net gains/(losses) on investments, which are included in other income/(expense) in the accompanying statements of income. In the three- and nine-month periods ended September 30, 2023, the company recorded \$11 million and \$(33) million, respectively, of net gains/(losses) on investments, which are included in other income/(expense) in the accompanying statements of income.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

The following table provides a rollforward of the fair value, as determined by level 3 inputs (such as likelihood of achieving production or revenue milestones, as well as changes in the fair values of the investments underlying a recapitalization investment portfolio), of the contingent consideration.

(In millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Contingent consideration				
Beginning balance	\$ 12	\$ 90	\$ 87	\$ 174
Acquisitions (including assumed balances)	—	—	—	1
Payments	—	(5)	(2)	(63)
Changes in fair value included in earnings	(4)	(4)	(78)	(31)
Ending balance	<u>\$ 8</u>	<u>\$ 81</u>	<u>\$ 8</u>	<u>\$ 81</u>

The following table provides a rollforward of investments classified as level 3:

(In millions)	Three months ended	Nine months ended
	September 28, 2024	September 28, 2024
Investments		
Beginning balance	\$ —	\$ —
Purchases	26	26
Ending balance	<u>\$ 26</u>	<u>\$ 26</u>

Derivative Contracts

The following table provides the aggregate notional value of outstanding derivative contracts.

(In millions)	September 28, 2024	December 31, 2023
Notional amount		
Cross-currency interest rate swaps designated as net investment hedge - euro	\$ 1,000	\$ 1,000
Cross-currency interest rate swaps designated as net investment hedge - Japanese yen	4,650	4,650
Cross-currency interest rate swaps designated as net investment hedge - Swiss franc	2,500	2,500
Currency exchange contracts	1,531	1,567

While certain derivatives are subject to netting arrangements with counterparties, the company does not offset derivative assets and liabilities within the balance sheet. The following tables present the fair value of derivative instruments in the accompanying balance sheets and statements of income.

(In millions)	Fair value – assets		Fair value – liabilities	
	September 28, 2024	December 31, 2023	September 28, 2024	December 31, 2023
Derivatives designated as hedging instruments				
Cross-currency interest rate swaps (a)	\$ 91	\$ 5	\$ 200	\$ 287
Derivatives not designated as hedging instruments				
Currency exchange contracts (b)	2	3	2	3
Total derivatives	<u>\$ 93</u>	<u>\$ 8</u>	<u>\$ 202</u>	<u>\$ 290</u>

(a) The fair value of the cross-currency interest rate swaps is included in the accompanying balance sheet under the caption other assets or other long-term liabilities.

(b) The fair value of the currency exchange contracts is included in the accompanying balance sheet under the captions other current assets or other accrued expenses.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(In millions)	Gain (loss) recognized			
	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Derivatives designated as cash flow hedges				
Interest rate swaps				
Amount reclassified from accumulated other comprehensive items to interest expense	\$ (1)	\$ (1)	\$ (3)	\$ (6)
Financial instruments designated as net investment hedges				
Foreign currency-denominated debt and other payables				
Included in currency translation adjustment within other comprehensive items	(488)	364	(127)	158
Cross-currency interest rate swaps				
Included in currency translation adjustment within other comprehensive items	(566)	(56)	171	(6)
Included in interest expense	67	35	200	68
Derivatives not designated as hedging instruments				
Currency exchange contracts				
Included in cost of product revenues	(6)	2	1	(1)
Included in other income/(expense)	15	(6)	5	(8)

Gains and losses recognized on currency exchange contracts are included in the accompanying statements of income together with the corresponding, offsetting losses and gains on the underlying hedged transactions.

The company uses foreign currency-denominated debt, certain foreign currency-denominated payables, and cross-currency interest rate swaps to partially hedge its net investments in foreign operations against adverse movements in exchange rates. A portion of the company's euro-denominated senior notes, certain foreign currency-denominated payables, and its cross-currency interest rate swaps have been designated as, and are effective as, economic hedges of part of the net investment in a foreign operation. Accordingly, foreign currency transaction gains or losses due to spot rate fluctuations on the euro-denominated debt instruments and certain foreign currency-denominated payables, and contract fair value changes on the cross-currency interest rate swaps, excluding interest accruals, are included in currency translation adjustment within other comprehensive items and shareholders' equity.

See Note 1 to the consolidated financial statements for 2023 included in the company's Annual Report on Form 10-K for additional information on the company's risk management objectives and strategies.

Fair Value of Other Financial Instruments

The carrying value and fair value of the company's debt instruments are as follows:

(In millions)	September 28, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Senior notes	\$ 35,035	\$ 32,959	\$ 34,650	\$ 32,191
Other	78	78	77	77
	<u>\$ 35,113</u>	<u>\$ 33,037</u>	<u>\$ 34,727</u>	<u>\$ 32,268</u>

The fair value of debt instruments, excluding private placement notes, was determined based on quoted market prices and on borrowing rates available to the company at the respective period ends, which represent level 2 measurements. The fair value of private placement notes was determined based on internally developed pricing models and unobservable inputs, which represent level 3 measurements.

THERMO FISHER SCIENTIFIC INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 11. Supplemental Cash Flow Information

(In millions)	Nine months ended	
	September 28, 2024	September 30, 2023
Non-cash investing and financing activities		
Acquired but unpaid property, plant and equipment	\$ 190	\$ 207
Declared but unpaid dividends	151	137
Issuance of stock upon vesting of restricted stock units	183	198
Excise tax from stock repurchases	27	29

Cash, cash equivalents and restricted cash is included in the accompanying balance sheet as follows:

(In millions)	September 28, 2024	December 31, 2023
Cash and cash equivalents	\$ 4,645	\$ 8,077
Restricted cash included in other current assets	11	6
Restricted cash included in other assets	15	14
Cash, cash equivalents and restricted cash	<u>\$ 4,670</u>	<u>\$ 8,097</u>

Amounts included in restricted cash primarily represent funds held as collateral for bank guarantees, pension related deposits, and incoming cash in China awaiting government administrative clearance.

Note 12. Restructuring and Other Costs

In the first nine months of 2024, restructuring and other costs primarily included continuing charges for headcount reductions and facility consolidations in an effort to streamline operations, impairment of long-lived assets, and, to a lesser extent, net charges for pre-acquisition litigation and other matters. In 2024, severance actions associated with facility consolidations and cost reduction measures affected approximately 2% of the company's workforce.

As of November 1, 2024, the company has identified restructuring actions that it expects will result in additional charges of approximately \$310 million, primarily in 2024, and expects to identify additional actions in future periods which will be recorded when specified criteria are met, such as communication of benefit arrangements or when the costs have been incurred.

Restructuring and other costs by segment are as follows:

(In millions)	Three months ended September 28, 2024	Nine months ended September 28, 2024
Life Sciences Solutions	\$ 10	\$ 26
Analytical Instruments	(8)	2
Specialty Diagnostics	7	12
Laboratory Products and Biopharma Services	36	107
Corporate	—	4
	<u>\$ 45</u>	<u>\$ 151</u>

The following table summarizes the changes in the company's accrued restructuring balance, which is included in other accrued expenses in the accompanying balance sheet. Other amounts reported as restructuring and other costs in the accompanying statements of income have been summarized in the notes to the table.

(In millions)	Total (a)
Balance at December 31, 2023	<u>\$ 60</u>
Net restructuring charges incurred in 2024 (b) (c)	77
Payments	(84)
Balance at September 28, 2024	<u>\$ 53</u>

(a) The movements in the restructuring liability principally consist of severance and other costs associated with facility consolidations.

(b) Excludes \$74 million of net charges, principally \$54 million of charges for impairment of long-lived assets in the Laboratory Products and Biopharma Services and Life Sciences Solutions segments.

(c) Excludes \$13 million of charges in the Laboratory Products and Biopharma Services segment for impairments of a disposal group that was held for sale beginning in the third quarter of 2023. The loss attributable to Thermo Fisher Scientific Inc. was reduced by \$6 million attributable to a noncontrolling interest.

The company expects to pay accrued restructuring costs primarily through 2024.

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

Forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934 (the Exchange Act), are made throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements, including without limitation statements regarding: projections of revenues, expenses, earnings, margins, tax rates, tax provisions, cash flows, pension and benefit obligations and funding requirements, and our liquidity position; cost reductions, restructuring activities, new product and service developments, competitive strengths or market position, acquisitions or divestitures; growth, declines and other trends in markets we sell into; new or modified laws, regulations and accounting pronouncements; outstanding claims, legal proceedings, tax audits and assessments and other contingent liabilities; foreign currency exchange rates and fluctuations in those rates; general economic and capital markets conditions; the timing of any of the foregoing; assumptions underlying any of the foregoing; the COVID-19 pandemic; and any other statements that address events or developments that Thermo Fisher intends or believes will or may occur in the future. Without limiting the foregoing, the words "believes," "anticipates," "plans," "expects," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements are accompanied by such words. While the company may elect to update forward-looking statements in the future, it specifically disclaims any obligation to do so, even if the company's estimates change, and readers should not rely on those forward-looking statements as representing the company's views as of any date subsequent to the date of the filing of this report.

A number of important factors could cause the results of the company to differ materially from those indicated by such forward-looking statements, including those detailed under the caption "Risk Factors" in the company's [Annual Report on Form 10-K](#) for the year ended December 31, 2023 (which is on file with the SEC). Important factors that could cause actual results to differ materially from those indicated by forward-looking statements include risks and uncertainties relating to: the COVID-19 pandemic; the need to develop new products and adapt to significant technological change; implementation of strategies for improving growth; general economic conditions and related uncertainties; dependence on customers' capital spending policies and government funding policies; the effect of economic and political conditions and exchange rate fluctuations on international operations; use and protection of intellectual property; the effect of changes in governmental regulations; any natural disaster, public health crisis or other catastrophic event; and the effect of laws and regulations governing government contracts, as well as the possibility that expected benefits related to recent or pending acquisitions may not materialize as expected.

The company refers to various amounts or measures not prepared in accordance with generally accepted accounting principles (non-GAAP measures). These non-GAAP measures are further described and reconciled to their most directly comparable amount or measure under the section "[Non-GAAP Measures](#)" later in this "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Certain amounts and percentages reported within this Quarterly Report on Form 10-Q are presented and calculated based on underlying unrounded amounts. As a result, the sum of components may not equal corresponding totals due to rounding.

Overview

Thermo Fisher Scientific Inc. enables customers to make the world healthier, cleaner and safer by helping them accelerate life sciences research, solve complex analytical challenges, increase laboratory productivity, and improve patient health through diagnostics and the development and manufacture of life-changing therapies. Markets served include pharmaceutical and biotech, academic and government, industrial and applied, as well as healthcare and diagnostics. The company's operations fall into four segments (Note 4): Life Sciences Solutions, Analytical Instruments, Specialty Diagnostics and Laboratory Products and Biopharma Services.

Consolidated Results

	Three months ended			Nine months ended		
	September 28, 2024	September 30, 2023	Change	September 28, 2024	September 30, 2023	Change
(Dollars in millions except per share amounts)						
Revenues	\$ 10,598	\$ 10,574	0 %	\$ 31,484	\$ 31,971	(2) %
GAAP operating income	1,838	1,864	(1) %	5,321	5,005	6 %
GAAP operating income margin	17.3 %	17.6 %	(0.3) pt	16.9 %	15.7 %	1.2 pt
Adjusted operating income (<i>non-GAAP measure</i>)	2,362	2,560	(8) %	6,987	7,260	(4) %
Adjusted operating income margin (<i>non-GAAP measure</i>)	22.3 %	24.2 %	(1.9) pt	22.2 %	22.7 %	(0.5) pt
GAAP diluted earnings per share attributable to Thermo Fisher Scientific Inc.	4.25	4.42	(4) %	11.75	11.25	4 %
Adjusted earnings per share (<i>non-GAAP measure</i>)	5.28	5.69	(7) %	15.76	15.87	(1) %

THERMO FISHER SCIENTIFIC INC.

Organic Revenue Growth

	Three months ended September 28, 2024	Nine months ended September 28, 2024
Revenue growth	0 %	(2) %
Impact of acquisitions	1 %	0 %
Impact of currency translation	0 %	0 %
Organic revenue growth (<i>non-GAAP measure</i>)	0 %	(2) %

Since 2020, the Life Sciences Solutions and Specialty Diagnostics segments as well as the laboratory products business have supported COVID-19 diagnostic testing. Additionally, our pharma services business has provided our pharma and biotech customers with the services they needed to develop and produce vaccines and therapies globally. Since the company's acquisition of PPD in December 2021, the clinical research business has continued to play a leading role in supporting the clinical trials for COVID-19 vaccines and therapies. These positive impacts are expected to continue at much lower levels in 2024 as customer testing as well as therapy and vaccine demand declines. Sales of products related to COVID-19 testing were \$0.03 billion and \$0.05 billion in the third quarter of 2024 and 2023, respectively, and \$0.08 billion and \$0.27 billion in the first nine months of 2024 and 2023, respectively.

During the third quarter of 2024, revenues from pharma and biotech customers declined due to reduced demand for our products and services that support COVID-19 vaccines and therapies as well as a more muted macroeconomic environment, partially offset through strong commercial execution. Revenues in the academic and government market grew due to strong demand for electron microscopes and lab products. Revenue from the industrial and applied customers grew due to demand for electron microscopes. The diagnostics and healthcare market was flat. During the third quarter of 2024, sales growth was flat in Europe and Asia-Pacific, including China. Sales in North America declined. Sales in every region were impacted from decreased demand for COVID-19 related products, as well as a challenging macroeconomic environment. Contributions to organic revenue during the third quarter of 2024 from the Analytical Instruments and Specialty Diagnostics segments were offset by declines in the Life Sciences Solutions segment.

During the first nine months of 2024, all of our end markets were negatively impacted by a more muted macroeconomic environment and low economic activity in China. Revenues from pharma and biotech and diagnostics and healthcare customers declined due to demand for COVID-19 related products and services. Revenues in the academic and government market were flat. Revenues in the industrial and applied market increased slightly. During the first nine months of 2024, sales were flat in Europe and Asia-Pacific, including China. Sales in North America declined due to decreased demand for COVID-19 related products. Contributions to organic revenue during the first nine months of 2024 from the Analytical Instruments and Specialty Diagnostics segments were more than offset by declines in the Life Sciences Solutions and Laboratory Products and Biopharma Services segments.

The company continues to execute its proven growth strategy which consists of three pillars:

- High-impact innovation,
- Our trusted partner status with customers, and
- Our unparalleled commercial engine.

GAAP operating income margin and adjusted operating income margin decreased in the third quarter of 2024 due primarily to unfavorable business mix and strategic investments, partially offset by productivity improvements. GAAP operating income margin in the third quarter of 2024 also benefited from lower amortization expense.

GAAP operating income margin and adjusted operating income margin decreased in the first nine months of 2024 due primarily to unfavorable business mix, partially offset by productivity improvements. The decreases in GAAP operating income margin during the first nine months of 2024 were more than offset by lower levels of restructuring and other charges incurred for headcount reductions and facility consolidations in an effort to streamline operations (Note 12) and lower levels of amortization expense.

The company's references to strategic investments generally refer to targeted spending for enhancing commercial capabilities, including expansion of geographic sales reach and e-commerce platforms, marketing initiatives, expanded service and operational infrastructure, research and development projects and other expenditures to enhance the customer experience, as well as incentive compensation and recognition for employees. The company's references throughout this discussion to productivity improvements generally refer to improved cost efficiencies from its Practical Process Improvement (PPI) business system to address inflation, including reduced costs resulting from implementing continuous improvement methodologies, global sourcing initiatives, a lower cost structure following restructuring actions including headcount reductions and consolidation of facilities, and low cost region manufacturing.

THERMO FISHER SCIENTIFIC INC.

Notable Recent Acquisitions

On January 3, 2023, the company acquired, within the Specialty Diagnostics segment, The Binding Site Group, a U.K.-based provider of specialty diagnostic assays and instruments to improve the diagnosis and management of blood cancers and immune system disorders. The acquisition expands the segment's portfolio with the addition of pioneering innovation in diagnostics and monitoring for multiple myeloma.

On August 14, 2023, the company acquired, within the Laboratory Products and Biopharma Services segment, CorEvitas, LLC, a U.S.-based provider of regulatory-grade, real-world evidence for approved medical treatments and therapies. The acquisition expands the segment's portfolio with the addition of highly complementary real-world evidence solutions to enhance decision-making as well as the time and cost of drug development.

On July 10, 2024, the company acquired, within the Life Sciences Solutions segment, Olink Holding AB (publ), a Swedish-based provider of next-generation proteomics solutions. The acquisition enhances the segment's capabilities in the high-growth proteomics market with the addition of highly differentiated solutions. It also complements the existing life sciences and mass spectrometry offerings, accelerating protein biomarker discovery and providing strong synergy opportunities.

Segment Results

The company's management evaluates segment operating performance using operating income before certain charges/credits as defined in Note 4 to the Consolidated Financial Statements of the company's [Annual Report on Form 10-K](#) for 2023. Accordingly, the following segment data are reported on this basis.

(Dollars in millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues				
Life Sciences Solutions	\$ 2,387	\$ 2,433	\$ 7,027	\$ 7,508
Analytical Instruments	1,808	1,754	5,277	5,226
Specialty Diagnostics	1,129	1,083	3,355	3,300
Laboratory Products and Biopharma Services	5,740	5,728	17,221	17,322
Eliminations	(467)	(424)	(1,397)	(1,385)
Consolidated revenues	<u>\$ 10,598</u>	<u>\$ 10,574</u>	<u>\$ 31,484</u>	<u>\$ 31,971</u>

Life Sciences Solutions

(Dollars in millions)	Three months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 2,387	\$ 2,433	(2) %	0 %	2 %	(4) %
Segment income	845	872	(3) %			
Segment income margin	35.4 %	35.9 %	(0.5) pt			

The decrease in organic revenues in the third quarter of 2024 was primarily due to moderation in COVID-19 related revenue. The decrease in segment income margin resulted primarily from unfavorable volume mix, partially offset by strong productivity improvements.

(Dollars in millions)	Nine months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 7,027	\$ 7,508	(6) %	0 %	1 %	(6) %
Segment income	2,551	2,525	1 %			
Segment income margin	36.3 %	33.6 %	2.7 pt			

The decrease in organic revenues in the first nine months of 2024 was primarily due to moderation in COVID-19 related revenue. The increase in segment income margin resulted primarily from exceptionally strong productivity improvements, partially offset by unfavorable volume mix.

THERMO FISHER SCIENTIFIC INC.

Analytical Instruments

(Dollars in millions)	Three months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 1,808	\$ 1,754	3 %	0 %	0 %	3 %
Segment income	451	468	(4) %			
Segment income margin	24.9 %	26.7 %	(1.8) pt			

The increase in organic revenues in the third quarter of 2024 was primarily due to growth in the electron microscopy business. The decrease in segment income margin resulted primarily from unfavorable business mix and strategic investments, partially offset by strong productivity improvements.

(Dollars in millions)	Nine months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 5,277	\$ 5,226	1 %	0 %	0 %	1 %
Segment income	1,289	1,321	(2) %			
Segment income margin	24.4 %	25.3 %	(0.9) pt			

The increase in organic revenues in the first nine months of 2024 was primarily due to very strong growth in the electron microscopy business, largely offset by declines in the other instrumentation businesses. The decrease in segment income margin resulted primarily from unfavorable business mix and strategic investments, partially offset by strong productivity improvements.

Specialty Diagnostics

(Dollars in millions)	Three months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 1,129	\$ 1,083	4 %	0 %	0 %	4 %
Segment income	293	283	3 %			
Segment income margin	25.9 %	26.1 %	(0.2) pt			

The increase in organic revenues in the third quarter of 2024 was primarily driven by growth in the healthcare market channel, as well as in the transplant diagnostics and immunodiagnostics businesses, partially offset by decreased demand for products addressing diagnosis of COVID-19. The decrease in segment income margin resulted primarily from strategic investments and unfavorable business mix, partially offset by good productivity improvements.

(Dollars in millions)	Nine months ended		Total Change	Currency Translation	Acquisitions/Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 3,355	\$ 3,300	2 %	0 %	0 %	2 %
Segment income	886	860	3 %			
Segment income margin	26.4 %	26.1 %	0.3 pt			

The increase in organic revenues in the first nine months of 2024 was driven by underlying growth in the immunodiagnostics and transplant diagnostics businesses, as well as in the healthcare market channel, partially offset by decreased demand for products addressing diagnosis of COVID-19. The increase in segment income margin was due to productivity improvements, partially offset by strategic investments.

THERMO FISHER SCIENTIFIC INC.

Laboratory Products and Biopharma Services

(Dollars in millions)	Three months ended		Total Change	Currency Translation	Acquisitions/ Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 5,740	\$ 5,728	0 %	0 %	0 %	0 %
Segment income	773	937	(18) %			
Segment income margin	13.5 %	16.4 %	(2.9) pt			

Organic revenues were flat in the third quarter of 2024 due to decreased demand in COVID-19 vaccines and therapies, offset by growth in the research and safety market channel and underlying growth in the clinical research and pharma services businesses. The decrease in segment income margin was primarily due to unfavorable business mix, partially offset by strong productivity improvements.

(Dollars in millions)	Nine months ended		Total Change	Currency Translation	Acquisitions/ Divestitures	Organic (non-GAAP measure)
	September 28, 2024	September 30, 2023				
Revenues	\$ 17,221	\$ 17,322	(1) %	0 %	0 %	(1) %
Segment income	2,262	2,554	(11) %			
Segment income margin	13.1 %	14.7 %	(1.6) pt			

The decrease in organic revenues in the first nine months of 2024 was primarily due to decreased demand in COVID-19 vaccines and therapies, largely offset by underlying growth in the clinical research and pharma services businesses. The decrease in segment income margin was primarily due to unfavorable business mix, partially offset by productivity improvements.

Non-operating Items

(Dollars and shares in millions)	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net interest expense	\$ 80	\$ 113	\$ 223	\$ 415
GAAP other income/(expense)	(16)	14	(2)	(32)
Adjusted other income/(expense) (non-GAAP measure)	(13)	5	(10)	4
GAAP tax rate	5.7 %	3.0 %	10.0 %	3.3 %
Adjusted tax rate (non-GAAP measure)	10.5 %	10.0 %	10.3 %	10.0 %
Weighted average diluted shares	384	388	383	388

Net interest expense (interest expense less interest income) in the third quarter and first nine months of 2024 decreased due primarily to higher cash, and cash equivalents and short-term investments balances, as well as higher interest rates on these balances when compared to the third quarter and first nine months of 2023. The company's net interest expense was reduced by approximately \$66 million and \$197 million in the third quarter and first nine months of 2024, respectively, as a result of its interest rate swap and cross-currency interest rate swap arrangements. In the third quarter and first nine months of 2023, the company's net interest expense was reduced by approximately \$34 million and \$62 million, respectively, as a result of these arrangements (Note 10).

GAAP other income/(expense) and adjusted other income/(expense) includes currency transaction gains/losses on non-operating monetary assets and liabilities, and net periodic pension benefit cost/income, excluding the service cost component. GAAP other income/(expense) in the third quarter and first nine months of 2024 also includes \$(3) million and \$7 million, respectively, of net gains/(losses) on investments. GAAP other income/(expense) in the third quarter and first nine months of 2023 also includes \$10 million and \$(33) million, respectively, of net gains/(losses) on investments.

The company's GAAP tax rate increased in the first nine months of 2024 compared to 2023 primarily due to \$176 million of expense, net, for a provision associated with a tax audit recorded in the first quarter of 2024. The company's GAAP and adjusted tax rates in the first nine months of 2024 were also impacted by tax benefits of \$183 million and \$124 million in the second and third quarters of 2024, respectively, primarily in jurisdictions where the deferred tax assets are now expected to be realized due to forecasted income.

The company's GAAP and adjusted tax rates in the first nine months of 2023 were impacted by the release of a valuation allowance of \$183 million in the third quarter of 2023 in jurisdictions where the deferred tax assets are now expected to be realized, and a tax benefit of \$91 million, net of related tax expenses, from a foreign exchange loss on an intercompany debt.

THERMO FISHER SCIENTIFIC INC.

refinancing transaction in the second quarter of 2023. The company's GAAP and adjusted tax rates in the nine-month periods ended September 28, 2024, and September 30, 2023, were also impacted by \$102 million and \$144 million, respectively, of tax benefits resulting from capital losses generated as part of intra-entity transactions (Note 5).

The effective tax rates in both 2024 and 2023 were also affected by relatively significant earnings in lower tax jurisdictions. Due primarily to the non-deductibility of intangible asset amortization for tax purposes, the company's cash payments for income taxes are higher than its income tax expense for financial reporting purposes and are expected to total approximately \$1.73 billion in 2024.

The company expects its GAAP effective tax rate in 2024 will be between 8% and 10%. The effective tax rate can vary significantly from period to period as a result of discrete income tax factors and events. The company expects its adjusted tax rate will be approximately 10.5% in 2024.

The company has operations and a taxable presence in approximately 70 countries outside the U.S. Some of these countries have lower tax rates than the U.S. The company's ability to obtain a benefit from lower tax rates outside the U.S. is dependent on its relative levels of income in countries outside the U.S. and on the statutory tax rates in those countries. Based on the dispersion of the company's non-U.S. income tax provision among many countries, the company believes that a change in the statutory tax rate in any individual country is not likely to materially affect the company's income tax provision or net income, aside from any resulting one-time adjustment to the company's deferred tax balances to reflect a new rate.

Equity in earnings/losses of unconsolidated entities was impacted by an \$88 million impairment of an equity method investment in the second quarter of 2024.

Weighted average diluted shares decreased in 2024 compared to 2023 due to share repurchases, net of option dilution.

Liquidity and Capital Resources

The company's proven growth strategy has enabled it to generate free cash flow as well as access the capital markets. The company deploys its capital primarily via mergers and acquisitions and secondarily via share buybacks and dividends.

(In millions)	September 28, 2024	December 31, 2023
Cash and cash equivalents	\$ 4,645	\$ 8,077
Short-term investments	2,000	3
Total debt	35,313	34,917

Approximately half of the company's cash balances and cash flows from operations are from outside the U.S. The company uses its non-U.S. cash for needs outside of the U.S. including acquisitions, capacity expansion, and repayment of third-party foreign debt by foreign subsidiaries. In addition, the company also transfers cash to the U.S. using non-taxable intercompany transactions, including loans and returns of capital, as well as dividends where the related U.S. dividend received deduction or foreign tax credit equals any tax cost arising from the dividends. As a result of using such means of transferring cash to the U.S., the company does not expect any material adverse liquidity effects from its significant non-U.S. cash balances for the foreseeable future.

The company believes that its existing cash and cash equivalents and its future cash flow from operations together with available borrowing capacity under its revolving credit agreement will be sufficient to meet the cash requirements of its existing businesses for the foreseeable future, including at least the next 24 months.

As of September 28, 2024, the company's short-term obligations and current maturities of long-term obligations totaled \$4.12 billion. The company has a revolving credit facility with a bank group that provides up to \$5.00 billion of unsecured multi-currency revolving credit (Note 7). If the company borrows under this facility, it intends to leave undrawn an amount equivalent to outstanding commercial paper to provide a source of funds in the event that commercial paper markets are not available. As of September 28, 2024, no borrowings were outstanding under the company's revolving credit facility, although available capacity was reduced by immaterial outstanding letters of credit.

(In millions)	Nine months ended	
	September 28, 2024	September 30, 2023
Net cash provided by operating activities	\$ 5,377	\$ 4,683
Net cash used in investing activities	(5,861)	(4,766)
Net cash used in financing activities	(3,126)	(2,194)
Free cash flow (<i>non-GAAP measure</i>)	4,498	3,685

THERMO FISHER SCIENTIFIC INC.

Operating Activities

During the first nine months of 2024, cash provided by income was offset in part by investments in working capital. An increase in inventories used cash of \$0.22 billion. A decrease in accounts payable used cash of \$0.24 billion. Changes in other assets and liabilities used cash of \$0.24 billion primarily due to the timing of payments for compensation and income taxes. Cash payments for income taxes were \$1.43 billion during the first nine months of 2024.

During the first nine months of 2023, cash provided by income was offset in part by investments in working capital. Changes in other assets and other liabilities used cash of \$1.36 billion primarily due to the timing of payments for compensation and income taxes. A decrease in accounts payable used cash of \$0.74 billion. Cash payments for income taxes were \$1.17 billion during the first nine months of 2023.

Investing Activities

During the first nine months of 2024, acquisitions used cash of \$3.13 billion. The company's investing activities also included purchases of short-term investments of \$2.07 billion, as well as \$0.92 billion of purchases of property, plant and equipment for capacity and capability investments.

During the first nine months of 2023, acquisitions used cash of \$3.66 billion. The company's investing activities also included purchases of \$1.07 billion of property, plant and equipment for capacity and capability investments.

The company expects that for all of 2024, expenditures for property, plant and equipment, net of disposals, will be between \$1.3 billion and \$1.5 billion.

Financing Activities

During the first nine months of 2024, issuance of debt provided \$1.20 billion of cash. Repayment of senior notes used \$1.11 billion. The company's financing activities also included the repurchase of \$3.00 billion of the company's common stock (5.5 million shares) and the payment of \$0.43 billion in cash dividends. On November 14, 2023, the Board of Directors announced that it replaced the existing authorization to repurchase the company's common stock, of which \$1.00 billion was remaining, with a new authorization to repurchase up to \$4.00 billion of the company's common stock. All of the shares of common stock repurchased by the company during the first quarter of 2024 were under this program. At November 1, 2024, authorization remained for \$1.00 billion of future repurchases of the company's common stock.

During the first nine months of 2023, repayment of senior notes and net commercial paper activity used cash of \$2.00 billion and \$0.32 billion, respectively. Issuance of debt provided \$3.47 billion of cash. The company's financing activities also included the repurchase of \$3.00 billion of the company's common stock (5.2 million shares) and the payment of \$0.39 billion in cash dividends.

The company's commitments for purchases of property, plant and equipment, contractual obligations and other commercial commitments, did not change materially subsequent to December 31, 2023, except in connection with the completion of the Olink acquisition, which occurred on July 10, 2024 (Note 2).

Non-GAAP Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use certain non-GAAP financial measures such as organic revenue growth, which is reported revenue growth, excluding the impacts of revenues from acquired/divested businesses and the effects of currency translation. We report organic revenue growth because Thermo Fisher management believes that in order to understand the company's short-term and long-term financial trends, investors may wish to consider the impact of acquisitions/divestitures and foreign currency translation on revenues. Thermo Fisher management uses organic revenue growth to forecast and evaluate the operational performance of the company as well as to compare revenues of current periods to prior periods.

We report adjusted operating income, adjusted operating margin, adjusted other income/(expense), adjusted tax rate, and adjusted EPS. We believe that the use of these non-GAAP financial measures, in addition to GAAP financial measures, helps investors to gain a better understanding of our core operating results and future prospects, consistent with how management measures and forecasts the company's core operating performance, especially when comparing such results to previous periods, forecasts, and to the performance of our competitors. Such measures are also used by management in their financial and operating decision-making and for compensation purposes. To calculate these measures we exclude, as applicable:

- Certain acquisition-related costs, including charges for the sale of inventories revalued at the date of acquisition, significant transaction/acquisition-related costs, including changes in estimates of contingent acquisition-related consideration, and other costs associated with obtaining short-term financing commitments for pending/recent acquisitions. We exclude these costs because we do not believe they are indicative of our normal operating costs.

THERMO FISHER SCIENTIFIC INC.

- Costs/income associated with restructuring activities and large-scale abandonments of product lines, such as reducing overhead and consolidating facilities. We exclude these costs because we believe that the costs related to restructuring activities and large-scale abandonment of product lines are not indicative of our normal operating costs.
- Equity in earnings/losses of unconsolidated entities; impairments of long-lived assets; and certain other gains and losses that are either isolated or cannot be expected to occur again with any predictability, including gains/losses on investments, the sale of businesses, product lines, and real estate, significant litigation-related matters, curtailments/settlements of pension plans, and the early retirement of debt. We exclude these items because they are outside of our normal operations and/or, in certain cases, are difficult to forecast accurately for future periods.
- The expense associated with the amortization of acquisition-related intangible assets because a significant portion of the purchase price for acquisitions may be allocated to intangible assets that have lives of up to 20 years. Exclusion of the amortization expense allows comparisons of operating results that are consistent over time for both our newly acquired and long-held businesses and with both acquisitive and non-acquisitive peer companies.
- The noncontrolling interest and tax impacts of the above items and the impact of significant tax audits or events (such as changes in deferred taxes from enacted tax rate/law changes), the latter of which we exclude because they are outside of our normal operations and difficult to forecast accurately for future periods.

We report free cash flow, which is operating cash flow excluding net capital expenditures, to provide a view of the continuing operations' ability to generate cash for use in acquisitions and other investing and financing activities. The company also uses this measure as an indication of the strength of the company. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations such as debt service that are not deducted from the measure.

The non-GAAP financial measures of the company's results of operations and cash flows included in this Form 10-Q are not meant to be considered superior to or a substitute for the company's results of operations prepared in accordance with GAAP. Reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures are set forth within the "Consolidated Results" and "Segment Results" sections and below.

	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Dollars in millions except per share amounts)				
Reconciliation of adjusted operating income				
GAAP operating income	\$ 1,838	\$ 1,864	\$ 5,321	\$ 5,005
Cost of revenues adjustments (a)	9	14	25	73
Selling, general and administrative expenses adjustments (b)	21	14	(24)	28
Restructuring and other costs (c)	45	84	151	379
Amortization of acquisition-related intangible assets	450	584	1,514	1,775
Adjusted operating income (non-GAAP measure)	\$ 2,362	\$ 2,560	\$ 6,987	\$ 7,260
Reconciliation of adjusted operating income margin				
GAAP operating income margin	17.3%	17.6%	16.9%	15.7%
Cost of revenues adjustments (a)	0.1%	0.1%	0.1%	0.2%
Selling, general and administrative expenses adjustments (b)	0.2%	0.1%	(0.1)%	0.1%
Restructuring and other costs (c)	0.4%	0.8%	0.3%	1.2%
Amortization of acquisition-related intangible assets	4.2%	5.6%	4.8%	5.3%
Adjusted operating income margin (non-GAAP measure)	22.3%	24.2%	22.2%	22.7%
Reconciliation of adjusted other income/(expense)				
GAAP other income/(expense)	\$ (16)	\$ 14	\$ (2)	\$ (32)
Adjustments (d)	3	(9)	(8)	36
Adjusted other income/(expense) (non-GAAP measure)	\$ (13)	\$ 5	\$ (10)	\$ 4
Reconciliation of adjusted tax rate				
GAAP tax rate	5.7%	3.0%	10.0%	3.3%
Adjustments (e)	4.8%	7.0%	0.3%	6.7%
Adjusted tax rate (non-GAAP measure)	10.3%	10.0%	10.3%	10.0%

THERMO FISHER SCIENTIFIC INC.

	Three months ended		Nine months ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Dollars in millions except per share amounts)				
Reconciliation of adjusted earnings per share				
GAAP diluted earnings per share (EPS) attributable to Thermo Fisher Scientific Inc.	\$ 4.25	\$ 4.42	\$ 11.75	\$ 11.25
Cost of revenues adjustments (a)	0.02	0.04	0.07	0.19
Selling, general and administrative expenses adjustments (b)	0.05	0.03	(0.06)	0.07
Restructuring and other costs (c)	0.12	0.22	0.39	0.98
Amortization of acquisition-related intangible assets	1.17	1.50	3.95	4.57
Other income/expense adjustments (d)	0.01	(0.02)	(0.02)	0.09
Provision for income taxes adjustments (e)	(0.36)	(0.49)	(0.50)	(1.38)
Equity in earnings/losses of unconsolidated entities	0.04	0.04	0.20	0.15
Noncontrolling interests adjustments (f)	(0.02)	(0.05)	(0.02)	(0.05)
Adjusted EPS (non-GAAP measure)	\$ 5.28	\$ 5.69	\$ 15.76	\$ 15.87
Reconciliation of free cash flow				
GAAP net cash provided by operating activities	\$ 2,167	\$ 2,414	\$ 5,377	\$ 4,683
Purchases of property, plant and equipment	(271)	(332)	(920)	(1,074)
Proceeds from sale of property, plant and equipment	20	66	40	76
Free cash flow (non-GAAP measure)	\$ 1,915	\$ 2,148	\$ 4,498	\$ 3,685

- (a) Adjusted results exclude accelerated depreciation on fixed assets to be abandoned due to facility consolidations, charges for the sale of inventory revalued at the date of acquisition, and charges for inventory write-downs associated with large-scale abandonment of product lines.
- (b) Adjusted results exclude certain third-party expenses, principally transaction/integration costs related to recent acquisitions, charges/credits for changes in estimates of contingent acquisition consideration, and charges associated with product liability litigation. Adjusted results in the third quarter of 2024 also exclude \$5 million of accelerated depreciation on fixed assets to be abandoned due to facility consolidations.
- (c) Adjusted results exclude restructuring and other costs consisting principally of severance, impairments of long-lived assets, net charges for pre-acquisition litigation and other matters, abandoned facilities, net gains on the sale of real estate, and other expenses of headcount reductions and real estate consolidations. Adjusted results in 2023 also exclude \$26 million of contract termination costs associated with facility closures.
- (d) Adjusted results exclude net gains/losses on investments.
- (e) Adjusted results in exclude incremental tax impacts for the reconciling items between GAAP and adjusted net income, incremental tax impacts as a result of tax rate/law changes, and the tax impacts from audit settlements.
- (f) Adjusted results exclude the incremental impacts for the reconciling items between GAAP and adjusted net income attributable to noncontrolling interests.

Critical Accounting Policies and Estimates

Management's Discussion and Analysis and Note 1 to the Consolidated Financial Statements of the company's [Annual Report on Form 10-K](#) for 2023 describe the significant accounting estimates and policies used in preparation of the consolidated financial statements. There have been no significant changes in the company's critical accounting policies during the first nine months of 2024.

Recent Accounting Pronouncements

A description of recently issued accounting standards is included under the heading "Recent Accounting Pronouncements" in Note 1.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The company's exposure to market risk from changes in interest rates and currency exchange rates has not changed materially from its exposure discussed in the company's [Annual Report on Form 10-K](#) for the year ended December 31, 2023.

Item 4. Controls and Procedures*Management's Evaluation of Disclosure Controls and Procedures*

The company's management, with the participation of the company's chief executive officer and chief financial officer, has evaluated the effectiveness of the company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. 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 such evaluation, the company's chief executive officer and chief financial officer concluded that, as of the end of such period, the company's disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no changes in the company's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the fiscal quarter ended September 28, 2024, that have materially affected or are reasonably likely to materially affect the company's internal control over financial reporting.

PART II OTHER INFORMATION**Item 1. Legal Proceedings**

There are various lawsuits and claims against the company involving product liability, intellectual property, employment and commercial issues. See Note 8 to our Condensed Consolidated Financial Statements under the heading "[Commitments and Contingencies](#)."

Item 1A. Risk Factors

The risks that we believe are material to our investors are discussed in the company's [Annual Report on Form 10-K](#) for the year ended December 31, 2023 under the caption "Risk Factors," which is on file with the SEC.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds*Issuer Purchases of Equity Securities*

There was no share repurchase activity for the company's third quarter of 2024. On November 14, 2023, the Board of Directors announced that it replaced the existing authorization to repurchase the company's common stock, of which \$1.00 billion was remaining, with a new authorization to repurchase up to \$4.00 billion of the company's common stock. At September 28, 2024, \$1.00 billion was available for future repurchases of the company's common stock under this authorization.

Item 5. Other Information*Director and Officer Trading Arrangements*

On August 7, 2024, Marc Casper, our chairman, president and chief executive officer, adopted a trading plan intended to satisfy the conditions under Rule 10b5-1(c) of the Exchange Act. Mr. Casper's plan is for the sale of up to 49,000 shares of company common stock, and the exercise of vested stock options and the associated sale of up to 71,250 shares of company common stock, through December 12, 2025. The foregoing exercises or sales will be made in accordance with the prices and formulas set forth in the plan and such plan terminates on the earlier of the date all the shares under the plan are sold and December 16, 2025.

On August 22, 2024, Stephen Williamson, our senior vice president and chief financial officer, adopted a trading plan intended to satisfy the conditions under Rule 10b5-1(c) of the Exchange Act. Mr. Williamson's plan is for the exercise of vested stock options and the associated sale of up to 19,650 shares of company common stock through February 26, 2026. The foregoing exercises or sales will be made in accordance with the prices and formulas set forth in the plan and such plan terminates on the earlier of the date all the shares under the plan are sold and February 27, 2026.

On September 9, 2024, Frederick Lowery, an executive vice president, adopted a trading plan intended to satisfy the conditions under Rule 10b5-1(c) of the Exchange Act. Mr. Lowery's plan is for the exercise of vested stock options and the associated sale of up to 18,300 shares of company common stock through February 27, 2025, and for the gift of up to 1,304 shares of company common stock through December 13, 2024. The foregoing transactions will be made in accordance with the prices and formulas set forth in the plan and such plan terminates on the earlier of the date all the shares under the plan are sold or gifted, as applicable, and February 28, 2025.

THERMO FISHER SCIENTIFIC INC.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
31.1	Certification of Chief Executive Officer required by Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer required by Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer required by Exchange Act Rules 13a-14(b) and 15d-14(b), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
32.2	Certification of Chief Financial Officer required by Exchange Act Rules 13a-14(b) and 15d-14(b), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Definition Linkbase Document.
101.LAB	XBRL Taxonomy Label Linkbase Document.
101.PRE	XBRL Taxonomy Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). <i>The Registrant agrees, pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, to furnish to the Commission, upon request, a copy of each instrument with respect to long-term debt of the Registrant or its consolidated subsidiaries.</i>

** Certification is not deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. Such certification is not deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act except to the extent that the registrant specifically incorporates it by reference.

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.

Date: November 1, 2024

THERMO FISHER SCIENTIFIC INC.

/s/ Stephen Williamson

Stephen Williamson

Senior Vice President and Chief Financial Officer

/s/ Joseph R. Holmes

Joseph R. Holmes

Vice President and Chief Accounting Officer