

QIAGEN NV
Form 20-F
March 02, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 20-F

£ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES
EXCHANGE ACT OF 1934

or

S ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934 For the fiscal year ended December 31, 2014

or

£ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934 For the transition period from to

or

£ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 Date of event requiring this shell company report

Commission File Number 0-28564

QIAGEN N.V.

(Exact name of Registrant as specified in its charter)

n/a

(Translation of Registrant's name in English)

The Netherlands

(Jurisdiction of incorporation or organization)

Spoorstraat 50

5911 KJ Venlo

The Netherlands

011-31-77-320-8400

(Address of principal executive offices)

Roland Sackers, Tel: 011-31-77-320-8400, Fax: 011-31-77-320-8409

QIAGEN N.V., Spoorstraat 50, 5911 KJ Venlo, The Netherlands

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of class: Name of each exchange on which

Common Shares, par value EUR 0.01 per registered:

share NASDAQ Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

The number of outstanding Common Shares as of December 31, 2014 was 232,022,931.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities

Act. Yes No

Edgar Filing: QIAGEN NV - Form 20-F

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Note—Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

- U.S. GAAP
- International Financial Reporting Standards as issued by the International Accounting Standards Board
- Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

- Item 17
- Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Unless the context otherwise requires, references herein to “we,” “us,” “our,” the “Company” or to “QIAGEN” are to QIAGEN N.V. and its consolidated subsidiaries.

EXCHANGE RATES

QIAGEN publishes its financial statements in U.S. dollars. In this Annual Report on Form 20-F, references to “dollars” or “\$” are to U.S. dollars, and references to “EUR” or the “euro” are to the European Monetary Union euro. Except as otherwise stated herein, all monetary amounts in this Annual Report on Form 20-F have been presented in U.S. dollars.

The exchange rate used for the euro was obtained from the European Central Bank and is based on a regular daily concentration procedure between central banks across Europe and worldwide, which normally takes place at 2:15 P.M. Central European Time. This rate at February 25, 2015, was \$1.1346 per €1.

For information regarding the effects of currency fluctuations on our results, see Item 5 “Operating and Financial Review and Prospects.”

TABLE OF CONTENTS

	Page
<u>PART I</u>	
Item 1. <u>Identity of Directors, Senior Management and Advisors</u>	<u>4</u>
Item 2. <u>Offer Statistics and Expected Timetable</u>	<u>4</u>
Item 3. <u>Key Information</u>	<u>4</u>
Item 4. <u>Information on the Company</u>	<u>20</u>
Item 4A. <u>Unresolved Staff Comments</u>	<u>37</u>
Item 5. <u>Operating and Financial Review and Prospects</u>	<u>38</u>
Item 6. <u>Directors, Senior Management and Employees</u>	<u>48</u>
Item 7. <u>Major Shareholders and Related Party Transactions</u>	<u>58</u>
Item 8. <u>Financial Information</u>	<u>59</u>
Item 9. <u>The Offer and Listing</u>	<u>59</u>
Item 10. <u>Additional Information</u>	<u>61</u>
Item 11. <u>Quantitative and Qualitative Disclosures about Market Risk</u>	<u>73</u>
Item 12. <u>Description of Securities Other than Equity Securities</u>	<u>74</u>
<u>PART II</u>	
Item 13. <u>Defaults, Dividend Arrearages and Delinquencies</u>	<u>75</u>
Item 14. <u>Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	<u>75</u>
Item 15. <u>Controls and Procedures</u>	<u>75</u>
Item 16A. <u>Audit Committee Financial Expert</u>	<u>76</u>
Item 16B. <u>Code of Ethics</u>	<u>76</u>
Item 16C. <u>Principal Accountant Fees and Services</u>	<u>76</u>
Item 16D. <u>Exemptions from the Listing Standards for Audit Committees</u>	<u>76</u>
Item 16E. <u>Purchases of Equity Securities by the Issuer and Affiliated Purchasers</u>	<u>76</u>
Item 16F. <u>Change in Registrant's Certifying Accountant</u>	<u>77</u>
Item 16G. <u>Corporate Governance</u>	<u>77</u>
Item 16H. <u>Mine Safety Disclosure</u>	<u>82</u>
<u>PART III</u>	
Item 17. <u>Financial Statements</u>	<u>83</u>
Item 18. <u>Financial Statements</u>	<u>83</u>
Item 19. <u>Exhibits</u>	<u>83</u>
<u>Signatures</u>	<u>85</u>

PART I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

QIAGEN N.V. is registered under its commercial and legal name with the trade register (kamer van koophandel) of the Dutch region Limburg Noord under file number 12036979. QIAGEN N.V. is a public limited liability company (naamloze vennootschap) under Dutch law as a holding company.

The selected consolidated financial data below should be read in conjunction with “Operating and Financial Review and Prospects” and the Consolidated Financial Statements, including the notes and other financial information included in this Annual Report on Form 20-F. The selected financial data below is derived from the consolidated statements of income for the years ended December 31, 2014, 2013 and 2012 and the consolidated balance sheets at December 31, 2014 and 2013 of QIAGEN that have been audited by an independent registered public accounting firm, and are included in this Annual Report. The selected data from the consolidated statements of income presented for the years ended December 31, 2011 and 2010, and the consolidated balance sheets as of December 31, 2012, 2011 and 2010, is derived from audited consolidated financial statements not included in this Annual Report. The 2011 and 2010 amounts for working capital, total assets and total long-term liabilities, including current portion, have been adjusted to correctly reflect deferred taxes as current or non-current and to net deferred tax positions within the same tax jurisdictions. These balance sheet reclassifications had no effect on total equity at December 31, 2011 and 2010.

Edgar Filing: QIAGEN NV - Form 20-F

Selected Financial Data

The information below should be read in conjunction with the Consolidated Financial Statements (and accompanying notes) and "Operating and Financial Review and Prospects."

	Years ended December 31,				
	2014	2013	2012	2011	2010
Consolidated Statement of Income Data:					
(amounts in thousands, except per share data)					
Net sales	\$1,344,777	\$1,301,984	\$1,254,456	\$1,169,747	\$1,087,431
Cost of sales	479,839	486,494	430,432	419,938	371,869
Gross profit	864,938	815,490	824,024	749,809	715,562
Operating expenses:					
Research and development	163,627	146,070	122,476	130,636	126,040
Sales and marketing	376,873	371,523	343,549	307,332	267,484
General and administrative, integration and other	126,550	199,072	152,068	185,507	110,009
Acquisition-related intangible amortization	37,070	35,495	36,117	26,746	23,492
Total operating expenses	704,120	752,160	654,210	650,221	527,025
Income from operations	160,818	63,330	169,814	99,588	188,537
Other expense	(42,304)	(25,992)	(24,661)	(3,376)	(15,416)
Income before income taxes	118,514	37,338	145,153	96,212	173,121
Income taxes	1,312	(31,760)	15,616	1,263	28,810
Net income	\$117,202	\$69,098	\$129,537	\$94,949	\$144,311
Net income (loss) attributable to noncontrolling interest	568	25	31	(1,089)	—
Net income attributable to QIAGEN N.V.	\$116,634	\$69,073	\$129,506	\$96,038	\$144,311
Basic net income per common share attributable to the owners of QIAGEN N.V. ⁽¹⁾	\$0.50	\$0.30	\$0.55	\$0.41	\$0.62
Diluted net income per common share a					