

NEOGEN CORP  
Form 11-K  
June 29, 2018  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549-1004**

**FORM 11-K**

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2017**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number: 0-17988**

**NEOGEN CORPORATION**

**401(k) RETIREMENT SAVINGS PLAN**

**(Full title of the plan and the address of the plan,**

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**if different from that of the issuer named below)**

**Neogen Corporation**

**620 Leshar Place, Lansing, Michigan 48912**

**(Name of issuer of the securities held pursuant to the  
plan and the address of its principal executive office)**

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Neogen Corporation  
401(k) Retirement Savings Plan  
Financial Statements  
and Supplemental Schedule  
*Years Ended December 31, 2017 and 2016*  
*with Report of Independent Registered Public Accounting Firm*

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Report of Independent Registered Public Accounting Firm

To the Trustees and Participants of

Neogen Corporation

401(k) Retirement Savings Plan

**Opinion on the Financial Statements**

We have audited the accompanying statements of net assets available for benefits of the Neogen Corporation 401(k) Retirement Savings Plan as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes (collectively referred to as the financial statements ). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ( PCAOB ) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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**Supplemental Information**

The supplemental schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The schedule of assets (held at end of year) is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Andrews Hooper Pavlik PLC

We have served as the Plan's auditor since 2002.

Okemos, Michigan

June 26, 2018

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## Neogen Corporation

## 401(k) Retirement Savings Plan

## Statements of Net Assets Available for Benefits

	<b>December 31</b>	
	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Investments, at fair value:		
Mutual funds	<b>\$ 43,879,785</b>	<b>\$ 33,055,908</b>
Common stock of Plan sponsor	<b>15,799,200</b>	<b>14,321,934</b>
Wells Fargo Stable Return Fund N60	<b>2,717,097</b>	<b>2,660,674</b>
<b>Total investments</b>	<b>62,396,082</b>	<b>50,038,516</b>
Receivables:		
Employee contributions	<b>111,136</b>	<b>98,812</b>
Employer contributions	<b>47,520</b>	<b>45,220</b>
Notes receivable from participants	<b>596,803</b>	<b>578,951</b>
<b>Total receivables</b>	<b>755,459</b>	<b>722,983</b>
<b>Total assets</b>	<b>63,151,541</b>	<b>50,761,499</b>
<b>Net assets available for benefits</b>	<b>\$ 63,151,541</b>	<b>\$ 50,761,499</b>

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## Neogen Corporation

## 401(k) Retirement Savings Plan

## Statement of Changes in Net Assets Available for Benefits

	<b>Year Ended December 31, 2017</b>
<b>Additions</b>	
Investment income:	
Net appreciation in fair value of investments	\$ 9,273,436
Interest and dividends	486,239
<b>Total investment income</b>	<b>9,759,675</b>
Interest income on notes receivable from participants	25,756
Employee contributions	2,866,562
Employer contributions	1,299,160
Others (including rollovers)	391,170
<b>Total contributions</b>	<b>4,556,892</b>
<b>Total additions</b>	<b>14,342,323</b>
<b>Deductions</b>	
Benefits paid to participants	1,838,296
Administrative expenses	113,985
<b>Total deductions</b>	<b>1,952,281</b>
Net change in net assets available for benefits	12,390,042
Net assets available for benefits at beginning of year	50,761,499
Net assets available for benefits at end of year	\$ 63,151,541

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Neogen Corporation  
401(k) Retirement Savings Plan  
Notes to Financial Statements  
December 31, 2017

**1. Description of the Plan**

The following description of the Neogen Corporation 401(k) Retirement Savings Plan (Plan) is provided for general information purposes only. Participants should refer to the plan document for more complete information.

**General**

The Plan is a defined contribution plan covering the employees of Neogen Corporation (Company) who meet the age and service requirements. The Board of Directors of the Company control and manage the operation and administration of the Plan. Wells Fargo Bank, N.A. serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Contributions**

Each year, participants may contribute a percentage of their pretax annual compensation, as defined in the plan document. The Company makes matching contributions as follows: \$1.00 for each \$1.00 on the first 3% of participant contributions and \$.50 on each \$1.00 on the next 2% of participant contributions up to the maximum allowable by the IRS. Participants are eligible for Company contributions after attaining one year of service. Contributions are subject to certain Internal Revenue Code limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

**Vesting**

Participants are vested immediately in their contributions plus actual earnings thereon. Participants are immediately vested in the Company contribution portion of their account.

**Participants Accounts**

Individual accounts are maintained for each plan participant. Each participant's account is credited with the participant's contribution, the Company's matching contribution, and allocations of (1) Company discretionary contributions and (2) plan earnings, and charged with an allocation of plan losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

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401(k) Retirement Savings Plan  
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December 31, 2017

**1. Description of the Plan (continued)**

**Investments**

Participants direct the investment of their contributions into various investment options offered by the Plan. Company contributions are automatically invested and subject to the same allocation percentages as the participant contributions. The Plan currently offers a variety of mutual funds, common stock of the Company, and a stable value fund as investment options for participants.

**Notes Receivable from Participants**

Participants may borrow from their fund accounts up to a maximum amount equal to the lesser of \$50,000 or 50% of their account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant's loan fund. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates. The interest rate on new loans is prime plus one percent up to a maximum of ten percent. Principal and interest is paid ratably through payroll deductions.

**Benefits and Distributions**

On termination of service due to death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's balance in his or her account, or annual installments over a ten-year period. For termination of service for other reasons, a participant may receive the balance in his or her account as a lump-sum distribution.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The accompanying financial statements are prepared on the accrual basis of accounting.

**Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value as of the end of the plan year based on the quoted market prices of the underlying assets. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on

the accrual basis. Dividends are recorded on the ex-dividend date. The Plan's interest in the Wells Fargo Stable Return Fund N60 (Fund) is based on the fair value of the Fund's underlying investments as reported by Wells Fargo Bank, N.A. Collective Investment Funds using the audited financial statements of the Fund at year-end.

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**2. Summary of Significant Accounting Policies (continued)**

**Fair Value Measurements**

As defined in the current authoritative guidance, fair value is 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. The guidance applies to all financial instruments that are measured and reported on a fair value basis. The Plan utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of inputs used in the valuation techniques the Plan is required to provide information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

For the years ended December 31, 2017 and 2016, the application of valuation techniques applied to similar assets and liabilities have been consistent.

**Notes Receivable from Participants**

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

**Expenses**

Plan administrative expenses are paid by either the Plan or the Company, as provided in the plan document.

**Payments of Benefits**

Benefit payments to participants are recorded as deductions upon distribution.

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**2. Summary of Significant Accounting Policies (continued)**

**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 net assets available for benefits and changes therein. Actual results could differ from those estimates. The Plan utilizes various investment instruments. Investment securities, in general, 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 the amounts reported in the financial statements.

**3. Plan Termination**

Although it has not expressed any intention 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 the provisions set forth in ERISA. In the event that the Plan is terminated, participants would become 100% vested in their account.

**4. Federal Income Tax Status**

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan was designed in accordance with the applicable regulations of the Internal Revenue Code. The Plan has been amended since receiving the determination letter; however, the Company and the plan administrator believe that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Generally, tax years 2014 through the current year remain open to examination. The Plan does not believe that the results from any examination of these open years would have a material adverse effect on the Plan.



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**5. Fair Value Measurements**

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the net asset value of shares held by the Plan at year end.

Common stock of Plan sponsor: Valued at the closing price reported on the active market on which the security is traded.

Wells Fargo Stable Return Fund N60: Valued at net asset value as a practical expedient to estimate fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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**5. Fair Value Measurements (continued)**

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016.

	<b>Assets at Fair Value as of December 31, 2017</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual funds	\$ 43,879,785	\$	\$	\$ 43,879,785
Common stock of plan sponsor	15,799,200			15,799,200
<b>Total assets in the fair value hierarchy</b>	<b>59,678,985</b>			<b>59,678,985</b>
Investments measured at net asset value				2,717,097
<b>Investments at fair value</b>	<b>\$ 59,678,985</b>	<b>\$</b>	<b>\$</b>	<b>\$ 62,396,082</b>

	<b>Assets at Fair Value as of December 31, 2016</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Mutual funds	\$ 33,055,908	\$	\$	\$ 33,055,908
Common stock of plan sponsor	14,321,934			14,321,934
<b>Total assets in the fair value hierarchy</b>	<b>47,377,842</b>			<b>47,377,842</b>
Investments measured at net asset value				2,660,674
<b>Investments at fair value</b>	<b>\$ 47,377,842</b>	<b>\$</b>	<b>\$</b>	<b>\$ 50,038,516</b>

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**5. Fair Value Measurements (continued)**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2017 and 2016. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

<b>December 31, 2017</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (If Currently Eligible)</b>	<b>Redemption Notice Period</b>
Stable value collective trust fund	\$2,717,097	n/a	Daily	12 months
<b>December 31, 2016</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (If Currently Eligible)</b>	<b>Redemption Notice Period</b>
Stable value collective trust fund	\$2,660,674	n/a	Daily	12 months

**6. Parties-In-Interest**

The Plan invests in the common stock of Neogen Corporation, the Plan's sponsor, a party-in-interest. Investment in Neogen Corporation common stock as of December 31, 2017 was \$15,799,200 (\$14,321,934 as of December 31, 2016). As of December 31, 2017, the investment in Neogen Corporation's stock represents 192,181 shares at a market price of \$82.21 per share. As of December 31, 2016, the investment in Neogen Corporation's stock represents 216,999 shares at a market price of \$66.00 per share.

Plan investments include shares of mutual funds sponsored by Wells Fargo Bank, N.A., the Plan's trustee, a party-in-interest. The Plan also paid the trustee administrative expenses of \$113,985 in 2017 and \$91,344 in 2016. In addition, notes receivable from participants are considered party-in-interest transactions.

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Supplemental Schedule

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Neogen Corporation

401 (K) Retirement Savings Plan

Schedule H, Part IV, Line 4i- Schedule of Assets (Held at End of Year)

Year ended December 31, 2017

**(c) Description of investment including maturity date,**

<b>(a)</b>	<b>(b) Identity of Issuer, Lessor, or Similar Party</b>	<b>rate of interest, collateral, par, or maturity value (d)</b>	<b>Cost</b>	<b>(e) Current Value</b>
*	Wells Fargo Cash	Cash	N/A	\$ (29)
*	Wells Fargo Stable Return Fund N60	Common Collective Trust	(54,764 units held)	N/A
				2,717,097
*	Wells Fargo Advantage Short Dur Govt Bond	Mutual Fund	(51,119 units held)	N/A
				499,429
*	Wells Fargo Adv C & B Mid Cap Value	Mutual Fund	(31,385 units held)	N/A
				1,165,966
*	Wells Fargo Adv Index Fund-Admin	Mutual Fund	(127,352 units held)	N/A
				8,002,784
*	Wells Fargo Advantage DJ Target Today	Mutual Fund	(10,198 units held)	N/A
				95,554
*	Wells Fargo Advantage DJ Target 2015	Mutual Fund	(193,556 units held)	N/A
				1,563,935
*	Wells Fargo Advantage DJ Target 2025	Mutual Fund	(531,224 units held)	N/A
				3,468,891
*	Wells Fargo Advantage DJ Target 2035	Mutual Fund	(545,893 units held)	N/A
				4,607,336
*	Wells Fargo Advantage DJ Target 2045	Mutual Fund	(457,985 units held)	N/A
				4,259,258
*	Wells Fargo Advantage DJ Target 2055	Mutual Fund	(61,453 units held)	N/A
				789,665
	American Europac Growth	Mutual Fund	(51,365 units held)	N/A
	Carillon Eagle Growth	Mutual Fund	(26,680 units held)	N/A
	Dreyfus Midcap Index Fund	Mutual Fund	(27,984 units held)	N/A
	Dreyfus Small Cap Stock	Mutual Fund	(23,758 units held)	N/A
	Goldman Sachs Small Cap Value I	Mutual Fund	(9,233 units held)	N/A
				560,722
	Mainstay Large Cap Growth I	Mutual Fund	(284,735 units held)	N/A
	MFS Value FD CL A	Mutual Fund	(30,172 units held)	N/A
	Neuberger & Berman Genesis Fund	Mutual Fund	(22,107 units held)	N/A
				1,274,452
	Vanguard Developing Markets Index	Mutual Fund	(15,508 units held)	N/A
				173,069

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Victory Munder Midcap Growth Y	Mutual Fund	(51,256 units held)	N/A	1,879,061
William Blair International Growth FD CL N	Mutual Fund	(30,402 units held)	N/A	924,525
American Century Inflation ADJ CL A	Mutual Fund	(16,932 units held)	N/A	196,755
Federated Total Return Bond IS	Mutual Fund	(150,697 units held)	N/A	1,642,597
Invesco Equity and Income Fund Common Stock	Mutual Fund	(235,076 units held)	N/A	2,576,431
* Neogen Corporation	Common Stock	(192,181 units held)	N/A	15,799,200
* Notes receivable from participants	Interest rates of 4.25% to 5.50%			596,803
<b>TOTAL</b>				<b>\$ 62,992,885</b>

\* Party-in-interest

N/A Not applicable Cost information is not required with respect to participant or beneficiary directed transactions under an individual account plan.

Employer Identification Number 38-2367843

Three Digit Plan Number: 001

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NEOGEN CORPORATION 401(K)

RETIREMENT SAVINGS PLAN

*(Registrant)*

Dated: June 26, 2018

By: /s/ Steven J. Quinlan  
Steven J. Quinlan  
Plan Administrator