

Tecan Group
KeplerCheuvreux 17th Swiss Seminar

MARCH 23, 2016

DR. RUDOLF EUGSTER, CFO

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Introduction

Introducing Tecan

- Pioneer and global leader in laboratory automation since 35 years
- Our solutions accelerate, automate and enhance the processes in state-of-the-art diagnostics and life sciences labs
- Offering immunoassays for specialty diagnostics through acquired IBL International
- HQ in Switzerland, 3 manufacturing and R&D sites in Europe and 1 in the US; software competence center in Germany
- ≈1,400 employees; sales and service network in 52 countries
- Listed at the SIX Swiss Exchange (TECN; TECN SW)



Tecan's Products, Business Structure and Markets

LIFE SCIENCES BUSINESS

- Focused on all end-user activities
- Products marketed under the Tecan brand through own sales & service organizations and distributors
- Mainly configurable open platforms



57% OF GROUP SALES

PARTNERING BUSINESS

- Focused on all OEM activities
- Products sold by partners under their own brand
- Partner combines instruments with own reagents/tests



43% OF GROUP SALES

CHF 440M IN REVENUE

DIAGNOSTICS

LIFE SCIENCE
RESEARCH

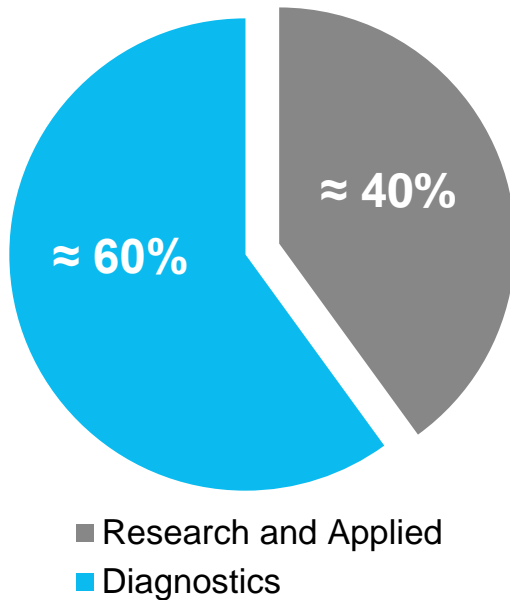
FORENSICS

APPLIED
MARKETS

Revenue Profile Provides a Solid Basis

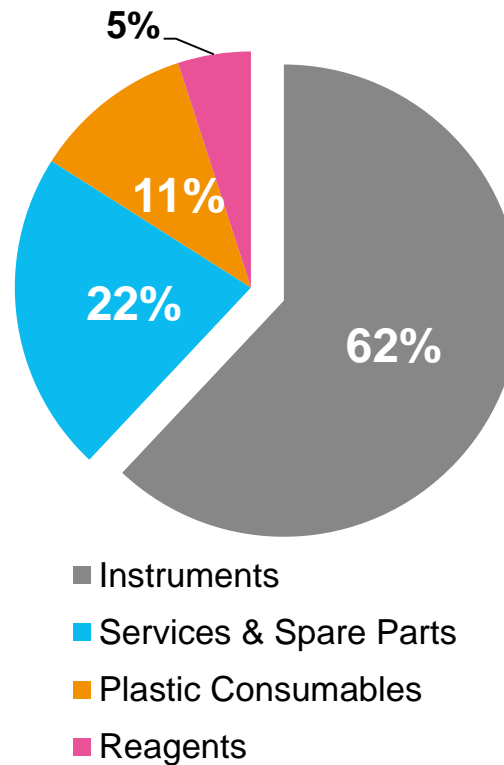
STRONG DRIVERS IN DIAGNOSTICS

Customer Segments



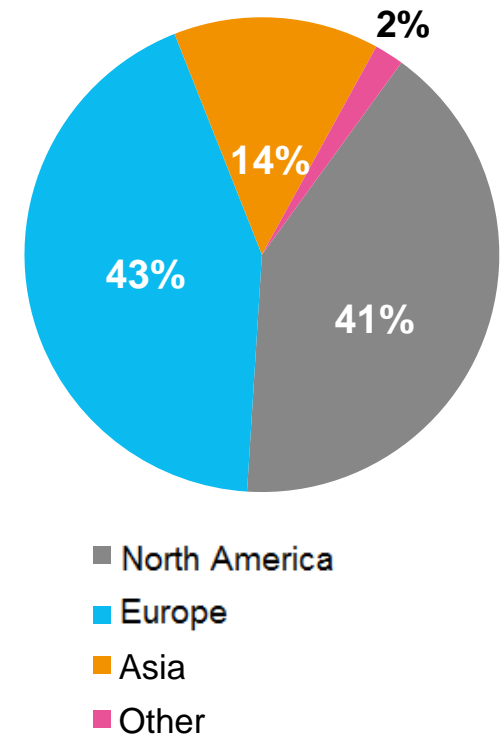
IBL ADDING A NEW SOURCE OF RECURRING REVENUES

Products

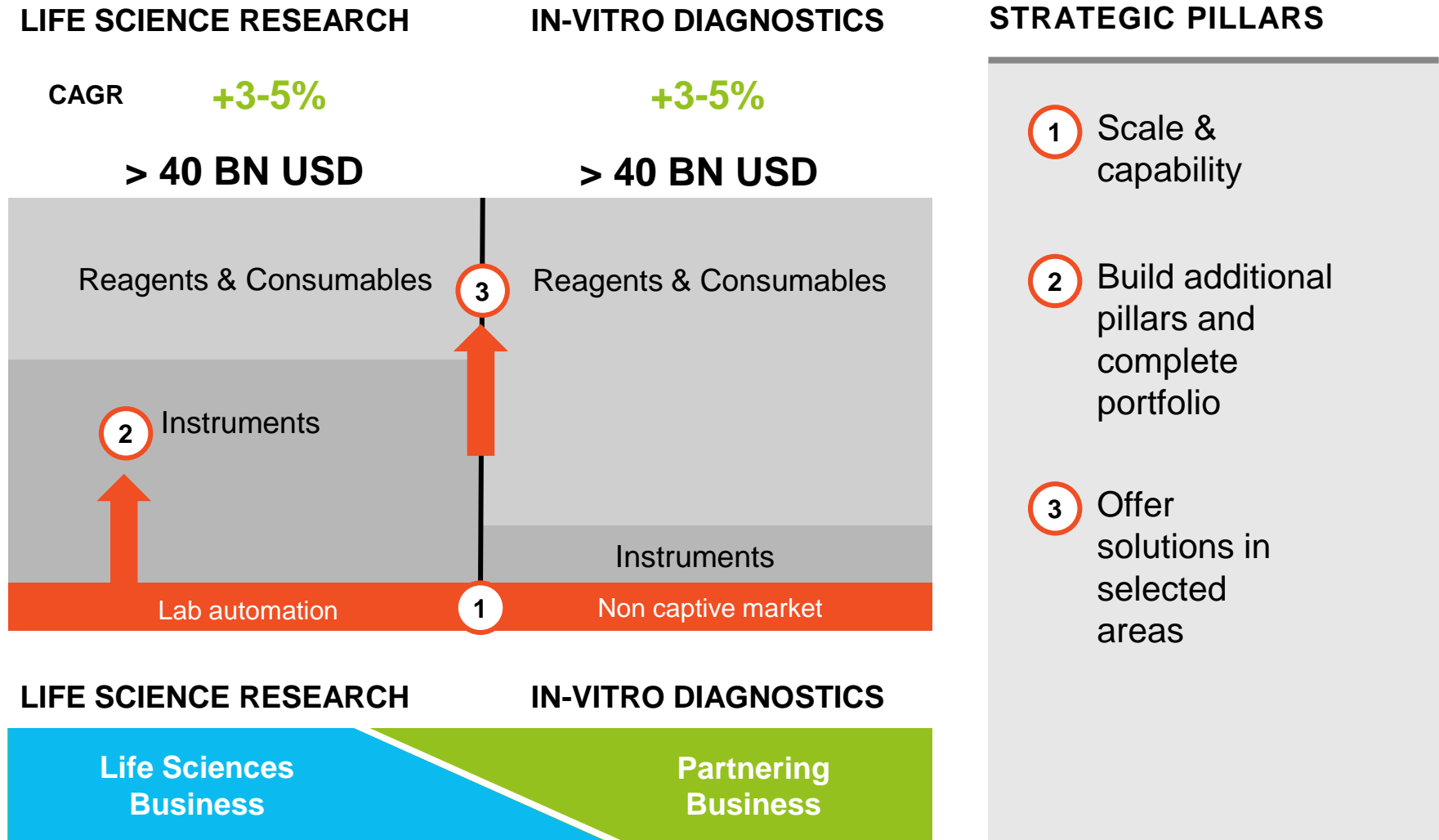


GROWING DIRECT PRESENCE IN EMERGING MARKETS

Geographies



Basis for Corporate Strategy: Market Structure





Growth Drivers and Priorities

Major Platform Launches (1)

FLUENT®*

Setting new standards for simplicity, productivity and confidence



NEXT GENERATION LIQUID HANDLING PLATFORM FAMILY

UPDATE

PRODUCT ANNOUNCEMENTS:

- Jun 2014: Cell Biology
 - Feb 2015: Compound Management
 - Feb 2015: New modules for increased general purpose use
 - Aug 2015: Air displacement pipetting
 - Aug 2015: New options enabling wider application range
- NEW** Jan 2016: New wave of exciting features to further increase speed and flexibility

**STRONG MOMENTUM IN ORDERS
WITH REPEAT ORDERS FROM IMPORTANT
CUSTOMERS**

* For research use only in USA

Major Platform Launches (2)

SPARK®* NEXT GENERATION READER PLATFORM

Greater flexibility, increased speed
and productivity



ALL-NEW MULTIMODE MICROPLATE READER PLATFORM

UPDATE

SPARK 10M LAUNCHED AT SLAS2015:

- Designed for cell biology and genomics customers
- Launch of additional modules in May 2015
- Brightfield imaging module launched at SLAS2016
- Roll-out proceeding to plan with strong uptake

NEW

NEW

SPARK 20M LAUNCHED AT SLAS2016:

- The high-end microplate reader
- Industry leading sensitivity and speed
- Integrated microcopy enables automated live cell imaging and confluence measurement
- Unique Te-Cool™ guarantees constant temperature for consistent results

* For research use only in USA

Supporting Significant Delivery Ramp-Up (1)

DAKO OMNIS

Setting new standards with regard to flexibility, capacity, efficiency and traceability



ADVANCED STAINING PLATFORM FOR TISSUE-BASED CANCER DIAGNOSTICS

UPDATE

- Continued global commercial uptake
- Agilent reported record instrument placements for several quarters in a row
- Dako continuing to add new assays and panels to Omnis platform

Supporting Significant Delivery Ramp-Up (2)

ORTHO VISION™

Transforming transfusion medicine
with Responsive Automation



NEXT-GENERATION DIAGNOSTICS INSTRUMENT FOR BLOOD TYPING

UPDATE

- Significant increase in serial production to support commercial rollout
- Ortho-Clinical Diagnostics obtained
 - CE Mark to start commercialization in Europe, Japan and Australia in October 2014
 - Health Canada approval in April 2015
 - 510(k) clearance in the US in August 2015
- ORTHO VISION™ Max, a variant with higher sample throughput, received CE Mark clearance in October 2015

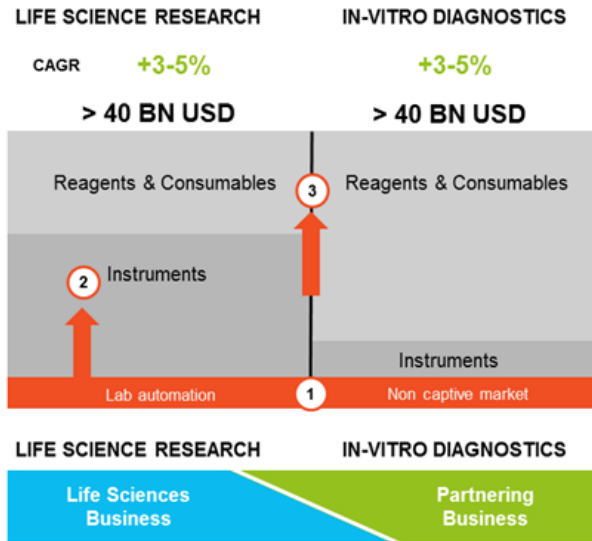
Executing on Healthy Pipeline of New Projects

- Well-stocked pipeline of opportunities
- More emphasis on platform-based developments (level 1)
 - Leveraging Freedom EVO, Cavro Omni and Fluent platforms
 - Faster time to market, less development risks, easier to integrate in organization
 - Continue to sign agreements for platform-based solutions each year
- Pipeline also includes projects for dedicated instrument developments (level 2)
- Building a pipeline for new eFluidics technology

DIFFERENT «LEVEL 1» PROJECTS FOR VARIOUS APPLICATIONS AND POTENTIAL CUSTOMERS



Acquisitions, Key Element of Corporate Strategy



ACQUISITIONS ANNOUNCED TO DATE

1 December 2015: Acquisition of Sias AG

- Leading OEM supplier of a wide range of modular and complete laboratory automation solutions
- Complementary OEM liquid handling platforms
- Expansion of immunoassay and genomics capabilities



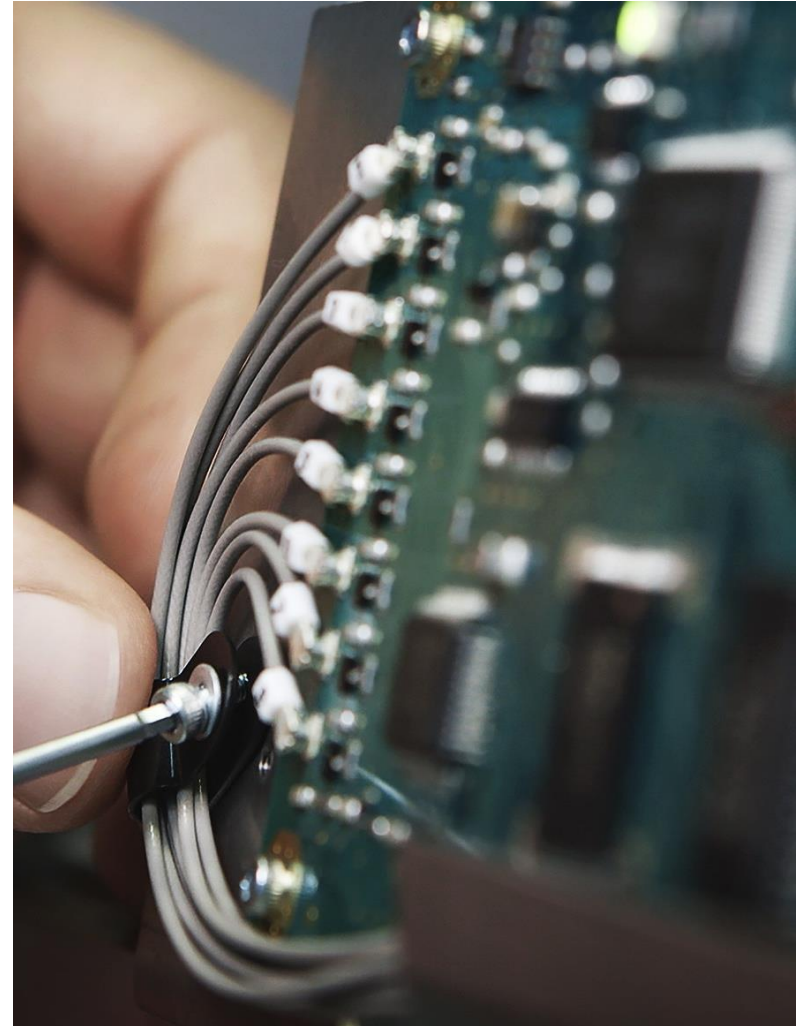
Sias Xantus platform with Ixion microplate centrifuge

3 August 2014: Acquisition of IBL International

- Established and leading immunoassay company for specialty diagnostics
- Supports evolution into solutions in select applications
- Leveraging Tecan's global presence and long tradition in immunoassay processing

Improving Operational Excellence

- A multi-year project to reduce manufacturing costs (COGS) was launched in 2014
- The biggest potential is lowering material costs
- Improved supply chain management and sourcing are key factors to develop profitability further
- Increased sourcing from around the world through supplier relocation and consolidation
- Additional longer-term benefits to be realized with the start of new product development programs
 - Building modular, flexible platforms, standard elements
 - Increased re-use of common modules
 - Focus on core competencies
 - Early involvement of procurement and manufacturing engineering in product development





Financials, Outlook and Summary

Financial Performance 2015

- Strong financial performance, delivering on commitments for the year
- Both business segments growing with double-digit rate in local currencies
- Recurring revenues increased to 38% of total sales, including strong performance from IBL International immunoassays
- Operating profit grew faster than sales, net profit even stronger
- High operating cash flow of CHF 99 million



Operating Highlights 2015

- Launch of the 2nd and 3rd wave of innovation for the Fluent™ laboratory automation family, Tecan's next generation liquid handling platform
- Launch of all-new multimode reader platform Spark™ 10M, conclusion of development of Spark™ 20M, the most productive reader with industry-leading sensitivity
- US launch of FDA cleared ORTHO VISION™ Analyzer by OrthoClinical Diagnostics, conclusion of development of ORTHO VISION™ Max for high-volume transfusion medicine labs
- Smooth integration of IBL International
- Acquisition of Sias AG on 30 November 2015, a leading OEM supplier of laboratory automation solutions, to further expand our Partnering Business



FY 2015 Key Figures

	2014	2015	Δ IN %
Sales (in CHF mio)	399.5	440.3	+10.2%
Sales in local currencies (in CHF mio)	389.2	440.3	+13.1%
Gross Profit (in CHF mio)	197.6	215.5	+9.0%
in % of sales	49.5%	48.9%	
R&D (in CHF mio)	39.5	39.9	+1.0%
in % of sales	9.9%	9.1%	
EBIT (in CHF mio)	57.2	66.9	+17.0%
in % of sales	14.3%	15.2%	
EBITDA (in CHF mio)	67.5	83.4	+23.5%
In % of sales	16.9%	18.9%	
Net profit (in CHF mio)	40.2	57.1	42.1%
in % of sales	10.1%	13.0%	
EPS (in CHF)	3.63	5.05	+39.1%
Return on net assets (RONA)	27%	29%	+7.4%
Net liquidity December 31 ⁽¹⁾ (in CHF mio)	122.7	198.8	+62.0%
Equity (in CHF mio)	361.2	440.7	+22.0%
Cash Flow (operating) (in CHF mio)	48.2	99.1	+105.7%

(1) Net Liquidity = cash and cash equivalents minus bank liabilities and loans

Outlook for 2016

SALES

Double-digit sales growth in local currencies

PROFITABILITY

EBITDA (in CHF mio) at about similar level as 2015

- Including integration costs in a mid single-digit million CHF amount related to the Sias acquisition (accretive in 2017)

Underlying EBITDA margin to expand by at least 50 bps

- Excluding the Sias business and adjusted for one-time tailwind in 2015

Based on average FX rates of: 1.05 EUR/CHF and 0.98 USD/CHF

Every Lab. Every Day. Empowered.

- Wave of new exciting products reaching the market
- Good momentum from commercialization of next-generation platforms in both main product lines in the Life Sciences Business
 - Fluent™ Laboratory Automation Solution
 - Spark™ Multimode Microplate Reader
 - New Freedom EVO® workstations
- Strong momentum and significant increase in series production for new platforms in the Partnering Business
- Healthy pipeline of new projects in the Partnering Business
- Evolution into solution business for selected applications



Upcoming Event

Save the date –

Capital Markets

Day 2016.

Thursday, 16 June 2016
in Maennedorf, Switzerland

Q&A

IR IPAD APP

News, financial reports, presentations, videos and more



NEXT EVENTS

2016

April 13: Annual Shareholder Meeting

June 16: Capital Markets Day

August 16: Half Year Results 2016

CONTACT

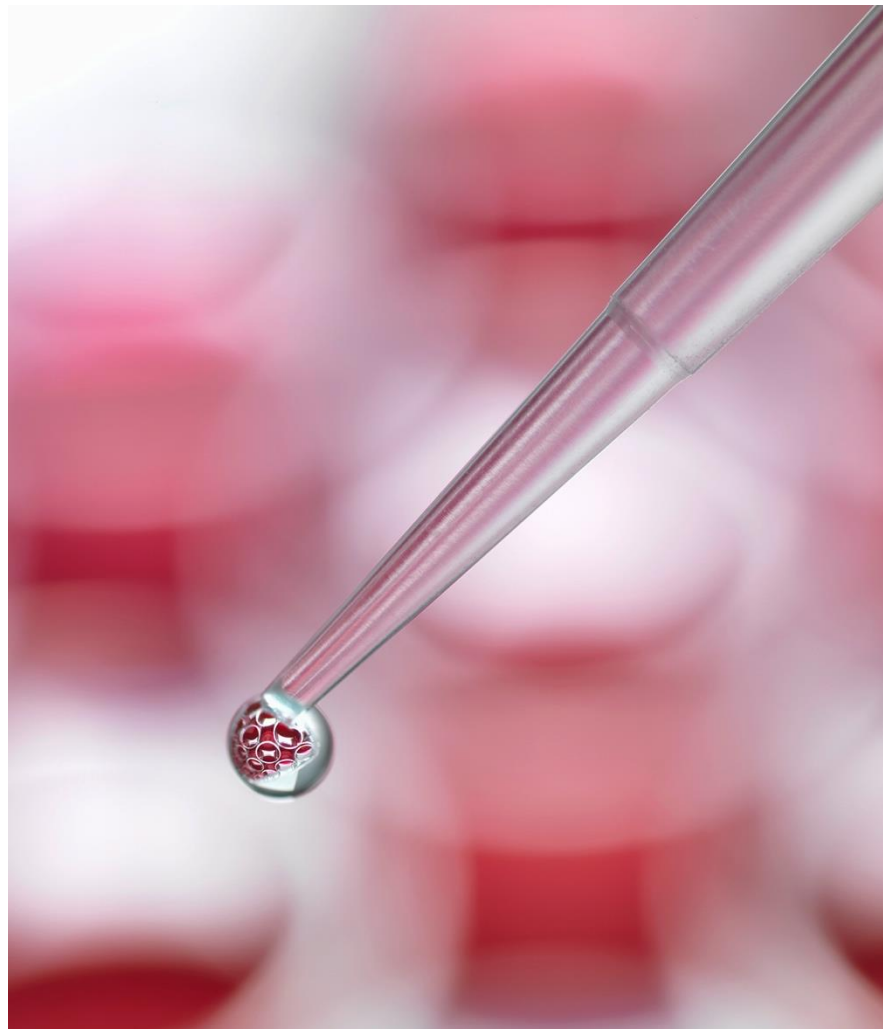
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Tecan – Who we are

Tecan (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, 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.

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