

Corporate Governance

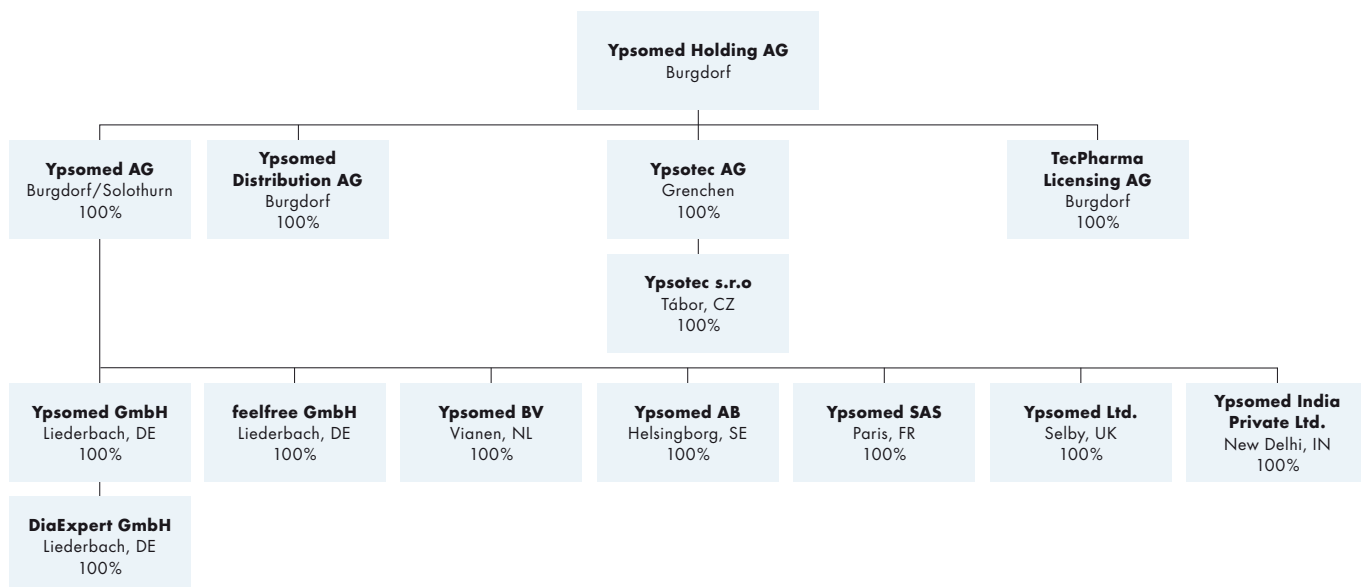
This Corporate Governance report describes the management and control principles at the highest corporate level of Ypsomed Holding AG and its subsidiaries according to the directive of the SIX Swiss Exchange concerning information on corporate governance.

Ypsomed, which is headquartered in Burgdorf, Switzerland, is a world leader in the field of injection systems for the self-administering of pharmaceutical substances. Ypsomed develops and produces its products primarily in Switzerland. Ypsomed injection systems are largely marketed by biotech and pharmaceutical partners around the world. Increasingly, Ypsomed also sells medical products, focusing on self-medication products for patients with diabetes. The company's own injection systems and pen needles as well as commercial products purchased from third parties are sold through the company's own distribution network and by independent distributors. The Ypsomed Group also includes Ypsotec, headquartered in Grenchen, Switzerland, a supplier of precision turning parts and subassemblies.

The Ypsomed Group's rules and regulations on Corporate Governance are defined in the Articles of Association, in the Organizational Policy of Ypsomed Holding AG and in the

Code of Conduct of the Ypsomed Group and correspond to the Corporate Governance Directive of October 29, 2008, issued by the SIX Swiss Exchange. The Board of Directors has issued an organizational policy that stipulates the duties, powers and responsibilities of the executive bodies of the Ypsomed Group. A copy of Ypsomed Holding AG's Articles of Association (in the German version) can be ordered from the company or can be viewed on the company's website at www.ypsomed.com (under Company/Investors/Corporate Governance). A copy of the Code of Conduct of the Ypsomed Group (in the German, English and French versions) can be ordered from the company or can be viewed on the company's website at www.ypsomed.com (under Company/Investors/Corporate Governance). Compliance with the basic principles and values laid down in the Code of Conduct is reviewed on an ongoing basis during the company's day-to-day business. In addition, the Board of Directors receives information on a periodic basis regarding experiences with the Code of Conduct. In the previous business year, contracts with suppliers were amended to ensure compliance with the basic principles stipulated in our Code of Conduct with regard to health, safety and environmental protection.

Corporate structure at March 31, 2011



Group structure

Ypsomed Holding AG is organized as a holding company pursuant to Swiss law and directly or indirectly owns or controls all companies that are part of the Ypsomed Group worldwide. None of Ypsomed Holding AG's subsidiaries are listed companies.

History of Ypsomed's development

Ypsomed was formed from what was previously Disetronic, which was founded in 1984 and which developed and produced infusion systems and also, starting in 1986, injection systems. On April 30, 2003, Roche Holding AG acquired the infusion business of Disetronic through a public tender offer. Dr. h. c. Willy Michel continued the injection business under the Ypsomed trade name.

Listed holding company

Ypsomed Holding AG, which has its headquarters in Burgdorf, is the holding company of the Ypsomed Group. It has a share capital of CHF 178 993 806.85, divided into 12 649 739 registered shares with a par value of CHF 14.15 each. Shares in Ypsomed Holding AG have been traded on the principal market of the SIX Swiss Exchange since September 22, 2004, and since June 27, 2007 on the BX Bern eXchange, under Security Number 1 939 699 and the symbol YPSN.

Operating organization

The Ypsomed Group's operating organization is based on a parent company structure. It is divided into the following departments: CEO (including Technology, Production & Logistics, Quality Management & Regulatory Affairs and Precision Rotary Parts), Corporate Finance/IT, Marketing & Sales, Human Resources, and Legal & Intellectual Property. As a rule, two members of Ypsomed Group management sit on the Board of Directors of each subsidiary. In terms of operations, the Ypsomed Group is divided into two business segments: the Delivery Devices segment consists of business with the product groups pen systems, pen needles and other injection-molded parts. The Diabetes Direct Business segment consists of the sales and direct trade business with various supplies for diabetic needs. The "Other" segment brings together precision revolving parts and properties not currently used operationally.

The corporate structure of Ypsomed Holding AG on March 31, 2011, is illustrated on page 84.

	as of 31 March 2011	as of 31 March 2010
Market capitalization in CHF	721 035 123	860 182 252
in % of equity	134.0*	160.0*
Share price in CHF	57.0	68.0
Price-earnings ratio	139.0**	86.0**

* Equity on 31 March 2010: CHF 537 742 766
Equity on 31 March 2011: CHF 538 056 159

** Profit per share 31 March 2010: CHF 0.79
Profit per share 31 March 2011: CHF 0.41

Capital structure

Capital

Ypsomed Holding AG has a share capital of CHF 178 993 806.85, divided into 12 649 739 fully paid up registered shares, each with a par value of CHF 14.15. All shares entitle the holder to receive dividends. Ypsomed Holding AG does not have an authorized share capital amount. The company has issued neither profit certificates nor participation certificates. There are no convertible bonds outstanding, and no options have been issued for participation rights in Ypsomed Holding AG or any Group companies.

Conditional share capital

Ypsomed Holding AG has conditional share capital totaling CHF 2 264 000. The company may issue to selected employees and members of the Board of Directors up to 160 000 registered shares, to be paid up in full, with a par value of CHF 14.15 each. Shareholders' purchase and advance subscription rights are excluded. Pursuant to the Articles of Association, shares and option rights may be issued at a price below the stock market value. The acquisition of shares through the exercising of subscription or option rights is subject to the statutory recording limitation and the statutory voting right limitation (see thereafter). The company has not issued any shares or option rights to date.

Changes in capital

Changes in capital up to March 31, 2011, pursuant to the accounts of Ypsomed Holding AG (all amounts in CHF)

Date	Issue
29.12.03	Founding
31.03.04	Net profit
01.04.04	Balance
01.07.04	Reverse merger with Finox Beteiligungen AG
28.07.04	Capital increase settled with shareholder loan
18.09.04	Split 1 : 8
20.09.04	Capital increase IPO
28.09.04	Capital increase IPO over-allotment
31.03.05	Net profit
31.08.05	Nominal value reduction CHF 0.90 per share
31.03.06	Net profit
05.09.06	Nominal value reduction CHF 1.25 per share
31.03.07	Reserves for own shares
31.03.07	Net profit
31.03.08	Reserves for own shares
31.03.08	Net profit
16.09.08	Nominal value reduction CHF 0.60 per share
31.03.09	Reserves for own shares
31.03.09	Net profit
03.07.09	Nominal value increase
	Capital increase
23.09.09	Nominal value reduction CHF 0.60 per share
31.03.10	Reserves for own shares
31.03.10	Net profit
14.09.10	Nominal value reduction CHF 0.25 per share
31.03.11	Reserves for own shares
31.03.11	Reassignment of capital reserves to reserves as capital investments
31.03.11	Reassignment of capital reserves to reserves as capital investments
31.03.11	Reclassification of general reserves
31.03.11	Net profit
31.03.11	Balance
Share premium of IPO 20. + 28.09.2004	
18.09.04	Capital increase
28.09.04	Capital increase
	Total

The costs for the IPO have been capitalized in the statutory accounts and have been amortized over five years since September 2004.

Number of shares	Nominal value	Share capital	Capital reserves	Retained earnings	General statutory reserves			Total
					Reserves from equity	General reserves	Reserves for own shares	
2 500	100.00	250 000.00						250 000.00
				11 096 910.20				11 346 910.20
2 500	100.00	250 000.00		11 096 910.20				11 346 910.20
			-150 000.00	6 315 915.24				17 512 825.44
997 500	100.00	99 750 000.00						117 262 825.44
8 000 000	12.50							117 262 825.44
3 016 000	12.50	37 700 000.00	165 143 042.21					320 105 867.65
228 213	12.50	2 852 662.50	12 495 951.29					335 454 481.44
				825 726.81				336 280 208.25
	-0.90	-10 119 791.70						326 160 416.55
				1 187 206.38				327 347 622.93
	-1.25	-14 055 266.25						313 292 356.68
				-2 223 985.21			2 223 985.21	313 292 356.68
				1 020 967.85				314 313 324.53
				873 759.26			-873 759.26	314 313 324.53
				6 099 149.38				320 412 473.91
	-0.60	-6 746 527.80						313 665 946.11
				-392 705.90			392 705.90	313 665 946.11
				11 968 630.02				325 634 576.13
	5.25	59 032 118.25						384 666 694.38
1 405 526		21 082 890.00	16 163 522.75					421 913 107.13
	-0.6	-7 589 843.40						414 323 263.73
				-208 715.75			208 715.75	414 323 263.73
				11 715 880.66				426 039 144.39
	-0.25	-3 162 434.75						422 876 709.64
				-51.50			51.50	422 876 709.64
			-193 802 516.25		193 802 516.25			422 876 709.64
			150 000.00		-150 000.00			422 876 709.64
				-50 000.00		50 000.00		422 876 709.64
				8 308 089.98				431 184 799.62
12 649 739	14.15	178 993 806.85	193 652 516.25	56 536 777.42	193 652 516.25	50 000.00	1 951 699.10	431 184 799.62
				Capital	in %	IPO costs	Share premium gross	Share premium net
				37 700 000.00	92.97%	10 189 057.47	165 143 042.21	154 953 984.74
				2 852 662.50	7.03%	770 979.90	12 495 951.29	11 724 971.39
				40 552 662.50	100.00%	10 960 037.37	177 638 993.50	166 678 956.13

Shareholder structure

Registered shareholders

There were 5789 shareholders registered in the Share Register on March 31, 2011 (prior year: 6449 shareholders). Of these shareholders, 98% report Switzerland as their place of residence. The distribution of shareholdings is as follows:

Number of shares	Number of shareholders as of 31 March 2011	Number of shareholders as of 31 March 2010
1 to 100	3 234	3 597
101 to 1000	2 357	2 646
1001 to 10 000	178	186
10 001 to 100 000	16	16
more than 100 000	4	4

Shareholder structure according to investor category as of 31 March 2011 (number of shares)	31 March 2011	31 March 2010
Dr. h. c. Willy Michel including affiliated persons	74.7%	73.3%
Natural persons	8.6%	9.9%
Banks	0.5%	0.7%
Funds, foundations, pension funds, insurances, public corporations and other legal entities	6.0%	6.6%
Not registered in Share Register	10.2%	9.5%

Significant shareholder

The significant shareholder is Dr. h. c. Willy Michel, Chairman of the Board of Directors of Ypsomed Holding AG, who held 8 946 834 registered shares on March 31, 2011 (prior year: 8 946 834 shares). Dr. h. c. Willy Michel as well as Techpharma Management AG, over which he exerts full control, hold a total of 9 453 959 registered shares, which equals to 74.7% of the shares (prior year: 9 277 196 shares, making up 73.3%).

There are no shareholder agreements or other agreements between shareholders

Cross participations

There are no cross participations.

Limitation on the transferability of shares

No share certificates are issued for Ypsomed Holding AG shares. Any shareholder may ask the company at any time to issue a confirmation regarding the registered shares entered in the Share Register in his name. Any person validly entered in the Share Register as an owner or beneficiary is considered to be a shareholder of the company. Any person acquiring registered shares or the beneficial entitlement to registered shares must apply in writing to be entered in the Share Register. Approval is given by the Board of Directors, which may delegate this power. The transfer is then entered in the Share Register. Applicants will be entered in the Share Register as shareholders with voting rights provided they expressly declare that they have acquired the registered shares in their own name and for their own account. If this declaration is not made, the Board of Directors may refuse the entry. The Board of Directors may draw up guidelines for the entry of nominees and may permit nominees to be entered in the Share Register with voting rights for shares up to a maximum of 5% of the nominal share capital. The Board of Directors may also allow nominees to be entered in the Share Register with voting rights for shares exceeding this limit if the nominees disclose the names, addresses, nationality, domicile and shareholdings of the natural persons and legal entities on whose account they hold 1% or more of the nominal share capital. The 5% limit also applies to nominees who are related to one another through capital ownership or voting rights by virtue of a common management or otherwise. If a shareholder has been entered in the Share Register on the basis of incorrect information, having given the parties involved the right to be heard, the Board of Directors may remove from the Share Register the entry as a shareholder with voting rights and replace it instead with an entry as a shareholder without voting rights. In the year under review, no applications for the entry of nominees were made.

Restrictions on the transfer of registered shares may only be amended by a resolution passed at the General Meeting of Shareholders with a qualified majority of at least two-thirds of the votes represented and an absolute majority of the nominal share capital represented at such meeting.

Board of Directors

Members of the Board of Directors

The Board of Directors consists of a minimum of three and a maximum of five members elected for a term of office of three years with the possibility of re-election. The Board of Directors was re-elected on the occasion of the 2010 General Meeting of Shareholders. The Board of Directors is self-constituting. All four members are non-executive members. Dr. h. c. Willy Michel was a member of the executive management of Disetronic Holding AG until April 2003.

The main task of the Board of Directors is the overall management of the company and the supervision and control of executive management. No member of the Board of Directors holds an operative function with Ypsomed Holding AG or one of its subsidiaries or has held such a position in the past three years. With the exception of Dr. h. c. Willy Michel, no business relationships exist between the individual members of the Board of Directors and Ypsomed Holding AG or any of its subsidiaries. The following business relationships between Dr. h. c. Willy Michel and affiliated persons and Ypsomed Holding AG and/or its subsidiaries existed in the year under review (information relating to the actual remuneration paid directly or indirectly in the 2010/11 business year that is stipulated by Art. 663b bis of the Swiss Code of Obligations can be found in the Notes to the 2010/11 financial statement, page 109):

Executive loans

Dr. h. c. Willy Michel made a loan to the company that he assigned to his company Techpharma Management AG. In the year under review, an amount of CHF 10 million was paid off. As of March 31, 2011, a loan amount of CHF 34.5 million was still outstanding. The key terms of the loan agreement are: since April 1, 2010, the loan has borne interest at a rate based on the CHF 12-month LIBOR as published by the Swiss National Bank plus 0.5% and it is adjusted in line with the prevailing rate as at the end of March and the end of September every year. Ypsomed Holding AG may repay the loan in full or partially at any time. However, it is repayable by March 31, 2014, at the latest. Starting April 1, 2011, Techpharma Management AG may each year demand repayment of a maximum of CHF 10 million on three months' notice. There are no further executive loans.

Rental contract

Dr. h. c. Willy Michel (respectively his company Techpharma Management AG) has been renting the building on Buchmattstrasse in Burgdorf (Ypsomed Nord) to Ypsomed since January 1, 2006. The parties signed a rental contract set at an indexed market rent, based on a rental assessment performed by an independent party. The rent was last adjusted on January 1, 2009, to CHF 985 402 plus VAT (excluding additional costs). The rental contract can be terminated for the first time on December 31, 2015, conditional upon 24 months' notice. The tenant has unlimited first right of refusal for purchasing the property for the entire rental period, for a maximum of 25 years from the start of the rental. The rental contract dictates that small and normal maintenance work on the building be paid by the tenant up to a maximum amount of 2% of the annual rent per calendar year. Major maintenance work and repairs necessary for safeguarding the asset value of the building is at the lessor's expense. On termination of the contract, the tenant will be reimbursed for the alterations carried out to the leased property with the lessor's consent in application of IFRS depreciation rates at the residual book value. The rental contract was discussed and approved by the Board of Directors, in whose opinion this is regarded as a rental contract at normal market conditions.

Other contractual relationships

Dr. h. c. Willy Michel (respectively his company Techpharma Management AG) and Ypsomed have concluded a service contract that can be terminated by either side at any time. This contract allows for Techpharma Management AG to provide occasional services to the Ypsomed Group (e. g. hotel and catering services) as well as selected management support services (including temporary personnel) and, for its part, for the Ypsomed Group to offer occasional services to Techpharma Management AG (e. g. management and IT support, including temporary personnel). The services are invoiced at normal market conditions. The mutual supply of temporary personnel is invoiced at the personnel cost rate. This contract was discussed and approved by the Board of Directors, in whose opinion this is regarded as a cooperation agreement at normal market conditions. In the year under review, there were no significant temporary personnel services.

Furthermore Dr. h. c. Willy Michel has a minority shareholding in Faes Bau AG, which is headquartered in Burgdorf, and is a member of its Board of Directors. Ypsomed occasionally awards Faes Bau AG with building contracts that are in line with normal market conditions based on a competitive proposal process.

Contractual cooperation with Finox AG

Agreements on cooperation exist between Ypsomed Holding AG and two of its subsidiaries on the one hand, and Techpharma Management AG and its subsidiary Finox AG, which belong to Dr. h. c. Willy Michel, on the other hand. The business objective of Finox AG is the development, manufacturing and sale of pharmaceuticals. The cooperation between Ypsomed AG and Finox AG relates to research and development in the field of devices for administering drugs and their exchange and compensation. Furthermore, employees may switch between the two companies on a project-specific basis. The services provided by the parties on the corresponding projects are remunerated at standard market rates; Ypsomed AG also receives a right of first refusal to purchase the shares of Finox AG. The contractual cooperation was discussed and approved by the Board of Directors, in whose opinion it is consistent with customary cooperation agreements in the market.

Members of the Board of Directors

Dr. h. c. Willy Michel, Chairman of the Board of Directors of Ypsomed Holding AG, founded Disetronic together with his brother in 1984. They were together until his brother's departure from the business in 1995, and thereafter Dr. h. c. Willy Michel was solely responsible for the development, production, distribution and sale of Disetronic products (until 1999). Within the scope of the sale of Disetronic to Roche Holding AG in 2003, Dr. h. c. Willy Michel repurchased the injection business of Disetronic, which has since then traded under the name Ypsomed. He has held the post of Chairman of the Board of Directors of the Disetronic Group and now the Ypsomed Group without interruption. Prior to the founding of Disetronic, Dr. h. c. Willy Michel, who holds a professional qualification as a pharmaceutical consultant with a federal diploma, obtained a broad range of experience with several industrial and pharmaceutical companies in the fields of development, sales & marketing, and he was the head of Novo-Nordisk Switzerland for six years (from 1978 until 1984). For three years (from 1998 until 2001) he was a member of the Burgdorf City Council, and in 2004 the city awarded him its Medal of Honor. In addition, he is the owner of a number of companies including several well-known firms involved in the fields of art, watchmaking and gastronomy as well as Finox AG, which is active in the development, manufacturing and sale of pharmaceuticals. He is currently Vice-Chairman of the Board of Directors of BV Holding AG (from 2001 until March 2008 President), member of the Board of Directors of Adval Tech Holding AG (since 2007), and is a member of the Boards of Directors of various non-listed companies operating in different sectors to the Ypsomed Group and of no significance to its business activities (Faes Bau AG and others). In 2005, Dr. h. c. Willy Michel was declared the "Master Entrepreneur of the Year" for his overall business performance by Ernst & Young AG, and in 2006 he was awarded an honorary doctorate (Dr. h. c.) by the Economic and Social Science Faculty of the University of Bern.

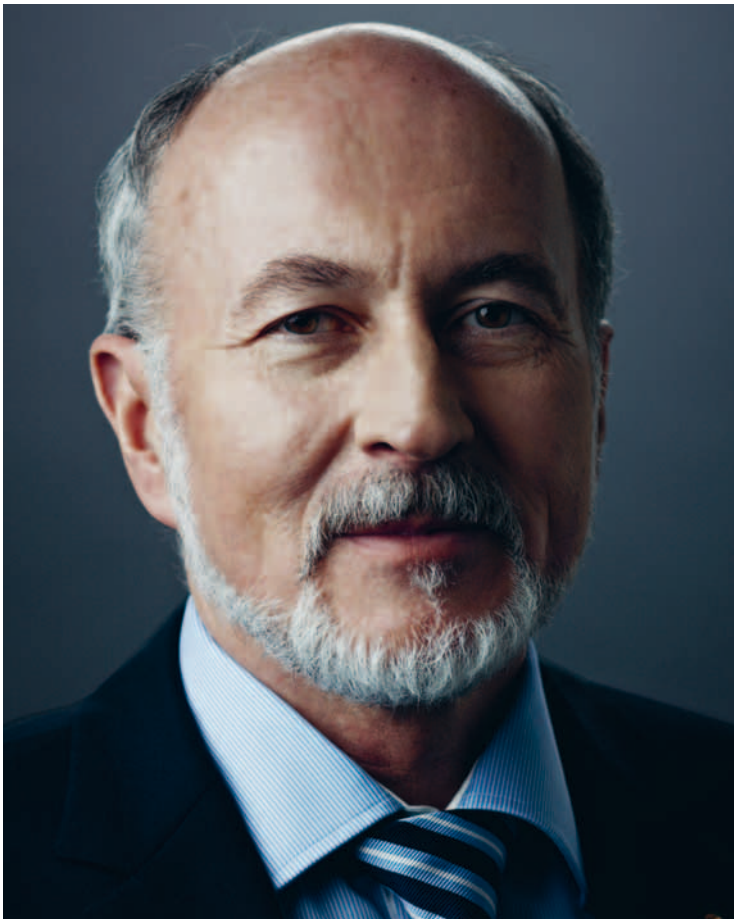
Prof. Dr. rer. pol. Dr. h. c. mult. Norbert Thom, Member of the Board of Directors of Ypsomed Holding AG since 2005. After studying economics and social sciences, he became a scientific assistant, project manager and private tutor at the University of Cologne, Acting Professor at the University of Giessen and then full Professor of management, organization and human resources studies at the University of Freiburg, Switzerland. Prof. Thom is the founder (in 1991) and director of the Institute for Organization and Human Resources at the University of Bern as well as a full Professor of Business Management Studies. From 1995 until 1997 he was Vice-Chancellor of Finance and Planning and member of the Board of Governors at the University of Bern. From 1997 until 2000 he was a member of the Swiss Scientific Board, which is the advisory body of the Federal Council for questions concerning economic policy. Prof. Thom has three honorary doctorates for his academic achievements in the areas of public management, organization and human resource management. He received these awards from universities in Lithuania (Vilnius), Austria (Linz) and Germany (Halle-Wittenberg). He has many years of practical experience as, among other things, an organizational and human resources advisor to companies, authorities and governments. He is further a member of the Board of Directors at WIFAG Polytype Holding AG, Bern (up to 2011). He has extensive involvement in the further training of managers, is a lecturer for several executive master level courses and is Vice-Chairman of the Volkswirtschaftliche Gesellschaft of the Canton of Bern and Vice Chairman of the Schweizerische Gesellschaft für Organisation und Management (SGO).

Gerhart Isler, Member of the Board of Directors of Ypsomed Holding AG since 2008. After completing his studies in economics at the University of Zurich, Mr. Isler joined the family newspaper publishing company Finanz und Wirtschaft AG as an editor in 1976. In 1980 he managed the company's editorial department in New York, was head of foreign correspondents from 1981 until 1986, and then held the position of manager of the publishing house until 1989. He then became the owner of Finanz und Wirtschaft, which enjoyed strong growth up to 2000 and became the country's most important financial newspaper. Mr. Isler subsequently sold the publishing firm but continued as its publisher until the end of 2004. From 2005 until the end of 2008, Mr. Isler was a member of the Board of Directors of the listed company PubliGroupe. In 2005, he was elected to the Board of Directors of Grand Casino Baden. Mr. Isler has been a member of the Board of Trustees of the move>med Foundation, which is involved in the field of sports, since 2005. In 2008, Mr. Isler was elected to the Board of Directors of the listed investment company New Value. Furthermore Mr. Isler is head of the Bergdietikon municipal council.

Anton Kräuliger, Vice-Chairman of the Board of Directors of Ypsomed Holding AG (member since 2007). After completing his studies at ETH Zurich with a degree in Mechanical Engineering, Mr. Kräuliger joined the family business in 1971 and in 1978 took over the majority shareholding in Lyss AG (today Metalyss AG), a metal foundry and fittings factory. He developed this company into the leading fittings group on the Swiss market, the Similor Group. Within the scope of the sale of the fittings division to Madison Private Equity Holding AG in 2002 and 2005, Mr. Kräuliger repurchased the Industrial Division, which today is combined into Metalyss AG once more. Between 1993 and 2004, Mr. Kräuliger was a member of the Board of Directors of the listed Bernese Kantonalbank BEKB | BCBE and continues to be an active member of several Boards of Directors including serving as Chairman of the Board of Directors of Metalyss AG (since 1978), Chairman of the Board of Directors of Sécheron SA (since 2005) as well as a member of the Board of Directors of the parent company Sécheron-Hasler Holding AG (since 2005). Anton Kräuliger is also owner of Moospinte AG, a restaurant in Wiggiswil/Münchenbuchsee. As a member of the City Council for the town of Kappelen he is director of the Finance Department.

Name	Nationality	Year of birth	Position	Member since*	Elected until the GM
Dr. h. c. Willy Michel	Swiss	1947	Chairman of the Board of Directors	1984	2013
Gerhart Isler	Swiss	1949	Member of the Board of Directors	2008	2013
Prof. Dr. rer. pol. Dr. h. c. mult. Norbert Thom	German	1946	Member of the Board of Directors	2005	2013
Anton Kräuliger	Swiss	1946	Vice-Chairman of the Board of Directors	2007	2013

* including Member of the Board of Directors of Disetronic



Dr. h. c. Willy Michel



Prof. Dr. rer. pol. Dr. h. c. mult. Norbert Thom



Anton Kräuliger



Gerhart Isler

Interrelated companies

Dr. h. c. Willy Michel, Chairman of the Board of Directors of Ypsomed Holding AG, is also Vice-Chairman of the Board of Directors of BV Holding AG, which is listed on the BX Bern eXchange. On March 31, 2011, BV Holding AG held a total of 22 500 shares in Ypsomed Holding AG (previous year: 22 500 shares), representing a shareholding of 0.18% (previous year: 0.18%).

Dr. h. c. Willy Michel, Chairman of the Board of Directors of Ypsomed Holding AG, is also a member of the Board of Directors of Adval Tech Holding AG, a company listed on the SIX Swiss Exchange and with headquarters in Niederwangen. In June 2007, Ypsomed AG and Adval Tech Holding AG signed an agreement on strategic cooperation in tool construction with a fixed contract term of 5 years. The objective of this cooperation is to bring together the respective strengths and core competencies of both companies and to use them for the efficient manufacturing of high-quality products. As part of this agreement Ypsomed buys from time to time tools manufactured by Adval Tech or its group companies at fair market prices based on industry standard conditions and existing competitive offers.

How the Board of Directors operates

The Board of Directors holds regular meetings four times per year at which it accepts management's written report and the verbal comments of the CEO, deliberates and also decides on management proposals. The auditors participate in the May meeting of the Board of Directors at which they give information on the comprehensive report and on other questions. The Board of Directors meets on one additional occasion per year for two to three days within the context of a strategy meeting with management. Occasionally the Board of Directors makes additional decisions by correspondence. The agendas for the meetings are set by the Chairman in agreement with the CEO; any member may ask for points to be included on the agenda. The members receive the agenda and the necessary basis for decision-making generally 7 to 10 days before each meeting. Any member of the Board of Directors may request information about any aspect of the Group's affairs. Votes and resolutions

within the Board of Directors are taken by majority decision; if the vote is tied, the Chairman, or in his absence the Vice-Chairman, has the deciding vote. Votes may not be taken by proxy. Meetings of the Board of Directors are regularly attended by the CEO and the CFO and, depending on the business to be discussed, by other members of management. Simon Michel, the son of Dr. h. c. Willy Michel and who is a member of management, also takes part in Board of Directors' meetings with an advisory role.

Given the size and composition of the Board of Directors, it may advise and decide on all matters in plenary. However, pursuant to the Organizational Policy, it may delegate some of its powers to a committee of the Board of Directors on a case-by-case basis. The Board of Directors appointed a committee of the Board of Directors in the form of a one-man committee consisting of the Chairman of the Board of Directors. In addition, a monitoring committee was recently established consisting of three members of the Board of Directors, but not the Chairman of the Board of Directors. The members of the monitoring committee are Anton Kräuliger, Gerhart Isler and Prof. Norbert Thom. Furthermore, the Chairman of the Board of Directors routinely meets with the CEO several times a month to discuss individual business operations.

In the year under review, the Board of Directors met a total of four times and passed several resolutions by correspondence. During the Board of Directors' meeting in May 2010, the lead auditor participated. The Board of Directors' additionally met in January 2011 for 2.5 days as part of the strategy meeting with executive management. With the exception of Prof. Thom, who was unable to participate in one meeting, all members of the Board of Directors' participated in all Board of Directors' meetings, in the General Meeting of Shareholders of June 2010, and in the strategy meeting of January 2011.

Regulations concerning authority

The Board of Directors has certain non-transferable and irrevocable duties under Swiss corporate law. It has the highest decision-making power in the company, under restriction of those matters on which shareholders must decide in accordance with the law. In particular, it defines company policy, the mission statement – consisting of a mission and a vision – and the strategic direction of the Ypsomed Group, sets its targets and priorities, and allocates the resources for achieving the targets set. The Board of Directors defines the organization of the Ypsomed Group, supervises business activities, controls the finance and accounting divisions and is responsible for appointments and dismissals as well as the supervision of the individuals entrusted with management duties. It is responsible for the Annual Report, issues the Code of Conduct, approves the budget and the mid-term planning for executive management and also monitors the business activities of the Group companies. The Board of Directors approves individual business affairs. This includes, in particular, decisions on the purchase or sale of companies and properties as well as the conclusion of contracts regarding strategic cooperation and contracts with other financial significance. The committee of the Board of Directors appointed by the Board of Directors in the form of a one-man committee consisting of the Chairman of the Board of Directors approves individual business affairs. This includes, in particular, decisions on benchmark figures of a cooperation outside of previous business activities, with the principle of a cooperation being reserved for the whole Board of Directors, as well as benchmark figures relating to financially significant cooperation agreements within the context of usual business activities; it approves, furthermore, securities obligations and employment contracts with members of management. The members of the monitoring committee discuss individually at least once a year with the persons in charge for internal control system, risk management, compliance and internal audit planning, and report on their findings to the entire Board of Directors. The responsibilities of the Board of Directors, the appointed one-man committee and the other decision-making bodies within the Ypsomed Group are fixed in the assignment of authority.

Otherwise, the Board of Directors has delegated responsibility for running the company to the CEO and management.

Instruments for information about and control of management

The Ypsomed Group's information and control instruments, which are at the disposal of the Board of Directors, consist of written management reporting, which is produced quarterly (management review, quarterly reports), and financial reporting, which is based on Group accounting in accordance with IFRS, comprising comprehensive consolidated accounts (profit & loss statement, balance sheet, cash flow statement) with a budget comparison as well as selected management statistics. Furthermore, the Board of Directors uses strategic planning documents as management instruments for steering the company. Responsibility for risk management and monitoring rests with management, which reports on these matters periodically to the Board of Directors, but at least once a year. In addition to these documents, further selected financial figures are at management's disposal on a monthly basis. Minutes of management meetings are also at the disposal of the Chairman of the Board of Directors.

The Internal Auditing function, for which the Board of Directors is directly responsible, is commissioned with the constant expansion of the documented, internal control system. The auditing plans are based on a risk-oriented procedure that relates to business processes and are geared towards the following goals and tasks: reviewing the fulfillment of business goals and objectives; evaluation of the effectiveness of risk management, control and corporate management processes; optimization of business processes; improvement of controls and processes with regard to the information systems; verification of controls and processes for accounting systems; confirmation and guarantee of authorized business transactions; safeguarding of assets; support with regard to complying with legal and regulatory requirements; and reviewing significant or particular business cases and transactions. The Board of Directors can determine additional areas to be reviewed.

Executive Management

The CEO and the executive management team are responsible for the operational management of the Ypsomed Group within the scope of the guidelines laid down by the Board of Directors.

Name	Nationality	Year of birth	Position	Acting for Ypsomed (or pre-2003 for Disetronic) since
Richard Fritschi	Swiss	1960	CEO	2006
Simon Michel	Swiss	1977	Senior Vice President Marketing & Sales	2006
Niklaus Ramseier	Swiss	1963	Chief Financial Officer (CFO)	2002
Yvonne Müller	Swiss	1969	Senior Vice President Human Resources	2003
Dr. Beat Maurer	Swiss	1958	Senior Vice President Legal & Intellectual Property, Secretary of the Board	1992



Niklaus Ramseier, Chief Financial Officer (CFO)



Richard Fritschi, Chief Executive Officer (CEO)



Simon Michel, Senior Vice President Marketing & Sales

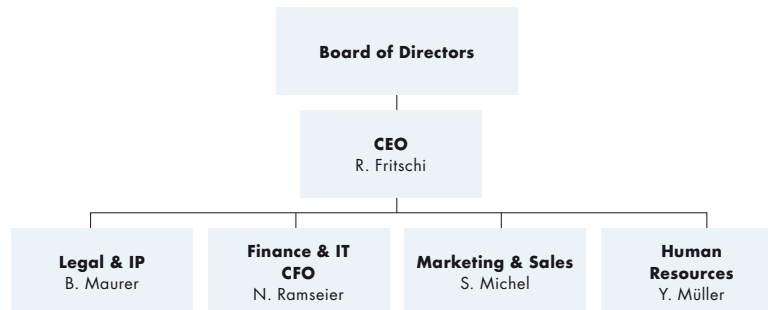


Yvonne Müller, Senior Vice President Human Resources



Dr. Beat Maurer, Senior Vice President Legal & Intellectual Property

Organisation of Ypsomed



Richard Fritschi, CEO, at Ypsomed since September 2006, previously active in the field of medical technology for several years, for example as President Europe/Australasia of Zimmer GmbH, Winterthur (from 2003 until 2005), President Europe/Asia/South America at Sulzer Orthopädie/Sulzermedica, Winterthur (from 2001 until 2003), and Sales Manager of Sulzer Orthopädie/Sulzermedica, Winterthur (from 1999 until 2001). At the beginning of his professional life he worked in the field of finance (latterly as CFO of Allo Pro/Sulzer Orthopädie, Baar/Winterthur from 1991 until 1999), and he worked in England and France for a long time. He is Vice President of the Board of Directors of Vetropack AG in Bülach (since 2006, Member of the Board of Directors since 2005), Chairman of the Board of Directors of Cornaz AG-Holding in Oberrieden (since 2009, Member of the Board of Directors since 2004), Member of the Board of Directors of Reinhard Fromm Holding AG in Steinhausen (since 2008) and a holder of Board of Director mandates with several unlisted companies. Education: degree in Business Science/Controller SIB as well as the Advanced Management Program “General Management” at the Harvard Business School. Richard Fritschi is a member of the Board of Management of the Medical Cluster organization and of the Board of Directors of Medtech Switzerland, both based in Bern. He is also a member of the Foundation Board of the Competence Center for Medical Technology (CCMT) Foundation, which is also headquartered in Bern.

Simon Michel, Senior Vice President Marketing & Sales, with Ypsomed since October 2006. Member of management since 2008 and responsible for Marketing & Sales. From 2003 until 2006, he worked for Orange Telecommunications in Zurich and Lausanne where he was responsible for, among other things, the introduction and marketing of UMTS. He has been

on the Board of Directors at Sphinx Werkzeuge AG since 2006 and on the executive committee of the local trade and industry association since 2008. Simon Michel has studied Economics at the University of St. Gallen and completed a Masters with a focus on Media and Communications Management.

Niklaus Ramseier, CFO, with Ypsomed (pre-2003 with Disetronic) since 2002, prior to that Head of Finance and Controlling for the industrial services product line of the Von Roll Group (from 1995 until 2002) and various advisory and accounting functions within a trust and auditing company. Education: Swiss certified expert for accounting and controlling.

Yvonne Müller, Senior Vice President Human Resources, with Ypsomed since 2003, prior to that responsibility for training at BEKB (from 2002 until 2003) and for human resources at X-Media and Scout24 (from 2000 until 2002) as well as at IKEA (from 1996 until 2000). Education: graduate human resources specialist.

Beat Maurer: Dr. iur., attorney-at-law, Senior Vice President Legal & Intellectual Property, Secretary to the Board of Directors of Ypsomed Holding AG, with Ypsomed (pre-2003 with Disetronic) since 1992, prior to that tax and legal consultant with a trust and auditing company. Education: degree in Law from the University of Freiburg, studied at the Free University of Berlin, doctorate in Law from the University of Bern and admitted to the bar in the Canton of Bern. Beat Maurer has been a judge specializing in issues relating to intellectual property law at the commercial court of the Canton of Bern since 2002. He is also a member of the Board of Directors of FASMED, the Federation of Swiss Medical Devices Trade and Industry Associations, based in Muri near Bern.

Management contracts

There are no management contracts.

Board of Directors' remuneration

The members of the Board of Directors draw a remuneration that is discussed and established by the complete Board of Directors. A decision on the amount and form of the remuneration is made at the discretion of the Board of Directors during a plenary session. All remunerations are paid in cash. Share or option plans do not exist. If compared with the remuneration paid by other listed companies of a similar size from the Mittelland region, the amount of the total remuneration of the Board of Directors should lie in the middle of the range (for reference figures, see actual values out of annual reports and the journal "Handelszeitung" no. 46 from November 17, 2010, p. 20f.).

The Board of Directors' remuneration (consisting of a fixed amount, a variable amount and an attendance fee) is set anew each year by the Board of Directors. The variable amount depends on achieved vs. budgeted targets based on two-thirds of the consolidated EBIT margin and one-third of the consolidated sales. The fixed sum amounts to CHF 150 000 (prior year: CHF 150 000) for the Chairman of the Board of Directors and CHF 90 000 (prior year: 90 000) per member of the Board of Directors; the variable sum amounts to at most CHF 50 000 (prior year: CHF 50 000) for the Chairman of the Board of Directors and CHF 30 000 (prior year: CHF 30 000) for each member. The attendance fee amounts to CHF 1 500 per meeting (prior year: CHF 1 500). The Board of Directors' remuneration and attendance fees are paid to the members of the Board of Directors following the General Meeting of Shareholders.

In addition, for consulting services, the Chairman of the Board of Directors (respectively his company Techpharma Management AG) receives a flat fee of CHF 140 000 + VAT (prior year: CHF 140 000).

The relationship to affiliated persons is described in the section Board of Directors, Members of the Board of Directors, page 124.

Information relating to all actual remuneration paid to present and former members of the Board of Directors in the 2010/11 business year as stipulated by Art. 663b bis of the Swiss Code of Obligations can be found in the Notes to the 2010/11 financial statement, page 109.

Management remuneration

Remuneration for members of management consists of a base salary and a variable amount depending on the success of the company and the achievement of individual goals as well as an individual one-off bonus of a maximum of CHF 25 000 to be paid in exceptional cases. If compared with the remuneration paid by other listed companies of a similar size from the Mittelland region, the amount of the total remuneration should lie in the middle of the range. In addition to actual reference values, in particular the Ethos studies regarding remuneration of executive bodies from 2006 until 2010 were referred to when calculating the remuneration. The variable salary amount for the CEO is at most CHF 500 000 (net) and for the remaining members of management it is at most 31.25% of their annual salary (gross). The variable salary amount depends on achieved vs. budgeted targets based on 50% of the consolidated EBIT margin and 25% each of the consolidated sales and the achievement of individual targets. The amount of the base salary is approved annually as a whole by the Board of Directors in its sole discretion; individual adjustments are made at the CEO's request by the Chairman of the Board of Directors in his sole discretion. The gradation of the variable salary is adjusted annually at the CEO's request through the Chairman of the Board of Directors and is based on the budget that has been approved by the complete Board of Directors. All remunerations are paid in cash. Share or option plans do not exist.

The payment of lump sum expenses is based on the expense regulation approved by the Canton of Bern; according to this, lump sum expenses only cover effective expenses and are thus not reported separately. Likewise, additional payments (such as discounts for purchasing Reka vacation checks, etc.) are not listed as long as they do not exceed a total amount of CHF 2000 per person per year.

No severance payments have been agreed upon with directors, nor have any long-term contracts of more than 12 months duration been signed with members of management.

In the year under review, Maurice Meytre, Dr. Manfred Mäder and Dr. Christoph Rindlisbacher resigned from management. Since January 1, 2011, Maurice Meytre has been CEO of Ypsotec AG, a subsidiary of Ypsomed Holding AG.

No severance payments were paid to former directors in the year under review.

Information relating to the actual remuneration paid directly and indirectly to members of management and former members of management in the 2010/11 business year as stipulated by Art. 663b bis of the Swiss Code of Obligations can be found in the Notes to the 2010/11 financial statement, page 110.

Allocation of shares in the year under review

No shares were allocated in the year under review.

Share ownership

Information relating to the actual shares held directly and indirectly by members of the Board of Directors, management and affiliated persons in the 2010/11 business year as stipulated by Art. 663c of the Swiss Code of Obligations can be found in the Notes to the 2010/11 financial statement, page 110.

There were no options issued by the company on equities of Ypsomed Holding AG or Group companies.

Shareholders' rights of participation

Voting right restrictions and representation

All shareholders who are entered in the Share Register with voting rights are entitled to vote at the General Meeting of Shareholders. Shareholders may arrange to be represented at the General Meeting of Shareholders by written proxy. In exercising his voting rights, no shareholder may directly or indirectly amalgamate more than 5% of the total voting rights in the form of his own shares and those he is representing. Legal entities and partnerships that are related to one another through capital ownership or voting rights or by virtue of a common management or otherwise, as well as natural persons, legal entities or partnerships that adopt a coordinated approach in order to circumvent the restrictions on voting rights, will be considered as one person. However, the restriction on voting rights will not apply to the exercise of voting rights by the company representative, a depositary representative or the specially designated independent shareholder representative, nor to Dr. h. c. Willy Michel because more than 5% of all voting rights were registered to him in the Share Register at the time the Articles of Association were drawn up (Art. 16 of the Articles of Association).

Quorums according to the Articles of Association

Unless otherwise stipulated by law or by the Articles of Association, the General Meeting of Shareholders will adopt resolutions and conduct votes on the basis of an absolute majority of the votes cast, excluding blank and invalid votes. The Chairman will also vote and, if the vote is tied, he will have the deciding vote. The quorums laid down in the Articles of Association reflect statutory quorums.

Convening the General Meeting of Shareholders

The General Meeting of Shareholders will be convened by way of a letter to the shareholders who are entered in the Share Register at least 20 days prior to the meeting as well as by publishing a notice in the Swiss Official Gazette of Commerce (SHAB).

Agenda items

Shareholders holding shares with a nominal value of at least CHF 1 million have the right to request that a specific matter be put on the agenda by specifying the items of the agenda and the proposals. Such requests must be submitted in writing to the Chairman of the Board of Directors at least 45 days before the meeting.

Entries in the Share Register

Entries in the Share Register will be made until six days prior to the General Meeting of Shareholders.

Change of control and blocking mechanisms

In the event of a public takeover bid, the bidder is required pursuant to Art. 32 of the Swiss Stock Exchange Act to make an offer for all of the company's listed shares as soon as it acquires shares directly, indirectly or in concert with third parties, which along with the shares already held exceed the threshold of 49% of the voting rights of the company, whether exercisable or not (Art. 10 Articles of Association).

There are no change-of-control clauses with members of the Board of Directors, management and/or other personnel.

Auditors

Term of mandate of auditors and term of the lead auditor

On June 27, 2007, the General Meeting of Shareholders of Ypsomed Holding AG selected Ernst & Young AG, Bern, as auditors for the first time. The lead auditor, Mr. Christian Schibler, has been in office at Ypsomed Holding AG since June 2007 and will be replaced in 2014 at the latest due to the rotation obligation. The auditors are each appointed for a term of one year by the General Meeting of Shareholders, the last time being on the occasion of the 2010 General Meeting of Shareholders.

Auditing fees

The total auditing fees charged by the auditor for Ypsomed Holding AG and its Group companies in the course of the year under review amount to TCHF 297. Ypsomed Holding AG and its Group companies were invoiced TCHF 44 for additional so called non-auditing services in respect to tax advisory and interpretation of IFRS and disclosure requirements.

Instruments for supervision and control of auditing

The complete Board of Directors undertakes the supervision and control of the auditor. The lead auditor is in attendance during the discussion and acceptance of the consolidated and annual financial statements by the Board of Directors. The auditor compiles a comprehensive report annually for the attention of the Board of Directors, and it is discussed by the Board of Directors with the lead auditor in attendance.

Information policy

Ypsomed Holding AG maintains an open and transparent communication policy towards shareholders, potential investors, financial analysts, the media, and customers, based on the principle of equality. The company uses the following instruments: annual report, half-year report, presentation of the annual results to the media and financial analysts ahead of the shareholders' meeting, as well as briefing the media on important events. Responsibility for communication with investors rests with the Chairman of the Board of Directors, who may delegate this duty to the CEO.

The following banks monitor the development of the Ypsomed Group:

Bank am Bellevue, Zürich (www.bellevue.ch),
Dr. Sandra Künzle

BZ-Bank, Wilen (www.bzbank.ch),
Urban Fritsche

CAI Cheuvreux, Zürich (www.cheuvreux.ch),
Thomas Bernhardsgrütter

Credit Suisse, Zürich (www.credit-suisse.com),
Christoph Gretler

Helvea SA, Zürich (www.helvea.com),
Daniel Jelovcan

Kepler Equities, Zürich (www.kepler-equities.com),
Florian Gaiser

Vontobel, Zürich (www.vontobel.com),
Christoph Gubler

Zürcher Kantonalbank, Zürich (www.zkb.ch),
Sibylle Bischofberger Frick

On our website at www.ypsomed.com (under Company/Investor) any interested person can access up to date and market relevant information (pull system) without charge. Furthermore any interested person can register at www.ypsomed.com/ch/unternehmen/investoren/122.html (push system) to be added to an e-mailing list to receive the described publications about the company (push system). The official publication organ of Ypsomed Holding AG is the Swiss Official Gazette of Commerce (SOGC). Company publications which potentially relevance to the share price are usually communicated at the end of daily trading. Such publications are initially reported to the SIX Swiss Exchange Regulation and thereafter installed on the above mentioned website and simultaneously

communicated to a number of national newspapers, electronic information systems and to persons registered on the e-mail distribution list.

Stock listing

The registered shares of Ypsomed Holding AG are traded at the SIX Swiss Exchange and at the BX Bern eXchange.

Ticker symbols:
YPSN (Telekurs)
YPSN.S (Reuters)
YPSN SW (Bloomberg)
Securities number 1939 699
ISIN CH 001 939 699 0

Key forthcoming dates

28 June 2011

General Meeting of Shareholders, Bern

3 November, 2011

Press conference and presentation of the half-year figures 2011/12, Solothurn

22 May 2012

Press conference and presentation of the annual results 2011/12, Burgdorf

Contact

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Glossary

Ampule/Cartridge

A drug reservoir containing the drug to be administered used with, for example, reusable pens. Some substances need pens with two-chamber cartridges, which contain lyophilized drug and diluent that are mixed automatically in the pen before use. (See also Cartridge)

Amylin

Hormone produced together with insulin in the pancreas. Like insulin, it is no longer produced in the case of a functional inability of the pancreas. According to latest research, amylin complements the effect of insulin in the treatment of diabetes and allows the blood sugar level to be controlled more effectively.

Anemia

Anemia means an insufficiency of blood. This can manifest itself in a reduction in hemoglobin concentration (red blood pigment), in the hematocrit (measurement of blood thickness, packed cell volume) and/or in the number of erythrocytes (red blood cells) in the blood compared with the age norm. Among its effects is a reduction in the transport capacity for oxygen in the blood. The classic symptoms include loss of energy and rapid fatigue as well as pallor, fatigue, breathlessness and palpitations (the heart beats irregularly, faster or more forcefully than it should in relation to the level of activity demanded of it). Anemia can have a number of different causes.

Auto-injector

In auto-injectors, needle insertion into the skin and/or injection of the drug are automatic, usually being driven by means of a spring mechanism.

Biomolecule injectables

Drugs manufactured using biotechnology. Such biomolecules cannot be delivered using traditional methods (e.g. orally) because they would be destroyed by the digestive tract and thus require the injectable route of administration.

Biosimilar

The term “biosimilar” refers to a protein-based mimetic drug that has been produced using biotechnology and which is approved after the expiration of the patent period of an original active substance. Unlike the classic drugs defined in terms of molecular structure, the active substances of these novel biotechnology products are not completely identical to the original active substance and therefore require more extensive approval and monitoring procedures than the classic generics. The main reasons for these differences are the different organisms (for example *E. coli* bacteria) on which the target protein is expressed, and the different methods applied, such as separation and cleansing.

Blood sugar (blood glucose)

Blood sugar means, in general, the level of glucose in the blood. Glucose is an important source of energy for the body and represents a significant measured value in medicine. If the blood sugar is high over a sustained period of time (hyperglycemia), diabetes mellitus typically exists. In intensified insulin therapy, the blood sugar or blood glucose should be measured at least four times a day so that the amount of insulin administered can be adjusted to actual requirements. A person’s insulin requirements change over the course of the day due to the varying levels of hormones that influence blood sugar, the consumption of food, physical activity or febrile infectious diseases.

Blood sugar monitoring (blood glucose monitoring)

Diabetics normally measure their blood sugar levels themselves using a portable blood sugar monitor. To carry out the measurement, a small blood sample must first be placed on a test strip. Through an enzymatic reaction with the test strip, the blood sugar is converted into a measurable product that is then measured on the basis of a photometric or an electrochemical process and displayed by the monitoring device. In the case of intensive insulin therapy, the measuring of the blood sugar takes place a minimum of four times daily.

Cannula

See Pen needle.

Cartridge

A drug reservoir containing the drug to be administered used with, for example, reusable pens. Some substances need pens with two-chamber cartridges that contain a lyophilized drug and diluent that are mixed automatically in the pen before use. (See also Ampule/Cartridge)

CM (Contract Manufacturing)

Contract Manufacturing refers to the assigning of several or individual stages in the manufacture of a product to a contractor (outsourcing manufacturing). There are cost benefits for the OEM/ODM manufacturer as the infrastructure is not just utilized for a single product line/assembly line or product, but for several manufacturers or products. The specialization of the contractor with specific infrastructure leads to larger production volumes (numbers of units). Thus both parties benefit.

Compliance

In medicine we talk about the compliance of the patient. This means that, in many illnesses, for healing to occur the patient must have a cooperative attitude. In the medical sense, compliance can therefore be described as sticking to one’s therapy, taking one’s medicine as prescribed; in short, following the doctor’s recommendations. Compliance is particularly important for diabetics with regard to taking their medicine, following a diet or making lifestyle changes.

CO₂ equivalent

Indicator of the greenhouse gas potential of substances in the earth’s atmosphere, such as methane (CH₄), nitrous oxide (N₂O), HCFC/CFC or sulfur hexafluoride (SF₆). The greenhouse effect of carbon dioxide serves as a reference value. Calculations use factors as defined in IPC C2001.

Depot formulation

“Depot form/formulation” is synonymous with the terms “long-acting” or “sustained release formulation”; in other words, the fact that the substance that is taken orally or with an injection is released into the bloodstream in a delayed manner e.g. in order to achieve a longer duration of effect or to permit an active ingredient to be supplied on a continuous basis.

Diabetes mellitus

Diabetes mellitus is a chronic metabolic disorder involving increased blood sugar levels. In people with diabetes mellitus, the blood sugar is no longer absorbed from blood cells in the requisite quantity for the production of energy. As a result, there is excess glucose in the blood (hyperglycemia/excess sugar), which is then excreted in part through the kidneys. In Type 1 diabetes mellitus, the body produces insufficient insulin, if any insulin at all (absolute insulin deficiency), because most or all of the insulin-producing cells in the pancreas have become damaged by an autoimmune disease. It generally manifests itself in persons up to 35 years old and requires the regular subcutaneous administration (injection) of insulin. Type 1 diabetes mellitus accounts for about 10% of all cases of diabetes mellitus and, thanks to its clear principal symptoms, is generally correctly diagnosed and treated by physicians. In Type 2 diabetes mellitus, which is much more common, the pancreas continues to produce insulin, however its effectiveness is reduced by an insulin resistance (insulin insensitivity) of the somatic cells. As a rule, this leads to an increased release of insulin (hyperinsulinemia) in order to compensate for the deficient insulin effectiveness. Risk factors, such as being overweight or lack of exercise, promote the development of Type 2 diabetes, therefore it frequently has the designation of an illness of affluence. Type 2 diabetes mellitus is generally diagnosed in people over the age of 40 and who are overweight. As a first step, it is often successfully treated by following a healthy diet and by getting more physical exercise. In later phases, tablets and insulin injections may be considered. According to estimates, about half of all people who currently have Type 2 diabetes mellitus are unaware of that fact. If both types of diabetes are not diagnosed at an early stage or if they are inadequately treated, this can lead to serious secondary diseases affecting the kidneys, nerves, eyes or blood vessels.

Dual chamber ampule

The dual chamber ampule was developed primarily for lyophilized substances. Dual chamber technology enables efficient use of the active substance through careful product reconstitution. The dual chamber technology was thus designed specifically for sensitive drugs that are preserved through freeze drying. One of the two chambers contains the lyophilized active substance (freeze-dried active substance) and the other contains the solvent. The two are mixed together only immediately before use. This “all-in-one” design facilitates both a higher degree of accuracy in dosage and easier handling.

EIP (Environmental impact points)

Quantitative expression of environmental impact in the form of a measurement based on the principle of ecological scarcity. Environmental impact points are determined on the basis of the extent to which environmental quality targets for air, water, soil and resources have been met.

EPO (erythropoietin)

Natural hormone mainly produced by the kidney that regulates the formation of red blood cells (erythrocytes) in the bone marrow.

FDA (Food and Drug Administration)

US health agency.

FSH (follicle-stimulating hormone)

FSH is a germ line hormone (a hormone excreted by the anterior pituitary gland and placenta) that stimulates follicle growth in females and activates sperm-forming cells in males. FSH is used for treating infertility.

GLP-1

Glucagon-like peptide-1 (GLP-1) is a peptide hormone formed in the intestines that plays an important part in glucose metabolism as part of the “incretin effect” – the insulin response of beta cells in the pancreas to the supply of sugar through the intestines and the blood. GLP-1 is released directly into the bloodstream when food is eaten. It is broken down within minutes by the enzyme dipeptidyl peptidase-4 (DPP-4) and therefore must be constantly produced. It stimulates the production of insulin in the pancreas and slows the emptying of the stomach contents into the intestine, thereby suppressing hunger pangs and thirst. It also reduces glucagon levels. Glucagon helps the release and synthesis of glucose from the liver. In this way, secretion in sufficient quantities or subcutaneous injection of GLP-1 prevents excessively high levels of blood sugar.

Greenhouse gases

Gases in the air that contribute to climate change (global warming) and that may be of either natural or anthropogenic origin. They emit thermal radiation corresponding to their temperature (infrared radiation) that acts as atmospheric counter-radiation and heats the surface of the earth in addition to the heat from sunlight. On the other hand, greenhouse gases also absorb some of the infrared radiation given off by the earth that would otherwise escape into space.

hGH (human growth hormone – somatotropin)

One of the body’s natural hormones used today primarily to treat growth disorders.

Heparin

Medication with anticoagulation properties. An anticoagulant is a substance that delays or stops blood clotting.

Hyperglycemia

Hyperglycemia (excess sugar) is an increased blood sugar value (glucose value) with clinical values above 110 mg/dl (6.1 mmol/l) on an empty stomach or above 140 mg/dl (7.8 mmol/l) two hours after eating. The cause of the hyperglycemia is a relative or absolute insulin deficiency (diabetes mellitus). This has the effect that the glucose cannot be transported from the blood into the cells and at the same time glucose is released from the liver, for example. The result: blood sugar increases. The body attempts to excrete the blood sugar through the kidneys, thereby losing vital amounts of liquid, and affected parties react with strong thirst and frequent urination. Slight increases in blood sugar remain unnoticed for the most part because the initial symptoms, such as fatigue and lethargy, are not recognized as resulting from high levels of blood sugar. A complete insulin deficiency and a prolonged increase in blood sugar may lead to nausea, vomiting, a smell of acetone on the breath, the appearance of glucose and acetone in the urine and finally to a life-threatening diabetic coma. Insulin is administered and the intake of liquids is increased for the treatment of hyperglycemia.

Hypoglycemia

Hypoglycemia is low blood sugar with a blood sugar value of less than 40 mg/dl (2.2 mmol/l) without the presence of symptoms. Hypoglycemia can occur in all diabetics who are treated with sulfonylurea, glinide or insulin. Low blood sugar can occur when the factors reducing blood sugar (e.g. insulin, tablet effectiveness, physical activity) outweigh the factors increasing blood sugar (e.g. food intake, sugar regeneration in the liver). The symptoms include, among other things, trembling and sweating, increased appetite, headaches, weakness, a loss of concentration and blurred vision. It can be treated by the immediate administration of glucose or drinking fruit juice. Severe hypoglycemia can lead to unconsciousness and requires immediate medical attention.

Incretins

Incretins are hormones produced in the small intestine (peptide hormones) that are released after food is eaten and stimulate insulin secretion by the pancreas. At the same time, they prevent the insulin antagonist, glucagon, from being released. Patients with Type 2 diabetes release lower levels of incretin than healthy individuals. The incretins GLP-1 (glucagon-like peptide-1) and GIP (gastric inhibitor peptide) are of particular interest in the treatment of diabetes. There are two new classes of drugs that act on incretin metabolism: the “incretin mimetics” that imitate the action of incretins, and the “DPP-4 inhibitors” that delay the breakdown of endogenous incretins.

Injection

Administration of liquid substances with a syringe.

Injection systems/injection devices

Injection systems or injection devices include self-injection devices such as pens and auto-injectors as well as pen needles.

Insulin

A vital peptide hormone that is produced by the pancreas in the beta cells of the islets of Langerhans. The primary effect of insulin is the fast reduction of the blood sugar concentration in that it supports the transport of glucose from the blood into the cells' interior. Insulin was first discovered in 1921 by two Canadians, Dr. Frederick Banting and Charles Best, and has since been used to treat diabetes. Today, it is produced mainly by means of biotechnological processes and must be either injected or infused. It cannot be administered orally because the peptide hormone insulin would be destroyed by gastric acid.

Insulin analogs

Insulin analogs are insulins with a modified amino acid sequence that have an altered metabolism compared with human insulin. The motivation for developing insulin analogs was to improve the ability to control the insulin treatment. In the case of normal insulin, the effect sets in after about 30 minutes, and the maximum effect is reached after 1 to 2 hours. Through the exchange of certain amino acids, the metabolism (pharmacokinetics) of the insulin can be altered without affecting its action, i. e. binding to the insulin receptors.

Insulin pump

Insulin pumps are small, battery-operated devices (about the size of a pager or cell phone) that can replace regular insulin injections for patients managing diabetes. They contain an insulin ampoule/cartridge with fast-acting insulin. The insulin is delivered at regular intervals into the subcutaneous fatty tissue of the body by means of a catheter, for which the cannula is under the skin. The catheter and cannula are changed every 1 to 3 days. The infusion pump allows for an almost normal adjustment of blood sugar by continuously delivering small doses of insulin, preprogrammed by the patient, around the clock, even while a patient sleeps. In addition, the patient can deliver additional insulin doses at the touch of a button in order to be able to cover additional insulin requirements, for example at meals. The treatment with an insulin pump requires the patient to continue to take regular blood sugar measurements so that the insulin dose can be adjusted, if necessary.

Insulin patch pumps

Patch pumps represent a new generation of pumps; patch pumps are disposable pumps usable for up to three days, after which they are disposed of. They consist of a plastic case containing the insulin reservoir, and, with a small cannula that is placed under the skin, are adhered directly to the body. The tubing system connecting the pump and body is therefore no longer required. The pump system is operated via a remote control that is carried externally. The first patch pump available on the American market was the Omnipod®, which will be distributed in Europe from June 2010 as the mylife OmniPod.

Interferon alpha

Interferons play an important role as messengers and cues for different defense mechanisms in the immune system. They are released by cells that are afflicted with viruses. In this way, defense cells of the immune system, such as macrophages, natural killer cells and cytotoxic T lymphocytes, are activated. In addition, interferons inhibit the growth and the division of healthy as well as malignant cells. Alpha interferon is used for the treatment of acute and chronic hepatitis C infections.

Lantus®

Lantus® from Sanofi-Aventis is a long-acting insulin analog injected one to two times daily that lowers glucose levels for up to 24 hours. Lantus® is a basal insulin in that it provides for a slow and steady release of insulin.

Monoclonal antibodies

Monoclonal antibodies are highly specialized and targeted antibodies – active protein molecules that are produced by the immune system in response to a foreign substance (e. g. foreign bodies, pathogens) and can render it harmless – that are created synthetically using biotechnological processes. What is special about them is that they are able to activate the body's own natural defense mechanisms to combat a disease. Until now, monoclonal antibodies have been used in cancer therapy in particular and for the suppression of adverse immune reactions, e. g. in cases of psoriasis. This may also involve autoimmune diseases or even the prevention of rejection reactions after organ transplants.

ODM (Original Design Manufacturer)

A company is described as an Original Design Manufacturer (ODM) if it undertakes make-to-order production for another company. An ODM manufactures products commissioned by other companies, some of which it develops itself. The products are then sold under the buying company's brand name. This method enables a customer of an ODM to offer branded products without having to run its own factory for this product. "Design" is significant in the definition of an ODM, as an ODM also carries out the planning and design of the parts produced. This is in contrast to a CM (Contract Manufacturer), which only undertakes the make-to-order production.

Oncology

The branch of medicine/science concerned with the prevention, diagnosis, treatment, follow-up care and study of cancer/tumor diseases.

Pen (injection pen)

Injection device that externally looks like a fountain pen or ballpoint pen. The dose of medication prescribed by a doctor is set by adjusting a dosage knob and is injected from a cartridge through a cannula (pen needle) into the body.

Pen needle (cannula)

A fine hollow needle for one-time use attached to the tip of the injection pen in order to inject the drug into the body. Ypsomed's pen needles feature a click-on mechanism that makes the pen needle easy to attach to the pen.

Psoriasis

Psoriasis is a non-communicable autoimmune disorder that affects the skin, resulting in lesions over various areas of the body. The most common form (accounting for 80% of all cases) is plaque psoriasis, characterized by red, raised skin covered with scales.

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Rheumatoid arthritis

Rheumatoid arthritis (also chronic polyarthritis) is the most common condition that leads to inflammation in the lining of the joints. Most commonly, the chronic condition develops episodically, with an episode lasting typically between several weeks and a few months. The pain recedes between individual episodes. The cause of the condition has not been fully explained although it is thought to result from an autoimmune condition.

Self-injection devices

When used in this document, self-injection devices include pens (disposable, reusable and semi-disposable pens), auto-injectors, motor-driven injection systems, safety products, and needle-free technology.

Subcutaneous

(from Lat. sub = under, cutis = skin, abbr. s. c.)

A subcutaneous injection is an injection into the fatty tissue under the skin. Using pens or other injection systems, drugs can, for example, be administered intramuscularly, subcutaneously or intravenously.

Thrombosis

Thrombosis is the presence or accumulation of a blood clot (thrombus) in a blood vessel. In principle, thrombosis can develop in all vessels (arteries, veins). Colloquially, however, we commonly refer to thrombosis of the deep leg veins even when we mean phlebothrombosis. Arterial thrombosis occurs significantly less frequently. An embolism is a dangerous complication of thrombosis. In this case, the thrombosis has detached from its point of origin in the vessel and is transported (embolism) in the body through the blood flow. Should the embolism block a narrow point in the vascular system, the tissue behind the affected location will no longer be properly supplied with blood and will be damaged. This is called an infarction. Infarctions can damage all organs (myocardial infarction, apoplexy, pulmonary embolism).

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