

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 27, 2004

HENRY SCHEIN, INC.
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation)

0-27078
(Commission File Number)

11-3136595
(IRS Employer Identification No.)

135 Duryea Road
Melville, New York
(Address of Principal Executive Offices)
11747
(Zip Code)

(631) 843-5500
(Registrant's Telephone Number, Including Area Code)

Item 12. Results of Operations and Financial Condition.

The information provided in this Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On July 27, 2004, Henry Schein, Inc. issued a press release reporting the financial results for the second quarter ended June 26, 2004 and the six months ended June 26, 2004. The full text of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

SIGNATURES

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

Henry Schein, Inc.
(Registrant)

By: /s/ Steven Paladino

Steven Paladino
Executive Vice President,
Chief Financial Officer and Director
(principal financial and accounting
officer)

Dated: July 27, 2004

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press Release issued by Henry Schein, Inc. on July 27, 2004 reporting the financial results for the second quarter ended June 26, 2004 and the six months ended June 26, 2004.

HENRY SCHEIN
NEWS RELEASE

Henry Schein, Inc. - 135 Duryea Road - Melville, New York 11747

FOR: Henry Schein, Inc.
CONTACT: Steven Paladino
Executive Vice President and Chief
Financial Officer
steven.paladino@henryschein.com
(631) 843-5500

Susan Vassallo
Director, Investor and
Public Relations
susan.vassallo@henryschein.com
(631) 843-5562

FOR IMMEDIATE RELEASE

HENRY SCHEIN REPORTS RECORD SECOND QUARTER
DILUTED EPS OF \$0.86, UP 16%

Net sales increase 22% to a Q2 record of \$945.7 million

MELVILLE, N.Y. - July 27, 2004 - Henry Schein, Inc. (Nasdaq NM: HSIC), the largest provider of healthcare products and services to office-based practitioners in the combined North American and European markets, today reported financial results for the quarter ended June 26, 2004.

Net sales for the second quarter of 2004 were a record \$945.7 million, an increase of 21.8% from the second quarter of 2003 (See Exhibit A for details of sales growth). This increase includes 20.3% local currency growth (12.4% internally generated and 7.9% from acquisitions net of a divestiture) and 1.5% related to foreign currency exchange. Record second quarter net income was \$38.7 million, an increase of 17.9% compared with the second quarter of 2003. Earnings per diluted share of \$0.86 represents an increase of 16.2% compared with the second quarter of 2003.

"Growth in net sales during the second quarter was outstanding, and reflects meaningful market-share gains in our Dental, Medical and International business groups through strong internal growth complemented by strategic acquisitions," said Stanley M. Bergman, Chairman, Chief Executive Officer and President of Henry Schein.

Dental sales increased by 17.1% including 16.9% growth in local currencies (13.2% internally generated and 3.7% from acquisitions) and 0.2% related to foreign currency exchange. In local currencies, Dental consumable merchandise sales increased 16.9% (13.1% internal growth) and Dental equipment sales and service revenues were up 16.8% (13.2% internal growth).

"Our Dental Group's impressive internal growth rate was two to three times our estimate for market growth and was enhanced by the successful introductions of the Colgate and Pentron product lines," explained Mr. Bergman.

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Medical sales increased 24.0% (14.3% internal growth and 9.7% acquisition growth), Technology and Value-Added Services sales grew 9.7% (6.0% internal growth and 3.7% acquisition growth) and International sales improved 30.2% including 22.2% in local currencies (7.2% internally generated and 15.0% from acquisitions net of a divestiture) and 8.0% due to foreign currency exchange.

"Second quarter sales by our Medical Group continued to reflect total and internal growth significantly above market growth rates. Technology and Value-Added Services sales gains were highlighted by strong performance at our electronic services business, including dental claims processing. International Group internal sales gains in local currencies solidly exceeded our estimate for market growth, with particular strength in France, Spain and the United Kingdom. A highlight of the quarter was completing the acquisition of the demedis full-service businesses in Germany and the Benelux countries, and the KRUGG direct-marketing dental and veterinary business in Italy. We look forward to further international success, particularly in Europe, as we continue to execute our full-service dental strategy across the continent," Mr. Bergman added.

"We are excited about our recent entry into the large, fast growing and highly profitable market for dental implants through Camlog GmbH. This excellent, new product line is consistent with our goal to bring our customers an increasing number of value-added products and services," noted Mr. Bergman.

Second quarter operating margin decline reflects a continuation of the change in product sales mix experienced during the first quarter. This change in sales mix was primarily in the injectable pharmaceutical component of the Company's Medical Group as well as, to a lesser extent, within the Technology and Value-Added Services Group.

Cash flow from operations for the second quarter of 2004 was \$81.0 million, compared with \$55.1 million for the second quarter of 2003.

Stock Repurchase Plan

The Company reported that under a repurchase program of up to two million shares of common stock announced in March 2003, 406,600 shares were repurchased during the second quarter of 2004 at an average price of \$68.72 per share and, to date, the entire two million shares have been repurchased at an average price of \$53.87. The impact of this share repurchase on second quarter diluted EPS was not meaningful. On June 21, 2004 the Company reported that, in addition to the previously announced share repurchase program, its Board of Directors has authorized the repurchase of up to \$100 million worth of shares of the Company's common stock.

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2004 EPS Guidance

Henry Schein reaffirmed previous financial guidance for 2004. The Company expects full-year 2004 earnings per diluted share of \$3.55 to \$3.61. This represents growth of 15% to 17% compared with 2003 results from continuing operations. The Company noted that this 2004 EPS guidance is for current operations including completed acquisitions, and does not include the impact of potential future acquisitions.

Second Quarter Conference Call Webcast

The Company will hold a conference call to discuss second quarter financial results today, beginning at 10 a.m. Eastern Time. Individual investors are invited to listen to the conference call over the Internet through Henry Schein's Web site at www.henryschein.com. In addition, a replay will be available beginning shortly after the call has ended.

About Henry Schein

Henry Schein, a Fortune 500(R) company, is recognized for its excellent customer service and highly competitive prices. The Company's four business groups - Dental, Medical, International and Technology - serve more than 450,000 customers worldwide, including dental practices and laboratories, physician practices and veterinary clinics, as well as government and other institutions. The Company's sales reached a record \$3.4 billion in 2003. The Company operates through a centralized and automated distribution network, which provides customers in more than 125 countries with a comprehensive selection of over 90,000 national and Henry Schein private-brand products.

Henry Schein also offers a wide range of innovative value-added practice solutions, including such leading practice management software systems as DENTRIX(R) and Easy Dental(R) for dental practices, and AVImark(R) for veterinary clinics, which are installed in over 50,000 practices; and ArubA(R), Henry Schein's electronic catalog and ordering system.

Headquartered in Melville, N.Y., Henry Schein employs more than 9,000 people and has operations in 18 countries. For more information, visit the Henry Schein Web site at www.henryschein.com.

Certain information contained herein includes information that is forward-looking. The matters referred to in forward-looking statements may be affected by the risks and uncertainties involved in the Company's business. These forward-looking statements are qualified in their entirety by the cautionary statements contained in the Company's Securities and Exchange Commission filings.

HENRY SCHEIN, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 26, 2004	June 28, 2003	June 26, 2004	June 28, 2003
Net sales	\$ 945,690	\$ 776,166	\$ 1,832,321	\$ 1,514,163
Cost of sales	693,975	555,637	1,349,779	1,092,217
Gross profit	251,715	220,529	482,542	421,946
Operating expenses:				
Selling, general and administrative	188,130	164,499	372,657	323,711
Operating income	63,585	56,030	109,885	98,235
Other income (expense):				
Interest income	2,451	1,921	4,667	4,313
Interest expense	(3,114)	(4,595)	(6,116)	(9,328)
Other, net	180	242	331	927
Income before taxes, minority interest and equity in earnings of affiliates	63,102	53,598	108,767	94,147
Taxes on income	(23,412)	(20,207)	(40,444)	(35,413)
Minority interest in net income of subsidiaries ...	(1,254)	(874)	(1,779)	(1,611)
Equity in earnings of affiliates	300	338	585	498
Net income	\$ 38,736	\$ 32,855	\$ 67,129	\$ 57,621
Earnings per common share:				
Basic	\$ 0.88	\$ 0.76	\$ 1.53	\$ 1.32
Diluted	\$ 0.86	\$ 0.74	\$ 1.49	\$ 1.29
Weighted-average common shares outstanding:				
Basic	43,914	43,500	43,850	43,754
Diluted	45,040	44,549	45,073	44,780

HENRY SCHEIN, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	June 26, 2004	December 27, 2003
	----- (unaudited)	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 106,337	\$ 157,351
Accounts receivable, net of reserves of \$45,970 and \$43,203	518,808	467,085
Inventories	444,979	385,846
Deferred income taxes	30,108	30,559
Prepaid expenses and other	146,442	115,643
	-----	-----
Total current assets	1,246,674	1,156,484
Property and equipment, net	158,036	154,205
Goodwill	570,420	398,888
Other intangibles, net	99,861	37,551
Investments and other	125,282	72,242
	-----	-----
Total assets	<u>\$ 2,200,273</u>	<u>\$ 1,819,370</u>
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 287,714	\$ 278,163
Bank credit lines	85,033	6,059
Current maturities of long-term debt	3,114	3,253
Accrued expenses:		
Payroll and related	89,633	68,214
Taxes	58,565	45,969
Other	125,077	117,530
	-----	-----
Total current liabilities	649,136	519,188
Long-term debt	420,877	247,100
Deferred income taxes	54,627	32,938
Other liabilities	13,816	4,494
Minority interest	13,263	11,532
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value, 1,000,000 authorized, none outstanding	--	--
Common stock, \$.01 par value, 120,000,000 authorized, 43,737,962 and 43,761,973 outstanding	437	438
Additional paid-in capital	453,383	445,118
Retained earnings	575,123	533,654
Accumulated other comprehensive income	20,125	24,999
Deferred compensation	(514)	(91)
	-----	-----
Total stockholders' equity	1,048,554	1,004,118
	-----	-----
Total liabilities and stockholders' equity	<u>\$ 2,200,273</u>	<u>\$ 1,819,370</u>
	=====	=====

NOTE: Certain prior period amounts have been reclassified to conform with the current period presentation.

HENRY SCHEIN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 26, 2004	June 28, 2003	June 26, 2004	June 28, 2003
Cash flows from operating activities:				
Net income	\$ 38,736	\$ 32,855	\$ 67,129	\$ 57,621
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	10,342	8,571	19,984	17,115
Provision for losses and allowances on trade receivables	744	1,660	1,153	3,820
Provision for deferred income taxes	2,831	1,825	3,396	3,893
Undistributed earnings of affiliates	(300)	(338)	(585)	(498)
Minority interest in net income of subsidiaries ...	1,254	874	1,779	1,611
Other	(56)	(161)	88	(246)
Changes in operating assets and liabilities, net of effect of acquisitions:				
Accounts receivable	(8,118)	(20,416)	(14,933)	(33,578)
Inventories	1,959	13,305	(21,150)	4,481
Other current assets	(8,600)	1,690	9,738	12,527
Accounts payable and accrued expenses	42,253	15,251	(5,856)	(25,715)
Net cash provided by operating activities	81,045	55,116	60,743	41,031
Cash flows from investing activities:				
Purchases of capital expenditures	(8,135)	(7,813)	(13,789)	(21,321)
Payments for business acquisitions, net of cash acquired	(88,441)	(64,473)	(135,807)	(66,754)
Payments related to pending business acquisitions	(13,375)	--	(56,441)	--
Purchases of marketable securities	--	(17,094)	--	(21,195)
Proceeds from sales of marketable securities	--	--	14,472	--
Proceeds from maturities of marketable securities	--	2,100	--	28,530
Other	840	3,348	(5,417)	1,861
Net cash used in investing activities	(109,111)	(83,932)	(196,982)	(78,879)
Cash flows from financing activities:				
Proceeds from bank borrowings	180,000	--	180,000	--
Repayment of debt assumed in business acquisitions	(113,779)	--	(113,779)	--
Principal payments on long-term debt	(1,448)	(4,700)	(1,710)	(4,954)
Proceeds from issuance of stock upon exercise of stock options	5,195	6,729	17,878	11,329
Net proceeds from (payments on) short-term bank borrowings	26,278	735	50,695	(46,152)
Payments for repurchases of common stock	(34,910)	(39,669)	(45,964)	(940)
Other	(160)	(158)	(506)	(93)
Net cash provided by (used in) financing activities	61,176	(37,063)	86,614	(40,810)
Net change in cash and cash equivalents	33,110	(65,879)	(49,625)	(78,658)
Effect of exchange rate changes on cash and cash equivalents	141	45	(1,389)	(832)
Cash and cash equivalents, beginning of period	73,086	186,995	157,351	200,651
Cash and cash equivalents, end of period	\$ 106,337	\$ 121,161	\$ 106,337	\$ 121,161

NOTE: Certain prior period amounts have been reclassified to conform with the current period presentation.

Henry Schein, Inc.
2004 Second Quarter and Year to Date
Sales Growth Rate Summary
(unaudited)

Q2 2004 over Q2 2003

	Consolidated -----	Dental -----	Medical -----	International -----	Technology -----
Internal	12.4%	13.2%	14.3%	7.2%	6.0%
Acquisitions	9.0%	3.7%	9.7%	20.4%	3.7%
Divestiture	-1.1%	--	--	-5.4%	--
Local Currency Sales Growth	20.3%	16.9%	24.0%	22.2%	9.7%
Foreign Currency Exchange	1.5%	0.2%	--	8.0%	--
Total Sales Growth	21.8%	17.1%	24.0%	30.2%	9.7%
	=====	=====	=====	=====	=====

YTD Q2 2004 over YTD Q2 2003

	Consolidated -----	Dental -----	Medical -----	International -----	Technology -----
Internal	11.0%	10.7%	13.3%	7.3%	7.3%
Acquisitions	8.5%	4.4%	10.0%	16.0%	3.7%
Divestiture	-1.1%	--	--	-5.9%	--
Local Currency Sales Growth	18.4%	15.1%	23.3%	17.4%	11.0%
Foreign Currency Exchange	2.6%	0.5%	--	13.1%	--
Total Sales Growth	21.0%	15.6%	23.3%	30.5%	11.0%
	=====	=====	=====	=====	=====

Exhibit B

HENRY SCHEIN, INC.
 2004 Second Quarter and Year to Date
 Details of "Comparable Basis" Growth Comparison
 Income Statement Summary
 (in thousands, except per share data)
 (unaudited)

	Second Quarter		%	Year to Date		%
	2004	2003	Growth	2004	2003	Growth
As Reported						
Net Income	\$ 38,736	\$ 32,855	17.9%	\$ 67,129	\$ 57,621	16.5%
Diluted EPS	0.86	0.74	16.2%	1.49	1.29	15.5%
Subtract: Gain on Real Estate Transaction (1)						
Net Income	--	--		--	\$ (454)	
Diluted EPS	--	--		--	(0.01)	
Comparable Basis						
Net Income	\$ 38,736	\$ 32,855	17.9%	\$ 67,129	\$ 57,167	17.4%
Diluted EPS	0.86	0.74	16.2%	1.49	1.28	16.4%

(1) In the first quarter of 2003, there was a \$726 thousand pre-tax gain (\$454 thousand after-tax) related to a real estate transaction. This gain was included in the "Other, net" line on the consolidated income statement.

Use of Non-GAAP Measures

The above 'Comparable Basis' net income and diluted earnings per share are financial measures that are not calculated and presented in accordance with accounting principles generally accepted in the United States ("GAAP"). The above table reconciles net income and diluted earnings per share, the Company's most directly comparable financial measures calculated and presented in accordance with GAAP, to 'Comparable Basis' net income and diluted earnings per share as adjusted to eliminate the effect of a real estate transaction gain which is not part of our ongoing healthcare distribution and technology operations.

Management eliminates the effect of such items to assist in evaluating the underlying operational performance of the Company's business segments over the periods presented. Management believes that this presentation is appropriate and facilitates such an evaluation by management, investors and analysts. In addition, management uses these measures for budgeting and planning purposes. These measures should be considered supplemental to, and not a substitute for or superior to, financial measures calculated in accordance with GAAP.