Biotest

From Nature for Life

NINE-MONTH REPORT 2012 BIOTEST AG

KEY FIGURES

BIOTEST GROUP		**Q1–Q3/2012**	Q1–Q3/2011*	Change in %
Revenue	€ million	**324.9**	311.9	4.2
of which:				
Germany	€ million	**66.7**	73.7	–9.5
Rest of World	€ million	**258.2**	238.2	8.4
of which:				
Therapy	€ million	**245.6**	241.1	1.9
Plasma & Services	€ million	**71.0**	62.9	12.9
Other segments	€ million	**8.3**	7.9	5.1
EBITDA	€ million	**54.6**	53.4	2.2
EBIT	€ million	**32.8**	30.1	9.0
EBIT in % of sales	*%*	***10.1***	*9.7*	
Earnings before tax	€ million	**25.5**	20.2	26.2
Earnings after tax	€ million	**15.6**	14.6	6.8
Cash flow**	€ million	**5.1**	74.2	–93.1
Depreciation and amortisation	€ million	**21.8**	23.3	–6.4
		30 Sep. 2012	31 Dec. 2011	Change in %
Equity	€ million	**357.4**	346.7	3.1
Equity ratio	*%*	***53.1***	*50.8*	
Employees (full-time equivalents)		**1,707.2**	1,661.5	2.8

* Continuing Operations
** from operating activities

CONTENT

INTERIM MANAGEMENT REPORT AS OF 30 SEPTEMBER 2012

A. BUSINESS REPORT

I. MARKET ENVIRONMENT

a. At a glance

During the first nine months of 2012, the Biotest Group was able to increase its revenue by 4.2 % compared with sales from Continuing Operations in the same period of 2011. Thus, the Group generated revenue of € 324.9 million compared with € 311.9 million in the previous year.

Earnings before interest and taxes (EBIT) also rose strongly in the reporting period. EBIT of € 32.8 million was recorded compared with € 30.1 million in the first nine months of 2011. This represents an increase of 9.0 %. The Therapy segment made the major contribution to this development. In this area, earnings rose by 20.7 % compared to the preceding period.

The international markets were the main driving force behind the increase in revenue of the Group. While business in Europe suffered stagnation caused by continuing cost pressures as well as the Euro and debt crisis, revenue outside of Europe increased substantially in some cases.

b. Overview of Biotest Group segments

Biotest Group, headquartered in Dreieich, Germany, is an international provider of biological medications. The currently offered and newly developed preparations are derived from both human blood plasma and biotechnology processes. The areas of indication are haematology, clinical immunology and intensive care medicine.

The Biotest Group conducts research and development in all three areas of indication. Therewith, Biotest covers all essential steps of the value chain of preclinical and clinical development – also in cooperation with internationally renowned partners – and through global marketing.

Starting with the current financial year 2012, the company has been re-organised into the operating segments Therapy, Plasma & Services and Other Segments. The new Therapy segment includes the plasma protein business and monoclonal antibodies. Plasma sales and toll manufacturing are combined in the Plasma & Services segment. In the segment Other Segments, Biotest reports its merchandise business and the cross-divisional costs which cannot be allocated to the segments Therapy or Plasma & Services.

In the previous year, Discontinued Operations reported figures from the Microbiological Monitoring segment, which has been divested, as well as the remaining activities of the Medical Diagnostic segment.

c. Research and Development

Research and development is an integral part of the Biotest Group's corporate strategy. In the current year, Biotest spend 11.7 % of revenue in this area. Development projects can be found on page 5 of the 2011 annual report, in the "Product portfolio and markets" chapter of the Group management report.

In August, Biotest received new information regarding the authorisation of Bivigam™ on the US market from the US Food and Drug Administration (FDA). Therein, no questions were raised concerning the safety or efficacy of the batches of immunoglobulin produced up to now. The FDA requested a new and additional validated test system for detection of thrombogenic activity – the first time this has been requested for an initial approval. Here, Biotest has joined forces with a renowned lab, which collaborates closely with the FDA. Meanwhile, the test validation has been completed and the corresponding data was send to the FDA in a "Complete Response Letter" by the end of October.

In addition, Biotest was able to achieve further progress in the first nine months of 2012 in various other studies and developments. This includes a screening of approx. 12,550 pregnant women until September 2012 as part of a phase III study for the hyperimmunoglobulin Cytotect 70 for the indication of cytomegalovirus (CMV) transmitted during pregnancy.

As part of a European decentralised procedure (DCP), Biotest received the approval for the 10 % intravenous immunoglobulin solution Intratect (100 g/l) at the end of October. Intratect 10 % was specifically created for patients, who are able to tolerate a 10 % solution and for whom time saving is a decisive factor.

A phase I/II study for clinically testing the newly developed fibrinogen concentrate was submitted in the first country. The approval to begin the study has already been granted; patient recruitment ought to begin in the fourth quarter.

An additional study (ZEUS, Zutectra Early Use) for the Hepatitis B immunoglobulin Zutectra® was submitted in the third quarter of 2012. This study will test the extension of the treatment to the early phase after a liver transplantation. Here, the aim is to switch from intravenous (iv) treatment to subcutaneous (sc) treatment in the first week after the transplantation, and not, as up to now after six months.

The further development of the biotherapeutic agent Tregalizumab (BT-061), which is being conducted in cooperation with Abbott, is continuing as planned. In the currently ongoing phase IIb study, which is looking into the combination with methotrexate for the indication of rheumatoid arthritis (study 979), patient recruitment was completed in September 2012 during the first part of the study.

Also, for BT-062, an immunoconjugate to be used in the haematology therapy area, important developments were initiated during the period under review.

In the dose escalation study (975) in the main indication multiple myeloma (mono-therapy BT-062 with multiple dosage), 33 patients have now been treated with a concentration of up to 160 mg/m^2. The tolerance was good considering the severity of the disease. Despite an advanced level of the disease and a lack of responsiveness towards conventional therapy, a significant clinical improvement was observed in the case of individual patients. Furthermore, treatment of the first patients has started in the combination study no. 983, which investigates the efficacy of BT-062 in combination with Lenalidomid and Dexamethason. In addition, the company plans to present the results of the concluded phase I study (no. 969) at the annual conference of the American Society of Hematology.

After preclinical studies showed that BT-062 is also effective against aggressive, solid tumours, further investigations were initiated. In order to research these additional inter-related effects, Biotest receives funding from the top cluster CI3 Rhein-Main 'Individualised ImmuneIntervention'.

d. Market trends

Macroeconomic situation

The European sovereign debt crisis continues to put a strain on the economic activity and has led to great uncertainty regarding future prospects. In its autumn forecast for the Federal Republic, the German Institute for Economic Research Berlin (DIW) anticipates a slight rise of 0.9 % in economic output. However, this means that the forecast has been downgraded by 0.1 % percentage points to the forecast released three months ago.[1] For the Eurozone, the statistical department of the European Union (Eurostat) continues to expect a slight fall of 0.3 % in economic performance.[2] The prospects for the US economy also continue to deteriorate. The US Federal reserve bank is currently forecasting growth in gross domestic product of 1.7 % to 2.0 % compared to the 1.9 % and 2.4 % announced in June.[3]

In the context of spending cuts for national health organisations the pressure on prices for medication persists in the third quarter of 2012.

Target markets

With its registration and marketing strategy Biotest aims to further internationalise its business and diversify the product portfolio. After successful establishment on European markets, the focus now shifted towards the USA, Asia and South America. For the Biotest Group, the intended market launch of Bivigam™ in the USA remains the most important step within the internationalisation strategy. Moreover, Biotest is planning to re-register Albiomin® in China and subsequently to sell this preparation with a Chinese partner in this high-price market.

1 German Institute for Economic Research Berlin (DIW), Autumn forecast 2012, 2 October 2012

2 Statistical Department of the European Union (Eurostat), Growth rate of the real GDP volume, last updated on 5 October 2012

3 Board of Governors of the Federal Reserve System, Minutes of the Federal Open Market Committee, 13 September 2012

e. Strategy of the Biotest Group

Biotest's strategy is focused on marketing and further development of products in the three indication areas of haematology, clinical immunology and intensive care medicine. In addition to the continuous reinforcement of our own research & development pipeline, all opportunities in growing the volume of business over the next few years by means of international acquisitions and licensing are thoroughly evaluated.

II. PRESENTATION OF RESULTS OF OPERATIONS, NET ASSETS AND FINANCIAL POSITION

a. Income statement

In the first nine months of the financial year 2012, the Biotest Group generated revenue of € 324.9 million. Revenue in Continuing Operations rose by 4.2 % vs. € 311.9 million in the comparable period in 2011. The greatest contribution to the increase of revenue was generated by the Plasma & Services segment. Revenue from this segment grew significantly by 12.9 %. Nevertheless, more revenue was also generated in the first nine months of 2012 than during the equivalent period in the previous year in the segments Therapy (+ 1.9 %) and Other Segments (+ 5.1 %).

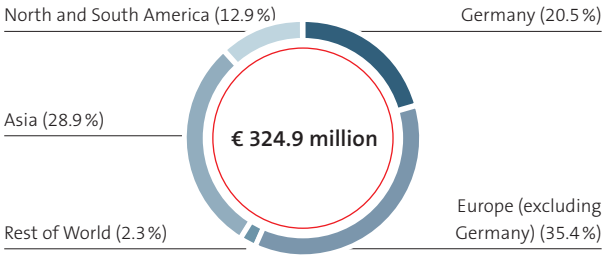
REVENUE BY SEGMENT

€ million	**Q1–Q3 2012**	Q1–Q3 2011*	Change in %
Therapy	**245.6**	241.1	1.9
Plasma & Services	**71.0**	62.9	12.9
Other segments	**8.3**	7.9	5.1
Biotest Group	**324.9**	**311.9**	**4.2**

* Continuing Operations

A total of 79.5 % of this revenue continued to be generated in countries outside of the domestic German market. While revenue achieved with customers from Germany and the USA fell to some extent significantly, particularly in Asia substantial growth was achieved. Here, total revenue of € 58.8 million in the first nine months of 2011 has picked up to € 93.9 million. A large proportion of this increase was attributable to revenue from the Plasma & Services segment which almost doubled to € 36.8 million. In addition, the Therapy segment also recorded a highly positive development on the Asian markets with an increase of 41 %.

REVENUE BY REGION



Despite the increase in revenue, the costs of sales remained almost constant and recorded only a moderate increase from € 189.5 million to € 189.9 million. The cost of sales ratio could therefore be substantially reduced to 58.4 % compared to 60.8 %. This can be explained by the continued high capacity utilisation and the overall improved efficiency in production.

Further, distribution expenses rose to € 40.1 million (previous year: € 36.5 million) in connection with the expansion of business, particularly in Asia. Administrative expenses on the other hand, despite another slight increase in the number of employees, were reduced by almost 10 % from € 21.7 million to € 19.6 million. This was mainly attributed to cutting expenses for facility management and consulting services. Research and development costs went up due to intensification of studies, partly referring to the Abbott deal and amounting to € 38.1 million (previous year: € 36.4 million). Its proportion of revenue remained constant at 11.7 %.

The total from other operating income and expenses therefore came in at –€ 4.4 million after the first nine months of the 2012 financial year (previous year: € 2.3 million). Income from the release of provisions and deferred liabilities have offset expenses for write-downs in connection with receivables from Greek hospitals as well as costs of closure for the Greek subsidiary.

SIGNIFICANT BIOTEST GROUP COST CATEGORIES**

€ milllion	Q1–Q3/2012	as % of revenues	Q1–Q3/2011*	as % of revenues
Costs of sales	**–189.9**	**58.4**	–189.5	60.8
Distribution expenses	**–40.1**	**12.3**	–36.5	11.7
Administrative expenses	**–19.6**	**6.0**	–21.7	7.0
Research and development expenses	**–38.1**	**11.7**	–36.4	11.7
Other operating income and expenses	**–4.4**	**1.4**	2.3	0.7
Financial result	**–7.3**	**2.2**	–9.9	3.2

* Continuing Operations
** Expenses are preceded by a minus sign

A substantial increase of around 9.0 % compared to the previous year was recorded in earnings before interest and taxes (EBIT) in the first nine months of 2012. Consequently, the Biotest Group generated EBIT of € 32.8 million between January and September 2012 from Continuing Operations compared with €30.1 million in the prior-year period. In line with this development, the EBIT margin rose from 9.7 % to 10.1 %. This increase can mainly be attributed to the Therapy segment. EBIT in this segment rose by 20.7 %, particularly due to a strong first half of 2012, and totalled € 20.4 million (previous year: € 16.9 million). While EBIT in Other Segments remained unchanged at € 0.1 million, the earnings contribution from the Plasma & Services segment fell by 6.1 % to € 12.3 million (previous year: € 13.1 million).

The financial result was improved substantially during the first nine months of 2012 and totalled –€ 7.3 million after –€ 9.9 million in the previous year period. The financial result made a particular improvement in the third quarter 2012, up by 56.3 % year-on-year. The main reason for this is the downward adjustment made in the previous year period to the book value of Greek government bonds, which impacted the financial result by a disproportionately high amount.

For the Biotest Group, this resulted in earnings before tax (EBT) of € 25.5 million. EBT was therefore 26.2 % up on the figure posted in the same period in 2011 totalling € 20.2 million. Due to substantially increased tax expenses, which resulted from the non-valuation for tax purposes of the Greek subsidiary's losses and start-up losses at the Brazilian subsidiary, earnings after tax (EAT) rose only moderately from € 14.6 million to € 15.6 million. Overall, earnings per share on Continuing Operations therefore amounted to € 1.33. This figure for the first nine months of 2011 was € 1.25.

KEY EARNINGS FIGURES FOR THE BIOTEST GROUP

€ million	Q1–Q3 2012	Q1–Q3 2011*	Change in %
EBIT	**32.8**	30.1	9.0
EBT	**25.5**	20.2	26.2
EAT	**15.6**	14.6	6.8
Earnings per share in €	**1.33**	**1.25**	**6.4**

* Continuing Operations

At the end of the first nine months of 2012, Biotest Group had 1,707.2 employees FTE (full time equivalent). At the year-end date of 31 December 2011, this figure stood at 1,661.5 employees (FTEs).

b. Balance sheet
On the reporting date 30 September 2012, total assets declined from € 682.8 million to € 672.8 million compared with 31 December 2011.

In terms of assets, non-current assets remained almost unchanged. An increase in property, plant and equipment as well as in deferred tax assets was offset by a fall in intangible assets as well as other financial investments. In contrast, current assets recorded a moderate decline of around 2.7 %. While inventories, influenced by the volume increases in revenue as well as the pre-production for Bivigam™, were up to € 177.5 million (31 December 2011: € 153.0 million), trade receivables and cash declined. Cash dropped to € 55.5 million (31 December 2011: € 83.2 million). The planned reduction in cash was influenced by investments made, tax payments and the repayment of credit lines.

In terms of equity and liabilities, equity rose after a dividend payment (–€ 5.5 million), earnings after tax (€ 15.6 million) and currency translation differences (€ 0.6 million) to € 357.4 million (31 December 2011: € 346.7 million). As part of this, the equity ratio rose substantially from 50.8 % to 53.1 %. In contrast, both current and non-current liabilities were significantly reduced. In particular, the items liabilities from deferred revenue and other provisions decreased. In contrast, trade payables rose from € 34.7 million to € 41.4 million due to effects related to the reporting date.

c. Financial position
Cash flow from operating activities in the first nine months of 2012 amounted to € 5.1 million. In the same period of 2011, a substantially higher capital inflow of € 74.2 million was recorded. The main reasons for the reduction are one-off effects in the previous year period as well as the increased tax payments and build-up of inventories. Funds from the Abbott deal as well as from the sale of the Microbiological Monitoring segment significantly influenced cash flow.

Cash flow from investing activities stood at –€ 22.4 million as of 30 September 2012, compared with –€ 11.2 million in the previous year period. This item particularly reflects increased investments in property, plant and equipment at the Dreieich site, largely relating to the filling and packaging facilities.

The dividend payment, the repayment of credit lines that were utilised in the previous year as well as high investments led to a cash flow from financial activities totalling –€ 10.4 million (previous year: € 38.4 million). As a result, cash and cash equivalents of € 83.2 million at the end of 2011 fell to the current figure of € 55.5 million.

d. General statement on the results of operations, net assets and financial position
The Biotest Group remains on a constant growth path after the first nine months of 2012. Both revenue (+ 4.2 %) and EBIT (+ 9.0 %) were enhanced compared to the previous year period. The Therapy segment was the major growth driver for earnings in the reporting period.

Overall, the Biotest Group has the resources to advance its operating business as planned. The development of possible new active substances, particularly in the field of monoclonal antibodies, offers additional profit potential. The asset position, with an equity ratio of 53.1 % as well as a balanced financial structure, therefore provides the foundation for the future growth of the Biotest Group.

B. EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, Biotest Pharmaceuticals Corporation (BPC), a wholly owned subsidiary of Biotest AG, expanded its contractual cooperation with ViroPharma Biologics, Inc. (ViroPharma) in the USA. As part of the deal, BPC will sell increasing volumes of blood plasma to ViroPharma in the coming three years.

As part of the long-term agreement with BPC, which initially runs until the end of 2017, ViroPharma is obliged to buy plasma with a total value of around USD 70 million over the next two years.

In addition, Biotest AG received the approval for the 10 % intravenous immunoglobulin solution Intratect (100 g/l) as part of a European decentralised approval procedure on 24 October 2012.

C. RISK REPORT AND OUTLOOK

OPPORTUNITIES

There has been no significant change to the opportunities position of the Biotest Group compared with the presentation in the 2011 annual report (page 31).

RISKS

With the exception of the following point, there has been no significant change to the Biotest Group's risk situation compared with the presentation in the 2011 annual report (pages 23 to 28): In March 2012, all Greek sovereign bonds were sold and their risks therefore removed, partially as part of a mandatory exchange. € 1.1 million was charged to the financial result as a consequence of this. Nevertheless, there are still uncertainties regarding the full payment of outstanding debts for the current financial year amounting to € 7.1 million owed by Greek hospitals. A suitable risk provision was therefore already made for these debts in the form of a value adjustment. The Greek subsidiary ceased its operating activities on 30 September 2012. On an administrative basis , the company will continue its active receivables management.

MACROECONOMIC OUTLOOK

Global economy

The continuing sovereign debt crisis in a number of European states as well as general negative tendencies on the global markets will continue to influence the development of the global economy over the coming months. Since the savings measures that some countries need to implement could impact their respective health care systems, this will possibly have a further negative effect on the Biotest Group's business. Decisive factors for this development continue to be the general crisis management of the states involved, as well as the issue of how strongly the real economy of the Biotest target markets is influenced by the uncertainties.

Target markets

According to current studies, worldwide demand for immunoglobulins will increase by an annual 6–8 % during the current and coming years. Supply is growing slightly faster than average, and therefore price pressure for these products will probably continue until at least the end of 2012 according to Biotest Group estimates, in spite of the rise in demand. The Biotest Group therefore assumes that the overall price level to be achieved will be slightly higher than in 2011. With regard to monoclonal antibodies in clinical development, the company is anticipating high long-term sales potential, since, if approved, they represent therapy options which differ significantly from existing approaches.

EXPECTED BIOTEST GROUP DEVELOPMENT

Revenue and earnings

There is an encouraging growth in business despite the delay in the approval of Bivigam™ and caution regarding the valuation of current debts in Greece. Biotest is therefore confirming the forecast of a 3–5 % rise in revenue with slightly higher operating earnings (EBIT) than the previous year (€ 41.6 million) stated in the annual report 2011. This assumes that economic conditions will remain stable in our target markets.

Financial position

The predictions for the financial position are also still valid. Biotest will employ a significant portion of its resources to prepare and implement the market launch of Bivigam™. Also, since the now successfully completed new orientation of the Biotest Group, further acquisitions of suitable companies as well licensing of marketable products may be a strategic option in the future.

STATEMENT OF INCOME

of the Biotest Group for the period from 1 January to 30 September 2012

€ million	**Q3 / 2012**	Q3 / 2011	**Q1 – Q3 / 2012**	Q1 – Q3 / 2011
Revenue	104.7	99.0	324.9	311.9
Cost of sales	–63.1	–57.9	–189.9	–189.5
Gross profit	**41.6**	**41.1**	**135.0**	**122.4**
Other operating income	1.9	2.4	7.2	6.5
Distribution expenses	–13.8	–11.4	–40.1	–36.5
Administrative expenses	–6.5	–7.0	–19.6	–21.7
Research and development expenses	–11.5	–13.6	–38.1	–36.4
Other operating expenses	–1.8	–1.4	–11.6	–4.2
Operating profit (EBIT)	**9.9**	**10.1**	**32.8**	**30.1**
Financial result	–2.1	–4.8	–7.3	–9.9
Earnings before tax (EBT)	**7.8**	**5.3**	**25.5**	**20.2**
Income tax	–2.1	–1.6	–9.9	–5.6
Earnings after tax from Continuing Operations	**5.7**	**3.7**	**15.6**	**14.6**
Earnings after tax from Discontinued Operation	0.0	23.6	0.0	25.9
Earnings after tax (EAT)	**5.7**	**27.3**	**15.6**	**40.5**
Of which:				
Retained earnings attributable to equity holders of the parent company	**5.7**	**26.9**	**15.6**	**38.7**
from Continuing Operations	5.7	3.7	15.6	14.6
from Discontinued Operation	0.0	23.2	0.0	24.1
Minority interest	**0.0**	**0.4**	**0.0**	**1.8**
from Continuing Operations	0.0	0.0	0.0	0.0
from Discontinued Operation	0.0	0.4	0.0	1.8
Earnings per share in € (Continuing Operations)	**0.49**	**0.32**	**1.33**	**1.25**
Earnings per share in € (Discontinued Operation)	**0.00**	**1.98**	**0.00**	**2.05**
Earnings per share in € (Biotest Group)	**0.49**	**2.30**	**1.33**	**3.30**

STATEMENT OF COMPREHENSIVE INCOME

of the Biotest Group for the period from 1 January to 30 September 2012

€ million	Q1–Q3/2012	Q1–Q3/2011
Profit for the period	**15.6**	**40.5**
Other income/expenses recognised directly in equity	0.0	0.9
Currency translation of foreign subsidiaries	0.6	3.3
Total deferred taxes on income and expenses recognised in equity	**0.0**	**0.0**
Income and expenses recognised in equity	**0.6**	**4.2**
Comprehensive income	**16.2**	**44.7**
Income and expenses recognised directly in equity	**0.6**	**4.2**
from Continuing Operations	0.6	3.6
from Discontinued Operation	0.0	0.6
Profit for the period	**15.6**	**40.5**
from Continuing Operations	15.6	14.6
from Discontinued Operation	0.0	25.9
Comprehensive income	**16.2**	**44.7**
from Continuing Operations	16.2	18.2
from Discontinued Operation	0.0	26.5
Of which:		
Retained earnings attributable to equity holders of the parent company	**16.2**	**42.9**
from Continuing Operations	16.2	18.2
from Discontinued Operation	0.0	24.7
Minority interest	**0.0**	**1.8**
from Continuing Operations	0.0	0.0
from Discontinued Operation	0.0	1.8
Comprehensive income	**16.2**	**44.7**
from Continuing Operations	16.2	18.2
from Discontinued Operation	0.0	26.5

STATEMENT OF FINANCIAL POSITION

of the Biotest Group as of 30 September 2012

€ million	30 Sep. 2012	31 Dec. 2011
ASSETS		
Non-current assets		
Intangible assets	58.3	62.8
Property, plant and equipment	240.1	234.9
Investments in associates	1.8	2.0
Other financial investments	0.2	4.8
Other assets	0.6	0.6
Deferred tax assets	11.7	7.7
Non-current assets	**312.7**	**312.8**
Current assets		
Inventories	177.5	153.0
Trade receivables	117.7	121.0
Current income tax assets	3.7	3.5
Other assets	5.7	9.3
Cash and cash equivalents	55.5	83.2
Current assets	**360.1**	**370.0**
Total assets	**672.8**	**682.8**
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	30.0	30.0
Share premium	153.3	153.3
Reserves	158.4	116.9
Retained earnings attributable to equity holders of the parent company	15.6	46.4
Shareholders' equity	**357.3**	**346.6**
Minority interests	0.1	0.1
Equity	**357.4**	**346.7**
Liabilities		
Provisions for pensions and similar obligations	50.4	51.0
Other provisions	3.7	3.2
Financial liabilities	98.0	101.3
Other liabilities	1.1	0.2
Deferred tax liabilities	8.3	7.6
Liabilities from deferred revenue	12.5	25.0
Non-current liabilities	**174.0**	**188.3**
Other provisions	9.8	19.3
Current income tax liabilities	5.4	13.1
Financial liabilities	36.1	37.7
Trades payables	41.4	34.7
Other liabilities	32.0	26.3
Liabilities from deferred revenue	16.7	16.7
Current liabilities	**141.4**	**147.8**
Liabilities	**315.4**	**336.1**
Total equity and liabilities	**672.8**	**682.8**

STATEMENT OF CHANGES IN EQUITY

€ million	2012	2011
Equity as of 1 January	**346.7**	**307.6**
Dividend payments to Shareholders	−5.5	−4.8
Earnings after tax	15.6	40.5
Differences from currency translation	0.6	3.3
Gains/losses recognised directly in equity	0.0	0.9
Disposal of minority interest	0.0	−6.0
Dividend to minority interest	0.0	−1.7
Equity as of 30 September	**357.4**	**339.8**

CASH FLOW STATEMENT

	Continuing Operations		Discontinued Operation		Biotest Group	
€ million	**2012**	2011	**2012**	2011	**2012**	2011
Cashflow						
Cash flow from operating activities	5.1	74.2	—	3.5	5.1	77.7
Cash flow from investing activities	−22.4	−11.2	—	42.8	−22.4	31.6
Cash flow from financing activities	−10.4	38.4	—	−47.2	−10.4	−8.8
Cash changes to cash and cash equivalents	**−27.7**	**101.4**	**—**	**−0.9**	**−27.7**	**100.5**
Exchange rate-related changes	0.0	0.1	—	0.0	0.0	0.1
Cash and cash equivalents as of 1 January	83.2	18.5	—	0.9	83.2	19.4
Cash and cash equivalents as of 30 September	**55.5**	**120.0**	**—**	**0.0**	**55.5**	**120.0**

SCHEDULE OF ASSETS – NET PRESENTATION

€ million	Book value as of 31 Dec. 2011	Capital expenditure	Depreciation	Impairment	Currency translation differences	Bookvalue as of 30 Sep. 2012
Intangible assets	62.8	1.0	−5.5	0.0	0.0	58.3
Tangible assets	234.9	21.4	−16.1	−0.2	0.1	240.1
Total	**297.7**	**22.4**	**−21.6**	**−0.2**	**0.1**	**298.4**

SEGMENT REPORTING
by region

	Revenue		
€ million	**Q1–Q3 / 2012**	Q1–Q3 / 2011	Change in %
Germany	66.7	73.7	–9.5
Europe (excluding Germany)	114.9	114.4	0.4
USA	37.3	54.6	–31.7
South America	4.5	2.9	55.2
Asia	93.9	58.8	59.7
Rest of World	7.6	7.5	1.3
Continuing Operations	**324.9**	**311.9**	**4.2**

SEGMENT REPORTING
by business segment

	Revenue		
€ million	**Q1–Q3 / 2012**	Q1–Q3 / 2011	Change in %
Therapy	245.6	241.1	1.9
Plasma & Services	71.0	62.9	12.9
Other Segments	8.3	7.9	5.1
Continuing Operations	**324.9**	**311.9**	**4.2**
Discontinued Operation	0.0	30.5	–100.0
Biotest Group	**324.9**	**342.4**	**–5.1**

	EBIT		
€ million	**Q1–Q3 / 2012**	Q1–Q3 / 2011	Change in %
Therapy	20.4	16.9	20.7
Plasma & Services	12.3	13.1	–6.1
Other Segments	0.1	0.1	0.0
Continuing Operations	**32.8**	**30.1**	**9.0**
Discontinued Operation	0.0	32.3	–100.0
Biotest Group	**32.8**	**62.4**	**–47.4**

EMPLOYEES
by operating division

Employees (full-time equivalents)	**30 Sep. 2012**	31 Dec. 2011	Change in %
Distribution	199.5	201.6	–1.0
Administration	209.7	205.7	1.9
Production	1,158.5	1,097.3	5.6
Research and Development	139.5	156.9	–11.1
Biotest Group	**1,707.2**	**1,661.5**	**2.8**

QUARTER-TO-QUARTER COMPARISON
by business segment

	Revenue				
€ million	**Q3/2012**	Q2/2012	Q1/2012	Q4/2011	Q3/2011
Therapy	78.1	84.7	82.8	83.6	77.2
Plasma & Services	23.6	26.1	21.3	25.0	19.8
Other Segments	3.0	1.7	3.6	1.5	2.0
Continuing Operations	**104.7**	**112.5**	**107.7**	**110.1**	**99.0**
Discontinued Operation	0.0	0.0	0.0	0.0	4.3
Biotest Group	**104.7**	**112.5**	**107.7**	**110.1**	**103.3**

	EBIT				
€ million	**Q3/2012**	Q2/2012	Q1/2012	Q4/2011	Q3/2011
Therapy	6.0	7.2	7.2	8.0	6.3
Plasma & Services	3.8	5.5	3.0	5.7	4.1
Other Segments	0.1	−0.2	0.2	−2.2	−0.3
Continuing Operations	**9.9**	**12.5**	**10.4**	**11.5**	**10.1**
Discontinued Operation	0.0	0.0	0.0	3.4	29.0
Biotest Group	**9.9**	**12.5**	**10.4**	**14.9**	**39.1**
EBT Continuing Operations	**7.8**	**10.4**	**7.3**	**8.4**	**5.3**

OTHER NOTES

Standards applied in the preparation of the financial report
This interim financial report as of 30 September 2012 has been prepared according to the International Financial Reporting Standards of the International Accounting Standards Board (IASB). There were no changes to the accounting methods applied compared with the 2011 consolidated annual financial statements. This interim report is unaudited and was not reviewed by an auditor.

Relationship to related companies and persons
The Biotest Group maintains relationships that require disclosure with the associated company BioDarou P.J.S. Co., Teheran, Iran, and with its subsidiary Plasma Gostar Pars P.J.S., Teheran, Iran.

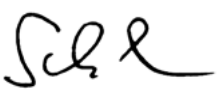
Both companies acquired € 7.9 million in goods and services from Biotest in the first nine months. As of 30 September 2012, Biotest carried € 11.3 million of receivables due from BioDarou P.J.S. Co. and Plasma Gostar Pars P.J.S.

As a related party to the Biotest Group, Kreissparkasse Biberach maintains employee custody accounts as part of the long-term incentive program. The Biotest Group received € 0.1 million in interest income up to 30 September 2012 from a € 20 million fixed-term deposit that now no longer exists.

Apart from these business relationships, there were no significant transactions with related parties in the period under review.

Dreieich, 13 November 2012
Biotest Aktiengesellschaft

The Board of Management



Prof. Dr Gregor Schulz
Chairman of the Board of Management

Dr Michael Ramroth
Chief Financial Officer

FINANCIAL CALENDAR

25 March 2013
Press telephone conference on annual results

8 May 2013
Q1 2013 report

8 May 2013
Annual Shareholders' Meeting

13 August 2013
Q2 2013 report

12 November 2013
Q3 2013 report

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This quarterly report contains forward-looking statements on overall economic 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 of this quarterly report. Biotest does not intend to update the forward-looking statements and assumes no obligation to do so.