

TELEFLEX INC
Form 11-K
July 02, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the fiscal year ended December 31, 2006.

OR

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

For the transition period from _____ to _____
Commission File Number: 1-5353

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Teleflex Incorporated 401(k) Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Teleflex Incorporated
155 South Limerick Road
Limerick, Pennsylvania 19468

Teleflex Incorporated
401(k) Savings Plan
Financial Statements and
Supplemental Schedules
Years ended December 31, 2006 and 2005

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator
Teleflex Incorporated
401(k) Savings Plan
Limerick, Pennsylvania

We have audited the accompanying statements of net assets available for benefits of the Teleflex Incorporated 401(k) Savings Plan as of December 31, 2006 and 2005, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Companies Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Teleflex Incorporated 401(k) Savings Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment and reportable transactions, together referred to as supplemental information, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

June 19, 2007

TELEFLEX INCORPORATED
401(k) SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE
FOR BENEFITS

December 31, 2006 and 2005

	2006	2005
ASSETS		
Investments, at fair value	\$ 197,579,602	\$ 176,742,257
Receivables		
Employer	46,904	355,681
Employee	91,783	796,668
	138,687	1,152,349
 NET ASSETS AVAILABLE FOR BENEFITS	 \$ 197,718,289	 \$ 177,894,606

See accompanying notes.

TELEFLEX INCORPORATED
401(k) SAVINGS PLAN
STATEMENTS OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
Years Ended December 31, 2006 and 2005

	2006	2005
ADDITIONS TO NET ASSETS		
Investment income		
Interest and dividends	\$ 10,054,284	\$ 7,799,226
Net appreciation in fair value of investments	6,037,696	9,558,361
Realized gain on sale of investments	200,566	2,071,968
	16,292,546	19,429,555
Contributions		
Employer	5,228,600	4,866,380
Employee	11,878,003	12,185,816
	17,106,603	17,052,196
Other activity	45,303	1,728
TOTAL ADDITIONS	33,444,452	36,483,479
DEDUCTIONS FROM NET ASSETS		
Benefits paid to participants	24,823,921	37,280,905
Administrative fees	84,295	85,901
TOTAL DEDUCTIONS	24,908,216	37,366,806
NET INCREASE (DECREASE) IN NET ASSETS PRIOR TO TRANSFERS	8,536,236	(883,327)
ASSETS TRANSFERRED TO PLAN	11,287,447	
NET INCREASE (DECREASE)	19,823,683	(883,327)
NET ASSETS AVAILABLE FOR BENEFITS BEGINNING OF YEAR	177,894,606	178,777,933
END OF YEAR	\$ 197,718,289	\$ 177,894,606

See accompanying notes.

TELEFLEX INCORPORATED

401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2006 and 2005

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL DESCRIPTION OF THE PLAN

Significant Accounting Policies

The significant accounting policies employed in the preparation of the accompanying financial statements are as follows:

Valuation of Investments

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year end. Units of the Retirement Savings Trust are valued at net asset value at year end. The Company stock fund is valued at its year-end unit closing price (comprised of year-end market price plus uninvested cash position). Participant loans are valued at cost, which approximates fair value.

Revenue Recognition and Method of Accounting

All transactions are recorded on the accrual basis. Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. Expenses are recorded as incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

General Description of the Plan

A general description of the Teleflex Incorporated 401(k) Savings Plan (the Plan) follows. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

TELEFLEX INCORPORATED

401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2006 and 2005

General

The Plan is a defined contribution plan, which was implemented effective July 1, 1985. Employees of Teleflex Incorporated (the Company) who have attained age 21 are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan includes an employee stock ownership plan (ESOP) as defined in Internal Revenue Code Section 4975(e)7. The ESOP can be used exclusively to provide employer contributions that match participants' Section 401(k) salary deferral contributions and, in certain instances, to provide discretionary employer contributions to the Plan.

Contributions

Participants may contribute between 2% and 50% of their compensation on a pre-tax basis (highly compensated employees may only contribute a maximum of 6%). The employer matching contribution and/or employer discretionary matching contribution varies by division. Participants may also contribute amounts representing distributions from other qualified benefit plans (via a rollover into the Plan).

Participant Accounts

Each participant's account is credited with the participant's contribution, the employer matching contribution and/or employer discretionary matching contribution, as well as an allocation of Plan earnings. Participants have access to their accounts 24 hours a day/7 days per week via a 1-800 customer service center and a website. Fund transfers and investment election changes may be elected daily. A participant may stop, start, or change his/her 401(k) salary deferral contribution percent as often as his/her local payroll will allow.

Plan Loans

Active employees may elect to take up to two loans from the Plan at any given time. As required by law, a loan amount is limited to the lesser of \$50,000 or 50% of the participant's vested account and must be repaid within five years unless the loan is for the purchase of a primary residence. Loan repayments are processed via payroll deduction on an after-tax basis. Any outstanding loan(s) not repaid within 60 days from an employee's date of termination, or within the first 12 months of an employee's leave of absence (including long-term disability), is processed as a taxable distribution.

TELEFLEX INCORPORATED

401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2006 and 2005

Vesting

Participants are always 100% vested in their own 401(k) salary deferral contributions. Most participants are 100% vested in their employer matching contributions after one year of employment; however, participants in certain divisions are 100% vested in their employer matching contributions after three years of employment. Participants are 100% vested in their employer discretionary contributions after five years of employment.

Payment of Benefits

The Plan provides that a participant may elect to withdraw 100% of his/her vested account balance at termination of employment. A participant may also elect to withdraw 100% of his/her vested account balance in the event of total and permanent disability and the attainment of age 59 1/2. A participant may elect to withdraw his/her Rollover Account at any time.

Forfeitures

Forfeitures of terminated participants' nonvested accounts are used to reduce the amount of future contributions required to be made to the Plan by the Company. The amount of unallocated forfeitures at December 31, 2006 and 2005, was \$846,002 and \$406,797, respectively.

Plan Termination

The Plan may be terminated at any time by the Company. In the event of Plan termination, distribution of participant accounts shall be in accordance with Article VIII of the Plan document.

NOTE B ADMINISTRATION OF THE PLAN

The Plan is administered by a committee of at least three members appointed by the Company's Board of Directors. The committee is the Plan Administrator and fiduciary for ERISA purposes. The Board of Directors of the Company appointed Vanguard Fiduciary Trust Company as trustee of the Plan effective September 30, 2004. The Company pays for all administrative and recordkeeping costs associated with operating the Plan. Investment management fees charged by each mutual fund are netted against returns. Investment management fees charged by the Vanguard Retirement Savings Trust VIII (which are collective investment funds) are charged to those participants with balances in those funds.

TELEFLEX INCORPORATED**401(k) SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS***December 31, 2006 and 2005***NOTE C TAX STATUS OF THE PLAN**

The Plan has received a favorable determination letter from the Internal Revenue Service dated July 1, 2003, indicating that the Plan is a qualified plan under Section 401(k) of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE D INVESTMENTS

The following presents investments at December 31, 2006 and 2005, which represent 5% or more of the Plan's net assets:

	2006	2005
Teleflex Stock Fund, 3,192,873 shares (2006) and 3,337,337 shares (2005)	\$48,435,881*	\$50,961,137*
Vanguard International Growth Fund, 533,495 shares (2006) and 385,386 shares (2005)	\$12,729,193	\$ 8,093,098
Vanguard Morgan Growth Fund, 614,598 shares (2006) and 539,581 shares (2005)	\$11,671,218	\$ 9,555,977
Vanguard Retirement Savings Trust VIII, 40,358,899 shares (2006) and 40,357,232 shares (2005)	\$40,358,899	\$40,357,232
Vanguard Wellington Fund, 762,847 shares (2006) and 574,724 shares (2005)	\$24,739,133	\$17,442,872
Vanguard Windsor Fund, 1,580,343 shares (2006) and 1,598,751 shares (2005)	\$29,457,602	\$27,418,583

* Includes
nonparticipant-directed

TELEFLEX INCORPORATED**401(k) SAVINGS PLAN****NOTES TO FINANCIAL STATEMENTS***December 31, 2006 and 2005***NOTE E NONPARTICIPANT-DIRECTED INVESTMENTS**

Company contributions are invested in company stock and are nonparticipant directed until the participant becomes vested, at which time the participant can then direct those funds to another investment of the plan. The entire company stock fund is considered to be nonparticipant directed because the amount that the participants can direct is not readily determinable. Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows:

	2006	2005
NET ASSETS		
Common stock funds	\$ 48,435,881	\$ 50,961,137
 CHANGES IN NET ASSETS		
Contributions	\$ 6,584,632	\$ 6,061,080
Interest and dividends	835,332	823,489
Net appreciation in fair value of investments	193,701	9,285,945
Realized gain (loss) on sale of investments	(539,980)	2,030,794
Benefits paid to participants	(4,750,882)	(8,180,208)
Administrative fees	(20,755)	(23,038)
Other activity	(4,827,304)	(8,331,818)
	 \$ (2,525,256)	 \$ 1,666,244

NOTE F PLAN ACQUISITION

The Plan executed an acquisition of the Hudson Respiratory Care Inc. 401(k) Plan during the year ended December 31, 2006. The merged plan had net assets of \$11,287,447. There were no plan mergers during the year ended December 31, 2005.

The transferred net assets have been recognized in the accounts of the Plan at the balances as previously carried in the accounts of the merged plan. The changes in net assets of the combined plan are included in the statements of changes in net assets available for benefits.

TELEFLEX INCORPORATED

401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2006 and 2005

NOTE G RELATED-PARTY TRANSACTIONS

The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company (VFTC). VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

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SUPPLEMENTAL SCHEDULES**TELEFLEX INCORPORATED****401(k) SAVINGS PLAN****SCHEDULE OF ASSETS HELD FOR INVESTMENT***Year Ended December 31, 2006*

Schedule H, Part IV, Item 4i of Form 5500, EIN# 23-1147939, Plan 010

Shares	Description	Cost	Current Value
71,709	Royce Total Return Fund	\$ N/A	\$ 975,961
3,192,873	Teleflex Stock Fund	35,913,095	48,435,881
24,086	Vanguard 500 Index Fund	N/A	3,145,384
75,936	Vanguard Explorer Fund	N/A	5,673,175
533,495	Vanguard International Growth Fund	N/A	12,729,193
614,598	Vanguard Morgan Growth Fund	N/A	11,671,218
40,358,899	Vanguard Retirement Savings Trust VIII	N/A	40,358,899
219,215	Vanguard Strategic Equity Fund	N/A	5,182,238
39,985	Vanguard Target Retirement 2005	N/A	458,631
133,410	Vanguard Target Retirement 2015	N/A	1,662,283
109,709	Vanguard Target Retirement 2025	N/A	1,430,603
104,254	Vanguard Target Retirement 2035	N/A	1,446,003
41,145	Vanguard Target Retirement 2045	N/A	589,196
17,079	Vanguard Target Retirement Income	N/A	182,735
432,198	Vanguard Total Bond Market Index Fund	N/A	4,317,663
762,847	Vanguard Wellington Fund	N/A	24,739,133
1,580,343	Vanguard Windsor Fund	N/A	29,457,602
N/A	Participant loans, 4.25% to 12.5%	N/A	5,123,804
			\$ 197,579,602

TELEFLEX INCORPORATED**401(k) SAVINGS PLAN****SCHEDULE OF REPORTABLE TRANSACTIONS**

(Single Transaction or Series of Transactions in One Issue

Aggregating More than 5% of the Current Value of Plan Assets)

Year Ended December 31, 2006

Schedule H, Part IV, Item 4j of Form 5500, EIN# 23-1147939, Plan 010

Description of Investment	Purchase Price	Sales Price	Cost of Asset	Current Value of Investment on Transaction Date	Net Gain
Teleflex Stock Fund	\$	\$11,211,379	\$8,750,155	\$11,211,379	\$2,461,224
Teleflex Stock Fund	9,032,402		9,032,402	9,032,402	
Vanguard Wellington Fund		3,091,234	2,917,490	3,091,234	173,744
Vanguard Wellington Fund	8,958,625		8,958,625	8,958,625	
Vanguard Windsor Fund		5,355,723	5,008,860	5,355,723	346,863
Vanguard Windsor Fund	5,143,808			5,143,808	
Vanguard Retirement Savings Trust VIII		9,761,393	9,761,393	9,761,393	
Vanguard Retirement Savings Trust VIII	9,717,757			9,717,757	

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 29, 2007

Teleflex Incorporated 401(k) Savings Plan

By: /s/ Terry Moulder

Name: Terry Moulder

Title: Member, Plan Administrative
Committee

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Teleflex Incorporated Voluntary Investment Plan
Annual Report on Form 11-K
For the Fiscal Year Ended December 31, 2006
INDEX TO EXHIBITS

Exhibit No.	Description
23.1	Consent of Independent Registered Public Accounting Firm