

THERMO ELECTRON CORP

Form 424B3

July 25, 2006

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MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

The board of directors of Thermo Electron Corporation, or Thermo, and the board of directors of Fisher Scientific International Inc., or Fisher, have agreed to a strategic combination of the two companies under the terms of the Agreement and Plan of Merger, dated as of May 7, 2006, which is referred to as the merger agreement. Upon completion of the merger of a direct, wholly-owned subsidiary of Thermo with and into Fisher, Thermo will acquire Fisher, and Fisher will become a direct, wholly-owned subsidiary of Thermo.

If the merger is completed, Fisher stockholders will have the right to receive 2.0 shares of Thermo common stock for each share of Fisher common stock. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to closing of the merger. Based on the closing price of Thermo common stock on the New York Stock Exchange on May 5, 2006, the last trading day before public announcement of the merger, the 2.0 exchange ratio represented approximately \$78.90 in value for each share of Fisher common stock. Based on the closing price of Thermo common stock on the New York Stock Exchange on July 24, 2006, the latest practicable date before the date of this document, the 2.0 exchange ratio represented approximately \$70.44 in value for each share of Fisher common stock. Thermo stockholders will continue to own their existing Thermo shares.

The merger has been structured to qualify as a reorganization for U.S. federal income tax purposes. Accordingly, Fisher stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of Fisher common stock for Thermo common stock in the merger. Upon completion of the merger, we estimate that current Thermo stockholders will own approximately 39% of the combined company and former Fisher stockholders will own approximately 61% of the combined company.

At the special meeting of Thermo stockholders, which we refer to as the Thermo special meeting, Thermo stockholders will be asked to vote on the issuance of Thermo common stock to Fisher stockholders and an amendment to the Amended and Restated Certificate of Incorporation of Thermo Electron Corporation, which we refer to as the Thermo charter, each of which is necessary to effect the merger. The stock issuance proposal requires the affirmative vote of holders of a majority of the Thermo common stock present or represented and entitled to vote on the proposal. The Thermo charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Thermo common stock entitled to vote on the proposal.

At the special meeting of Fisher stockholders, which is referred to as the Fisher special meeting, Fisher stockholders will be asked to vote on the approval and adoption of the merger agreement. In order to complete the merger, an affirmative vote of holders of a majority of the outstanding shares of Fisher common stock entitled to vote on the proposal must vote to approve and adopt the merger agreement.

The Thermo board of directors unanimously recommends that the Thermo stockholders vote FOR the proposal to issue shares of Thermo common stock in the merger and FOR the proposal to amend the Thermo charter.

The Fisher board of directors unanimously recommends that the Fisher stockholders vote FOR the proposal to approve and adopt the merger agreement.

The obligations of Thermo and Fisher to complete the merger are subject to the satisfaction or waiver of several conditions set forth in the merger agreement. More information about Thermo, Fisher and the merger is contained in this joint proxy statement/prospectus. **Thermo and Fisher encourage you to read this entire joint proxy statement/prospectus carefully, including the section entitled Risk Factors beginning on page 13.**

We look forward to the successful combination of Thermo and Fisher.

Sincerely,

Sincerely,

Marijn E. Dekkers
President

Paul M. Montrone
Chairman of the Board

and Chief Executive Officer
Thermo Electron Corporation

and Chief Executive Officer
Fisher Scientific International Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined that this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated July 25, 2006 and is first being mailed to the stockholders of Thermo and Fisher on or about July 25, 2006.

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**Thermo Electron Corporation
81 Wyman Street
Waltham, MA 02451
(781) 622-1000**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held On August 30, 2006**

Dear Stockholders of Thermo Electron Corporation:

We are pleased to invite you to attend the special meeting of stockholders of Thermo Electron Corporation, a Delaware corporation, which will be held at Thermo's principal executive offices at 81 Wyman Street, Waltham, Massachusetts 02451, on August 30, 2006 at 10:00 a.m., local time, for the following purposes:

to consider and vote on a proposal to approve the issuance of Thermo common stock, par value \$1.00 per share, in connection with the merger contemplated by the Agreement and Plan of Merger, dated as of May 7, 2006, by and among Thermo, Trumpet Merger Corporation, a direct, wholly-owned subsidiary of Thermo, and Fisher Scientific International Inc., a copy of which is attached as Annex A to the joint proxy statement/ prospectus accompanying this notice;

to consider and vote on a proposal to amend the Amended and Restated Certificate of Incorporation of Thermo, to increase the authorized number of shares of Thermo common stock from 350,000,000 to 1.2 billion and to change the name of Thermo Electron Corporation upon the completion of the merger to Thermo Fisher Scientific Inc.;

to vote upon an adjournment of the Thermo special meeting, if necessary, to solicit additional proxies if there are not sufficient votes for each of the foregoing proposals; and

to transact any other business that may properly be brought before the Thermo special meeting or any adjournments or postponements thereof.

Please refer to the attached joint proxy statement/ prospectus for further information with respect to the business to be transacted at the Thermo special meeting.

The close of business on July 24, 2006 has been fixed as the record date for the determination of stockholders entitled to notice of, and to vote at, the Thermo special meeting or any adjournments or postponements thereof. Only holders of record of Thermo common stock at the close of business on the record date are entitled to notice of, and to vote at, the Thermo special meeting.

The issuance of Thermo common stock to Fisher stockholders requires the affirmative vote of holders of a majority of the Thermo common stock present or represented and entitled to vote on the proposal. Approval of the charter amendment requires the affirmative vote of holders of a majority of the outstanding shares of Thermo common stock entitled to vote on the proposal.

Your vote is important. Whether or not you expect to attend in person, we urge you to vote your shares as promptly as possible by (1) accessing the Internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Thermo special meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

A list of the holders of Thermo common stock entitled to vote at the Thermo special meeting will be available for examination by any Thermo stockholder, for any purpose germane to the Thermo special meeting, at Thermo's principal executive offices at 81 Wyman Street, Waltham, Massachusetts 02451, for ten days prior to the Thermo special meeting, between the hours of 9:00 a.m. and 3:00 p.m., and at the Thermo special meeting during the entire time thereof.

By Order of the Board of Directors,

Seth H. Hoogasian
Vice President, General Counsel and Secretary

Waltham, Massachusetts
July 25, 2006

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**Fisher Scientific International Inc.
One Liberty Lane
Hampton, New Hampshire 03842
(603) 926-5911**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held On August 30, 2006**

Dear Stockholders of Fisher Scientific International Inc.:

We are pleased to invite you to attend the special meeting of stockholders of Fisher Scientific International Inc., a Delaware corporation, which will be held at the Sheraton Dover Hotel, 1570 North DuPont Highway, Dover, Delaware, on August 30, 2006 at 10:00 a.m., local time, for the following purposes:

to consider and vote on a proposal to approve and adopt the Agreement and Plan of Merger, dated as of May 7, 2006, by and among Thermo Electron Corporation, Trumpet Merger Corporation, a direct, wholly-owned subsidiary of Thermo, and Fisher, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice;

to vote upon an adjournment of the Fisher special meeting, if necessary, to solicit additional proxies if there are not sufficient votes for the foregoing proposal; and

to transact any other business that may properly be brought before the Fisher special meeting or any adjournments or postponements thereof.

Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the Fisher special meeting.

The close of business on July 24, 2006 has been fixed as the record date for the determination of stockholders entitled to notice of, and to vote at, the Fisher special meeting or any adjournments or postponements thereof. Only holders of record of Fisher common stock at the close of business on the record date are entitled to notice of, and to vote at, the Fisher special meeting.

Approval and adoption of the Agreement and Plan of Merger requires the affirmative vote of holders of a majority of the outstanding shares of Fisher common stock entitled to vote on the proposal.

Your vote is important. Whether or not you expect to attend in person, we urge you to vote your shares as promptly as possible by (1) accessing the Internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Fisher special meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

A list of the holders of Fisher common stock entitled to vote at the Fisher special meeting will be available for examination by any Fisher stockholder, for any purpose germane to the Fisher special meeting, at Fisher's principal executive offices at One Liberty Lane, Hampton, New Hampshire 03842, for ten days prior to the Fisher special meeting, between the hours of 9:00 a.m. and 3:00 p.m., and at the Fisher special meeting during the entire time thereof.

By Order of the Board of Directors,

Paul M. Meister
Vice Chairman of the Board

Hampton, New Hampshire
July 25, 2006

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ADDITIONAL INFORMATION

This document incorporates important business and financial information about Thermo and Fisher from other documents that are not included in or delivered with this document. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this document by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Thermo Electron Corporation

81 Wyman Street
Waltham, Massachusetts 02451
(781) 622-1000
Attn: Investor Relations

Fisher Scientific International Inc.

One Liberty Lane
Hampton, New Hampshire 03842
(603) 926-5911
Attn: Investor Relations

Or

Or

D.F. King & Co., Inc.

48 Wall Street
New York, New York 10005
(800) 848-3416

MacKenzie Partners, Inc.

105 Madison Avenue
New York, New York 10016
(800) 322-2885

Innisfree M&A Incorporated

501 Madison Avenue
New York, NY 10022
(888) 750-5835

Investors may also consult Thermo's or Fisher's website for more information concerning the merger described in this document. Thermo's website is www.thermo.com. Fisher's website is www.fisherscientific.com. Information included on either website is not incorporated by reference into this document.

If you would like to request any documents, please do so by August 23, 2006 in order to receive them before the meetings.

For more information, see Where You Can Find More Information beginning on page 89.

You should rely only on the information contained or incorporated by reference into this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated July 25, 2006. You should not assume that the information contained in, or incorporated by reference into, this document is accurate as of any date other than that date. Neither our mailing of this document to Thermo stockholders or Fisher stockholders nor the issuance by Thermo of common stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this document regarding Thermo has been provided by Thermo and information contained in this document regarding Fisher has been provided by Fisher.

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QUESTIONS AND ANSWERS

The following are some questions that you, as a stockholder of Thermo or Fisher, may have regarding the merger and the other matters being considered at the stockholders' meetings and the answers to those questions. Thermo and Fisher urge you to read carefully the remainder of this document because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the stockholders' meetings. Additional important information is also contained in the annexes to and the documents incorporated by reference into this document.

Q: Why am I receiving this document?

A: Thermo and Fisher have agreed to the combination of Fisher with Thermo under the terms of a merger agreement that is described in this document. A copy of the merger agreement is attached to this document as Annex A. In order to complete the merger, Thermo stockholders must vote to approve the issuance of shares of Thermo common stock in connection with the merger and to approve an amendment to Thermo's charter to, among other things, increase the number of shares of Thermo common stock authorized for issuance, and Fisher stockholders must vote to approve and adopt the merger agreement.

Thermo and Fisher will hold separate stockholders' meetings to obtain these approvals. This document contains important information about the merger and the meetings of the respective stockholders of Thermo and Fisher, and you should read it carefully. The enclosed voting materials allow you to vote your shares without attending your respective stockholders' meeting.

Your vote is important. We encourage you to vote as soon as possible.

Q: When and where will the stockholders' meetings be held?

A: The Thermo special meeting will be held at, Thermo's principal executive offices at 81 Wyman Street, Waltham, Massachusetts 02451 on August 30, 2006 at 10:00 a.m., local time. The Fisher special meeting will be held at the Sheraton Dover Hotel, 1570 North DuPont Highway, Dover, Delaware, on August 30, 2006 at 10:00 a.m., local time.

Q: How do I vote?

A: If you are a stockholder of record of Thermo as of the record date for the Thermo special meeting or a stockholder of record of Fisher as of the record date for the Fisher special meeting, you may vote in person by attending your stockholders' meeting or, to ensure your shares are represented at the meeting, you may vote by:

- accessing the Internet website specified on your proxy card;

calling the toll-free number specified on your proxy card; or

signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold Thermo shares or Fisher shares in the name of a bank or broker, please follow the voting instructions provided by your bank or broker to ensure that your shares are represented at your stockholders' meeting.

Q: What will happen if I fail to vote or I abstain from voting?

A: If you are a Thermo stockholder and fail to vote or vote to abstain:

it will have the same effect as a vote against the Thermo charter amendment proposal, which is necessary to complete the merger; and

it will have no effect on the proposal to approve the issuance of shares of Thermo common stock in the merger, assuming a quorum is present.

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If you are a Fisher stockholder and fail to vote or vote to abstain:

it will have the same effect as a vote against the proposal to approve and adopt the merger agreement.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If you hold your shares in a stock brokerage account or if your shares are held by a bank or nominee (that is, in street name), you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to Thermo or Fisher or by voting in person at your stockholders' meeting unless you provide a legal proxy, which you must obtain from your bank or broker. Further, brokers who hold shares of Thermo or Fisher common stock on behalf of their customers may not give a proxy to Thermo or Fisher to vote those shares without specific instructions from their customers.

If you are a Thermo stockholder and you do not instruct your broker on how to vote your shares:

your broker may not vote your shares on the Thermo charter amendment proposal, which will have the same effect as a vote against the Thermo charter amendment proposal; and

your broker may not vote your shares on the proposal to approve the issuance of shares of Thermo common stock in the merger, which will have no effect on the vote on this proposal, assuming a quorum is present.

If you are a Fisher stockholder and you do not instruct your broker on how to vote your shares:

your broker may not vote your shares, which will have the same effect as a vote against the proposal to approve and adopt the merger agreement.

Q: What will happen if you return your proxy card without indicating how to vote?

A: If you return your proxy card without indicating how to vote on any particular proposal, the Thermo or Fisher common stock represented by your proxy will be voted in favor of that proposal.

Q: Can I change my vote after I have returned a proxy or voting instruction card?

A: Yes. You can change your vote at any time before your proxy is voted at your stockholders' meeting. You can do this in one of three ways:

you can send a signed notice of revocation;

you can grant a new, valid proxy bearing a later date; or

if you are a holder of record, you can attend your stockholders' meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person, but your attendance alone will not revoke any proxy that you have previously given.

If you choose either of the first two methods, you must submit your notice of revocation or your new proxy to the Secretary of Thermo or Fisher, as appropriate, no later than the beginning of the applicable stockholders' meeting. If your shares are held in street name by your bank or broker, you should contact your broker to change your vote.

Q: What do I need to do now?

A: Carefully read and consider the information contained in and incorporated by reference into this document, including its annexes.

In order for your shares to be represented at your stockholders' meeting:

you can attend your stockholders' meeting in person;

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you can vote through the Internet or by telephone by following the instructions included on your proxy card; or

you can indicate on the enclosed proxy card how you would like to vote and return the proxy card in the accompanying pre-addressed postage paid envelope.

Q: Should I send in my Fisher stock certificates now?

A: No. Fisher stockholders should not send in any stock certificates now. After the merger is completed, Thermo's exchange agent will send former Fisher stockholders a letter of transmittal explaining what they must do to exchange their Fisher stock certificates for the merger consideration payable to them.

If you are a Thermo stockholder, you are not required to take any action with respect to your Thermo stock certificates.

Q: Who can help answer my questions?

A: Thermo or Fisher stockholders who have questions about the merger or the other matters to be voted on at the stockholders' meetings or desire additional copies of this document or additional proxy cards should contact:

if you are a Thermo stockholder:

if you are a Fisher stockholder:

D.F. King & Co., Inc.
48 Wall Street
New York, New York 10005
(800) 848 3416

MacKenzie Partners, Inc.
105 Madison Avenue
New York, New York 10016
(800) 322 2885

Innisfree M&A Incorporated
501 Madison Avenue
New York, NY 10022
(888) 750 5835

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SUMMARY

This summary highlights information contained elsewhere in this document and may not contain all the information that is important to you. Thermo and Fisher urge you to read carefully the remainder of this document, including the attached annexes, and the other documents to which we have referred you because this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the applicable stockholders' meeting. See also the section entitled "Where You Can Find More Information" beginning on page 89. We have included page references to direct you to a more complete description of the topics presented in this summary.

The Merger and the Merger Agreement

The Merger (See page 17)

A copy of the merger agreement is attached as Annex A to this document. Thermo and Fisher encourage you to read the entire merger agreement carefully because it is the principal document governing the merger.

Form of Merger (See page 17)

Subject to the terms and conditions of the merger agreement, at the effective time of the merger, Trumpet Merger Corporation, a direct, wholly-owned subsidiary of Thermo formed for the purposes of the merger, will be merged with and into Fisher. Fisher will survive the merger as a direct, wholly-owned subsidiary of Thermo. After the merger, Thermo will be called "Thermo Fisher Scientific Inc.," referred to in this document as the combined company.

Consideration to be Received in the Merger; Treatment of Stock Options (See page 17)

Fisher stockholders will receive 2.0 shares of Thermo common stock for each share of Fisher common stock they hold. The exchange ratio is fixed and will not be adjusted for changes in the market value of the common stock of Fisher or Thermo. Because of this, the implied value of the consideration to Fisher stockholders will fluctuate between now and the completion of the merger. Based on the closing price of Thermo common stock on the New York Stock Exchange, or NYSE, on May 5, 2006, the last trading day before public announcement of the merger, the 2.0 exchange ratio represented approximately \$78.90 in value for each share of Fisher common stock. Based on the closing price of Thermo common stock on the NYSE on July 24, 2006, the latest practicable date before the date of this document, the 2.0 exchange ratio represented approximately \$70.44 in value for each share of Fisher common stock.

Material U.S. Federal Income Tax Consequences of the Merger (See page 47)

The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. Assuming the merger qualifies as such a reorganization, for U.S. federal income tax purposes, holders of Fisher common stock whose shares of Fisher common stock are exchanged in the merger for shares of Thermo common stock will not recognize gain or loss. It is a condition to the completion of the merger that Thermo and Fisher receive written opinions from their respective counsel to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Neither Thermo nor Fisher intends to waive this closing condition. In the event that either Thermo or Fisher waives receipt of such opinion from its counsel, however, Thermo and Fisher will resolicit the approval of its stockholders after providing appropriate disclosure.

Tax matters are very complicated and the tax consequences of the merger to each Fisher stockholder will depend on such stockholder's particular facts and circumstances. **Fisher stockholders are urged to consult their tax advisors to understand fully the tax consequences to them of the merger.**

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Recommendations of the Boards of Directors

Thermo (See page 22)

After careful consideration, the Thermo board of directors, on May 7, 2006, unanimously approved the merger agreement. For the factors considered by the Thermo board of directors in reaching its decision to approve the merger agreement, see the section entitled *The Merger Thermo's Reasons for the Merger; Recommendation of the Stock Issuance and Thermo Charter Amendment Proposals by the Thermo Board of Directors* beginning on page 22. **The Thermo board of directors unanimously recommends that the Thermo stockholders vote FOR the proposal to approve the issuance of Thermo common stock in the merger and FOR the Thermo charter amendment proposal at the Thermo special meeting.**

Fisher (See page 23)

After careful consideration, the Fisher board of directors, on May 7, 2006, unanimously approved and adopted the merger agreement. For the factors considered by the Fisher board of directors in reaching its decision to approve and adopt the merger agreement, see the section entitled *The Merger Fisher's Reasons for the Merger; Recommendation of the Merger by the Fisher Board of Directors* beginning on page 23. **The Fisher board of directors unanimously recommends that the Fisher stockholders vote FOR the proposal to approve and adopt the merger agreement at the Fisher special meeting.**

Opinions of Financial Advisors

Thermo (See page 26)

Thermo's financial advisor, Lehman Brothers Inc., delivered its opinion to the Thermo board of directors that, as of the date of the fairness opinion and based upon and subject to the factors and assumptions set forth therein, the exchange ratio to be paid by Thermo in the merger was fair from a financial point of view to Thermo.

The full text of the written opinion of Lehman Brothers, dated May 7, 2006, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinions, is attached as Annex B. Lehman Brothers provided its opinion for the information and assistance of the Thermo board of directors in connection with its consideration of the merger. The Lehman Brothers opinion is not a recommendation as to how any holder of Thermo common stock or Fisher common stock should vote on, or take any action with respect to, the merger.

Fisher (See page 33)

Fisher's financial advisors, Goldman, Sachs & Co., which is referred to as Goldman Sachs, and Lazard Frères & Co. LLC, which is referred to as Lazard, each delivered its respective opinion to the Fisher board of directors that, as of the date of the fairness opinion and based upon and subject to the factors and assumptions set forth therein, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders of Fisher common stock.

The full text of the written opinions of Goldman Sachs and Lazard, each dated May 7, 2006, which both set forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with their opinions, are attached as Annex C and Annex D, respectively. Goldman Sachs and Lazard provided their opinions for the information and assistance of the Fisher board of directors in connection with its consideration of the merger. The Goldman Sachs and Lazard opinions are not recommendations as to how any holder of Fisher common stock or Thermo common stock should vote on, or take any action with respect to, the merger.

Financial Interests of Directors and Officers in the Merger (See page 42)

Some of the members of Thermo's and Fisher's management and the non-employee directors of their boards of directors have interests in the merger that are in addition to, or different from, the interests of

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Thermo and Fisher stockholders generally. The executive officers of Thermo and Fisher have existing agreements with Thermo or Fisher, as applicable, that provide for severance benefits in connection with termination of employment following a change in control of Thermo or Fisher. Some of Thermo's and Fisher's compensation and benefits plans provide for payment or accelerated vesting or distribution of the rights or benefits thereunder upon a change in control of Thermo or Fisher, as applicable.

The Thermo and Fisher boards of directors were aware of these interests and considered them, among other matters, in approving the merger agreement and the transactions contemplated by the merger agreement.

Directors and Management Following the Merger (See page 46)

Following the merger, the board of directors of the combined company will consist of eight directors. The board will be comprised of Marijn E. Dekkers, Jim P. Manzi, Peter Manning, Michael E. Porter, Elaine S. Ullian and Paul M. Meister and two additional independent directors to be designated by Fisher.

Following the merger, Mr. Dekkers will serve as President and Chief Executive Officer and Mr. Meister will serve as non-executive Chairman of the board of directors, of the combined company.

Regulatory Approvals Required for the Merger (See page 49)

Thermo and Fisher have each agreed to use our reasonable best efforts in order to obtain all regulatory approvals required in order to consummate the merger. These approvals include antitrust filings with the U.S. Department of Justice and the U.S. Federal Trade Commission and expiration or termination of the required waiting periods, as well as the approval of the European Commission. We also expect to file notices with antitrust and competition authorities in other jurisdictions. Although we do not expect regulatory authorities to raise any significant objections in connection with their review of the merger, we cannot assure you that we will obtain all required regulatory approvals or that these regulatory approvals will not contain terms, conditions or restrictions that would be detrimental to the combined company after the completion of the merger.

Expected Timing of the Merger (See page 52)

We currently expect to complete the merger in the fourth quarter of 2006, subject to receipt of required stockholder and regulatory approvals.

Conditions to Completion of the Merger (See page 52)

The obligations of Fisher and Thermo to complete the merger are subject to the satisfaction of the following conditions:

the adoption of the merger agreement by Fisher stockholders;

the approval of the issuance of Thermo common stock in the merger and the Thermo charter amendment proposal by Thermo stockholders;

the termination or expiration of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act, all required notifications and filings under Council Regulation (EC) 139/2004 of the European Community, which we refer to as the ECMR;

the receipt of other requisite regulatory approvals, unless failure to obtain them would not, individually or in the aggregate, have a material adverse effect on Fisher and its subsidiaries, taken as a whole, or Thermo and its subsidiaries, taken as a whole (after giving effect to the merger);

no judgment or other legal prohibition of any court or other governmental entity shall be in effect that prohibits the completion of the merger;

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the Securities and Exchange Commission, which we refer to as the SEC, having declared effective the registration statement of which this document forms a part; and

the authorization for listing by the NYSE of the Thermo common stock issuable to Fisher stockholders in the merger.

In addition, each of Fisher's and Thermo's obligation to complete the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of the other party being true and correct, subject to the material adverse effect standard provided in the merger agreement;

the other party having performed or complied with, in all material respects, all obligations required to be performed or complied with by it under the merger agreement;

the other party and its respective subsidiaries, taken as a whole, not having suffered any material adverse effect, as defined in the merger agreement;

the receipt of an officer's certificate executed by each of the other party's Chief Executive Officer and Chief Financial Officer stating that the three preceding conditions have been satisfied; and

the receipt of an opinion of that party's counsel to the effect that the merger will qualify as a reorganization under the Code.

Termination of the Merger Agreement (See page 53)

Thermo and Fisher can jointly agree to terminate the merger agreement at any given time. Either company may also terminate the merger agreement if the merger is not completed by May 7, 2007 or under other circumstances described in this document. See the section entitled "The Merger Agreement - Termination of the Merger Agreement" beginning on page 53 for a discussion of each of Thermo's and Fisher's rights to terminate the merger agreement.

Expenses and Termination Fees (See page 54)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this document. See the section entitled "The Merger Agreement - Termination Fee" beginning on page 54 for a complete discussion of the circumstances under which termination fees will be required to be paid.

Accounting Treatment (See page 48)

Thermo prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which is referred to as GAAP. The merger will be accounted for using the purchase method of accounting. As discussed under "Accounting Treatment" on page 48, based upon the terms of the exchange and other factors, such as the composition of the combined company's board and senior management, Thermo is considered to be the acquirer of Fisher for accounting purposes. This means that Thermo will allocate the purchase price to the fair value of Fisher's assets and liabilities at the acquisition date, with the excess purchase price being recorded as goodwill. Under the purchase method of accounting, goodwill is not amortized but is tested for impairment at least annually.

Appraisal Rights (See page 51)

Under Delaware law, the holders of Fisher common stock are not entitled to appraisal rights in connection with the merger.

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The Special Meetings

The Thermo Special Meeting (See page 70)

The Thermo special meeting will be held at Thermo's principal executive offices at 81 Wyman Street, Waltham, Massachusetts 02451, at 10:00 a.m., local time, on August 30, 2006. At the Thermo special meeting, Thermo stockholders will be asked to:

approve the issuance of Thermo common stock in the merger;

approve the Thermo charter amendment proposal, which will, effective upon the completion of the merger, increase the authorized number of shares of Thermo common stock from 350,000,000 to 1.2 billion and change the name of Thermo to Thermo Fisher Scientific Inc.;

vote upon an adjournment of the Thermo special meeting, if necessary, to solicit additional proxies if there are not sufficient votes for each of the foregoing proposals; and

transact any other business that may properly be brought before the Thermo special meeting or any adjournments or postponements thereof.

You may vote at the Thermo special meeting if you owned shares of Thermo common stock at the close of business on July 24, 2006. On that date there were 157,567,431 shares of Thermo common stock outstanding, less than 1% of which were owned and entitled to be voted by Thermo directors and executive officers and their affiliates. We currently expect that Thermo's directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreements obligating them to do so.

You can cast one vote for each share of Thermo common stock you own. The proposals require different percentages of votes in order to approve them:

The issuance of Thermo common stock to Fisher stockholders requires approval by an affirmative vote of holders of a majority of the Thermo common stock present or represented and entitled to vote on the proposal.

The Thermo charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Thermo common stock entitled to vote on the proposal.

Approval of the proposal to adjourn the Thermo special meeting, if necessary, for the purpose of soliciting additional proxies requires that the votes cast favoring the proposal exceed the votes cast opposing the proposal.

The Fisher Special Meeting (See page 73)

The Fisher special meeting will be held at the Sheraton Dover Hotel, 1570 North DuPont Highway, Dover, Delaware, at 10:00 a.m., local time, on August 30, 2006. At the Fisher special meeting, Fisher stockholders will be asked to:

approve and adopt the merger agreement;

vote upon an adjournment of the Fisher special meeting, if necessary, to solicit additional proxies if there are not sufficient votes for the foregoing proposal; and

transact any other business that may properly be brought before the Fisher special meeting or any adjournments or postponements thereof.

You may vote at the Fisher special meeting if you owned shares of Fisher common stock at the close of business on July 24, 2006. On that date there were 124,418,449 shares of Fisher common stock outstanding, approximately 1.5% of which were owned and entitled to be voted by Fisher directors and executive officers and their affiliates. We currently expect that Fisher's directors and executive officers will vote their shares in favor of the merger, although none of them has entered into any agreements obligating them to do so.

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You can cast one vote for each share of Fisher common stock you own. The proposals require different percentages of votes in order to approve them:

Approval and adoption of the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of Fisher common stock entitled to vote on the proposal.

Approval of the proposal to adjourn the Fisher special meeting, if necessary, for the purpose of soliciting additional proxies requires that the votes cast favoring the proposal exceed the votes cast opposing the proposal.

The Companies

Thermo (See page 61)

Thermo Electron Corporation
81 Wyman Street
Waltham, Massachusetts 02451
Telephone: (781) 622-1000

Thermo Electron Corporation is a world-wide provider of analytical instruments that enable customers to make the world a healthier, cleaner and safer place. Thermo provides analytical instruments, scientific equipment, services and software solutions for life science, drug discovery, clinical, environmental and industrial laboratories, as well as for use in a variety of manufacturing processes and in-the-field applications including those associated with safety and homeland security.

Thermo, a Delaware corporation, was founded in 1956 by Dr. George N. Hatsopoulos in Massachusetts. The company completed its initial public offering in 1967 and was listed on the NYSE in 1980.

Fisher (See page 61)

Fisher Scientific International Inc.
One Liberty Lane
Hampton, New Hampshire 03842
Telephone: (603) 926-5911

Fisher Scientific International Inc. is a leading manufacturer and supplier of products and services principally to the scientific-research and clinical laboratory markets. Fisher serves pharmaceutical and biotechnology companies; colleges and universities; medical-research institutions; hospitals; reference, quality-control, process-control and research and development labs in various industries; as well as government agencies. From biochemicals, cell-culture media and proprietary RNAi technology to rapid-diagnostic tests, safety products and other consumable supplies, Fisher offers an array of products and services. This broad offering, combined with Fisher's global supply chain and sales and marketing capabilities, helps make Fisher's customers more efficient and effective.

Fisher was founded in 1902 by Chester G. Fisher in Pittsburgh, Pennsylvania. In 1991 Fisher was incorporated as a Delaware corporation and became a public company whose shares are listed on the NYSE. Fisher is a Fortune 500 company and a component of the S&P 500, Russell 1000 and MSCI World indices.

Recent Developments

Thermo Stock Repurchases

Starting in mid-May 2006, Thermo, pursuant to its existing \$300 million board authorized stock repurchase program, commenced repurchasing shares of its common stock in open market transactions. These purchases ended on June 16, 2006.

Table of Contents**Selected Historical Financial Data of Thermo**

The following tables set forth selected historical financial data of Thermo. The selected statement of operations data for the fiscal years 2005, 2004, and 2003 and the selected balance sheet data as of December 31, 2005 and December 31, 2004 are derived from Thermo's audited consolidated financial statements incorporated by reference into this document. The selected statement of operations data for fiscal years 2002 and 2001 and the selected balance sheet data as of December 31, 2003, December 28, 2002 and December 29, 2001 are derived from Thermo's consolidated financial statements not included or incorporated by reference into this document. The selected statement of operations data for the three months ended April 1, 2006 and April 2, 2005 and the selected balance sheet data as of April 1, 2006 have been derived from Thermo's unaudited consolidated financial statements incorporated by reference into this document. The interim consolidated financial data, in the opinion of management, reflect all adjustments of a normal recurring nature necessary for a fair statement of Thermo's financial position and results of operations at the dates and for the periods indicated. The results of operations for the three months ended April 1, 2006 may not be indicative of the results to be expected for the year ending December 31, 2006 or any other interim period.

Thermo's historical financial data may not be indicative of the results of operations or financial position to be expected in the future.

The selected consolidated financial data should be read together with Thermo's consolidated financial statements and the related notes to those financial statements and the Management's Discussion and Analysis of Financial Condition and Results of Operations section included in Thermo's Annual Report on Form 10-K for the year ended December 31, 2005 and its Quarterly Report on Form 10-Q for the quarter ended April 1, 2006, which have been filed with the SEC and are incorporated by reference into this document.

| | Three Months Ended | | Fiscal Year Ended | | | | |
|--|---------------------------|-------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | April 1, 2006(a) | April 2, 2005(b) | December 31, 2005(c) | December 31, 2004(d) | December 31, 2003(e) | December 28, 2002(f) | December 29, 2001(g) |
| (In millions, except per share amounts) | | | | | | | |
| Statement of Operations Data | | | | | | | |
| Revenues | \$ 684.3 | \$ 559.2 | \$ 2,633.0 | \$ 2,206.0 | \$ 1,899.4 | \$ 1,849.4 | \$ 1,916.2 |
| Operating Income | 67.8 | 59.7 | 263.5 | 237.5 | 187.4 | 169.9 | 82.4 |
| Income from Continuing Operations | 43.6 | 45.6 | 198.3 | 218.4 | 175.2 | 203.4 | 76.0 |
| Net Income (Loss) | 46.9 | 48.9 | 223.2 | 361.8 | 200.0 | 309.7 | (0.8) |
| Earnings per Share from Continuing Operations: | | | | | | | |
| Basic | .27 | .28 | 1.23 | 1.34 | 1.08 | 1.21 | .42 |
| Diluted | .26 | .28 | 1.21 | 1.31 | 1.05 | 1.17 | .41 |
| Earnings (Loss) per Share: | | | | | | | |
| Basic | .29 | .30 | 1.38 | 2.22 | 1.23 | 1.84 | |
| Diluted | .28 | .30 | 1.36 | 2.17 | 1.20 | 1.73 | |

Balance Sheet
Data (at end of
period)

| | | | | | | |
|-----------------|----------|----------|----------|----------|----------|----------|
| Working Capital | \$ 660.6 | \$ 562.2 | \$ 890.9 | \$ 710.5 | \$ 667.8 | \$ 823.2 |
| Total Assets | 4,240.7 | 4,251.6 | 3,576.7 | 3,389.3 | 3,651.5 | 3,825.1 |
| Long-term Debt | 469.2 | 468.6 | 226.1 | 229.5 | 451.3 | 727.5 |
| Shareholders | | | | | | |
| Equity | 2,874.0 | 2,793.3 | 2,665.6 | 2,381.7 | 2,030.3 | 1,908.1 |

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Through 2002, Thermo had a fiscal year end ending the Saturday nearest December 31. In 2003, Thermo changed its year end to December 31. The consolidated financial statements for fiscal year 2001 were audited by Arthur Andersen LLP, which has ceased operations. The results of Spectra-Physics, Inc., Thermo's optical technologies segment, which was sold in July 2004, have been reclassified to discontinued operations for all years presented.

- (a) Reflects \$5.3 million of pre-tax stock option compensation expense following the adoption of SFAS No. 123R, a \$3.6 million pre-tax charge for restructuring and other costs and after-tax income of \$3.3 million related to Thermo's discontinued operations.
- (b) Reflects \$0.3 million pre-tax income for restructuring and other income, net and after-tax income of \$3.3 million related to Thermo's discontinued operations.
- (c) Reflects a \$30.3 million pre-tax charge for restructuring and other costs; \$27.6 million of pre-tax net gains from the sale of shares of Thoratec Corporation and Newport Corporation; and after-tax income of \$24.9 million related to Thermo's discontinued operations. Also reflects use of cash and debt for acquisitions, principally the Kendro Laboratory Products business.
- (d) Reflects a \$19.2 million pre-tax charge for restructuring and other costs; \$9.6 million of pre-tax gains from the sale of shares of Thoratec; \$33.8 million of tax benefits recorded on completion of tax audits; after-tax income of \$143.5 million related to Thermo's discontinued operations; and the repurchase of \$231.5 million of Thermo's common stock.
- (e) Reflects a \$45.3 million pre-tax charge for restructuring and other costs; \$16.3 million of pre-tax gains from the sale of shares of Thoratec; \$13.7 million of pre-tax gains from the sale of shares of FLIR Systems, Inc.; after-tax income of \$24.8 million related to Thermo's discontinued operations; and the repurchase and redemption of \$356.9 million of Thermo's debt and equity securities.
- (f) Reflects a \$46.2 million pre-tax charge for restructuring and other costs; \$111.4 million of pre-tax gains from the sale of shares of FLIR; after-tax income of \$106.3 million related to Thermo's discontinued operations; the repurchase and redemption of \$924.9 million of Thermo's debt and equity securities; and the reclassification of Thermo's \$71.9 million principal amount 3/8 % subordinated convertible debentures from long-term obligations to current liabilities as a result of Thermo's decision to redeem them in April 2003. Also reflects the adoption of SFAS No. 142, under which amortization of goodwill ceased.
- (g) Reflects a \$107.4 million pre-tax charge for restructuring and other costs; \$38.3 million of goodwill amortization expense; \$35.1 million of pre-tax gains from the sale of shares of FLIR; an after-tax loss of \$75.8 million related to Thermo's discontinued operations; and a \$1.0 million after-tax charge reflecting the cumulative effect of a change in accounting principle for the adoption of SFAS No. 133.

Table of Contents**Selected Historical Financial Data of Fisher**

The following selected consolidated financial information of Fisher as of and for the five-year period ended December 31, 2005 is derived from either (i) the audited consolidated financial statements or (ii) the selected financial data included in Fisher's Current Report on Form 8-K filed on May 11, 2006 to reflect the account balances and activities of the laboratory workstations business as discontinued operations. The selected consolidated financial information as of March 31, 2006 and for the three-month periods ended March 31, 2006 and March 31, 2005 is derived from the unaudited consolidated financial statements included in Fisher's quarterly report on Form 10-Q for the period ended March 31, 2006, and in the opinion of Fisher's management, includes all normal and recurring adjustments that are considered necessary for the fair presentation of the results for the interim period. The operating results for the three-month period ended March 31, 2006 are not necessarily indicative of the results to be expected for the full year or any other interim period. The selected historical financial data is only a summary, and should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes contained in the Fisher Current Report on Form 8-K filed on May 11, 2006, and the quarterly report on Form 10-Q for the quarter ended March 31, 2006, all of which have been filed with the SEC and are incorporated by reference into this document.

Fisher's historical financial data may not be indicative of the results of operations or financial position to be expected in the future.

| | Three Months Ended March 31, | | | Year Ended December 31, | | | |
|---|---|-------------|-------------|--------------------------------|-------------|-------------|-------------|
| | 2006 | 2005 | 2005 | 2004 | 2003 | 2002 | 2001 |
| (In millions, except per share amounts) | | | | | | | |
| Statement of Operations Data: | | | | | | | |
| Net sales | \$ 1,412.4 | \$ 1,306.8 | \$ 5,386.3 | \$ 4,458.8 | \$ 3,356.6 | \$ 3,052.2 | \$ 2,709.2 |
| Operating income(a) | 172.3 | 135.7 | 660.3 | 332.1 | 244.7 | 232.3 | 127.2 |
| Income from continuing operations before cumulative effect of accounting change | 106.2 | 76.0 | 374.2 | 193.6 | 68.8 | 88.4 | 14.0 |
| Income (loss) from discontinued operations(b) | (3.0) | 1.0 | 14.9 | (27.2) | 9.6 | (19.5) | 2.4 |
| Net income(c) | 103.2 | 77.0 | 389.1 | 166.4 | 78.4 | 50.6 | 16.4 |
| Per Share Data: | | | | | | | |
| Income from continuing operations: | | | | | | | |
| Basic | \$ 0.85 | \$ 0.63 | \$ 3.08 | \$ 2.25 | \$ 1.21 | \$ 1.62 | \$ 0.28 |
| Diluted | 0.81 | 0.60 | 2.93 | 2.10 | 1.13 | 1.53 | 0.26 |
| Income (loss) from discontinued operations(b): | | | | | | | |
| Basic | \$ (0.02) | \$ 0.01 | \$ 0.12 | \$ (0.32) | \$ 0.17 | \$ (0.36) | \$ 0.05 |
| Diluted | (0.02) | 0.01 | 0.12 | (0.30) | 0.16 | (0.34) | 0.05 |
| Cumulative effect of accounting changes: | | | | | | | |
| Basic | \$ | \$ | \$ | \$ | \$ | \$ (0.33) | \$ |
| Diluted | | | | | | (0.32) | |
| Net income(c): | | | | | | | |

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| | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---------|
| Basic | \$ 0.83 | \$ 0.64 | \$ 3.20 | \$ 1.93 | \$ 1.38 | \$ 0.93 | \$ 0.33 |
| Diluted | 0.79 | 0.61 | 3.05 | 1.80 | 1.29 | 0.87 | 0.31 |

Weighted average common
shares outstanding:

| | | | | | | | |
|---------|-------|-------|-------|------|------|------|------|
| Basic | 123.8 | 119.6 | 121.5 | 86.2 | 56.9 | 54.5 | 49.4 |
| Diluted | 130.6 | 126.0 | 127.5 | 92.2 | 60.6 | 57.9 | 53.0 |

**Balance Sheet Data (at end
of period):**

| | | | | | | |
|--------------------|------------|----------|----------|----------|----------|----------|
| Working capital(d) | \$ 1,095.3 | \$ 967.9 | \$ 714.1 | \$ 353.3 | \$ 162.9 | \$ 118.3 |
| Total assets | 8,583.8 | 8,445.7 | 8,109.1 | 2,862.9 | 1,887.6 | 1,856.1 |
| Long-term debt | 2,127.5 | 2,135.4 | 2,309.2 | 1,386.1 | 921.8 | 956.1 |

- (a) For the three-month period ended March 31, 2006, operating income includes the step up amortization of inventory to the acquired fair value related to the Company's acquisitions of \$0.2 million (\$0.1 million, net of tax), restructuring charges of \$0.4 million (\$0.3 million, net of tax), equity-based compensation expense resulting from the Company's adoption of FAS 123R in the first quarter of 2006 of \$14.3 million (\$9.2 million, net of tax), and acquisition, integration and other costs of \$0.9 million (\$0.5 million, net of tax). For the three-month period ended March 31, 2005, operating income includes the step up

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amortization charges of the fair value of inventory from the Apogent Technologies Inc. transaction of \$17.1 million (\$11.0 million, net of tax), restructuring charges of \$8.3 million (\$5.5 million, net of tax), asset impairment charges of \$0.5 million (\$0.3 million, net of tax), and acquisition and integration cost of \$10.6 million (\$7.0 million, net of tax). In 2005, operating income includes the step up amortization of inventory to the acquired fair value related to the Company's acquisition of Apogent in the amount of \$20.7 million (\$13.3 million, net of tax), the integration costs of \$23.6 million (\$16.1 million, net of tax), restructuring charges of \$22.4 million (\$14.9 million, net of tax) and long-lived asset impairment and related charges of \$8.6 million (\$5.5 million, net of tax). In 2004, operating income includes the step up charges of the fair value of inventory from the Apogent, Oxoid Group Holdings Ltd., Dharmacon Inc., and Perbio Science AB transactions of \$82.9 million (\$53.0 million, net of tax), integration costs of \$24.6 million (\$16.3 million, net of tax), restructuring charges of \$7.7 million (\$5.1 million, net of tax), a charitable contribution of \$6.0 million (\$3.8 million, net of tax), and impairment charges for goodwill and other long-lived assets of \$14.6 million (\$10.3 million, net of tax). Operating income also includes the step up charges of the fair value of inventory from the Perbio acquisition of \$17.4 million (\$11.0 million, net of tax) in 2003, restructuring credits relating to a reduction in estimated severance costs of \$2.2 million (\$1.4 million, net of tax) in 2002, and the restructuring and other charges of \$60.7 million (\$38.2 million, net of tax) in 2001.

- (b) Income from discontinued operations includes the activities of Atos Medical Holding AB, which was sold on April 5, 2005, as well as the results of the laboratory workstations business, which has met the criteria for discontinued operations presentation as of March 2006. For the three-month period ended March 31, 2006, loss from discontinued operations was \$4.7 million (\$3.0 million, net of tax). For the three-month period ended March 31, 2005, income from discontinued operations was \$1.2 million (\$1.0 million, net of tax). In 2005, income from discontinued operations comprised a gain on the disposal of \$25.4 million (\$17.0 million, net of tax) and loss on discontinued operations of \$2.0 million (\$2.1 million, net of tax). In 2004, loss from discontinued operations was \$45.1 million (\$27.2 million, net of tax). In 2003, income from discontinued operations was \$14.2 million (\$9.6 million, net of tax). In 2002, income from discontinued operations was \$13.1 million (\$8.3 million, net of tax). In 2001, income from discontinued operations was \$3.9 million (\$2.4 million, net of tax). Atos was acquired in September 2003 in connection with the Company's acquisition of Perbio Science.
- (c) For the three-month period ended March 31, 2006, net income includes the charges described in (a) above, (b) above and impairment of an investment of \$2.0 million (\$1.3 million, net of tax). For the three-month period ended March 31, 2005, net income includes the charges described in (a) above, (b) above and other income of \$0.5 million. In 2005, net income includes the charges described in (a) above, (b) above and debt refinancing and other related charges of \$71.3 million (\$45.6 million, net of tax), the gain on sale of investment of \$3.3 million (\$2.1 million, net of tax), other income of \$0.5 million, the gain on the termination of the interest rate swaps of \$5.3 million (\$3.4 million, net of tax) and a tax provision credit related to finalizing certain domestic tax audits and negotiations of \$6.8 million. In 2004, net income includes the charges described in (a) above, (b) above and debt refinancing charges of \$14.4 million (\$9.0 million, net of tax), the gain on sale of investment of \$22.7 million (\$21.5 million, net of tax), the charge for the termination of a foreign currency contract of \$2.2 million (\$1.4 million, net of tax), and a tax provision credit related to finalizing certain domestic and foreign tax audits and negotiations of \$10.9 million. Net income in 2003 includes the charges described in (a) above, (b) above and charges for call premiums of \$43.8 million (\$27.6 million, net of tax), the write-off of deferred financing fees of \$22.1 million (\$13.9 million, net of tax), and the purchase of options to hedge foreign currency exposure of \$15.7 million (\$9.9 million, net of tax) and charges for bridge financing fees for \$2.8 million (\$1.8 million, net of tax), each related to the Perbio acquisition. Net income in 2002 includes the amounts described in (a) above and includes a charge of \$11.2 million (\$7.1 million, net of tax) consisting of fixed-swap unwind costs of \$7.1 million and the write-off of deferred financing and other costs associated with the refinancing of our term debt of \$4.1 million.

(d) Working capital excludes the accounts of the laboratory workstations business and Atos Medical Holding AB.

Table of Contents**Summary Unaudited Pro Forma Condensed Combined Financial Statements**

The merger will be accounted for under the purchase method of accounting, which means the assets and liabilities of Fisher will be recorded, as of completion of the merger, at their respective fair values and added to those of Thermo. For a more detailed description of purchase accounting see Accounting Treatment on page 48.

The summary unaudited pro forma condensed combined financial information presented below reflects the purchase method of accounting and is for illustrative purposes only. The summary pro forma condensed combined information may have been different had the companies actually combined. The summary pro forma condensed combined financial information does not reflect the effect of asset dispositions, if any, or revenue, cost or other operating synergies that may result from the merger, nor does it reflect the effects of any financing, liquidity or other balance sheet repositioning that may be undertaken in connection with or subsequent to the merger. You should not rely on the summary pro forma condensed combined financial information as being indicative of the historical results that would have occurred had the companies been combined or the future results that may be achieved after the merger. The following pro forma condensed combined financial information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Financial Statements and related notes presented elsewhere in this document.

| | Three Months Ended April 1, 2006 | Year Ended December 31, 2005 |
|--|---|---|
| (In millions, except per share amounts) | | |
| Statement of Operations Data | | |
| Revenues | \$ 2,065.9 | \$ 8,026.3 |
| Operating Income | 95.0 | 323.9 |
| Income from Continuing Operations | 55.8 | 175.7 |
| Earnings per Share from Continuing Operations: | | |
| Basic | 0.14 | 0.43 |
| Diluted | 0.13 | 0.42 |

April 1, 2006**Balance Sheet Data**

| | |
|----------------------|------------|
| Working Capital | \$ 1,794.5 |
| Total Assets | 20,098.7 |
| Long-term Debt | 2,622.5 |
| Shareholders' Equity | 13,334.2 |

Table of Contents**Equivalent and Comparative Per Share Information**

We present below per common share data regarding the income and book value of Thermo and Fisher on both historical and unaudited pro forma condensed combined bases and on a per share equivalent unaudited pro forma condensed combined basis for Fisher. We have derived the unaudited pro forma condensed combined per share information from the unaudited pro forma condensed combined financial statements presented elsewhere in this document. You should read the information below in conjunction with the financial statements and accompanying notes of Thermo and Fisher that are incorporated by reference into this document and with the unaudited pro forma condensed combined information included under the section entitled Unaudited Pro Forma Condensed Combined Financial Statements.

| Thermo | Three Months Ended April 1, 2006 | Year Ended December 31, 2005 |
|------------------------------------|---|---|
| Basic earnings per common share | | |
| Historical | \$ 0.27 | \$ 1.23 |
| Pro forma | 0.14 | 0.43 |
| Diluted earnings per common share | | |
| Historical | 0.26 | 1.21 |
| Pro forma | 0.13 | 0.42 |
| Dividends declared on common stock | | |
| Historical | | |
| Pro forma | | |
| Book value per common share | | |
| Historical | 17.58 | 17.19 |
| Pro forma | 32.10 | |

| Fisher | Three Months Ended March 31, 2006 | Year Ended December 31, 2005 |
|------------------------------------|--|---|
| Basic earnings per common share | | |
| Historical | \$ 0.85 | \$ 3.08 |
| Equivalent pro forma | 0.27 | 0.87 |
| Diluted earnings per common share | | |
| Historical | 0.81 | 2.93 |
| Equivalent pro forma | 0.26 | 0.84 |
| Dividends declared on common stock | | |
| Historical | | |
| Equivalent pro forma | | |
| Book value per common share | | |
| Historical | 36.09 | 34.88 |
| Equivalent pro forma | 64.21 | |

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RISK FACTORS

*In addition to the other information included and incorporated by reference into this document, including the matters addressed in the section entitled **Cautionary Statement Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for adoption and approval of the merger agreement, in the case of Fisher stockholders, or for the issuance of shares of Thermo common stock in the merger and the Thermo charter amendments, in the case of Thermo stockholders. In addition, you should read and consider the risks associated with each of the businesses of Thermo and Fisher because these risks will also affect the combined company. These risks can be found in Thermo's Quarterly Report on Form 10-Q for the first quarter of 2006 and in the Fisher Current Report on Form 8-K filed on May 11, 2006, each of which are filed with the SEC and incorporated by reference into this document. You should also read and consider the other information in this document and the other documents incorporated by reference into this document. See the section entitled **Where You Can Find More Information** beginning on page 89.*

The exchange ratio is fixed and will not be adjusted in the event of any change in either Thermo's or Fisher's stock price.

Upon closing of the merger, each share of Fisher common stock will be converted into the right to receive 2.0 shares of Thermo common stock. This exchange ratio will not be adjusted for changes in the market price of either Thermo common stock or Fisher common stock. Changes in the price of Thermo common stock prior to the merger will affect the value that Fisher common stockholders will receive on the date of the merger. Stock price changes may result from a variety of factors (many of which are beyond our control), including the following factors:

changes in our businesses, operations and prospects;

changes in market assessments of the business, operations and prospects of either company;

market assessments of the likelihood that the merger will be completed, including related considerations regarding regulatory approval of the merger;

interest rates, general market and economic conditions and other factors generally affecting the price of Thermo's and Fisher's common stock; and

federal, state and local legislation, governmental regulation and legal developments in the businesses in which Fisher and Thermo operate.

The prices of Thermo common stock and Fisher common stock at the closing of the merger may vary from their respective prices on the date the merger agreement was executed, on the date of this document and on the date of the respective stockholder meetings. As a result, the value represented by the exchange ratio will also vary. For example, based on the range of closing prices of Thermo common stock during the period from May 5, 2006, the last trading day before public announcement of the merger, through July 24, 2006, the latest practicable date before the date of this document, the exchange ratio represented a value ranging from a high of \$78.90 to a low of \$68.00 for each share of Fisher common stock.

Because the date that the merger is completed may be later than the date of the stockholder meetings, at the time of your stockholder meeting, you will not know the exact market value of the Thermo common stock that Fisher stockholders will receive upon completion of the merger. You should consider the following two risks:

If the price of Thermo common stock increases between the date the merger agreement was signed or the date of the Thermo special meeting and the effective time of the merger, Fisher stockholders will receive shares of Thermo common stock that have a market value that is greater than the market value of such shares when the merger agreement was signed, and Thermo will pay more for shares of Fisher common stock than the value calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the Thermo annual meeting. Therefore, Thermo stockholders

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cannot be sure of the value of the consideration that will be paid to Fisher stockholders upon completion of the merger.

If the price of Thermo common stock declines between the date the merger agreement was signed or the date of the Fisher special meeting and the effective time of the merger, including for any of the reasons described above, Fisher stockholders will receive less value for their shares upon completion of the merger than they would have received based on the value calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the Fisher special meeting. Therefore, Fisher stockholders cannot be sure of the market value of the Thermo common stock they will receive upon completion of the merger or the market value of Thermo common stock at any time after the completion of the merger.

The combined company may be unable to integrate successfully the businesses of Thermo and Fisher and realize the anticipated benefits of the merger.

The merger involves the combination of two companies which currently operate as independent public companies. The combined company will be required to devote significant management attention and resources to integrating its business practices and operations. Potential difficulties the combined company may encounter in the integration process include the following:

- if we are unable to successfully combine the businesses of Thermo and Fisher in a manner that permits the combined company to achieve the cost savings and operating synergies anticipated to result from the merger, such anticipated benefits of the merger may not be realized fully or at all or may take longer to realize than expected;

- lost sales and customers as a result of certain customers of either of the two companies deciding not to do business with the combined company;

- complexities associated with managing the combined businesses;

- integrating personnel from diverse corporate cultures while maintaining focus on providing consistent, high quality products and customer service;

- potential unknown liabilities and unforeseen increased expenses or delays associated with the merger; and

- performance shortfalls at one or both of the two companies as a result of the diversion of management's attention to the merger.

In addition, Thermo and Fisher have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees, diversion of each company's management's attention, the disruption or interruption of, or the loss of momentum in, each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies, any of which could adversely affect our ability to maintain relationships with customers and employees or our ability to achieve the anticipated benefits of the merger, or could reduce our earnings or otherwise adversely affect the business and financial results of the combined company.

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Failure to complete the merger could negatively impact the stock prices and the future business and financial results of Fisher and Thermo.

If the merger is not completed, the ongoing businesses of Fisher or Thermo may be adversely affected and Fisher and Thermo will be subject to several risks, including the following:

being required, under certain circumstances under the merger agreement, to pay a termination fee of \$300 million, in the case of a payment by Fisher to Thermo, or \$200 million, in the case of a payment by Thermo to Fisher;

having to pay certain costs relating to the merger, such as legal, accounting, financial advisor and printing fees; and

the focus of management of each of the companies on the merger instead of on pursuing other opportunities that could be beneficial to the companies,

in each case, without realizing any of the benefits of having the merger completed. If the merger is not completed, Fisher and Thermo cannot ensure their stockholders that these risks will not materialize and will not materially affect the business, financial results and stock prices of Fisher or Thermo.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This document and the documents incorporated by reference into this document contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive positions, growth opportunities, plans and objectives of the management of each of Thermo, Fisher and the combined company, the merger and the markets for Thermo and Fisher common stock and other matters. Statements in this document and the documents incorporated by reference herein that are not historical facts are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act, and Section 27A of the Securities Act of 1933, as amended, which is referred to as the Securities Act. These forward-looking statements, including, without limitation, those relating to the future business prospects, revenues and income of Thermo and Fisher, wherever they occur in this document or the documents incorporated by reference herein, are necessarily estimates reflecting the best judgment of the respective managements of Thermo and Fisher and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in and incorporated by reference into this document.

Words such as estimate, project, plan, intend, expect, anticipate, believe, would, should, could expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this document, including in the section entitled Risk Factors beginning on page 13. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include those set forth in Thermo's and Fisher's filings with the SEC, including their respective Quarterly Reports on Form 10-Q for the first quarter of 2006. These important factors include risks and uncertainties relating to:

the ability to obtain regulatory approvals of the transaction on the proposed terms and schedule;

the risk that the businesses will not be integrated successfully;

the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected;

disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers;

competition and its effect on pricing, spending, third-party relationships and revenues;

the need to develop new products and adapt to significant technological change;

implementation of strategies for improving internal growth;

use and protection of intellectual property;

dependence on customers' capital spending policies and government funding policies;

realization of potential future savings from new productivity initiatives;

dependence on customers that operate in cyclical industries;

general worldwide economic conditions and related uncertainties;

the effect of changes in governmental regulations;

exposure to product liability claims in excess of insurance coverage; and

the effect of exchange rate fluctuations on international operations.

The parties undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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THE MERGER

The following is a discussion of the proposed merger and the merger agreement. This is a summary only and may not contain all of the information that is important to you. A copy of the merger agreement is attached to this document as Annex A and is incorporated by reference herein. Thermo and Fisher stockholders are urged to read this entire document, including the merger agreement, for a more complete understanding of the merger.

Effect of the Merger; Consideration to be Received in the Merger; Treatment of Stock Options and Other Equity-Based Awards

Under the merger agreement, Trumpet Merger Corporation, a direct, wholly-owned subsidiary of Thermo, will merge with and into Fisher, with Fisher continuing as the surviving corporation. As a result of the merger, Fisher will become a direct, wholly-owned subsidiary of Thermo.

At the effective time of the merger, each share of Fisher common stock issued and outstanding immediately prior to the effective time of the merger, excluding shares of Fisher common stock owned by Fisher, Thermo or Trumpet Merger Corporation, will be converted into the right to receive 2.0 shares of Thermo common stock.

The Thermo charter amendment will, among other things, increase the number of shares of Thermo's authorized common stock from 350,000,000 to 1.2 billion shares, and its approval is a condition to the completion of the merger. Without this increase, Thermo would be unable to complete the merger as it would not have sufficient unissued and unreserved shares to issue and reserve for issuance the shares of common stock required to be issued and reserved for issuance under the merger agreement, and which may be issuable following completion of the merger in connection with Fisher's convertible debentures and under Thermo's and Fisher's equity plans. In determining that an increase in authorized common stock of the combined company to 1.2 billion authorized shares was appropriate, Thermo considered, in addition to the stock issuances described in the preceding sentence, the desire for flexibility to effect any stock splits in the future based on market conditions.

Background of the Merger

Each of Thermo's and Fisher's board of directors has from time to time in recent years engaged with senior management in strategic reviews, and considered ways to enhance its company's performance and prospects in light of the business and economic environment. For each company these reviews have included consideration of potential transactions with third parties that would further its strategic objectives, and the potential benefits and risks of those transactions. With respect to both Thermo and Fisher, these strategic reviews have on several occasions related to informal exploratory discussions regarding potential strategic transactions, including possible business combinations, with other companies in the life sciences/healthcare industry.

Thermo and Fisher have for many years had a significant commercial relationship involving Fisher's distribution of a substantial variety of Thermo products. As a result of this relationship, the companies and their senior managements have become well known to one another. Discussions between Thermo and Fisher's senior managements in recent years have from time to time included informal discussions of the potential strategic advantages of a possible combination of the two companies, as well as other potential transactions and joint ventures. For example, during 2004 and 2005 Thermo and Fisher had periodic, preliminary discussions regarding potential transactions involving the purchase and sale of certain business units owned by the other, and in 2005 conducted preliminary due diligence with respect to one such proposed transaction. Also in 2005 the companies had preliminary discussions about forming a joint venture to partner in the pursuit of a significant acquisition transaction. Each of these discussions, however, remained exploratory and none led to any transaction.

Beginning in mid-2005, representatives of senior management of Thermo and Fisher occasionally discussed in general terms their respective companies, the complementary aspects of their businesses and the

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potential benefits that a strategic business combination of Thermo and Fisher could provide, including cost and revenue related synergies and the related potential benefits to stockholders, customers and other important constituents of both companies. However, these discussions remained preliminary and ultimately were not pursued.

Beginning in October 2005, representatives of Fisher senior management and representatives of senior management of another company in the healthcare industry, referred to as Company A, had intermittent informal discussions regarding a possible strategic business combination. In late January 2006, representatives of senior management of Company A and Fisher met to exchange views with respect to a possible strategic business combination. However, no commitment to explore a transaction resulted from the meeting.

In early February 2006, representatives of senior management of Thermo and Fisher again discussed generally a possible combination of Thermo and Fisher.

On March 1, 2006, at a meeting of the Fisher board of directors, senior management of Fisher updated the board as to its informal discussions with Company A. At such meeting a variety of differing views were expressed as to the potential merits and challenges posed by a business combination with Company A. The meeting of the Fisher board also included its review and discussion of other strategic alternatives potentially available to Fisher, including a discussion relating to the possibility of a transaction with Thermo.

Also, in early March 2006, representatives of senior management of Fisher and of another company in the healthcare industry, referred to as Company B, discussed potential areas of business collaboration. These discussions did not relate to a potential business combination transaction.

In mid-March 2006, representatives of senior management of Company A and Fisher had further discussions as to the potential strategic merits and terms of a business combination. Thereafter, until mid-April 2006, Fisher and Company A and their respective legal and financial advisors engaged in mutual due diligence and continued discussions regarding a possible business combination transaction.

In early April 2006, representatives of senior management of Thermo and Fisher resumed their previous informal discussions as to a possible combination of Thermo and Fisher. Representatives of Fisher advised Thermo that Fisher was engaged in discussions with another party relating to a potential strategic combination. They agreed that both Thermo and Fisher had made significant progress in completing the respective business and acquisition strategies previously undertaken by each company and that it was appropriate in the current circumstances to give more consideration to whether a mutually agreeable transaction structure for a combination of Thermo and Fisher might be developed, and discussed generally the possible structure and terms of such a combination.

In early April 2006, in connection with further discussions with Company B regarding potential areas of business collaboration, representatives of senior management of Company B indicated to representatives of Fisher that Company B would be interested in exploring a strategic business combination transaction with Fisher. In light of the discussions with Company A and developments in discussions with Thermo with respect to a possible business combination, representatives of Fisher senior management indicated to representatives of Company B senior management that if Company B had serious interest in a transaction it would have to make a compelling proposal to Fisher and be prepared to complete a transaction quickly. Thereafter, in early April 2006, representatives of Fisher and Company B met to discuss whether it was worthwhile exploring a strategic business combination, and whether Company B's preliminary assumptions as to the nature and amount of synergies that might result from a combination were reasonable.

At a meeting of the Fisher board of directors on April 11, 2006, representatives of senior management of Fisher reviewed the strategic alternatives potentially available to Fisher. Fisher's financial advisors, Goldman Sachs and Lazard, discussed with the Fisher board financial information relating to each of Company A and Thermo. The board also discussed the potential strategic benefits and challenges posed by each of these alternatives, as well as the strategic direction and alternatives of Fisher generally. In addition, representatives of Skadden, Arps, Slate, Meagher & Flom LLP, Fisher's outside legal advisor, discussed fiduciary duties applicable to the Fisher board of directors in the context of the ongoing discussions. After discussion, the consensus of the Fisher board was that senior management should continue its mutual due diligence and

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discussions with Company A, but also conduct further discussions with Thermo because, among other factors, Thermo and its management were well known to Fisher and a combination with Thermo appeared to present potentially strong strategic benefits in light of Thermo's complementary business and significant opportunities for synergies and future growth. The Fisher board also reached a consensus that senior management of Fisher should explore further whether a possible strategic combination with Company B merited serious consideration.

At a meeting of the Thermo board of directors held on April 12, 2006, representatives of Thermo senior management discussed the conversations between senior management of Thermo and Fisher, and there was a strong consensus among the Thermo directors that pursuing a transaction would be an attractive strategic and financial transaction for Thermo. Following this meeting, Thermo retained Lehman Brothers as its outside financial advisor and Wachtell, Lipton, Rosen & Katz as its outside legal advisor to advise Thermo in connection with this potential transaction. Subsequently, on April 13, 2006, Fisher and Thermo entered into a confidentiality agreement, and thereafter commenced mutual financial due diligence.

Throughout the remainder of the month of April, representatives of Thermo and Fisher met to discuss a potential business combination transaction and to conduct mutual financial, legal and other customary due diligence.

During the course of discussions between Fisher and Company A in mid-April 2006, Fisher advised Company A that Fisher was exploring a potential strategic transaction with another company. Subsequently, representatives of Company A advised representatives of Fisher that in light of Fisher's exploration of other strategic transactions, Company A no longer wished to proceed with discussions with Fisher.

In addition, during the period from mid- to late-April 2006, representatives of Fisher senior management continued discussions with representatives of Company B senior management as to whether it was worthwhile exploring a strategic business combination between the two companies, including general discussion of possible synergies.

On April 25, 2006, the board of directors of Fisher met together with Fisher senior management and outside legal and financial advisors. Senior management reported to the board that Company A had terminated discussions regarding a possible transaction, and updated the board on the status of discussions with Thermo. Representatives of Goldman Sachs and Lazard discussed with the board financial information with respect to a potential transaction with Thermo. The board discussed the potential strategic benefits of such a transaction with Thermo, including the complementary aspects of the businesses of the two companies, the anticipated synergies that could result, and the opportunity for creation of long-term shareholder value for stockholders of the combined company. In addition, senior management of Fisher updated the board as to the exploratory discussions between Company B and Fisher, and representatives of Goldman Sachs and Lazard discussed with the Fisher board certain financial information with respect to Company B. After discussion, including discussion of the strategic rationale and potential for long-term value creation for Fisher stockholders presented by the alternatives, it was the sense of the Fisher board that a transaction with Thermo appeared to present an attractive strategic opportunity and it instructed management and its advisors to pursue actively such a transaction. The Fisher board also instructed senior management to continue exploratory discussions with Company B and to continue to consider whether a potential combination represented an opportunity that merited further consideration.

Thereafter representatives of senior management of Fisher and Thermo continued their discussions. In addition, following a meeting in late April 2006 with representatives of Fisher as to potential synergies, representatives of Company B outlined the general framework within which it proposed to discuss a business combination transaction with Fisher, which would be subject to completion of due diligence and confirmation of its assumptions with respect to synergies.

On April 27, 2006, the board of directors of Thermo met, together with Thermo management and outside legal and financial advisors. Senior management reported on the background of discussions with Fisher, proposed governance arrangements for the combined company that would result from any potential transaction and certain strategic considerations relating to the potential transaction. Representatives from

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Lehman Brothers discussed each of Thermo and Fisher and their positions within their respective industries and certain financial information with respect to the potential transaction. Following questions and discussions among the participants at the meeting, the Thermo board of directors authorized and directed Thermo's senior management and outside legal and financial advisors to continue discussions with Fisher.

On May 1, 2006, the board of directors of Fisher met together with Fisher's senior management. Senior management updated the Fisher board with respect to the status of discussions with Thermo and Company B. The Fisher board directed senior management to continue discussions with Thermo with a view to presenting a fully developed transaction to the board for consideration on May 7, 2006. In addition, the Fisher board authorized Fisher senior management to continue exploratory discussions with Company B.

On May 2, 2006, the board of directors of Thermo met, together with Thermo's management and outside legal and financial advisors. Management updated for the Thermo board of directors the status of discussions with Fisher, and reported on Thermo's due diligence investigations of Fisher. Representatives from Lehman Brothers reported on certain preliminary financial analyses with respect to the proposed transaction, and representatives from Wachtell, Lipton discussed fiduciary duties applicable to the Thermo board of directors in the context of the proposed transaction. Following questions and discussions among those in attendance, Thermo's board of directors authorized Thermo management to continue negotiations with Fisher and work toward finalizing definitive documentation regarding the potential transaction, and determined that the board of directors would meet on Sunday, May 7, 2006, to consider the proposed transaction. Also, on May 2, 2006, Thermo's board of directors engaged Rothschild Inc. to act as an additional financial advisor to the board of directors in connection with the proposed transaction.

During the first week of May 2006, Fisher and Thermo and their outside counsel continued to work to finalize the terms of the merger agreement and the related transaction documents, while continuing to conduct mutual financial, legal and other customary due diligence.

On the morning of May 7, 2006, representatives of senior management of Thermo and Fisher met together with their respective financial advisors to finalize the exchange ratio and certain other terms of the proposed transaction. In this discussion, the parties agreed that the exchange ratio would be 2.0 shares of Thermo common stock for each outstanding share of Fisher common stock. The parties also agreed on the governance structure for the combined company that would result from the proposed transaction, with the board of directors of the combined company to consist of 5 Thermo designees and 3 Fisher designees.

Also on the morning of May 7, 2006, the Fisher board of directors met with senior management and their outside legal and financial advisors. Representatives of Fisher senior management updated the Fisher board on the status of discussions with Thermo, including the discussions with Thermo earlier that morning, and management's consideration of a potential business combination with Company B. Senior management and Fisher's financial and legal advisors then discussed with the Fisher board the rationale, opportunities, benefits, prospects and risks associated with a potential transaction with Thermo based on the terms outlined in the proposed merger agreement. Senior management and Fisher's financial and legal advisors also reviewed with the board the rationale, opportunities, benefits, prospects and risks associated with a potential transaction with Company B. Senior management also discussed the potential timing and process involved with respect to pursuing a transaction with each of Thermo and Company B. Representatives of Goldman Sachs and Lazard made a financial presentation to the board regarding the potential transaction with Thermo based on the terms of the transaction discussed that morning. Representatives of Skadden, Arps then summarized the terms of the merger agreement with Thermo and related documents, including those areas that were still under discussion, and also discussed fiduciary duties of the Fisher board of directors under the circumstances.

After extensive discussion, including consideration of the matters discussed under Fisher's Reasons for the Merger; Recommendation of the Merger by the Fisher Board of Directors, the Fisher board of directors unanimously determined to proceed with a transaction with Thermo. The Fisher board reached a consensus that the proposed transaction with Thermo presented an attractive opportunity for Fisher stockholders, in light of, among other factors, the strong strategic rationale for the combination of Fisher and Thermo, the significant familiarity of the companies with one another, the confidence of Fisher senior management in the skills of Thermo senior management, and the expected benefits to Fisher stockholders of

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owning stock of Thermo after a transaction. The Fisher board noted that a potential business combination transaction with Company B would not present as clear a strategic rationale as that present in the transaction with Thermo and remained subject to a number of significant uncertainties and contingencies. In addition, the board noted that a combination with Company B appeared to be significantly less attractive to Fisher and its stockholders than the transaction with Thermo and that even if Fisher continued negotiations with Company B, the transaction with Thermo would remain likely strategically and financially superior due to the highly complementary nature of the businesses and the related opportunities for synergies and potential for the creation of significant long-term value for Fisher stockholders. The board also discussed its concern that Thermo would terminate discussions if Fisher sought to delay execution of a definitive merger agreement to pursue further negotiations with Company B. The Fisher board of directors then instructed senior management and its legal advisors to finalize the terms of the merger agreement and related documentation with Thermo and instructed senior management to advise Company B that it intended to pursue a transaction with another party. Thereafter, the Fisher board of directors adjourned the meeting with a view to reconvening later in the day. Representatives of Fisher and its legal advisors then continued final negotiations with respect to a definitive merger agreement with representatives of Thermo and its legal advisors.

Later in the day on May 7, 2006, the board of directors of Thermo met with senior management and their outside legal advisors and financial advisors. Management reviewed for the Thermo board of directors the background of discussions with Fisher and the progress of negotiations, and reported on Thermo's due diligence investigations of Fisher. Lehman Brothers reviewed with the Thermo board of directors the structure and other indicated terms of the proposed transaction, and financial information regarding Fisher, Thermo and the transaction, as well as information regarding peer companies and comparable transactions. In connection with the deliberation by the Thermo board of directors, Lehman Brothers rendered to the Thermo board of directors its oral opinion (subsequently confirmed on May 7, 2006 in writing), as described under "Opinion of Thermo's Financial Advisor", that, as of the date of its opinion, and subject to and based on the factors and assumptions set forth in its opinion, the exchange ratio to be paid by Thermo in the merger was fair, from a financial point of view, to Thermo.

Representatives of Wachtell, Lipton discussed with the Thermo board of directors the legal standards applicable to its decisions and actions with respect to its evaluation of merger proposals, and reviewed the legal terms of the finalized merger proposal and the related agreements.

Following these discussions, and review and discussion among the members of the Thermo board of directors, including consideration of the factors described under "Thermo's Reasons for the Merger; Recommendation of the Stock Issuance and Thermo Charter Amendment Proposals by the Thermo Board of Directors", the Thermo board of directors unanimously determined that the transactions contemplated by the merger agreement, including the issuance of Thermo shares in connection with the merger and the Thermo charter amendment proposal, are advisable and in the best interests of Thermo and its stockholders, and the Thermo directors voted unanimously to approve the merger with Fisher and to approve and adopt the merger agreement.

Late in the evening on May 7, 2006, the Fisher board of directors reconvened. Representatives of senior management of Fisher reported to the board that they had advised representatives of Company B that Fisher would likely be pursuing a business combination with another party and therefore would be terminating discussions with Company B. Management also updated the board with respect to discussions concerning certain terms of the merger agreement that had been finalized during the course of the day. Each of Goldman Sachs and Lazard rendered to the Fisher board of directors its oral opinion (subsequently confirmed on May 7, 2006 in writing), as described under

"Opinions of Fisher's Financial Advisors", that, as of the date of its opinion, and subject to and based on the qualifications and assumptions set forth in its opinion, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to the holders of Fisher common stock.

Following these discussions, and further review and discussion among the members of the Fisher board of directors, the Fisher board of directors unanimously determined that the transactions contemplated by the merger agreement and the merger are advisable and fair to and in the best interests of Fisher and its

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stockholders, and the Fisher directors voted unanimously to approve the merger and to approve and adopt the merger agreement.

Thereafter the parties executed the merger agreement. The transaction was announced on the morning of May 8, 2006 in a press release issued jointly by Fisher and Thermo.

Thermo's Reasons for the Merger; Recommendation of the Stock Issuance and Thermo Charter Amendment Proposals by the Thermo Board of Directors

In reaching its decision to adopt and approve the merger agreement and recommend approval of the stock issuance and the Thermo charter amendment proposal to the Thermo stockholders, the Thermo board of directors consulted with Thermo's management, as well as with its legal and financial advisors, and considered a number of factors, including the following factors which the Thermo board viewed as generally supporting its decision to approve the merger and the merger agreement and recommend the Thermo stockholders vote FOR approval of the issuance of Thermo common stock in connection with the merger and FOR the Thermo charter amendment proposal.

Strategic Considerations. Thermo's board believes the merger will provide a number of significant strategic opportunities, including the following:

Thermo's board believes that the combined company's significantly broader product and services offerings will position it to better service customers by providing a complete set of solutions, and to respond more effectively to a number of industry dynamics, including increased marketplace competition;

The significantly greater scale and scope of the combined company's operations will better enable it to take advantage of growth opportunities, including in the areas of drug discovery, proteomics research, pharmacology services, molecular diagnostics, immunohistochemistry and environmental regulatory compliance;

Fisher's strong product set and well-recognized brands, as well as its global manufacturing and sales presence, will enhance Thermo's ability to access customers, including in growing markets such as China and India;

Fisher's worldwide distribution and supply network will provide opportunities for increasing distribution efficiency, growing sales and introducing Thermo products to new markets;

Thermo expects the combined company to achieve at least \$75 million in cost savings in 2007, and approximately \$200 million of cost savings and revenue opportunities in three years, coming from, among other things, rationalizing manufacturing operations, leveraging combined purchasing power, consolidating administrative activities, and pursuing revenue enhancing opportunities, such as cross-selling, entering new markets and developing new solutions;

Thermo expects that the merger will result in a significant accretion to Thermo's adjusted earnings per share; and

Thermo anticipates cash flow from operations will increase, to over \$1 billion annually, as a result of the transaction contemplated by the merger agreement and result in increased financial flexibility which will enhance Thermo's ability to pursue strategic growth opportunities.

Other Factors Considered by the Thermo Board. In addition to considering the strategic and financial factors described above, the Thermo board considered the following additional factors, all of which it viewed as supporting its decision to approve the merger:

its knowledge of Thermo's business, operations, financial condition, earnings and prospects and of Fisher's business, operations, financial condition, earnings and prospects, taking into account the results of Thermo's due diligence review of Fisher;

the current and prospective competitive climate in the industries in which Thermo and Fisher operate, including the potential for consolidation, and the alternatives reasonably available to Thermo if it did not pursue the

merger;

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the financial analyses and presentations of Lehman Brothers, and its opinion, dated May 7, 2006, to the effect that, as of that date and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio to be paid by Thermo in the merger was fair from a financial point of view to Thermo (see Opinion of Thermo's Financial Advisor);

the terms and conditions of the merger agreement and the likelihood of completing the merger on the anticipated schedule;

the governance agreements with respect to the combined company post-merger, as described under Board of Directors and Management Following the Merger , including the fact that Mr. Dekkers will serve as President and Chief Executive Officer of the combined company, and the board will consist of five Thermo designees and three Fisher designees;

the fact that the exchange ratio represented a premium to Fisher stockholders of approximately 7% based on the closing prices of each company's stock on the NYSE on May 5, 2006, the last trading day before the merger was publicly announced, and that the exchange ratio is fixed, which the Thermo board believed was consistent with market practice for mergers of this type and with the strategic purpose of the merger; and

the anticipated market capitalization, adjusted price/earnings ratio and capital structure of the combined company. The Thermo board of directors weighed these advantages and opportunities against a number of other factors identified in its deliberations weighing negatively against the merger, including:

the challenges inherent in the combination of two businesses of the size and scope of Thermo and Fisher and the possible diversion of management attention for an extended period of time;

the risk of not capturing all the anticipated cost savings and operational synergies between Thermo and Fisher and the risk that other anticipated benefits might not be realized;

the risk that regulatory agencies may not approve the merger or may impose terms and conditions on their approvals that adversely affect the projected financial results of the combined company; See the section entitled Regulatory Approvals Required for the Merger ; and

the risks of the type and nature described under Risk Factors , and the matters described under Cautionary Statement Regarding Forward-Looking Statements .

In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Thermo board of directors did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger and the merger agreement and to recommend that Thermo stockholders vote FOR the issuance of Thermo common stock in connection with the merger and FOR the Thermo charter amendment proposal. In addition, individual members of the Thermo board of directors may have given differing weights to different factors. The Thermo board of directors conducted an overall analysis of the factors described above, including through discussions with, and questioning of, Thermo's management and outside legal and financial advisors.

The Thermo board of directors unanimously determined that the merger, the merger agreement and the transactions contemplated by the merger agreement, including the stock issuance and the Thermo charter amendment, are advisable and in the best interests of Thermo and its stockholders and unanimously approved the merger agreement. The Thermo board unanimously recommends that Thermo stockholders vote FOR the issuance of Thermo common stock in connection with the merger and FOR the Thermo charter amendment proposal.

Fisher's Reasons For the Merger; Recommendation of the Merger by the Fisher Board of Directors

At a special meeting of the Fisher board of directors on May 7, 2006, after careful consideration, including consultation with Fisher's management and its financial and legal advisors, the Fisher board

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unanimously determined that the merger agreement and the merger are advisable and fair to and in the best interests of Fisher and its stockholders and that the board shall recommend that the Fisher stockholders vote FOR the approval and adoption of the merger agreement. In arriving at its determination, the Fisher board considered a number of factors, including the following material factors, which the Fisher board viewed as generally supporting its determination:

the complementary aspects of the respective businesses of Fisher and Thermo, including that the combined company is expected to create a provider of fully integrated, end-to-end solutions in the life, laboratory and health sciences industry for its customers;

the potential financial benefits of the merger and significant opportunities for the creation of long-term value for Fisher stockholders, including:

that the merger is expected to result in a 20% compound annual growth rate in adjusted earnings per share over three years;

that the transaction is expected to generate approximately \$200 million in cost and revenue synergies over three years, including:

at least \$75 million expected in 2007;

\$150 million of cost-related synergies, excluding one-time costs, expected to result primarily from manufacturing rationalization, sourcing and logistics efficiencies, and shared administrative functions; and

\$50 million of revenue-related synergies expected to result from cross-selling opportunities, enhanced geographic reach, penetration of new and existing markets, and new solutions development;

that the cash flow from operations of the combined company is expected to be in excess of \$1 billion in 2007, making the combined company well-positioned to accelerate growth both organically and through acquisitions; the conditions in the life, laboratory and health sciences industry generally and the business, prospects, financial performance and condition, operations, management and competitive position of Fisher on a stand-alone basis as compared to the positions of the combined company after giving effect to the merger;

historical information concerning Fisher's and Thermo's respective businesses, prospects, financial performance and condition, operations, management and competitive position, including information contained in public reports concerning results of operations during the most recent fiscal year and fiscal quarter for each of Fisher and Thermo filed with the SEC, as well as reports from Fisher's management and Fisher's legal advisors as to the results of the due diligence investigation of Thermo;

Fisher management's view of the businesses, prospects, financial performance and condition, operations, management and competitive position of Fisher and Thermo before the merger, and of the combined company after giving effect to the merger;

that the combination of Fisher and Thermo is expected to benefit customers and suppliers, and provide greater opportunities for the employees of the combined company;

current financial market conditions and historical market prices, volatility and trading information with respect to Fisher's common stock and Thermo's common stock;

that stockholders of Fisher immediately prior to the merger will own approximately 61% of the combined company immediately following the merger and will therefore participate meaningfully in the significant opportunities for long-term growth of the combined company;

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that senior management of Thermo is well known to senior management of Fisher and that senior management of Fisher expressed confidence in the ability of senior management to successfully manage the combined company and to achieve long-term value for its stockholders;

the opinion of each of Goldman Sachs and Lazard to the effect that, as of May 7, 2006 and based upon and subject to the factors and assumptions set forth therein, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to the holders of Fisher common stock. See the section entitled "Opinions of Fisher's Financial Advisors";

the opportunity for Fisher stockholders to benefit from any increase in the trading price of Thermo common stock between the announcement of the merger and the completion of the merger because the exchange ratio is a fixed number of shares of Thermo common stock;

the expected qualification of the merger as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, resulting in the merger consideration to be received by Fisher stockholders not being subject to federal income tax, as described in the section entitled "Material U.S. Federal Income Tax Consequences of the Merger"; and

the belief that the terms of the merger agreement are reasonable, including:

the limited conditions to the parties' respective obligations to complete the merger;

that Paul M. Meister, Vice Chairman of the Fisher board of directors, will become the non-executive Chairman of the board of directors of the combined company;

that Marijn E. Dekkers, President and Chief Executive Officer of Thermo, will continue to serve as the President and Chief Executive Officer of the combined company and that Mr. Dekkers has agreed to waive the acceleration of certain change of control benefits to which he would otherwise have been entitled in connection with the merger;

that the combined company's board of directors will include at least three members nominated by Fisher for a period of at least three years;

that each party has agreed to not solicit proposals relating to alternative business combination transactions or, subject to certain exceptions, enter into discussions or an agreement concerning or provide confidential information in connection with any proposals for alternative business combination transactions;

that, unless the merger agreement is terminated in accordance with its terms, stockholders of Fisher and Thermo will have the opportunity to vote on approval and adoption of the merger agreement and related matters, taking into consideration that while the ability of Fisher stockholders to consider an alternative transaction may therefore be delayed or prevented, the ability of Thermo stockholders to consider an alternative transaction may similarly be delayed or prevented;

that the merger agreement contains certain termination rights for both Fisher and Thermo and that upon termination of the merger agreement under specified circumstances, Fisher may be required to pay Thermo a termination fee of \$300 million or Thermo may be required to pay Fisher a termination fee of \$200 million; and

that Thermo will establish a long-term incentive compensation program for Thermo senior management and that there will also be appropriate continuing performance incentives for senior management of Fisher who will

continue with the combined company.

In addition to these factors, the Fisher board identified and considered a variety of risks and potentially negative factors in its deliberations concerning the merger, including:

the possibility that the merger might not be consummated, or that consummation might be unduly delayed or subject to conditions that may be imposed by governmental authorities;

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the effect of public announcement of the merger on Fisher's revenues, operating results, the price of its common stock and Fisher's ability to attract and retain customers and key employees;

the risk that the potential benefits sought in the merger might not be fully realized;

the substantial charges to be incurred in connection with the merger, including costs of integrating the businesses and transaction expenses arising from the merger;

the risk that despite the efforts of the combined company, key employees might not remain employed by the combined company;

because the exchange ratio is a fixed number of shares of Thermo common stock, the possibility that Fisher stockholders could be adversely affected by a decrease in the trading price of Thermo common stock between the date of announcement of execution of the merger agreement and the closing of the merger, and the fact that the merger agreement does not provide Fisher with a price-based termination right or other similar protection;

the limitations imposed in the merger agreement on the solicitation or consideration by Fisher and Thermo of alternative business combinations prior to the completion of the merger;

the fact that upon termination of the merger agreement under specified circumstances, Fisher may be required to pay Thermo a termination fee of \$300 million and this termination fee may discourage other parties that may otherwise have an interest in a business combination with, or an acquisition of, Fisher;

the terms of the merger agreement restricting the conduct of Fisher's business during the period between execution of the merger agreement and the completion of the merger; and

the interests that certain executive officers and directors of Fisher may have with respect to the merger in addition to their interests as stockholders of Fisher generally, as described in the section entitled "Financial Interests of Directors and Officers in the Merger", which the Fisher board considered to be neutral in its evaluation of the proposed transaction.

The above discussion of the material factors considered by the Fisher board of directors is not intended to be exhaustive, but does set forth the principal factors considered by the Fisher board. The Fisher board unanimously reached the conclusion to approve and adopt the merger agreement and the other transactions contemplated by the merger agreement and to recommend the merger agreement to the Fisher stockholders for approval and adoption in light of the various factors described above and other factors that each member of the Fisher board felt were appropriate. In view of the wide variety of factors considered by the Fisher board in connection with its evaluation of the merger and the complexity of these matters, the Fisher board did not consider it practical, and did not attempt, to quantify, rank or otherwise assign relative weights to the specific factors it considered in reaching its decision. Rather, the Fisher board made its recommendation based on the totality of information presented to, and the investigation conducted by, it. In considering the factors discussed above, individual directors may have given different weights to different factors.

The Fisher board unanimously approved and adopted the merger agreement and the other transactions contemplated by the merger agreement and recommends that the Fisher stockholders vote FOR the approval and adoption of the merger agreement.

Opinion of Thermo's Financial Advisor

On May 7, 2006, Lehman Brothers delivered its oral opinion, which was subsequently confirmed in writing as of such date, to the Thermo board of directors to the effect that as of such date and, based upon and subject to factors and assumptions described at the meeting of the Thermo board of directors on May 7, 2006 and set forth in the written opinion, the exchange ratio to be paid by Thermo in the merger was fair, from a financial point of view, to Thermo.

The full text of Lehman Brothers written opinion, dated May 7, 2006, is attached hereto as Annex B. Thermo stockholders are urged to read this opinion for a discussion of the assumptions made, procedures

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followed, factors considered and limitations upon the review undertaken by Lehman Brothers in rendering its opinion. The following is a summary of Lehman Brothers' opinion and the methodologies that Lehman Brothers used to render its fairness opinion. The summary is qualified in its entirety by reference to the full text of the opinion.

Lehman Brothers' advisory services and opinion were provided for the information and assistance of the Thermo board of directors in connection with its consideration of the proposed transaction. Lehman Brothers' opinion is not intended to be and does not constitute a recommendation to any stockholder of Thermo or Fisher as to how such stockholder should vote in connection with the proposed transaction. Lehman Brothers was not requested to opine as to, and Lehman Brothers' opinion does not address, Thermo's underlying business decision to proceed with or effect the proposed transaction.

In arriving at its opinion, Lehman Brothers reviewed and analyzed:

the merger agreement and the specific terms of the proposed transaction (including with respect to governance of the combined company);

publicly available information concerning Thermo that Lehman Brothers believed to be relevant to its analysis, including Thermo's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and Thermo's Quarterly Report on Form 10-Q for the quarter ended April 1, 2006;

publicly available information concerning Fisher that Lehman Brothers believed to be relevant to its analysis, including Fisher's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and Fisher's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006;

financial and operating information with respect to the business, operations and prospects of Thermo furnished to Lehman Brothers by Thermo, including financial estimates and forecasts for Thermo prepared by Thermo's management;

financial and operating information with respect to the business, operations and prospects of Fisher furnished to Lehman Brothers by Fisher, including financial estimates and forecasts for Fisher prepared by Fisher's management;

the trading histories of Thermo common stock and Fisher common stock from May 6, 2005 to May 5, 2006 and a comparison of those trading histories with each other and with those of other companies and indices that Lehman Brothers deemed relevant;

a comparison of the historical financial results and present financial condition of Thermo and Fisher with each other and with those of other companies that Lehman Brothers deemed relevant;

published estimates of independent research analysts with respect to ratings and future price targets of Thermo common stock and Fisher common stock;

the relative contributions of Thermo and Fisher to the historical and future financial condition and performance of the combined company on a pro forma basis;

the potential pro forma impact of the proposed transaction on the future financial condition and performance of Thermo, including estimated cost savings, operating synergies and other strategic benefits that the managements of Thermo and Fisher anticipated would result from a combination of the businesses of Thermo and Fisher, referred to as the estimated synergies, and the anticipated impact of the proposed transaction on Thermo's pro forma adjusted earnings per share; and

a comparison of the financial terms of the proposed transaction with the financial terms of certain other transactions that Lehman Brothers deemed relevant.

In addition, Lehman Brothers had discussions with the managements of Thermo and Fisher concerning their respective businesses, operations, assets, liabilities, financial conditions and prospects and undertook such other studies, analyses and investigations as Lehman Brothers deemed appropriate.

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In arriving at its opinion, Lehman Brothers assumed and relied upon the accuracy and completeness of the financial and other information used by it without assuming any responsibility for independent verification of such information and further relied upon the assurances of managements of Thermo and Fisher that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to forecasts and estimates prepared by Thermo's management and Fisher's management, upon advice of Thermo, Lehman Brothers assumed that these forecasts and estimates were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the managements of Thermo and Fisher as to the future financial performance of Thermo and Fisher and that Thermo and Fisher will perform substantially in accordance with these forecasts and estimates. Upon the advice of Thermo and Fisher, Lehman Brothers also assumed that the estimated synergies will be realized substantially in accordance with such estimates.

In arriving at its opinion, Lehman Brothers did not conduct a physical inspection of the properties and facilities of Thermo and Fisher and did not make or obtain any evaluations or appraisals of the assets or liabilities of Thermo or Fisher. Lehman Brothers' opinion necessarily was based upon market, economic and other conditions as they existed on, and could be evaluated as of, the date of Lehman Brothers' opinion. Lehman Brothers expressed no opinion as to the prices at which shares of Thermo common stock will trade at any time following the announcement or the consummation of the proposed transaction. Although Lehman Brothers evaluated the fairness, from a financial point of view, to Thermo of the exchange ratio to be paid by Thermo in the proposed transaction, Lehman Brothers was not requested to, and did not, recommend the specific exchange ratio to be paid in the proposed transaction, which was determined through negotiations between Thermo and Fisher.

In connection with rendering its opinion, Lehman Brothers performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, Lehman Brothers did not ascribe a specific range of values to Thermo or Fisher, but rather made its determination as to the fairness, from a financial point of view, to Thermo of the exchange ratio to be paid by Thermo on the basis of financial, comparative and other analyses. The preparation of a fairness opinion involves various determinations as to the most appropriate and relevant methods of financial and comparative analysis and the application of those methods to the particular circumstances. Therefore, such an opinion is not readily susceptible to summary description. Furthermore, in arriving at its opinion, Lehman Brothers did not attribute any particular weight to any analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, Lehman Brothers believes that its analyses must be considered as a whole and that considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion. In its analyses, Lehman Brothers made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Thermo and Fisher. Because these assumptions are inherently subject to uncertainty, none of Thermo, Fisher, Lehman Brothers or any other person assumes responsibility if future results are materially different from those forecast. Any estimates contained in these analyses were not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth in these analyses. In addition, analyses relating to the value of businesses do not purport to be appraisals or to reflect the prices at which businesses actually may be sold.

The following is a summary of the material financial analyses used by Lehman Brothers in connection with providing its opinion to the Thermo board of directors. Certain of the summaries of financial analyses include information presented in tabular format. In order to fully understand the financial analyses used by Lehman Brothers, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Accordingly, the analyses listed in the tables and described below must be considered as a whole. Considering any portion of such analyses and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the results of Lehman Brothers' opinion.

Table of Contents***Stock Trading History***

Lehman Brothers considered historical data with regard to the trading prices of Thermo common stock and Fisher common stock for the period from May 6, 2005 to May 5, 2006 and the relative stock price performances during this same period of the Standard & Poor's 500 Index and an index of Life and Laboratory Suppliers comprised of the following companies:

Becton, Dickinson and Company;

Applied Bioscience International Inc.;

Waters Corporation;

Sigma-Aldrich Corporation;

Millipore Corporation;

Beckman Coulter, Inc.;

PerkinElmer, Inc.;

Mettler-Toledo International Inc.; and

Bio-Rad Laboratories, Inc.

Lehman Brothers noted that during this time period, the share price of Thermo common stock increased 51.2%, which outperformed the Standard & Poor's 500 Index, the Life and Laboratory Suppliers Index, as well as the share price of Fisher common stock which increased 22.7%.

Historical Exchange Ratio Analysis

Lehman Brothers compared the historical share prices of Thermo and Fisher common stock during different periods between May 6, 2005 and May 5, 2006, in order to determine the implied average exchange ratios that existed for those periods.

The following table sets forth the exchange ratio of shares of Thermo common stock for each share of Fisher common stock for the periods indicated:

| | Implied Exchange Ratio |
|----------------------|-------------------------------|
| May 5, 2006 | 1.869x |
| One-month Average | 1.860x |
| Three-month Average | 1.911x |
| Six-month Average | 1.976x |
| One-year Average | 2.077x |
| One-year High | 2.423x |
| One-year Low | 1.808x |
| Proposed Transaction | 2.000x |

Comparable Company Analysis

In order to assess how the public market values shares of similar publicly-traded companies, Lehman Brothers reviewed and compared specific financial and operating data relating to Thermo and Fisher and the nine companies in the Life and Laboratory Supplier Index. Using internal estimates and forecasts prepared by Thermo management for Thermo, internal estimates and forecasts prepared by Fisher management for Fisher, and publicly available information for the other companies, Lehman Brothers calculated and analyzed the ratios of each company's May 5, 2006 stock price to its estimated earnings per share on both a reported and adjusted basis (adjusted earnings per share excluded expenses related to the amortization of intangibles),

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referred to as a price earnings ratio, or P/E, for calendar years 2006 and 2007 and the ratios of each company's enterprise value to calendar years 2006 and 2007 earnings before interest, taxes, depreciation and amortization, referred to as EBITDA. The enterprise value of each company was obtained by adding its short and long-term debt to, and subtracting its cash from, the sum of the market value of its diluted common equity as of May 5, 2006, the value of any preferred stock (at liquidation value), the book value of any minority interest and the value of any material debt-equivalent liabilities. The following presents the results of this analysis:

| | Enterprise Value/ EBITDA | | P/E | Reported | P/E | Adjusted |
|---|-------------------------------------|-------------|-------------|-----------------|-------------|-----------------|
| | 2006 | 2007 | 2006 | 2007 | 2006 | 2007 |
| <i>Selected Life and Laboratory Supply Companies:</i> | | | | | | |
| High | 15.0x | 13.1x | 26.9x | 23.2x | 26.2x | 22.7x |
| Mean | 11.3x | 10.3x | 21.4x | 18.6x | 20.3x | 17.9x |
| Median | 10.8x | 9.8x | 20.7x | 18.0x | 19.1x | 17.0x |
| Low | 8.2x | 7.8x | 18.0x | 16.4x | 17.5x | 16.0x |
| Thermo | 13.9x | 12.4x | 30.4x | 25.2x | 22.9x | 19.9x |
| Fisher at Proposed Transaction | 11.9x | 10.7x | 20.7x | 17.8x | 18.8x | 16.3x |

However, given the inherent differences between the business, operations and prospects of Thermo and Fisher and the business, operations and prospects of the companies included in the comparable company analysis, Lehman Brothers believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the comparable company analysis and accordingly also made qualitative judgments concerning differences between the financial and operating characteristics and prospects of Thermo and Fisher and the companies included in the comparable company analysis that would affect the public trading values of each. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between Thermo, Fisher and the selected comparable companies.

Equity Research Analysts

Lehman Brothers considered publicly available price targets published by various firms that publish independent research on Thermo (including Deutsche Bank Securities Inc., Infinium Capital Corp., JPMorgan Chase & Co., Leerink Swann & Co., Lehman Brothers Inc., Merrill Lynch & Co. Inc., Needham & Company, LLC., Robert W. Baird & Co. Inc., and UBS Securities LLC) and Fisher (including Banc of America Securities LLC, Deutsche Bank Securities Inc., First Analysis Securities Corp., The Goldman Sachs Group, Inc., Infinium Capital Corp., JPMorgan Chase & Co., Leerink Swann & Co., Lehman Brothers Inc., Merrill Lynch & Co. Inc., Morgan Stanley & Co. Inc., Robert W. Baird & Co. Inc., Thomas Weisel Partners LLC, and UBS Securities LLC) in order to determine the exchange ratio implied by such research. The following table shows the range of implied exchange ratios using the Thermo and Fisher share price targets as published by various firms:

| | |
|------------------------------|-----------------|
| Implied Exchange Ratio Range | 1.889x - 2.028x |
| Proposed Transaction | 2.000x |

Comparable Transaction Analysis

Lehman Brothers reviewed 14 acquisitions of companies that Lehman Brothers, based on its experience with merger and acquisition transactions, deemed comparable to the proposed transaction. Lehman Brothers selected the transactions used in the comparable transaction analysis based on the similarity of the target

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companies in the transaction to Fisher and Thermo with respect to size, mix, margins and other characteristics of their businesses. Set forth below are the announcement date and parties to those transactions:

| Announcement Date | Acquiror | Target |
|--------------------------|--------------------------------|-----------------------------|
| 4/27/2006 | Siemens AG | Diagnostic Products Corp. |
| 4/25/2006 | Millipore Corp. | Serologicals Corp. |
| 3/16/2006 | Fisher Scientific Intl. | Athena Diagnostics, Inc. |
| 3/18/2005 | Siemens AG | CTI Molecular Imaging, Inc. |
| 1/19/2005 | Thermo Electron Corp. | Kendro Laboratory Products |
| 3/17/2004 | Fisher Scientific Intl. | Apogent Technologies Inc. |
| 2/16/2004 | Clayton, Dubilier & Rice, Inc. | VWR International Inc. |
| 12/24/2003 | Invitrogen Corp. | BioReliance Corp. |
| 10/10/2003 | General Electric Co. | Amersham PLC |
| 6/26/2003 | Fisher Scientific Intl. | Perbio Science AB |
| 7/16/2001 | PerkinElmer Inc. | Packard Bioscience Co. |
| 7/9/2000 | Invitrogen Corp. | Life Technologies, Inc. |
| 9/17/1998 | Bayer Corp. | Chiron Diagnostics |
| 8/29/1997 | Beckman Instruments, Inc. | Coulter Corp. |

Based on publicly available information, Lehman Brothers considered, among other things, the enterprise values of each target company as a multiple of the EBITDA of the target company in each case for the latest 12 months, which is referred to as LTM, prior to the date that the transaction was announced. The following table sets forth the results of this analysis:

**Enterprise Value/
LTM EBITDA**

Selected Life and Laboratory Suppliers Transactions: