

Focussed research,
global growth.

Markets,

Milestones,

Perspectives.

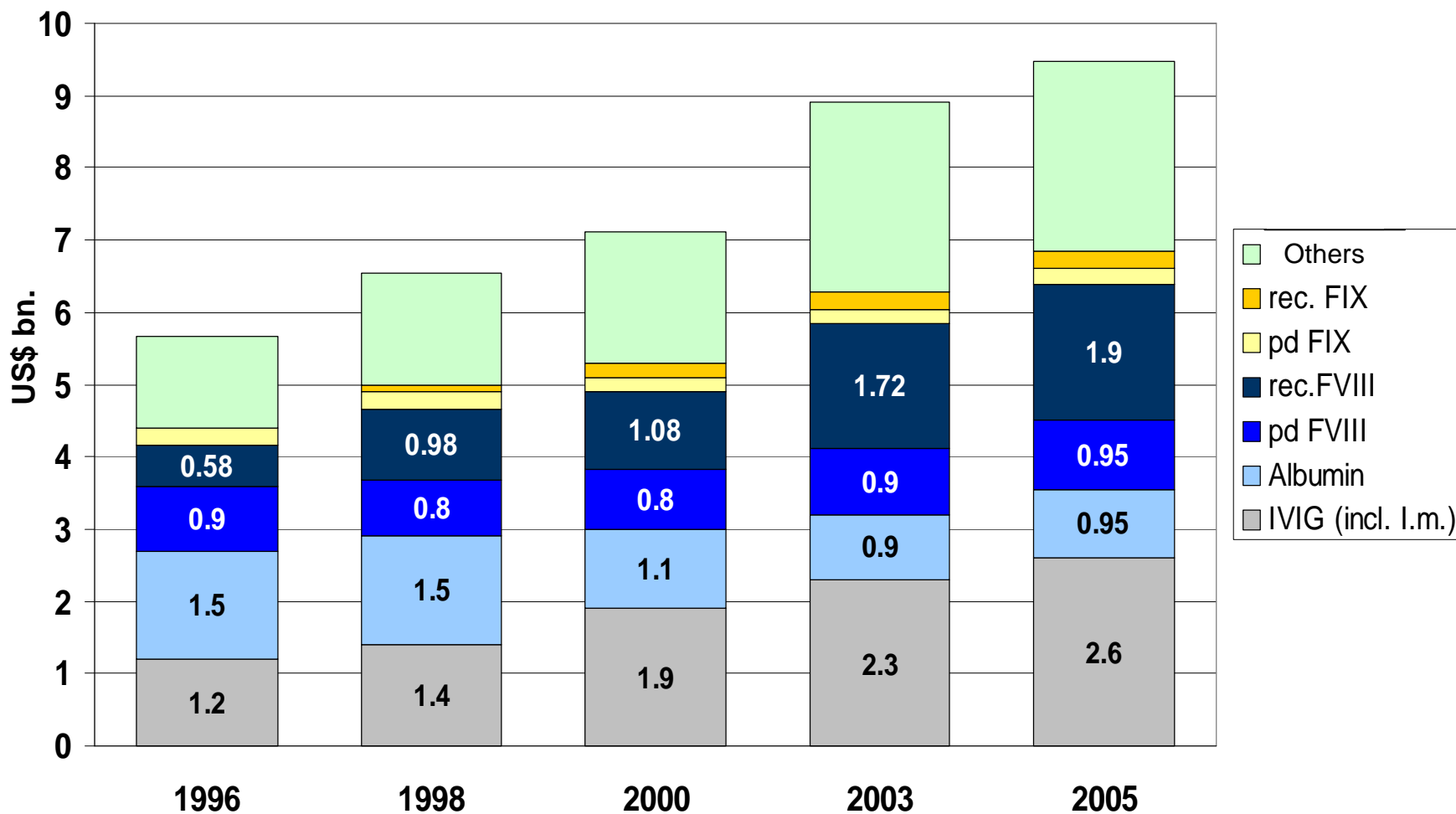


Prof. Dr. Gregor Schulz

Milestones in 2005

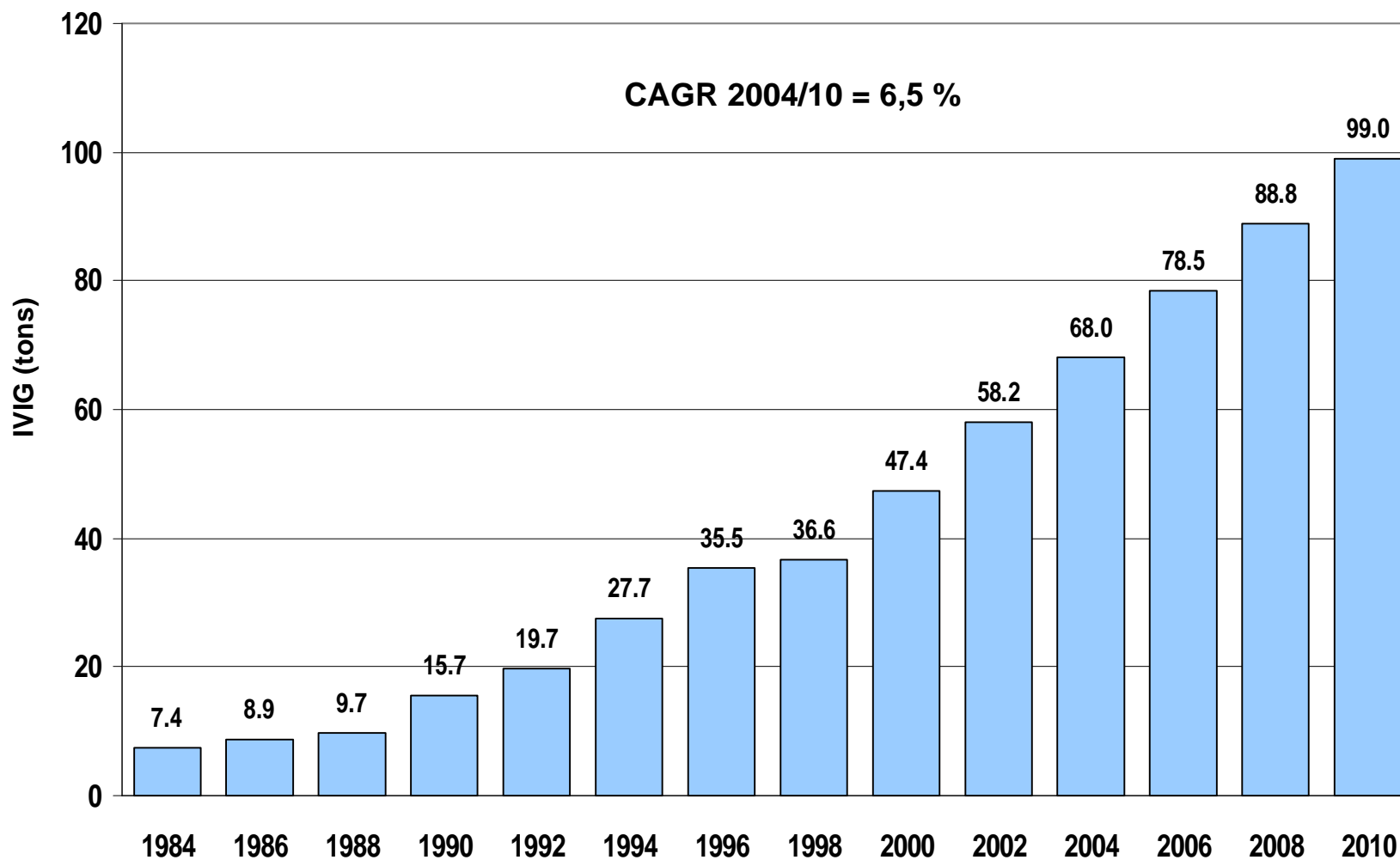
- Development of monoclonal antibodies is on schedule – Clinical trials with BT-061 will be continued in 2006
- European approval (Mutual Recognition Procedure = MR) of **Intratect**[®] in 9 countries
- Cytotect Biotest demonstrates high efficacy in treatment of cytomegalie infections in pregnancy (New. Engl. J. Med.)
- Inspection and approval of our new production lines by the German authorities:
 - Biseko: July 2005
 - Factor IX: October 2005
- Launch of **TANGO** in USA October 2005
 - 155 Systems are already in the international markets
- Important milestones for implementation of new **corporate identity** and change of **management culture** have been achieved

Worldwide plasma market including recombinant products



MRB-Report: Feb 2005
 Figures 2005 estimated

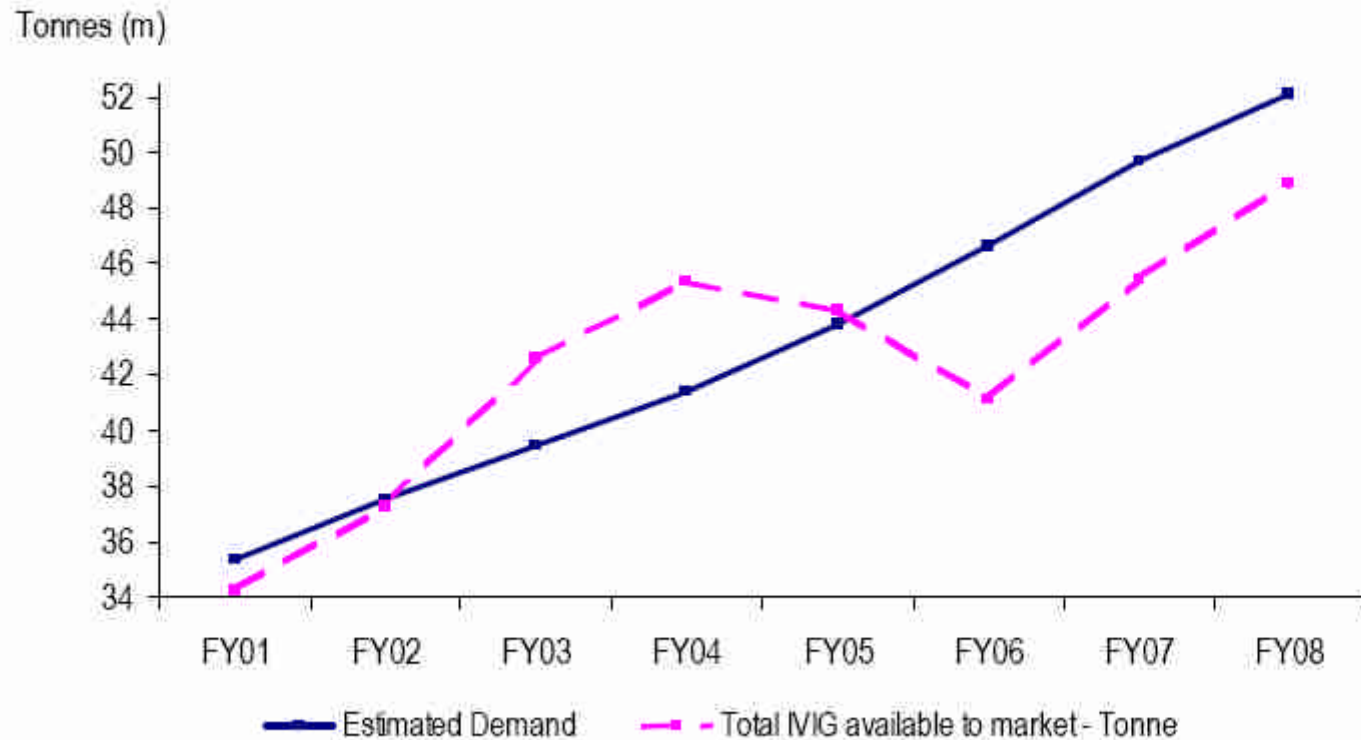
Worldwide need of immunoglobulins



MRB-Report: Feb 2005

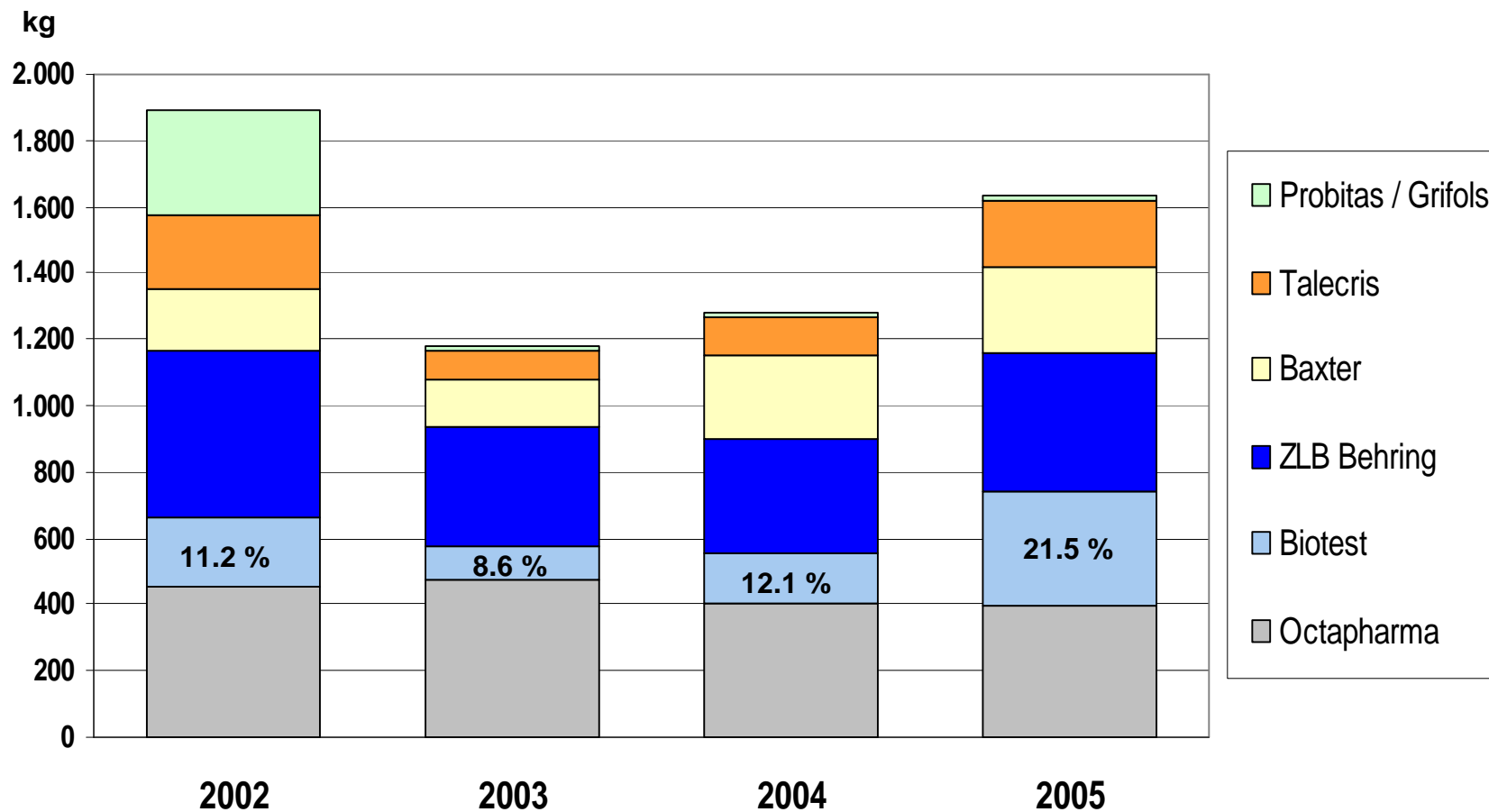
Polyspecific immunoglobulins - High demand: Price increase

Figure 1. USA derived IVIG Supply and Demand – cumulative supply effect



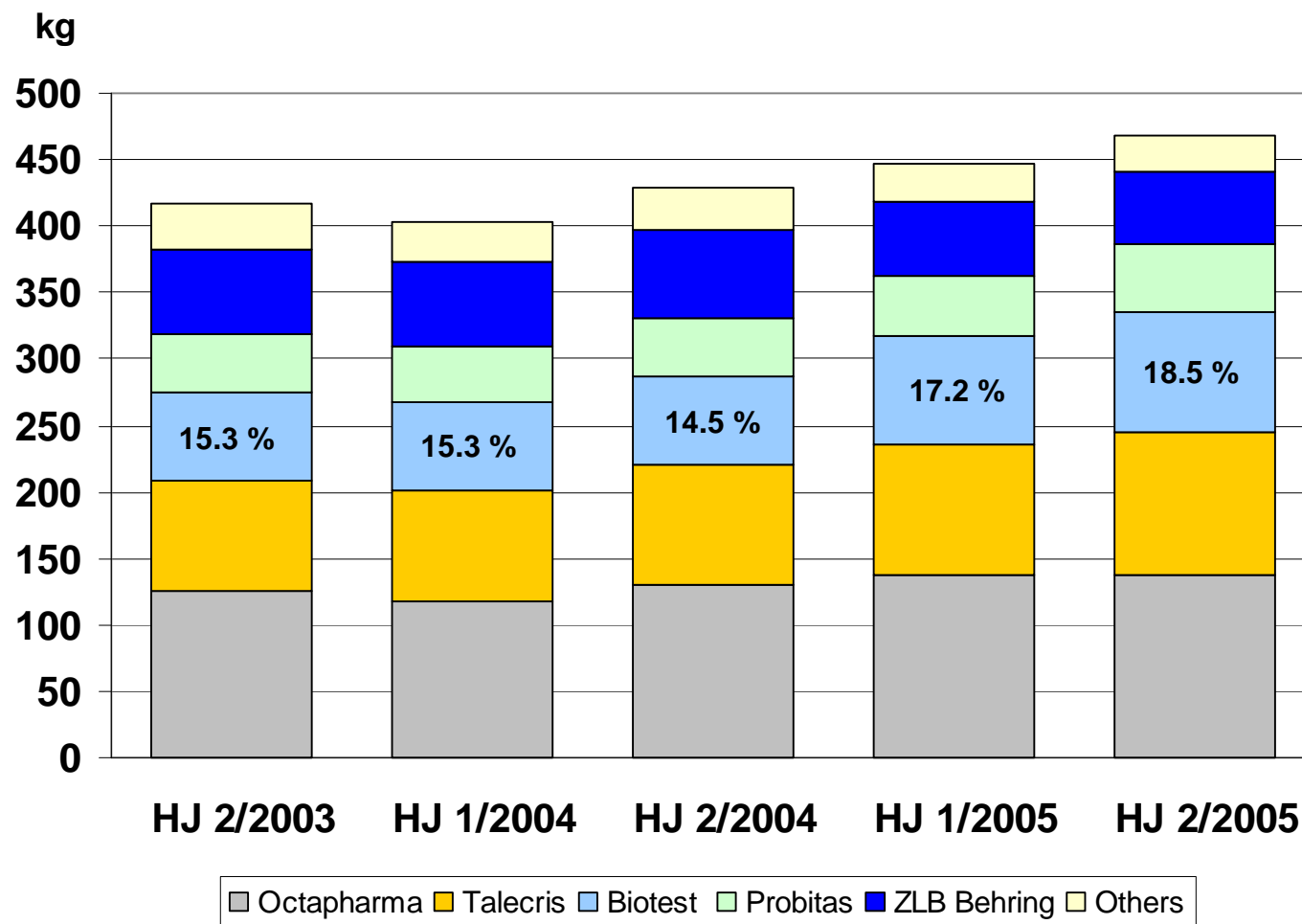
Source: Citigroup Investment Research.

German hospital market: Biotest increases market share with Intratect



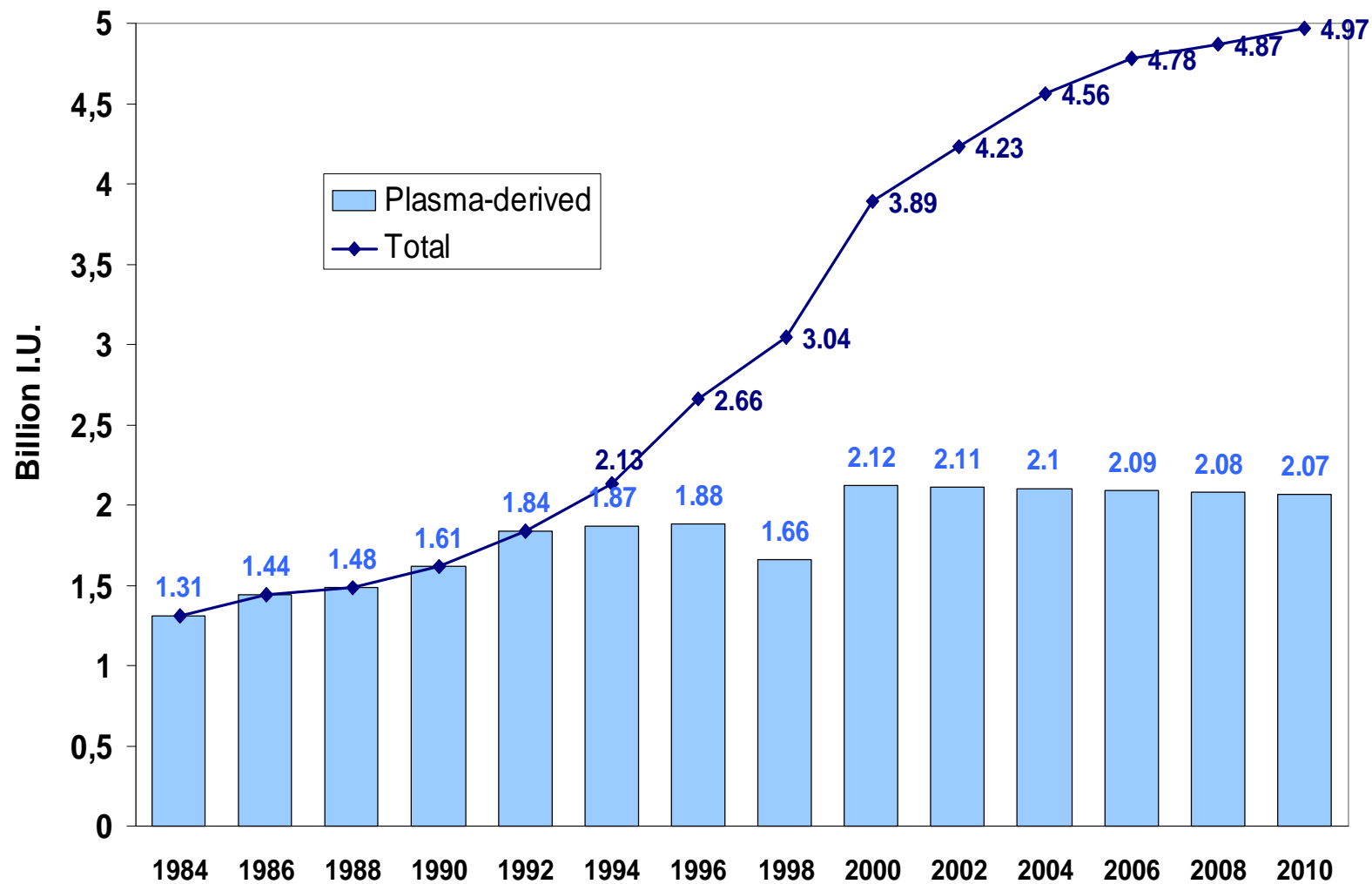
Source: IMS MIDAS, Sept 2005; MRB Europe 2002

German retail market*: Sales increase of Intratect



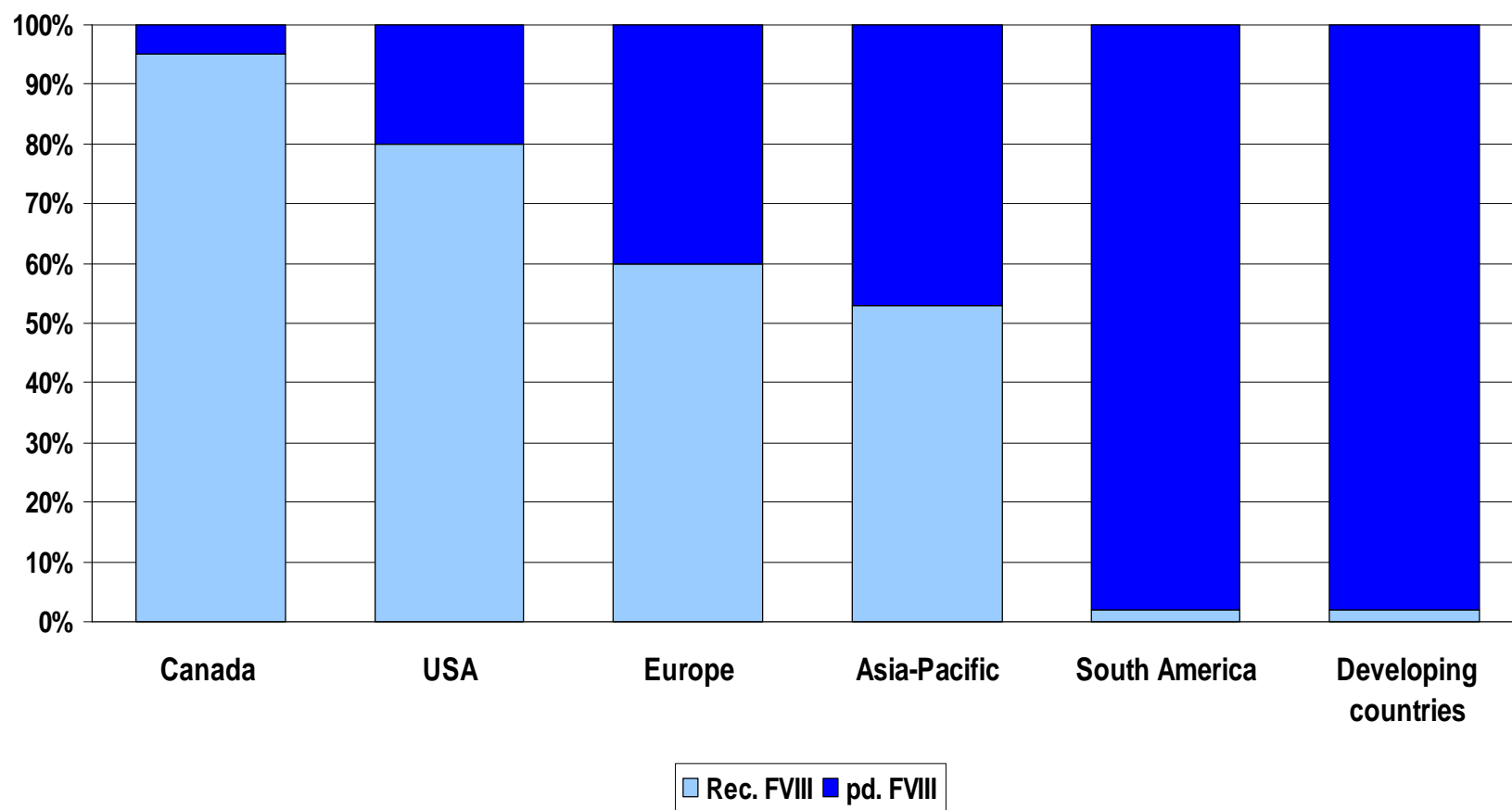
*public pharmacies

Total volume FVIII (Plasma derived and recombinant)

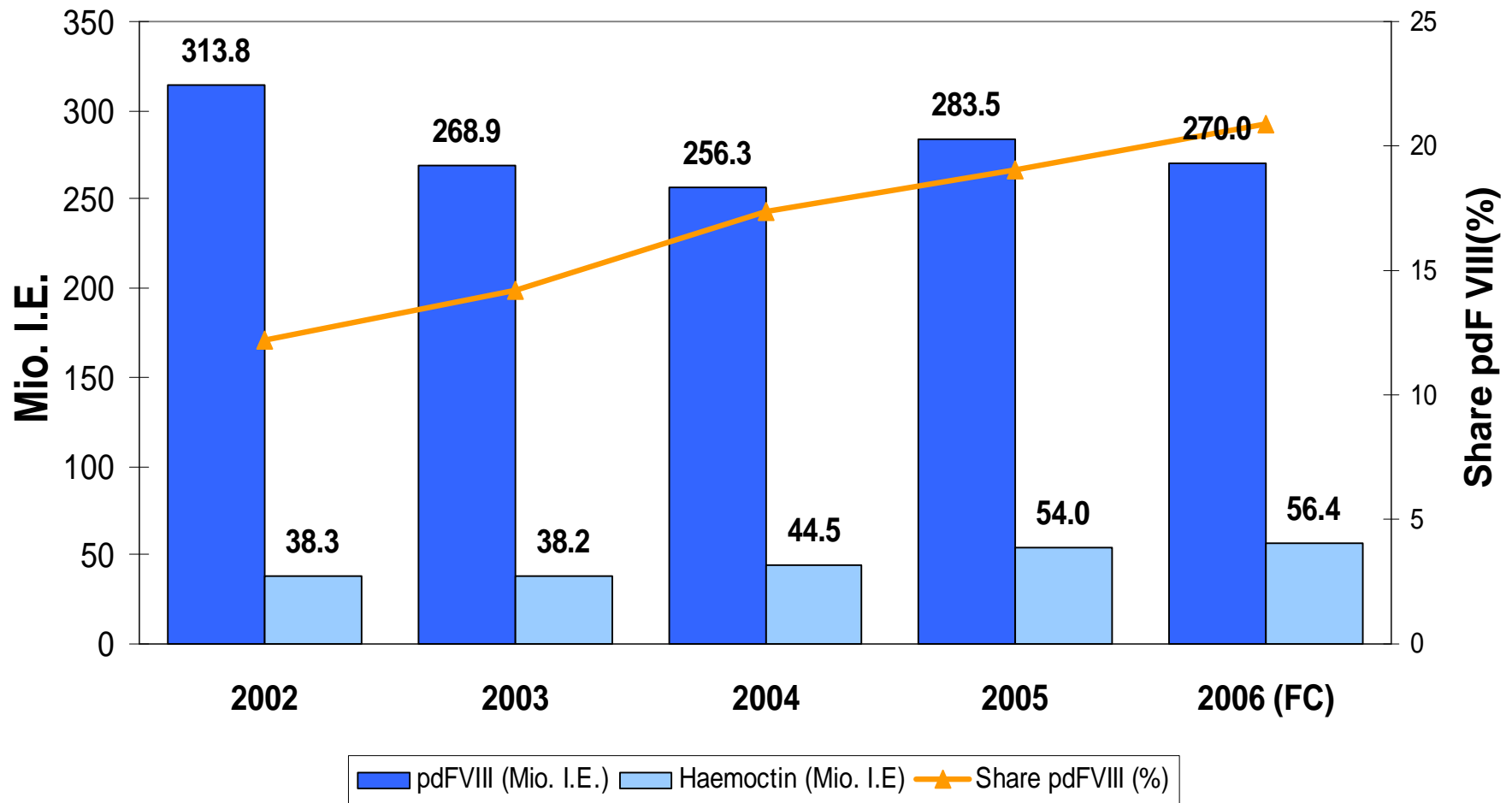


MRB-Report: Feb 2005

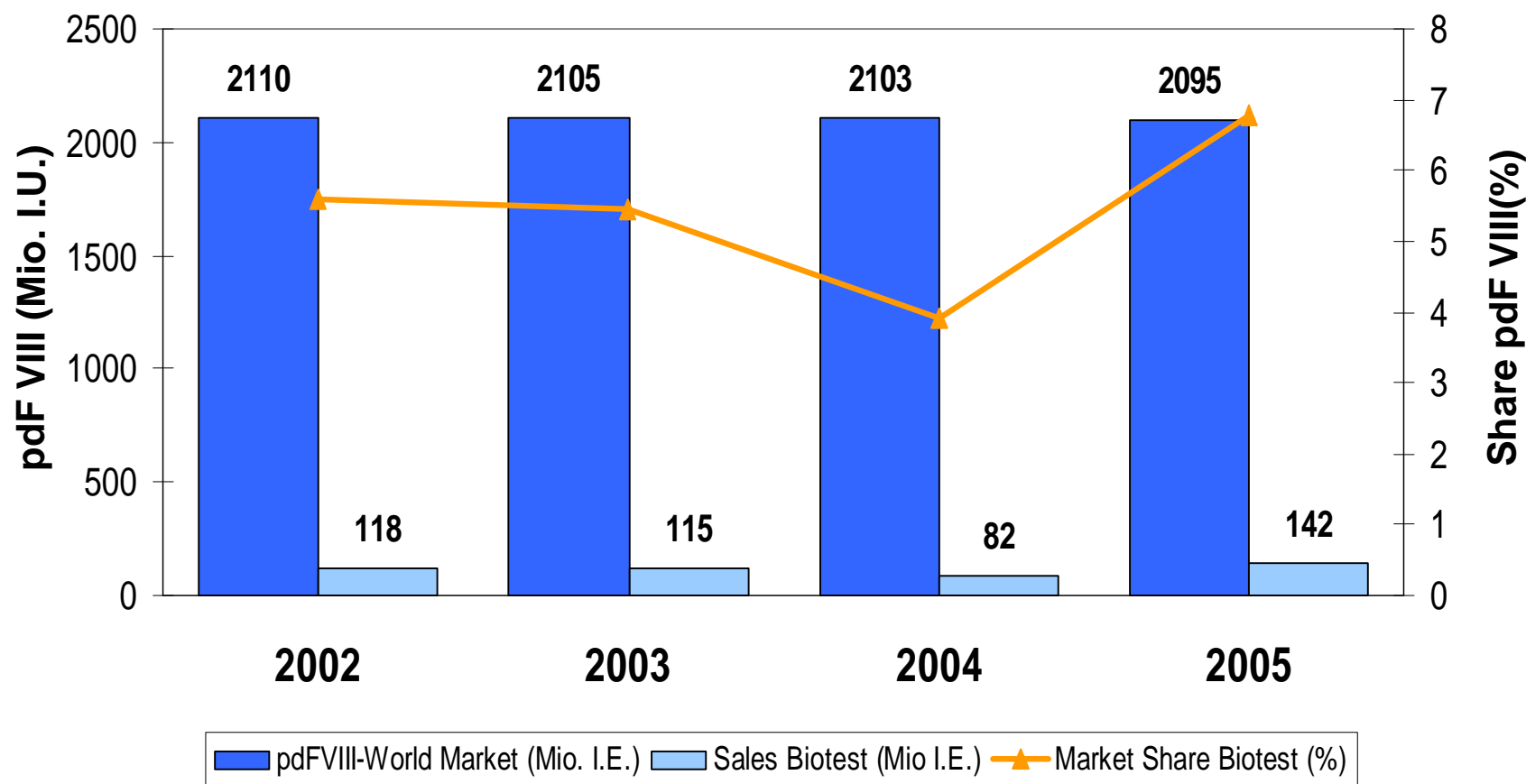
Plasma vs. recombinant Factor VIII market share per region



Biotest plasmatic Factor VIII market share in Germany



Biotest plasmatic Factor VIII – market share worldwide



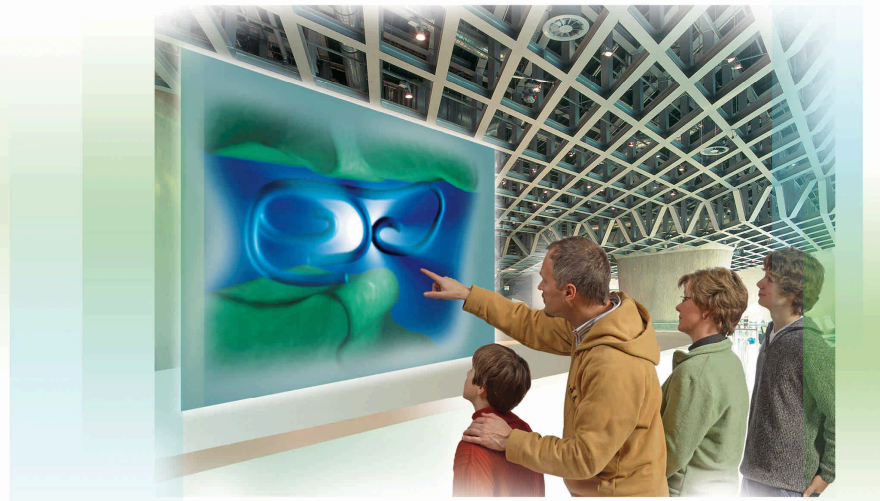
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**Growth potential
plasma proteins**

Immunoglobulins



Coagulation products



Intratect® ongoing successful sales record

- Intratect sales in Germany pushed up revenues of polyvalent immunoglobulins by ~ 50 %
- MR*-Process successfully concluded in October 2005
- Approval in 9 European countries including UK and Italy with high demands
- Start of Sales in major European countries in 2006

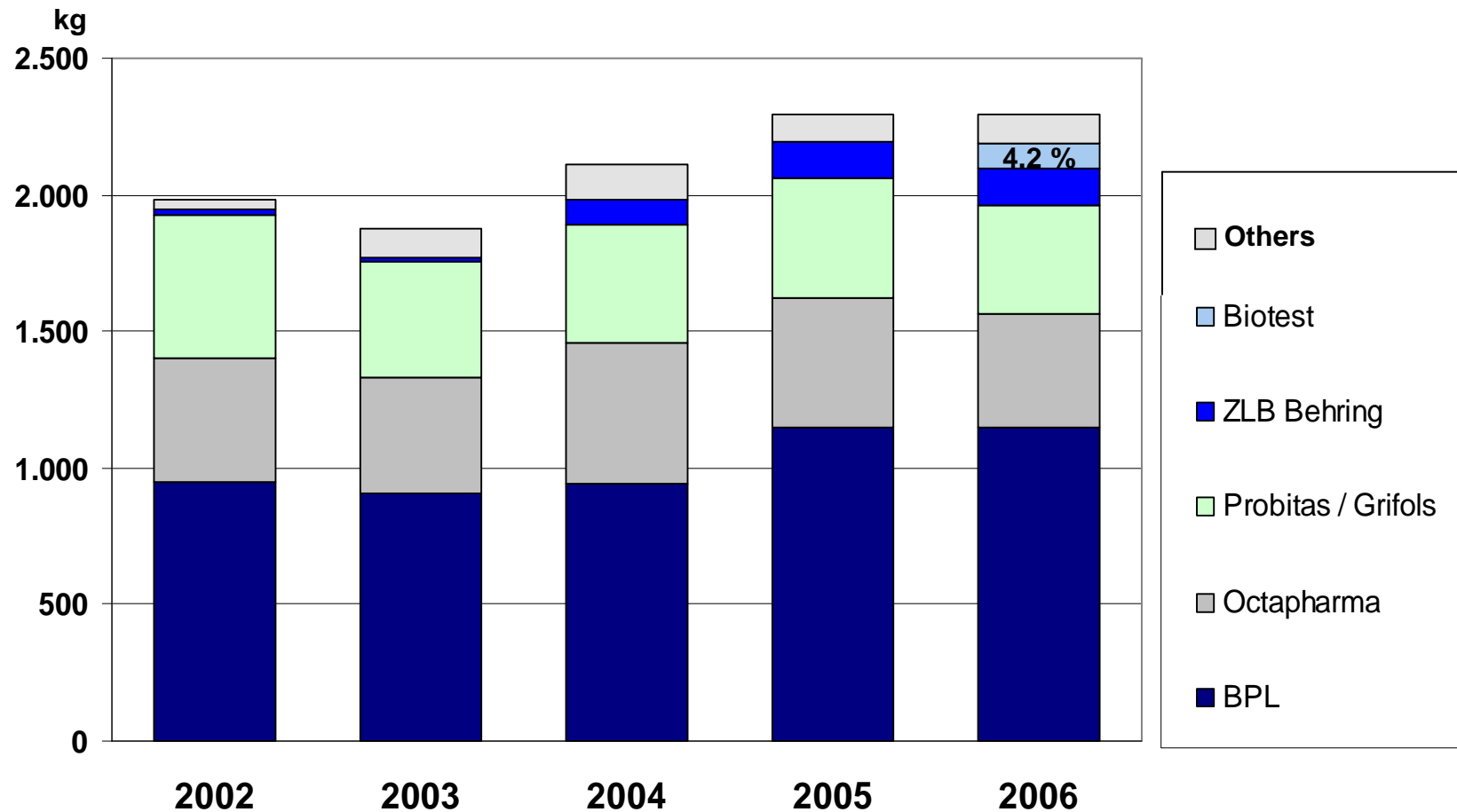
* MR = European Mutual Recognition Procedure



Intratect® market entry Europe - present status

June 2005	Sept 2005	Dec 2005	Jan 2006	II. - IV.Q 2006
Submission Marketing Authorization in Russia	MR-Approvals	National Approvals in Austria, Hungary,	National Approvals in United Kingdom, Ireland	National Approvals expected in Belgium, Czech Rep., Greece, Italy, Poland, the Netherlands
			Product Launches in Hungary, Ireland, United Kingdom	Product Launches expected in Austria, Belgium, Czech Rep., Greece, Italy, Poland, The Netherlands

UK market dominated by BPL, Octapharma and Grifols – Biotest plans to sell about 100 kg Intratect®



Source:
IMS MIDAS, Sept 2005; MRB Europe 2002
Figures 2006 estimated

Intratect® sales perspectives in major European markets

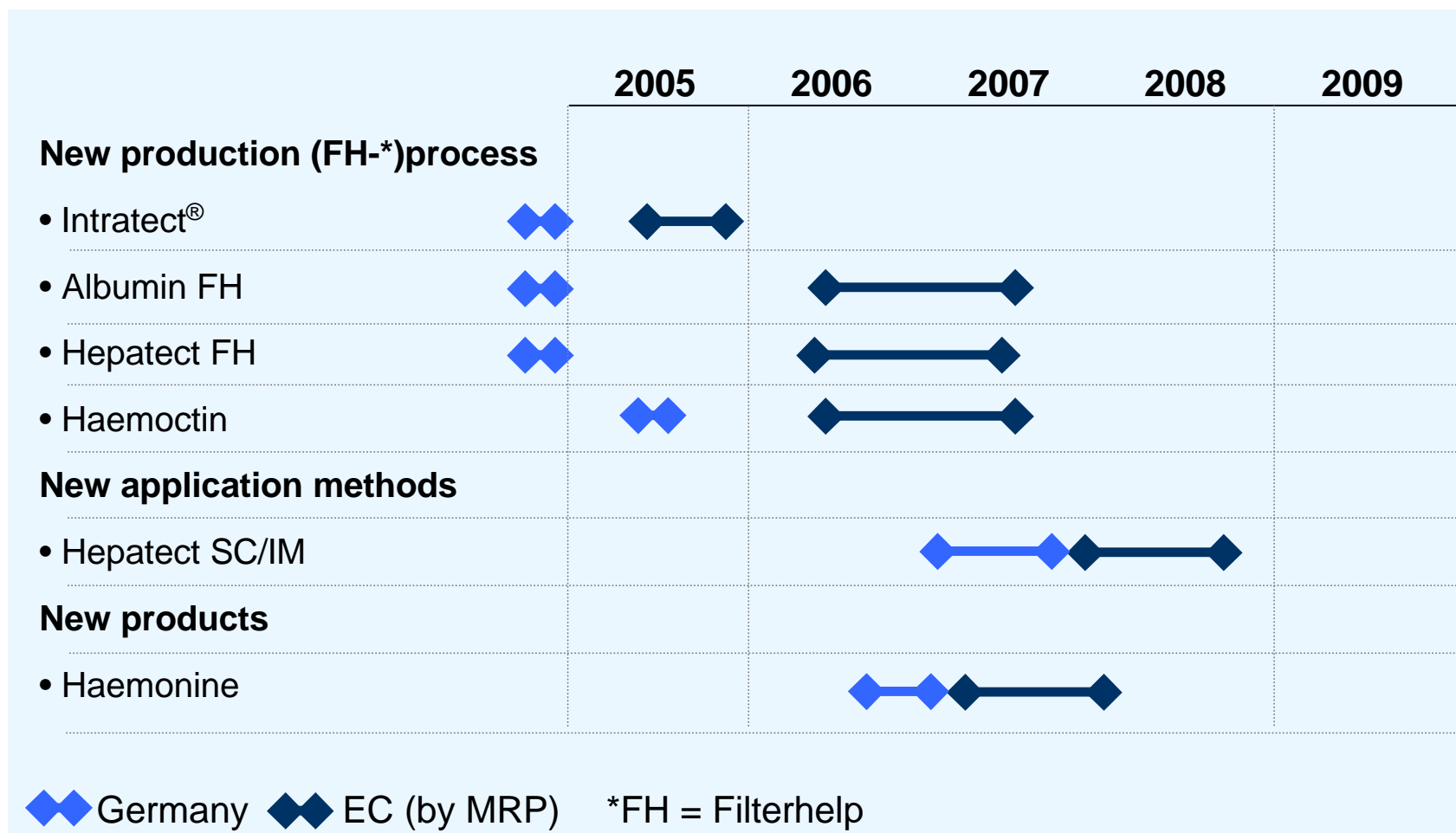
	2006	2007	2008	2009	2010
Germany					
Sales (kg)	480	500	520	530	530
European Markets without Germany					
Sales (kg)	250	1,000	1,390	1,680	1,950
Total (kg)	730	1,500	1,910	2,210	2,480

Successful treatment with Cytotect® Biotest during pregnancy

- Large-scale clinical trial concluded significant reduction of severe malfunctions of unborn children (New Engl. J. Med.)
- Conventional drugs cannot be used (side effects)
- Market Potential:
 - 21,000 infections during pregnancy e.g. in Europe.
 - Estimated market potential € 33 m.
- Orphan drug status will be applied for July 2006
- Consensus conference of German gynaecologists on CMV screening and therapy of cytomegalie infections during pregnancy in May 2006

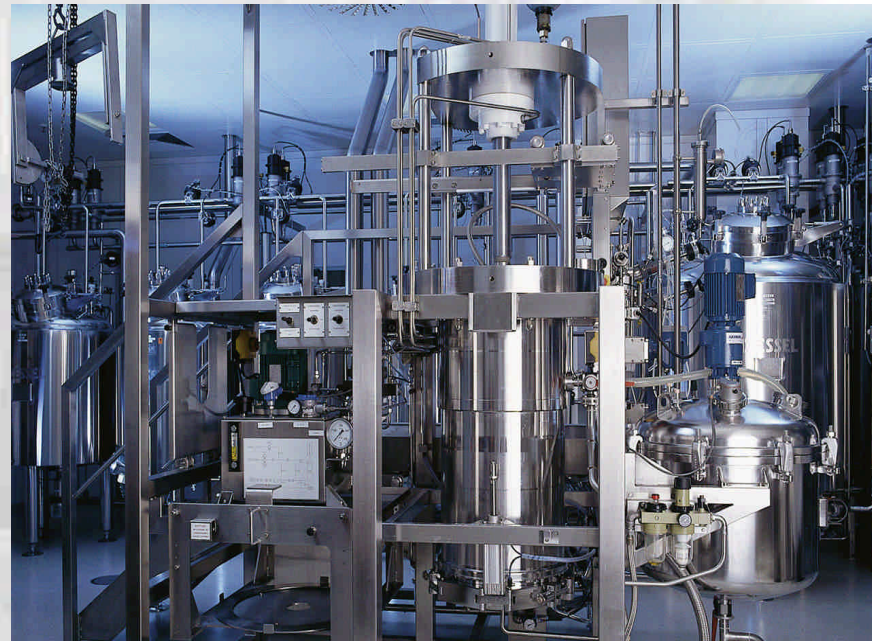


Registration of plasma products in Europe



New plasma protein plant nearly completed

- CAPEX end of 2005, ~ € 75 Mio.
- Fractionation Capacity 700,000 l
- Production Capacity
Factor VIII / Factor IX
~ 400 Mio. Units
- Extension of Chromatographic
Purification to 4,000 kg
Immunoglobulins will start in 2006
Additional Investments ~ € 9 Mio.



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global growth.

Biotherapeutics:

Monoclonal antibodies




Biotest Biotherapeutics

- Three monoclonal antibody (MAB) projects
- Unique mode of action
- High medical need
- Fast growing markets
- Blockbuster potential
- Proof of concept and safety have been demonstrated in early clinical trials for MABs BT-061 and BT-063

Biotest MABs and major indications

BT-061	Rheumatoid Arthritis Psoriasis
BT-062	Multiple Myeloma
BT-063	Systemic Lupus Erythematoses and other Autoimmune Diseases

BT-061 provides different functional properties than other monoclonal antibodies against T-cells

- Target structure: CD 4 on regulatory T-cells
not CD 28 (target of Te Genero's Super MAB®)
- Batches of the murine and humanised antibody produced at Diaclone in Besancon were already tested in clinical trials. They displayed good tolerability in clinical investigations.
-  In 114 patients with Rheumatoid Arthritis and Psoriasis **no** single report of a severe adverse event has been reported.
- Good safety profile in a primate study

Important milestones achieved - Production of new clinical antibody material (GMP Grade) almost completed.

BT-061: Milestones in 2005



Contract manufacturer (Lonza)

- Change of production system to achieve favourable COGs
- Development of process for large scale production
- Pilot Batches available

Preclinical Development

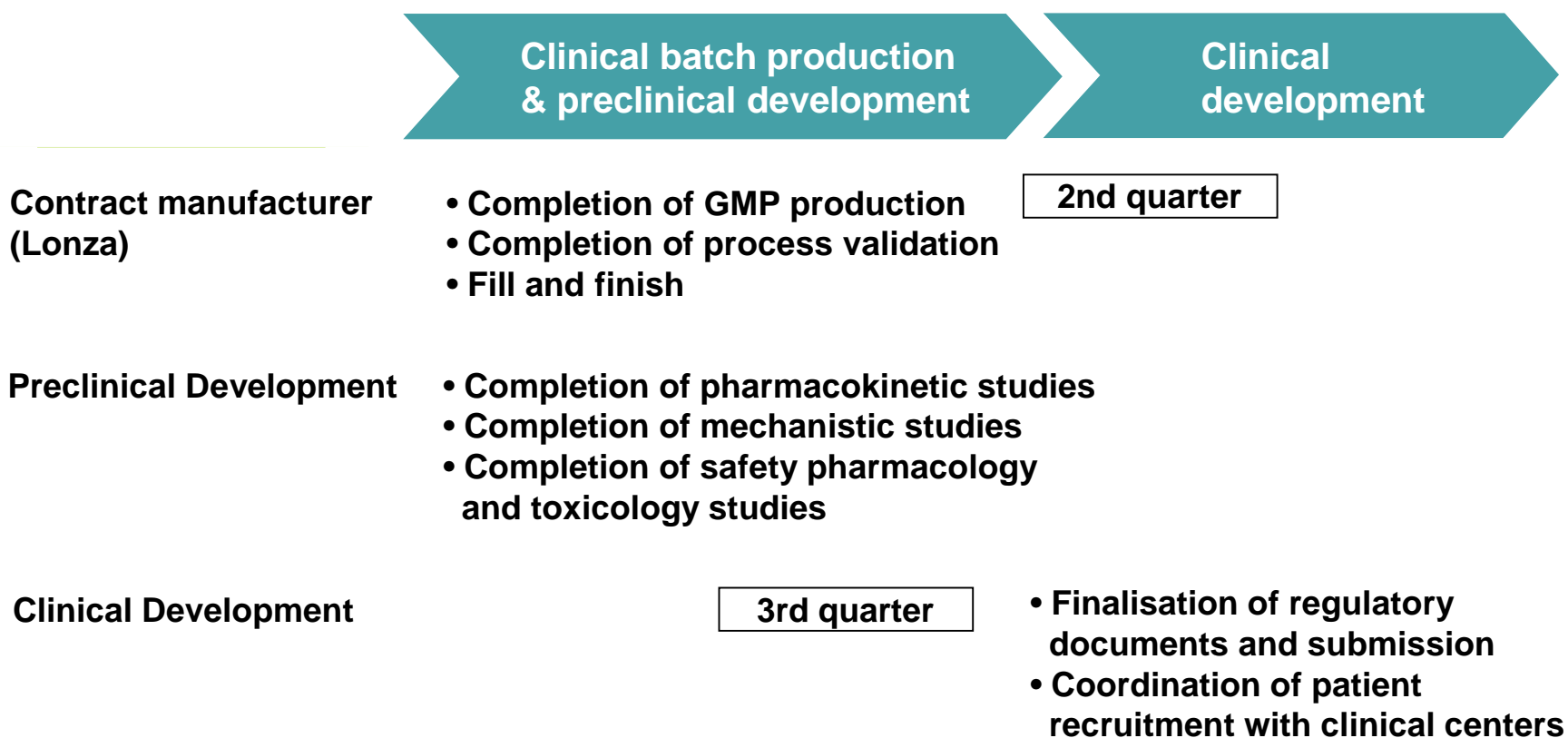
- Further safety studies
 - Biomedical Research Center, Rijswijk
 - Academic Medical Center, Amsterdam
- Further mechanistic studies
 - Karolinska Institute, Stockholm
 - Prof. St. Remy, Leuven

Clinical Development

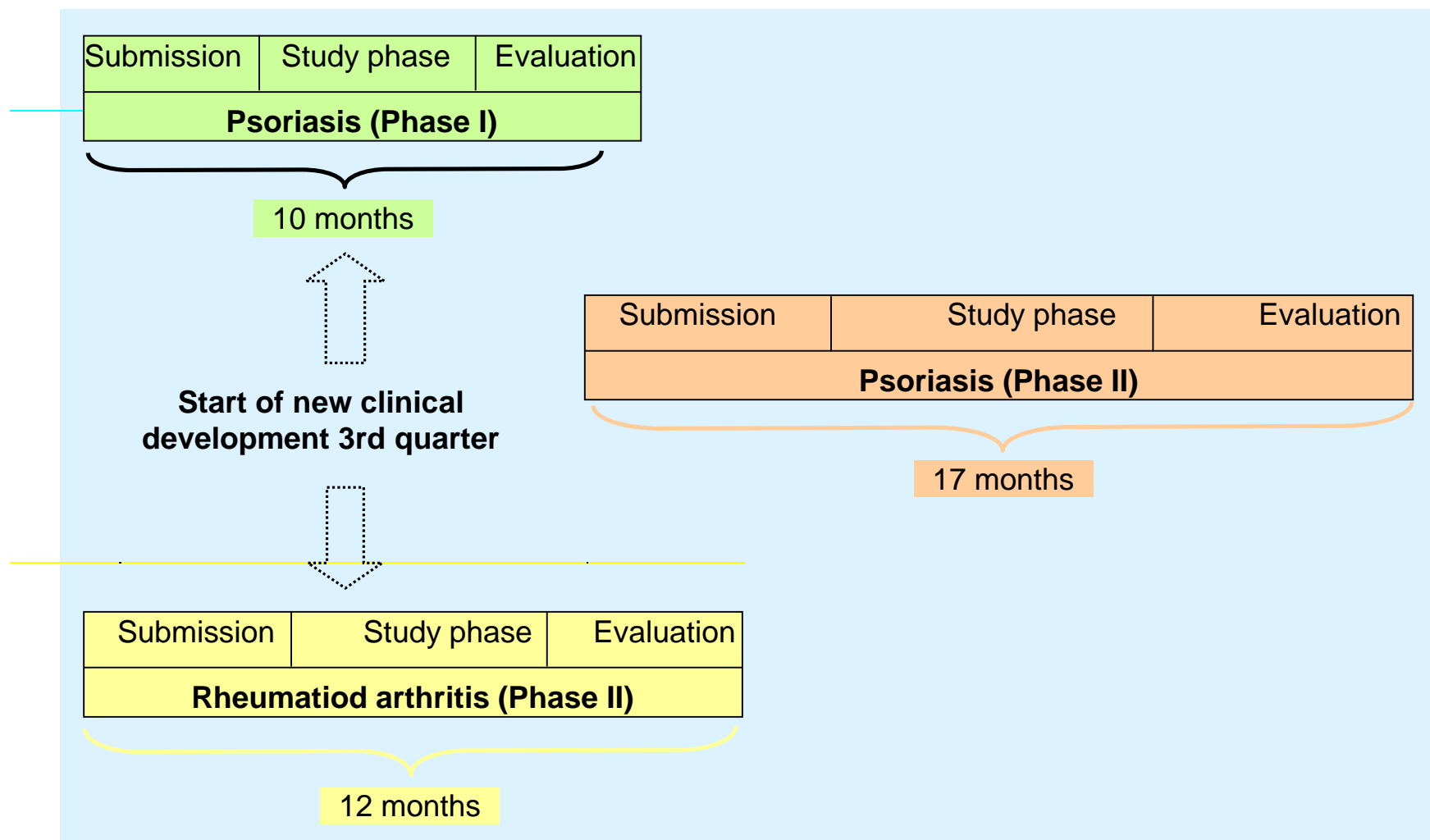
- Protocol definition and selection of clinical centers
- Scientific advice meeting with regulatory agency (Paul Ehrlich Institute)

In 2006 the production of new antibody material has been completed. Clinical development will be continued.

BT-061: Milestones in 2006

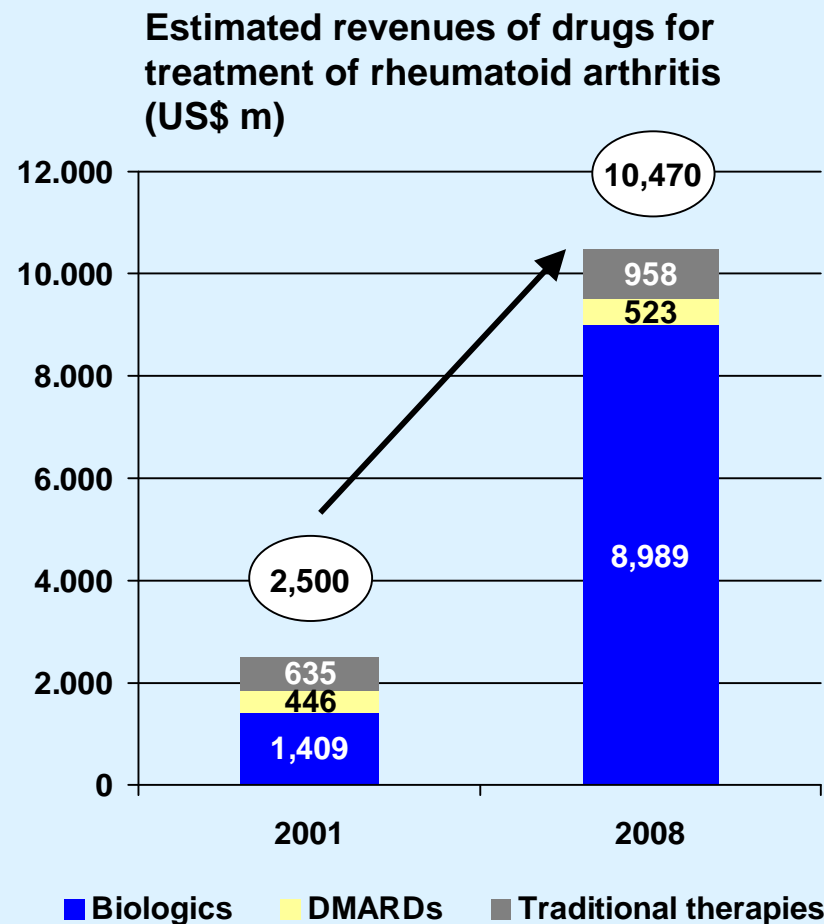


**In 2006 clinical development will be continued.
Phase I is planned in Psoriasis, Phase II in rheumatoid arthritis.**



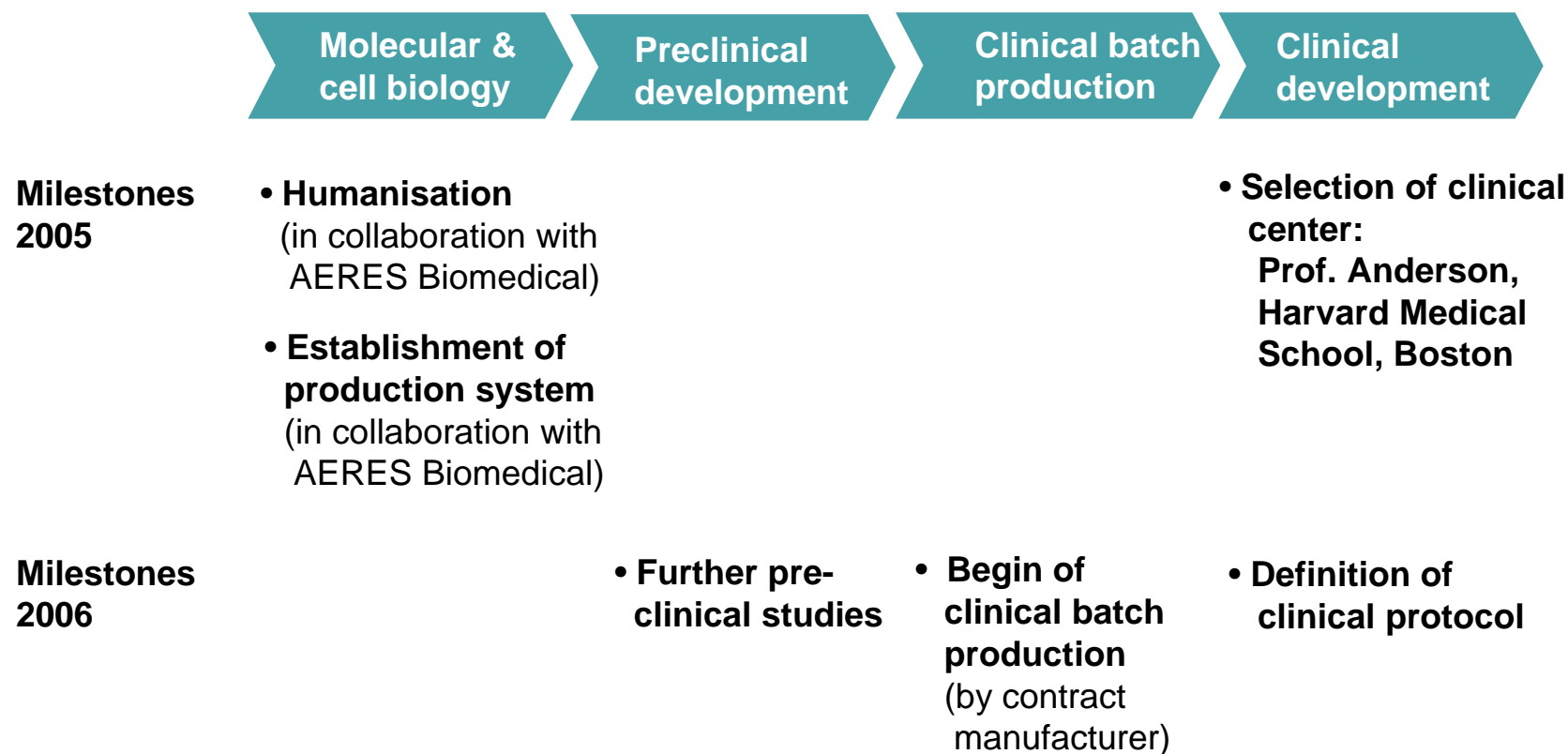
Therapy of rheumatoid arthritis: Global markets grow by 33% per year.

- Biologics will account for > 80 % of market volume in 2008
- CAGR (biologics) = 44.8 %
- Biologics consist mainly of TNF• antagonists
- 20 – 30 % of patients do not respond to TNF• antagonist therapies



**Development of BT-062 is on schedule:
First production of antibody material successfully completed.**

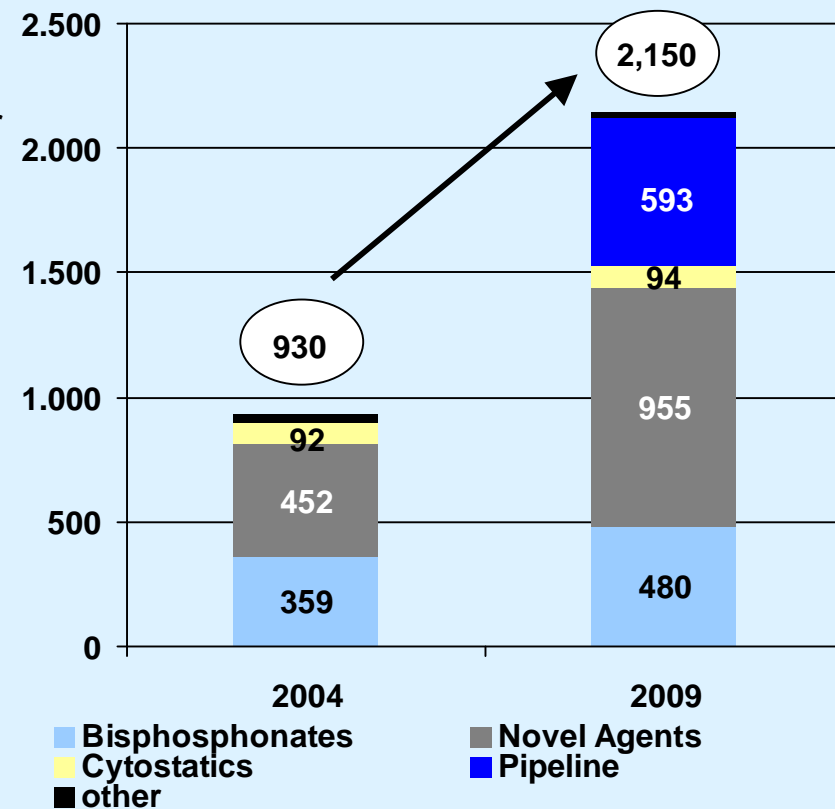
BT-062: Milestones prior to clinical development



Therapy of multiple myeloma: Biotest investigates further indications to utilise BT-062's full potential.

- CAGR (total market) = 17.7 %
- Monoclonal antibodies will account for approx. US-Dollar 500 mn
- High urgency for the development of new drugs – accelerated approval expected

Estimated revenues of drugs for treatment of multiple myeloma (US\$ m)



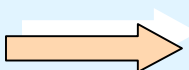
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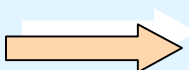
Extension of diagnostics business



R + D activities diagnostics

- Development of a new generation of air sampler (RCS Systems) for **hygiene monitoring**
- Development of array-based DNA typing systems („chip technology“) for **transplantation diagnostics** and other areas
- Regulatory approval of manual reagents for **transfusion diagnostics** in North America:

 **Canada:** 2nd quarter 2006

 **USA:** Clinical trials ongoing – regulatory approval 2nd quarter 2007

Marketing + Sales: TANGO

- Launch Tango Optimo USA: October 2005
- 21 Tango Optimo Systems sold to Olympus in 2005
- 16 Tango Systems placed in Germany in 2005
- Total Placements in 2005: 51 Tangos
- Total Number of Systems in the Market (12/2005): 155



Outlook 2006

Forecast

- Revenues expected to increase by 8 - 10%
- Operating profit will go up again despite higher R&D expenses in Biotherapeutics

Pharmaceuticals

- IVIG, Hyperimmunglobulines and F VIII Sales expected to grow further on a European scale – reduction in tender markets more than compensated
- After the Approval of new products, the technical advantages of new production site will have a stronger impact on our profit in 2006
- Prices for plasma products will further stabilize and slightly improve in H1 2006

Diagnostics

- Additional TANGO[®] optimo sales in the US - First sales of manual reagents in Canada
- Heipha well positioned for accelerated growth