

Information on Ad-hoc Announcement



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YPSOMED
SELFCARE SOLUTIONS

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- **Ad-hoc Announcement – Sales and profit below expectations**
- Richard Fritschi appointed as new CEO
- Questions and Answers
- Additional Information on company and products

- The production problems and interruption related to the OptiClik® reusable module have a negative effect on sales and EBIT in the first half year 2006/07.
- Sanofi-Aventis has reduced orders and order forecasts for 2006/07 for insulin pens.
- The main reason given by Sanofi-Aventis for their reduced order forecast is a slower uptake and overall weaker demand for the semi-disposable OptiClik® pen in the US market as well as a delayed launch of the OptiClik® pen in certain European countries.
- Ypsomed will inform on 9th November 2006 on the first half year results and further details in respect to the business year 2006/07.

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Richard Fritschi appointed new CEO

- 15 years of professional experience in medtech (Zimmer, Centerpulse and SulzerMedica)
- Proven international leadership and M&A track record, i.e. Zimmer take-over of Centerpulse, several large acquisitions and turnaround situation with Sulzer Medica
- International sales responsibility (e.g. at Zimmer with CHF 1.3 billion in sales and 2'000 employees)
- Vice-president of the board of directors at Vetropack Holding AG
- 46 years old, married, Swiss nationality



Richard Fritschi – Professional Career

- 2003-2006 Zimmer, President Europa & Australasia
(CHF 1.3 billion in sales and 2'000 employees)
- 2001-2003 SulzerMedica/Centerpulse, President Europe, Asia & Latin America
- 1998-2000 Sulzer Orthopedics, General Manager Global Sales
(CHF 800 million in sales)
- 1991-1998 Allo Pro AG, Vice President Finance & Controlling,
international Team

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- Ypsomed is the technology leader and number one independent manufacturer of injection systems worldwide.
- Ypsomed's strategy is focused to maintain and expand its position in the future.
- In order to achieve this objective, Ypsomed will...
 - Improve production capacity in order to meet existing and future demand for the OptiClik[®], OptiSet[®] and OptiPen[®] Pro insulin pens
 - Expand production capacities for pen needles and increase sales
 - Broaden the revenue base of injection systems by launching new pen systems
 - Strengthen Ypsomed's diabetes business
 - Diversify revenue streams by evaluating and executing potential acquisition targets within the scope of Ypsomed's core competencies
 - Continue to invest in research & development and own technology platforms
 - Prepare for strategic initiative based on new proprietary technology

Overview of Products and Applications

Ypsomed's activities are organized in three business sectors:

Self Injection Devices (OEM Business)	Pen Needles	Diabetes Care
<ul style="list-style-type: none">▪ Development and manufacturing of custom-made self-injection devices for a wide range of pharmaceutical and biotech partners▪ Marketed products include:<ul style="list-style-type: none">▪ Disposable pens▪ Reusable pens▪ Semi-disposable pens▪ Product pipeline:<ul style="list-style-type: none">▪ Auto-injectors▪ Own technology platform	<ul style="list-style-type: none">▪ Development and manufacturing of pen needles that fit all major brands of Self Injection Devices on the market (compatible with competitor pens)▪ Patented click-on mechanism▪ Needles allow for a convenient and user-friendly injection of the needed dose of medicine	<ul style="list-style-type: none">▪ Local access to customers and opinion leaders in various countries▪ Direct distribution to customers in Germany<ul style="list-style-type: none">▪ DiaExpert GmbH▪ Mail order and Online shop

Overview of Pharma Partnerships

Insulin



hGH



interferon
& EPO



Overview of Pharma Partnerships

r-hFSH



r-PTH



Symlin



... and other partners

