

Full year 2008: Tecan continues to achieve strong operating profitability**Profit before non-recurring impairment charges in Sample Management further increased**

- **Operating profit margin before non-recurring items increased to 15.2% (2007: 14.6%)**
- **Net profit margin before non-recurring items raised to 12.9% (2007: 12.6%)**
- **Unchanged distribution of CHF 0.90 per share**
- **Sales of CHF 396.0 million (2007: CHF 414.4 million); performance adversely impacted by currency effects**
- **Growth of 1% achieved in local currencies**
- **Order entry increases 8.1% in local currencies to CHF 407.6 million (2007: CHF 398.5 million)**
- **Successful performance of Liquid Handling & Robotics, Tecan's largest business segment,**
- **Sample Management records operating loss; extraordinary impairment charges totaling CHF 28.9 million necessary; high order entry secured during second half of year**
- **Exceptionally strong balance sheet maintained**

Männedorf, Switzerland, March 4, 2009 – The Tecan Group (SIX Swiss Exchange: TECN) further improved its operating profitability in 2008. Adjusted for the non-recurring effect of the extraordinary impairment losses at Sample Management, Tecan recorded an operating profit margin of 15.2% (2007: 14.6%) and a net profit margin of 12.9% (2007: 12.6%). Excluding non-recurring effects, operating profit was CHF 60.1 million (2007: CHF 60.3 million) and net profit was CHF 51.0 million (2007: CHF 52.4 million). Including the extraordinary impairment losses totaling CHF 28.9 million, the operating profit margin was 7.9% and the net profit margin 6.5%. Operating profit including non-recurring effects was CHF 31.2 million and net profit was CHF 25.6 million. Helped by the share buyback, which had an accretive effect, earnings per share excluding non-recurring items rose to CHF 4.67 (reported: CHF 2.35; 2007: CHF 4.54).

Sales amounted to CHF 396.0 million, 4.4% below the previous year's level (2007: CHF 414.4 million). This development was largely driven by currency effects, which had a negative impact on business during the first half of 2008 in particular. In local currencies, Tecan achieved a 1% increase in revenues.

Thomas Bachmann, CEO of Tecan, commented: "Tecan once again achieved a strong operating profitability in 2008. Extraordinary impairment charges were necessary in the Sample Management business segment. Excluding this non-recurring effect, this is the fourth year in a row that we have increased our operating profit margin at a higher rate than sales, and it shows the sustainable impact of the measures we have taken in recent years to boost our operating efficiency. Liquid Handling & Robotics, our largest business segment, performed very well. We also saw strong growth in the strategically important OEM business. In particular, I would like to highlight the positive development in the recurring consumables and service business, which gives our company increased stability. Tecan continues to possess a healthy balance sheet and has ample capital at its disposal to achieve its objectives for internal and external growth. We feel we are prepared for the challenges that lie ahead in the difficult economic environment of 2009."

Regional and product-specific developments

Expressed in local currencies, Tecan achieved sales growth of 3.6% in North America and 3.9% in Europe in the year under review. In Asia, Tecan's sales were down 16.8% on the previous year in local currency terms. This was largely the result of a basis effect caused by a sharp increase in sales generated by two big projects the year before. Adjusting for this effect, the company managed to further expand its activities in this region. Business was particularly strong in China, where Tecan opened its new regional headquarters for the Asia Pacific region in 2008. The strategically important OEM business and the recurring consumables and service business both recorded solid growth.

Tecan's order entry rose 8.1% in local currencies to CHF 407.6 million (2007: CHF 398.5 million).

Information by business segment

Components & Detection

Sales at the Components & Detection business segment declined by 6.1% in local currency to CHF 100.6 million in 2008 (2007: CHF 114.4 million). The detection activities were negatively affected by exchange rate movements, particularly by the low value of the US dollar against other major currencies in the first half of the year. The components business was hit by a significant baseline effect due to unusually high component sales in the previous year. It was also the only area at Tecan to be hurt by the economic crisis in 2008, which brought weaker demand on the part of major customers. Despite the contraction in sales, Components & Detection increased its operating profit to CHF 12.3 million (2007: CHF 11.6 million). This amounts to 11.3% of sales (2007: 9.3%).

Liquid Handling & Robotics

Tecan's largest business segment – Liquid Handling & Robotics, which accounted for around two-thirds of Group sales in 2008 – continued to perform strongly. Sales rose 1.1% to CHF 265.6 million (2007: CHF 262.6 million), or 7.0% in local currency terms. The segment enjoyed particularly strong sales growth in OEM business, as well as in recurring consumables and service business. Operating profit increased by 7.2% to CHF 61.0 million (2007: CHF 56.9 million) resulting in an expanded operating profit margin of 22.9% (2007: 21.5%), a level comparing favorably to international peers.

Sample Management

Sales at the Sample Management business segment shrank by 20.2% in the year under review to CHF 29.9 million (2007: CHF 37.4 million). Excluding non-recurring items, Sample Management recorded an operating loss of CHF 5.4 million (2007: profit of CHF 0.1 million). Including impairment losses of CHF 28.9 million, the segment recorded a total operating loss of CHF 34.2 million.

Sample Management suffered a setback in the development of a compact storage system for the preservation of biological samples at -80°C. After two prototypes completed internal testing in the first half of 2008, design and technical flaws with the complex system were detected and the decision was taken to temporarily halt development that now causes a delay in growth. Taken in conjunction with more conservative market and sales projections,

an extraordinary impairment charge to goodwill and other intangibles totaling CHF 28.9 million became necessary. Tecan remains convinced of the significant market potential for a storage system addressing this segment and the strategic benefits that would be available as a total service provider in conjunction with the company's liquid handling systems. An improved concept of the -80°C compact storage system which incorporates key findings of the earlier tests is currently in development.

In addition, Sample Management is working intensively on implementing measures to boost sales and profitability. In the second half of the year, the business secured various exciting new contracts for storage systems totaling CHF 24.0 million. Overall Sample Management recorded a substantial increase in order entry, amounting to CHF 41.6 million at the end of the year.

Strong balance sheet

Tecan continued to maintain an equity ratio of 48.9% (December 31, 2007: 54.7%). Net liquidity was CHF 33.7 million (December 31, 2007: CHF 50.1 million). The strong balance sheet ratios were achieved despite the repurchase of 969,198 shares with a value of CHF 55.5 million. As such, Tecan consolidated its exceptionally strong balance sheet and is well positioned for further internal and external growth.

Due to the changed environment in the capital and credit markets, Tecan has decided to close as per March 4, 2009 the share buyback program for capital reduction started on a second trading line at SIX Swiss Exchange in May 2008, and to instead build up additional cash resources to fund further growth.

Distribution to shareholders

The Board of Directors will propose an unchanged distribution of CHF 0.90 per share to the shareholders at the company's Annual General Meeting on April 22, 2009. Unlike the previous year, this year's distribution will take the form of a dividend only. The dividend will be doubled compared with the previous year.

Outlook

By now, it has become apparent that the global economy is in a recession. Many sectors are suffering dramatic contractions of their business. The life science industry has traditionally been regarded as relatively immune to economic cycles: Nevertheless, a macroeconomic environment, with a weak global economy and persistently low US dollar/Swiss franc exchange rate, poses a major challenge for parts of the life science sector. Tecan currently expects that the company will not be fully immune to the fallout of the current economic environment, albeit at a much more moderate level. Extensive scenario planning will enable the company to rapidly implement cost-saving measures should the need arise.

Moreover, Tecan has actively diversified its customer base over the previous years and is now firmly established in less cyclical markets. Large pharma groups account for a much smaller share of Tecan's total sales than they did just a few years ago. The share of projects with universities enjoying longer-term funding has increased, and the company has also successfully expanded its more stable diagnostics and OEM activities. In addition, Tecan has increased the share of recurring consumables and service business. Tecan has a net cash position and requires relatively little capital for continued organic growth.

Tecan expects the market to remain uncertain in 2009 and therefore no specific sales guidance can be provided. Tecan aims to develop sales in local currencies at least at market-level. The company has strengthened significantly in recent years. Although the market environment has become more challenging, Tecan believes it is in a position to make additional investments to increase growth rates in the medium term. In 2009, Tecan aims specifically to invest in innovation projects and in further expanding its distribution capability and infrastructure in growth markets. In a scenario of stable sales in local currencies, for 2009 Tecan anticipates an operating profit margin of 13 to 14%. Should sales in local currencies decline by 10%, the company expects an operating profit margin of 10 to 11%.

Webcast

Tecan will hold an analyst and press meeting to discuss the 2008 annual results today at 10:00 am (CET). The event will also be accessible via conference call or live audio

webcast, which interested parties can access at www.tecan.com. A link to the webcast will be provided immediately prior to the event.

The dial-in numbers for the conference call are as follows:

Participants from Europe: +41 91 610 5600 or +44 207 107 0611 (UK)

Participants from the U.S.: +1 (1) 866 291 4166

Participants should if possible dial in 15 minutes before the start of the event.

Next key dates

- The Annual General Meeting of Tecan's shareholders will take place in Zurich at 3.00 p.m. (CEST) on April 22, 2009.
- The 2009 Interim Report will be published on August 13, 2009.

About Tecan

Tecan (www.tecan.com) is a leading global provider of laboratory instruments and solutions for the biopharma, forensic and diagnostic industries. The company specializes in the development, production and distribution of automation solutions for laboratories in the life sciences sector. With its subsidiary REMP (www.remp.com), Tecan is the market leader in automated laboratory storage and logistics systems. Its clients include pharmaceutical and biotechnology companies, university research departments and diagnostic laboratories. Founded in Switzerland in 1980, the company has manufacturing, research and development sites in both North America and Europe and maintains a sales and service network in 52 countries. Registered shares of Tecan Group are traded on the SIX Swiss Exchange (TK: TECN/Reuters: TECZn.S/Swiss security number: 1210019).

For further information please contact:

Tecan Group

Dr. Rudolf Eugster
Chief Financial Officer

investor@tecan.com
www.tecan.com

Martin Braendle
Head of Corporate Communications &
Investor Relations
Tel. +41 (0) 44 922 84 30
Fax +41 (0) 44 922 88 89

- Financial tables on following pages -

Tecan Group – Financial reporting
Consolidated financial statements for 2008
(Key figures, unaudited)

Consolidated income statement

January to December, CHF 1'000	2008	2007	Δin %
Sales	396'042	414'400	-4.4%
Cost of sales	(190'753)	(201'983)	-5.6%
Gross profit	205'289	212'417	-3.4%
<i>In % of sales</i>	51.8%	51.3%	
Sales and marketing	(82'084)	(71'683)	14.5%
Research and development	(41'869)	(41'069)	1.9%
General and administration	(36'721)	(40'525)	-9.4%
Other operating income	817	1'159	-29.5%
Impairment Goodwill	(14'241)	-	n.a.
Operating profit	31'191	60'299	-48.3%
<i>In % of sales</i>	7.9%	14.6%	
Financial result	1'301	2'586	-49.7%
Profit before taxes	32'492	62'885	-48.3%
Income taxes	(6'869)	(10'506)	-34.6%
Net profit	25'623	52'379	-51.1%
<i>in % of sales</i>	6.5%	12.6%	

Basic earnings per share (CHF/share)	2.35	4.54	-48.2%
Diluted earnings per share (CHF/share)	2.33	4.52	-48.5%

Consolidated income statement excluding impairment losses on intangible assets

January to December, CHF 1'000	2008 adjusted	2007	Δin %
Sales	396'042	414'400	-4.4%
Cost of sales	(190'753)	(201'983)	-5.6%
Gross profit	205'289	212'417	-3.4%
<i>In % of sales</i>	51.8%	51.3%	
Sales and marketing ¹⁾	(69'032)	(71'683)	-3.7%
Research and development ²⁾	(40'283)	(41'069)	-1.9%
General and administration	(36'721)	(40'525)	-9.4%
Other operating income	817	1'159	-29.5%
Impairment Goodwill ³⁾	-	-	n.a.
Operating profit	60'070	60'299	-0.4%
<i>In % of sales</i>	15.2%	14.6%	

Basic earnings per share (CHF/share)	4.67	4.54	2.9%
---	-------------	-------------	-------------

2008 excluding impairment losses on

¹⁾ Acquired client relationships (TCHF 10'452) and brand name 'REMP' (TCHF 2'600)

²⁾ Acquired technology (TCHF 1'586)

³⁾ Goodwill Sample Management (TCHF 14'241)

Segment information by business segments

Sales to third parties

January to December, CHF 1'000	2008	2007	Δin % (CHF)	Δin % (LC)
Components & Detection	100'638	114'398	-12.0%	-6.1%
Liquid Handling & Robotics	265'551	262'572	1.1%	7.0%
Sample Management	29'853	37'430	-20.2%	-18.8%
Total sales	396'042	414'400	-4.4%	1.0%

Segment information 2008

January to December, CHF 1'000	Components & Detection	Liquid Handling & Robotics	Sample Management	Corporate / Consolidation	Group
Sales to third parties	100'638	265'551	29'853		396'042
Intersegment sales	8'792	1'213	2'395	(12'400)	-
Total sales	109'430	266'764	32'248	(12'400)	396'042
Operating profit before impairment	12'321	60'974	(5'356)	(7'869)	60'070
<i>In % of sales</i>	11.3%	22.9%	-16.6%		15.2%
Impairment losses recognized	-	-	(28'879)	-	(28'879)
Operating profit	12'321	60'974	(34'235)	(7'869)	31'191
<i>In % of sales</i>	11.3%	22.9%	-106.2%		7.9%

Segment information 2007

January to December, CHF 1'000	Components & Detection	Liquid Handling & Robotics	Sample Management	Corporate / Consolidation	Group
Sales to third parties	114'398	262'572	37'430	-	414'400
Intersegment sales	9'563	2'060	2'484	(14'107)	-
Total sales	123'961	264'632	39'914	(14'107)	414'400
Operating profit	11'587	56'884	146	(8'318)	60'299
<i>In % of sales</i>	9.3%	21.5%	0.4%		14.6%

Sales by regions (by location of customers)

January to December, CHF 1'000	2008	2007	Δin % (CHF)	Δin % (LC)
Europe	187'799	189'216	-0.7%	3.9%
North America	146'872	154'941	-5.2%	3.6%
Asia	46'913	56'413	-16.8%	-16.8%
Others	14'458	13'830	4.5%	8.8%
Total sales	396'042	414'400	-4.4%	1.0%

Order entry

January to December, CHF 1'000	2008	2007	Δin % (CHF)	Δin % (LC)
Order entry	407'593	398'525	2.3%	8.1%

Consolidated balance sheet

CHF 1'000	31.12.2008	31.12.2007	Δin %
Assets			
Current assets	237'018	251'693	-5.8%
Non-current assets	88'846	122'289	-27.3%
Assets	325'864	373'982	-12.9%
Liabilities and equity			
Current liabilities	113'840	135'557	-16.0%
Non-current liabilities	52'838	33'781	56.4%
<i>Total liabilities</i>	<i>166'678</i>	<i>169'338</i>	<i>-1.6%</i>
Shareholders' equity	159'186	204'644	-22.2%
Liabilities and equity	325'864	373'982	-12.9%

Consolidated statement of changes in shareholders' equity

January to December, CHF 1'000	2008	2007	Δin %
Shareholders' equity at January 1	204'644	183'841	11.3%
Net profit	25'623	52'379	-51.1%
Translation differences	(5'234)	(2'076)	152.1%
Dividends paid	(5'001)	(5'176)	-3.4%
New shares issued upon exercise of employee stock options	221	3'812	-94.2%
Capital decrease in form of reduction of nominal value	(4'930)	(5'190)	-5.0%
Change in treasury shares (net)	(58'909)	(23'590)	149.7%
Recycling of treasury shares	1'511	-	n.a.
Share-based payments to employees	1'261	644	95.8%
Shareholders' equity at December 31	159'186	204'644	-22.2%

Consolidated cash flow statement

January to December, CHF 1'000	2008	2007	Δin %
Net profit	25'623	52'379	-51.1%
Cash inflows from operating activities	58'929	59'765	-1.4%
Cash outflows from investing activities	(5'667)	(7'346)	-22.9%
Cash outflows from financing activities	(68'604)	(33'686)	103.7%
Translation differences	(2'855)	(630)	353.2%
Increase in cash and cash equivalents	(18'197)	18'103	n.a.
Cash and cash equivalents as per cash flow statement:			
At January 1	102'850	84'747	21.4%
At December 31	84'653	102'850	-17.7%

Tecan Group – Financial reporting
Consolidated financial statements for the six months ending December 31, 2008

(Key figures, unaudited)

Consolidated income statement for the six months ending December 31

July to December, CHF 1'000	H2 2008	H2 2007	Δin %
Sales	212'404	218'157	-2.6%
Cost of sales	(99'097)	(104'648)	-5.3%
Gross profit	113'307	113'509	-0.2%
<i>In % of sales</i>	53.3%	52.0%	
Sales and marketing	(49'448)	(37'847)	30.7%
Research and development	(23'131)	(20'386)	13.5%
General and administration	(19'055)	(20'759)	-8.2%
Other operating income	703	951	-26.1%
Impairment Goodwill	(14'241)	-	n.a.
Operating profit	8'135	35'468	-77.1%
<i>In % of sales</i>	3.8%	16.3%	
Financial result	1'393	148	841.2%
Profit before taxes	9'528	35'616	-73.2%
Income taxes	(2'942)	(5'052)	-41.8%
Net profit	6'586	30'564	-78.5%
<i>in % of sales</i>	3.1%	14.0%	
Basic earnings per share (CHF/share)	0.64	2.65	-75.8%

**Consolidated income statement for the six months ending December 31
excluding impairment losses on intangible assets**

July to December, CHF 1'000	H2 2008 adjusted	H2 2007	Δin %
Sales	212'404	218'157	-2.6%
Cost of sales	(99'097)	(104'648)	-5.3%
Gross profit	113'307	113'509	-0.2%
<i>In % of sales</i>	53.3%	52.0%	
Sales and marketing ¹⁾	(36'396)	(37'847)	-3.8%
Research and development ²⁾	(21'545)	(20'386)	5.7%
General and administration	(19'055)	(20'759)	-8.2%
Other operating income	703	951	-26.1%
Impairment Goodwill ³⁾	-	-	n.a.
Operating profit	37'014	35'468	4.4%
<i>In % of sales</i>	17.4%	16.3%	
Basic earnings per share (CHF/share)	2.96	2.65	11.7%

2008 excluding impairment losses on

¹⁾ Acquired client relationships (TCHF 10'452) and brand name 'REMP' (TCHF 2'600)

²⁾ Acquired technology (TCHF 1'586)

³⁾ Goodwill Sample Management (TCHF 14'241)

Segment information by business segments for the six months ending December 31
Sales to third parties

July to December, CHF 1'000	H2 2008	H2 2007	Δin % (CHF)	Δin % (LC)
Components & Detection	52'881	59'653	-11.4%	-7.5%
Liquid Handling & Robotics	143'016	139'878	2.2%	6.9%
Sample Management	16'507	18'626	-11.4%	-10.2%
Total sales	212'404	218'157	-2.6%	1.5%

Segment information 2008

July to December, CHF 1'000	Components & Detection	Liquid Handling & Robotics	Sample Management	Corporate / Consolidation	Group
Sales to third parties	52'881	143'016	16'507	-	212'404
Intersegment sales	4'519	566	1'847	(6'932)	-
Total sales	57'400	143'582	18'354	(6'932)	212'404
Operating profit before impairment	7'808	34'114	(1'339)	(3'569)	37'014
<i>In % of sales</i>	13.6%	23.8%	-7.3%		17.4%
Impairment losses recognized	-	-	(28'879)	-	(28'879)
Operating profit	7'808	34'114	(30'218)	(3'569)	8'135
<i>In % of sales</i>	13.6%	23.8%	-164.6%		3.8%

Segment information 2007

July to December, CHF 1'000	Components & Detection	Liquid Handling & Robotics	Sample Management	Corporate / Consolidation	Group
Sales to third parties	59'653	139'878	18'626	-	218'157
Intersegment sales	4'508	721	1'659	(6'888)	-
Total sales	64'161	140'599	20'285	(6'888)	218'157
Operating profit	6'428	33'742	(985)	(3'717)	35'468
<i>In % of sales</i>	10.0%	24.0%	-4.9%		16.3%

Sales by regions (by location of customers) for the six months ending December 31

July to December, CHF 1'000	H2 2008	H2 2007	Δin % (CHF)	Δin % (LC)
Europe	102'614	98'807	3.9%	9.9%
North America	78'741	80'780	-2.5%	1.3%
Asia	25'614	29'578	-13.4%	-14.0%
Others	5'435	8'992	-39.6%	-36.0%
Total sales	212'404	218'157	-2.6%	1.5%

Order entry for the six months ending December 31

July to December, CHF 1'000	H2 2008	H2 2007	Δin % (CHF)	Δin % (LC)
Order entry	220'706	207'665	6.3%	10.4%