FORM 10-K

APPLERA CORP - ABI

Filed: September 24, 1996 (period: June 30, 1996)

Annual report which provides a comprehensive overview of the company for the past year

PART I

PART II

PART III

PART IV

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

[X] Annual Report Pursuant To Section 13 Or 15(d)
Of The Securities Exchange Act Of 1934 [Fee Required]
For the Fiscal Year Ended June 30, 1996

OR

[ ] Transition Report Pursuant To Section 13 Or 15(d)
Of The Securities Exchange Act Of 1934 [No Fee Required]
For the transition period from to

Commission File Number 1-4389

The Perkin-Elmer Corporation
(Exact name of registrant as specified in its charter)

NEW YORK	06-0490270
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
761 Main Avenue, Norwalk, Connecticut	06859-0001
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 203-762-1000

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

Title of class	Name of each exchange on which registered
Common Stock (par value $1.00 per share)	New York Stock Exchange Pacific Stock Exchange

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.

X Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of September 13, 1996, 42,977,736 shares of Registrant's Common Stock were outstanding, and the aggregate market value of shares of such Common Stock (based upon the average sales price) held by non-affiliates was approximately $2,396,008,782.

DOCUMENTS INCORPORATED BY REFERENCE

Annual Report to Shareholders for Fiscal Year ended June 30, 1996 - Parts I, II, and IV.

Proxy Statement for Annual Meeting of Shareholders dated September 9, 1996 - Part III.

PART I

Item 1. BUSINESS

(a) General Development of Business.

The Perkin-Elmer Corporation was incorporated in 1939 under the laws of the State of New York. Together with its consolidated subsidiaries, The Perkin-Elmer Corporation (hereinafter collectively referred to as "Registrant" or the "Corporation") develops, manufactures, and sells products in the industry segments described in sub-item (c) below.

On February 18, 1993, the shareholders of Registrant and Applied Biosystems, Inc. ("ABI"), a supplier of automated systems for life science research and related applications, approved the merger of a subsidiary of Registrant with and into ABI which resulted in ABI becoming a wholly-owned subsidiary of Registrant. Effective July 1, 1994, ABI was merged into Registrant and is now the Applied Biosystems Division of Registrant.

On April 18, 1994, Registrant entered into an agreement with Sulzer Inc. to sell its Material Sciences segment consisting of its Metco Division ("Metco") headquartered in Westbury, New York. Registrant completed the sale on September 30, 1994.

The consolidated financial statements and schedules reflect the merger with ABI as a pooling of interests and present the Corporation's Material Sciences segment as a discontinued operation.

On May 18, 1993, Registrant amended its By-laws to change Registrant's fiscal year end from July 31 to June 30. Prior to fiscal year 1993, the financial statements of ABI and Registrant's subsidiaries outside the United States were for the years ended June 30, while Registrant's domestic operations were reported on a July 31 fiscal year end.

In order to concentrate on two different strategies for the Analytical Instruments and Life Sciences businesses, Registrant reorganized into two separate business segments in 1996.

(b) Financial Information About Industry Segments.

A summary of net sales to unaffiliated customers, operating income, and identifiable assets attributable to each of the Registrant's industry segments for the fiscal years ended June 30, 1996, 1995 and 1994 is incorporated herein by reference to Note 6 on Pages 42-43 of the Annual Report to Shareholders for 1996.

(c) Narrative Description of Business.

The Registrant's operations are organized within two industry segments: (1) Analytical Instruments; and (2) Life Sciences. These segments are more fully described below.

ANALYTICAL INSTRUMENTS

Registrant develops, manufactures, markets, sells, and services analytical instrument systems. This industry segment includes analytical instrument systems for determining the composition and molecular structure of chemical substances (both organic and inorganic) and measuring the concentration of materials in a sample. These instruments include: spectrophotometers utilizing a number of analytical techniques; gas and liquid chromatographs; thermal analyzers; analytical balances; flame photometers; polarimeters; data-handling devices that are principally designed for use with analytical instruments; and data systems for applications in analytical chemistry.

Registrant's analytical instruments are used by private industry, educational and research institutions, and governmental entities for fundamental research, applied industrial research, quality control, medical research, hospital clinical testing, pollution analysis, drug identification, and forensics.

LIFE SCIENCES

In this industry segment, Registrant manufactures and sells biochemical analytical instrument systems and products, consisting of instruments and associated consumable products. Life Sciences products include liquid chromatography/mass spectrometer systems, and DNA amplification, analysis, synthesis, and sequence detection systems. Registrant's DNA sequencing instruments have accounted for an increasing share of the Life Sciences business. These automated systems and products are used for amplification, purification, isolation, analysis, synthesis, and sequencing of nucleic acids, proteins, and other biological molecules. Registrant's biochemical analytical instrument systems and products are used for life science research and related applications.

In a joint venture, Perkin-Elmer Sciex Instruments, Registrant is engaged in the manufacture and sale of mass spectrometry instrument systems, which are sold by both the Analytical Instruments and Life Sciences segments.

MARKETING AND DISTRIBUTION

In the United States, Registrant markets the largest portion of its products directly through its own sales and distribution organizations, although certain products are marketed through independent distributors and sales representatives. Sales to major markets outside of the United States are generally made by the Registrant's foreign based sales and service staff, although some sales are made directly from the United States to foreign customers. In certain foreign countries, sales are made through various representative and distributorship arrangements. Registrant owns or leases sales and service offices in strategic regional locations in the United States, and in foreign countries through its foreign sales subsidiaries and distribution operations. None of Registrant's products is distributed through retail outlets.

RAW MATERIALS

There are no specialized raw materials that are particularly essential to the operation of Registrant's business. Registrant's manufacturing operations require a wide variety of raw materials, electronic and mechanical components, chemical and biochemical materials, and other supplies, some of which are occasionally found to be in short supply. Registrant has multiple commercial sources for most components and supplies but is dependent on single sources for a limited number of such items, in which case Registrant normally secures long-term supply contracts. In certain cases, discontinuances of certain sources could temporarily interrupt Registrant's business in the Life Sciences segment.

PATENTS, LICENSES, AND FRANCHISES

Registrant has pursued a policy of seeking patent protection in the United States and other countries for developments, improvements, and inventions originating within its organization which are incorporated in Registrant's products or which fall within its fields of interest. Certain licenses under patents have been granted to, and received from, other entities. Registrant has certain rights from Hoffmann-La Roche Inc. under patents relating to polymerase chain reaction technology ("PCR"), which patents expire in 2004. Registrant also has rights under a patent issued to the California Institute of Technology relating to DNA sequencing, which patent expires in 2009. In Registrant's opinion, however, no other single patent or license, or group of patents or licenses, or any franchise, is material to its business as a whole or to either industry segment.

From time to time, Registrant has asserted that various competitors and others are infringing Registrant's patents and similarly, from time to time, others have asserted that Registrant was infringing patents owned by them. Generally, such claims are settled by mutual agreement on a satisfactory basis and result in the granting of licenses by Registrant or the granting of licenses to Registrant.

SEASONAL FLUCTUATIONS

Neither of Registrant's industry segments is subject to pronounced seasonal fluctuations.

BACKLOG

Registrant's recorded backlog was $182.3 million at June 30, 1996 and $167.0 million at June 30, 1995. It is Registrant's general policy to include in backlog only purchase orders or production releases which have firm delivery dates within one year. Recorded backlog may not result in sales because of cancellation or other factors. It is anticipated that all orders included in the current backlog will be delivered before the close of fiscal year 1997.

UNITED STATES GOVERNMENT SALES

No material portion of either of Registrant's industry segments is subject to renegotiation of profits or termination of contracts or subcontracts at the election of the United States Government.

COMPETITION

The industry segments in which Registrant operates are highly competitive and are characterized by the application of advanced technology. There are numerous companies which specialize in, and a number of larger companies which devote a significant portion of their resources to, the development, manufacture, and sale of products which compete with those manufactured or sold by Registrant. Many of Registrant's competitors are well-known manufacturers with a high degree of technical proficiency. In addition, competition is intensified by the ever-changing nature of the technologies in the industries in which Registrant is engaged. The markets for Registrant's products are characterized by specialized manufacturers that often have strength in narrow segments of these markets. While the absence of reliable statistics makes it difficult to determine Registrant's relative market position in its industry segments, Registrant is confident it is one of the principal manufacturers in its fields, marketing a broad line of analytical instruments and life science systems. In addition to competing in terms of the technology that Registrant offers, Registrant competes in terms of price, service, and quality.

RESEARCH, DEVELOPMENT, AND ENGINEERING

Registrant is actively engaged in basic and applied research, development, and engineering programs designed to develop new products and to improve existing products. During fiscal years 1996, 1995, and 1994, Registrant spent $102.3 million, $95.1 million, and $94.2 million, respectively, on company sponsored research, development, and engineering activities.

ENVIRONMENTAL MATTERS

Registrant is subject to federal, state, and local laws and regulations regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, in those jurisdictions where Registrant operates or maintains facilities. Registrant does not believe that compliance with all environmental provisions will have a material effect on its business, and no material capital expenditures are expected for environmental control.

EMPLOYEES

As of June 30, 1996, Registrant employed 5,697 persons worldwide. None of Registrant's United States employees is subject to collective bargaining agreements.

(d) Financial Information About Foreign and Domestic Operations and Export Sales.

A summary of net revenues to unaffiliated customers, operating income, and identifiable assets attributable to each of Registrant's geographic areas and export sales for the fiscal years 1996, 1995, and 1994 is incorporated herein by reference to Note 6 on Pages 42-43 of the Annual Report to Shareholders for the fiscal year ended June 30, 1996.

Registrant's consolidated net revenues to unaffiliated customers in countries other than the United States for the fiscal years 1996, 1995, and 1994 were $744.7 million, $669.8 million, and $606.7 million, or 64.0%, 63.0%, and 59.2%, respectively, of Registrant's consolidated net revenues.

All of the Registrant's manufacturing facilities outside of the continental United States are located in Germany, the United Kingdom, Japan, and Canada. The Registrant is in the process of establishing a manufacturing facility in Singapore.

There are currently no material foreign exchange controls or similar limitations restricting the repatriation to the United States of capital or earnings from operations outside the United States.

(e) Discontinued Operations.

On September 30, 1994, Registrant sold Metco, comprising its Material Sciences segment, headquartered in Westbury, New York to Sulzer Inc., a wholly-owned subsidiary of Sulzer, Ltd., Winterthur, Switzerland. The consolidated financial statements and schedules present Registrant's Material Sciences segment as a discontinued operation.

Item 2. PROPERTIES

Listed below are the principal facilities of Registrant as of June 30, 1996. Registrant considers all facilities listed below to be reasonably appropriate for the purpose(s) for which they are used, including manufacturing, research and development, and administrative purposes. All properties are maintained in good working order and, except for those held for sale or lease, are substantially utilized on the basis of at least one shift. None of the leased facilities is leased from an affiliate of Registrant. Facilities are grouped within the business segment which is the principal user.

Location	Owned or Leased	Expiration Date of Leases	Approximate Floor Area In Sq.Ft.
Analytical Instruments			
Norwalk, CT	Owned		402,000
Wilton, CT	Owned		219,000
San Jose, CA	Owned		81,000
Beaconsfield, England	Owned		70,000
Ueberlingen, Germany	Owned		62,000
Ontario, Canada	Owned		38,000
Irvine, CA	Owned		22,000
Ueberlingen, Germany	Leased	2001	201,815
Llantrinsant, Wales	Leased	1996	113,000
Meersburg, Germany	Leased	1997	24,000
Singapore	Leased	1999	15,000
Beaconsfield, England	Leased	2005	8,000
Life Sciences			
Warrington, England	Owned		58,000
Narita, Japan	Owned		24,000
Foster City, CA	Leased	1999-2005	390,600
Bedford, MA	Leased	2000	15,000
Davis, CA	Leased	1999	12,000

In addition to the facilities listed above, Registrant leases space in certain industrial centers for use as regional sales and service offices, technical demonstration centers, and warehousing. Registrant also owns undeveloped land in Redding, Connecticut, Vacaville, California, and Ueberlingen, Germany.

In addition to the properties used by Registrant in its operations, Registrant owns a facility in Garden Grove, California (approximately 82,000 square feet) which is currently leased to OCA Applied Optics, Inc. for a term expiring in 2002, and a facility in Pomona, California (approximately 135,000 square feet) which is currently leased to Orbital Sciences Corporation for a term expiring in 2003. Registrant also owns two facilities in Wilton, Connecticut (approximately 51,000 square feet and 42,000 square feet), and a facility in San Jose, California (approximately 67,000 square feet) which are held for sale or lease. One of the facilities in Wilton is leased on a long-term basis, and the facility in San Jose and a portion of the remaining facility in Wilton are leased on a short-term basis.

Item 3. LEGAL PROCEEDINGS

The Corporation has been named as a defendant in various legal actions arising from the conduct of its normal business activities. Although the amount of any liability that might arise with respect to any of these matters cannot be accurately predicted, the resulting liability, if any, will not, in the opinion of management of Registrant, have a material adverse effect on the consolidated financial statements of Registrant.

Registrant was one of approximately 125 third party defendants named in a third party complaint dated February 19, 1993 in United States of America v. Davis et al., which is pending in the United States District Court for the District of Rhode Island. The third party plaintiffs, who were named as defendants and potentially responsible parties in the Government's initial complaint, sought equitable contribution and indemnification in the event they were found liable for remediation costs relating to the removal of hazardous substances from a site located in Smithfield, Rhode Island (such costs initially were estimated by the Government to be $27.8 million, but most recent estimates of such costs appear to be in the $40 million range). All but one of the third party plaintiffs settled with the Government for a total of approximately $6 million, and a trial on the question of the remaining third party plaintiff's liability to the Government resulted in an April 22, 1995 Memorandum and Order in which the Court found such plaintiff, United Technologies Corporation, liable as a "generator" of hazardous wastes deposited at the site. Thereafter, the Court permitted United Technologies Corporation to proceed with its claims against third parties. Approximately one-half of the third party claims have been settled, and the remaining, including the claim against Registrant, are scheduled for trial in November 1996. While the Registrant contends that it should have no liability in this case, because of the uncertainty of all litigation it cannot definitively state that it will incur less than $100,000 in monetary liability.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the fourth quarter of the fiscal year covered by this report.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information.

The principal United States market where Registrant's Common Stock is traded is the New York Stock Exchange, although such stock is also traded on the Pacific Stock Exchange.

The following information, which appears in Registrant's Annual Report to Shareholders for the fiscal year ended June 30, 1996, is hereby incorporated by reference in this Form 10-K: the high and low sales prices of Registrant's Common Stock for each quarterly period during the fiscal years 1996 and 1995 (Note 13, Page 47 of the Annual Report to Shareholders).

(b) Holders.

On September 13, 1996, the approximate number of holders of Common Stock of Registrant was 7,490. The approximate number of record holders is based upon the actual number of holders registered in the books of Registrant at such date and does not include holders of shares in "street name" or persons, partnerships, associations, corporations, or other entities identified in security position listings maintained by depository trust companies. The calculation of the number of shares of Registrant's Common Stock held by non-affiliates shown on the cover of this Form 10-K was made on the assumption that there were no affiliates other than executive officers and directors.

(c) Dividends.

The amount of quarterly dividends paid during the fiscal years 1996 and 1995 (Note 13, Page 47 of Registrant's Annual Report to Shareholders) is hereby incorporated by reference in this Form 10-K.

Item 6. SELECTED FINANCIAL DATA

Registrant hereby incorporates by reference in this Form 10-K Page 26 of Registrant's Annual Report to Shareholders for the fiscal year ended June 30, 1996.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Registrant hereby incorporates by reference in this Form 10-K Pages 27-32 of Registrant's Annual Report to Shareholders for the fiscal year ended June 30, 1996.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following financial statements and the supplementary financial information included in Registrant's Annual Report to Shareholders for the fiscal year ended June 30, 1996 are incorporated by reference in this Form 10-K: the Consolidated Financial Statements and the report thereon of Price Waterhouse LLP dated July 24, 1996, and Pages 33-48 of said Annual Report, including Note 13, Page 47, which contains unaudited quarterly financial information.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Registrant has not changed its public accounting firm within 24 months prior to June 30, 1996, the date of Registrant's most recent financial statements.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

(a) Identification and Background of Directors.

Registrant hereby incorporates by reference in this Form 10-K Pages 2-4 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

(b) Identification of Executive Officers.

The following is a list of Registrant's executive officers, their ages, and their positions and offices with the Registrant, as of September 13, 1996.

Name	Age	Present Positions and Year First Elected
Manuel A. Baez................	54	Senior Vice President (1996)
Peter Barrett................	43	Vice President (1994)
David P. Binkley............	43	Vice President (1995)
Michael W. Hunkapiller........	47	Vice President (1994)
Stephen O.Jaeger.............	52	Vice President, Chief Financial Officer (1995), and Treasurer (1996)
Joseph E. Malandrakis.........	50	Vice President (1993)
John B. McBennett............	58	Corporate Controller (1993)
Michael J. McPartland.........	47	Vice President, Human Resources (1993)
Mark C. Rogers................	53	Senior Vice President (1996)
William B. Sawch.............	42	Vice President, General Counsel and Secretary (1993)
Tony L. White.................	50	Chairman, President, and Chief Executive Officer (1995)

Each of the foregoing named officers was either elected at the last organizational meeting of the Board of Directors held on October 19, 1995 or was elected by the Board since that date. The term of each officer will expire on October 17, 1996, the date of the next scheduled organizational meeting of the Board of Directors, unless renewed for another year.

(c) Identification of Certain Significant Employees.

Not applicable.

(d) Family Relationships.

To the best of Registrant's knowledge and belief, there is no family relationship between any of Registrant's directors, executive officers, or persons nominated or chosen by Registrant to become a director or an executive officer.

(e) Business Experience.

With respect to the business experience of Registrant's directors and persons nominated to become directors, Registrant hereby incorporates by reference in this Report on Form 10-K Pages 2-4 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996. With respect to the executive officers of Registrant, each such officer has been employed by Registrant or a subsidiary in one or more executive or managerial capacities for at least the past five years, with the exception of

Drs. Hunkapiller and Rogers, and Messrs. Baez, Jaeger, McPartland, and White. Mr. Baez was elected Senior Vice President of Registrant on June 20, 1996. Prior to his employment by Registrant in June, 1996, Mr. Baez was employed by Baxter International Inc. for 22 years, most recently as Executive Vice President, International. Prior to joining Baxter International, Inc., Mr. Baez was employed by Ciba-Geigy, Inc. Dr. Hunkapiller was elected Vice President of Registrant on October 20, 1994. Prior to his employment by Registrant in February, 1993, Dr. Hunkapiller was employed by ABI as Executive Vice President. Dr. Hunkapiller joined ABI in 1983 as a member of the Research and Development group and was later appointed Vice President, Research and Development. He also served as Vice President, Science and Technology, and General Manager, DNA Business Unit. Mr. Jaeger was elected Vice President of Registrant on March 16, 1995. Prior to his employment by Registrant in March, 1995, Mr. Jaeger was employed by Houghton Mifflin and Company from 1987 to 1995, most recently as Executive Vice President, Chief Financial Officer and Treasurer, and served on its board of directors. Prior to joining Houghton Mifflin, he served as Senior Vice President and Chief Financial Officer of British Petroleum North America, Inc. from 1979 to 1987. Mr. McPartland was elected Vice President of Registrant on February 18, 1993. Prior to his employment by Registrant in January, 1993, Mr. McPartland was employed by SmithKline Beecham plc, from 1980 to 1993, most recently as Senior Vice President and Director, Corporate Personnel. Dr. Rogers was elected Senior Vice President on June 20, 1996. Prior to his employment by Registrant in May, 1996, Dr. Rogers was Vice Chancellor for Health Affairs at Duke University Medical Center and Chief Executive Officer at Duke Hospital and Health Network from 1992 to 1996. Prior to joining Duke, Dr. Rogers held a number of positions at Johns Hopkins University, including Chairman of the Department of Anesthesiology and Critical Care Medicine. Mr. White was elected Chairman, Chief Executive Officer and President of Registrant on September 12, 1995. Prior to his employment by Registrant, Mr. White was employed by Baxter International Inc. in various executive positions, most recently as Executive Vice President.

(f) Involvement in Certain Legal Proceedings.

To the best of Registrant's knowledge and belief, none of Registrant's directors, persons nominated to become directors, or executive officers has been involved in any proceedings during the past five years that are material to an evaluation of the ability or integrity of such persons to be directors or executive officers of Registrant.

(g) Compliance with Section 16(a) of the Securities Exchange Act of 1934.

Information concerning compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated by reference to Page 8 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

Item 11. EXECUTIVE COMPENSATION

Registrant hereby incorporates by reference in this Form 10-K Pages 5-6 and 8-17 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) Security Ownership of Certain Beneficial Owners.

Registrant hereby incorporates by reference in this Form 10-K Page 7 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

(b) Security Ownership of Management.

Information concerning the security ownership of management is hereby incorporated by reference to Pages 2-4 and 7-8 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

(c) Changes in Control.

Registrant knows of no arrangements, including any pledge by any person of securities of Registrant, the operation of which may at a subsequent date result in a change in control of Registrant.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information concerning certain related party transactions is hereby incorporated by reference to Note 9, Page 45 of the Annual Report to Shareholders, and to Page 17 of Registrant's Proxy Statement dated September 9, 1996, in connection with its Annual Meeting of Shareholders to be held on October 17, 1996.

PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) 1. Financial Statements.

The following consolidated financial statements, together with the report thereon of Price Waterhouse LLP dated July 24, 1996, appearing on Pages 33 through 48 of Registrant's Annual Report to Shareholders for the fisical year ended June 30, 1996, are incorporated by reference in this Form 10-K. With the exception of the aforementioned information and that which is specifically incorporated in Parts I and II, the Annual Report to Shareholders for the fiscal year ended June 30, 1996, is not to be deemed filed as part of this report on Form 10-K.

	10-K Page No.	Annual Report Page No.
Consolidated Statements of Operations - fiscal years 1996, 1995, and 1994	--	33
Consolidated Statements of Financial Position - fiscal years 1996 and 1995	--	34
Consolidated Statements of Cash Flows - fiscal years 1996, 1995, and 1994	--	35
Consolidated Statements of Shareholders' Equity - fiscal years 1996, 1995, and 1994	--	36
Notes to Consolidated Financial Statements..........................	--	37-47
Report of Management................		48
Report of Price Waterhouse LLP......	--	48

(a) 2. Financial Statement Schedules.

The following additional financial data should be read in conjunction with the consolidated financial statements in said Annual Report to Shareholders for the fiscal year ended June 30, 1996. Schedules not included with this additional financial data have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

(a) 3. Exhibits.

Exhibit No.	
2(1)	Acquisition Agreement dated July 19, 1991, among the Corporation, Hoffmann-LaRoche Inc., and Roche Probe, Inc. (Incorporated by reference to Exhibit 1 to Current Report on Form 8-K of the Corporation dated July 19, 1991 (Commission file number 1-4389).)
2(2)	Acquisition Agreement dated July 19, 1991, between the Corporation and F. Hoffmann-La Roche Ltd. (Incorporated by reference to Exhibit 2 to Current Report on Form 8-K of the Corporation dated July 19, 1991 (Commission file number 1-4389).)
2(3)	Agreement and Plan of Merger, by and among Registrant, Sequence Acquisition Company and Applied Biosystems, Inc. dated as of October 6, 1992. (Incorporated by reference to Exhibit 2 to Current Report on Form 8-K of the Corporation dated October 6, 1992 (Commission file number 1-4389).)
2(4)	Agreement dated April 18, 1994 between Sulzer Inc. and The Perkin-Elmer Corporation, as amended through August 31, 1994. (Incorporated by reference to Exhibit 2(4) to Annual Report on Form 10-K of the Corporation for fiscal year ended June 30, 1994 (Commission file number 1-4389).)
3(i)	Restated Certificate of the Corporation as amended through July 1, 1994. (Incorporated by reference to Exhibit 3(I) to Annual Report on Form 10-K of the Corporation for fiscal year ended June 30, 1994 (Commission file number 1-4389).)
3(ii)	Amended and Restated By-laws of the Corporation, as amended through July 15, 1993. (Incorporated by reference to Exhibit 3(ii) to Annual Report on Form 10-K of the Corporation for fiscal year ended June 30, 1993 (Commission file number 1-4389).)
4(1)	Three Year Credit Agreement dated June 1, 1994, among Morgan Guaranty Trust Company, certain banks named in such Agreement, and the Corporation, as amended July 20, 1995. (Incorporated by reference to Exhibit 4(1) to Annual Report on Form 10-K of the Corporation for fiscal year ended June 30, 1995 (Commission file number 1-4389).)
4(2)	Shareholder Protection Rights Agreement dated April 30, 1989, between The Perkin-Elmer Corporation and The First National Bank of Boston. (Incorporated by reference to Exhibit 4 to Current Report on Form 8-K of the Corporation dated April 20, 1989 (Commission file number 1-4389).)
10(1)	The Perkin-Elmer Corporation 1984 Stock Option Plan for Key Employees, as amended through May 21, 1987. (Incorporated by reference to Exhibit 28(c) to Post Effective Amendment No. 1 to the Corporation's Registration Statement on Form S-8 (No. 2-95451).)
10(2)	The Perkin-Elmer Corporation 1988 Stock Incentive Plan for Key Employees. (Incorporated by reference to Exhibit 10(4) to Annual Report on Form 10-K of the Corporation for the fiscal year ended July 31, 1988 (Commission file number 1-4389).)
10(3)	The Perkin-Elmer Corporation 1993 Stock Incentive Plan for Key Employees. (Incorporated by reference to Exhibit 99 to the Corporation's Registration Statement on Form S-8 (No. 33-50847).)
10(4)	Contingent Compensation Plan for Key Employees of The Perkin-Elmer Corporation, as amended through August 1, 1990. (Incorporated by reference to Exhibit 10(5) to Annual Report on Form 10-K of the Corporation for the fiscal year ended July 31, 1992 (Commission file number 1-4389).)
10(5)	The Perkin-Elmer Corporation Supplemental Retirement Plan as amended through August 1, 1991. (Incorporated by reference to Exhibit 10(6) to Annual Report on Form 10-K of the Corporation for the fiscal year ended July 31, 1991 (Commission file number 1-4389).)

10(6) Deferred Compensation Contract dated September 15, 1994, between Registrant and Michael W. Hunkapiller. (Incorporated by reference to Exhibit 10(7) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

10(7) Deferred Compensation Contract dated February 18, 1993, between Registrant and Michael J. McPartland. (Incorporated by reference to Exhibit 10(8) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

10(8) Deferred Compensation Contract dated September 15, 1994, between Registrant and Peter Barrett. (Incorporated by reference to Exhibit 10(9) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

10(9) Deferred Compensation Contract dated July 29, 1974, as amended through January 20, 1994 between Registrant and Gaynor N. Kelley. (Incorporated by reference to Exhibit 10(8) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1994 (Commission file number 1-4389).)

10(10) Change of Control Agreement dated September 12, 1995, between Registrant and Tony L. White. (Incorporated by reference to Exhibit 10(16) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

10(11) Employment Agreement dated November 16, 1995, between Registrant and Michael W. Hunkapiller.

10(12) Employment Agreement dated November 16, 1995, between Registrant and Stephen O. Jaeger.

10(13) Employment Agreement dated November 16, 1995, between Registrant and Michael J. McPartland.

10(14) Employment Agreement dated November 16, 1995, between Registrant and Peter Barrett.

10(15) Employment Agreement dated November 21, 1991, between Registrant and Gaynor N. Kelley. (Incorporated by reference to Exhibit 10(1) to Quarterly Report on Form 10-Q of the Corporation for the fiscal quarter ended January 31, 1992 (Commission file number 1-4389).)

10(16) The Excess Benefit Plan of The Perkin-Elmer Corporation dated August 1, 1984, as amended through June 30, 1993. (Incorporated by reference to Exhibit 10(17) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1993 (Commission file number 1-4389).)

10(17) 1993 Director Stock Purchase and Deferred Compensation Plan. (Incorporated by reference to Exhibit 99 to the Corporation's Registration Statement on Form S-8 (No. 33-50849).)

10(18) Employment Agreement dated September 12, 1995, between Registrant and Tony L. White. (Incorporated by reference to Exhibit 10(21) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

10(19) Employment Agreement dated April 11, 1995, between Registrant and Stephen O. Jaeger.

10(20) Pledge Agreements and Promissory Notes between Registrant and Stephen O. Jaeger, Michael W. Hunkapiller and Michael J. McPartland. (Incorporated by reference to Exhibit 10 to Quarterly Report on Form 10-Q of the Corporation for the quarter ended March 31, 1996 (Commission file number 1-4389).)

10(21) Consulting Agreement dated April 1, 1995, between Registrant and Robert H. Hayes. (Incorporated by reference to Exhibit 10(17) to Annual Report on Form 10-K of the Corporation for the fiscal year ended June 30, 1995 (Commission file number 1-4389).)

11 Computation of Net Income (Loss) per Share for the five years ended June 30, 1996.

13 Annual Report to Shareholders for 1996 (to the extent incorporated herein by reference).

21 List of Subsidiaries.

23 Consent of Price Waterhouse LLP.

27 Financial Data Schedule.

Note: None of the Exhibits listed in Item 14(a) 3 above, except Exhibits 11 and 23, are included with this Form 10-K Annual Report. Registrant will furnish a copy of any such Exhibit upon written request to the Secretary at the address on the cover of this Form 10-K Annual Report accompanied by payment of $3 for each Exhibit requested.

(b) Reports on Form 8-K.

Registrant did not file a report on Form 8-K during the last quarter of the period covered by this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE PERKIN-ELMER CORPORATION

By /s/ W. B. Sawch
William B. Sawch
Vice President, General Counsel
and Secretary

Date: September 19, 1996

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Registrant and in the capacities and on the dates indicated.

/s/ Tony L. White Tony L. White Chairman of the Board of Directors, President and Chief Executive Officer (Principal Executive Officer)	September 19, 1996
/s/ Stephen O. Jaeger Stephen O. Jaeger Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	September 19, 1996
/s/ John B. McBennett John B. McBennett Corporate Controller (Principal Accounting Officer)	September 19, 1996
/s/ Joseph F. Abely, Jr. Joseph F. Abely, Jr. Director	September 19, 1996

/s/ Richard H. Ayers Richard H. Ayers Director	September 19, 1996
/s/ Jean-Luc Belingard Jean-Luc Belingard Director	September 19, 1996
/s/ Robert H. Hayes Robert H. Hayes Director	September 19, 1996
/s/ Donald R. Melville Donald R. Melville Director	September 19, 1996
/s/ Burnell R. Roberts Burnell R. Roberts Director	September 19, 1996
/s/ Georges C. St. Laurent, Jr. Georges C. St. Laurent, Jr. Director	September 19, 1996
/s/ John S. Scott John S. Scott Director	September 19, 1996
/s/ Carolyn W. Slayman Carolyn W. Slayman Director	September 19, 1996
/s/ Orin R. Smith Orin R. Smith Director	September 19, 1996
/s/ Richard F. Tucker Richard F. Tucker Director	September 19, 1996

REPORT OF INDEPENDENT ACCOUNTANTS ON
FINANCIAL STATEMENT SCHEDULE

To the Board of Directors
of The Perkin-Elmer Corporation

Our audits of the consolidated financial statements referred to in our report dated July 24, 1996, appearing on Page 48 of the 1996 Annual Report to Shareholders of The Perkin-Elmer Corporation (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedule listed in Item 14(a)2 of this Form 10-K. In our opinion, the Financial Statement Schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PRICE WATERHOUSE LLP

Stamford, Connecticut
July 24, 1996

THE PERKIN-ELMER CORPORATION
VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
FOR THE FISCAL YEARS ENDED JUNE 30, 1996, 1995 AND 1994

(Amounts in thousands)

	ALLOWANCE FOR DOUBTFUL ACCOUNTS	
Balance at June 30, 1993....................	$ 8,226	
Charged to income in fiscal year 1994........	2,927	
Deductions from reserve in fiscal year 1994..	(3,906)	
Balance at June 30, 1994....................	7,247	
Charged to income in fiscal year 1995........	2,086	
Deductions from reserve in fiscal year 1995..	(384)	
Balance at June 30, 1995....................	8,949	(1)
Charged to income in fiscal year 1996........	1,090	
Deductions from reserve in fiscal year 1996..	(3,194)	
Balance at June 30, 1996....................	$ 6,845	(1)

(1) Deducted in the Consolidated Statements of Financial Position from accounts receivable.

SCHEDULE II

THE PERKIN-ELMER CORPORATION
COMPUTATION OF NET INCOME (LOSS) PER SHARE
(Dollar amounts in thousands, except per share amounts)

	June 30, 1996	June 30, 1995	June 30, 1994	June 30, 1993	July 31, 1992
Weighted average number of common shares	42,720	42,129	43,857	43,780	43,526
Common stock equivalents - stock options	1,027	515	816	1,173	1,169
Weighted average number of common shares used in calculating primary earnings per share	43,747	42,644	44,673	44,953	44,695
Additional dilutive stock options under paragraph #42 APB #15	137	120	172	97	280
Shares used in calculating earnings per share - fully diluted basis	43,884	42,764	44,845	45,050	44,975
Calculation of primary and fully diluted earnings per share:					
PRIMARY AND FULLY DILUTED:					
Income from continuing operations	$ 13,944	$ 66,877	$ 73,978	$ 24,444	$ 24,296
Income (loss) from discontinued operations			(22,851)	1,714	10,941
Income before cumulative effect of accounting changes	13,944	66,877	51,127	26,158	35,237
Cumulative effect of accounting changes				(83,098)	
Net income (loss) used in the calculation of primary and fully diluted earnings per share	$ 13,944	$ 66,877	$ 51,127	$ (56,940)	$ 35,237
PRIMARY: Per share amounts:					
Income from continuing operations	$ .32	$ 1.57	$ 1.66	$ .54	$ .54
Income (loss) from discontinued operations			(.52)	.04	.25
Income before cumulative effect of accounting changes	.32	1.57	1.14	.58	.79
Loss from cumulative effect of accounting changes				(1.85)	
Net income (loss)	$ .32	$ 1.57	$ 1.14	$ (1.27)	$ .79
FULLY DILUTED: Per share amounts:					
Income from continuing operations	$ .32	$ 1.56	$ 1.65	$ .54	$ .54
Income (loss) from discontinued operations			(.51)	.04	.24
Income before cumulative effect of accounting changes	.32	1.56	1.14	.58	.78
Loss from cumulative effect of accounting changes				(1.84)	
Net income (loss)	$ .32	$ 1.56	$ 1.14	$ (1.26)	$ .78

EXHIBIT 11

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 2-95451, 33-25218, 33-44191, 33-50847, 33-50849, and 33-58778) of The Perkin-Elmer Corporation of our report dated July 24, 1996, appearing on page 48 of the Annual Report to Shareholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears on page 18 of this Form 10-K.

PRICE WATERHOUSE LLP

Stamford, Connecticut
September 19, 1996

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EMPLOYMENT AGREEMENT

AGREEMENT entered into as of November 16, 1995, between THE PERKIN-ELMER CORPORATION, a New York corporation having its principal place of business at Norwalk, Connecticut (the "Company") and Dr. Michael W. Hunkapiller residing at 1333 Pebble Drive, San Carlos, California 94070 (the "Employee").

WHEREAS, the Employee has rendered and/or will render valuable services to the Company and it is regarded essential by the Company that it have the benefit of Employee's services in future years; and

WHEREAS, the Board of Directors of the Company believes that it is essential that, in the event of the possibility of a Change in Control of the Company (as defined herein), the Employee be able to continue his attention and dedication to his duties and to assess and advise the Board of Directors of the Company (the "Board") whether such proposals would be in the best interest of the Company and its shareholders without distraction regarding any uncertainty concerning his future with the Company; and

WHEREAS, the Employee is willing to agree to continue to serve the Company in the future;

NOW, THEREFORE, it is mutually agreed as follows:

1. Employment. The Company agrees to employ Employee, and the Employee agrees to serve as an employee of the Company or one or more of its subsidiaries after a Change of Control during the Period of Employment (as those terms are defined in Section 2

hereof) in such executive capacity as Employee served immediately prior to the Change in Control which caused the commencement of the Period of Employment. The Employee also agrees to serve during the Period of Employment, if elected or appointed thereto, as a Director of the Board of Directors of the Company and as a member of any committee of the Board of Directors. Notwithstanding anything to the contrary herein, the Period of Employment shall not commence and the Employee shall not be entitled to any rights, benefits, or payments hereunder unless and until a Change in Control has occurred.

2. Definitions.

(a) Cause. During the Period of Employment, "Cause" means termination upon (i) the willful and continued failure by the Employee to perform substantially his duties with the Company (other than any such failure resulting from the Employee's incapacity due to physical or mental illness) after a demand for a substantial performance is delivered to the Employee by the Chief Executive Officer of the Company ("CEO") which specifically identifies the manner in which the CEO believes that the Employee has not substantially performed his duties, or (ii) the willful engaging by the Employee in illegal conduct which is materially and demonstrably injurious to the Company. For purposes of this Section 2(a), no act, or failure to act, on the part of the Employee shall be considered "willful" unless done, or omitted to be done, by the Employee in bad faith and without reasonable belief that the Employee's action or omission was in, or not

opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the entire membership of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to the Employee and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Employee was guilty of the conduct set forth above in (i) or (ii) of this Section 2(a) and specifying the particulars thereof in detail.

(b) Cash Compensation. "Cash Compensation" shall mean the sum of (i) Employee's Base Salary (determined in accordance with the provisions of Section 4(a) hereof) and (ii) Executive's incentive compensation (provided for under Section 4(b) hereof), which shall be an amount equal to the greatest of (x) the average of the amount of Employee's incentive compensation for the last three completed fiscal years immediately prior to the Employee's termination of employment (whether or not such years occurred during the Period of Employment), (y) the target amount of such

Employee's incentive compensation for the fiscal year in which his termination of employment occurs or (z) the Employee's target amount for the fiscal year in which the Change in Control occurs.

(c) Change in Control. "Change in Control" means the occurrence of any of the following: an event that would be required to be reported (assuming such event has not been "previously reported") in response to Item 1(a) of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred at such time as (i) any "person" within the meaning of Section 14(d) of the Securities Exchange Act of 1934 becomes the "beneficial owner" as defined in Rule 13d-3 thereunder, directly or indirectly, of more than 25% of the Company's Common Stock; (ii) during any two-year period, individuals who constitute the Board of Directors of the Company (the "Incumbent Board") as of the beginning of the period cease for any reason to constitute at least a majority thereof, provided that any person becoming a director during such period whose election or nomination for election by the Company's stockholders was approved by a vote of at least three quarters of the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) shall be, for purposes of this clause (ii), considered as though such person were a member of the Incumbent Board; or (iii) the

approval by the Company's stockholders of the sale of all or substantially all of the stock or assets of the Company.

(d) Disability. "Disability" means the absence of the Employee from his duties with the Company on a full-time basis for one hundred eighty (180) consecutive days as a result of incapacity due to physical or mental illness.

(e) Good Reason. During the Period of Employment, "Good Reason" means:

(i) an adverse change in the status of the Employee (other than any such change primarily attributable to the fact that the Company may no longer be publicly owned) or position(s) as an officer of the Company as in effect immediately prior to the Change in Control or the assignment to the Employee of any duties or responsibilities which, in his reasonable judgment, are inconsistent with such status or position(s), or any removal of the Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the termination of the Employee's employment for Cause, Disability, or upon attaining age 65 or upon taking early retirement under any of the Company's retirement plans, or as a result of death or by the Employee other than for Good Reason);

(ii) a reduction by the Company after a Change in Control in the Employee's Base Salary;

(iii) a material reduction after a Change in Control in the Employee's total annual compensation; provided, however, that for these purposes a reduction for any year of over 10% of

total compensation measured by the preceding year without a substantially similar reduction to all other executives participating in incentive compensation plans shall be considered "material"; and the failure of the Company to adopt or renew a stock option plan or to grant amounts of restricted stock or stock options, which are consistent with the Company's prior practices, to the Employee shall also be considered a material reduction, unless the Employee participates in substitute programs that provide substantially equivalent economic value to the Employee;

(iv) the failure by the Company to continue in effect any Benefit Plan (as hereinafter defined) in which Employee was participating at the time of the Change in Control (or Benefit Plans providing Employee with at least substantially similar benefits) other than as a result of the normal expiration of any such Benefit Plan in accordance with its terms as in effect at the time of the Change in Control, or the taking of any action, or the failure to act, by the Company which would adversely affect Employee's continued participation in any such Benefit Plans on at least as favorable a basis to Employee as is the case immediately prior to the Change in Control or which would materially reduce Employee's benefits in the future under any of such Benefit Plans or deprive Employee of any material benefit enjoyed by Employee immediately prior to the Change in Control;

(v) the failure by the Company after a Change in Control to provide and credit Employee with the number of paid

vacation days to which Employee was then entitled in accordance with the Company's normal vacation policy as in effect immediately prior to the Change in Control; or

(vi) the Company's requiring the Employee after a Change in Control to be based more than fifty miles from the Employee's principal place of business immediately prior to the Change in Control except for required travel on the Company's business to an extent substantially consistent with the business travel obligations which he undertook on behalf of the Company prior to the Change in Control.

(f) Period of Employment. (i) "Period of Employment" means, subject to the provisions of Section 2(f)(ii), the period of thirty-six (36) months commencing on the date of a Change in Control (as defined in Section 2(c) hereof) and the period of any extension or extensions thereof in accordance with the terms of this Section. The Period of Employment shall be extended automatically by one week for each week in which the Employee's employment continues after the date of a Change in Control.

(ii) Notwithstanding the provisions of Section 2(f)(i) hereof, the Period of Employment shall terminate upon the occurrence of the earliest of (A) the Employee's attainment of age 65, or the election by the Employee to retire early from the Company under any of its retirement plans, (B) the death of the Employee, (C) the Disability of the Employee or (D) a termination of Employee's employment by the Company for Cause or by the Employee without Good Reason.

(g) Termination Date. "Termination Date" means the date on which the Period of Employment terminates.

3. Duties During the Period of Employment. While employed by the Company during the Period of Employment, the Employee shall devote his full business time, attention, and best efforts to the affairs of the Company and its subsidiaries; provided, however, that the Employee may engage in other activities, such as activities involving charitable, educational, religious, and similar types of organizations, speaking engagements, membership on the board of directors of other organizations, and similar types of activities to the extent that such other activities do not prohibit the performance of his duties under this Agreement, or inhibit or conflict in any material way with the business of the Company and its subsidiaries.

4. Current Cash Compensation.

(a) Base Salary. The Company will pay to the Employee while employed by the Company during the Period of Employment an annual base salary ("Base Salary") in an amount determined by the Board of Directors or its Compensation Committee which shall never be less than the greater of (i) the Employee's Base Salary prior to the commencement of the Period of Employment or (ii) his Base Salary during the preceding year of the Period of Employment; provided, however, that it is agreed between the parties that the Company shall review annually the Employee's Base Salary, and in light of such review may, in the discretion

of the Board of Directors or its Compensation Committee, increase such Base Salary taking into account the Employee's responsibilities, inflation in the cost of living, increase in salaries of executives of other corporations, performance by the Employee, and other pertinent factors. The Base Salary shall be paid in substantially equal biweekly installments while Employee is employed by the Company.

(b) Incentive Compensation. While employed by the Company during the Period of Employment, the Employee shall continue to participate in such of the Company's incentive compensation programs for executives as the Employee participated in prior to the commencement of the Period of Employment. Any amount awarded to the Employee under such programs shall be paid to Employee in accordance with the terms thereof.

5. Employee Benefits.

(a) Vacation and Sick Leave. The Employee shall be entitled during the Period of Employment to a paid annual vacation of not less than twenty (20) business days during each calendar year while employed by the Company and to reasonable sick leave.

(b) Regular Reimbursed Business Expenses. The Company shall reimburse the Employee for all expenses and disbursements reasonably incurred by the Employee in the performance of his duties during the Period of Employment.

(c) Employment Benefit Plans or Arrangements. While employed by the Company, Employee shall be entitled to

participate in all employee benefit plans, programs, or arrangements ("Benefit Plans") of the Company, in accordance with the terms thereof, as in effect from time to time, which provide benefits to senior executives of the Company. For purposes of this Agreement, Benefit Plans shall include, without limitation, any compensation plan such as an incentive, deferred, stock option or restricted stock plan, or any employee benefit plan such as a thrift, pension, profit sharing, pre-tax savings, medical, dental, disability, salary continuation, accident, life insurance plan, or a relocation plan or policy, or any other plan, program, or policy of the Company intended to benefit employees.

6. Termination of Employment.

(a) Termination by the Company for Cause or Termination by the Employee Other Than for Good Reason. If during the Period of Employment the Company terminates the employment of the Employee for Cause or if the Employee terminates his employment other than for Good Reason the Company shall pay the Employee (i) the Employee's Base Salary through the end of the month in which the Termination Date occurs, (ii) any incentive compensation payable to him pursuant to Section 4(b) hereof, including a pro rata share for any partial year, (iii) any accrued vacation pay, and (iv) benefits payable to him pursuant to the Company's Benefit Plans as provided in Section 5(c) hereof through the end of the month in which the Termination Date occurs. The amounts and benefits set forth in clauses (i),

(ii), (iii) and (iv) of the preceding sentence shall hereinafter be referred to as "Accrued Benefits."

(b) Termination by the Company Without Cause or by the Employee for Good Reason. If during the Period of Employment the Company terminates the Employee's employment with the Company without Cause or the Employee terminates his employment with the Company for Good Reason, the Company will pay to Employee all Accrued Benefits and, in addition, pay or provide to the Employee the following:

(i) within thirty (30) days after the date of termination, a lump sum equal to the greater of (A) the Employee's Cash Compensation for the remainder of the Period of Employment or (B) two times the Employee's Cash Compensation;

(ii) for the greater of two years or the remainder of the Period of Employment immediately following the Employee's date of termination, the Employee and Employee's family shall continue to participate in any Benefit Plans of the Company (as defined in Section 5(c) hereof) in which Employee or Employee's family participated at any time during the one-year period ending on the day immediately preceding Employee's termination of employment, provided that (a) such continued participation is possible under the terms of such Benefit Plans, and (b) the Employee continues to pay contributions for

such participation at the rates paid for similar participation by active Company employees in similar positions to that held by the Employee immediately prior to the date of termination. If such continued participation is not possible, the Company shall provide, at its sole cost and expense, substantially identical benefits to the Employee plus pay an additional amount to the Employee equal to the Employee's liability for federal, state and local income taxes on any amounts includible in the Employee's income by virtue of the terms of this Section 6(b)(ii) so that Employee does not have to personally pay any federal, state and local income taxes by virtue of the terms of this Section 6(b)(ii);

(iii) three additional years of service credit under the Company's Non-Qualified Plans and, for purposes of such plans, Employee's final average pay shall be deemed to be his Cash Compensation for the year in which the date of termination occurs;

(iv) the Company shall take all reasonable actions to cause any Company restricted stock ("Restricted Stock") granted to Employee to become fully vested and any options to purchase Company stock ("Options") granted to Employee to become fully exercisable, and in the event the Company cannot

effect such vesting or acceleration within sixty (60) days, the Company shall pay within thirty (30) days thereafter to Employee (i) with respect to each Option, an amount equal to the product of (x) the number of unvested shares subject to such Option, multiplied by (y) the excess of the fair market value of a share of Company common stock on the date of Employee's termination of employment, over the per share exercise price of such Option and (ii) with respect to each unvested share of Restricted Stock an amount equal to the fair market value of a share of Company common stock on the date of Employee's termination of employment.

Except as provided in the following sentence, the amounts payable to the Employee under this Section 6(b) shall be absolutely owing and shall not be subject to reduction or mitigation as a result of employment of the Employee elsewhere after the date of termination. Notwithstanding any provision herein to the contrary, the benefits described in clauses (i), (ii) and (iii) of this Section 6(b) shall only be payable with respect to the period ending upon the earlier of (i) the end of the period specified in each such clause or (ii) Employee's attainment of age 65.

7. Gross-Up. In the event any amounts due to the Employee under this Agreement after a Change in Control, under the terms of any Benefit Plan, or otherwise payable by the

Company or an affiliate of the Company are subject to excise taxes under Section 4999 of the Internal Revenue Code of 1986, as amended ("Excise Taxes"), the Company shall pay to the Employee, in addition to any other payments due under other provisions of this Agreement, an amount equal to the amount of such Excise Taxes plus the amount of any federal, state and local income or other taxes and Excise Taxes attributable to all amounts, including income taxes, payable under this Section 7, so that after payment of all income, Excise and other taxes with respect to the amounts due to the Employee under this Agreement, the Employee will retain the same net after tax amount with respect to such payments as if no Excise Taxes had been imposed.

8. Governing Law. This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of Connecticut. If under such laws any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation, or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect, and validity of the remaining portion hereof.

9. Notices. All notices under this Agreement shall be in writing and shall be deemed effective when delivered in person (in the Company's case, to its Secretary) or seventy-two (72) hours after deposit thereof in the U.S. mail, postage prepaid, for delivery as registered or certified mail -- addressed, in the

case of the Employee, to the Employee at Employee's residential address, and in the case of the Company, to its corporate headquarters, attention of the Secretary, or to such other address as the Employee or the Company may designate in writing at any time or from time to time to the other party. In lieu of personal notice or notice by deposit in the U.S. mail, a party may give notice by telegram, fax or telex.

10. Miscellaneous. This Agreement shall supersede the prior Employment Agreement dated September 15, 1994 with the Employee. This Agreement may be amended only by a subsequent written agreement of the Employee and the Company. This Agreement shall be binding upon and shall inure to the benefit of the Employee, the Employee's heirs, executors, administrators, beneficiaries, and assigns and to the benefit of the Company and its successors. Notwithstanding anything in this Agreement to the contrary, nothing herein shall prevent or interfere with the ability of the Company to terminate the employment of the Employee prior to a Change in Control nor be construed to entitle Employee to be continued in employment prior to a Change in Control and this Agreement shall terminate if Employee or the Company terminates Employee's employment prior to a Change in Control. Similarly, nothing herein shall prevent the Employee from retiring under any of the Company's retirement plans and receiving the corresponding benefits thereunder consistent with the treatment of other Company employees.

11. Fees and Expenses. The Company shall pay all reasonable legal fees and related expenses incurred by the Employee in connection with this Agreement following a Change in Control of the Company, including without limitation, all such fees and expenses, if any, incurred in connection with: (i) contesting or disputing, any termination of the Employee's employment hereunder; or (ii) the Employee seeking to obtain or enforce any right or benefit provided by the Agreement.

12. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Connecticut by three arbitrators in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that the Employee shall be entitled to be paid as if his or her employment continued during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company shall bear all costs and expenses arising in connection with any arbitration pursuant to this Section 12.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and day first above written.

THE PERKIN-ELMER CORPORATION

By: /s/ Tony L. White

Tony L. White
Chairman, President and
Chief Executive Officer

ATTEST:

By: /s/ WB Sawch
William B. Sawch
Vice President
General Counsel & Secretary

ACCEPTED AND AGREED:

/s/ Michael W. Hunkapiller
Dr. Michael W. Hunkapiller

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EMPLOYMENT AGREEMENT

AGREEMENT entered into as of November 16, 1995, between THE PERKIN-ELMER CORPORATION, a New York corporation having its principal place of business at Norwalk, Connecticut (the "Company") and Stephen O. Jaeger residing at 11 Topstone Road, West Redding, Connecticut 06896 (the "Employee").

WHEREAS, the Employee has rendered and/or will render valuable services to the Company and it is regarded essential by the Company that it have the benefit of Employee's services in future years; and

WHEREAS, the Board of Directors of the Company believes that it is essential that, in the event of the possibility of a Change in Control of the Company (as defined herein), the Employee be able to continue his attention and dedication to his duties and to assess and advise the Board of Directors of the Company (the "Board") whether such proposals would be in the best interest of the Company and its shareholders without distraction regarding any uncertainty concerning his future with the Company; and

WHEREAS, the Employee is willing to agree to continue to serve the Company in the future;

NOW, THEREFORE, it is mutually agreed as follows:

1. Employment. The Company agrees to employ Employee, and the Employee agrees to serve as an employee of the Company or one or more of its subsidiaries after a Change of Control during the Period of Employment (as those terms are defined in Section 2

hereof) in such executive capacity as Employee served immediately prior to the Change in Control which caused the commencement of the Period of Employment. The Employee also agrees to serve during the Period of Employment, if elected or appointed thereto, as a Director of the Board of Directors of the Company and as a member of any committee of the Board of Directors. Notwithstanding anything to the contrary herein, the Period of Employment shall not commence and the Employee shall not be entitled to any rights, benefits, or payments hereunder unless and until a Change in Control has occurred.

2. Definitions.

(a) Cause. During the Period of Employment, "Cause" means termination upon (i) the willful and continued failure by the Employee to perform substantially his duties with the Company (other than any such failure resulting from the Employee's incapacity due to physical or mental illness) after a demand for a substantial performance is delivered to the Employee by the Chief Executive Officer of the Company ("CEO") which specifically identifies the manner in which the CEO believes that the Employee has not substantially performed his duties, or (ii) the willful engaging by the Employee in illegal conduct which is materially and demonstrably injurious to the Company. For purposes of this Section 2(a), no act, or failure to act, on the part of the Employee shall be considered "willful" unless done, or omitted to be done, by the Employee in bad faith and without reasonable belief that the Employee's action or omission was in, or not

opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the entire membership of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to the Employee and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Employee was guilty of the conduct set forth above in (i) or (ii) of this Section 2(a) and specifying the particulars thereof in detail.

(b) Cash Compensation. "Cash Compensation" shall mean the sum of (i) Employee's Base Salary (determined in accordance with the provisions of Section 4(a) hereof) and (ii) Executive's incentive compensation (provided for under Section 4(b) hereof), which shall be an amount equal to the greatest of (x) the average of the amount of Employee's incentive compensation for the last three completed fiscal years immediately prior to the Employee's termination of employment (whether or not such years occurred during the Period of Employment), (y) the target amount of such

Employee's incentive compensation for the fiscal year in which his termination of employment occurs or (z) the Employee's target amount for the fiscal year in which the Change in Control occurs.

(c) Change in Control. "Change in Control" means the occurrence of any of the following: an event that would be required to be reported (assuming such event has not been "previously reported") in response to Item 1(a) of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred at such time as (i) any "person" within the meaning of Section 14(d) of the Securities Exchange Act of 1934 becomes the "beneficial owner" as defined in Rule 13d-3 thereunder, directly or indirectly, of more than 25% of the Company's Common Stock; (ii) during any two-year period, individuals who constitute the Board of Directors of the Company (the "Incumbent Board") as of the beginning of the period cease for any reason to constitute at least a majority thereof, provided that any person becoming a director during such period whose election or nomination for election by the Company's stockholders was approved by a vote of at least three quarters of the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) shall be, for purposes of this clause (ii), considered as though such person were a member of the Incumbent Board; or (iii) the

approval by the Company's stockholders of the sale of all or substantially all of the stock or assets of the Company.

(d) Disability. "Disability" means the absence of the Employee from his duties with the Company on a full-time basis for one hundred eighty (180) consecutive days as a result of incapacity due to physical or mental illness.

(e) Good Reason. During the Period of Employment, "Good Reason" means:

(i) an adverse change in the status of the Employee (other than any such change primarily attributable to the fact that the Company may no longer be publicly owned) or position(s) as an officer of the Company as in effect immediately prior to the Change in Control or the assignment to the Employee of any duties or responsibilities which, in his reasonable judgment, are inconsistent with such status or position(s), or any removal of the Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the termination of the Employee's employment for Cause, Disability, or upon attaining age 65 or upon taking early retirement under any of the Company's retirement plans, or as a result of death or by the Employee other than for Good Reason);

(ii) a reduction by the Company after a Change in Control in the Employee's Base Salary;

(iii) a material reduction after a Change in Control in the Employee's total annual compensation; provided, however, that for these purposes a reduction for any year of over 10% of

total compensation measured by the preceding year without a substantially similar reduction to all other executives participating in incentive compensation plans shall be considered "material"; and the failure of the Company to adopt or renew a stock option plan or to grant amounts of restricted stock or stock options, which are consistent with the Company's prior practices, to the Employee shall also be considered a material reduction, unless the Employee participates in substitute programs that provide substantially equivalent economic value to the Employee;

(iv) the failure by the Company to continue in effect any Benefit Plan (as hereinafter defined) in which Employee was participating at the time of the Change in Control (or Benefit Plans providing Employee with at least substantially similar benefits) other than as a result of the normal expiration of any such Benefit Plan in accordance with its terms as in effect at the time of the Change in Control, or the taking of any action, or the failure to act, by the Company which would adversely affect Employee's continued participation in any such Benefit Plans on at least as favorable a basis to Employee as is the case immediately prior to the Change in Control or which would materially reduce Employee's benefits in the future under any of such Benefit Plans or deprive Employee of any material benefit enjoyed by Employee immediately prior to the Change in Control;

(v) the failure by the Company after a Change in Control to provide and credit Employee with the number of paid

vacation days to which Employee was then entitled in accordance with the Company's normal vacation policy as in effect immediately prior to the Change in Control; or

(vi) the Company's requiring the Employee after a Change in Control to be based more than fifty miles from the Employee's principal place of business immediately prior to the Change in Control except for required travel on the Company's business to an extent substantially consistent with the business travel obligations which he undertook on behalf of the Company prior to the Change in Control.

(f) Period of Employment. (i) "Period of Employment" means, subject to the provisions of Section 2(f)(ii), the period of thirty-six (36) months commencing on the date of a Change in Control (as defined in Section 2(c) hereof) and the period of any extension or extensions thereof in accordance with the terms of this Section. The Period of Employment shall be extended automatically by one week for each week in which the Employee's employment continues after the date of a Change in Control.

(ii) Notwithstanding the provisions of Section 2(f)(i) hereof, the Period of Employment shall terminate upon the occurrence of the earliest of (A) the Employee's attainment of age 65, or the election by the Employee to retire early from the Company under any of its retirement plans, (B) the death of the Employee, (C) the Disability of the Employee or (D) a termination of Employee's employment by the Company for Cause or by the Employee without Good Reason.

(g) Termination Date. "Termination Date" means the date on which the Period of Employment terminates.

3. Duties During the Period of Employment. While employed by the Company during the Period of Employment, the Employee shall devote his full business time, attention, and best efforts to the affairs of the Company and its subsidiaries; provided, however, that the Employee may engage in other activities, such as activities involving charitable, educational, religious, and similar types of organizations, speaking engagements, membership on the board of directors of other organizations, and similar types of activities to the extent that such other activities do not prohibit the performance of his duties under this Agreement, or inhibit or conflict in any material way with the business of the Company and its subsidiaries.

4. Current Cash Compensation.

(a) Base Salary. The Company will pay to the Employee while employed by the Company during the Period of Employment an annual base salary ("Base Salary") in an amount determined by the Board of Directors or its Compensation Committee which shall never be less than the greater of (i) the Employee's Base Salary prior to the commencement of the Period of Employment or (ii) his Base Salary during the preceding year of the Period of Employment; provided, however, that it is agreed between the parties that the Company shall review annually the Employee's Base Salary, and in light of such review may, in the discretion

of the Board of Directors or its Compensation Committee, increase such Base Salary taking into account the Employee's responsibilities, inflation in the cost of living, increase in salaries of executives of other corporations, performance by the Employee, and other pertinent factors. The Base Salary shall be paid in substantially equal biweekly installments while Employee is employed by the Company.

(b) Incentive Compensation. While employed by the Company during the Period of Employment, the Employee shall continue to participate in such of the Company's incentive compensation programs for executives as the Employee participated in prior to the commencement of the Period of Employment. Any amount awarded to the Employee under such programs shall be paid to Employee in accordance with the terms thereof.

5. Employee Benefits.

(a) Vacation and Sick Leave. The Employee shall be entitled during the Period of Employment to a paid annual vacation of not less than twenty (20) business days during each calendar year while employed by the Company and to reasonable sick leave.

(b) Regular Reimbursed Business Expenses. The Company shall reimburse the Employee for all expenses and disbursements reasonably incurred by the Employee in the performance of his duties during the Period of Employment.

(c) Employment Benefit Plans or Arrangements. While employed by the Company, Employee shall be entitled to

participate in all employee benefit plans, programs, or arrangements ("Benefit Plans") of the Company, in accordance with the terms thereof, as in effect from time to time, which provide benefits to senior executives of the Company. For purposes of this Agreement, Benefit Plans shall include, without limitation, any compensation plan such as an incentive, deferred, stock option or restricted stock plan, or any employee benefit plan such as a thrift, pension, profit sharing, pre-tax savings, medical, dental, disability, salary continuation, accident, life insurance plan, or a relocation plan or policy, or any other plan, program, or policy of the Company intended to benefit employees.

6. Termination of Employment.

(a) Termination by the Company for Cause or Termination by the Employee Other Than for Good Reason. If during the Period of Employment the Company terminates the employment of the Employee for Cause or if the Employee terminates his employment other than for Good Reason the Company shall pay the Employee (i) the Employee's Base Salary through the end of the month in which the Termination Date occurs, (ii) any incentive compensation payable to him pursuant to Section 4(b) hereof, including a pro rata share for any partial year, (iii) any accrued vacation pay, and (iv) benefits payable to him pursuant to the Company's Benefit Plans as provided in Section 5(c) hereof through the end of the month in which the Termination Date occurs. The amounts and benefits set forth in clauses (i),

(ii), (iii) and (iv) of the preceding sentence shall hereinafter be referred to as "Accrued Benefits."

(b) Termination by the Company Without Cause or by the Employee for Good Reason. If during the Period of Employment the Company terminates the Employee's employment with the Company without Cause or the Employee terminates his employment with the Company for Good Reason, the Company will pay to Employee all Accrued Benefits and, in addition, pay or provide to the Employee the following:

(i) within thirty (30) days after the date of termination, a lump sum equal to the greater of (A) the Employee's Cash Compensation for the remainder of the Period of Employment or (B) two times the Employee's Cash Compensation;

(ii) for the greater of two years or the remainder of the Period of Employment immediately following the Employee's date of termination, the Employee and Employee's family shall continue to participate in any Benefit Plans of the Company (as defined in Section 5(c) hereof) in which Employee or Employee's family participated at any time during the one-year period ending on the day immediately preceding Employee's termination of employment, provided that (a) such continued participation is possible under the terms of such Benefit Plans, and (b) the Employee continues to pay contributions for

such participation at the rates paid for similar participation by active Company employees in similar positions to that held by the Employee immediately prior to the date of termination. If such continued participation is not possible, the Company shall provide, at its sole cost and expense, substantially identical benefits to the Employee plus pay an additional amount to the Employee equal to the Employee's liability for federal, state and local income taxes on any amounts includible in the Employee's income by virtue of the terms of this Section 6(b)(ii) so that Employee does not have to personally pay any federal, state and local income taxes by virtue of the terms of this Section 6(b)(ii);

(iii) three additional years of service credit under the Company's Non-Qualified Plans and, for purposes of such plans, Employee's final average pay shall be deemed to be his Cash Compensation for the year in which the date of termination occurs;

(iv) the Company shall take all reasonable actions to cause any Company restricted stock ("Restricted Stock") granted to Employee to become fully vested and any options to purchase Company stock ("Options") granted to Employee to become fully exercisable, and in the event the Company cannot

effect such vesting or acceleration within sixty (60) days, the Company shall pay within thirty (30) days thereafter to Employee (i) with respect to each Option, an amount equal to the product of (x) the number of unvested shares subject to such Option, multiplied by (y) the excess of the fair market value of a share of Company common stock on the date of Employee's termination of employment, over the per share exercise price of such Option and (ii) with respect to each unvested share of Restricted Stock an amount equal to the fair market value of a share of Company common stock on the date of Employee's termination of employment.

Except as provided in the following sentence, the amounts payable to the Employee under this Section 6(b) shall be absolutely owing and shall not be subject to reduction or mitigation as a result of employment of the Employee elsewhere after the date of termination. Notwithstanding any provision herein to the contrary, the benefits described in clauses (i), (ii) and (iii) of this Section 6(b) shall only be payable with respect to the period ending upon the earlier of (i) the end of the period specified in each such clause or (ii) Employee's attainment of age 65.

7. Gross-Up. In the event any amounts due to the Employee under this Agreement after a Change in Control, under the terms of any Benefit Plan, or otherwise payable by the

Company or an affiliate of the Company are subject to excise taxes under Section 4999 of the Internal Revenue Code of 1986, as amended ("Excise Taxes"), the Company shall pay to the Employee, in addition to any other payments due under other provisions of this Agreement, an amount equal to the amount of such Excise Taxes plus the amount of any federal, state and local income or other taxes and Excise Taxes attributable to all amounts, including income taxes, payable under this Section 7, so that after payment of all income, Excise and other taxes with respect to the amounts due to the Employee under this Agreement, the Employee will retain the same net after tax amount with respect to such payments as if no Excise Taxes had been imposed.

8. Governing Law. This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of Connecticut. If under such laws any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation, or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect, and validity of the remaining portion hereof.

9. Notices. All notices under this Agreement shall be in writing and shall be deemed effective when delivered in person (in the Company's case, to its Secretary) or seventy-two (72) hours after deposit thereof in the U.S. mail, postage prepaid, for delivery as registered or certified mail -- addressed, in the

case of the Employee, to the Employee at Employee's residential address, and in the case of the Company, to its corporate headquarters, attention of the Secretary, or to such other address as the Employee or the Company may designate in writing at any time or from time to time to the other party. In lieu of personal notice or notice by deposit in the U.S. mail, a party may give notice by telegram, fax or telex.

10. Miscellaneous. This Agreement shall supersede the prior Employment Agreement dated March 16, 1995 with the Employee. This Agreement may be amended only by a subsequent written agreement of the Employee and the Company. This Agreement shall be binding upon and shall inure to the benefit of the Employee, the Employee's heirs, executors, administrators, beneficiaries, and assigns and to the benefit of the Company and its successors. Notwithstanding anything in this Agreement to the contrary, nothing herein shall prevent or interfere with the ability of the Company to terminate the employment of the Employee prior to a Change in Control nor be construed to entitle Employee to be continued in employment prior to a Change in Control and this Agreement shall terminate if Employee or the Company terminates Employee's employment prior to a Change in Control. Similarly, nothing herein shall prevent the Employee from retiring under any of the Company's retirement plans and receiving the corresponding benefits thereunder consistent with the treatment of other Company employees.

11. Fees and Expenses. The Company shall pay all reasonable legal fees and related expenses incurred by the Employee in connection with this Agreement following a Change in Control of the Company, including without limitation, all such fees and expenses, if any, incurred in connection with: (i) contesting or disputing, any termination of the Employee's employment hereunder; or (ii) the Employee seeking to obtain or enforce any right or benefit provided by the Agreement.

12. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Connecticut by three arbitrators in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that the Employee shall be entitled to be paid as if his or her employment continued during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company shall bear all costs and expenses arising in connection with any arbitration pursuant to this Section 12.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and day first above written.

THE PERKIN-ELMER CORPORATION

By: /s/ Tony L. White

Tony L. White
Chairman, President and
Chief Executive Officer

ATTEST:

By: /s/ WB Sawch
William B. Sawch
Vice President
General Counsel & Secretary

ACCEPTED AND AGREED:

/s/ Stephen O. Jaeger
Stephen O. Jaeger

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EMPLOYMENT AGREEMENT

AGREEMENT entered into as of November 16, 1995, between THE PERKIN-ELMER CORPORATION, a New York corporation having its principal place of business at Norwalk, Connecticut (the "Company") and Michael J. McPartland residing at 540 Warner Hill Road, Southport, Connecticut 06940 (the "Employee").

WHEREAS, the Employee has rendered and/or will render valuable services to the Company and it is regarded essential by the Company that it have the benefit of Employee's services in future years; and

WHEREAS, the Board of Directors of the Company believes that it is essential that, in the event of the possibility of a Change in Control of the Company (as defined herein), the Employee be able to continue his attention and dedication to his duties and to assess and advise the Board of Directors of the Company (the "Board") whether such proposals would be in the best interest of the Company and its shareholders without distraction regarding any uncertainty concerning his future with the Company; and

WHEREAS, the Employee is willing to agree to continue to serve the Company in the future;

NOW, THEREFORE, it is mutually agreed as follows:

1. Employment. The Company agrees to employ Employee, and the Employee agrees to serve as an employee of the Company or one or more of its subsidiaries after a Change of Control during the Period of Employment (as those terms are defined in Section 2

hereof) in such executive capacity as Employee served immediately prior to the Change in Control which caused the commencement of the Period of Employment. The Employee also agrees to serve during the Period of Employment, if elected or appointed thereto, as a Director of the Board of Directors of the Company and as a member of any committee of the Board of Directors. Notwithstanding anything to the contrary herein, the Period of Employment shall not commence and the Employee shall not be entitled to any rights, benefits, or payments hereunder unless and until a Change in Control has occurred.

2. Definitions.

(a) Cause. During the Period of Employment, "Cause" means termination upon (i) the willful and continued failure by the Employee to perform substantially his duties with the Company (other than any such failure resulting from the Employee's incapacity due to physical or mental illness) after a demand for a substantial performance is delivered to the Employee by the Chief Executive Officer of the Company ("CEO") which specifically identifies the manner in which the CEO believes that the Employee has not substantially performed his duties, or (ii) the willful engaging by the Employee in illegal conduct which is materially and demonstrably injurious to the Company. For purposes of this Section 2(a), no act, or failure to act, on the part of the Employee shall be considered "willful" unless done, or omitted to be done, by the Employee in bad faith and without reasonable belief that the Employee's action or omission was in, or not

opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the entire membership of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to the Employee and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Employee was guilty of the conduct set forth above in (i) or (ii) of this Section 2(a) and specifying the particulars thereof in detail.

(b) Cash Compensation. "Cash Compensation" shall mean the sum of (i) Employee's Base Salary (determined in accordance with the provisions of Section 4(a) hereof) and (ii) Executive's incentive compensation (provided for under Section 4(b) hereof), which shall be an amount equal to the greatest of (x) the average of the amount of Employee's incentive compensation for the last three completed fiscal years immediately prior to the Employee's termination of employment (whether or not such years occurred during the Period of Employment), (y) the target amount of such

Employee's incentive compensation for the fiscal year in which his termination of employment occurs or (z) the Employee's target amount for the fiscal year in which the Change in Control occurs.

(c) Change in Control. "Change in Control" means the occurrence of any of the following: an event that would be required to be reported (assuming such event has not been "previously reported") in response to Item 1(a) of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred at such time as (i) any "person" within the meaning of Section 14(d) of the Securities Exchange Act of 1934 becomes the "beneficial owner" as defined in Rule 13d-3 thereunder, directly or indirectly, of more than 25% of the Company's Common Stock; (ii) during any two-year period, individuals who constitute the Board of Directors of the Company (the "Incumbent Board") as of the beginning of the period cease for any reason to constitute at least a majority thereof, provided that any person becoming a director during such period whose election or nomination for election by the Company's stockholders was approved by a vote of at least three quarters of the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) shall be, for purposes of this clause (ii), considered as though such person were a member of the Incumbent Board; or (iii) the

approval by the Company's stockholders of the sale of all or substantially all of the stock or assets of the Company.

(d) Disability. "Disability" means the absence of the Employee from his duties with the Company on a full-time basis for one hundred eighty (180) consecutive days as a result of incapacity due to physical or mental illness.

(e) Good Reason. During the Period of Employment, "Good Reason" means:

(i) an adverse change in the status of the Employee (other than any such change primarily attributable to the fact that the Company may no longer be publicly owned) or position(s) as an officer of the Company as in effect immediately prior to the Change in Control or the assignment to the Employee of any duties or responsibilities which, in his reasonable judgment, are inconsistent with such status or position(s), or any removal of the Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the termination of the Employee's employment for Cause, Disability, or upon attaining age 65 or upon taking early retirement under any of the Company's retirement plans, or as a result of death or by the Employee other than for Good Reason);

(ii) a reduction by the Company after a Change in Control in the Employee's Base Salary;

(iii) a material reduction after a Change in Control in the Employee's total annual compensation; provided, however, that for these purposes a reduction for any year of over 10% of

total compensation measured by the preceding year without a substantially similar reduction to all other executives participating in incentive compensation plans shall be considered "material"; and the failure of the Company to adopt or renew a stock option plan or to grant amounts of restricted stock or stock options, which are consistent with the Company's prior practices, to the Employee shall also be considered a material reduction, unless the Employee participates in substitute programs that provide substantially equivalent economic value to the Employee;

(iv) the failure by the Company to continue in effect any Benefit Plan (as hereinafter defined) in which Employee was participating at the time of the Change in Control (or Benefit Plans providing Employee with at least substantially similar benefits) other than as a result of the normal expiration of any such Benefit Plan in accordance with its terms as in effect at the time of the Change in Control, or the taking of any action, or the failure to act, by the Company which would adversely affect Employee's continued participation in any such Benefit Plans on at least as favorable a basis to Employee as is the case immediately prior to the Change in Control or which would materially reduce Employee's benefits in the future under any of such Benefit Plans or deprive Employee of any material benefit enjoyed by Employee immediately prior to the Change in Control;

(v) the failure by the Company after a Change in Control to provide and credit Employee with the number of paid

vacation days to which Employee was then entitled in accordance with the Company's normal vacation policy as in effect immediately prior to the Change in Control; or

(vi) the Company's requiring the Employee after a Change in Control to be based more than fifty miles from the Employee's principal place of business immediately prior to the Change in Control except for required travel on the Company's business to an extent substantially consistent with the business travel obligations which he undertook on behalf of the Company prior to the Change in Control.

(f) Period of Employment. (i) "Period of Employment" means, subject to the provisions of Section 2(f)(ii), the period of thirty-six (36) months commencing on the date of a Change in Control (as defined in Section 2(c) hereof) and the period of any extension or extensions thereof in accordance with the terms of this Section. The Period of Employment shall be extended automatically by one week for each week in which the Employee's employment continues after the date of a Change in Control.

(ii) Notwithstanding the provisions of Section 2(f)(i) hereof, the Period of Employment shall terminate upon the occurrence of the earliest of (A) the Employee's attainment of age 65, or the election by the Employee to retire early from the Company under any of its retirement plans, (B) the death of the Employee, (C) the Disability of the Employee or (D) a termination of Employee's employment by the Company for Cause or by the Employee without Good Reason.

(g) Termination Date. "Termination Date" means the date on which the Period of Employment terminates.

3. Duties During the Period of Employment. While employed by the Company during the Period of Employment, the Employee shall devote his full business time, attention, and best efforts to the affairs of the Company and its subsidiaries; provided, however, that the Employee may engage in other activities, such as activities involving charitable, educational, religious, and similar types of organizations, speaking engagements, membership on the board of directors of other organizations, and similar types of activities to the extent that such other activities do not prohibit the performance of his duties under this Agreement, or inhibit or conflict in any material way with the business of the Company and its subsidiaries.

4. Current Cash Compensation.

(a) Base Salary. The Company will pay to the Employee while employed by the Company during the Period of Employment an annual base salary ("Base Salary") in an amount determined by the Board of Directors or its Compensation Committee which shall never be less than the greater of (i) the Employee's Base Salary prior to the commencement of the Period of Employment or (ii) his Base Salary during the preceding year of the Period of Employment; provided, however, that it is agreed between the parties that the Company shall review annually the Employee's Base Salary, and in light of such review may, in the discretion

of the Board of Directors or its Compensation Committee, increase such Base Salary taking into account the Employee's responsibilities, inflation in the cost of living, increase in salaries of executives of other corporations, performance by the Employee, and other pertinent factors. The Base Salary shall be paid in substantially equal biweekly installments while Employee is employed by the Company.

(b) Incentive Compensation. While employed by the Company during the Period of Employment, the Employee shall continue to participate in such of the Company's incentive compensation programs for executives as the Employee participated in prior to the commencement of the Period of Employment. Any amount awarded to the Employee under such programs shall be paid to Employee in accordance with the terms thereof.

5. Employee Benefits.

(a) Vacation and Sick Leave. The Employee shall be entitled during the Period of Employment to a paid annual vacation of not less than twenty (20) business days during each calendar year while employed by the Company and to reasonable sick leave.

(b) Regular Reimbursed Business Expenses. The Company shall reimburse the Employee for all expenses and disbursements reasonably incurred by the Employee in the performance of his duties during the Period of Employment.

(c) Employment Benefit Plans or Arrangements. While employed by the Company, Employee shall be entitled to

participate in all employee benefit plans, programs, or arrangements ("Benefit Plans") of the Company, in accordance with the terms thereof, as in effect from time to time, which provide benefits to senior executives of the Company. For purposes of this Agreement, Benefit Plans shall include, without limitation, any compensation plan such as an incentive, deferred, stock option or restricted stock plan, or any employee benefit plan such as a thrift, pension, profit sharing, pre-tax savings, medical, dental, disability, salary continuation, accident, life insurance plan, or a relocation plan or policy, or any other plan, program, or policy of the Company intended to benefit employees.

6. Termination of Employment.

(a) Termination by the Company for Cause or Termination by the Employee Other Than for Good Reason. If during the Period of Employment the Company terminates the employment of the Employee for Cause or if the Employee terminates his employment other than for Good Reason the Company shall pay the Employee (i) the Employee's Base Salary through the end of the month in which the Termination Date occurs, (ii) any incentive compensation payable to him pursuant to Section 4(b) hereof, including a pro rata share for any partial year, (iii) any accrued vacation pay, and (iv) benefits payable to him pursuant to the Company's Benefit Plans as provided in Section 5(c) hereof through the end of the month in which the Termination Date occurs. The amounts and benefits set forth in clauses (i),

(ii), (iii) and (iv) of the preceding sentence shall hereinafter be referred to as "Accrued Benefits."

(b) Termination by the Company Without Cause or by the Employee for Good Reason. If during the Period of Employment the Company terminates the Employee's employment with the Company without Cause or the Employee terminates his employment with the Company for Good Reason, the Company will pay to Employee all Accrued Benefits and, in addition, pay or provide to the Employee the following:

(i) within thirty (30) days after the date of termination, a lump sum equal to the greater of (A) the Employee's Cash Compensation for the remainder of the Period of Employment or (B) two times the Employee's Cash Compensation;

(ii) for the greater of two years or the remainder of the Period of Employment immediately following the Employee's date of termination, the Employee and Employee's family shall continue to participate in any Benefit Plans of the Company (as defined in Section 5(c) hereof) in which Employee or Employee's family participated at any time during the one-year period ending on the day immediately preceding Employee's termination of employment, provided that (a) such continued participation is possible under the terms of such Benefit Plans, and (b) the Employee continues to pay contributions for

such participation at the rates paid for similar participation by active Company employees in similar positions to that held by the Employee immediately prior to the date of termination. If such continued participation is not possible, the Company shall provide, at its sole cost and expense, substantially identical benefits to the Employee plus pay an additional amount to the Employee equal to the Employee's liability for federal, state and local income taxes on any amounts includible in the Employee's income by virtue of the terms of this Section 6(b)(ii) so that Employee does not have to personally pay any federal, state and local income taxes by virtue of the terms of this Section 6(b)(ii);

(iii) three additional years of service credit under the Company's Non-Qualified Plans and, for purposes of such plans, Employee's final average pay shall be deemed to be his Cash Compensation for the year in which the date of termination occurs;

(iv) the Company shall take all reasonable actions to cause any Company restricted stock ("Restricted Stock") granted to Employee to become fully vested and any options to purchase Company stock ("Options") granted to Employee to become fully exercisable, and in the event the Company cannot

effect such vesting or acceleration within sixty (60) days, the Company shall pay within thirty (30) days thereafter to Employee (i) with respect to each Option, an amount equal to the product of (x) the number of unvested shares subject to such Option, multiplied by (y) the excess of the fair market value of a share of Company common stock on the date of Employee's termination of employment, over the per share exercise price of such Option and (ii) with respect to each unvested share of Restricted Stock an amount equal to the fair market value of a share of Company common stock on the date of Employee's termination of employment.

Except as provided in the following sentence, the amounts payable to the Employee under this Section 6(b) shall be absolutely owing and shall not be subject to reduction or mitigation as a result of employment of the Employee elsewhere after the date of termination. Notwithstanding any provision herein to the contrary, the benefits described in clauses (i), (ii) and (iii) of this Section 6(b) shall only be payable with respect to the period ending upon the earlier of (i) the end of the period specified in each such clause or (ii) Employee's attainment of age 65.

7. Gross-Up. In the event any amounts due to the Employee under this Agreement after a Change in Control, under the terms of any Benefit Plan, or otherwise payable by the

Company or an affiliate of the Company are subject to excise taxes under Section 4999 of the Internal Revenue Code of 1986, as amended ("Excise Taxes"), the Company shall pay to the Employee, in addition to any other payments due under other provisions of this Agreement, an amount equal to the amount of such Excise Taxes plus the amount of any federal, state and local income or other taxes and Excise Taxes attributable to all amounts, including income taxes, payable under this Section 7, so that after payment of all income, Excise and other taxes with respect to the amounts due to the Employee under this Agreement, the Employee will retain the same net after tax amount with respect to such payments as if no Excise Taxes had been imposed.

8. Governing Law. This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of Connecticut. If under such laws any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation, or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect, and validity of the remaining portion hereof.

9. Notices. All notices under this Agreement shall be in writing and shall be deemed effective when delivered in person (in the Company's case, to its Secretary) or seventy-two (72) hours after deposit thereof in the U.S. mail, postage prepaid, for delivery as registered or certified mail -- addressed, in the

case of the Employee, to the Employee at Employee's residential address, and in the case of the Company, to its corporate headquarters, attention of the Secretary, or to such other address as the Employee or the Company may designate in writing at any time or from time to time to the other party. In lieu of personal notice or notice by deposit in the U.S. mail, a party may give notice by telegram, fax or telex.

10. Miscellaneous. This Agreement shall supersede the prior Employment Agreement dated February 18, 1993, with the Employee. This Agreement may be amended only by a subsequent written agreement of the Employee and the Company. This Agreement shall be binding upon and shall inure to the benefit of the Employee, the Employee's heirs, executors, administrators, beneficiaries, and assigns and to the benefit of the Company and its successors. Notwithstanding anything in this Agreement to the contrary, nothing herein shall prevent or interfere with the ability of the Company to terminate the employment of the Employee prior to a Change in Control nor be construed to entitle Employee to be continued in employment prior to a Change in Control and this Agreement shall terminate if Employee or the Company terminates Employee's employment prior to a Change in Control. Similarly, nothing herein shall prevent the Employee from retiring under any of the Company's retirement plans and receiving the corresponding benefits thereunder consistent with the treatment of other Company employees.

11. Fees and Expenses. The Company shall pay all reasonable legal fees and related expenses incurred by the Employee in connection with this Agreement following a Change in Control of the Company, including without limitation, all such fees and expenses, if any, incurred in connection with: (i) contesting or disputing, any termination of the Employee's employment hereunder; or (ii) the Employee seeking to obtain or enforce any right or benefit provided by the Agreement.

12. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Connecticut by three arbitrators in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that the Employee shall be entitled to be paid as if his or her employment continued during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company shall bear all costs and expenses arising in connection with any arbitration pursuant to this Section 12.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and day first above written.

THE PERKIN-ELMER CORPORATION

By: /s/ Tony L. White

Tony L. White
Chairman, President and
Chief Executive Officer

ATTEST:

By: /s/ WB Sawch
William B. Sawch
Vice President
General Counsel & Secretary

ACCEPTED AND AGREED:

/s/ Michael J. McPartland
Michael J. McPartland

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EMPLOYMENT AGREEMENT

AGREEMENT entered into as of November 16, 1995, between THE PERKIN-ELMER CORPORATION, a New York corporation having its principal place of business at Norwalk, Connecticut (the "Company") and Dr. Peter Barrett residing at 84 Lords Highway East, Weston, Connecticut 06883 (the "Employee").

WHEREAS, the Employee has rendered and/or will render valuable services to the Company and it is regarded essential by the Company that it have the benefit of Employee's services in future years; and

WHEREAS, the Board of Directors of the Company believes that it is essential that, in the event of the possibility of a Change in Control of the Company (as defined herein), the Employee be able to continue his attention and dedication to his duties and to assess and advise the Board of Directors of the Company (the "Board") whether such proposals would be in the best interest of the Company and its shareholders without distraction regarding any uncertainty concerning his future with the Company; and

WHEREAS, the Employee is willing to agree to continue to serve the Company in the future;

NOW, THEREFORE, it is mutually agreed as follows:

1. Employment. The Company agrees to employ Employee, and the Employee agrees to serve as an employee of the Company or one or more of its subsidiaries after a Change of Control during the Period of Employment (as those terms are defined in Section 2

hereof) in such executive capacity as Employee served immediately prior to the Change in Control which caused the commencement of the Period of Employment. The Employee also agrees to serve during the Period of Employment, if elected or appointed thereto, as a Director of the Board of Directors of the Company and as a member of any committee of the Board of Directors. Notwithstanding anything to the contrary herein, the Period of Employment shall not commence and the Employee shall not be entitled to any rights, benefits, or payments hereunder unless and until a Change in Control has occurred.

2. Definitions.

(a) Cause. During the Period of Employment, "Cause" means termination upon (i) the willful and continued failure by the Employee to perform substantially his duties with the Company (other than any such failure resulting from the Employee's incapacity due to physical or mental illness) after a demand for a substantial performance is delivered to the Employee by the Chief Executive Officer of the Company ("CEO") which specifically identifies the manner in which the CEO believes that the Employee has not substantially performed his duties, or (ii) the willful engaging by the Employee in illegal conduct which is materially and demonstrably injurious to the Company. For purposes of this Section 2(a), no act, or failure to act, on the part of the Employee shall be considered "willful" unless done, or omitted to be done, by the Employee in bad faith and without reasonable belief that the Employee's action or omission was in, or not

opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Employee in good faith and in the best interests of the Company. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the entire membership of the Board at a meeting of the Board called and held for that purpose (after reasonable notice to the Employee and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Employee was guilty of the conduct set forth above in (i) or (ii) of this Section 2(a) and specifying the particulars thereof in detail.

(b) Cash Compensation. "Cash Compensation" shall mean the sum of (i) Employee's Base Salary (determined in accordance with the provisions of Section 4(a) hereof) and (ii) Executive's incentive compensation (provided for under Section 4(b) hereof), which shall be an amount equal to the greatest of (x) the average of the amount of Employee's incentive compensation for the last three completed fiscal years immediately prior to the Employee's termination of employment (whether or not such years occurred during the Period of Employment), (y) the target amount of such

Employee's incentive compensation for the fiscal year in which his termination of employment occurs or (z) the Employee's target amount for the fiscal year in which the Change in Control occurs.

(c) Change in Control. "Change in Control" means the occurrence of any of the following: an event that would be required to be reported (assuming such event has not been "previously reported") in response to Item 1(a) of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred at such time as (i) any "person" within the meaning of Section 14(d) of the Securities Exchange Act of 1934 becomes the "beneficial owner" as defined in Rule 13d-3 thereunder, directly or indirectly, of more than 25% of the Company's Common Stock; (ii) during any two-year period, individuals who constitute the Board of Directors of the Company (the "Incumbent Board") as of the beginning of the period cease for any reason to constitute at least a majority thereof, provided that any person becoming a director during such period whose election or nomination for election by the Company's stockholders was approved by a vote of at least three quarters of the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) shall be, for purposes of this clause (ii), considered as though such person were a member of the Incumbent Board; or (iii) the

approval by the Company's stockholders of the sale of all or substantially all of the stock or assets of the Company.

(d) Disability. "Disability" means the absence of the Employee from his duties with the Company on a full-time basis for one hundred eighty (180) consecutive days as a result of incapacity due to physical or mental illness.

(e) Good Reason. During the Period of Employment, "Good Reason" means:

(i) an adverse change in the status of the Employee (other than any such change primarily attributable to the fact that the Company may no longer be publicly owned) or position(s) as an officer of the Company as in effect immediately prior to the Change in Control or the assignment to the Employee of any duties or responsibilities which, in his reasonable judgment, are inconsistent with such status or position(s), or any removal of the Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the termination of the Employee's employment for Cause, Disability, or upon attaining age 65 or upon taking early retirement under any of the Company's retirement plans, or as a result of death or by the Employee other than for Good Reason);

(ii) a reduction by the Company after a Change in Control in the Employee's Base Salary;

(iii) a material reduction after a Change in Control in the Employee's total annual compensation; provided, however, that for these purposes a reduction for any year of over 10% of

total compensation measured by the preceding year without a substantially similar reduction to all other executives participating in incentive compensation plans shall be considered "material"; and the failure of the Company to adopt or renew a stock option plan or to grant amounts of restricted stock or stock options, which are consistent with the Company's prior practices, to the Employee shall also be considered a material reduction, unless the Employee participates in substitute programs that provide substantially equivalent economic value to the Employee;

(iv) the failure by the Company to continue in effect any Benefit Plan (as hereinafter defined) in which Employee was participating at the time of the Change in Control (or Benefit Plans providing Employee with at least substantially similar benefits) other than as a result of the normal expiration of any such Benefit Plan in accordance with its terms as in effect at the time of the Change in Control, or the taking of any action, or the failure to act, by the Company which would adversely affect Employee's continued participation in any such Benefit Plans on at least as favorable a basis to Employee as is the case immediately prior to the Change in Control or which would materially reduce Employee's benefits in the future under any of such Benefit Plans or deprive Employee of any material benefit enjoyed by Employee immediately prior to the Change in Control;

(v) the failure by the Company after a Change in Control to provide and credit Employee with the number of paid

vacation days to which Employee was then entitled in accordance with the Company's normal vacation policy as in effect immediately prior to the Change in Control; or

(vi) the Company's requiring the Employee after a Change in Control to be based more than fifty miles from the Employee's principal place of business immediately prior to the Change in Control except for required travel on the Company's business to an extent substantially consistent with the business travel obligations which he undertook on behalf of the Company prior to the Change in Control.

(f) Period of Employment. (i) "Period of Employment" means, subject to the provisions of Section 2(f)(ii), the period of thirty-six (36) months commencing on the date of a Change in Control (as defined in Section 2(c) hereof) and the period of any extension or extensions thereof in accordance with the terms of this Section. The Period of Employment shall be extended automatically by one week for each week in which the Employee's employment continues after the date of a Change in Control.

(ii) Notwithstanding the provisions of Section 2(f)(i) hereof, the Period of Employment shall terminate upon the occurrence of the earliest of (A) the Employee's attainment of age 65, or the election by the Employee to retire early from the Company under any of its retirement plans, (B) the death of the Employee, (C) the Disability of the Employee or (D) a termination of Employee's employment by the Company for Cause or by the Employee without Good Reason.

(g) Termination Date. "Termination Date" means the date on which the Period of Employment terminates.

3. Duties During the Period of Employment. While employed by the Company during the Period of Employment, the Employee shall devote his full business time, attention, and best efforts to the affairs of the Company and its subsidiaries; provided, however, that the Employee may engage in other activities, such as activities involving charitable, educational, religious, and similar types of organizations, speaking engagements, membership on the board of directors of other organizations, and similar types of activities to the extent that such other activities do not prohibit the performance of his duties under this Agreement, or inhibit or conflict in any material way with the business of the Company and its subsidiaries.

4. Current Cash Compensation.

(a) Base Salary. The Company will pay to the Employee while employed by the Company during the Period of Employment an annual base salary ("Base Salary") in an amount determined by the Board of Directors or its Compensation Committee which shall never be less than the greater of (i) the Employee's Base Salary prior to the commencement of the Period of Employment or (ii) his Base Salary during the preceding year of the Period of Employment; provided, however, that it is agreed between the parties that the Company shall review annually the Employee's Base Salary, and in light of such review may, in the discretion

of the Board of Directors or its Compensation Committee, increase such Base Salary taking into account the Employee's responsibilities, inflation in the cost of living, increase in salaries of executives of other corporations, performance by the Employee, and other pertinent factors. The Base Salary shall be paid in substantially equal biweekly installments while Employee is employed by the Company.

(b) Incentive Compensation. While employed by the Company during the Period of Employment, the Employee shall continue to participate in such of the Company's incentive compensation programs for executives as the Employee participated in prior to the commencement of the Period of Employment. Any amount awarded to the Employee under such programs shall be paid to Employee in accordance with the terms thereof.

5. Employee Benefits.

(a) Vacation and Sick Leave. The Employee shall be entitled during the Period of Employment to a paid annual vacation of not less than twenty (20) business days during each calendar year while employed by the Company and to reasonable sick leave.

(b) Regular Reimbursed Business Expenses. The Company shall reimburse the Employee for all expenses and disbursements reasonably incurred by the Employee in the performance of his duties during the Period of Employment.

(c) Employment Benefit Plans or Arrangements. While employed by the Company, Employee shall be entitled to

participate in all employee benefit plans, programs, or arrangements ("Benefit Plans") of the Company, in accordance with the terms thereof, as in effect from time to time, which provide benefits to senior executives of the Company. For purposes of this Agreement, Benefit Plans shall include, without limitation, any compensation plan such as an incentive, deferred, stock option or restricted stock plan, or any employee benefit plan such as a thrift, pension, profit sharing, pre-tax savings, medical, dental, disability, salary continuation, accident, life insurance plan, or a relocation plan or policy, or any other plan, program, or policy of the Company intended to benefit employees.

6. Termination of Employment.

(a) Termination by the Company for Cause or Termination by the Employee Other Than for Good Reason. If during the Period of Employment the Company terminates the employment of the Employee for Cause or if the Employee terminates his employment other than for Good Reason the Company shall pay the Employee (i) the Employee's Base Salary through the end of the month in which the Termination Date occurs, (ii) any incentive compensation payable to him pursuant to Section 4(b) hereof, including a pro rata share for any partial year, (iii) any accrued vacation pay, and (iv) benefits payable to him pursuant to the Company's Benefit Plans as provided in Section 5(c) hereof through the end of the month in which the Termination Date occurs. The amounts and benefits set forth in clauses (i),

(ii), (iii) and (iv) of the preceding sentence shall hereinafter be referred to as "Accrued Benefits."

(b) Termination by the Company Without Cause or by the Employee for Good Reason. If during the Period of Employment the Company terminates the Employee's employment with the Company without Cause or the Employee terminates his employment with the Company for Good Reason, the Company will pay to Employee all Accrued Benefits and, in addition, pay or provide to the Employee the following:

(i) within thirty (30) days after the date of termination, a lump sum equal to the greater of (A) the Employee's Cash Compensation for the remainder of the Period of Employment or (B) two times the Employee's Cash Compensation;

(ii) for the greater of two years or the remainder of the Period of Employment immediately following the Employee's date of termination, the Employee and Employee's family shall continue to participate in any Benefit Plans of the Company (as defined in Section 5(c) hereof) in which Employee or Employee's family participated at any time during the one-year period ending on the day immediately preceding Employee's termination of employment, provided that (a) such continued participation is possible under the terms of such Benefit Plans, and (b) the Employee continues to pay contributions for such participation at the rates paid for similar participation by active Company employees in similar positions to that held by the Employee immediately prior to the date of termination. If such continued participation is not possible, the Company shall provide, at its sole cost and expense, substantially identical benefits to the Employee plus pay an additional amount to the Employee equal to the Employee's liability for federal, state and local income taxes on any amounts includible in the Employee's income by virtue of the terms of this Section 6(b)(ii) so that Employee does not have to personally pay any federal, state and local income taxes by virtue of the terms of this Section 6(b)(ii);

(iii) three additional years of service credit under the Company's Non-Qualified Plans and, for purposes of such plans, Employee's final average pay shall be deemed to be his Cash Compensation for the year in which the date of termination occurs;

(iv) the Company shall take all reasonable actions to cause any Company restricted stock ("Restricted Stock") granted to Employee to become fully vested and any options to purchase Company stock ("Options") granted to Employee to become fully exercisable, and in the event the Company cannot

effect such vesting or acceleration within sixty (60) days, the Company shall pay within thirty (30) days thereafter to Employee (i) with respect to each Option, an amount equal to the product of (x) the number of unvested shares subject to such Option, multiplied by (y) the excess of the fair market value of a share of Company common stock on the date of Employee's termination of employment, over the per share exercise price of such Option and (ii) with respect to each unvested share of Restricted Stock an amount equal to the fair market value of a share of Company common stock on the date of Employee's termination of employment.

Except as provided in the following sentence, the amounts payable to the Employee under this Section 6(b) shall be absolutely owing and shall not be subject to reduction or mitigation as a result of employment of the Employee elsewhere after the date of termination. Notwithstanding any provision herein to the contrary, the benefits described in clauses (i), (ii) and (iii) of this Section 6(b) shall only be payable with respect to the period ending upon the earlier of (i) the end of the period specified in each such clause or (ii) Employee's attainment of age 65.

7. Gross-Up. In the event any amounts due to the Employee under this Agreement after a Change in Control, under the terms of any Benefit Plan, or otherwise payable by the

Company or an affiliate of the Company are subject to excise taxes under Section 4999 of the Internal Revenue Code of 1986, as amended ("Excise Taxes"), the Company shall pay to the Employee, in addition to any other payments due under other provisions of this Agreement, an amount equal to the amount of such Excise Taxes plus the amount of any federal, state and local income or other taxes and Excise Taxes attributable to all amounts, including income taxes, payable under this Section 7, so that after payment of all income, Excise and other taxes with respect to the amounts due to the Employee under this Agreement, the Employee will retain the same net after tax amount with respect to such payments as if no Excise Taxes had been imposed.

8. Governing Law. This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of Connecticut. If under such laws any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation, or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement, and the invalidity of any such portion shall not affect the force, effect, and validity of the remaining portion hereof.

9. Notices. All notices under this Agreement shall be in writing and shall be deemed effective when delivered in person (in the Company's case, to its Secretary) or seventy-two (72) hours after deposit thereof in the U.S. mail, postage prepaid, for delivery as registered or certified mail -- addressed, in the

case of the Employee, to the Employee at Employee's residential address, and in the case of the Company, to its corporate headquarters, attention of the Secretary, or to such other address as the Employee or the Company may designate in writing at any time or from time to time to the other party. In lieu of personal notice or notice by deposit in the U.S. mail, a party may give notice by telegram, fax or telex.

10. Miscellaneous. This Agreement shall supersede the prior Employment Agreement dated September 15, 1994, with the Employee. This Agreement may be amended only by a subsequent written agreement of the Employee and the Company. This Agreement shall be binding upon and shall inure to the benefit of the Employee, the Employee's heirs, executors, administrators, beneficiaries, and assigns and to the benefit of the Company and its successors. Notwithstanding anything in this Agreement to the contrary, nothing herein shall prevent or interfere with the ability of the Company to terminate the employment of the Employee prior to a Change in Control nor be construed to entitle Employee to be continued in employment prior to a Change in Control and this Agreement shall terminate if Employee or the Company terminates Employee's employment prior to a Change in Control. Similarly, nothing herein shall prevent the Employee from retiring under any of the Company's retirement plans and receiving the corresponding benefits thereunder consistent with the treatment of other Company employees.

11. Fees and Expenses. The Company shall pay all reasonable legal fees and related expenses incurred by the Employee in connection with this Agreement following a Change in Control of the Company, including without limitation, all such fees and expenses, if any, incurred in connection with: (i) contesting or disputing, any termination of the Employee's employment hereunder; or (ii) the Employee seeking to obtain or enforce any right or benefit provided by the Agreement.

12. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Connecticut by three arbitrators in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that the Employee shall be entitled to be paid as if his or her employment continued during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company shall bear all costs and expenses arising in connection with any arbitration pursuant to this Section 12.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and day first above written.

THE PERKIN-ELMER CORPORATION

By: /s/ Tony L. White

Tony L. White
Chairman, President and
Chief Executive Officer

ATTEST:

By: /s/ WB Sawch
William B. Sawch
Vice President
General Counsel & Secretary

ACCEPTED AND AGREED:

/s/ Peter Barrett
Dr. Peter Barrett

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April 11, 1995

Mr. Stephen O. Jaeger
33 Wicks End Lane
Wilton, CT 06897

Dear Steve:

This is to confirm our agreement concerning certain terms of your employment with The Perkin-Elmer Corporation (the "Corporation"). As you know, you and the Corporation are also parties to an Employment Agreement dated March 16, 1995, which concerns other terms of employment (the "Employment Agreement").

If, prior to March 14, 1997, your employment with the Corporation is terminated by the Corporation for reasons other than "cause", or if you resign your employment for "good reason", the Corporation shall pay to you the equivalent of two years base salary at the base salary in effect at the time of termination. This amount will be paid in 52 equal bi-weekly installments beginning on the next regular payroll date after the date of termination. All payments will be net of normal payroll deductions for state and federal taxes. Upon such termination, you shall receive no other benefits or compensation except as you may be entitled to under the Corporation's retirement and profit sharing plans or as mandated by law (such as `COBRA"). Payments pursuant to this agreement will be in lieu of any benefit under any severance pay plan of the Corporation and shall be contingent upon your signing, and complying with, a release agreement in the form attached hereto as Exhibit A.

In the event of a "Change-in-Control", as defined in the Employment Agreement, this agreement shall be of no force or effect, and shall terminate. In any event, this agreement shall terminate on March 14, 1997, and upon such termination no further obligations shall be owed hereunder.

"Cause" shall mean (i) gross misconduct or gross negligence in the performance of your duties; (ii) willful, intentional, deliberate and continued failure to perform your duties; (iii) illegal conduct; (iv) willful and material violation by you of any policy or standard of the Corporation; (v) any material breach by you of any agreement between the
Corporation and you.

"Good reason" shall mean (i) any material reduction in your base annual salary which is materially greater than reductions suffered by other officers, if any; (ii) removal from the position of chief financial officer, or assignment of duties or responsibilities materially inconsistent with such position, except for "cause".

This agreement does not alter or modify any other agreement that you have with the Corporation.

If the foregoing represents our understanding, please so indicate by signing on the line provided below.

THE PERKIN-ELMER CORPORATION

By: /s/ Gaynor N. Kelley

Agreed to:

/s/ Stephen O. Jaeger
Stephen O. Jaeger

EXHIBIT A

RELEASE

(a) In consideration of the benefits under the Agreement to which this Release is an exhibit, Employee releases, waives, and forever discharges the Company, any related companies, and the employees, officers, representatives, agents and directors of any of them from all claims, demands, actions, suits, covenants, contracts, agreements, promises and liabilities of any kind whatsoever, known or unknown which Employee, Employee's heirs, executors or assigns may have had, now have or could in the future have including, without limitation, those based on Employee's employment with the Company, or the termination of that employment. This includes, for example, a release of any rights or claims Employee may have under the Age Discrimination in Employment Act, which prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, national origin, religion or sex; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; or any other federal, state or local laws or regulations prohibiting employment discrimination. This also includes a release by Employee of any claims for wrongful discharge or breach of employment agreement. This release covers both claims that Employee knows about and those he or she may not know about.

(b) This release does not include, however, a release of Employee's right, if any, to benefits under the Company's standard retirement program or a release of any rights or claims that Employee may have under the Age Discrimination in Employment Act which arise after the date the Employee signs this Release.

(c) Employee further promises never to file or join in a lawsuit or other proceeding asserting any claims that are released in Section (a) hereof.

(d) Nothing in this Agreement shall be inferred to be an admission of any fault by the Company.

Employee

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THE PERKIN-ELMER CORPORATION
COMPUTATION OF NET INCOME (LOSS) PER SHARE
(Dollar amounts in thousands, except per share amounts)

	June 30, 1996	June 30, 1995	June 30, 1994	June 30, 1993	July 31, 1992
Weighted average number of common shares	42,720	42,129	43,857	43,780	43,526
Common stock equivalents - stock options	1,027	515	816	1,173	1,169
Weighted average number of common shares used in calculating primary earnings per share	43,747	42,644	44,673	44,953	44,695
Additional dilutive stock options under paragraph #42 APB #15	137	120	172	97	280
Shares used in calculating earnings per share - fully diluted basis	43,884	42,764	44,845	45,050	44,975
Calculation of primary and fully diluted earnings per share:					
PRIMARY AND FULLY DILUTED:					
Income from continuing operations	$ 13,944	$ 66,877	$ 73,978	$ 24,444	$ 24,296
Income (loss) from discontinued operations			(22,851)	1,714	10,941
Income before cumulative effect of accounting changes	13,944	66,877	51,127	26,158	35,237
Cumulative effect of accounting changes				(83,098)	
Net income (loss) used in the calculation of primary and fully diluted earnings per share	$ 13,944	$ 66,877	$ 51,127	$ (56,940)	$ 35,237
PRIMARY: Per share amounts:					
Income from continuing operations	$ .32	$ 1.57	$ 1.66	$ .54	$ .54
Income (loss) from discontinued operations			(.52)	.04	.25
Income before cumulative effect of accounting changes	.32	1.57	1.14	.58	.79
Loss from cumulative effect of accounting changes				(1.85)	
Net income (loss)	$ .32	$ 1.57	$ 1.14	$ (1.27)	$ .79
FULLY DILUTED: Per share amounts:					
Income from continuing operations	$ .32	$ 1.56	$ 1.65	$ .54	$ .54
Income (loss) from discontinued operations			(.51)	.04	.24
Income before cumulative effect of accounting changes	.32	1.56	1.14	.58	.78
Loss from cumulative effect of accounting changes				(1.84)	
Net income (loss)	$ .32	$ 1.56	$ 1.14	$ (1.26)	$ .78

EXHIBIT 11

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(Dollar amounts in thousands except per share amounts)	June 30, 1996	June 30, 1995	June 30, 1994	June 30, 1993	July 31, 1992
Financial Operations					
Net revenues	$1,162,949	$1,063,506	$1,024,467	$1,011,297	$ 970,054
Income from operations before special items	94,317	68,659	73,978	60,860	46,089
Per share of common stock	2.17	1.61	1.66	1.35	1.03
Special items, net of taxes *	(80,373)	(1,782)		(36,416)	(21,793)
Income from continuing operations	13,944	66,877	73,978	24,444	24,296
Per share of common stock	.32	1.57	1.66	.54	.54
Discontinued operations			(22,851)	1,714	10,941
Accounting changes				(83,098)	
Net income (loss)	13,944	66,877	51,127	(56,940)	35,237
Per share of common stock	.32	1.57	1.14	(1.27)	.79
Dividends per share	.68	.68	.68	.68	.68
Other Information					
Cash and short-term investments	$ 96,588	$ 80,010	$ 25,003	$ 30,331	$ 51,618
Working capital	199,560	227,644	136,400	100,929	140,456
Capital expenditures	32,367	28,863	34,512	28,378	30,698
Total assets	941,324	888,842	884,500	851,070	948,953
Long-term debt	890	34,124	34,270	7,069	67,011
Total debt	51,965	88,881	117,822	81,051	165,205
Shareholders' equity	323,442	304,700	290,432	306,605	429,007

* Results for fiscal years 1996, 1995 and 1992 include before-tax restructuring charges of $71.6 million, $23.0 million and $22.0 million, respectively, and before-tax gains on the sale of investments of $11.7 million, $20.8 million, and $3.3 million, respectively. Other special items affecting comparability include a $27.1 million charge for acquired research and development in fiscal 1996, a $22.9 million charge for discontinued operations in fiscal 1994, and a $41.0 million charge in fiscal 1993 for the merger with ABI. The accounting changes relate to the adoption of accounting standards for postretirement and postemployment benefits.

Management's Discussion and Analysis

Management's Discussion of Operations

The following discussion should be read in conjunction with the consolidated financial statements and related notes included on pages 33 through 47. Historical results and percentage relationships are not necessarily indicative of operating results for any future periods.

Events Impacting Comparability

Restructuring Charges. The Perkin-Elmer Corporation (PE or the Company) initiated restructuring actions in fiscal 1996 and 1995 primarily targeted to improve the profitability and cash flow performance of its analytical instruments business. The fiscal 1995 plan focused on cost reduction. The fiscal 1996 plan was broader, in that asset redeployment, reduction of overhead and improved operating efficiency, primarily in Europe and North America, were the principal restructuring goals. The pre-tax costs required to implement the plans were $71.6 million and $23.0 million in fiscal 1996 and 1995, respectively. The restructuring charges on an after-tax basis were $1.44 and $.44 per share, respectively (see Note 10).

Acquired Research and Development. In the fourth quarter of fiscal 1996, the Company recorded a $27.1 million, or $.62 per share, charge for purchased in-process research and development primarily in connection with the acquisitions of Tropix, Inc. and Zoogen, Inc. (see Note 2).

Sale of Investments. During the fourth quarter of fiscal 1996, the Company sold part of its equity interest in Etec Systems, Inc. (ETEC) resulting in a before-tax gain of $11.7 million, or $.21 per share after-tax. In addition, during the third quarter of fiscal 1995, the Company sold its 7% equity interest in Silicon Valley Group, Inc. (SVG), resulting in a before-tax gain of $20.8 million, or $.40 per share after-tax (see Note 2).

Discontinued Operations. In the first quarter of fiscal 1995, the Company concluded the sale of its Material Sciences segment consisting of the Company's Metco division. The Company announced its plan to divest Metco in July 1993. Consequently, Metco's operating results are presented in the accompanying consolidated financial statements as a discontinued operation (see Note 2).

Sale of Business Operation. The Physical Electronics Division (PHI) was sold as of the end of the third quarter of fiscal 1994 (see Note 2).

Results of Continuing Operations-
1996 Compared to 1995

Net revenues for fiscal 1996 were $1,162.9 million, an increase of 9.4% over the $1,063.5 million reported in fiscal 1995. Although the effects of foreign currency translation were not significant for the full year, the continued strengthening of the U.S. dollar adversely affected fourth quarter revenues by approximately 4%, or $12 million.

All geographic markets experienced growth in fiscal 1996. The U.S. market experienced lower product and service revenues in the analytical instruments business. However, this was more than offset by increased demand for life science products. The European market, benefiting from higher revenues of both analytical and life science products, reported an increase in net revenues of $39.0 million, or 9%. Approximately $9 million of the increase was the result of currency translation compared to approximately $35 million in fiscal 1995. In the Far East, net revenues increased $26.7 million, or approximately 14%. Excluding currency effects, revenues in the Far East increased approximately $34 million, or 18%, as the Company benefited from higher public and private spending for both analytical and life science products in Japan.

Net revenues by business segment

(Dollar amounts in millions)	1996	1995
Analytical Instruments	$ 630.6	$ 625.4
Life Sciences	532.3	438.1
	$ 1,162.9	$ 1,063.5

Net revenues of the analytical instruments segment increased $5.2 million, or 1%, over the prior year. Increased revenues from inorganic products, primarily inductively coupled plasma-mass spectrometers, were offset by lower demand for organic and chromatography products. The life sciences segment continued to demonstrate strong growth in fiscal 1996. Increased demand for DNA sequencing and liquid chromatography-mass spectrometry (LC/MS) products primarily accounted for the 21.5% increase in net revenues.

Gross margin as a percentage of net revenues was 48.8% in fiscal 1996 compared with 47.3% in fiscal 1995. The improvement was the result of increased unit sales of higher margin life science products. This was partially offset by lower margins in the U.S. analytical instruments market.

Selling, general and administrative (SG&A) expenses were $340.0 million in fiscal 1996 compared to $317.1 million in fiscal 1995. Worldwide marketing expenses for the life science business, reflecting substantially higher revenue and order growth, a $5.1 million non-cash charge for compensation

expense under the Company's restricted stock program (see Note 8), and incentive compensation expense primarily accounted for the increase. As a percentage of net revenues, SG&A expenses decreased from 29.8% in fiscal 1995 to 29.2% in fiscal 1996. Research, development and engineering (R&D) expenses were $102.3 million in fiscal 1996 compared to $95.1 million in fiscal 1995. Increased spending in the life sciences segment was the major contributor.

Total operating expenses were $541.0 million in fiscal 1996 compared to $435.2 million in fiscal 1995. Fiscal 1996 operating expenses included a $27.1 million charge for research and development expense related to fourth quarter life sciences-related acquisitions and a $71.6 million charge for restructuring actions. Fiscal 1995 operating expenses included a charge for restructuring actions of $23.0 million. On a comparable basis, excluding the special charges, operating expenses as a percentage of net revenues decreased from 38.8% in fiscal 1995 to 38.0% in fiscal 1996.

The fiscal 1996 before-tax restructuring charge of $71.6 million was taken as part of a plan focused on improving the profitability and cash flow performance of the analytical instruments business. The worldwide analytical instruments business was reorganized into three vertically integrated, fiscally accountable divisions to reduce costs, and to improve the Company's ability to compete more effectively in each of its markets. The charge included $37.8 million for worldwide workforce reductions of approximately 390 positions in manufacturing, sales and support, and administrative functions. The charge also included $33.8 million for the reduction of excess European manufacturing capacity, the consolidation of facilities in Europe, and the write-off of certain tangible and intangible assets associated with the discontinuance of various product lines.

The Company will transfer the development and manufacturing of certain analytical instrument product lines from its facility in Germany to other sites, primarily in the U.S. The facility in Germany will remain the principal site for the development of atomic absorption products. These changes are scheduled to be completed by March 1997.

The restructuring actions also include the establishment of a distribution center in Holland, which will provide an integrated sales, shipment and administration support infrastructure for the Company's European operations, and the integration of certain operating and business activities. The European distribution center will include certain administrative, financial, and information systems functions which are currently being transacted at individual locations throughout Europe. These changes are scheduled to be substantially completed by June 1997.

These actions, when completed, should result in improved customer focus, increased product and service revenues, and higher operating income. The benefits of the program will begin to be realized in fiscal 1997 with operating cost reductions of approximately $25 million. When the program is fully implemented, the Company expects to achieve annual operating cost benefits of more than $40 million and increased operating cash flow of a similar amount.

The fiscal 1995 restructuring actions resulted in approximately $20 million of before-tax savings in fiscal 1996.

Operating income (loss) by business segment
(Dollar amounts in millions)

1996	Analytical Instruments	Life Sciences
Segment income	$ 28.7	$120.6
Restructuring charge	(71.6)	
Acquired R&D		(27.1)
Operating income (loss)	$(42.9)	$ 93.5
1995		
Segment income	$ 26.7	$ 81.7
Restructuring charge	(19.2)	
Operating income	$ 7.5	$ 81.7

On a comparable basis, excluding the restructuring charges, operating income for the analytical instruments segment increased from $26.7 million in fiscal 1995 to $28.7 million in fiscal 1996. Increased revenues in the European and Far East markets, coupled with the benefits realized from the prior year's restructuring actions, accounted for the 7% growth in segment income. Operating income in the U.S. declined in fiscal 1996.

Operating income for the life sciences segment, excluding the charge for acquired R&D, increased $38.9 million, or 48%, as a result of growth in unit volumes and increased margins. In particular, the DNA sequencing and to a lesser extent, the LC/MS product lines were the primary contributors. All geographic markets contributed to the improved segment income.

Interest expense was $5.0 million in fiscal 1996 compared with $8.2 million in fiscal 1995. Lower overall borrowing levels in fiscal 1996 and lower weighted average interest rates on short-term debt accounted for the reduction in interest costs.

Interest income was $4.9 million in fiscal 1996 compared with $3.5 million in fiscal 1995. The increase was the result of maintaining higher cash and short-term investment balances throughout the fiscal year.

Net other expense was $2.2 million in fiscal 1996 compared with $1.5 million in fiscal 1995. Expenses in fiscal 1995 were partially offset by a third quarter gain on the sale of real estate.

During the fourth quarter of fiscal 1996, the Company sold part of its equity interest in ETEC, resulting in a before-tax gain of $11.7 million.

The effective income tax rate for fiscal 1996 was 61% compared to 19% for fiscal 1995. Fiscal 1996 included the charge for acquired research and development which was not deductible for tax purposes, as well as the restructuring charge which was not fully deductible in the current year. Excluding the special charges, the effective income tax rate for fiscal 1996 would have been 23%. The lower effective rate for fiscal 1995 was primarily due to the greater utilization of domestic tax benefit carryforwards and temporary differences than in fiscal 1996. An analysis of the differences between the federal statutory income tax rates and the effective rates is provided in Note 4.

Results of Continuing Operations - 1995 Compared to 1994

Net revenues were $1,063.5 million in fiscal 1995 compared with $1,024.5 million in fiscal 1994. Fiscal 1994 included $39.2 million in net revenues from Applied Science Operation (ASO) and PHI, two business units which were sold during fiscal 1994. Excluding the effects of these two business units, fiscal 1995 net revenues increased $78.2 million, or 7.9%, over the prior year. Approximately $48 million of the increase was due to currency changes, primarily the U.S. dollar's weakness against the Japanese yen and certain European currencies.

Excluding the effects of ASO and PHI, net revenues in all geographic markets, with the exception of the Far East, increased from fiscal 1994 to fiscal 1995. U.S. net revenues increased 2.6% as a result of an increase in biotechnology product sales. Europe's net revenues increased $64.7 million, or 18.1% (approximately $30 million, or 8%, excluding the effects of currency). In the Far East, net revenues were unchanged for fiscal 1995, following fiscal 1994's increase of 35.2%. During fiscal 1995, the Far East market was adversely impacted by decreased Japanese public and private funding in the biotechnology and environmental product areas. Other worldwide markets experienced modest improvements over the prior year due primarily to bioresearch products.

Net revenues by business segment

(Dollar amounts in millions)	1995	1994
Analytical Instruments	$ 625.4	$ 598.6
Discontinued product lines		39.2
Total Analytical Instruments	625.4	637.8
Life Sciences	438.1	386.7
	$ 1,063.5	$ 1,024.5

Excluding the revenues of ASO and PHI in fiscal 1994, the analytical instruments segment increased only 4% in fiscal 1995 as a result of lower demand for traditional analytical products. The 13% growth in revenues for life sciences was primarily attributed to higher demand for PCR-related instruments and consumables, and DNA sequencing systems and consumables. Excluding the effects of currency, revenues from life science products increased $33.4 million over fiscal 1994.

Gross margin as a percentage of net revenues was 47.3% in fiscal 1995 compared with 48.1% in fiscal 1994, excluding ASO and PHI. Improvements in the U.S. market gross margin were offset by continued competitive pricing pressures worldwide and a less favorable product mix in the Far East. The change in product mix reflected lower sales volume of higher gross margin life science products.

SG&A expenses were $317.1 million in fiscal 1995, an increase of 6% over fiscal 1994. When measured on a comparable basis, excluding the expenses of ASO and PHI, SG&A expenses increased to 29.8% of net revenues from 29.6% in fiscal 1994. A decline in administrative expenses of approximately 2% was offset by the negative effects of currency translation in Europe and the Far East, and increased worldwide marketing expenses, primarily due to new product introductions. R&D expenses were $95.1 million in fiscal 1995 compared with $94.2 million in fiscal 1994. Excluding the expenses of ASO and PHI, R&D expenses increased 6.8%. Spending, primarily in life science programs and applications, as well as the effects of currency translation in Europe, accounted for the increase.

Operating income for fiscal 1995, inclusive of the $23.0 million before-tax charge for restructuring actions, was $67.9 million compared to $96.0 million in fiscal 1994. The restructuring plan focused primarily on reducing the analytical instruments business infrastructure. The charge included $20.7 million of severance and related costs for workforce reductions and $2.3 million of closure and facility consolidation expenses. All costs

resulted in cash outlays and the
actions were implemented by the
third quarter of fiscal 1996.

The workforce reductions were accomplished through involuntary terminations worldwide as well as a voluntary retirement incentive plan in the U.S. The reductions affected all geographic areas of operation and all disciplines ranging from production labor to executive management. This included product departments, manufacturing, engineering, sales, service and support as well as corporate administrative staff. The voluntary retirement incentive plan was accepted by 91 employees at a cost of $6.8 million. Some of these positions were replaced, but at a lower overall cost basis. All costs associated with hiring or training of new employees were excluded from the charge and recognized in the period incurred.

The closure and facility consolidation actions included the shutdown of the Company's Puerto Rico manufacturing facility, consolidation of sales offices in the Far East and consolidation of administrative departments in the U.S. The closure of operations in Puerto Rico included severance costs for 46 employees, lease termination payments and other related costs. The Far East costs included lease penalties and restoration of vacated offices.

Benefits from this restructuring program were offset in part by the costs of hiring and training of new employees, moving and relocation. The restructuring actions resulted in approximately $20 million of before-tax savings in fiscal 1996, and should approximate $25 million in succeeding years.

Operating income by business segment
(Dollar amounts in millions)

	Analytical Instruments	Life Sciences
1995		
Segment income	$26.7	$81.7
Restructuring charge	(19.2)	
Operating income	$ 7.5	$81.7
1994		
Segment income	$29.9	$77.5
Discontinued product lines	3.0	
Operating income	$32.9	$77.5

On a comparable basis, excluding the restructuring charge and the fiscal 1994 results of PHI and ASO, operating income for the analytical instruments segment decreased from $29.9 million in fiscal 1994 to $26.7 million in fiscal 1995. Lower gross margin performance, resulting from worldwide competitive pricing pressures and a less favorable product mix in the Far East, combined with increased worldwide operating expenses, accounted for the 11% decrease.

Operating income for the life sciences segment increased 5% in fiscal 1995. Improved unit sales and gross margins in the U.S. and Europe were partially offset by a decline in public and private funding in Japan and increased marketing and R&D spending worldwide.

Interest expense was $8.2 million in fiscal 1995 compared with $7.1 million in fiscal 1994. Higher borrowing levels in the first quarter and increased short-term interest rates for the year contributed to the higher interest expense in fiscal 1995.

Interest income was $3.5 million in fiscal 1995 compared with $2.4 million in fiscal 1994. The increase was the result of interest income on notes received from the sale of divested operations and increased cash and short-term investment balances.

During the third quarter of fiscal 1995, the Company sold its equity interest in SVG, resulting in a before-tax net gain of $20.8 million, or $.40 per share after-tax.

The effective income tax rate was 19% in fiscal 1995 compared with 17% for fiscal 1994. During the first quarter of fiscal 1994, the Company received a favorable ruling from the U.S. Tax Court which essentially concurred with the Company's pricing method on intercompany sales with respect to its operations in Puerto Rico. The resolution of this matter with the U.S. government contributed to a lower effective tax rate for fiscal 1994 when compared to fiscal 1995.

Discontinued Operations

In the first quarter of fiscal 1995, the Company completed the sale of Metco to Sulzer Inc., a wholly-owned subsidiary of Sulzer, Ltd., Winterthur, Switzerland, for $64.8 million in cash. Metco's operating profits had declined from fiscal 1992 to fiscal 1994, primarily due to the weakness in the aircraft turbine engine market and significant downsizing that occurred in the airline industry. In the fourth quarter of fiscal 1994, the Company recorded a $7.7 million after-tax loss on disposal, including a provision of $5.0 million (less applicable income taxes of $.8 million) for Metco's operating losses during the phase-out period.

Loss from discontinued operations in fiscal 1994 also included an after-tax settlement of $15.2 million, including legal costs, related to the Hubble Space Telescope mirror (see Note 2).

Foreign Currency

The results of the Company's international operations are subject to foreign currency fluctuations. The Company enters into foreign exchange forward and option contracts to manage its exposure to currency fluctuations. Management believes any reasonably likely change in the level of underlying major currencies being hedged will not have a material adverse effect on the consolidated financial statements. A discussion of the Company's foreign currency hedging activities is provided in Note 12.

Management's Discussion of Financial Resources and Liquidity

The following discussion of financial resources and liquidity focuses on the Consolidated Statements of Financial Position (page 34) and the Consolidated Statements of Cash Flows (page 35).

Consolidated Statements of Financial Position

Cash and short-term investments are primarily cash, cash equivalents, time deposits and certificates of deposit with original maturity dates of three months to one year (collectively "cash"). Cash increased $16.6 million in fiscal 1996 to $96.6 million at June 30, 1996.

The accounts receivable balance at June 30, 1996 totaled $254.5 million compared with $234.2 million at June 30, 1995. During fiscal 1996, the Company reduced the amount of receivables sold through its sale of receivables program in Japan. The net amount of receivables sold but uncollected at June 30, 1996 was $19.3 million compared with $29.0 million at June 30, 1995 (see Note 1).

Inventories were $207.3 million at June 30, 1996 compared with $212.9 million a year ago. Increased inventory balances were more than offset by a decrease of approximately $11 million from foreign currency translation.

Prepaid expenses and other current assets increased to $82.4 million at June 30, 1996 from $70.4 million at the end of fiscal 1995. The increase of $12.0 million was primarily due to increased current deferred tax assets.

Other long-term assets increased from $136.0 million at June 30, 1995 to $152.5 million at June 30, 1996. Other long-term assets primarily consist of goodwill, investments in equity securities, long-term deferred tax assets and other long-term assets. The primary reason for the increase in long-term assets was the $23.2 million increase in fair value of

an equity security investment.
Other accrued expenses increased $50.4 million to $206.6 million at the end of fiscal 1996. The balance at June 30, 1996 included $57.0 million in liabilities related to the fiscal 1996 restructuring, partially offset by the payment of $11.9 million of costs related to the fiscal 1995 restructuring.
Total short and long-term borrowings were $52.0 million at June 30, 1996 compared with $88.9 million at the end of fiscal 1995. Excluding the effects of currency translation, total borrowings decreased $18.1 million. The Company's debt to total capitalization ratio fell to 14% from 23% at June 30, 1995.
The Company believes its cash and short-term investments, funds generated from operating activities and available borrowing facilities are sufficient to provide for financing needs in the foreseeable future. The Company has unused credit facilities totaling $297 million. PE has historically maintained a strong financial position and conservative capital structure.

Consolidated Statements of Cash Flows

The Consolidated Statements of Cash Flows depict cash flows by three broad categories: operating activities, investing activities and financing activities. Operating activities are the principal source of the Company's cash flows. Investment in property, plant and equipment represents ongoing capital investing activity. Major ongoing activities reported under financing activities include payment of dividends to shareholders and transactions involving the Company's various employee stock plans.
Net cash provided by operating activities was $111.9 million for fiscal 1996 compared with $72.0 million for fiscal 1995. The increase was primarily due to higher income-related cash flow which more than offset higher accounts receivable and inventory levels.
Net cash used by investing activities was $45.5 million for fiscal 1996 compared with $81.3 million of net cash provided by investing activities in the prior year. Capital expenditures for fiscal 1996 were $32.4 million compared with $28.9 million for fiscal 1995. In fiscal 1996, $42.5 million of cash was used for acquisition outlays, primarily the purchase of Tropix, Inc., while $21.6 million was generated from the sale of non-operating assets. During fiscal 1995, the Company generated $119.3 million from the sale of discontinued operations and assets while spending $11.0 million for the purchase of Photovac Inc. A discussion of the acquisitions and dispositions for fiscal 1996 and 1995 is provided in Note 2.
Net cash used by financing activities was $41.6 million in fiscal 1996 compared to $101.4 million in fiscal 1995. The $36.4

million increase in cash received from the exercise of employee stock options was the primary reason for the reduction in net cash required to fund financing activities. The Company received $46.7 million in cash proceeds from stock options compared to $10.3 million in fiscal 1995. During both fiscal years, cash was used to reduce short-term borrowings, pay dividends and repurchase shares of the

Company's common stock. During fiscal 1996,.8 million shares of common stock, at a cost of $41.0 million, were repurchased compared to 1.4 million shares, at a cost of $40.3 million, in fiscal 1995. Common stock purchases for the treasury are made in support of the Company's various stock plans and as part of a share repurchase authorization.

As previously mentioned, the Company recorded before-tax restructuring charges of $71.6 million and $23.0 million in fiscal 1996 and 1995, respectively. To date, the Company has made cash payments of $9.6 million for obligations under the fiscal 1996 restructuring plan and $16.4 million for obligations under the fiscal 1995 restructuring plan (see Note 10). Obligations remaining at June 30, 1996 for the 1996 and 1995 provisions are expected to require cash outlays of approximately $39 million and $7 million, respectively. The funding for the remaining restructuring liabilities will be from current cash balances and realized benefits from both restructuring activities. The before-tax cash benefit from these actions was approximately $20 million in fiscal 1996 and is targeted to be approximately $50 million in fiscal 1997 and approximately $65 million in succeeding years.

Impact of Inflation and Changing Prices

Inflation and changing prices are continually monitored. The Company attempts to minimize the impact of inflation by improving productivity and efficiency through continual review of both manufacturing capacity and operating expense levels. When operating costs and manufacturing costs increase, the Company attempts to recover such costs by increasing, over time, the selling price of its products and services. The Company believes the effects of inflation have been appropriately managed and therefore have not had a material impact on its historic operations and resulting financial position.

Outlook

Although the impact of currency translation is likely to have an adverse effect on life sciences' fiscal 1997 net revenues, the underlying demand for life science products is expected to continue to grow rapidly. Consequently, the Company's investment strategy is to accelerate the search for new opportunities and applications in this business. To date, the Company has been focused in life sciences largely in genomics and genetic analysis with the Applied Biosystems Division. The Company expects further growth and expansion of that business and continued diversification into plant and animal products as well as into bioinformatics. The fiscal 1996 acquisitions of Tropix, Inc. and Zoogen, Inc. are direct results of the enhanced focus on this segment.

Recently the Company has begun to look at life sciences in a more generic way and is exploring the significant potential of the application of the Company's core competencies in such technologies as infrared, fluorescence, and gas chromatography to medical monitoring and diagnosis. As a result, the Company sees growth opportunities for analytical instruments. The pursuit of these new markets will be conducted at the same time as the fiscal 1996 restructuring plan is implemented. The profitability and cash flow goals of the 1996 plan should not be adversely affected, and may be enhanced, as the extension of the analytical instruments core competencies to new markets is begun. The penetration of new markets by analytical instruments has the potential to add revenue opportunity to a segment which is otherwise expected to demonstrate slow growth.

"Safe Harbor" Statement under Private Securities Litigation Reform Act of 1995

Certain statements contained in this annual report may be forward looking and are subject to a variety of risks and uncertainties. Many factors could cause actual results to differ materially from these statements. These factors include, but are not limited to, (1) complexity and uncertainty regarding the development of new high-technology products, (2) loss of market share through competition, (3) introduction of competing products or technologies by other companies, (4) pricing pressures from competitors and/or customers, (5) changes in the life sciences or analytical instrument industries, (6) changes in the pharmaceutical, environmental, research or chemical markets, (7) variable government funding in key geographical regions, (8) the Company's ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms, (9) the loss of key employees, and (10) other factors which might be described from time to time in the Company's filings with the Securities and Exchange Commission.

A significant portion of the Company's life science business operations are located near major California earthquake faults. The ultimate impact of earthquakes on the Company, significant suppliers and the general infrastructure is unknown, but operating results could be materially affected in the event of a major earthquake. The Company maintains insurance to reduce its exposure to losses and interruptions caused by earthquakes.

Although the Company believes it has the product offerings and resources needed for continuing success, future revenue and margin trends cannot be reliably predicted and may cause the

Company to adjust its operations. Factors external to the Company can result in volatility of the Company's common stock price. Because of the foregoing factors, recent trends should not be considered reliable indicators of future stock prices or financial results.

(Dollar amounts in thousands except per share amounts) For the years ended June 30,	1996	1995	1994
Net revenues	$ 1,162,949	$ 1,063,506	$ 1,024,467
Cost of sales	595,857	560,402	535,178
Gross margin	567,092	503,104	489,289
Selling, general and administrative	339,994	317,120	299,101
Research, development and engineering	102,338	95,088	94,172
Provision for restructured operations	71,600	23,000	
Acquired research and development	27,093		
Operating income	26,067	67,896	96,016
Gain on sale of investment	11,704	20,800	
Interest expense	4,971	8,180	7,145
Interest income	4,894	3,500	2,382
Other expense, net	(2,193)	(1,452)	(2,121)
Income before income taxes	35,501	82,564	89,132
Provision for income taxes	21,557	15,687	15,154
Income from continuing operations	13,944	66,877	73,978
Loss from discontinued operations, net of income taxes			(22,851)
Net income	$ 13,944	$ 66,877	$ 51,127
Per share amounts:			
Income from continuing operations	$ .32	$ 1.57	$ 1.66
Loss from discontinued operations			(.52)
Net income	$ .32	$ 1.57	$ 1.14

See accompanying Notes to Consolidated Financial Statements.

(Dollar amounts in thousands)
At June 30,

	1996	1995
Assets		
Current assets		
Cash and cash equivalents	$ 95,361	$ 73,010
Short-term investments	1,227	7,000
Accounts receivable, less allowances for doubtful accounts of $6,845 ($8,949 - 1995)	254,531	234,153
Inventories	207,297	212,859
Prepaid expenses and other current assets	82,360	70,410
Total current assets	640,776	597,432
Property, plant and equipment, net	148,008	155,441
Other long-term assets	152,540	135,969
Total assets	$ 941,324	$ 888,842
Liabilities and Shareholders' Equity		
Current liabilities		
Loans payable	$ 51,075	$ 54,757
Accounts payable	86,885	85,342
Accrued salaries and wages	39,607	38,862
Accrued taxes on income	57,097	34,676
Other accrued expenses	206,552	156,151
Total current liabilities	441,216	369,788
Long-term debt	890	34,124
Other long-term liabilities	175,776	180,230
Commitments and contingencies (see Note 11)		
Shareholders' equity		
Capital stock		
Preferred stock $1 par value: 1,000,000 shares authorized; none issued		
Common stock $1 par value: 90,000,000 shares authorized; 45,599,755 shares issued	45,600	45,600
Capital in excess of par value	186,058	176,699
Retained earnings	194,613	215,363
Foreign currency translation adjustments	446	9,805
Unrealized gain on investment	23,245	
Minimum pension liability adjustment	(29,365)	(34,445)
Treasury stock, at cost (shares: 1996 - 2,701,186; 1995 - 3,489,649)	(97,155)	(108,322)
Total shareholders' equity	323,442	304,700
Total liabilities and shareholders' equity	$ 941,324	$ 888,842

See accompanying Notes to Consolidated Financial Statements.

(Dollar amounts in thousands) For the years ended June 30,	1996	1995	1994
Operating Activities			
Income from continuing operations	$ 13,944	$ 66,877	$ 73,978
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:			
Depreciation and amortization	41,240	40,670	42,679
Restricted stock amortization	5,072		
Deferred income taxes	(12,683)	(4,568)	1,750
Gains from the sale of assets	(11,704)	(22,129)	
Provision for restructured operations	71,600	23,000	
Acquired research and development	27,093		
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(34,162)	13,675	(21,527)
(Increase) decrease in inventories	(4,322)	1,540	(25,360)
Increase in prepaid expenses and other assets	(9,794)	(11,860)	(15,043)
Increase (decrease) in accounts payable and other liabilities	25,638	(35,199)	2,973
Divestitures			(6,934)
Legal settlement			(15,550)
Net cash provided by operating activities	111,922	72,006	36,966
Investing Activities			
Additions to property, plant and equipment (net of disposals of $2,070, $1,733 and $2,185, respectively)	(30,297)	(27,130)	(32,327)
Short-term investments	5,773		1,778
Proceeds from the sale of assets, net	21,562	54,499	31,850
Acquisitions, net of cash acquired	(42,542)	(10,898)	
Proceeds from the sale of discontinued operations		64,847	
Other, net			(930)
Net cash (used) provided by investing activities	(45,504)	81,318	371
Financing Activities			
Net change in loans payable	(18,129)	(40,850)	5,053
Proceeds from long-term debt			26,992
Principal payments on long-term debt		(1,901)	(1,886)
Dividends declared	(29,095)	(28,618)	(29,813)
Purchases of common stock for treasury	(41,028)	(40,297)	(59,615)
Stock issued for stock plans	46,656	10,279	17,426
Net cash used by financing activities	(41,596)	(101,387)	(41,843)
Effect of exchange rate changes on cash	(2,471)	(3,930)	927
Net change in cash and cash equivalents	22,351	48,007	(3,579)
Cash and cash equivalents beginning of year	73,010	25,003	28,582
Cash and cash equivalents end of year	$ 95,361	$ 73,010	$ 25,003

See accompanying Notes to Consolidated Financial Statements.

(Dollar amounts and shares in thousands)	Common Stock $1.00 Par Value	Capital In Excess Of Par Value	Retained Earnings	Foreign Currency Translation Adjustments	Unrealized Gain on Investment	Minimum Pension Liability Adjustment	Treasury Stock At Cost	Treasury Stock Shares
Balance at June 30, 1993	$ 45,600	$ 178,739	$163,861	$ (3,931)	$ -	$ (31,859)	$ (45,805)	(1,656)
Net income			51,127					
Cash dividends			(29,813)					
Share repurchases							(59,615)	(1,841)
Shares issued under stock plans			(3,695)				21,121	846
Minimum pension liability adjustment						(4,400)		
Foreign currency translation adjustments				9,452				
Other			(350)					
Balance at June 30, 1994	$ 45,600	$ 178,739	$181,130	$ 5,521	$ -	$ (36,259)	$ (84,299)	(2,651)
Net income			66,877					
Cash dividends			(28,618)					
Share repurchases							(40,297)	(1,386)
Shares issued under stock plans			(3,929)				14,208	477
Tax benefit related to employee stock options		34						
Minimum pension liability adjustment						1,814		
Unearned compensation - restricted stock plan		(2,074)	8				2,066	70
Foreign currency translation adjustments				4,284				
Other			(105)					
Balance at June 30, 1995	$ 45,600	$ 176,699	$215,363	$ 9,805	$ -	$ (34,445)	$(108,322)	(3,490)
Net income			13,944					
Cash dividends			(29,095)					
Share repurchases							(41,028)	(800)
Shares issued under stock plans			(5,627)				52,283	1,559
Tax benefit related to employee stock options		5,280						
Minimum pension liability adjustment						5,080		
Restricted stock plan		4,079					993	30
Unrealized gain on investment					23,245			
Foreign currency translation adjustments				(9,359)				
Other			28				(1,081)	
Balance at June 30, 1996	$ 45,600	$ 186,058	$194,613	$ 446	$ 23,245	$ (29,365)	$ (97,155)	(2,701)

</Table)

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

Note 1 Accounting Policies and Practices

Principles of Consolidation. The consolidated financial statements include the accounts of all majority-owned subsidiaries of The Perkin-Elmer Corporation (PE or the Company). The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Certain amounts in the consolidated financial statements and notes have been reclassified for comparative purposes.

Changes in Accounting Principles. The Company is required to implement Statement of Financial Accounting Standards (SFAS) No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of," no later than June 30, 1997. The statement requires that long-lived assets and certain identifiable intangibles to be held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. The Company has determined that at June 30, 1996 the application of SFAS No. 121 will not have a material impact on the consolidated financial statements.

In October 1995, the Financial Accounting Standards Board issued SFAS No. 123, "Accounting for Stock-Based Compensation." The statement requires companies to measure employee stock compensation plans based on the fair value method of accounting or to continue to apply Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees" and provide pro forma footnote disclosures under the fair value method. The Company will continue to measure costs for its employee stock compensation plans using APB Opinion No. 25 and will provide pro forma disclosures, as required, beginning in fiscal 1997.

Foreign Currency. Assets and liabilities of foreign operations, where the functional currency is the local currency, are translated into U.S. dollars at the fiscal year end exchange rates. The related translation adjustments are recorded as a separate component of shareholders' equity. Foreign currency revenues and expenses are translated using average exchange rates prevailing during the year. Foreign currency transaction gains and losses, as well as translation adjustments of foreign operations where the functional currency is the dollar, are included in net income.

Cash, Short-Term Investments and Marketable Securities. Cash equivalents consist of highly liquid debt instruments, time deposits and certificates of deposit with original maturities of three months or less. Time deposits and certificates of deposit with original maturities of three months to one year are classified as short-term investments. Short-term investments, which include marketable securities, are recorded at cost which approximates market value.

Accounts Receivable. The Company periodically sells accounts receivable arising from business conducted in Japan. During the fiscal years ended 1996, 1995 and 1994, the Company received cash proceeds of $71.1 million, $101.4 million, and $43.8 million, respectively, from the sale of such receivables. The Company believes it has adequately provided for any risk of loss which may occur under these arrangements.

Investments. The equity method of accounting for investments in 50% or less owned joint ventures is used. Investments where ownership is less than 20% are carried at cost.

Inventories. Inventories are stated at the lower of cost (on a first-in, first-out basis) or market. Inventories at June 30, 1996 and 1995 included the following components:

(Dollar amounts in millions)	1996	1995
Raw materials and supplies	$ 31.1	$ 29.2
Work-in-process	19.8	18.9
Finished products	156.4	164.8
Total inventories	$ 207.3	$ 212.9

Property, Plant and Equipment and Depreciation. Property, plant and equipment are recorded at cost and consisted of the following at June 30, 1996 and 1995:

(Dollar amounts in millions)	1996	1995
Land	$ 22.4	$ 24.1
Buildings and leasehold improvements	133.0	132.9
Machinery and equipment	213.1	205.3
Property, plant and equipment, at cost	368.5	362.3
Accumulated depreciation and amortization	220.5	206.9
Property, plant and equipment, net	$ 148.0	$ 155.4

Provisions for depreciation of owned property, plant and equipment are based upon the expected useful lives of the assets and computed primarily by the straight-line method. Leasehold improvements are amortized over their estimated useful lives or the term of the applicable lease, whichever is less, using the straight-line method.

Major renewals and improvements

that significantly add to
productive capacity or extend the
life of an asset are capi-

talized. Repairs, maintenance and minor renewals and improvements are expensed when incurred.

Intangible Assets. The excess of purchase price over the net asset value of companies acquired is amortized on a straight-line method over periods not exceeding 40 years. Patents and trademarks are amortized using the straight-line method over their expected useful lives.

Revenues. Revenues from service contracts are recorded as deferred service contract revenues and reflected in net revenues over the term of the contract.

Research, Development and Engineering. Research, development and engineering costs are expensed when incurred.

Income Taxes. The Company expects to permanently reinvest substantially all of the undistributed earnings of its foreign subsidiaries.

Net Income (Loss) Per Share. Net income (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares and dilutive common stock equivalents outstanding. Common stock equivalents include stock options. The difference between weighted average shares for primary and fully diluted net income (loss) per share was not significant for the years presented.

Supplemental Cash Flow Information. Cash paid for interest expense and income taxes for the fiscal years ended 1996, 1995 and 1994 was as follows:

(Dollar amounts in millions)	1996	1995	1994
Interest	$ 5.6	$ 8.0	$ 7.0
Income taxes	15.0	27.3	16.1

Note 2 Acquisitions and Dispositions

Tropix, Inc. During the fourth quarter of fiscal 1996, the Company acquired Tropix, Inc., a world leader in the development, manufacture and sale of chemiluminescent detection technology for life sciences. The acquisition cost, net of cash acquired was $36.0 million and was accounted for as a purchase. The purchase price was allocated to the net assets acquired and to purchased in-process research and development (R&D). Purchased in-process R&D includes the value of products in the development stage and not considered to have reached technological feasibility. In accordance with applicable accounting rules, purchased in-process R&D is required to be expensed. Accordingly, $22.3 million of the acquisition cost was expensed in the fourth quarter of fiscal 1996.

Other Acquisitions. During the fourth quarter of fiscal 1996, the Company acquired Zoogen, Inc., a leading provider of genetic analysis services, and a minority equity interest in Paracel, Inc., a provider of information filtering technologies, for $6.5 million in cash. The acquisition of Zoogen, Inc. was accounted for as a purchase. In connection with these acquisitions, $4.8 million was expensed as purchased in-process R&D.

Photovac Inc. The Company acquired Photovac Inc., a leading developer and manufacturer of field portable analytical instrumentation, during the fourth quarter of fiscal 1995, for $11.0 million in cash. The acquisition was accounted for as a purchase.

The net assets and results of operations for the above acquisitions have been included in the consolidated financial statements since the date of each acquisition. The pro forma effect on the Company's consolidated financial statements was not significant.

Dispositions

Etec Systems, Inc. During the fourth quarter of fiscal 1996, the Company sold part of its equity interest in Etec Systems, Inc. for net cash proceeds of $16.6 million, resulting in a before-tax gain of $11.7 million, or $.21 per share after-tax.

Silicon Valley Group, Inc. During the third quarter of fiscal 1995, the Company sold its equity interest in Silicon Valley Group, Inc. for net cash proceeds of $49.8 million, resulting in a before-tax gain of $20.8 million, or $.40 per share after-tax.

Physical Electronics Division. During the fourth quarter of fiscal 1994, the Company completed the sale of its Physical Electronics Division (PHI) to the management of PHI and Chemical Venture Partners. The unit was sold for approximately net book value. The Company received cash proceeds of $23.0 million and a 10% interest-bearing note with a face value of $7.2 million in connection with the sale.

Discontinued Operations

Legal Settlement. The Company paid $15.5 million to settle potential claims related to the Hubble Space Telescope mirror in the first quarter of fiscal 1994. This payment, which included legal costs, resulted in an after-tax charge of $15.2 million.

Material Sciences Segment. The Company received $64.8 million in the first quarter of fiscal 1995 from the sale of its Material Sciences segment (Metco) to Sulzer Inc., a wholly-owned subsidiary of Sulzer, Ltd., Winterthur, Switzerland. An after-tax loss of $7.7 million was recorded during the fourth quarter of fiscal 1994.

The following table summarizes discontinued operations reflected in the fiscal 1994 consolidated financial statements:

(Dollar amounts in millions) For the year ended June 30,	1994
Loss on disposal of Metco including a provision of $5.0 for operating losses during the phase-out period, less applicable income taxes of $.8	$ (7.7)
Legal settlement, less applicable income taxes of $.3	(15.2)
Loss from discontinued operations	$ (22.9)

Note 3 Debt and Lines of Credit
There were no domestic borrowings outstanding at June 30, 1996 or 1995. Foreign loans payable and long-term debt at June 30, 1996 and 1995 are summarized below:

(Dollar amounts in millions)	1996	1995
Loans payable:		
Notes payable, banks	$ 25.4	$ 50.3
Current maturities of long-term debt	25.7	4.5
Total loans payable	$ 51.1	$ 54.8
Long-term debt:		
3.255% Yen term loan maturing in fiscal 1997	$ -	$ 33.2
Other	.9	.9
Total long-term debt	$ .9	$ 34.1

The weighted average interest rates at June 30, 1996 and 1995 for foreign bank borrowings were 3.7% and 7.2%, respectively.

On June 1, 1994, the Company entered into a $100 million three-year revolving credit agreement. The agreement was amended in fiscal 1996 to extend the maturity an additional three years to June 1, 2000. Commitment and facility fees are based on the leverage and interest coverage ratios. Interest rates on amounts borrowed vary depending on whether borrowings are undertaken in the domestic or Eurodollar markets. There were no borrowings under the facility at June 30, 1996 or 1995.

The Company's wholly-owned subsidiary, Perkin-Elmer Japan, borrowed 2.8 billion Yen at a fixed interest rate of 3.255% in fiscal 1994. The final maturity date is scheduled for February 1997.

At June 30, 1996, the Company had unused credit facilities for short-term borrowings from domestic and foreign banks in various currencies totaling $297 million.

Under various debt and credit agreements, the Company is required to maintain certain minimum net worth and interest coverage ratios.

The annual maturity of long-term debt for fiscal year 1997 is $25.7 million. Maturities for fiscal years 1998, 1999, 2000, 2001 and beyond total $.9 million.

Note 4 Income Taxes
Income before income taxes for fiscal years ended 1996, 1995 and 1994 was as follows:

(Dollar amounts in millions)	1996	1995	1994
United States	$16.3	$58.8	$65.0
Foreign	19.2	23.8	24.1
Total	$35.5	$82.6	$89.1

The components of the provision for income taxes for fiscal years ended 1996, 1995 and 1994 consisted of the following:

(Dollar amounts in millions)	1996	1995	1994
Currently payable:			
Federal	$ 9.4	$ 2.2	$ (1.3)
Foreign	23.8	17.2	12.6
State and local	1.0	.9	2.1
Total currently payable	34.2	20.3	13.4
Deferred:			
Federal	(4.4)	(7.5)	
Foreign	(8.2)	2.9	1.8
Total deferred	(12.6)	(4.6)	1.8
Total provision for income taxes	$ 21.6	$ 15.7	$ 15.2

Significant components of deferred tax assets and liabilities at June 30, 1996 and 1995 are summarized below:

	Deferred Tax Assets	
(Dollar amounts in millions)	1996	1995
Intangibles	$ 10.4	$ 12.4
Inventories	6.7	9.4
Postretirement and postemployment benefits	35.9	35.6
Other reserves and accruals	76.8	62.6
Tax credit carryforwards	10.4	10.6
Foreign loss carryforwards	10.0	16.4
Subtotal	150.2	147.0
Valuation allowance	(105.6)	(116.6)
Total deferred tax assets	$ 44.6	$ 30.4

(Dollar amounts in millions)	Deferred Tax Liabilities 1996	1995
Inventories	$ .7	$ 1.1
Other reserves and accruals	6.0	4.2
Total deferred tax liabilities	6.7	5.3
Total deferred tax assets, net	$37.9	$25.1

A reconciliation of the federal statutory tax provision to the Company's tax provision for the fiscal years ended 1996, 1995 and 1994 was as follows:

(Dollar amounts in millions)	1996	1995	1994
Federal statutory rate	35%	35%	35%
Tax at federal statutory rate	$12.4	$28.9	$31.2
State income taxes (net of federal benefit)	.7	.6	1.4
Effect on income from foreign operations	14.7	13.4	(.2)
Effect on income from foreign sales corporation	(3.2)		
Acquired research and development	9.5		
Utilization of tax benefit carryforwards	(10.0)	(18.3)	(16.5)
U.S. gain from foreign reorganization			4.6
Domestic temporary differences for which benefit is recognized	(2.7)	(5.4)	(7.4)
Other	.2	(3.5)	2.1
Total provision for income taxes	$21.6	$15.7	$15.2

At June 30, 1996, the Company has a U.S. alternative minimum tax credit of $10.4 million with an indefinite carryforward period. The Company has loss carryforwards of approximately $22 million in various foreign countries, primarily in Germany and Japan, with varying expiration dates.

The Company's federal tax returns have been examined by the Internal Revenue Service (IRS) for the years 1975 through 1989, and the IRS is currently examining the years 1990 through 1992. The years 1988 and 1989 are under consideration at the IRS appeals level. In addition, the IRS has examined the tax returns of Applied Biosystems, Inc. (ABI) through 1991, and has proposed adjustments which also will be considered at the IRS appeals level. The IRS is currently examining ABI's years 1992 and 1993 (prior to its merger with the Company). It is the Company's opinion that it has adequately provided in the financial statements for any potential IRS adjustments for these open years.

Note 5 Retirement and Other Benefits

Pension Plans. The Company maintains or sponsors pension plans that cover substantially all worldwide employees. Pension benefits earned are generally based on years of service and compensation during active employment. However, the level of benefits and terms of vesting vary among the plans. Pension plan assets are administered by trustees and are principally invested in equity and fixed income securities. The funding of pension plans is determined in accordance with statutory funding requirements.

The total worldwide pension expense for all employee pension plans was $15.2 million, $15.0 million and $17.3 million for fiscal years 1996, 1995, and 1994, respectively. The actuarial assumptions used in the determination of net pension expense, as well as the components thereof, are set forth in the following tables:

	Domestic Plans		
(Dollar amounts in millions)	1996	1995	1994
Assumptions:			
Discount rate	8 1/2%	8 1/2%	8 1/2%
Compensation increase	4%	4%	4%
Long-term rate of return	8 1/2-9 1/4%	8 1/2-9 1/4%	8 1/2-10%
Components:			
Service cost	$ 7.6	$ 7.8	$ 9.1
Interest cost	33.0	30.7	30.6
Actual return on assets	(32.1)	(29.9)	(19.5)
Net amortization and deferral	(1.4)	(.9)	(9.8)
Net pension expense	$ 7.1	$ 7.7	$ 10.4

	Foreign Plans		
(Dollar amounts in millions)	1996	1995	1994
Assumptions:			
Discount rate	6-8%	6 1/2-8%	6-8 1/2%
Compensation increase	4-4 1/2%	4 1/4-4 1/2%	4 1/2%
Long-term rate of return	6 1/2-9 1/2%	6 1/2-10%	6 1/2-10%
Components:			
Service cost	$3.2	$3.0	$2.9
Interest cost	6.7	6.2	6.0
Actual return on assets	(4.0)	(2.6)	(1.7)
Net amortization and deferral	2.2	.7	(.3)
Net pension expense	$8.1	$7.3	$6.9

The funded status of the plans and amounts recognized in the Company's Consolidated Statements of Financial Position at June 30, 1996 and 1995:

(Dollar amounts in millions)	Domestic Plans 1996	Domestic Plans 1995
Plan assets at fair value	$422.2	$368.4
Projected benefit obligation	435.1	392.1
Plan assets less than projected benefit obligation	(12.9)	(23.7)
Unrecognized items:		
Net actuarial loss	48.1	55.2
Prior service cost	(5.1)	(5.3)
Net transition asset	(9.0)	(11.3)
Minimum pension liability adjustment	(31.5)	(37.4)
Accrued pension expense	$(10.4)	$(22.5)
Actuarial present value of accumulated benefits	$432.5	$390.8
Accumulated benefit obligation related to vested benefits	$424.1	$381.6

A minimum pension liability adjustment is required when the actuarial present value of accumulated benefits exceeds plan assets and accrued pension liabilities. The minimum liability adjustment, less allowable intangible assets, net of tax benefit, is reported as a reduction of shareholders' equity.

	Foreign Plans			
	Assets Exceed Accumulated Benefits		Accumulated Benefits Exceed Assets	
(Dollar amounts in millions)	1996	1995	1996	1995
Plan assets at fair value	$27.9	$25.6		
Projected benefit obligation	28.0	25.8	$70.2	$72.8
Plan assets less than projected benefit obligation	(.1)	(.2)	(70.2)	(72.8)
Unrecognized items:				
Net actuarial (gain) loss	3.9	4.6	(2.3)	(2.5)
Prior service cost	1.1	.3		
Net transition (asset) obligation	(2.2)	(2.7)	5.0	7.8
Prepaid (accrued) pension expense	$ 2.7	$ 2.0	$(67.5)	$(67.5)
Actuarial present value of accumulated benefits	$26.0	$23.6	$ 60.1	$ 58.7
Accumulated benefit obligation related to vested benefits			$ 56.3	$ 53.8

Savings Plan. Effective October 1, 1995, the Company's domestic profit sharing and savings plan was reconfigured to form a Company matched 401(k) savings plan. The amended plan provides for automatic Company contributions for 2% of eligible compensation and a dollar-for-dollar matching contribution up to 4% of eligible compensation. The Company's contribution to this plan was $7.4 million for fiscal 1996.

Prior to the amendment, the profit sharing and savings plan allowed for Company contributions in an amount equal to 8% of consolidated income before income taxes, as defined by the plan, provided the Company's contribution did not reduce earnings below $.3125 per share of common stock. The profit sharing payment by the Company was allocated among its domestic employees in direct proportion to their earnings. PE's contribution to this plan was $7.6 million for fiscal 1995 and $7.5 million for fiscal 1994.

Retiree Health Care and Life Insurance Benefits. PE provides certain health care and life insurance benefits to domestic employees, hired prior to January 1, 1993, who retire from the Company and satisfy certain service and age requirements. Generally, medical coverage pays a stated percentage of most medical expenses, reduced for any deductible and payments made by Medicare or other group coverage. The cost of providing these benefits is shared with retirees. The plan is unfunded.

The following table sets forth the accrued postretirement benefit liability recognized in the Company's Consolidated Statements of Financial Position at June 30, 1996 and 1995:

(Dollar amounts in millions)	1996	1995
Actuarial present value of postretirement benefit obligation:		
Retirees	$64.4	$68.2
Fully eligible active participants	.8	1.4
Other active participants	9.4	10.2
Accumulated postretirement benefit obligation (APBO)	74.6	79.8
Unrecognized net gain	21.5	16.5
Accrued postretirement benefit liability	$96.1	$96.3

The net postretirement benefit cost for fiscal 1996 and 1995 included the following components:

(Dollar amounts in millions)	1996	1995
Service cost	$ .6	$ .7
Interest cost	6.0	6.8
Amortization of unrecognized gain	(1.1)	(.1)
Net postretirement benefit cost	$ 5.5	$ 7.4

The discount rate used in determining the APBO was 8.5% in fiscal 1996 and 1995. The assumed health care cost trend rate used for measuring the APBO was divided into three categories:

	1996	1995
Pre-65 participants	11.0%	11.6%
Post-65 participants	8.1%	8.4%
Medicare	8.1%	8.4%

All three rates were assumed to decline to 5.5% over 9 and 10 years in fiscal 1996 and 1995, respectively.

If the health care cost trend rate was increased 1%, the APBO, as of June 30, 1996, would have increased 10%. The effect of this change on the aggregate of service and interest cost for fiscal 1996 would be an increase of 11%.

Postemployment Benefits. The Company provides certain postemployment benefits to eligible employees. These benefits generally include severance, disability, and medical-related costs paid after employment but before retirement.

Note 6 Business Segments and Geographic Area Information

Business Segments. In order to concentrate on two different strategies for the analytical instruments and life sciences businesses, the Company reorganized into two separate operating segments in fiscal 1996. The analytical instruments segment is comprised of equipment and systems used for determining the composition and molecular structure of chemical substances (both organic and inorganic), data handling devices, and real time, process analysis systems to monitor process quality and environmental purity. The life sciences segment is comprised of biochemical instrument systems and associated consumable products for life science research and related applications. These automated systems are used for synthesis, amplification, purification, isolation, analysis and sequencing of nucleic acids, proteins, and other biological molecules. In addition, through a joint venture, the Company manufactures and sells mass spectrometry instrument systems in both industry segments.

Geographic Areas. Revenues between geographic areas are primarily comprised of the sale of instruments and consumables by the Company's manufacturing units. The sale amounts reflect the rules and regulations of the respective governing tax authorities. Third-party export net revenues and operating profits are reported in the region of destination. Operating income is determined by deducting from net revenues the related costs and operating expenses attributable to the region. Research, development and engineering expenses are reflected in the area where the activity was performed. Identifiable assets include all assets directly identified with those geographic areas. Corporate assets include cash and short-term investments, deferred tax assets, property, plant, and equipment, minority equity investments, and other assets which are corporate in nature.

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Export net revenues for the fiscal years ended June 30, 1996, 1995 and 1994 were $44.6 million, $45.4 million and $63.8 million, respectively.

Business Segments
(Dollar amounts in millions)

1996	Analytical Instruments	Life Sciences	Corporate	Consolidated
Net revenues	$630.6	$532.3	$ -	$1,162.9
Segment income (loss)	28.7	120.6	(24.5)	124.8
Restructuring charge	(71.6)			(71.6)
Acquired research and development		(27.1)		(27.1)
Operating income (loss)	(42.9)	93.5	(24.5)	26.1
Identifiable assets	401.6	319.3	220.4	941.3
Capital expenditures	13.6	18.2	.6	32.4
Depreciation and amortization	28.7	12.1	.4	41.2
1995				
Net revenues	$625.4	$438.1	$ -	$1,063.5
Segment income (loss)	26.7	81.7	(17.5)	90.9
Restructuring charge	(19.2)		(3.8)	(23.0)
Operating income (loss)	7.5	81.7	(21.3)	67.9
Identifiable assets	440.8	269.7	178.3	888.8
Capital expenditures	16.3	12.2	.4	28.9
Depreciation and amortization	29.5	10.7	.5	40.7
1994				
Net revenues	$637.8	$386.7	$ -	$1,024.5
Operating income (loss)	32.9	77.5	(14.4)	96.0
Identifiable assets	447.2	222.3	158.8	828.3
Discontinued assets				56.2
Capital expenditures	18.5	15.6	.4	34.5
Depreciation and amortization	31.3	10.9	.5	42.7

Geographic Areas
(Dollar amounts in millions)

1996	United States	Europe	Far East	Other Countries	Corporate	Consolidated
Total revenues	$461.8	$581.2	$346.6	$79.3	$ -	$1,468.9
Transfers between geographic areas	(43.6)	(119.9)	(124.6)	(17.9)		(306.0)
Revenues to unaffiliated customers	418.2	461.3	222.0	61.4		1,162.9
Income (loss)	(9.4)	76.7	72.6	9.4	(24.5)	124.8
Restructuring charge	(12.4)	(59.2)				(71.6)
Acquired research and development	(27.1)					(27.1)
Operating income (loss)	(48.9)	17.5	72.6	9.4	(24.5)	26.1
Identifiable assets	344.1	255.3	98.4	23.1	220.4	941.3
1995						
Total revenues	$447.7	$542.0	$296.6	$71.3	$ -	$1,357.6
Transfers between geographic areas	(54.0)	(119.7)	(101.3)	(19.1)		(294.1)
Revenues to unaffiliated customers	393.7	422.3	195.3	52.2		1,063.5
Income (loss)	(20.5)	68.4	52.2	8.3	(17.5)	90.9
Restructuring charge	(9.4)	(8.3)	(1.4)	(.1)	(3.8)	(23.0)
Operating income (loss)	(29.9)	60.1	50.8	8.2	(21.3)	67.9
Identifiable assets	322.0	253.8	102.5	32.2	178.3	888.8
1994						
Total revenues	$461.3	$476.9	$297.5	$67.9	$ -	$1,303.6
Transfers between geographic areas	(43.5)	(114.3)	(102.2)	(19.1)		(279.1)
Revenues to unaffiliated customers	417.8	362.6	195.3	48.8		1,024.5
Operating income (loss)	(11.0)	49.2	62.5	9.7	(14.4)	96.0
Identifiable assets	318.9	224.6	102.7	23.3	158.8	828.3
Discontinued assets						56.2

Note 7 Shareholders' Equity

Treasury Stock. Common stock purchases were made in support of the Company's various stock plans and as part of a share repurchase authorization. The Company has no specific share repurchase targets but expects to make periodic open market purchases from time to time. For the years ended June 30, 1996, 1995 and 1994, the Company purchased .8 million, .5 million and .8 million shares, respectively, to support various stock plans. The remaining number of shares available under the purchase authorization at June 30, 1996 is 4.2 million.

Shareholders' Protection Rights Plan. The Company has a Shareholders' Protection Rights Plan designed to protect shareholders against abusive takeover tactics by declaring a dividend of one right on each outstanding share of common stock. Each right entitles shareholders to buy one one-hundredth of a newly issued share of participating preferred stock having economic and voting terms similar to those of one share of common stock at an exercise price of $90, subject to adjustment.

The rights will be exercisable only if a person or a group: (a) acquires 20% or more of the Company's shares or (b) commences a tender offer that will result in such person or group owning 20% or more of the Company's shares. Before that time, the rights trade with the common stock, but thereafter they become separately tradeable.

Upon exercise, after a person or a group acquires 20% or more of the Company's shares, each right (other than rights held by the acquiring person) will entitle the shareholder to purchase a number of shares of preferred stock of the Company having a market value of two times the exercise price. If the Company is acquired in a merger or other business combination, each right will entitle the shareholder to purchase at the then exercise price a number of shares of common stock of the acquiring company having a market value of two times such exercise price. If any person or group acquires between 20% and 50% of PE's shares, the Company's Board of Directors may, at its option, exchange one share of the Company's common stock for each right. The rights are redeemable at the Company's option at one cent per right prior to a person or group becoming an acquiring person.

Note 8 Stock Plans

Stock Option Plans. Under the Company's stock option plans, officers and other key employees may be granted options, each of which allows for the purchase of common stock at a price of not less than 100% of fair market value at the date of grant.

Transactions relating to the stock option plans of the Company are summarized below:

	Number of Options
Outstanding at June 30, 1993	4,360,143
Granted at $30.25-$37.75 per share	970,150
Exercised at $10.70-$35.32 per share	763,085
Cancelled	253,458
Outstanding at June 30, 1994	4,313,750
Granted at $28.81-$31.25 per share	543,300
Exercised at $10.70-$35.13 per share	424,017
Cancelled	315,742
Outstanding at June 30, 1995	4,117,291
Granted at $34.56-$54.81 per share	511,650
Exercised at $10.70-$37.75 per share	1,359,054
Cancelled	133,059
Outstanding at June 30, 1996	3,136,828
Options exercisable at June 30, 1996	2,307,692

The options granted during fiscal 1996 reflected in the above table do not include those subject to shareholder approval of the new 1996 Stock Incentive Plan. At June 30, 1996, 6,835 shares remained available for option grant under the 1993 Stock Incentive Plan.

Employee Stock Purchase Plan. The Employee Stock Purchase Plan offers domestic employees the right to purchase, over a two-year period, shares of common stock on an annual offering date. The purchase price is equal to the lower of 85% of the average market price of the common stock on the offering date or 85% of the average market price of the common stock on the last day of the 24-month purchase period.

Common stock issued under the Employee Stock Purchase Plan was .1 million shares in each of fiscal 1996, 1995 and 1994. At June 30, 1996, .7 million shares remained available for issuance.

Director Stock Purchase and Deferred Compensation Plan. The Company has a Director Stock Purchase and Deferred Compensation Plan which requires non-employee directors of the Company to apply at least 50% of their annual retainer to the purchase of common stock. The purchase price is the fair market value on the first calendar day of the third month of each fiscal quarter. At June 30, 1996, approximately .1 million shares were available for issuance.

Restricted Stock. As part of the Company's 1993 Stock Incentive Plan, a total of 100,000 shares of restricted stock may be granted to key employees. Such stock will vest when certain continuous employment restrictions and/or specified performance goals are achieved. The value of shares granted is generally expensed over the restricted periods, which may vary depending on the estimated achievement of performance goals.

Restricted stock granted to key employees under the plan during fiscal 1996 and fiscal 1995 was 30,000 and 70,000 shares, respectively. In fiscal 1994, no shares were granted. During fiscal 1996, compensation expense of $5.1 million was recognized as the vesting schedule for these awards was amended. There were no amounts charged to expense for fiscal 1995 and 1994.

1996 Stock Incentive Plan. The Company has granted, subject to shareholder approval of the new 1996 Stock Incentive Plan, 293,000 employee stock options, 185,000 performance shares, and 12,000 stock awards.

Note 9 Additional Information

Selected Accounts. The following table provides the major components of selected accounts of the Consolidated Statements of Financial Position:

(Dollar amounts in millions) At June 30,	1996	1995
Other accrued expenses		
Deferred service contract revenues	$ 40.1	$ 38.3
Accrued pension liabilities	19.4	21.1
Restructuring provisions	63.6	18.5
Other	83.5	78.3
Total other accrued expenses	$206.6	$156.2
Other long-term liabilities		
Accrued pension liabilities	$ 63.6	$ 72.1
Accrued postretirement benefits	93.8	91.3
Other	18.4	16.8
Total other long-term liabilities	$175.8	$180.2

Related Party Transactions. One of the Company's directors is an employee of F. Hoffmann-La Roche Ltd. (Roche), a pharmaceutical manufacturer and strategic partner of the Company in the biotechnology field. During fiscal 1996, the Company made payments to Roche and its affiliates of $59.7 million for the purchase of reagents and consumables for resale in the life sciences segment compared to $33.2 million in fiscal 1995.

Note 10 Provision for Restructured Operations

Fiscal 1996. As part of continuing efforts to strengthen the analytical instruments business, the Company identified a series of actions in fiscal 1996 which included asset redeployment, reduction of overhead, and improved operating efficiency. The cost of this plan totaled $71.6 million ($62.3 million, or $1.44 per share, after-tax) and was recorded in the third quarter of fiscal 1996. The plan's principal objective was to reorganize the worldwide analytical instruments business into three vertically integrated, fiscally accountable divisions. The charge included $37.8 million for worldwide workforce reductions of approximately 390 positions in manufacturing, sales and support, and administrative functions. The charge also included $33.8 million for the reduction of excess European manufacturing capacity, the consolidation of facilities in Europe, and the write-off of certain tangible and intangible assets associated with the discontinuance of various product lines.

The Company will transfer the development and manufacturing of certain analytical instrument product lines from its facility in Germany to other sites, primarily in the U.S. The facility in Germany will remain the principal site for the development of atomic absorption products. These changes are scheduled to be completed by March 1997.

The restructuring actions also include the establishment of a distribution center in Holland, which will provide an integrated sales, shipment and administration support infrastructure for the Company's European operations, and the integration of certain operating and business activities. The European distribution center will include certain administrative, financial, and information systems functions which are currently being transacted at individual locations throughout Europe. These changes are scheduled to be substantially completed by June 1997.

These actions, when completed, should result in improved customer focus, increased product and service revenues, and higher operating income. The benefits of the program will begin to be realized in fiscal 1997 with expected reduced operating costs of approximately $25 million. When the program is fully implemented, the Company expects to achieve annual operating cost benefits of more than $40 million and increased operating cash flow of a similar amount.

As of June 30, 1996, severance and related payments of $5.6 million were paid to approximately 150 employees separated under this plan. The Company also incurred $4.0 million for costs associated with changes in the European operations infrastructure and $5.0 million in asset write-offs related to the discontinuance of various product lines. The balance of the cost to complete the restructuring was $57.0 million at June 30, 1996.

Fiscal 1995. During the fourth quarter of fiscal 1995, the Company recorded a $23.0 million before-tax charge for restructuring actions. The restructuring plan focused primarily on reducing costs within the analytical instruments business infrastructure. The charge included $20.7 million of severance and related costs for workforce reductions and $2.3 million of closure and facility consolidation expenses. All costs resulted in cash outlays and the actions were implemented by the third quarter of fiscal 1996.

The workforce reductions were accomplished through involuntary terminations worldwide as well as a voluntary retirement incentive plan in the U.S. The reductions affected all geographic areas of operation and all disciplines ranging from production labor to executive management. This included product departments, manufacturing, engineering, sales, service and support as well as corporate administrative staff. The voluntary retirement incentive plan was accepted by 91 employees at a cost of $6.8 million. Some of these positions were replaced, but at a lower overall cost basis. As of June 30, 1996, the Company made severance and related payments of $14.5 million to approximately 227 employees separated under the plan.

The closure and facility consolidation actions included the shutdown of the Company's Puerto Rico manufacturing facility, consolidation of sales offices in the Far East and consolidation of administrative departments in the U.S. The closure of operations in Puerto Rico included severance costs for 46 employees, lease termination payments and other related costs. The Far East costs included lease penalties and restoration of vacated offices. As of June 30, 1996, payments of $1.9 million were made for closure and facility consolidation costs.

Benefits from this restructuring program were offset in part by the costs of hiring and training of new employees, moving and relocation. The restructuring actions resulted in approximately $20 million of before-tax savings in fiscal 1996, and should approximate $25 million in succeeding years.

There have been no adjustments made to increase or decrease the liabilities originally accrued for this restructuring plan. The balance remaining at June 30, 1996 was $6.6 million, representing future severance and deferred payments.

Note 11 Commitments and Contingencies
Future minimum payments at June 30, 1996 under noncancellable

operating leases for real estate and equipment were as follows:

(Dollar amounts in millions)	
1997	$21.0
1998	16.5
1999	13.0
2000	5.7
2001	6.7
2002 and thereafter	17.4
Total	$80.3

Rental expense was $31.3 million in fiscal 1996, $32.5 million in fiscal 1995 and $32.9 million in fiscal 1994.

The Company has been named as a defendant in several legal actions arising from the conduct of its normal business activities. Although the amount of any liability that might arise with respect to any of these matters cannot be accurately predicted, the resulting liability, if any, will not in the opinion of management have a material adverse effect on the financial statements of the Company.

Note 12 Financial Instruments

Derivatives. The Company manages exposure to fluctuations in foreign exchange rates by creating offsetting positions through the use of derivative financial instruments, primarily forward or purchased option foreign exchange contracts. The Company does not use derivative financial instruments for trading or speculative purposes, nor is the Company a party to leveraged derivatives.

Foreign exchange contracts are accounted for as hedges of net investments, firm commitments, and foreign currency transactions. Gains and losses on hedges of net investments are reported as equity adjustments from translation on the balance sheet. The gains and losses on hedges of firm commitments are deferred and included in the basis of the transaction underlying the commitment. Gains and losses on transaction hedges are recognized in income and offset the foreign exchange gains and losses on the related transaction. The costs associated with entering into these contracts are amortized over the life of the contract. Realized and deferred gains and losses on hedge contracts were not material for the years presented.

Concentrations of Credit Risk. The forward contracts and options used by the Company in managing its foreign currency positions contain an element of risk that the counterparties may be unable to meet the terms of the agreements. However, the Company minimizes such risk exposure by limiting the counterparties to highly rated major domestic or international financial institutions. Management does not expect to record any losses as a result of counterparty default. The Company does not require and is not required to place collateral for these financial instruments.

Fair Value. The following methods are used in estimating the fair value of significant financial instruments held or owed by the Company. Cash and short-term investments approximate their carrying amount due to the short duration of these instruments. Fair values of minority equity investments and notes receivable are estimated based on quoted market prices, if available, or quoted market prices of financial instruments with similar characteristics. The fair value of debt is based on the current rates offered to the Company for debt of similar remaining maturities. Fiscal year end foreign currency exchange rates are used to estimate the fair value of foreign currency contracts.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments:

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(Dollar amounts in millions)				
At June 30,	1996		1995	
Cash and short-term investments	$96.6	$96.6	$80.0	$80.0
Minority equity investments	35.6	35.6	5.1	4.7
Notes receivable	7.2	7.2	15.5	15.9
Short-term debt	51.1	51.5	54.8	54.8
Long-term debt	.9	.9	34.1	35.1
Foreign currency contracts	89.9	90.2	70.1	73.8

Those investments in equity securities, which are categorized as available-for-sale, are stated at a fair value of $31.5 million with a cost basis of $8.3 million. As a result, an unrealized holding gain of $23.2 million is reported as a separate component of shareholders' equity. The prior year amount was not material.

Note 13 Quarterly Financial Information (Unaudited)
The following is a summary of quarterly financial results:

(Dollar amounts in millions except per share amounts)	First Quarter 1996	1995	Second Quarter 1996	1995	Third Quarter 1996	1995	Fourth Quarter 1996	1995
Net revenues	$264.4	$247.3	$294.0	$261.0	$299.1	$274.6	$305.4	$280.6
Gross margin	128.9	118.3	141.2	123.2	145.8	128.7	151.2	132.9
Net income (loss)	17.6	14.9	22.8	17.1	(36.0)	36.7	9.5	(1.8)
Net income (loss) per share	.41	.35	.53	.40	(.84)	.86	.22	(.04)

Events impacting comparability:

Fiscal 1996. Third quarter results include a restructuring charge of $71.6 million, or $1.44 per share after-tax (see Note 10). Fourth quarter results include a $27.1 million charge, or $.62 per share after-tax, for acquired research and development, and a gain of $11.7 million, or $.21 per share after-tax, on the partial sale of the Company's equity interest in Etec Systems, Inc. (see Note 2).

Fiscal 1995. Third quarter results include a $20.8 million gain, or $.40 per share after-tax, on the sale of the Company's equity interest in Silicon Valley Group, Inc. (see Note 2). Fourth quarter results include a restructuring charge of $23.0 million, or $.44 per share after-tax (see Note 10).

Stock Prices and Dividends	1996		1995	
Stock prices	High	Low	High	Low
First Quarter	$38	$31 1/2	$32 1/4	$26 1/2
Second Quarter	$40 1/4	$33 1/8	$33 1/8	$25 1/4
Third Quarter	$54 1/2	$37 5/8	$29 7/8	$25 3/4
Fourth Quarter	$56 1/4	$46 5/8	$37 1/4	$29

Dividends per share	1996	1995
First Quarter	$.17	$.17
Second Quarter	$.17	$.17
Third Quarter	$.17	$.17
Fourth Quarter	$.17	$.17
Total dividends per share	$.68	$.68

REPORT OF MANAGEMENT

To the Shareholders of The Perkin-Elmer Corporation

Management is responsible for the accompanying consolidated financial statements, which have been prepared in conformity with generally accepted accounting principles. In preparing the financial statements, it is necessary for management to make informed judgments and estimates which it believes are in accordance with generally accepted accounting principles appropriate in the circumstances. Financial information presented elsewhere in this annual report is consistent with that in the financial statements.

In meeting its responsibility for preparing reliable financial statements, the Company maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded and transactions are properly recorded and executed in accordance with corporate policy and management authorization. The Company believes its accounting controls provide reasonable assurance that errors or irregularities which could be material to the financial statements are prevented or would be detected within a timely period. In designing such control procedures, management recognizes judgments are required to assess and balance the costs and expected benefits of a system of internal accounting controls. Adherence to these policies and procedures is reviewed through a coordinated audit effort of the Company's internal audit staff and independent accountants.

The Audit Committee of the Board of Directors is comprised solely of outside directors and is responsible for overseeing and monitoring the quality of the Company's accounting and auditing practices. The independent accountants and internal auditors have full and free access to the Audit Committee and meet periodically with the committee to discuss accounting, auditing, and financial reporting matters.

/s/ Stephen O. Jaeger
Stephen O. Jaeger
Vice President, Chief Financial
Officer and Treasurer

/s/ Tony L. White
Tony L. White
Chairman, President and
Chief Executive Officer

REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareholders and Board of
Directors of
The Perkin-Elmer Corporation

In our opinion, the accompanying consolidated statements of financial position and the related consolidated statements of operations, of shareholders' equity and of cash flows present fairly, in all material respects, the financial position of The Perkin-Elmer Corporation and its subsidiaries at June 30, 1996 and 1995, and the results of their operations and their cash flows for each of the three fiscal years in the period ended June 30, 1996, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

/s/ Price Waterhouse
Stamford, Connecticut
July 24, 1996

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EXHIBIT 21
LIST OF SUBSIDIARIES
SUBSIDIARIES OF THE PERKIN-ELMER CORPORATION

Name	State or Jurisdiction of Incorporation or Organization
PKN Overseas Corporation	(New York, USA)
Perkin-Elmer (UK) Limited	(UK)
Perkin-Elmer (UK) Pension Trustees Limited	(UK)
Perkin-Elmer Limited	(UK)
Applied Biosystems Ltd.	(UK)
Spartan Ltd.	(Channel Isles)
Perkin-Elmer Pty Limited	(Australia)
Perkin-Elmer (Canada) Ltd.	(Canada)
Perkin-Elmer Sciex *	(Canada)
Photovac International, Incorporated	(New York,USA)
Photovac Europa AS	(Denmark)
Perkin-Elmer Taiwan Corporation	(Delaware,USA)
Perkin-Elmer (Thailand) Limited	(Thailand)
Perkin-Elmer AG	(Switzerland)
Perkin-Elmer Japan Co. Ltd.	(Japan)
Perkin-Elmer SA	(France)
Perkin-Elmer (Sweden) AB	(Sweden)
Perkin-Elmer AB	(Sweden)
Perkin-Elmer OY	(Finland)
Perkin-Elmer Nederland BV	(The Netherlands)
Applied Biosystems, BV	(The Netherlands)
Perkin-Elmer Belgium NV	(Belgium)
Perkin-Elmer Sro	(Czech Republic)
Perkin-Elmer Hungaria Kft	(Hungary)
Perkin-Elmer Polska Spolka zoo	(Poland)
Perkin-Elmer South Africa Pty. Ltd.	(Johannesburg, South Africa)
Spartan Ltd.	(Channel Isles)
Listronagh Company	(Ireland)
Perkin-Elmer Instruments Asia Pte. Ltd.	(Singapore)
Perkin-Elmer Instruments (Malaysia) SDN. BHD.	(Malaysia)
Perkin-Elmer Holding GmbH	(Germany)
Bodenseewerk Perkin-Elmer GmbH	(Germany)
Perkin-Elmer GmbH	(Austria)

Note: Persons directly owned by subsidiaries of The Perkin-Elmer Corporation are indented and listed below their immediate parent.

* 50% ownership

SUBSIDIARIES OF THE PERKIN-ELMER CORPORATION (cont'd)

PKN Overseas Corporation	
Perkin-Elmer Italia SpA	(Italy)
Perkin-Elmer Hong Kong, Ltd.	(Hong Kong)
Perkin-Elmer Analytical and Biochemical Instruments (Beijing) Co., Ltd.	(China)
Perkin-Elmer International, Inc.	(Delaware, USA)
Analitica de Centroamerica, S.A.	(Costa Rica)
Perkin-Elmer Industria e Comercio Ltda.	(Brazil)
Perkin-Elmer Korea Corporation	(Delaware, USA)
Perkin-Elmer de Mexico SA	(Mexico)
Perkin-Elmer Overseas Ltd.	(Cayman Islands)
PECO Insurance Company Limited	(Bermuda)
Perkin-Elmer Caribbean Corporation	(Delaware,USA)
Perkin-Elmer China, Inc.	(Delaware,USA)
Perkin-Elmer FSC, Inc.	(U.S.Virgin Islands)
Perkin-Elmer Hispania SA	(Spain)
Hitachi Perkin-Elmer, Ltd. +	(Japan)
Tropix, Inc.	(Delaware,USA)

+49% ownership

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CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 2-95451, 33-25218, 33-44191, 33-50847, 33-50849, and 33-58778) of The Perkin-Elmer Corporation of our report dated July 24, 1996, appearing on page 48 of the Annual Report to Shareholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears on page 18 of this Form 10-K.

PRICE WATERHOUSE LLP

Stamford, Connecticut
September 19, 1996

EXHIBIT 23

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This schedule contains summary financial information extracted from the Consolidated Statement of Operations for the Twelve Months Ended June 30, 1996 and the Consolidated Statement of Financial Position at June 30, 1996 and is qualified in its entirety by reference to such financial statements.
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