VWR CORP

FORM 10-Q
(Quarterly Report)

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Telephone	610-386-1700
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Symbol	VWR
SIC Code	5040 - Professional And Commercial Equipment And
Industry	Medical Equipment, Supplies & Distribution
Sector	Healthcare
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2017

☐ 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: **001-36673**

VWR Corporation

(Exact name of registrant as specified in its charter)

Delaware	**26-0237871**
(State of incorporation)	(I.R.S. Employer Identification No.)

Radnor Corporate Center, Building One, Suite 200
100 Matsonford Road
Radnor, Pennsylvania 19087
(Address of principal executive offices)

(610) 386-1700
(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 ☐ 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 ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. ☒ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

On July 24, 2017 , 131,835,054 shares of common stock, $0.01 par value per share, were outstanding.

VWR Corporation and Subsidiaries

Form 10-Q
For the quarterly period ended June 30, 2017

Table of Contents

Glossary of Commonly Used Terms

	Description
Company, we, us, our	VWR Corporation and its consolidated subsidiaries
2014 Plan	the VWR Corporation 2014 Equity Incentive Plan
Americas	a segment covering North, Central and South America
AOCI	accumulated other comprehensive income or loss
Annual Report	our Annual Report on Form 10-K filed with the SEC on February 24, 2017
Avantor	Avantor, Inc., a company with which we agreed to merge
Biopharma	the combination of the pharmaceutical and biotechnology sectors
bps	basis points
EMEA-APAC	a segment covering Europe, Middle East, Africa and Asia-Pacific
EURIBOR	the applicable interest rate determined by the Banking Federation of the European Union
FASB	the Financial Accounting Standards Board
GAAP	United States generally accepted accounting principles
German, French and UK Plans	the defined benefit plans in Germany, France and the United Kingdom
ITRA	the income tax receivable agreement between us and Varietal
LIBOR	the applicable British Bankers Association London Interbank Offered Rate
SEC	the United States Securities and Exchange Commission
SG&A expenses	selling, general and administrative expenses
U.S. Retirement Plan	the defined benefit plan in the United States
Varietal	Varietal Distribution Holdings, LLC, a significant stockholder and affiliate

Cautionary Factors Regarding Forward-Looking Statements

This report contains forward-looking statements. All statements other than statements of historical fact included in this report are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words "aim," "anticipate," "believe," "estimate," "expect," "forecast," "intend," "likely," "outlook," "plan," "potential," "project," "projection," "seek," "can," "could," "may," "should," "would," "will," the negatives thereof and other words and terms of similar meaning.

Forward-looking statements are inherently subject to risks, uncertainties and assumptions; they are not guarantees of performance. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that the assumptions and expectations will prove to be correct.

You should understand that the following important factors, in addition to those discussed in our Annual Report, could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in our forward-looking statements:

- potential disruption to our business occurring during the period between the announcement of the merger and the closing of the transaction;
- unfavorable political, economic, capital and credit market conditions in the regions where we operate;

- changes in our customers' research, development and production and other scientific endeavors;
- changes to the life science industry adversely affecting our business;
- increased competition from other companies in our industry or from new companies that may enter our industry, and our ability to increase our market shares in the geographic regions where we operate;
- our ability to maintain relationships with our customers and suppliers;
- our ability to consummate and integrate prior and future acquisitions;
- the international scope of our operations;
- the need to record impairment charges against our goodwill, other intangible and/or other long-lived assets;
- existing and increased government regulations to which we and our suppliers are subject;
- our ability to comply with applicable antitrust or competition laws;
- increased costs to comply with environmental, health and safety laws and regulations;
- product liability and other claims in the ordinary course of business;
- our ability to hire, train and retain executive officers and other key personnel;
- significant interruptions in the operations of our distribution centers or the operations of our suppliers;
- failure of our information services and its connectivity to our customers, suppliers and/or certain service providers;
- our failure to register and in some cases own the existing applications and registrations for our material trademarks or service marks in certain countries where we do business;
- foreign currency exchange rate fluctuations;
- unanticipated increases to our income tax liabilities;
- failure to obtain regulatory approvals required for the merger to be completed on a timely basis; and
- the occurrence of specific circumstances that could give rise to the termination of the merger agreement.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. In addition, all forward-looking statements speak only as of the date of this report. We undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

VWR Corporation and Subsidiaries
Index to Condensed Consolidated Financial Statements (Unaudited)

VWR Corporation and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)

(in millions, except per share data)	June 30, 2017	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	$ 112.2	$ 168.7
Trade accounts receivable, net of reserves of $11.2 and $10.5	677.6	607.2
Inventories	503.1	483.1
Other current assets	82.2	93.1
Total current assets	1,375.1	1,352.1
Property and equipment, net of accumulated depreciation of $281.1 and $248.9	325.5	253.8
Goodwill	2,011.2	1,844.0
Other intangible assets, net	1,492.3	1,407.8
Other assets	124.4	104.8
Total assets	$ 5,328.5	$ 4,962.5
Liabilities, Redeemable Equity and Stockholders' Equity		
Current liabilities:		
Current portion of debt	$ 387.5	$ 250.1
Accounts payable	505.7	476.3
Employee-related liabilities	81.7	79.3
Current amount due to Varietal — ITRA	26.0	27.7
Other current liabilities	152.4	152.7
Total current liabilities	1,153.3	986.1
Debt, net of current portion	1,841.3	1,766.9
Amount due to Varietal — ITRA, net of current portion	31.3	57.3
Deferred income tax liabilities	445.0	477.2
Other liabilities	193.3	159.4
Total liabilities	3,664.2	3,446.9
Commitments and contingencies (Note 8)		
Redeemable equity, at redemption value	35.3	21.2
Stockholders' equity:		
Preferred stock, $0.01 par value; 50.0 shares authorized, no shares issued or outstanding	—	—
Common stock, $0.01 par value; 750.0 shares authorized, 131.8 and 131.6 shares issued and outstanding	1.3	1.3
Additional paid-in capital	1,762.4	1,766.0
Retained earnings	230.0	154.5
Accumulated other comprehensive loss	(364.7)	(427.4)
Total stockholders' equity	1,629.0	1,494.4
Total liabilities, redeemable equity and stockholders' equity	$ 5,328.5	$ 4,962.5

See accompanying notes to the condensed consolidated financial statements.

VWR Corporation and Subsidiaries
Condensed Consolidated Income Statements (Unaudited)

(in millions, except per share data)	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Net sales	$ 1,175.3	$ 1,149.5	$ 2,314.4	$ 2,247.8
Cost of goods sold	844.8	826.1	1,664.2	1,613.8
Gross profit	330.5	323.4	650.2	634.0
Selling, general and administrative expenses	249.8	238.8	488.0	469.7
Operating income	80.7	84.6	162.2	164.3
Interest expense	(20.6)	(20.7)	(39.3)	(39.9)
Other income (expense), net	(2.8)	0.1	(3.5)	(0.5)
Income before income taxes	57.3	64.0	119.4	123.9
Income tax provision	(20.3)	(22.2)	(43.9)	(43.3)
Net income	$ 37.0	$ 41.8	$ 75.5	$ 80.6
Earnings per share:				
Basic	$ 0.28	$ 0.32	$ 0.57	$ 0.61
Diluted	0.28	0.32	0.57	0.61
Weighted average shares outstanding:				
Basic	131.7	131.4	131.7	131.4
Diluted	132.6	131.7	132.3	131.6

See accompanying notes to the condensed consolidated financial statements.

VWR Corporation and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income or Loss (Unaudited)

(in millions)	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Net income	$ 37.0	$ 41.8	$ 75.5	$ 80.6
Other comprehensive income (loss):				
Foreign currency translation:				
Net unrealized gain (loss) arising during the period	52.7	(21.6)	63.5	22.6
Derivative instruments:				
Net unrealized loss arising during the period	(2.1)	(2.3)	(2.5)	(3.1)
Reclassification of net (gain) loss into earnings	(0.2)	0.1	(0.3)	(0.8)
Defined benefit plans:				
Reclassification of net loss into earnings	0.8	0.6	2.0	1.2
Other comprehensive income (loss)	51.2	(23.2)	62.7	19.9
Comprehensive income	$ 88.2	$ 18.6	$ 138.2	$ 100.5

VWR Corporation and Subsidiaries
Condensed Consolidated Statements of Redeemable Equity and Stockholders' Equity (Unaudited)

		Stockholders' equity					
		Common stock					
(in millions)	Redeemable equity, at redemption value	Shares	Par value	Additional paid-in capital	Retained earnings	AOCI	Total
Balance at December 31, 2016	$ 21.2	131.6	$ 1.3	$ 1,766.0	$ 154.5	$ (427.4)	$ 1,494.4
Issuance of common stock	—	0.2	—	4.3	—	—	4.3
Stock-based compensation expense	—	—	—	6.2	—	—	6.2
Reclassifications to state redeemable equity at redemption value	14.1	—	—	(14.1)	—	—	(14.1)
Net income	—	—	—	—	75.5	—	75.5
Other comprehensive income	—	—	—	—	—	62.7	62.7
Balance at June 30, 2017	$ 35.3	131.8	$ 1.3	$ 1,762.4	$ 230.0	$ (364.7)	$ 1,629.0

See accompanying notes to the condensed consolidated financial statements.

VWR Corporation and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)

	Six months ended June 30,	
(in millions)	2017	2016
Cash flows from operating activities:		
Net income	$ 75.5	$ 80.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	71.2	63.4
Net foreign currency remeasurement loss	4.2	3.8
Deferred income tax (benefit) provision	(24.6)	11.9
Other, net	13.5	7.8
Changes in working capital, net of business acquisitions:		
Trade accounts receivable	(34.5)	(40.7)
Inventories	(0.8)	(25.0)
Accounts payable	(5.6)	22.6
Other assets and liabilities	(11.9)	(4.8)
Net cash provided by operating activities	87.0	119.6
Cash flows from investing activities:		
Acquisitions of businesses, net of cash acquired	(194.7)	(45.0)
Proceeds from disposition of business, net of cash disposed	6.1	—
Capital expenditures	(25.9)	(29.8)
Net cash used in investing activities	(214.5)	(74.8)
Cash flows from financing activities:		
Proceeds from debt	572.8	363.7
Repayment of debt	(478.6)	(354.6)
Payment to Varietal under ITRA	(27.7)	(78.1)
Payment of contingent consideration	(19.1)	(2.5)
Net change in bank overdrafts	12.4	(0.5)
Other financing activities	4.3	1.3
Net cash provided by (used in) financing activities	64.1	(70.7)
Effect of exchange rate changes on cash	6.9	2.5
Net decrease in cash and cash equivalents	(56.5)	(23.4)
Cash and cash equivalents at beginning of period	168.7	136.3
Cash and cash equivalents at end of period	$ 112.2	$ 112.9
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 35.9	$ 41.7
Cash paid for income taxes, net	53.5	33.5

See accompanying notes to the condensed consolidated financial statements.

VWR Corporation and Subsidiaries
Notes to the Condensed Consolidated Financial Statements (Unaudited)

(1) Nature of Operations and Basis of Presentation

We are a leading global independent provider of product and service solutions to laboratory and production customers with significant market positions in Europe and North America. We offer a broad portfolio of branded and private label laboratory products, a full range of value-added services and custom manufacturing capabilities to meet our customers' needs. Services represent a growing but currently small portion of our overall net sales.

Proposed Merger with Avantor

In May 2017, we entered into an agreement and plan of merger with Avantor pursuant to which each issued and outstanding share of our common stock will be exchanged for $33.25 . In July 2017, our stockholders voted to approve and adopt the merger agreement. The completion of the merger is subject to certain regulatory approvals and other customary closing conditions and is expected to occur in the fourth quarter of 2017.

The merger agreement resulted in a number of changes to our commitments and contingencies, and we expect to incur significant costs related to the proposed merger, each as discussed further in Note 8 .

Basis of Presentation

We report financial results for two segments organized by geographic region: the Americas and EMEA-APAC.

The condensed consolidated financial statements have been prepared on the basis that we will continue to operate as a separate company from Avantor for the foreseeable future. Specifically:

- Assets and liabilities have been presented as current or noncurrent, and forward-looking disclosures have been prepared, on the same basis as prior periods; and
- Significant commitments and contingencies related to the merger, as discussed further in Note 8 , have been disclosed but not recognized.

We have prepared these condensed consolidated financial statements without audit pursuant to the rules and regulations of the SEC. Certain information normally included in financial statements prepared in accordance with GAAP has been condensed or omitted pursuant to such rules and regulations. The financial information presented herein reflects all adjustments (consisting only of normal, recurring adjustments) that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. The results for interim periods are not necessarily indicative of the results to be expected for the full year.

We believe that the disclosures included herein are adequate to make the information presented not misleading in any material respect when read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report. Those audited consolidated financial statements include a summary of our significant accounting policies, to which there have been no material changes.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of VWR Corporation and the redeemable equity of Varietal, each after the elimination of intercompany balances and transactions.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expense, income and loss during the reporting period. Actual results could differ significantly from those estimates.

(2) New Accounting Standards

In March 2017, the FASB issued new guidance about the presentation of the components of net periodic pension cost. The new guidance would require us to classify service cost as SG&A expense, interest cost as interest expense and the other components of net periodic pension cost as other income (expense), net. We would expect no change to income before income taxes or net income and would adopt the new guidance retrospectively beginning in the first quarter of 2018.

In February 2016, the FASB issued comprehensive new guidance about leases. Under the new guidance, most leases would be recognized on our consolidated balance sheet as liabilities with corresponding right-of-use assets. The new guidance carries forward a similar method of expense recognition for lessees. The new guidance would be effective for us beginning in the first quarter of 2019, with early adoption permitted, and would be adopted using a modified retrospective approach. We would expect this new guidance to result in a significant increase to our assets and liabilities.

In May 2014, the FASB issued comprehensive new revenue recognition guidance. The guidance provides a new model for revenue recognition that supersedes most current guidance and requires more disclosures about revenue including the components of revenue that are communicated to investors. The new guidance would be effective for us beginning in the first quarter of 2018 and could be adopted using either a full retrospective or a modified retrospective approach. We would expect the new recognition model to primarily impact only certain portions of our business and to result in expanded disclosures. We would adopt the new standard using the modified retrospective method.

There were no other new accounting standards that we would expect to have a material impact to our financial position or results of operations upon adoption.

(3) Earnings per Share

The following table presents information about basic and diluted earnings per share:

	Three months ended June 30,		Six months ended June 30,	
(in millions)	**2017**	**2016**	**2017**	**2016**
Reconciliation of weighted average shares outstanding:				
Basic	131.7	131.4	131.7	131.4
Dilutive effect of stock-based instruments	0.9	0.3	0.6	0.2
Diluted	132.6	131.7	132.3	131.6
Number of anti-dilutive instruments excluded from dilutive effect	1.8	2.8	3.1	3.7

(4) Acquisitions

During the six months ended June 30, 2017 , we acquired three businesses for $194.7 million , net of cash acquired. Except for their effects on investing cash flow and leasing (see Note 12), none of these acquisitions, nor their related costs, were material individually or in the aggregate to our results of operations or financial condition.

(5) Goodwill and Other Intangible Assets, net

The following tables present information about goodwill by segment:

(in millions)	Americas	EMEA-APAC	Total
Balance at December 31, 2016	$ 1,114.1	$ 729.9	$ 1,844.0
Acquisitions	88.2	17.1	105.3
Currency translation	3.2	58.7	61.9
Balance at June 30, 2017	$ 1,205.5	$ 805.7	$ 2,011.2

	June 30, 2017			December 31, 2016		
(in millions)	Gross carrying amount	Accumulated impairment losses	Net carrying amount	Gross carrying amount	Accumulated impairment losses	Net carrying amount
Americas	$ 1,412.1	$ 206.6	$ 1,205.5	$ 1,320.7	$ 206.6	$ 1,114.1
EMEA-APAC	805.7	—	805.7	729.9	—	729.9
Total	$ 2,217.8	$ 206.6	$ 2,011.2	$ 2,050.6	$ 206.6	$ 1,844.0

The following table presents the components of other intangible assets:

	June 30, 2017			December 31, 2016		
(in millions)	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Customer relationships	$ 1,522.6	$ 710.6	$ 812.0	$ 1,413.0	$ 651.3	$ 761.7
Other	71.9	24.9	47.0	49.7	20.1	29.6
Amortizable intangible assets	1,594.5	735.5	859.0	1,462.7	671.4	791.3
Indefinite-lived trademarks and tradenames	633.3	—	633.3	616.5	—	616.5
Other intangible assets	$ 2,227.8	$ 735.5	$ 1,492.3	$ 2,079.2	$ 671.4	$ 1,407.8

Amortization expense was $23.4 million and $21.3 million for the three months ended June 30, 2017 and 2016 , respectively, and $45.6 million and $42.3 million for the six months ended June 30, 2017 and 2016 , respectively.

The following table presents estimated future amortization expense at June 30, 2017 :

(in millions)	
Remainder of 2017	$ 47.3
2018	92.7
2019	91.0
2020	89.6
2021	85.5
Thereafter	452.9
Total	$ 859.0

(6) Debt

The following table presents information about debt:

	June 30, 2017			December 31, 2016
(dollars in millions)	Interest terms	Rate	Amount	
Accounts receivable securitization facility	LIBOR plus 1.15%	2.37%	$ 128.9	$ 163.9
Senior credit facility:				
Multi-currency revolving loan facility	Variable	2.87%	192.1	31.6
Term A loan, net of discount of $4.2 and $4.8	LIBOR plus 2.00%	3.23%	837.6	859.7
Term B loan, net of discount of $4.0 and $4.4	EURIBOR plus 3.00%	3.00%	456.3	423.8
4.625% senior notes, net of discount of $6.6 and $7.0	Fixed rate	4.63%	568.3	524.9
Capital lease obligations			45.6	13.1
Total debt			$ 2,228.8	$ 2,017.0
Classification on condensed consolidated balance sheets:				
Current portion of debt			$ 387.5	$ 250.1
Debt, net of current portion			1,841.3	1,766.9
Total debt			$ 2,228.8	$ 2,017.0

Borrowings under the accounts receivable securitization facility and the multi-currency revolving loan facility are included in the current portion of debt because we frequently borrow from and repay them to satisfy short term cash requirements; we are not required to repay those borrowings until maturity of the instruments.

Under the proposed merger agreement (see Note 1), we would be required to redeem or repay most of our debt. We may redeem the 4.625% senior notes at 102.3125% plus the present value of interest through April 15, 2018, and we must offer to redeem them at 101% following certain specific types of change of control.

In 2016, we swapped LIBOR for fixed interest rates on a portion of our term A loan. See Note 7 .

The following table presents availability under credit facilities at June 30, 2017 :

(in millions)	Accounts receivable securitization facility	Multi-currency revolving loan facility	Total
Maximum availability	$ 175.0	$ 250.0	$ 425.0
Current availability	$ 175.0	$ 250.0	$ 425.0
Undrawn letters of credit outstanding	(10.9)	(1.8)	(12.7)
Outstanding borrowings	(128.9)	(192.1)	(321.0)
Unused availability	$ 35.2	$ 56.1	$ 91.3

Current availability under the accounts receivable securitization facility depends upon maintaining a sufficient borrowing base of eligible trade accounts receivable. At June 30, 2017 , $263.4 million of trade accounts receivable were pledged as collateral under the facility.

(7) Financial Instruments and Fair Value Measurements

Our financial instruments include cash and cash equivalents, trade accounts receivable, accounts payable, debt, contingent consideration liabilities and an amount due to Varietal under the ITRA. Except for the amount due to Varietal and the contingent consideration liabilities, these financial instruments are held or issued by a number of institutions, which reduces the risk of material non-performance.

Assets and Liabilities for which Fair Value is Only Disclosed

The carrying amount of cash and cash equivalents is the same as its fair value and is a Level 1 measurement. The carrying amounts for trade accounts receivable and accounts payable approximate fair value due to their short-term nature and are Level 2 measurements.

The following table presents the carrying amounts and fair values of debt instruments:

	June 30, 2017		December 31, 2016	
(in millions)	Carrying amount	Fair value	Carrying amount	Fair value
Accounts receivable securitization facility	$ 128.9	$ 128.9	$ 163.9	$ 163.9
Senior credit facility:				
Multi-currency revolving loan facility	192.1	192.1	31.6	31.6
Term A loan	837.6	843.3	859.7	856.4
Term B loan	456.3	463.8	423.8	431.9
4.625% senior notes	568.3	600.3	524.9	553.9
Capital lease obligations	45.6	45.6	13.1	13.1

The fair values of debt instruments are based on standard pricing models that take into account the present value of future cash flows, which are Level 2 measurements.

At June 30, 2017 and December 31, 2016 , the amount due to Varietal under the ITRA had carrying amounts of $57.3 million and $85.0 million , respectively, and fair values of $56.2 million and $82.9 million , respectively. The fair values were estimated using a combination of observable and unobservable inputs following an income-based approach, a Level 3 measurement.

Recurring Fair Value Measurements with Significant Unobservable Inputs

Certain of the business acquisitions we completed entitle the sellers to contingent consideration if earnings targets are met during a period of time following the acquisition. See Note 8 for certain developments related to the proposed merger with Avantor.

The following table presents changes in contingent consideration liabilities:

(in millions)	**Six months ended June 30, 2017**
Beginning balance	$ 34.7
Acquisitions	21.2
Income from changes to estimated fair value	(0.8)
Cash payments	(19.1)
Currency translation	0.6
Ending balance	$ 36.6

We estimate the fair value of contingent consideration using the average of probability-weighted potential earn-out payments specified in the purchase agreements, a Level 3 measurement, ranging in the aggregate from approximately $3 million to $45 million for all open earn-outs a t June 30, 2017 . The significant assumptions used in these calculations include forecasted results and the estimated likelihood for each performance scenario.

Derivative Instruments and Hedging Activities

We engage in hedging activities to manage specific risks according to our strategies, as summarized below, which may change from time to time:

- *Cash flow hedging* — We hedge the variable base interest rate of a portion of our term A loan using interest rate swaps to reduce our exposure to changes in variable interest rates;

- *Net investment hedging* — We hedge a portion of our net investment in euro-denominated foreign operations using our 4.625% senior notes and a portion of our term B loan to reduce the earnings impact of changes in foreign currency exchange rates;

- *Economic hedge* — We experience opposite foreign currency exchange rate effects related to a euro-denominated intercompany loan and the unhedged portion of our term B loan. The currency effects for these non-derivative instruments are recorded through earnings in the period of change and substantially offset one another; and

- *Other hedging activities* — Some of our subsidiaries hedge short-term foreign-denominated business transactions and intercompany financing transactions using foreign currency forward contracts. No additional disclosures are provided for these activities because they were not material to our financial statements.

Cash Flow and Net Investment Hedging

We are party to two interest rate swaps designated as cash flow hedges of the variable LIBOR rate on $500.0 million of our term A loan. Those swaps exchange the variable LIBOR rate for an approximately 1% fixed rate and mature on September 28, 2020. These hedges have been and are expected to continue to be fully effective. As a result, changes to the fair value of the interest rate swaps, which otherwise would be recognized in earnings, are deferred to AOCI.

We have designated €356.0 million of our term B loan and all €503.8 million of our 4.625% senior notes as hedges to protect a portion of our net investment in foreign operations from the impact of changes in the euro to U.S. dollar exchange rate. As a result of these hedge designations, the foreign currency changes on the debt instruments, which otherwise would be recognized in earnings, are deferred to AOCI and equally offset the foreign currency changes on the hedged portion of our net investment. These hedges have no other impact to our financial position, financial performance or cash flows.

The following table presents the balance sheet classification and fair values of these instruments, all of which are Level 2 measurements:

(in millions)	**Balance sheet classification**	**June 30, 2017**	**December 31, 2016**
Cash flow hedging:			
Interest rate swaps	Other assets	$ 10.5	$ 11.2
Net investment hedging:			
Portion of term B loan	Debt, net of current portion	408.2	379.2
4.625% senior notes	Debt, net of current portion	600.3	553.9

The following table presents the net unrealized gain (loss) deferred to AOCI for these instruments:

	Three months ended June 30,		**Six months ended June 30,**	
(in millions)	**2017**	**2016**	**2017**	**2016**
Cash flow hedging:				
Interest rate swaps	$ (1.9)	$ (5.4)	$ (1.0)	$ (5.4)
Net investment hedging:				
Portion of net investment in foreign operations	61.0	(24.7)	72.9	21.1
Portion of term B loan	(25.2)	10.5	(30.2)	(8.9)
4.625% senior notes	(35.8)	14.2	(42.7)	(12.2)

The following table presents the net loss reclassified from AOCI into earnings for these instruments:

		Three months ended June 30,		**Six months ended June 30,**	
(in millions)	**Income statement classification**	**2017**	**2016**	**2017**	**2016**
Interest rate swaps	Interest expense	$ —	$ (0.4)	$ (0.3)	$ (0.4)

All of these hedges were fully effective for the periods presented.

(8) Commitments and Contingencies

Proposed Merger

The merger agreement, as discussed in Note 1 , resulted in a number of changes to our commitments and contingencies, summarized as follows:

- *Stock-based compensation* — Upon completion of the merger, all of our stock-based awards would be exchanged for cash. See Note 9 .
- *Fairness opinion* — Upon completion of the merger, we would be required to pay a financial advisor $28.0 million related to its assessment of the fairness of the merger consideration to our stockholders.
- *Associate retention plans* — In contemplation of the proposed merger, we adopted two retention plans that authorize us to pay up to $40.0 million to management in exchange for continuing service through May 4, 2018. Under those plans, up to $25.0 million is payable on the earlier of (i) May 4, 2018 or (ii) the date an associate is terminated by us other than for cause, due to death or disability or leaves for good cause, each as defined in the plan and subject to certain changes if the merger is not completed. In the event that U.S. federal excise taxes become due from certain executives, up to an additional $15.0 million is payable to them to keep them in the same position as if no excise tax had applied.
- *Amount due to Varietal under ITRA* — Upon completion of the merger, the amount due to Varietal under the ITRA would be $56.2 million , which is less than its carrying amount and would result in a $1.1 million gain. See Note 14 .
- *Contingent consideration for business acquisitions* — Upon completion of the merger, $15.0 million of previously recognized contingent consideration for a business acquisition would become immediately payable. Other contingent consideration remains payable according to the original terms. See Note 7 .
- *Termination clause* — The merger agreement provides Avantor and us certain termination rights. If we exercise our right to terminate, we would be required to pay Avantor a termination fee of $85.0 million for acceptance of a superior proposal and $170.0 million for any other reason. Should Avantor exercise its right to terminate, we would be entitled to receive a fee of $300.0 million .

We expect to incur significant costs for these items and other professional costs related to the proposed merger, $10.3 million of which was recognized for the three months ended June 30, 2017. We determined that none of the above items that are contingent upon completion of the proposed merger met the threshold for recognition under GAAP at June 30, 2017. The associate retention plans, which are not contingent on the completion of the merger, are being recognized as expense on a straight-line basis over the requisite service period and are included in the merger-related costs.

Other Matters

Our business involves risk of product liability, patent infringement and other claims in the ordinary course of business arising from the products that we source from various manufacturers or produce ourselves, as well as from the services we provide. Our exposure to such claims may increase as we seek to increase the geographic scope of our sourcing activities and sales of private label products and to the extent that we expand our manufacturing operations or service offerings. We maintain insurance policies, including product liability insurance, and in many cases the manufacturers of the products we distribute have indemnified us against such claims. We cannot assure you that our insurance coverage or indemnification agreements with manufacturers will be available in all pending or any future cases brought against us. Furthermore, our ability to recover under any insurance or indemnification arrangements is subject to the financial viability of our insurers, our manufacturers and our manufacturers’ insurers, as well as legal enforcement under the local laws governing the arrangements. In particular, as we seek to expand our sourcing from manufacturers in the Asia-Pacific region and other developing locations, we expect that we will increase our exposure to potential defaults under the related indemnification arrangements. Insurance coverage in general or coverage for certain types of liabilities, such as product liability or patent infringement in these developing markets may not be readily available for purchase or cost-effective for us to purchase. Furthermore, insurance for liability relating to asbestos, lead and silica exposure is not available, and we do not maintain insurance for product recalls. Accordingly, we could be subject to uninsured and unindemnified future liabilities, and an unfavorable result in a case for which adequate insurance or indemnification is not available could result in a material adverse effect on our business, financial condition and results of operations.

We are also involved in various disputes, litigation and regulatory matters incidental to our business, including employment matters, commercial disputes, government contract compliance matters, disputes regarding environmental clean-up costs, and other matters arising out of the normal conduct of our business. We intend to vigorously defend ourselves in such matters. From time to time, we are named as a defendant in cases as a result of our distribution of laboratory supplies, including litigation resulting from the alleged prior distribution of products containing asbestos by certain of our predecessors or acquired companies. While the impact of these disputes or litigation has historically been immaterial, and we believe the range of reasonably possible loss from current matters continues to be immaterial, there can be no assurance that the impact of the pending and any future claims will not be material to our business, financial condition or results of operations in the future.

The employment agreements with our executive officers include provisions for the payment of severance and continuing health benefits following termination without cause or resignation for good reason, as those terms are defined in the employment agreements. The aggregate of potential payments for all executive officers under these provisions was $11.2 million at June 30, 2017 .

(9) Stock-Based Compensation

The following table presents the components of stock-based compensation expense, a component of SG&A expenses:

	Three months ended June 30,		Six months ended June 30,	
(in millions)	2017	2016	2017	2016
2014 Plan:				
Stock options	$ 2.8	$ 2.2	$ 5.3	$ 3.5
Restricted stock units	0.6	0.1	0.8	0.1
Other immaterial plans	—	0.1	0.1	0.2
Total	$ 3.4	$ 2.4	$ 6.2	$ 3.8

At June 30, 2017 , remaining stock-based compensation expense of $30.6 million related to stock options would be recognized over a weighted average period of 2.9 years and $7.4 million related to restricted stock units would be recognized over a weighted average period of 3.4 years .

Under the proposed merger agreement (see Note 1), outstanding stock options would be exchanged for the excess of the $33.25 merger price per share over each option’s exercise price, and restricted stock units would be exchanged for the merger price of $33.25 per share.

2014 Plan

The 2014 Plan authorized up to 11.5 million shares of common stock to be issued in the form of stock options, stock appreciation rights, restricted stock or other stock-based awards. At June 30, 2017 , 3.7 million shares were available for future issuance. Under the proposed merger agreement, no award may be issued prior to its completion or termination, and under the 2014 Plan no award may be granted on or after September 9, 2024.

Stock options

The following table presents information about stock options under the 2014 Plan:

	Six months ended June 30, 2017			
(options and intrinsic values in millions)	**Number of stock options**	**Weighted average exercise price per option**	**Aggregate intrinsic value**	**Weighted average remaining term**
Outstanding at beginning of period	5.8	$ 22.80		
Granted	1.7	28.26		
Exercised	(0.2)	21.94		
Forfeited	(0.1)	23.28		
Outstanding at end of period	7.2	24.08	$ 64.5	5.3 years
Expected to vest	4.9	24.83	39.7	5.6 years
Exercisable	2.2	22.27	23.6	4.8 years

In 2017, we granted stock options to management that vest 25% on the first anniversary of the date of grant and 6.25% quarterly thereafter through the four th anniversary of the date of grant and have a seven -year term.

The following table presents information about the fair value of stock options granted in 2017:

Weighted average grant date fair value	$ 6.88
Expected stock price volatility	25%
Risk free interest rate	1.71%
Expected dividend rate	nil
Expected life of options	4.6 years

The total fair value of options vested during the six months ended June 30, 2017 was $7.6 million . Options exercised during the six months ended June 30, 2017 had intrinsic value of $1.2 million , caused us to realize a tax benefit of $0.4 million and resulted in cash contributions of $3.0 million .

Restricted Stock Units

The following table presents information about restricted stock units under the 2014 plan:

	Six months ended June 30, 2017	
(units in millions)	**Number of units**	**Weighted average grant date fair value per unit**
Nonvested at beginning of period	—	$ 24.52
Granted	0.3	28.26
Vested	—	24.52
Forfeited	—	28.26
Nonvested at end of period	0.3	28.00

In 2017, we granted restricted stock units to management that vest 25% annually through the four th anniversary of the date of grant. The fair value of the restricted stock units on the date of grant was equal to the quoted price of our common stock on that date.

(10) Restructuring

In the fourth quarter of 2016, we initiated a restructuring program to achieve additional efficiencies in our operating model and to reduce operating expenses. The program involves selectively realigning personnel, closures of several smaller operations accompanied by consolidation of their operating activities in other business units, and closure or divestiture of certain non-strategic business units. We expect to fully execute the program by early 2018 when operating activity relocations are scheduled to be completed.

The following table presents information about charges under this program, which are included in SG&A expenses:

			June 30, 2017		
(in millions)	Three months ended June 30, 2017	Six months ended June 30, 2017	Cumulative charges incurred	Expected remaining charges	Total expected charges
Employee severance	$ 1.3	$ 4.1	$ 17.0	$ 1.6	$ 18.6
Facility closure	0.2	0.4	0.8	2.2	3.0
Other	1.2	3.9	10.9	2.5	13.4
Total	$ 2.7	$ 8.4	$ 28.7	$ 6.3	$ 35.0
Americas	$ 0.9	$ 1.8	$ 3.6	$ 0.8	$ 4.4
EMEA-APAC	1.8	6.6	25.1	5.5	30.6
Total	$ 2.7	$ 8.4	$ 28.7	$ 6.3	$ 35.0

Other charges are to write-down the carrying value of net assets of businesses planned for closure or sale under the program and other charges not payable in cash.

The following table presents changes to accrued restructuring charges:

(in millions)	Employee severance	Facility closure	Total
Balance at December 31, 2016	$ 10.7	$ 0.4	$ 11.1
Restructuring charges	4.1	0.4	4.5
Cash payments	(6.1)	(0.1)	(6.2)
Currency translation	0.5	—	0.5
Balance at June 30, 2017	$ 9.2	$ 0.7	$ 9.9

(11) Benefit Plans

The following tables present the components of net periodic pension (income) cost:

	U.S. Retirement Plan Three months ended June 30,		German, French and UK Plans Three months ended June 30,	
(in millions)	2017	2016	2017	2016
Service cost	$ 1.4	$ 0.2	$ 0.4	$ 0.3
Interest cost	1.6	1.7	1.0	1.1
Expected return on plan assets	(3.5)	(3.3)	(1.2)	(1.2)
Recognized net actuarial loss	—	—	1.0	0.8
Net periodic pension (income) cost	$ (0.5)	$ (1.4)	$ 1.2	$ 1.0

	U.S. Retirement Plan Six months ended June 30,		German, French and UK Plans Six months ended June 30,	
(in millions)	2017	2016	2017	2016
Service cost	$ 2.8	$ 0.4	$ 0.8	$ 0.7
Interest cost	3.2	3.4	2.0	2.3
Expected return on plan assets	(7.0)	(6.6)	(2.4)	(2.4)
Recognized net actuarial loss	—	—	1.9	1.7
Total	$ (1.0)	$ (2.8)	$ 2.3	$ 2.3

During the six months ended June 30, 2017 , we made no contributions to the U.S. Retirement Plan and $0.9 million of aggregate contributions to the German, French and UK Plans. For the remainder of 2017 , we expect to make no contributions to the U.S. Retirement Plan and aggregate contributions of $3.5 million to the German, French and UK Plans.

(12) Leases

The following table presents future minimum lease payments for a business acquired in the first quarter of 2017:

	June 30, 2017	
(in millions)	Capital leases	Operating leases
Remainder of 2017	$ 1.3	$ 0.2
2018	2.7	0.4
2019	2.7	0.4
2020	2.8	0.4
2021	2.9	0.2
Thereafter	57.3	4.4
Total minimum payments	69.7	$ 6.0
Imputed interest	37.2	
Present value of minimum lease payments	$ 32.5	

Assets under capital leases for that acquisition were $32.5 million with $0.4 million of accumulated depreciation at June 30, 2017 . The capital lease assets are recorded in property and equipment, net, and the capital lease obligations are recorded in debt.

(13) Comprehensive Income or Loss

The following table presents changes in the components of AOCI, net of tax:

(in millions)	Foreign currency translation	Derivative instruments	Defined benefit plans	Total
Balance at December 31, 2016	$ (386.5)	$ 8.8	$ (49.7)	$ (427.4)
Net unrealized gain (loss) arising during the period	63.5	(2.5)	—	61.0
Reclassification of net (gain) loss into earnings	—	(0.3)	2.0	1.7
Balance at June 30, 2017	$ (323.0)	$ 6.0	$ (47.7)	$ (364.7)

The following table presents the reclassification of net (gain) loss from AOCI into earnings:

	Three months ended June 30,		Six months ended June 30,	
(in millions)	2017	2016	2017	2016
Derivative instruments:				
Cost of goods sold	$ (0.2)	$ (0.1)	$ (0.7)	$ (1.2)
Selling, general and administrative expenses	(0.1)	—	(0.1)	—
Interest expense	—	0.4	0.3	0.4
Income tax provision	0.1	(0.2)	0.2	—
Net income	$ (0.2)	$ 0.1	$ (0.3)	$ (0.8)
Defined benefit plans:				
Selling, general and administrative expenses	$ 1.2	$ 0.9	$ 2.8	$ 1.7
Income tax provision	(0.4)	(0.3)	(0.8)	(0.5)
Net income	$ 0.8	$ 0.6	$ 2.0	$ 1.2

The following table presents the income tax effects of the components of comprehensive income or loss:

	Three months ended June 30,		Six months ended June 30,	
(in millions)	2017	2016	2017	2016
Foreign currency translation:				
Net unrealized income tax benefit (provision) arising during the period	$ 23.8	$ (9.6)	$ 28.4	$ 8.2
Derivative instruments:				
Net unrealized income tax benefit arising during the period	1.1	1.8	1.0	2.2
Reclassification of net income tax provision (benefit) into earnings	0.1	(0.2)	0.2	—
Defined benefit plans:				
Reclassification of net income tax benefit into earnings	(0.4)	(0.3)	(0.8)	(0.5)

(14) Related Party Transactions

Due to Varietal — ITRA

We are party to an ITRA with Varietal. The ITRA provides for the payment of most of the cash savings in U.S. federal, state and local income tax realized as a result of utilizing net operating losses that were generated in periods prior to our initial public offering. Varietal will not reimburse us for any payments previously made under the ITRA if such benefits are subsequently disallowed.

We made a payment under the ITRA of $27.7 million during the first quarter of 2017. At June 30, 2017 , the remaining amount due to Varietal under the ITRA was $57.3 million , $26.0 million of which is classified as current and represents our estimate of the payment that will become due in March 2018 .

In connection with the proposed merger, the ITRA would become immediately payable. See Note 8.

(15) Segment Financial Information

The following table presents segment financial information:

	Three months ended June 30,		Six months ended June 30,	
(in millions)	2017	2016	2017	2016
Net sales:				
Americas	$ 726.4	$ 694.9	$ 1,419.2	$ 1,361.6
EMEA-APAC	448.9	454.6	895.2	886.2
Total	$ 1,175.3	$ 1,149.5	$ 2,314.4	$ 2,247.8
Operating income:				
Americas	$ 42.2	$ 43.6	$ 84.1	$ 87.0
EMEA-APAC	38.5	41.0	78.1	77.3
Total	$ 80.7	$ 84.6	$ 162.2	$ 164.3

The amounts above exclude inter-segment activity. All of the net sales for each segment are from external customers. We determined that disclosing net sales for each group of similar customers, products and services would be impracticable.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This item should be read with our condensed consolidated financial statements and related notes included in Part I, Item 1 — "Financial Statements." This item also contains forward-looking statements, which are subject to risks and uncertainties. Actual results may differ materially from those forward-looking statements. Refer to "Cautionary Factors Regarding Forward-Looking Statements" for additional information.

Basis of Presentation

Pursuant to SEC rules for reports covering interim periods, we have prepared this discussion and analysis to explain material changes in our financial condition and results of operations since December 31, 2016 , the date of our Annual Report. Therefore, we encourage you to read this discussion and analysis in conjunction with the Annual Report.

We report financial results on the basis of two segments organized by geographic region: the Americas and EMEA-APAC.

Overview

We are a leading global independent provider of product and service solutions to laboratory and production customers with significant market positions in Europe and North America. We offer a broad portfolio of branded and private label laboratory products, a full range of value-added services and custom manufacturing capabilities to meet our customers' needs. Services represent a growing but currently small portion of our overall net sales.

Our growth strategies include expanding our global strategic relationships, developing complementary new services, expanding our customer and supplier base, implementing best practices across our operations, broadening our offerings to underserved customer segments, executing targeted acquisitions and deploying capital to create stockholder value.

Proposed Merger with Avantor

In May 2017, we entered into an agreement and plan of merger with Avantor pursuant to which each issued and outstanding share of our common stock will be exchanged for $33.25 . In July 2017, our stockholders voted to approve and adopt the merger agreement. The completion of the merger is subject to certain regulatory approvals and other customary closing conditions and is expected to occur early in the fourth quarter of 2017.

For additional information, refer to the full text of the merger agreement attached as Exhibit 2.1 to the Current Report on Form 8-K filed with the SEC on May 5, 2017 and our definitive proxy statement related to the transaction filed with the SEC on June 13, 2017 which was supplemented by a Current Report on Form 8-K filed with the SEC on July 6, 2017.

Key Indicators of Performance and Financial Condition

To evaluate our performance, we monitor a number of key indicators of our performance and financial condition.

- ***Net sales*** , ***organic net sales growth*** , ***operating income*** and ***operating income margin*** , which we discuss in the section entitled "Results of Operations." Organic net sales growth is a non-GAAP financial measurement that eliminates the contribution from recently acquired businesses and the impact of changes in foreign currency exchange rates from our reported net sales. We believe that this measurement is useful to investors as an additional way to measure and evaluate our underlying commercial operating performance consistently across the periods presented. This measurement is used by our management for the same reason;

- ***Constant-currency changes in gross profit, SG&A expenses*** and ***operating income*** , which we discuss in the section entitled "Results of Operations." These are non-GAAP financial measurements that exclude the impact of changes in foreign currency exchange rates from our reported results. We believe that these measurements are useful to investors as an additional way to measure and evaluate our underlying commercial operating performance excluding the effects of currency changes, which we cannot control. These measurements are used by our management for the same reason;

- ***Gross margin, net income*** and ***diluted earnings per share*** , which we discuss in the section entitled "Results of Operations;"

- ***Adjusted operating income*** and ***Adjusted EPS*** , which we discuss in materials furnished to the SEC and other public materials related to our presentation of quarterly results. Both are non-GAAP financial measurements that exclude the amortization of acquired intangible assets, restructuring charges, impairment charges, changes in foreign currency exchange rates related to financing decisions and certain other items. For Adjusted EPS, we then add or subtract an estimated incremental income tax effect applicable to those items. We believe that these measurements are useful to investors as an additional way to analyze the underlying trends in our business consistently across the periods presented. These measurements are used by our management for the same reason; and

- Cash flows, particularly ***cash flows from operating activities*** , which we discuss in the section entitled "Liquidity and Capital Resources — Historical Cash Flows."

Cautionary Statement about Non-GAAP Financial Measurements

As previously noted, we supplement our results of operations determined in accordance with GAAP with certain non-GAAP financial measurements that are used by management, and which we believe are useful to investors, as supplemental operational measurements to evaluate our financial performance. These measurements should not be considered in isolation or as a substitute for reported GAAP results because they may include or exclude certain items as compared to similar GAAP-based measurements, and such measurements may not be comparable to similarly-titled measurements reported by other companies. Rather, these measurements should be considered as an additional way of viewing aspects of our operations that provide a more complete understanding of our business. We strongly encourage investors to review our condensed consolidated financial statements included elsewhere herein and in publicly filed reports in their entirety and not rely solely on any one, single financial measurement or communication.

Reconciliations of our non-GAAP measurements appearing in this report to their most directly comparable GAAP-based financial measurements are included throughout the section entitled "Results of Operations."

Results of Operations — Comparison of Three and Six Months Ended June 30, 2017 and 2016

Executive Summary

	Three months ended June 30,			Six months ended June 30,		
(dollars in millions, except per share amounts)	**2017**	**2016**	**Change**	**2017**	**2016**	**Change**
Net sales	$ 1,175.3	$ 1,149.5	$ 25.8	$ 2,314.4	$ 2,247.8	$ 66.6
Organic net sales growth	2.3%			3.3%		
Gross margin	28.1%	28.1%	—	28.1%	28.2%	(10)bps
Operating income	$ 80.7	$ 84.6	$ (3.9)	$ 162.2	$ 164.3	$ (2.1)
Operating income margin	6.9%	7.4%	(50) bps	7.0%	7.3%	(30)bps
Net income	$ 37.0	$ 41.8	$ (4.8)	$ 75.5	$ 80.6	$ (5.1)
Diluted earnings per share	$ 0.28	$ 0.32	$ (0.04)	$ 0.57	$ 0.61	$ (0.04)

Net sales for the three months ended June 30, 2017 benefited from recent acquisitions and organic sales growth but were negatively impacted by a weaker euro and British pound sterling. The organic net sales growth benefited from both higher volume and more efficient pricing. This reflected solid underlying business trends but was negatively impacted by the timing of the Easter holiday in our EMEA-APAC segment. Gross margin was flat compared to the prior year.

Operating income and operating income margin were both lower primarily due to costs for our proposed merger with Avantor and restructuring charges, which were partially offset by higher gross profit from our organic sales growth and recent acquisitions. Net income and diluted earnings per share were also lower, following the trend in operating income.

Results for the six months ended June 30, 2017 were similar to the three-month period except that they were not impacted unfavorably by the timing of the Easter holiday.

Net Sales and Organic Net Sales Growth

	June 30,		Reported change		Non-GAAP reconciliation		Organic net sales growth	
(dollars in millions)	2017	2016	Amount	%	Currency translation	Acquisitions, net of dispositions	Amount	%
Three months ended:								
Americas	$ 726.4	$ 694.9	$ 31.5	4.5 %	$ (1.9)	$ 18.9	$ 14.5	2.1%
EMEA-APAC	448.9	454.6	(5.7)	(1.3)%	(16.4)	(1.4)	12.1	2.7%
Total	$ 1,175.3	$ 1,149.5	$ 25.8	2.2 %	$ (18.3)	$ 17.5	$ 26.6	2.3%
Six months ended:								
Americas	$ 1,419.2	$ 1,361.6	$ 57.6	4.2 %	$ (0.1)	$ 31.8	$ 25.9	1.9%
EMEA-APAC	895.2	886.2	9.0	1.0 %	(37.3)	(1.8)	48.1	5.5%
Total	$ 2,314.4	$ 2,247.8	$ 66.6	3.0 %	$ (37.4)	$ 30.0	$ 74.0	3.3%

Three Months Ended

Net sales increased $25.8 million or 2.2% , up 2.3% on an organic basis.

Americas net sales increased $31.5 million or 4.5% , up 2.1% on an organic basis. Overall, sales in the Americas benefited from acquisitions and efficient pricing. From a customer perspective, sales growth was broad-based, with sales to healthcare, education, industrial and government customers growing by mid single-digit rates and sales to Biopharma customers growing by a low single-digit rate. From a product perspective, sales of capital goods grew by a high single-digit rate, sales of chemicals grew by a mid single-digit rate and sales of other consumables grew by a low single-digit rate.

EMEA-APAC net sales decreased $5.7 million or 1.3% , up 2.7% on an organic basis. Overall, sales decreased because of unfavorable currency translation and the timing of the Easter holiday. From a customer perspective, sales to Biopharma customers grew by a high single-digit rate and sales to industrial customers grew by a low single-digit rate, offset by sales to healthcare customers which declined by a mid single-digit rate, sales to government customers which declined by a low single-digit rate and sales to education customers which decreased by a high single-digit rate. From a product perspective, sales of other consumables and capital goods grew by low single-digit rates while sales of chemicals were somewhat flat. Those unfavorable items were substantially offset by higher volume caused by solid underlying business trends.

Six Months Ended

Net sales increased $66.6 million or 3.0% , up 3.3% on an organic basis.

Americas net sales increased $57.6 million or 4.2% , up 1.9% on an organic basis for reasons similar to the three-month period.

EMEA-APAC net sales increased $9.0 million or 1.0% , up 5.5% on an organic basis. Overall, sales were not impacted by the timing of the Easter holiday and reflected higher volume caused by solid underlying business trends, partially offset by unfavorable currency translation. From a customer perspective, sales to Biopharma customers grew by a high single-digit rate, sales to industrial customers grew by a mid single-digit rate and sales to healthcare and government customers grew by low single-digit rates, while sales to education customers decreased by a low single-digit rate. From a product perspective, sales of capital goods were somewhat flat while sales of chemicals and other consumables grew by a mid single-digit rate.

Gross Profit and Gross Margin

	June 30,		Non-GAAP reconciliation				
			Reported change		Currency translation	Constant-currency change	
(dollars in millions)	2017	2016	Amount	%		Amount	%
Three months ended:							
Gross profit	$ 330.5	$ 323.4	$ 7.1	2.2%	$ (5.6)	$ 12.7	3.9%
Gross margin	28.1%	28.1%	—				
Six months ended:							
Gross profit	$ 650.2	$ 634.0	$ 16.2	2.6%	$ (11.9)	$ 28.1	4.4%
Gross margin	28.1%	28.2%	(10) bps				

For the three months ended June 30, 2017 , gross profit increased 2.2% , up 3.9% on a constant-currency basis due to net sales growth. Gross margin was 28.1% , flat compared to the prior year, the result of efficient pricing that was offset by unfavorable currency effects from cross-border purchasing of $2.1 million and $0.5 million of purchase accounting adjustment charges.

For the six months ended June 30, 2017 , gross profit increased 2.6% , up 4.4% on a constant-currency basis, and gross margin was 28.1% , down 10 basis points compared to the prior year, the result of efficient pricing that was more than offset by by unfavorable currency effects from cross-border purchasing of $3.3 million and purchase accounting adjustment charges of $2.4 million.

SG&A Expenses

	June 30,		Non-GAAP reconciliation				
			Reported change		Currency translation	Constant-currency change	
(dollars in millions)	2017	2016	Amount	%		Amount	%
Three months ended:							
SG&A expenses	$ 249.8	$ 238.8	$ 11.0	4.6%	$ (4.2)	$ 15.2	6.4%
% of net sales	21.3%	20.8%	50 bps				
Six months ended:							
SG&A expenses	$ 488.0	$ 469.7	$ 18.3	3.9%	$ (8.9)	$ 27.2	5.8%
% of net sales	21.1%	20.9%	20 bps				

For the three months ended June 30, 2017 , SG&A expenses increased $11.0 million or 4.6% , up 6.4% on a constant-currency basis. The increase primarily includes $10.3 million of costs related to our proposed merger with Avantor, $2.7 million of restructuring charges and $1.0 million of additional stock-based compensation expense, partially offset by savings from our ongoing restructuring program.

For the six months ended June 30, 2017 , SG&A expenses increased $18.3 million or 3.9% , up 5.8% on a constant-currency basis, for reasons similar to the three-month period. We incurred $10.3 million of costs related to our proposed merger with Avantor, $8.4 million of restructuring charges and $2.4 million of additional stock-based compensation expense, partially offset by savings from our ongoing restructuring program.

Operating Income

(dollars in millions)	June 30, 2017	June 30, 2016	Non-GAAP reconciliation: Reported change Amount	Reported change %	Currency translation	Constant-currency change Amount	Constant-currency change %
Three months ended:							
Operating income:							
Americas	$ 42.2	$ 43.6	$ (1.4)	(3.2)%	$ (0.1)	$ (1.3)	(3.0)%
EMEA-APAC	38.5	41.0	(2.5)	(6.1)%	(1.3)	(1.2)	(2.9)%
Total	$ 80.7	$ 84.6	$ (3.9)	(4.6)%	$ (1.4)	$ (2.5)	(3.0)%
Operating income margin:							
Americas	5.8%	6.3%	(50) bps				
EMEA-APAC	8.6%	9.0%	(40) bps				
Total	6.9%	7.4%	(50) bps				
Six months ended:							
Operating income:							
Americas	$ 84.1	$ 87.0	$ (2.9)	(3.3)%	$ (0.1)	$ (2.8)	(3.2)%
EMEA-APAC	78.1	77.3	0.8	1.0 %	(2.9)	3.7	4.8 %
Total	$ 162.2	$ 164.3	$ (2.1)	(1.3)%	$ (3.0)	$ 0.9	0.5 %
Operating income margin:							
Americas	5.9%	6.4%	(50) bps				
EMEA-APAC	8.7%	8.7%	—				
Total	7.0%	7.3%	(30) bps				

Three Months Ended

Operating income and operating income margin were both lower primarily due to costs related to our proposed merger with Avantor and restructuring charges, which were partially offset by higher gross profit from our organic sales growth and recent acquisitions.

Americas operating income decreased $1.4 million or 3.2% , with operating income margin down 50 basis points. The decrease was primarily caused by $9.0 million of costs related to our proposed merger with Avantor and $2.5 million of expense from remeasuring contingent consideration, which was substantially offset by gross margin from organic revenue growth and acquisitions.

EMEA-APAC operating income decreased $2.5 million or 6.1% , down 2.9% on a constant-currency basis, with operating income margin down 40 basis points. The decrease included $1.8 million of restructuring charges and $1.3 million of costs related to our proposed merger with Avantor, partially offset by $1.6 million of income from remeasuring contingent consideration.

Six Months Ended

Operating income decreased $2.1 million or 1.3% , up 0.5% on a constant-currency basis for reasons similar to the three-month period.

Net Income and Diluted Earnings per Share

(in millions, except per share amounts)	Three months ended June 30, 2017	2016	Change	Six months ended June 30, 2017	2016	Amount
Operating income	$ 80.7	$ 84.6	$ (3.9)	$ 162.2	$ 164.3	$ (2.1)
Interest expense	(20.6)	(20.7)	0.1	(39.3)	(39.9)	0.6
Other income (expense), net	(2.8)	0.1	(2.9)	(3.5)	(0.5)	(3.0)
Income tax provision	(20.3)	(22.2)	1.9	(43.9)	(43.3)	(0.6)
Net income	$ 37.0	$ 41.8	$ (4.8)	$ 75.5	$ 80.6	$ (5.1)
Diluted earnings per share	$ 0.28	$ 0.32	$ (0.04)	$ 0.57	$ 0.61	$ (0.04)

For the three months ended June 30, 2017 , net income was $37.0 million , down $4.8 million from lower operating income, partially offset by a lower tax provision, as well as some volatility associated with the remeasurement of our foreign-denominated debt. Diluted earnings per share was $0.28 , down $0.04 for the same reasons.

For the six months ended June 30, 2017 , net income was $75.5 million , down $5.1 million for reasons similar to the three-month period.

Liquidity and Capital Resources

We fund short-term cash requirements primarily from operating cash flows and unused availability under our credit facilities. Most of our cash resides outside of the United States, which we do not intend to repatriate. Most of our long-term financing is from debt.

As previously mentioned, in May 2017 we entered into an agreement and plan of merger with Avantor. Should the merger be completed, all of our outstanding debt obligations, except those related to capital leases, will be repaid. The completion of the merger is subject to certain regulatory approvals and other customary closing conditions and is expected to occur early in the fourth quarter of 2017.

Notwithstanding the completion of the proposed merger, we believe that cash generated from operations, together with available borrowings under our credit facilities, would be adequate to meet our current and expected needs for cash prior to the maturity of our debt, although no assurance can be given in this regard.

Liquidity

At June 30, 2017 , we had aggregate unused availability of $91.3 million under our credit facilities as shown in the following table:

(in millions)	Accounts receivable securitization facility	Multi-currency revolving loan facility	Total
Maximum availability	$ 175.0	$ 250.0	$ 425.0
Current availability	$ 175.0	$ 250.0	$ 425.0
Undrawn letters of credit outstanding	(10.9)	(1.8)	(12.7)
Outstanding borrowings	(128.9)	(192.1)	(321.0)
Unused availability	$ 35.2	$ 56.1	$ 91.3

Availability under these facilities is the most significant source of our liquidity. Daily average borrowings outstanding under these facilities for the three and six months ended June 30, 2017 was $359.5 million and $293.5 million , respectively. Our liquidity needs change daily, which causes our unused availability to fluctuate, and current availability under the accounts receivable securitization facility depends upon maintaining a sufficient borrowing base of eligible trade accounts receivable. During the first half of 2017, we used a significant amount of unused availability to finance business acquisitions.

Historical Cash Flows

The following table presents a summary of historical cash flows:

	Six months ended June 30,	
(in millions)	**2017**	**2016**
Net cash provided by (used in):		
Operating activities	$ 87.0	$ 119.6
Investing activities	(214.5)	(74.8)
Financing activities	64.1	(70.7)

Historical Cash Flows — Six Months Ended June 30, 2017

Operating Activities

Net cash provided by operating activities decreased $32.6 million due primarily to an increase to cash paid for taxes as well as increases to cash paid for customer rebates, incentive compensation and restructuring. Those expenditures were partially offset by cash-based earnings growth.

Cash paid for income taxes was $53.5 million , up $20.0 million due to a greater limitation on our use of net operating losses in 2017 following a change in control that occurred in the second quarter of 2016. Cash paid for interest was $35.9 million , which was consistent with last year except for a small timing difference.

Net cash provided by operating activities included a significant net contribution from earnings, excluding non-cash items such as depreciation, amortization and deferred taxes. Changes in trade accounts receivable used cash of $34.5 million due primarily to organic net sales growth. Changes in inventories were relatively flat. Changes in accounts payable used cash of $5.6 million . Our cash disbursement routines follow a standardized process for payment, and we may experience fluctuations in cash flows associated with accounts payable from period to period. Changes in other assets and liabilities used cash of $11.9 million , primarily reflecting net cash outflows under customer and supplier rebate programs.

Investing Activities

Net cash used in investing activities was $214.5 million . We paid net cash of $194.7 million to acquire three businesses, up significantly from the same period last year when we purchased two smaller businesses. Capital expenditures were $25.9 million and comparable to last year.

Financing Activities

Net cash provided by financing activities was $64.1 million , reflecting additional borrowings under our credit facilities, in part to finance business acquisitions, and $12.4 million provided by bank overdrafts, caused by timing of disbursements. We also paid $27.7 million to Varietal under the ITRA and $19.1 million to settle contingent consideration liabilities for business acquisitions. The ITRA payment was $50.4 million less than last year because of a limitation on our use of net operating losses in 2016 following a change in control, while the contingent consideration payments were significantly higher than last year due to the particular size and timing of each earnout.

Historical Cash Flows — Six Months Ended June 30, 2016

Operating Activities

Net cash provided by operating activities included a significant net contribution from earnings, excluding non-cash items such as depreciation and amortization and deferred income tax provision. This contribution was reduced by investments in working capital. Changes in trade accounts receivable used cash of $40.7 million due primarily to organic net sales growth. Changes in inventories and accounts payable each increased, following the organic net sales growth, and together used net cash of $2.4 million reflecting a greater stock of private label products and chemicals, the continuation of a global initiative to expand our product offerings and improve customer service levels.

Cash paid for interest was $41.7 million, a slight decrease from prior year caused by savings from our 2015 debt refinancing that were substantially offset by payment timing. Cash paid for income taxes was $33.5 million, an increase of $13.8 million from prior year caused by an increase in taxable profits.

Investing Activities

Net cash used in investing activities was $74.8 million. We paid net cash of $45.0 million to acquire two businesses. Capital expenditures were $29.8 million, an increase of $13.3 million from prior year driven by the consolidation of our U.S. chemical manufacturing businesses.

Financing Activities

Net cash used in financing activities was $70.7 million. We paid $78.1 million to Varietal under the ITRA, a $68.3 million larger payment than prior year reflecting the relative utilization of net operating losses. We partially financed that payment with net proceeds from debt of $9.1 million.

New Accounting Standards

For information about new accounting standards, see Note 2 to our condensed consolidated financial statements included in Part I, Item 1 — "Financial Statements."

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There have been no significant changes to the disclosures about market risk included in our Annual Report.

Item 4. Controls and Procedures

Management's Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2017 . Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2017 , our disclosure controls and procedures were effective in providing reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, reported, accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes to our internal control over financial reporting during the fiscal quarter ended June 30, 2017 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal proceedings and matters, see Note 8 to our condensed consolidated financial statements included in Part I, Item 1 — “Financial Statements,” which information is incorporated into this item by reference.

Item 1A. Risk Factors

Except as set forth below, there have been no significant changes to the risk factors included in our Annual Report.

The Merger is subject to the satisfaction of various conditions, including governmental and regulatory approvals, in the Merger Agreement.

The Merger Agreement contains a number of conditions to complete the Merger, including, among others, (i) the approval of holders of a majority of our issued and outstanding shares of common stock, which occurred in July 2017, (ii) the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, as well as any required clearance, consent or approval under applicable foreign antitrust laws having been obtained, (iii) no judgment issued by any governmental entity of competent jurisdiction or law or other legal prohibition preventing or prohibiting the consummation of the Merger being in effect, (iv) consents of the Committee on Foreign Investment in the United States and the Foreign Investment Review Board of Australia having been obtained, (v) the absence of a “material adverse effect” with respect to the Company, (vi) the accuracy of each party’s representations and warranties contained in the Merger Agreement (subject to certain materiality standards set forth in the Merger Agreement) and (vii) each party’s performance of its obligations required under the Merger Agreement in all material respects. There is no assurance that all of the conditions will be satisfied (or waived, if applicable), or that the Merger will be completed on the proposed terms, within the expected timeframe, or at all. Many of the conditions to complete the Merger are not within either our or Avantor’s control, and neither company can predict when or if these conditions will be satisfied (or waived, if applicable). Any delay in completing the Merger could cause us not to realize some or all of the benefits that we expect to achieve if the Merger is successfully completed within its expected timeframe.

Failure to complete the Merger could adversely affect our stock price and future business operations and financial results.

If the Merger is not completed for any reason, our ongoing business may be materially adversely affected and we would be subject to a number of risks, including the following:

- we may experience negative reactions from the financial markets, including negative impacts on our stock price, or from our employees, suppliers and customers;
- we will still be required to pay certain significant costs relating to the Merger, such as legal, accounting, financial advisor and printing fees;
- we may be required to pay a cash termination fee as required under the Merger Agreement;

- the Merger Agreement places certain restrictions on the conduct of our business, which may have delayed or prevented us from undertaking business opportunities that, absent the Merger Agreement, may have been pursued;
- matters relating to the Merger require substantial commitments of time and resources by our management, which could result in the distraction of management from ongoing business operations and pursuing other opportunities that could have been beneficial to us; and
- litigation related to the Merger or related to any enforcement proceeding could be commenced against us to perform our obligations under the Merger Agreement.

If the Merger is not completed, the risks described above may materialize and they may have a material adverse effect on our business operations, financial results and stock price.

We are subject to restrictions in the Merger Agreement that may hinder operations pending the consummation of the Merger.

Whether or not the Merger is completed, the pending Merger may disrupt our current plans and operations, which could have an adverse effect on our business and financial results. The Merger Agreement generally requires us to operate our business in the ordinary course pending consummation of the Merger and it also restricts us from taking certain actions with respect to our business and financial affairs, and these restrictions could be in place for an extended period of time if the consummation of the Merger is delayed. For these and other reasons, the pendency of the Merger could adversely affect our business and financial results.

We will be subject to various uncertainties while the Merger is pending that may cause disruption and may make it more difficult to maintain relationships with employees, suppliers or customers.

Uncertainty about the effect of the Merger on employees, suppliers and customers may have an adverse effect on us. These uncertainties may impair our ability to attract, retain and motivate key personnel until the Merger is completed, and could cause customers and others that deal with us to seek to change existing business relationships with us. Retention and motivation of certain employees may be challenging while the Merger is pending, as certain employees may experience uncertainty about their future roles. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with us, our business could be harmed. In addition, there could be distractions to or disruptions for our employees and management associated with obtaining the required regulatory approvals to close the Merger. Our suppliers and customers may experience uncertainty with the Merger, including with respect to current or future business relationships following the Merger. Our business relationships may be subject to disruption as customers, distributors, suppliers, vendors and others may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than us. These disruptions could have an adverse effect on our business operations and financial results. The risks, and adverse effects, of such disruptions could be exacerbated by a delay in completion of the Merger or termination of the Merger Agreement.

The Merger may be completed on terms different than those contained in the Merger Agreement.

Prior to the completion of the Merger, the parties may, by their mutual agreement, amend or alter the terms of the Merger Agreement, which could obligate us to resolicit our stockholders. In addition, either party may choose to waive certain requirements of the Merger Agreement, including some conditions to closing the Merger. Any such amendments, alterations or waivers may have negative consequences to the other parties or their respective stockholders, including the possibility that consideration paid in the Merger may be reduced.

Our directors and executive officers have interests in the Merger that may be different from, or in addition to, those of our other stockholders, which could have influenced their decisions to support or approve the Merger.

Our stockholders should recognize that our directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of our stockholders generally. For our directors, these interests may include the accelerated vesting and payment for certain stock-based incentive awards as a result of the Merger. For our executive officers, these interests may include the acceleration and payment of stock-based incentive awards as a result of the Merger, as well as cash severance payments and benefits that may become payable in connection with the Merger. Our directors and executive officers are also covered by certain indemnification and insurance arrangements. Information concerning the interests of our directors and executive officers in the Merger will be set forth in the definitive proxy statement relating to the Merger when it is filed with the SEC. Such interests and benefits could have influenced the decisions of our directors and executive officers to support or approve the Merger.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

See the Exhibit Index beginning on page E-1 of this report.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	VWR Corporation	
Date: July 31, 2017	By:	/s/ Douglas J. Pitts
	Name:	Douglas J. Pitts
	Title:	Vice President and Corporate Controller (Chief Accounting Officer and Duly Authorized Officer)

EXHIBIT INDEX

Exhibit No.	Exhibit Description	Method of Filing
2.1	Agreement and Plan of Merger	Previously filed as Exhibit 10.1 to Current Report on Form 8-K on May 5, 2017
10.1	Voting and Support Agreement	Previously filed as Exhibit 10.1 to Current Report on Form 8-K on May 5, 2017
10.2	Executive Retention Program	Previously filed as Exhibit 10.1 to Current Report on Form 8-K on June 1, 2017
10.3	Retention Program	Previously filed as Exhibit 10.2 to Current Report on Form 8-K on June 1, 2017
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)	Furnished herewith
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. 1350 (Section 906 of the Sarbanes-Oxley Act of 2002)	Furnished herewith
101	XBRL exhibits	Filed herewith

Exhibit 31.1

CERTIFICATION

I, Manuel Brocke-Benz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of VWR Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2017

/s/ Manuel Brocke-Benz

Name: Manuel Brocke-Benz

Title: President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Gregory L. Cowan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of VWR Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2017

/s/ Gregory L. Cowan

Name: Gregory L. Cowan

Title: Senior Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of VWR Corporation (the "Company") for the quarterly period ended June 30, 2017 , as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Manuel Brocke-Benz, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2017

/s/ Manuel Brocke-Benz

Name: Manuel Brocke-Benz

Title: President and Chief Executive Officer

Exhibit 32.2

Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of VWR Corporation (the “Company”) for the quarterly period ended June 30, 2017 , as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gregory L. Cowan, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2017

/s/ Gregory L. Cowan
Name: Gregory L. Cowan
Title: Senior Vice President and Chief Financial Officer