Annual Report 2006

Contents

Tecan at a glance

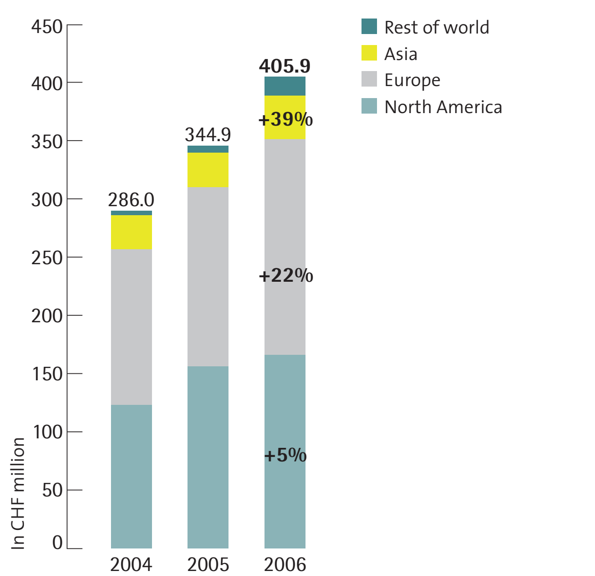
Tecan, a leading global supplier for the Biopharma, Forensics and Diagnostics industries, can look back on a strong 2006, continuing its momentum in expanding revenues and profitability.

12 Months 2006 key figures

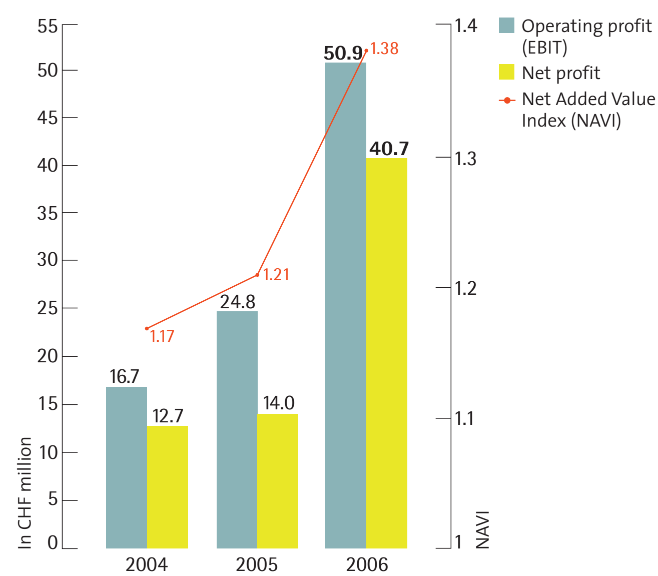
CHF m	2004	2005	2006	Δ05/06
Sales	286.0	344.9	**405.9**	**+17.7%**
Gross profit	139.8	159.9	**193.3**	**+20.9%**
in % of sales	48.9%	46.4%	**47.6%**	
R&D	37.1	40.7	**39.0**	**-4.3%**
in % of sales	13.0%	11.8%	**9.6%**	
OPEX	123.0	135.1	**142.5**	**+5.4%**
in % of sales	43.0%	39.2%	**35.1%**	
Operating profit/EBIT	16.7	24.8	**50.9**	**+104.8%**
in % of sales	5.9%	7.2%	**12.5%**	
Net profit	12.7	14.0	**40.7**	**+191.2%**
in % of sales	4.4%	4.0%	**10.0%**	
EPS	1.16	1.26	**3.54**	**+181.0%**

2006 Financial summary

Revenues 2004–2006



Profitability[1] / productivity 2004–2006



[1] Excluding unusual items

Net Added Value Index (NAVI) = (EBIT + personnel expenses)/personnel expenses

Message to shareholders

"2006 saw the continuation of the momentum we generated in 2005. Markedly increased growth in revenues, accelerating growth in profitability and a strong balance sheet create a basis for us to build on in the future".

Mike Baronian
Chairman

Thomas Bachmann
Chief Executive Officer

Dear shareholders,

Tecan looks back on a successful 2006 financial year. In addition to strong revenue growth, the Company also reported a marked increase in profitability and achieved record figures in several key areas. This positive development can be attributed largely to the success of our products, improved market coverage and the continuing consistent implementation of measures designed to improve our operating efficiency.

Tecan increased sales by 17.7%. Growth was driven both organically and due to the first full year's consolidation of REMP which was acquired in mid-2005. Organic growth reached 8.3%, clearly surpassing overall market growth rates. As a result, we have once again increased our market share and extended our leadership. In 2006, Tecan's strongest growth was in Europe. In Asia Tecan recorded high growth rates, albeit on a much lower base. In terms of our markets, Biopharma enjoyed particular success.

Profitability above industry average

Similar to 2005, Tecan's profitability grew significantly above the rate of sales growth, resulting in a significant jump in our levels of profitability. Compared to the previous year, earnings before interest and taxes (EBIT) roughly doubled (104.8% vs. '05), and net profit tripled to CHF 40.7 (+191.2% vs. '05). The resulting EBIT margin of 12.5% represents an achievement in two regards. For one, we were able to reach our self-imposed objective more than a year faster than anticipated. For another, we achieved a level of profitability significantly higher than originally anticipated. This positive result was due not only to the gearing of our business , but also to our ongoing operational efficiency measures which were introduced during the previous year, cost and price discipline and overall good capacity utilization levels. Overall, Tecan was also able to maintain its favorable product mix.

During the year under review, the net profit margin rose from 4.0% of sales to 10.0%, while earnings per share increased from CHF 1.26 to a historical record value of CHF 3.54.

Excellent operating cash flow and strong balance sheet

Despite the strong growth, Tecan achieved an excellent cash flow from operating activities of CHF 67.2 million in 2006, clearly outstripping its previous best of CHF 44.7 million from the 2003 financial year. The good operating performance also saw Tecan significantly improve its balance sheet ratios in 2006. The underlying strength of its balance sheet positions the company well for further growth.

Operating basis in place to develop Tecan further

How has Tecan achieved this success? At the start of 2005, we set ambitious targets for the company in terms of increasing growth and profitability and introduced a program designed to achieve these goals. This included a range of tasks which have kept us primarily engaged over the past 2 years.

Firstly, Tecan has intensified product and service innovation while shortening development timelines considerably. During the past year, Tecan has successfully launched several new products, which will make a major contribution to Group sales over the next few years. Furthermore, we have streamlined our organization, and reorganized into locally managed business units. Finally, we invested in sales and marketing in key growth regions. The new organizational structure allows for enhanced customer focus, effective global market development, short decision-making channels and, in keeping with our philosophy of accountability, it also transfers financial responsibility to the local management teams. In order to provide our investors with a very high level of transparency, Tecan's financial reporting will also reflect the new organizational structure as of the 2007 financial year.

In parallel to the development of the new organization, we have encouraged entrepreneurial thinking and acting at all management levels. We have also strengthened the Group Executive Committee. In December 2006, Tecan's Board of Directors appointed Matthew Robin and Carl Severinghaus as members of the Group Executive Committee. By strengthening the Group Executive Committee and with its new organizational structure, Tecan is now able to act in an even more targeted manner in it's markets.

> "For 2007 and the following years we have set clear strategic priorities".

We have also made great efforts in the areas of quality assurance and regulatory compliance. Our Compliance Program has been successfully completed and is now part of our regular operating processes.

Strategy for long-term profitable growth developed

Since the nature of our business is long-term, it is vital that we adopt a long-term view. During 2006, Tecan's Board of Directors and Management worked intensively together on the Company's strategy. Together, we have developed a long-term strategy and vision of where we want to take the business over the next 10 years. This strategy was adopted by the Board of Directors in October and introduced to our employees and the financial community in November. We are glad to say that the feedback from these discussions has been universally positive, reinforcing our view that we are on the right path also well into the future. For 2007 and the following years, we have set clear strategic priorities which will serve as guidelines to our operating businesses. Our objective is long-term profitable growth, to be achieved both organically and by means of acquisitions.

Message to shareholders

Diagnostics and life science are our principal markets. We have defined growth drivers for Tecan and want to be active in both existing and as yet undeveloped market segments. The introduction of new technologies and processes, as well as major developments for our customers, call for solutions which we can provide optimally using our products and expertise. Tecan's markets therefore have great growth potential and the company is well positioned in these fields.

Personnel strength and financial flexibility to the benefit of Tecan

Tecan is well prepared for further growth in financial, operating and strategic terms. The success of the past two years, enabled by the close collaboration of Board and senior management, has enabled us to regain the trust of our investors.

We have also geared Tecan's capital structure to the growth strategy. At the annual shareholders' meeting on April 26, 2006, the shareholders approved the creation of authorized and conditional capital, thereby expanding Tecan's capabilities for the realization of external growth opportunities. Thus, the Board of Directors will be able to finance potential acquisitions either through Tecan's strong operating cash flows, raise funds on the capital market or issue new shares.

Annual shareholders' meeting 2007: Doubling of payout to shareholders requested

Based on the good results for the 2006 financial year, at the annual shareholders' meeting on April 19, 2007, the Board of Directors will propose that last year's payout to shareholders be doubled. The Board will propose that, in addition to the unchanged dividend of CHF 0.45 per share, a nominal value repayment of CHF 0.45 per share be made.

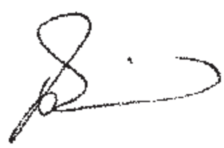
Outlook 2007

In the 2007 financial year, Tecan will aggressively continue the implementation of the strategy while maintaining and extending our market leading position. To this end, we will continue to invest in strengthening our growth markets as well as developing new products and solutions. Despite the economic slowdown in the USA and the specific challenges posed by the American pharmaceuticals sector, Tecan's objectives in the current financial year will be to increase sales and profitability at a levels which are above the industry average.

Thanks

The success of 2006 would not have been possible without the great commitment and hard work of our employees as well as the trust and loyalty of our customers, shareholders and business partners. On behalf of the Board of Directors and the Senior Management, we would like to extend our sincere thanks to you all.

Männedorf, March 16, 2007



Mike Baronian
Chairman of the
Board of Directors

Thomas Bachmann
Chief Executive Officer

“At Tecan, we are passionate about understanding our customers’ challenges and dedicated to finding a solution that meets their needs”.

Christoph Kaufmann,
Head of Sub BU Biopharma

Clockwise from top left: Walter Guidon, Technical Support and Training. Caroline Huber, Product Manager; Friedrich Jost, Head of SW Development. Markus Wiggli, Senior Liquid Handling Scientist; Cornelia Kegele, Manager Marketing Communications and Branding. Milagros Gubelmann; Bats Mutamba, Product Specialist Cell-based Systems.

Market overview

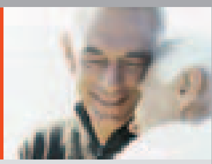
As the leading supplier in laboratory automation for the life science industries, our instruments accelerate and enhance state-of-the-art research and diagnostic processes being performed in laboratories worldwide.

Reliability, efficiency and performance are essential to the scientists using our solutions, whether they are discovering novel anti-viral therapies, identifying DNA from crime scenes, developing personalized cancer treatments or diagnosing infectious diseases. Laboratories everywhere depend on Tecan's experience, innovation and quality to provide the solutions needed to address their critical requirements.

Tecan serves three main markets: the biopharma industry consisting of the world's leading pharmaceutical, biotechnology and academic research laboratories; the forensics industry based in law enforcement and government laboratories; and the diagnostics industry, which is comprised of blood banks, hospital laboratories and other leading reference laboratories and their suppliers. Our five business units serve each of these markets with the full range of solutions and services they require.

Our markets

Biopharma

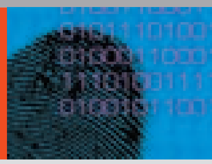


Our customers in the Biopharmaceutical field are engaged in developing ground-breaking medical treatments for today's most critical diseases.

Key drivers of automation:

- Advances in genomics, proteomics and chemistry lead to significant amounts of new potential targets, requiring increased screening throughput.
- Strong demand for process integrity requires more reliable system performance to achieve higher quality data.
- Increasing need arising for industry-standard, application-focused products as smaller laboratories move away from their own protocols.

Forensics



In Forensics, our customers support law enforcement and judicial organizations in criminal investigations and court proceedings.

Key drivers of automation:

- Increasing acceptance of forensic/DNA evidence in legal and law enforcement systems globally is driving significant growth in testing volumes.
- Government initiatives for population-based databases are advancing automated DNA testing.
- High requirement for contamination-free processing that consistently meets legal standards demands automated approaches.

Diagnostics

Diagnostic testing is essential to the basic management of patient care, allowing physicians to detect disease earlier, make a diagnosis, prescribe therapies and monitor results.

Key drivers of automation:

- Growing awareness that new diagnostic tests at early stages can save considerable time and costs during patient treatment.
- Regulatory compliance is increasingly demanding standardized systems with reproducible results.
- Laboratories look for consistent processing systems, with minimal error and downtime.

Our business units

Liquid Handling and Robotics

Detection

Sample Management

Components

Services and Consumables

Customer spotlight

Biopharma

Stepping up the pace of drug discovery at Columbia University

As part of the United States National Institutes of Health Roadmap initiative, a team of researchers at Columbia University has worked closely with Tecan to set up a truly remarkable, purpose-built testing facility in the middle of Manhattan. The new 6,000 square foot facility is one of only ten screening centers in the US whose role is to search through millions of compounds, looking for those that could be used as effective, life-saving drugs for diseases, such as cancers, diabetes and Alzheimer's.

The Columbia University facility includes three fully automated Tecan Freedom EVO® workstations that enable the researchers to screen thousands more compounds than was previously possible. The goal for the next two years is to continue to increase the laboratory's throughput to as many as 300,000 compounds. "Amazing as it might seem, this target does not even get close to our capacity!" said Dr. Lars Branden, Associate Director of the Genome Center, Project Director and Director of Automation.

All three systems were designed by Tecan to be run single-handedly by Geoffrey Barger, the facility's Automation Integration Manager. "We needed an extremely flexible system and the way Tecan has put the instruments together is very different, very creative, and just what we needed," he explained.

"Our interaction at every stage with the Tecan US team has been imperative for us to succeed and the way they have backed us up is tremendous. I can't stress enough that it's the people at Tecan that really have made the difference," Geoff Barger concluded.

"I can't stress enough that it's the people at Tecan that really have made the difference".

Geoffrey Barger, Automation Integration Manager, Columbia University

Customized Tecan workstations at Columbia University, where researchers search for new and potentially life-saving drugs.

Customer spotlight

Forensics

Creating the world's biggest automated forensic analysis system

In 2004, Tecan was awarded a major project to develop and install a new, fully automated genetic sample processing system (GSPS), a DNA analysis system specially commissioned for the Biology Unit of the South African Police Service's (SAPS) Forensic Science Laboratory. As the world's first system of this size and scope, it is designed to link suspects with the scene of a crime or identify human remains. The Biology Unit receives crime samples from across a country that is twice the size of Texas – with only two laboratories in which to analyze them. This has led, not surprisingly, to a large backlog of cases waiting to be dealt with and the urgent need for an automated system to process current and past samples.

After in-depth planning, the project was completed in February 2006 and the system began the rigorous validations required before sample processing begins. The GSPS has the capacity to accept in excess of 800 samples a day, significantly improving the speed at which DNA analysis results can be obtained. The improved casework turnaround times will help to produce investigative leads from cold cases, as well as allowing speedier apprehension of criminals, exoneration of the innocent, prevention of crime and, in the long term, considerable cost savings.

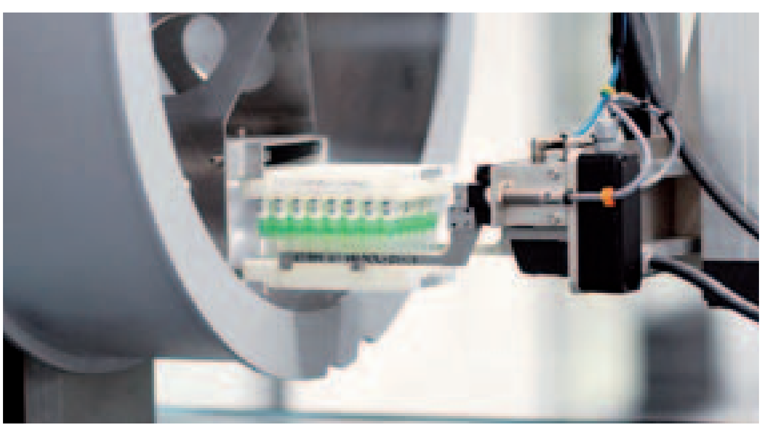
Johann van Niekerk, a GSPS Operator attached to the Technical/Specialist Support section of the SAPS Biology Unit, explained the mammoth scale of this project: "The automated GSPS covers three different laboratory spaces over a 40 m long by 6 m wide footprint."

Indeed, this is no ordinary laboratory instrument: it's 37 meters long but only 4 meters wide; it's controlled by 27 PCs and includes eight Tecan Freedom EVO® workstations. It took the project team 23.7 man years to complete, during which time they traveled over one million kilometers and spent 4.5 years away from home.

Christo Weitz, Project Manager for the GSPS, commented: "We didn't have to compromise at all on any of the specifications, because when we looked at Tecan's proposal for the GSPS, it was abundantly clear that they understood exactly what it was that we wanted and they provided us with exactly that solution."

"...they understood exactly what it was that we wanted and they provided us with exactly that solution".

Christo Weitz, Project Manager, South African Police Service's Forensic Science Laboratory



Samples get loaded into the inverter module – one step out of many in the stringent and precise process of forensic analysis.

Customer spotlight

Diagnostics

Automated avian influenza testing

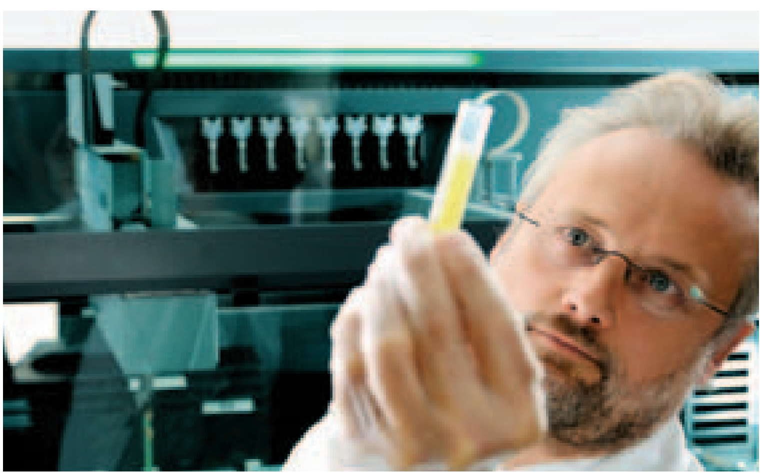
Researchers in Germany are using Tecan instruments for early and rapid detection of viruses which cause potentially devastating diseases, including the avian influenza virus. The highly dangerous H5N1 strain of avian flu has been found in hundreds of wild birds in several European countries. Flu viruses cannot be predicted, making it almost impossible to know when a virus such as H5N1 might acquire the properties needed to spread easily and sustainably among humans. Identifying these viruses as accurately and as quickly as possible is essential to control any outbreaks and Tecan instruments are proving invaluable for this.

In September 2006, the Staatliches Veterinäruntersuchungsamt (National Veterinary Laboratory) Arnsberg in Germany was equipped with a Tecan automated workstation in preparation for the detection of avian flu virus in local bird populations. The workstation is already being used to detect the virus responsible for a recent outbreak of bluetongue disease in cattle, for which there is no effective treatment, processing a throughput of samples that was previously impossible using manual methods.

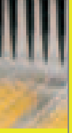
Dr. Jochen Kilwinski of the Arnsberg laboratory is particularly impressed with the flexibility of the Tecan workstation: “It is very easy to switch from testing for avian flu to bluetongue virus on the workstation, and we are now waiting for spring when the migration of birds starts again. We are now well prepared to detect the avian flu virus should the need arise.”

“We are now well prepared to detect the avian flu virus should the need arise”.

Dr. Jochen Kilwinski,
National Veterinary Laboratory Arnsberg



The Freedom EVOlyzer® has been designed to accommodate various customer scenarios – from handling a wide range of tests to screening large numbers of samples.



Business unit

Liquid Handling and Robotics

Tecan continues to live up to its reputation of providing innovative automated systems for its biopharma, forensic and clinical diagnostic customers.

With its range of modular and flexible products, Tecan responds quickly to the subtleties and niches within each market segment, and delivers the products our customers need. Internal reorganization has improved attention to detail and overall efficiency, speeding up our new product development process and allowing us to react even more rapidly to new trends in the fast-moving biopharma field.

Several years of investment in validation and quality systems have given Tecan a strong advantage and, time and again, our products and services stand up to regulatory scrutiny. In the diagnostic arena especially, the continual push for more regulation and validation is subtly changing the way we reach our customers through OEM partners. OEM is a strong focus for development and a new dedicated sales team will undoubtedly help to build on the trust we have already forged with these companies.

Key trends

The trend in liquid handling is still moving towards more validated and standardized solutions. Standardization and quality assurance are important in the biopharma field, and Tecan will continue to partner with carefully selected kit vendors to meet these demands. In this area too, there is a marked move away from centralized facilities back to smaller laboratories, where Tecan's family of modular products fits perfectly to address the different workload requirements.

For clinical diagnostic and OEM customers, reliability and repeatability are essential and Tecan's automated systems, with comprehensive integrated software, answer these needs. Molecular diagnostics is continuing to grow, as more emphasis is placed on identifying diseases at a genetic level and the goal of targeting patients for personalized medicine gets ever closer.

Achievements for 2006

The launch of the Freedom EVO® 75 in 2006 has positioned Tecan strongly in the low throughput market and opens a window of opportunity in developing markets, including India, China and the Middle East. Several new liquid handling modules were also enthusiastically received by customers, including the Multichannel Arm™ and the Te-Fill™ module, each one adding a new level of flexibility to the Freedom EVO platform. On the software side, too, there have been a number of upgrades, including a new Freedom EVOlyzer® software for increasing throughput in clinical diagnostic applications.

Business unit
Detection

Tecan's detection business has continued to post strong growth driven by the strength of the recent product innovations. Competitive advantage remains strong with increasing demand for modular systems.

Tecan has an influential name for technical expertise in this market and this, combined with the recent and considerable investment in the detection unit's sales and marketing organization, has helped us to significantly gain market share.

The strongest potential for sales growth lies in the core market area of life sciences research and genomics over the next couple of years, particularly in the USA, but also across Asia, where the market is growing at a rapid pace. Here, especially, the new Infinite™ 200 modular microplate reader has been a great success, offering laboratories flexibility without compromising on speed and sensitivity, and representing an excellent cost/functionality ratio whatever the application.

Key trends

The market is turning away from single mode microplate readers towards multimode instruments, sometimes with integrated liquid handling capabilities, that offer laboratories the flexibility to grow with the demands and complexities of research. Tecan's detection instruments are modular and upgradeable and so are well positioned to meet this market trend. At the same time, there has been a strong growth surge in the area of microarrays, again, a field where Tecan's strengths in automation, detection and liquid handling have come to the fore in its microarray product suite.

Achievements 2006

Our main achievement for 2006 was the successful market introduction of the newly launched Infinite 200 which became our best selling detection instrument. For the microarray market too, significant advances were made for new applications to be set up on our highly successful HS Pro™ hybridization stations. Our overall share of the detection market is set to continue to grow in the next few years, supported by an innovative product development program for all major product lines which will further strengthen Tecan's position.


Terralin
hydro FLEX
TECAN.

Business unit

Sample Management

The demand for sample management systems to store biological samples such as DNA, RNA and blood, in addition to chemical compounds and other sample types, has been rising steadily in the life sciences.

Tecan's REMP technology is able to store samples concurrently at -20 °C and -80 °C, and considerably reduces the number of freeze/thaw cycles. Tecan's large biobank storage system is a unique solution in the pharma market, and potential customers have followed the installation of the first biobank at the large pharmaceutical company Pfizer with interest.

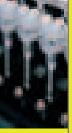
The extensive range of modular and scalable REMP sample storage products allows customers to build and extend high quality sample management systems as required. Very few companies are able to offer such comprehensive integration of hardware, software and consumables across a wide range of temperatures in the same store.

Key trends

There is increasing demand for smaller scale sample storage capabilities and our modular systems are a very attractive proposition to these customers, allowing them to upgrade and expand as their needs change, as well as offering an easy entry to state-of-the-art sample management for new customers.

Achievements 2006

All aspects of integrating REMP into the Tecan family have now been finalized and Tecan's sales channels have helped the REMP technology to penetrate previously untapped market areas. Sales in Japan have been particularly encouraging; there is currently very little automated compound management in Japan, so its market potential presents a key opportunity for REMP storage systems. Our new product development process is on track and 2006 has seen a number of product upgrades for increased throughput and speed on existing systems. The integration of our Small Sample Store™ (SSS) with the Freedom EVO® workstation has been a particularly significant development that also perfectly symbolizes the Tecan-REMP merger.



Business unit

Components

The entire world of electrical and electronic equipment suppliers has been dominated over the last twelve months by the European RoHS Directive, which came into force on July 1st 2006, restricting the use of certain hazardous substances in electronic products.

Tecan was no exception and embarked upon the operation whole-heartedly, ensuring that all products met the new requirements. This not only involved physically converting many products, but also meant working very closely with our customers to ensure that any Tecan components designed into OEM instrumentation were converted for compliance and validated for their applications.

With this significant effort completed, we look forward to focusing our resources on development of innovative new products on both the liquid handling and robotics sides of the components business. With typical product life cycles of 10+ years, we are focused on staying on top of our game and product innovation is the key to our future profitability.

Key trends

In general, OEM customers will avoid risking any changes in their components or suppliers without any perceived benefit. Repeatability and reproducibility are paramount and quality continues to be an important differentiator in a largely commoditized market.

Achievements 2006

Without a doubt, the smooth, efficient implementation of the European RoHS Directive was the major achievement of the Components business for 2006. The entire process opened up the gates for customers to look around and re-evaluate competitors and the market in general. Almost without exception, our customers were loyal to Tecan, and cited our commitment to quality systems throughout our operations as an important benefit. A new generation of electronics products was also very well received by a very discerning market and we are now in the process of upgrading many customers.

Business unit

Services and Consumables

Tecan has always placed its customers first and, over the last year, we have taken steps to re-evaluate our service strategy, looking at our processes and performance, and how we manage our customer relationships.

This business unit has changed its name from 'Customer service' to 'Services and Consumables' and, over the next couple of years, our customers will reap the rewards of this analysis as we continue to make improvements across the board.

A sound relationship between the customer and the field service engineer is critical to providing good service and this experience significantly influences a customer's decision to remain loyal to Tecan. One of our core competencies is the know-how and expertise of our field engineers and our customers expect to benefit from this. As a result, we are constantly improving our internal training programs to ensure our service fully meets our customers' expectations.

Key trends

Customers expect more in-depth training with their new instruments in order to make full use of the equipment for their applications, and Tecan is in a strong position to address these needs. There is also an increasing requirement for high quality consumables that comply with internationally recognized regulatory standards, and this is a key growth opportunity for Tecan's consumables business. Tecan intends to continue to add value by expanding its product portfolio with selected consumables for use on specific instrumentation for specific applications.

Achievements 2006

We have significantly improved our logistics operations in Europe and the US, with central warehousing facilities to guarantee on-time delivery of spare parts and consumables. We have also successfully implemented a more efficient process for dealing with instrument problems, ensuring rapid and complete responses to all customers. Last but not least, we are committed to being close to our customers and have therefore invested in additional field service engineers in order to better serve the customers' needs.

Chief Financial Officer's statement

In 2006 Tecan achieved record figures in several key areas. Sales rose by 17.7% to CHF 405.9 million and EBIT doubled from CHF 24.8 million to CHF 50.9 million. The increase in sales was achieved by the first complete year's consolidation of REMP and as a result of organic growth.

Dr. Rudolf Eugster
Chief Financial Officer

Growth in sales and profitability and a strong balance sheet

Tecan in 2006 achieved record figures in several key areas. Sales rose by 17.7% (2005: 20.2%) to CHF 405.9 million (2005: CHF 344.9 million). The increase was achieved by the first complete year's consolidation of REMP and as a result of organic growth. The increase in costs of 8.2% was disproportionately low compared to that of sales and was due to an improved operating efficiency. This caused a marked increase in profitability. Despite the growth, Tecan was able to generate very good cash flows from operating activities. At CHF 67.2 million, these clearly exceeded the previous record of CHF 44.7 million for the 2003 financial year. Tecan has a healthy balance sheet. Shareholders' equity of the total assets of CHF 365.6 million (2005: CHF 338.0 million) increased from 42.4% in the previous year to 50.2%. At CHF 3.54, the earnings per share exceeded the previous high of CHF 3.50 in 2001 (2005: CHF 1.26).

Increase in sales and net profit

Sales

In 2006 Tecan registered solid internal and acquisition-related growth. The REMP Group, consolidated since July 2005, contributed CHF 19.4 million to Tecan's sales in the first six months of 2006. Excluding REMP, Tecan's sales in the 2006 financial year rose by 12.1%. Internal growth benefited from a major Forensics order of CHF 13.1 million. Currency conditions impacted positively on Tecan's growth by 0.5 percentage points. The most important region for the development of sales in 2006 was Europe. Sales rose by 22.1% in the Biopharma sector, thereby clearly surpassing the figure for the previous year (2005: 7%). The first complete year's consolidation of REMP had a positive effect on the development of this sector. Following strong growth in the previous year, Diagnostics recorded a slight increase in 2006 of 1.2%.

Gross profit

Tecan's gross profit grew by 20.9% (2005: 14.4%) to CHF 193.3 million (2005: CHF 159.9 million) in the 2006 financial year. The gross profit margin rose by 1.2% to 47.6% whereas in the previous year it had fallen by 2.5% to 46.4%. This positive development is mainly attributable to price discipline and the implementation of measures to reduce manufacturing costs. In addition, Tecan maintained a favorable product mix overall despite the integration of REMP which has a different margin structure than the traditional areas.

Operating expenses less costs of sales

2006 saw Tecan continue to implement the measures introduced the previous year aimed at improving operating efficiency. This resulted in a positive development in the relevant figures. Moreover, in the year under review the costs of closing the Boston site, which had arisen in the 2005 financial year, did not apply. With unusual items excluded, operating expenses less cost of sales only rose by 8.2% when there was an increase in sales of 17.7%. In 2006, the focus of sales and marketing investments was on Europe and China, where Tecan recorded strong growth. The initiative to meet regulatory requirements (compliance program) was successfully completed in 2006.

The number of employees rose from 1,047 at the end of 2005 to 1,087 at the end of 2006.

Operating result

All these factors resulted in a marked increase in the operating result and operating return. The operating result rose by 104.8% (2005: 48.2%) to CHF 50.9 million (2005: CHF 24.8 million), which corresponds to 12.5% of sales (2005: 7.2%).

Financial result and taxes

Tecan hedges its US Dollar transaction exposure for 12 months rolling forwards. Due to US Dollar's depreciation against the Swiss Franc, this resulted in hedging gains of CHF 1.8 million (2005: hedging losses of CHF 3.0 million). Combined with the interests and expenses for share-based payments, this resulted in a balanced financial result (2005: CHF 4.8 million). The tax rate of the group has decreased to 20.1% in 2006 (2005: 30.4%). It reflects the weighted average of the locally applicable tax rates in the ratio of the local profit before tax to the profit before tax of the group.

Net profit

Tecan posted a net profit of CHF 40.6 million (2005: CHF 14.0 million), which represents an increase of 191.2% (2005: 9.7%). This figure is equal to 10.0% of sales (2005: 4.0%).

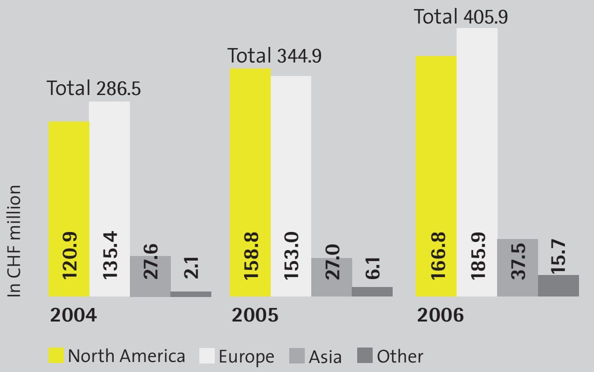
Strong cash inflow from operating activities

In 2006 Tecan recorded a sharp increase in profit. In addition, despite sales growth, net working capital was reduced by around CHF 15.6 million. All in all, these factors resulted in very good cash flow from operating activities of CHF 67.2 million (2005: CHF 15.1 million).

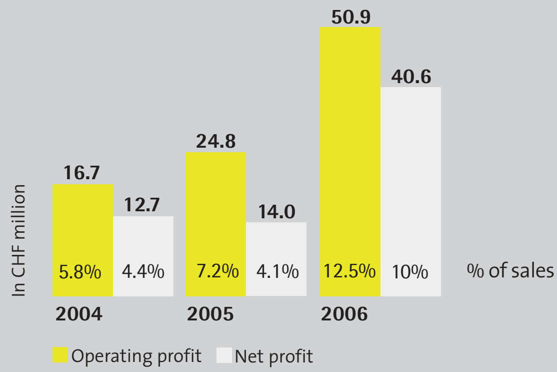
R&D investments held at long-term level

The Company's objective is for annual research and development (R&D) expenditure to be in the region of 10% of sales. In the 2006 financial year, Tecan invested CHF 39.0 million (2005: CHF 40.7 million) in this area. This corresponds to 9.6% of sales compared with 11.8% for the previous year. The decrease is due, firstly, to the first complete year's consolidation of REMP;

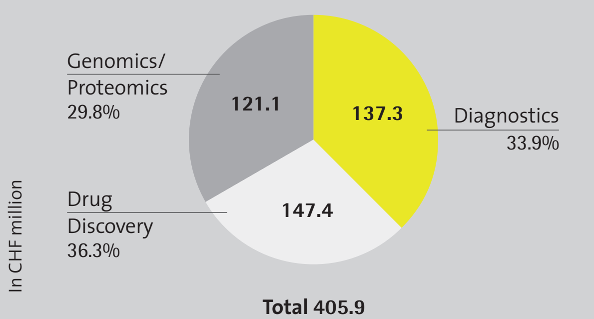
Sales by region



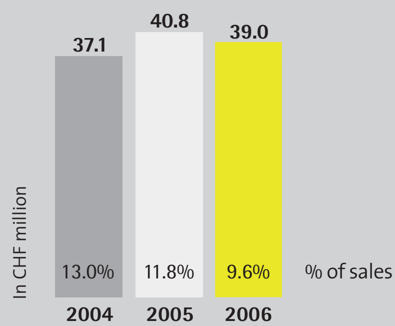
Operating and net profit



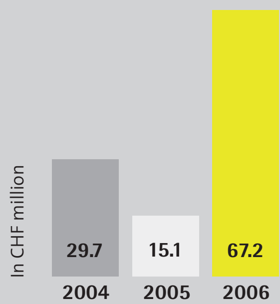
Sales by market



Research and development (gross)



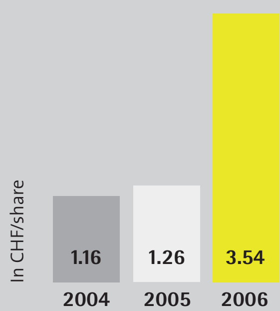
Cash flow from operating activities



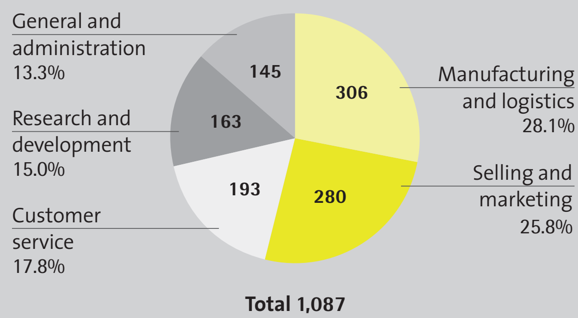
Net liquidity

CHF 1,000	2004	2005	2006
+ cash and cash equivalents	40,165	42,645	85,144
./. current bank liabilities	(8,507)	(14,744)	(6,737)
./. bank loans	(986)	(60,988)	(48,799)
= net liquidity	30,672	(33,087)	29,608

Basic earnings per share



Manpower by activity (eop)



REMP's activities are less R&D intensive than Tecan's traditional sectors. Furthermore, part of the R&D costs came from the Boston site which was closed in 2005. Taking these factors into consideration, Tecan invested more in R&D in 2006 than in the previous year.

Dividends

At the annual shareholders' meeting on April 19, 2007, the Board of Directors will recommend a total payout of CHF 0.90 per share (2005: CHF 0.45) which comprises a regular dividend of CHF 0.45 and a payout of CHF 0.45 in form of a reduction of the nominal value of each share from CHF 1.- to CHF 0.55.

Dr. Rudolf Eugster
Chief Financial Officer

Five-year consolidated data

In CHF 1,000	2006	2005	2004	2003	2002
Income statement					
Sales	405,929	344,900	285,975	311,606	332,180
Operating profit	50,854	24,826	16,749	22,171	44,701
Financial result	16	-4,764	770	-1,834	-1,466
Income taxes	-10,231	-6,108	-4,795	-6,254	-10,427
Net profit	40,639	13,954	12,724	14,083	32,972
Research and development, gross	39,029	40,762	37,101	51,689	44,572
Personnel expenses	132,826	118,389	102,874	102,525	102,819
Depreciation of property, plant and equipment	6,372	6,603	7,093	8,246	9,170
Amortization of intangible assets	5,332	4,562	4,376	5,950	6,237
Impairment losses	690	1,437	-	7,639	-
Balance sheet					
Current assets	240,714	206,408	149,000	178,436	183,859
Non-current assets	124,889	131,600	42,309	45,810	57,057
Total assets	365,603	338,008	191,309	224,246	240,916
Current liabilities	111,990	111,758	84,606	102,570	61,548
Non-current liabilities	69,772	82,917	12,446	11,055	7,338
Total liabilities	181,762	194,675	97,052	113,625	68,886
Shareholders' equity	183,841	143,333	104,802	110,621	172,030
Cash flow statement					
Cash inflows from operating activities	67,164	15,117	29,712	44,695	43,999
Capital expenditure in property, plant and equipment and intangible assets	6,506	6,008	10,589	6,580	20,296
Acquisitions net of cash acquired	-	60,493	-	-	4,191
Dividends paid	5,172	4,815	4,993	5,344	5,807
Other information					
Number of employees (end of period)	1,087	1,047	865	812	872
Number of employees (average)	1,059	1,026	834	838	904
Research and development in % of sales	9.6%	11.8%	13.0%	16.6%	13.4%
Sales per employee	383	336	343	372	368
Information per share					
Basic earnings per share (CHF)	3.54	1.26	1.16	1.21	2.58
Dividends paid (CHF/share)*	0.45	0.45	0.45	0.45	0.45
Payout in form of a nominal value reduction (CHF/share)*	0.45	-	-	-	-

*Proposal to the annual general meeting of shareholders

Consolidated balance sheet at December 31

In CHF 1,000	Notes	2006	2005
Assets			
Cash and cash equivalents	5	85,144	42,645
Trade accounts receivable	6	91,733	93,193
Other accounts receivable		12,590	10,422
Inventories	7	44,594	55,881
Income tax receivable		2,474	554
Prepaid expenses		4,179	3,713
Current assets		**240,714**	**206,408**
Financial assets	8	760	1,164
Property, plant and equipment	9	21,779	23,091
Intangible assets	10	87,102	92,375
Deferred tax assets	25	15,248	14,970
Non-current assets		**124,889**	**131,600**
Assets		**365,603**	**338,008**
Liabilities and equity			
Current bank liabilities	11	6,737	14,744
Trade accounts payable		11,069	14,121
Other accounts payable		10,549	10,335
Deferred revenue	12	28,707	30,880
Income tax payable		8,442	3,044
Accrued expenses		34,456	27,982
Current provisions	14	12,030	10,652
Current liabilities		**111,990**	**111,758**
Bank loans	11	48,799	60,988
Liability for post-employment benefits	13	6,255	6,339
Non-current provisions	14	4,679	5,494
Other non-current liabilities		735	795
Deferred tax liabilities	25	9,304	9,301
Non-current liabilities		**69,772**	**82,917**
Share capital		12,006	11,892
Capital reserve		8,718	2,253
Treasury shares		(16,619)	(16,619)
Retained earnings		190,572	154,955
Translation differences		(10,836)	(9,148)
Shareholders' equity	**18**	**183,841**	**143,333**
Liabilities and equity		**365,603**	**338,008**

Consolidated income statement

In CHF 1,000	**Notes**	**2006**	**2005**
Sales	**19**	**405,929**	**344,900**
Cost of sales		(212,612)	(184,968)
Gross profit		**193,317**	**159,932**
Sales and marketing		(64,887)	(60,438)
Research and development	22	(39,029)	(40,762)
General and administration		(39,987)	(35,226)
Other operating income	23	1,440	1,320
Operating profit		**50,854**	**24,826**
Financial income		1,312	1,513
Finance cost		(2,128)	(3,241)
Foreign exchange gains/(losses)		832	(3,036)
Financial result	*24*	*16*	*(4,764)*
Profit before taxes		**50,870**	**20,062**
Income taxes	25	(10,231)	(6,108)
Net profit		**40,639**	**13,954**
Basic earnings per share (CHF/share)	27	3.54	1.26
Diluted earnings per share (CHF/share)	27	3.52	1.26

Consolidated statement of changes in shareholders' equity

In CHF 1,000	Notes	Share capital	Capital reserve	Treasury shares	Retained earnings	Translation differences	Total shareholders' equity
Shareholders' equity at January 1, 2005		12,341	1,886	(63,916)	159,710	(15,764)	94,257
Net profit		-	-	-	13,954	-	13,954
Translation differences		-	-	-	-	6,616	6,616
Total recognized income and expense for the year							***20,570***
Dividends paid		-	-	-	(4,815)	-	(4,815)
New shares issued upon exercise of employee stock options	18	4	199	-	-	-	203
Share-based payments to employees	13	-	-	-	660	-	660
Treasury shares issued due to the acquisition of REMP Group	3	-	-	31,820	(2,042)	-	29,778
Cancellation of treasury shares	18	(453)	-	16,965	(16,512)	-	-
Sale of treasury shares	18	-	168	2,512	-	-	2,680
Exercise of written put option on treasury shares		-	-	(4,000)	4,000	-	-
Shareholders' equity at December 31, 2005		**11,892**	**2,253**	**(16,619)**	**154,955**	**(9,148)**	**143,333**
Shareholders' equity at January 1, 2006		11,892	2,253	(16,619)	154,955	(9,148)	143,333
Net profit		-	-	-	40,639	-	40,639
Translation differences		-	-	-	-	(1,688)	(1,688)
Total recognized income and expense for the year							***38,951***
Dividends paid		-	-	-	(5,172)	-	(5,172)
New shares issued upon exercise of employee stock options	18	114	6,465	-	-	-	6,579
Share-based payments to employees	13	-	-	-	150	-	150
Shareholders' equity at December 31, 2006		**12,006**	**8,718**	**(16,619)**	**190,572**	**(10,836)**	**183,841**

There were no other items of income and expense recognized directly in equity other than translation differences.

Consolidated cash flow statement

In CHF 1,000	Notes	2006	2005
Net profit		40,639	13,954
Adjustments for:			
Depreciation and amortization (including impairment losses)	9, 10	12,394	12,602
Change in provisions and liability for post-employment benefits	13	3	3,214
Financial result	24	(16)	4,764
Income taxes	25	10,231	6,108
Other non-cash items		1,136	(3,469)
Change in working capital:			
Trade accounts receivable	6	614	(22,916)
Inventories	7	10,564	(7,595)
Trade accounts payable		(2,923)	(1,136)
Other changes in working capital (net)		1,873	15,152
Income taxes paid		(7,351)	(5,561)
Cash inflows from operating activities		**67,164**	**15,117**
Decrease/(increase) in financial assets	8	361	(34)
Interest received		1,043	1,316
Purchase of property, plant and equipment	9	(5,815)	(4,960)
Proceeds from sales of property, plant and equipment	9	210	365
Acquisition of REMP Group, net of cash acquired	3	-	(60,493)
Purchase of intangible assets	10	(691)	(1,048)
Cash outflows from investing activities		**(4,892)**	**(64,854)**
Dividends paid		(5,172)	(4,815)
New shares issued upon exercise of employee stock options		6,579	203
Purchase of treasury shares		-	(10,000)
Proceeds from sales of treasury shares		-	1,249
Interests paid		(1,438)	(1,664)
Change in current bank liabilities	11	597	(8)
Increase in bank loans	11	458	68,000
Repayment of bank loans	11	(18,709)	(322)
Cash (outflows)/inflows from financing activities		**(17,685)**	**52,643**
Translation differences		221	1,087
Increase in cash and cash equivalents		**44,808**	**3,993**
Cash and cash equivalents at beginning of year		39,939	35,946
Cash and cash equivalents at year-end		**84,747**	**39,939**
Cash and cash equivalents as per cash flow statement comprise:			
Cash and cash equivalents as per balance sheet	5	85,144	42,645
./. Bank overdrafts under bank pooling arrangements	11	(397)	(2,706)
= Cash and cash equivalents as per cash flow statement		**84,747**	**39,939**

Notes to the consolidated financial statements

1. Introduction

These financial statements are the consolidated financial statements of Tecan Group Ltd., a company registered in Switzerland, and its subsidiaries (together referred to as the 'Group') for the year ended December 31, 2006. The Group is operating in the life sciences supply industry and is specialized in the development, production and distribution of advanced automation solutions enabling drug discovery, genomics, proteomics and diagnostics.

The consolidated financial statements were authorized for issue by the Board of Directors on March 1, 2007. Final approval is subject to acceptance by the annual general meeting of shareholders on April 19, 2007.

2. Summary of significant accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements are presented in Swiss francs (CHF), rounded to the nearest thousand. They are prepared on the historical cost basis except for derivative financial instruments, which are stated at their fair value.

2.2. Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make assumptions and estimates that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of these financial statements. If in the future such assumptions and estimates deviate from the actual circumstances, the original assumptions and estimates will be modified as appropriate in the year in which the circumstances change.

The valuation of the following material positions is based on critical accounting estimates and judgments:

Goodwill REMP and brand name 'REMP'

The Group performed the annual impairment tests for the goodwill REMP and the brand name 'REMP' at the end of June 2006. The key assumptions as well as a sensitivity analysis concerning the goodwill REMP are disclosed in note 10.

Other intangible assets recognized due to the acquisition of REMP Group

At December 2006 the Group was not aware of any indication that the carrying amounts of the intangible assets recognized, based on the purchase price allocation according to IFRS 3 (see note 10), might have been impaired. Therefore no specific impairment tests have been performed.

Income taxes

At December 31, 2006, the net liability for current income taxes is CHF 6.0 million and the net asset for deferred taxes is CHF 5.9 million. Significant estimates are required in determining the current and deferred assets and liabilities for income taxes. Various internal and external factors may have favorable or unfavorable effects on the income tax assets and liabilities. These factors include, but are not limited to, changes in tax laws, regulations and/or rates, changing interpretations of existing tax laws or regulations and changes in overall levels of pre-tax earnings. Such changes could impact the assets and liabilities recognized in the balance sheet in future periods.

2.3. Introduction of new and amended accounting standards and interpretations

The accounting policies are consistent with those applied in the previous year, except for the introduction of the following new or amended standards and interpretations*, effective as of January 1, 2006:

- IAS 19 'Employee Benefits'
- IAS 39 'Financial Instruments: Recognition and Measurement'
- IAS 21 (technical correction) 'The Effects of Changes in Foreign Exchange Rates'
- IFRIC 4 'Determining whether an Arrangement contains a Lease'

*IAS = International Accounting Standard; IFRS = International Financial Reporting Standard; IFRIC = International Financial Reporting Interpretations Committee

The business of the Group is not within the scope of IFRS 6 'Exploration and Evaluation of Mineral Resources', IFRIC 5 'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds' and IFRIC 6 'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment'.

The principal impacts on the consolidated financial statements are disclosed below:

IAS *19* 'Employee Benefits'
The Group does not apply the alternative recognition option, which allows the recognition of actuarial gains and losses directly to the equity. The additional disclosure requirements are reported in note 13.

Other changes
The introduction of all other changes did not result in substantial changes to the Group's accounting policies.

2.4. New standards and interpretations not yet applied
There are no new or amended standards or interpretations that are effective for financial periods beginning on or after January 1, 2007, and that are expected to have a significant impact on the consolidated financial statements. The introduction of IFRS 7 'Financial Instruments: Disclosures' and the amendments of IAS 1 'Presentation of Financial Statements'/(capital disclosures) will require additional disclosures in the financial statements 2007. IFRS 8 'Operating Segments' might change segment disclosures. Further, the Group is not affected by IFRIC 7–12.

2.5. Reclassifications
Some minor reclassifications have been introduced to the balance sheet and the cash flow statement during 2006. Prior-year figures have been adjusted accordingly.

2.6. Consolidation principles
Subsidiaries are those companies controlled, directly or indirectly, by Tecan Group Ltd., where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. This control is normally evidenced when the Group owns, either directly or indirectly, more than 50% of the voting power of a company. Newly acquired companies are consolidated from the date on which operating control is transferred to the Group, using the purchase method. The equity and net profit attributable to minority shareholders' interests are shown separately in the consolidated balance sheet and consolidated income statement, respectively.

The companies, which are included in the consolidated financial statements, are listed in the notes to the statutory financial statements of Tecan Group Ltd. Currently there are no minority interests.

Intra-group balances and transactions, and any unrealized profits arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2.7. Foreign currency translation
All Group companies have identified their local currency as their functional currency. Transactions in other currencies are initially reported using the exchange rate at the date of the transaction. Gains and losses from the settlement of such transactions, as well as gains and losses on monetary assets and liabilities denominated in other currencies are included in net profit.

Translation differences arising on intra-group loans that, in substance, are part of Tecan Group Ltd.'s net investment in a foreign entity are recognized directly into equity until the disposal of the net investment.

Upon consolidation, assets and liabilities of Group companies using functional currencies other than Swiss Francs (foreign entities) are translated into Swiss Francs (presentation currency) using year-end exchange rates. Revenues, expenses and cash flows are translated at the average exchange rates for the year. Translation differences due to the changes in exchange rates between the beginning and the end of the year and the difference between net profits translated at the average and year-end exchange rates are taken directly to equity. On the disposal of a foreign entity, the identified cumulative currency translation differences relating to that foreign entity are recognized in profit as part of the gain or loss on disposal.

2.8. Accounting and valuation principles
Cash and cash equivalents
Cash and cash equivalents comprise cash balances and time deposits with a term of three months or less from the date of acquisitions. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Trade and other accounts receivable
Trade and other accounts receivable are stated at their amortized cost less impairment losses. For short-term receivables nominal value equals amortized cost.

Construction contracts
Some product categories of the business unit Sample Management (REMP) are accounted for using the 'percentage of completion' method of IAS 11. The respective stage of completion is determined by reference to the contract costs incurred for work performed to date in proportion to the estimated total contract costs.

According to the stage of completion pro rata sales are recognized in the income statement. In the balance sheet the projects in progress – netted against customers' advances – are recognized as net assets (included in the position 'trade accounts receivable' or net liabilities (included in the position 'deferred revenue') from construction contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Inventories
Inventories are stated at the lower of purchase or production cost and net realizable value. Production costs include raw materials, components and semi-finished products, direct production costs (internal labor and external services) and production overheads. The Group applies the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made for slow-moving items. Obsolete items are written off.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see separate accounting policy). The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate proportion of production overheads. Borrowing costs are not capitalized.

Assets acquired under lease contracts, which provide the Group with substantial benefits and risks of ownership, are classified as finance leases and capitalized at amounts equivalent to the estimated present value of the underlying lease payments. The corresponding rental obligations, net of finance charges, are included in liabilities. Leased assets are depreciated over their estimated useful lives. There were no items of property, plant and equipment under finance lease as per balance sheet date. Payments made under operating leases are charged against income on a straight-line basis over the period of the lease.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of items of property, plant and equipment from the date they are available for use. The estimated useful lives are as follows:

Land	not depreciated
Buildings	maximum 40 years
Leasehold improvements	shorter of useful life or lease term
Furniture and fixtures	4–8 years
Machines and motor vehicles	2–8 years
EDP equipment	3–5 years

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment (component approach).

Costs for repair and maintenance are recognized as an expense as incurred.

Goodwill
Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not capable of being individually identified and separately recognized.

The cost of a business combination is determined in accordance with IFRS 3 and is equal to the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquiree plus any costs directly attributable to the business combination. At the acquisition date (date on which the Group effectively obtains control of the acquiree), the Group allocates the cost of a business combination by recognizing the acquiree's identifiable assets, liabilities and contingent liabilities at their fair value at that date. Any difference between the cost of the business combination and the acquirer's interest in the fair value of the identifiable assets, liabilities and contingent liabilities so recognized is treated as goodwill. If the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized as described above exceeds the cost of the business combination, the Group reassesses the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination, and recognizes immediately in profit or loss any excess remaining after the reassessment.

After initial recognition, the Group measures goodwill at cost less any accumulated impairment losses. In accordance with IFRS 3, IAS 36 and IAS 38, the Group does not amortize goodwill. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that there might be an impairment.

Other intangible assets
Development costs – Expenditure on internal development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products or processes, is capitalized if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalized includes the cost of materials and external project costs. Other development expenditure (including research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding) is recognized in the income statement as an expense as incurred. At December 31, 2006 no development costs have satisfied the capitalization criteria.

Software – Expenditure on the implementation of software, including licenses and external consulting fees, is capitalized.

Intangible assets acquired in a business combination – All intangible assets (client relationships, technology, order backlog, brand name 'REMP') that are recognized applying the purchase price procedure in accordance with IFRS 3 are stated initially at fair value. The following valuation methods are used in order to determine the fair values at the acquisition date: multi-period excess earnings method, relief from royalty method and replacement cost approach.

Intangible assets are stated at cost less accumulated amortization (see below) and impairment losses (see separate accounting policy), except for the brand name 'REMP', which is stated at cost less accumulated impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortized from the date they are available for use. The estimated useful lives are as follows:

Development costs	3–5 years
Software	3–5 years
Acquired client relationships	15 years
Acquired technology	5–10 years
Acquired order backlog	2 years

The brand name 'REMP' was initially assessed and recognized as an intangible asset with an indefinite useful life. Therefore the asset is not subject to amortization, but is tested for impairment at least annually.

Impairment
The carrying amount of the Group's assets other than goodwill, intangible assets with indefinite useful lives, inventories, assets arising from construction contracts and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being the higher of its fair value less cost to sell and its value in use, is estimated. An impairment loss is recognized in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Interest-bearing loans and borrowings
Interest-bearing loans and borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest bearing loans and borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

Trade and other accounts payable
Trade and other accounts payable are stated at their amortized cost, which equals the nominal amount for short-term payables.

Employee benefits – liability for post-employment benefits (IAS *19*)
Within the Group, various post-employment benefit plans exist, which differ in their purpose and financing according to local needs. The liability for post-employment benefits relates to defined benefit pension plans and long-service leave benefits.

The Group's liability in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount for future benefit that employees have earned in return for their service in the current and prior periods;

that benefit is discounted to determine the present value, and the fair value for any plan assets is deducted. The calculation is performed by a professionally qualified independent actuary using the projected unit credit method.

Current service costs are charged to the income statement in the periods in which the services are rendered by the employees.

Actuarial gains and losses comprise:
- Experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and
- The effects of changes in actuarial assumptions.

Actuarial gains and losses are recognized as income or expense when the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous reporting period exceeds 10% of the higher of the defined benefit obligation and the fair value of plan assets at that date. These gains or losses are recognized over the expected average remaining working lives of the participating employees.

Past service costs attributable to plan amendments are recognized as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit pension plan, past service costs are recognized immediately.

A net pension asset is recorded only to the extent that it does not exceed the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan, and any unrecognized actuarial losses and past service costs.

Long-service leave benefits: the method of accounting for liabilities concerning long-service leave benefits is similar to the one used for defined benefit pension plans.

Employee benefits – share-based payment (IFRS *2*)
The Group introduced several equity- and cash-settled share-based compensation plans:

Equity-settled plans – The fair value of options granted is recognized as a personnel expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options (vesting period). The fair value of the options granted is measured using a binominal model, taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted by an expected labor turnover rate to reflect the expected number of options that will vest.

Cash-settled plans – The fair value of the amount payable to the employee is recognized as a personnel expense with a corresponding increase in provisions. The fair value is initially measured at grant date and spread over the period during which the employees become unconditionally entitled to payment (vesting period). The fair value of the stock appreciation rights (SARs) is measured based on a binominal model, taking into account the terms and conditions upon which the instruments were granted. The provision is remeasured at each balance sheet date and at settlement date. Any changes in the fair value of the provision are recognized in the financial result.

Provisions
Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Financial instruments
The Group uses derivative financial instruments to economically hedge certain exposures to foreign exchange rate risks. Hedge accounting is not applied. Derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, derivative financial instruments are also stated at fair value. Any resultant gain or loss is recognized directly in the income statement.

Treasury shares
When own shares are purchased, the amount of the consideration paid, including directly attributable costs and taxes, is recognized as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity. The consideration received when treasury shares are sold is recognized as a change in equity.

Sales – revenue recognition
Goods sold and services rendered – Sales are recorded net of sales taxes and discounts, at the time the risks and benefits of ownership are substantially transferred to customers. The recognition of income from products with material application

and installation work requires a written acceptance by the customer. Revenue from service contracts is recognized in the income statement at the proportion of time passed at the balance date bear to the full contract period.

Construction contracts – As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognized in the income statement in proportion to the stage of completion of the contract (see 'construction contracts').

Government research subsidies
The Group receives government grants for research activities, which are unconditional. They are recognized as income when received.

Income taxes
Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized in equity, in which case it is recognized in equity.

Deferred taxes are provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax assets resulting from temporary differences and tax loss carry-forwards are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

In addition, deferred taxes are provided on expected dividend distributions from subsidiary companies (non recoverable withholding taxes).

3. Change in scope of consolidation (acquisitions)

There has been no change in scope of consolidation for 2006.

In prior year Tecan acquired 100% of REMP Group as of July 1 consisting of the following companies:

Company	Domicile	Currency	Share capital LC 1,000	Activities
REMP AG	Oberdiessbach (CH)	CHF	4,000	S/R/P/D
• REMP Deutschland GmbH	Waldems (D)	EUR	25	D
• REMP (USA), Inc.	Holliston, MA (US)	USD	0	D
• REMP Nippon AG (incl. branch office Tokyo)	Oberdiessbach (CH)	CHF	100	D

S = services, holding functions R = research and development P = production D = distribution

The REMP Group produces and sells large-scale automated storage and retrieval systems for the pharmaceutical and biotech industries. As of July 1, 2005, REMP had 142 employees worldwide. Its headquarters are located near Berne, Switzerland.

The cost of the business combination was calculated as follows:

In CHF 1,000	1.7.2005
Purchase price paid in cash	67,653
Treasury shares issued (726,300 shares* share price of CHF 41.-/share at July 1, 2005 – date of exchange)	29,778
Transaction costs	1,564
Total cost of the business combination	**98,995**

The acquisition has been accounted for using the purchase method. The following amounts of assets and liabilities acquired have been included in the consolidated financial statements:

In CHF 1,000	Amounts of assets and liabilities included in the consolidated financial statements at the acquisition date 1.7.2005	Purchase price allocation according to IFRS 3	Amounts of assets and liabilities acquired in accordance with IFRS, immediately before the combination 30.6.2005
Cash and cash equivalents	8,724	-	8,724
Trade accounts receivable	7,573	-	7,573
Other accounts receivable	1,936	-	1,936
Inventories	5,867	1,150	4,717
Income tax receivable	113	-	113
Prepaid expenses	647	-	647
Property, plant and equipment	9,269	-	9,269
Intangible assets	33,510	30,990	2,520
Assets	**67,639**	**32,140**	**35,499**
Trade accounts payable	1,989	-	1,989
Other accounts payable	666	-	666
Deferred income	4,562	-	4,562
Income tax payable	111	-	111
Accrued expenses	3,204	-	3,204
Current provisions	521	-	521
Bank loans	23	-	23
Liability for post-employment benefits	2,748	1,730	1,018
Non-current provisions	351	-	351
Deferred tax liabilities	6,852	7,603	(751)
Liabilities	**21,027**	**9,333**	**11,694**
Net identifiable assets and liabilities	**46,612**	**22,807**	**23,805**
Goodwill	52,383		
Purchase price	**98,995**		
Cash acquired	(8,724)		
Treasury shares issued	(29,778)		
Net cash outflow	**60,493**		

The remaining goodwill included synergies from the acquisition, the work force and potentially other intangible assets that could not be valued separately.

In the six months to December 31, 2005, the acquired business contributed net profit of CHF 0.7 million to the consolidated net profit for the year. If the acquisition had occurred on January 1, 2005, Group sales for the year 2005 would have been CHF 364.3 million and net profit would have been CHF 13.4 million.

4. Foreign exchange rates

The following foreign exchange rates were used for the preparation of the consolidated financial statements:

In CHF		Balance sheet 2006	Balance sheet 2005	Income statement 2006	Income statement 2005
EUR	1	1.61	1.56	1.57	1.55
GBP	1	2.39	2.27	2.31	2.26
SEK	100	17.84	16.54	17.02	16.67
USD	1	1.22	1.31	1.25	1.25
JPY	100	1.02	1.11	1.08	1.13
SGD	1	0.80	0.79	0.79	0.75

5. Cash and cash equivalents

In CHF 1,000	2006	2005
Cash and cash equivalents:		
denominated in CHF	25,931	10,329
denominated in EUR	20,186	23,007
denominated in GBP	4,734	2,712
denominated in USD	31,045	4,249
denominated in JPY	1,546	1,102
denominated in other currencies	1,702	1,246
Total	**85,144**	**42,645**
Thereof time deposits	691	8,051
Effective interest rate	1.9%	2.0%

6. Trade accounts receivable

In CHF 1,000	2006	2005
Receivables:		
denominated in CHF	14,570	15,114
denominated in EUR	29,687	29,353
denominated in GBP	5,805	4,211
denominated in USD	31,600	37,690
denominated in JPY	8,447	4,982
denominated in other currencies	2,498	2,523
Subtotal receivables	*92,607*	*93,867*
Allowance for doubtful accounts	(1,953)	(1,224)
Construction contracts in progress:		
Aggregate amount of cost incurred and recognized profits (less recognized losses)	5,359	12,140
Amounts of advances received	(4,280)	(11,590)
Subtotal construction contracts in progress	*1,079*	*550*
Total	**91,733**	**93,193**
Change in scope of consolidation	-	7,573
(Decrease)/increase	(614)	22,916
Translation differences	(846)	4,047
Total change compared with previous year	*(1,460)*	*34,536*
Amount of contract revenue recognized as sales in the income statement relating to construction contracts	19,938	14,437

7. Inventories

In CHF 1,000	2006	2005
Raw material, semi-finished and finished goods	52,552	62,147
Work in progress	5,465	3,362
Allowance for slow-moving inventories	(13,423)	(9,628)
Total	**44,594**	**55,881**
Change in scope of consolidation	-	5,867
(Decrease)/increase	(10,564)	7,595
Translation differences	(723)	4,646
Total change compared with previous year	*(11,287)*	*18,108*
Amount of inventories stated at fair value less costs to sell (CHF million)	11.6	14.5
Amount of write-offs due to slow-moving inventories charged to the income statement (CHF million)	1.9	2.8

8. Financial assets

In CHF 1,000	2006	2005
Deposits	595	863
Other	165	301
Total	**760**	**1,164**
(Decrease)/increase	(361)	34
Translation differences	(43)	61
Total change compared with previous year	*(404)*	*95*

9. Property, plant and equipment

In CHF 1,000	Land & buildings	Leasehold improve-ments	Furniture & fittings	Machines & motor vehicles	EDP equipment	Total 2006
At cost						
Balance at January 1, 2006	7,963	7,893	10,105	16,609	20,005	62,575
Additions	-	157	669	2,128	2,861	5,815
Disposals	-	(64)	(155)	(1,626)	(1,680)	(3,525)
Transfer	-	-	-	-	-	-
Translation differences	-	(174)	(20)	19	(48)	(223)
Balance at December 31, 2006	**7,963**	**7,812**	**10,599**	**17,130**	**21,138**	**64,642**
Accumulated depreciation and impairment losses						
Balance at January 1, 2006	208	3,634	7,583	12,085	15,974	39,484
Annual depreciation	417	806	893	1,798	2,458	6,372
Disposals	-	1	(143)	(1,163)	(1,626)	(2,931)
Transfer	-	-	-	1	(1)	-
Translation differences	-	(98)	(15)	65	(14)	(62)
Balance at December 31, 2006	**625**	**4,343**	**8,318**	**12,786**	**16,791**	**42,863**
Net book value	**7,338**	**3,469**	**2,281**	**4,344**	**4,347**	**21,779**

In CHF 1,000	Land & buildings	Leasehold improve-ments	Furniture & fittings	Machines & motor vehicles	EDP equipment	Total 2005
At cost						
Balance at January 1, 2005	-	6,927	9,465	17,172	18,557	52,121
Acquisition through business combinations	7,963	51	169	441	645	9,269
Additions	-	642	528	1,843	1,947	4,960
Disposals	-	(102)	(456)	(3,400)	(1,964)	(5,922)
Transfer	-	-	-	8	(8)	-
Translation differences	-	375	399	545	828	2,147
Balance at December 31, 2005	**7,963**	**7,893**	**10,105**	**16,609**	**20,005**	**62,575**
Accumulated depreciation and impairment losses						
Balance at January 1, 2005	-	2,727	6,488	10,855	15,014	35,084
Annual depreciation	208	765	1,222	2,218	2,190	6,603
Closure of Tecan Boston (impairment loss, see note 20)	-	-	-	1,437	-	1,437
Disposals	-	(35)	(436)	(2,779)	(1,900)	(5,150)
Transfer	-	-	-	-	-	-
Translation differences	-	177	309	354	670	1,510
Balance at December 31, 2005	**208**	**3,634**	**7,583**	**12,085**	**15,974**	**39,484**
Net book value	**7,755**	**4,259**	**2,522**	**4,524**	**4,031**	**23,091**

Property, plant and equipment are insured in the event of fire for the total value of CHF 69.9 million (2005: CHF 73.6 million). There were no material purchase commitments as of year-end 2006 and 2005.

10. Intangible assets

In CHF 1,000	Goodwill	Software	Acquired client relationships	Acquired technology	Acquired order backlog	Brand name 'REMP'	Total 2006
At cost							
Balance at January 1, 2006	54,186	14,588	16,634	9,586	482	6,590	102,066
Additions	-	691	-	-	-	-	691
Disposals	-	-	-	-	(482)	-	(482)
Translation differences	58	-	-	-	-	-	58
Balance at December 31, 2006	**54,244**	**15,279**	**16,634**	**9,586**	**-**	**6,590**	**102,333**
Accumulated amortization and impairment losses							
Balance at January 1, 2006	-	8,221	554	594	322	-	9,691
Annual amortization	-	2,874	1,109	1,189	160	-	5,332
Impairment loss	-	-	-	-	-	690	690
Disposals	-	-	-	-	(482)	-	(482)
Translation differences	-	-	-	-	-	-	-
Balance at December 31, 2006	**-**	**11,095**	**1,663**	**1,783**	**-**	**690**	**15,231**
Net book value	**54,244**	**4,184**	**14,971**	**7,803**	**-**	**5,900**	**87,102**

In CHF 1,000	Goodwill	Software	Acquired client relationships	Acquired technology	Acquired order backlog	Brand name 'REMP'	Total 2005
At cost							
Balance at January 1, 2005	6,855	13,322	-	-	-	-	20,177
Elimination of goodwill amortization	(5,075)	-	-	-	-	-	(5,075)
Acquisitions through business combinations	52,383	218	16,634	9,586	482	6,590	85,893
Additions	-	1,048	-	-	-	-	1,048
Disposals	-	-	-	-	-	-	-
Translation differences	23	-	-	-	-	-	23
Balance at December 31, 2005	**54,186**	**14,588**	**16,634**	**9,586**	**482**	**6,590**	**102,066**
Accumulated amortization and impairment losses							
Balance at January 1, 2005	5,075	5,129	-	-	-	-	10,204
Elimination of goodwill amortization	(5,075)	-	-	-	-	-	(5,075)
Annual amortization	-	3,092	554	594	322	-	4,562
Impairment losses	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-	-
Balance at December 31, 2005	**-**	**8,221**	**554**	**594**	**322**	**-**	**9,691**
Net book value	**54,186**	**6,367**	**16,080**	**8,992**	**160**	**6,590**	**92,375**

The amortization charge and impairment losses are recognized in the following line items of the income statement:

In CHF 1,000	2006	2005
Cost of sales	160	322
Sales and marketing (incl. impairment loss)	1,799	554
Research and development	1,189	594
General and administration	2,874	3,092
Total charges	**6,022**	**4,562**

Impairment tests for cash-generating units containing goodwill

The Group has performed impairment tests on goodwill end of June. For the purpose of impairment testing, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit from the synergies of the corresponding business combination. For the impairment test, the recoverable amount of a cash-generating unit (higher of the cash-generating unit's fair value less costs to sell and its value in use) is compared to the carrying amount of the corresponding cash-generating unit. Future cash flows are discounted using a pre-tax rate that reflects current market assessments based on the Weighted Average Cost of Capital (WACC) and the Capital Asset Pricing Model (CAPM). Value in use is normally assumed to be higher than the fair value less costs to sell, therefore, fair value less costs to sell is only investigated when value in use is lower than the carrying amount of the cash generating unit.

The cash flow projections are based on five-year period budgets. Cash flows beyond the five-year period are extrapolated using the long-term estimated growth rates stated below. The discount rates applied are pre-tax.

Key assumptions used for value-in-use calculations of goodwill amounts:

Cash generating unit	Carrying amount of goodwill CHF 1,000	Currency	Test date	Basis for recoverable amount	Discount rate	Projection period	Long-term growth rate
REMP Group	52,383	CHF/ EUR/USD	June 30, 2006	Value in use	13.3%	5 years	1.5%
Tecan production Switzerland	1,803	CHF/ EUR	June 30, 2005	Value in use	12.7%	5 years	0.0%

Based on the impairment tests, there was no need for the recognition of any impairment in financial year 2006.

Sensitivity analysis of goodwill REMP

Amount of excess (+)/necessary impairment (-) in CHF million depending on:

	Discount rate				
	12.3%	**12.8%**	**13.3%**	**13.8%**	**14.3%**
Growth rate					
0.5%	18.2	13.0	8.1	3.7	(0.5)
1.0%	21.5	15.9	10.8	6.1	1.7
1.5%	25.1	19.2	13.7	8.7	4.1
2.0%	29.1	22.7	16.8	11.5	6.6
2.5%	33.5	26.5	20.3	14.6	9.4

Impairment test for brand name 'REMP'

The brand name 'REMP' was initially assessed and recognized as an intangible asset with an indefinite useful life. Therefore the asset is not subject to periodic amortization, but is tested for impairment at least annually. This test has been prepared end of June 2006. In addition the asset was assessed end of December 2006 based on the 'relief from royalty method' by applying a royalty rate of 1.0% on the sales of the cash generating unit 'REMP Group' and using a pre-tax discount rate of 13.6%, a projection period of five years and a long-term growth rate of 1.5%. As a result of the second test an impairment loss of CHF 0.7 million has been recognized in sales and marketing expenses in 2006. Circumstances still support an indefinite useful life assessment.

11. Interest-bearing loans and borrowings

In CHF 1,000	2006	Due within 1 year	Due within 2–3 years	Due over 3 years	2005
Current bank liabilities:					
Bank overdrafts under bank pooling arrangements	397	397			2,706
Current maturities of non-current bank loans	2,671	2,671			8,680
Other current bank liabilities	3,669	3,669			3,358
Subtotal current bank liabilities	*6,737*	*6,737*			*14,744*
Non-current bank loans	48,799	-	36,799	12,000	60,988
Total	**55,536**				**75,732**
Change in scope of consolidation	-				23
Increase in bank loans	458				68,000
Repayment of bank loans	(18,709)				(322)
Decrease in other bank liabilities	(1,697)				(1,667)
Translation differences	(248)				205
Total change compared with previous year	*(20,196)*				*66,239*
Analysis by currency:					
Denominated in CHF	50,001				70,570
Denominated in EUR	1,470				1,648
Denominated in USD	994				184
Denominated in JPY	3,060				3,330
Denominated in other currencies	11				-
Total	**55,536**				**75,732**
Analysis by interest rates:					
Variable interest rates depending on LIBOR:					
- bank overdrafts under bank pooling arrangements	397				2,706
- bank liabilities due to the acquisition of REMP Group	50,000				68,000
Fixed interest rates on other current and non-current bank liabilities are as follows:					
0% – 2%	3,669				3,358
2% – 4%	1,470				1,648
4% – 6%	-				-
6% – 8%	-				20
Total	**55,536**				**75,732**

In 2006 the average interest rate paid on the bank liabilities due to the acquisition of REMP Group was 2.3% (2005: 2.1%). On bank loans there are covenants relating to equity ratio and debt-EBITDA-ratio, which have been fully satisfied throughout the year.

Unused lines of credit amounting to CHF 37.4 million are available to the Group at December 31, 2006 (2005: CHF 34.7 million).

12. Deferred revenue

In CHF 1,000	2006	2005
Advance payments received related to product sales to be recognized upon delivery or customer's acceptance	3,739	14,954
Deferred income related to service contracts	14,206	11,577
Construction contracts in progress:		
Aggregate amount of cost incurred and recognized profits (less recognized losses)	(8,935)	(19,377)
Amount of advances received	19,697	23,726
Subtotal construction contracts in progress	*10,762*	*4,349*
Total	**28,707**	**30,880**
Change in scope of consolidation	-	4,562
(Decrease)/increase	(2,141)	6,101
Translation differences	(32)	1,090
Total change compared with previous year	*(2,173)*	*11,753*

13. Employee benefits

13.1. Number of employees

FTE*	2006	2005
Employees – year-end	1,087	1,047
Employees – average	1,059	1,026

*FTE = full time equivalent

13.2. Personnel expenses

Personnel expenses include the following:

In CHF 1,000	2006	2005
Salaries and wages	109,071	95,736
Social security	13,757	12,487
Post-employment benefits		
- defined contribution plans	1,418	1,579
- defined benefit plans	3,494	3,047
Share-based payment (equity- and cash-settled transactions)	274	1,080
Other personnel expenses	4,812	4,460
Total personnel expenses	**132,826**	**118,389**

13.3. Liability for post-employment benefits: defined benefit plans (IAS 19)

The liability for post-employment benefits relates to the following plans:

In CHF 1,000	2006	2005
Number of plans:		
Funded plans	2	2
Unfunded plans	3	3
Number of people covered:		
Participating employees	574	554
Retirees	0	0
Expected average remaining working lives of the participating employees (years)	12.6	11.7
The amounts recognized in the balance sheet are as follows:		
Present value of funded obligations	47,111	46,944
Fair value of plan assets	(42,320)	(39,206)
Subtotal	*4,791*	*7,738*
Present value of unfunded obligations	2,370	2,287
Unrecognized actuarial losses	(6,998)	(3,691)
Unrecognized past service costs	6,092	5
Total liability	**6,255**	**6,339**
The amounts recognized in the income statement are as follows:		
Current service costs	6,220	5,178
Employee contributions	(2,567)	(2,242)
Interest expense on obligation	1,357	1,210
Expected return on plan assets	(1,437)	(1,096)
Amortization of actuarial losses	22	22
Past service costs	(101)	(25)
Total, included in personnel expenses	**3,494**	**3,047**
Actual return on plan assets	549	1,791
Changes in the present value of the defined benefit obligation are as follows:		
Balance at January 1	49,231	28,835
Change in scope of consolidation	-	11,276
Plan amendments	(6,187)	(6)
Current service costs	6,220	5,178
Insurance premiums	(1,834)	(1,382)
Benefits paid	(1,781)	(94)
Interest expense on obligation	1,357	1,210
Actuarial losses	2,467	4,187
Curtailment/settlement	(26)	-
Translation differences	34	27
Balance at December 31	**49,481**	**49,231**

In CHF 1,000	2006	2005
Changes in the fair value of plan assets are as follows:		
Balance at January 1	39,206	25,337
Change in scope of consolidation	0	8,528
Employer contributions	3,359	2,689
Employee contributions	2,567	2,242
Insurance premiums	(1,834)	(1,382)
Benefits paid	(1,530)	4
Expected return on plan assets	1,437	1,096
Actuarial (losses)/gains	(888)	695
Translation differences	3	(3)
Balance at December 31	**42,320**	**39,206**

The Group expects to contribute CHF 4.1 million to its defined benefit plans in 2007.

The major categories of plan assets as a percentage of total plan assets are as follows:		
Equity securities	10.0%	10.0%
Debt securities	54.0%	54.0%
Real estate	8.0%	8.0%
Other	28.0%	28.0%
Total	**100.0%**	**100.0%**

Neither own financial instruments of the Group nor any property occupied by the Group are included in the plan assets.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):		
Discount rate at December 31	2.8%	2.8%
Expected return on plan assets at December 31	3.0%	3.5%
Future salary increases	1.9%	1.6%
Future pension increases	0.5%	0.5%

The expected return on plan assets is based on the investment strategy of the life insurance company.

History of experience adjustments:		
Defined benefit obligation	49,481	49,231
Plan assets	(42,320)	(39,206)
Deficit	7,161	10,025
Experience gains/(losses) on plan liabilities in %	(3.0%)	0.0%
Experience gains/(losses) on plan assets in %	(2.0%)	2.0%

13.4. Share-based payment (IFRS 2)

The terms and conditions of the grants are as follows, whereby all options are settled by physical delivery of shares and all stock appreciation rights (SARs) by cash payment:

Arrangement	Employees entitled/ grant date	Number of instruments/ exercise price	Vesting conditions	Contractual life	Expiry date
Plan 2000	Options granted to all employees at April 10, 2000	212,840 options CHF 100.00	One/two/three/four years of service for 25%/50%/ 75%/100% of options	5 years	April 10, 2005
Plan 2001	Options granted to all employees at November 30, 2000	139,720 options CHF 162.50	One/two/three/four years of service for 25%/50%/ 75%/100% of options	5 years	November 30, 2005
Plan 2002 Equity-settled	Options granted to all employees outside of USA at November 30, 2001	121,344 options CHF 99.00	One/two/three/four years of service for 25%/50%/ 75%/100% of options	11 years	November 30, 2012
Plan 2002 Cash-settled	SARs granted to employees in the USA at November 30, 2001	53,512 SARs CHF 99.00	One/two/three/four years of service for 25%/50%/ 75%/100% of SARs	11 years	November 30, 2012
Plan 2003 Equity-settled	Options granted to all employees outside of USA at November 30, 2002	350,188 options CHF 48.40	One/two/three/four years of service for 25%/50%/ 75%/100% of options	11 years	November 30, 2013
Plan 2003 Cash-settled	SARs granted to employees in the USA at November 30, 2002	159,275 SARs CHF 48.40	One/two/three/four years of service for 25%/50%/ 75%/100% of SARs	11 years	November 30, 2013
Plan 2007B (base plan) Equity-settled	Options granted to members of Board of Directors, Executive Committee and management level 2 and 3 at November 30, 2006	27,762 options CHF 70.00	One/two/three years of service for 33%/33%/34% of options	11 years	November 30, 2013
Plan 2007P (performance plan) Equity-settled	Options granted to members of Executive Committee and management level 3 at November 30, 2006	20,837 options CHF 70.00	Three years of service plus earnings per share target plus comparison with peer basket of competitors	7 years	November 30, 2013

All share options grant the right to purchase one Tecan share per option. Based on the plans 2002 and 2003 the employees from the US received stock appreciation rights (SARs) with the same treatment and the same conditions as share options. All outstanding options and SARs granted are covered by the conditional share capital. No plans have been introduced in 2003, 2004 and 2005.

The number and weighted average exercise prices of share options and SARs are as follows:

	Weighted average exercise price (CHF) 2006		Number 2006		Weighted average exercise price (CHF) 2005		Number 2005	
	Options	SARs	Options	SARs	Options	SARs	Options	SARs
Balance at January 1	62.07	61.38	272,356	120,188	88.83	61.00	540,973	144.339
Granted	70.00	-	48,599	-	-	-	-	-
Exercised	48.40	48.40	(61,901)	(51,883)	48.40	48.40	(1,869)	(2,348)
Forfeited	48.40	48.40	(5,141)	(1,162)	51.92	53.43	(18,835)	(10,681)
Expired	74.70	67.16	(144)	(8,964)	121.33	68.88	(247,913)	(11,122)
Balance at December 31	**66.83**	**72.32**	**253,769**	**58,179**	**62.07**	**61.38**	**272,356**	**120,188**

The weighted average share price at the date of exercise was CHF 67.3 in 2006 and CHF 52.2 in 2005.

Outstanding share options and SARs at the end of the period in detail:

	Exercise price	Remaining contractual life (years) 2006		Number 2006		Remaining contractual life (years) 2005		Number 2005	
		Options	SARs	Options	SARs	Options	SARs	Options	SARs
Plan 2002	99.00	5.9	5.9	71,700	27,502	6.9	6.9	73,597	30,825
Plan 2003	48.40	6.9	6.9	133,470	30,677	7.9	7.9	198,759	89,363
Plan 2007 B	70.00	6.9	-	27,762	-	-	-	-	-
Plan 2007 P	70.00	6.9	-	20,837	-	-	-	-	-
Balance at December 31		**6.6**	**6.4**	**253,769**	**58,179**	**7.6**	**7.6**	**272,356**	**120,188**
Exercisable at the end of the period				205,170	58,179			225,566	96,665

The total expenses relating to share-based payment transactions, recognized in the consolidated income statement, are calculated as follows:

Equity-settled share-based payment

Equity-settled plans granted before January 1, 2005: Due to the transitional provisions of IFRS 2 only the share options of plan 2003/equity-settled, which had not vested at the effective date of the standard (January 1, 2005), have been recognized in the income statement.

The fair value of services received in return for share options granted is measured by reference to the share options vested times their fair value at grant date (measurement date). The estimate of the fair value is based on a binominal model. Changes of the fair value of the option after the grant date do not change the fair value of the services received.

Fair value of share options and key assumptions:

	Share price	Exercise price	Expected volatility (historic)	Option life	Expected dividends	Risk-free interest rate	Fair value
Grant date							
Plan 2003	CHF 48.40	CHF 48.40	38.00%	11.0 years	0.84%	2.83%	**CHF 23.37**
Plan 2007 B	CHF 70.00	CHF 70.00	50.22%	7.0 years	0.65%	2.53%	**CHF 35.33**
Plan 2007 P	CHF 70.00	CHF 70.00	50.22%	7.0 years	0.65%	2.53%	**CHF 22.08***

*Incl. market condition 'comparison with peer basket'

Cash-settled share-based payment

Cash-settled plans granted before January 1, 2005: Due to the transitional provisions of IFRS 2 only the SARs of plan 2002/cash-settled and plan 2003/cash-settled, which were not settled at the effective date of the standard (January 1, 2005), have been recognized in the income statement.

The fair value of services received in return for the SARs granted are measured by reference to the SARs vested times their fair value at grant date (measurement date). The estimate of the fair value is based on a binominal model. Changes of the fair value of the SARs after the grant date have an impact on the provision for cash-settled share-based payment and are posted to the financial result.

Fair value of SARs and key assumptions:

	Share price	Exercise price	Expected volatility (historic)	Option life	Expected dividends	Risk-free interest rate	Fair value
Grant date							
Plan 2002	CHF 99.00	CHF 99.00	38.00%	11.0 years	1.00%	3.55%	**CHF 48.52**
Plan 2003	CHF 48.40	CHF 48.40	38.00%	11.0 years	0.84%	2.83%	**CHF 23.37**
2005							
Plan 2002	CHF 57.50	CHF 99.00	38.00%	6.9 years	0.70%	2.29%	**CHF 14.07**
Plan 2003	CHF 57.50	CHF 48.40	38.00%	7.9 years	0.70%	2.34%	**CHF 27.20**
2006							
Plan 2002	CHF 76.45	CHF 99.00	45.66%	5.9 years	0.57%	2.72%	**CHF 28.39**
Plan 2003	CHF 76.45	CHF 48.40	46.76%	6.9 years	0.57%	2.74%	**CHF 45.77**

Total expenses recognized

In CHF 1,000	2006	2005
Expenses arising from equity-settled plans (share options)	150	660
Expenses arising from cash-settled plans (SARs)	124	420
Total personnel expenses recognized with impact on the operating profit	*274*	*1,080*
Effect of changes in the fair value of SARs with impact on the financial result	487	1,184
Total expenses	**761**	**2,264**

The provision for cash-settled share-based payment transactions amounts to CHF 2.2 million at December 31, 2006 (2005: CHF 2.7 million, see note 14).

14. Provisions

In CHF 1,000	Cash-settled share-based payment transactions (see note 13)	Restructuring	Warranties & returns	Legal cases	Other	Total 2006
Balance at January 1, 2006	2,688	2,556	8,417	433	2,052	16,146
Change in scope of consolidation	-	-	-	-	-	-
Provisions made	611	-	7,941	391	404	9,347
Provisions used	(1,115)	(981)	(5,881)	-	(395)	(8,372)
Provisions reversed	-	(11)	(121)	(170)	(121)	(423)
Unwind of discounts	-	53	-	-	-	53
Translation differences	-	20	(98)	14	22	(42)
Balance at December 31, 2006	**2,184**	**1,637**	**10,258**	**668**	**1,962**	**16,709**
Thereof current	-	353	10,258	475	944	12,030
Thereof non-current	2,184	1,284	-	193	1,018	4,679

In CHF 1,000	Cash-settled share-based payment transactions (see note 13)	Restructuring	Warranties & returns	Legal cases	Other	Total 2005
Balance at January 1, 2005	1,085	2,116	5,489	530	1,504	10,724
Changes in Group companies	-	-	521	-	351	872
Provisions made	1,603	3,504	6,384	-	1,592	13,083
Provisions used	-	(2,641)	(3,730)	(16)	(280)	(6,667)
Provisions reversed	-	(546)	(591)	(87)	(1,125)	(2,349)
Unwind of discounts	-	66	-	-	-	66
Translation differences	-	57	344	6	10	417
Balance at December 31, 2005	**2,688**	**2,556**	**8,417**	**433**	**2,052**	**16,146**
Thereof current	-	1,024	8,417	-	1,211	10,652
Thereof non-current	2,688	1,532	-	433	841	5,494

The provisions for restructuring relate to the closing of the research and development sites in Munich (2006: CHF 1.6 million and 2005: CHF 1.9 million) and Boston (2006: CHF 0.0 million and 2005: CHF 0.7 million; see also note 20). The provision for Tecan Munich includes an amount of CHF 1.4 million (2005: CHF 1.6 million), which covers the non-cancellable lease commitments concerning the factory building. The contract will expire in May 2011.

The provision for legal cases (2006: CHF 0.7 million and 2005: CHF 0.4 million) relates to several minor legal cases with former customers and employees in different subsidiaries, for which the timing of settlement was uncertain at year-end.

At the end of 2006 the position 'other' contains a provision to cover purchase commitments on parts and material for discontinued products in the amount of CHF 0.9 million (2005: CHF 1.0 million).

15. Financial instruments

Credit risks

The individual companies and the Group as a whole have no significant concentration of credit risks, as financial instrument contracts are concluded exclusively with first-rate financial institutions. The credit risk associated with trade accounts receivable is limited, as the Group has numerous clients located in various geographical regions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

Interest rate risks

Bank borrowings primarily bear variable interest rates. There are no significant differences between fair values and carrying amounts of interest-bearing liabilities.

Foreign currency risks

The Group incurs foreign currency risks on sales, purchases, borrowings and investments denominated in a currency other than the functional currency of the respective subsidiaries. On a consolidated basis, the Group is also exposed to currency fluctuations between the Swiss Franc and the functional currencies of its subsidiaries. The two major currencies giving rise to currency risks are Euros and US Dollars.

The Group centralizes its foreign currency exposure in a few locations only. The hedging policy of the Group is to cover the foreign currency exposure to a certain percentage of the operating activities. The Group uses forward exchange contracts, currency options and swaps to hedge its foreign currency risk on specific future foreign currency cash flows. These contracts have maturities of up to 12 months. The Group does not hedge its net investment in foreign entities and the related foreign currency translation of local earnings. Similarly, the Group does not hedge interest exposures. The derivative financial instruments used as economic hedges of foreign currencies are summarized in the table below. They are recognized at fair value as other current assets and liabilities respectively.

	Fair value		Contract value		
In CHF 1,000	**Positive**	**Negative**	**Total**	**Due within 3 months**	**Due within 3–12 months**
Foreign currency forwards					
Sale EUR	-	(51)	1,575	1,575	-
Sale USD	357	(136)	35,380	7,320	28,060
Sale JPY	11	-	1,306	1,306	-
Foreign currency options					
Sale USD	149	(86)	10,980	1,220	9,760
Balance at December 31, 2006	**517**	**(272)**	**49,240**	**11,420**	**37,820**

	Fair value		Contract value		
In CHF 1,000	**Positive**	**Negative**	**Total**	**Due within 3 months**	**Due within 3–12 months**
Foreign currency forwards					
Purchase USD	260	-	(2,620)	(2,620)	-
Sale USD	-	(2,358)	43,230	10,480	32,750
Balance at December 31, 2005	**260**	**(2,358)**	**40,610**	**7,860**	**32,750**

16. Rental and lease commitments

The commitments arising from operating leases are largely rental payments for buildings.

Commitments under non-cancellable operating leases:

In CHF 1,000	2006	2005
Due date:		
1st year	6,946	7,214
2nd year	6,051	6,070
3rd year	5,397	5,434
4th year	5,156	4,949
5th year	1,824	4,906
6th year or beyond	1,200	2,201
Balance at December 31	**26,574**	**30,774**

In the financial year 2006, CHF 8.0 million have been recognized as expenses for leases in the consolidated income statement (2005: CHF 7.9 million).

The Group did not enter into any finance lease contracts.

17. Contingent liabilities and encumbrance of assets

As of December 31, 2006 and 2005, the Group had no significant contingent liabilities to third parties, and none of the Group's assets were pledged, assigned or subject to retention of title, except for the following positions:

In CHF 1,000	2006	2005
Pledged assets:		
Cash and cash equivalent (bank pooling arrangement)	50,392	11,830
Shares of REMP AG, pledged to secure bank loans (amount of consolidated net assets)	48,018	46,885

18. Shareholders' equity

The changes in shareholders' equity are disclosed in the 'consolidated statement of changes in shareholders' equity'.

Dividends paid

	2007 (proposed)	2006	2005
Number of shares eligible for dividend		11,492,340	10,699,576
Dividends paid (CHF/share)	0.45	0.45	0.45
Payout in form of a nominal value reduction (CHF/share)	0.45	-	-

Movements in shares outstanding

Number (each share has a nominal value of CHF 1.-)	Shares issued	Treasury shares	Shares outstanding
Balance at January 1, 2005	12,340,606	(1,576,030)	10,764,576
Issue of new shares from conditional share capital (employee profit sharing program, see below)	4,217	-	4,217
Acquisition of REMP Group (see note 3)	-	726,300	726,300
Cancellation of treasury shares	(453,000)	453,000	-
Purchase of treasury shares	-	(100,000)	(100,000)
Sale of treasury shares	-	35,000	35,000
Balance at December 31, 2005	**11,891,823**	**(461,730)**	**11,430,093**
Issue of new shares from conditional share capital (employee profit sharing program, see below)	113,784	-	113,784
Balance at December 31, 2006	**12,005,607**	**(461,730)**	**11,543,877**

Conditional share capital reserved for the employee profit sharing program

Number (each share has a nominal value of CHF 1.-)	2006	2005
Balance at January 1	1,108,177	1,112,394
Employee share options exercised (see note 13)	(113,784)	(4,217)
Balance at December 31	**994,393**	**1,108,177**
Employee share options outstanding (see note 13)	311,948	392,544

Conditional and authorized share capital for the purpose of future business development

Number (each share has a nominal value of CHF 1.-)	2006	2005
Conditional share capital	1,800,000	-
Authorized share capital, expiring on April 26, 2008	1,200,000	-

19. Segment information

The primary segmentation is indicated by geographical region. Intersegment transactions are conducted based on prevailing market prices.

Segment information (by location of assets)

From July 1, 2005, the segment Europe includes the newly acquired business of REMP Group (see note 3).

In CHF 1,000	America 2006	America 2005	Europe 2006	Europe 2005	Asia 2006	Asia 2005	Corporate/ consolidation 2006	Corporate/ consolidation 2005	Group 2006	Group 2005
Sales to third parties	133,998	131,826	260,168	202,384	11,763	10,690	–	–	405,929	344,900
Intersegment sales	41,102	37,191	93,110	110,714	–	–	(134,212)	(147,905)	–	–
Total sales	175,100	169,017	353,278	313,098	11,763	10,690	(134,212)	(147,905)	405,929	344,900
Operating profit	2,691	(2,783)	41,960	39,064	(1,164)	(1,846)	7,367	(9,609)	50,854	24,826
Segment assets	64,159	82,546	253,801	269,208	7,623	5,805	(63,606)	(78,884)	261,977	278,675
Unallocated assets									103,626	59,333
Total assets									365,603	338,008
Segment liabilities	36,996	43,782	99,322	98,462	2,886	2,282	(32,908)	(40,616)	106,296	103,910
Unallocated liabilities									75,466	90,765
Total liabilities									181,762	194,675
Depreciation and amortization	(1,066)	(1,148)	(10,479)	(9,817)	(159)	(200)	–	–	(11,704)	(11,165)
Impairment losses	–	–	(690)	(1,437)	–	–	–	–	(690)	(1,437)
Purchase of property, plant and equipment	1,518	1,271	4,241	3,424	56	265	–	–	5,815	4,960
Purchase of intangible assets	–	–	691	1,048	–	–	–	–	691	1,048

No significant non-cash expenses other than depreciation of property, plant and equipment and amortization of intangible assets were incurred.

Sales by regions (by location of customers)

In CHF 1,000	North America 2006	North America 2005	Europe 2006	Europe 2005	Asia 2006	Asia 2005	Others 2006	Others 2005	Total 2006	Total 2005
Sales to third parties	166,826	158,840	185,934	153,041	37,494	26,978	15,675	6,041	405,929	344,900
Change in local currency versus the prior year in %	5.0	30.4	20.1	12.8	40.6	(1.5)	159.5	188.6	17.2	20.2

Sales by markets

In CHF 1,000	Genomics/ Proteomics 2006	Genomics/ Proteomics 2005	Drug Discovery 2006	Drug Discovery 2005	Diagnostics 2006	Diagnostics 2005	Total 2006	Total 2005
Sales to third parties	121,087	101,780	147,539	107,447	137,303	135,673	405,929	344,900
Change in local currency versus the prior year in %	18.6	24.3	36.8	17.2	0.7	19.7	17.2	20.2

Assets and capital expenditure in property, plant and equipment cannot be allocated meaningfully to the individual markets. A mathematical allocation would not result in reliable or meaningful information.

20. Exceptional items included in income statement

There were no exceptional items included in the income statement of 2006.

In CHF 1,000	Total 2005
Costs related to closure of Tecan Boston are presented in the income statement as follows:	
Cost of sales	1,437
Sales and marketing	130
Research and development	2,929
General and administration	445
Total charges	**4,941**
Thereof impairment losses on property, plant and equipment (included in cost of sales)	1,437
Thereof provisions for restructuring	3,504

Due to difficulties in developing the LabCD™ technology and delays in its commercialization, the Group decided in July 2005 to discontinue the related development programs and to close its research and development facility in Boston (US). Production equipment was fully written-off.

21. Operating expenses by nature

In CHF 1,000	2006	2005
Material costs	139,501	120,658
Personnel expenses	132,826	118,389
Depreciation of property, plant and equipment	6,372	6,603
Amortization of intangible assets	5,332	4,562
Impairment losses	690	1,437
Other operating income and expenses (net)	70,354	68,425
Total operating expenses	**355,075**	**320,074**

22. Research and development

In CHF 1,000	2006	2005
External project costs	12,739	14,286
Internal costs	25,101	25,882
Amortization of intangible assets related to research and development	1,189	594
Total research and development (gross)	**39,029**	**40,762**
Government research subsidies	(1,063)	(1,059)
Total research and development (net)	37,966	39,703

In 2006 costs for research and the development of new products (gross) amounted to 9.6% of sales (2005: 11.8%).

23. Other operating income

In CHF 1,000	2006	2005
Government research subsidies	1,063	1,059
Other operating income (miscellaneous)	398	279
Other operating expense (miscellaneous)	(21)	(18)
Total other operating income	**1,440**	**1,320**

24. Financial result

In CHF 1,000	2006	2005
Interest income	1,312	1,513
Interest expenses	(1,641)	(2,026)
Other	(487)	(1,215)
Finance cost	*(2,128)*	*(3,241)*
Net foreign exchange gains/(losses)	832	(3,036)
Total financial result	**16**	**(4,764)**

The position ‘Other’ includes fair value adjustments on cash-settled share-based payment plans.

25. Income taxes

In CHF 1,000	2006	2005
Current income taxes	10,921	6,621
Deferred taxes	(690)	(513)
Total income taxes	**10,231**	**6,108**
The income tax expense can be analyzed as follows:		
Profit before taxes	50,870	20,062
Tax expense based on the Group's expected weighted average tax rate of 25.2% (2005: 32.2%)	12,792	6,462
Non-deductible expenses and additional taxable income	452	2,078
Tax-free income and tax reductions	(2,586)	(1,880)
Tax loss carry-forwards not capitalized	186	(466)
Underprovided in prior years	41	319
Effect of tax rate change on opening deferred taxes	(654)	(405)
Tax expense reported	**10,231**	**6,108**

The expected tax rate of the Group is the weighted average tax rate obtained by applying the currently effective rate for each individual jurisdiction to its respective profit before taxes. As a result of a change in the country mix of the profit before taxes, the Group's expected tax rate was reduced to 25.2%.

Deferred tax assets and liabilities are attributable to the following:

In CHF 1,000	Change 2006	2006	2005
Receivables	871	1,071	200
Inventories	(590)	7,368	7,958
Property, plant and equipment	125	(9)	(134)
Intangible assets	932	(6,586)	(7,518)
Liabilities and accrued expenses	(463)	838	1,301
Provisions	589	2,508	1,919
Other	99	(1,159)	(1,258)
Total net deferred tax assets arising from temporary differences	1,563	4,031	2,468
Deferred taxes provided on			
- expected dividends from subsidiaries	(125)	(538)	(413)
- potential tax benefits from tax loss carry-forwards	(1,163)	2,451	3,614
Total net deferred tax assets	**275**	**5,944**	**5,669**
Change in scope of consolidation		–	(6,852)
Deferred taxes recognized in the income statement		690	513
Deferred taxes recognized directly in equity		–	1,431
Translation differences		(415)	483
Total change compared with previous year		*275*	*(4,425)*

At year-end, temporary differences on inventories primarily relate to income on intra-group sales eliminated for consolidation purposes. Deferred taxes recognized directly in equity relate to transactions in treasury shares.

Tax loss carry-forwards:

In CHF 1,000	Gross value of tax loss carry-forwards not capitalized 2006	2005	Potential tax benefits 2006	2005
Expiring in:				
1st year			–	–
2nd year			–	–
3rd year			–	105
4th year			–	–
5th year			–	–
6th year or beyond			–	–
Unlimited			2,451	3,509
Total tax loss carry-forward capitalized			**2,451**	**3,614**
Expiring in:				
1st year	–	–	–	–
2nd year	11	–	3	–
3rd year	36	11	9	3
4th year	1	36	–	9
5th year	52	1	12	–
6th year or beyond	13	65	3	16
Unlimited	2,855	2,212	951	738
Total tax loss carry-forward not capitalized	**2,968**	**2,325**	**978**	**766**
Total tax loss carry-forward			**3,429**	**4,380**

Deferred taxes are included in the balance sheet as follows:

In CHF 1,000	2006	2005
Deferred tax assets	15,248	14,970
Deferred tax liabilities	(9,304)	(9,301)
Total, net	**5,944**	**5,669**

26. Related parties

The Group has a related party relationship with its subsidiaries and with key management personnel (members of the Board of Directors and the Executive Committee).

The total compensation paid to the key management personnel was:

In CHF 1,000	2006	2005
Short-term employee benefits	5,143	2,973
Post-employment benefits	300	214
Termination benefits	–	–
Share-based payment	82	47
Total compensation	**5,525**	**3,234**

Different from the information provided in the Group's corporate governance disclosures, the total compensation above includes social security and pension contributions paid by the employer, as well as the fair value of share-based payments.

27. Earnings per share

The earnings per share are determined based on the consolidated profit of the Group and the average number of shares outstanding, excluding treasury shares.

	2006	2005
Number of shares issued	12,005,607	11,891,823
Number of treasury shares	461,730	461,730
Average number of shares outstanding (see note 18)	11,497,402	11,055,136
Basic earnings per share (CHF/share)	**3.54**	**1.26**
Average number of shares under option total	376,546	425,636
Average number of shares under option dilutive	226,135	-
Average exercise price	48.40	n.a.
Average number of shares that would have been issued at average market price for the year of CHF 67.27 (2005: CHF 41.54).	162,712	n.a.
Adjustment for dilutive share options	63,423	-
Average number of shares outstanding after dilution	11,560,825	11,055,136
Diluted earnings per share (CHF/share)	**3.52**	**1.26**

28. Subsequent events

No events have occurred subsequent to the balance sheet date, which would require adjustments to or disclosures in these consolidated financial statements.

Report of the group auditors to the general meeting of

Tecan Group Ltd.
Männedorf

As group auditors, we have audited the consolidated financial statements of Tecan Group Ltd., Männedorf, presented on pages 29 to 62 for the year ended December 31, 2006.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards and with the International Standards on Auditing (ISA), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG Ltd

Lukas Marty
Swiss Certified Accountant
Auditor in Charge

Stefan Dürmüller
Swiss Certified Accountant

Zurich, March 1, 2007

Balance sheet at December 31

In CHF	Notes	2006	2005
Assets			
Cash and cash equivalents		11,357,352	1,211,418
Other accounts receivable from third parties		906,187	694,732
Other accounts receivable from Group companies		15,214,666	19,175,085
Current loans to Group companies		18,456,000	355,239
Current loans to Group companies subordinated		-	18,000,000
Prepaid expenses		561,244	261,393
Current assets		**46,495,449**	**39,697,867**
Financial assets	2	170,222,378	175,189,100
Treasury shares	3	16,160,550	16,160,550
Property, plant and equipment		639,254	432,138
Intangible assets		4,218,625	6,366,825
Non-current assets		**191,240,807**	**198,148,613**
Assets		**237,736,256**	**237,846,480**
Liabilities and equity			
Current bank liabilities		2,000,000	8,937,012
Other liabilities to third parties		1,097,912	1,459,472
Other liabilities to Group companies		683,235	579,373
Current provisions		250,000	-
Current tax liabilities		660,114	409,254
Accrued expenses		5,746,170	5,996,754
Current liabilities		**10,437,431**	**17,381,865**
Bank loans		48,000,000	60,000,000
Non-current provisions		54,470	24,950
Non-current liabilities		**48,054,470**	**60,024,950**
Share capital		12,005,607	11,891,823
Legal reserves		36,562,977	36,562,977
Retained earnings		130,675,771	111,984,865
Shareholders' equity	4	**179,244,355**	**160,439,665**
Liabilities and equity		**237,736,256**	**237,846,480**

Income statement

In CHF	2006	2005
Dividend income from Group companies	12,505,000	9,276,000
Interest income from third parties	1,011,519	817,354
Interest income from Group companies	2,159,986	3,032,483
Financial income	5,268,723	7,424,280
Management fees from Group companies	27,250,526	23,583,210
Other income	816,225	-
Income	**49,011,979**	**44,133,327**
Personnel expenses	(12,400,775)	(9,642,610)
Depreciation of property, plant and equipment	(317,357)	(287,028)
Amortization of intangible assets	(2,875,297)	(2,874,087)
Other expenses	(11,379,650)	(9,740,049)
Financial expenses	(5,820,727)	(8,738,652)
Expenses	**(32,793,806)**	**(31,282,426)**
Profit before taxes	**16,218,173**	**12,850,901**
Income taxes	(235,530)	(391,297)
Net profit	**15,982,643**	**12,459,604**

Notes to the financial statements

1. General

Reporting basis – The Tecan Group Ltd. financial statements are prepared in compliance with the Swiss Code of obligations. They are a supplement to the consolidated financial statements (pages 29 through 62) prepared according to International Financial Reporting Standards (IFRS). While the consolidated financial statements reflect the economic situation of the Group as a whole, the information contained in the Tecan Group Ltd. financial statements (pages 64 through 69) relates to the ultimate parent company alone. The retained earnings reported in these financial statements provide the basis for the decision regarding the distribution of earnings to be made during the annual general meeting of shareholders.

2. Financial assets

In CHF	2006	2005
Investments in subsidiaries	151,047,678	151,047,678
Non-current loans to Group companies	17,654,700	22,621,422
Non-current loans to Group companies subordinated	1,520,000	1,520,000
Total	**170,222,378**	**175,189,100**

Overview of investments in subsidiaries (direct and indirect)

Company	Domicile	Currency	Share capital	Activities
Tecan Schweiz AG	Männedorf/Zurich (CH)	CHF	5,000,000	R/P
Tecan Trading AG	Männedorf/Zurich (CH)	CHF	300,000	S/D
Tecan Sales Switzerland AG	Männedorf/Zurich (CH)	CHF	250,000	D
REMP AG	Oberdiessbach/Bern (CH)	CHF	4,000,000	R/P/D
• REMP (USA), Inc.	Holliston, MA (US)	USD	10	D
• REMP Nippon AG (incl. branch office Tokyo)	Oberdiessbach/Bern (CH)	CHF	100,000	D
Tecan Austria GmbH	Grödig/Salzburg (A)	EUR	1,460,000	R/P
Tecan Sales Austria GmbH	Grödig/Salzburg (A)	EUR	35,000	D
Tecan Sales International GmbH	Grödig/Salzburg (A)	EUR	35,000	D
Tecan Landesholding GmbH	Crailsheim/Stuttgart (D)	EUR	25,000	S
• Tecan Deutschland GmbH	Crailsheim/Stuttgart (D)	EUR	51,129	D
• REMP Deutschland GmbH	Waldems/Frankfurt (D)	EUR	25,000	D
• Tecan Software Competence Center GmbH	Mainz-Kastel (D)	EUR	103,000	R
Tecan Benelux B.V.B.A.	Mechelen (B)	EUR	137,000	D
Tecan France S.A.S.	Lyon (F)	EUR	2,760,000	D
Tecan Iberica Instrumentacion S.L.	Barcelona (E)	EUR	30,000	D
Tecan Italia S.r.l.	Milano (I)	EUR	77,469	D
Tecan UK Ltd.	Reading (GB)	GBP	500,000	D
Tecan Nordic AB	Mölndal/Gothenburg (S)	SEK	100,000	D
Tecan US Group, Inc.	Raleigh-Durham, NC (US)	USD	1,500,000	S
• Tecan US, Inc.	Raleigh-Durham, NC (US)	USD	400,000	D
• Tecan Systems, Inc.	San Jose, CA (US)	USD	26,000	R/P
Tecan Japan Co., Ltd.	Tokyo (Jap)	JPY	125,000,000	D
Tecan Asia (Pte.) Ltd.	Singapore (Sin)	SGD	800,000	D

S = services, holding functions R = research and development P = production D = distribution

All subsidiaries were 100% owned as of December 31, 2006 and 2005.

Changes in investments
Tecan Boston, Inc. was liquidated at the end of 2006.

As of July 1, 2005, the Company acquired 100% of REMP AG (including its subsidiaries in Germany, US and Switzerland).

3. Treasury shares

Number (each share has a nominal value of CHF 1.-)	**2006**	**2005**
Balance at January 1	461,730	1,576,030
Purchase of treasury shares	-	100,000
Sale of treasury shares	-	(35,000)
Cancellation of shares for the purpose of capital reduction	-	(453,000)
Acquisition of REMP Group	-	(726,300)
Balance at December 31	**461,730**	**461,730**
Average price of shares purchased, CHF	-	100.00
Average price of shares sold, CHF	-	35.70

During their annual general meeting in 2005 the shareholders agreed to the proposed cancellation of 453,000 repurchased shares, which led to a capital reduction of CHF 15,855,000.

4. Changes in shareholders' equity

		Legal reserves			
In CHF	**Share capital**	**General reserve**	**Reserve for treasury shares (see note 3)**	**Retained earnings**	**Total shareholders' equity**
Shareholders' equity at January 1, 2005	12,340,606	19,944,124	67,916,331	68,004,805	168,205,866
Net profit	-	-	-	12,459,604	12,459,604
Dividends paid	-	-	-	(4,814,809)	(4,814,809)
New shares issued upon exercise of employee stock options	4,217	-	-	439,787	444,004
Share capital decrease (see note 3)	(453,000)	-	(16,964,566)	1,562,566	(15,855,000)
Change in reserve for treasury shares	-	-	(34,332,912)	34,332,912	-
Shareholders' equity at December 31, 2005	**11,891,823**	**19,944,124**	**16,618,853**	**111,984,865**	**160,439,665**
Net profit	-	-	-	15,982,643	15,982,643
Dividends paid	-	-	-	(5,171,553)	(5,171,553)
New shares issued upon exercise of employee stock options	113,784	-	-	7,879,816	7,993,600
Shareholders' equity at December 31, 2006	**12,005,607**	**19,944,124**	**16,618,853**	**130,675,771**	**179,244,355**

The Company's share capital is CHF 12,005,607, consisting of 12,005,607 registered shares with a nominal value of CHF 1.- each (2005: 11,891,823 registered shares with a nominal value of CHF 1.- each).

In 1997 shareholders approved a conditional share capital of CHF 1,300,000, reserved for an employee profit sharing program. The conditional share capital consists of 1,300,000 registered shares with a nominal value of CHF 1.- each. Since 1999, based on this conditional capital, several employee stock option plans have been introduced. As of December 31, 2006, the conditional share capital amounted to CHF 994,393 (2005: CHF 1,108,177) and 311,948 options not yet exercised were outstanding in connection with the employee stock option plans (2005: 392,544 options).

On April 26, 2006, the annual general meeting of shareholders approved the creation of additional conditional and authorized share capital for the purpose of future business development:

Number (each share has a nominal value of CHF 1.-)	2006	2005
Conditional share capital	1,800,000	-
Authorized share capital, expiring on April 26, 2008	1,200,000	-

The Company has knowledge of the following important shareholders (with shareholdings in excess of 5% of the issued share capital) as of December 31:

	2006	2005
Chase Nominees Ltd., London (GB)	11.7%	< 5%
BB Medtech AG, Schaffhausen (CH)	10.1%	10.2%
Schweizerische Unfallversicherungsanstalt (SUVA), Lucerne (CH)	7.7%	7.7%
Fidelity Management & Research Company, Boston (US)	5.7%	5.8%
UBS Fund Management (Switzerland) AG, Basel (CH)	< 5%	5.4%

5. Guarantees in favor of third parties

The total amount of guarantees in favor of subsidiaries was CHF 47.9 million at December 31, 2006 (2005: CHF 49.2 million). In addition an unlimited guarantee in favor of the German subsidiary (Tecan Deutschland GmbH) was issued.

6. Pledged assets

As of December 31, 2006 and 2005, the following assets were pledged, assigned for the securing of own liabilities, or subject to retention of title:

In CHF	2006	2005
Pledged assets:		
Cash and cash equivalent (bank pooling arrangement)	10,947,819	645,694
Participation REMP AG	98,994,754	98,994,754

7. Liabilities from leasing contracts not included in the balance sheet

The total amount of liabilities from leasing contracts not included in the balance sheet was CHF 0.1 million at December 31, 2006 (2005: CHF 0.1 million).

8. Fire insurance value of property, plant and equipment

At the end of 2006 the insured value of property, plant and equipment in the event of fire was CHF 1.5 million (2005: CHF 1.8 million).

9. Liabilities to pension funds

At December 31, 2006, as in the prior year, no liabilities to pension funds existed.

No further items existed which would require disclosure under the provisions of Art. 663b of the Swiss Code of Obligations.

Appropriation of available earnings

As proposed by the Board of Directors to the annual general meeting of shareholders on April 19, 2007:

In CHF	2006 Proposed	2005 Approved
Carried forward from previous year	106,813,312	63,189,996
Net profit	15,982,643	12,459,604
New shares issued upon exercise of employee stock options	7,879,816	439,787
Share capital decrease	-	1,562,566
Change in reserve for treasury shares	-	34,332,912
Available earnings	**130,675,771**	**111,984,865**
Dividends paid as approved by the annual general meeting of shareholders on April 26, 2006: CHF 0.45 per share with a nominal value of CHF 1.- each (total 11,492,340 shares eligible for dividend)		(5,171,553)
Dividends proposed: CHF 0.45 per share with a nominal value of CHF 1.- each (total 11,543,877 shares eligible for dividend)	(5,194,745)*	
Balance to be carried forward	**125,481,026**	**106,813,312**

The Board of Directors proposes to the annual general meeting of shareholders a total payout of CHF 0.90 per share for 2006, which comprises a regular dividend of CHF 0.45 and a payout of CHF 0.45 in form of a reduction of the nominal value of each share from CHF 1.- to CHF 0.55. The proposed nominal value reduction would reduce the share capital by CHF 5,402,523*.

* These numbers are based on the current issued (for proposed nominal value reduction) and outstanding (for dividends proposed) share capital at December 31, 2006. The number of shares eligible for dividend and nominal value reduction may change due to repurchases under the share buyback program and the issuance of new shares from the conditional share capital reserved for the employee profit sharing program. At the end of 2006 a total of 263,349 options were exercisable before the date of dividend payment.

Report of the statutory auditors to the general meeting of

Tecan Group Ltd.
Männedorf

As statutory auditors, we have audited the accounting records and the financial statements of Tecan Group Ltd., Männedorf, presented on pages 64 to 69 for the year ended December 31, 2006.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

KPMG Ltd

Lukas Marty
Swiss Certified Accountant
Auditor in Charge

Stefan Dürmüller
Swiss Certified Accountant

Zurich, March 1, 2007

Corporate governance

Information according to the Directive on Information Relating to Corporate Governance of the SWX Swiss Exchange.

1. Group structure and shareholders

Group structure

Tecan Group Ltd. (the 'Company'), Seestrasse 103, CH-8708 Männedorf, Zurich, Switzerland, is the parent company of the Tecan group of companies.

The Company is listed on the SWX Swiss Exchange.

Security symbol:	TECN
Security number:	1 210 019
ISIN:	CH0012100191
Telekurs Financial:	TECN
Bloomberg:	TECN SW
Reuters:	TECN.S

As per December 31, 2006, the market capitalization of the company was CHF 883 million.

The list of consolidated subsidiaries, none of which is publicly listed, is presented in the financial section on page 66 of this Annual Report. The operational group structure is organized according to the geographical regions Europe, America and Asia, as well as to the business areas Genomics/Proteomics, Drug Discovery and Diagnostics. The segment reporting according to this structure is presented in the financial section on page 57 of this Annual Report.

Important shareholders

As of December 31, 2006, the following shareholders held more than 5% of Tecan's shares:

	2006 Shares	2006 %	2005 Shares	2005 %
Chase Nominees Ltd., London	1,407,594	11.7%	-	<5%
BB Medtech AG, Schaffhausen (CH)[1]	1,212,780	10.1%	1,212,780	10.2%
Schweizerische Unfallversicherungsanstalt (SUVA), Lucerne (CH)[1]	920,000	7.7%	920,000	7.7%
Fidelity Management & Research Company, Boston (US)[1]	687,115	5.7%	687,115	5.8%
UBS Fund Management (Switzerland) AG, Basel (CH)	-	< 5%	645,570	5.4%

Numbers of shares according to the most recent notification by the shareholder to the SWX; the percentages are adjusted to the actual share capital as per the end of the period under review.

[1] No disclosure notification in the year under review

The Company does not have any cross-shareholdings exceeding 5% of the capital or voting rights on both sides.

2. Capital structure

Capital structure of Tecan Group Ltd. as per December 31

	2006	2005	2004
Registered shares with a nominal value of CHF 1.–			
Number	12,005,607	11,891,823	12,340,606
Nominal value CHF	12,005,607	11,891,823	12,340,606
Share capital CHF	12,005,607	11,891,823	12,340,606
Legal reserves CHF	36,562,977	36,562,977	87,860,456
Retained earnings CHF	130,675,771	111,984,865	68,004,805
Shareholders' equity CHF	**179,244,355**	**160,439,665**	**168,205,866**
Capital reduction			
Number of treasury shares cancelled	-	453,000	847,000
Reduction in share capital CHF	-	453,000	847,000
Reduction in reserves CHF	-	15,402,000	36,009,640
Conditional share capital			
Reserved for employee stock option plans CHF	994,393	1,108,177	1,112,394
Reserved for future business development CHF	1,800,000	-	-
Authorized share capital CHF			
Expiring on April 26, 2008, CHF	1,200,000	-	-

As of December 31, 2006, the Company's share capital was CHF 12,005,607, divided into 12,005,607 registered shares with a nominal value of CHF 1.– each. Each share is entitled to any dividends approved by the shareholders. The Company has neither bearer shares, nor participation certificates, nor bonus certificates outstanding.

Conditional share capital – changes in capital

In 1997, the Company's shareholders approved a conditional share capital of CHF 1,300,000 (consisting of 1,300,000 registered shares each with a nominal value of CHF 1.–) reserved for the purpose of employee participation. Several employee stock option plans were adopted based on this conditional share capital. Details on options granted under these plans are given in the consolidated financial statements, note 13 'Employee benefits'. Due to the exercise of 113,784 options during the financial year 2006 (2005: 4,217 options; 2004: 80,661 options), the Company's share capital was increased and the conditional capital decreased by 113,784 shares (2005: 4,217 shares; 2004: 80,661 shares) and the Company received CHF 5.5 million in cash (2005: 0.2 million; 2004: 4.0 million). As per December 31, 2006, 311,948 shares of the conditional share capital were reserved for outstanding employee stock options. These shares correspond to a share capital of CHF 311,948.

On April 26, 2006, the shareholders further approved the creation of conditional capital under which the share capital may be increased through the exercise of conversion rights and options granted in connection with bonds or similar instruments issued by the Company or group companies or through the exercise of options granted to shareholders. Such capital increase shall not exceed CHF 1,800,000 through the issue of a maximum of 1,800,000 registered shares. The pre-emptive rights of the shareholders are excluded. The acquisition of registered shares through the exercise of conversion or option rights and any further transfer of registered shares shall be subject to the restrictions specified in section 5 of the Articles of Incorporation. In case of convertible bonds or bonds with option rights, the preferred subscription rights of the shareholders may be restricted or excluded by decision of the Board of Directors, (1) in order to finance or refinance the acquisition of companies, parts of companies or holdings or (2) in order to issue convertible bonds and bonds with option rights on international capital markets. If preferred subscription rights are excluded, then (1) the bonds are to be placed at market conditions, (2) the exercise period is not to exceed five years from the date of issue for options and ten years for conversion rights and (3) the conversion or exercise price for the new shares is to be set at least in line with the market conditions prevailing at the date on which the bond is issued.

Authorized share capital

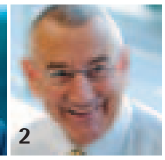
On April 26, 2006, the shareholders approved the creation of authorized share capital, which authorizes the Board of Directors to increase the share capital at any time up to April 26, 2008, by an amount not exceeding CHF 1,200,000 through the issue of up to 1,200,000 registered shares. Increase by underwriting as well as partial increases are permitted. The issue amount, the dividend entitlement, the type of contributions and any possible acquisition of assets will be determined by the Board of Directors. The new registered shares are subject to the restrictions specified in section 5 of the Articles of Incorporation. The pre-emption rights of the shareholders may be restricted, excluded and allocated to third parties by decision of the Board of Directors, if the new shares will be used (1) to pay for the acquisition of companies, parts of companies or holdings, (2) to finance or re-finance the acquisition of companies, parts of companies or holdings, or (3) for an international placement of shares. Shares for which pre-emption rights were granted, but which were not exercised, shall be used by the Board of Directors in the interest of the company.

The Company does not have convertible bonds or any options other than the aforementioned employee stock options outstanding.

Limitations on transferability and nominee registration

Registration of voting rights in the Company's share register is conditional on shareholders declaring that they have acquired the shares in their own name and for their own account. No shareholder is registered with voting rights for more than 5 percent of the share capital regardless of his or her total holdings. The Board of Directors of the Company may register nominees for up to 2 percent of the share capital as shareholders with voting rights in the share register. Nominees are shareholders who do not explicitly declare in the application for registration that they will hold the shares for their own account, and with whom the Company has entered into a corresponding agreement. Further, for shares in excess of 2 percent of the share capital, the Board of Directors may register nominees with voting rights in the share register, if such nominees disclose the names, addresses, nationalities and shareholdings of the persons in whose interest they hold 2 or more per cent of the share capital.

Entities which are bound in terms of capital and voting powers, common management or otherwise, or which act in a coordinated manner to circumvent the 5 percent rule are regarded as a single shareholder. The Board of Directors is entitled to grant exceptions from the registration restriction in special cases. No such exceptions were granted in the year under review. The procedures and conditions for canceling these limitations on transferability are described in section 6.



3. Board of Directors

1 Mike Baronian

Chairman

1947, Canadian-Swiss citizen, Degree in Finance (Concordia University, Montreal)

Since 2000, elected until 2009

Professional background: Different management positions within Johnson & Johnson, his last positions being Managing Director of Cilag, Schaffhausen, 1989 to 1997, and Vice-President of Global Operations in 1998. In 1999, he was CEO of ZLB, and between 2000 and 2002, CEO of the Asklia Group. Since 2003, he has been CEO and Chairman of the Board at AZAD Pharma AG, Toffen/BE.

Other activities: Life Therapeutics, AUS, Board member; Solvias AG, Basle, Board member.

2 Prof. Dr. Armin Seiler

Vice Chairman

1939, Swiss citizen, MS in Mechanical Engineering (Swiss Federal Institute of Technology), MS and PhD in Business Administration (University of Zurich)

Since 1998, elected until 2009

Professional background: Between 1967 and 1975, he worked as a management consultant at McKinsey & Company in Zurich and Chicago. He was CEO at Dr. Ing. Koenig AG, 1975 to 1977 and CEO at Cham Paper Group, 1978 to 1983. Between 1984 and 2006 he was professor at the Swiss Federal Institute of Technology in Zurich for Marketing and Strategic Management.

Other activities: Industrieholding Cham AG, Board member; ING Bank (Suisse) SA, Board member.

3 Timothy B. Anderson

1946, US citizen, Degree in Business Studies (Northwestern University) and MBA (Stanford University)

Since 2000, elected until 2007

Professional background: Various senior management positions within Baxter International (USA), including President of the Biotech Group, 1992 to 1997, Chairman of Baxter Europe, 1997 to 1999, and Senior Vice-President of Strategy and Business Development, 1999 to 2002. He was member of the Executive Committee from 1993 until he retired from Baxter at the end of 2002.

Other activities: Lake Forest Hospital, USA, Board member; Cerus Corporation, USA, Board member; PuriCore PLC, Board member; Member of the Scientific Advisory Board of Baxter International, USA, until December 2006.

4 Gérard Vaillant

1942, US citizen, Degree in Marketing (École Supérieure de Commerce, Paris) and MS (University of Sciences, Paris)

Since 2004, elected until 2008

Professional background: Various senior management positions within Johnson & Johnson (US), including Vice-President, J&J International, 1987 to 1992, Worldwide President LifeScan (a J&J company), 1992 to 1995, and Company Group Chairman Diagnostics Worldwide, 1995 to 2004. He was member of the Medical Devices & Diagnostics Group Operating Committee of J&J until he retired in 2004.

Other activities: Sensors for Medicine and Science, Inc, USA, Board member; Luminex Corporation, USA, Board member; IntegraGen, France, Board member.

5 Prof. Dr. Peter Ryser

1951, Swiss citizen, MS Physics (University of Neuchâtel), PhD Physics (University of Geneva) and Masters Degree in Corporate Management (Lucerne)

Since 2004, elected until 2007

Professional background: Scientific Assistant, Institute of Physics, University of Geneva, 1979 to 1984, Scientific Collaborator, Cerberus AG, 1985 to 1989, Head of Research, Siemens Building Technologies, Männedorf, 1990 to 1998 (formerly Cerberus Ltd.), since 1989 Professor of Microengineering, Swiss Federal Institute of Technology, Lausanne (EPFL).

Other activities: Sensile Technologies Ltd., Board member, Advanced Micro Technology Ltd., Board member, Cranes Software International Ltd., Board member.

6 Cleto De Pedrini

1945, Swiss citizen, Degree in Public Law, Business Administration and Economics (University of St. Gallen)

Since 2004, elected until 2008

Professional background: He was Head of the Export Department, Dätwyler AG, 1974 to 1980, Chief Executive Officer Truns Tuch- und Kleiderfabrik, 1980 to 1985, Chief Financial Officer, Hürlimann Breweries, 1985 to 1991, and held various senior management positions at Moevenpick AG, the last of which was Chief Financial Officer and vice chairman of the Autogrill Group, since 1999 partner of topwork ag.

Other activities: Autogrill Switzerland AG, Vice-Chairman of the Board; NovoGel Holding AG, Board member.

7 Heino von Prondzynski

1949, German citizen, studies of Mathematics, Geography and History (Westfälische Wilhelms University, Münster, Germany)

Since 2006, **resigned on February 2, 2007**

Professional background: 1976 to 1985 Sales representative and Sales & Marketing manager at Troponwerke, Cologne (Germany), 1985 to 1996 several senior management positions within Bayer AG in Germany, Austria and Brazil, 1996 to 2000 several senior management positions within Chiron Corporation in Germany, Italy and the USA, 2000 to 2005 Head of Diagnostics Division and Member of the Executive Committee of F. Hoffmann-La Roche Ltd. and CEO of the Division Roche Diagnostics.

Other activities: BB Medtech AG, Vice Chairman of the Board of Directors.

Independence
All the members of the Board of Directors are non-executive members. None of the Board members has important business connections with Tecan Group Ltd. or any other group company, unless explicitly disclosed under item 5, below. None of the Board members was formerly a member of the management of Tecan Group Ltd. or any group company prior to the period under review, except for Mike Baronian who served as interim CEO from June to October 2003. There are no cross-involvements.

Election, term of office, organization and responsibilities
According to the Company's Articles of Incorporation, the Board of Directors shall be composed of minimum one and maximum seven members, who shall be elected for a tenure of three years at most. Re-election shall be permitted immediately upon the end of the tenure. The cycle of elections shall as far as possible be arranged such that each year the term of office of approximately one third of the members of the Board of Directors expires. The Board of Directors is responsible for the ultimate supervision and Management of the Company, including the establishment of general strategies and guidelines, as well as for other matters which by law are under its nontransferable responsibility. To the extent permitted by law and insofar as no contrary provision is made in the Company's Articles of Incorporation and Organizational Regulations adopted by the Board of Directors, the Management of the Company's affairs is delegated to the management pursuant to Organizational Regulations.

The Board of Directors meets as often as business matters require. The Board meets at least five times a year upon invitation of the Chairman, or, in his absence, upon invitation of another Board member. All Board members are entitled to request a meeting by indicating the reason. The meetings usually last one whole day. As a general rule, the CEO and CFO, together with other members of the Management invited by the Chairman, attend or partially attend the Board meetings. The meetings may also be held by video conference or by telephone. The Board of Directors passes its resolutions with an absolute majority of votes of the Board members present. In the event of a tie, the Chairman of the Board has the casting vote. Resolutions may be passed by means of circulars, unless a member requests discussion in a formal meeting.

Committees
The Board of Directors may appoint from amongst its members committees for the preparation and implementation of its resolutions and for exercising its supervision function. The committees meet upon invitation of the respective chairman and as often as business requires, but at least twice a year. The committee meetings usually last between two and three hours. They make resolutions and proposals to be presented to the entire Board of Directors with a majority of votes cast, provided that at least two committee members are present. Resolutions may also be passed by means of circulars. The Board of Directors has established three committees which are composed as follows:

	Audit Committee	Nomination & Compensation Committee	Strategy & Technology Committee
Mike Baronian		Member	Member
Prof. Dr. Armin Seiler		Member	
Timothy B. Anderson	Chairman		
Gérard Vaillant	Member		Member[1]
Prof. Dr. Peter Ryser			Member
Cleto De Pedrini	Member	Chairman	
Heino von Prondzynski		Member[2]	Chairman[2]

[1] Chairman since 12 February 2007

[2] Resigned from the Board of Directors on 2 February 2007

Audit Committee

The Audit Committee comprises at least two members. The principal tasks and responsibilities of the Audit Committee are, in short, to form an impression of the internal and external audit and to monitor cooperation between the auditors and the Company, to assess the quality of internal control and compliance, to review the financial statements (consolidated and separate) and interim financial statements destined for publication, and to report and make recommendations on its activities, especially with regard to the approval of annual and interim statements, to the full Board of Directors. Moreover, the Audit Committee is responsible for monitoring the independence of the auditors, their service levels and fees, and to propose them for (re-)election at the annual general meeting. Upon invitation of the Chairman, representatives of the external auditors may attend the meetings.

Nomination & Compensation Committee

The majority of members of the Nomination & Compensation Committee must be non-executive and independent Board members. The principal tasks and responsibilities of the Nomination & Compensation Committee are to prepare and submit to the full Board of Directors proposals on the amount and form of remuneration of the members of the Board of Directors, the CEO, and the other members of the Management. The Nomination & Compensation Committee reviews reports on salary structure and development and monitors disclosure obligations with regard to the remuneration of the Management and of the Board of Directors. Moreover, the Nomination & Compensation Committee approves the employment of any staff who reports directly to the CEO and proposes the appointment of the CEO to the Board of Directors.

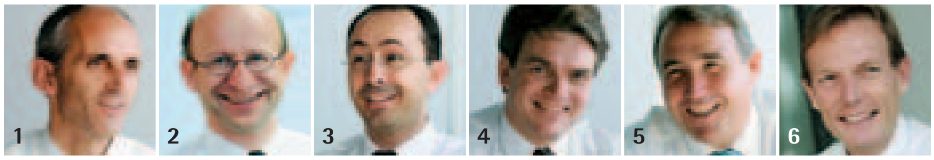
Strategy & Technology Committee

The Strategy & Technology Committee comprises at least three members of the Board of Directors. The majority must be independent Board members. The Strategy & Technology Committee shall maintain a cooperative, interactive strategic decision taking process with the Management and shall assure fully informed decisions of the Board of Directors in strategic matters. Resolutions for proposals of the Strategy & Technology Committee to the full Board are taken by majority of votes cast. In the event of a tie, the Chairman shall have the casting vote.

The principal tasks and responsibilities of the Strategy & Technology Committee are, in short, to assist in reviewing and further developing the strategy for the Company to be discussed in and to be approved by the Board of Directors, to periodically review the implementation by the Management of the strategy approved by the Board of Directors and to provide the members of the Board of Directors with any knowledge and information relevant for discussion and decisions as to strategic directions. Furthermore, the Strategy & Technology Committee shall provide the Board of Directors with a general understanding of the technology development and of the product development and advise on principal issues in relation to technology and products that require consideration with regard to strategic questions and to make recommendations as to priorities and resource allocation in connection with technology and product development.

Information and controlling instruments

To monitor the Group’s financial situation and its evolution, the Board of Directors continually receives reports via the Group’s Management Information System. To limit and control treasury risks, regulations for treasury affairs are in place.



4. Management

4.1 Executive Committee

1 Thomas Bachmann

Chief Executive Officer of Tecan Group since February 2005

1959, Swiss citizen, Degree in Mechanical Engineering (Berne University of Applied Sciences), MBA (IMD Lausanne)

Professional background: 1985 to 2002: Various senior management positions at Rieter Holding AG; 1985 to 1988: Manager, Sales North America, Rieter Corporation, Spartanburg, USA; 1989 to 1993: Director Global Sales, Rieter Synthetic Fiber Machinery (Global responsibility for sales and marketing to establish and develop markets in North America, India and Asia); 1994 to 1999: Managing Director, Rieter Synthetic Fiber Machinery, Winterthur, and Rieter Automatik, Grossostheim, Germany; 2000 to 2002: Senior Vice President, Corporate Development, Rieter Holding AG, Winterthur. 2002 to 2004: CEO Steel Systems Division at AFG Arbonia-Forster-Holding AG, Arbon.

Other activities: ALSSA (Analytical & Life Science Systems Association), USA, Board member.

2 Dr. Rudolf Eugster

Chief Financial Officer of Tecan Group since December 2002

1965, Swiss citizen, Degree in Chemistry (Swiss Federal Institute of Technology), PhD in Technical Science (Swiss Federal Institute of Technology), Postgraduate degree in Economics (Swiss Federal Institute of Technology).

Professional background: 1993 to 1994: Strategic Planning/Controlling at Novartis; 1994 to 2002: Several positions at Von Roll, the last of which was CFO of Isola Composites, a joint venture between Von Roll and Isola AG.

Other activities: none.

3 Dr. Jürg Dübendorfer

Senior Vice President, Head of Business Unit Services and Consumables since 2006

1968, Swiss citizen, MSc in Physics (Swiss Federal Institute of Technology, Zurich), PhD (University of Freiburg, Switzerland), Executive MBA Rochester-Bern (University of Rochester, NY, USA).

Professional background: 1995 to 1998 Research and teaching assistant at the Swiss Centre of Microtechnology, Zurich, Switzerland; 1998 to 2001: Engineering Manager at Perkin Elmer Life and Analytical Sciences, Downers Grove, IL, USA; 2001 to 2004: Head of R&D Biopharma at Tecan Schweiz AG, 2004 to 2006: Product Group Manager Applications at Tecan Schweiz AG.

Other activities: none.

4 Christopher C. Hanan

Senior Vice President, Head of Business Development and Corporate Communications since 2005

1969, Swiss and US citizen, BSc from Georgetown University (Washington, DC, USA), MBA from the Harvard Business School (Cambridge, MA, USA).

Professional background: 1993 to 1995: Consultant at The Boston Consulting Group (BCG) (Zurich, Switzerland); 1996: Member of PIA and M&A groups at Goldman Sachs International (London, U.K.); 1997 to 1999: Co-Founder and Head Product & Business Development at NewView Technologies Inc. (New York, NY, USA); 1999 to 2004: Co-founder Miradiant Global Network (sold to BankOne Corp), FVP BankOne Corp, (New York, NY, & Chicago, IL, USA); since 2004 Tecan Group, Switzerland.

Other activities: none.

5 Michael Illek

Senior Vice President, Head of Business Unit Detection (Groedig, Austria) since 2006

1965, German citizen, Degree in Mechanical Engineering (College of Applied Sciences Giessen, Germany).

Professional background: 1988 to 1989: Tutor at Fachhochschule Giessen; 1990 to 1998 Fairchild Technologies GmbH, several positions and responsibilities such as Mechanical Designer, Team Leader Product Engineer/Project Manager Planning/Control; since 1998 several positions at Tecan Austria GmbH, such as Project Leader R&D, Head of L&P, Project Leader SAP, interim Manager of Tecan Austria, Manager of Tecan Austria.

Other activities: none.

6 Bernhard Iseli

Senior Vice President, Head of Business Unit Sample Management since 2005

1960, Swiss citizen, Degree in Mechanical Engineering (Berne University of Applied Sciences), MBA (SIB/ISZ).

Professional background: 1981 to 1991: Various senior management positions at Ascom AG; 1981 to 1985: Project manager for Telephony, Gfeller AG, Berne; 1987 to 1990: Head of Construction Group, Ascom Gfeller AG, Berne; 1990 to 1991: Head of business area for wired devices, Ascom AG, Berne; 1992 to 1997: COO, Studer AG, Thun; 1997 to 1999: Head of Osteosynthesis Production with sites in Switzerland, Austria and India, Mathys AG, Bettlach; 1999 to 2002: Managing Director, Mikron Comp-Tec AG, Nidau; 2002 to 2005: COO REMP AG, Oberdiessbach.

Other activities: none.

7 Stephen M. Levers

Senior Vice President, Head of Business Unit Components since 2006

1954, US Citizen, BS in Finance (San Jose State University), MBA (University of Santa Clara)

Professional background: 1977 to 1980: Financial Analyst at General Electric; 1980 to 1984: Finance Manager at Atari; 1984 to 1988: Financial Analysis Manager at Zilog; 1988 to 1990: Controller at Macamerica; 1990 to 1993: several management positions at Dynatech; 1993 to 1997: Controller at Commax Technologies; 1997 to 2005: several management positions at Tecan, such as Controller of Tecan Systems (San Jose, C.A.), President of Tecan Systems.

Other activities: none.

8 Carl Severinghaus

Senior Vice President, Head of Direct Sales since 2007

1952, US citizen, B.A. in Public Speaking and Communications (Drake University, Des Moines, Iowa, USA)

Professional background: 1980 to 1991: National Sales Manager and other sales management positions at American Monitor Corporation (Indianapolis, IN, USA); 1991 to 1998: Vice President of Sales and National Sales Manager at Tecan US; 1999 to 2006: President and General Manager at Tecan US.

Other activities: none.

9 Jan Timmers

Senior Vice President, Head of Sales Value Added Reseller Business since 2006

1962, Dutch citizen, education in Clinical Chemistry and Biochemistry (Dr. Struycken Institute, Etten-Leur and HMLS OSS, Netherlands).

Professional background: 1985 to 1990: Application and Sales Specialist for Diagnostics and Biopharma applications at Proton Wilten (Tecan distributor); 1990 to 1992: Sales Specialist and Product Manager for Bloodbank automation at Ortho-Clinical Diagnostics; since 1992 at various positions in the Tecan group, Product Manager and Marketing Manager at Tecan Schweiz and Tecan Austria, OEM and Sales Manager, Head of Business Development and Manager of the Biopharma and Clinical Diagnostics business area, Head of Global Marketing.

Other activities: none.

10 Günter Weisshaar

Senior Vice President, Head of Quality Assurance and Regulatory Affairs Tecan Group since 2003

1960, Swiss citizen, Degree in Airplane Engineering, background and education in Quality Assurance, Management (IGW St. Gallen), Risk Management for Medical Devices, Project Management.

Professional background: until 1988: several positions in quality assurance at various companies; 1988 to 1997: Manager, Quality Assurance and Logistics at Schöttli AG; 1998 to 1999: Manager, Quality Engineering, Schneider (Europe) AG; 1999 to 2003: Manager, Quality Assurance Europe at Jomed AG.

Other activities: none.

11 Matthew Robin

Senior Vice President, Head of Business Unit Liquid Handling and Robotics since February 2007

1965, British citizen, MEng. in Chemical Engineering (Imperial College, London).

Professional background: 1987 to 1998: several management positions at Lonza AG in Switzerland and the US; 1998 to 2000: Head of Production and Logistics at Disetronic, Burgdorf; 2000 to 2003: Divisional Head Disetronic Injection Systems at Disetronic, Burgdorf; 2003 to September 2006: CEO of Ypsomed, Burgdorf.

Other activities: Medisize Holding, Board member.

4.2 Main group company managers and corporate managers

	Function and professional education	Citizenship	Year of birth	Joined Tecan in
Martin von Lueder	**Vice President, Head of Tecan Europe** Qualified industrial manager (Böblingen)	German	1957	1985
Christian Zwicky	**Vice President, Head SubBU Clinical Diagnostics** Graduate Chemist ETH (Swiss Federal Institute of Technology) Master of Industrial Management ETH	Swiss	1966	1999
Christoph Kaufmann	**Vice President, Head SubBU Biopharma** Master in Engineering (Rapperswil University of Applied Sciences)	Swiss	1965	2003
Denis Coulet	**Vice President, Head of Global Frontline Support** Graduate Engineer in Biotechnology Master degree in Molecular biology (Toulouse, France)	French	1967	2000
Dieter Buser	**Vice President, Head Global HR** Master of Law (University of Berne)	Swiss	1948	2006
Andreas Wilhelm	**Vice President, Corporate Legal Counsel and Secretary of the Board of Directors** Attorney-at-Law (University of Berne), LL.M. (Boston University)	Swiss	1969	2004

4.3 Management contracts

No agreements between the Company and third parties not belonging to Tecan Group were entered into or exist in the year under review.

5. Compensation, shareholdings and loans

Decisions regarding the compensation structure for the members of the Board of Directors and Management, as well as decisions regarding employee stock option plans are taken by the Board of Directors, following proposal by the Nomination & Compensation Committee. The procedure on changes in compensation is defined in the Company's Organizational Regulations.

The amount and form of compensation of the Board of Directors is proposed by the Nomination & Compensation Committee and must be approved by the Board of Directors. Since April 2004, Board members have been compensated in the form of a fixed annual fee for their Board and Committee memberships. Expenses are paid separately.

Members of the Executive Committee are remunerated by means of a fixed salary and variable salary component, which is 30 percent (40 percent for the CEO) of the fix salary. The variable salary component, in turn, comprises one part that is dependent on the success of the Company, and another part that is linked to personal performance.

The Company's 'Variable Pay Regulation' was approved by the Board of Directors and forms the basis for this remuneration scheme. The company targets are set out in advance on an annual basis by the Board of Directors. Personal targets are agreed with the respective supervisor in advance on an annual basis and in accordance with internal guidelines.

At the end of each year, the Nomination & Compensation Committee assesses the proposed effective variable salary component to be paid to each member of the Executive Committee for the previous year, together with the fixed salary and the level and composition of the variable salary component for the next financial year. The Nomination & Compensation Committee may revise the proposal before submitting it to the Board of Directors, which then takes the final decision.

In addition to the fixed salary and the variable salary component and as a long term incentive tool, the Board of Directors approved in the year under review a stock option plan (ESOP 2007) and options were granted to the members of the Board of Directors, the Executive Committee as well as to second and third level managers. The details of this stock option plan can be found in the consolidated financial statements, note 13, 'Employee Benefits'.

Compensation paid

	Members	2006 CHF 1,000	Members	2005 CHF 1,000
Non-executive members of the Board of Directors in total	7	668	6	565
Executive members of the Board of Directors and members of the Executive Committee*	12	4,170	8	2,272

*There were no executive members of the Board of Directors in the years under review

No severance payments or compensation to former members of the Board of Directors or of the Executive Committee were paid. The member of the Board of Directors with the highest total compensation (incl. the fair value of options granted) received CHF 163,267 in 2006 (2005: CHF 120,000).

Options granted

	Members	2006 1,000 Number	Members	2005 1,000 Number
Non-executive members of the Board of Directors in total	7	1,638	6	-
Executive members of the Board of Directors and members of the Executive Committee*	12	21,543	8	-

* There were no executive members of the Board of Directors in the years under review

No shares were allocated to any member of the Board of Directors, any member of the Executive Committee or any related parties in the year under review.

Ownership of shares

	December 31 2006 Number	December 31 2005 Number
Non-executive members of the Board of Directors including related parties in total	3,690	3,950
Executive members of the Board of Directors and members of the Executive Committee and related parties in total*	4,100	8,410

*There were no executive members of the Board of Directors in the years under review

Ownership of employee stock options

	Plan	December 31 2006 Number	December 31 2005 Number
Non-executive members of the Board of Directors including related parties in total	2002	3,390	3,390
	2003	10,170	7,629
	2007 B	1,638	0
Executive members of the Board of Directors and members of the Executive Committee and related parties in total*	2002	10,340	0
	2003	18,070	2,513
	2007 B	6,207	0
	2007 P	14,901	0

* There were no executive members of the Board of Directors in the years under review

Details of employee stock option plans launched between 1999 and 2002 and in 2006 (ESOP 2007), including the year of grant, expiration date, subscription ratio and exercise price, can be found in the consolidated financial statements, note 13, 'Employee Benefits'.

In the period under review, topwork ag, Zurich, invoiced the Company, together with group companies, a total of CHF 169,164 (incl. VAT) for recruitment services. Cleto De Pedrini is a partner at topwork ag. No other material additional fees and/or compensation were paid to any other member of the Board of Directors, any member of the Executive Committee or any related parties. There were no loans outstanding as per December 31, 2006, to or by any of these persons.

6. Shareholders' participation rights

Each share entitles the holder to one vote. No shareholder, or group of shareholders acting in concert or to circumvent the voting limitation, may represent at an annual general meeting more than 5 percent of the aggregate voting rights in the Company. The Board of Directors may, in special circumstances, grant exemptions from the voting restriction. This voting restriction does not apply to the independent voting representative nor to a proxy holder appointed by the Company ('Organvertreter'). The Board of Directors may enter into agreements with banks, which deviate from the voting restriction to enable voting rights for deposited shares to be exercised by proxy. No such agreements were entered into or exist in the year under review.

Shareholders may only be represented at the annual general meeting by their legal representative, another shareholder with voting rights, the independent voting representative, the proxy appointed by the Company or a proxy appointed by a depository institution. A written power of attorney is required which is valid and issued for the meeting in question only.

Art. 13 paragraph 2 of the Company's Articles of Incorporation lists matters for which, in addition to the qualified majority requirements prescribed by law, a shareholders' resolution taken by a qualified majority of at least two thirds of the votes represented is required. These matters are the following:

- the conversion of registered shares into bearer shares;
- the cancellation or modification of transfer restrictions (Art. 5 of the Articles of Incorporation);
- the cancellation or modification of voting-right restrictions (Art. 12 paragraph 4 of the Articles of Incorporation);
- the dissolution and liquidation of the Company; and
- the cancellation of Art. 13 paragraph 2 of the Articles of Incorporation itself and the cancellation or modification of the majority requirements in this provision.

Shareholders representing shares of an aggregated nominal value of at least 1 percent of the share capital may demand in writing no later than 56 days prior to an annual general meeting that an item be included on the agenda. Shareholders representing 10 percent of the share capital may demand that an annual general meeting be convened.

Shareholders with registered voting rights are informed by mail of the fact that an annual general meeting is to be convened at least 20 days prior to the meeting. Moreover, the invitation is published in the Swiss Official Gazette of Commerce. From the day on which the invitations for the annual general meeting are dispatched, no further entries are made in the share register until the first day after the annual general meeting.

7. Change of control and defense measures

The Company's Articles of Incorporation do not contain any opt-out or opt-up clause removing or limiting the obligation to submit an offer based on the Stock Exchange Law.

One third of the options that were granted in 2006 under the ESOP 2007 (for details please refer to the consolidated financial statements, note 13, 'Employee Benefits') vest per year ('Vesting Period') and the options are in general not exercisable during the Vesting Period. Upon occurrence of a change of control, these options vest immediately and may be exercised (accelerated vesting). Besides this, no clauses on changes of control are contained in agreements or compensation plans relating to members of the Board of Directors or of the Management of the Company or the Tecan group companies.

8. Auditors

Date of assumption of the existing auditing mandate by KPMG	May 28 1997 (date of acceptance)
Date on which the head auditor took up office	2004

Fees paid

CHF 1,000	2006	2005
Total audit fees	739	702
Total tax consulting fees KPMG	312	202
Total other consulting fees KPMG	77	23

The auditors are elected by the annual general meeting for a one-year term. Since 2003, the external audit has been reviewed by the Audit Committee.

The Auditors attend those meetings of the Audit Committee, in which the full year and half year financial statement are discussed and prepared for approval by the Board of Directors. The Auditors report on the focus applied in the audit and summarize the outcome of the audit. The Auditors submit recommendations for the scope of the audit and its focus for the upcoming review period. At year end, the Audit Committee reviews the performance of the Auditors as well as the audit costs and submits recommendations to the Board of Directors as to the re-election of the Auditors. Every four years, the Company issues an invitation to tender the audit mandate. The Head Auditor rotates every seventh year.

9. Information policy

It is Tecan's policy to keep shareholders and the financial community updated regarding significant developments in business operations. This policy is primarily implemented through regular press releases, periodical financial reports and information provided on the Company's website: www.tecan.com. Hard copies of Company publications are available on request. They can also be downloaded from Tecan's website. Starting with the fiscal year 2007, Tecan no longer publishes quarterly financial reports.

Investor's Agenda

Date	Place	Event
March 13, 2007	Zurich	Press Conference, Full Year Results – Figures 2006
April 19, 2007	Zurich	Annual Shareholder Meeting
August 14, 2007	Webcast/Conference Call	Half Year Results 2007

For mail/phone requests, please contact:

Tecan Group Ltd.
Christopher Hanan
Senior Vice President
Head, Business Development
and Corporate Communications

Seestrasse 103
8708 Männedorf
Tel: +41 44 922 84 30
Fax: +41 44 922 88 89
E-Mail: investor@tecan.com

Impressum:

Tecan Group
Seestrasse 103
8708 Männedorf
www.tecan.com
Tel +41 44 922 88 88
Fax +41 44 922 88 89

Corporate Communications
Christopher Hanan
Karin Schneider

Marketing Communications
and Branding
Cornelia Kegele

Design
OTM, London
www.otmcreate.com

Photography
Susanne Völlm, Zurich
www.susannevoellm.ch
Marc Wetli, Zurich
www.wetli.com
Günter Bolzern, Zurich
www.bolzern.net

Text
KDM Communications, UK
www.kdm-communications.com

Print
Südostschweiz Druck, Chur
www.so-print.ch

Tecan locations

● Tecan sales office ○ R&D and manufacturing site ● REMP sales office

Tecan Business Units

Liquid Handling and Robotics
Tecan Switzerland Ltd.
Seestrase 103
CH-8708 Männedorf
Switzerland
T +41 44 922 89 22
F +41 44 922 89 23

Detection
Tecan Austria GmbH
Untersbergstrasse 1a
A-5082 Grödig/Salzburg
Austria
T +43 62 46 89 33
F +43 62 46 72 770

Components
Tecan Systems, Inc.
2450 Zanker Road
San Jose
CA 95131
USA
T +1 408 953 3100
F +1 408 953 3101

Sample Management
REMP AG
Weststrasse 12
CH-3672 Oberdiessbach
Switzerland
T +41 31 770 70 70
F +41 31 770 72 66

Tecan
Austria +43 62 46 89 33 **Belgium** +32 15 42 13 19 **China** +86 10 586 95 936 **Denmark** +45 70 23 44 50 **France** +33 4 72 76 04 80 **Germany** +49 79 51 94 170 **Italy** +39 02 215 21 28 **Japan** +81 44 556 73 11 **Netherlands** +31 18 34 48 17 4 **Portugal** +351 21 000 82 16 **Singapore** +65 644 41 886 **Spain** +34 93 490 01 74 **Sweden** +46 31 75 44 000 **Switzerland** +41 44 922 89 22 **UK** +44 118 9300 300 **USA** +1 919 361 5200 **ROW** +43 62 46 89 33

REMP
Switzerland +41 31 770 70 70 **Japan** +81 44 542 70 21 **USA** +1 508 429 2200

Tecan Group
Seestrasse 103
CH-8708 Männedorf
Switzerland
www.tecan.com
Tel +41 44 922 88 88
Fax +41 44 922 88 89
investor@tecan.com