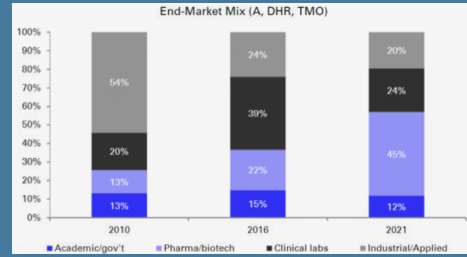




Thermo Fisher Scientific, Inc. manufactures scientific instruments, consumables, and chemicals. The Company offers analytical instruments, laboratory equipment, software, services, consumables, reagents, chemicals, and supplies to pharmaceutical and biotech companies, hospitals and clinical diagnostic labs, universities, research institutions, and government agencies.

- 60% of sales = bio-pharma end market
- Market share leader in U.S. research labs
- Unmatched breadth of offerings => supply chain competitive advantage = market share gains.
- Recurring revenue mix (consumables/services) = 80% of total sales = relatively stable top line
- Contraction in biomedical research funding or industry R&D spending; current slowdown in the public biotech funding market
- 50% of sales = international market => foreign exchange exposure
- A more restrictive Food and Drug Administration

Four Major End Markets for Life Science Tools

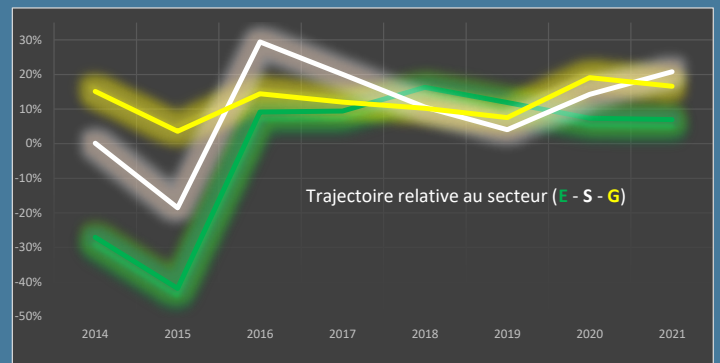
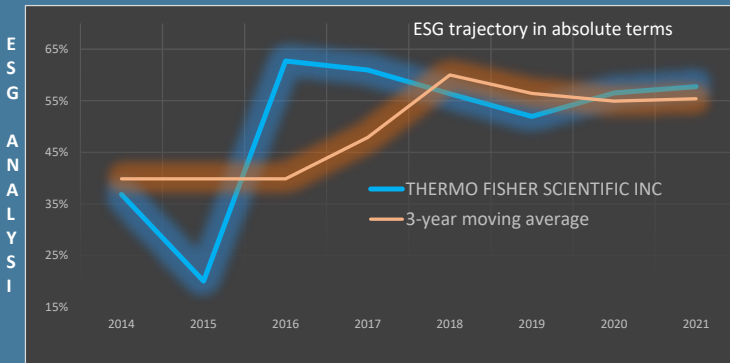


Biopharma (45%) and Clinical labs (24%) = largest end markets.

Mix has shifted to higher growth from cyclical / industrial.

A: Agilent Tech.
DHR: Danaher
TMO: Thermo Fisher Scientific

Source: Deutsche Bank, Company Reports



Méthodologie de notation ESG interne

Valuation:

Stock price: 07 February 2023 576,17 USD

Discounted cash flow model :

Financial ratios :

Target price	Medium term growth rate					
\$738	6,00%	7,00%	8,00%	9,00%	10,00%	11,00%
6,00%	917	962	1010	1059	1111	1166
6,50%	783	820	860	901	944	990
6,87%	705	738	773	810	848	888
7,00%	682	714	748	783	819	858
7,50%	604	631	660	691	722	755
8,00%	541	565	591	617	645	674

Assumptions: WACC= 6,87% Terminal growth rate= 3,0%

Target price	Terminal EBITDA margin					
\$738	26,00%	27,00%	28,00%	29,00%	30,00%	31,00%
6,00%	924	962	1000	1038	1075	1113
6,50%	789	820	852	883	915	947
6,87%	710	738	766	794	822	851
7,00%	687	714	741	768	795	822
7,50%	608	631	655	678	701	725
8,00%	545	565	586	606	627	647

Assumptions: WACC= 6,87% Terminal EBITDA margin= 27,00%

Peers	2021 debt		Based on 2022 consensus				
	Long-term debt / equity %	Net debt / EBITDA %	Price / Earnings	Price / Sales	Enterprise Value / EBITDA	Enterprise Value / Sales	Price / Cash flow
Thermo Fisher Scientific Inc	65,48	2,17	24,30	5,01	21,17	5,59	32,65
Agilent Technologies Inc	53,42	0,89	26,90	6,44	22,01	6,71	44,43
Danaher Corp	38,10	1,22	26,19	6,35	20,28	6,86	25,97
Illumina Inc	22,99	5,69	101,90	7,19	50,29	7,52	
Waters Corp	428,10	1,05	28,26	6,79	20,74	7,20	43,17
PerkinElmer Inc	72,33	2,40	17,53	3,80	14,87	4,70	22,39
Avantor Inc	121,99	3,77	16,79	2,09	13,76	2,87	21,55
Bio-Rad Laboratories Inc	1,36	-0,89	32,64	4,97	20,91	4,80	92,75
Bio-Techne Corp	17,73	0,19	38,07	10,27	26,61	10,35	47,07
Repligen Corp	5,86	-0,98	60,54	13,33	42,07	13,14	579,75
Bruker Corp	116,48	0,38	30,78	4,21	19,35	4,42	91,55
Sartorius Stedim Biotech	33,76	0,38	38,63	8,80	26,06	9,10	
Tecan Group AG	24,54	0,95	34,91	4,51	24,54	4,66	51,50
Sysmex Corp	4,54	-0,54	36,40	4,43	16,92	4,33	54,08

Technical analysis :



Relative stock price performance versus sector benchmark :

