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, 2009

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: 000-17272

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	55413-2610
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:
Common Stock, $0.01 par value

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes (X) No ( )

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ( ) No (X)

Indicate by check mark whether the registrant (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 whether the registrants has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ( ) 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. (X)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Securities Exchange Act.
Large accelerated filer (X) Accelerated filer ( )
Non-accelerated filer ( ) Small reporting company ( )

Indicate by check mark whether the Registrant is a shell company (as defined in Exchange Act Rule 12b-2). ( ) Yes (X) No

The aggregate market value of the Common Stock held by non-affiliates of the Registrant, based upon the closing sale price on August 27, 2009 as reported on The Nasdaq Stock Market was approximately $1.6 billion. 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 $0.01 par value Common Stock outstanding at August 27, 2009: 37,244,629.

DOCUMENTS INCORPORATED BY REFERENCE

Portion of the Company's Proxy Statement for its 2009 Annual Meeting of Shareholders are incorporated by reference into Part III.

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PART I

ITEM 1. BUSINESS

OVERVIEW

TECHNE Corporation was incorporated on July 17, 1981 in the state of Minnesota. TECHNE Corporation and Subsidiaries (the Company) are engaged in the development, manufacture and sale of biotechnology products and hematology calibrators and controls. These activities are conducted domestically through its wholly-owned subsidiaries, Research and Diagnostic Systems, Inc. (R&D Systems) and BiosPacific, Inc. (BiosPacific). The Company distributes biotechnology products in Europe through its wholly-owned U.K. subsidiary, R&D Systems Europe Ltd. (R&D Europe). R&D Europe has a sales subsidiary, R&D Systems GmbH, in Germany and a sales office in France. The Company distributes biotechnology products in China through its wholly-owned subsidiary, R&D Systems China, Co. Ltd. (R&D China).

The Company has three reportable operating segments based on the nature of products and geographic location: biotechnology, R&D Europe and hematology. The biotechnology segment consists of R&D Systems' Biotechnology Division, BiosPacific and R&D China, which develop, manufacture and sell biotechnology research and diagnostic products world-wide. R&D Europe distributes Biotechnology Division products throughout Europe. The hematology segment develops and manufactures hematology controls and calibrators for sale world-wide.

THE MARKET

The Company manufactures and sells products for the biotechnology research and clinical diagnostics market (cytokines, assays and related products) and the clinical diagnostics market (hematology controls and calibrators). In fiscal 2009, 2008 and 2007, net sales from the Company's biotechnology segment were 66%, 64% and 66%, respectively, of consolidated net sales. Net sales from the Company's R&D Europe segment were 27%, 30% and 27%, respectively, of consolidated net sales for same periods. The Company's hematology segment net sales were 7%, 6% and 7% of consolidated net sales for fiscal 2009, 2008 and 2007, respectively. Financial information relating to the Company's operating segments is incorporated herein by reference to Note L to the Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Biotechnology and R&D Europe Segments

The Company, through its biotechnology and R&D Europe segments, is the world's leading supplier of cytokines and cytokine-related reagents to the biotechnology research community. These valuable proteins are produced in minute amounts by different types of cells and can be isolated from these cells or synthesized through recombinant DNA technology. Currently nearly all of the Company's cytokines are produced by recombinant DNA technology.

The growing interest by academic and commercial researchers in cytokines is largely due to the profound effect that a tiny amount of a cytokine can have on cells and tissues of the body. Cytokines are intercellular messengers. They act as signals by interacting with specific receptors on the affected cells and trigger events that can lead to significant changes in a cell, tissue or organism. For example, cytokines can signal a cell to acquire the features necessary for it to take on a more specialized task. Another example of cytokine action is the key role played in stimulating cells surrounding a wound to grow and divide, to attract migratory cells to the injury site and mediate the healing process.

The Company also has enzymes and intracellular cell signaling reagents in its product portfolio. Enzymes are biological catalysts that accelerate a variety of chemical reactions in cells. Most enzymes, including proteases, kinases and phosphatases, are proteins that modify the structure and function of other proteins. Many enzymes have the potential to serve as predictive biomarkers and therapeutic targets for a variety of diseases including cancer, Alzheimer's, arthritis, autoimmunity, diabetes, hypertension, obesity, AIDS and SARS.

The Company markets cytokine assay kits under the tradename Quantikine. These kits are used by researchers to quantify the level of a specific cytokine in biological fluids, such as serum, plasma, or urine. Cytokine quantification is an integral component of basic research as well as in the pharmaceutical discovery and development process.

The Company currently manufactures and sells nearly 14,000 biotechnology products.

Biotechnology Products

Cytokines and Enzymes. Cytokines, extracted from natural sources or produced using recombinant DNA technology, are manufactured to the highest purity. Enzymes and related factors including enzyme substrates and inhibitors are highly purified and characterized to ensure the highest biological activity.

Antibodies. Antibodies are proteins produced by the immune system of an animal that specifically recognize and bind to target molecules. The Company's polyclonal antibodies are produced in animals (primarily goats and sheep) and purified from the animals' blood. Monoclonal antibodies are made by immortalized cell lines derived from the antibody producing cells of a rodent. Monoclonal antibodies are secreted from these cell lines during cell culture and purified from the cell culture medium.

Assay Kits. This product line includes human and animal Quantikine kits which allow research scientists to quantify the amount of a specific analyte (cytokine, adhesion molecule, enzyme, etc.) in a sample of serum or other biological fluids.

Clinical Diagnostic Kits. The Company has received Food and Drug Administration (FDA) marketing clearance for its erythropoietin (EPO), transferrin receptor (TfR) and Beta2-microglobulin immunoassays for use as in vitro diagnostic kits.

Flow Cytometry Products. This product line includes fluorochrome labeled antibodies and Fluorokine kits, which are used to measure the presence or absence of cell surface receptors for specific cytokines by flow cytometry.

Intracellular Cell Signaling Products. This diverse product line provides reagents to study apoptosis (programmed cell death) and to elucidate signal transduction pathways within cells. Products include antibodies, phospho-specific antibodies, antibody protein arrays, active caspases, kinases, and phosphatases, and ELISA assays to quantitate and measure the activity of apoptotic and signaling molecules.

Hematology Segment

Hematology controls and calibrators are products composed of the various cellular components of blood which have been stabilized. Proper diagnosis of many illnesses requires a thorough and accurate analysis of a patient's blood cells, which is usually done with automated or semi-automated 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. Hemoglobin in red cells transports oxygen from the lungs throughout the body. 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.

These fundamental blood components (red cells, white cells and platelets) differ widely in size and concentration. As noted above, hematology controls are used in automated and semi-automated cell counting analyzers to make sure these instruments are counting blood cells in patient samples accurately. One of the most frequently performed laboratory tests on a blood sample is a complete blood count (CBC). Doctors use this test in disease screening and diagnosis. More than one billion of these tests are done world-wide 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 (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 automated or semi-automated cell counters. 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. In addition, most instruments need to be calibrated periodically. Hematology calibrators are similar to controls, but go through additional testing to ensure that the calibration values assigned are within tight specifications and can be used to calibrate the instrument.

The Company offers a wide range of hematology controls and calibrators for both impedance and laser type cell counters. The Company believes its products have improved stability and versatility and a longer shelf life than most of those of its competitors. Hematology control products are also supplied for use as proficiency testing materials by laboratory certifying authorities of a number of states and countries.

Hematology Products

Whole Blood CBC Controls/Calibrators. The Company currently produces controls and calibrators for the following major brands of analyzers: Abbott Diagnostics, Beckman Coulter, Siemens Healthcare Diagnostics, HORIBA Medical and Sysmex.

Linearity and Reportable Range Controls. These products provide a means of assessing the linearity of hematology analyzers for white blood cells, red blood cells, platelets and reticulocytes (immature red blood cells). Because hematology analyzers are single-point calibrated, these products allow users to determine and validate the reportable range of an instrument.

Whole Blood Reticulocyte Controls. These controls are designed for manual and automated counting of reticulocytes (immature red blood cells).

Whole Blood Flow Cytometry Controls. These products are controls for flow cytometry instruments. These instruments are used to identify and quantify white blood cells by their surface markers.

Whole Blood Glucose/Hemoglobin Control. This product is designed to monitor instruments which measure glucose and hemoglobin in whole blood.

Erythrocyte Sedimentation Rate Control. This product is designed to monitor erythrocyte (red blood cell) sedimentation rate tests.

Multi-Purpose Platelet Reference Controls. These products, Platelet-Trol II and Platelet-Trol Extended, are designed for use by automated and semi-automated analyzers which monitor platelet levels.

Original Equipment Manufacturer (OEM) agreements represent the largest market for hematology controls and calibrators made by the Company. In fiscal 2009, 2008 and 2007, OEM contracts accounted for $7.6 million, $7.0 million and $6.0 million, respectively, or 3% of total consolidated net sales in each fiscal year.

PRODUCTS UNDER DEVELOPMENT

The Company is engaged in ongoing research and development in all of its major product lines: controls and calibrators (hematology) and cytokines, antibodies, assays and related products (biotechnology). The Company believes that its future success depends, to a large extent, on its 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 efficiency.

In fiscal 2009, the Company introduced over 1,400 new biotechnology products. The Company 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. The Company also developed several new hematology control products in fiscal 2009 and is continuously working on product improvements and enhancements. However, there is no assurance that any of the products in the research and development phase can be successfully completed or, if completed, can be successfully introduced into the marketplace.

	Year Ended June 30,		
	2009	2008	2007
Research expense (in thousands):			
Biotechnology expenses	$22,792	$21,632	$19,333
Hematology expenses	772	762	749
	$23,564	$22,394	$20,082
Percent of net sales	8.9%	8.7%	9.0%

INVESTMENTS

Since fiscal 1998, the Company has invested in the preferred stock of ChemoCentryx, Inc. (CCX). CCX is a 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 investment and joint research efforts, the Company obtained exclusive worldwide research and diagnostic marketing rights to chemokine proteins, antibodies and receptors discovered or developed by CCX. The Company holds a 16.8% ownership percentage in CCX. The Company has evaluated the cost versus equity method of accounting for its investment in CCX and determined that it does not have the ability to exercise significant influence over the operating and financial policies of CCX and therefore, accounts for its investment on a cost basis. The Company's net investment in CCX at both June 30, 2009 and 2008 was $14.3 million.

In fiscal 2004, the Company purchased a 10% interest in Hemerus Medical, LLC (Hemerus) for $3.0 million. In fiscal years 2006 through 2008, the Company invested an additional $1.8 million in Hemerus, increasing its ownership percentage to 19%. In fiscal 2009, as a result of Hemerus repurchasing and retiring a third party's membership units, the Company's ownership percentage increased to 22%. Hemerus was formed in March 2001 and has acquired and is developing technology for the separation of leukocytes from blood and blood components. Hemerus owns two patents, has several patent applications pending and has received FDA clearance to market its products in the U.S. In parallel with this investment, R&D Systems entered into a Joint Research Agreement with Hemerus. The research involves joint projects to explore the use of Hemerus' filter technology to applications within R&D Systems' Hematology and Biotechnology Divisions. Such applications, if any, may have commercial potential in other laboratory environments. The Company accounts for its investment in Hemerus under the equity method of accounting as Hemerus is a limited liability company. The Company's net investment in Hemerus was $2.2 million and $2.9 million at June 30, 2009 and 2008, respectively.

In fiscal 2007, the Company invested $7.2 million for an 18% equity interest in Nephromics LLC (Nephromics). Nephromics has licensed technology related to the diagnosis of preeclampsia and has sublicensed the technology to several major diagnostic companies for the development of diagnostic assays. In fiscal 2008, Nephromics issued additional membership units which reduced the Company's ownership percentage to 16.8%. In fiscal 2009, the Company received a $1.3 million distribution from Nephromics. The Company accounts for its investment in Nephromics under the equity method of accounting as Nephromics is a limited liability company. Its net investment in Nephromics was $4.5 million and $6.2 million at June 30, 2009 and 2008, respectively.

In fiscal 2008, the Company invested $1.4 million for a 19% interest in ACTGen, a development stage biotechnology company located in Japan. ACTGen

has intellectual property related to the identification and expression of molecules. The technology covers techniques to identify cellular molecules which are destined to be secreted into tissue fluids or shuttled to the cell membrane. Such molecules represent an ideal target as disease biomarkers. The Company's net investment in ACTGen was $1.2 million and $1.3 million at June 30, 2009 and 2008, respectively.

GOVERNMENT REGULATION

All manufacturers of hematology controls and calibrators are regulated under the Federal Food, Drug and Cosmetic Act, as amended. All of the Company's hematology control products are classified as "In Vitro Diagnostic Products" by the FDA. 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 Company's hematology control operations and facilities. Hematology control manufacturing must comply with Quality System Regulations (QSR) as set forth in the FDA's regulations governing medical devices.

Three of the Company's immunoassay kits, EPO, TfR and Beta2-microglobulin, have FDA clearance to be sold for clinical diagnostic use. The Company must comply with QSR 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 the Company's research groups use small amounts of radioactive materials in the form of radioisotopes in their product development activities. Thus, the Company is subject to regulation and inspection by the Minnesota Department of Health and has been granted a license through August 2010. The license is renewable annually. The Company has had no difficulties in renewing this license in prior years and has no reason to believe it will not be renewed in the future. If, however, the license was not renewed, it would have minimal effect on the Company's business since there are other technologies the research groups could use to replace the use of 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 while 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 due to the requirement that it be tested for certain diseases and pathogens, the higher cost of these materials has not had a serious adverse effect on the Company's business. The Company does not perform its own pathogen testing 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 which extend for various periods depending on the date of the patent application or patent grant. 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. R&D Systems has not conducted a patent infringement study for each of its products. See Item 3. "Legal Proceedings" in this Annual Report on Form 10-K.

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 use patented technology or the non-exclusive right to manufacture and sell certain

patented cytokine and cytokine related products to the research market. For fiscal 2009, 2008 and 2007, total royalties expensed under these licenses were approximately $3.2 million, $3.0 million and $2.6 million, respectively.

R&D Systems has obtained federal trademark registration for certain of its hematology controls and biotechnology product groups which extend for various periods depending upon the date of the trademark grant. R&D Systems believes it has common law trademark rights to certain marks in addition to those which it has registered.

SEASONALITY OF BUSINESS

Products marketed by R&D Systems and, particularly R&D Europe, historically experience a slowing of sales or of the rate of sales growth during the summer months. R&D Systems also usually experiences a slowing of sales during the Thanksgiving to New Year holiday period. The Company believes this slowing is a result of vacation schedules in Europe and Japan and of academic schedules in the United States.

SIGNIFICANT CUSTOMERS

No single customer accounted for more than 10% of total revenues during fiscal 2009, 2008 or 2007.

BACKLOG

There was no significant backlog of orders for the Company's products as of the date of this Annual Report on Form 10-K or as of a comparable date for fiscal 2008. The majority of the Company's biotechnology products are shipped within one day of receipt of the customers' orders. The majority of hematology products are shipped based on a preset, recurring schedule.

COMPETITION

The worldwide market for cytokines and research diagnostic assay kits is being supplied by a number of biotechnology companies, including GE Healthcare Life Sciences, BD Biosciences, EMD Biosciences, Inc., Life Technologies Corporation, Millipore Corporation, PeproTech, Inc., Santa Cruz Biotechnology, Inc., Abcam plc., Sigma-Aldrich Corporation and Thermo Fisher Scientific, Inc.. 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 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. Historically, most of the instrument manufacturing companies made 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 Abbott Diagnostics, Beckman Coulter, Inc., Bio-Rad Laboratories, Inc., Streck Laboratories, Inc., Siemens Healthcare Diagnostics Inc. and Sysmex Corporation. R&D Systems believes it is the third largest supplier of hematology controls in the marketplace behind Beckman Coulter, Inc. and Streck Laboratories, Inc.

EMPLOYEES

Through its subsidiaries, the Company employed 687 full-time and 59 part-time employees as of June 30, 2009, as follows:

	Full-time	Part-time
R&D Systems	615	36
R&D Europe	53	20
BiosPacific	7	0
R&D China	12	3
	687	59

Included in R&D Europe employees are 8 full-time and 4 part-time employees at R&D Europe's sales subsidiary in Germany.

ENVIRONMENT

Compliance with federal, state and local environmental protection laws in the United States, United Kingdom, Germany and China had no material effect on the Company in fiscal 2009.

GEOGRAPHIC AREA FINANICAL INFORMATION

Following is financial information relating to geographic areas (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Net sales			
United States	$147,271	$141,443	$127,695
Europe	79,381	81,628	66,492
Other areas	37,304	34,349	29,295
Total net sales	$263,956	$257,420	$223,482

	As of June 30,		
	2009	2008	2007
Long-lived assets			
United States	$ 93,571	$ 93,612	$ 90,965
Europe	7,214	8,992	867
Other areas	98	112	47
Total long-lived assets	$100,883	$102,716	$ 91,879

Net 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 other assets, net of depreciation and amortization. See the description of risks associated with the Company's foreign subsidiaries in Item 1A of this Annual Report on Form 10-K.

INVESTOR INFORMATION

The Company is subject to the information requirements of the Securities Exchange Act of 1934. Therefore, the Company files periodic reports, proxy statements, and other information with the Securities and Exchange Commission (SEC). Such reports, proxy statements, and other information may be obtained by visiting the Public Reference Room of the SEC at 100 F Street, N.E., Room 1580, Washington, DC 20549 or by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically.

Financial and other information about the Company is available on its internet site (http://www.techne-corp.com). The Company makes available on its internet site, copies of its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange

Act as soon as reasonably practicable after filing such material electronically or otherwise furnishing it to the SEC.

ITEM 1A. RISK FACTORS

Statements in this Annual Report on Form 10-K, 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 Company undertakes no obligation to update or revise any forward-looking statements made due to new information or future events. Investors are cautioned not to place undue emphasis on these statements.

The following risk factors should be read carefully in connection with evaluation of the Company's business and any forward-looking statements made in this Annual Report on Form 10-K and elsewhere. Any of the following risks could materially adversely affect the Company's business, operating results and financial condition.

The Company's revenues are significantly dependent on sales to research scientists in the private and public sector, and a decrease in research spending could negatively impact the Company's revenues.

The Company's biotechnology products are sold primarily to research scientists at pharmaceutical and biotechnology companies and at university and government research institutions. Changes in spending on research by such companies and in the funding that such universities and institutions receive from government agencies, including the National Institutes of Health, affects the revenues and earnings of the Company. The Company carries essentially no backlog of orders and changes in the level of orders received and filled daily can cause fluctuations in quarterly revenues and earnings.

The Company operates in rapidly changing and intensely competitive industries, and may not be able to keep pace with its competitors.

The biotechnology industry is subject to rapid and significant technological change. While the hematology controls industry historically has been less subject to rapid change, it too is evolving and is impacted significantly by changes in the automated testing equipment offered by instrument 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 is significantly dependent on sales made through foreign subsidiaries, and revenues and earnings could be negatively impacted by changes in exchange rates.

Approximately 29% of the Company's sales are made through its foreign subsidiaries, which make their sales in foreign currencies. The Company's revenues and earnings are, therefore, affected by fluctuations in currency exchange rates. Any adverse movement in foreign currency rates could negatively affect the CompanY's revenues and earnings.

The Company's business is subject to governmental regulation, which may have the effect of delaying or impeding the release of certain of its products.

Ongoing research and development activities and the production and marketing of certain 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 may take a year or more. Delays in obtaining approvals could adversely affect the marketing of new products developed by the Company, and negatively affect the Company's revenues.

The Company is dependent on maintaining our intellectual property rights, and cannot guarantee that it will not be subject to intellectual property litigation in the future.

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 success will be dependent on recruiting and retaining highly qualified personnel, the loss of whom could adversely affect its operations.

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.

The Company may incur losses as a result of its investments in other companies, the success of which is largely out of the Company's control.

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, technologies and additional customer base, carry risks that objectives will not be achieved and future earnings will be adversely affected. Development stage companies of the type the Company has invested in are dependent on their ability to raise additional funds to continue research and development efforts and on receiving patent protection and/or FDA clearance to market their products.

The Company uses the equity method of accounting for certain of these investments and records a percentage of the losses of these companies as losses of the Company. The Company may not have control of the expense levels of such companies and their losses may be greater than those anticipated by the Company. Additionally, if funding were unavailable or inadequate to fund operations of these companies or if patent protection or FDA clearance were not received by them, the Company may determine that its investment in one or more of these unconsolidated companies is "other than temporarily" impaired, and the Company could write off all or a portion of its investment.

The Company may be unsuccessful in expanding into China and establishing adequate distribution channels for our products in China.

The Company established a subsidiary in China in late fiscal 2007, to provide warehousing, marketing, sales and technical services for the growing Chinese market. The Company's ability to recover its investment is dependent upon its ability to retain current third-party distributors in China and expand its market share in the region.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved staff comments as of the date of this report.

ITEM 2. PROPERTIES

The Company owns the facilities that its headquarters and R&D Systems subsidiary occupy in Minneapolis, Minnesota. The R&D Systems main complex includes approximately 500,000 square feet of administrative, research and manufacturing space in several adjoining buildings.

The Company owns two additional properties adjacent to its main complex. The Company has renovated the first property and is currently leasing or plans to lease approximately 70% of the 176,000 square foot building as retail and office space and use the remainder as warehouse and storage space. A portion of the second property is currently leased to third parties and the Company plans to continue to lease out the building until the space is needed for its own operations.

The Company owns approximately 649 acres of farmland, including buildings, in southeast Minnesota. A portion of the land and buildings are being leased to third parties as cropland and for a dairy operation. The remaining property is used by the Company to house goats and sheep for polyclonal antibody production.

Rental income from the above properties was $481,000, $404,000 and $686,000 in fiscal 2009, 2008 and 2007, respectively.

In fiscal 2008, the Company purchased the 17,000 square foot facility it had been leasing for its R&D Europe operations in Abingdon, England for $8.3 million.

The Company leases the following facilities:

Company	Location	Type	Square Feet
R&D GmbH	Wiesbaden-Nordenstadt, Germany	Office space	2,300
BiosPacific	Emeryville, California	Office space	3,500
R&D China	Shanghai, China	Office/warehouse	4,500

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

ITEM 3. LEGAL PROCEEDINGS

On June 29, 2006, Streck Laboratories, Inc. (Streck) filed a Complaint against the Company and its subsidiary, R&D Systems, in the United States District Court for the District of Nebraska. The Complaint alleges patent infringement involving certain patents issued to Streck relating to the addition of reticulocytes to hematology controls. Streck is seeking a reasonable royalty on sales of integrated hematology controls containing reticulocytes. The Company has reason to believe that R&D Systems and not Streck, first invented the inventions claimed in these patents and several other patents issued to Streck. An interference was declared by the U.S. Patent and Trademark Office on March 21, 2007 to determine priority of invention between a patent application filed by R&D and the Streck patents, including each of the patents involved in the lawsuit. The Company does not believe the resolution of the above proceedings will have a material impact on the Company's consolidated financial statements.

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 2009 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	68	Chairman of the Board, President, Treasurer, Chief Executive and Director	1985

Marcel Veronneau 55 Vice President, Hematology Operations 1995

Gregory J. Melsen 57 Vice President of Finance and Chief Financial Officer 2004

The term of office of each executive officer is annual 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, Treasurer and Chief Executive Officer of the Company since December 1985. Mr. Oland also served as Chief Financial Officer of the Company from December 1985 to December 2004.

Marcel Veronneau was appointed 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.

Gregory J. Melsen joined the Company in December 2004 as Vice President of Finance and Chief Financial Officer. From 2002 to 2004, he served as Vice President and Chief Financial Officer of PLATO Learning, Inc., a publicly held provider of computer-based and e-learning educational software. From 1999 to 2001, he held the position of Vice President of Finance, Treasurer and Chief Financial Officer of American Medical Systems Holdings, Inc., a publicly traded medical device manufacturer. Previously, Mr. Melsen was employed by a public accounting firm for 19 years, including nine years as an audit partner.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The following table sets forth the repurchases of Company Common Stock for the quarter ended June 30, 2009.

Period	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans of Programs
4/1/09-4/30/09	33,183	53.33	33,183	$67.5 million
5/1/09-5/31/09	0	0	0	$67.5 million
6/1/09-6/30/09	0	0	0	$67.5 million

In November 2007, the Company authorized a plan for the repurchase and retirement of up to $150 million of its common stock. In April 2009, the Company authorized an additional $60 million for its stock repurchase plan. The plan does not have an expiration date.

The Company's common stock trades on The NASDAQ Stock Market 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 National Market.

	Fiscal 2009 Price		Fiscal 2008 Price	
	High	Low	High	Low
1st Quarter	$81.90	$71.38	$66.38	$56.20
2nd Quarter	74.34	60.54	69.90	61.66

3rd Quarter	64.84	45.64	71.12	59.49
4th Quarter	64.45	51.71	79.73	64.84

As of August 27, 2009, there were approximately 230 shareholders of record. As of August 27, 2009, there were over 50,000 beneficial shareholders of the Company's common stock. TECHNE Corporation paid three quarterly cash dividends of $0.25 per share per quarter totaling $28.2 million in fiscal 2009. Its Board of Directors periodically considers the payment of cash dividends.

The following chart compares the cumulative total shareholder return on the Company's Common Stock with the S&P Midcap 400 Index and the S&P 400 Biotechnology Index. The comparison assumes $100 was invested on the last trading day before July 1, 2004 in the Company's Common Stock and in each of the foregoing indices and assumes reinvestment of dividends.

COMPARISION OF CUMULATIVE FIVE YEAR TOTAL RETURNS
INDEXED RETURNS

	Year Ending				
Company/Index	June 2005	June 2006	June 2007	June 2008	June 2009
Techne Corporation	105.66	117.19	131.67	178.11	148.76
S&P Midcap 400 Index	114.03	128.83	152.67	141.48	101.83
S&P 400 Biotechnology	93.86	95.63	100.32	130.03	126.35

ITEM 6. SELECTED FINANCIAL DATA

(dollars in thousands, except share and per share data)

	2009	2008	2007	2006 (1)	2005
Income and Share Data:					
Net sales	$263,956	$257,420	$223,482	$202,617	$178,652
Gross margin(2)	79.0%	79.5%	79.1%	77.4%	79.4%
Selling, general and administrative expenses(2)	12.6%	14.3%	13.9%	13.6%	13.7%
Research and development expenses(2)	8.9%	8.7%	9.0%	9.3%	10.3%
Operating income(2)	57.1%	56.1%	55.6%	53.6%	54.7%
Earnings before income taxes(2)	58.9%	59.8%	57.7%	54.9%	55.9%
Net earnings(2)	39.9%	40.2%	38.1%	36.2%	37.0%
Net earnings	$105,242	$103,558	$ 85,111	$ 73,351	$ 66,132
Diluted earnings per share	$ 2.78	$ 2.64	$ 2.15	$ 1.85	$ 1.62
Average common and common equivalent shares - diluted (in thousands)	37,900	39,247	39,513	39,594	40,920
Share price:					
High	$ 81.90	$ 79.73	$ 61.87	$ 60.14	$ 47.25
Low	$ 45.64	$ 56.20	$ 45.63	$ 46.40	$ 33.11
Balance Sheet Data as of June 30:					
Cash, cash equivalents and short-term available-for-sale investments	$202,887	$206,345	$164,774	$108,846	$ 97,134
Receivables	31,153	33,332	30,966	25,078	23,722
Inventories	11,269	9,515	8,757	9,024	7,758
Working capital	239,944	238,194	195,645	131,856	120,965
Total assets	472,005	507,369	454,844	370,512	295,263
Long-term debt, less current portion	--	--	--	12,198	13,378
Cash Flow Data:					
Net cash provided by operating activities	$111,321	$115,317	$ 90,503	$ 85,589	$ 74,433
Capital expenditures	6,556	16,365	8,076	4,603	11,410

Cash dividends declared per common share(4)	0.75	--	--	--	--
Financial Ratios:					
Return on average equity	22.3%	22.4%	21.9%	24.1%	23.4%
Return on average assets	21.5%	21.5%	20.6%	22.0%	21.3%
Current ratio	16.5	12.8	12.4	8.3	9.6
Price to earnings ratio(3)	23	29	27	28	28
Employee Data as of June 30:					
Full-time employees	687	666	628	577	538

(1) The Company acquired Fortron Bio Science, Inc. and BiosPacific, Inc. on July 1, 2005. Fortron Bio Science, Inc. was merged into R&D Systems on July 1, 2007.
(2) As a percent of net sales.
(3) Common share price at end of fiscal year (June 30) divided by the diluted earnings per share for the respective fiscal year.
(4) The Company's Board of Directors periodically considers the payment of cash dividends.

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

Overview

TECHNE Corporation and Subsidiaries (the Company) are engaged in the development, manufacture and sale of biotechnology products and hematology calibrators and controls. These activities are conducted domestically through its wholly-owned subsidiaries, Research and Diagnostic Systems, Inc. (R&D Systems) and BiosPacific, Inc. (BiosPacific). The Company distributes biotechnology products in Europe through its wholly-owned U.K. subsidiary, R&D Systems Europe Ltd. (R&D Europe). R&D Europe has a sales subsidiary, R&D Systems GmbH, in Germany and a sales office in France. The Company distributes biotechnology products in China through its wholly-owned subsidiary, R&D Systems China Co. Ltd. (R&D China).

The Company has three reportable operating segments based on the nature of products and geographic location: biotechnology, R&D Europe and hematology. The biotechnology segment consists of R&D Systems' Biotechnology Division, BiosPacific and R&D China, which develop, manufacture and sell biotechnology research and diagnostic products world-wide. R&D Europe distributes Biotechnology Division products throughout Europe. The hematology segment develops and manufactures hematology controls and calibrators for sale world-wide.

Overall Results

Consolidated net sales and consolidated net earnings increased 2.5% and 1.6%, respectively, for fiscal 2009 as compared to fiscal 2008. Consolidated net sales and consolidated net earnings in fiscal 2009 were unfavorably affected by the strengthening of the U.S. dollar as compared to foreign currencies. The unfavorable impact on consolidated net sales in fiscal 2009 of the change from the prior year in exchange rates used to convert sales in foreign currencies (primarily British pounds sterling and euros) into U.S. dollars was $8.6 million. The unfavorable impact on consolidated net earnings in fiscal 2009 of the change from the prior year in exchange rates used to convert foreign currency financial statements to U. S. dollars was $4.5 million.

Consolidated net sales and consolidated net earnings increased 15.2% and 21.7%, respectively, for fiscal 2008 as compared to fiscal 2007. The favorable impact on consolidated net sales of the change from the prior year in exchange rates used to convert sales in foreign currencies into U.S. dollars was $6.4 million for fiscal 2008. The favorable impact on fiscal 2008 consolidated net earnings, as compared to fiscal 2007, from changes in exchange rates used to convert foreign currency financial statements to U.S.

dollars was $1.3 million.

Results of Operations

Net sales (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Biotechnology	$173,913	$165,663	$146,614
R&D Europe	72,541	75,735	61,766
Hematology	17,502	16,022	15,102
	$263,956	$257,420	$223,482

Consolidated net sales for fiscal 2009 were $264.0 million, an increase of $6.5 million (2.5%) from fiscal 2008. Consolidated net sales were unfavorably affected by the strength of the U.S. dollar as compared to foreign currencies. Excluding the effect of changes in foreign currency exchange rates, consolidated net sales increased 5.9% in fiscal 2009 from fiscal 2008. Included in consolidated net sales in fiscal 2009 were $3.4 million of sales of new biotechnology products, which had their first sale in fiscal 2009.

Biotechnology net sales in fiscal 2009 increased $8.3 million (5.0%) from fiscal 2008. The majority of the biotechnology net sales increase was from increased sales volume. Biotechnology net sales to international distributors, pharmaceutical/biotechnology customers and academic customers increased 6.2%, 4.7% and 3.9%, respectively, in fiscal 2009 from fiscal 2008. R&D Europe net sales decreased $3.2 million (4.2%) in fiscal 2009. R&D Europe net sales increased 7.2% for fiscal 2009 when measured at currency rates in effect in fiscal 2008, mainly as a result of increased sales volume. Hematology net sales in fiscal 2009 increased $1.5 million (9.2%) mainly due to increased sales volume.

Consolidated net sales for fiscal 2008 were $257.4 million, an increase of $33.9 million (15.2%) from fiscal 2007. Consolidated net sales were favorably affected by the strength of foreign currencies as compared to the U.S. dollar. Excluding the effect of changes in foreign currency exchange rates, consolidated net sales increased 12.3% for fiscal 2008.

Biotechnology net sales in fiscal 2008 increased $19.0 million (13.0%) from fiscal 2007. The majority of the biotechnology net sales increase was from increased sales volume, including shipments to diagnostic customers. Increased sales to diagnostic customers positively affected biotechnology net sales in fiscal 2008. Excluding sales to diagnostic customers, biotechnology net sales increased 12.4% for fiscal 2008 as compared to the prior fiscal year. Biotechnology net sales to international distributors, pharmaceutical/biotechnology customers and academic customers increased 14.5%, 10.0% and 7.7%, respectively, in fiscal 2008 from fiscal 2007. R&D Europe net sales increased $14.0 million (22.6%) in fiscal 2008. R&D Europe net sales increased 12.2% for fiscal 2008 when measured at currency rates in effect in fiscal 2007, mainly as a result of increased sales volume. Hematology net sales in fiscal 2008 increased $920,000 (6.1%) mainly due to increased sales volume.

Gross margins, as a percentage of net sales, were as follows:

	Year Ended June 30,		
	2009	2008	2007
Biotechnology	79.3%	79.7%	79.9%
R&D Europe	51.7%	56.5%	52.9%
Hematology	45.9%	41.0%	43.1%
Consolidated	79.0%	79.5%	79.1%

The decline in consolidated gross margins for fiscal 2009 was mainly the result of lower gross margins at R&D Europe due to unfavorable exchange rates between a stronger U.S. dollar and weaker euro and British pound sterling. The improvement in consolidated gross margins for fiscal 2008 was the result of higher gross margins at R&D Europe due to favorable exchange rates between

a weaker U.S. dollar and stronger euro and British pound sterling and the result of higher sales growth in the Biotechnology Division as compared to the sales growth in the lower margin Hematology Division.

Selling, general and administrative expenses decreased $3.6 million (9.7%) and increased $5.8 million (18.6%) in fiscal 2009 and 2008, respectively. Selling, general and administrative expenses were as follows (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Biotechnology	$ 19,035	$ 20,981	$ 17,460
R&D Europe	7,967	9,667	8,756
Hematology	1,463	2,003	1,690
Corporate	4,699	4,064	3,059
	$ 33,164	$ 36,715	$ 30,965

The change from the comparable fiscal year was primarily the result of the following (in thousands):

	Increase/(Decrease)	
	2009	2008
Profit sharing and bonus expense	$ (3,759)	$ 1,997
Change in exchange rates to convert British pounds to U.S dollars	(2,024)	311
Legal fees	786	837
Stock-based compensation expense	(249)	151
China selling, general and administrative expense	91	552
Other, including annual wage, salary and benefit increases	1,604	1,902
	$ (3,551)	$ 5,750

The increase in legal fees in both fiscal years was due to ongoing patent interference and infringement litigation. The decrease in stock-based compensation expense in fiscal 2009 was mainly the result of decreased stock volatility and interest rates used to calculate the fair value of options granted. The increase in stock-based compensation expense in fiscal 2008 was due to an increase in the number of stock options granted in fiscal 2008 compared to fiscal 2007 as a result of expanding the Board of Directors by one member. Operations in China were established in late fiscal 2007, resulting in increased expenses in fiscal 2008. The remainder of the change in selling, general and administrative expenses for both fiscal years was mainly the result of annual wage, salary and benefit increases.

Research and development expenses increased $1.2 million (5.2%) and $2.3 million (11.5%) in fiscal 2009 and 2008, respectively, as compared to prior-year periods. The increases were primarily the result of the development of new cytokines, antibodies and assay kits by R&D Systems' Biotechnology Division. The Company introduced over 1,400 new biotechnology products in both fiscal 2009 and 2008, respectively. Research and development expenses are composed of the following (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Biotechnology	$ 22,792	$ 21,632	$ 19,333
Hematology	772	762	749
	$ 23,564	$ 22,394	$ 20,082

Amortization of intangible assets. Amortization expense was $1.0 million, $1.1 million and $1.6 million in fiscal 2009, 2008 and 2007, respectively, related mainly to technologies, trade names and customer relationships acquired as a result of acquisitions in fiscal 2006. Intangible assets are being amortized over lives of two to eight years.

Interest income and expense. Interest income for fiscal 2009, 2008 and 2007 was $7.6 million, $12.2 million and $8.4 million, respectively. The decrease in fiscal 2009 from the prior fiscal year was primarily the result of lower rates of return on cash and available-for-sale investments. The increase in fiscal 2008 from the prior year was due to higher cash and investment balances and increased interest rates. Interest expense in fiscal 2007 was $1.1 million. Through October 2006, the Company had a floating interest rate mortgage note outstanding. Fiscal 2007 interest expense included $651,000 of prepayment penalty and $78,000 of unamortized loan origination fees.

Other non-operating (expense) income consists mainly of foreign currency transaction gains and losses, rental income, building expenses related to rental property, the Company's share of losses by equity method investees as follows (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Foreign currency (losses) gains	$ (34)	$ 807	$ (82)
Rental income	481	404	686
Real estate taxes, depreciation and utilities	(2,208)	(2,315)	(2,212)
Losses by equity method investees	(1,290)	(1,140)	(966)
Impairment loss on marketable equity security	--	(400)	--
	$(3,051)	$(2,644)	$(2,574)

The Company has two equity method of accounting investments in limited liability companies, Hemerus Medical, LLC (Hemerus) and Nephromics, LLC (Nephromics). See Cash flows from investing activities following.

The Company has an investment in the common stock of Immunicon Corporation (IMMC), a publicly-held company primarily focused on the development and sale of cancer diagnostic and research products and services. In June 2008, IMMC filed for relief under Chapter 11 of the U.S. Bankruptcy Code and announced the sale of substantially all of its assets. The Company determined that the reduction in market value of its investment in IMMC was other-than-temporary and wrote off its investment in fiscal 2008.

Income taxes for fiscal 2009, 2008 and 2007 were provided at rates of approximately 32.3%, 32.7% and 34.0%, respectively, of consolidated earnings before income taxes. The fiscal 2009 consolidated tax rate was positively impacted by the renewal of the U.S. research and development credit. The fiscal 2009 credit included $354,000 of credit for the January to June 2008 period. The fiscal 2008 consolidated tax rate was positively impacted by changes in state apportionment percentages partially offset by the reduction of the credit for research and development expenditures as a result of the delayed renewal of the credit. U.S. federal taxes have been reduced by the benefit for extraterritorial income through December 2006 and the manufacturer's deduction provided for under the American Jobs Creation Act of 2004. Foreign income taxes have been provided at rates which approximate the tax rates in the countries in which R&D Europe and R&D China operate. The Company expects income tax rates for fiscal 2010 to range from 32% to 33%.

QUARTERLY FINANCIAL INFORMATION (Unaudited)
(in thousands, except per share data)

	Fiscal 2009				Fiscal 2008			
	First Qtr.	Second Qtr.	Third Qtr.	Fourth Qtr.	First Qtr.	Second Qtr.	Third Qtr.	Fourth Qtr.
Net sales	$69,324	$61,876	$67,866	$64,890	$57,987	$62,142	$69,522	$67,769
Gross margin	56,238	48,446	53,550	50,234	45,883	49,391	55,376	53,881
Earnings before taxes	42,948	34,150	40,841	37,424	34,753	35,581	42,992	40,505
Income taxes	14,355	10,528	13,200	12,038	11,681	11,942	13,402	13,248
Net earnings	28,593	23,622	27,641	25,386	23,072	23,639	29,590	27,257
Basic earnings								

per share	0.74	0.62	0.74	0.68	0.58	0.60	0.76	0.70
Diluted earnings per share	0.74	0.62	0.74	0.68	0.58	0.60	0.76	0.70

Liquidity and Capital Resources

Cash, cash equivalents and available-for-sale investments at June 30, 2009 were $264.8 million compared to $293.7 million at June 30, 2008. The Company has an unsecured line of credit of $750,000 available at June 30, 2009 which expires on October 31, 2009. The interest rate charged on the line of credit is a floating rate at the one month London interbank offered rate (Libor) plus 1.75%. There were no borrowings on the line in the current or prior fiscal year.

Management of the Company expects to be able to meet its foreseeable future cash and working capital requirements for operations, facility expansion and capital additions through currently available funds, cash generated from operations and maturities of available-for-sale investments.

Cash flows from operating activities

The Company generated cash from operations of $111.3 million, $115.3 million and $90.5 million in fiscal 2009, 2008 and 2007, respectively. The decrease in cash generated from operating activities in fiscal 2009 as compared to fiscal 2008 was mainly the result of changes in operating assets and liabilities offset by increased net earnings of $1.7 million. In fiscal 2009, changes in operating assets and liabilities negatively impacted net cash from operating activities by $4.1 million compared to a positive impact in fiscal 2008 of $2.2 million as a result of changes in the timing of cash payments and receipts.

The increase in cash generated from operating activities in fiscal 2008 as compared to fiscal 2007 was mainly the result of increased net earnings of $18.4 million. In addition, changes in operating assets and liabilities in fiscal 2008 positively impacted net cash from operating activities by $2.2 million compared to a negative impact in fiscal 2007 of $3.0 million as a result of changes in the timing of cash payments and receipts.

Cash flows from investing activities

Capital additions consist of the following (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Laboratory, manufacturing, and computer equipment	$ 2,573	$ 3,010	$ 2,484
Construction/renovation	1,810	5,012	5,592
Property purchases	2,173	8,343	--
	$ 6,556	$ 16,365	$ 8,076

Included in fiscal 2009, 2008 and 2007 capital additions were approximately $1.8 million, $4.3 million and $5.6 million, respectively, related to the construction and renovation of laboratory space at the Company's Minneapolis facility. The additional construction in fiscal 2008 was for the build out of rental space for tenants. Construction was financed through available cash. In fiscal 2009, the Company purchased two parking lots adjacent to its Minneapolis facility for $2.2 million. In fiscal 2008, the Company purchased the facility it had been leasing for its R&D Europe operations in Abingdon, England for $8.3 million. The property purchases were financed through available cash. Capital additions for laboratory, manufacturing and computer equipment and space renovations planned for fiscal 2010 are expected to be approximately $6.1 million and are expected to be financed through currently available cash and cash generated from operations.

The Company's net (sales) purchases of available-for-sale investments in fiscal 2009, 2008 and 2007 were ($26.5) million, $8.6 million and $23.8 million, respectively. The Company's investment policy is to place excess

cash in municipal and corporate bonds with the objective of obtaining the highest possible return while minimizing risk and keeping the funds accessible.

Additional investments in unconsolidated entities were as follows (in thousands):

	Year Ended June 30,		
	2009	2008	2007
ACTGen, Inc.	$ --	$ 1,423	$ --
Hemerus	--	300	700
Nephromics	--	--	7,200
	$ --	$ 1,723	$ 7,900

In fiscal 2008, the Company invested $1.4 million for a 19% interest in ACTGen, Inc. (ACTGen), a development stage biotechnology company located in Japan. The Company's net investment in ACTGen at June 30, 2009 and 2008 was $1.2 million and $1.3 million, respectively.

In fiscal 2004, the Company purchased a 10% interest in Hemerus for $3 million. In fiscal years 2006 through 2008, the Company invested an additional $1.75 million in Hemerus, increasing its ownership percentage to 19%. In fiscal 2009, as a result of Hemerus repurchasing and retiring a third party's membership units, the Company's ownership percentage increased to 22%. The Company's net investment in Hemerus at June 30, 2009 and 2008 was $2.2 million and $2.9 million, respectively. Hemerus' success is dependent on its ability to market its products and to obtain adequate financing. The Company has financial exposure to any losses of Hemerus to the extent of its net investment.

In fiscal 2007, the Company invested $7.2 million for an 18% equity interest in Nephromics. In fiscal 2008, Nephromics issued additional membership units which reduced the Company's ownership percentage to 16.8%. In fiscal 2009, the Company received a $1.3 million distribution from Nephromics. At June 30, 2009 and 2008, the Company's net investment in Nephromics was $4.5 million and $6.2 million, respectively. The Company has financial exposure to any losses of Nephromics to the extent of its net investment.

All of the above investments were financed through cash and equivalents on hand.

Cash flows from financing activities

The Company received $953,000, $3.1 million and $2.7 million for the exercise of options for 21,000, 86,000 and 78,000 shares of common stock in fiscal 2009, 2008 and 2007, respectively. The Company recognized excess tax benefits from stock option exercises of $107,000, $524,000 and $534,000 in fiscal 2009, 2008 and 2007, respectively.

In fiscal 2009, 2008 and 2007, the Company purchased 22,637, 23,641 and 24,400 shares of common stock, respectively, for its employee Stock Bonus Plans at a cost of $1.7 million, $1.5 million and $1.2 million, respectively.

In fiscal 2008, the Board of Directors authorized the Company to purchase up to $150 million of its common stock and in fiscal 2009 increased the authorization by $60 million. In fiscal 2009 and 2008, the Company purchased and retired 1.4 million and 899,000 shares of common stock at market values of $90.6 million and $58.7 million, respectively. Approximately $67.5 million remained available for purchase under these authorizations at June 30, 2009.

In fiscal 2009, the Company paid three quarterly cash dividends of $0.25 per share per quarter totaling $28.2 million. The Board of Directors plans to periodically consider the payment of cash dividends.

In fiscal 2007, the Company paid off its mortgage debt. The total payment of $13.8 million included a prepayment penalty of $651,000 which is included in interest expense in the consolidated statement of earnings for fiscal 2007.

Contractual Obligations

The following table summarizes the Company's contractual obligations and commercial commitments as of June 30, 2009 (in thousands):

	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	After 5 Years
Operating leases	$ 867	$ 332	$ 344	$ 174	$ 17
Minimum royalty payments	166	166	--	--	--
	$ 1,033	$ 498	$ 344	$ 174	$ 17

The above table does not include any reserves for income taxes under the Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109, as the Company is unable to reasonably predict the ultimate amount or timing of settlement of any reserve for income taxes.

Off-balance Sheet Arrangements

The Company is not a party to any off-balance sheet transactions, arrangements or obligations that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in the financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies

Management's discussion and analysis of the Company's financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management evaluates its estimates. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The Company has identified the policies outlined below as critical to its business operations and an understanding of results of operations. The listing is not intended to be a comprehensive list of all accounting policies.

Valuation of available-for-sale investments. The Company considers all of its marketable securities available-for-sale and reports them at fair market value. Fair market values are based on quoted market prices. Unrealized gains and losses on available-for-sale investments are excluded from income, but are included, net of taxes, in other comprehensive income. If an "other-than-temporary" impairment is determined to exist, the difference between the value of the investment recorded in the financial statements and the Company's current estimate of fair value is recognized as a charge to earnings in the period in which the impairment is determined. Net unrealized gains on available-for-sale investments at June 30, 2009 were $874,000.

Valuation of inventory. Inventories are stated at the lower of cost (first-in, first-out method) or market. The Company regularly reviews inventory on hand for slow-moving and obsolete inventory, inventory not meeting quality control standards and inventory subject to expiration.

To meet strict customer quality standards, the Company has established a highly controlled manufacturing process for proteins and antibodies. New protein and antibody products require the initial manufacture of multiple

batches to determine if quality standards can be consistently met. In addition, the Company will produce larger batches of established products than current sales requirements due to economies of scale. The manufacturing process for proteins and antibodies, therefore, has and will continue to produce quantities in excess of forecasted usage. The Company values its manufactured protein and antibody inventory based on a two-year forecast. The establishment of a two-year forecast requires considerable judgment. Protein and antibody quantities in excess of the two-year usage forecast are considered impaired and not included in the inventory value. The value of protein and antibody inventory reserved at June 30, 2009 was $17.7 million.

Valuation of goodwill. The Company is required to perform an annual review for impairment of goodwill in accordance with FASB Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets. Goodwill is considered to be impaired if it is determined that the carrying amount of the reporting unit exceeds its fair value. Assessing the impairment of goodwill requires the Company to make judgments regarding the fair value of the net assets of its reporting units and the allocation of the carrying amount of shared assets to the reporting units. The Company's annual assessment included comparison of the carrying amount of the net assets of a reporting unit, including goodwill, to the fair value of the reporting unit. A significant change in the Company's market capitalization or in the carrying amount of net assets of a reporting unit could result in an impairment charge in future periods. Goodwill at June 30, 2009 was $25.1 million.

Valuation of intangible and other long-lived assets. The Company reviews the carrying amount of intangible and other long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. This assessment requires the Company to make assumptions and judgments regarding the fair value of these asset groups. Asset groups are considered to be impaired if their carrying amount exceeds the asset groups' ability to continue to generate income from operations and positive cash flow in future periods. If asset groups are considered impaired, the amount by which the carrying amount exceeds its fair value would be expensed as an impairment loss. The net carrying amount of intangible assets at June 30, 2009 was $3.0 million. The net carrying amount of property and equipment was $100.1 million at June 30, 2009.

Valuation of investments. The Company has made equity investments in several start-up and early development stage companies, among them ChemoCentryx, Inc. (CCX), Hemerus, Nephromics and ACTGen. The accounting treatment of each investment (cost method or equity method) is dependent upon a number of factors, including, but not limited to, the Company's share in the equity of the investee and the Company's ability to exercise significant influence over the operating and financial policies of the investee. In determining which accounting treatment to apply, the Company must make judgments based upon the quantitative and qualitative aspects of the investment.

The Company periodically assesses its equity investments for impairment. Development stage companies of the type the Company has invested in are dependent on their ability to raise additional funds to continue research and development efforts and on receiving patent protection and/or U.S. Food and Drug Administration (FDA) clearance to market their products. If such funding were unavailable or inadequate to fund operations or if patent protection or FDA clearance were not received, the Company would potentially recognize an impairment loss to the extent of its remaining net investment. The Company's net investments at June 30, 2009 in CCX, Hemerus, Nephromics and ACTGen were $14.3 million, $2.2 million, $4.5 million and $1.2 million, respectively.

Recent Accounting Pronouncements

In June 2009, the FASB issued SFAS No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles. SFAS No. 168 will become the single source of authoritative nongovernmental U.S. GAAP, superseding existing FASB and other related accounting literature. SFAS No. 168 will be effective for the Company for the quarter ending September 30, 2009. The Company does not expect the adoption of the Codification to have an impact on the consolidated financial statements.

In June 2009, the FASB issued SFAS No. 167, Amendments to FASB Interpretation No. 46(R), which is effective for the Company beginning July 1, 2010. This Statement amends FIN 46(R), Consolidation of Variable Interest Entities an interpretation of ARB No. 51, to require revised evaluations of whether entities represent variable interest entities, ongoing assessments of control over such entities, and additional disclosures for variable interests. The Company believes the adoption of this pronouncement will not have an impact on the Company's consolidated financial statements.

In February 2008, the FASB amended SFAS No. 157, Fair Value Measurements, to defer the effective date of SFAS No. 157 for all nonfinancial assets and liabilities that are not remeasured at fair value on a recurring basis. As disclosed in Note A to the Consolidated Financial Statements following, the Company partially adopted the provisions of SFAS No. 157 effective in the first quarter of fiscal 2009. The Company expects to adopt the remaining provisions of SFAS No. 157 beginning in the first quarter of fiscal 2010. The adoption of the provisions of SFAS No. 157 related to other nonfinancial assets and liabilities is not expected to have a material impact on the Company's consolidated financial statement disclosures.

Market Risk

At the end of fiscal 2009, the Company had an independently managed investment portfolio of fixed income securities, excluding those classified as cash and cash equivalents, of $103.8 million (see Note B 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, because the Company's fixed income securities are classified as available-for-sale, no gains or losses are recognized by the Company in its Consolidated Statement of Earnings due to changes in interest rates unless such securities are sold prior to maturity. The Company generally holds its fixed income securities until maturity and, historically, has not recorded any material gains or losses on any sale prior to maturity.

The Company operates internationally, and thus is subject to potentially adverse movements in foreign currency rates. Approximately 29% of consolidated net sales are made in foreign currencies including 15% in euro, 6% in British pound sterling, 2% in Chinese yuan and the remaining 6% in other European currencies. As a result, the Company is exposed to market risk mainly from foreign exchange rate fluctuations of the euro, British pound sterling, and the Chinese yuan as compared to the U.S. dollar as the financial position and operating results of the Company's foreign operations are translated into U.S. dollars for consolidation.

Exchange rates between the British pound sterling, euro and Chinese yuan and the U.S. dollar were as follows based on month-end ratios:

	Year Ended June 30,		
	2009	2008	2007
British pound:			
High	$ 1.98	$ 2.08	$ 2.00
Low	1.43	1.98	1.87
Average	1.60	2.01	1.95
Euro:			
High	$ 1.56	$ 1.58	$ 1.36
Low	1.27	1.36	1.27
Average	1.37	1.48	1.31
Chinese yuan:			
High	$ .147	$ .146	N/A
Low	.146	.132	N/A
Average	.146	.138	N/A

The Company's exposure to foreign exchange rate fluctuations also arises from trade receivables and intercompany payables denominated in one currency in the financial statements, but receivable or payable in another currency. At June 30, 2009, the Company had the following trade receivable and intercompany payables denominated in one currency but receivable or payable in another currency (in thousands):

	Denominated Currency	U.S. Dollar Equivalent

Accounts receivable in:		
Euros	641 Br. pound	$ 1,055
Other European currencies	857 Br. pound	$ 1,410
Intercompany payable in:		
Euros	221 Br. pound	$ 364
U.S. dollars	2,234 Br. pound	$ 3,676
U.S. dollars	3,483 Ch. Yuan	$ 510

All of the above balances are revolving in nature and are not deemed to be long-term balances.

The Company does not enter into foreign exchange forward contracts to reduce its exposure to foreign currency rate changes on forecasted intercompany sales transactions or on intercompany foreign currency denominated balance sheet positions. Foreign currency transaction gains and losses are included in "Other non-operating expense" in the Consolidated Statement of Earnings. The effect of translating net assets of foreign subsidiaries into U.S. dollars are recorded on the Consolidated Balance Sheet as part of "Accumulated other comprehensive income."

The effects of a hypothetical simultaneous 10% appreciation in the U.S. dollar from June 30, 2009 levels against the euro, British pound sterling and Chinese yuan are as follows (in thousands):

	Hypothetical Effect Increase (Decrease)
Translation of 2009 earnings into U.S. dollars	$ (2,225)
Transaction losses	380
Translation of net assets of foreign subsidiaries	(12,165)

Forward-looking Information

This report contains forward-looking statements, which are based on the Company's current assumptions and expectations. The principal forward-looking statements in this report include: the Company's expectations regarding future tax rates, capital expenditures, future dividend declarations, and sufficiency of capital resources to meet the Company's foreseeable future cash and working capital requirements.

All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although the Company believes there is a reasonable basis for the forward-looking statements, the Company's actual results could be materially different. The most important factors which could cause the Company's actual results to differ from forward-looking statements are set forth in the Company's description of risk factors in Item 1A to the Company's Annual Report on Form 10-K, which should be read in conjunction with the forward looking statements in this report, and include the following:

- The Company's revenues are significantly dependent on sales to research scientists in the private and public sector, and a decrease in research spending could negatively impact the Company's revenues.

- The Company operates in rapidly changing and intensely competitive industries, and may not be able to keep pace with its competitors.

- The Company is significantly dependent on sales made through foreign subsidiaries, and revenues and earnings could be negatively impacted by changes in exchange rates.

- The Company's business is subject to governmental regulation, which may have the effect of delaying or impeding the release of certain of its products.

- The Company is dependent on maintaining its intellectual property rights, and cannot guarantee that it will not be subject to intellectual

property litigation in the future.

- The Company's success will be dependent on recruiting and retaining highly qualified personnel, the loss of whom could adversely affect its operations.

- The Company may incur losses as a result of its investments in other companies, the success of which is largely out of the Company's control.

- The Company may be unsuccessful in expanding into China and establishing adequate distribution channels for its products in China.

Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update any forward-looking statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See discussion under "Market Risk" in Item 7. Management's Discussion and Analysis of Financial Conditions and Results of Operations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CONSOLIDATED STATEMENTS OF EARNINGS
TECHNE Corporation and Subsidiaries
(in thousands, except per share data)

	Year Ended June 30,		
	2009	2008	2007
Net sales	$263,956	$257,420	$223,482
Cost of sales	55,488	52,889	46,667
Gross margin	208,468	204,531	176,815
Operating expenses:			
Selling, general and administrative	33,164	36,715	30,965
Research and development	23,564	22,394	20,082
Amortization of intangible assets	960	1,135	1,614
Total operating expenses	57,688	60,244	52,661
Operating income	150,780	144,287	124,154
Other (expense) income:			
Interest expense	--	--	(1,083)
Interest income	7,634	12,188	8,434
Other non-operating expense, net	(3,051)	(2,644)	(2,574)
Total other income	4,583	9,544	4,777
Earnings before income taxes	155,363	153,831	128,931
Income taxes	50,121	50,273	43,820
Net earnings	$105,242	$103,558	$ 85,111
Earnings per share:			
Basic	$ 2.78	$ 2.65	$ 2.16
Diluted	$ 2.78	$ 2.64	$ 2.15
Cash dividends per common share:	$ 0.75	--	--
Weighted average common shares outstanding:			
Basic	37,802	39,139	39,406
Diluted	37,900	39,247	39,513

See Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS
TECHNE Corporation and Subsidiaries
(in thousands, except per share data)

	June 30, 2009	2008
Assets		
Current assets:		
Cash and cash equivalents	$160,940	$166,992
Short-term available-for-sale investments	41,947	39,353
Trade accounts receivable, less allowance for doubtful accounts of $357 and $153, respectively	29,516	31,747
Other receivables	1,637	1,585
Inventories	11,269	9,515
Deferred income taxes	9,345	8,433
Prepaid expenses	813	808
Total current assets	255,467	258,433
Available-for-sale investments	61,863	87,384
Property and equipment, net	100,133	101,722
Goodwill	25,068	25,068
Intangible assets, net	3,004	3,964
Deferred income taxes	3,601	5,055
Investments in unconsolidated entities	22,119	24,749
Other assets	750	994
	$472,005	$507,369
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade accounts payable	$ 5,156	$ 4,343
Salaries, wages and related accruals	4,010	8,584
Other accounts payable and accrued expenses	2,311	1,768
Income taxes payable	4,046	5,544
Total current liabilities	15,523	20,239
Commitments and contingencies (Note H)		
Stockholders' equity:		
Undesignated capital stock, no par; authorized 5,000,000 shares; none issued or outstanding	--	--
Common stock, par value $.01 a share; authorized 100,000,000 shares; issued and outstanding 37,244,029 and 38,643,480 shares, respectively	372	386
Additional paid-in capital	117,946	115,408
Retained earnings	345,641	359,208
Accumulated other comprehensive (loss) income	(7,477)	12,128
Total stockholders' equity	456,482	487,130
	$472,005	$507,369

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
AND COMPREHENSIVE INCOME (LOSS)
TECHNE Corporation and Subsidiaries
(in thousands)

<TABLE>
<CAPTION>

Accumulated

	Common Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Other Compre-hensive Income	Total
<S>		<C>	<C>	<C>	<C>	<C>
Balances at June 30, 2006	39,377	$ 394	$105,041	$229,228	$ 5,685	$340,348
Comprehensive income:						
Net earnings	--	--	--	85,111	--	85,111
Other comprehensive income, net of tax:						
Foreign currency translation adjustments	--	--	--	--	6,879	6,879
Unrealized gains on available-for-sale investments	--	--	--	--	360	360
Comprehensive income						92,350
Common stock issued for exercise of options	81	1	2,850	--	--	2,851
Surrender and retirement of stock to exercise options	(2)	(0)	(111)	--	--	(111)
Stock-based compensation expense	--	--	1,576	--	--	1,576
Tax benefit from exercise of stock options	--	--	637	--	--	637
Balances at June 30, 2007	39,456	395	109,993	314,339	12,924	437,651
Comprehensive income:						
Net earnings	--	--	--	103,558	--	103,558
Other comprehensive income:						
Foreign currency translation adjustments	--	--	--	--	333	333
Unrealized losses on available-for-sale investments (net of tax of $935)	--	--	--	--	(1,129)	(1,129)
Comprehensive income						102,762
Common stock issued for exercise of options	87	0	3,145	--	--	3,145
Surrender and retirement of stock to exercise options	(1)	(0)	(68)	---	--	(68)
Repurchase and retirement of common stock	(899)	(9)	--	(58,689)	--	(58,698)
Stock-based compensation expense	--	--	1,727	--	--	1,727
Tax benefit from exercise of stock options	--	--	611	--	--	611
Balances at June 30, 2008	38,643	386	115,408	359,208	12,128	487,130
Comprehensive income:						
Net earnings	--	--	--	105,242	--	105,242
Other comprehensive income:						
Foreign currency translation adjustments	--	--	--	--	(21,768)	(21,768)
Unrealized gains on available-for-sale investments (net of tax of $316)	--	--	--	--	2,163	2,163
Comprehensive income						85,637
Common stock issued for exercise of options	21	0	975	--	--	975
Surrender and retirement of stock to exercise options	(0)	(0)	(22)	--	--	(22)
Repurchase and retirement of common stock	(1,420)	(14)	--	(90,615)	--	(90,629)
Cash dividends	--	--	--	(28,194)	--	(28,194)
Stock-based compensation expense	--	--	1,478	--	--	1,478
Tax benefit from exercise of stock options	--	--	107	--	--	107
Balances at June 30, 2009	37,244	$ 372	$117,946	$345,641	$ (7,477)	$456,482

</TABLE>

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
TECHNE Corporation and Subsidiaries
(in thousands)

	Year Ended June 30, 2009	2008	2007
Cash flows from operating activities:			
Net earnings	$105,242	$103,558	$ 85,111
Adjustments to reconcile net earnings to			

net cash provided by operating activities:			
Depreciation and amortization	7,766	7,259	6,994
Deferred income taxes	(730)	(661)	(797)
Stock-based compensation expense	1,478	1,727	1,576
Excess tax benefit from stock option exercises	(107)	(524)	(534)
Impairment loss on available-for-sale investment	--	400	--
Losses by equity method investees	1,290	1,140	966
Other	458	208	168
Change in operating assets and liabilities:			
Trade accounts and other receivables	49	(1,718)	(5,004)
Inventories	(2,123)	(1,062)	205
Prepaid expenses	(42)	96	(117)
Trade, other accounts payable and accrued expenses	1,394	(930)	1,380
Salaries, wages and related accruals	(2,803)	4,036	2,055
Income taxes payable	(551)	1,788	(1,500)
Net cash provided by operating activities	111,321	115,317	90,503
Cash flows from investing activities:			
Additions to property and equipment	(6,556)	(16,365)	(8,076)
Purchase of available-for-sale investments	(49,173)	(77,582)	(49,405)
Proceeds from maturities of available-for-sale investments	34,315	27,968	17,515
Proceeds from sale of available-for-sale investments	41,352	41,000	8,074
Distribution from unconsolidated entity	1,340	--	--
Increase in investments in unconsolidated entities	--	(1,723)	(7,900)
Increase in other long-term assets	--	(808)	(125)
Net cash provided by (used in) investing activities	21,278	(27,510)	(39,917)
Cash flows from financing activities:			
Issuance of common stock	953	3,077	2,740
Excess tax benefit from stock option exercises	107	524	534
Purchase of common stock for stock bonus plans	(1,681)	(1,494)	(1,222)
Repurchase of common stock	(90,629)	(58,698)	--
Cash dividends	(28,194)	--	--
Payments on long-term debt	--	--	(13,427)
Net cash used in financing activities	(119,444)	(56,591)	(11,375)
Effect of exchange rate changes on cash and cash equivalents	(19,207)	291	6,640
Net change in cash and cash equivalents	(6,052)	31,507	45,851
Cash and cash equivalents at beginning of year	166,992	135,485	89,634
Cash and cash equivalents at end of year	$160,940	$166,992	$135,485

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
TECHNE Corporation and Subsidiaries

Years ended June 30, 2009, 2008 and 2007

A. Description of business and summary of significant accounting policies:

Description of business: TECHNE Corporation and Subsidiaries (the Company) are engaged in the development, manufacture and sale of biotechnology products and hematology calibrators and controls. These activities are conducted domestically through its wholly-owned subsidiaries, Research and Diagnostic Systems, Inc. (R&D Systems) and BiosPacific, Inc. (BiosPacific). The Company distributes biotechnology products in Europe through its wholly-

owned U.K. subsidiary, R&D Systems Europe Ltd. (R&D Europe). R&D Europe has a sales subsidiary, R&D Systems GmbH, in Germany and a sales office in France. The Company distributes biotechnology products in China through its wholly-owned subsidiary R&D Systems China Co. Ltd. (R&D China).

Estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. These estimates include the valuation of accounts receivable, inventory, intangible assets, stock based compensation and income taxes. Actual results could differ from these estimates.

Risk and uncertainties: There are no concentrations of business transacted with a particular customer or supplier or 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 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 resulting gains and losses arising from the translation of net assets located outside the U.S. are recorded as a cumulative translation adjustment, a component of accumulated other comprehensive income (loss) on the consolidated balance sheets. Foreign statements of earnings are translated at the average rate of exchange for the year. Foreign currency transaction gains and losses are included in other non-operating expense in the consolidated statement of earnings.

Revenue recognition: The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price is fixed or determinable and collectability is reasonably assured. Payment terms for shipments to end-users are generally net 30 days. Payment terms for distributor shipments may range from 30 to 90 days. Products are shipped FOB shipping point. Freight charges billed to end-users are included in net sales and freight costs are included in cost of sales. Freight charges on shipments to distributors are paid directly by the distributor. Any claims for credit or return of goods must be made within 10 days of receipt. Revenues are reduced to reflect estimated credits and returns. Sales, use, value-added and other excise taxes are not included in revenue.

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.

Advertising costs: Advertising expenses (including production and communication costs) for fiscal 2009, 2008 and 2007 were $3.0 million, $3.0 million and $2.8 million, respectively. The Company expenses advertising expenses as incurred.

Share-based compensation: The Company accounts for employee share-based compensation under Statement of Financial Accounting Standards (SFAS) No. 123 (Revised 2004), Share-Based Payment. The Statement requires a public entity to measure the cost of employee services received in exchange for the award of equity instruments based on the fair value of the award at the date of grant. Compensation cost is recognized using a straight-line method over the vesting period and is net of estimated forfeitures. Compensation expense related to stock options for the years ended June 30, 2009, 2008 and 2007 was $1.5 million, $1.7 million and $1.6 million, respectively.

Income taxes: The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized to record the income tax effect of temporary differences between the tax basis

and financial reporting basis of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. In June 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109. Effective July 1, 2007, the Company adopted FIN 48. FIN 48 requires that a position taken or expected to be taken in a tax return be recognized in the financial statements when it is more likely than not that the position would be sustained upon examination by tax authorities. A recognized tax position is then measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

Financial instruments: The carrying amounts of cash and cash equivalents, receivables, accounts payable and other current liabilities approximate fair value due to their short-term nature. Marketable securities are carried at fair value.

Cash and equivalents: Cash and cash equivalents include cash on hand and highly-liquid investments with original maturities of three months or less.

Available-for-sale investments: Available-for-sale investments consist mainly of debt instruments with original maturities of generally three months to three years and are recorded based on trade-date. The Company considers all of its marketable securities available-for-sale and reports them at fair market value. Fair market values are based on quoted market prices. Unrealized gains and losses on available-for-sale securities are excluded from income, but are included in other comprehensive income. If an "other-than-temporary" impairment is determined to exist, the difference between the value of the investment security recorded in the financial statements and the Company's current estimate of the fair value is recognized as a charge to earnings in the period in which the impairment is determined.

Inventories: Inventories are stated at the lower of cost (first-in, first-out method) or market. The Company regularly reviews inventory on hand for slow-moving and obsolete inventory, inventory not meeting quality control standards and inventory subject to expiration.

To meet strict customer quality standards, the Company has established a highly controlled manufacturing process for proteins and antibodies. New protein and antibody products require the initial manufacture of multiple batches to determine if quality standards can be consistently met. In addition, the Company will produce larger batches of established products than current sales requirements due to economies of scale. The manufacturing process for proteins and antibodies, therefore, has and will continue to produce quantities in excess of forecasted usage. The Company values its manufactured protein and antibody inventory based on a two-year usage forecast. Protein and antibody quantities in excess of the two-year usage forecast are considered impaired and not included in the inventory cost. Sales of previously impaired protein and antibody inventory for fiscal years 2009, 2008 and 2007 were not material. Manufacturing costs for proteins and antibodies charged directly to cost of sales were $11.9 million, $11.0 million and $8.4 million for fiscal 2009, 2008 and 2007 respectively.

Depreciation and amortization: Equipment is depreciated using the straight-line method over an estimated useful life of five years. Buildings, building improvements and leasehold improvements are amortized over estimated useful lives of five to forty years.

Goodwill and intangible assets: At June 30, 2009, the Company had recorded goodwill of $25.1 million. The Company completed its annual impairment testing of goodwill and concluded that no impairment existed as of June 30, 2009. The Company's annual assessment included comparison of the carrying amount of a reporting unit, including goodwill, to the fair value of the reporting unit. Other intangible assets are being amortized over their estimated useful lives.

Impairment of intangible and other long-lived assets: The Company reviews the carrying amount of intangible and other long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of asset groups subject to

impairment analysis requires the Company to make assumptions and judgments regarding the fair value of these asset groups. Asset groups are considered to be impaired if their carrying amount exceeds the groups' ability to continue to generate income from operations and positive cash flow in future periods. If asset groups are considered impaired, the amount by which the carrying amount exceeds its fair value would be expensed as an impairment loss. As of June 30, 2009, the Company has determined that no impairment exists.

Investments in unconsolidated entities: The Company has equity investments in several start-up and early development stage companies, among them ChemoCentryx, Inc, (CCX), Hemerus Medical, LLC (Hemerus), Nephromics, LLC (Nephromics) and ACTGen, Inc. (ACTGen). The accounting treatment of each investment (cost method or equity method) is dependent upon a number of factors, including, but not limited to, the Company's share in the equity of the investee and the Company's ability to exercise significant influence over the operating and financial policies of the investee.

Subsequent events: The Company has evaluated subsequent events through August 28, 2009, the date these consolidated financial statements were issued.

Recent accounting pronouncements: In May 2009, the FASB issued SFAS No. 165, Subsequent Events, which provides guidance to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS No. 165 also requires entities to disclose the date through which subsequent events were evaluated as well as the rationale for why that date was selected. The Company has adopted the provisions of SFAS No. 165 for the fiscal year ended June 30, 2009. The adoption of SFAS No. 165 did not have an impact on the financial condition, results of operations, and disclosures of the Company.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Effective July 1, 2008, the Company adopted the provisions of SFAS No. 157 related to financial assets and liabilities, as well as other assets and liabilities carried at fair value on a recurring basis. These provisions, which have been applied prospectively, did not have a material impact on the Company's consolidated financial statements. Certain other provisions of SFAS No. 157 related to other nonfinancial assets and liabilities will be effective for the Company on July 1, 2009, and will be applied prospectively. The adoption of the provisions of SFAS No. 157 related to other nonfinancial assets and liabilities is not expected to have a significant impact on the Company's consolidated financial statement disclosures.

SFAS No. 157 defines three levels of inputs that may be used to measure fair value and requires that the assets or liabilities carried at fair value be disclosed by the input level under which they were valued. The input levels defined under SFAS No. 157 are as follows:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than defined in Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are not corroborated by observable market data.

The Company's financial assets and liabilities measured at fair value as of June 30, 2009, were its available-for-sale securities of $103.8 million, which were valued using Level 1 inputs.

B. Available-for-sale investments:

At June 30, 2009 and 2008, the amortized cost and market value of the

Company's available-for-sale securities by major security type were as follows (in thousands):

	June 30, 2009		2008	
	Cost	Market	Cost	Market
State and municipal debt securities	$ 99,694	$100,520	$120,155	$120,512
U.S. government securities	785	796	--	--
Auction-rate securities	--	--	8,675	5,775
Corporate debt securities	2,457	2,494	447	450
	102,936	103,810	129,277	126,737
Net unrealized gain (loss)	874	--	(2,540)	--
	$103,810	$103,810	$126,737	$126,737

Gross unrealized gains and losses on available-for-sale investments were $942,000 and $68,000, respectively at June 30, 2009. Gross unrealized gains and losses on available-for-sale investments were $537,000 and $3.1 million, respectively, at June 30, 2008.

Unrealized gains and losses on the Company's available-for-sale investments are caused by interest rate changes. Because the Company has the ability and intent to hold its available-for-sale investments that are in an unrealized loss position until a recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired at June 30, 2009. The net unrealized gain or loss on available-for-sale investments, net of tax benefit, is reflected in accumulated other comprehensive income, a component of stockholders' equity.

At June 30, 2008, the Company held $8.7 million par value of investments in auction-rate securities which were rated A or above and consisted of specifically identifiable tax-free municipal revenue bonds where the underlying credit could be specifically evaluated and rated. At June 30, 2008, the Company determined, based on an internal valuation model, that several of its investments in auction-rate securities were temporarily impaired and reduced the value of its auction-rate investments to $5.8 million. In fiscal 2009, the Company sold all of its auction-rate securities at par value. The Company classified its auction-rate securities as long-term available-for-sale investments.

At June 30, 2009, the Company's investments in an unrealized loss position that have been determined to be temporarily impaired were as follows (in thousands):

Period of Unrealized Loss:	Fair Value	Unrealized Losses
Less than one year	$ 7,253	$ 30
Greater than one year	6,215	38
	$13,468	$ 68

Contractual maturities of available-for-sale investments are shown below (in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to recall or prepay obligations with or without call or prepayment penalties.

Year Ending June 30, 2009:	
Due within one year	$ 41,947
Due after one year	61,863
	$103,810

Proceeds from maturities or sales of available-for-sale securities were $75.7 million, $69.0 million and $25.6 million during fiscal 2009, 2008 and 2007, respectively. There were no material gross realized gains or losses on these sales. Realized gains and losses are determined on the specific identification method.

C. Inventories:

Inventories consist of (in thousands):

	June 30,	
	2009	2008
Raw materials	$ 4,905	$ 3,962
Finished goods	6,222	5,430
Supplies	142	123
	$ 11,269	$ 9,515

At June 30, 2009 and 2008, the Company had $17.7 million and $16.0 million, respectively, of excess protein and antibody inventory on hand which was fully reserved.

D. Property and equipment:

Property and equipment consist of (in thousands):

	June 30,	
	2009	2008
Cost:		
Land	$ 7,538	$ 5,608
Buildings and improvements	116,662	116,107
Laboratory equipment	24,759	22,826
Office and computer equipment	4,746	4,856
	153,705	149,397
Accumulated depreciation and amortization	(53,572)	(47,675)
	$100,133	$101,722

E. Intangible assets:

Intangible assets consist of (in thousands):

		June 30,	
	Useful Life	2009	2008
Customer relationships	2-8 years	$ 1,966	$ 1,966
Technology	8 years	3,483	3,483
Trade names	5 years	1,396	1,396
		6,845	6,845
Accumulated amortization		(3,841)	(2,881)
		$ 3,004	$ 3,964

The estimated future amortization expense for intangible assets as of June 30, 2009 is as follows (in thousands):

Year Ending June 30:	
2010	$ 960
2011	681
2012	682

2013	681
	$ 3,004

F. Investments in unconsolidated entities:

In fiscal 2008, the Company invested $1.4 million for a 19% interest in ACTGen, a development stage biotechnology company located in Japan. ACTGen has intellectual property related to the identification and expression of molecules. The technology covers techniques to identify cellular molecules which are destined to be secreted into tissue fluids or shuttled to the cell membrane. Such molecules represent an ideal target as biomarkers. The Company's net investment in ACTGen was $1.2 million and $1.3 million at June 30, 2009 and 2008, respectively.

In fiscal 2007, the Company invested $7.2 million for an 18% equity interest in Nephromics. Nephromics has licensed technology related to the diagnosis of preeclampsia and has sublicensed the technology to several major diagnostic companies for the development of diagnostic assays. In fiscal 2008, Nephromics issued additional membership units which reduced the Company's ownership to 16.8%. In fiscal 2009, the Company received a $1.3 million distribution from Nephromics. The Company accounts for its investment in Nephromics under the equity method of accounting as Nephromics is a limited liability company. The Company's net investment in Nephromics was $4.5 million and $6.2 million at June 30, 2009 and 2008, respectively.

In fiscal 2004, the Company purchased a 10% interest in Hemerus for $3.0 million. In fiscal years 2006 through 2008, the Company invested an additional $1.8 million in Hemerus, increasing its ownership percentage to 19%. In fiscal 2009, as a result of Hemerus repurchasing and retiring a third party's membership units, the Company's ownership percentage increased to 22%. Hemerus was formed in March 2001 and has acquired and is developing technology for the separation of leukocytes from blood and blood components. Hemerus owns two patents and has several patent applications pending and has received FDA clearance to market its products in the U.S. In parallel with this investment, R&D Systems entered into a Joint Research Agreement with Hemerus. The research involves joint projects to explore the use of Hemerus's filter technology in applications within R&D Systems' Hematology and Biotechnology Divisions. Such applications, if any, may have commercial potential in other laboratory environments. The Company accounts for its investment in Hemerus under the equity method of accounting as Hemerus is a limited liability company. The Company's net investment in Hemerus was $2.2 million and $2.9 million at June 30, 2009 and 2008, respectively.

The Company has invested in the preferred stock of CCX, a technology and drug development company. The Company holds a 16.8% ownership percentage in CCX. The Company has evaluated the cost versus equity method of accounting for its investment in CCX and determined that it does not have the ability to exercise significant influence over the operating and financial policies of CCX and therefore, accounts for its investment on a cost basis. The Company's net investment in CCX at both June 30, 2009 and 2008 was $14.3 million. In accordance with SFAS No. 107, Disclosures about Fair Value of Financial Instruments, the Company has determined that because CCX is privately held, it is not practicable to estimate the fair value of its investment in CCX. The Company has not identified any events or changes in circumstances that may have had a significant adverse effect on the fair value of the investment.

The Company does not provide loans, guarantees or other financial assistance to Nephromics, Hemerus, CCX or ACTGen and has no obligation to provide additional funding.

G. Debt:

The Company's short-term line of credit facility consists of an unsecured line of credit of $750,000 at June 30, 2009. The line of credit expires on October 31, 2009. The interest rate charged on the line of credit is a floating rate at the one-month London interbank offered rate (Libor) plus 1.75%. There were no borrowings on the line outstanding as of June 30, 2009 and 2008.

On October 31, 2006, the Company repaid its mortgage debt. The total payment of $13.8 million included the mortgage principal balance, accrued interest and a 5% prepayment penalty of $651,000. The prepayment penalty and $78,000 of unamortized loan origination fees are included in interest expense for fiscal 2007.

H. Commitments and contingencies:

The Company leases office and warehouse space, vehicles and various office equipment under operating leases. These leases provide for renewal or purchase options during or at the end of the lease periods. At June 30, 2009, aggregate net minimum rental commitments under non-cancelable leases having an initial or remaining term of more than one year are payable as follows (in thousands):

Year Ending June 30:	
2010	$ 332
2011	249
2012	95
2013	87
2014	87
Thereafter	17
	$ 867

Total rent expense was approximately $393,000, $583,000 and $762,000 for the years ended June 30, 2009, 2008 and 2007, respectively.

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 results of operations of the Company.

I. Stockholders' equity:

Stock option plans: The Company has stock option plans (the Plans) which provide for the granting of stock options to employees (the TECHNE Corporation 1997 Incentive Stock Option Plan) and to employees, officers, directors and consultants (the TECHNE Corporation 1998 Nonqualified Stock Option Plan). The Plans are administered by the Board of Directors and its Compensation Committee, which determine 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 and available for grant at June 30, 2009 are as follows (in thousands):

	Authorized	Available for Grant
1997 Incentive Stock Option Plan	3,200	2,349
1998 Nonqualified Stock Option Plan	1,600	842

Stock option activity, under the Plans for the three years ended June 30, 2009, consists of the following (shares in thousands):

	Shares	Weighted Average Exercise Price	Weighted Avg. Contractual Life (Yrs.)	Aggregate Intrinsic Value
Outstanding at June 30, 2006	421	$ 38.89		
Granted	84	58.01		
Forfeited or expired	(1)	65.00		
Exercised	(81)	35.32		

Outstanding at June 30, 2007	423	43.29		
Granted	37	65.88		
Forfeited or expired	(1)	36.50		
Exercised	(87)	35.84		
Outstanding at June 30, 2008	372	47.36		
Granted	47	65.07		
Forfeited or expired	--	--		
Exercised	(21)	46.43		
Outstanding at June 30, 2009	398	$ 49.49	4.8	$5.9 million
Exercisable at June 30:				
2007	365	$ 41.23		
2008	343	46.33		
2009	379	48.96	4.8	$5.8 million

The fair values of options granted under the Plans were estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions used:

	Year Ended June 30,		
	2009	2008	2007
Dividend yield	1.6%	--	--
Expected volatility	24%-37%	24%-46%	25%-47%
Risk-free interest rates	2.9%-3.5%	4.2%-4.6%	4.5%-5.1%
Expected lives	7 years	7 years	6 years

The Company declared and paid its first dividend during the quarter ended December 31, 2008. As the Company had not established a practice of paying dividends prior to the grant of options in the first half of fiscal 2009, an expected dividend yield of zero was used to estimate the fair value of options granted during the first two quarters of fiscal 2009. The Company continued to pay dividends in the third and fourth quarter of fiscal 2009, therefore a dividend yield of 1.6% was used in estimating the fair value of options granted in the second half of fiscal 2009. The expected annualized volatility is based on the Company's historical stock price over a period equivalent to the expected life of the option granted. The risk-free interest rate is based on U.S. Treasury constant maturity interest rate with a term consistent with the expected life of the options granted. Separate groups of employees that have similar historical exercise behavior with regard to option exercise timing and forfeiture rates are considered separately in determining option fair value.

The weighted average fair value of options granted during fiscal 2009, 2008 and 2007 was $28.21, $35.75 and $24.18, respectively. The total intrinsic value of options exercised during fiscal 2009, 2008 and 2007 were $648,000, $2.5 million and $1.9 million, respectively. Stock option exercises are satisfied through the issuance of new shares. The total fair value of options vested during fiscal 2009, 2008 and 2007 were $1.5 million, $2.0 million and $1.8 million, respectively.

Stock-based compensation cost of $1.5 million, $1.7 million and $1.6 million was included in selling, general and administrative expense in fiscal 2009, 2008 and 2007, respectively. As of June 30, 2009, there was $279,000 of total unrecognized compensation cost related to non-vested stock options which will be expensed in fiscal 2010.

Stock repurchase: In fiscal 2009 and 2008, the Company repurchased approximately 1.4 million shares and 899,000 shares of its common stock at a market value of $90.6 million and $58.7 million, respectively, pursuant to stock purchase plans authorized by the Board of Directors.
Cash dividends: In fiscal 2009, the Company paid three quarterly cash dividends of $0.25 per share per quarter totaling $28.2 million.

J. Income taxes:

The provisions for income taxes consist of the following (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Earnings before income taxes consist of:			
Domestic	$121,585	$113,310	$101,154
Foreign	33,778	40,521	27,777
	$155,363	$153,831	$128,931
Taxes on income consist of:			
Currently payable:			
Federal	$ 38,621	$ 36,602	$ 32,244
State	2,308	2,186	3,741
Foreign	9,920	12,146	8,632
Net deferred:			
Federal	(721)	(719)	(594)
State	9	40	(217)
Foreign	(16)	18	14
	$ 50,121	$ 50,273	$ 43,820

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

	Year Ended June 30,		
	2009	2008	2007
Computed expected federal income tax expense	$ 54,377	$ 53,841	$ 45,126
State income taxes, net of federal benefit	1,805	1,298	2,380
Qualified production activity deduction	(2,397)	(2,260)	(1,029)
Research and development tax credit	(1,192)	(310)	(265)
Tax-exempt interest	(1,424)	(1,687)	(1,270)
Decrease in deferred tax valuation allowance	(235)	(171)	(109)
Extraterritorial income tax benefit	--	--	(454)
Other	(813)	(438)	(559)
	$ 50,121	$ 50,273	$ 43,820

Temporary differences comprising deferred taxes on the consolidated balance sheets are as follows (in thousands):

	June 30,	
	2009	2008
Inventory reserves	$ 6,389	$ 5,954
Inventory costs capitalized	1,787	1,558
Unrealized profit on intercompany sales	878	761
Intangible asset amortization	891	2,300
Depreciation	1,825	1,998
Excess tax basis in equity investments	3,758	3,091
Foreign tax credit carryforward	154	56
Deferred compensation	1,795	1,493
Unrealized losses on available-for-sale investments	--	935
Other	520	501
Valuation allowance	(2,912)	(3,147)
Net deferred tax assets	15,085	15,500
Intangible asset amortization	(900)	(1,038)
Unrealized gains on available-for-sale investments	(316)	--
Other	(923)	(974)
Deferred tax liabilities	(2,139)	(2,012)
Net deferred tax assets	$ 12,946	$ 13,488

A deferred tax valuation allowance is required when it is more likely than not that all or a portion of deferred tax assets will not be realized. The Company has provided a valuation allowance for potential capital loss carryovers resulting from excess tax basis in certain of its equity investments. The Company believes that it is more likely than not that the recorded deferred tax asset, net of valuation allowance, will be realized.

Undistributed earnings of the Company's foreign subsidiaries amounted to approximately $137.5 million as of June 30, 2009. Deferred taxes have not been provided on such undistributed earnings, as the Company has either paid U.S. taxes on the undistributed earnings or intends to indefinitely reinvest the undistributed earnings in the foreign operations.

The Company adopted FIN 48 on July 1, 2007. The total amount of gross unrecognized tax benefits as of the date of adoption was $143,000 of which $47,000, if recognized, would affect the Company's effective tax rate. A reconciliation of unrecognized tax benefits is as follows (in thousands):

Gross unrecognized tax benefits as of July 1, 2007	$ 143
Gross increases:	
Current year tax positions	20
Gross decreases:	
Prior year tax positions (tax paid)	(64)
Statute of limitation lapses	(7)
Gross unrecognized tax benefits as of June 30, 2008	92
Gross increases:	
Current year tax positions	7
Gross decreases:	
Statute of limitation lapses	(8)
Gross unrecognized tax benefits as of June 30, 2009	$ 91

The gross unrecognized tax benefit balance as of June 30, 2009 of $91,000 includes $6,000 of unrecognized taxes benefits that, if recognized, would affect the effective tax rate. The gross unrecognized tax benefit balance as of June 30, 2008 of $92,000 includes $7,000 of unrecognized tax benefits that, if recognized, would affect the effective tax rate. Accrued interest and penalties were not material at June 30, 2009 and 2008.

The Company does not believe it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease in the next twelve months. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. The Company files income tax returns in the U.S federal tax jurisdiction, the states of Minnesota, Massachusetts and California, and several jurisdictions outside the U.S. U.S. tax returns for 2006 and subsequent years remain open to examination by the tax authorities. The Company's major non-U.S. tax jurisdictions are the United Kingdom, France and Germany, which have tax years open to examination for 2005 and subsequent years, and China which has calendar year 2009 open to examination.

K. Earnings per share:

The number of shares used to calculate earnings per share are as follows (in thousands, except per share data):

	Year Ended June 30,		
	2009	2008	2007
Net earnings used for basic and diluted earnings per share	$105,242	$103,558	$ 85,111
Weighted average shares used in basic computation	37,802	39,139	39,406
Dilutive stock options and warrants	98	108	107
Weighted average shares used in			

diluted computation	37,900	39,247	39,513
Basic EPS	$ 2.78	$ 2.65	$ 2.16
Diluted EPS	$ 2.78	$ 2.64	$ 2.15

The dilutive effect of stock options and warrants in the above table excludes all options for which the aggregate exercise proceeds exceeded the average market price for the period. The number of potentially dilutive option shares excluded from the calculation was 26,000, 39,000 and 13,000 at June 30, 2009, 2008 and 2007, respectively.

L. Segment information:

The Company has three reportable operating segments based on the nature of products and geographic location: biotechnology, R&D Europe and hematology. The biotechnology segment consists of R&D Systems' Biotechnology Division, BiosPacific and R&D China, which develop, manufacture and sell biotechnology research and diagnostic products world-wide. R&D Europe distributes Biotechnology Division products throughout Europe. The hematology segment develops and manufactures hematology controls and calibrators for sale world-wide. No customer accounted for more than 10% of the Company's net sales for the years ended June 30, 2009, 2008 and 2007.

The accounting policies of the segments are the same as those described in Note A. In evaluating segment performance, management focuses on sales and earnings before taxes.

Following is financial information relating to the operating segments (in thousands):

	Year Ended June 30,		
	2009	2008	2007
External sales			
Biotechnology	$173,913	$165,663	$146,614
R&D Europe	72,541	75,735	61,766
Hematology	17,502	16,022	15,102
Consolidated net sales	$263,956	$257,420	$223,482
Earnings before taxes			
Biotechnology	$123,794	$115,856	$102,398
R&D Europe	32,245	39,893	27,792
Hematology	6,143	4,258	4,498
Segment earnings before taxes	162,182	160,007	134,688
Other	(6,819)	(6,176)	(5,757)
Consolidated earnings before taxes	$155,363	$153,831	$128,931
Assets			
Biotechnology	$222,534	$244,659	$216,282
R&D Europe	139,302	139,871	108,110
Hematology	15,804	18,989	23,189
Intersegment eliminations	(6,391)	(5,462)	(3,000)
Segment assets	371,249	398,057	344,581
Other	100,756	109,312	110,263
Consolidated assets	$472,005	$507,369	$454,844
Depreciation and amortization			
Biotechnology	$ 4,085	$ 3,713	$ 3,702
R&D Europe	417	329	261
Hematology	229	231	267
Segment depreciation and amortization	4,731	4,273	4,230
Other	3,035	2,986	2,764
Consolidated depreciation and amortization	$ 7,766	$ 7,259	$ 6,994

Capital purchases			
Biotechnology	$ 3,305	$ 5,563	$ 5,644
R&D Europe	196	8,517	247
Hematology	94	76	207
Segment capital purchases	3,595	14,156	6,098
Other	2,961	2,209	1,978
Consolidated capital purchases	$ 6,556	$ 16,365	$ 8,076

The other reconciling items include the results of unallocated corporate expenses and assets, and the Company's share of losses from its equity method investees.

Following is financial information relating to geographic areas (in thousands):

	Year Ended June 30,		
	2009	2008	2007
External sales			
United States	$147,271	$141,443	$127,695
Europe	79,381	81,628	66,492
Other areas	37,304	34,349	29,295
Total external sales	$263,956	$257,420	$223,482
Long-lived assets			
United States	$ 93,571	$ 93,612	$ 90,965
Europe	7,214	8,992	867
Other areas	98	112	47
Total long-lived assets	$100,883	$102,716	$ 91,879

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 other assets, net of accumulated depreciation and amortization.

M. Benefit plans:

Profit sharing plans: The Company has Profit Sharing and Savings Plans for non-union U.S. employees, which conform 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 plans of $617,000, $1.6 million and $1.4 million for the years ended June 30, 2009, 2008 and 2007, respectively. The Company operates a defined contribution pension plan for employees of R&D Europe. Operations have been charged for contributions to the plan of $154,000, $174,000 and $153,000 for the years ended June 30, 2009, 2008 and 2007, 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 purchases its common stock at market value for contribution to the plans. For the years ended June 30, 2009, 2008 and 2007 operations have been charged for contributions to the plan of $647,000, $1.7 million and $1.5 million, respectively.

Performance incentive program: Under certain employment agreements with executive officers, the Company recorded bonuses of $76,000, $87,000 and $130,000 for the years ended June 30, 2009, 2008 and 2007, respectively. In addition, options for 981, 2,217 and 2,505 shares of common stock were granted to the executive officers during fiscal 2009, 2008 and 2007, respectively.

N. Supplemental disclosures of cash flow information and noncash investing and financing activities:

The Company paid cash for the following items (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Income taxes paid	$ 50,875	$ 49,098	$ 46,192
Interest paid	--	--	1,090

In fiscal 2009, stock options for 785 shares of common stock were exercised by the surrender of 348 shares of common stock at fair market value of $22,000. In fiscal 2008, stock options for 1,948 shares of common stock were exercised by the surrender of 1,101 shares of common stock at fair market value of $68,000. In fiscal 2007, stock options for 3,000 shares of common stock were exercised by the surrender of 1,810 shares of common stock at fair market value of $111,000.

O. Accumulated other comprehensive income:

Accumulated other comprehensive (loss) income consists of (in thousands):

	Year Ended June 30,		
	2009	2008	2007
Foreign currency translation adjustments	$ (8,035)	$ 13,733	$ 13,400
Net unrealized gain (loss) on available-for-sale investments	558	(1,605)	(476)
	$ (7,477)	$ 12,128	$ 12,924

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
TECHNE Corporation:

We have audited the accompanying consolidated balance sheets of TECHNE Corporation and subsidiaries (the Company) as of June 30, 2009 and 2008, and the related consolidated statements of earnings, stockholders' equity and comprehensive income (loss), and cash flows for each of the years in the three-year period ended June 30, 2009. We also have audited TECHNE Corporation's internal control over financial reporting as of June 30, 2009, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). TECHNE Corporation's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal

control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TECHNE Corporation and subsidiaries as of June 30, 2009 and 2008, and the results of their operations and their cash flows for each of the years in the three-year period ended June 30, 2009, in conformity with U.S. generally accepted accounting principles. Also in our opinion, TECHNE Corporation maintained, in all material respects, effective internal control over financial reporting as of June 30, 2009, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

/s/ KPMG LLP

Minneapolis, Minnesota
August 28, 2009

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, the Company conducted an evaluation, under the supervision and with the participation of the principal executive officer and principal financial officer, of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")). Based on this evaluation, the principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

Changes in Internal Controls

There was no change in the Company's internal control over financial

reporting during the Company's most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). As of June 30, 2009, management, under the supervision of the chief executive officer and chief financial officer, assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in "Internal Control - Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the assessment, management determined that the Company maintained effective internal control over financial reporting as of June 30, 2009.

KPMG LLP, our independent registered public accounting firm, has issued an attestation report on the effectiveness of the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Other than "Executive Officers of the Company" which is set forth at the end of Part I of this Annual Report on Form 10-K, the information required by Item 10 is incorporated herein by reference to the sections entitled "Election of Directors", "Corporate Governance" and "Compliance With Section 16(a) of the Securities Exchange Act" in the Company's Proxy Statement for its 2009 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 "Corporate Governance" and "Executive Compensation Discussion and Analysis" in the Company's Proxy Statement for its 2009 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 AND RELATED STOCKHOLDER MATTERS

Information about the Company's equity compensation plans at June 30, 2009 is as follows (shares in thousands):

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans			

approved by Stockholders (1)	398	$49.49	3,191
Equity compensation plans not approved by Stockholders	--	--	--

(1) Includes the Company's 1997 Incentive Stock Option Plan and 1998 Nonqualified Stock Option Plan.

The remaining 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 2009 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, AND DIRECTOR INDEPENDENCE

The information required by Item 13 is incorporated by reference to the sections entitled "Corporate Governance" in the Company's Proxy Statement for its 2009 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 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by Item 14 is incorporated herein by reference to the section entitled "Audit Matters" in the Company's Proxy Statement for its 2009 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.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

A. (1) List of Financial Statements.

The following Consolidated Financial Statements are filed as part of This Annual Report on Form 10-K:

Consolidated Statements of Earnings for the Years Ended June 30, 2009, 2008 and 2007

Consolidated Balance Sheets as of June 30, 2009 and 2008

Consolidated Statements of Stockholders' Equity and Comprehensive Income for the Years Ended June 30, 2009, 2008 and 2007

Consolidated Statements of Cash Flows for the Years Ended June 30, 2009, 2008 and 2007

Notes to Consolidated Financial Statements for the Years Ended June 30, 2009, 2008 and 2007

Report of Independent Registered Public Accounting Firm

A. (2) Financial Statement Schedules.

All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

A. (3) Exhibits.

See "Exhibit Index" immediately following signature page.

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: August 28, 2009 /s/ 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
August 28, 2009	/s/ Thomas E. Oland Thomas E. Oland Chairman of the Board, President, Treasurer, Chief Executive Officer and Director (principal executive officer)
August 28, 2009	/s/ Roger C. Lucas, Ph.D. Dr. Roger C. Lucas Vice Chairman and Director
August 28, 2009	/s/ Howard V. O'Connell Howard V. O'Connell, Director
August 28, 2009	/s/ G. Arthur Herbert G. Arthur Herbert, Director
August 28, 2009	/s/ Randolph C. Steer, Ph.D., M.D. Dr. Randolph C. Steer, Director
August 28, 2009	/s/ Robert V. Baumgartner Robert V. Baumgartner, Director
August 28, 2009	/s/ Charles A. Dinarello, M.D. Dr. Charles A. Dinarello, Director
August 28, 2009	/s/ Karen A. Holbrook, Ph.D. Dr. Karen A. Holbrook, Director
August 28, 2009	/s/ John L. Higgins John L. Higgins, Director
August 28, 2009	/s/ Gregory J. Melsen Gregory J. Melsen, Chief Financial Officer (principal financial officer)
August 28, 2009	/s/ Kathleen M. Backes Kathleen M. Backes, Controller

EXHIBIT INDEX
for Form 10-K for the 2009 Fiscal Year

Exhibit Number	Description
3.1	Restated Articles of Incorporation of Company, as amended to date --incorporated by reference to Exhibit 3.1 of the Company's Form 10-Q for the quarter ended September 30, 2000*
3.2	Restated Bylaws of the Company, as amended to date--incorporated by reference to Exhibit 3.1 of the Company's Form 8-K, dated November 14, 2007*
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**	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*
10.5**	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*
10.6	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*
10.7**	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*
10.8**	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*
10.9	Investment Agreement between the Company and Discovery Genomics, Inc. dated August 2, 2001--incorporated by reference to Exhibit 10.30 of the Company's for 10-K for the year ended June 30, 2001.*
10.10	Research and License Agreement between R&D Systems and Discovery Genomics, Inc. dated August 2, 2001--incorporated by reference to Exhibit 10.31 of the Company's 10-K for the year ended June 30, 2001.*
10.11	Investors Rights Agreement dated February 2, 2001 among ChemoCentryx, Inc., the Company and certain investors amending the Investment Agreement between ChemoCentryx, Inc. and the Company dated November 18, 1997--incorporated by reference to Exhibit 10.32 of the Company's 10-K for the year ended June 30, 2001.*
10.12	Letter Agreement dated February 2, 2001 between ChemoCentryx, Inc. and the Company amending the terms of warrants held by the Company--incorporated by reference to Exhibit 10.33 of the Company's 10-K for the year ended June 30, 2001.*

*Incorporated by reference; SEC File No. 000-17272
**Management contract or compensatory plan or arrangement

Exhibit
Number Description
- ------- -----------------

10.13 Correction/Amendment to Investment Agreement dated April 23, 2002, between Techne Corporation, Discovery Genomics, Inc. and Roger Lucas--incorporated by reference to Exhibit 10.39 of the Company's 10-K for the year ended June 30, 2002.*

10.14** Form of Indemnification Agreement entered into with each director and executive officer of the Company--incorporated by reference to Exhibit 10.1 of the Company's 10-Q for the quarter ended December 31, 2002.*

10.15** Employment Agreement, dated December 17, 2004, with Gregory J. Melsen--incorporated by reference to Exhibit 10.1 of the Company's 8-K dated December 20, 2004.*

10.16** Description of Executive Officer's Incentive Bonus Plan--incorporated by reference to Exhibit 10.30 of the Company's 10-K for the year ended June 30, 2005.*

10.17 Amended and Restated Investors Rights Agreement dated June 13, 2006 among ChemoCentryx, Inc and the Company and certain investors--incorporated by reference to Exhibit 10.31 of the Company's 10-K for the year ended June 30, 2006.*

10.18** Employment Agreement, dated January 30, 2008, with Marcel Veronneau--incorporated by reference to Exhibit 10.1 of the Company's 10-Q dated December 31, 2007.*

21 Subsidiaries of the Company:

Name	State/Country of Incorporation
Research and Diagnostic Systems, Inc. (R&D Systems)	Minnesota
BiosPacific, Inc.	Minnesota
R&D Systems Europe Ltd.	United Kingdom
R&D Systems GmbH	Germany
R&D Systems China Co. Ltd.	China

23 Consent of KPMG LLP, Independent Registered Public Accounting Firm

31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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*Incorporated by reference; SEC File No. 000-17272
**Management contract or compensatory plan or arrangement

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
TECHNE Corporation:

We consent to the incorporation by reference in the Registration Statements (No. 333-37263, 333-88885, and 333-49962) on Form S-8 of TECHNE Corporation of our report dated August 28, 2009, relating to the consolidated balance sheets of TECHNE Corporation and subsidiaries as of June 30, 2009 and 2008, and the related consolidated statements of earnings, stockholders' equity and comprehensive income (loss), and cash flows for each of the years in the three-year period ended June 30, 2009, and the effectiveness of internal control over financial reporting as of June 30, 2009, which report is included in the June 30, 2009 annual report on Form 10-K of TECHNE Corporation.

/s/ KPMG LLP

Minneapolis, Minnesota
August 28, 2009

CERTIFICATION

I, Thomas E. Oland, certify that:

1. I have reviewed this annual report on Form 10-K of Techne Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 28, 2009

/s/ Thomas E. Oland
- ----------
Thomas E. Oland
Chief Executive Officer

CERTIFICATION

I, Gregory J. Melsen, certify that:

1. I have reviewed this annual report on Form 10-K of Techne Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 28, 2009

/s/ Gregory J. Melsen
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Gregory J. Melsen
Chief Financial Officer

TECHNE CORPORATION

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Techne Corporation (the "Company") on Form 10-K for the year ended June 30, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas E. Oland, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Thomas E. Oland

Thomas E. Oland
Chief Executive Officer
August 28, 2009

TECHNE CORPORATION

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Techne Corporation (the "Company") on Form 10-K for the year ended June 30, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory J. Melsen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gregory J. Melsen

Gregory J. Melsen
Chief Financial Officer
August 28, 2009