

REGENERON PHARMACEUTICALS INC
Form SC 13D/A
July 31, 2014

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
(Rule 13d-101)

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(Amendment No. 9)*

Regeneron Pharmaceuticals, Inc.

(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

75886F 10 7

(CUSIP Number)

Karen Linehan
Executive Vice President, Legal Affairs and General Counsel
Sanofi
54, rue La Boétie, 75008
Paris, France
Telephone: +33 1 53 77 40 00

Copy to:

Michael J. Aiello, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
(212) 310-8000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

July 30, 2014

(Date of Event Which Requires Filing of This Statement)

Edgar Filing: REGENERON PHARMACEUTICALS INC - Form SC 13D/A

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.
x

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

13D

1. NAME OF REPORTING PERSONS
Sanofi
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) " (b) "
3. SEC USE ONLY
4. SOURCE OF FUNDS WC
5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) "
6. CITIZENSHIP OR PLACE OF ORGANIZATION
The Republic of France
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
7. SOLE VOTING POWER -0-
8. SHARED VOTING POWER 22,204,841 (1)
9. SOLE DISPOSITIVE POWER -0-
10. SHARED DISPOSITIVE POWER 22,204,841 (1)
11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
22,204,841 (1)
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES ..
13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 22.5% (2)
14. TYPE OF REPORTING PERSON CO

(1) 19,405,289 shares of Common Stock are held directly by sanofi-aventis Amérique du Nord ("SAAN") and 2,799,552 of the shares of Common Stock are held directly by Aventis Pharmaceuticals Inc. ("Aventis"). SAAN is a direct, wholly-owned subsidiary of Sanofi. Aventis is an indirect, wholly-owned subsidiary of SAAN. See Item 5 of the Schedule 13D. Pursuant to the Amended and Restated Investor Agreement, dated as of January 11, 2014, by and among Sanofi, SAAN, sanofi-aventis US LLC, Aventis (collectively, the "Sanofi Parties") and Regeneron Pharmaceuticals, Inc. (the "Company"), the Sanofi Parties have agreed to vote their respective shares of the Company, subject to specified exceptions, in accordance with the recommendation of the Company's Board of Directors.

(2) Calculation based on 98,879,794 shares of Common Stock outstanding as of April 17, 2014, as reported in the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 8, 2014.

This Amendment No. 9 (this “Amendment No. 9”) amends the Statement on Schedule 13D first filed with the Securities and Exchange Commission on January 14, 2014, as amended (the “Schedule 13D”), and is filed by Sanofi (“Sanofi” or the “Reporting Person”) with respect to the common stock, \$0.001 par value per share (the “Common Stock”), of Regeneron Pharmaceuticals, Inc. (the “Issuer” or the “Company”). Capitalized terms used herein but not otherwise defined herein have the meanings given to them in the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 of the Schedule 13D is supplemented as follows:

For the purchases it made as disclosed in Item 5(c) of this Amendment No. 9, SAAN paid an aggregate of \$250,326,691.50, excluding brokerage commission and fees. The source of such funds was working capital.

Item 4. Purpose of Transaction.

Item 4 of the Schedule 13D is supplemented as follows:

The Reporting Person intends to purchase, directly or through its subsidiaries, additional shares of Common Stock to progressively increase its beneficial ownership in 2014 and 2015 up to the maximum allowed under the Amended Investor Agreement (30% of Shares of Then Outstanding Common Stock, as defined therein). The Reporting Person intends to acquire these additional shares in market or private transactions or through derivatives subject to market conditions and legal and regulatory requirements, at prices and other terms acceptable to the Reporting Person. To that effect, SAAN may enter into additional agreements with a broker (a “Rule 10b5-1 Plan”), intended to comply with the requirements of Rule 10b5-1(c)(1)(i) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Reporting Person makes no commitment in terms of the timing of such transactions, which will depend on market conditions including the price and availability of shares of Common Stock, and on such other factors considered relevant to the Reporting Person or to the broker in carrying out the Rule 10b5-1 Plan, as the case may be.

The Reporting Person purchased, through its subsidiary SAAN, an aggregate of 799,100 shares of Common Stock in market transactions, as disclosed in Item 5(c) of this Amendment No. 9.

The shares of Common Stock that are the subject of this filing were purchased for the purpose of making an investment in the Issuer.

Item 5. Interests in the Securities of the Issuer.

Item 5 of the Schedule 13D is supplemented as follows:

(a) and (b) The responses of the Reporting Person to Rows (7) through (13) of the cover page of this Amendment No. 9 as of the close of business on July 30, 2014, are incorporated herein by reference. As of the close of business on July 30, 2014, the Reporting Person beneficially owned 22,204,841 shares of Common Stock, representing approximately 22.5% of the shares of Common Stock outstanding (based on 98,879,794 shares of Common Stock outstanding as of April 17, 2014, as reported in the Company’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 8, 2014). The Reporting Person may be deemed to have shared voting and dispositive power with respect to the shares of Common Stock directly owned by SAAN and Aventis, its subsidiaries.

To the Reporting Person’s knowledge, none of the directors or executive officers of the Reporting Persons listed on Schedule I to the Schedule 13D beneficially owns any shares of Common Stock as of July 30, 2014.

(c) Since the most recent filing of Schedule 13D and through and including July 30, 2014, market transactions were effected in the Common Stock as disclosed in Schedule A to this Amendment No. 9.

To the Reporting Person's knowledge, none of the directors or executive officers of the Reporting Person listed on Schedule I to the Schedule 13D effected transactions in the Common Stock during the period described above.

(d) Not applicable.

(e) Not applicable.

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: July 31, 2014

SANOFI

By: /s/ John Felitti
Name: John Felitti
Title: Associate Vice President,
Corporate Law,
Financial & Securities Law

Schedule A

Entity	Trade Date (M/D/Y)†	Transaction	Number of Shares of Common Stock*	Price per Share*	Price Range*
SAAN	7/9/2014	Purchase	15,565	\$304.1935	\$303.60 \$304.59
SAAN	7/9/2014	Purchase	20,608	\$305.0939	\$304.61 \$305.59
SAAN	7/9/2014	Purchase	6,513	\$306.1305	\$305.60 \$306.56
SAAN	7/9/2014	Purchase	14,532	\$307.2219	\$306.65 \$307.63
SAAN	7/9/2014	Purchase	14,586	\$308.1936	\$307.65 \$308.64
SAAN	7/9/2014	Purchase	26,831	\$309.2766	\$308.65 \$309.63
SAAN	7/9/2014	Purchase	62,861	\$310.1031	\$309.65 \$310.64
SAAN	7/9/2014	Purchase	29,829	\$311.0768	\$310.67 \$311.65
SAAN	7/9/2014	Purchase	3,675	\$311.9096	\$311.67 \$312.23
SAAN	7/10/2014	Purchase	2,470	\$306.7679	\$305.95 \$306.90
SAAN	7/10/2014	Purchase	2,502	\$307.6361	\$307.00 \$307.98
SAAN	7/10/2014	Purchase	17,347	\$308.5518	\$308.00 \$308.99
SAAN	7/10/2014	Purchase	26,891	\$309.5559	\$309.00 \$309.99
SAAN	7/10/2014	Purchase	53,994	\$310.4759	\$310.00 \$310.99
SAAN	7/10/2014	Purchase	15,815	\$311.1672	\$311.00 \$311.99
SAAN	7/10/2014	Purchase	20,638	\$312.6233	\$312.00 \$312.99
SAAN	7/10/2014	Purchase	18,057	\$313.4687	\$313.01 \$314.00
SAAN	7/10/2014	Purchase	17,286	\$314.5763	\$314.02 \$315.00
SAAN	7/11/2014	Purchase	4,157	\$311.3923	\$310.81 \$311.77
SAAN	7/11/2014	Purchase	7,343	\$312.4319	\$311.88 \$312.81
SAAN	7/11/2014	Purchase	42,201	\$313.5903	\$312.90 \$313.89
SAAN	7/11/2014	Purchase	28,662	\$314.1881	\$313.90 \$314.88
SAAN	7/11/2014	Purchase	2,245	\$314.9919	\$314.95 \$315.00
SAAN	7/11/2014	Purchase	36,889	\$317.3301	\$316.56 \$317.55
SAAN	7/11/2014	Purchase	23,378	\$318.1414	\$317.56 \$318.54
SAAN	7/11/2014	Purchase	5,125	\$318.7221	\$318.62 \$318.79
SAAN	7/14/2014	Purchase	4,380	\$314.5152	\$314.07 \$315.04
SAAN	7/14/2014	Purchase	11,115	\$315.6549	\$315.07 \$316.04
SAAN	7/14/2014	Purchase	9,715	\$316.3952	\$316.07 \$317.06
SAAN	7/14/2014	Purchase	26,668	\$317.7297	\$317.07 \$318.06
SAAN	7/14/2014	Purchase	59,810	\$318.6048	\$318.07 \$319.06
SAAN	7/14/2014	Purchase	38,312	\$319.4291	\$319.07 \$320.00
SAAN	7/15/2014	Purchase	1,865	\$310.1843	\$309.52 \$310.50
SAAN	7/15/2014	Purchase	4,144	\$311.0431	\$310.55 \$311.52
SAAN	7/15/2014	Purchase	9,669	\$312.2346	\$311.56 \$312.54
SAAN	7/15/2014	Purchase	27,048	\$313.0640	\$312.58 \$313.57

Entity	Trade Date (M/D/Y)†	Transaction	Number of Shares of Common Stock*	Price per Share*	Price Range*
SAAN	7/15/2014	Purchase	24,749	\$314.1123	\$313.58 \$314.57
SAAN	7/15/2014	Purchase	12,830	\$314.9629	\$314.58 \$315.56
SAAN	7/15/2014	Purchase	12,683	\$316.0220	\$315.62 \$316.61
SAAN	7/15/2014	Purchase	18,772	\$317.1444	\$316.62 \$317.60
SAAN	7/15/2014	Purchase	8,131	\$318.1141	\$317.62 \$318.59
SAAN	7/15/2014	Purchase	8,409	\$319.0803	\$318.62 \$319.55
SAAN	7/15/2014	Purchase	800	\$319.6944	\$319.64 \$319.92

*The number of securities reported represents an aggregate number of shares executed by a broker-dealer in multiple market transactions over a range of prices. The price per share reported represents the weighted average price (without regard to brokerage commissions and fees). The Reporting Person undertakes to provide the staff of the SEC upon request, the number of shares executed by such Reporting Person at each separate price within the range.

†SAAN purchased the shares of Common Stock pursuant to a plan intended to comply with Rule 10b5-1(c)(1)(i) under the Exchange Act, entered into with a broker on June 27, 2014.

42,329,941

Net increase in plan assets

44,531,337

79,526,685

Net assets available for benefits, beginning of year

826,357,890

746,831,205

Net assets available for benefits, end of year

\$

870,889,227

\$

826,357,890

See accompanying Notes to Financial Statements

5

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1 – Description of Plan

The following description of the Henry Schein, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan document or Summary Plan Description for a more complete description of the Plan’s provisions.

(a) Nature of Operations

The Plan is a contributory defined contribution 401(k) plan originally effective January 1, 1970. The Plan was amended effective December 26, 1993, to include an Internal Revenue Code Section 401(k) feature. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The third-party administrator is Fidelity Investments Institutional Operations Company, Inc., (the “Administrator”). The Plan trustee is Fidelity Management Trust Company (the “Trustee”). Eligible employees are those employed by Henry Schein, Inc. (the “Plan Sponsor” or the “Company”) and certain of the Company’s affiliates (collectively, the “Employer”).

All employees (other than temporary employees) are eligible to make salary reduction contributions to the Plan upon hire and become eligible to be credited with Profit Sharing Contributions and the Employer Match (each as described below) upon completion of a one year period of service. Temporary employees are eligible to make salary reduction contributions to the Plan and to be credited with Profit Sharing Contributions and the Employer Match on the first July 1 or January 1 following the completion of a twelve consecutive month period during which the temporary employee is credited with at least one thousand hours of service. Effective December 1, 2015, if an individual is initially classified as a temporary employee and then is reclassified as a regular participant, the participant is immediately eligible to make salary reduction contributions to the Plan, and is eligible to be credited with Profit Sharing Contributions and the Employer Match upon the earlier of a completion of a one year period of service or when he or she would have been eligible to be credited with Profit Sharing Contributions and the Employer Match if he or she would have remained a temporary employee.

(b) Contributions

The Plan provides for a discretionary Employer contribution (the "Profit Sharing Contribution") of a percentage of a participant's base compensation, as defined under the Plan. There were no discretionary Profit Sharing Contributions for the years ended December 31, 2015 and 2014.

The Plan allows employees to elect to contribute, through payroll deductions, stated percentages from 1% to 50% of their compensation, as defined under the Plan, not to exceed \$18,000 for 2015 and \$17,500 for 2014, in accordance with the deferral limitations for such years under the Internal Revenue Code ("IRC"). The Plan also provides for matching contributions (the "Employer Match") of 100% of participant 401(k) contributions up to the lesser of 7% or the participant's deferral percentage, multiplied by the participant's base compensation, as defined under the Plan. For the 2015 and 2014 Plan years, the Employer Match was allocated 100% to the participant's investment elections on file, subject to a 20% allocation limit to the Henry Schein Stock Fund.

Participants age 50 or over are permitted to make additional catch-up tax deferred contributions once the participant has reached a limit on those contributions imposed either by the Plan or by law. The extra amount a participant may contribute may not exceed \$6,000 in year 2015 and \$5,500 in year 2014.

The Plan provides for the automatic enrollment in the Plan, at a deferral percentage of 3% of compensation, of eligible employees initially hired by the Company or its participating affiliates on or after March 1, 2014, unless the employee elects not to make 401(k) plan contributions or elects to make elective 401(k) plan contributions at a different percentage.

On May 1, 2015, the Plan was amended to provide for the automatic re-enrollment in the Plan, at a deferral percentage of 3% of compensation, for eligible employees previously employed by the Company or a participating affiliate who are rehired by the Company or its participating affiliates on or after May 1, 2015, and to provide for the recognition of service with Cardinal Health 200, LLC ("Cardinal") for purposes of eligibility and vesting under the Plan for individuals who terminated employment with Cardinal during the period from February 1, 2015 through May 3, 2015 and who were then employed by the Company on the next day following their termination of employment with Cardinal.

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

(c) Participants' Accounts

Each participant's account is credited with the participant's salary reduction contributions and the Employer contributions and an allocation of net Plan earnings. Expenses directly related to participant transactions are deducted from the respective participant's account. Participants may direct the investment of their account balances into various investment options by the Plan. As of December 31, 2015, the Plan offered twenty-one mutual funds and a money market account as investment options for participants. Participants also have the option to direct up to 20% of their account balances to common shares of Henry Schein, Inc.

(d) Vesting

Participants are immediately vested in their 401(k) contributions plus actual earnings thereon. Vesting in the Profit Sharing Contribution and the Employer Match, plus actual earnings thereon, is based on years of continuous service, on a graded scale as follows:

Vesting	Vested percentage
2 but less than 3 years	20%
3 but less than 4 years	40%
4 but less than 5 years	60%
5 or more years	100%

(e) Notes Receivable from Participants

Participants may borrow up to a maximum of the lesser of \$50,000 or 50% of their vested account balance from their accounts pursuant to rules set forth in the Plan document. The minimum amount that may be borrowed is \$1,000 and only two loans may be made in any calendar year, and no more than two loans may be outstanding at any time. The loans are secured by the balance in the participants' accounts and bear interest at prevailing rates. The loans must be for a term of five years or less (ten years if the loan is for the purpose of purchasing a principal residence). Principal and interest are paid ratably through payroll deductions.

If an employee is terminated and has an outstanding loan balance at the time of termination, the employee will be permitted to repay any outstanding loans directly to the Trustee. The employee may also roll-over any outstanding loans, as part of a rollover of the terminated employee's entire vested account balance to certain other retirement plans in which the terminated employee participates. Notes receivable from participants are valued at the aggregate of the unpaid principal balance and accrued but unpaid interest.

(f) Payment of Benefits

The Plan provides that, upon termination of service, retirement, disability or death of the participant, a benefit equal to the vested, nonforfeitable portion of the participant's account is distributed as outlined in the Plan. Participants may also receive in-service or hardship distributions based on criteria as described in the Plan document.

(g) Administrative Expenses

All reasonable costs, charges and expenses incurred in connection with the administration of the Plan may be paid by the Plan Sponsor but, if not paid by the Plan Sponsor when due, shall be paid from Plan assets. For the years ended December 31, 2015 and 2014, the Plan Sponsor did not use any Plan assets from forfeited accounts to pay costs associated with the Plan. Amounts reflected in the statements of changes in net assets available for benefits reflect various participant directed expenses which have been deducted from the respective participant accounts.

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

(h) Forfeitures

Forfeiture allocations may be used to offset administrative expenses of the Plan and to reduce the Employer Match. Forfeited invested accounts totaled \$311,227 and \$184,969 at December 31, 2015 and 2014, respectively, and are included primarily in the Fidelity Retirement Money Market account in the statements of net assets available for benefits. Forfeitures in the amount of \$437,243 and \$345,225 will be or have been used to offset Employer contributions for the years ended December 31, 2015 and 2014, respectively.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. Certain prior period amounts have been reclassified to conform to the current period presentation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are stated at fair value based upon quoted market prices. Gains and losses on investment transactions are recognized when realized based on trade dates. Net appreciation (depreciation) in fair value of investments includes realized and unrealized appreciation (depreciation). Interest income is recorded on the accrual basis. Dividends are

recorded on the ex-dividend date.

Risk and Uncertainties

The Plan utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements. The Plan's investments are not insured or protected by the Plan's Trustee, the Pension Benefit Guaranty Corporation, or any other governmental agency; accordingly, the Plan is subject to the normal investment risks associated with money market funds, mutual funds, stocks, bonds, and other similar types of investments.

Payment of Benefits

Benefits are recorded when paid.

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-07, "Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)," which amends Accounting Standards Codification ("ASC") 820, "Fair Value Measurement." The amendments remove the requirement to categorize within the fair value hierarchy investments for which fair value is measured using the net asset value per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The amendments are effective for fiscal years beginning after December 15, 2015 and should be applied on a retrospective basis. The provisions are effective for the year ending December 31, 2016. Plan management does not expect the adoption of these provisions to have a significant impact on the Plan's financial statements.

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

In July 2015, the FASB issued ASU No. 2015-12, “Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient (consensus of the FASB Emerging Issues Task Force).” The amendments require fully benefit-responsive investment contracts to be measured, presented and disclosed only at contract value, not fair value; simplify the investment disclosure requirements; and provide a measurement date practical expedient for employee benefit plans. The amendments are effective for fiscal years beginning after December 15, 2015. Part I and Part II should be applied on a retrospective basis and Part III should be applied prospectively. The provisions are effective for the year ending December 31, 2016. Plan management does not expect the adoption of these provisions to have a significant impact on the Plan’s financial statements.

Note 3 – Tax Status

The Internal Revenue Service (“IRS”) has determined and informed the Company by a letter dated April 26, 2013 (previous letter dated June 1, 2005), that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (“IRC”). The Plan was amended and restated effective as of January 1, 2015, with certain amendments effective on subsequent dates, and the amended and restated Plan was submitted to the IRS with an application for a determination letter on January 28, 2016. The Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. The related trust, therefore, is not subject to tax under present income tax law. Accordingly, no provision for income taxes has been included in the Plan’s financial statements.

The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2015 and 2014, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The administrator believes the Plan is no longer subject to income tax examinations for years prior to 2012.

Note 4 – Investments

The fair value of the investments in excess of 5% of Plan assets are as follows:

December 31,	December 31,
--------------	--------------

	2015	2014
Henry Schein, Inc. Common Stock	\$ 115,420,011	\$ 107,567,758
Fidelity Spartan 500 Index Institutional Fund	108,153,413	107,352,521
AF Growth of America R6	66,923,034	65,828,432
Dodge & Cox Stock Fund	50,054,649	54,759,313
PIMCO Total Return Inst.	46,988,315	51,506,253

Note 5 – Fair Value Measurements

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs).

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820 are described as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3 - Inputs that are unobservable for the asset or liability.

The following section describes the valuation methodologies that were used to measure different financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is classified:

Money Market Accounts

Funds held in money market accounts are classified as Level 1 within the fair value hierarchy based upon unadjusted quoted prices in active markets for identical assets or liabilities that were accessible at December 31, 2015 and 2014.

Mutual Funds

Mutual funds are valued at the net asset value of shares held by the Plan as of December 31, 2015 and 2014. The Company has classified its mutual fund holdings as Level 1 within the fair value hierarchy based upon unadjusted

quoted prices in active markets for identical assets or liabilities that were accessible at December 31, 2015 and 2014.

Common Stock

Common stock of Henry Schein, Inc. is valued at the closing price on December 31, 2015 and 2014. As of December 31, 2015 and 2014, the Company has classified its Henry Schein, Inc. Common Stock as Level 1 within the fair value hierarchy based upon unadjusted quoted prices in active markets for identical assets or liabilities that were accessible at December 31, 2015 and 2014.

The following tables present the Company's investments that are measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of December 31, 2015 and 2014:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market accounts	\$42,609,895	\$ -	\$ -	\$42,609,895
Mutual funds:				
Large-Cap	258,425,352	-	-	258,425,352
Mid-Cap	30,606,057	-	-	30,606,057
Small-Cap	51,558,947	-	-	51,558,947
International	71,628,607	-	-	71,628,607
Blended	165,492,320	-	-	165,492,320
Bond Investments	92,425,795	-	-	92,425,795
Total mutual funds	670,137,078	-	-	670,137,078
Henry Schein, Inc. Common Stock	115,420,011	-	-	115,420,011
Total investments	\$828,166,984	\$ -	\$ -	\$828,166,984

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

	December 31, 2014			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market accounts	\$37,321,274	\$ -	\$ -	\$37,321,274
Mutual funds:				
Large-Cap	255,585,737	-	-	255,585,737
Mid-Cap	57,725,853	-	-	57,725,853
Small-Cap	24,429,930	-	-	24,429,930
International	64,714,646	-	-	64,714,646
Blended	154,607,560	-	-	154,607,560
Bond Investments	84,408,625	-	-	84,408,625
Total mutual funds	641,472,351	-	-	641,472,351
Henry Schein, Inc. Common Stock	107,567,758	-	-	107,567,758
Total investments	\$786,361,383	\$ -	\$ -	\$786,361,383

During the years ended December 31, 2015 and 2014, there were no transfers of investments between the levels of the fair value hierarchy.

Note 6 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 7 – Party-in-Interest Transactions

The Plan invests in shares of funds managed by an affiliate of the Trustee as defined by the Plan and, therefore, these transactions in such investments qualify as party-in-interest. The Plan invests in the common stock of Henry Schein, Inc., which is a party-in-interest. Notes receivable from participants also qualify as party-in-interest transactions.

Note 8 – Subsequent Events

In preparing the financial statements, Plan management has evaluated events and transactions for potential recognition or disclosure through June 24, 2016. The Company adopted on December 31, 2015 an amendment and restatement of the Plan, effective as of January 1, 2015, with certain amendments effective on subsequent dates.

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN**FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS****(HELD AT END OF YEAR)****(EIN: 11-3136595 Plan Number: 003)**

DECEMBER 31, 2015

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value		Cost Current Va
	Money market/cash and cash equivalents:			
*	Fidelity Retirement Money Market Fund	42,609,895 money market fund shares with no set rate of interest and no maturity value.	a	\$42,609,895
**	Common stock:			
	Henry Schein, Inc. - Common Stock	1,507,443 common shares, par value \$.01	a	115,420,01
	Shares of registered investment companies:			
*	Fidelity Spartan 500 Index Institutional Fund	1,506,105 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	108,153,41
	AF Growth of America R6	1,620,804 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	66,923,034
	Dodge & Cox Stock Fund	307,517 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	50,054,649
	PIMCO Total Return Inst.	4,666,168 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	46,988,315
*	Fidelity Freedom Index 2020 Fund - Class W	3,083,164 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	41,468,567
*	Fidelity Freedom Index 2030 Fund - Class W	2,886,079 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	41,357,520

* Funds are managed by an affiliate of Fidelity Management Trust Company, a party-in-interest as defined by ERISA.

** A party-in-interest as defined by ERISA.

a The cost of participant-directed investments is not required to be disclosed.

12

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN**FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (Continued)****(HELD AT END OF YEAR)****(EIN: 11-3136595 Plan Number: 003)**

DECEMBER 31, 2015

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party Shares of registered investment companies (continued):	Description of investment including maturity date, rate of interest, collateral, par or maturity value		Cost Current Value
*	Fidelity Diversified International Fund – Class K	1,025,921 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	35,896,983
	Vanguard Total International Stock Index Fund Institutional Shares	368,595 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	35,731,624
*	Fidelity OTC Portfolio	399,068 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	33,294,255
*	Fidelity Low Priced Stock Fund	640,964 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	30,606,058
*	Fidelity Puritan Fund	1,501,718 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	30,529,945
	Vanguard Small Cap Index Institutional	499,018 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	26,472,921
*	Fidelity Freedom 2040 Index Fund - Class W	1,775,796 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	26,406,089
	Neuberger Berman Genesis Trust	491,304 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	25,086,026
*	Fidelity Government Income Fund	2,086,020 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	21,486,007

* Funds are managed by an affiliate of Fidelity Management Trust Company, a party-in-interest as defined by ERISA.

a The cost of participant-directed investments is not required to be disclosed.

13

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN**FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (Continued)****(HELD AT END OF YEAR)****(EIN: 11-3136595 Plan Number: 003)**

DECEMBER 31, 2015

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
	Shares of registered investment companies (continued):			
	Vanguard Inflation-Protected Securities Fund Institutional Shares	1,913,952 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	19,656,288
*	Fidelity Freedom Index 2010 Fund - Class W	808,292 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	10,370,396
*	Fidelity Freedom Index 2050 Fund - Class W	646,542 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	9,769,253
*	Fidelity Freedom Index Income Fund - Class W	478,380 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	5,348,289
	Prudential Total Return Bond Fund - Class Q	307,018 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	4,295,186
*	Fidelity Freedom Index 2060 Fund	24,821 mutual fund shares. There is no maturity date, rate of interest, collateral, par or maturity value.	a	242,260
	Total shares of registered investment companies			670,137,078
	Total Investments			\$ 828,166,984
**	Notes Receivable from Participants	Fully secured loans with interest charges at current commercial rates (current loans range from 5.25% to 10.25% maturing through October 6, 2025)	-	\$ 19,047,311

* Funds are managed by an affiliate of Fidelity Management Trust Company, a party-in-interest as defined by ERISA.

** A party-in-interest as defined by ERISA.

a The cost of participant-directed investments is not required to be disclosed.

14

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (Continued)

(HELD AT END OF YEAR)

(EIN: 11-3136595 Plan Number: 003)

DECEMBER 31, 2015

HENRY SCHEIN, INC. 401(k) SAVINGS PLAN

SIGNATURE

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

Dated: June 24, 2016

HENRY
SCHEIN, INC.
401(k)
SAVINGS
PLAN
/s/ Lorelei
McGlynn
Lorelei
McGlynn
Chairperson of
the 401(k) Plan
Administrative
Committee