

## **Tecan acquires IBL International to offer integrated solution for specialty diagnostics**

- **Acquisition of IBL International, a leading immunoassay company for specialty diagnostics, to support Tecan's evolution into a solutions business**
- **Tecan to offer fully integrated solution in growing subsegment of the immunoassay market for specialized tests**
- **IBL International to become part of Tecan's Life Sciences Business, leveraging Tecan's global presence and strong position in immunoassay instruments**
- **Subsegment of the immunoassay market not in competition with typical Partnering Business instrumentation customers**
- **Total consideration of EUR 29.0 million (CHF 35.2 million); valuation representing a multiple of 1.8 times fiscal year 2013 sales of IBL International**
- **Transaction expected to be accretive to earnings per share before transaction-related amortization in the second full year after closing**
- **Closing of the transaction expected within the coming weeks**

**Männedorf, Switzerland, July 30, 2014** – The Tecan Group (SIX Swiss Exchange: TECN) today announced the acquisition of IBL International as an important strategic step to support Tecan's evolution into a solutions business with a higher share of recurring revenues. IBL International is a leading company in the field of microtiter plate based immunoassays with one of the widest ranges of tests for specialty diagnostics to be used in research and clinical laboratories. IBL International will become a part of Tecan's Life Sciences Business, leveraging Tecan's global presence and long tradition serving the clinical market with instruments optimized for immunoassay processing. The subsegment of microtiter plate based immunoassays served by IBL International is opening up a new market for Tecan, not competing with the typical customers in Tecan's Partnering Business.

The purchase consideration of EUR 29.0 million (CHF 35.2 million) will be fully paid in cash and represents a valuation of 1.8 times fiscal year 2013 sales of IBL International. The transaction is expected to be accretive to earnings per share (EPS) before transaction-related amortization in the second full year after closing. The closing of the transaction is expected within the coming weeks.

Tecan CEO Dr. David Martyr commented: "We are delighted to welcome the IBL International team into Tecan. The combination of the two companies will allow us to offer to research and clinical laboratories a wide range of specialized immunoassays together with optimized automation, supported by Tecan's global sales and service capabilities. Microtiter plate based immunoassays

are a growing market with a large and increasing number of tests for medical specialities, a market segment generally outside the scope of large in-vitro diagnostic companies. As part of our strategy, this acquisition marks an important step towards offering fully integrated solutions, including reagents, and thereby adding a new source of recurring revenues.”

### **Immunodiagnostic expert meets automation specialist – a perfect strategic fit**

The market for microtiter plate based immunoassays is growing in the mid single-digit percentage range per year and forms an attractive subsegment of the large immunodiagnostic market. Some specialty niches like rare or seasonal infectious disease testing or saliva, immunology and allergy diagnostics are growing with a higher rate. Although the number of different specialized tests is large and growing, only a smaller number of each single test is processed by laboratories per day (high mix / low volume). New tests for such medical specialities are usually developed using proven immunodiagnostic technologies and first introduced in a microtiter plate format.

Large in-vitro diagnostic companies, Tecan’s typical Partnering Business customers, rather concentrate on a smaller number of routine tests processed in high volumes on large systems based around individual samples (low mix / high volume).

In the growing high mix / low volume market segment of IBL International there is an increasing need for an integrated instrument and reagent offering. End-users would greatly benefit from less complex, user-friendly automation with lower throughput that is pre-configured with reagents.

Automated microtiter plate processing of immunoassays is a traditional stronghold of Tecan in the in-vitro diagnostics market. Together with IBL International, Tecan can leverage its automation expertise and leading position within the immunoassay market for open instrumentation platforms and combine dedicated instruments with one of the widest ranges of immunoassays for specialty diagnostics.

Tecan also sees an opportunity to expand the business in emerging markets, a growth area for microtiter plate based immunoassays even for high volume tests. In those markets, Tecan is a leading provider for high-throughput instrumentation used by clinical laboratories to process immunoassays with ELISA-based protocols. Integrating reagents will provide a further differentiated offering in the future.

“By leveraging Tecan’s instrumentation position, its global presence and access to clinical diagnostics customers, Tecan will enable IBL International to grow faster than it could as a stand-alone company,” said Jan Boesen, CEO of IBL International.

### **IBL International – a leading specialist company in a growing market segment**

Established over 30 years ago, IBL International employs staff of over 80 and has its main operations located in Hamburg, Germany. In 2013, the company generated total revenues of



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approximately EUR 16 million (CHF 20 million) with an EBITDA margin at a similar level to the Tecan Group. IBL International develops, manufactures and offers a comprehensive portfolio of ELISAs, RIAs and luminescence immunoassays for life science research and routine clinical diagnosis, including a large selection of specialty assays for endocrinology, neurodegeneration, neonatal screening, and assessing steroid hormones in saliva. IBL International has dedicated sales teams in Germany, North America and the Benelux as well as an extensive distributor network.

Additional information can be found on the IBL International webpage:

[www.ibl-international.com/en/](http://www.ibl-international.com/en/)

Achelous Partners, LLC, served as financial advisor to IBL International on the transaction.

#### **About Tecan**

Tecan ([www.tecan.com](http://www.tecan.com)) is a leading global provider of laboratory instruments and solutions in biopharmaceuticals, forensics and clinical diagnostics. The company specializes in the development, production and distribution of automated workflow solutions for laboratories in the life sciences sector. Its clients include pharmaceutical and biotechnology companies, university research departments, and forensic and diagnostic laboratories. As an original equipment manufacturer (OEM), Tecan is also a leader in developing and manufacturing OEM instruments and components that are then distributed by partner companies. Founded in Switzerland in 1980, the company has manufacturing, research and development sites in both Europe and North America and maintains a sales and service network in 52 countries. In 2013, Tecan generated sales of CHF 388 million (USD 419 million; EUR 316 million). Registered shares of Tecan Group are traded on the SIX Swiss Exchange (TECN; ISIN CH0012100191).

#### **For further information:**

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