



## PerkinElmer Announces Q1 2007 Results

- Revenue Growth of 13%; Health Sciences Revenue up 16%
- Growth led by Genetic Screening, Medical Imaging and Service
- Completed Euroscreen and Improvision Acquisitions

BOSTON--(BUSINESS WIRE)--April 26, 2007--PerkinElmer, Inc. (NYSE: PKI), a global leader in Health Sciences and Photonics markets, today reported GAAP earnings per share from continuing operations of \$.12 on revenue of \$402.9 million for the first quarter ended April 1, 2007. On a non-GAAP basis, which includes the adjustments noted in the attached reconciliation, the Company announced adjusted earnings per share for the first quarter 2007 of \$.24, which met the First Call consensus estimate and was in line with the Company's forecasted range of \$.23 to \$.25.

First quarter 2007 revenue of \$402.9 million increased over 13% versus the first quarter of 2006. Revenue growth was 14% in Life and Analytical Sciences and 11% in Optoelectronics compared to the same period last year. From an end market perspective, first quarter 2007 revenue from Health Sciences, which represented 84% of total revenues for the quarter, increased 16% over the same period of 2006. This increase was driven primarily by strong growth in genetic screening, medical imaging, and service as a result of new products, key customer wins and market expansion. Foreign exchange and acquisitions contributed 7% to first quarter 2007 revenue.

"We were pleased to deliver another quarter of double-digit revenue growth as we continue to strengthen our growth platforms through increased R&D, marketing, acquisitions and capital investments," said Gregory L. Summe, Chairman and CEO of the Company. "We expect our momentum to continue through the year, as our new products and services continue to make a greater contribution to our overall revenue."

GAAP operating profit during the first quarter of 2007 was \$23.1 million. On a non-GAAP basis, which includes the adjustments noted in the attached reconciliation, first quarter 2007 adjusted operating profit was \$43.1 million, or 10.7% as a percentage of GAAP revenue for the quarter.

The Company generated cash flow from operations of \$17.3 million in the first quarter of 2007, while increasing capital expenditures by 23%. In addition, the Company repurchased 2.5 million shares for a cost of approximately \$60 million in the first quarter of 2007. This leaves 7.5 million shares remaining on the Company's stock repurchase authorization.

### Financial Overview by Reporting Segment

Life and Analytical Sciences reported revenue of \$299.5 million for the first quarter of 2007, up 14% from revenue of \$261.9 million in the first quarter of 2006, driven primarily by growth in the Company's genetic screening, service and environmental businesses, as well as a positive impact from acquisitions and new product introductions.

The segment's GAAP operating profit for the first quarter of 2007 was \$14.9 million. On a non-GAAP basis, which includes the adjustments noted in the attached reconciliation, adjusted operating profit for the first quarter of 2007 was \$32.7 million, or 10.9% as a percentage of GAAP revenue.

Optoelectronics reported revenue of \$103.4 million for the first quarter of 2007, up 11% from revenue of \$93.5 million in the first quarter of 2006, driven primarily by revenue growth in medical imaging.

The segment's GAAP operating profit was \$16.3 million for the first quarter of 2007. On a non-GAAP basis, which includes the adjustments noted in the attached reconciliation, adjusted operating profit for the first quarter of 2007 was \$17.3 million, or 16.8% as a percentage of GAAP revenue.

### Financial Guidance

For the second quarter of 2007, the Company projects revenue to increase by low double digits, GAAP earnings per share of

between \$.21 and \$.23, and on a non-GAAP basis, adjusted earnings per share of between \$.28 and \$.30.

The Company will discuss its first quarter results in a conference call on April 26, 2007, at 5:00 p.m. Eastern Time (ET). To listen to the call live, please tune into the webcast at the "Investors" section of our Web site, [www.perkinelmer.com](http://www.perkinelmer.com). A playback of this conference call will be available beginning at 7:00 p.m. ET, Thursday, April 26, 2007. The playback phone number is (617) 801-6888 and the code number is 88395502.

#### Use of Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with generally accepted accounting principles (GAAP), this earnings announcement also contains non-GAAP financial measures of adjusted earnings per share and adjusted operating profit. In each case, see below for the items that have been excluded in the determination of non-GAAP financial measures.

- When we refer to "adjusted earnings per share," we have excluded the amortization of intangibles, stock option expense, revaluation of acquired inventory, in-process research and development charges and restructuring charges from GAAP earnings per share from continued operations.
- When we refer to "adjusted operating profit," we have excluded the amortization of intangibles, stock option expense, revaluation of acquired inventory, in-process research and development charges and restructuring charges from GAAP operating margin.

We use both GAAP and non-GAAP measures in our financial and operating decision-making. We believe certain items should be excluded from our non-GAAP financial measures because they are either outside of our ongoing core operations or vary significantly from period to period, which adversely affects the comparability of our results with our competitors and our own prior periods, and, in certain cases, are difficult to forecast accurately for future periods. We believe that our GAAP and non-GAAP financial measures provide investors with meaningful information about and insight into our ongoing core operating results and future prospects. This is consistent with how we internally understand, manage, evaluate and forecast our performance and compare that performance to prior periods, forecasts and our competitors' performance. We also use such GAAP and non-GAAP measures to assess and compensate our employees.

Examples of items that are excluded from our non-GAAP financial measures include the following:

- We exclude costs and tax effects associated with restructurings, such as the first quarter restructuring plan. We do not engage in restructuring activities in the ordinary course of business, and each restructuring plan has been discrete in terms of its business impact and scope. We believe that the costs related to restructuring activities vary significantly, which adversely affects comparability of our operating results, makes it difficult to forecast in future periods and is not indicative of our ongoing core operations.
- We exclude certain acquisition-related costs, including charges for the sale of inventories revalued at the date of acquisition and in-process research and development acquired. We exclude these costs because they vary significantly, which adversely affect comparability of our operating results, makes it difficult to forecast in future periods and is not indicative of our ongoing core operations.
- We exclude the cost and tax effects 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 varying useful lives. In addition, exclusion of the amortization expense allows for more comparative operating results that are

consistent over time for both our newly acquired and long-held businesses and with those of competitors who have made acquisitions as well as those who have not.

-- We exclude the cost and tax effects associated with the effect of stock option expense. Exclusion of stock option expense allows for better comparisons with prior periods and operating results of competitor companies. Stock-based compensation plans and assumptions used to calculate the fair-value of the expense vary dramatically between companies.

The non-GAAP financial measures included in this earnings announcement are not meant to be considered superior to, or a substitute for, results of operations prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this earnings announcement may be different from, and therefore may not be comparable to, similar measures used by other companies. Reconciliations of the non-GAAP financial measures used in this earnings announcement and in our related investor conference call to the most directly comparable GAAP financial measures are set forth in the accompanying exhibits to this earnings announcement.

#### Factors Affecting Future Performance

This press release contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements relating to estimates and projections of future earnings per share and revenue growth and other financial results, developments relating to our customers and end-markets, and plans concerning business development opportunities. Words such as "believes," "intends," "anticipates," "plans," "expects," "projects," "forecasts," "will" and similar expressions, and references to guidance, are intended to identify forward-looking statements. Such statements are based on management's current assumptions and expectations and no assurances can be given that our assumptions or expectations will prove to be correct. A number of important risk factors could cause actual results to differ materially from the results described, implied or projected in any forward-looking statements. These factors include, without limitation: (1) our failure to introduce new products in a timely manner; (2) our ability to execute acquisitions and license technologies, or to successfully integrate acquired businesses and licensed technologies into our existing business or to make them profitable; (3) our failure to protect adequately our intellectual property; (4) the loss of any of our licenses or licensed rights; (5) our ability to compete effectively; (6) fluctuation in our quarterly operating results and our ability to adjust our operations to address unexpected changes; (7) our ability to produce an adequate quantity of products to meet our customers' demands; (8) our failure to maintain compliance with applicable government regulations; (9) regulatory changes; (10) economic, political and other risks associated with foreign operations; (11) our ability to retain key personnel; (12) restrictions in our credit agreement; (13) our ability to realize the full value of our intangible assets; and (14) other factors which we describe under the caption "Risk Factors" in our most recent annual report on Form 10-K and in our other filings with the Securities and Exchange Commission. We disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

#### Other Information

Health Sciences end markets include genetic screening, environmental, service, biopharma, and medical imaging. Photonics markets include sensors and specialty lighting.

PerkinElmer, Inc. is a global technology leader driving growth and innovation in Health Sciences and Photonics markets to improve the quality of life. The Company reported revenues of \$1.55 billion in 2006, has 8,500 employees serving customers in more than 125 countries, and is a component of the S&P 500 Index. Additional information is available through [www.perkinelmer.com](http://www.perkinelmer.com) or 1-877-PKI-NYSE.

#### PerkinElmer, Inc. and Subsidiaries INCOME STATEMENTS

(In thousands, except per share data)	Three Months Ended	
	April 1, 2007	April 2, 2006
-----	-----	-----
Sales	\$402,900	\$355,454
Cost of Sales	242,833	213,767

Revaluation of Acquired Inventory	1,377	-
Research and Development Expenses	27,841	22,842
In-Process Research and Development Charges	1,502	-
Selling, General and Administrative Expenses	101,765	89,853
Restructuring Charges, Net	4,438	-
	-----	-----
Operating Income From Continuing Operations	23,144	28,992
Interest Income	(1,211)	(3,372)
Interest Expense	2,255	2,305
Gains on Dispositions of Investments, Net	(401)	(266)
Other Expense, Net	2,123	1,160
	-----	-----
Income From Continuing Operations Before Income Taxes	20,378	29,165
Provision for Income Taxes	5,559	7,145
	-----	-----
Net Income From Continuing Operations	14,819	22,020
Loss From Discontinued Operations, Net of Income Taxes	-	(443)
(Loss) Gain on Disposition of Discontinued Operations, Net of Income Taxes	(127)	2,040
	-----	-----
Net Income	\$14,692	\$23,617
	=====	=====
Diluted Earnings (Loss) Per Share: Continuing Operations	\$0.12	\$0.17
Loss From Discontinued Operations, Net of Income Taxes	-	-
(Loss) Gain on Disposition of Discontinued Operations, Net of Income Taxes	-	0.02
	-----	-----
Net Income	\$0.12	\$0.18
	=====	=====
Weighted Average Diluted Shares of Common Stock Outstanding	123,263	129,715

ABOVE PREPARED IN ACCORDANCE WITH GAAP

-----  
Additional Supplemental Information:  
(per share, continuing operations)

GAAP Diluted EPS from Continuing Operations	\$0.12	\$0.17
Amortization of Intangible Assets, Net of Income Taxes	0.06	0.04
Stock Options, Net of Income Taxes	0.01	0.01
Revaluation of Acquired Inventory, Net of Income Taxes	0.01	-
In-Process Research and Development Charges, Net of Income Taxes	0.01	-
Restructuring Charges, Net of Income Taxes	0.03	-
Adjusted EPS	\$0.24	\$0.22
	=====	=====

PerkinElmer, Inc. and Subsidiaries  
SALES AND OPERATING PROFIT (LOSS)

		Three Months Ended	
		April 1,	April 2,
(In thousands)		2007	2006
-----		-----	-----
Life and Analytical Sciences	Sales	\$299,538	\$261,929
	OP\$ reported	14,852	23,790
	OP% reported	5.0%	9.1%
	Amortization expense	9,783	6,763
	Stock option expense	748	609
	Revaluation of Acquired Inventory	1,377	-
	In-Process Research & Development charges	1,502	-
	Restructuring charges	4,438	-
	OP\$ adjusted	32,700	31,162
	OP% adjusted	10.9%	11.9%
Optoelectronics	Sales	103,362	93,525
	OP\$ reported	16,269	12,747
	OP% reported	15.7%	13.6%
	Amortization expense	653	622
	Stock option expense	410	275
	OP\$ adjusted	17,332	13,644
	OP% adjusted	16.8%	14.6%
Other	OP\$ reported	(7,977)	(7,545)
	Stock option expense	1,032	766
	OP\$ adjusted	(6,945)	(6,779)
Continuing Operations	Sales	\$402,900	\$355,454

OP\$ reported	23,144	28,992
OP% reported	5.7%	8.2%
Amortization expense	10,436	7,385
Stock option expense	2,190	1,650
Revaluation of Acquired Inventory	1,377	-
In-Process Research & Development charges	1,502	-
Restructuring charges	4,438	-
	-----	-----
OP\$ adjusted	\$ 43,087	\$ 38,027
	=====	=====
OP% adjusted	10.7%	10.7%

SALES AND REPORTED OPERATING PROFIT PREPARED IN ACCORDANCE WITH GAAP

PerkinElmer, Inc. And Subsidiaries  
CONSOLIDATED BALANCE SHEETS

	April 1, 2007	December 31, 2006	April 2, 2006
	-----	-----	-----
	(In thousands)		
Current assets:			
Cash and cash equivalents	\$119,562	\$191,059	\$321,841
Accounts receivable, net	267,628	268,459	235,269
Inventories, net	204,597	183,260	171,238
Other current assets	82,378	101,511	75,195
Current assets of discontinued operations	477	477	273
	-----	-----	-----
Total current assets	674,642	744,766	803,816
Property, plant and equipment:			
At cost	532,510	525,134	496,379
Accumulated depreciation	(344,154)	(342,938)	(317,528)
	-----	-----	-----
Net property, plant and equipment	188,356	182,196	178,851
Marketable securities and investments	4,589	7,508	9,432
Intangible assets, net	421,228	404,021	378,235
Goodwill	1,156,469	1,117,724	1,031,986
Other assets	51,129	52,502	90,887
Long-term assets of discontinued operations	1,557	1,605	2,891
	-----	-----	-----
Total assets	\$2,497,970	\$2,510,322	\$2,496,098
	=====	=====	=====

Current liabilities:			
Short-term debt	\$1,627	\$1,153	\$1,090
Accounts payable	147,708	152,836	135,834
Accrued restructuring and integration costs	5,883	2,731	9,180
Accrued expenses	266,054	318,987	254,753
Current liabilities of discontinued operations	-	826	1,476
	-----	-----	-----
Total current liabilities	421,272	476,533	402,333
Long-term debt	178,119	151,781	206,624
Long-term liabilities	356,755	304,278	310,886
	-----	-----	-----
Total liabilities	956,146	932,592	919,843
Commitments and contingencies			
Total stockholders' equity	1,541,824	1,577,730	1,576,255
	-----	-----	-----
Total liabilities and stockholders' equity	\$2,497,970	\$2,510,322	\$2,496,098
	=====	=====	=====

PREPARED IN ACCORDANCE WITH GAAP

PerkinElmer, Inc. and Subsidiaries  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended	
	April 1,	April 2,
	2007	2006
	-----	
	(In thousands)	
Operating activities:		
Net income	\$14,692	\$ 23,617
Add: loss from discontinued operations, net of income taxes	-	443
Add: loss (gain) on disposition of discontinued operations, net of income taxes	127	(2,040)
	-----	-----
Net income from continuing operations	14,819	22,020
	-----	-----
Adjustments to reconcile net income from continuing operations		
to net cash provided by (used in) continuing operations:		
Stock-based compensation	2,888	2,841
Restructuring charges, net	4,438	-
Amortization of debt discount and issuance costs	74	70

Depreciation and amortization	19,085	16,478
In-process research and development charges	1,502	-
Revaluation of acquired inventory	1,377	-
Gains on dispositions, net	(401)	(266)
Changes in operating assets and liabilities:		
Accounts receivable, net	12,459	18,224
Inventories, net	(8,901)	(7,373)
Accounts payable	(10,155)	(12,211)
Taxes paid on divestitures	-	(54,550)
Accrued expenses and other	(19,802)	(19,392)
	-----	-----
Net cash provided by (used in) continuing operations	17,383	(34,159)
	-----	-----
Net cash used in discontinued operations	(131)	(580)
	-----	-----
Net cash provided by (used in) operating activities	17,252	(34,739)
	-----	-----
Investing activities:		
Capital expenditures	(11,393)	(9,238)
(Payments for) proceeds from disposition of businesses and investments, net	(473)	21,201
Payments for acquisitions and investments, net of cash acquired	(39,995)	(8,696)
	-----	-----
Net cash (used in) provided by investing activities	(51,861)	3,267
	-----	-----
Financing Activities:		
Payments on debt	-	(39,734)
Proceeds from borrowings	25,450	-
Payments for debt issuance costs	-	(741)
Decrease in other credit facilities	(13)	(104)
Tax benefit from exercise of common stock options	703	3,785
Proceeds from issuance of common stock options	6,170	14,829
Purchases of common stock	(60,028)	(116,393)
Dividends paid	(8,630)	(9,116)
	-----	-----
Net cash used in financing activities	(36,348)	(147,474)
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	(540)	(1,477)
	-----	-----
Net decrease in cash and cash equivalents	(71,497)	(180,423)
Cash and cash equivalents at beginning of period	191,059	502,264
	-----	-----
Cash and cash equivalents at end of period	\$119,562	\$321,841
	=====	=====

PREPARED IN ACCORDANCE WITH GAAP

PerkinElmer, Inc. and Subsidiaries  
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES



	Q107		Q106	
	-----		-----	
Adjusted Gross Margin:				
GAAP Gross Margin	158.7	39.4%	141.7	39.9%
Intangibles Amortization	8.5	2.1%	7.0	2.0%
Stock Option Expense	0.2	0.1%	-	0.0%
Revaluation of Acquired Inventory	1.4	0.3%	-	0.0%
	-----		-----	
Adjusted Gross Margin:	\$168.8	41.9%	\$148.7	41.8%
	=====	=====	=====	=====

Adjusted SG&A:				
GAAP SG&A	101.8	25.3%	89.9	25.3%
Intangibles Amortization	(1.6)	-0.4%	(0.2)	-0.1%
Stock Option Expense	(1.8)	-0.4%	(1.5)	-0.4%
	-----		-----	
Adjusted SG&A:	\$98.4	24.4%	\$88.1	24.8%
	=====	=====	=====	=====

Adjusted R&D:				
GAAP R&D	29.3	7.3%	22.8	6.4%
Intangibles Amortization	(0.4)	-0.1%	(0.2)	0.0%
Stock Option Expense	(0.2)	0.0%	(0.2)	-0.1%
In-Process Research & Development Charges	(1.5)	-0.4%	-	0.0%
	-----		-----	
Adjusted R&D:	\$27.3	6.8%	\$22.5	6.3%
	=====	=====	=====	=====

Adjusted Operating Profit:				
GAAP Operating Profit	23.1	5.7%	29.0	8.2%
Intangibles Amortization	10.4	2.6%	7.4	2.1%
Stock Option Expense	2.2	0.5%	1.6	0.5%
Revaluation of Acquired Inventory	1.4	0.3%	-	0.0%
In-Process Research & Development Charges	1.5	0.4%	-	0.0%
Restructuring Charges	4.4	1.1%	-	0.0%
	-----		-----	
Adjusted Operating Profit	\$43.1	10.7%	\$38.0	10.7%
	=====	=====	=====	=====

	Q107		LAS Q106	
	-----		-----	
Adjusted Operating Profit:				
GAAP Operating Profit	14.9	5.0%	23.8	9.1%
Intangibles Amortization	9.8	3.3%	6.8	2.6%
Stock Option Expense	0.7	0.2%	0.6	0.2%
Revaluation of Acquired Inventory	1.4	0.5%	-	0.0%
In-Process Research & Development Charges	1.5	0.5%	-	0.0%
Restructuring Charges	4.4	1.5%	-	0.0%
	-----		-----	
Adjusted Operating Profit	\$32.7	10.9%	\$31.2	11.9%
	=====	=====	=====	=====

	Q107		Opto Q106	
	-----		-----	

	-----		-----	
Adjusted Operating Profit:				
GAAP Operating Profit	16.3	15.7%	12.7	13.6%
Intangibles Amortization	0.7	0.6%	0.6	0.7%
Stock Option Expense	0.4	0.4%	0.3	0.3%
Revaluation of Acquired Inventory	-	0.0%	-	0.0%
In-Process Research & Development Charges	-	0.0%	-	0.0%
Restructuring Charges	-	0.0%	-	0.0%
	-----		-----	
Adjusted Operating Profit	\$17.3	16.8%	\$13.6	14.6%
	=====	=====	=====	=====

	-----		
	PKI		
	Q107		Q106
	-----		-----
Adjusted EPS:			
GAAP EPS	\$0.12		\$0.18
Discontinued Operations	-		(0.01)
	-----		-----
GAAP EPS from Continuing Operations	0.12		0.17
Intangibles Amortization	0.06		0.04
Stock Option Expense	0.01		0.01
Revaluation of Acquired Inventory	0.01		-
In-Process Research & Development Charges	0.01		-
Restructuring Charges	0.03		-
	-----		-----
Adjusted EPS	\$0.24		\$0.22
	=====		=====

	-----		
	PKI		
	Q207		Q206
	-----		-----
Adjusted EPS:			
GAAP EPS	\$0.21 - 0.23	Projected	\$0.19
Discontinued Operations	-		0.02
	-----		-----
GAAP EPS from Continuing Operations	\$0.21 - 0.23		0.21
Intangibles Amortization	0.06		0.04
Stock Option Expense	0.01		0.01
Revaluation of Acquired Inventory	-		-
In-Process Research & Development Charges	-		-
Restructuring Charges	-		-
	-----		-----
Adjusted EPS	\$0.28 - 0.30		\$0.26
	=====		=====

CONTACT: Investor Relations:  
PerkinElmer, Inc.  
Steven Delahunt, 781-663-5677  
or  
Media Contact:  
PerkinElmer, Inc.  
Kevin Lorenc, 781-663-5701

SOURCE: PerkinElmer, Inc.