BB BIOTECH AG

Close Brothers Seydler Research AG

Recommendation:	Risk:	Price Target:
BUY (BUY)	HIGH (HIGH)	EUR 57.00 (56.00)

27 July 2011

1H spoiled by appreciating CHF and EUR

- After a good start into FY 2011 with a net profit of CHF 39.61m the second quarter brought a net loss of CHF 84.31m, thus resulting in a net loss of CHF 44.69m in 1H. The negative performance in 2Q was mainly driven by the sharp appreciation of the CHF vs. the USD and a 21.6% fall of the Actelion share price.

- The “big 4” (Actelion, Celgene, Gilead, Vertex) represented 53.2% of the portfolio securities at the end of 2Q 2011 vs. 62.1% in 1Q 2011. This reduction is in line with the strategy to reallocate assets from large cap companies to small and mid cap companies. In 2Q, six new positions were opened, thereof three Indian companies which are BB BIOTECH´s first investments in emerging markets.

- Actelion will likely record a US GAAP operating loss for the full year due to provision reflecting the jury verdict of USD 577m, which has been made in 2Q/2011. An important milestone expected for the rest of the year is the results of key clinical trial data from Phase III study with Macitentan, a possible successor to Tracleer, which is expected to become available late 2011 or early in 2012.

- Vertex posted robust results from STRIVE clinical trial with VX770. Furthermore, the company strengthens its pipeline by entering license agreement with Alios that will add two distinct nucleotide analogues to Vertex's hepatitis C portfolio.

- The NAV in USD (dividend adjusted) increased by 8.2% in 1H while the NAV in CHF declined by 6.8% due to the sharp appreciation of the CHF vs. the USD. A similar picture was observed in EUR which also strongly appreciated vs. the USD.

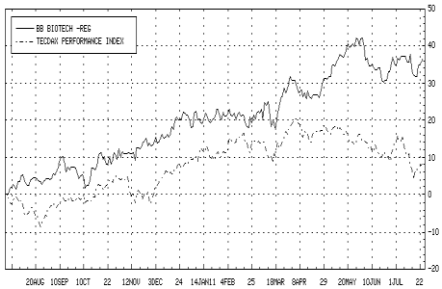
- Although the 2Q figures showed a loss we leave our estimates unchanged. However, we adjust our EPS estimates upwards to account for the ongoing share buyback program and consequently also adjust our price target moderately upwards to EUR 57.00 (old: EUR 56.00). Our recommendation remains BUY.

Key data

FY 12/31, CHF m	2008	2009	2010	2011E	2012E	2013E
Operating income	73.8	54.3	1.6	90.2	118.7	126.1
EBT	45.4	37.4	-146.3	73.1	100.5	106.8
Net result	45.4	36.6	-146.3	72.4	99.5	105.8
EPS	2.56	2.21	-9.27	4.90	6.73	7.15
DPS	1.80	3.70	3.20	0.00	0.00	0.00
EBT margin	61.5%	68.9%	neg.	81.1%	84.7%	84.7%
ROE	2.8%	2.4%	-10.6%	5.7%	7.8%	7.7%
ROA	2.5%	2.4%	-10.1%	5.5%	7.3%	7.3%
Price / NAV	0.81	0.84	0.79	0.73	0.68	0.63
EV/EBT	32.6	36.1	neg.	14.9	10.8	10.2
P/E	26.8	34.6	neg.	12.5	9.1	8.5

Source: CBS Research AG, BB BIOTECH AG

Share price (dark) vs. TecDAX



Source: CBS Research AG, Bloomberg, BB BIOTECH AG

Change	2011E		2012E		2013E	
	new	old	new	old	new	old
Op. Inc.	-	90.2	-	118.7	126.1	-
EBT	-	73.1	-	100.5	106.8	-
EPS	4.90	4.80	6.73	6.63	7.15	-

www.bbbiotech.ch — Sector: Financial Services
WKN: A0NFN3 — ISIN: CH0038389992
Reuters: BION.DE — Bloomberg: BBZA GY

Short company profile:

BB BIOTECH AG is an investment company that invests in biotechnology companies globally, the focus of the holding being on companies that are concentrating on the development and marketing of innovative medicines.

Share data:

Share price (EUR, latest closing price):	**52.80**
Shares outstanding (m):	15.8
Market capitalisation (EUR m):	834.0
Enterprise value (EUR m):	934.1
Ø daily trading volume (3 m., no. of shares):	16,165

Performance data:

High 52 weeks (EUR):	55.32
Low 52 weeks (EUR):	40.55
Absolute performance (12 months):	29.3%
Relative performance vs. TecDAX:	
1 month	3.6%
3 months	16.2%
6 months	9.4%
12 months	20.4%

Shareholders:

Treasury shares	10.7%
Free float	89.3%

Financial calendar:

9M figures 2011	20 October 2011

Authors: **Manuel Martin**, CEFA (Analyst)
Igor Kim (Analyst)
Kristina Kardum (Analyst)

Close Brothers Seydler Research AG
Phone: +49 (0) 69-977 84 56 0
Email: research@cbseydlerresearch.ag

www.cbseydlerresearch.ag

Executive summary

1H and 2Q 2011 financials

BB BIOTECH recently reported its 1H 2011 figures posting a net loss from marketable securities was CHF 40.36m (PY: net loss from marketable securities CHF 240.49m, +83.2%). Net loss after tax has been significantly reduced on a yoy basis to CHF 44.67m (PY CHF-246.80m, +81.9%). However, the 2Q net loss of CHF 84.31m with a net loss from marketable securities of CHF 83.09m wiped out the net profit of CHF 39.61m achieved in 1Q.

1H 2011 net loss after tax of CHF 44.69m

BB BIOTECH AG

Profit and loss y/y comparison

IFRS CHFm	2Q 2010	2Q 2011	change	% change	1H 2010	1H 2011	change	% change
Net gains from marketable securities	0.00	0.00	0.00	n.m.	0.00	0.00	0.00	n.m.
Interest income	0.02	0.00	-0.02	-83.3%	0.05	0.01	-0.05	-88.9%
Dividend income	0.00	3.73	3.73	n.m.	1.49	4.70	3.22	216.1%
Foreign exchange gains net	0.00	0.00	0.00	n.m.	0.00	0.00	0.00	n.m.
Other income	0.02	0.00	-0.02	-100.0%	0.02	0.00	-0.02	-100.0%
Operating income	**0.04**	**3.73**	**3.69**	**n.m.**	**1.56**	**4.71**	**3.15**	**201.1%**
Net loss from marketable securities	-283.88	-83.09	200.79	70.7%	-240.49	-40.36	200.13	83.2%
Finance expenses	-1.52	-1.58	-0.06	-4.3%	-2.86	-3.09	-0.24	-8.2%
Foreign exchange losses net	-0.52	-0.92	-0.39	-75.2%	-0.39	-1.11	-0.72	-187.0%
Administrative expenses	-1.18	-1.16	0.02	1.4%	-2.56	-2.47	0.09	3.7%
Commissions paid	0.00	0.00	0.00	n.m.	0.00	0.00	0.00	n.m.
Other expenses	-1.17	-1.26	-0.10	-8.2%	-2.04	-2.35	-0.31	-15.3%
Operating expenses	**-288.26**	**-88.01**	**200.25**	**69.5%**	**-248.33**	**-49.38**	**198.95**	**80.1%**
in % of operating income	-720655.0%	n.m.			-15877.9%	n.m.		
EBT	**-288.22**	**-84.28**	**203.94**	**70.8%**	**-246.77**	**-44.67**	**202.10**	**81.9%**
in % of operating income	-720,555.0%	-2,260.2%			-15,777.9%	-948.6%		
Taxes	-0.03	-0.02	0.01	30.3%	-0.04	-0.02	0.02	39.5%
as % of EBT	0.0%	0.0%			0.0%	0.1%		
Net income attributable to shareholders	**-288.26**	**-84.31**	**203.95**	**70.8%**	**-246.80**	**-44.69**	**202.11**	**81.9%**
in % of operating income	-720,637.5%	-2,260.8%			-15,780.3%	-949.1%		
Shares outstanding (in millions)	16.1	14.6	-1.5	-9.3%	16.1	14.8	-1.3	-7.9%
Earnings per share (CHF)	**-17.93**	**-5.78**	**12.15**	**67.7%**	**-15.37**	**-3.02**	**12.34**	**80.3%**

Source: CBS Research AG, BB BIOTECH AG

Significant reduction of unrealised gains in 1H 2011

The breakdown comparison of net gains and losses from marketable securities of 1H 2011 with 1H 2010 shows that unrealised losses were significantly reduced in 1H 2011 to CHF 125.7m vs. CHF 248.1m. Realised gains increased to CHF 32.8m from CHF 3.6m in the last year´s period while realised losses decreased to CHF 3.2m from CHF 29.6m.

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Breakdown of net gains/losses from marketable securities

IFRS CHFm	1H 2010	1H 2011	change	% change
Realised gains	3.6	32.8	29.2	811.0%
Realised losses	-29.6	-3.2	26.5	89.4%
Unrealised gains	33.6	55.7	22.0	65.5%
Unrealised losses	-248.1	-125.7	122.4	49.3%
Net gains/losses from marketable securities	**-240.5**	**-40.4**	**200.1**	**83.2%**

Source: BB BIOTECH AG

Negative effects from currencies and Actelion

With CHF 58.8m, 2Q 2011 shows a strongly improved picture regarding unrealised losses in comparison to the loss of CHF 258.2m in last year´s period. However, the net loss from marketable securities of CHF 83.1m turned the net profit after tax of 1Q of CHF 39.61m to a net loss after tax of CHF 44.69m in 1H. The strong appreciation of the Swiss Franc vs. the US Dollar and the Euro as well as the slump in Actelion shares were the main reasons for the losses in 2Q.

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Breakdown of net gains/losses from marketable securities

IFRS CHFm	2Q 2010	2Q 2011	change	% change
Realised gains	1.8	14.5	12.7	716.5%
Realised losses	-27.5	-2.4	25.1	91.4%
Unrealised gains	0.0	-36.4	-36.4	n.m.
Unrealised losses	-258.2	-58.8	199.4	77.2%
Net gains/losses from marketable securities	**-283.9**	**-83.1**	**200.8**	**70.7%**

Source: BB BIOTECH AG

Portfolio developments 1H 2011

Reallocation of assets from large caps to small and mid caps in the portfolio

Each of the “big 4 positions” of the portfolio has been reduced in 1H 2011. The “big 4” (Actelion, Celgene, Gilead, Vertex) represented 53.2% of the portfolio securities at the end of 2Q 2011 vs. 62.1% in 1Q 2011. This is in line with the strategy to reallocate assets from large cap companies to small and mid cap companies. Below we briefly list the most interesting portfolio developments:

Actelion lost 21.6% q-o-q on a CHF basis. There is a jury verdict ordering Actelion to pay Asahi Kasei USD 557m and an ongoing legal battle between both companies. The outcome of the AGM dampened the takeover fantasy. In the coming months clinical data from Macitentan long-term Phase III trial will be decisive. The position was reduced by approx. 5.4% in 1H.

Celgene increased by 4.8% q-o-q on a USD basis. Revlimid´s clinical profile was strengthened with the presentation of further data at major conferences. Celgene´s position was decreased by approx. 4.1% in 1H.

Gilead declined by 2.5% q-o-q on a USD basis. It received a subpoena from US authorities requesting information about the company´s distribution practices. In 2H, the outcome of the Phase III study on Quad will be important. The Gilead position was reduced by approx. 38% in 1H.

Vertex gained 8.5% q-o-q on a USD basis and achieved an important milestone in May when it received FDA approval for INCIVEK (Telaprevir). The position in Vertex was reduced by approx. 34% in 1H.

Novo Nordisk declined by 2.3% y-o-y on DKK basis. Clinical data on Degludec were presented at a diabetes conference.

First investments in emerging markets

In 2Q, the position in Basilea Pharmaceutica was closed and six new positions were opened, thereof three Indian companies (Glenmark Pharmaceuticals, Lupin, and Strides Arcolab) which are BB BIOTECH´s first investments in emerging markets.

NAV up on USD basis but down on CHF and EUR basis

The NAV in USD (dividend adjusted) increased by 8.2% in 1H while the NAV in CHF declined by 6.8% due to the sharp appreciation of the CHF vs. the USD. A similar picture was observed in EUR which also strongly appreciated vs. the USD.

Share buyback program seems to support a reduction in the NAV discount

In June, the discount to NAV in EUR decreased to a low of 12.7% (approx. 18% at the end of March) which is a level that was seen the last time in 2008. This positive development could have been supported by the ongoing share buyback program. In July, the discount to NAV came back to currently around 17% which could be also influenced by the temporary stop of the share buyback program ahead of the 2Q reporting.

Events on portfolio company level

Actelion

1H/2011 results

Provision in the amount of USD 577m in connection jury verdict affected the operating result

According to half year results total revenue came in at CHF 969.9m (PY: CHF 1,024.9m; -5% in CHF; +8% in local currencies). Product sales for 1H/ 2011 were CHF 890.1m (H1 2010: CHF 933.2m), an increase of 10% in local currencies, with 43% of sales coming from US, 39% from Europe, 9% from Japan and 9% from the rest of the world. For 1H/2011 sales of Tracleer® (bosentan) amounted to CHF 789.2m (PY: CHF 835.3m). For the same period Ventavis (iloprost) had sales in US of CHF 59.7m (PY: CHF 61.9m). Sales of Veletri® (epoprostenol for injection), launched in US in April 2010, amounted to CHF 6.1m during 1H/2011, with CHF 3.5m sales generated in 2Q, demonstrating the continued successful launch uptake. Sales of Zavesca (miglustat), for 1H/2011 amounted to CHF 34.7m (PY: CHF 35.8m). Contract revenues for 1H/2011 amounted to CHF 79.8m, with the majority of this amount (CHF 76.5m) from the recognition of the remaining deferred revenue from the ongoing orexin collaboration with GlaxoSmithKline.

Operating loss for 1H/2011 was CHF 223.1m (PY: operating profit of CHF 326.6m) net loss for 1H/ 2011 totaled CHF 262.3m (1H 2010: net income of CHF 254.2m). A provision reflecting the jury verdict of USD 577m has been made in 2Q/2011 financial statements. When a final judgment is entered by the court, the company will adjust the provision in 3Q as required. Given current exchange rates and should the judgment award remain at USD 577m, the company will likely record a US GAAP operating loss for the full year.

Non-GAAP EBIT for 1H/2011, which excludes employee stock options, amortization and depreciation as well as other one-off elements, such as the above-mentioned provision, that distort comparison, was CHF 346.5m (PY: CHF 405.1m), an increase of 8% in local currencies compared to the same period last year.

Expected newsflow:

Results from Phase III study with Macitentan are expected in late 2011 or early 2012

In the coming weeks Actelion expects results of the Phase II study with ponesimod (S1P1 receptor agonist) in multiple sclerosis. This will be followed shortly thereafter by Macitentan reporting Phase II results for the exploratory study in idiopathic pulmonary fibrosis (IPF). These results are eagerly anticipated since, in addition to determining the future development path of macitentan in IPF, the study will generate additional safety and tolerability data at the 10 mg dose, ahead of the conclusion of the Phase III study with Macitentan in PAH expected in the first few months of next year.

The results of key clinical trial data from phase III study with macitentan, a possible successor to Tracleer is expected to become available late 2011 or early in 2012. The study is event-driven, as the success of Macitentan, will be instrumental in assessing whether Actelion can maintain its dominant position in PAH (pulmonary hypertension).

Vertex Pharmaceuticals

Vertex and Alios announced exclusive worldwide licensing agreement

Vertex strengthens its long–term position in the treatment of Hepatitis C

After the recent FDA approval of INCIVEK (Telaprevir), which was an important milestone in hepatitis C care, Vertex Pharmaceuticals continues to seek long-term opportunities in improving the treatment of hepatitis C with new combinations.

On 13 June Vertex and Alios BioPharma, Inc. (Alios) announced an exclusive worldwide licensing agreement that will add two distinct nucleotide analogues to Vertex's hepatitis C portfolio. The compounds, which were discovered by Alios and are known as ALS-2200 and ALS-2158 are currently undergoing the preclinical development. Vertex expects ALS-2200 and ALS-2158 to enter clinical development in 4Q/2011. According to Vertex, data from in vitro studies showed that both ALS-2200 and ALS-2158 had a synergistic effect when combined together and with INCIVEK and VX-222.

As part of this agreement, Vertex gains worldwide rights to both compounds, further enabling the company to potentially expand development and commercialization efforts in hepatitis C to areas outside North America over the coming years. The agreement also includes a research program that will focus on the discovery of additional nucleotide analogues that act on the hepatitis C polymerase. Vertex will have the option to select compounds for development emerging from the research program.

Final results from Phase 3 STRIVE Study of VX-770

Robust clinical trial from Phase III STRIVE study

On June 10 at the ECFS Conference in Hamburg Vertex presented the final results from its pivotal Phase III STRIVE study that evaluated VX-770, that were quite robust. The results of STRIVE showed a mean absolute improvement in lung function of 10.6% through week 24 (primary study endpoint) and 10.5% through week 48 (secondary study endpoint) among those treated with VX-770 (n=83). The mean relative improvement from baseline in lung function among people treated with VX-770 compared to placebo (n=78) was 16.9% through week 48. The most commonly reported serious AEs included pulmonary exacerbation (13% in the VX-770 group compared to 33% in the placebo group), hemoptysis (or bloody cough; 1% in the VX-770 group and 5% in the placebo group) and hypoglycemia (2% in the VX-770 group and zero in the placebo group).

Second quarter results are expected to be published on 28 July.

Celgene

Positive news regarding SPM with REVLIMID

SPM with REVLIMID is not an issue any more

On 5 May Celgene announced data from multiple phase III studies evaluating the benefit/risk profile of REVLIMID. Retrospective analysis for the incidence of second primary malignances (SPM), appeared to be not significantly higher than the developing of cancer among people of comparable age. An event free survival analysis, where SPM was included as an event, in addition to death and progression, demonstrated that there was no significant impact of SPMs on the observed TTP or OS benefit. This has supported the share price of the Celgene.

Phase III trial in NSCLC with Abraxane: PFS and OS statistically insignificant

Abraxane in NSCLC: PFS and OS statistically insignificant

At the ASCO conference in June, Celgene announced final results from phase III trial results of Abraxane in non-small cell lung cancer (NSCLC). Abraxane indicated disappointing results regarding Progression Free Survival and Overall Survival that were statistically insignificant. This weakens the position of Abraxane against paclitaxel. Nevertheless, the positive data on SPM with Revlimid had a stronger effect on Celgene's share price rather than the unimpressive results of Abraxane in NSCLC.

ISTODAX: Accelerated approval for additional indication

In mid June Celgene also announced that FDA has granted accelerated approval for its Supplemental New Drug Application (sNDA) for an additional indication for

ISTODAX (romidepsin) for injection for the treatment of peripheral T-cell lymphoma (PTCL) in patients who have received at least one prior therapy.

Celgene plans to announce its 2Q/2011 results in 28 of July.

Gilead Sciences

2Q/2011 figures

2Q/2011 figures: Growth in both top and bottom lines

Total revenues for 2Q/2011 were USD 2.14bn, up 11% (PY: USD 1.93bn). Net income for 2Q/2011 was USD 746.2m, or USD 0.93 per diluted share, compared to net income for 2Q/2010 of USD 712.1m, or USD 0.79 per diluted share. Non-GAAP net income for 2Q/2011, which excludes after-tax acquisition-related, restructuring and stock-based compensation expenses, was USD 797.7m, or USD 1.00 per diluted share, compared to non-GAAP net income for 2Q/2010 of USD 760.7m, or USD 0.85 per diluted share.

Top line was mostly driven by sales from Atripla and Truvada. Sales of Atripla for the treatment of HIV infection increased 15% to USD 822m for 2Q/2011, up from USD 715.8m in 2Q/2010. Sales of Truvada for the treatment of HIV infection increased 11% in USD 711m for 2Q/2011 up from USD 641.7m in the second quarter, driven primarily by sales volume growth in Europe and the US.

Study 145 results: Elvitegravir Once Daily Non-Inferior to Raltegravir Twice Daily at 48 Weeks

Positive data from Study 145 with Elvitegravir

Recently on International AIDS Society (IAS) conference in Rome, Gilead Sciences has presented some additional data on Elvitegravir, which should also be supportive for trial results with Quad, a new co-formulated medicine containing four Gilead compounds for HIV.

Phase III clinical trial results from the pivotal Study 145 showed that its investigational antiretroviral Elvitegravir, being evaluated for the treatment of HIV-1 infection, was non-inferior to the integrase inhibitor Raltegravir after 48 weeks of therapy in treatment-experienced patients. According to Norbert Bischofberger, CSO of Gilead Sciences, these data are an important component of the regulatory filings for Elvitegravir as both a stand-alone product and as part of the Quad single-tablet regimen in US and Europe in 2012. Taking into consideration that Elvitegravir is one of the components of Quad pill, favourable results from Study 145, especially concerning safety profile, should also be supportive for Quad which is currently in two Phase III studies.

The headline event for 2H/2011 will be the outcome of the Phase III study with its single-tablet Quad regimen. Quad is a crucial part of Gilead's strategy for defending its leading position in HIV drug therapies.

Gilead Sciences will release its second quarter results on 26 July.

Conclusion

1H 2011 net loss after tax of CHF 44.69m

After a good start into FY 2011 with a net profit of CHF 39.61m the second quarter brought a net loss of CHF 84.31m, thus resulting in a net loss of CHF 44.69m in 1H. The negative performance in 2Q was mainly driven by the sharp appreciation of the CHF vs. the USD and a 21.6% fall of the Actelion share price.

Reallocation of assets from large caps to small and mid caps in the portfolio

Each of the "big 4 positions" of the portfolio has been reduced in 1H 2011. The "big 4" (Actelion, Celgene, Gilead, Vertex) represented 53.2% of the portfolio securities at the end of 2Q 2011 vs. 62.1% in 1Q 2011. This is in line with the strategy to reallocate assets from large cap companies to small and mid cap companies.

First investments in emerging markets

In 2Q, six new positions were opened, thereof three Indian companies (Glenmark Pharmaceuticals, Lupin, and Strides Arcolab) which are BB BIOTECH´s first investments in emerging markets.

Results of phase III trial with Macitentan should be the main milestone in 2H/2011

Actelion will likely record a US GAAP operating loss for the full year due to provision reflecting the jury verdict of USD 577m, which has been made in 2Q/2011. An important milestone expected for the rest of the year is the results of key clinical trial data from Phase III study with Macitentan, a possible successor to Tracleer, which is expected to become available late 2011 or early in 2012.

Vertex positive development of product pipeline

Vertex posted robust results from STRIVE clinical trial with VX770. Furthermore, the company strengthens its pipeline by entering license agreement with Alios that will add two distinct nucleotide analogues to Vertex's hepatitis C portfolio.

Positive data regarding SPMs of REVLIMID has supported Celgene's share price, outweighing an unimpressive results of Abraxane in NSCLC.

NAV up on USD basis but down on CHF and EUR basis

The NAV in USD (dividend adjusted) increased by 8.2% in 1H while the NAV in CHF declined by 6.8% due to the sharp appreciation of the CHF vs. the USD. A similar picture was observed in EUR which also strongly appreciated vs. the USD.

BB BIOTECH is still undervalued

The current discount to the reported NAV per share of EUR 63.25 is 17% while the average discount to NAV over the last seven years has been around 16%. It has been positive to see that the gap between stock price and NAV has shrunk from the 7 year low of 32% at the end of 2008 to currently 17%. However, we think that BB BIOTECH is still undervalued at a current share price of EUR 52.80 assuming that the superior stock selection ability of BB BIOTECH will continue in the future.

BUY recommendation, new PT EUR 57.00 (old EUR 56.00)

Although the 2Q figures showed a loss we leave our estimates unchanged. However, we adjust our EPS estimates upwards to account for the ongoing share buyback program and consequently also adjust our price target moderately upwards to EUR 57.00 (old: EUR 56.00). Our recommendation remains BUY.

Appendix

BB BIOTECH AG

Profit and loss account

IFRS CHFm	2007	2008	2009	2010	2011E	2012E	2013E
Net gains from marketable securities	0.0	72.7	52.1	0.0	88.5	116.9	124.3
YoY growth	-	n.m.	-28.4%	-100.0%	n.m.	32.0%	6.3%
Interest income	0.3	0.2	0.1	0.1	0.1	0.1	0.2
Dividend income	1.0	0.9	0.9	1.5	1.5	1.6	1.7
Foreign exchange gains net	0.0	0.0	1.2	0.0	0.0	0.0	0.0
Other income	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Operating income	**1.3**	**73.8**	**54.3**	**1.6**	**90.2**	**118.7**	**126.1**
YoY growth	n.m.	5,763.4%	-26.5%	-97.1%	5,616.5%	31.5%	6.3%
Net loss from marketable securities	-211.9	0.0	0.0	-129.6	0.0	0.0	0.0
Finance expenses	-13.6	-11.4	-5.6	-6.0	-5.6	-5.9	-6.3
Foreign exchange losses net	-0.8	-3.4	0.0	-3.0	0.0	0.0	0.0
Administrative expenses	-28.9	-7.2	-5.9	-5.0	-6.0	-6.4	-6.8
Commissions paid	-3.9	0.0	0.0	0.0	0.0	0.0	0.0
Other expenses	-7.4	-6.4	-5.3	-4.3	-5.5	-5.8	-6.2
Operating expenses	**-266.6**	**-28.4**	**-16.9**	**-147.9**	**-17.1**	**-18.2**	**-19.3**
in % of operating income	n.m.	-38.5%	-31.1%	-9,370.9%	-18.9%	-15.3%	-15.3%
EBT	**-265.3**	**45.4**	**37.4**	**-146.3**	**73.1**	**100.5**	**106.8**
in % of operating income	n.m.	61.5%	68.9%	-9270.9%	81.1%	84.7%	84.7%
Taxes	-0.1	-0.1	-0.8	-0.1	-0.7	-1.0	-1.1
as % of EBT	0.0%	-0.1%	-2.2%	0.0%	-1.0%	-1.0%	-1.0%
Net income attributable to shareholders	**-265.4**	**45.4**	**36.6**	**-146.3**	**72.4**	**99.5**	**105.8**
in % of operating income	-21081.1%	61.4%	67.5%	-9274.3%	80.2%	83.8%	83.8%
Shares outstanding (in millions)	21.3	17.7	16.6	15.8	14.8	14.8	14.8
Earnings per share (CHF)	**-12.47**	**2.56**	**2.21**	**-9.27**	**4.90**	**6.73**	**7.15**
Dividend per share (CHF)	0.90	1.80	3.70	3.20	0.00	0.00	0.00

Source: CBS Research AG, BB BIOTECH AG

Research

Close Brothers Seydler Research AG

Schillerstrasse 27 - 29
60313 Frankfurt am Main

Phone: +49 (0)69 – 977 8456-0

Roger Peeters Member of the Board	+49 (0)69 -977 8456- 12 Roger.Peeters@cbseydlerresearch.ag

Martin Decot	+49 (0)69 -977 8456- 13 Martin.Decot@cbseydlerresearch.ag	Kristina Kardum	+49 (0)69 -977 8456- 21 Kristina.Kardum@cbseydlerresearch.ag
Rabeya Khan	+49 (0)69 -977 8456- 10 Rabeya.Khan@cbseydlerresearch.ag	Igor Kim	+49 (0)69 -977 8456- 15 Igor.Kim@cbseydlerresearch.ag
Ralf Marinoni	+49 (0)69 -977 8456- 17 Ralf.Marinoni@cbseydlerresearch.ag	Manuel Martin	+49 (0)69 -977 8456- 16 Manuel.Martin@cbseydlerresearch.ag
Enid Omerovic	+49 (0)69 -977 8456- 19 Enid.Omerovic@cbseydlerresearch.ag	Felix Parmantier	+49 (0)69 -977 8456- 22 Felix.Parmantier@cbseydlerresearch.ag
Marcus Silbe	+49 (0)69 -977 8456- 14 Marcus.Silbe@cbseydlerresearch.ag	Veysel Taze	+49 (0)69 -977 8456- 18 Veysel.Taze@cbseydlerresearch.ag

Institutional Sales

Close Brothers Seydler Bank AG

Schillerstrasse 27 – 29
60313 Frankfurt am Main

Phone: +49 (0)69 – 9 20 54-400

Close Brothers Seydler UK

25 Dowgate Hill
London EC4R 2GA

Raimar Bock Head of Sales	+49 (0)69 -9 20 54-115 Raimar.Bock@cbseydler.com

Henriette Domhardt (Austria, Germany)	+49 (0)69 -9 20 54-137 Henriette.Domhardt@cbseydler.com	Rüdiger Eich (Germany, Switzerland)	+49 (0)69 -9 20 54-119 Ruediger.Eich@cbseydler.com
Sule Erkan (Sales-Support)	+49 (0)69 -9 20 54-107 Sule.Erkan@cbseydler.com	Uwe Gerhardt (Germany, Switzerland)	+49 (0)69 -9 20 54-168 Uwe.Gerhardt@cbseydler.com
Klaus Korzilius (Benelux, Germany)	+49 (0)69 -9 20 54-114 Klaus.Korzilius@cbseydler.com	Stefan Krewinkel (Execution, UK)	+49 (0)69 -9 20 54-118 Stefan.Krewinkel@cbseydler.com
Markus Laifle (Execution)	+49 (0)69 -9 20 54-120 Markus.Laifle@cbseydler.com	Bruno de Lencquesaing (Benelux, France)	+49 (0)69 -9 20 54-116 Bruno.deLencquesaing@cbseydler.com
Christopher Seedorf (Sales-Support)	+49 (0)69 -9 20 54-110 Christopher.Seedorf@cbseydler.com	Janine Theobald (Germany)	+49 (0)69 -9 20 54-116 Janine.Theobald@cbseydler.com
Bas-Jan Walhof (Benelux)	+49 (0)69 -9 20 54-105 Bas-Jan.Walhof@cbseydler.com		

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Recommendation history over the last 12 months for the company analysed in this report:

Date	Recommendation	Price at change date	Price target
30 July 2010	BUY	EUR 40.74	EUR 56.00
08 October 2010	BUY	EUR 42.19	EUR 56.00
02 November 2010	BUY	EUR 44.55	EUR 51.00
01 March 2011	BUY	EUR 49.10	EUR 54.00
02 May 2011	BUY	EUR 50.80	EUR 56.00

27 July 2011	BUY	EUR 52.80	EUR 57.00

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Responsible Supervisory Authority:
Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, Federal Financial Supervisory Authority)
Graurheindorferstraße 108
53117 Bonn
and
Lurgiallee 12
60439 Frankfurt

Close Brothers Seydler Research AG
Schillerstrasse 27 - 29
60313 Frankfurt am Main
www.cbseydlerresearch.ag
Tel.: 0049 - (0)69 - 97 78 45 60