SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2000

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____to _____

Commission File Number: 0-17272

TECHNE CORPORATION
(Exact name of Registrant as specified in its charter)

Minnesota	41-1427402
(State of Incorporation)	(IRS Employer Identification No.)

614 McKinley Place N.E., Minneapolis, MN	55413
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number: (612) 379-8854

Securities registered pursuant to Section 12(b) of the Act:
None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, $.01 par value.

Indicate by check mark whether the Company (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes X No ___.

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ( )

The aggregate market value of the Common Stock held by non-affiliates of the Registrant, based upon the closing sale price on September 12, 2000 as reported on The Nasdaq Stock Market was approximately $1,485,548,000. Shares of Common Stock held by each officer and director and by each person who owns 5% or more of the outstanding Common Stock have been excluded.

Shares of $.01 par value Common Stock outstanding at September 12, 2000: 20,717,671

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement for its 2000 Annual Meeting of Shareholders are incorporated by reference into Part III.

PART I

ITEM 1. BUSINESS

OVERVIEW

Techne Corporation (the "Company") is a holding company which has two wholly-owned operating subsidiaries: Research and Diagnostic Systems, Inc. (R&D Systems) located in Minneapolis, Minnesota and R&D Systems Europe Ltd. (R&D

Europe) located in Abingdon, England. R&D Systems is a specialty manufacturer of biological products. Its two major operating segments are hematology controls, which are used in hospital and clinical laboratories to check the accuracy of blood analysis instruments, and biotechnology products including purified proteins (cytokines) and antibodies which are sold exclusively to the research market, and assay kits which are sold to the research and clinical diagnostic markets. R&D Europe distributes R&D Systems' biotechnology products in Europe. R&D Europe has a German sales subsidiary, R&D Systems GmbH (R&D GmbH). The Company also has a foreign sales corporation, Techne Export Inc.

R&D Systems was founded and incorporated in 1976 in Minneapolis, Minnesota and was acquired by the Company in 1985. In 1977 R&D Systems introduced its first product, a Platelet-Rich-Plasma control. In 1981 R&D Systems was the second manufacturer in the world to release a Whole Blood Control with Platelets, thereby establishing itself as one of the leaders in the field of hematology control products manufacturing. Subsequently, R&D Systems has developed several types of hematology controls designed to keep pace with the technology of the newest models of hematology instruments. These products are sold throughout the United States directly by R&D Systems and in many foreign countries through distributors.

In 1985 R&D Systems entered the research reagent market with its first cytokine, TGF-beta. Cytokines are specialized protein molecules that stimulate or suppress various cell functions in the body. Cytokines are in demand by biomedical researchers who want to learn more about their diverse effects. Encouraged by its success in the cytokine market, R&D Systems formed a biotechnology division in 1986 with the goal of producing and marketing a wide range of human cytokines through genetic engineering. Recombinant DNA technology offers several advantages over extraction of these proteins from natural sources, including lower production cost and potentially unlimited supply.

On August 19, 1991, R&D Systems purchased Amgen Inc.'s research reagent and diagnostic assay kit business. With this purchase, R&D Systems obtained Amgen's Erythropoietin (EPO) kit, the Company's first enzyme-linked immunosorbent assay kit for a cytokine that had been cleared by the FDA for clinical diagnostic use.

In July 1993, the Company acquired its European biotechnology distributor, British Bio-technology Products Ltd. (renamed R&D Systems Europe Ltd.) from British Bio-technology Group plc. R&D Europe distributes biotechnology products developed by R&D Systems.

During fiscal 1998, 1999 and 2000, the Company made equity investments in the preferred stock of ChemoCentryx, Inc. (CCX), a new technology and drug development company. The investment gives Techne a 49% interest in CCX. In addition to the equity investment and joint research efforts, the Company obtained research and diagnostic market rights to all products discovered or developed by CCX.

On July 1, 1998, R&D Systems purchased Genzyme Corporation's research products business. This acquisition established R&D Systems as the world's leading supplier of research and diagnostic cytokine products.

THE MARKET

The Company, through its two operating subsidiaries, manufactures and sells products for the clinical diagnostics market (hematology controls and calibrators) and the biotechnology research and clinical diagnostics market (cytokines, assays and related products). In fiscal 2000, R&D Systems' Hematology Division revenues accounted for approximately 13% of consolidated revenues of $103,838,155. Revenues from R&D Systems' Biotechnology Division and R&D Europe were 62% and 25% of consolidated revenues, respectively.

Biotechnology Products

R&D Systems is the world's leading supplier of cytokines and cytokine-related reagents to the biotechnology research community. These valuable proteins exist in minute amounts in different types of cells and can be extracted from these cells or made through recombinant DNA technology. In 1985, R&D Systems

introduced its first cytokine and continues to add to this product line. The first cytokines were extracted from natural sources (human and porcine platelets and bovine brain). Currently almost all of cytokines are produced by recombinant DNA technology. R&D Systems also sells antibodies for specific cytokines, cytokine assay kits, clinical diagnostic kits, kits for cytokine receptor binding studies, and related research reagents.

The growing interest by researchers in cytokines exists because of the profound effect a tiny amount of a cytokine can have on the cells and tissues of the body. Cytokines are intercellular messengers. They act as signals by interacting with specific receptors on the effected cells. They carry vital signals to the cell's genetic machinery that can trigger events that can lead to significant changes in a cell, tissue or organism. For example, cytokines can signal a cell to differentiate, i.e., to acquire the features necessary for it to take on a more specialized task. Another example of cytokine action is the key role they play in stimulating cells surrounding a wound to grow and divide and to attract migratory cells to the injury site.

R&D Systems' Biotechnology Division was formed in response to a growing need for highly purified biologically active proteins. R&D Systems believes that its cytokines are addressing this growing demand for these products within the scientific research community.

During fiscal 1990, the Biotechnology Division released its first cytokine assay kits under the tradename Quantikine. These kits are used by researchers to quantify the level of a specific cytokine in a sample of blood, serum, or other biological fluid. In fiscal 1996, the Biotechnology Division expanded its Quantikine line by introducing a line of assay kits for mouse cytokines. These kits are used extensively by research scientists doing cytokine studies using animal models, such as those used in pharmaceutical discovery and development programs.

Current Biotechnology Products

Cytokines and Related Antibodies. Cytokines, extracted from natural sources or produced using recombinant DNA technology, are manufactured to the highest purity. Polyclonal antibodies are produced by injecting purified cytokines into animals (primarily goats and rabbits). The animals' immune systems recognize the cytokines as foreign and develop antibodies to these cytokines. The polyclonal antibodies are then extracted from the animals' blood and purified. Monoclonal antibodies are produced by injecting purified cytokines into mice. The B cells of a mouse's immune system are then isolated and fused with immortalized mouse cells that will produce the desired antibody. Purified cytokines and antibodies are made available both as research reagents and as parts of assay kits (below).

Assay Kits. This product line includes R&D Systems' human and murine (mouse and rat) Quantikine kits which allow research scientists to quantify the amount of a specific cytokine in a sample of blood or tissue. Also included in this product line are assay kits, developed by R&D Europe, to quantify adhesion molecules. These kits are used by research scientists to measure cellular adhesion molecules in serum, plasma, or cell culture media. Cellular adhesion molecules facilitate the movement of infection fighting cells out of the blood stream to the site of infections.

Clinical Diagnostic Kits. The EPO kit, acquired from Amgen Inc. in fiscal 1992, was the first diagnostic assay for which R&D Systems had FDA marketing clearance. R&D Systems also has received FDA marketing clearance for its transferrin receptor (TfR) and Beta2-microglobulin kits.

Flow Cytometry Products. This product line includes R&D Systems' Fluorokine kits which are used to measure the presence or absence of receptors for specific cytokines on the surface of cells.

DNA and Related Products. Designer genes and designer probes are synthetic DNAs used in the study of gene function.

Hematology Controls and Calibrators

Hematology controls and calibrators, manufactured and marketed through the

Hematology Division of R&D Systems, are products made up of the various cellular components of blood. Proper diagnosis of many illnesses requires a thorough and accurate analysis of the patient's blood cells, which is usually done with automatic or semiautomatic hematology instruments. Controls and calibrators ensure that these instruments are performing accurately and reliably.

Blood is composed of plasma, the fluid portion of which is mainly water, and blood cells, which are suspended in the plasma. There are three basic types of blood cells: red cells, white cells and platelets. About 95 percent of the blood cells are red cells. Their main job is to transport oxygen from the lungs throughout the body, which they do by being rich in hemoglobin. White cells defend the body against foreign invaders. Platelets serve as a "plug" to stem blood flow at the site of an injury by initiating a complex series of biochemical reactions that lead to the formation of a clot.

The formed elements of blood (red cells, white cells and platelets) differ a great deal in size and concentration. The white cells are the largest in size and platelets the smallest. The red cells are the most numerous. The average adult has from 20 to 30 trillion red cells. For every 500 red cells there are approximately one white cell and about 20 platelets. As noted above, hematology controls are used in automatic and semiautomatic cell counting analyzers to make sure these instruments are counting blood cells accurately. One of the most frequently performed laboratory tests on a blood sample is called a complete blood count, or CBC for short. Doctors use this test in disease screening and diagnosis. More than a billion of these tests are done every year, the great majority with cell counting instruments. In most laboratories the CBC consists of the white cell count, the red cell count, the hemoglobin reading, and the hematocrit reading or the percent of red cells in a volume of whole blood after it has been centrifuged. Also included in a CBC test is the differential which numbers and classifies the different types of white cells.

These and other characteristics or "parameters" of a blood sample can be measured by automatic or semiautomatic cell counters. Cell counters can read the parameters of blood either by impedance, in which a cell interrupts an electrical current and is counted, or by a laser, in which a cell interrupts a laser beam and is counted. The number of parameters measurable in a blood control product depends on the type and sophistication of the instrument for which the control is designed. Ordinarily, a hematology control is used once to several times a day to make sure the instrument is reading accurately. Some instruments need to be calibrated periodically. Hematology calibrators are similar to controls but go through additional processing and testing to ensure that the calibration values assigned are extremely accurate and can be used to adjust the instrument.

The Hematology Division of R&D Systems offers a complete line of hematology controls and calibrators for both impedance and laser type cell counters. R&D Systems believes its products have improved stability and versatility and a longer shelf life than most of those of its competitors. The Hematology Division supplies hematology control products for use as proficiency testing materials by laboratory certifying authorities of a number of states and countries. All products are priced competitively and come with an unconditional money back guarantee. R&D Systems recognizes that developing technologies for cell counting instruments will require increasingly sophisticated and high-quality controls and is prepared to meet this challenge.

Current Retail Hematology Products

Impedance-Type Whole Blood Controls/Calibrators. The Hematology Division of R&D Systems currently produces controls and calibrators for the following impedance-type instruments: Abbott Cell-Dyn, ABX, Beckman Coulter, Danam, Hycel, Roche and TOA Sysmex instruments.

Laser-Type Whole Blood Controls/Calibrators. Currently produced controls and calibrators for laser-type instruments include products for the following: Abbott Cell-Dyn 3000, 3200, 3500 and 4000 instruments, ABX instruments, Bayer H series instruments, and the TOA Sysmex NE-8000 and NE-5500 instruments.

Linearity Control. This product provides a means of assessing the linearity of hematology analyzers for white blood cells, red blood cells,

hemoglobin and platelets.

Whole Blood Reticulocyte Control. This control is designed for manual and automated counting of reticulocytes (immature red blood cells).

Whole Blood Flow Cytometry Control. This product is a control for flow cytometry instruments. These instruments are used to identify and quantify white blood cells by their surface antigens.

Erythrocyte Sedimentation Rate Control. This product is designed to monitor erythrocyte sedimentation rate tests.

Multi-Purpose Platelet Reference Control. This product, Platelet-Trol II, is designed for use by automatic and semi-automatic impedance and laser instruments and is the successor to Platelet-Rich-Plasma which R&D Systems introduced in 1977.

PRODUCTS UNDER DEVELOPMENT

R&D Systems is engaged in ongoing research and development in all of its major product lines: hematology controls and calibrators, biotechnology cytokines, antibodies, assays and related products. The Company believes that its future success depends, to a large extent, on the ability to keep pace with changing technologies and markets. At the same time, the Company continues to examine its production processes to ensure high quality and maximum economy.

R&D Systems' Biotechnology Division is planning to release new cytokines, antibodies and cytokine assay kits in the coming year. All of these products will be for research purposes only and therefore do not require FDA clearance. R&D Systems' Hematology Division has developed several new control products in fiscal 2000 and is continuously working on product improvements and enhancements.

There is no assurance that any of the products in the research and development phase can be developed, or, if developed, can be successfully introduced into the marketplace.

Expenditures for research and development activities were $11,198,309, $12,004,798 and $10,637,804 for fiscal years 2000, 1999 and 1998, respectively.

BUSINESS RELATIONSHIPS

During fiscal 1998, 1999 and 2000, Techne purchased a total of $5 million of convertible preferred stock of ChemoCentryx, Inc. (CCX), representing approximately 49% of issued and outstanding voting shares. CCX is a new technology and drug development company working in the area of chemokines. Chemokines are cytokines which regulate the trafficking patterns of leukocytes, the effector cells of the human immune system. In conjunction with the equity investment and joint research efforts, Techne obtains exclusive worldwide research and diagnostic marketing rights to chemokine proteins, antibodies and receptors discovered or developed by CCX or R&D Systems. Techne has accounted for the investment under the equity method of accounting and recognizes 100% of the losses of CCX due to the limited amount of cash consideration provided by the holders of the common shares of CCX.

Original Equipment Manufacturers (OEM) agreements represent the largest market for hematology controls and calibrators made by R&D Systems. In fiscal year 2000, OEM contracts accounted for $6,303,080 or 46% of Hematology Division revenues and 6% of total consolidated revenues.

GOVERNMENT REGULATION

All manufacturers of hematology controls and calibrators are regulated under the Federal Food, Drug and Cosmetic Act, as amended. All of R&D Systems' hematology control products are classified as "In Vitro Diagnostic Products" by the US Food and Drug Administration. The entire hematology control manufacturing process, from receipt of raw materials to the monitoring of control products through their expiration date, is strictly regulated and

documented. FDA inspectors make periodic site inspections of the Hematology Division's control operations and facilities. Hematology control manufacturing must comply with Good Manufacturing Practices (GMP) as set forth in the FDA's regulations governing medical devices.

Three of R&D Systems' immunoassay kits, EPO, TfR and Beta2-microglobulin, have FDA clearance to be sold for clinical diagnostic use. R&D Systems must comply with GMP for the manufacture of these kits. Biotechnology products manufactured in the United States and sold for use in the research market do not require FDA clearance.

Some of R&D Systems' research groups use small amounts of radioactive materials in the form of radioisotopes in their product development activities. Thus, R&D Systems is subject to regulation by the US Nuclear Regulatory Commission and has been granted a NRC License due to expire in April 2001. The license is renewable annually. R&D Systems is also subject to regulation and inspection by the Department of Health of the State of Minnesota for its use of radioactive materials. It has been granted a certificate of registration, which is renewable annually, by the Minnesota Department of Health. The current certificate expires April 1, 2001. R&D Systems has had no difficulties in renewing these licenses in prior years and has no reason to believe they wouldn't be renewed in the future. If, however, the licenses were not renewed, it would have minimal effect on R&D Systems' business since there are other technologies the research groups could use to replace radioisotopes.

AVAILABILITY OF RAW MATERIALS

The primary raw material for the Company's hematology controls is whole blood. Human blood is purchased from commercial blood banks and porcine and bovine blood is purchased from nearby meat processing plants. After raw blood is received, it is separated into its components, processed and stabilized. Although the cost of human blood has increased owing largely to the requirement that it be tested for HIV ("AIDS") antibodies and hepatitis, R&D Systems does not anticipate that the higher cost of these materials will have a seriously adverse effect on its business. R&D Systems does not perform its own testing for the AIDS antibodies as the supplier tests all human blood purchased. R&D Systems' Biotechnology Division develops and manufactures the majority of its cytokines from synthetic genes developed in-house, thus significantly reducing its reliance on outside resources. R&D Systems typically has several outside sources for all critical raw materials necessary for the manufacture of products.

PATENTS AND TRADEMARKS

R&D Systems owns patent protection for certain hematology controls. R&D Systems may seek patent protection for new or existing products it manufactures. No assurance can be given that any such patent protection will be obtained.

No assurance can be given that R&D Systems' products do not infringe upon patents or proprietary rights owned or claimed by others, particularly for genetically engineered products. Although, with the exception of products subject to current licensing agreements and the legal proceedings discussed in Item 3 of this 10-K, R&D Systems has not been notified that its products infringe upon proprietary rights held by others, it has not conducted a patent infringement study for each of its products.

R&D Systems and R&D Europe have a number of licensing agreements with patent holders under which they have the non-exclusive right to patented technology or the non-exclusive right to manufacture and sell certain patented cytokine and cytokine related products to the research market. For fiscal 2000, total royalties expenses under these licenses were approximately $1,932,000.

R&D Systems has obtained federal trademark registration for its hematology control trademark CBC-3D, CBC-7, CBC-8, PLATELET-TROL, CBC-Laser and StatusFlow and claims common law rights in the trademarks CBC-CAL PLUS, CBC-CAL KIT, CBC-TECH, TECH-CAL, CBC-3K, 3K-CAL and CBC-NE. R&D Systems has also obtained the Quantikine, Fluorokine, QuantiGlo, Parameter, Surfacemark and IVD trademarks.

SEASONALITY OF BUSINESS

Sales of the products manufactured by R&D Systems and R&D Europe are not seasonal, although R&D Europe historically experiences a slowing of sales during the summer months.

SIGNIFICANT CUSTOMERS

No single customer accounted for more than 10% of total revenues during fiscal year 2000, 1999 or 1998.

BACKLOG

There was no significant backlog of orders for the Company's products as of the date of this report or as of a comparable date for fiscal 1999.

COMPETITION

The market for cytokines and research diagnostic assay kits in the United States and Europe is being supplied by a number of biotechnology companies, including BD Biosciences, BioSource International, Endogen Corp., Sigma Chemical Co., Amersham Pharmacia and CN Biosciences. R&D Systems believes that it is the leading worldwide supplier of cytokine related products in the research marketplace. R&D Systems believes that the expanding line of its products, their recognized quality and competitive pricing, and the growing demand for these rare and versatile proteins, antibodies and assay kits, will allow the Company to remain competitive in the growing biotechnology research and diagnostic market.

Competition is intense in the hematology control business. The first control products were developed in response to the rapid advances in electronic instrumentation used in hospital and clinical laboratories for blood cell counting. Most of the instrument manufacturing companies make controls for use in their own instruments. With rapid expansion of the instrument market, however, a need for more versatile controls enabled non-instrument manufacturers to gain a foothold. Today the market is comprised of manufacturers of laboratory reagents, chemicals and coagulation products and independent control manufacturers in addition to instrument manufacturers. The principal hematology control competitors of R&D Systems' retail products are Beckman Coulter, Inc., TOA Systmex, Streck Laboratories, Abbott Diagnostics and Hematronix, Inc. R&D Systems believes it is the third largest supplier of hematology controls in the marketplace behind Beckman Coulter and Streck Laboratories.

EMPLOYEES

R&D Systems had 387 full-time and 47 part-time employees as of June 30, 2000. R&D Europe had 42 full-time and 10 part-time employees as of June 30, 2000, including 10 full-time and 1 part-time at R&D Europe's sales subsidiary in Germany.

ENVIRONMENT

Compliance with federal, state and local environmental protection laws in the United States, England and Germany had no material effect on R&D Systems or R&D Europe in fiscal year 2000.

FOREIGN AND DOMESTIC OPERATIONS

The following table represents certain financial information relating to foreign and domestic operations for the fiscal years ended June 30 (all amounts are in thousands of US dollars):

<TABLE>
<CAPTION>

	2000	1999	1998

<S>	<C>	<C>	<C>
Net Sales to External Customers			
Hematology Division:			
US	$11,140	$10,549	$ 9,933
Other	2,435	2,125	1,851
Biotechnology Division:			
US	51,788	43,712	30,113
Other	12,443	11,249	7,601
R&D Europe:			
Other	26,032	23,266	17,794
Gross Margin			
R&D Systems (US)	66,125	52,791	38,826
R&D Europe (England)	9,373	9,490	7,519
R&D GmbH (Germany)	1,590	1,296	937
Net Earnings (Loss)			
Parent and R&D Systems (US)	22,418	15,230	13,689
R&D Europe (England)	3,269	2,835	2,160
R&D GmbH (Germany)	253	8	6
ChemoCentryx (US)	643	(1,417)	(672)
Identifiable Assets			
Parent and R&D Systems (US)	165,834	112,327	64,169
R&D Europe (England)	13,546	10,213	7,831
R&D GmbH (Germany)	1,030	1,261	785

</TABLE>

CAUTIONARY STATEMENTS

The Company wishes to caution investors that the following important factors, among others, in some cases have affected and in the future could affect the Company's actual results of operations and cause such results to differ materially from those anticipated in forward-looking statements made in this document and elsewhere by or on behalf of the Company:

Risk of Technological Obsolescence and Competition

The biotechnology industry is subject to rapid and significant technological change. While the hematology controls industry historically has been subject to less rapid change, it too is evolving and is impacted significantly by changes in the automated testing equipment offered by hardware manufacturers. Competitors of the Company in the United States and abroad are numerous and include, among others, specialized biotechnology firms, medical laboratory instrument and equipment manufacturers and disposables suppliers, major pharmaceutical companies, universities and other research institutions. There can be no assurance that the Company's competitors will not succeed in developing technologies and products that are more effective than any which have been or are being developed by the Company or that would render the Company's technologies and products obsolete or noncompetitive. Many of these competitors have substantially greater resources and product development, production and marketing capabilities than the Company. With regard to diagnostic kits, which constitute a relatively minor portion of the Company's business, many of the Company's competitors have significantly greater experience than the Company in undertaking preclinical testing and clinical trials of new or improved diagnostic kits and obtaining Food and Drug Administration (FDA) and other regulatory approvals of such products.

Patents and Proprietary Rights

The Company's success will depend, in part, on its ability to obtain licenses and patents, maintain trade secret protection and operate without infringing the proprietary rights of others. The Company has filed a very limited number of United States and foreign patent applications for products in which it believes it has a proprietary interest. The Company has obtained and is negotiating licenses to produce a number of cytokines and related products claimed to be owned by others. The Company has not conducted a patent infringement study for each of its products. It is possible that products of the Company may unintentionally infringe patents of third parties or that the Company may have to alter its products or processes, pay licensing fees or

cease certain activities because of patent rights of third parties, thereby causing additional unexpected costs and delays which may have a material adverse effect on the Company. The patenting of hematology and biotechnology processes and products involves complex legal and factual questions and, to date, there has emerged no consistent policy regarding the breadth of claims in biotechnology patents. Protracted and costly litigation may be necessary to enforce rights of the Company and defend against claims of infringement of rights of others.

Financial Impact of Expansion Strategy

The Company engages in an expansion strategy which includes internal development of new products, collaboration with manufacturers of automated instruments which may use the Company's products, investment in joint ventures and companies developing new products related to the Company's business and acquisition of companies for new products or additional customer base. Each of the strategies carries risks that objectives will not be achieved and future earnings will be adversely affected. During early development stage, the operating losses of certain companies in which the Company may invest will be reported as operating losses of the Company, as is currently the case with ChemoCentryx Inc.

Government Regulation

Ongoing research and development activities, including preclinical and clinical testing, and the production and marketing of the Company's products are subject to regulation by numerous governmental authorities in the United States and other countries. Some of the Company's products and manufacturing processes and facilities require governmental approval prior to commercial use. The approval process applicable to clinical diagnostic products of the type which may be developed by the Company usually takes a number of years and typically requires substantial expenditures. Delays in obtaining regulatory approvals would adversely affect the marketing of products developed by the Company and the Company's ability to receive product revenues or royalties. There can be no assurance that regulatory approvals for such products will be obtained without lengthy delays, if at all.

Attraction and Retention of Key Employees

Recruiting and retaining qualified scientific and production personnel to perform research and development work and product manufacturing is critical to the Company's success. Although the Company believes it has been and will be able to attract and retain such personnel, there can be no assurance that the Company will be successful. In addition, the Company's anticipated growth and expansion into areas and activities requiring additional expertise, such as clinical testing, government approvals, production and marketing, will require the addition of new management personnel and the development of additional expertise by existing management personnel. The failure to attract and retain such personnel or to develop such expertise would adversely affect the Company's business.

Litigation

Amgen, Inc. has presented invoices in the amount of $31.9 million for materials provided to the Company over past years, allegedly pursuant to a contract under which no accounting or invoices were rendered for nine years. The Company has brought a declaratory judgement action seeking to have the court declare that no amount is owed. The Company's management believes that no material amount is owed, that is has counterclaims against the other party, and that the ultimate resolution of the matter will not have a material adverse effect on the financial condition or results of operations of the Company. See "Financial Statements, Note F. Commitments and contingencies."

ITEM 2. PROPERTIES

On July 1, 1999, the Company purchased, for approximately $28 million, the facilities R&D Systems had been leasing in Minneapolis, Minnesota. The R&D complex currently includes 365,000 square feet of administrative, research and manufacturing space. The Hematology Division manufacturing and shipping operations are located at 640 McKinley Place N.E. (47,000 square feet). Biotechnology Division manufacturing and research operations are located at

600 McKinley Place NE (85,000 square feet) and 2201 Kennedy Street (200,000 square feet). Administrative, sales and marketing functions are also located at 2201 Kennnedy Street building. The Company also occupies an additional 20,000 square feet in space connecting the three buildings. This area houses a lunchroom, a library and additional warehouse space. In addition, the Company constructed a new 13,000 square foot entrance to the facility. The above space is believed to be adequate to house the Company's R&D Systems operations for approximately two years. The Company has entered into two option agreements for real estate adjacent to the current facility. The options are exercisable through November 2001 and January 2005 on the two properties, respectively.

R&D Europe sub-leases approximately 12,500 square feet in one building in Abingdon, England. The sub-lease on the building expires in June 2001 and R&D Europe has reached an agreement to lease approximately 17,000 square feet in a building currently under construction less than one mile from its current location. Rental rates for the new facility are expected to be slightly higher than rates under the current sub-lease. Base rent for the above space was $176,000 in fiscal 2000.

R&D GmbH leases approximately 2,300 square feet as a sales office in Wiesbaden-Nordenstadt, Germany. Base rent was $35,000 in fiscal 2000.

The Company believes the acquired property, purchase options and leased property discussed above are adequate to meet its occupancy needs in the foreseeable future.

ITEM 3. LEGAL PROCEEDINGS

Amgen, Inc. has presented to the Company for payment invoices in the amount of $31.9 million for materials provided to the Company over past years, allegedly pursuant to a contract under which no accounting or invoices were rendered for nine years. On September 19, 2000 the Company brought a declaratory judgement action in United States Court for the District of Minnesota, seeking to have the Court declare that no amount is owed and seeking compensation from Amgen for breach of contract and unfair business practices in violation of applicable statutes. The Company believes that it owes no material amount to Amgen and that the ultimate resolution of the matter will not have a material adverse effect on the financial condition or results of operations of the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of the Company's security holders during the fourth quarter of the Company's 2000 fiscal year.

EXECUTIVE OFFICERS OF THE COMPANY

(a) The names, ages and positions of each executive officer of the Company are as follows:

Name	Age	Position	Officer Since
Thomas E. Oland	59	Chairman of the Board, President, Treasurer and Director	1985
Dr. Monica Tsang	55	Vice President, Research	1995
Marcel Veronneau	45	Vice President, Hematology Operations	1995
Timothy M. Heaney	54	Vice President, Secretary, General Counsel and Director	1999

The term of office of each executive officer is from one annual meeting of directors until the next annual meeting of directors or until a successor is elected. There are no arrangements or understandings among any of the executive officers and any other person (not an officer or director acting as such) pursuant to which any of the executive officers was selected as an officer of the Company.

(b) The business experience of the executive officers during the past five years is as follows:

Thomas E. Oland has been Chairman of the Board, President and Treasurer of the Company since December 1985.

Dr. Monica Tsang was elected a Vice President of the Company in March 1995. Prior thereto, she served as Executive Director of Cell Biology for R&D Systems' Biotechnology Division and has been an employee of R&D Systems since 1985.

Marcel Veronneau was elected a Vice President of the Company in March 1995. Prior thereto, he served as Director of Operations for R&D Systems' Hematology Division since joining the Company in 1993.

Timothy M. Heaney was elected a Vice President of the Company in October 1999. Prior thereto, he was a partner at Fredrikson and Byron, P.A., the Company's outside legal counsel and had served as the managing partner on the Company's account.

An additional officer, Dr. James A. Weatherbee, who served as Vice President and Chief Scientific Officer since 1995, is on medical leave. Dr. Weatherbee and Dr. Tsang are husband and wife.

Dr. Thomas Detwiler, Vice President of the Company since March 1995, retired from the Company in July, 2000.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock trades on The NASDAQ Stock Exchange under the Symbol "TECH." The following table sets forth for the periods indicated the range of the closing price per share for the Company as reported by NASDAQ.

<TABLE>
<CAPTION>

	2000 PRICE		1999 PRICE	
	HIGH	LOW	HIGH	LOW
<S>	<C>	<C>	<C>	<C>
1st Quarter	$ 32.75	$ 24.75	$ 18.69	$ 12.25
2nd Quarter	55.06	31.75	21.13	13.00
3rd Quarter	88.38	51.97	28.88	20.50
4th Quarter	140.00	60.00	29.50	23.55

</TABLE>

As of September 12, 2000, there were approximately 300 shareholders of record. As of September 12, 2000, there were over 14,500 beneficial shareholders of the Company's common stock. TECHNE Corporation has never paid cash dividends on its common stock. Payment of dividends is within the discretion of TECHNE's Board of Directors, although the Board of Directors plans to retain earnings for the foreseeable future for operating the Company's business.

ITEM 6. SELECTED FINANCIAL DATA

<TABLE>
<CAPTION>

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA) REVENUE, EARNINGS AND CASH FLOW DATA FOR THE YEARS ENDED JUNE 30	2000	1999(1)	1998	1997	1996
<S>	<C>	<C>	<C>	<C>	<C>
Net sales	$103,838	$ 90,901	$67,291	$60,924	$54,589
Gross margin	74.2%	69.9%	70.3%	68.7%	65.2%
Selling, general and administrative expense	16.7%	18.6%	22.8%	23.9%	23.7%
Research and development expenses	10.8%	13.2%	15.8%	19.2%	19.1%
Interest expense	1,441	--	--	29	2

Earnings before income taxes	39,412	26,054	22,411	15,988	12,592
Net earnings	26,583	16,656	15,183	10,882	8,638
Diluted earnings per share	1.26	0.81	0.77	0.56	0.44
Capital expenditures	30,368	5,564	2,780	4,243	6,377
Depreciation and amortization	12,651	11,890	2,303	2,322	1,872
Change in net working capital	36,352	(12,544)	15,033	6,639	4,573
Net cash provided by operating activities	38,739	28,422	20,875	12,477	9,760
Return on sales	25.6%	18.3%	22.6%	17.9%	15.8%
Return on average equity	22.3%	20.7%	27.1%	25.0%	25.3%

BALANCE SHEET, COMMON STOCK AND EMPLOYEE DATA AS OF JUNE 30	2000	1999(1)	1998	1997	1996
Cash, cash equivalents and short-term investments	$ 59,824	$ 29,114	$41,436	$24,752	$19,250
Receivables	15,601	13,520	10,002	9,114	8,380
Inventories	4,652	5,715	3,811	4,087	3,653
Working capital	73,740	37,388	49,932	34,899	28,260
Total assets	180,410	123,801	72,785	53,922	44,393
Long-term debt	18,935	--	--	--	--
Stockholders' equity	141,145	96,838	63,831	48,081	38,874
Average common and common equivalent shares (in thousands)	21,103	20,687	19,608	19,463	19,443
Book value per share(2)	6.82	4.81	3.35	2.55	2.04
Share price:					
High	140.00	29.50	20.00	15.25	16.50
Low	24.75	12.25	13.44	10.13	6.63
Price to earnings ratio	103	31	25	27	33
Current ratio	6.87	3.78	7.84	8.12	6.62
Quick ratio	6.00	3.17	7.05	6.91	5.49
Full-time employees	440	402	356	326	341

</TABLE>

(1) The Company acquired the research products business of Genzyme Corporation on July 1, 1998.

(2) Total stockholders' equity divided by total shares outstanding at June 30.

The Company has not declared any cash dividends in the past, and it is not anticipated that it will declare any dividends in the foreseeable future.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

COMPANY STRUCTURE

TECHNE (the Company) has two operating subsidiaries: Research and Diagnostic Systems, Inc. (R&D Systems) and R&D Systems Europe Ltd. (R&D Europe). R&D Systems, located in Minneapolis, Minnesota, has two operating segments: its Biotechnology Division and its Hematology Division. The Biotechnology Division develops and manufactures purified cytokines (proteins), antibodies and assay kits which are sold to biomedical researchers and clinical research laboratories. The Hematology Division develops and manufactures whole blood hematology controls and calibrators which are sold to hospitals and clinical laboratories to check the performance of hematology instruments to assure the accuracy of hematology test results. R&D Europe, the Company's third operating segment, located in Abingdon, England, is the European distributor of R&D Systems' biotechnology products. R&D Europe has a German sales subsidiary, R&D Systems GmbH. The Company also has a foreign sales corporation, Techne Export Inc.

RESULTS OF OPERATIONS

Net sales for fiscal 2000 were $103,838,155, an increase of $12,937,458 (14%) from fiscal 1999. Sales by R&D Systems' Biotechnology Division for the period increased $9,269,504 (17%). Sales by R&D Systems' Hematology Division increased $901,919 (7%) and sales by R&D Europe increased $2,766,035 (12%). The increase in consolidated sales for the fiscal year was due largely to

increased sales of proteins and antibodies.

Net sales for fiscal 1999 were $90,900,697, an increase of $23,609,259 (35%) from fiscal 1998. Sales by R&D Systems' Biotechnology Division for the period increased $17,247,069 (46%). Sales by R&D Systems' Hematology Division increased $889,451 (8%) and sales by R&D Europe increased $5,472,739 (31%). The increase in consolidated sales for the fiscal year was due, in part, to the acquisition of Genzyme Corporation's research products business on July 1, 1998. In addition, the increase in consolidated sales was due to increased sales of R&D Systems products to both R&D Systems customers and to former Genzyme customers as they were converted from Genzyme products to R&D Systems products.

Net sales for fiscal 1998 were $67,291,438, an increase of $6,367,688 (10%) from fiscal 1997. Sales by R&D Systems' Biotechnology Division for the period increased $5,974,563 (19%). Sales by R&D Systems' Hematology Division increased $1,514,469 (15%) and sales by R&D Europe decreased $1,121,344 (6%). The increase in consolidated sales for the fiscal year was due largely to increased sales of proteins and antibodies. The decrease in R&D Europe sales was not unexpected due to the discontinuance of the molecular biology product line in fiscal 1997. R&D Europe sales of continuing product lines increased 22% from fiscal 1997.

Gross margins, as a percentage of sales, increased from 69.9% in fiscal 1999 to 74.2% in fiscal 2000. Biotechnology Division gross margins increased from 70.8% to 76.9% in fiscal 2000. As discussed below, margins in fiscal 1999 were affected by higher cost inventory acquired from Genzyme. R&D Europe gross margins decreased from 46.0% in fiscal 1999 to 41.9% in fiscal 2000 mainly as a result of changes in exchange rates. Hematology Division gross margins did not change significantly from the prior year.

Gross margins, as a percentage of sales, decreased slightly from 70.3% in fiscal 1998 to 69.9% in fiscal 1999. Biotechnology Division gross margins decreased from 72.9% to 70.8% as a result of lower gross profit levels on inventory acquired from Genzyme and the write-off of obsolete Genzyme packaging and kit components due to conversion of customers to R&D Systems labeled product. R&D Europe and Hematology Division gross margins did not change significantly from the prior year.

Gross margins, as a percentage of sales, increased from 68.7% in fiscal 1997 to 70.3% in fiscal 1998. R&D Europe gross margins decreased from 52.5% to 46.1% due to changes in product mix and exchange rates. Biotechnology Division gross margins increased from 71.8% to 72.9% as a result of changes in product mix and increased production volumes. Hematology Division gross margins increased from 42.9% in fiscal 1997 to 47.2% in fiscal 1998 also as a result of changes in product mix and increased production volumes.

Selling, general and administrative expenses increased $452,914 (3%) in fiscal 2000. The increase was the result of increased wages and benefits and exchange rate losses partially offset by decreased rent expense due to the purchase of R&D Systems' Minneapolis facilities on July 1, 1999.

Selling, general and administrative expenses increased $1,494,457 (10%) in fiscal 1999. The majority of the increase in consolidated selling, general and administrative expenses was due to additional sales personnel added in the U.S. and Europe as a result of the Genzyme acquisition and associated advertising and promotion activities.

Selling, general and administrative expenses increased $782,425 (5%) in fiscal 1998. The majority of the increase in consolidated selling, general and administrative expenses was the result of additional occupancy costs at R&D Systems, plus increased advertising and promotion costs. These increased costs were partially offset by decreased personnel costs at R&D Europe as a result of the restructuring of operations undertaken in fiscal 1997.

Research and Development Expenses decreased $806,489 in fiscal 2000, increased $1,366,994 in fiscal 1999 and decreased $1,064,018 in fiscal 1998. The decrease in fiscal 2000 was a result of research grant money received in fiscal 2000 by ChemoCentryx, Inc. (CCX), which offset CCX's research expenses. CCX is a technology and drug development company in which the Company has invested. The decrease in research and development expenses in fiscal 1998 was the result of a decrease of $1,235,000 in payments by R&D Europe under the Joint Biological Research Agreement with British Bio-

technology Group, plc, and a decrease in R&D Europe personnel costs as a result of the restructuring of operations in fiscal 1997. Excluding the above, the increase in consolidated research and development expenses for the past three years was primarily the result of the development and release of new cytokines, antibodies and assay kits by R&D Systems' Biotechnology Division and the development and release of several new Hematology Division control products. Management of the Company believes that R&D Systems will continue to develop new products.

Earnings before taxes increased from $26,054,010 in fiscal 1999 to $39,411,797 in fiscal 2000. The increase in earnings was primarily the result of a $10,803,845 increase in R&D Systems' Biotechnology Division earnings, a $777,379 increase in R&D Systems' Hematology Division earnings and a $804,885 increase in R&D Europe earnings. The increases were due mainly to increased sales and improved Biotechnology Division gross margins. In addition, as a result of the research grant money received by CCX mentioned above, CCX's losses decreased $2,059,224 from fiscal 1999. The above were partially offset by increased interest expense related to financing of the building acquisition.

Earnings before taxes increased from $22,410,961 in fiscal 1998 to $26,054,010 in fiscal 1999, despite $9.54 million in intangible asset amortization in fiscal 1999 related to the Genzyme acquisition. The increase in earnings was primarily the result of a $3,073,439 increase in R&D Systems' Biotechnology Division earnings, a $583,237 increase in R&D Systems' Hematology Division earnings and a $942,983 increase in R&D Europe earnings, all as a result of increased sales. These increases were offset by increased net losses of the Company's equity investment in CCX of $744,209.

Earnings before taxes increased from $15,987,662 in fiscal 1997 to $22,410,961 in fiscal 1998. This increase in earnings was primarily the result of a $3,987,242 increase in R&D Systems' Biotechnology Division earnings and a $997,654 increase in Hematology Division earnings as a result of increased sales and gross margins. In addition, R&D Europe's earnings before taxes increased $2,052,874, despite a decrease in sales and gross margin, as a result of lower expenses due to the restructuring of operations.

Income taxes for fiscal 2000, 1999 and 1998 were provided at rates of approximately 33%, 36% and 32%, respectively. The increase in the tax rate in fiscal 1999 was due to the net loss of the Company's equity investment in ChemoCentryx for which no tax benefit was been provided and additional U.S. federal taxes due to lower tax-exempt interest income. In fiscal 2000, CCX losses were offset by grant money received, resulting in a decrease in the tax rate. U.S. federal and state taxes have been reduced as a result of tax-exempt interest income, the benefit of the foreign sales corporation, and the federal and state credit for research and development expenditures. Foreign income taxes have been provided at rates which approximate the tax rates in the United Kingdom and Germany.

LIQUIDITY AND CAPITAL RESOURCES

Cash, cash equivalents and short-term investments at June 30, 2000, were $59,824,291, an increase of 105% from the prior year. At June 30, 1999, cash, equivalents and short-term investments were $29,114,124 compared to $41,435,542 at June 30, 1998, a decrease of 30%. This decrease was due to the cash outlay for the Genzyme acquisition. The Company has an unsecured line of credit of $750,000 available at June 30, 2000. The interest rate on the line of credit is at the prime rate of 9.5% at June 30, 2000.

Management of the Company expects to be able to meet its future cash and working capital requirements for operations, debt repayment and capital additions through currently available funds, cash generated from operations and maturities of short-term investments.

Cash flows from operating activities

The Company generated cash from operations of $38,739,403, $28,421,859 and $20,875,469 in fiscal 2000, 1999 and 1998, respectively. The majority of cash generated from operating activities in all three years resulted from an increase in net earnings after adjustment for noncash expenses.

Cash flows from investing activities

On July 1, 1999, the Company purchased the facilities it occupies in Minneapolis, Minnesota for approximately $28 million. Cash of $4 million and 100,000 shares of common stock valued at $2.16 million were placed in escrow during fiscal 1999. The remainder of the purchase price was financed through cash on hand and a $20.4 million 15-year mortgage. In addition, on July 1, 1999, the Company paid $2 million and issued warrants to purchase 60,000 shares of common stock as a deposit on an option to purchase additional property adjacent to its Minneapolis facility.

Capital additions (excluding the building purchase) were $8,505,709, $5,564,033 and $2,780,194 in fiscal 2000, 1999 and 1998, respectively. Included in fiscal 2000, 1999 and 1998 capital additions are building improvements of $5.1, $3.5 and $1.2 million related to R&D Systems' remodeling and expansion. The remaining capital additions in fiscal 2000, 1999 and 1998 were for laboratory, manufacturing and computer equipment. Total capital additions for equipment and building improvements planned for fiscal 2001 are expected to be approximately $5.8 million. All capital additions are expected to be financed through currently available cash, cash generated from operations and maturities of short-term investments.

The Company's net investment (withdrawal) in short-term investments in fiscal 2000, 1999 and 1998 was $26,123,527, $1,022,721 and ($831,955), respectively. The Company's investment policy is to place excess cash in tax-exempt bonds with the objective of obtaining the highest possible return with the lowest risk, while keeping funds accessible.

On July 1, 1998 the Company acquired the research products business of Genzyme Corporation for $24.76 million cash, $17 million common stock and royalties on the Company's biotechnology sales for five years. Cash and equivalents at June 30, 1998 and maturities of short-term investments were used to finance the cash portion of the acquisition.

Cash flows from financing activities

The Company received $6,470,910, $1,136,633 and $919,831 for the exercise of options for 526,023, 192,852 and 97,541 shares of common stock in fiscal 2000, 1999 and 1998, respectively.

In fiscal 1999 and 1998, the Company purchased and retired 213,600 and 20,000 shares of Company common stock at a market value of $3,941,950 and $280,000, respectively. In May 1995, the Company announced a plan to purchase and retire up to $5 million of its common stock. In April 1997, this was increased an additional $5 million, subject to market conditions. Through June 30, 2000, $8,754,000 of common stock had been purchased under the plan. Any additional purchases will be funded from currently available cash.

The Company has never paid cash dividends and has no plans to do so in fiscal 2001. The Company's earnings will be retained for reinvestment in the business.

NEW ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES," which provides guidance on accounting for derivatives and hedge transactions. This statement is effective for the Company for its first quarter of fiscal 2001. The Company has initiated the evaluation of the effects of this pronouncement. Management does not expect the effects of this pronouncement will have a material impact on reported operating results or financial position.

In December 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin (SAB) No. 101, "REVENUE RECOGNITION IN FINANCIAL STATEMENTS," which provides guidance in applying generally accepted accounting principles to revenue recognition in financial statements. Management does not believe the application of this SAB is expected to have a material impact on the Company's reported operating results or financial position.

FORWARD-LOOKING INFORMATION

Statements in this Annual Report, and elsewhere, that are forward-looking involve risks and uncertainties which may affect the Company's actual results of operations. Certain of these risks and uncertainties which have affected and, in the future, could affect the Company's actual results are discussed below.

The biotechnology industry is subject to rapid and significant technological change. While the hematology controls industry historically has been subject to less rapid change, it too is evolving and is impacted significantly by changes in the automated testing equipment offered by hardware manufacturers. Competitors of the Company are numerous and include, among others, specialized biotechnology firms, medical laboratory instrument and equipment manufacturers and disposables suppliers, major pharmaceutical companies, universities and other research institutions. There can be no assurance that the Company's competitors will not succeed in developing technologies and products that are more effective than any which have been or are being developed by the Company or that would render the Company's technologies and products obsolete or noncompetitive.

The Company's success will depend, in part, on its ability to obtain licenses and patents, maintain trade secret protection and operate without infringing the proprietary rights of others. The Company has obtained and is negotiating licenses to produce a number of cytokines and related products claimed to be owned by others. Since the Company has not conducted a patent infringement study for each of its products, it is possible that products of the Company may unintentionally infringe patents of third parties or that the Company may have to alter its products or processes, pay licensing fees or cease certain activities because of patent rights of third parties, thereby causing additional unexpected costs and delays which may have a material adverse effect on the Company.

The Company's expansion strategies, which include internal development of new products, collaborations, investments in joint ventures and companies developing new products related to the Company's business, and the acquisition of companies for new products and additional customer base, carry risks that objectives will not be achieved and future earnings will be adversely affected.

Ongoing research and development activities, including preclinical and clinical testing, and the production and marketing of the Company's products are subject to regulation by numerous governmental authorities in the United States and other countries. The approval process applicable to clinical diagnostic products of the type that may be developed by the Company usually takes a number of years and typically requires substantial expenditures. Delays in obtaining approvals could adversely affect the marketing of new products developed by the Company.

Recruiting and retaining qualified scientific and production personnel to perform research and development work and product manufacturing are critical to the Company's success. The Company's anticipated growth and its expected expansion into areas and activities requiring additional expertise will require the addition of new personnel and the development of additional expertise by existing personnel. The failure to attract and retain such personnel could adversely affect the Company's business.

Amgen Inc. has presented invoices in the amount of $31.9 million for materials provided to the Company over past years, allegedly pursuant to a contract under which no accounting or invoices were rendered for nine years. The Company has brought a declaratory judgement action seeking to have the court declare that no amount is owed. The Company's management believes that no material amount is owed, that it has counterclaims against the other party, and that the ultimate resolution of the matter will not have a material adverse effect on the financial condition or results of operations of the Company. See "Financial Statements, Note F. Commitments and contingencies."

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

At the end of fiscal 2000, the Company had an investment portfolio of fixed income securities, excluding those classified as cash and cash equivalents,

of $42,468,183 (see Note A of Notes to Consolidated Financial Statements). These securities, like all fixed income instruments, are subject to interest rate risk and will decline in value if market interest rates increase. However, the Company has the ability to hold its fixed income investments until maturity and therefore the Company would not expect to recognize an adverse impact in income or cash flows.

The Company operates internationally, and thus is subject to potentially adverse movements in foreign currency rate changes. The Company does not enter into foreign exchange forward contracts to reduce its exposure to foreign currency rate changes on intercompany foreign currency denominated balance sheet positions. Historically, the effect of movements in the exchange rates has been immaterial to the consolidated operating results of the Company.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CONSOLIDATED STATEMENTS OF EARNINGS
TECHNE CORPORATION AND SUBSIDIARIES

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Net sales	$103,838,155	$90,900,697	$67,291,438
Cost of sales	26,750,650	27,323,211	20,009,641
Gross margin	77,087,505	63,577,486	47,281,797
Operating expenses (income):			
Selling, general and administrative	17,315,131	16,862,217	15,367,759
Research and development (Note F)	11,198,309	12,004,798	10,637,804
Amortization of intangible assets (Note A)	9,229,250	9,578,646	71,457
Interest expense	1,441,272	--	--
Interest income	(1,508,254)	(922,185)	(1,206,184)
	37,675,708	37,523,476	24,870,836
Earnings before income taxes	39,411,797	26,054,010	22,410,961
Income taxes (Note H)	12,829,000	9,398,000	7,228,000
Net earnings	$ 26,582,797	$16,656,010	$15,182,961
Basic earnings per share	$ 1.31	$ 0.83	$ 0.80
Diluted earnings per share	$ 1.26	$ 0.81	$ 0.77
Weighted average common shares outstanding:			
Basic	20,312,741	20,117,367	18,952,968
Diluted	21,103,021	20,686,675	19,607,630

</TABLE>

See Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS
TECHNE CORPORATION AND SUBSIDIARIES

<TABLE>
<CAPTION>

	JUNE 30,	
	2000	1999
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 17,356,108	$ 12,769,468
Short-term available-for-sale		

investments (Note A)	42,468,183	16,344,656
Trade accounts receivable, less allowance for doubtful accounts of $162,000 and $300,000, respectively	15,600,868	13,520,409
Inventories (Note C)	4,651,615	5,715,065
Deferred income taxes (Note H)	2,440,000	2,101,000
Prepaid expenses	494,117	399,850
Income taxes receivable	3,290,314	--
Total current assets	86,301,205	50,850,448
Property and equipment (Note D)	46,266,177	15,065,234
Intangible assets (Note A)	36,335,500	45,564,750
Deferred income taxes (Note H)	3,938,000	3,137,000
Other long-term assets (Note F)	7,568,699	9,183,087
	$180,409,581	$123,800,519
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	$ 2,630,164	$ 2,375,029
Salaries, wages and related accounts	2,998,696	2,313,450
Other accounts payable and accrued expenses	6,107,979	5,547,702
Income taxes payable	--	3,226,451
Current portion of long-term debt (Note E)	824,315	--
Total current liabilities	12,561,154	13,462,632
Deferred rent	--	1,963,500
Royalty payable (Note B)	7,768,000	11,536,000
Long-term debt, less current portion (Note E)	18,935,049	--
Commitments and contingencies (Note F)	--	--
Stockholders' equity (Note G):		
Undesignated capital stock, no par; authorized 5,000,000 shares; none issued or outstanding	--	--
Common stock, par value $.01 a share; authorized 50,000,000 shares; issued and outstanding 20,690,999 and 20,132,655 shares, respectively	206,910	201,327
Additional paid-in capital	53,064,354	34,525,581
Retained earnings	88,336,230	62,058,879
Accumulated other comprehensive income (loss)	(462,116)	52,600
Total stockholders' equity	141,145,378	96,838,387
	$180,409,581	$123,800,519

</TABLE>

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
TECHNE CORPORATION AND SUBSIDIARIES

<TABLE>
<CAPTION>

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUM. OTHER COMPRE-HENSIVE INCOME (LOSS)	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balances at June 30, 1997	18,875,456	$188,755	$12,559,071	$34,903,146	$ 430,072	$ 48,081,044
Comprehensive income:						
Net earnings	--	--	--	15,182,961	--	15,182,961
Other comprehensive income, net of tax:						
Foreign currency trans-lation adjustments	--	--	--	--	49,431	49,431

Comprehensive income						15,232,392
Common stock issued:						
Exercise of options (Note G)	153,376	1,533	1,278,492	--	--	1,280,025
Exercise of warrant (Note G)	61,775	618	(618)	--	--	--
Surrender and retirement of stock to exercise options (Note K)	(20,624)	(206)	--	(359,988)	--	(360,194)
Repurchase and retirement of common stock	(20,000)	(200)	--	(279,800)	--	(280,000)
Tax benefit from exercise of stock options	--	--	146,000	--	--	146,000
Fair value of options granted (Note K)	--	--	200,500	--	--	200,500
Cancelation of non-vested options (Note K)	--	--	(469,000)	--	--	(469,000)
Balances at June 30, 1998	19,049,983	190,500	13,714,445	49,446,319	479,503	63,830,767
Comprehensive income:						
Net earnings	--	--	--	16,656,010	--	16,656,010
Other comprehensive income, net of tax:						
Foreign currency translation adjustments	--	--	--	--	(426,903)	(426,903)

Comprehensive income						16,229,107
Common stock issued:						
Exercise of options (Note G)	213,870	2,139	1,238,178	--	--	1,240,317
Acquisition (Note B)	987,206	9,872	16,990,128	--	--	17,000,000
Real estate deposit (Note B)	100,000	1,000	2,159,830	--	--	2,160,830
Surrender and retirement of stock to exercise options (Note K)	(4,804)	(48)	--	(103,636)	--	(103,684)
Repurchase and retirement of common stock	(213,600)	(2,136)	--	(3,939,814)	--	(3,941,950)
Tax benefit from exercise of stock options	--	--	423,000	--	--	423,000
Balances at June 30, 1999	20,132,655	201,327	34,525,581	62,058,879	52,600	96,838,387
Comprehensive income:						
Net earnings	--	--	--	26,582,797	--	26,582,797
Other comprehensive income, net of tax:						
Foreign currency translation adjustments	--	--	--	--	(514,716)	(514,716)

Comprehensive income						26,068,081
Common stock issued:						
Exercise of options (Note G)	564,815	5,648	6,770,773	--	--	6,776,421
Fair value of warrants issued (Note F)	--	--	858,000	--	--	858,000
Surrender and retirement of stock to exercise options (Note K)	(6,471)	(65)	--	(305,446)	--	(305,511)
Tax benefit from exercise of stock options	--	--	10,910,000	--	--	10,910,000
Balances at June 30, 2000	20,690,999	$206,910	$53,064,354	$88,336,230	$(462,116)	$141,145,378

</TABLE>

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (NOTE K)
TECHNE CORPORATION AND SUBSIDIARIES

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Cash flows from operating activities:			
Net earnings	$ 26,582,797	$ 16,656,010	$ 15,182,961
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	12,651,350	11,890,384	2,302,686
Deferred income taxes	(1,157,000)	(1,902,000)	(356,000)
Deferred rent	--	308,400	712,800
Other	(404,042)	2,081,435	1,107,762
Change in current assets and current liabilities, net of acquisition:			
(Increase) decrease in:			
Trade accounts receivable	(2,141,023)	(3,764,422)	(1,037,755)
Inventories	986,120	3,754,942	266,427
Prepaid expenses	(9,850)	(14,113)	122,005
Increase (decrease) in:			
Trade and other accounts payable	(2,898,880)	(2,434,625)	1,032,583
Salaries, wages and related accounts	695,184	314,777	214,554
Income taxes payable	4,434,747	1,531,071	1,327,446
Total adjustments	12,156,606	11,765,849	5,692,508
Net cash provided by operating activities	38,739,403	28,421,859	20,875,469
Cash flows from investing activities:			
Acquisition (Note B)	--	(24,989,542)	--
Real estate deposits (Notes B and F)	(2,001,000)	(4,000,000)	--
Additions to property and equipment	(30,367,862)	(5,564,033)	(2,780,194)
Proceeds from sale of equipment	--	--	233,862
Purchase of short-term available-for-sale investments	(39,569,406)	(15,025,991)	(24,170,831)
Proceeds from sale of short-term available-for-sale investments	13,445,879	14,003,270	25,002,786
Increase in other long-term assets	(1,552,160)	(3,060,826)	(2,347,123)
Net cash used in investing activities	(60,044,549)	(38,637,122)	(4,061,500)
Cash flows from financing activities:			
Issuance of common stock	6,470,910	1,136,633	919,831
Repurchase of common stock	--	(3,941,950)	(280,000)
Proceeds from issuance of long-term debt	20,400,000	--	--
Payments on long-term debt	(640,636)	--	--
Net cash provided by (used in) financing activities	26,230,274	(2,805,317)	639,831
Effect of exchange rate changes on cash	(338,488)	(323,559)	61,440
Net increase (decrease) in cash and cash equivalents	4,586,640	(13,344,139)	17,515,240
Cash and cash equivalents at beginning of year	12,769,468	26,113,607	8,598,367
Cash and cash equivalents at end of year	$ 17,356,108	$ 12,769,468	$ 26,113,607

</TABLE>

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
TECHNE CORPORATION AND SUBSIDIARIES

Years Ended June 30, 2000, 1999 and 1998

A. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF BUSINESS: Techne Corporation and subsidiaries (the Company) are engaged domestically in the development and manufacture of biotechnology products and hematology calibrators and controls through its wholly owned subsidiary, Research and Diagnostic (R&D) Systems, Inc. Through its wholly owned English subsidiary, R&D Systems Europe Ltd., the Company distributes biotechnology products throughout Europe. R&D Systems Europe Ltd. has a sales subsidiary, R&D Systems GmbH, in Germany. The Company also has a foreign sales corporation, Techne Export Inc.

ESTIMATES: The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RISKS AND UNCERTAINTIES: There are no concentrations of business transacted with a particular customer or supplier nor concentrations of revenue from a particular product or geographic area that would severely impact the Company in the near term.

PRINCIPLES OF CONSOLIDATION: The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated.

TRANSLATION OF FOREIGN FINANCIAL STATEMENTS: Assets and liabilities of the Company's foreign operations are translated at year end rates of exchange and the foreign statements of earnings are translated at the average rate of exchange for the year. Gains and losses resulting from translating foreign currency financial statements are not included in operations but are accumulated in other comprehensive income. Foreign currency transaction gains and losses are included in operations.

REVENUE RECOGNITION: The Company recognizes revenues upon shipment of products. Revenues are reduced to reflect estimated returns.

RESEARCH AND DEVELOPMENT: Research and development expenditures are expensed as incurred. Development activities generally relate to creating new products, improving or creating variations of existing products, or modifying existing products to meet new applications.

EARNINGS PER SHARE: The number of shares used to calculate earnings per share are as follows:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Weighted average common shares outstanding (basic)	20,312,741	20,117,367	18,952,968
Dilutive stock options and warrants outstanding	790,280	569,308	654,662
Weighted average common shares outstanding (diluted)	21,103,021	20,686,675	19,607,630

</TABLE>

CASH AND CASH EQUIVALENTS: Cash and cash equivalents include cash on hand and highly liquid investments with original maturities less than three months.

SHORT-TERM INVESTMENTS: Short-term investments consist of tax-exempt bonds

with original maturities of generally three months to one year.

The Company reports marketable securities at fair market value. Unrealized gains and losses on available-for-sale securities are excluded from income, but are included in other comprehensive income. The Company considers all of its marketable securities available-for-sale. Fair market values are based on quoted market prices.

Proceeds from sales of available-for-sale securities were $13,445,879, $14,003,270 and $25,002,786 during fiscal 2000, 1999 and 1998, respectively. There were no material gross realized gains or losses on these sales. Realized gains and losses are determined on the specific identification method. Unrealized gains and losses at June 30, 2000, 1999 and 1998 were not material.

INVENTORIES: Inventories are stated at the lower of cost (first-in, first-out method) or market.

DEPRECIATION AND AMORTIZATION: Equipment is being depreciated using the straight-line method over an estimated useful life of five years. Buildings and building improvements are being amortized over estimated useful lives of five to forty years.

INTANGIBLES: Intangible assets, related to the acquisition of Genzyme Corporation's research products business in fiscal 1999 (Note B) and Amgen Inc.'s research reagent and diagnostic kit business in fiscal 1992 are being amortized on a straight-line basis over the estimated useful lives and consist of the following:

<TABLE>
<CAPTION>

		JUNE 30,	
	USEFUL LIFE	2000	1999
<S>	<C>	<C>	<C>
Customer list	10 years	$18,010,000	$18,010,000
Technology licensing agreements	16 years	500,000	500,000
Goodwill	6 years	39,075,089	39,075,089
		57,585,089	57,585,089
Less accumulated amortization		21,249,589	12,020,339
		$36,335,500	$45,564,750

</TABLE>

IMPAIRMENT OF LONG-LIVED ASSETS: Management periodically reviews the carrying value of long-term assets based on the estimated undiscounted future cash flows expected to result from the use of these assets. Should the sum of the expected future net cash flows be less than the carrying value, an impairment loss would be recognized. An impairment loss would be measured by the amount by which the carrying value of the asset exceeds the fair value of the asset based on discounted estimated future cash flows. To date, management has determined that no impairment exists.

INVESTMENTS: The Company has an approximate 49% interest in the issued and outstanding voting shares of ChemoCentryx, Inc. (CCX), a technology and drug development company. The Company accounts for this investment under the equity method of accounting. The Company includes 100% of the operating results of CCX in its consolidated financial statements due to the limited amount of cash consideration provided by the holders of the common shares of CCX. The Company's net investment in CCX was $3,553,516 and $1,910,931 at June 30, 2000 and 1999, respectively.

STOCK OPTIONS: As permitted by SFAS No. 123, the Company has elected to continue following the guidance of Accounting Principles Board (APB) Opinion No. 25 for measurement and recognition of stock-based transactions with employees. No compensation cost has been recognized for stock options granted to employees under the plans because the exercise price of all options granted was at least equal to the fair value of the common stock at the date of grant.

RECLASSIFICATIONS: Certain reclassifications have been made to prior years'

consolidated financial statements to conform to the current year presentation. These reclassifications had no impact on net earnings or stockholders' equity as previously reported.

NEW ACCOUNTING PRONOUNCEMENTS: In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES," which provides guidance on accounting for derivatives and hedge transactions. This statement is effective for the Company for its first quarter of fiscal 2001. The Company has initiated the evaluation of the effects of this pronouncement. Management does not expect the effects of this pronouncement will have a material impact on reported operating results or financial position.

In December 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin (SAB) No. 101, "REVENUE RECOGNITION IN FINANCIAL STATEMENTS," which provides guidance in applying generally accepted accounting principles to revenue recognition in financial statements. Management does not believe the application of this SAB is expected to have a material impact on the Company's reported operating results or financial position.

B. ACQUISITIONS:

On July 1, 1999, the Company purchased the facilities it occupies in Minneapolis, Minnesota for approximately $28 million. Other long-term assets at June 30, 1999 included cash of $4 million and 100,000 shares of Common Stock valued at $2.16 million which were placed in escrow during fiscal 1999. The remainder of the purchase price was financed through cash on hand and a $20.4 million 15-year mortgage.

C. INVENTORIES:

Inventories consist of:

<TABLE>
<CAPTION>

	JUNE 30,	
	2000	1999
<S>	<C>	<C>
Raw materials	$2,288,719	$2,105,150
Finished goods	2,238,164	3,499,688
Supplies	124,732	110,227
	$4,651,615	$5,715,065

</TABLE>

D. PROPERTY AND EQUIPMENT:

Property and equipment consist of:

<TABLE>
<CAPTION>

	JUNE 30,	
	2000	1999
<S>	<C>	<C>
Cost:		
Land	$ 871,000	$ --
Buildings and improvements	43,965,312	--
Laboratory equipment	14,114,039	11,308,984
Office and computer equipment	3,535,164	3,294,704
Leasehold improvements	180,770	13,770,763
	62,666,285	28,374,451
Less accumulated depreciation and amortization	16,400,108	13,309,217
	$46,266,177	$15,065,234

	========== ==========

</TABLE>

E. DEBT:

The Company's short-term line of credit facility consists of an unsecured line of credit of $750,000 at June 30, 2000. The interest rate charged on the line of credit is at the prime rate of 9.5% at June 30, 2000. There were no borrowings on the line in the current year.

Long-term debt consists of:

<TABLE>
<CAPTION>

	JUNE 30, 2000
<S>	<C>
Mortgage note, payable in monthly installments of $183,631 including interest	$19,759,364
Less current portion	824,315
	$18,935,049

</TABLE>

The interest rate on the mortgage note is fixed at 7% for the first seven years and is thereafter adjusted based on U.S. Treasury rates.

Principal maturities of long-term debt as of June 30, 2000 are as follows:

<TABLE>
<CAPTION>

YEAR ENDING JUNE 30:	
<S>	<C>
2001	$ 824,315
2002	884,760
2003	949,637
2004	1,016,017
2005	1,093,772
Thereafter	14,990,863
	$19,759,364

</TABLE>

F. COMMITMENTS AND CONTINGENCIES:

The Company leases buildings, vehicles and various data processing, office and laboratory equipment under operating leases. These leases provide for renewal or purchase options during or at the end of the lease periods. At June 30, 2000, aggregate net minimum rental commitments under noncancelable leases having an initial or remaining term of more than one year are payable as follows:

<TABLE>
<CAPTION>

YEAR ENDING JUNE 30:	
<S>	<C>
2001	$ 231,540
2002	420,670
2003	396,182
2004	391,217
2005	386,784
Thereafter	4,254,625
	$6,081,018

==========

</TABLE>

Total rent expense was approximately $305,000, $2,587,000 and $2,616,000 for the years ended June 30, 2000, 1999 and 1998, respectively.

In fiscal 1999, the Company entered into two option agreements for real estate adjacent to its R&D Systems' facility. The purchase price for the property under the first option is $7,951,000 and six-year warrants to purchase 60,000 shares of the Company's common stock at $23.77 per share. This purchase option expires on November 15, 2001. On July 1, 1999, the Company paid $2 million cash and issued the warrants as a nonrefundable deposit on the option purchase price. The fair market value of the warrants was $858,000. The deposit is included in other long-term assets at June 30, 2000.

The purchase price for the property under the second option is $7 million plus capital improvement costs. This option expires on January 1, 2005 and requires a nonrefundable deposit of $2 million. A deposit of $1,000 was made on this option in fiscal 2000 with the remainder of the deposit due on the earlier of January 15, 2002 or sixty days after exercise of the first option.

In fiscal 1994, the Company entered into a four year Joint Biological Research Agreement with British Bio-technology Group plc. Under the agreement, R&D Systems Europe Ltd. received the exclusive right to develop, manufacture, market and sell biomolecules developed by British Bio-technology Group, plc. or its subsidiaries and any resulting diagnostic kits in the research reagent and diagnostic markets. In June 1997, the agreement was extended for an additional five years for 100,000 British pounds per year. The Company terminated the agreement effective December 31, 1999. Research and development expenses include $80,000, $164,000 and $165,000 for the years ended June 30, 2000, 1999 and 1998, respectively, under this agreement.

A party has presented invoices in the amount of $31.9 million for materials provided to the Company over past years, allegedly pursuant to a contract under which no accounting or invoices were rendered for nine years. The Company has brought a declaratory judgement action seeking to have the court declare that no amount is owed. The Company's management believes that no material amount is owed, that it has claims against the other party, and that the ultimate resolution of the matter will not have a material adverse effect on the financial condition or results of operations of the Company.

The Company is routinely subject to claims and involved in legal actions which are incidental to the business of the Company. Although it is difficult to predict the ultimate outcome of these matters, management believes that any ultimate liability will not materially affect the consolidated financial position or operations of the Company.

G. STOCKHOLDERS' EQUITY:

STOCK OPTION PLANS: The Company has stock option plans which provide for the granting of stock options to employees (the TECHNE Corporation 1997 and 1987 Incentive Stock Option Plans) and to employees, officers, directors and consultants (the TECHNE Corporation 1998 and 1988 Nonqualified Stock Option Plans). The plans are administered by the Board of Directors, or a committee designated by the Board, which determines the persons who are to receive awards under the plans, the number of shares subject to each award and the term and exercise price of each option. The maximum term of options granted under all plans is ten years. The number of shares of common stock authorized to be issued is 600,000, 1,600,000, 300,000 and 1,000,000 under the TECHNE Corporation 1997 Incentive Stock Option Plan, the TECHNE Corporation 1987 Incentive Stock Option Plan, the TECHNE Corporation 1998 Nonqualified Stock Option Plan and the TECHNE Corporation 1988 Nonqualified Stock Option Plan, respectively.

Stock option activity during the three years ended June 30, 2000 consists of the following:

<TABLE>
<CAPTION>

	SHARES	WEIGHTED AVERAGE EXERCISE PRICE

<S>	<C>	<C>
Outstanding at June 30, 1997	1,285,802	$ 8.25
Granted	181,984	16.26
Exercised	(153,376)	8.35
Canceled	(59,352)	12.91
Outstanding at June 30, 1998	1,255,058	9.42
Granted	116,645	17.11
Exercised	(213,870)	5.80
Outstanding at June 30, 1999	1,157,833	10.87
Granted	115,652	35.86
Exercised	(564,815)	11.99
Outstanding at June 30, 2000	708,670	$14.05
Options exercisable at June 30:		
1998	956,058	$ 9.04
1999	935,833	10.87
2000	649,169	13.10

</TABLE>

Currently outstanding and exercisable stock options at June 30, 2000 consist of the following:

<TABLE>
<CAPTION>

	OPTIONS OUTSTANDING		
EXERCISE PRICES	WEIGHTED AVG. CONTRACTUAL OUTSTANDING	WEIGHTED AVG. LIFE (YRS.)	EXERCISE PRICE
<S>	<C>	<C>	<C>
$ 5.38- 9.99	388,334	4.25	$ 7.54
10.00-14.99	90,516	4.42	11.76
15.00-19.99	127,071	6.75	17.75
25.00-40.00	102,749	7.92	36.05
	708,670	5.25	$14.05

</TABLE>

<TABLE>
<CAPTION>

	OPTIONS EXERCISABLE	
EXERCISE PRICES	EXERCISABLE	WEIGHTED AVG. EXERCISE PRICE
<S>	<C>	<C>
$ 5.00- 9.99	377,334	$ 7.50
10.00-14.99	87,516	11.76
15.00-19.99	119,071	17.91
25.00-40.00	65,248	38.52
	649,169	$13.10

</TABLE>

Total compensation cost recognized for the year ended June 30, 1998 for stock options granted to consultants was $34,000. No options were granted to consultants during the years ended June 30, 2000 and 1999. If compensation cost for employee options granted in 2000, 1999 and 1998 under the Company's stock option plans had been determined based on the fair value at the grant dates, consistent with the methods provided in SFAS No. 123, "ACCOUNTING FOR STOCK-BASED COMPENSATION," the Company's net income and earnings per share would have been as follows:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Net income:			
As reported	$26,582,797	$16,656,010	$15,182,961
Pro forma	24,817,402	15,071,990	13,464,290
Basic earnings per share:			
As reported	$ 1.31	$ 0.83	$ 0.80
Pro forma	1.22	0.75	0.71
Diluted earnings per share:			
As reported	$ 1.26	$ 0.81	$ 0.77
Pro forma	1.18	0.73	0.69

</TABLE>

The fair value of options granted under the Company's stock option plans during fiscal 2000, 1999 and 1998 was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions used: no dividend yield, expected volatility of between 35% and 70%, risk-free interest rates between 4.6% and 6.8% and expected lives between 7 and 10 years.

WARRANTS: In fiscal 1994, the Company issued a warrant to purchase 100,000 shares of the Company's common stock at $6.88 as part of the acquisition of R&D Systems Europe Ltd. The warrant was exercised in fiscal 1998 in a cashless exercise which resulted in the issuance of 61,775 shares of common stock.

In fiscal 2000, the Company issued warrants to purchase 60,000 shares of the Company's common stock at $23.77 per share as a nonrefundable deposit on an option to purchase property adjacent to its R&D Systems' facility. The fair market value of the warrants was $858,000.

H. INCOME TAXES:

The provisions for income taxes consist of the following:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Earnings before income taxes consist of:			
Domestic	$34,354,428	$21,801,526	$19,101,460
Foreign	5,057,369	4,252,484	3,309,501
	$39,411,797	$26,054,010	$22,410,961
Taxes on income consist of:			
Currently payable:			
Federal	$ 1,358,000	$ 9,122,000	$ 6,280,000
State	305,000	355,000	255,000
Foreign	1,396,000	1,355,000	903,000
Tax benefit from exercise of stock options	10,910,000	423,000	146,000
Net deferred	(1,140,000)	(1,857,000)	(356,000)
	$12,829,000	$ 9,398,000	$ 7,228,000

</TABLE>

The following is a reconciliation of the federal tax calculated at the statutory rate of 35% to the actual income taxes provided:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,

	2000	1999	1998
<S>	<C>	<C>	<C>
Computed expected federal income tax expense	$13,794,000	$ 9,119,000	$ 7,844,000
State income taxes, net of federal benefit	335,000	377,000	270,000
Foreign sales corporation	(566,000)	(444,000)	(317,000)
Research and development credits	(605,000)	(334,000)	(376,000)
Tax-exempt interest	(318,000)	(165,000)	(288,000)
Other	189,000	845,000	95,000
	$12,829,000	$9,398,000	$ 7,228,000

Deferred income taxes are provided to record the income tax effect of temporary differences between the tax basis and financial reporting basis of assets and liabilities. Temporary differences comprising deferred taxes on the consolidated balance sheets are as follows:

	JUNE 30,	
	2000	1999
<S>	<C>	<C>
Inventory	$1,335,000	$1,032,000
Inventory costs capitalized	619,000	509,000
Foreign net operating loss carryforward	81,000	158,000
Unrealized profit on intercompany sales	293,000	250,000
Other	112,000	152,000
Current asset	2,440,000	2,101,000
Excess of book over tax intangible asset amortization	2,613,000	1,595,000
Excess of book over tax research expense	382,000	621,000
Deferred rent	--	687,000
Excess of book over tax depreciation	870,000	369,000
Other	73,000	(135,000)
Noncurrent asset	3,938,000	3,137,000
	$6,378,000	$5,238,000

At June 30, 2000, approximately $114,000 of non-U.S. tax losses were available for carryforward indefinitely.

The Company's tax returns are subject to audit by various governmental entities in the normal course of business. The Company does not believe that such audits will have a material impact on the Company's financial position or results of operations.

I. SEGMENT INFORMATION:

The Company has three reportable operating segments based on the nature of products and geographic location: Hematology Division, Biotechnology Division and R&D Systems Europe. The Hematology Division develops and manufactures hematology controls and calibrators for sale world-wide. The Biotechnology Division develops and manufactures biotechnology research and diagnostic products for sale world-wide. R&D Systems Europe distributes Biotechnology Division products throughout Europe. No customer accounted for more than 10% of the Company's revenues for the years ended June 30, 2000, 1999 and 1998.

The accounting policies of the segments are the same as those described in Note A. In evaluating segment performance, management focuses on sales and income before taxes. Sales between segments are made at prices which would approximate transfers to unaffiliated distributors.

Following is financial information relating to the operating segments:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
External sales			
Hematology	$ 13,575,463	$12,673,544	$11,784,093
Biotechnology	64,230,320	54,960,816	37,713,747
R&D Systems Europe	26,032,372	23,266,337	17,793,598
Total external sales	$103,838,155	$90,900,697	$67,291,438
Intersegment sales			
Hematology	$ --	$ --	$ --
Biotechnology	13,422,813	11,578,230	7,788,587
R&D Systems Europe	135,106	187,054	557,662
Total intersegment sales	$ 13,557,919	11,765,284	$ 8,346,249
Income before taxes			
Hematology	$ 4,483,839	$ 3,706,460	$ 3,123,223
Biotechnology	31,223,230	20,419,385	17,345,946
R&D Systems Europe	5,057,369	4,252,484	3,309,501
Corporate and other	(1,352,641)	(2,324,319)	(1,367,709)
Total income before taxes	$ 39,411,797	$26,054,010	$22,410,961
Interest income			
Hematology	$ 322,166	$ 289,105	$ 278,601
Biotechnology	751,720	313,373	753,253
R&D Systems Europe	376,405	213,589	125,230
Corporate and other	57,963	106,118	49,100
Total interest income	$ 1,508,254	$ 922,185	$ 1,206,184
Depreciation and amortization			
Hematology	$ 187,077	$ 170,105	$ 206,330
Biotechnology	11,135,442	11,109,795	1,392,442
R&D Systems Europe	221,272	239,277	342,140
Corporate and other	1,107,559	371,207	361,774
Total depreciation and amortization	$ 12,651,350	$11,890,384	$ 2,302,686
Capital purchases			
Hematology	$ 437,057	$ 174,844	$ 101,258
Biotechnology	4,122,418	3,940,127	2,299,798
R&D Systems Europe	150,471	287,413	193,070
Corporate and other	25,657,916	1,161,649	186,068
Total capital purchases	$ 30,367,862	$ 5,564,033	$ 2,780,194

</TABLE>

Corporate and other reconciling items include the results of unallocated corporate expenses and assets, the elimination of profit on intersegment sales and the operations of the Company's equity investment in ChemoCentryx, Inc.

Following is financial information relating to geographic areas:

<TABLE>
<CAPTION>

	YEAR ENDED JUNE 30,		
	2000	1999	1998
<S>	<C>	<C>	<C>
External sales			

United States	$ 62,927,628	$54,261,592	$40,045,282
Other areas	40,910,527	36,639,105	27,246,156
Total external sales	$103,838,155	$90,900,697	$67,291,438
Long-lived assets			
United States	$ 48,928,147	$20,923,992	$11,078,177
Other areas	374,325	462,898	437,546
Total long-lived assets	$ 49,302,472	$21,386,890	$11,515,723

External sales are attributed to countries based on the location of the customer/distributor. Long-lived assets are comprised of land, buildings and improvements, equipment and deposits on real estate.

J. BENEFIT PLANS:

PROFIT SHARING PLAN: The Company has a Profit Sharing and Savings Plan for non-union U.S. employees, which conforms to IRS provisions for 401(k) plans. The Company may make profit sharing contributions at the discretion of the Board of Directors. Operations have been charged for contributions to the plan of $787,500, $651,000 and $574,500 for the years ended June 30, 2000, 1999 and 1998, respectively.

STOCK BONUS PLANS: The Company also has Stock Bonus Plans covering non-union employees. The Company may make contributions to the plans in the form of common stock, cash or other property at the discretion of the Board of Directors. The Company purchased its common stock at market value for contribution to the plans for the years ended June 30, 2000, 1999 and 1998 and operations have been charged $832,000, $684,000 and $595,000, respectively.

PERFORMANCE INCENTIVE PROGRAM: Under certain employment agreements with executive officers, the Company recorded bonuses of $126,000, $80,000 and $109,000 for the years ended June 30, 2000, 1999 and 1998, respectively. In addition, options for 3,152, 4,145 and 5,984 shares of common stock were granted to the executive officers during fiscal 2000, 1999 and 1998, respectively.

K. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION AND OF NONCASH INVESTING AND FINANCING ACTIVITIES:

The Company paid and received cash for the following items:

	YEAR ENDED JUNE 30,		
	2000	1999	1998
Income taxes paid	$9,561,485	$9,763,600	$6,602,926
Interest paid	1,326,009	--	--
Interest received	1,626,260	1,019,630	1,431,305

Noncash transactions during the years ended June 30, 2000, 1999 and 1998 consisted of:

In fiscal 1998 stock options with fair values of $200,500 were granted to consultants for services to be provided to the Company. In fiscal 1998 the Company canceled all non-vested stock options granted to consultants.

In fiscal 2000 stock options for 38,792 shares of common stock were exercised by surrender of 6,471 shares of common stock at fair market value of $305,511. In fiscal 1999 stock options for 21,018 shares of common stock were exercised by surrender of 4,804 shares of common stock at fair market value of $103,684. In fiscal 1998 stock options for 55,835 shares of common stock were exercised by surrender of 20,624 shares of common stock at fair market

value of $360,194.

REPORT OF INDEPENDENT AUDITORS

Board of Directors and Shareholders
TECHNE Corporation
Minneapolis, Minnesota

We have audited the accompanying consolidated balance sheets of TECHNE Corporation and subsidiaries as of June 30, 2000 and 1999, and the related consolidated statements of earnings, stockholders' equity and cash flows for each of the three years in the period ended June 30, 2000. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of TECHNE Corporation and subsidiaries at June 30, 2000 and 1999 and the results of their operations and cash flows for each of the three years in the period ended June 30, 2000, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP
Deloitte & Touche LLP

Minneapolis, Minnesota
August 15, 2000 (September 19, 2000 as to the sixth paragraph of Note F.)

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS

Other than "Executive Officers of the Company" which is set forth at the end of Part I of this Form 10-K, the information required by Item 10 is incorporated herein by reference to the sections entitled "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the Company's proxy statement for its 2000 Annual Meeting of Shareholders which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the close of the fiscal year for which this report is filed.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is incorporated herein by reference to the section entitled "Executive Compensation" in the Company's proxy statement for its 2000 Annual Meeting of Shareholders which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the close of the fiscal year for which this report is filed.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by Item 12 is incorporated by reference to the sections entitled "Principal Shareholders" and "Management Shareholdings" in the Company's proxy statement for its 2000 Annual Meeting of Shareholders which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the close of the fiscal year for which this report is filed.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

A. (1) List of Financial Statements.

The following Consolidated Financial Statements are filed as part of this Report:

Consolidated Statements of Earnings for the Years Ended June 30, 2000, 1999 and 1998

Consolidated Balance Sheets as of June 30, 2000 and 1999

Consolidated Statements of Stockholders' Equity for the Years Ended June 30, 2000, 1999 and 1998

Consolidated Statements of Cash Flows for the Years Ended June 30, 2000, 1999 and 1998

Notes to Consolidated Financial Statements for the Years Ended June 30, 2000, 1999 and 1998

Independent Auditors' Report on Consolidated Financial Statements

(2) Financial Statement Schedules.

None.

(3) Exhibits.

See Exhibit Index immediately following signature page.

B. Reports on Form 8-K:

No report on Form 8-K was filed during the quarter ended June 30, 2000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

TECHNE CORPORATION

Date: September 27, 2000 Thomas E. Oland

By: Thomas E. Oland
Its: President

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Date	Signature and Title
September 27, 2000	Thomas E. Oland

	Thomas E. Oland President, Treasurer and Director (principal executive officer and principal financial and accounting officer)
September 27, 2000	Roger C. Lucas
	Dr. Roger C. Lucas, Director
September 27, 2000	Howard V. O'Connell

	Howard V. O'Connell, Director
September 27, 2000	G. Arthur Herbert

	G. Arthur Herbert, Director
September 27, 2000	Randolph C. Steer

	Dr. Randolph C. Steer, Director
September 27, 2000	Lowell E. Sears

	Lowell E. Sears, Director
September 27, 2000	Christopher S. Henney

	Dr. Christopher S. Henney, Director
September 27, 2000	Timothy M. Heaney

	Timothy M. Heaney, Director

EXHIBIT INDEX
for Form 10-K for the 2000 Fiscal Year

Exhibit Number	Description
3.1	Restated Articles of Incorporation of Company, as amended to date --incorporated by reference to Exhibit 19.1 of the Company's Form 10-Q for the quarter ended September 30, 1991*
3.2	Restated Bylaws, as amended to date--incorporated by reference to Exhibit 3.2 of the Company's Form 10, dated October 27, 1988*
10.1	Employee Agreement with Respect to Inventions, Proprietary Information, and Unfair Competition with Thomas E. Oland-incorporated by reference to Exhibit 10.2 of the Company's Form 10, dated October 27, 1988*
10.2**	Company's Profit Sharing Plan--incorporated by reference to Exhibit 10.6 of the Company's Form 10, dated October 27, 1988*

10.3** Company's Stock Bonus Plan--incorporated by reference to Exhibit 10.7 of the Company's Form 10, dated October 27, 1988*

10.4** 1987 Incentive Stock Option Plan--incorporated by reference to Exhibit 10.14 of the Company's Form 10, dated October 27, 1988*

10.5 Form of Stock Option Agreement for 1987 Incentive Stock Option Plan--incorporated by reference to Exhibit 10.15 of the Company's Form 10, dated October 27, 1988*

10.6** 1988 Nonqualified Stock Option Plan--incorporated by reference to Exhibit 10.16 of the Company's Form 10, dated October 27, 1988*

10.7 Form of Stock Option Agreement for Nonqualified Stock Option Plan --incorporated by reference to Exhibit 10.17 of the Company's Form 10, dated October 27, 1988*

10.8 International Distributor Agreement dated October 1, 1991 between Research and Diagnostic Systems, Inc. and Hycel, S.A.- incorporated by reference to Exhibit 28.2 of the Company's Form 8-K dated September 30, 1991, as amended by Forms 8 dated November 1, 1991 and November 25, 1991*

10.9** Employment Agreement, dated March 6, 1996, with James A. Weatherbee--incorporated by reference to Exhibit 10.24 of the Company's Form 10-K for the year ended June 30, 1996*

10.10** Employment Agreement, dated March 6, 1996, with Monica Tsang- incorporated by reference to Exhibit 10.25 of the Company's Form 10-K for the year ended June 30, 1996*

10.11** 1997 Incentive Stock Option Plan--incorporated by reference to Exhibit 10.24 of the Company's Form 10-K for the year ended June 30, 1997*

10.12 Form of Stock Option Agreement for 1997 Incentive Stock Option Plan--incorporated by reference to Exhibit 10.25 of the Company's Form 10-K for the year ended June 30, 1997*

10.13 Investment Agreement between ChemoCentryx, Inc. and Techne Corporation dated November 18, 1997--incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q for the quarter ended December 31, 1997*

10.14 Purchase and Sale Agreement dated as of June 22, 1998 among Techne Corporation, Research and Diagnostic Systems, Inc. and Genzyme Corporation--incorporated by reference to Exhibit 2.1 of the Company's Form 8-K dated July 1, 1998, as amended by Form 8-K/A dated September 14, 1998*

10.15** 1998 Nonqualified Stock Option Plan--incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q for the quarter ended September 30, 1998*

10.16 Form of Stock Option Agreement for 1998 Nonqualified Stock Option Plan--incorporated by reference to Exhibit 10.2 of the Company's Form 10-Q for the quarter ended September 30, 1998*

10.17 Purchase Agreement dated January 22, 1999, between R&D Systems, Inc. and Hillcrest Development, relating to the purchase of property as 614 and 640 McKinley Place NE and 2201 Kennedy Street in Minneapolis, Minnesota and First amendment dated February 5, 1999--incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q for the quarter ended December 31, 1998*

10.18** Extension, dated March 31, 1999, to Employment Agreement with Monica Tsang, Ph.D.--incorporated by reference to Exhibit 10.2 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.19** Extension, dated March 31, 1999, to Employment Agreement with Marcel Veronneau--incorporated by reference to Exhibit 10.3 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.20 Second Amendment, dated February 2, 1999, to Purchase Agreement dated January 22, 1999 between R&D Systems, Inc. and Hillcrest Development--incorporated by reference to Exhibit 10.4 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.21 Third Amendment, dated April 3, 1999, to Purchase Agreement dated January 22, 1999 between R&D Systems, Inc. and Hillcrest Development--incorporated by reference to Exhibit 10.5 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.22 Phase I Option Agreement, dated February 10, 1999, between R&D Systems, Inc. and Hillcrest Development and form of Purchase Agreement relating to the purchase of property at 2101 Kennedy Street in Minneapolis, Minnesota-- incorporated by reference to Exhibit 10.6 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.23 First Amendment, dated April 10, 1999, to Phase I Option Agreement dated February 10, 1999-- incorporated by reference to Exhibit 10.7 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.24 Phase II Option Agreement, dated February 10, 1999, between R&D Systems, Inc. and Hillcrest Development and form of Purchase Agreement relating to the purchase of property at 2001 Kennedy Street in Minneapolis, Minnesota-- incorporated by reference to Exhibit 10.8 of the Company's Form 10-Q for the quarter ended March 31, 1999*

10.25 Second Amendment, dated June 9, 1999, to Phase I Option Agreement dated February 10, 1999-- incorporated by reference to Exhibit 10.33 of the Company's Form 10-K for the year ended June 30, 1999*

10.26 Second Amendment, dated June 10, 1999, to Phase II Option Agreement dated February 10, 1999-- incorporated by reference to Exhibit 10.34 of the Company's Form 10-K for the year ended June 30, 1999*

10.27 Warrant to purchase 60,000 shares of Common Stock issued to Hillcrest Development on July 1, 1999--incorporated by reference to Exhibit 10.35 of the Company's Form 10-K for the year ended June 30, 1999*

10.28 Combination Mortgage, Security Agreement and Fixture Financing Statement dated July 1, 1999 between the Company and TCF National Bank Minnesota (TCF)--incorporated by reference to Exhibit 10.36 of the Company's Form 10-K for the year ended June 30, 1999*

10.29 Promissory Note from the Company to TCF dated July 1, 1999 in the principal amount of $20,400,000-- incorporated by reference to Exhibit 10.37 of the Company's Form 10-K for the year ended June 30, 1999*

10.30** Employment Agreement, dated October 1, 1999, with Timothy M. Heaney-- incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q for the quarter ended September 30, 1999*

11 Calculation of Earnings Per Share

21 Subsidiaries of the Company:

Name	State/Country of Incorporation
Research and Diagnostic Systems, Inc.	Minnesota
Techne Export Inc.	Barbados
R&D Systems Europe Ltd.	Great Britain
R&D Systems GmbH	Germany

23 Independent Auditors' Consent

27 Financial Data Schedule

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*Incorporated by reference; SEC File No. 0-17272

**Management contract or compensatory plan or arrangement

EXHIBIT 11

TECHNE CORPORATION

CALCULATION OF BASIC EARNINGS PER SHARE

	Fiscal Years Ended June 30,		
	2000	1999	1998
Net earnings	$26,582,797	$16,656,010	$15,182,961
Weighted average number of common shares	20,312,741	20,117,367	18,952,968
Net earnings per shares	$ 1.31	$ 0.83	$ 0.80

CALCULATION OF DILUTED EARNINGS PER SHARE

	Fiscal Years Ended June 30,		
	2000	1999	1998
Net earnings	$26,582,797	$16,656,010	$15,182,961
Weighted average number of common shares	20,312,741	20,117,367	18,952,968
Dilutive effect of stock options and warrants	790,280	569,308	654,662
Average common and dilutive shares outstanding	21,103,021	20,686,675	19,607,630
Net earnings per shares	$ 1.26	$ 0.81	$ 0.77

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 33-42992, 33-49160, 33-86728, 33-86732, 333-14211, 333-37263 and 333-88885 of Techne Corporation on Form S-8, of our report dated August 15, 2000 (September 19, 2000, as to the sixth paragraph of Note F), included in this Annual Report on Form 10-K of Techne Corporation for the year ended June 30, 2000.

DELOITTE & TOUCHE LLP

Minneapolis, Minnesota
September 22, 2000

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