

CYTYC CORP
Form 425
June 20, 2007

NASDAQ 19
th
Investor Program
Jack W. Cumming
Chairman & CEO

June 2007

Filed by Hologic, Inc.

Pursuant to Rule 425 under the
Securities Act of 1933 and deemed
filed pursuant to Rule 14a-12 of
the Securities Exchange Act of 1934

Subject

Company:

Cytc

Corporation

Commission File No.: 000-27558

Disclaimer Regarding Forward-Looking
Statements

Information set forth in this communication contains forward-looking statements, which involve a number of risks and uncertainties. Such forward-looking statements include, but are not limited

to,
statements
about
the
anticipated
benefits
of
Hologic's
products,
the
timing

of the completion of the transaction between Hologic and Cytyc, the anticipated benefits of the business combination transaction involving Hologic and Cytyc, including future financial and operating results, the expected permanent financing for the transaction, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. Hologic and Cytyc caution readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information.

These include risks and uncertainties relating to: the ability to obtain regulatory approvals of the transaction on the proposed terms and schedule; the parties may be unable to complete the transaction because conditions to the closing of the transaction may not be satisfied; the risk that the businesses will not be integrated successfully; the transaction may involve unexpected costs or unexpected liabilities; the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; competition and its effect on pricing, spending, third-party relationships and revenues; the need to develop new products and adapt to significant technological change; implementation of strategies for improving internal

Disclaimer Regarding Forward-Looking
Statements (continued)

growth; use and protection of intellectual property; dependence on customers' capital spending policies and government funding policies, including third-party reimbursement; realization of potential future savings from new productivity initiatives; general worldwide economic conditions and related uncertainties; future legislative, regulatory, or tax changes as well as other economic, business and/or competitive factors; and the effect of exchange

rate
fluctuations
on
international
operations.

In
addition,
the
transaction
will
require
the
combined
company
to
obtain
significant
financing.

While
Hologic
has
obtained
a
commitment to obtain such financing, including a bridge to the permanent financing
contemplated in the presentation, the combined company's liquidity and results of operations
could be materially adversely affected if such financing is not available on favorable terms.

Moreover,
the
substantial
leverage
resulting
from
such
financing
will
subject
the
combined
company's business to additional risks and uncertainties. The risks included above are not
exhaustive. The annual reports on Form 10-K, the quarterly reports on Form 10-Q, current
reports

on
Form
8-K
and
other
documents
Hologic
and
Cytoc

have
filed
with
the
SEC

contain additional factors that could impact the combined company's businesses and financial performance. The parties expressly disclaim any obligation or undertaking to

release
publicly

any
updates
or

revisions
to

any
such
statements

to
reflect

any
change

in
the
parties

expectations or any change in events, conditions or circumstances on which any such statement is based.

Important Information for Investors and
Stockholders

Hologic and Cytoc will file a joint proxy statement/prospectus with the SEC in connection with the proposed merger. **HOLOGIC AND CYTYC URGE INVESTORS AND STOCKHOLDERS TO READ THE JOINT PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED BY EITHER PARTY WITH THE SEC BECAUSE THEY WILL CONTAIN IMPORTANT**

INFORMATION.

Investors and stockholders will be able to obtain the joint proxy statement/prospectus and other documents filed with the SEC free of charge at the website maintained by the SEC at

www.sec.gov. In addition, documents filed with the SEC by Hologic will be available free of charge on the investor relations portion of the Hologic website at www.hologic.com. Documents filed with the SEC by Cytyc will be available free of charge on the investor relations portion of the Cytyc website at www.cytyc.com.

Participants in the Solicitation

Hologic, and certain of its directors and executive officers, may be deemed participants in the solicitation of proxies from the stockholders of Hologic in connection with the merger. The names of Hologic's directors and executive officers and a description of their interests in Hologic are set forth in the proxy statement for Hologic's 2006 annual meeting of stockholders, which

was
filed
with
the
SEC
on
January
25,
2007.
Cytyc,
and
certain
of
its
directors and executive officers, may be deemed to be participants in the solicitation of
proxies
from
its
stockholders
in
connection
with
the
merger.
The
names
of
Cytyc's
directors
and executive officers and a description of their interests in Cytyc is set forth in Cytyc's
Annual Report on Form 10-K/A for the fiscal year ended December 31, 2006, which was
filed with the SEC on April 30, 2007. Investors and stockholders can obtain more detailed
information regarding the direct and indirect interests of Hologic's and Cytyc's directors and
executive
officers
in
the
merger
by
reading
the
definitive
joint
proxy
statement/prospectus
when it becomes available.

Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use the non-GAAP financial measures "adjusted EPS" and EBITDA . Adjusted EPS excludes the write-off and amortization of acquisition-related intangible assets,
and

tax provisions/benefits related thereto. EBITDA is defined as net earnings (loss) before interest, taxes, depreciation and amortization expense. Neither adjusted EPS nor EBITDA is a measure of operating performance under GAAP. We believe that the use of these non-GAAP measures helps investors to gain a better understanding of our core operating results and future prospects, consistent with how management measures and forecasts our performance, especially when comparing such results to previous periods or forecasts. When analyzing our operating performance, investors should not consider these non-GAAP measures as a substitute for net income prepared in accordance with GAAP.

A History of Innovation
Delphi
HOLOGIC
Goes Public
Acquisition of
Trex Medical
Including LORAD

Selenia
Launched
in U.S.
Introduced
3D DEXA
Acquisition
of R2, Suros
and AEG
Fan-Beam
Technology
Founding of
HOLOGIC
Announced
Agreement
with
Cytoc
Introduced
Tomosynthesis at
RSNA
Launched
Discovery
Acquisition
of Direct
Radiography
1986
1990
1995
1998
1999
2000
2002
2003
2004
2005
2006
2007
\$463M
\$288M
\$720E
\$229M

Financial Overview
Record Q2 FY07
revenues
of \$180 million
Record Q2 FY07 pre-tax
income of \$33.9 million
Backlog of \$216 million as of

quarter-end 3/31/07

Q2 FY07 Performance (**March 31st**)

up 79%

over Q2 FY06

up 94%

over Q2 FY06

up 41% **Of**

\$63 million

over **3/25/06**

Strong Growth

Up **99%**
Over 1
st
Half FY06
Mammography / Breast Health
Recognized technology leader worldwide
Market share leader in the U.S. > 55% share in analog/digital

78% of total revenues
Unsurpassed image quality

High transmission cellular grid -
patented
Largest installed base

13,000 system

\$129

\$189

\$270

\$336

'04

'05

'06

1st Half '07

Fiscal Year

Mammography/Breast Care Revenue

\$ in Millions

Up **77%**

Over FY05

MQSA U.S. Scorecard*
(Mammography Quality Standards Act of 1992)
Total Certified Facilities
8,812
Total Accredited Units
13,446
Certified Facilities with FFDM Units

1,884

21.4%

Accredited FFDM Units

2,773 **20.6%**

Total U.S. Annual

= 34.8 Million

Mammography Procedures

Hologic U.S. Installed Base approximately 45% of FFDM units

*(<http://www.fda.gov/cdrh/mammography>)

Certified Statistics as of June 1, 2007

Product Pipeline
Interventional products to address extraction of benign
fibroid adenomas
350-500k procedures per year
Percutaneous
removal
of

confirmed
breast
cancer

75-100k
procedures per year
Radiation oncology for treatment of breast cancer
Digital Tomosynthesis

Product Pipeline

-

Current/Near and Mid/Long Term Revenue Potential

\$60

50

40

30

0

Current Products/New Markets

New Products/New Markets

Immediate

3 Years

+ 4 Years

Availability Timeline

Core Biopsy to Surgery

FFDM to Gynecology

MI Fibroid Adenoma Extraction to Surgery

Radiation Therapy to Rad Onc

MI Cancer Extraction to Surgery

Hologic proprietary

development of new products

for Cytoc Sales Channel

Tomosynthesis

Normal
Mammogram
Tomosynthesis:
3-D Visualization of Breast Tissue
The Next Frontier for Digital Mammography
Multiple views reconstructed into 3D image
Helps solve tissue overlap problems

Lower recall rates -
Improved detection
Tomosynthesis Slices
* Works-in-progress

Vacuum Assist Breast
Biopsy Systems
Leading technology for VABB
Leverages U.S. sales and
distribution channels
FY06 sales of approximately
\$38 million

High gross margin product
exceeding 65%

Over 70% of revenues derived
from recurring disposable
sales

Expected growth rate of over
50% in each of next
two years
Worldwide market currently estimated
at \$250 million

1.8m biopsies in U.S. -
1/3 vacuum
assisted

International market represents new
opportunity

Celero

-

The First Vacuum-Assisted, Spring-Loaded Core Biopsy Device for Breast Ultrasound

Celero breast biopsy device with CeleroMark

biopsy marker system and introducer

Celero Advantages

- Faster and less traumatic for the patient
- Provides better access to hard-to-reach lesions
- Better cores
that are more than two
times the size of conventional spring
loaded core devices
- More accurate clinical diagnosis
- Better confirmation with the needle
clearly visible under ultrasound imaging
Celero Market
- 600,000 Core Needle Biopsies per year
- Surgery Call Point

Ultrasound
Stereotactic
MRI
500,000 (ATEC Market)
1.8 Million
Breast Biopsy
Procedures

Annually in the
U.S.

600,000

(Celero Market)

700,000

Suros ATEC

®

and Celero

Systems

Ideally Positioned to Capture the Biopsy Market

Creating a Global Leader in
Women's Healthcare
Continuing a legacy of leading technology, innovation and rapid growth

Company Strategy
Drive
market
growth
through
a
combination

of
advanced
technology
and
comprehensive
sales channel coverage
Continue 20%+ revenue and earnings growth
Increase profitability and maintain cost-effective and efficient operating model
Continue innovation in women's health technology
Develop additional best-in-class products that provide earlier and better detection,
improved diagnosis and less invasive treatment
Apply free cash flow to pay down debt
Maintain solid liquidity
Drive profitability through operating leverage
#1 market position with best-in-class products
Differentiate from competition with leading technology and customer service
Provide screening, diagnostic and therapeutic tools in major areas of women's health
Top-line
Growth
Financial
Discipline
Leading
Edge
Technology
Maintain
Market
Leadership
Mission: Create the Global Leader in Women's Healthcare

Best-in-Class Technology
Hologic Remains the Technology Leader in an Expanding Market
Leading innovator in women's health technology

1996: Liquid-based pap testing transforms cervical cancer testing

2003: Digital mammography improves breast cancer
screening outcomes
Strong research and development

\$80
million
spent
on
R&D
in
LTM
-
3/31/07

Enhancing existing products and developing new products

Research and development personnel play an active role in
the review of product specifications, clinical protocols and
FDA submissions
Full spectrum of diagnostic products

Addresses major health issues for women

Market leader in major disease states affecting women
including breast cancer, cervical cancer, menorrhagia,
preterm labor, permanent contraception, and osteoporosis

New products such as Breast Tomosynthesis and Aadiana
expand range of product offerings

MultiCare
Stereotactic
Biopsy
#1
Discovery
Osteoporosis
Screening

#1

Selenia
Breast Cancer
Screening

#1

MammoSite
Radiation
Therapy

#1

ThinPrep Pap Test
Cervical Cancer Screening

#1

Adiana
Contraception

NM

FullTerm -

Adeza

Preterm Labor

#1

Suros

Biopsy Systems

#2

Comprehensive Women's Healthcare Platform

Best-in-Class Solutions in

Women's Healthcare

Note: Market positions shown in red.

NovaSure

Endometrial

Ablation

#1

ThinPrep Imaging System
Cervical Cancer Screening

#1

OB/Gyn
Screening
Test
Diagnostic
Test
Treatment
Specialist
Therapeutic
Improved
Outcomes
Our Mission
Leveraging the OB/GYN Channel
Best Technology
Selenia, ThinPrep,
Adeza, Discovery
Minimally Invasive

Most Specific

Suros, MultiCare,

Selenia, Discovery

Channel Access to

Gatekeeper

230 **OB/Gyn sales reps**

Channel Access to

Treatment Decision

maker

288 Breast surgeon, oncologist,

OB/Gyn sales reps

Targeted

Minimally Invasive

NovaSure,

MammoSite,

Gestiva, Adiana

Over 440 U.S. Sales Representatives
Multiple call points to women's healthcare
providers
Access to

30,000 OB/Gyn's

40,000 Radiologists

10,000 Hospitals & Imaging centers

4,000 Radiation Oncologists

4,000 Gyn Surgeons

2,500 Breast Surgeons

5,000 Neurosurgeons

80,000 Primary Care Physicians

23,000 Orthopedists

4,000 Rheumatologists

Best-in-class brand recognition

In-Depth Channel Coverage

46 Breast Surgery

77

Radiology & Imaging Center

5

Ortho/Rheumo

45

Clinical

Lab

8

Neurosurgery

110 Gynecology Surgery

12

Radiation Oncology

143

OB/Gyn & Primary Care

Diversified and Balanced Revenue Mix
Combined Company (03/31/07 Revenue = \$1.4 billion)
Hologic (LQA 03/31/07 Revenue = \$724 million)
Cytoc (LTM 03/31/07 Revenue = \$689 million)
Breast
Biopsy
9%

Digital Mammography

68%

Osteoporosis

11%

Other

12%

Breast Health

40%

Gynecology

Interventional

16%

Gynecology

Diagnostics

33%

Osteoporosis

& Other

11%

Significant

revenue

diversification

in

terms

of

both

product

and

customer

mix

Customers include individual physician groups, hospitals, laboratory companies and radiology practices/companies

60/40 split between single-use consumables and capital equipment

60% Consumable / 40% Capital Equipment

Menorrhagia

28%

Other

1%

Pre-Term

Labor

8%

Cancer

Radiation

4%

Pap

59%

Transaction Overview

Permanent financing anticipated to be combination of pre-payable term loan and equity-linked securities

Financing:

Hologic, Inc. (NASDAQ: HOLX), continue Cytoc name

Name of NewCo:

Third Quarter of CY2007

Timing to Close:

Shareholders of both companies, customary closing conditions and anti-trust clearance, including HSR and various country filings

Customary Approvals:

Chief Executive Officer: Jack Cumming

Management:

Chairman of the Board: Patrick Sullivan

Hologic: 6 Directors

Cytyc: 5 Directors

Board Composition:

Hologic:

45%

Cytyc:

55%

Pro Forma Ownership:

0.520 Hologic shares and \$16.50 for each Cytyc share valued at \$46.46 per share or 33% premium, for approximate total consideration of \$2.2B in cash and \$4.0B in stock

Purchase Consideration:

Combined Financial Strength

46%

Gross Margin

\$161M

EBITDA

\$724M

Revenue

LQA

Hologic

75%

Gross Margin

\$275M

EBITDA

\$720M

Revenue

LQA

Cytec

60%

Gross Margin

\$436M

EBITDA

\$1.44B

Revenue

LQA

Combined Company

Estimated

more

than

\$0.10

accretive

to

adjusted

EPS

1

within

the

first

full

year

after

close -

significantly more accretive thereafter

(

1

Adjusted EPS excludes the write-off and amortization of acquisition-related intangible assets, and related tax effect.)

s

FY2008 Guidance and Long Term Outlook

2008 Guidance

Revenue: In excess of \$1.70B

Adjusted

EPS

1

:

\$2.35-\$2.40

/

share

Gross margin: 65%

Long-Term Outlook

Revenue Growth: 20%

Adjusted

EPS

1

Growth:

20%+

1

Adjusted EPS excludes the write-off and amortization of acquisition-related intangible assets, and related tax effect.

Creating a Global Leader in Women's Healthcare
Comprehensive Women's Healthcare Product Portfolio

Complementary best-in-class technologies
Expanded Commercial Capabilities

Expansive U.S. sales channel coverage

Enhanced presence in key international markets

Platform for entry into new markets

Opportunity to offer Integrated Solutions

Screening

Diagnostics

Therapeutics

Creating
A Global Leader
In Women's Healthcare