

Speakers

Dr. David Martyr, CEO

Dr. Rudolf Eugster, CFO



Agenda



INTRODUCTION

FINANCIAL RESULTS

UPDATE AND OUTLOOK

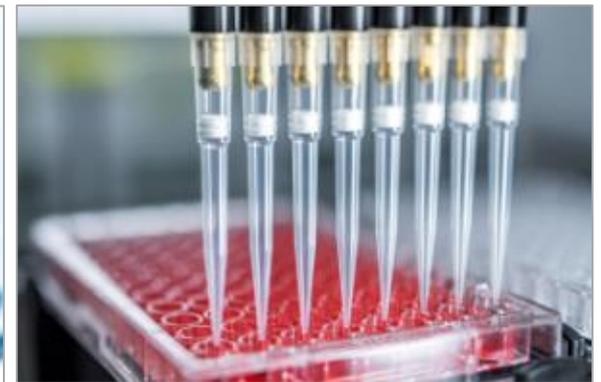
QUESTIONS AND ANSWERS



Financial Performance H1 2017

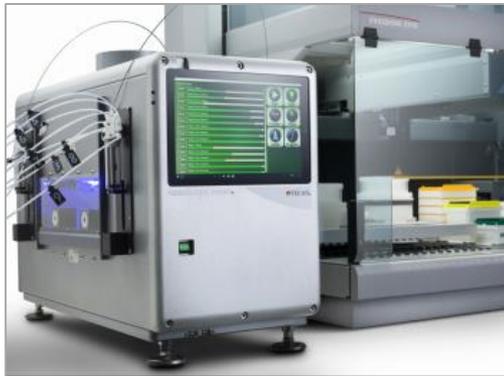
- Significant increase in order entry; +16.7% and +12.5% organic
- Substantial sales growth of +18.2% in Life Sciences Business (+9.5% organic)
- Strong growth in components business, services and consumables as part of Partnering Business; double-digit increase in order entry
- Total recurring revenues at 45% of sales; highest level to date
- China with continued high growth rates
- Slight improvement of EBITDA margin

All growth figures are in local currencies



Operating Highlights H1 2017

- Considerable progress with integration of acquired businesses
 - Preparing joint marketing of SPEware's (now Tecan SP) mass spectrometry sample preparation solutions; European launch of Resolvex™ products scheduled for H2 2017
 - Preparations underway to relocate production of Pulsar Technologies piston pumps from Paris to San Jose, the Tecan components manufacturing site
- Launch of a new platform development project with DiaSorin in Partnering Business
 - Tecan's Fluent® Laboratory Automation Solution as Nucleic Acid extraction platform



Resolvex™ product line



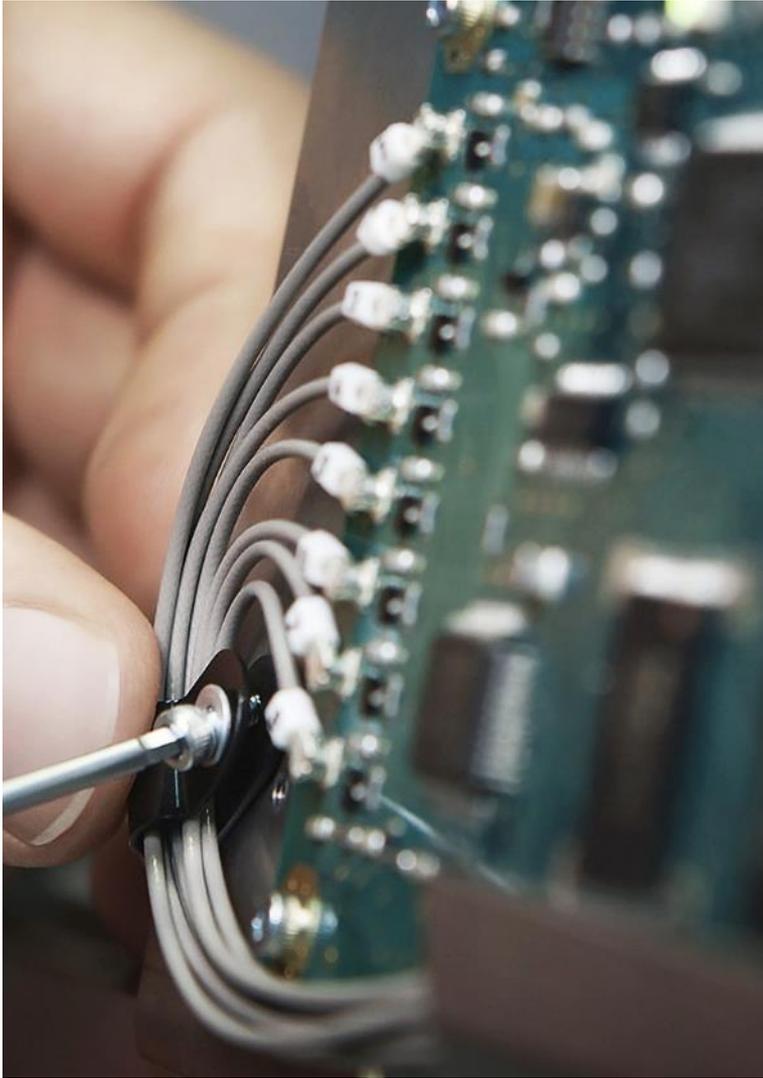
Pulsar product line



Platform development with DiaSorin



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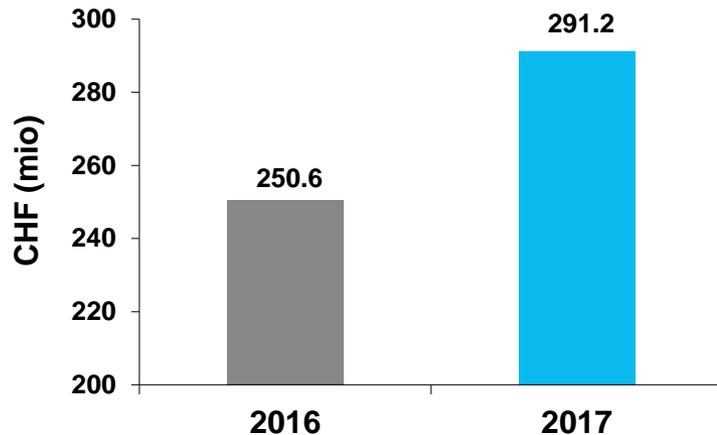
UPDATE AND OUTLOOK

QUESTIONS AND ANSWERS



H1 2017 Order Entry and Sales Performance

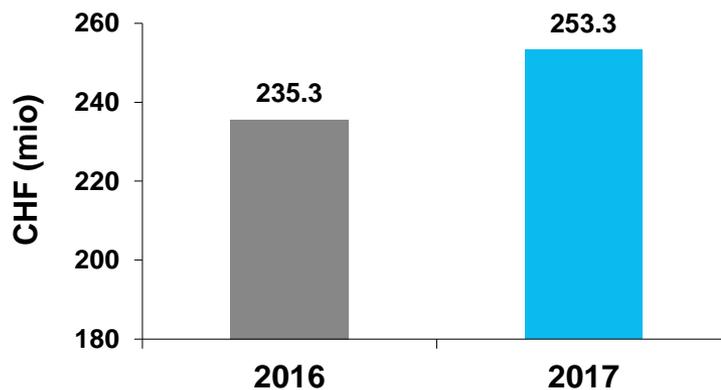
ORDER ENTRY H1 2017



ORDER ENTRY H1 2017 VS. H1 2016

- +16.2% in CHF, +16.7% in local currencies (LC)
- Both business segments contributed with double-digit growth rates
- Particularly strong growth in Partnering Business
- Organic +12.0% in CHF, +12.5% in LC
- Order backlog with double-digit % increase

SALES H1 2017



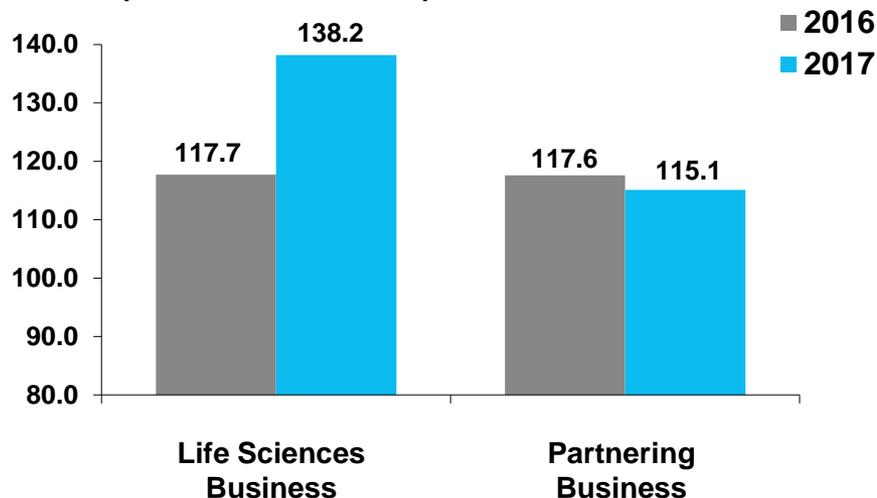
SALES H1 2017 VS. H1 2016

- +7.7% in CHF, +8.0% in LC
- Organic +3.1% in CHF, +3.4% in LC against high base level in the Partnering Business in the prior-year period



H1 2017 Segment Sales

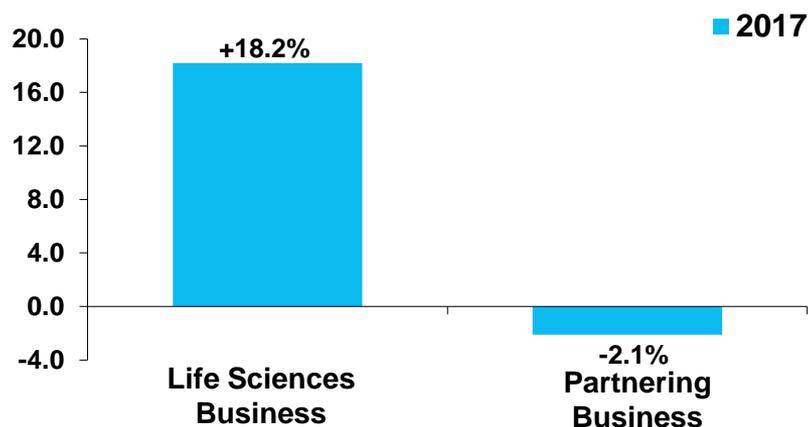
SALES (IN CHF MILLIONS)



LIFE SCIENCES BUSINESS:

- Sales increased by 17.4% in CHF and 18.2% in LC
- Organic sales growth of +9.5% in LC
- Contributions from a broad range of instrument platforms, the service business and further strong growth in consumables

SALES IN LOCAL CURRENCY (CHANGE IN %)

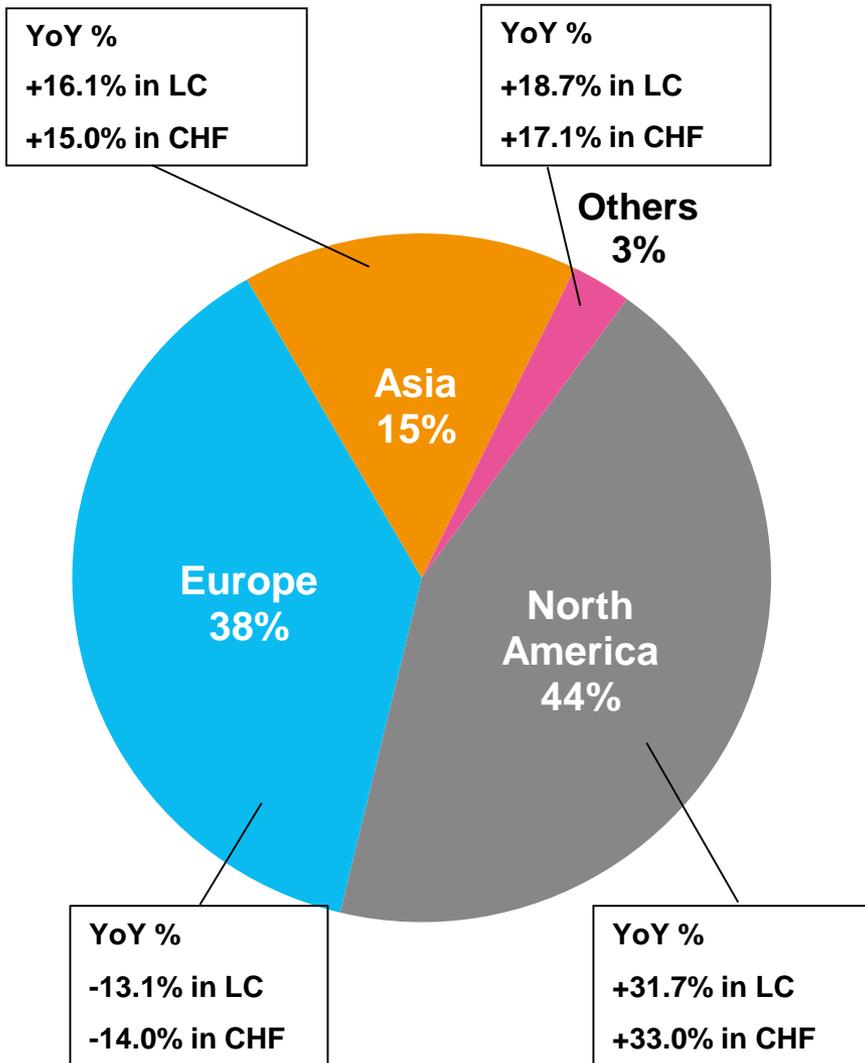


PARTNERING BUSINESS:

- Sales down by 2.1% in CHF and in LC
- High base level in the prior-year period, due to last major order for an expiring instrument platform
- Order entry grew at double-digit rate
- Pulssar only with minor contribution; organic sales down by 2.6% in LC



H1 2017 Regional Sales Development



EUROPE:

- Life Sciences Business with strong growth
- Partnering Business with high comparative base due to positive one-time effect in prior year

NORTH AMERICA:

- Strong growth in Life Sciences Business with solid organic growth and a first-time contribution of SPEware (Tecan SP) products
- Partnering Business with significant double-digit growth, including a strong contribution from the components business

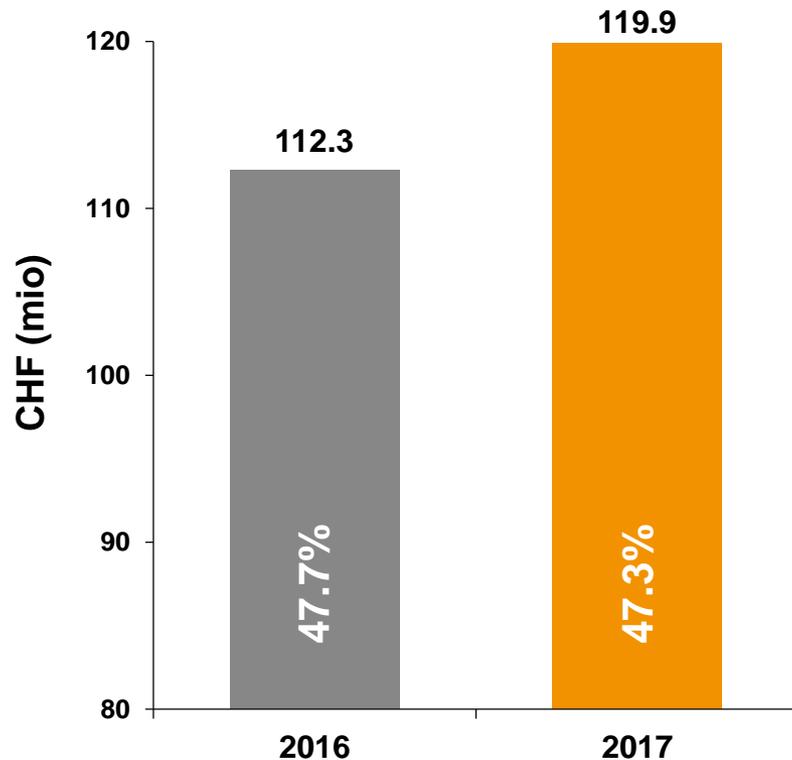
ASIA:

- Both segments again posted double-digit sales growth
- Driven once again by a particularly strong growth in China



H1 2017 Gross Profit

GROSS PROFIT (% = % OF SALES)



GROSS PROFIT INCREASED TO CHF 119.9M

- CHF 7.6m or 6.7% above H1 2016

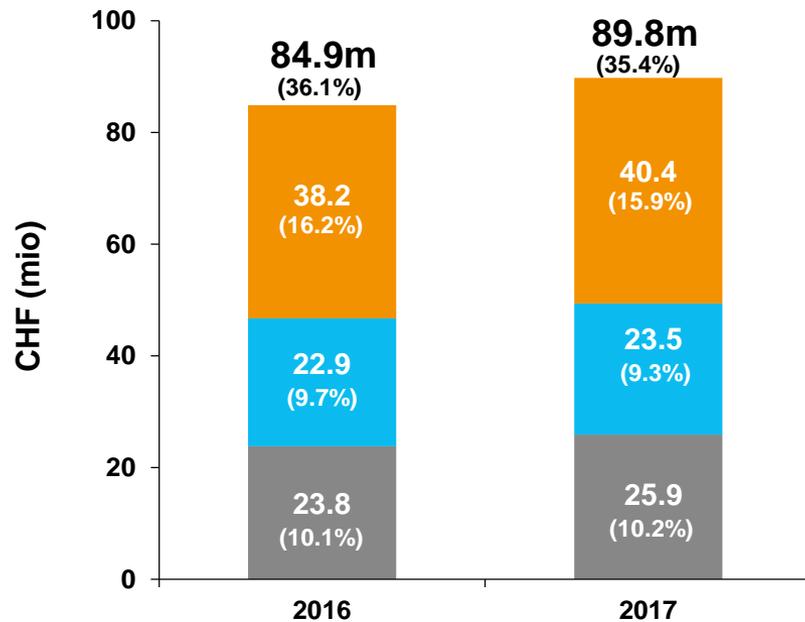
GROSS PROFIT MARGIN DOWN BY 40BPS

- Main effects contributing:
 - (-) Instrument product mix
 - (-) Product mix with higher share of services & consumables
 - (+) Material cost savings and positive exchange rate impact
 - (+) Price increases



H1 2017 Cost Structure

OPERATING EXPENSES (% = % OF SALES)



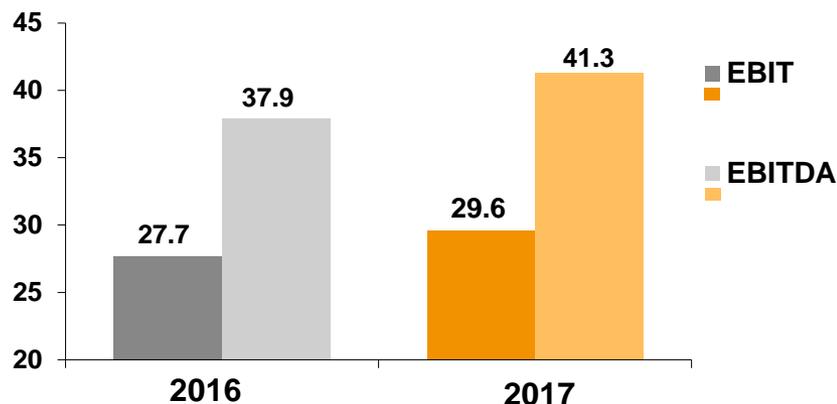
- Sales and marketing
- Research and development
- General and administration

OPERATING EXPENSES GREW LESS THAN SALES

- H1 2017 including costs from acquired SPEware and Pulssar Technologies
- Sales & Marketing increased less than sales despite continued investments in market units
- R&D increased less than sales, including higher amortization of capitalized development costs
- G&A increased in line with sales

H1 2017 EBIT and EBITDA

EBIT AND EBITDA (IN CHF MILLIONS)



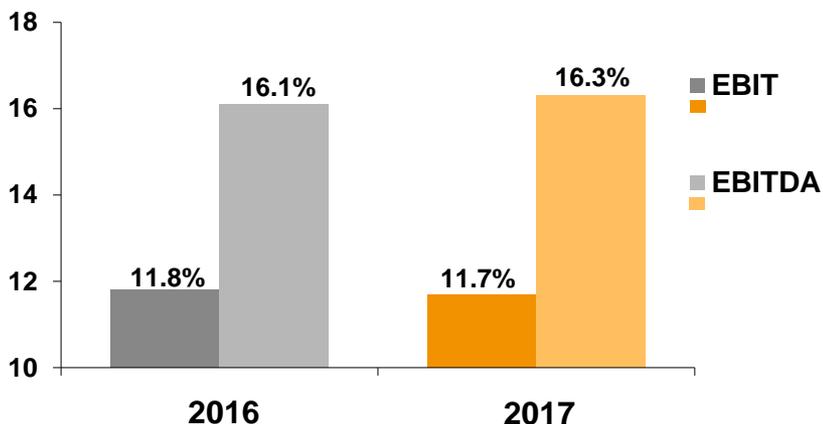
EBIT INCREASED TO CHF 29.5M

- CHF 1.9m or 6.6% above H1 2016
- Including all costs from acquired businesses and integration costs (slightly higher than H1 2016)

EBITDA GREW TO CHF 41.3M

- CHF 3.4m or 8.8% above H1 2016

EBIT AND EBITDA MARGIN (% = % OF SALES)



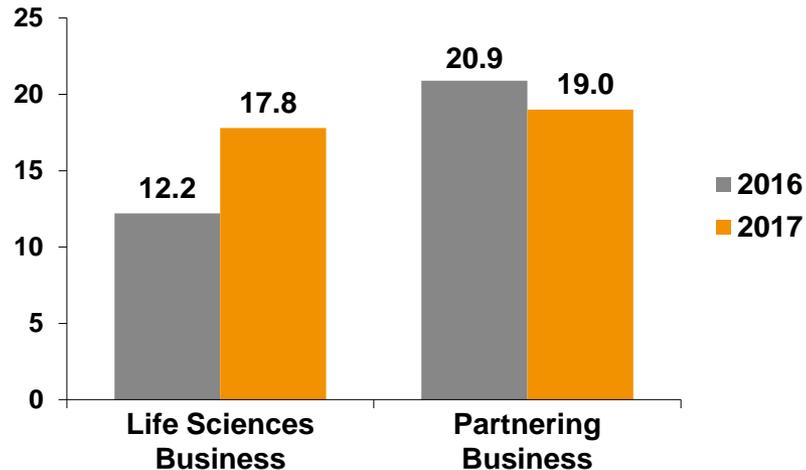
EBIT MARGIN AT 11.7%

EBITDA MARGIN REACHED 16.3%

- Improvement of 20 bps
- Driven by:
 - Positive volume and price effects
 - Efficiency improvements in operations and R&D

H1 2017 Segment Profitability

EBIT (IN CHF MILLIONS)



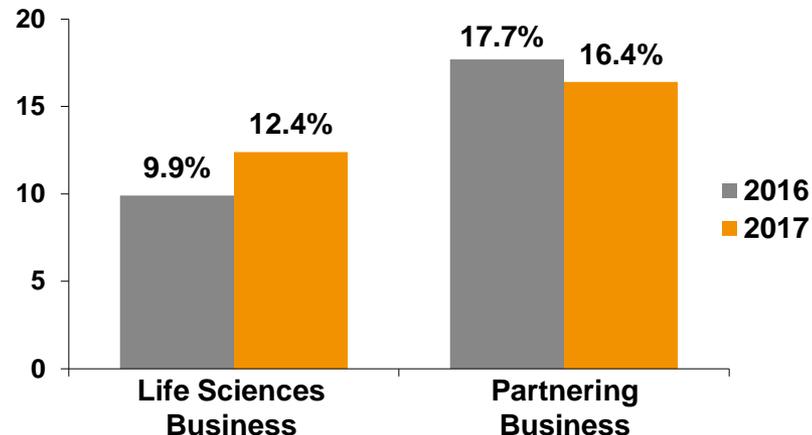
LIFE SCIENCES BUSINESS:

- EBIT margin increased to 12.4%
- Factors contributing include:
 - (+) Price effect
 - (+) Volume effect
 - (+) Efficiency gains

PARTNERING BUSINESS:

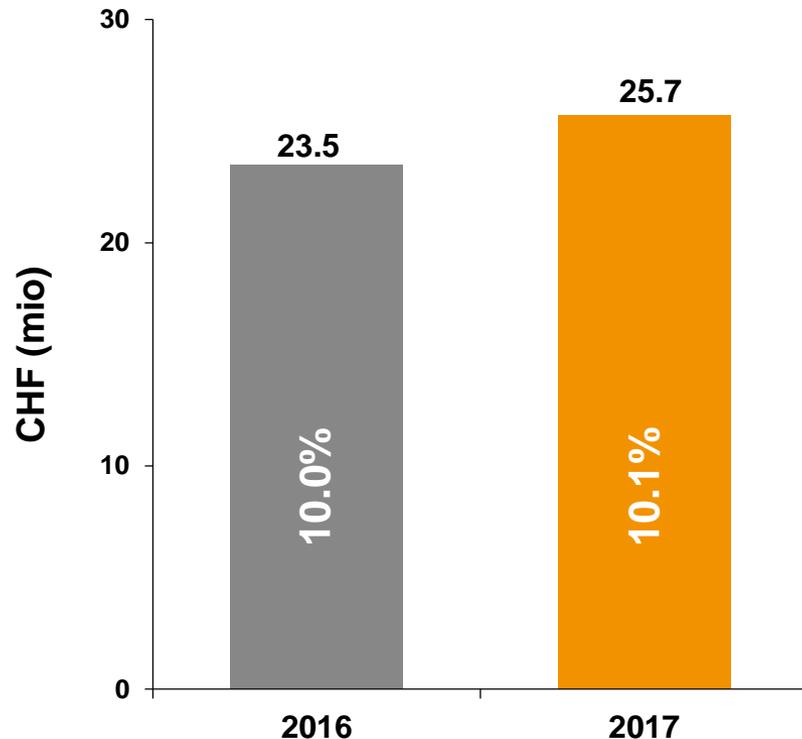
- EBIT margin decreased to 16.4%
- Factors contributing include:
 - (-) Lower sales volume
 - (-) Product mix

EBIT MARGIN (% = % OF SALES)



H1 2017 Net Profit

NET PROFIT (% = % OF SALES)



NET PROFIT GREW FASTER THAN SALES

- CHF 2.2m or 9.6% above H1 2016

EBIT INCREASE OF CHF 1.9M

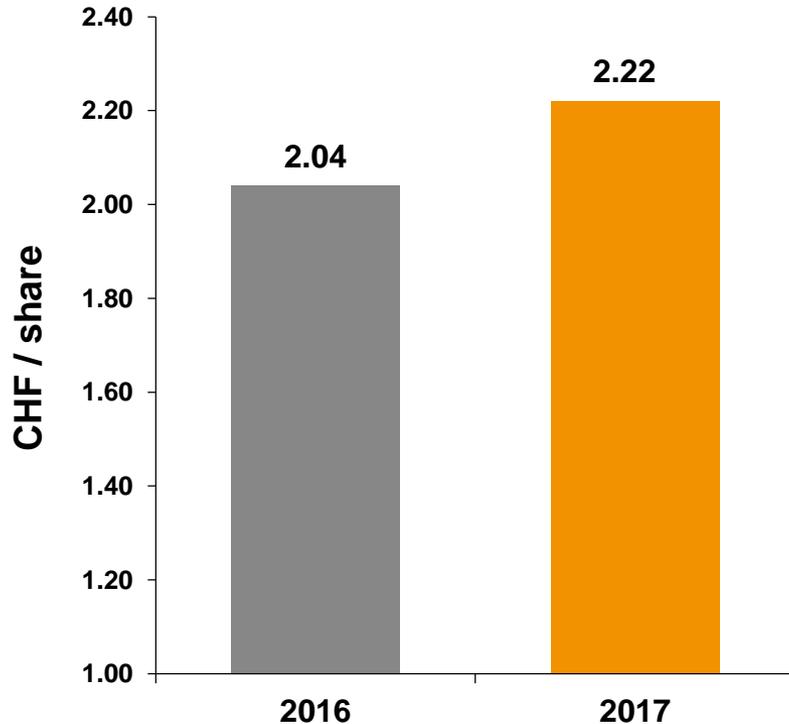
BELOW EBIT LINE

- (+) Better financial result due to hedging profit
- (+) Lower tax rate of 17.3% (H1 2016: 17.8%)



H1 2017 Basic Earnings per Share

BASIC EARNINGS PER SHARE

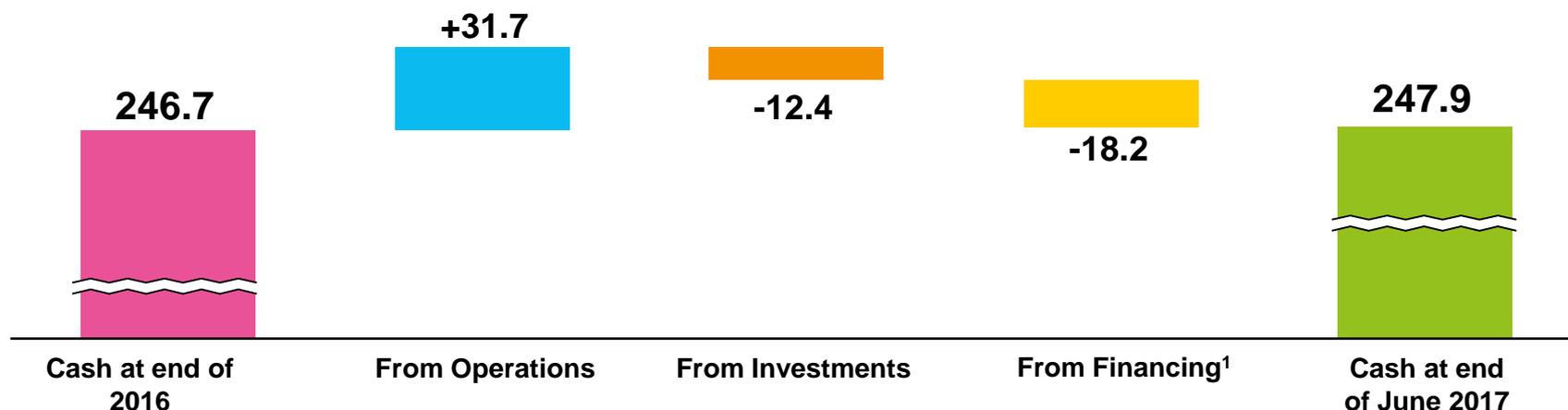


**EARNINGS PER SHARE DEVELOPED ABOUT
IN LINE WITH NET PROFIT TO CHF 2.22**

**AVERAGE NUMBER OF SHARES
OUTSTANDING: 11.6M (H1 2016: 11.5M)**



H1 2017 Cash Flow



CASH FLOW FROM OPERATIONS OF CHF 31.7M (H1 2016: CHF 64.9M)

- Cash conversion of 12.5% of sales, prior-year period included a reimbursement of development costs
- Net working capital increased, mainly due to significantly higher June sales
- Days Sales Outstanding stable at 50 days
- Includes CHF 11.7m for amortization & depreciation (H1 2016: CHF 10.2m), thereof CHF 6.0m on capitalized development costs

INVESTMENTS OF CHF 12.4M (H1 2016: CHF 5.1M) , THEREOF CHF 5.4M ON CAPITALIZED DEVELOPMENT COSTS

CASH FLOW FROM FINANCING ACTIVITIES INCLUDES DIVIDEND PAYMENTS OF CHF 20.3M

NET LIQUIDITY² INCREASED TO CHF 243.9M (DEC 31, 2016: CHF 242.3M)

¹ Includes translation differences of -0.36m

² Net Liquidity = cash and cash equivalents minus bank liabilities and loans



H1 2017 Key Figures

	2016	2017	Δ IN %
Order Entry (in CHF mio)	250.6	291.2	+16.2%
Sales (in CHF mio)	235.3	253.3	+7.7%
Sales in local currencies (in CHF mio)	234.5	253.3	+8.0%
Gross Profit (in CHF mio)	112.3	119.9	+6.7%
in % of sales	47.7%	47.3%	
R&D (in CHF mio)	22.9	23.5	+2.8%
in % of sales	9.7%	9.3%	
EBIT (in CHF mio)	27.7	29.6	+6.6%
in % of sales	11.8%	11.7%	
EBITDA (in CHF mio)	37.9	41.3	+8.8%
In % of sales	16.1%	16.3%	
Net profit (in CHF mio)	23.5	25.7	+9.6%
in % of sales	10.0%	10.1%	
EPS (in CHF)	2.04	2.22	+8.8%
Return on net assets (RONA)	26%	22%	
Net liquidity ^{(1) (2)} (in CHF mio)	242.3	243.9	+0.7%
Equity ⁽²⁾ (in CHF mio)	487.1	503.5	+3.4%
Cash Flow (operating) (in CHF mio)	64.9	31.7	-51.2%

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

(2) 2016 balance sheet figures are as of Dec. 31, 2016



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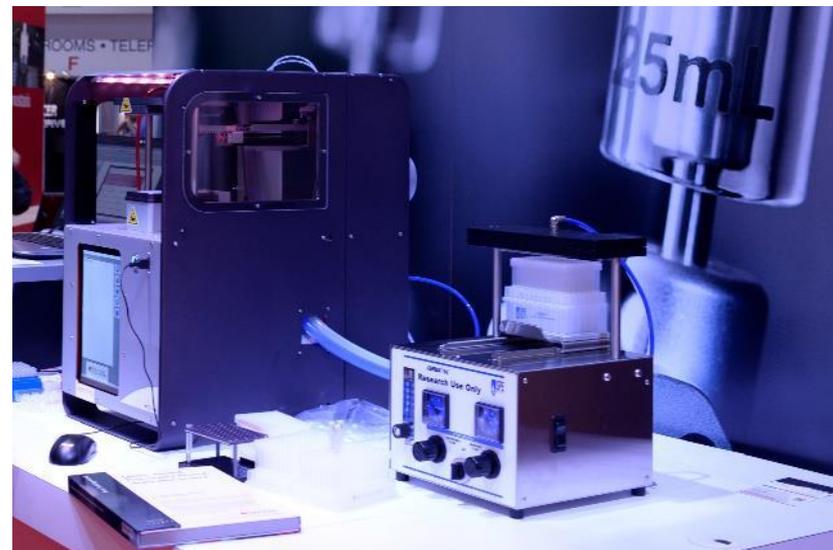
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Total Sample Prep Solutions for Mass Spectrometry

- Expanding mass spectrometry sample preparation offering
- Combining Tecan's leading position in lab automation and offering from acquired SPEware (now Tecan SP)
- Offering smart consumables and dedicated instruments under new RESOLVEX™ brand
- Upcoming launch of new RESOLVEX A200
 - Compact benchtop instrument providing increased walkaway time for sample preparation workflows
 - Preview earlier this month at AACC in San Diego
- First-time European commercialization to start in H2 2017

RESOLVEX.



Additional Instruments Ramping Up in 2017

PROVIDING BASIS FOR CONTINUED GROWTH

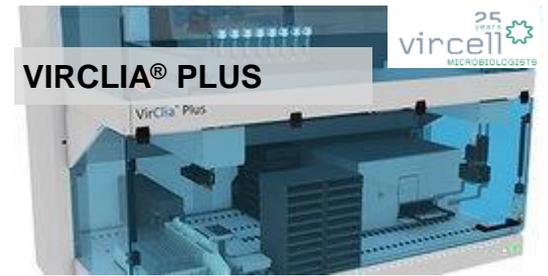
PARTNERING BUSINESS



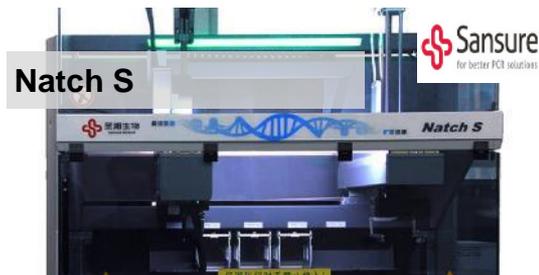
High sensitivity next gen immunodiagnosics



IFA/ELISA for autoimmunity



Chemoluminescence IA for infectious diseases



MDx for infectious diseases



Cell separation for multiple applications



NGS sample prep



Multiplex ELISA for pharma

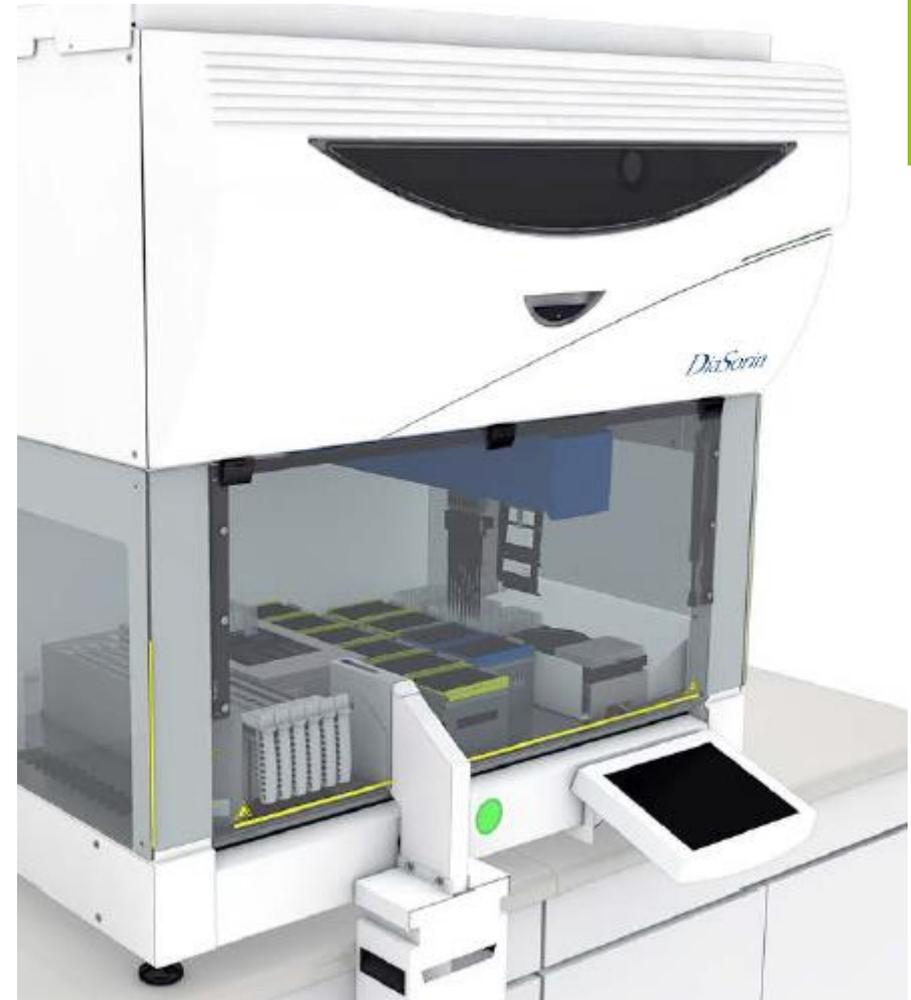


MDx for stool testing

...AND MORE

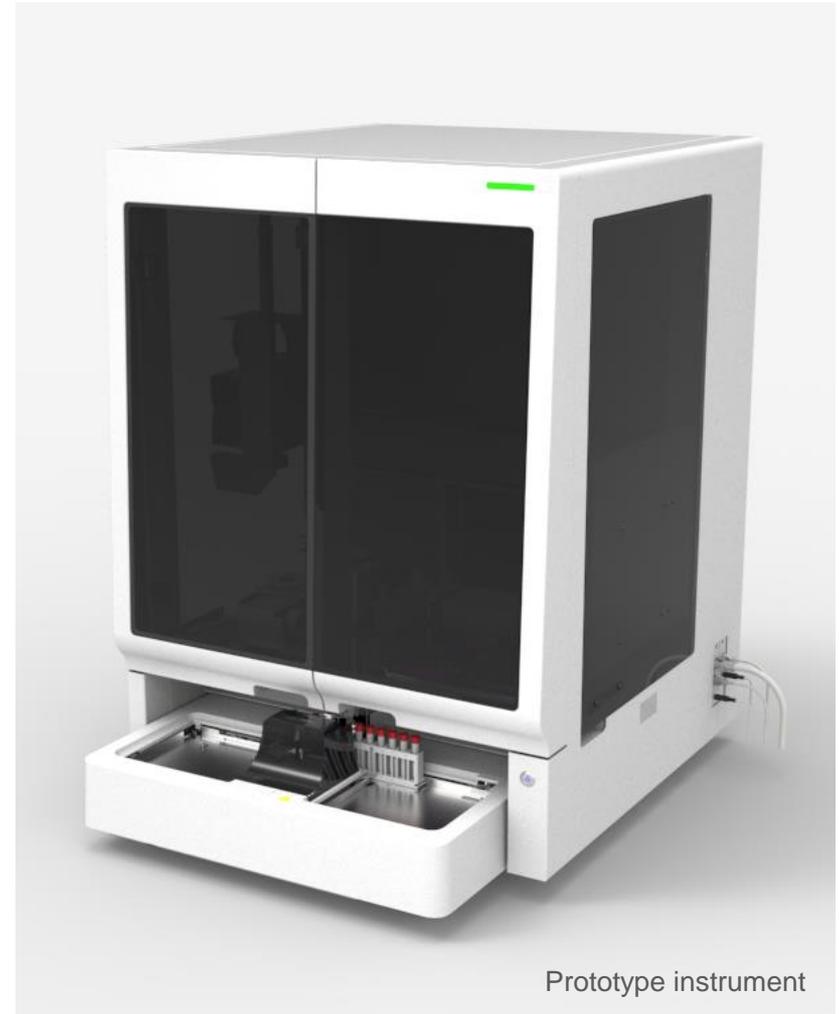
New Platform Development with DiaSorin

- DiaSorin will make use of Tecan's Fluent[®] Laboratory Automation Solution as its Nucleic Acid extraction platform
- To be used in combination with the DiaSorin Liaison[®] MDX PCR system
 - Complete sample to result system for MDx
- To be optimized for use with DiaSorin extraction chemistry and automated PCR set up of the Liaison[®] MDX 96 well disc



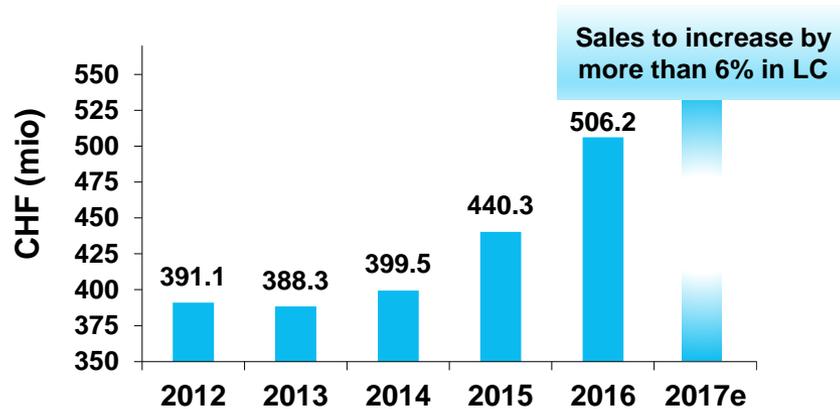
New Platform Development with Sysmex

- Tecan is collaborating with Sysmex, a top 10 in-vitro diagnostic (IVD) company and a world leader in clinical laboratory automation solutions
- Development is based on Tecan's new Cavro® Omni Flex robotic platform with customized software
- New platform to be used for sample preparation for flow cytometry, a fast growing application. Will be deployed across research and IVD markets



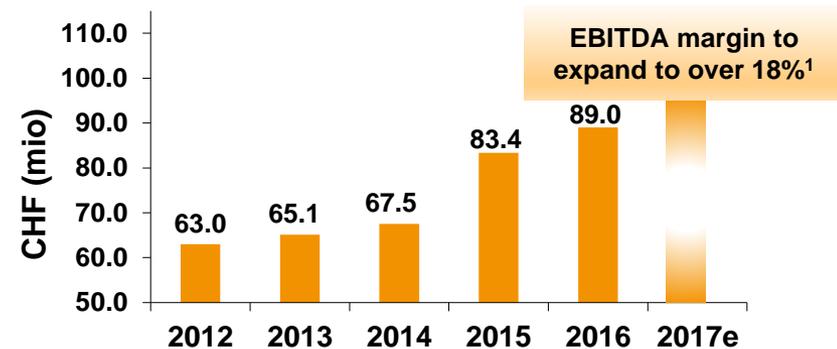
Outlook for 2017 Confirmed

SALES DEVELOPMENT



- In the mid-term forecasting to continue to organically outgrow the market average
 - Expecting to increase this mid-term growth rate through acquisitions

OPERATING PROFIT (EBITDA)



- Including acquisition-related costs in a mid single-digit million Swiss franc amount
- Also beyond 2017, committed to drive profitability higher together with sales growth

¹ Based on average FX rates of: 1.07 EUR/CHF and 0.99 USD/CHF

Q&A



IR IPAD APP

News, financial reports,
presentations,
videos and more



NEXT EVENT 2018

March 14: Full Year Results 2017

April 17: Annual Shareholder Meeting

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Empowered

with

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