

**Biotest AG**

**Press/Analysts'  
Autumn Conference  
Frankfurt, Nov 14, 2005**



## Agenda

- **Nine-Month Figures**
- Global Specialist in Growing Markets
- Markets and Competitive Position
- Growth Strategy
- Unique R&D Pipeline in Biotherapeutics

## Highlights in the First Nine Months 2005

### Business

- Switch to growth after successful restructuring
- Approval of Intratect<sup>®</sup> in nine EC countries
- Successful Launch of TANGO<sup>®</sup> in the US
- Promising clinical data for Cytotect<sup>®</sup>
- Cooperation with Lonza regarding the production of monoclonal anti-bodies

### Financials

- Collateral trustee agreement replaced by Syndicated Loan Agreement
- Private Placement of 570,000 shares
- Swap of €10m Debt-to-Equity
- **Q4:** Successful capital increase, Raise of new funds in the amount of € 30m

## Strong Revenue Growth in Pharmaceuticals Business, Same Level in Diagnostics

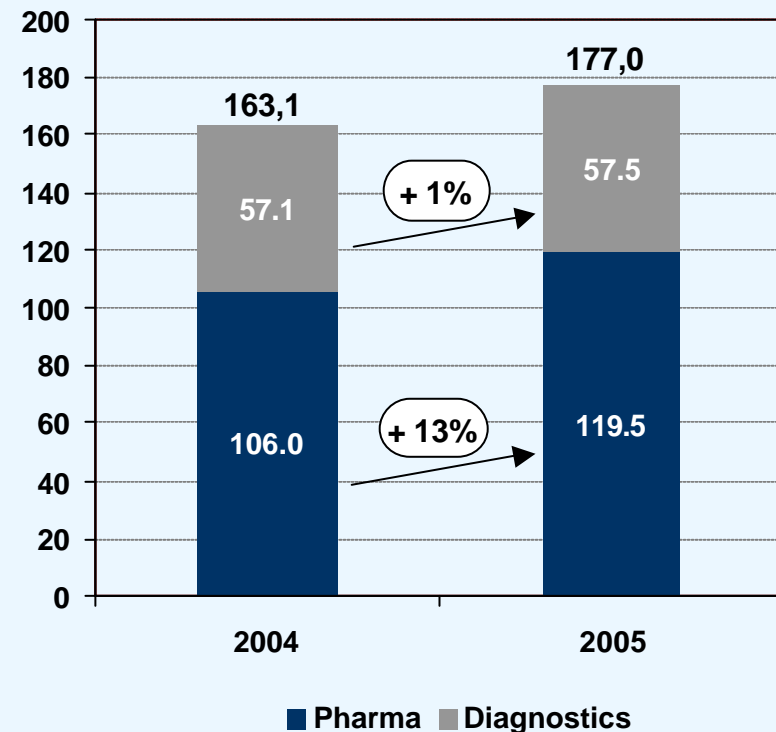
### Pharmaceuticals

- Prices slightly improved
- Immunoglobulines: Double-Digit Growth, Intratect® market share >15%
- Coagulation Factors: Expansion of Business in Russia
- Continued deliberate constraint on tender markets

### Diagnostics

- Growth in the US thanks to first shipments of TANGO®
- Excellent Growth in Hygiene Monitoring

Revenues in the first three Quarters (€m)



## Pharmaceuticals: Sales by Product Group (€m)

	2004	%	2005	%	growth
Intratect / Intraglobin	22,7	21%	29,7	25%	31%
Hyper Immunoglobulins	33,7	32%	31,7	27%	-6%
Coagulation Factors	26,7	25%	36,2	30%	36%
Humanalbumin	7,3	7%	6,3	5%	-14%
Others *	15,6	15%	15,6	13%	0%
	<b>106,0</b>	<b>100%</b>	<b>119,5</b>	<b>100%</b>	<b>13%</b>

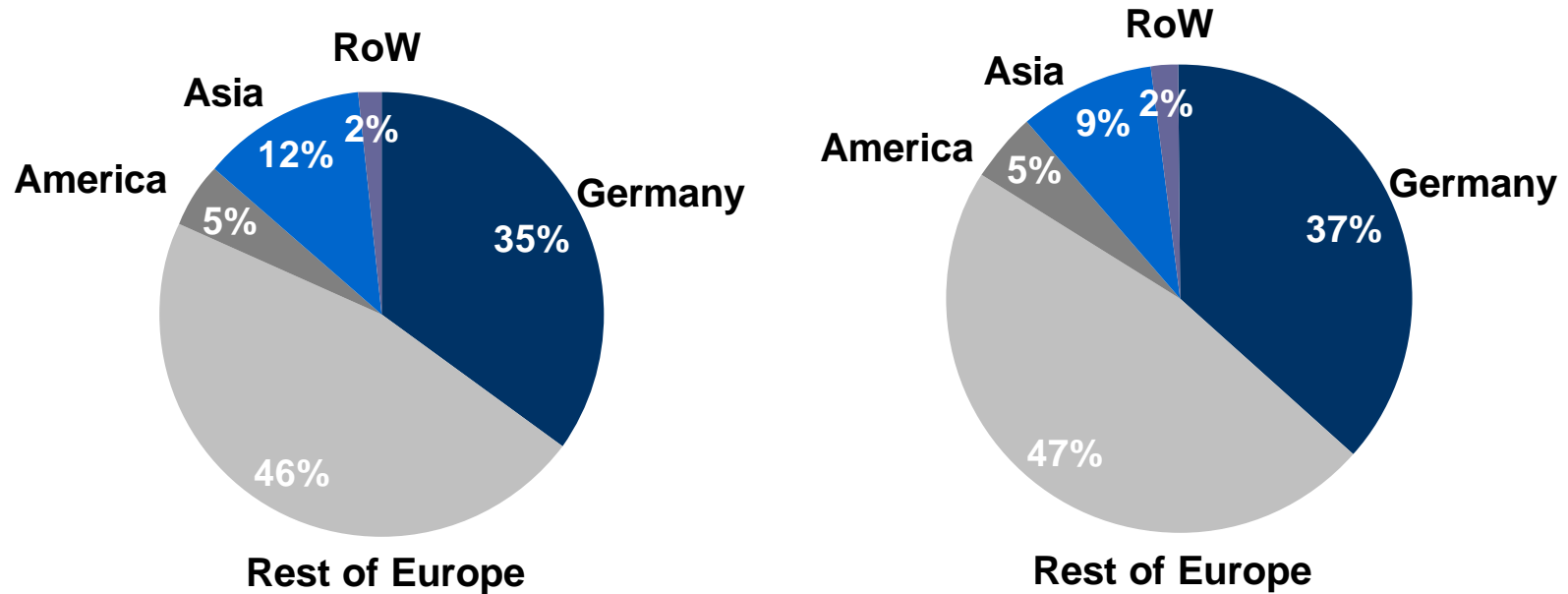
\* Biseko, Pentaglobin, Immunglobulin, Merchandise

## Diagnostics: Sales by Product Group (€m)

	<b>2004</b>	<b>%</b>	<b>2005</b>	<b>%</b>	<b>growth</b>
Transfusion	13,8	24%	14,3	25%	4%
Transplantation	10,5	18%	9,6	17%	-9%
Infectious Disease	6,0	11%	5,5	9%	-8%
Hycon / Heipha	20,1	35%	20,6	36%	2%
Trading Goods	6,7	12%	7,5	13%	12%
	<b>57,1</b>	<b>100%</b>	<b>57,5</b>	<b>100%</b>	<b>1%</b>

## Sales per Region: Expansion in Europe, Downturn in Middle East and Asia (€m)

*Nine Months 2004: € 163.1m*      **→**      *Nine Months 2005: € 177.0m*



## Earnings Growth outweighs Increase of Revenues

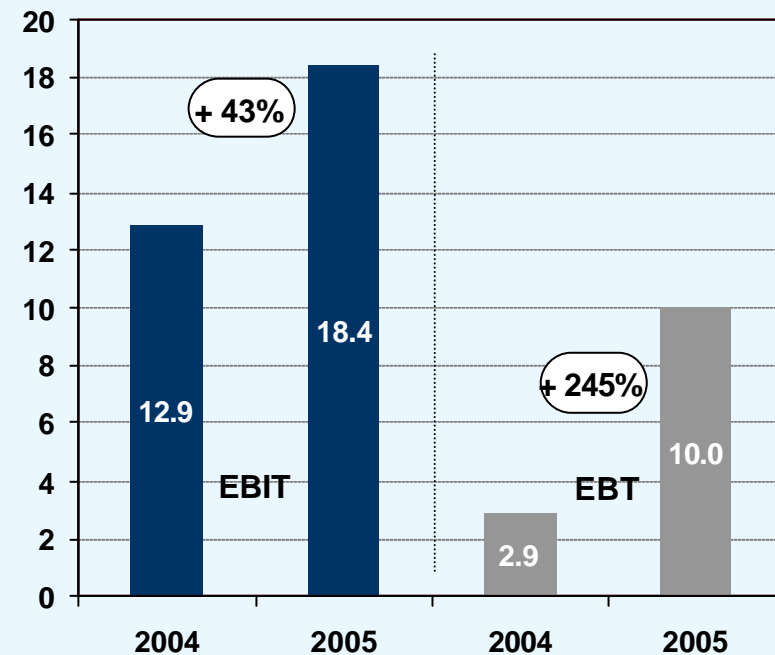
### Operating Profit

- Exceptional Strong Third Quarter – EBIT = €7.1m
- €1,6m Restructuring Cost in previous year
- Distribution Expense up due to new Subsidiary in Greece

### Financial Result

- Interest Expense significantly reduced to €8.4m (2004: €10.0m)
- Less liabilities, interest credit on taxes, small debt waiver
- EPS = €0,79 (2004: €0,00)
- Diluted EPS = €0,57

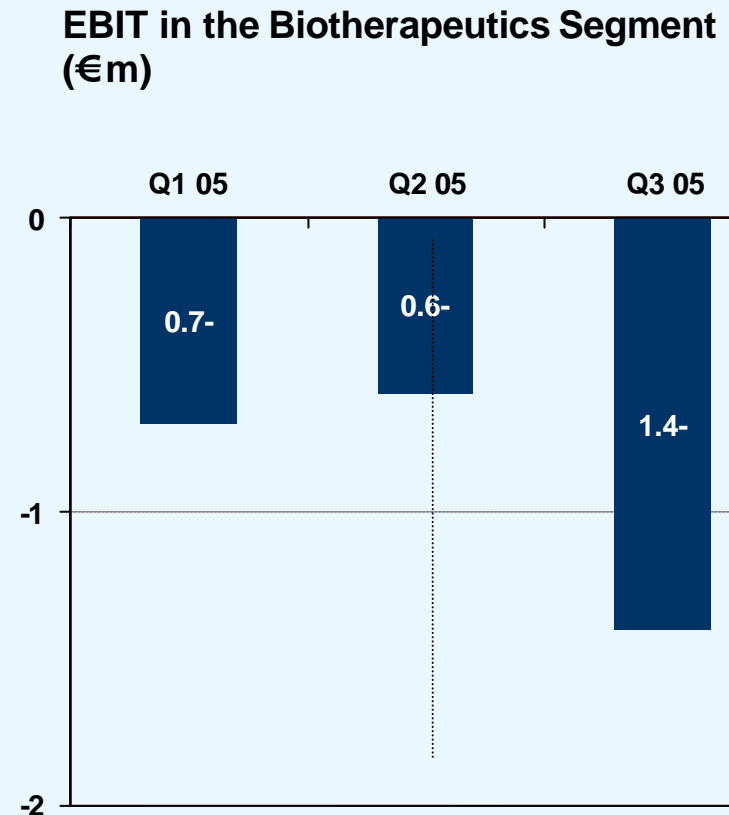
**EBIT and EBT or Biotest Group in the first three Quarters (€m)**





## New Segment Biotherapeutics: R&D Expense amounts to €2.7m in 2005

- Development of new Business Unit on Schedule
- R&D Expense will increase significantly in Q4 and is expected to be doubled in 2006 due to start of clinical research



## Financing of Biotest Group

	9M 2004	9M 2005
<b>Source of Funds</b>		
• Cashflow	10	29
• Increase in Provisions	2	8
• Decrease of Current Assets	5	-
• Capital Increase	-	10
• Decrease of Other Assets	2	-
• Decrease of Liquid Funds	7	14
	<b>26</b>	<b>61</b>
<b>Use of Funds</b>		
• Capital Expenditure	11	9
• Increase in Current Assets	-	13
• Redemption of Bank Loans	12	34
• Decrease of Liabilities	2	4
• Dividend Payments	1	1
	<b>26</b>	<b>61</b>

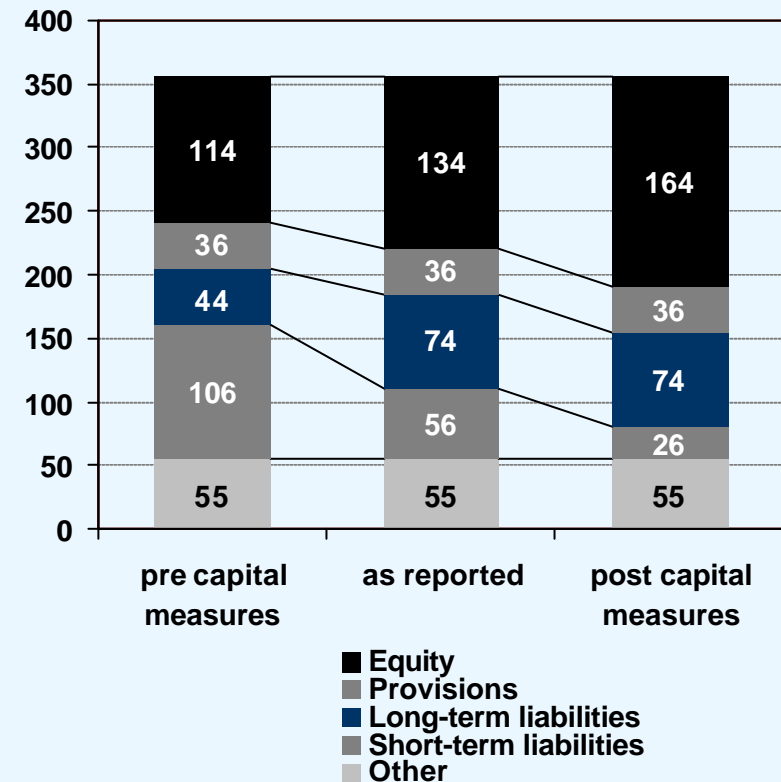
## Biotest Group – Balance Sheet

<b>Assets</b>	<b>31.12.2004</b>		<b>30.09.2005</b>		
	€m	%	€m	%	
Fixed Assets	154	43	153	43	
Inventories	117	33	114	32	
Trade Receivables	56	16	71	20	
Cash and Cash Equivalents	20	5	5	2	
Other Assets	11	3	12	3	
<b>Total Assets</b>	<b>358</b>	<b>100</b>	<b>355</b>	<b>100</b>	
<b>Equity and Liabilities</b>					
	€m	%	€m	%	
Shareholders' Equity	108	30	134	38	<b>Capital Increase and Profit</b>
Provisions	57	16	66	18	
Financial Liabilities	138	39	106	30	
Liabilities from Finance Leases	26	7	24	7	
Trade Payables	17	5	12	3	
Other Liabilities	12	3	13	4	
<b>Total Equity and Liabilities</b>	<b>358</b>	<b>100</b>	<b>355</b>	<b>100</b>	

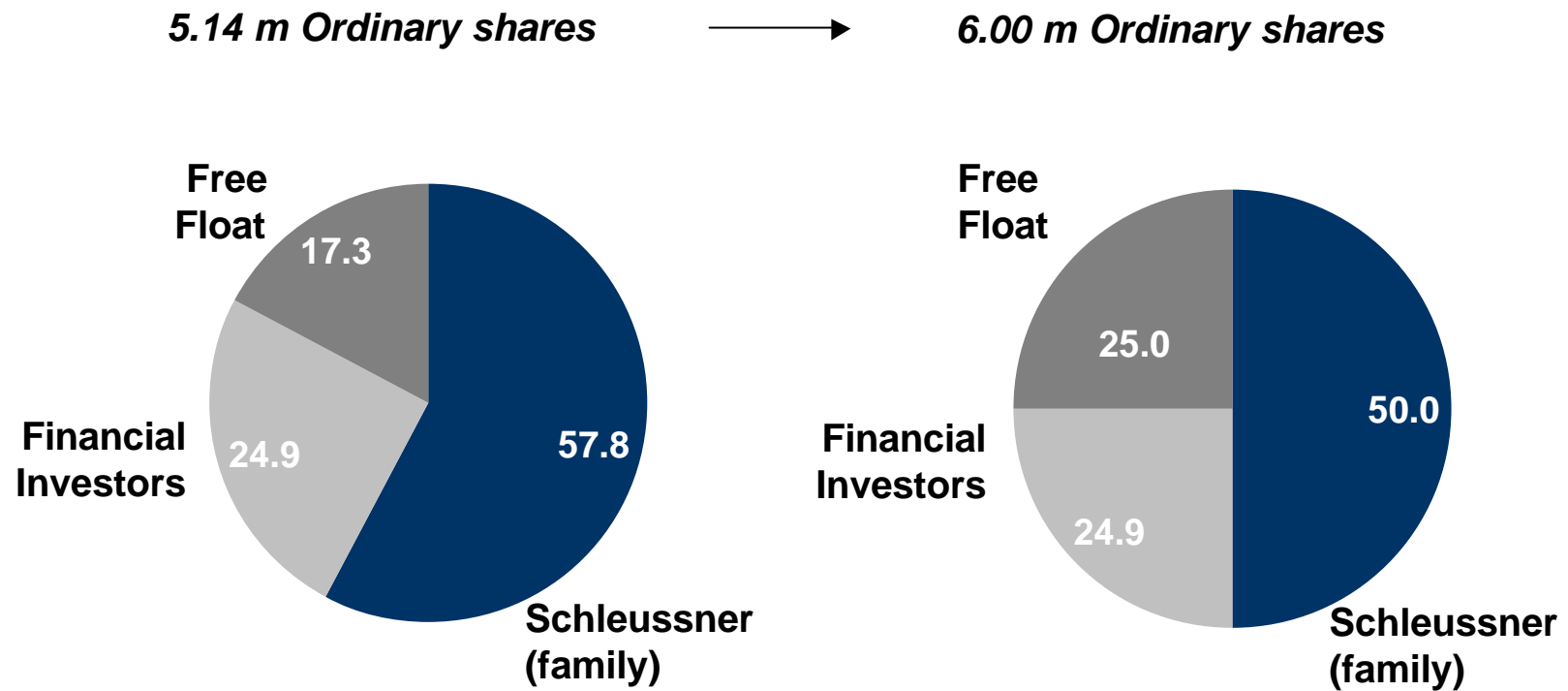
## More Equity, Less Short-term Liabilities after Successful SPO

- Redemption of financial liabilities
- Syndicated loan agreement in Q3 05: Conversion of €47.6m short-term to long-term financing (5-7 years)
- Swap of €10m debt to equity, Private Placement of 570,000 new shares
- €30m new funds due to successful SPO
- Equity ratio reaches 46 % (before measures: 32 %)
- Long-term financing accounts for 77 % of balance sheet total
- Equity-to-fixed-assets ratio >100 %

**Equity and Liabilities on Sept 30, 2005 (€m)**



## Shareholder Structure Pre- and Post-SPO



\* 4.00 m ( → 4.67 m) Preference Shares: 100 % Free Float

## Outlook Full Year 2005

### Forecast

- Revenues expected to increase by 5 %
- Operating profit will clearly surpass previous year's figure, EBT will double

### Pharmaceuticals

- Insufficient price levels and volumes in tender markets will be more than compensated by positive development in Germany and the Rest of Europe
- 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

- TANGO® Sales in America have started in October 05 therefore only small impact in full year
- Very good year for Heipha

## Biotest Group – Nine Months at a Glance (€m)

<b>Group</b>		<b>2004</b>	<b>2005</b>	<b>Variance</b>
Sales		163,1	177,0	9%
of which	Germany	56,9	64,8	14%
	Rest of world	106,2	112,2	6%
Operating Result (EBIT) as % of sales		12,9 7,9%	18,4 10,4%	43%
Pre-Tax Profit (EBT) as % of sales		2,9 1,8%	10,0 5,6%	245%
Net profit (EAT) as % of sales		0,6 0,4%	7,2 4,1%	1100%
Cashflow*		10	29	190%
EBITDA		22	29	32%

\*Operating Cashflow before Working Capital changes