

CELGENE CORP /DE/
Form 10-Q
July 28, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2015

OR

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

Commission File Number 001-34912
CELGENE CORPORATION
(Exact name of registrant as specified in its charter)
Delaware 22-2711928
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

86 Morris Avenue, Summit, NJ 07901
(Address of principal executive offices) (Zip Code)
(908) 673-9000
(Registrant's telephone number, including area code)

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 X No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes X No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer X Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No X

At July 24, 2015, 790,540,158 shares of Common Stock, par value \$.01 per share, were outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

CELGENE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In millions, except per share amounts)

	Three-Month Periods Ended		Six-Month Periods Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Revenue:				
Net product sales	\$2,254.1	\$1,844.6	\$4,309.3	\$3,552.1
Other revenue	23.7	28.1	49.3	50.6
Total revenue	2,277.8	1,872.7	4,358.6	3,602.7
Expenses:				
Cost of goods sold (excluding amortization of acquired intangible assets)	100.8	98.9	204.8	185.0
Research and development	1,110.0	456.9	1,616.0	1,170.6
Selling, general and administrative	616.8	491.8	1,146.0	985.9
Amortization of acquired intangible assets	63.7	65.3	127.3	131.0
Acquisition related (gains) charges, net	(29.3) 0.9	(10.3) 9.5
Total costs and expenses	1,862.0	1,113.8	3,083.8	2,482.0
Operating income	415.8	758.9	1,274.8	1,120.7
Other income and (expense):				
Interest and investment income, net	8.8	7.3	17.8	13.7
Interest (expense)	(48.3) (41.6) (97.5) (70.9
Other income (expense), net	94.5	(17.8) 102.8	(24.4
Income before income taxes	470.8	706.8	1,297.9	1,039.1
Income tax provision	114.6	109.0	222.8	161.6
Net income	\$356.2	\$597.8	\$1,075.1	\$877.5
Net income per common share:				
Basic	\$0.45	\$0.75	\$1.35	\$1.09
Diluted	\$0.43	\$0.72	\$1.30	\$1.05
Weighted average shares:				
Basic	793.0	799.6	796.0	805.5
Diluted	825.3	831.0	829.7	838.0

See accompanying Notes to Unaudited Consolidated Financial Statements

CELGENE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(Dollars in millions)

	Three-Month Periods Ended June 30,		Six-Month Periods Ended June 30,	
	2015	2014	2015	2014
Net income	\$356.2	\$597.8		