

HOLOGIC INC  
Form 10-Q  
January 27, 2016

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

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FORM 10-Q

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(Mark One)

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

For the quarterly period ended December 26, 2015

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 1-36214

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Hologic, Inc.  
(Exact name of registrant as specified in its charter)

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Delaware	04-2902449
(State of incorporation)	(I.R.S. Employer Identification No.)
250 Campus Drive,	01752
Marlborough, Massachusetts	(Zip Code)
(Address of principal executive offices)	
(508) 263-2900	
(Registrant's telephone number, including area code)	

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

(Do not check if a smaller reporting company)

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

As of January 22, 2016, 283,818,060 shares of the registrant's Common Stock, \$0.01 par value, were outstanding.



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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements (unaudited)

## HOLOGIC, INC.

## CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In millions, except number of shares, which are reflected in thousands, and per share data)

	Three Months Ended	
	December 26, 2015	December 27, 2014
Revenues:		
Product	\$587.2	\$546.6
Service and other	108.0	106.2
	695.2	652.8
Costs of revenues:		
Product	188.2	186.7
Amortization of intangible assets	73.4	73.9
Service and other	54.5	53.6
Gross Profit	379.1	338.6
Operating expenses:		
Research and development	51.7	52.0
Selling and marketing	99.4	86.0
General and administrative	77.0	61.3
Amortization of intangible assets	22.6	27.8
Restructuring and divestiture charges	2.3	8.0
	253.0	235.1
Income from operations	126.1	103.5
Interest income	0.2	0.4
Interest expense	(39.2	) (52.5
Debt extinguishment loss	—	(6.7
Other income (expense), net	27.6	(0.6
Income before income taxes	114.7	44.1
Provision for income taxes	29.8	14.9
Net income	\$84.9	\$29.2
Net income per common share:		
Basic	\$0.30	\$0.10
Diluted	\$0.29	\$0.10
Weighted average number of shares outstanding:		
Basic	282,976	278,671
Diluted	291,971	283,176

See accompanying notes.

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HOLOGIC, INC.  
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
 (Unaudited)  
 (In millions)

	Three Months Ended	
	December 26, 2015	December 27, 2014
Net income	\$84.9	\$29.2
Changes in foreign currency translation adjustment	(4.2	) (9.0
Changes in unrealized holding gains and losses on available-for-sale securities:		
Gain (loss) recognized in other comprehensive income	(0.6	) 5.1
Gain reclassified from accumulated other comprehensive loss to the statement of income	(7.2	) —
Changes in pension plans, net of taxes	—	0.1
Changes in value of hedged interest rate caps, net of tax of \$0.2:		
Gain recognized in other comprehensive income, net	0.3	—
Loss reclassified from accumulated other comprehensive loss to the statement of income	0.3	—
Other comprehensive loss	(11.4	) (3.8
Comprehensive income	\$73.5	\$25.4
See accompanying notes.		

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HOLOGIC, INC.

## CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In millions, except number of shares, which are reflected in thousands, and par value)

	December 26, 2015	September 26, 2015
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$650.3	\$491.3
Restricted cash	—	1.4
Accounts receivable, less reserves of \$12.2 and \$11.1, respectively	410.5	416.1
Inventories	286.4	283.1
Deferred income tax assets	—	19.0
Prepaid income taxes	—	21.7
Prepaid expenses and other current assets	40.5	33.8
Total current assets	1,387.7	1,266.4
Property, plant and equipment, net	454.5	457.1
Intangible assets, net	2,926.7	3,023.2
Goodwill	2,806.9	2,808.2
Other assets	103.7	115.2
Total assets		