Biotest

From Nature for Life

Position maintained

Q3 10

Key figures*

Biotest Group		Q1-3 2010	Q1-3 2009	Change %
Revenue	€ million	342.3	330.6	3.5
thereof: Germany	€ million	86.0	80.9	6.3
Rest of World	€ million	256.3	249.7	2.6
thereof: Plasma Proteins	€ million	302.4	294.3	2.8
Microbiological Monitoring	€ million	39.9	36.3	9.9
EBITDA	€ million	56.2	66.4	–15.4
EBIT	€ million	35.2	47.3	–25.6
EBIT in % of revenue	%	*10.3*	*14.3*	
Earnings before tax	€ million	23.2	38.4	–39.6
Earnings after tax	€ million	15.4	26.9	–42.8
Earnings per share	€	1.15	2.12	–45.8
Cash flow**	€ million	15.8	10.7	47.7
Depreciation and amortisation	€ million	21.0	19.1	9.9
		30 Sept. 2010	**31 Dec. 2009**	
Equity	€ million	300.7	269.9	11.4
Equity ratio	%	*46.9*	*42.6*	
Employees (full-time equivalents)		1,854.4	1,811.6	2.4

* Continuing Operations ** From operating activities

Biotest AG

Q3 2010 | Nine-month Report

Q3 10

Content

Interim management report as of 30 September 2010

AT A GLANCE

In the first nine months of 2010, sales in the amount of €342.3 million were recorded in the Continuing Operations, representing a 3.5% increase over the same period in 2009. Earnings before interest and taxes (EBIT) totalled €35.2 million (–25.6%).

The continued difficult environment for sales of plasma proteins has had a major impact on performance. Pressure on prices of polyvalent immunoglobulins continued in Europe, with an equally difficult market for clotting factors. The hyperimmunoglobulin situation appeared more favourable.

The expansion of plasma protein production in the US continued, as did major research and development projects. The drafting of the approval dossier for the immunoglobulin Bivigam™ was completed during the third quarter of 2010. The dossier was submitted to the US Food and Drug Administration (FDA) on 3 November 2010.

In light of business performance thus far, the Board of Management confirms the sales and profit expectations published in July 2010.

In Greece, Biotest exercised its legal option to exchange prior-year receivables from hospitals for still unissued interest-free government bonds with staggered maturities. This had a significant negative impact on financial results.

SEGMENTATION

Biotest reports its business and earnings performance in accordance with the segmentation scheme described in the Quarterly Report dated 31 March 2010. Unless otherwise noted, all statements refer to Continuing Operations. The structure and strategy of the company did not change during the course of the reporting year.

MARKET ENVIRONMENT

Macroeconomic situation

Although the German economy was surprisingly robust, the financial situation of the public sector in most countries remained extremely tense. In the current fiscal year, major changes in the regulatory environment took place.

In Germany, the Act to Amend Provisions of Healthcare Insurance Law and Other Provisions *(GKV-Änderungsgesetz)*, took effect as planned on 1 August 2010. The provisions of the law, which include a price moratorium and mandatory discounts, affect all providers whose products are sold under the public healthcare system.

Plasma Proteins

The volume of blood plasma preparations sold on the world market increased slightly in the third quarter versus the same period last year, indicating that the long-term growth trend in the demand for blood plasma products remains intact.

The high supply of finished products continued to negatively impact price developments. Prices for polyvalent immunoglobulins and clotting products in Europe were under particular pressure, the latter especially in the countries of Eastern Europe. The decision by the responsible authorities to withdraw the approval of a competitor's immunoglobulin preparation in the European Union for the time being as well as the manufacturer's recall of all batches of this preparation from the US market have not yet impacted prices for immunoglobulins in the third quarter. However, an effect on merchandise availability in the next several weeks and thus on medium-term prices is expected.

In the US, sales volumes for polyvalent immunoglobulins in the first nine months of 2010 grew by about 8% over the same period last year. Prices here were higher and overall more stable than in Europe. The volume of collected blood plasma in the US in the first half of 2010 (most current available data), at 7.7 million litres, was well below that of the first six months of 2009 (8.9 million litres).

Microbiological Monitoring

Demand in the pharmaceutical industry for hygiene monitoring products remained largely stable in the third quarter of 2010. Increasingly extensive and strict regulations are increasing the requirements of this customer group with regard to hygiene monitoring products. This benefits quality providers like Biotest in particular.

Demand for products from the Medical Microbiology came under pressure due to the continuing laboratory concentration process.

BUSINESS AND EARNINGS PERFORMANCE

Sales

In the first nine months of 2010, Biotest posted sales in the amount of €342.3 million in its Continuing Operations, representing a 3.5% increase over the same period in 2009 (€330.6 million). Sales volumes increased in both segments, although the growth rate in the Microbiological Monitoring segment was much higher than in the Plasma Proteins segment.

Sales by segment

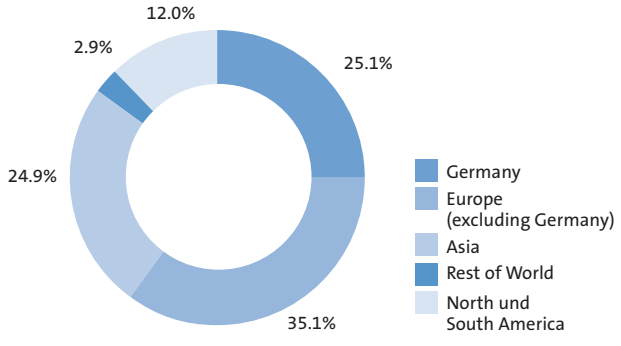
€ million	Q1-3 2010	Q1-3 2009	Change in %
Plasma Proteins	302.4	294.3	2.8
Microbiological Monitoring	39.9	36.3	9.9
Biotest Group*	**342.3**	**330.6**	**3.5**

* Continuing Operations

Sales revenue of €115.2 million was recorded in the third quarter of 2010, representing just under a 3% increase over both the previous quarter (€112.1 million) and the third quarter of 2009 (€112.2 million).

The distribution of revenue between domestic and international sales changed only marginally in the first nine months of 2010 versus the same period in 2009. Biotest continues to generate around three quarters of its revenue from international sales.

Sales by region in %



Income

Biotest's earnings before interest and taxes (EBIT) in its Continuing Operations after nine months in 2010 were considerably below those of the same period in 2009. This development is primarily the result of significantly lower profits in the Plasma Proteins segment. In the Microbiological Monitoring segment, Biotest successfully increased EBIT.

Key financial performance figures of the Biotest Group*

€ million	Q1-3 2010	Q1-3 2009	Change in %
EBIT	35.2	47.3	–25.6
EBT	23.2	38.4	–39.6
EAT	15.4	26.9	–42.8
Earnings per share in €	**1.15**	**2.12**	**–45.8**

* Continuing Operations

The calculated profit-turnover ratio based on EBIT was 10.3% (2009: 14.3%). As of 30 September 2010, an annualised return on capital employed (RoCE) of 8.0% was calculated (30 September 2009: 10.8 %).

Financial results of –€12.0 million (2009: –€8.9 million) were negatively impacted by the valuation of interest-free Greek bonds at €4.8 million. This led to a sharper drop in earnings before taxes (EBT) than in earnings before interest and taxes (EBIT).

Earnings after taxes, at €15.4 million, were 42.8% lower than in the previous year (2009: €29.6 million). The increased tax rate was largely due to the effects of audits and shifts in the structure of income, as well as the fact that no deferred taxes on startup losses incurred could be capitalised.

Including the contribution of the Discontinued Operation, EBIT for the Biotest Group totalled €53.5 million (2009: €45.7 million). The contribution to profits of the Discontinued Operation consists primarily of profits from the sale of transfusion and transplantation diagnostic activities.

Notes on major expense items

The significant increase in cost of sales and the resulting unfavourable change in the cost of sales ratio are largely due to developments in the price of plasma proteins and changes in the product mix. Another factor was the vacancy and infrastructure costs incurred in connection with the expansion and adjustment of production at Biotest Pharmaceuticals Corp. (BPC).

Key cost positions of the Biotest Group*)**)

€ million	Q1-3 2010	% of sales	Q1-3 2009	% of sales
Production costs	−201.0	58.7	−171.5	51.9
Distribution expenses	−51.1	14.9	−52.2	15.8
Administrative expenses	−25.1	7.3	−24.6	7.4
Research and development expenses	−39.3	11.5	−33.0	10.0
Other operating income and expenses	9.4	2.7	−2.0	0.6
Financial result	−12.0	3.5	−8.9	2.7

*) Continuing Operations

**) Expenses are marked with a negative prefix

Marketing and distribution expenses were below those of 2009, primarily due to lower commission payments. Research and development costs increased significantly as planned due to the continuation of R&D projects in the Plasma Proteins segment (IgM concentrate, Bivigam™, Cytotect ®CP during pregnancy) as well as in the Biotherapeutics segment.

Other operating income in the first nine months of the current year increased significantly to €10.5 million (2009: €4.4 million). The most important reasons for this were the reversal of provisions and insurance reimbursements. Earnings were offset by other operating expenses totalling €1.1 million (2009: €6.4 million).

FINANCIAL AND ASSET POSITION

The financing strategy of the Biotest Group is unchanged in its basic principles from the 2009 Annual Report. Advance and interim financing of sales is ensured via short-term lines of credit.

Capital expenditures and depreciation and amortisation

Biotest reported €19.3 million in capital expenditures in the first nine months of 2010 (2009: €30.6 million). Of this total, €18.9 million (2009: €29.7 million) related to property, plant and equipment. Major items included the expansion of plasma protein production for the BPC as well as renovation and expansion work in Dreieich. Biotest invested €0.4 million in intangible assets during the current year up to the end of September (2009: €0.9 million). Depreciation and amortisation after nine months totalled €21.0 million (2009: €19.1 million).

Notes to the balance sheet

On 30 September 2010, the balance sheet for the Biotest Group totalled €640.5 million, up from €633.5 million at the end of 2009. With regard to non-current assets, leased property, plant and equipment was acquired after the end of the lease term, thus resulting in a reallocation.

In addition, as part of the transaction involving Greek receivables, the still unissued bonds were reported as a deferred asset under financial assets, leading to an increase of €19.9 million.

With regard to current assets, increased sales volumes in September led to a decline in inventories. Adjusting for the effects of the write-off of prior-year Greek receivables, the volume of receivables increased. This resulted from higher September sales and the reduction in factoring, for which portions of the proceeds from the sale of transfusion and transplantation diagnostic activities were used.

The change in equity (€300.7 million as of 30 September 2010, up from €269.9 million at the end of 2009) is attributable to high earnings after taxes, including capital gains, as well as currency effects recognised directly in equity. The decrease in current financial liabilities results from the lower utilisation of the available lines of credit, which was a consequence of the inflow of funds from the sale of the transfusion and transplantation diagnostic activities.

Cash flow statement

Cash flow from operating activities in Continuing Operations after the first nine months of the current year totalled €15.8 million (2009: €10.7 million). This development was primarily influenced by the slight increase in working capital.

The cash outflow for investment activities amounted to €19.3 million (2009: €29.5 million), with cash inflows from financing activities totalling €6.2 million (2009: €16.4 million). As of 30 September 2010, Biotest held cash and cash equivalents amounting to €9.5 million, compared with €6.7 million at the start of the year.

Including the contribution from the Discontinued Operation of €15.4 million, cash flow from operating activities for the Biotest Group in the first nine months of 2010 totalled €31.2 million (2009: €8.2 million).

HUMAN RESOURCES

On 30 September 2010, the number of full-time equivalents in the Biotest Group's Continuing Operations was 1,854.4. This equalled 42.8 more full-time equivalents than at the end of 2009 (1,811.6). Most of the new positions were the result of the expansion of the sales department.

BUSINESS AND EARNINGS PERFORMANCE BY SEGMENT

Plasma Proteins

Sales growth in the Plasma Proteins segment of 2.8% to €302.4 million was largely attributable to higher sales volumes. Due to continued high supply in the market, the lower sales prices achieved had a diminishing effect on revenue.

In sales of the polyvalent immunoglobulin Intratect®, volume and price in the first nine months of 2010 fell well below 2009 values.

In the case of hyperimmunoglobulin, the company was able to increase sales volumes slightly over the 2009 comparison period; prices also dropped less than for polyspecific immunoglobulins. Sales of the factor VIII preparation Haemoctin® remained stable in terms of volume. However, significant price concessions were required in some cases, such as for supplying the Russian market.

The continued difficult pricing situation, as well as vacancy costs incurred as planned in connection with production renovations at BPC, impacted the performance of the segment. EBIT, at €53.6 million, was 15.9% lower than in 2009 (€63.7 million), while the EBIT margin was 17.7% (2009: 21.6%).

The clinical trial for Intratect® in a 10% concentration solution was launched in September upon receipt of approval from the authorities.

Also in September, a German-based clinical study was launched, in which the hepatitis B hyperimmunoglobulin Zutectra®, already available on the market, was tested for practicability and safety when used as prescribed (PASS). As part of the Europe-wide approval of Zutectra® in 2009, this process had already been cleared with the responsible agency, the European Medicines Agency (EMA). With the recent, successfully completed 70-patient study in Italy, practicability and safety data regarding Zutectra® are now more broadly substantiated, a key factor in its continued safe application and marketing.

The drafting of an approval dossier for the immunoglobulin Bivigam™ was completed during the third quarter. To current events (incident involving the preparation of a competitor), additional tests were conducted for coagulation-activating substances. The results obtained therefrom showed that the concentration of coagulation-activating substances was markedly below the normal range.

For the immunoglobulins Cytotect ®CP and Varitect ®CP, Biotest has begun to switch production to the filter aid procedure. The filter aid procedure is already used for the production of Intratect® and Hepatect ®CP. It leads to higher yields and in addition, as a result of the switching of Cytotect ®CP and Varitect ®CP, there is a uniform production process for all immunoglobulins. In the case of Cytotect ®CP and Varitect ®CP too, Biotest will add nanofiltration to the production process and thus further improve the already very high safety standards.

As part of the 40th Annual Meeting of the European Society for Dermatological Research (ESDR), Biotest organised a symposium on the topic of the potential use of intravenous immunoglobulins (IVIG) in dermatology. The event provided an overview of the current use of IVIG and presented new data.

Microbiological Monitoring

Sales growth in the segment was due especially to the successful performance of products from heipha Dr. Müller GmbH. Sales generated by the Biotest HYCON product line also increased favourably.

EBIT totalled €4.9 million, representing a 25.6% increase over the first three quarters of 2009 (€3.9 million). The EBIT margin increased by 1.6 percentage points to 12.3% (2009: 10.7%).

Sales of air samplers (RCS devices) were particularly positive, as were those of test strips for surface germ indication (surface germ indication test strips) from Biotest HYCON. The newly introduced monocyte activation test that replaces previously unavoidable testing on rabbits for examining pharmaceutical products for contamination by fever-inducing pyrogens was met with great interest from pharmaceutical firms.

Biotherapeutics

The development of the monoclonal antibodies in the lead indications of rheumatoid arthritis and psoriasis (BT-061), multiple myeloma (BT-062) and systemic lupus erythematosus (BT-063) has progressed.

The phase IIa clinical trial of BT-061 in the indication rheumatoid arthritis with multiple doses of BT-061 (trial no. 962) was concluded in the reporting period with good results regarding efficacy and tolerability. Biotest had already provided information about this in the outlook section of the Half-year Report 2010. The data mark the transition to a later phase of the clinical development of BT-061.

The documentation for a further phase IIb clinical trial (trial no. 979) with 176 patients was submitted for approval in August in a first European country; further submissions took place after the reporting period. The aim of the multinational trial is to create the statistical basis for pivotal trials.

In the indication psoriasis, a phase II clinical trial with multiple doses of BT-061 (trial no. 973) showed in a blinded interim analysis that a marked improvement of the disease symptoms was observed after intravenous administration in the relevant dosage ranges and comparatively short treatment period of eight weeks. Individual patients had an improvement of approximately 90% in the PASI score (PASI = Psoriasis Area and Severity Index). There are currently no results yet for the subcutaneous dose ranges of this trial.

In September, the German Federal Ministry of Education and Research (BMBF) approved an application filed by Biotest for financial support of studies to extend the use of BT-061 to the indication multiple sclerosis. Biotest plans to undertake these studies as part of a consortium, together with partners from academic research institutions. Negotiations for a potential development and marketing collaboration with international global pharmaceutical firms for BT-061 were intensified after further clinical data became available.

In the case of the phase I/IIa clinical trial of BT-062 initiated in July 2010, patient recruitment has started. Within its framework, BT-062 will be investigated as planned in a more intensive dose regimen.

In the phase I clinical trial of BT-062 (trial no. 969), patient recruitment was successfully concluded in the third quarter.

In the reporting period, Biotest presented the pre-clinical and clinical results obtained so far in the development of the monoclonal antibodies in the course of various scientific conferences and is preparing further corresponding publications. This also applies to BT-063, development of which was also continued in the third quarter, as planned.

Further work on the production plant for monoclonal antibodies at the BPC site in Boca Raton was concluded in the third quarter of 2010 and production of BT-061 for further clinical trials was also continued as planned.

At −€16.3 million (2009: −€13.2 million), EBIT for the segment after nine months was as expected.

OPPORTUNITIES AND RISKS REPORT

Opportunities

The Biotest Group's opportunity situation has not changed significantly from the situation described in the 2009 Annual Report (pages 81 and 82). The opportunities listed in the Annual Report resulting from developments in the regulatory framework, the business strategy and performance-based opportunities continue to exist.

In Biotest's view, the decision by the authorities to withdraw the approval of a competitor-produced polyvalent immunoglobulin will not significantly impact the market environment in the current year due to the continued high level of supply. A price effect is expected only if approval continues to be suspended for an extended period of time.

Risks

The Biotest Group's risk situation has not changed significantly since the 2009 Annual Report (pages 68 to 76) supplemented by the 2010 Half-year Report (page 7).

Money-saving measures in the public healthcare system in Germany and other countries could have a negative impact on sales and profits.

OUTLOOK

The statements made in the 2009 Annual Report (pages 77 to 81) regarding the strategy and its implementation as well as sales performance are confirmed based on the performance of the Biotest Group thus far.

Changes in expectations regarding changes in earnings and the market environment were published by Biotest in July 2010 and are described in this report under the subheading "Expected performance of the Biotest Group". These expectations continue to hold true.

Expected economic environment

A major change in the market for plasma proteins is not expected during the remainder of the year. A slight increase in the demand for end products as part of a long-term trend is countered by a continued high level of supply. Pressure on prices will therefore continue, especially in the case of polyspecific immunoglobulins.

We estimate that the supply of blood plasma on the market will continue to decrease slightly during the remainder of the year. This effect and the exit of the competing firm will restore the balance between supply and demand more quickly. This will not yet have a significant effect on the price situation in Europe during the course of the year. Prices in the US are expected to remain stable.

The Microbiological Monitoring segment continues to operate in a stable market environment; in our estimation, this situation will remain in place until the end of 2010.

Expected performance of the Biotest Group

Sales and profits

The Board of Management confirms the sales and profits goals last adjusted in July 2010 for the entire year 2010. For its Continuing Operations, Biotest aims at sales growth in the low single-digit percentage range and EBIT in the amount of €45 million (+/–10%).

In its Discontinued Operation, Biotest will report positive EBIT of approximately €18 million due to profits from the sale of its transfusion and transplantation diagnostic activities.

EBIT for the Group in 2010, including Discontinued Operation, is thus expected to exceed EBIT in 2009 (€58.5 million).

Financial situation

Biotest plans to finance capital expenditures budgeted for the current year using only cash flow from operating activities before changes in working capital. The available working capital lines of credit are sufficient to cover a possible increase in working capital.

Expected segment development

In 2010, Biotest will report a slight increase in sales of plasma proteins over 2009. Realised sales volumes in the Microbiological Monitoring segment in 2010 will be significantly higher than the previous year.

Plasma Proteins

Expected sales growth in the segment will primarily be the result of increased sales volumes, while pricing will continue to have a diminishing effect on sales. Biotest will continue its work on development projects in the segment.

Biotherapeutics

A decision regarding the possible development of BT-061 for additional indications is expected as part of a potential development and marketing partnership with a global pharmaceutical firm. Biotest will continue ongoing discussions regarding such a partnership in the reporting year.

Microbiology

In the fourth quarter, Biotest plans to launch the particularly user-friendly "APC Smart Touch" particle counter on the market. The new "RCS Touch" air sampler will also be released during the current year.

EVENTS AFTER 30 SEPTEMBER 2010

On 18 October 2010, the consortium banks approved the extension of the €40 million short-term working capital line of credit by 364 days to 4 November 2011.

On 3 November 2010, Biotest submitted approval documentation for Bivigam™ to the US Food and Drug Administration.

Statement of income

of the Biotest Group

€ million	Q3 2010	Q3 2009	Q1-3 2010	Q1-3 2009
Revenue	115.2	112.2	342.3	330.6
Production costs	−72.0	−61.5	−201.0	−171.5
Gross profit	**43.2**	**50.7**	**141.3**	**159.1**
Other operating income	6.6	1.5	10.5	4.4
Distribution expenses	−17.5	−15.8	−51.1	−52.2
Administrative expenses	−8.3	−8.1	−25.1	−24.6
Research and development expenses	−13.3	−11.1	−39.3	−33.0
Other operating expenses	0.8	−1.1	−1.1	−6.4
Operating profit	**11.5**	**16.1**	**35.2**	**47.3**
Financial result	−8.7	−3.0	−12.0	−8.9
Profit before tax	**2.8**	**13.1**	**23.2**	**38.4**
Income tax	−1.7	−3.7	−7.8	−11.5
Profit after tax from Continuing Operations	**1.1**	**9.4**	**15.4**	**26.9**
Profit after tax from the Discontinued Operation	0.1	−0.3	15.5	−1.8
Profit after tax	**1.2**	**9.1**	**30.9**	**25.1**
thereof:				
Retained earnings attributable to equity holders of the parent company	**0.5**	**8.4**	**29.0**	**23.1**
thereof from Continuing Operations	0.4	8.7	13.5	24.9
thereof from Discontinued Operation	0.1	−0.3	15.5	−1.8
thereof:				
Minority interest	**0.7**	**0.7**	**1.9**	**2.0**
thereof from Continuing Operations	0.7	0.7	1.9	2.0
thereof from Discontinued Operation	0.0	0.0	0.0	0.0
Earnings per share in € (Continuing Operations)	**0.04**	**0.74**	**1.15**	**2.12**
Earnings per share in € (Discontinued Operation)	**0.00**	**−0.02**	**1.32**	**−0.15**
Earnings per share in € (Biotest Group)	**0.04**	**0.72**	**2.47**	**1.97**

Statement of comprehensive income

of the Biotest Group

€ thousand	Q1-3 2010	Q1-3 2009
Profit of the period	**30.9**	**25.1**
Currency translation effects of international subsidiaries	4.2	–3.8
Total deferred taxes on income and expenses recognised in equity	**0.0**	**0.0**
Income and expenses recognised in equity	**4.2**	**–3.8**
Comprehensive income	**35.1**	**21.3**
Income and expenses recognised in equity	**4.2**	**–3.8**
thereof from Continuing Operations	4.2	–3.8
thereof from the Discontinued Operation	0.0	0.0
Profit of the period	**30.9**	**25.1**
thereof from Continuing Operations	15.4	26.9
thereof from the Discontinued Operation	15.5	–1.8
Comprehensive income	**35.1**	**21.3**
thereof from Continuing Operations	19.6	23.1
thereof from the Discontinued Operation	15.5	–1.8
thereof:		
Retained earnings attributable to equity holders of the parent company	**33.2**	**19.3**
thereof from Continuing Operations	17.7	20.8
thereof from the Discontinued Operation	15.5	–1.5
Minority interest	**1.9**	**2.0**
thereof from Continuing Operations	1.9	2.0
thereof from the Discontinued Operation	0.0	0.0
Comprehensive income	**35.1**	**21.3**
thereof from Continuing Operations	19.6	22.8
thereof from the Discontinued Operation	15.5	–1.5

Statement of financial position

of the Biotest Group

€ million	30 September 2010	31 December 2009
ASSETS		
Intangible assets	64.7	66.7
Property, plant and equipment	235.8	214.2
Financial lease assets	2.3	17.8
Investments in affiliates	0.1	0.1
Investments in associates	0.8	0.8
Other financial investments	20.1	0.2
Other assets	1.6	2.2
Deferred tax assets	5.3	6.2
Non-current assets	**330.7**	**308.2**
Inventories	167.9	170.3
Trade receivables	111.8	96.0
Current income tax assets	5.2	3.7
Other assets	13.3	17.1
Cash and cash equivalents	9.5	6.7
Discontinued Operation	2.1	31.5
Current assets	**309.8**	**325.3**
TOTAL ASSETS	**640.5**	**633.5**
EQUITY AND LIABILITIES		
Subscribed capital	30.0	30.0
Share premium	153.3	153.3
Reserves	81.4	55.8
Retained earnings attributable to equity holders of the parent company	29.0	25.7
Shareholders' equity	**293.7**	**264.8**
Minority interests	7.0	5.1
Total equity	**300.7**	**269.9**
Provisions for pensions and similar obligations	49.0	48.3
Other provisions	3.6	3.6
Financial liabilities	156.5	153.7
Other liabilities	0.3	0.4
Deferred tax liabilities	9.7	8.8
Non-current liabilities	**219.1**	**214.8**
Other provisions	12.5	19.6
Current income tax liabilities	6.8	7.8
Financial liabilities	24.3	50.8
Trades payables	46.9	40.6
Other liabilities	29.6	21.0
Discontinued Operation	0.6	9.0
Current liabilities	**120.7**	**148.8**
Total liabilities	**339.8**	**363.6**
TOTAL EQUITY AND LIABILITIES	**640.5**	**633.5**

Statement of changes in equity

€ million	2010	2009
Equity as of 1 January	**269.9**	**253.4**
Dividend payments to shareholders	−4.3	−3.8
Earnings after tax	30.9	25.1
Differences from currency translation	4.2	−3.8
Dividend to minority interest	0.0	−1.7
Equity as of 30 September	**300.7**	**269.2**

Cash flow statement

	Continuing Operations		Discontinued Operations		Biotest Group	
€ million	2010	2009	2010	2009	2010	2009
Cash flow						
Cash flow from operating activities	15.8	10.7	15.4	−2.5	31.2	8.2
Cash flow from investing activities	−19.3	−29.5	22.3	−1.0	3.0	−30.5
Cash flow from financing activities	6.2	16.4	−37.7	3.5	−31.5	19.9
Cash changes in cash and cash equivalents	**2.7**	**−2.4**	**0.0**	**0.0**	**2.7**	**−2.4**
Exchange rate-related changes	0.1	0.0	0.0	0.0	0.1	0.0
Cash and cash equivalents as of 1 January	6.7	8.1	0.0	0.0	6.7	8.1
Cash and cash equivalents as of 30 September	**9.5**	**5.7**	**0.0**	**0.0**	**9.5**	**5.7**

Schedule of assets – net presentation

€ million	Book value as of 1 January 2010	Capital expenditure	Net disposals	Depreciation	Currency translation differences	Book value as of 30 September 2010
Intangible assets	66.7	0.4	0.0	−5.2	2.8	64.7
Tangible assets	232.0	18.9	−1.3	−15.8	4.3	238.1
Total	**298.7**	**19.3**	**−1.3**	**−21.0**	**7.1**	**302.8**

Segment reporting

by business segment

€ million	Q1-3 2010	Q1-3 2009	Change in %
Revenue			
Plasma Proteins	302.4	294.3	2.8
Microbiological Monitoring	39.9	36.3	9.9
Continuing Operations	**342.3**	**330.6**	**3.5**
Discontinued Operation	1.7	31.3	–94.6
Biotest Group	**344.0**	**361.9**	**–4.9**
EBIT			
Plasma Proteins	53.6	63.7	–15.9
Microbiological Monitoring	4.9	3.9	25.6
Corporate/Reconciliation	–7.0	–7.1	1.4
Biotherapeutics	–16.3	–13.2	–23.5
Continuing Operations	**35.2**	**47.3**	**–25.6**
Discontinued Operation	18.3	–1.6	–
Biotest Group	**53.5**	**45.7**	**17.1**

Segment reporting

by region (Continuing Operations only)

€ million	Q1-3 2010	Q1-3 2009	Change in %
Revenue			
Germany	86.0	80.9	6.3
Europe (excluding Germany)	120.3	127.7	–5.8
North and South America	41.1	40.4	1.7
Asia	85.1	72.1	18.0
Rest of World	9.8	9.5	3.2
Continuing Operations	**342.3**	**330.6**	**3.5**

Employees

by business segment

	30 September 2010	31 December 2009	Change in %
Employees (full-time equivalents)			
Plasma Proteins	1,467.9	1,438.8	2.0
Microbiological Monitoring	302.7	291.3	3.9
Corporate/Reconciliation	21.1	23.4	–9.8
Biotherapeutics	62.7	58.1	7.9
Continuing Operations	**1,854.4**	**1,811.6**	**2.4**
Discontinued Operation	22.7	278.7	–91.9
Biotest Group	**1,877.1**	**2,090.3**	**–10.2**

Employees

by operating division (Continuing Operations only)

	30 September 2010	31 December 2009	Change in %
Employees (full-time equivalents)			
Distribution	320.2	300.3	6.6
Administration	238.4	220.7	8.0
Production	1,119.5	1,118.6	0.1
Research and development	176.3	172.0	2.5
Continuing Operations	**1,854.4**	**1,811.6**	**2.4**

Quarter-to-quarter comparison

by business segment

€ million	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Revenue					
Plasma Proteins	101.8	98.7	101.9	95.8	100.0
Microbiological Monitoring	13.4	13.4	13.1	12.2	12.2
Continuing Operations	**115.2**	**112.1**	**115.0**	**108.0**	**112.2**
Discontinued Operation	0.5	0.5	0.7	11.1	10.5
Biotest Group	**115.7**	**112.6**	**115.7**	**119.1**	**122.7**
EBIT					
Plasma Proteins	18.0	17.6	18.0	25.5	20.9
Microbiological Monitoring	1.6	1.6	1.7	0.6	1.4
Corporate/Reconciliation	–2.2	–2.5	–2.3	–3.9	–1.8
Biotherapeutics	–5.9	–5.3	–5.1	–7.9	–4.4
Continuing Operations	**11.5**	**11.4**	**12.3**	**14.3**	**16.1**
Discontinued Operation	–0.1	0.3	18.1	–1.5	–0.1
Biotest Group	**11.4**	**11.7**	**30.4**	**12.8**	**16.0**
EBT (Continuing Operations)	**2.8**	**10.2**	**10.2**	**10.7**	**13.1**

OTHER INFORMATION

Accounting principles

The interim report as of 30 September 2010 has been prepared in accordance with the International Financial Reporting Standards of the International Accounting Standards Board (IASB). There have been no changes with regard to the accounting and valuation methods used compared with those used in the consolidated financial statements for 2009. The interim management report and interim financial statements are neither audited nor are they subject to review by an auditor.

No major transactions were concluded with related parties in the period under review.

Dreieich, 8 November 2010
Biotest Aktiengesellschaft

The Management Board

Prof. Dr. Gregor Schulz
Chairman of the
Management Board

Dr. Michael Ramroth
Chief Financial Officer

Financial calendar

22 March 2011	Annual Press Conference
10 May 2011	I. Quarterly Report 2011
12 May 2011	Annual General Meeting
11 August 2011	II. Quarterly Report 2011
10 November 2011	Autumn conference for analysts and journalists
10 November 2011	III. Quarterly Report 2011

Biotest

Biotest AG, Landsteinerstr. 5, D-63303 Dreieich, Germany, P.O. Box 10 20 40, D-63266 Dreieich, Germany
Tel. +49 (0) 6103 801-4406, Telefax +49 (0) 6103 801-347
e-mail: investor_relations@biotest.de, www.biotest.de