

## Strong dollar casts a shadow for US firms as exports fall again

In the third quarter of calendar 2015, the US laboratory equipment sector saw its exports decline for the third consecutive quarter, as despite the robustness of the domestic economy, international demand continued to be affected by the relative value of the US dollar when compared with the currencies of many of its major trading partners.

Looking at the available trade figures from the US International Trade Commission, US firms exported lab equipment and instruments worth just \$3.83 billion in the period, or a 3% fall compared to the prior-year quarter. This matched the 3% decline seen in the second period and means that exports have fallen consistently in the low single-digits in each quarter of the year so far, leaving a 2% shortfall over the full nine months. If the previous two years had been something of a rollercoaster ride for the industry, with a volatile oscillation between big highs and big lows, then its performance in 2015 might easily be seen as the moment when the fairground car turned downwards and began to pick up speed.

If exports were the sole measure of the strength of an economy, then the figures for US trade in lab equipment during 2015 would more than satisfy the technical definition of a recession – this being two consecutive quarters of negative economic growth. However, at least a glimpse of a silver lining might be visible in the fact that the sector's dismal performance this year is really more a side effect of the strength of the US recovery when compared to other countries, than a sign of any particular weakness in the competitiveness of US lab equipment producers.

Indeed, if domestic sales of US makers are included, as they are in Laboratory Business World's own LPA Index, then the figures start to look a little stronger, with the consolidated results showing that revenues for the top US

manufacturers of analytical instruments and lab equipment improved by an average of 1% during the quarter. Still, it's no surprise that a mix of severe currency headwinds and sluggish international markets proved an unpalatable cocktail for most US firms.

IDEX turned in a disappointing set of figures for the period, missing targets for sales because of negative currency effects and a weak demand environment. The giant laboratory distributor VWR also fell short because of the continued effect of exchange rate movements, although Corning, while registering a fall in sales, managed to at least improve on its performance in the first half of the year. The glassware giant said that it expected little improvement in the global market before the end of the year.

Even the world's leading instrument company, Thermo Fisher Scientific, appeared to have found the quarter pretty tough going, reporting a rare declining quarter for sales. The figure was still better than most Wall Street analysts had been expecting, however, and the firm was confident enough to up its guidance for the full year. Waters was another rare winner, as strong demand for its LC and LC-MS instruments allowed the separations giant to beat forecasts for both sales and earnings.

Life science instrumentation firms were no more immune to the pressures of the period, with several key US-based firms falling short of expectations. These included NGS market leader Illumina, which failed to match Wall Street expectations for the second successive quarter, and Affymetrix, which fell short due to a small dip in instrument sales, while Harvard Bioscience posted a loss for the period, affected by currency, a flat academic market, and delays caused by its recent efforts to improve margins through site consolidations.

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www.lpanet.org Email: info@lpanet.org

LPA, P.O. Box 428, Fairfax, VA 22038, USA  
Tel: +1 (703) 836-1360 Fax: +1 (703) 836-6644

#### Editor:

Stefan Fritsch (stefan@instrumentnews.co.uk)

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The laboratory balances specialist **Adam Equipment** has opened a new direct office in Germany – AE Adam – in the city of Kiel on the Baltic Sea, which will serve as the company's European distribution and service centre.

**Agilent Technologies** has completed its \$235 million acquisition of **Seahorse Bioscience**, while NGS giant **Illumina** has finalised the takeover of LIMS expert **GenoLogics**, for an undisclosed sum.

**Applied DNA Sciences**, a developer of security and authentication technologies on the basis of plant DNA, has acquired the assets of privately-owned **Vandalia Research** for \$1.5 million in cash, planning to use its core technology in the PCR field.

**AxioMx** a company using a proprietary phage display method to produce recombinant antibodies, has been acquired by antibody and immunoassay specialist **Abcam** for a \$20 million upfront payment, plus a potential \$25 million in milestone payments over a five-year period.

After seven years operating in relative obscurity as part of a medical imaging tools specialist, **Axsun Technologies**, a developer of micro-optoelectronic spectrometers and laser engine technology, has been acquired by equity investment firm **Anzu Partners** for an undisclosed sum from its owner, the San Diego medical imaging firm **Volcano**, and will be run as an independent business again. Anzu has already made significant investments to grow Axsun, while an undisclosed affiliate of the firm has acquired the 65,000 sq ft site housing Axsun's operations.

**Becton Dickinson's** Life Sciences segment has completed the acquisition of **Cellular Research**, a developer of technologies for single cell genomic analysis, for an undisclosed sum, adding CR's molecular indexing technology to its conventional flow cytometry offering.

**Bridgepoint Capital** has sold the assets of **LGC**, a major global provider of chemical and biological analytical services and reference materials based in the UK, to fellow investment firm **Kohlberg Kravis Roberts** for an undisclosed sum. Bridgepoint first bought LGC in 2010 for £257 million and almost doubled its size to 2,200 employees over the next five years, making 12 strategic acquisitions.

**Brooks Automation** has made its largest acquisition to date with the purchase of **BioStorage Technologies**, an Indianapolis-based provider of sample management services and technologies, for a total of \$127 million, subject to adjustments. With around \$40 million in annual revenues, BioStorage will join the company's Life Science Systems unit and is expected to be accretive to its new owner's bottom line after six months.

**Bruker** is to acquire **Jordan Valley Semiconductors**, a provider of X-ray metrology products for the semiconductor manufacturing industry, for up to \$53 million, consisting of \$30 million in cash, a possible \$15 million milestone payment, and the company's existing cash reserves.

**Dectris**, a developer of high-end X-ray detector technology, has signed

a supply agreement with Bruker's X-ray technology subsidiary, **Bruker AXS**, covering the use of its PILATUS3 R 100K-A 2D Hybrid Photon Counting (HPC) pixel detector in Bruker's XRD instruments, such as the D8 DISCOVER diffractometer.

**Eastern Applied Research**, a company that distributes and services instruments for XRF spectroscopy, has become the US representative for a number of XRF analysers from Japan's **Hitachi High Technologies**.

**EquipNet**, a pioneer in the selling of pre-owned laboratory instruments and equipment online, has extended its sales and marketing operations to South America with the opening of a new office in São Paulo, Brazil.

**Ginolis**, a company providing manufacturing services for diagnostic disposables, through its Ginolis Tools subsidiary, has bought **Wegera**, a machining and assembly company based in Oulu, Finland, for an undisclosed sum.

**Honeywell International** has purchased the laboratory research chemical business of **Sigma-Aldrich**, for approximately €105 million. The deal was a necessary regulatory condition of Merck's \$17 billion takeover of the firm. With the purchase, Honeywell has gained the global brands Fluka, Hydranal and Chromasolv, which will become part of its Fine Chemicals business, as well as SIAL's former Riedel-de Haën manufacturing facility in Seelze, Germany.

The high-throughput flow cytometry (HTFC) specialist **IntelliCyt** raised \$5.4 million in its latest round of venture financing and also secured an additional \$2 million debt facility. Led by Arboretum Ventures, the round is one of seven to have been launched by IntelliCyt since its 2006 foundation.

**LUM**, a developer of technologies for accelerated dispersion and stability analysis of composite samples, has opened a joint venture company in Changzhou, China, in partnership with the **Jiangsu Sino-German Innovation Center**, to further develop its sales network in China and provide efficient support of Chinese customers by native speakers.

**Roche** has expanded its range of automated NGS workflows with the acquisition of the complete assets of **Kapa Biosystems** and the Heat Elution product lines of the real-time bioluminescence and sample preparation specialist **Lumora**. The remaining assets of Lumora were then acquired by German *in vitro* diagnostics firm **Erba Diagnostics Mannheim**. No financial details were disclosed.

**Luxendo** has raised €6 million in a series A financing round co-led by EMBL Ventures and Life Science Partners, as it builds up manufacturing and commercial operations for its multi-view single plane illumination microscopy (MuVI SPIM) instrument.

**Neogen**, a provider of genomics technologies for food and animal safety, has acquired **Lab M**, a developer of microbiological culture media and diagnostic systems, for approximately £4.0 million, through its European subsidiary.

**Oerlikon Group** has inked a deal to sell its vacuum segment, **Oerlikon Leybold Vacuum**, to the Swedish compressor giant **Atlas Copco** for CHF525 million. Leybold Vacuum had a calendar 2014 turnover of CHF393 million. If approved by regulators, the deal is expected to close in the middle of 2016.

**OriGene Technologies**, a developer of gene research tools for the in-vitro diagnostics market, has acquired the German life science research supplies firm **Acris Antibodies** for an undisclosed sum. Prior to the deal, Acris has 16 employees and an estimated revenues of \$5-7 million.

**Oxford Instruments** has partnered with **Scienta Scientific** for a joint venture that combines its SPM and thin-film business, Omicron NanoTechnology, with the latter firm's electron spectroscopy systems subsidiary VG Scienta. Located in Taunusstein, Germany, **Scienta Omicron** is owned 47% by OI and 53% by Scienta's parent company, **GD Intressenter**. OI also offloaded its **Austin Scientific** business, a developer of vacuum technology based on helium compression, to the vacuum pump repair specialist and reseller **Trillium US**, for \$1.3 million in cash.

Korea's commercial AFM pioneer **Park Systems** has signed a partnership with Tokyo's **JEOL**, giving it the right to distribute Park's AFM products within the Japanese market.

**PhenoLogix**, the analytical service group of **Phenomenex**, has moved into larger premises offering 9,900 sq ft of laboratory space dedicated to application development.

As one of its last acts before becoming part of **Merck KGaA** at the end of November, the laboratory research supplies firm **Sigma-Aldrich** acquired the Duolink® product portfolio of Sweden's **Olink Bioscience**, including intellectual property, sales, marketing and manufacturing assets, for an undisclosed sum. SIAL has been the exclusive distributor of the technology since 2011, supplying the pre-validated antibodies that are used with the Duolink In Situ reagents for proximity ligation assays.

**Spectro Analytical Instruments**, the elemental analysis instrument subsidiary of **Ametek**, has opened an application and demonstration laboratory in Irvine, CA, at a site acquired by Ametek with its purchase of **VTI Instruments** in 2014.

The NGS technology developer **Sygnis** (formerly known as Lion Biosciences) has signed **PhileKorea Technology** and **Pharma Tech Korea** in Seoul, and **Axil Scientific** in Singapore, as non-exclusive distributors of its products in each of their respective countries. The company's range includes the TruePrime™ products for primer-free whole genome amplification and its SunScript™ thermostable reverse transcriptase kits. Sygnis's new distributors join three further representatives signed in recent months: the US-based Mayflower Biosciences and Lucigen in December, and Australia's GeneWorks in August.

To expand its partnering business segment, the laboratory automation and liquid handling specialist **Tecan** has acquired **Sias**, an OEM provider

of modular laboratory automation platforms, for CHF25 million in cash.

**Tescan Orsay**, a manufacturer of electron microscopes and focused ion beam instruments from the Czech Republic, has continued to expand internationally with the opening of its first South American office. Located on the outskirts of São Paulo, Brazil, the new subsidiary, **TESCAN do Brasil Instrumentos Científicos**, will provide sales and service support for those in Brazil, Argentina and Bolivia, as well as technical assistance for its customers across the entire region.

**Thermo Fisher Scientific** has added a 1,700 sq m aseptic processing facility for the development of Dynabeads (magnetic beads) to a laboratory in Vilnius, Lithuania, which the instrumentation giant gained through its purchase of **Fermentas** in 2010. Thermo Fisher has invested \$7 million in the expansion, which the Lithuanian government agreed to co-finance in exchange for an assurance that at least 100 additional local jobs would be created.

**Transcriptic** has entered into a partnership agreement with the London-based bioinformatics start-up **Desktop Genetics**, to supply that company's design software for the CRISPR (clustered regularly interspaced palindromic repeats) method of gene editing as part of its own fully-automated cloud-based laboratory services for cell and molecular biology.

In a dramatic shift of focus, **Transgenomic** has sold its Genetic Assays & Platforms business to the Japanese cell culture specialist **ADSTEC** for just \$300,000. Transgenomic will now concentrate completely on its Lab Services segment, the commercialisation of its ICE COLD-PCR technology for liquid biopsy assays – the rights to which were acquired by the firm in May 2014 – and on the products's perceived markets in molecular diagnostics and precision medicine. The divestiture of Transgenomic's last major legacy business is expected to reduce the company's expenses by more than \$1 million per quarter.

**Tute Genomics** has acquired the key assets of **Knome**, a company developing cloud-based sequencing data interpretation algorithms, for an undisclosed sum. By integrating the acquired knoSYS technology with its own cloud-based genome informatics and clinical reporting platform, Tute expects to become a leading player in clinical genome informatics.

**Ultivue**, a new spin-out from the Wyss Institute of **Harvard University** developing affordable high-resolution fluorescent microscopy for life science researchers, has raised \$5.2 million in a series A funding round.

**Verder International** has expanded its Scientific Division with the acquisition of **ATM**, a developer of equipment for the mechanical preparation of solid samples based in Mammelzen, Germany, for an undisclosed sum.

Lab distribution giant **VWR International** has bought the speciality solvent company **Purification Technologies** for an undisclosed sum, adding to its portfolio of laboratory and production chemicals.

# Exports continue to fall for US lab equipment firms

Figures from the US International Trade Commission (USITC) show that exports of laboratory equipment and instruments from US manufacturers in the third quarter of calendar 2015 were 3% lower than in the same period last year, at just \$3.83 billion.

## Equipment type

Breaking exports down by type, sales of all types of laboratory reagents and chemicals were essentially unchanged from a year ago, at \$1.42 billion.

For laboratory wares, however, third quarter exports were down 11% to \$323.1 million, as a 5% improvement in exports of porcelain or china wares (at \$49.7 million) and a 1% gain in general labware sales (to \$146.0 million), were offset by a 28% plunge in demand for US-made laboratory ceramic wares and a 12% drop in sales of glassware, which fell to \$108.3 million and \$19.1 million, respectively.

In instrumentation, sales of all types of US-made research microscopes to overseas customers were down 6% to \$61.9 million. A 12% increase in shipments of stereoscopic microscopes, which reached \$4.8 million, was offset by weak sales of all other types of microscope, including a 6% fall for non-optical microscopes and diffraction apparatus, which saw exports drop to \$42.6 million.

Gas and smoke analysis apparatus sales proved an exception to the general declining trend, with exports that were up 1% from a year ago to \$215.5 million. By contrast, sales of thermal analysis instruments nosedived by 32% to \$46.1 million.

Demand for US-made chromatography and electrophoresis equipment fell in the quarter, with exports down 11% from the third quarter of 2014 to \$117.3 million. Sales of LC instruments were down 2% to \$39.6 million, although this was a good deal stronger than the 22% plunge recorded for exports of gas chromatography equipment in the period.

It was a solid quarter for spectroscopy, with sales of all types of spectrometers and spectrophotometers up 5% year-on-year to \$192.8 million. Mass spectrometer sales

were up 5% to \$161.8 million, but demand for nuclear magnetic resonance (NMR) systems fell significantly from a year ago, dropping from \$11.6 million in the previous year's third quarter to just \$5.3 million.

Finally, exports of all types of instrumentation parts and accessories fell by 3% year-on-year to \$443.2 million.

## Europe

With one exception, exports to all major regions of the world were down in the third quarter when compared with the same period in the previous year.

Matching the pattern of the year's second period, exports of laboratory equipment to Europe once again failed to match those of the previous year, with shipments down 1% to \$1.42 billion. Germany managed to grow its take of products by 3% to \$541.6 million, maintaining its position as the most important overseas trading partner for US manufacturers, while shipments to the United Kingdom improved by 5% in the period to \$202.6 million, although this was less than half the 11% gain recorded for the second quarter.

At \$154.0 million, sales to the Netherlands were essentially flat year-on-year, while shipments to France slid by 6% to \$152.0 million.

## Asia

Exports of US-made products to customers in Asia held strong in the third quarter at \$1.31 billion – unchanged from a year ago – as China improved from the flat performance of the second quarter to record a modest 4% gain, taking shipments to \$453.5 million. This helped offset a 14% plunge in sales to Japan, as the devaluation of that country's currency had a significant negative effect on its buying power when purchasing overseas goods.

*Export figures are compiled from US International Trade Commission statistics. Laboratory products includes selected items under the Harmonised Tariff Schedule codes 90270 (instruments for physical and chemical analysis); 3822 (composite diagnostics and laboratory reagents); and 3926, 7017 and 6909 (plastic, glass and ceramic laboratory wares).*

## Q3 Top Ten US Export Markets

COUNTRY	Q3 2015	CHANGE
Germany	541,636	3%
China	453,450	4%
Canada	337,724	-10%
Japan	232,777	-14%
United Kingdom	202,631	5%
Mexico	195,458	10%
Netherlands	154,002	0%
France	152,026	-6%
Korea	148,212	3%
Singapore	130,974	-5%
Subtotal :	2,548,891	-1%
All Other:	1,282,448	-6%
<b>Total</b>	<b>3,831,339</b>	<b>-3%</b>

## Q3 Major US Export Regions

Europe	1,422,643	-1%
Asia	1,311,618	0%
Latin America	453,054	-4%
Canada	337,724	-10%
Australia/NZ	96,419	-2%
ROW	209,881	-15%
<b>Total:</b>	<b>3,831,339</b>	<b>-3%</b>

## YTD Top Ten US Export Markets

COUNTRY	YTD 2015	CHANGE
Germany	1,622,156	4%
China	1,345,318	4%
Canada	1,039,248	-6%
Japan	740,502	-12%
United Kingdom	602,467	4%
Mexico	522,284	8%
Netherlands	499,093	-3%
France	465,294	-8%
Korea	447,081	2%
Singapore	396,500	-4%
Subtotal :	7,679,942	-1%
All Other:	3,853,311	-6%
<b>Total</b>	<b>11,533,253</b>	<b>-3%</b>

## YTD Major US Export Regions

Europe	4,327,940	-1%
Asia	3,927,396	-1%
Latin America	1,298,987	-3%
Canada	1,039,248	-6%
Australia/NZ	298,452	5%
ROW	641,230	-15%
<b>Total</b>	<b>11,533,253</b>	<b>-3%</b>

Figures in \$000s / ROW = Rest Of World / YTD = year-to-date

## FINANCIAL SUMMARY

### Summary of financial results covering the third calendar quarter of 2015

Figures in millions, ¥ in billions / f = fiscal year / ns = not stated / nm = not meaningful / \* = operating profit / For income, negative % change = lower profits/increasing loss

COMPANY (DIVISION)	PERIOD	LATEST QUARTER						YEAR-TO-DATE					
		REVENUES			NET EARNINGS			REVENUES			NET EARNINGS		
		2015	2014	%CHA	2015	2014	%CHA	2015	2014	%CHA	2015	2014	%CHA
<b>Affymetrix</b>	Q3	86.5	87.1	-1%	-5.3	2.4	nm	264.2	255.5	3%	6.1	-9.0	nm
<b>Agilent</b>	fQ4	1035.0	1043.0	-1%	140.0	23.0	509%	4038.0	4048.0	0%	398.0	504.0	-21%
(Life Sciences & Applied Markets)	fQ4	515.0	539.0	-4%	103.0*	109.0*	-6%	2046.0	2078.0	-2%	380.0*	369.0*	3%
(Diagnostics & Genomics)	fQ4	178.0	172.0	4%	34.0*	26.0*	31%	662.0	663.0	0%	88.0*	93.0*	-5%
(Agilent CrossLab)	fQ4	342.0	332.0	3%	86.0*	78.0*	10%	1330.0	1307.0	2%	299.0*	301.0*	-1%
<b>Ametek</b>	Q3	998.5	1031.8	-3%	156.4	141.8	10%	2986.3	2997.8	0%	454.0	432.5	5%
(Electronic Instruments)	Q3	598.5	631.6	-5%	162.5*	148.3*	10%	1788.8	1777.3	1%	477.7*	450.1*	6%
<b>Becton Dickinson</b>	fQ4	3059.0	2202.0	39%	181.0	301.0	-40%	10282.0	8446.0	22%	695.0	1185.0	-41%
(Life Sciences)	fQ4	976.0	1009.0	-3%	ns	ns	ns	3822.0	3872.0	-1%	ns	ns	ns
<b>Bio-Rad</b>	Q3	470.0	530.6	-11%	17.4	11.5	51%	1448.9	1576.8	-8%	63.6	49.8	28%
(Life Sciences)	Q3	150.4	172.8	-13%	-12.3	-10.6	16%	476.8	504.6	-6%	-20.4	-24.5	-17%
(Clinical Diagnostics)	Q3	316.2	354.7	-11%	40.2	47.8	-16%	961.9	1062.0	-9%	116.3	130.3	-11%
<b>Biotage (SEK)</b>	Q3	149.7	118.5	26%	18.3	11.0	66%	442.0	352.6	25%	52.5	34.5	52%
<b>Bruker</b>	Q3	396.1	419.8	-6%	11.8	5.5	115%	1145.6	1300.9	-12%	40.2	30.6	31%
<b>Carl Zeiss(€)</b>	fQ4	ns	ns	ns	ns	ns	ns	4511.0	4287.0	5%	369.0*	360.0*	2%
(Research & Quality Tech)(€)	fQ4	ns	ns	ns	ns	ns	ns	1356.0	1217.0	11%	ns	ns	ns
<b>Corning (Life Sciences)</b>	Q3	211.0	214.0	-1%	21.0	22.0	-5%	619.0	647.0	-4%	55.0	57.0	-4%
<b>Danaher (Environmental)</b>	Q3	922.4	914.1	1%	202.8*	186.2*	9%	2637.9	2558.8	3%	564.5*	515.6*	9%
(Life Sciences & Diagnostics)	Q3	1997.6	1741.2	15%	214.8*	272.8*	-21%	5533.6	5190.8	7%	716.4*	775.2*	-8%
<b>Eurofins(€)</b>	Q3	505.0	370.0	37%	ns	ns	ns	1347.0	1014.0	33%	ns	ns	ns
<b>FEI</b>	Q3	212.6	227.8	-7%	10.4	21.6	-52%	657.6	691.0	-5%	75.8	71.7	6%
<b>Fluidigm</b>	Q3	28.6	29.6	-3%	-9.3	-13.8	-33%	84.0	83.0	1%	-40.4	-41.9	-3%
<b>GE (Healthcare)</b>	Q3	4255.0	4485.0	-5%	652.0*	727.0*	-10%	12667.0	13166.0	-4%	1944.0*	2027.0*	-4%
<b>Gerresheimer (Life Science)(€)</b>	fQ3	25.8	22.7	14%	3.7*	3.1*	19%	74.9	64.7	16%	10.3*	8.6*	20%
<b>Harvard Bioscience</b>	Q3	25.7	25.4	1%	-0.8	0.6	nm	80.3	78.3	3%	-1.9	2.4	nm
<b>Hitachi High-Technologies(¥)</b>	fQ2	163.5	151.4	8%	10.3	8.7	18%	314.1	301.1	4%	16.9	16.9	0%
(Science & Medical)(¥)	fQ2	45.0	41.1	9%	7.6*	6.3*	21%	85.4	79.9	7%	13.9*	13.0*	7%
<b>Horiba(¥)</b>	Q3	39.3	33.1	19%	2.0	1.4	48%	116.9	101.0	16%	7.2	3.9	83%
(Process & Environmental)(¥)	Q3	3.7	3.5	4%	0.2*	0.4*	-42%	11.9	11.8	0%	1.1*	1.4*	-21%
(Scientific Instruments)(¥)	Q3	6.2	5.7	9%	0.1*	-0.1*	nm	18.9	17.4	9%	0.5*	0.0*	nm
(Semicon. Instruments)(¥)	Q3	8.6	6.8	27%	2.5*	1.4*	79%	27.7	19.9	39%	7.6*	4.1*	88%
<b>IDEX (Health &amp; Science)</b>	Q3	184.9	190.9	-3%	40.1*	42.2*	-5%	552.4	562.9	-2%	119.7*	114.6*	4%
<b>Illumina</b>	Q3	550.3	480.6	14%	118.2	93.5	26%	1628.2	1349.0	21%	357.1	200.1	78%
<b>JEOL(¥)</b>	fQ2	28.5	22.7	26%	1.2	-4.9	nm	46.5	38.7	20%	1.3	-2.2	nm
<b>Kewaunee Scientific</b>	fQ1	31.1	30.5	2%	940.0	1234.0	-24%	nm	nm	nm	nm	nm	nm
<b>LabCorp</b>	Q3	2269.9	1551.8	46%	152.8	137.2	11%	6260.9	4498.9	39%	322.6	391.6	-18%
<b>Luminex</b>	Q3	60.6	56.7	7%	6.4	5.6	15%	177.3	168.9	5%	16.5	16.2	1%
<b>Mettler-Toledo</b>	Q3	604.2	629.1	-4%	88.9	85.0	5%	1721.9	1788.6	-4%	229.5	217.1	6%
<b>Merck (Life Science)(€)</b>	Q3	759.4	660.9	15%	96.8*	71.7*	35%	2270.2	1976.2	15%	266.3*	233.9*	14%
<b>Nikon (Instruments)(¥)</b>	fQ2	19.2	16.1	19%	1.2*	-0.4*	nm	33.2	28.5	16%	-0.5*	-2.1*	-76%

nm = Not meaningful / ns = Not stated / f = Fiscal year / \* Operating earnings / Figures in millions; ¥ in billions / Changes calculated against prior-year period

## FINANCIAL SUMMARY

COMPANY (DIVISION)	PERIOD	LATEST QUARTER						YEAR-TO-DATE					
		REVENUES			NET EARNINGS			REVENUES			NET EARNINGS		
		2015	2014	%CHA	2015	2014	%CHA	2015	2014	%CHA	2015	2014	%CHA
<b>Olympus</b> (Scientific Solutions)(¥)	fQ2	25.7	25.6	0%	2.6*	1.5*	68%	48.5	46.7	4%	3.3*	1.3*	165%
<b>Oxford Instruments</b> (£)	fQ2	ns	ns	ns	ns	ns	ns	164.8	175.0	-6%	2.7	1.7	59%
(Nanotechnology Tools)(£)	fQ2	ns	ns	ns	ns	ns	ns	85.4	92.8	-8%	9.5*	6.6*	44%
(Industrial Products)(£)	fQ2	ns	ns	ns	ns	ns	ns	46.0	52.2	-12%	1.7*	5.3*	-68%
<b>Parker Hannifin</b> (Industrial)	fQ1	2324.8	2735.3	-15%	342.0*	454.0*	-25%	nm	nm	nm	nm	nm	nm
<b>PerkinElmer</b>	Q3	563.4	542.0	4%	54.9	42.8	28%	1654.2	1628.8	2%	144.2	127.0	14%
(Human Health)	Q3	343.6	336.9	2%	63.1*	48.1*	31%	1011.2	1009.5	0%	179.6*	150.0*	20%
(Environmental Health)	Q3	219.8	205.1	7%	22.8*	18.5*	23%	643.1	619.3	4%	53.6*	65.7*	-18%
<b>Pfeiffer Vacuum</b> (€)	Q3	114.5	98.2	17%	10.6	7.4	43%	339.0	296.4	14%	31.8	21.3	49%
(Analytics)(€)	Q3	24.6	20.8	18%	ns	ns	ns	69.3	56.4	23%	ns	ns	ns
<b>Qiagen</b>	Q3	314.6	336.8	-7%	63.2	66.0	-4%	932.7	985.4	-5%	175.6	180.6	-3%
<b>Roche</b> (Molecular Diag.)(CHF)	Q3	416.0	403.0	3%	ns	ns	ns	1248.0	1165.0	7%	ns	ns	ns
(Professional)(CHF)	Q3	1515.0	1493.0	1%	ns	ns	ns	4487.0	4397.0	2%	ns	ns	ns
<b>Roper</b>	Q3	883.9	884.1	0%	160.4	155.5	3%	2638.8	2603.3	1%	487.5	460.1	6%
<b>Sartorius</b> (€)	Q3	294.9	222.5	33%	40.3	20.3	99%	830.3	645.5	29%	132.1	52.1	154%
(Bioprocess Solutions)(€)	Q3	219.4	153.6	43%	60.9*	36.6*	66%	604.3	444.7	36%	158.7*	103.0*	54%
(Lab Products)(€)	Q3	75.5	68.9	10%	11.7*	10.6*	10%	226.0	200.8	13%	35.1*	29.0*	21%
<b>Shimadzu</b> (¥)	fQ2	ns	ns	ns	ns	ns	ns	160.4	141.6	13%	10.3	6.5	60%
(Analytical)(¥)	fQ2	ns	ns	ns	ns	ns	ns	97.6	85.7	14%	14.2*	10.6*	35%
(Medical)(¥)	fQ2	ns	ns	ns	ns	ns	ns	30.0	27.4	9%	-0.1*	0.4*	nm
<b>Showa Denko</b> (Chemicals)(¥)	Q3	36.4	35.1	4%	3.3	1.8	83%	106.7	102.4	4%	7.6*	3.2*	138%
<b>Skyray Instrument</b> (CN¥)	Q3	76.4	72.6	5%	13.0	21.7	-40%	222.0	209.9	6%	40.5	43.1	-6%
<b>Techcomp</b>	Q3	36.6	35.4	3%	0.2	0.3	-23%	108.4	103.0	5%	9.5	6.9	38%
<b>Teledyne</b> (Instrumentation)	Q3	243.2	280.4	-13%	38.6*	46.9*	-18%	784.8	815.9	-4%	126.4*	128.2*	-1%
<b>Thermo Fisher Scientific</b>	Q3	4123.2	4171.4	-1%	476.1	471.6	1%	12312.9	12396.8	-1%	1372.8	1293.2	6%
(Life Sciences Solutions)	Q3	1080.4	1071.9	1%	332.7*	306.3*	9%	3229.6	3010.5	7%	954.9*	850.0*	12%
(Analytical Instruments)	Q3	778.5	786.5	-1%	146.5*	137.8*	6%	2282.9	2349.8	-3%	407.8*	399.1*	2%
(Specialty Diagnostics)	Q3	776.9	811.8	-4%	204.9*	224.3*	-9%	2379.2	2480.6	-4%	646.2*	681.7*	-5%
(Laboratory Products)	Q3	1638.2	1628.7	1%	249.6*	246.6*	1%	4844.9	4918.6	-1%	731.7*	738.3*	-1%
<b>Tosoh</b> (Specialty)(¥)	fQ2	46.5	40.2	16%	9.1*	7.4*	23%	89.2	78.2	14%	18.2*	13.3*	37%
<b>VWR</b>	Q3	1095.5	1114.4	-2%	11.0	65.4	-83%	3206.3	3273.7	-2%	100.8	74.4	35%
(Americas)	Q3	667.9	635.5	5%	47.2*	50.1*	-6%	1925.0	1818.7	6%	124.1*	102.2*	21%
(EMEA-APAC)	Q3	427.6	478.9	-11%	33.9*	42.5*	-20%	1281.3	1455.0	-12%	108.4*	129.4*	-16%
<b>Waters</b>	Q3	500.6	493.2	2%	116.3	113.5	2%	1455.7	1405.5	4%	318.0	280.3	13%
(Waters Instrument Systems)	Q3	219.2	213.1	3%	ns	ns	ns	625.3	595.7	5%	ns	ns	ns
(TA Instrument Systems)	Q3	39.6	40.2	-2%	ns	ns	ns	112.5	111.9	0%	ns	ns	ns
<b>TOTAL</b>	Q3	23,427.3	23,250.3	1%	2,373.5	2,543.2	-7%	62,610.6	61,176.7	2%	4,130.2	3,912.0	6%

nm = Not meaningful / ns = Not stated / f = Fiscal year / \* Operating earnings / Figures in millions; ¥ in billions / Changes calculated against prior-year period

NB: Total figures exclude non-US\$ results; figures can only be included where available and included companies or divisions may differ between sales, operating and net income totals, or from quarter to year-to-date totals; due to differing financial schedules, year-to-date total figures do not represent actual total.

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**Affymetrix** slipped back into the red in the third quarter, with losses of \$5.3 million rather than the \$2.4 million earnings of the prior-year period, as negative currency effects caused revenues to slip by 1% to \$86.5 million, falling short of targets. Sales were up 4% at constant currencies. The microarray pioneer said that sales of genetic analysis products grew 2% to \$35.6 million, as a 30% spike in clinical demand offset a 26% plunge in genotyping products and services. The firm's eBioscience reagent business grew 11% in its strongest single performance since its acquisition three years ago, while sales of life science reagents and gene expression solutions dropped by 4% and 22%, respectively.

**Agilent Technologies** came in ahead of Wall Street targets for earnings in its fourth fiscal quarter ended the 30th of September, as its bottom line improved by 5% to \$140 million on revenues that were up 2% to \$1.04 billion. By segment, Life Sciences & Applied Markets product sales were down 4% to \$515 million, as strong demand from pharmaceutical customers was offset by weak sales to industry and the government/academic sector. For Diagnostics and Genomics, sales were up 4% to \$178 million, while the company's consumables and services group, Agilent Cross Lab, improved sales by 3% to \$342 million. Agilent is looking for revenues of \$1.00-1.02 billion for its upcoming first fiscal quarter, which was a little less than the \$1.05 billion expected by Wall Street analysts.

With a worsening demand environment and currency headwinds, sales of the Electronic Instruments Group (EIG) of **Ametek** took a 5% nosedive to \$598.5 million in the third quarter, but margins improved thanks to on-going efforts to streamline costs and operating earnings grew 10% to \$156.4 million. Sales were down 2% organically, driven by weakness in the oil & gas sector.

Sales of the Life Sciences segment of **Becton, Dickinson** slid by 3% in its fourth fiscal quarter to \$976.0 million, as negative currency effects related to the stronger US dollar wiped out local currency sales growth of 5%. All three of the segment's product areas were down in the period, with the worst affected being diagnostic product sales, which were down 5% to \$286.0 million. Preanalytical system sales fell by 3% to \$349.0 million and shipments of diagnostic systems were down 2% to \$342.0 million. Adjusted for exchange rates, growth was "solid" for both preanalytical (up 6%) and diagnostic systems (up 6%), the company said, the former driven by solid demand for microbiology products and the Kiestra lab automation system, while the latter benefited from strong sales to Western Europe and emerging markets. For biosciences, growth was a "moderate" 2%, as strong sales of instruments and reagent in the US were offset by a sluggish funding climate in Japan. Revenues for the company as a whole rose 39% in the quarter to \$3.06 billion, in line with Wall Street forecasts, but earnings plunged by 40% to \$181.0 million.

In the third quarter of calendar 2015, **Bio-Rad Laboratories** recorded its first double-digit plunge in revenues in recent years, as the firm's on-going struggles against the soaring US dollar were exacerbated by weakness in Europe, causing management to slash its original full-year guidance. At \$470.0 million, the company's revenues for the period were down 11%, but earnings improved by 51% to \$17.4 million in the absence of a \$12.1 million nonrecurring expense taken last year, plus a reduction in R&D

(down 9%) and SG&A (down 7%) costs. Both operating segments were down in the period, with Life Science sales falling by 13% to \$150.4 million, or 6% excluding currency effects, as strong demand for Droplet Digital PCR and cell biology products was offset by production and shipping delays created by a problematic installation of the firm's new global enterprise resource planning system in July. For Clinical Diagnostics, sales were down 11% to \$316.2 million, or 1% on an organic basis, as weak sales of products for blood typing and infection disease were partially offset by solid shipments of quality control equipment.

**Biotage** grew sales in the third quarter by 26% to SEK149.7 million, while earnings improved by 66% to SEK18.3 million. Currency effects were once again the primary driver of growth, as sales benefited from the strong US dollar, but organic growth was a little higher than in the first half of the year at 7%, benefiting from continued strong demand for the company's sample preparation products for analytical chemistry, such as its Extrahera technology platform. Sales of instruments accounted for 44% of revenues, with consumables and services making up the remaining 56%. For the full nine months, sales and earnings were up 25% to SEK442.0 million and 52% to SEK52.5 million, respectively.

The turnover of **Bruker** continued to fall in the third quarter thanks to currency effects relating primarily to the strength of the US dollar, although the 6% drop it reported for the period was less than half that of the second quarter's 13% plunge. At \$396.1 million, revenues were actually a good deal higher than the \$375 million expected by most Wall Street analysts. In fact, excluding headwinds of 11% for exchange rates and 3% for recent divestitures, sales improved by 8% organically, while earnings benefited from efforts taken to improve margins and more than doubled from \$5.5 million to \$11.8 million in the period. For the full year, Bruker expects non-GAAP EPS in the \$0.75-\$0.80 range and organic revenue growth of around 1%.

The privately owned German optical technology firm **Carl Zeiss** reported that in its 2015 fiscal year, representing the twelve months ending the 30th of September, revenues of its Research & Quality Technology (R&QT) segment improved by 11% to €1.36 billion. Zeiss's R&QT segment comprises its industrial metrology and microscopy business groups, which include the bulk of its research-focused analytical instruments. Industrial metrology sales were strong in the period, the company said, driven by the automotive industry, but demand for microscopes was less than it had been expecting. Overall, Zeiss grew revenues by 4% to €4.51 billion, while operating earnings were up 2% to €369.0 million. Results benefited from currency effects and an improvement in the company's direct business. In its new fiscal year, Zeiss is expecting "only moderate growth" for the global economy and said that it was "cautious" about its prospects going forward.

Sales of glassware giant **Corning's** Life Sciences business slid by 1% in the third quarter to \$211.0 million, although this was better than the mid-single-digit decline recorded for the segment in the first half of the year. Core earnings were down 5% to \$21.0 million, however. The company blamed the shortfall on a weakening of the global economy, particularly in China. With the global economic headwinds expected to continue through the fourth quarter, Corning's forecast is

that Life Sciences sales for that period will decline in the mid single-digits compared with a year ago. The company increased its share repurchase authorisation by \$4 billion in the period.

The Life Sciences & Diagnostics segment of **Danaher** improved sales in the third quarter by 15% to \$2.00 billion, as 4% organic growth was dwarfed by an 18% gain from acquisitions, partially offset by unfavourable currency effects. Despite the top-line strength, operating earnings slid by 21% to \$214.8 million, as acquisition costs, restructuring expenses and negative exchange rates diluted margins. By market, diagnostics core revenues were up in the low single-digits, including those of Beckman Coulter, which were driven by demand for its immunoassay and urinalysis technologies, and also Leica Biosystems, while Radiometer improved turnover in the high single-digits. For the life science platform, core revenues improved in the mid single-digits, as improving sales to the US and Europe served to counteract a slowdown in growth from high-growth markets. Pharma demand helped SCIEX grow sales in the mid-single digits, while Leica Microsystems also improved.

Testing services giant **Eurofins Scientific Group** improved revenues in the third quarter by 37% to €505.0 million, or 8% organically, driven by acquisitions and a significant increase in demand from the US. For the nine months, revenues increased by 33% from the same period in 2014 to €1.35 billion. The company's management increased its guidance for the full year from \$1.80 billion to \$1.90 billion, citing "strong operating momentum" across its businesses. Eurofins continued to expand aggressively during the year, making 17 acquisitions from the beginning of January to the end of October and boosting revenues by an additional €570 million annually.

Sales of nanoscale imaging specialist **FEI** were down 7% in the third quarter to \$212.6 million, while earnings more than halved to \$10.4 million. Negative currency effects drove revenues down by some \$10 million in the period, but sales fell by 2% even at constant currencies. While sales to the semiconductor sector were weaker than expected, demand from scientific customers was in line with forecasts. Revenues for the full year are expected to be up 1%-2.5% organically, although a predicted 5% negative currency effect will almost certainly keep the firm's turnover below last year's total.

**Fluidigm's** revenues fell by 3% in the third quarter to \$28.6 million, as strong sales of single-cell proteomics products and demand for genomics analysis consumables were balanced against a decline in sales of its core single-cell genomics instruments. Local currency sales grew by 3%, however, and the decline was entirely due to unfavourable movements in exchange rates. Losses improved from the \$13.8 million of last year's third quarter to \$9.3 million. Overall, instrument and service revenues were up 4%, while sales of consumables were down 14%. There was also a modest contribution from new products.

For **GE Healthcare**, revenues for the third quarter slipped by 5% to \$4.26 billion, while operating earnings slid by 10% to \$652.0 million, or 4% organically, in what the firm called a "slow growth and volatile environment". Excluding negative currency effects, top-line growth was

a modest 2%, with demand for healthcare systems up 1% and sales of life science products up 8%. A 3% gain in sales to developed regions was offset by a corresponding 3% slide in emerging market demand. Healthcare orders were affected by exchange rates and slid by 4% to \$4.50 billion, while orders of equipment and services were down 5% to \$2.60 billion and 3% to \$1.90 billion, respectively.

Favourable exchange rate movements offset a single-digit fall in organic sales for the Life Science Research segment of glassware giant **Gerresheimer** in its third fiscal quarter ended the 31st of August. Although local currency sales fell by 3%, the positive effect of the strengthening dollar against the euro meant that reported sales improved by 14% to €25.8 million, while adjusted EBITDA grew 19% to €3.7 million.

**Harvard Bioscience** fell short on sales and dropped to a loss in the third quarter, affected by currency headwinds, a slowing academic market, the decision by GE Healthcare to discontinue sales of spectrophotometers manufactured for it by Harvard, and delayed shipments due to streamlining activities undertaken to rationalise the firm's manufacturing footprint. Offset by a 3% negative currency effect, sales were lower than expected and gained just 1% to \$25.7 million, but were a considerable improvement on the 4% decline of the year's first six months. Harvard dropped to a loss of \$847,000 from the earnings of \$633,000 it recorded for the comparable period in 2014.

**Hitachi High-Technologies**, the instrumentation business of Japanese giant Hitachi, improved revenues in the first half of its 2015 fiscal year – the six months to the 30th of September – by 4% to ¥314.06 billion, beating the firm's own ¥310.00 billion expectations, although earnings for the business were essentially unchanged at ¥16.94 billion. Boosted by Chinese demand for clinical analysers, the Science & Medical Systems segment achieved sales of ¥85.40 billion – up 4% – and operating earnings of ¥13.90 billion – up 7% – in the same period, which were both well above the company's forecast of ¥81.40 billion and ¥11.90 billion. HHT now expects full-year revenue growth of around 3% to ¥640.00 billion, with earnings up 4% to ¥32.40 billion. For the Science & Medical Systems business, sales and operating earnings are expected to be ¥17.20 billion and ¥23.30 billion, respectively, with forecasts for the global market for analytical instruments putting growth at around 2%-3% annually, while demand for electron microscopes is expected to be "mostly flat".

**Horiba** saw signs of a recovery in capital spending on analytical instruments in the third quarter, as its revenues improved by 19% to ¥39.25 billion, while earnings spiked by 48% to ¥2.01 billion. The strong performance was driven in large part by the Semiconductor Instruments segment, which recorded a 27% gain in sales to \$8.61 billion, benefiting from high levels of demand from semiconductor equipment manufacturers, who were busy ramping up production. Revenues for the Scientific Instruments & Systems segment in the period were up 9% to ¥6.21 billion, with strong shipments to the US as the depreciation of the yen against the US dollar made its products more attractive to customers in that country. The Process & Environmental segment grew revenues by just 4% to ¥3.67 billion, as solid demand for process analysers from American customers was offset by a slide in shipments of stack gas



analysers to Japan and China.

Despite a 4% gain from acquisitions, sales of the Health & Science Technologies segment of **IDEX** fell by 3% in the third quarter to \$184.9 million, as the company continued to struggle against sliding organic sales and negative currency effects. Growth was driven by demand for the firm's scientific fluidics products, with strong sales of analytical instrumentation. Operating earnings for the segment were down 5% to \$40.1 million. Overall, consolidated revenues were down 6% to \$503.8 million, affected by a 4% decline in organic growth and an identical negative currency effect from the soaring US dollar, but earnings were up 11% to \$79.5 million.

Sequencing market leader **Illumina** grew sales by 14% in the third quarter to \$550.3 million, or 18% at constant currencies. This was in line with Wall Street estimates, but fell short of Illumina's own guidance and compared poorly to the 24% growth it achieved in the first half of the year. Due to a one-time \$24.8 million tax windfall, earnings skyrocketed by 26% to \$118.2 million. Instrument sales declined by 3% to \$146 million, but shipments of consumables were up 23% to \$321 million. Sequencing revenues grew 21%, reflecting continued clinical adoption of its instruments, but strong interest in its flagship HiSeq range was balanced against weaker than expected sales of its benchtop NextSeq and MiSeq instruments. Array revenues continued to dwindle, falling by 17%, while revenues from contracts and services grew 23% to \$79 million.

The Japanese analytical instrument manufacturer **JEOL** improved revenues in the first six months of fiscal 2016 to the 30th of September by 20% to ¥46.52 billion, and rebounded back to earnings of ¥1.30 billion from the ¥2.25 billion loss of the prior-year period. In its forecast for the full year, the company continues to expect revenues of ¥105.00 billion, or growth of 11%, with earnings of ¥4.00 billion.

The leading laboratory furniture manufacturer **Kewaunee Scientific** grew sales to \$31.1 million in its first fiscal quarter, which was a 2% improvement on a year ago. Domestic sales were strong and recent efforts to increase the firm's worldwide sales network had a positive effect on international shipments. Earnings plunged by 24% to \$940,000, however, as margins worsened. The company's president and CEO, David M. Rausch, said that he remained optimistic about growth in the 2016 fiscal year, as he expected Kewaunee to benefit from continued recovery in the US economy and the departure of one of its major competitors from the market.

**Laboratory Corp of America** posted revenues of \$2.27 billion and earnings of \$152.8 million for the third calendar quarter, which represented growth of 46% and 11%, respectively, over the corresponding period in the prior year. Turnover benefited from the closure of its acquisition of the leading contract research organisation (CRO) Covance last February, which added \$647.0 million to sales in the quarter.

**Luminex** impressed in the third quarter and increased its guidance after topping Wall Street forecasts with sales that were up 7% to \$60.6 million, while earnings grew 15% to \$6.4 million. Demand was driven by a 12%

gain in sales of assay products and a 26% uptick in system sales, reaching \$24.6 million and \$9.6 million, respectively, but shipments of consumables sank by 10% to \$10.9 million.

Weighing equipment giant **Mettler-Toledo International** posted revenues of \$604.2 million in the third quarter, which was a 4% decline, but better than most Wall Street analysts had been expecting. The company's turnover in the period was affected by the strength of the dollar against other currencies, which had a 7% negative effect on growth. Local currency sales were up 3%, however, as strong demand from customers in the Americas and Europe was offset by weakness in China, Russia and Brazil, while earnings improved by 5% to \$88.9 million. MT's management continues to expect organic revenue growth of around 3% for the full year, but slightly narrowed its guidance for EPS from \$12.75-\$12.90 to \$12.85-\$12.90. In calendar 2016, local currency growth is expected to improve a little to 3%-4%.

The Life Science business of **Merck** improved revenues by 15% in the third quarter to €759.0 million, benefiting from a 7% positive currency effect. Operating earnings were up 35% to \$97.0 million, as margins benefited from organic growth, efforts made to improve the efficiency of manufacturing, and a favourable product mix. On an organic basis, sales were up 8%, driven primarily by high levels of demand for single-use and virus filtration products from the Process Solutions business, plus a contribution from the Lab Solutions business, which also grew organically with strong shipments of biomonitoring and lab water products in the US and Europe. For the Bioscience business, sales of reagents and antibodies were soft, although this was partially offset by shipments of cell biology and cell culture systems.

The combined Diversified Industrial segments of **Parker-Hannifin** continued to plunge in the first quarter of its fiscal year, affected by weak demand and currency headwinds. For the three months ending the 30th of September, sales for the firm's North American and International Industrial businesses were down 15% to \$2.32 billion, while operating earnings fell 25% to \$342.0 million, due to restructuring costs. International sales were down 18% to \$1.00 billion, while in North America they fell by 13% to \$1.30 billion.

In the third quarter, sales of the Molecular Diagnostics product area of **Roche** improved by 3% to CHF416.0 million, while Professional Diagnostics grew a more modest 1% to CHF1.52 billion. The results meant that over the first nine months of the year, Molecular Diagnostics and Professional Diagnostics improved sales by 7% to CHF1.25 billion and 2% to CHF4.49 billion, respectively, despite a 4% negative currency effect.

**Roper Technologies** fell short on revenues once again in the third quarter, reporting essentially flat sales of \$883.9 million, but earnings were ahead of expectations and improved by 3% to \$160.4 million. The company raised the bottom end of its full-year earnings guidance.

**Sartorius** improved its revenues by 33% in the third quarter to €294.9 million and literally doubled earnings to €40.3 million, with double-digit sales growth to all geographical regions. By division,

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Bioprocess Solutions improved sales and operating earnings by 43% to €219.4 million and 66% to €60.9 million, respectively, with double-digit growth in all product segments – particularly single-use solutions – and regions, and including a contribution from two recent acquisitions. Lab Products & Services grew revenues by 10% to €75.5 million, while operating earnings were up 10% to €11.7 million.

In the first half of its fiscal year, **Shimadzu** grew sales of its analytical and measuring instruments segment by 14% to ¥97.59 billion, while operating earnings were up 35% to ¥14.21 billion. Growth was driven by a rebound in the US healthcare sector, which boosted North American demand for LC equipment and MS. The pharma sector also drove LC sales to Europe (excluding Russia), while sales of LC, MS and GC to China's pharma, contract analysis, and chemical/petrochemical markets were also strong. For the whole firm, consolidated sales and earnings were up 13% to ¥160.41 billion and 60% to ¥10.30 billion, respectively. Shimadzu said that while the US economy was expected to remain strong for the remainder of the year and Japan should be able to maintain its modest recovery, the outlook for China, Europe, Southeast Asia and other regions remained unclear. Still, the firm raised its guidance for the full year and is now looking for sales to be up around 8% to ¥340.00 billion, while earnings should improve by a solid quarter to ¥23.00 billion.

The Chemicals segment of **Showa Denko**, which includes the Shodex range of HPLC columns, improved sales by 4% in the third quarter to ¥36.40 billion, while operating earnings almost doubled from ¥1.80 billion to ¥3.30 billion. The company added two new products to its Shodex range during the quarter. Released in August, the new HILICpak VT-50 is a polymer-based column for hydrophilic interaction chromatography (HILIC), while the following month saw the launch of the OHPak LB-800 column for aqueous SEC. The latter is compatible with MALS detectors, used for determining the absolute molar mass and average size of particles in solution.

The large diversified Chinese instrumentation firm **Jaingsu Skyray Instrument** reported that sales improved by 5% to CN¥76.4 million in the third quarter. Earnings plummeted from CN¥21.7 million to CN¥13.0 million, however, which represented a 40% decline. Over the first nine months of 2015, Skyray's sales have grown 6% to CN¥222.0 million, but earnings have fallen by the same amount to CN¥40.5 million, affected by an extraordinary gain of CN¥9.0 million in the comparable period last year, which skewed the comparison. Excluding extraordinary gains and losses, earnings for the nine months grew by 19%, although its bottom line remained at the low end of the published CN¥39.6-43.9 million forecast.

The important Chinese instrument manufacturer **Techcomp** improved sales by 3% in the third quarter to \$36.6 million, although higher administrative costs meant that earnings sank by 23% year-on-year to \$218,000. Growth was driven once again by the company's new GC and GC-MS products, which it acquired from Bruker in November 2014 for \$13.5 million, although this deal was also the primary cause of the quarter's higher costs. The firm said that Asian demand was expected to remain stable, despite the prospect of further slowdown in the Chinese economy, while its European operations should benefit from recent streamlining

efforts and measures taken to improve sales activities.

Sales and operating earnings of the Instrumentation segment of **Teledyne Technologies** plunged by 13% to \$243.2 million and 18% to \$38.6 million, respectively, in the third quarter, despite a \$10.8 million gain related to a recent acquisition. Although environmental instrument sales were up \$1.3 million, benefiting from shipments to customers in Asia, demand for marine and electronic measurement instruments slid by \$30.9 million and \$7.6 million. The firm blamed weakness in global energy markets and a challenging capital spending environment for the shortfall.

**Thermo Fisher Scientific** posted slightly better than expected results for the third quarter, prompting the firm to increase its guidance for the full year. Revenues for the three months were down 1% to \$4.12 billion, although they were up 4% organically, excluding acquisitions and a negative currency effect. Earnings improved by 1% to \$476.1 million, however. By segment, both Life Sciences Solutions and Laboratory Products grew revenues by 1% in the period to \$1.08 billion and \$1.64 billion, respectively, while operating earnings for the two were up 9% to \$332.7 million and 1% to \$249.6 million. Affected by negative exchange rates, the firm's remaining two segments were both down in the period, with Analytical Instruments reporting a 1% drop in sales to \$778.5 million and a 6% improvement in operating earnings to \$204.9 million, while Specialty Diagnostics reported sales and operating earnings that were down 4% to \$776.9 million and 9% to \$204.9 million, respectively.

Despite lingering sluggishness in Japan and the slowdown in the economies of China and a number of emerging markets, sales of the Speciality Group of **Tosoh** were up 14% in the first half of its fiscal 2016 year to ¥89.20 billion, while operating earnings improved by 37% to ¥18.20 billion. For the six months to the 30th of September, demand for the firm's separation-related products continued to grow, benefiting once again from an uptick in exports of LC packing materials, diagnostic-related products and in vitro diagnostic reagents. In its forecast for fiscal 2016, Tosoh expects Specialty Group sales to be essentially unchanged from a year ago at ¥174.30 billion.

The giant laboratory distributor **VWR** reported that revenues for the third quarter were down 2% to \$1.10 billion, while earnings plunged by 83% to \$11.0 million, affected by negative currency effects related to the strong US dollar. In the Americas, sales were up 5% to \$667.9 million, driven by shipments of chemicals to biotech firms, but currency effects meant that international demand slipped by 11% to \$427.6 million.

**Waters** surprised in the third quarter with better than expected sales of \$500.6 million, or a 2% year-on-year gain, despite significant negative currency effects that lowered growth by 7%. Earnings also grew 2% to \$116.3 million. Geographically, demand from US customers was strong and rose 13% to \$169.8 million, while Asian sales were up 5%, as a 15% improvement in shipments to China helped offset a 13% decline in sales to Japan. European sales also had a hard time with exchange rates in the period, falling 8% to \$132.1 million. For the Waters part of the business, sales were up 2% to \$445.6 million, while for TA Instruments, sales were down 2% to \$55.0 million, affected by currency translation.