

TAKING RESPONSIBILITY. | Magazine for Annual Report 2017



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“We want to expand
Biotest’s position in the
global plasma industry in
the future.”

DR BERNHARD EHMER



TAKING RESPONSIBILITY.

Biotest
NEXT
LEVEL

>

INTERVIEW WITH THE BOARD OF MANAGEMENT

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“WE HAVE A STRONG PARTNER IN CREAT WHO WILL SUPPORT SIGNIFICANT INVESTMENTS IN PRODUCTS AND EQUIPMENT OVER THE COMING YEARS.”

DR BERNHARD EHMER

The year 2017 was pivotal for Biotest and its shareholders. What conclusions do you draw?

DR EHMER: We achieved our important targets for 2017. We met the earnings forecast that was adjusted in April 2017 after the human albumin recall. Our defined target was ambitious, and to reach it was challenging, but we fought hard, did not give up despite setbacks and ultimately achieved it.

DR FLOß: In terms of the human albumin recall, it is important to note that this was an extraordinary item that only affected our earnings in the 2017 financial year. The problems that occurred in the production of human albumin were very rapidly rectified, allowing the manufacturing process to be restarted swiftly.

DR RAMROTH: Apart from the operations, the takeover offer of Creat Group Co. Ltd., Nanchang, China (Creat) was one of the most important events for the Biotest team. Again, we worked hard for the ultimate success of the merger. The “Committee on Foreign Investment in the United States” (CFIUS) finally approved it in January 2018. We consider the transaction a big opportunity for Biotest!

What does this transaction mean from a strategic standpoint?

DR EHMER: We have a strong partner in Creat who will support our important investments in products and facilities over the coming years and thus supports our goals: This includes the development of new products, the expansion project Biotest Next Level (BNL) and the strengthening of the international presence of the Biotest Group.



DR MICHAEL RAMROTH
Chief Financial Officer

DR BERNHARD EHMER
Chairman of the Board
of Management

DR GEORG FLOß
Chief Operations Officer

“We consider the transaction with Creat a great opportunity. It creates value for the company.”

DR MICHAEL RAMROTH

DR FLOB: Regarding the production of our products, we now also have the opportunity to use the Creat production network for plasma proteins. This will result in further synergies.

DR RAMROTH: We consider the transaction with Creat a great opportunity. It creates value for the company.

In the context of the CFIUS approval, Biotest signed a contract about the sale of its US companies. What does that mean for the future US plasma procurement?

“We have a strong product portfolio and are working hard on the development of new products. The development projects IgG Next Generation, Fibrinogen and Trimodulin are well on track.”

DR GEORG FLOB

DR EHMER: We will use other means to secure the quantities of US plasma that will be missing starting in 2020 due to the sale of our US subsidiaries. For this, we have worked out a strategy which is largely based on purchasing plasma from various contract partners. By doing so, we are securing a sufficient supply of US plasma for our production in the future.

DR FLOB: In addition, we were able to open further plasma collection centres in Europe in the past year. In January 2018, we last opened a center in the Czech Republic. This means that by the end of January 2018, we had 19 centres in Europe; our goal is to open two to three further European centres every

year. With this, we can continue to ensure that patients will receive sufficient plasma-derived drugs and create herewith the basis for our growth.

You are currently laying the foundation for growth with the expansion project Biotest Next Level. What progress did you make in 2017?

DR EHMER: After completion of the shell construction in October 2015, we reached the second important milestone over the course of the last year: the building approval. This was done on schedule, which is not necessarily given in projects the size of Biotest Next Level. At the Dreieich site, we are investing more than € 250 million as part of the expansion project; we are doubling the production capacity and are creating approximately 300 new jobs.

DR FLOß: In August 2017, after the building approval, we reached the next significant milestone: The Darmstadt Regional Authority successfully carried out the “Good Manufacturing Practice” (GMP) inspection of our newly built laboratories in Dreieich. Our new laboratories were rated GMP-compliant and were unconditionally approved with immediate effect. GMP stands for “Good Manufacturing Practice” for pharmaceuticals. In this process, the Regional Authority checks the hygiene standards, premises and equipment as well as documentation and control processes. A successful approval inspection is a requirement for a licence to operate laboratories. This means that in the past year, we have taken further important steps toward the complete commissioning of the new facility, which will commence regular operations in about two to three years.

DR EHMER: In addition to the dedication of the entire project team, the key to our success was the detailed planning of the preparations and good collaboration with authorities and experts. With the building approval and the successful GMP inspection of the laboratories, we made a decisive step toward reaching our company’s targets associated with Biotest Next Level. On behalf of the entire Board of Management, I would like to thank the whole team for this outstanding achievement.

In 2017, you have laid the foundations for a successful future. What do you expect for the coming year?

DR RAMROTH: In the future, Biotest will focus on the plasma proteins business and on the Biotest Next Level expansion project as a central component of this strategy. Biotest Next Level aims to expand the product range, double the production capacity and considerably increase profitability through higher yields of our valuable raw material plasma.

DR FLOß: We also have a strong product portfolio and are working hard on the development of new products. The development projects IgG Next Generation, Fibrinogen and Tri-modulin are well on track.

DR EHMER: On the Board of Management, we are highly confident that Creat’s goal of further expanding the position of Biotest in the global plasma industry can be achieved. We are optimistic about the future.

Dr Bernhard Ehmer

Dr Michael Ramroth

Dr Georg Floß

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July:

Biotest shareholders accept the voluntary takeover offer by the Creat Group Co. Ltd., Nanchang, China. After surpassing the minimum acceptance rate of 75 % of outstanding ordinary shares of Biotest. 89.88 % of the voting capital accept the offer by the end of the extended acceptance period.



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August:

With the successful GMP (Good Manufacturing Practice) inspection by the Darmstadt Regional Authority, Biotest reached the third significant milestone of the Biotest Next Level expansion project.

>

November:

Biotest opens the eighth plasma collection centre in Kaposvár in Hungary.



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FINANCIAL YEAR 2017 HIGHLIGHTS

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January: First patient treated in the new clinical phase III study of IgG Next Generation in the indication immune thrombocytopenia.

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March: The fourth-generation recombinant human factor VIII preparation of Octapharma AG receives marketing authorisation from the European Commission under the name Vihuma® and is now distributed in Germany by Biotest.

>

April: Biotest and Creat Group Co. Ltd., Nanchang, China, a leading Chinese investment group, announce that they are in negotiations about a potential merger. Creat is a strategic investor with a long-term perspective.

>

April and May: Biotest opens the sixth and seventh plasma collection centre in Székesfehérvár and Debrecen in Hungary.

>

June: The US subsidiary Biotest Pharmaceuticals Corp. (BPC), Boca Raton, USA, successfully closes the sale of the US therapy business to ADMA Biologics, Inc., USA.

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June: The building approval for the new building at the Dreieich site, as part of the Biotest Next Level (BNL) expansion project, was granted by the Construction Supervision Authority of the District of Offenbach, Germany.

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July: Biotest purchases its longtime Czech plasma supplier Cara Plasma s.r.o., Czech Republic, and thereby secures a plasma collection centre in Prague, the capital of the Czech Republic.

>

August: At the Annual General Meeting held in Frankfurt am Main, the shareholders of Biotest AG approve a dividend of € 0.05 per ordinary share and € 0.07 per preference share.

>

December: Biotest supports a randomized multicentre controlled study with Pentaglobin® in peritonitis (PEPPER study), conducted by the University of Aachen. The first patient is included in the study.

TAKING RESPONSIBILITY.



Biotest produces biological medicines that are predominantly obtained from human blood plasma. This plasma is donated by healthy people. For many chronically ill patients, plasma donation is very important as they rely on the drugs produced from blood plasma to lead a reasonably normal life. Depending on the indication, up to 1,200 plasma donations are needed to provide the drug for one single patient for one year. Drugs that are based on human plasma are used to treat chronic diseases, such as congenital antibody deficiency and haemophilia, as well as to treat severe bacterial infections and burns and acute autoimmune diseases and to prevent reinfection following transplantation.

This makes a plasma donation very important and a good deed that every healthy adult can easily do. Plasma donors are volunteers who act out of conviction and with the confidence that they are making a very important contribution to benefit others. Their plasma donation helps chronically ill people to survive, enjoy a better quality of life and have a longer life expectancy.

In about 80 countries around the world, patients rely on our help and the quality and efficacy of Biotest medicines. Producing drugs that are based on a voluntarily donated, scarce resource and aiming to provide a vital service to seriously ill people indicates that our pharmaceutical business is associated with high responsibilities. Responsibility toward donors and seriously ill people as well as our value chain and corporate objective are at the heart of the Biotest sustainability concept.

Biotest's special responsibility toward donors, their donations and patients characterizes the claim and focus of our sustainability strategy: taking responsibility.





With Biotest products, haemophilia patients can be treated at a very early time and for a life time.



“At Biotest, I support the clinical development of our new generation of polyvalent immunoglobulins, among other things. It is motivating to make an important contribution to the development of medicines for patients with immune disorders.”

SILKE AIGNER, SENIOR DIRECTOR OF CLINICAL STRATEGY AND DEVELOPMENT IN IMMUNOLOGY



> RESPONSIBILITY TOWARD PATIENTS AND USERS



Saving lives. This is what Biotest medicines are used for in many cases. We are aware of the great responsibility associated with this and act accordingly. This means in particular that the quality of our products and the safety of patients and users are top priorities. We take this responsibility by meeting strict safety standards that often exceed what is legally required. For this purpose, we have established two key objectives:

- > Ensuring maximum safety and quality in all research, development and manufacturing steps of our products
- > Producing medicines that set standards in terms of safety, quality, tolerability and user friendliness

Throughout our company, these objectives determine our daily actions. We take immediate and consistent action in case of any anomalies at any time in terms of donor health, plasma safety or potential other negative effects along the process of manufacturing the end product. For instance, donors who are subsequently found to carry the human immunodeficiency virus (HIV), hepatitis B virus (HBV) or hepatitis C virus (HCV) are immediately excluded from further donations. In addition, all plasma from the donor in question that is stored at Biotest or the supplier is destroyed.

When it comes to our responsibility toward patients and users, we make no exceptions. This means that Biotest has identical safety standards for all patients. The highest safety requirements, which are those that are in force at our headquarters in Germany, are observed throughout the company. It is irrelevant for which country a product is produced and whether the standards in such country are lower compared to those in Germany. /.

WE EXCEED LEGAL MINIMUM STANDARDS:

Biotest voluntarily meets the standard of the Plasma Protein Therapeutics Organisation (PPTA), the QSEAL Programme (Quality Standards of Excellence, Assurance and Leadership). This programme includes the following provisions, among others:

- > The “Qualified Donor” programme: This includes a continuous qualification programme for plasma donors that goes beyond legal requirements and involves testing for certain viral markers (or antibodies/antigens) at two different points in time before the first use of a plasma donation.
 - > Inventory hold for 60 days after donation: If necessary, the donated plasma can be retrieved for up to 60 days after donation.
 - > Double testing of each individual donation for the presence of viral markers such as hepatitis A virus (HAV), hepatitis B virus (HBV), hepatitis C virus (HCV), human immunodeficiency virus (HIV) and parvovirus (parvo B19 virus) using the so-called nucleic acid amplification test (NAAT; PCR = polymerase chain reaction).
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RESPONSIBILITY IN THE USE OF NATURAL RESOURCES

FACTS AND FIGURES ON PLASMA COLLECTION

- > 3 countries in which Biotest collects blood plasma (Germany, Czech Republic, Hungary)
- > 18 plasma collection centres in Europe
- > On average, one centre collects 20,000–30,000 litres of plasma per year
- > On average, one centre welcomes 500 to 800 donors per week



Human blood plasma is the raw material for manufacturing our medicines. At our plasma collection centres, we obtain plasma from volunteers, which means that it is our duty to handle the donated plasma carefully and responsibly. In addition, we are working on further increasing the efficacy and tolerability of our products and developing new pharmaceutical presentations to benefit patients.

The Biotest Next Level project is of central importance in this context – and not only as the biggest investment project in our company history, which more than doubles our production capacity. Biotest Next Level will also be a quantum leap in our sustainability performance. After completion of the project, numerous process innovations will enable us to produce five instead of the current three product classes from the same quantity of raw material and to utilize the valuable raw material in a much better way. The high appreciation of volunteer plasma donation is an inherent principle for the Biotest Next Level project. /.

30

YEARS

TIME PERIOD FOR WHICH EACH INDIVIDUAL PLASMA DONATION CAN BE TRACED BACK



18 to 65

YEARS OLD

AGES AT WHICH A PERSON CAN DONATE PLASMA

<-20


DEGREES CELSIUS

WE RECEIVE BLOOD PLASMA AT A TEMPERATURE OF BELOW -20° C





RESPONSIBILITY
ALONG THE
VALUE CHAIN



The strictest safety standards apply in drug filling.

“Taking responsibility” is the central sustainability goal of the Biotest Group. This goal shapes our self-conception and actions. But the same guiding principle accurately describes the design of our value chain, to be able amongst others to ensure maximum donor and patient protection and maximum safety on all levels.

Along the entire value chain, from plasma donation to delivery of the medicines produced from the plasma, we have established a stringent system of numerous controls, quality assurance processes and additional procedures to meet our responsibilities toward both donors and patients at its best.

Human plasma is our main source of raw materials. All Biotest products are biological medicines that are largely obtained from plasma. Currently, Biotest sells 14 different products within the three therapeutic areas of clinical immunology, haematology and intensive care medicine. Additional areas are being developed. Our specialized products



In the cold storage, the plasma is stored at minus 30 degrees Celsius.



are used in various applications (indications). Biotest medicines help people with serious, often life-threatening diseases of the blood and immune system and are used in treatment and prophylaxis as well as in emergencies.

The entire manufacturing process from plasma donation to delivery of the final medicine takes about seven to eight months. During this time, all individual steps of our value chain are completed, and at the end, each produced batch is released for sale by the Paul Ehrlich Institute.

Procurement: Biotest sets the highest standards in plasma procurement. In addition to collection in our own plasma centres, the purchase of blood plasma is our second important source of this raw material. A department specialized in plasma collection verifies that the high donor and blood plasma standards are being met. All plasma suppliers from the various countries of origin, plasma storage centres and plasma test laboratories are audited by Biotest and approved by the European Medicines Agency (EMA) in the so-called Plasma Master File (PMF) process.

Donor admission: At the plasma collection centres, all donors identify themselves with a donor ID or photo ID. To be approved for donation, donors have to permanently live within a defined radius of the respective plasma collection centre and be 18 to 65 years of age. Donors must meet certain health criteria to be approved for donation. For instance, they must not be in a high-risk group, have no current illness (e.g. the flu) and must not be exposed to other infectious risks (new tattoos, certain existing diseases or recent return from travelling to certain regions). In addition, a health status questionnaire and a check of vital signs (blood pressure, pulse, body temperature, haemoglobin) are compulsory. Each donor undergoes a medical examination before donation.

Medical examination: After the donor's data has been entered and compared against a blacklist and the vital signs are taken, the physician releases the donor for plasma donation. Regular donors undergo periodic medical examinations.

Plasma donation: Before the donation and repeated verification of personal data, the procedure is explained to the donor. Potential donors who have never donated plasma undergo a shortened

> RESPONSIBILITY ALONG THE VALUE CHAIN



“We meet the very highest quality standards in plasma procurement.”

SVENJA BARCKHAUSEN,
SENIOR DIRECTOR PLASMA
ALLIANCE OPERATIONS AND
PROTEIN PROCUREMENT

>
OUR VALUE CREATION PROCESS
IS SUBJECT TO THE HIGHEST
QUALITY STANDARDS.



process: In addition to the steps described above, an in-depth information and consent procedure and examination are conducted by a physician. However, instead of a sample of the plasma collected, only a blood sample is taken for serological testing at that time (antibody/antigen testing). If the test results meet all criteria, the first donation can be made. After the donation, donors in Germany receive an expense allowance as defined by law.

Delivery: To be able to guarantee the quality and safety of medicines, the plasma is picked up from the plasma centres exclusively by Biotest at controlled temperatures. At the incoming goods inspection, every donation is checked for quality and integrity in accordance with our requirements. Each donation is collected individually and can be traced back from the end product to the donation for a period of 30 years.

Production: In the processing of blood plasma, thousands of plasma donations are first combined to what is known as a plasma pool and then thawed. This production plasma pool is serologically tested for antibodies/antigens of hepatitis B surface antigen (HBsAg),

anti-HCV, anti-HBV and anti-HIV as well as being tested via NAT in the so-called minipool for HAV, HBV, HCV, HIV and parvovirus B 19 viral markers.

Any positive pools are discarded. The various fractions of the plasma are obtained as clotting factors, immunoglobulins and albumins in different processing steps. Filtration, enrichment and pasteurization steps, which are also conducted in this process, contribute to the inactivation and elimination of viruses and thrombogenic factors. This ensures maximum safety of the end products. /.

WE COMPREHENSIVELY TEST OUR PLASMA:

- > Each plasma donation is serologically tested for HBSAg, anti-HCV and anti-HIV1/2.
 - > In addition, it is tested for the following viruses via NAT in the so-called minipool: HAV, HBV, HCV, HIV and parvo B19 virus.
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>
RESPONSIBILITY
ALONG THE
VALUE CHAIN



“With our in-house standards, we meet internationally recognized ethical, social and ecological principles of corporate management and substantiate them for our business processes.”

DR BERNHARD EHMER

“Regarding employee conduct, we have developed clear guidelines and frameworks. They provide an orientation to employees and ensure that safety requirements are met.”

DR MICHAEL RAMROTH

“All corporate guidelines apply to all sites as well as along the entire distribution chain. They are considered directives and are continuously reviewed to ensure that we respond to new requirements in an appropriate manner.”

DR GEORG FLOß

THE GOAL OF
SUSTAINABLE
MANAGEMENT



>
PLANNED

2%

REDUCTION

IN POWER CONSUMPTION
ANNUALLY

150

>
LORRY SUPPLY
JOURNEYS ELIMINATED

BY CHANGING
INBOUND PLASMA
LOGISTICS

>
PLANNED

1%

REDUCTION

IN GAS CONSUMPTION
ANNUALLY



RESPONSIBILITY THROUGH INNOVATIVE PRODUCTS

As a manufacturer of medicines, it is our responsibility to continuously develop new and improved drugs. We consider this our duty to steadily improve the medical treatment for patients treated with Biotest products.

Working with patients, patient organizations, universities, doctors and hospitals as well as clinical studies, it is natural, that Biotest is intensively involved in the applications, handling and effects of our drugs. Our close proximity to users of our medicines and treating physicians is an important element of our innovation policy by allowing us to quickly and specifically implement their suggestions and ideas for potential improvements. This proximity and our own claim of integrated development were impulses leading to the development of Zutectra®, the first drug worldwide that patients can self-administer as a sub-

cutaneous injection for the prevention of HBV reinfection after liver transplantation. This considerably reduces their doctor and hospital visits and significantly increases the patients' independence, freedom and quality of life.

Integral product development as the guiding principle of our research and development work means that in newly developed products, various effects and implications are considered and optimized along the entire value chain and for the entire lifecycle of a product. This only works if all parties concerned, interest groups and initiators are involved in development processes at an early stage. Therefore, we initiate such projects with cross-functional teams to incorporate the various groups' ideas, requirements and concerns in the development projects at an early stage.



RESEARCH AND DEVELOPMENT PROGRESS IN 2017

- > IgG Next Generation: The paediatric investigation plans for the indications PID¹ and ITP² have been approved by the European Medicines Agency. The U.S. Food and Drug Administration (FDA) has approved the paediatric investigation plan for the indication PID as well.
- > Fibrinogen: For the indication acquired fibrinogen deficiency, the necessary documents for the approval of the phase III study (no. 995; ADFIRST) were submitted to the Paul Ehrlich Institute (PEI) and the authorities and ethics committees of other European countries. The conduct of the phase III study was approved by the competent authorities and ethics committees in Germany, Spain, Belgium and Switzerland. The study was started by opening the first study centres.
- > Trimodulin (IgM Concentrate): In 2017, Biotest presented the data of the phase II study with Trimodulin (IgM Concentrate) in the indication severe community-acquired pneumonia (sCAP) to the competent authorities as well as the further clinical development concept. The authorities accept the procedure and support the planned phase III study.

¹ PID: Primary immunodeficiency

² ITP: Immune thrombocytopenia



One of our most promising current product developments is Trimodulin (IgM Concentrate) for the treatment of severe community acquired pneumonia, which is associated with a high mortality rate. The new production plant built as part of Biotest Next Level is specially equipped for the manufacturing of this and other drugs.

“We want to develop new and improved products for the benefit of patients. For this purpose, we have invested € 55,4 million in research & development in 2017.”

DR GEORG FLOß

>
RESPONSIBILITY
FOR YOUNG PEOPLE



As one of the largest employers in the Dreieich region, we want to offer interesting professional opportunities with our attractive apprenticeships for young people. As part of our human resources planning, we ensure that we can offer a job to all apprentices after they complete training. We regularly inform students about the apprenticeships offered by Biotest, organize open houses as well as inventor laboratories for senior pupils and university students and hold specific orientation events.

Close cooperation with universities ensures our representation beyond ordinary job fairs, regular information days and factory tours. We specifically support our employees in pursuing Bachelor and Master studies besides their work and offer international trainee programmes to graduates. As of 31 December 2017, Biotest employed 66 apprentices, 2 trainees and 6 students in part-time degree programmes. /.

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RESPONSIBILITY
TOWARD OUR INVESTORS

As a listed company, Biotest AG is financially responsible toward its shareholders. This includes a responsibility towards financial resources, sustainable and long-term management as well as transparent and immediate notification about all important and possibly short-term developments within the company. A management system that, among other things, analyses aspects of value creation, profitability and inventory management and that is linked with the remuneration system, measures the targets within the financial responsibility. /.

>
BIOTEST NEXT LEVEL

ENVIRONMENTALLY FRIENDLY NEW CONSTRUCTION IN DREIEICH

In the new construction at the Dreieich site, Biotest has deliberately ensured the use of materials which are low in emissions and low-polluting substances. The energy-efficient operation of the buildings and plants is ensured by the use of highly insulated exterior building components, triple glazing, special highly insulating materials and energy-efficient building technology. Biotest will far exceed energy requirements specified by law.

Furthermore, many processes were critically questioned and redesigned as part of the investment project. With the new deep-freeze warehouse, for instance, Biotest successfully ensured that the inbound plasma logistics can be changed as needed in such a way that 150 lorry journeys can be eliminated, which reduces our CO₂ footprint by 15 tonnes annually. /.

>
TAKING
RESPONSIBILITY.

We are in close dialogue with our interest groups, particularly with those persons and groups who are affected by our decisions and activities or who themselves influence our business operations. Our stakeholder groups include our employees, business partners, investors, analysts, medical practitioners, patients, patient organizations, authorities, associations and neighbours of our sites. Depending on a specific topic and significance, we set up the dialogue with our interest groups on a local, national or international level in the form of workshops, seminars or as part of large congresses. Furthermore, Biotest is involved in industry-specific networks and takes part in conventions and trade fairs. /.



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WASTE MANAGEMENT

The amount of waste generated in production is directly related to the processed plasma quantity. The majority of the waste consists of organic solvents that are needed for fractionating and purifying the blood plasma. Through process improvements, Biotest has successfully reduced the waste generated per production volume by 4% over the last five years.

In 2017, 89.3 % of the entire waste volume of 9,388 tonnes was recycled. The remaining portion of slightly over 10 % was largely thermally exploited. /.

THE PAUL EHRLICH AND LUDWIG DARMSTAEDTER PRIZE

- > The prize has been awarded by the Paul Ehrlich Foundation since 1952.
- > Special accomplishments in the fields of immunology, cancer research, haematology, microbiology and chemotherapy are honoured.
- > The prize awarding ceremony is traditionally held on 14 March, the birthday of Paul Ehrlich, in Paulskirche in Frankfurt.

THE PAUL EHRLICH FOUNDATION

- > The purpose of the foundation established by Hedwig Ehrlich in 1929 is to maintain the intellectual tradition and preserve the memory of Paul Ehrlich (1854–1915).
- > The focus is to award scientists with outstanding achievements in the research areas of Paul Ehrlich.



RESPONSIBILITY OF THE RESEARCHING PHARMACEUTICAL INDUSTRY

Biotest produces medicines for severely ill people. We are aware that with this contribution to medical care, we play an important role in the healthcare system and society of all countries in which we operate. We therefore recognize that the Biotest Group has the responsibility to make contributions today to the future improvement of medical care.

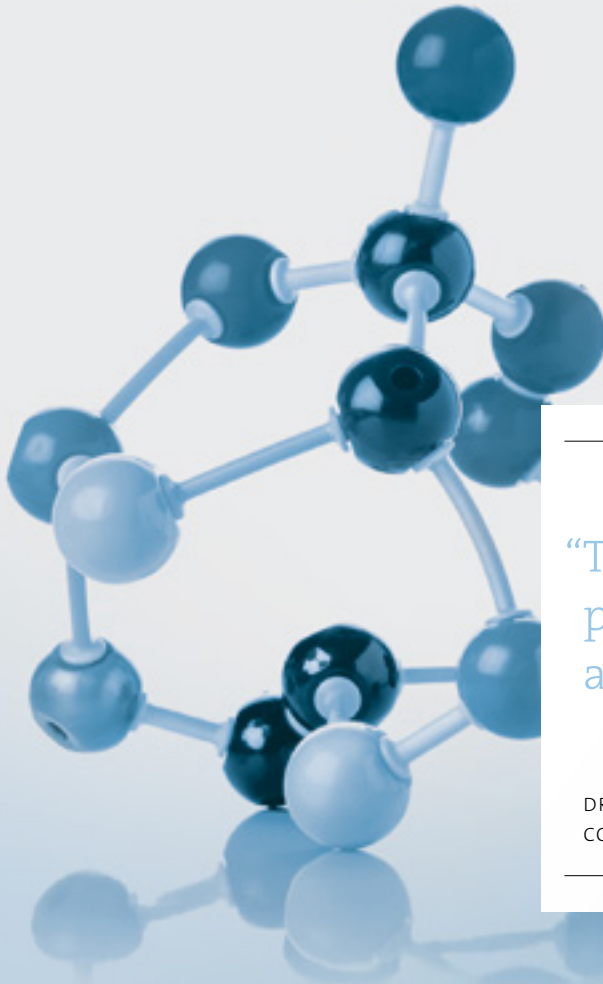
Scientific research creates important foundations for progress in medicine. Together with the Schleussner family, the founders of Biotest, we support the Paul Ehrlich and Ludwig Darmstaedter Prize for extraordinary achievements in medical science. By specifically supporting medical research, we also play an active societal role in areas that are closely related to our entrepreneurial activities.

Serious illnesses have not only physical but also considerable mental and social consequences for patients and their relatives. Therefore, patients need access to contact persons to help them address their problems and exchange experiences with others who are in similar situations. Patient organizations are very valuable in this regard, and Biotest supports several of these organizations, some of them already for about 40 years. These include Deutsche Hämophiliegesellschaft zur Bekämpfung von Blutungskrankheiten e.V. (DHG) (German Hemophilia Society to fight Hemophilia), the World Federation of Hemophilia (WFH), the International Patient Organization for Primary Immunodeficiencies (IPOPI), Deutsche Selbsthilfe Angeborene Immundefekte e.V. (dsai) (German people help themselves initiative for congenital immune deficiencies) and the European Haemophilia Consortium (EHC).

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For the development of new preparations high-quality analytical methods are used.



“To ensure the quality of our products, we use sensitive analytical methods.”

DR JÖRG SCHÜTTRUMPF, SENIOR VICE PRESIDENT
CORPORATE RESEARCH & DEVELOPMENT



>
RESPONSIBILITY
FOR BIOTEST AND
THE BIOTEST TEAM



1
With the company day care centre "Bionest", Biotest is promoting the reconciliation of family and career.

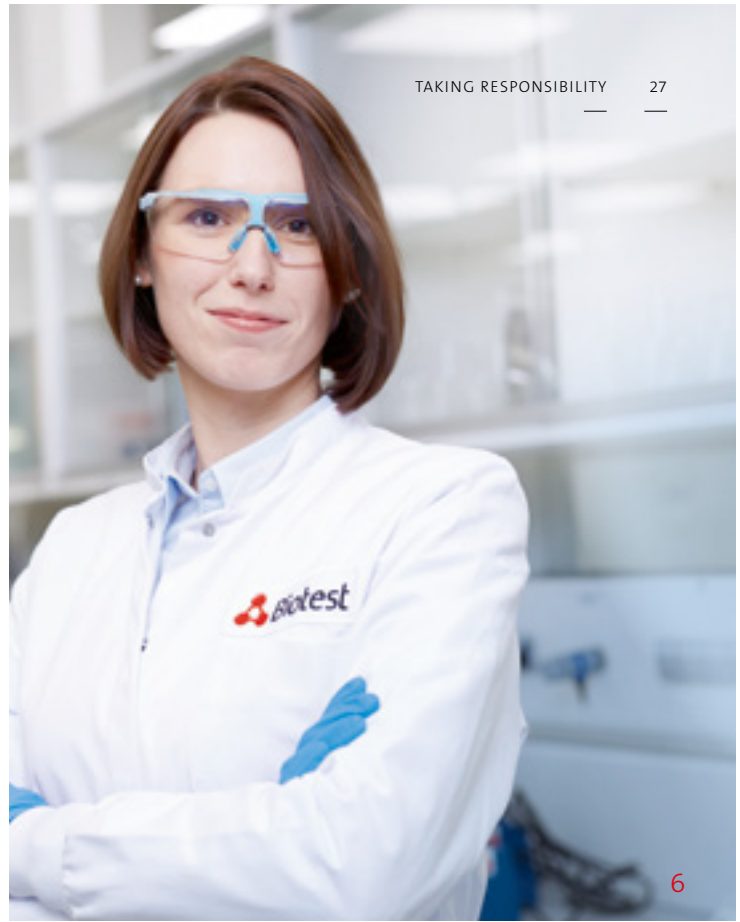
2
The comprehensive child care offered between the hours of 6 a.m. and 6 p.m. takes into account the needs of Biotest employees and their work schedules.

3
Biotest offers various commercial apprenticeships. They include office manager, chemical technician and industry mechanic.

4
Patricia Benkenstein works in Human Resources at Biotest. Among other things, she supports the recruitment of new apprentices.

5
Berni Seitz is Chairman of the Workers Council, which has 13 members, including himself.

6
Agata Worobiec works in the Bioanalysis Laboratory at the Dreieich site.



The success of Biotest is made possible by the motivation, knowledge and skills of our employees. We want to offer our employees optimal working conditions, and we take our responsibility as an employer very seriously. Besides diversity, equal opportunity and equal pay for women and men, the work-life balance as well as work safety play a special role.

Compatibility of work and private life
We actively support our employees in establishing a good balance between their job, family and leisure time. This includes offering part-time models, flexible working hours and trust-based working hours. With the company day care centre “BioNest”, which opened in 2015, we support mothers’ and fathers’ return from parental leave to their jobs. On 1,400 square metres, we offer space for up to 80 children. Smaller groups permit the day care teachers to individually and intensively care for the needs of the children. With opening hours between 6 am and 6 pm and vacation closures only between Christmas and New Year’s Day parents are offered optimal

“Accompanying our Biotest employees from the time they join our company is an exciting task.”

PATRICIA BENKENSTEIN,
HR SERVICES

flexibility. Perhaps some of these children will be our future colleagues: The children can playfully discover their heart of science with magnifying glasses and microscopes, wearing lab coats.

Health management and work safety
The health of our employees is the greatest asset. To protect it is our indispensable obligation. This applies to us both inside and outside the world of work, as far as this is within our sphere of influence. Our long-term goal is “zero accidents at work.” Therefore, we are constantly working on further improving work safety.

To actively promote the health and well-being of our employees, a Corporate health management programme has been established. Training on the subject of health is part of daily life at Biotest. Numerous health promotion measures such as healthy food, running, swimming, cycling, yoga and a back school are offered to employees. /.

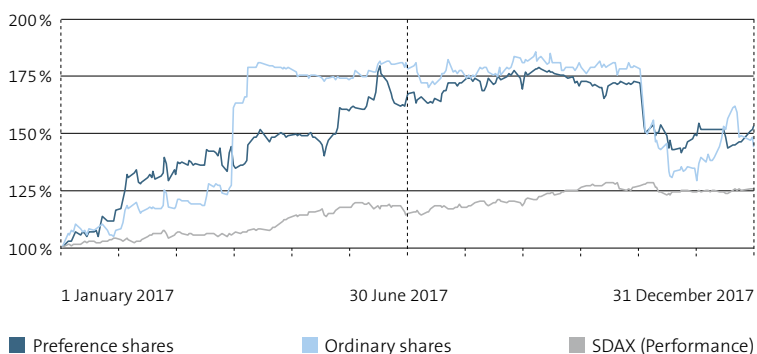
THE BIOTEST SHARE

In the financial year 2017, Biotest ordinary and preference shares were strongly influenced by the takeover by Tiancheng (Germany) Pharmaceutical Holdings AG, Munich, Germany. On 7 April 2017, the company made a voluntary public takeover offer at a price of € 28.50 per ordinary share and € 19.00 per preference share. The ordinary share in particular considerably increased in value due to the takeover offer. The closing price of the ordinary shares on 7 April 2017 – at € 28 – was 65 % higher than the closing price on 2 January 2017, the first trading day of the year.

Over the entire year ordinary and preference shares considerably gained in value. On 29 December 2017, the last trading day of the year, the ordinary share had an Xetra closing price of € 22.61. This was approximately 42 % higher than the closing price on 30 December 2016. The preference share of Biotest closed the year in Xetra trading at € 20.20, 51 % above the closing price on 30 December 2016. Over the course of the year, the shares therefore performed much better than their benchmark index SDAX, which gained 25 % in value in 2017.

Biotest AG is listed in the Prime Standard of Deutsche Börse AG, the segment with the highest transparency standards. Since 2007, the preference shares have been listed in the SDAX. This makes Biotest AG one of the 50 largest industrial companies ranking directly below the MDAX. On 29 December 2017, Biotest market capitalization reached a value of € 847 million. In 2017, the average daily trading volume of Biotest preference shares on the Xetra system was 94,793 shares. /.

BIOTEST SHARE: PERFORMANCE IN 2017 (closing level in 2016 = 100)



FINANCIAL CALENDAR

15 MAY 2018

Three-month report for 2018

15 MAY 2018

Annual Shareholders' Meeting

14 AUGUST 2018

Half-year report for 2018

14 NOVEMBER 2018

Nine-month report for 2018

Analysts Conference

CONTACT

The 2017 Annual Report contains a detailed presentation of the development and perspectives of Biotest. It is available for download on the Biotest website.

On www.biotest.com you will also find comprehensive and current information about the company, projects and markets. You can view all financial announcements as well as the Annual Reports and interim reports in the Investor Relations section.

Please contact us if you have any questions:

IR CONTACT

Dr Monika Buttkerit
 Phone: +49 (0) 6103 801 4406
 Fax: +49 (0) 6103 801 347
 Email: investor_relations@biotest.de

PR CONTACT

Dirk Neumüller
 Phone: +49 (0) 6103 801 269
 Email: pr@biotest.com

KEY FIGURES

		2017*	2016*
Revenue	In € million	378.1	408.0
thereof:			
Germany	In € million	103.2	108.3
Rest of world	In € million	274.9	299.7
thereof:			
Therapy	In € million	313.7	346.8
Plasma & Services	In € million	58.2	54.2
Other Segments	In € million	6.2	7.0
EBITDA	In € million	13.0	58.1
Operating profit (EBIT)	In € million	-9.3	35.2
<i>EBIT in % of revenue</i>	%	-2.5	8.6
Earnings before taxes	In € million	-26.0	24.0
Earnings after taxes	In € million	-16.4	6.1
Earnings after taxes from discontinued operations	In € million	12.9	-51.8
Total earnings after taxes	In € million	-3.5	-45.7
Financing:			
Cash flow from operating activities from continued operations	In € million	18.3	46.0
Cash flow from operating activities from discontinued operations	In € million	16.0	19.9
Depreciation and amortisation	In € million	22.3	19.9
		31.12.2017	31.12.2016
Equity	In € million	347.8	360.7
<i>Equity ratio</i>	%	35.5	38.7
Balance sheet total	In € million	978.5	932.8
Employees (full-time equivalents)	amount	1,659	1,441
Earnings per share	€	-0,42	0,14

* Continuing Operations

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PUBLISHER

Biotest AG
Landsteinerstr. 5
63303 Dreieich
Phone: +49 (0) 6103 801 4406
Fax: +49 (0) 6103 801 347

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Simone Kiefer, Dreieich,
Germany
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Stephan Minx, Fürth,
Germany
(Page 14, 16 (right), 17)

Biotest
(Page 6, 12, 14/15, 17, 18, 23
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Paul Ehrlich Institut
(Page 24)

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