
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended **December 31, 2015**, or

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

For the transition period from _____ to _____

Commission file number **0-17272**

BIO-TECHNE CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of
incorporation or organization)

41-1427402
(I.R.S. Employer
Identification No.)

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

(612) 379-8854
(Registrant's telephone number, including area code)

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 No

Indicate by check mark whether the registrant 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 (§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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

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

At February 4, 2016, 37,191,353 shares of the Company's Common Stock (par value \$0.01) were outstanding.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

	<u>Page</u>
Item 1. Financial Statements (Unaudited)	1
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	10
Item 3. Quantitative and Qualitative Disclosures about Market Risk	16
Item 4. Controls and Procedures	17

PART II: OTHER INFORMATION

Item 1. Legal Proceedings	18
Item 1A. Risk Factors	18
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	18
Item 6. Exhibits	18
SIGNATURES	18

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
AND COMPREHENSIVE INCOME**

Bio-Techne Corporation and Subsidiaries
(in thousands, except per share data)
(unaudited)

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31</i>		<i>December 31,</i>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net sales	\$ 120,907	\$ 111,948	\$ 233,288	\$ 220,425
Cost of sales	<u>39,320</u>	<u>36,205</u>	<u>76,310</u>	<u>71,616</u>
Gross margin	81,587	75,743	156,978	148,809
Operating expenses:				
Selling, general and administrative	34,585	31,137	67,625	59,838
Research and development	<u>10,977</u>	<u>10,026</u>	<u>22,299</u>	<u>19,175</u>
Total operating expenses	<u>45,562</u>	<u>41,163</u>	<u>89,924</u>	<u>79,013</u>
Operating income	36,025	34,580	67,054	69,796
Other (expense) income	<u>(651)</u>	<u>7,983</u>	<u>167</u>	<u>7,365</u>
Earnings before income taxes	35,374	42,563	67,221	77,161
Income taxes	<u>9,523</u>	<u>9,354</u>	<u>18,662</u>	<u>20,045</u>
Net earnings	<u>\$ 25,851</u>	<u>\$ 33,209</u>	<u>\$ 48,559</u>	<u>\$ 57,116</u>
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(7,514)	(15,837)	(20,410)	(24,940)
Unrealized gain (loss) on available-for-sale investments, net of tax of \$3,466, \$526, (\$306) and \$426, respectively	<u>9,602</u>	<u>14,339</u>	<u>(523)</u>	<u>5,851</u>
Other comprehensive (loss) income	<u>2,088</u>	<u>(1,498)</u>	<u>(20,933)</u>	<u>(19,089)</u>
Comprehensive income	<u>\$ 27,939</u>	<u>\$ 31,711</u>	<u>\$ 27,626</u>	<u>\$ 38,027</u>
Earnings per share:				
Basic	\$ 0.70	\$ 0.90	\$ 1.31	\$ 1.54
Diluted	\$ 0.69	\$ 0.89	\$ 1.30	\$ 1.54
Cash dividends per common share:	\$ 0.32	\$ 0.32	\$ 0.64	\$ 0.63
Weighted average common shares outstanding:				
Basic	37,189	37,085	37,179	37,048
Diluted	37,301	37,211	37,309	37,181

See Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

Bio-Techne Corporation and Subsidiaries
(in thousands, except share and per share data)

	<i>December</i>	<i>June 30,</i>
	<i>31, 2015</i>	<i>2015</i>
	<i>(unaudited)</i>	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 62,452	\$ 54,532
Short-term available-for-sale investments	51,471	56,389
Trade accounts receivable, less allowance for doubtful accounts of \$549 and \$555, respectively	66,135	70,034
Other receivables	1,195	954
Inventories	58,675	49,577
Prepaid expenses	6,942	5,285
Deferred income taxes	11,513	11,511
Total current assets	<u>258,383</u>	<u>248,283</u>
Property and equipment, net	134,043	129,749
Intangible assets, net	315,547	292,839
Goodwill	423,895	390,638
Other assets	1,585	1,851
Total Assets	<u>\$ 1,133,453</u>	<u>\$ 1,063,360</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 10,426	\$ 13,443
Salaries, wages and related accruals	10,130	10,344
Accrued expenses	7,493	6,604
Income taxes payable	852	1,972
Deferred revenue, current	3,139	3,380
Related party note payable, current	3,789	4,024
Total current liabilities	<u>35,829</u>	<u>39,768</u>
Deferred income taxes	75,272	61,429
Long-term debt obligations	162,789	112,024
Other long-term liabilities	3,220	3,204
Shareholders' equity:		
Common stock, par value \$.01 per share; authorized 100,000,000; issued and outstanding 37,191,353 and 37,152,979 respectively	372	371
Additional paid-in capital	168,960	163,306
Retained earnings	738,538	713,851
Accumulated other comprehensive loss	(51,527)	(30,593)
Total shareholders' equity	<u>856,343</u>	<u>846,935</u>
Total Liabilities and Shareholders' Equity	<u>\$ 1,133,453</u>	<u>\$ 1,063,360</u>

See Notes to Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Bio-Techne Corporation and Subsidiaries

(in thousands)

(unaudited)

	<i>Six Months Ended</i>	
	<i>December 31,</i>	
	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 48,559	\$ 57,116
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	21,275	18,454
Costs recognized on sale of acquired inventory	2,357	4,355
Deferred income taxes	(1,436)	(1,083)
Stock-based compensation expense	4,359	3,437
Gain on CyVek acquisition	0	(8,300)
Other	204	(5)
Change in operating assets and operating liabilities, net of acquisition:		
Trade accounts and other receivables	5,413	1,643
Inventories	(4,559)	(4,259)
Prepaid expenses	(1,510)	(500)
Trade accounts payable and accrued expenses	(2,071)	957
Salaries, wages and related accruals	(987)	378
Income taxes payable	(1,232)	(749)
Net cash provided by operating activities	<u>70,372</u>	<u>71,444</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions, net of cash acquired	(82,888)	(420,102)
Proceeds from maturities of available-for-sale investments	3,930	9,880
Additions to property and equipment	(11,008)	(8,047)
Distributions from unconsolidated entities	0	446
Net cash used in investing activities	<u>(89,966)</u>	<u>(417,823)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividends	(23,796)	(23,335)
Proceeds from stock option exercises	1,175	7,030
Excess tax benefit from stock option exercises	120	258
Borrowings under line-of-credit agreement	77,000	163,000
Payments on line-of-credit	(26,000)	(19,000)
Net cash provided by (used in) financing activities	<u>28,499</u>	<u>127,953</u>
Effect of exchange rate changes on cash and cash equivalents	(985)	(7,174)
Net increase (decrease) in cash and cash equivalents	<u>7,920</u>	<u>(225,600)</u>
Cash and cash equivalents at beginning of period	54,532	318,568
Cash and cash equivalents at end of period	<u>\$ 62,452</u>	<u>\$ 92,968</u>

See Notes to Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Bio-Techne Corporation and Subsidiaries
(unaudited)

Note 1. Basis of Presentation and Summary of Significant Accounting Policies:

The interim consolidated financial statements of Bio-Techne Corporation (formerly Techne Corporation) and subsidiaries, (the Company) presented here have been prepared by the Company and are unaudited. They have been prepared in accordance with accounting principles generally accepted in the United States of America and with instructions to Form 10-Q and Article 10 of Regulation S-X. They reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. All such adjustments are of a normal recurring nature.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These interim unaudited condensed consolidated financial statements should be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto for the fiscal year ended June 30, 2015, included in the Company's Annual Report on Form 10-K for fiscal 2015. A summary of significant accounting policies followed by the Company is detailed in the Company's Annual Report on Form 10-K for fiscal 2015. The Company follows these policies in preparation of the interim unaudited condensed consolidated financial statements.

Available-For-Sale Investments:

The Company's available-for-sale securities are carried at fair value using Level 1 and Level 2 inputs. The fair value of the Company's available-for-sale investments at December 31, 2015 and June 30, 2015 were \$51.5 million and \$56.4 million, respectively. The cost basis of the Company's available-for-sale investments at December 31, 2015 and June 30, 2015 were \$29.5 million and \$33.6 million, respectively.

Inventories:

Inventories consist of (in thousands):

	<i>December 31,</i> <u>2015</u>	<i>June 30,</i> <u>2015</u>
Raw materials	\$ 23,424	\$ 15,892
Finished goods	35,251	33,685
Inventories, net	<u>\$ 58,675</u>	<u>\$ 49,577</u>

At December 31, 2015, the Company had \$58.7 million of inventory compared to \$50.0 million as of June 30, 2015. The increase is primarily driven by the acquisition of Cliniqa Corporation in July 2015. At both December 31, 2015 and June 30, 2015, the Company had approximately \$24 million of excess protein, antibody and chemically-based inventory on hand which was not valued.

Property and Equipment:

Property and equipment consist of (in thousands):

	<u>December 31,</u> <u>2015</u>	<u>June 30,</u> <u>2015</u>
Land	\$ 7,306	\$ 7,370
Buildings and improvements	164,409	156,965
Machinery and equipment	<u>77,807</u>	<u>74,385</u>
Property and equipment, cost	249,522	238,720
Accumulated depreciation and amortization	<u>(115,479)</u>	<u>(108,971)</u>
Property and equipment, net	<u>\$ 134,043</u>	<u>\$ 129,749</u>

Intangible Assets:

Intangible assets consist of (in thousands):

	<u>December 31,</u> <u>2015</u>	<u>June 30,</u> <u>2015</u>
Developed technology	\$ 124,342	\$ 108,887
Trade names	63,518	63,867
Customer relationships	188,643	167,494
Non-compete agreements	<u>3,272</u>	<u>3,298</u>
Intangible assets	379,775	343,546
Accumulated amortization	<u>(64,228)</u>	<u>(50,707)</u>
Intangible assets, net	<u>\$ 315,547</u>	<u>\$ 292,839</u>

Changes to the carrying amount of net intangible assets for the six months ended December 31, 2015 consist of (in thousands):

Beginning balance	\$ 292,839
Acquisitions	46,325
Amortization expense	(14,767)
Currency translation	(8,850)
Ending balance	<u>\$ 315,547</u>

The estimated future amortization expense for intangible assets as of December 31, 2015 is as follows (in thousands):

Period Ending June 30:

2016	\$ 14,789
2017	27,231
2018	27,231
2019	26,429
2020	26,112
2021	26,112
Thereafter	<u>167,643</u>
Total	<u>\$ 315,547</u>

Goodwill:

Changes to the carrying amount of goodwill for the six months ended December 31, 2015 consist of (in thousands):

Beginning balance	\$	390,638
Acquisitions		42,919
Currency translation		(9,662)
Ending balance	\$	<u>423,895</u>

Contingent Consideration Payable

The Company made an initial payment of approximately \$62.0 million to the stockholders of CyVek on November 3, 2014. Such purchase price was adjusted after closing based on the final levels of cash, indebtedness and transaction expenses of CyVek as of the closing. The Company will also pay CyVek's previous stockholders up to \$35.0 million based on the revenue generated by CyVek's products before May 3, 2017 (30 months from the closing of the Merger). The Company will also pay CyVek's previous stockholders 50% of the amount, if any, by which the revenue from CyVek's products and related products exceeds \$100 million in calendar year 2020. The Company has recorded the present value of these contingent payments as a long-term liability of \$35.0 million at December 31, 2015.

Note 2. Acquisitions:

The Company's acquisitions have historically been made at prices above the fair value of the acquired identifiable assets, resulting in goodwill. The goodwill is due to strategic benefits of growing the Company's product portfolio, expected revenue growth from the increased market penetration from future products and customers, and expectations of synergies that will be realized by combining the businesses. Acquisitions have been accounted for using the purchase method of accounting and the acquired companies' results have been included in the accompanying financial statements from their respective dates of acquisition. Acquisition costs are recorded in selling, general and administrative expenses as incurred.

On July 8, 2015, the Company acquired all of the issued and outstanding equity interests of Cliniqa Corporation (Cliniqa). Cliniqa specializes in the manufacturing and commercialization of quality controls and calibrators as well as bulk reagents used in the clinical diagnostic market. The acquisition was mostly funded through our line-of-credit facility. The purchase price of Cliniqa exceeded the fair value of the identifiable net assets and, accordingly, the difference was allocated to goodwill, substantially all of which is not tax deductible. Cliniqa is included in the Company's Clinical Controls segment.

The preliminary estimated fair value of the assets acquired and liabilities assumed, pending final valuation of intangible assets, are as follows (in thousands):

	<i>Cliniqa</i>
Current assets	\$ 11,926
Equipment	1,436
Other long-term assets	58
Intangible Assets:	
Developed technology	18,000
Trade name	27,000
Customer relationships	1,100
Goodwill	42,919
Total assets acquired	<u>102,439</u>
Liabilities	1,884
Deferred income taxes, net	17,667
Net assets acquired	<u>\$ 82,888</u>
Cash paid, net of cash acquired	<u>\$ 82,888</u>

Tangible assets acquired, net of liabilities assumed, were stated at fair value at the date of acquisition based on management's assessment. The purchase price allocated to developed technology, trade names, and customer relationships was based on management's forecasted cash inflows and outflows and using a relief-from-royalty and a multi-period excess earnings method to calculate the fair value of assets purchased. The developed technology is being amortized with the expense reflected in cost of goods sold in the Condensed Consolidated Statement of Earnings and Comprehensive Income. Amortization expense related to trade names, and customer relationships is reflected in selling, general and administrative expenses in the Consolidated Statement of Earnings and Comprehensive Income. The amortization periods for intangible assets acquired in fiscal 2016 are estimated to be 18 years for developed technology, 20 years for trade names and 4 years for customer relationships. The deferred income tax liability represents the net amount of the estimated future impact of adjustments for costs to be recognized upon the sale of acquired inventory that was written up to fair value and intangible asset amortization, both of which are not deductible for income tax purposes.

The Company's Condensed Consolidated Financial Statements for the quarter ended December 31, 2015, include Cliniqa net sales of \$6.6 million and income before tax of \$0.9 million. Included in these results were amortization of intangibles of \$0.7 million and costs recognized on the sales of acquired inventory of \$0.5 million. For the six months ended December 31, 2015, Cliniqa contributed net sales of \$10.1 million and income before tax of \$0.4 million. Included in these results were amortization of intangibles of \$1.3 million and costs recognized on the sales of acquired inventory of \$0.8 million.

Note 3. Segment Information:

The Company's management evaluates segment operating performance based on operating income before certain charges to cost of sales and selling, general and administrative expenses, principally associated with acquisition accounting related to inventory, amortization of acquisition-related intangible assets and other acquisition-related expenses. Prior period segment results, which reported segment earnings before income taxes, have been reclassified to reflect segment performance based on operating income.

The Company has three reportable segments based on the nature of products; they are Biotechnology, Clinical Controls and Protein Platforms. The following is financial information relating to the Company's reportable segments (in thousands):

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net sales:				
Biotechnology	\$ 75,854	\$ 74,373	\$ 151,597	\$ 150,807
Clinical Controls	25,723	17,297	46,085	36,406
Protein Platforms	19,337	20,478	35,634	33,382
Intersegment	(7)	(200)	(28)	(190)
Consolidated net sales	<u>\$ 120,907</u>	<u>\$ 111,948</u>	<u>\$ 233,288</u>	<u>\$ 220,425</u>
Segment operating income:				
Biotechnology	\$ 39,986	\$ 38,038	\$ 79,302	\$ 78,465
Clinical Controls	7,297	5,128	12,010	11,238
Protein Platforms	1,528	3,447	356	6,050
Segment operating income	48,811	46,613	91,668	95,753
Costs recognized on sale of acquired inventory	(1,245)	(1,188)	(2,357)	(4,356)
Amortization of acquisition related intangible assets	(7,361)	(6,858)	(14,772)	(12,586)
Acquisition related expenses	(670)	(1,201)	(970)	(3,571)
Stock based compensation	(2,321)	(2,075)	(4,359)	(3,437)
Corporate general, selling, and administrative	(1,189)	(711)	(2,156)	(2,007)
Operating income	<u>\$ 36,025</u>	<u>\$ 34,580</u>	<u>\$ 67,054</u>	<u>\$ 69,796</u>

Note 4. Share-based Compensation:

During the six months ended December 31, 2015 and 2014, the Company granted 777,000 and 564,000 stock options at weighted average grant prices of \$105.67 and \$93.68 and weighted average fair values of \$18.59 and \$14.27, respectively. During the six months ended December 31, 2015 and 2014, the Company granted 35,000 and 34,000 restricted stock units at a weighted average fair value of \$105.01 and \$93.70, respectively. During the six months ended December 31, 2015 and 2014, the Company granted 19,994 and 9,000 shares of restricted stock at grant date fair values of \$99.53 and \$91.78, respectively.

Stock options for 13,000 and 99,000 shares of common stock with total intrinsic values of \$0.5 million and \$2.2 million were exercised during the six months ended December 31, 2015 and 2014, respectively.

Stock-based compensation expense of \$2.3 million and \$2.1 million was included in selling, general and administrative expenses for the quarters ended December 31, 2015 and 2014, respectively. Stock-based compensation expense of \$4.4 million and \$3.4 million was included in selling, general and administrative expenses for the six months ended December 31, 2015 and 2014, respectively. As of December 31, 2015, there was \$20.3 million of unrecognized compensation cost related to non-vested stock options, non-vested restricted stock units and non-vested restricted stock. The weighted average period over which the compensation cost is expected to be recognized is 2.7 years.

Note 5. Other Income, net:

The components of other income in the accompanying Statement of Earnings and Comprehensive Income are as follows:

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Interest expense	\$ (400)	\$ (437)	\$ (851)	\$ (748)
Interest income	51	171	112	356
Gain on CyVek acquisition	-	8,300	-	8,300
Other non-operating expense, net	(302)	(51)	906	(543)
Other income, net	\$ (651)	\$ 7,983	\$ 167	\$ 7,365

Note 6. Earnings Per Share:

Shares used in the earnings per share computations are as follows (in thousands):

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Weighted average common shares outstanding-basic	37,189	37,085	37,179	37,048
Dilutive effect of stock options and restricted stock units	112	126	130	133
Weighted average common shares outstanding-diluted	37,301	37,211	37,309	37,181

The dilutive effect of stock options and restricted stock units in the above table excludes all options for which the aggregate exercise proceeds exceeded the average market price for the period and all performance related options and restricted stock units. The number of potentially dilutive option shares and restricted stock units excluded from the calculation was 1.3 million and 534,000 for the quarters ended December 31, 2015 and 2014, respectively. The number of potentially dilutive option shares and restricted stock units excluded from the calculation was 1.2 million and 534,000 for the six months ended December 31, 2015 and 2014, respectively.

Note 7. Accumulated Other Comprehensive Income:

Changes in accumulated other comprehensive income (loss), net of tax, for the six months ended December 31, 2015 consists of (in thousands):

	<i>Unrealized Gains (Losses) on Available- for-Sale Investments</i>	<i>Foreign Currency Translation Adjustments</i>	<i>Total</i>
Beginning balance	\$ 14,382	\$ (44,975)	\$ (30,593)
Other comprehensive income	(523)	(20,410)	(23,933)
Ending balance	<u>\$ 13,858</u>	<u>\$ (65,385)</u>	<u>\$ (51,527)</u>

Note 8. Debt and Other Financing Arrangements:

On July 28, 2014, the Company entered into a revolving line-of-credit facility governed by a Credit Agreement (the Credit Agreement). The Credit Agreement provides for a revolving credit facility of \$150 million, which can be increased by an additional \$150 million subject to certain conditions. Borrowings under the Credit Agreement may be used for working capital and expenditures of the Company and its subsidiaries, including financing permitted acquisitions. Borrowings under the Credit Agreement for base rate loans bear interest at a variable rate equal to the greater of (i) the prime commercial rate, (ii) the per annum federal funds rate plus 0.5%, or (iii) LIBOR + 1.00% - 1.75% depending on the existing total leverage ratio of Debt to Earnings Before Interest, Taxes, Depreciation and Amortization (as defined in the Credit Agreement). The annualized fee for any unused portion of the credit facility is 15 basis points.

The Credit Agreement matures on July 31, 2019 and contains customary restrictive and financial covenants and customary events of default. As of December 31, 2015, the outstanding balance under the Credit Agreement was \$124 million.

Note 9. Subsequent Event:

None.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Bio-Techne Corporation and its subsidiaries operate worldwide with three reportable business segments, Biotechnology, Clinical Controls and Protein Platforms, all of which service the life science and diagnostic markets. The Biotechnology reporting segment provides proteins, antibodies, immunoassays, flow cytometry products, intracellular signaling products, and biologically active chemical compounds used in biological research. The Clinical Controls reporting segment provides a range of quality controls, calibrators, and products used as proficiency testing tools by clinical laboratories and proficiency certifying agencies as well as bulk segments used in the clinical diagnostic market. The Protein Platforms reporting segment develops and commercializes proprietary systems and consumables for protein analysis.

RECENT ACQUISITIONS

A key component of the Company's strategy is to augment internal growth at existing businesses with complementary acquisitions.

On July 8, 2015, the Clinical Controls segment completed the acquisition of Cliniqa Corporation (Cliniqa), for a purchase price of approximately \$83.0 million, net of cash acquired and net working capital adjustments. The acquisition was financed primarily with cash from our line-of-credit facility. Cliniqa specializes in the manufacturing and commercialization of quality controls and calibrators as well as bulk reagents used in the clinical diagnostic market. Proforma results are not presented as this acquisition is not considered material to our consolidated results of operations.

RESULTS OF OPERATIONS

Consolidated net sales increased 8% and 6% for the quarter and six months ended December 31, 2015, respectively, compared to the same prior-year periods. Changes in foreign currency exchange rates from the same prior-year periods had a negative 4% impact on consolidated net sales for the quarter and six months ended December 31, 2015. Consolidated net sales for the quarter and six months ended December 31, 2015, compared to the same prior-year periods, were affected by the timing of the Cliniqa, ProteinSimple, and CyVek acquisitions which closed in July 2015, July 2014 and November 2014. Excluding the timing of these acquisitions and the impact of foreign currency exchange rates, consolidated net sales grew 6% and 4% for the quarter and six months ended December 31, 2015, respectively.

Consolidated net earnings decreased 22% and 15% for the quarter and six months ended December 31, 2015 compared to the same prior-year periods. Included in net earnings for the quarter and six months ended December 31, 2014 was a one-time \$8.3 million pre-tax gain on the Company's previous investment in CyVek. In a business combination achieved in stages, the acquirer is required to re-measure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in earnings. Consequently, the gain was triggered in the second quarter ended December 31, 2014 as a result of the Company's purchase of the remaining 80.1% interest in CyVek.

The adjusted financial measures discussed below quantify the impact the following events had on reported net sales, gross margin percentages, selling, general and administrative expenses, net earnings and earnings per share for the periods ended December 31, 2015 as compared to the same prior-year periods:

- fluctuations in exchange rates used to convert transactions in foreign currencies (primarily the Euro, British pound sterling and Chinese yuan) to U.S. dollars when referencing organic revenue growth;
- the acquisitions in fiscal 2016 and 2015 of Cliniqa on July 8, 2015, CyVek on November 4, 2014, ProteinSimple on July 31, 2014, and Novus on July 2, 2014 as well as acquisitions in prior years, and the impact of amortizing intangible assets and the recognition of costs upon the sale of inventory written up to fair value;
- expenses related to the acquisitions noted above and other on-going acquisition activity;
- expenses related to stock-based compensation.

These adjusted financial measures are not prepared in accordance with generally accepted accounting principles (GAAP) and may be different from adjusted financial measures used by other companies. Adjusted financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. We view these adjusted financial measures to be helpful in assessing the Company's ongoing operating results. In addition, these adjusted financial measures facilitate our internal comparisons to historical operating results and comparisons to competitors' operating results. We include these adjusted financial measures in our earnings announcement because we believe they are useful to investors in allowing for greater transparency related to supplemental information we use in our financial and operational analysis.

Net Sales

Consolidated net sales for the quarter and six months ended December 31, 2015 were \$120.9 million and \$233.3 million, respectively, increases of 8% and 6% from the same prior-year periods. Organic growth for the quarter and six months ended December 31, 2015 was 6% and 4%, respectively and a negative impact of 4% from foreign exchange translation for both periods.

For the second quarter ended December 31, 2015, organic sales growth was strong in our core Biotechnology and Clinical Controls segments. Biotechnology's growth was driven by robust bio/pharma end-markets and continued strong demand in China. Clinical Controls revenue benefitted from heavy OEM orders with delivery dates in the second quarter. In Protein Platforms, revenues slightly decreased from the prior year as a new commercial plan designed to target a wider-range of researchers was commenced.

Gross Margins

Consolidated gross margins for the quarter and six months ended December 31, 2015 were 67.5% and 67.6%, compared to 67.7% and 67.5%, respectively, for the comparable prior-year periods. Consolidated gross margins for the periods were negatively impacted as a result of purchase accounting related to inventory and intangible assets acquired in the current and prior fiscal years. Under purchase accounting, inventory is valued at fair value less expected selling and marketing costs, resulting in reduced margins in future periods as the inventory is sold.

A reconciliation of the reported consolidated gross margin percentages, adjusted for acquired inventory sold and intangible amortization included in cost of sales, is as follows:

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Consolidated gross margin percentage	67.5%	67.7%	67.6%	67.5%
Identified adjustments				
Costs recognized upon sale of acquired inventory	1.0%	1.1%	1.0%	2.0%
Amortization of intangibles	2.3%	2.2%	2.4%	2.0%
Adjusted gross margin percentage	70.8%	71.0%	71.0%	71.5%

Consolidated adjusted gross margins were 70.8% and 71.0% for the quarter and six months ended December 31, 2015, down 20 and 50 basis points from the prior year due to the product mix change associated with the recent acquisitions of CyVek in November 2014 and Cliniqa in July 2015. Foreign exchange translation also negatively impacted gross margins compared to the prior year. Much of the aforementioned headwinds to gross margin were offset by robust productivity achieved in our operations, especially in our Biotechnology segment.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased \$3.5 million (11%) and \$7.8 million (13%) for the quarter and six months ended December 31, 2015 from the same prior-year periods.

The increase for the quarter ended December 31, 2015 was a result of \$1.1 million of selling, general and administrative expenses by companies acquired since the prior year and a \$0.5 million increase in intangible amortization related to these acquisitions. The remainder of the increase in selling, general and administrative expense was due primarily to additional investment in commercial resources and administrative infrastructure, including higher stock compensation expense.

The increase for the six months ended December 31, 2015 was a result of \$4.9 million of selling, general and administrative expenses by companies acquired since the prior year and a \$1.5 million increase in intangible amortization related to these acquisitions. The remainder of the increase in selling, general and administrative expense was due primarily to additional investment in commercial resources and administrative infrastructure, including higher stock compensation expense.

Research and Development Expenses

Research and development expenses for the quarter and six months ended December 31, 2015 increased \$1.0 million (9%) and \$3.1 million (16%) from the same prior-year periods due mainly to expenses by companies acquired since the prior year.

Segment Results

Biotechnology

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net sales (in thousands)	\$ 75,854	\$ 74,373	\$ 151,597	\$ 150,807
Operating income margin	52.7%	51.1%	52.3%	52.0%

Biotechnology net sales for the quarter and six months ended December 31, 2015 were \$75.9 million and \$151.6 million, respectively, with reported growth of 2% and 1% compared to the same prior-year period. Organic growth for the quarter and six months ended December 31, 2015 was 7% and 5%, respectively with currency translation having an unfavorable impact of 5% for both the quarter and six months ended December 31, 2015, respectively. For the second quarter ended December 31, 2015, the segment continued to experience strong demand in China and in the bio/pharma end-markets within both the U.S. and European geographies. Academic markets in both the U.S. and Europe remained stable with growth in the low-single digits. Japan was the only major geography that was soft with revenue growth declining in the mid-teens. The revenue weakness there is attributable to the delayed release of research funds by the Japanese government funding agencies. Operating income margin for the quarter was 52.7% and 52.3% for the six months ended December 31, 2015, increases of 160 and 30 basis points from the prior-year periods. The higher operating income margin is mostly due to strong operational performance in the achievement of process efficiency and cost productivity, more than offsetting the margin dilution associated with negative foreign exchange translation.

Clinical Controls

	Quarter Ended December 31,		Six Months Ended December 31,	
	2015	2014	2015	2014
Net sales (in thousands)	\$ 25,732	\$ 17,297	\$ 46,085	\$ 36,416
Operating income margin	28.4%	29.6%	26.1%	30.9%

Clinical Controls net sales for the quarter and six months ended December 31, 2015 were \$25.7 million and \$46.1 million, respectively, with reported growth of 49% and 27% compared to the same prior-year periods. Organic growth for the quarter and six months ended December 31, 2015 was 10% and -1%, respectively. The acquisition of Cliniqa (July 2015) added 39% and 28% to segment growth for quarter and six months ended December 31, 2015. For the second quarter ended December 31, 2015, the segment experienced heavy OEM orders with delivery in the second quarter. The addition of Cliniqa's reagent-based products introduces additional products with longer shelf lives, similar to the segment's existing chemistry-based products, allowing OEM customers to buy in bulk and increasing the potential for quarter on quarter volatility. Our legacy hematology controls business remained stable with growth in the mid-single digits. Given the relatively shorter shelf life of these blood-based products, we view growth of these products as an indicator of stable underlying demand within the Clinical Controls end markets. Operating income margin for the segment declined to 28.4% and 26.1% for the quarter and six months ended December 31, 2015. The decline for the quarter is driven by unfavorable product mix, while the decline year-to-date is due to the acquisition of Cliniqa.

Protein Platforms

	Quarter Ended December 31,		Six Months Ended December 31,	
	2015	2014	2015	2014
Net sales (in thousands)	\$ 19,337	\$ 20,478	\$ 35,634	\$ 33,392
Operating income margin	7.9%	16.8%	1.0%	18.1%

Net sales for Protein Platforms for the quarter and six months ended December 31, 2015, were \$19.3 million and \$35.6 million, respectively, with reported growth of -6% and 7% compared to the same prior-year periods. Organic growth for the quarter and six months ended December 31, 2015 was -2% and 1%, respectively with currency translation having an unfavorable impact of 3% and 4% for the quarter and six months ended December 31, 2015. The acquisition of CyVek contributed less than 1% to revenues in Q2, and 1% for the six months ended December 31, 2015. For the second quarter, the segment continued with its commercial transition plan to expand our pool of potential Simple Western customers by engaging with the vast majority of scientists who are more pragmatic about technology changes in their workflows. Our new commercial plan showed indications of success, with new lead generation increasing 20% and the number of customer quotes increasing in the mid-teens year-over-year. We view these metrics as indicators of building awareness and interest in our Protein Platforms workflow solutions, supporting our view of a favorable outlook for this segment. Operating income margin for the quarter was 7.9% and 1.0% for the six months ended December 31, 2015. The lower operating income margin compared to prior year periods is mostly due to the mix of acquisitions as well as the continued investment in commercializing the Simple Plex platform and repositioning of our North America ProteinSimple sales force.

Income Taxes

Income tax expense for the quarters ended December 31, 2015 and 2014 were provided at rates of 26.9% and 22.0%, respectively. Income tax expense for the six months ended December 31, 2015 and 2014 were provided at rates of 27.8% and 26.0%, respectively.

Net Earnings

Adjusted consolidated net earnings are as follows:

	Quarter Ended December 31,		Six Months Ended September 30,	
	2015	2014	2015	2014
Net earnings	\$ 25,851	\$ 33,209	\$ 48,559	\$ 57,116
Identified adjustments:				
Costs recognized upon sale of acquired inventory	1,245	1,188	2,357	4,355
Amortization of intangibles	7,361	6,858	14,772	12,586
Acquisition related expenses	670	1,201	970	3,571
Stock based compensation	2,321	2075	4,359	3,437
Gain on investment	-	(8,300)	-	(8,300)

Tax impact of above adjustments	(3,492)	(3,552)	(6,869)	(7,453)
Tax impact of research and development credit	(724)	(910)	\$ (724)	\$ (910)
Tax impact of foreign adjustments	(405)	-	(1,167)	-
Adjusted net earnings	<u>\$ 32,827</u>	<u>\$ 31,769</u>	<u>62,257</u>	<u>64,402</u>
Adjusted net earnings growth	3.3%		-3.3%	

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2015, cash and cash equivalents and available-for-sale investments were \$114 million compared to \$111 million at June 30, 2015. Included in available-for-sale-investments at December 31, 2015 was the fair value of the Company's investment in ChemoCentryx, Inc. (CCXI) of \$51.4 million. The fair value of the Company's CCXI investment at June 30, 2015 was \$52.3 million.

The Company has a revolving line of credit governed by a Credit Agreement dated July 28, 2014. See Note 3 to the Condensed Consolidated Financial Statements for a description of the Credit Agreement.

Management of the Company expects to be able to meet its cash and working capital requirements for operations, facility expansion, capital additions, and cash dividends for the foreseeable future, and at least the next 12 months, through currently available cash and cash generated from operations.

Cash Flows From Operating Activities

The Company generated cash of \$70.4 million from operating activities in the first six months of fiscal 2016 compared to \$71.4 million in the first six months of fiscal 2015. The decline from the prior year was primarily due to a decline in net earnings after adjustment for non-cash expenses related to depreciation, amortization, cost recognized on sale of acquired inventory.

Cash Flows From Investing Activities

On July 8, 2015, the Company acquired all of the issued and outstanding equity interests of Cliniqa Corporation (Cliniqa) for a net purchase price of approximately \$83.0 million. The acquisition was financed primarily through our revolving line-of-credit facility.

On July 2, 2014, the Company acquired, for a net purchase price of approximately \$60 million cash, all of the issued and outstanding equity interests of Novus Holdings LLC (Novus), including its subsidiary, Novus Biologicals, LLC. The acquisition was financed through cash and cash equivalents on hand.

On July 31, 2014, the Company acquired ProteinSimple for a net purchase price of approximately \$300 million. The transaction was financed through cash on hand and a revolving line-of-credit facility.

On November 3, 2014, the Company acquired CyVek, Inc. (CyVek) through a merger for a net purchase price of approximately \$95 million.

During the six months ended December 31, 2015 and 2014, the Company had maturities of \$3.9 million and \$9.9 million of available-for-sale investments, respectively.

Capital expenditures for fixed assets for the first six months of fiscal 2016 and 2015 were \$11.0 million and \$8.0 million, respectively. Included in capital expenditures for the first six months of fiscal 2016 was \$3.3 million for leasehold improvements by our Bristol, England location for a new building to expand capacity. The remaining capital additions were mainly for laboratory and computer equipment. Capital expenditures in the remainder of fiscal 2016 are expected to be approximately \$9.0 million. Capital expenditures are expected to be financed through currently available funds and cash generated from operating activities.

Cash Flows From Financing Activities

During the first six months of fiscal 2016 and 2015, the Company paid cash dividends of \$23.8 million and \$23.3 million, respectively, to all common shareholders. On February 2, 2016 the Company announced the payment of a \$0.32 per share cash dividend. The dividend of approximately \$12 million will be payable February 26, 2016 to all common shareholders of record on February 12, 2016.

Cash of \$1.2 million and \$7.0 million was received during the first six months of fiscal 2016 and 2015, respectively, from the exercise of stock options.

During the first six months of fiscal 2016, the Company drew \$77 million under its revolving line-of-credit facility to partially fund its acquisition of Clinica. The Company made payments on the line-of-credit of \$26 million during the six months ended December 31, 2015.

During the first six months of fiscal 2015, the Company drew \$163 million under its revolving line-of-credit facility to partially fund its acquisitions of ProteinSimple and CyVek. The Company made payments on the line-of-credit of \$19 million during the six months ended December 31, 2014.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no reportable off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K.

CONTRACTUAL OBLIGATIONS

There were no material changes outside the ordinary course of business in the Company's contractual obligations during the six months ended December 31, 2015.

CRITICAL ACCOUNTING POLICIES

The Company's significant accounting policies are discussed in the Company's Annual Report on Form 10-K for fiscal 2015 and are incorporated herein by reference. The application of certain of these policies requires judgments and estimates that can affect the results of operations and financial position of the Company. Judgments and estimates are used for, but not limited to, valuation of available-for-sale investments, inventory valuation and allowances, valuation of intangible assets and goodwill and valuation of investments in unconsolidated entities. There have been no significant changes in estimates in fiscal 2016 that would require disclosure. There have been no changes to the Company's policies in the first six months of fiscal 2016.

FORWARD LOOKING INFORMATION AND CAUTIONARY STATEMENTS

This quarterly report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those regarding the Company's expectations as to the effect of changes to accounting policies, the amount of capital expenditures for the remainder of the fiscal year, the source of funding for capital expenditure requirements, the sufficiency of currently available funds for meeting the Company's needs, the impact of fluctuations in foreign currency exchange rates, and expectations regarding gross margin fluctuations, increasing research and development expenses, increasing selling, general and administrative expenses and income tax rates. These statements involve risks and uncertainties that may affect the actual results of operations. The following important factors, among others, have affected and, in the future, could affect the Company's actual results: the introduction and acceptance of new products, general national and international economic conditions, increased competition, the reliance on internal manufacturing and related operations, the impact of currency exchange rate fluctuations, economic instability in Eurozone countries, the recruitment and retention of qualified personnel, the impact of governmental regulation, maintenance of intellectual property rights, credit risk and fluctuation in the market value of the Company's investment portfolio, unseen delays and expenses related to facility improvements, and the success of financing efforts by companies in which the Company has invested. For additional information concerning such factors, see the Company's Annual Report on Form 10-K for fiscal 2015 as filed with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

At December 31, 2015, the Company held an investment in the common stock of CCXI. The investment was included in short-term available-for-sale investments at its fair value of \$51.4 million. At December 31, 2015, the potential loss in fair value due to a 10% decrease in the market value of CCXI was \$5.1 million.

The Company operates internationally, and thus is subject to potentially adverse movements in foreign currency exchange rates. For the six months ended December 31, 2015, approximately 25% of consolidated net sales were made in foreign currencies, including 10% in euros, 5% in British pound sterling, 5% in Chinese yuan and the remaining 5% in other currencies. The Company is exposed to market risk mainly from foreign exchange rate fluctuations of the euro, British pound sterling, the Chinese yuan, and the Canadian dollar, 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.

Month-end average exchange rates between the British pound sterling, euro, Chinese yuan and Canadian dollar, which have not been weighted for actual sales volume in the applicable months in the periods, to the U.S. dollar were as follows:

	<i>Quarter Ended</i>		<i>Six Months Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Euro	\$ 1.10	1.24	\$ 1.10	\$ 1.27
British pound sterling	1.52	1.57	1.53	1.62
Chinese yuan	.156	.163	.156	.163
Canadian dollar	.75	.875	.76	.892

The Company's exposure to foreign exchange rate fluctuations also arises from trade receivables, trade payables and intercompany payables denominated in one currency in the financial statements, but receivable or payable in another currency. At December 31, 2015, the Company had the following trade receivables, trade payables and intercompany payables denominated in one currency but receivable or payable in another currency (in thousands):

	<i>Denominated</i>	<i>U.S. Dollar</i>
	<i>Currency</i>	<i>Equivalent</i>
Accounts receivable in:		
Euros	£ 1,805	\$ 2,672
Other European currencies	£ 405	\$ 607
Euros	Can\$ 1,329	\$ 958
British pound sterling	Can\$ 569	\$ 410
Accounts payable in:		
U.S. dollars	Can\$ 710	\$ 512
Euros	Can\$ 302	\$ 218
Intercompany payable in:		
Euros	£ 520	\$ 770
U.S. dollars	£ 16,599	\$ 24,511
U.S. dollars	yuan 17,250	\$ 2,657
U.S. dollars	Can\$ 10,134	\$ 7,309
Canadian dollars	yen 75,011	\$ 623
U.S. dollars	yen 261,311	\$ 2,169

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 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 and Comprehensive Income. 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 December 31, 2015 levels against the euro, British pound sterling, Chinese yuan and Canadian dollar are as follows (in thousands):

Decrease in translation of fiscal 2016 earnings into U.S. dollars (annualized)	\$	3,456
Decrease in translation of net assets of foreign subsidiaries		25,310
Additional transaction losses		4,342

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

As of the end of the period covered by this report, the Company's management 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 as amended (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 material 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.

(b) Changes in internal controls over financial reporting.

There was no change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) 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. We are in the process of evaluating internal controls over financial reporting for those acquisitions completed in fiscal 2015, including Protein Platforms.

As previously announced, we acquired Cliniqa on July 8, 2015. We have not fully evaluated any changes in internal control over financial reporting associated with this acquisition and therefore any material changes that may result from this acquisition have not been disclosed in this report. We intend to disclose all material changes resulting from this acquisition within or prior to the time of our first annual assessment of internal control over financial reporting that is required to include this entity.

The results reported in this quarterly report include those of Cliniqa.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

As of February 5, 2016, the Company is not a party to any legal proceedings that, individually or in the aggregate, are reasonably expected to have a material adverse effect on the Company's business, results of operations, financial condition or cash flows.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors previously disclosed in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 and the risk factors found in Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended June 30, 2015.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There was no share repurchase activity by the Company in the six months ended December 31, 2015. The maximum approximate dollar value of shares that may yet be purchased under the Company's existing stock repurchase plan is approximately \$125 million. The plan does not have an expiration date.

ITEM 6. EXHIBITS

See "exhibit index" following the signature page.

SIGNATURES

Pursuant to the requirements 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.

BIO-TECHNE CORPORATION
(Company)

Date: February 9, 2016

/s/ Charles R. Kummeth

Charles R. Kummeth
Principal Executive Officer

Date: February 9, 2016

/s/ James Hippel

James Hippel
Principal Financial Officer

**EXHIBIT INDEX
TO
FORM 10-Q**

BIO-TECHNE CORPORATION

<u>Exhibit #</u>	<u>Description</u>
10.1*	Employment Agreement by and between Bio-Techne Corporation and Executive Officer dated December 29, 2015
31.1	Certificate of Chief Executive Officer pursuant to section 302 of the Sarbanes Oxley Act of 2002
31.2	Certificate 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
101	The following financial statements from the Company's Quarterly Report on Form 10- Q for the quarter ended December 31, 2015, formatted in Extensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Earnings and Comprehensive Income, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) Notes to the Condensed Consolidated Financial Statements.

* Management contract or compensatory plan or arrangement

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into between Bio-Techne Corporation, a Minnesota corporation, and Kevin Gould (each may be referred to individually as a "Party" and collectively as the "Parties").

RECITALS

Whereas, Bio-Techne wishes to employ Employee under the terms and conditions set forth in this Agreement, and Employee wishes to accept such employment under the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, Bio-Techne and Employee agree as follows:

ARTICLE 1.

TERM OF EMPLOYMENT: DUTIES AND SUPERVISION

1.1) Parties. The Parties to this Agreement are Kevin Gould ("Employee") and Bio-Techne Corporation ("Bio-Techne"). As used herein, Bio-Techne refers to Bio-Techne Corporation and its subsidiaries, including but not limited to Cliniqa Corporation ("Cliniqa"), unless specifically provided otherwise. All of the rights and obligations created by this Agreement may be performed by or enforced by or against Bio-Techne or Cliniqa or any other appropriate Bio-Techne subsidiary.

1.2) Employment and Term of Employment. Bio-Techne hereby employs Employee and Employee hereby accepts employment as Senior Vice President, Clinical Controls Division on the terms and conditions set forth in this Agreement. Employee's employment hereunder will commence on January 1, 2016 and will terminate when terminated by either Party pursuant to Section 4 hereof.

1.3) Duties and Supervision.

A. During the term of his employment, Employee agrees to devote his full business and professional time, energy, diligence and best efforts to the business and affairs of Bio-Techne, and to perform such services and duties Employee may from time to time be assigned by Bio-Techne, and specifically its Chief Executive Officer.

B. Employee agrees to be subject to Bio-Techne's control, rules, regulations, policies and programs. Employee further agrees that he will carry on all correspondence, publicity and advertising in Bio-Techne's name and he shall not enter into any contract on behalf of Bio-Techne except as expressly authorized by Bio-Techne.

ARTICLE 2.

COMPENSATION AND BENEFITS

2.1) Base Salary. Bio-Techne will pay Employee as base compensation for services to be rendered hereunder an annual base salary, which currently is Three Hundred Thousand Dollars (\$300,000.00), to be paid bi-weekly or in accordance with the usual payroll practices of Bio-Techne. The base annual salary amount will be reviewed and adjusted by Bio-Techne's Executive Compensation Committee from time to time (but no less than annually) in its sole discretion. The base annual salary will be inclusive of all applicable income, Social Security, and other taxes and charges that are required by law to be withheld by Bio-Techne or that are requested to be withheld by Employee.

2.2) Management Incentive Plan. During each fiscal year of the Term of Employee's employment, Employee shall be eligible to participate in Bio-Techne's Management Incentive Plan (the "Management Incentive Plan"). For fiscal year 2015, upon approval of the Management Incentive Plan by Bio-Techne's Executive Compensation Committee, Employee shall be eligible to earn a cash bonus targeted at forty percent (40%) of his base salary based on achievement of targets approved by Bio-Techne's Board of Directors or Executive Compensation Committee. After receipt of Bio-Techne's final audit report of the applicable fiscal year, Bio-Techne's Executive Compensation Committee will determine and certify in writing the degree to which the annual targets have been achieved and calculate the portion of Employee's potential cash bonus (if any) that will be paid. If earned, any such cash bonus will be paid as soon as administratively practicable thereafter, but in no event later than would be permitted under the short-term deferral period defined by Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A").

2.3) Long-term Equity Awards. Executive will be eligible to participate in and receive periodic equity grants commensurate with his position and level in any equity-based or equity related compensation plan, programs or agreements of Bio-Techne made available generally to its executive officers; provided that the amount, timing, and other terms of any future grant shall be determined by the Bio-Techne Board of Directors, or its designated committees, in its sole discretion.

2.4) Miscellaneous Benefits. Bio-Techne will provide Employee the following additional benefits:

A. Reimbursement in accordance with Bio-Techne's standard reimbursement policies in effect from time to time for ordinary, necessary and reasonable out-of-pocket business expenses incurred by Employee in performing his duties for Bio-Techne so long as properly substantiated.

B. Paid vacation of four (4) weeks per calendar year, to be taken at such times as selected by Employee and as approved by the Chief Executive Officer or his designee. Carryover, forfeiture or payout of unused vacation time from period to period or upon termination of employment shall be in accordance with Bio-Techne's policies that may be in effect from time to time.

2.5) Other Employee Compensation and Benefits. In addition to the compensation and benefits provided to Employee in Sections 2.1 through 2.4 hereof, Employee will be entitled to participate in other employee compensation and benefit plans from time to time established by Bio-Techne and made available generally to all employees of the hiring entity to the extent that Employee's age, tenure and title make him eligible to receive those benefits. Employee will participate in such compensation and benefit plans on an appropriate and comparable basis determined by the Board of Directors by reference to all other employees eligible for participation. With regard to all insured benefits to be provided to Employee, benefits shall be subject to due application by Employee. Bio-Techne has no obligation to pay insured benefits directly and such benefits are payable to Employee only by the insurers in accordance with their policies. Nothing in this Agreement is intended to or shall in any way restrict Bio-Techne's right to amend, modify or terminate any of its benefits or benefit plans during the term of Employee's employment. Employee shall not be reimbursed for unused personal days or sick days upon his termination from employment regardless of the reason, whether voluntary or involuntary.

2.6) Recoupment. The incentive compensation payable to Employee pursuant to Sections 2.2 and 2.3 hereof shall be subject to reduction, cancellation, forfeiture or recoupment as and to the extent required by the applicable provisions of any law (including without limitation Section 10D of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder), government regulation or stock exchange listing requirement, or clawback policy or provision implemented by Bio-Techne pursuant to such law, regulation or listing requirement.

ARTICLE 3.
INVENTIONS, PROPRIETARY INFORMATION AND UNFAIR COMPETITION

3.1) Prior Agreements. This Agreement supersedes the prior employment agreement between Employee and Cliniqua. However, neither the execution of this Agreement nor any provision in it shall be interpreted as rescinding or revoking the any prior agreements relating to noncompetition, non-solicitation, confidentiality or invention assignment entered into between Bio-Techne or Cliniqua and Employee (“Prior Agreements”). Bio-Techne and Employee hereby agree that the terms and conditions of such Prior Agreements shall continue in full force and effect and shall apply to all businesses of Bio-Techne, including not only business conducted by Bio-Techne but also to business conducted through Bio-Techne or any subsidiary or venture of Bio-Techne now existing or hereafter created. The termination of this Agreement or Employee’s employment shall not terminate Employee’s obligations under the Prior Agreements, the terms and conditions of which shall survive termination of this Agreement and termination of Employee’s employment for any reason, whether voluntary or involuntary.

ARTICLE 4.
TERMINATION

4.1) Events of Termination. Notwithstanding any other provision of this Agreement to the contrary or appearing to be to the contrary, Employee’s employment may be terminated as follows:

A. By mutual written agreement of the parties;

B. Upon Employee’s death;

C . Upon Employee’s inability to perform the essential functions of his position, with or without reasonable accommodation, for more than ninety (90) days, or such longer period as required by law, in any consecutive twelve (12) month period by reason of physical or mental disability or incapacity, as determined by the Bio-Techne Board of Directors in consultation with Employee and/or Employee’s health care provider(s); provided that this paragraph does not relieve Bio-Techne of any duty to reasonably accommodate a qualifying disability under the Americans with Disabilities Act or the Minnesota Human Rights Act, any legal duty under the Family Medical Leave Act, or any of its other duties pursuant to applicable law, and provided further that nothing in this Section 4.1(C) shall limit the right of either Party to terminate Employee’s employment under one of the other subsections of this Section 4.1;

D . By either Party upon thirty (30) days’ advance written notice to the other Party. Bio-Techne may in its sole discretion continue to pay Employee his/her base salary during the thirty (30) day notice period in lieu of requiring Employee to continue to perform his/her duties and responsibilities during such notice period;

E. Upon the insolvency or bankruptcy of Bio-Techne;

F. In the event of a Change in Control, as set forth in Section 5.2, provided that the severance provisions of Section 5.2 of this Agreement are met;

G. Bio-Techne shall have the right to terminate Employee's employment immediately for "Cause." For purposes of this Agreement, "Cause" shall include, but not be limited to, the following:

- i. Habitual neglect of, or the willful or material failure to perform the duties of employment hereunder, as determined in good faith by the Board of Directors of Bio-Techne and/or its designee;
- ii. Embezzlement or any act of fraud;
- iii. Commission of acts that can be charged as a felony, whether or not committed during the term hereof or in the course of employment hereunder;
- iv. Dishonesty in dealing between Employee and Bio-Techne or between Employee and other employees of Bio-Techne;
- v. Use or misuse of any controlled substance, illegal or narcotic drug without a prescription; or use of alcohol in a manner, regardless of time or place, which either adversely affects Employee's job performance or otherwise could reflect negatively on the public image of Bio-Techne;
- vi. Habitual absenteeism; or
- vii. Willfully acting in a manner materially adverse to the best interests of Bio-Techne.

4.2) Return of Property. At such time that Employee's employment with Bio-Techne ends (the "Termination Date") or at such earlier time as Bio-Techne may notify Employee, Employee will immediately cease doing business upon Bio-Techne's premises and will immediately deliver to Bio-Techne all of its property and all property to be held by Bio-Techne in his possession or control, including, but not limited to, all work in progress, data, equipment, originals and copies of documents and software, customer and supplier information and lists, financial information, and all other materials. In addition, if Employee has used any personal computer, server, or email system (including, but not limited to, computers, Blackberries, PDA's, cell phones, smart phones, iPhones, iPads, etc.) to receive, store, review, prepare or transmit any Bio-Techne information, including but not limited to Confidential Information (as defined below), Employee agrees to provide Bio-Techne with a computer-useable copy of all such Confidential Information and then, unless the information is subject to a litigation hold, permanently delete and expunge such information from those systems. Employee also agrees to certify, within ten (10) days after the Termination Date, in writing to Bio-Techne that he has complied with his obligation to return Bio-Techne property.

A. For purposes of this Agreement, "Confidential Information" means information which is not generally known and which Bio-Techne holds in confidence, including, without limitation, the following: all information and data developed or acquired by Employee in the course of employment with Bio-Techne; data or conclusions or opinions formed by Employee in the course of employment; policies and procedures; manuals; trade secrets; methods, procedures, or techniques pertaining to the business of Bio-Techne or any customer of Bio-Techne; specifications for products or services; systems; price lists; marketing plans; sales or service analyses; financial information; customer names or other information; vendor names or other information; employee names or other information; research and development data; diagrams; drawings; media; notes, memoranda, notebooks, and all other records or documents that are handled, seen, or used by Employee in the course of employment.

B. Notwithstanding anything to the contrary, "Confidential Information" does not include any information that is (i) in the public domain or enters the public domain through no violation of obligations Employee owes to Bio-Techne; (ii) disclosed to Employee other than as a result of Employee's capacity as an employee of Bio-Techne by a third-party not subject to maintain the information in confidence; or (iii) already known by Employee other than as a result of Employee's past relationship with Bio-Techne (or its predecessors) and is evidenced by written documentation existing prior to such disclosure. Specific technical and business information shall not be deemed to be within the preceding exceptions merely because it is embraced by more general technical or business information within such exceptions, nor shall a combination of features be deemed to be within such exceptions merely because the individual features are within such exceptions.

ARTICLE 5.
TERMINATION BENEFITS

5.1) Payment Upon Termination. Upon (i) termination of Employee's employment other than by Techne for Cause as defined in Section 4.1(G) or upon Employee's death or disability as provided in Sections 4.1(B) and (C), or (ii) Employee's resignation for Good Reason, as defined below, Employee will be paid an amount equal to one (1) year of his then-current base annual salary (but not any cash or incentive bonus) (hereinafter referred to as the "Termination Severance Payment"); provided, however, that Employee shall be entitled to the Termination Severance Payment set forth in this Section 5.1 only if he executes within 60 days of termination of employment, does not rescind, and fully complies with a release agreement in a form supplied by Bio-Techne, which will include, but not be limited to, a comprehensive release of claims against Bio-Techne and its directors, officers, employees and all related parties, in their official and individual capacities. As used in this Agreement, "Good Reason" means a good faith determination by Employee that any one or more of the following events have occurred; provided, however, that such event shall not constitute "Good Reason" if (x) Employee has expressly consented to such event in writing, (y) Employee fails to provide written notice to Bio-Techne within thirty (30) calendar days of the occurrence of such event, specifically describing such event, and Bio-Techne fails to remedy such event within thirty (30) calendar days of receipt of such notice or (z) Employee fails to provide written notice of his decision to terminate within sixty (60) calendar days of the occurrence of such event:

A. A change in Employee's reporting responsibilities, titles or offices, or any removal of Employee from any of such positions, which has the effect of diminishing Employee's responsibility or authority;

B. A material reduction by Bio-Techne in Employee's total compensation from that provided to him under this Agreement;

C. A requirement imposed by Bio-Techne on Employee that results in Employee being based at a location that is outside a fifty (50) mile radius of Bio-Techne; or

D. The existence of physical working conditions or requirements that a reasonable person in Employee's position would find to be intolerable; provided, however, that Bio-Techne has received written notice of such "intolerable" conditions and Bio-Techne has failed within thirty (30) calendar days after receipt of such notice to cure or otherwise appropriately address such "intolerable" conditions.

Termination for "Good Reason" shall not include Employee's termination as a result of death, disability, retirement or a termination for any reason other than the events specified in clauses (A) through (D) in this Section 5.1.

5.2) Payment Upon Termination for Change in Control. If there is a Change in Control, as defined below, and if Employee either resigns for Good Reason or Employee's employment is terminated by Bio-Techne or its successor, in either situation upon consummation of such Change in Control or within one (1) year thereafter, then Employee will be paid an amount equal to one (1) year of her then-current base annual salary plus the pro-rated value of any incentive compensation earned through the date of such termination pursuant to Section 2.2 above and the automatic acceleration of any vesting requirements of the equity grants awarded to Employee by Bio-Techne during the term of her employment (hereinafter referred to as the "CIC Severance Payment"); provided, however, that Employee shall be entitled to the CIC Severance Payment set forth in this Section 5.2 only if she executes within 60 days of resignation or termination of employment, does not rescind, and fully complies with a release agreement in a form supplied by Bio-Techne, which will include, but not be limited to, a comprehensive release of claims against Bio-Techne and its directors, officers, employees and all related parties, in their official and individual capacities. "Change of Control" shall mean the occurrence, in a single transaction or in a series of related transactions, of any one or more of the events in subsections (A) through (C) below. For purposes of this definition, a person, entity or group shall be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person, entity or group directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

A. Any person, entity or group becomes the Owner, directly or indirectly, of securities of Bio-Techne representing more than fifty percent (50%) of the combined voting power of Bio-Techne's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of Bio-Techne by an investor, any affiliate thereof or any other person, entity or group from Bio-Techne in a transaction or series of related transactions the primary purpose of which is to obtain financing for Bio-Techne through the issuance of equity securities or (B) solely because the level of Ownership held by any person, entity or group (the "Subject Person") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by Bio-Techne reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by Bio-Techne, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

B. There is consummated a merger, consolidation or similar transaction involving (directly or indirectly) Bio-Techne and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of Bio-Techne immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of Bio-Techne immediately prior to such transaction; or

C. There is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the total gross value of the consolidated assets of Bio-Techne and its subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of total gross value of the consolidated assets of Bio-Techne and its subsidiaries to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of Bio-Techne in substantially the same proportions as their Ownership of the outstanding voting securities of Bio-Techne immediately prior to such sale, lease, license or other disposition (for purposes of this Section 5.1(C), "gross value" means the value of the assets of Bio-Techne or the value of the assets being disposed of, as the case may be, determined without regard to any liabilities associated with such assets).

For the avoidance of doubt, the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of Bio-Techne. To the extent required, the determination of whether a Change in Control has occurred shall be made in accordance with Code Section 409A and the regulations, notices and other guidance of general applicability issued thereunder.

5.3) Timing of Cash Severance Payment. Any cash payments pursuant to Section 5.1 or 5.2 will be paid to Employee monthly over the course of a one-year period beginning after expiration of any applicable rescission periods set forth in the required release agreement and in no event later than 60 days following termination of employment; provided, however, that notwithstanding anything in this Agreement to the contrary, if any of the payments described in Section 5.1 or 5.2 are subject to the requirements of Code Section 409A and Bio-Techne determines that Employee is a "specified employee" as defined in Code Section 409A as of the date of Employee's termination of employment, such payments will not be paid or commence earlier than the first day of the seventh month following the date of Employee's termination of employment and on such date any amounts that would have been paid during the first six months following the termination but for operation of this proviso will be paid in one lump sum with the remaining payments made monthly over the remainder of the specified one-year period. In addition, all payments made to Employee pursuant to Section 5.1 or 5.2 will be reduced by amounts (A) required to be withheld in accordance with federal, state and local laws and regulations in effect at the time of payment, or (B) owed to Bio-Techne by Employee for any amounts advanced, loaned or misappropriated. Such offset will be made in the manner permitted by and will be subject to the limitations of all applicable laws, including but not limited to Code Section 409A, and the regulations, notices and other guidance of general applicability issued thereunder.

5.4) No Other Payments. Except as provided in Section 5.1 and 5.2, including but not limited to if Employee is terminated with Cause or voluntarily terminates his employment at any time without Good Reason, Employee will not be entitled to any compensation or benefits other than that which was due to him as of the date of termination, regardless of any claim by Employee for compensation, salary, bonus, severance benefits or other payments.

ARTICLE 6. ARBITRATION

6.1) Arbitration. Any dispute arising out of or relating to (i) this Agreement or the alleged breach of it, or the making of this Agreement, including claims of fraud in the inducement, or (ii) Employee's application or candidacy for employment, employment and/or termination of employment with Bio-Techne including, but not limited to, any and all disputes, claims or controversies relating to discrimination, harassment, retaliation, wrongful discharge, and any and all other claims of any type under any federal or state constitution or any federal, state, or local statutory or common law shall be discussed between the disputing Parties in a good faith effort to arrive at a mutual settlement of any such controversy. If, notwithstanding, such dispute cannot be resolved, such dispute shall be settled by binding arbitration. Any request for arbitration must be filed with the American Arbitration Association within ninety (90) days of the events giving rise to the claim. Bio-Techne encourages Employee to consult an attorney regarding the reasonableness of this ninety (90) day filing provision. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a retired state or federal judge or an attorney who has practiced securities or business litigation for at least 10 years. If the Parties cannot agree on an arbitrator within 20 days, any Party may request that the chief judge of the District Court for Hennepin County, Minnesota, select an arbitrator. Arbitration will be conducted pursuant to the provisions of this Agreement, and the commercial arbitration rules of the American Arbitration Association, unless such rules are inconsistent with the provisions of this Agreement, but without submission of the dispute to such Association. Limited civil discovery shall be permitted for the production of documents and taking of depositions. Unresolved discovery disputes may be brought to the attention of the arbitrator who may dispose of such dispute. The arbitrator shall have the authority to award any remedy or relief that a court of this state could order or grant; provided, however, that punitive or exemplary damages shall not be awarded. The arbitrator may award to the prevailing Party, if any, as determined by the arbitrator, all of its costs and fees, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses and reasonable attorneys' fees. Unless otherwise agreed by the Parties, the place of any arbitration proceedings shall be Hennepin County, Minnesota. This agreement to arbitrate does not include worker's compensation claims, claims for unemployment compensation, or any injunctive or other relief to which the Bio-Techne may be entitled in accordance with the Prior Agreements referred to in Section 4.1 herein.

ARTICLE 7.
MISCELLANEOUS PROVISIONS

7.1) Modifications. Except as provided in Section 3.1 above, this Agreement supersedes all prior agreements and understandings between the Parties relating to the employment of Employee by Bio-Techne and it may not be changed or terminated orally. No modification, termination, or attempted waiver of any of the provisions of this Agreement will be valid unless in writing signed by the Party against whom the same is sought to be enforced.

7.2) Binding Effect. The breach by Bio-Techne of any other agreement or instrument between Bio-Techne and Employee will not excuse or waive Employee's performance under, or compliance with, this Agreement.

7.3) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota, without regard to conflicts of law principles that would require the application of any other law.

7.4) Successors and Assigns. This Agreement is personal to Employee and Employee may not assign or transfer any part of his rights or duties hereunder, or any compensation due to him hereunder, to any other person. This Agreement may be assigned by Bio-Techne. This Agreement is binding on any successors or assigns of Bio-Techne.

7.5) Captions. The captions set forth in this Agreement are for convenience only and shall not be considered as part of this Agreement or as in any way limiting or amplifying the terms and conditions hereof.

7.6) No Conflicting Obligations. Employee represents and warrants to Bio-Techne that he is not under, or bound to be under in the future, any obligation to any person, firm, or corporation that is or would be inconsistent or in conflict with this Agreement or would prevent, limit, or impair in any way the performance by him of his obligations hereunder. If Employee possesses any information that he knows or should know is considered by any third party, such as a former employer of Employee's to be confidential, trade secret, or otherwise proprietary, Employee shall not disclose such information to Bio-Techne or use such information to benefit Bio-Techne in any way.

7.7) Waivers. The failure of any Party to require the performance or satisfaction of any term or obligation of this Agreement, or the waiver by any Party of any breach of this Agreement, will not prevent subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

7.8) Severability. In the event that any provision hereof is held invalid or unenforceable by a court of competent jurisdiction, Bio-Techne and Employee agree that that part should be modified by the court to make it enforceable to the maximum extent possible. If the part cannot be modified, then that part may be severed and the other parts of this Agreement shall remain enforceable.

7.9) Code Section 409A. Notwithstanding any other provision of this Agreement to the contrary, the Parties to this Agreement intend that this Agreement will satisfy the applicable requirements, if any, of Code Section 409A in a manner that will preclude the imposition of additional taxes and interest imposed under Code Section 409A. The Parties agree that this Agreement will be amended (as determined by Bio-Techne in its sole discretion) to the extent necessary to comply with Code Section 409A, as amended from time to time, and the notices and other guidance of general applicability issued thereunder. Further, if any of the payments described in this Agreement are subject to the requirements of Code Section 409A and Bio-Techne determines that Employee is a "specified employee" as defined in Code Section 409A as of the date of Employee's termination of employment (which will have the same meaning as "separation from service" as defined in Code Section 409A), all or a portion of such payments will not be paid or commence earlier than the first day of the seventh month following the date of Employee's termination of employment, but only to the extent such delay is required for compliance with Code Section 409A.

7.10) Notices. All notices given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given, delivered and received (A) upon personal delivery to the Party to be notified; (B) when sent by facsimile if sent during normal business hours of the recipient, and if not sent during normal business hours then on the next business day; (C) five (5) calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (D) one (1) business day after the business day of deposit with a nationally recognized overnight courier, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses set forth below, or to such facsimile numbers, or addresses as subsequently modified by written notice given in accordance with this Section:

(a) If to Bio-Techne: Bio-Techne Corporation
Attention: Chair, Board of Directors
614 McKinley Place Northeast
Minneapolis, MN 55413

(b) If to the Employee: Kevin Gould, at his home address as it then appears on the records of Bio-Techne, it being the duty of Employee to keep Bio-Techne informed of his current home address at all times

7.11) Construction. The Parties agree that the terms and provisions of this Agreement embody their mutual intent, each Party has had the opportunity to negotiate its provisions and contribute to its drafting, and therefore, it is not to be construed more liberally in favor of, or more strictly against, any Party hereto.

7.12) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. Electronically transmitted (e.g., by facsimile or pdf) signed copies of this Agreement shall be deemed to be original signed versions of this Agreement.

7.13) Section 280G. Notwithstanding anything to the contrary contained in this Agreement, to the extent that any of the payments and benefits provided for under this Agreement or any other agreement or arrangement between the Employee and the Bio-Techne (collectively, the "Payments") constitute a "parachute payment" within the meaning of Section 280G of the Code and, but for this Section 7.13, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be payable either (i) in full or (ii) as to such lesser amount which would result in no portion of such Payments being subject to excise tax under Section 4999 of the Code; whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the Employee's receipt on an after-tax basis, of the greatest amount of economic benefits under this Agreement, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. Unless the Employee and Bio-Techne otherwise agree in writing, any determination required under this Section 7.13 shall be made in writing by Bio-Techne's independent public accountants (the "Accountants"), whose reasonable determination shall be conclusive and binding upon Employee and Bio-Techne for all purposes. For purposes of making the calculations required by this Section 7.13, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Sections 280G and 4999 of the Code. Employee and Bio-Techne shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 7.13.

(Signatures follow on the next page(s).)

THE PARTIES HAVE executed this Agreement in the manner appropriate to each as of the dates set forth below.

BIO-TECHNE CORPORATION

By//Chuck Kummeth//
Its Chief Executive Officer

December 29, 2015
Date

EMPLOYEE

//Kevin Gould//
Kevin Gould

December 24, 2015
Date

CERTIFICATION

I, Charles R. Kummeth, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: February 9, 2016

/s/ Charles R. Kummeth

Charles R. Kummeth
Principle Executive Officer

CERTIFICATION

I, James Hippel, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: February 9, 2016

/s/ James Hippel

James Hippel
Principle Financial Officer

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 Quarterly Report of Techne Corporation (the "Company") On Form 10-Q for the quarter ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Charles R. Kummeth, Principle 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/ Charles R. Kummeth

Principle Executive Officer

February 9, 2016

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 Quarterly Report of Techne Corporation (the "Company") On Form 10-Q for the quarter ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Hippel, 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/ James Hippel
Principal Financial Officer
February 9, 2016