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Life Tech announces Q2 results, share repurchase program

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Singapore: Life Technologies announced results for its second quarter (Q2) ending June 30, 2012. Revenue for Q2 was $950 million, an increase of one percent over the $945 million, reported for the second quarter of 2011. Excluding the impact of currency, revenue growth for the quarter was one percent as compared to the same period of the prior year.

Mr Gregory T Lucier, chairman and CEO, Life Technologies, said that, "We finished the first half of 2012 in line with our expectations, as strength in our BioProduction and Ion Torrent businesses enabled us to grow revenue in the second quarter by five percent, excluding nearly $40 million in headwinds from expected declines in sales of our SOLiD 5500 product and qPCR royalties."

"During the quarter, we continued to deliver on our innovation pipeline, launching new Ion AmpliSeq clinical research products, selling a record number of our QuantStudio digital qPCR instruments and expanding our capabilities to commercialize novel stem cell technologies," added Mr Lucier.

In July, the firm made significant progress in building its diagnostics franchise with the tuck-in acquisitions of Navigenics and Pinpoint Genomics, which in combination will allow the company to offer a unique lung cancer clinical test to the pathology and oncology community.

Life Technologies reported current quarter results as compared to the quarter ending June 30, 2011. Results are non-GAAP unless indicated otherwise.

Mr Lucier also highlighted that, "For the second half of 2012, we continue to expect solid growth in our Ion Torrent platform, as we begin shipping Ion Proton Sequencers in September, and in our emerging and applied markets. However, based primarily on increased headwinds from currency and an incrementally more conservative outlook for our European operations, we are revising our 2012 guidance. We are now expecting our organic revenue growth to be at the low end of our previously provided range of 2 to 4 percent and non-GAAP earnings per share in a range of $3.90-to-$4.00."

Furthermore, Life Technologies' board of directors approved a share repurchase program, authorizing the company to purchase up to $750 million of its common stock. This is in addition to the approximately $62 million remaining as of July 31, 2012 from the existing share repurchase authorization of $200 million approved in July of 2011.

Life Technologies remained committed to a balanced capital allocation program that includes returning a significant portion of the free cash flow annually to investors and using the remaining cash flow to support strategic opportunities in key franchises and expansion into new markets. In 2012, the firm spent $335 million to repurchase shares and continues to remain committed to executing on the new authorization beginning in the second half of 2012.