

# Biotest

*From Nature for Life*

Deutsches Eigenkapitalforum  
Frankfurt/ Main, 13 November 2007

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# Biotest at a glance (1)

## Plasma proteins

Immunoglobulins  
Coagulation factors  
Human Albumin



## Diagnostics

Immunological diagnostics  
Microbiological diagnostics



## Development of Biotherapeutics

BT-061  
BT-062  
BT-063



## Biotest at a glance (2)

- **Sales** of 2006: € 281.9 m  
**Q1-Q3 2007: € 241.0 m**
- **EBIT** of 2006: € 31.4 m  
**Q1-Q3 2007: € 27.4 m**
- 68 % of sales are generated outside Germany
- ~ 1,250 employees worldwide (FTE)
- Pharmaceuticals division 75 % of sales
- Listed at the German Stock Exchange since 1987
- Total Market Cap € 459.9 m (9 November 2007)  
6,595,242 ordinary shares  
5,133,333 preference shares



- **Biotest Plasma proteins**

- Biotest Diagnostics

- Biotest Biotherapeutics

- Key Financials

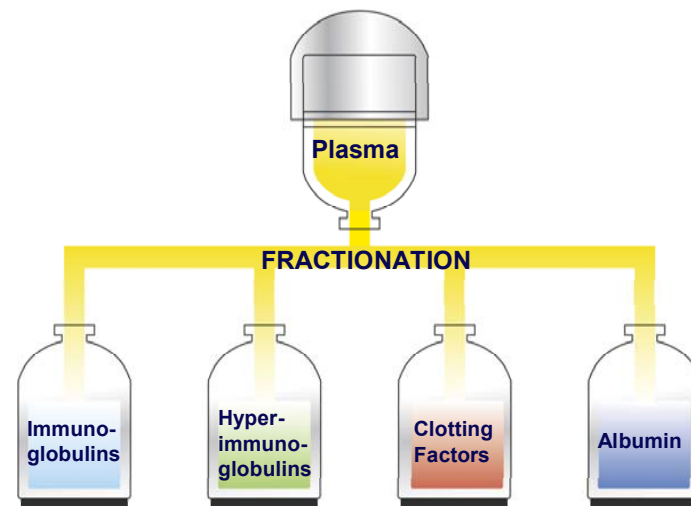
(as of 30 September 2007)



# Biotest Plasma proteins: Markets and competitive Position

- Strong market share in Europe (e.g. Germany > 20% immunoglobulin market)
- Major competitors: Baxter, CSL Behring, Talecris, Octapharma, Grifols
- Increase in demand for IVIG in Europe and the USA due to new indications, e.g. autoimmune diseases
- Increase of plasma collection in developed world limited by regulatory hurdles

## Biotest Plasma protein products



## Capacities in Dreieich

- 700,000 litres fractionation
- 400 m I.U. Factor VIII/ IX
- Expansion of chromatographic purification of immunoglobulins to 4,000 kg by the end of 2008

Intratect® Pentaglobin®	Hepatect® Cytotect® Varitect®	Haemoctin® Haemonine®	Human-Albumin Biseko
Infections, immune deficiencies	Hepatitis Cytomegalie Varicella	Blood coagulation defects	Albumin and protein deficiencies

## Biotest Plasma proteins strategy: Upgrading product portfolio, entering new markets

- Upgrading the product portfolio by **modernisation** of the production process
- **Expansion** of international marketing & sales

### **Expansion EU:**

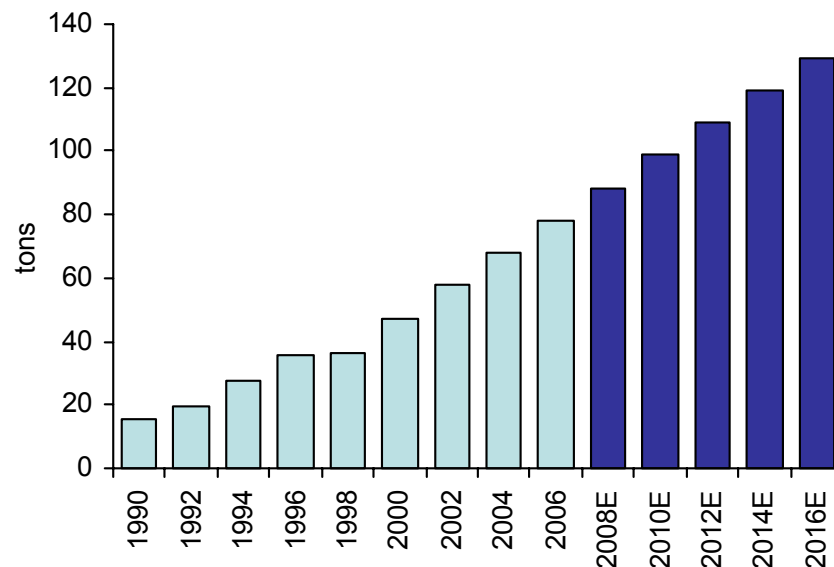
- Further extension of approvals in European countries by MR (mutual recognition procedure)

### **Market Entry USA:**

- USA represents one third of global immunoglobulin demand (> 30 tons)

**Acquisition of Nabi Biologics,  
Boca Raton, USA  
- Closing expected December 2007**

**Global immunoglobulin demand (in tons)**



Source: *Review of Australia's Plasma Fractionation Arrangements, 2007*

## Six convincing reasons to acquire **Nabi Biologics**

Immediate strong presence  
in the US market

Immediate additional capacity in  
plasmapheresis and production

Global leader in hepatitis B  
hyperimmunoglobulin market

Acquisition of  
**NABI**  
BIOLOGICS

Experienced and driven team of  
experts

Promising R&D pipeline with  
huge market potential

Positive contribution to sales and  
EBIT from the very start

## **Nabi Biologics: state-of-the-art production plant and plasma collection centres**

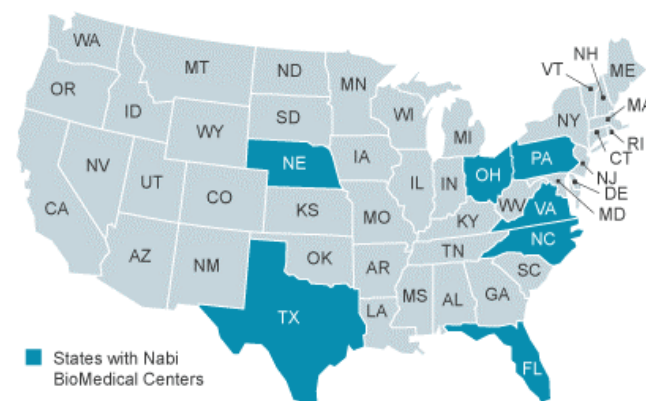
### **Plasma protein production plant**

- Built in 2002, certified by FDA
- Fractionation capacity 400,000 litres (after limited capex)
- Maximum output 1.5 tons IVIG
- Includes labs, QC, storage capacity



### **Plasma collection centres**

- Nine centres in seven US states
- Certified by FDA and EMEA
- Collection volume ~ 400,000 litres





## **Nabi Biologics:** Hyperimmunoglobulin Nabi HB<sup>®</sup> and plasma currently sold to third parties

### **Nabi HB<sup>®</sup>**

- Leading hyperimmunoglobulin for Hepatitis B prophylaxis in the US
- e.g. prevention of reinfection after liver transplants



### **Plasma for third parties**

- Plasma raw material and specific hyperimmune sera
- Major part of collected plasma will be used for own products in future
- Favourable market conditions due to growing IgG production in USA, EU



## **Nabi Biologics - Major development products**

### **Premium IVIG product**

- Premium product comparable to Intratect® in Europe
- Tailored to the US market
- Phase III pivotal trial has started in September 2007
- FDA approval expected for H1 2010
- US market launch earlier than previously planned for Intratect®

### **Civacir®**

- Indication is to prevent HCV re-infection in liver transplant patients
- High unmet medical need: 1/3 of liver transplants due to HCV infection (10x higher than HBV), no vaccination available
- Market potential (USA) in the three figure million USD range
- Orphan Drug designation (USA, EU)
- Phase II trial ongoing, Phase III trial to start in 2009
- FDA approval expected for 2012

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## Timeline and further process

- Approval of Nabi shareholders granted on 8 November 2007
- Asset purchase agreement still subject to US merger-control
- Approval of US merger-control authorities expected November/ December 2007
- Closing of transaction therefore expected December 2007

- Biotest Plasma proteins
- **Biotest Diagnostics**
- Biotest Biotherapeutics
- Key Financials  
(as of 30 September 2007)



# Biotest Diagnostics: Markets and Competitive Position

- Sales in the Diagnostic segment Q1 - Q3 2007: € 59.2 m
- Strong growth in microbiological diagnostics (hygiene monitoring): strong demand in the pharmaceutical industry, raising demand in food and cosmetics industry
- But flat sales in immunological diagnostics: intense competition and high pressure on margins in Europe

<b>IMMUNOLOGY</b>	<b>Transfusion</b> Definition of blood groups Search of antibodies	No 4 worldwide with a market share of 4 %  Market share in Europe 6 - 7 %  Main competitors: Ortho, Biorad, Immucor
	<b>Transplantation</b> Typing of tissues (matching of donor's and recipient's tissue)	No 3 worldwide with a market share of 12 %  Main competitors: One Lambda, Invitrogen, Innogenetics
<b>MICROBIOLOGY</b>	<b>Hygiene Monitoring</b> Detection of germs and particles	Among Top 5 worldwide  Market share of 8 - 10 %  Main competitors: VWR, Becton Dickinson, Biomerieux, Oxoid

## Diagnostics strategy: Focusing on core markets

### Immunological diagnostics (ID)

Following the nearly completed re-structuring of the Immunological Diagnostics:  
Spin-off of the ID business in an independent company

> Outsourcing as an essential prerequisite for **entering strategic partnership**: contacts and first negotiations to be completed until Q2/ 2008



### Microbiological diagnostics

Broadening the market base:  
Market expansion through investments in marketing & sales, e.g. **Japan**

In June 2007 heipha Dr. Müller GmbH has been granted licenses from United States Department for Agriculture to **export culture media to the USA**



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## Biotest Biotherapeutics: Focused research

### Three monoclonal antibodies (MAb) projects:

Unique mode of action

25% of patients do not respond to  
TNF-a antagonist therapies

High medical need

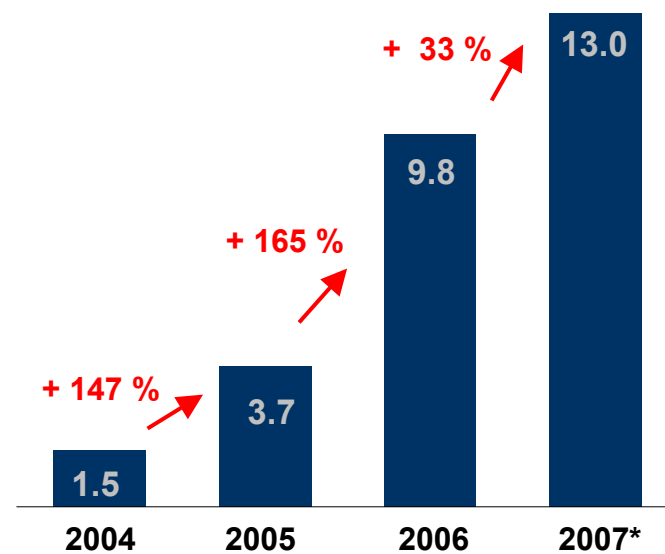
Fast growing markets

Blockbuster potential

### Biotest MAb and major indications:

<b>BT-061</b>	Rheumatoid Arthritis Psoriasis
<b>BT-062</b>	Multiple Myeloma
<b>BT-063</b>	Systemic Lupus Erythematosus and other Autoimmune Diseases

### Expenses for biotherapeutics [€ m]



\* Forecasted figures



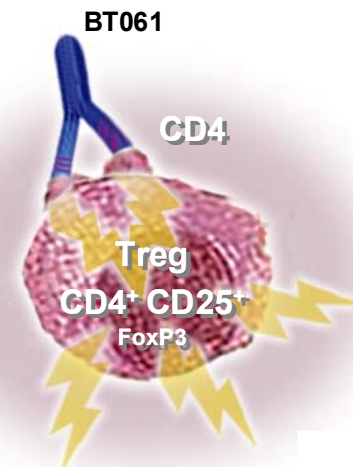
## **Biotest Biotherapeutics: Focused research**

### **BT-061**

Immunomodulator

Demonstration of good tolerability in a recently completed phase I clinical study.

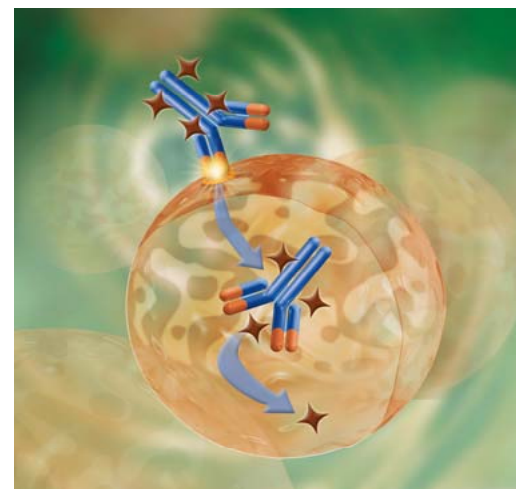
Initial data on efficacy (phase IIa) expected for the first half of 2008



### **BT-062**

Cooperation and license agreement with ImmunoGen secures exclusive rights to use TAP technology for BT-062

Start of clinical testing at the Dana Farber Cancer Institute in Boston and other centres in the USA expected for the first half of 2008



- Biotest Plasma proteins
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- Biotest Biotherapeutics
- **Key Financials**  
**(as of 30 September 2007)**



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## Financial Highlights Q3 2007

- 29 September 2007: Capital increase successfully completed:

Capital increase by 10% (599,567 ordinary shares, 466,666 preference shares)

Gross profit: € 33.1 m

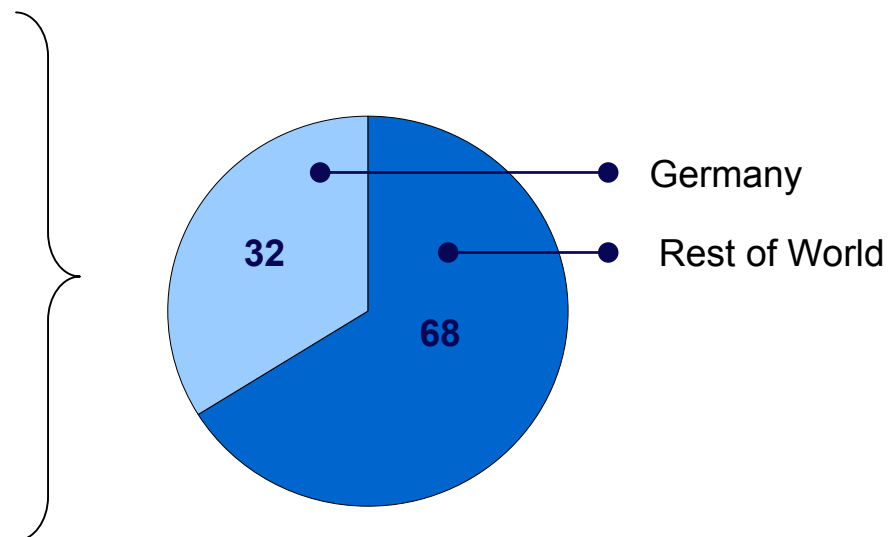
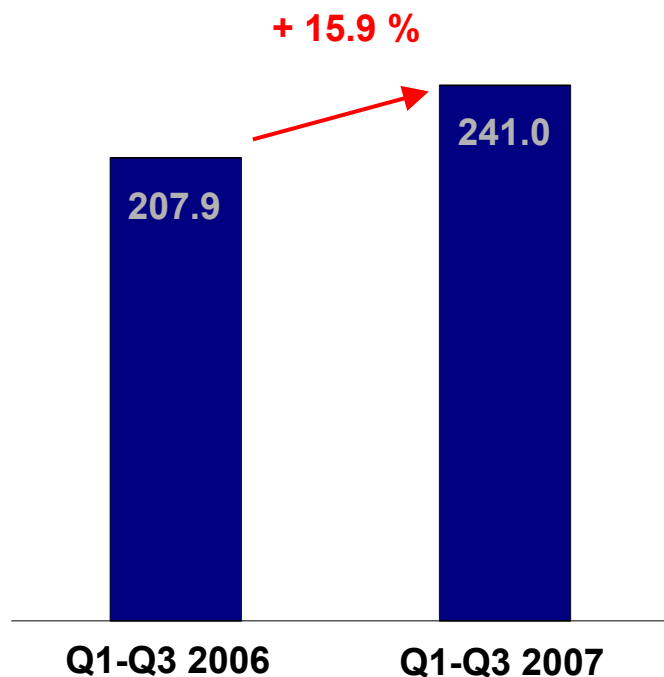
temporarily used to fully pay back long term portion of old syndicated loan

- New financing structure in place to finance the Nabi Transaction on the date of closing
- New financing structure includes € 40 m working capital facility
- Participants of new syndicated loan: Commerzbank, HypoVereinsbank, Deutsche Bank, West LB
- Capital expenditure fully funded by cash flow

## Biotest Group: Pleasant growth in Q1-Q3 2007

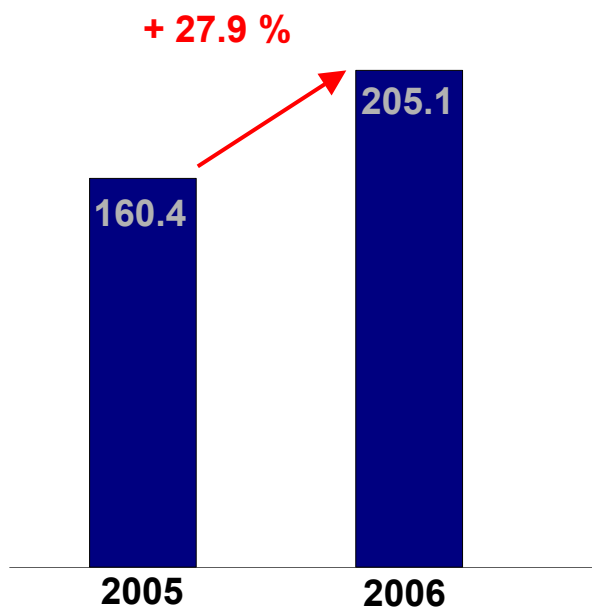
Revenues Q1-Q3 2006 - Q1-Q3 2007 [ m € ]

Revenues Germany / Rest of World [ % ]

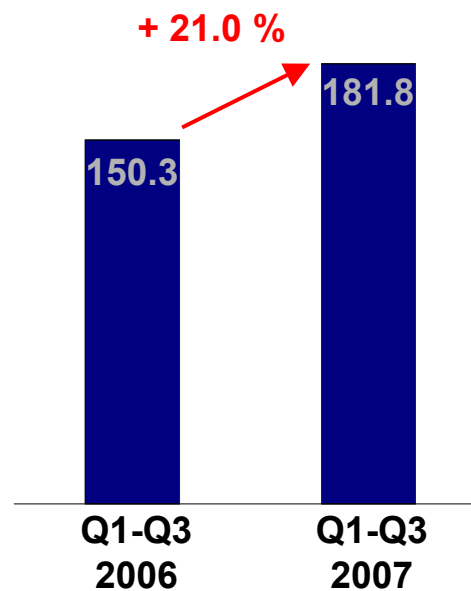


## Revenues Segment Pharma: Double digit growth

Revenues 2005 - 2006 [ m € ]

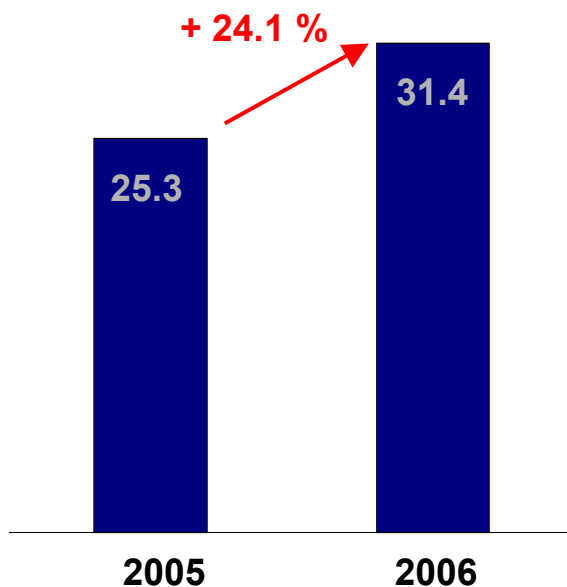


Revenues Q1-Q3 2006 - Q1-Q3 2007 [ m € ]

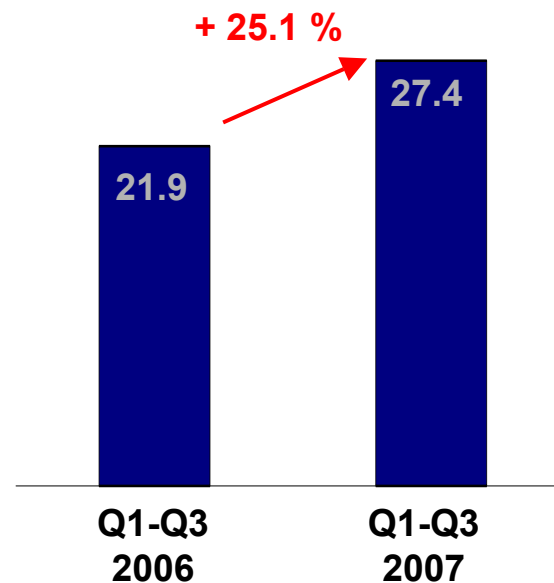


## Biotest Group: EBIT grows stronger than revenues

EBIT 2005 - 2006 [ m € ]



EBIT Q1-Q3 2006 - Q1-Q3 2007 [ m € ]



## Biotest Group: Balance Sheet

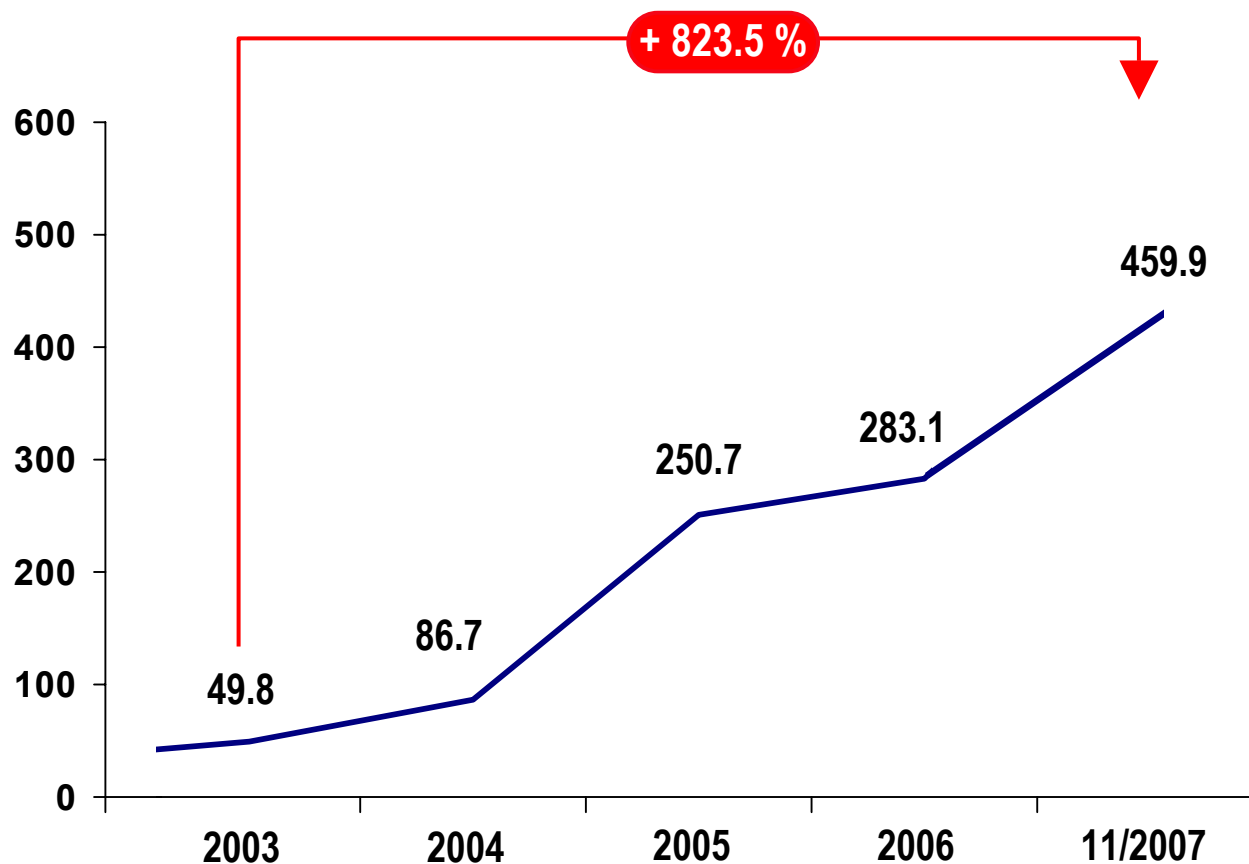
<b>ASSETS</b>	<b>Dec. 31, 2006</b>		<b>Sep. 30, 2007</b>	
	<b>[€m]</b>	<b>[%]</b>	<b>[€m]</b>	<b>[%]</b>
Fixed Assets	154	43	162	37
Inventories	105	29	113	25
Trade Receivables	74	20	100	23
Cash and Cash Equivalents	9	3	12	3
Other Assets	20	5	53	12
<b>Total Assets</b>	<b>362</b>	<b>100</b>	<b>440</b>	<b>100</b>

### **EQUITY and LIABILITIES**

Equity	179	49	220	50
Provisions	62	17	68	15
Financial Liabilities	81	23	83	19
Trade Payables	24	7	43	10
Other Liabilities	16	4	26	6
<b>Total Equity and Liabilities</b>	<b>362</b>	<b>100</b>	<b>440</b>	<b>100</b>

## Impressive increase in the market capitalization of Biotest within the last years

[€ m ]

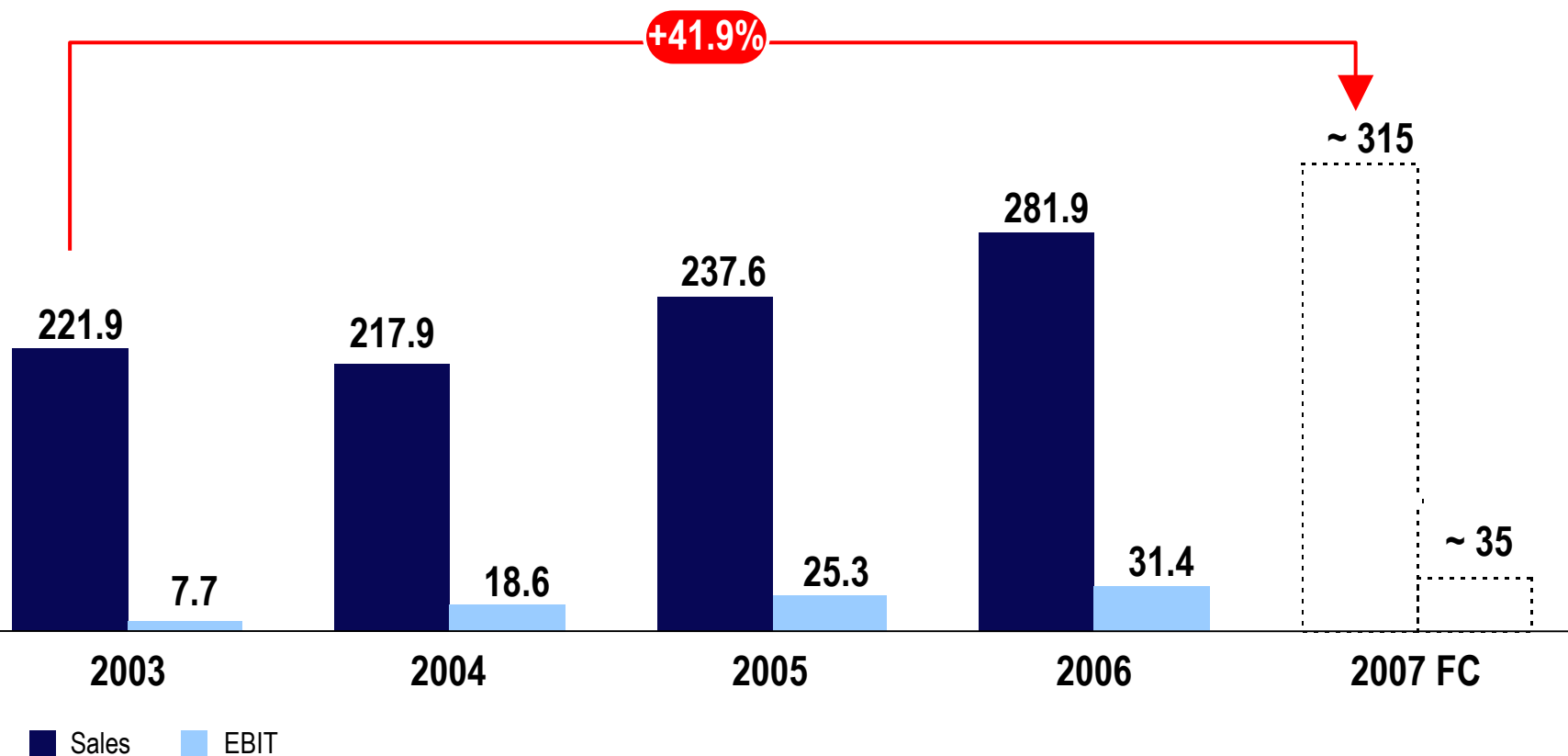


Always as of Dec. 31, except in 2007, there as of Nov. 9



## Significant increase in sales and earnings over the last years

Sales and EBIT in € m



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## **Increase in revenues – higher EBT in 2008 expected – significant improvement of earnings from 2010 onwards**

- Biotest targets revenues of > EUR 500m in the medium term after successful launch of “IVIG” in the USA – Civacir<sup>®</sup> adds further upside potential
- Forecast 2007 unchanged – EBIT should exceed 2006 figure by 12 – 15 %
- Striving for a further improvement of EBIT and EBT in 2008
- Earnings from acquired assets expected to exceed additional interest expenses from 2010 onwards

## Disclaimer

This document contains forward-looking statements on overall economics development as well as on the business, earnings, financial and asset situation of Biotest AG and its subsidiaries. These statements are based on current plans, estimates, forecasts and expectations of the company and thus are subject to risks and elements of uncertainty that could result in deviation of actual developments from expected developments. The forward-looking statements are only valid at the time of publication. Biotest does not intend to update the forward-looking statements and assumes no obligation to do so.

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## Financial calendar & contact

### Financial calendar

28 March 2008	Annual Report 2007
15 May 2008	1. Quarterly Report 2008
27 May 2008	Annual General Meeting

### Contact

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