

# BBBIOTECH

## Monthly News August 2009

As at 08/31/2009	Share price	NAV	Market capitalization
Switzerland: BION SW	CHF 71.00	CHF 93.80	CHF 1294 mn
Germany: BBZA GY	EUR 46.51	EUR 61.80	EUR 853 mn
Italy: BB IM	EUR 46.45	EUR 61.80	EUR 853 mn

### Actelion receives Tracleer label extension and approval for new Ventavis formulation in the US

Actelion (30% of BB BIOTECH's NAV) announced that the Food and Drug Administration (FDA), the regulatory authority of the US, has approved Tracleer to treat patients with the mildly symptomatic form of functional class II pulmonary arterial hypertension (PAH). The supplemental New Drug Application (sNDA) was based on the EARLY study results. EARLY is the only trial specifically treating early symptomatic patients, allowing Actelion to bolster Tracleer's role as the cornerstone therapy in PAH. Additionally, Tracleer's label now includes patients with functional classes II-IV, increasing the number of patients eligible for treatment with Tracleer. The respective approval in the EU had already been granted.

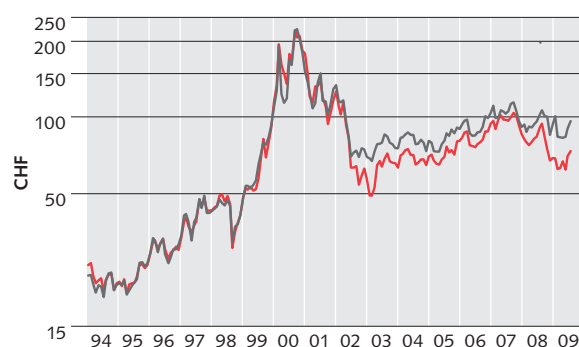
The company announced the same day that a new formulation using a higher dose of Ventavis was approved for PAH patients with functional class III and IV in the US. The improved formulation as well as further work in clinical development will improve the convenience of inhaled Iloprost, Ventavis, substantially. These improvements in convenience should increase patient compliance, and should lengthen patient's therapy. The approval, combined with a strong label, strengthens Actelion's position to defend its lead against new competition.

### Amgen: FDA advisory committee recommends Denosumab for limited use

Amgen (currently not a holding of BB BIOTECH) is developing a new drug, called Denosumab, for treatment of osteoporosis and cancer-related bone disease. The marketing application of Denosumab was reviewed by the advisory committee of the Food and Drug Administration. The panel recommended the drug in some, but not all of the desired indications. In the most important indication, osteoporosis, the panel voted against the prevention indication, citing an unfavorable risk/reward profile (higher infections and malignancies vs. placebo), but voted in favor of the drug for treating osteoporosis (only in higher-risk women).

Denosumab is expected to get approved and to become a significant product. However, the drug is not expected to be able to generate significant growth of Amgen's earnings, given that Amgen's core marketed products face several issues and will likely face new competition as several patents are going to expire in the next five years.

### SHARE PRICE TREND SINCE FOUNDATION

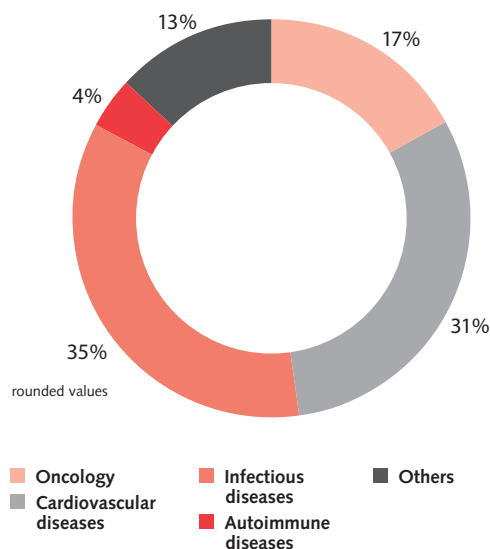


■ BB BIOTECH Share price ■ BB BIOTECH Net Asset Value  
Source: Datastream, 08/31/2009

### PERFORMANCE (adjusted for dividends)

	1M (August)	YTD	11/15/1993
BION SW	-2.1%	+6.4%	+248%
BBZA GY	-2.3%	+4.4%	N.A.
BB IM	-2.1%	+8.4%	N.A.

### SECURITIES PORTFOLIO BY SECTORS AS AT 06/30/2009



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# “Our performance is driven by selection of current and future winners in the drug development industry.”

Dr. Thomas Szucs, Chairman BB BIOTECH

## RELATIVE VALUATIONS: MOST IMPORTANT BIOTECHNOLOGY COMPANIES

	Price (l.c.)	Market Cap (USD bn)	2009E PE	EPS 09–12E Growth	09–12E PEG	2008E Revenue (USD mn)
<b>US</b>						
Celgene	52.2	23.9	25.5	34.0%	0.8	2 625
Gilead	45.1	40.7	16.1	15.0%	1.1	6 735
<b>Average</b>			20.8	24.0%	0.9	
<b>Europe</b>						
Actelion	61.1	7.3	16.5	16.0%	1.0	1 660
Novo Nordisk	316.5	37.5	18.3	19.0%	1.0	10 047
<b>Average</b>			17.4	17.0%	1.0	
<b>US/Europe</b>						
<b>Average</b>			18.9	20.0%	0.9	

As at 08/31/2009

### Investment Strategy

BB BIOTECH's objective is to generate an average return of 15% per annum with a long-term investment horizon and to substantially outperform the relevant indices in the process. BB BIOTECH participates selectively in firms operating in the growth market of innovative medications and diagnostics based on modern biotechnology, with companies listed in the stock markets accounting for at least 90% of the portfolio value.

Our task is to have an in-depth knowledge of the businesses conducted by our holdings, which includes key financial ratios, also of the prevailing competitive environment, the product pipeline, the portfolio of patents and the perception of the products and services by the end customers, to name just a few aspects. The target portfolio of BB BIOTECH consists of approximately 20 to 30 holdings, no more than 5 of which account for more than 10% of equity and the largest of which should not exceed 25%.

In the course of selecting its holdings, BB BIOTECH relies on the well-established experience of its Board members and the fundamental analyses by the experienced management team of Bellevue Asset Management Group, with access to a network of physicians and specialists for the sectors in question. In doing so, a detailed financial model is created for each holding, which guarantees a compelling illustration of the potential for doubling asset values in a period of four years.

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## FIVE GOOD REASONS

- Strong growth driven by innovative, high-margin new therapies
- Attractive valuations for fast-growing companies
- Long-term track record of 16 years with above average performance
- Long-term outperformance to industry benchmarks
- Experienced management with strong Board of Directors

## MANAGEMENT TEAM



Roland Maier



Dr. Daniel Koller



Elhan Kosar

## GENERAL INFORMATION

Board of Directors	Prof. Dr. med. Thomas D. Szucs (Chairman) Dr. Clive A. Meanwell Prof. Dr. David Baltimore
Management team	Roland Maier Elhan Kosar Dr. Daniel Koller Stefan Müller Felicia Flanigan Dallas Webb
Portfolio management	Jan Bootsma Marjorie Valeria Victorina Hugo van Neutegem
Legal structure	Incorporated company
Foundation	November 9, 1993
Share type	Registered shares
Nominal value	CHF 1
Share structure	18.23 mn registered shares
Authorized capital	CHF 9.1 mn
Conditional capital	CHF 9.1 mn
Listing	Swiss Stock Exchange German Stock Exchange Italian Stock Exchange
Security number (CH)	3 838 999
Security number (D/I)	AONFN3
Net Asset Value	Wednesday and Saturday in FuW and FAZ, Web site daily
Investor relations	Maria-Grazia Alderuccio: Phone +41 44 267 67 14 E-mail mga@bellevue.ch Nafida Bendali: Phone +41 44 267 72 26 E-mail nbe@bellevue.ch
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