

Press Release

Zug, 3 May 2012

HBM BioVentures publishes annual results for 2011/2012

With the successful sales of mtm laboratories to Roche and the ChemoCentryx IPO, HBM BioVentures demonstrated the potential intrinsic value of its portfolio once again during the financial year just ended. Other portfolio companies have achieved significant progress and thereby laid the foundations for future events that will enhance their value.

Review of the 2011/12 financial year

The Board of Directors of HBM BioVentures approved the Company's audited financial statements for 2011/2012 at its meeting today. As indicated on 3 April 2012, HBM BioVentures closed the financial year with a consolidated loss of CHF 25 million. The net asset value (NAV) per share declined by 2.5% to CHF 59.60 as at 31 March 2012.

The result from investment activities was once again hit by currency losses of CHF 26 million on investments and hedging transactions. However, the CHF 8 million loss on these activities was much lower than the previous year's figure of CHF 35 million.

The sale of private companies mtm laboratories and Mpex Pharmaceuticals generated book profits of EUR 29.5 million and USD 3.1 million respectively during the year under review. Meanwhile, the ChemoCentryx IPO lifted the value of HBM BioVentures' investment holding by USD 9.7 million. Delays to approval procedures, poor study results, sales figures which did not live up to expectations and the failure of negotiations on trade sales and alliances nonetheless necessitated value adjustments totalling USD 40.3 million to the portfolio of private companies. The largest of these were PTC Therapeutics (USD 15.0 million), Nereus Pharmaceuticals (USD 9.4 million), Interventional Spine (USD 5.8 million) and Cylene Pharmaceuticals (USD 5.0 million).

Public holdings made a modestly positive contribution to results overall. The valuation of Pacira Pharmaceutical rose by USD 15.5 million, while that of Basilea fell by CHF 10.4 million, despite positive developments in its operating business.

HBM BioVentures maintained its programme of shareholder-friendly capital management during the period under review, using a total of CHF 29 million realised from the portfolio to repurchase its own shares for subsequent cancellation. A further CHF 27 million was invested in existing private

NOT FOR DISTRIBUTION IN THE USA, CANADA, JAPAN OR AUSTRALIA

HBM BioVentures

portfolio companies, and CHF 82 million was dedicated to the expansion of the investment in Basilea. The outstanding bond of CHF 30 million was also repaid in full. HBM BioVentures thus has a sound balance sheet with no borrowed capital, but cash and cash equivalents of CHF 42 million.

Attached are abridged versions of the consolidated balance sheet and statement of income for the 2011/2012 financial year, as well as an overview of the Company's largest investment holdings. The detailed annual report for the 2011/12 financial year will be published at the end of May.

Positive developments in the portfolio

A number of companies in the portfolio posted very pleasing operating results. Pacira Pharmaceuticals received US-FDA approval for its post-operative paindrug Exparel™ at the end of October 2011, and began marketing of the drug in April 2012. In the first quarter of 2012, Basilea Pharmaceutica published positive data from a phase-III trial in the US of Toctino®, which is already approved in Europe. This should clear the way for a marketing application for the US market. Furthermore, Basilea was able successfully to conclude the analysis of data on the Ceftobiprole antibiotic from two phase III trials in patients with severe pneumonia. On the strength of these trials, the company intends to apply in the second half of 2012 for approval to market the drug in Europe.

Two companies from the portfolio of private companies were able to conclude major licensing agreements for drug candidates that are at an early stage of development. Enanta Pharmaceuticals received USD 34 million from Novartis under a licensing agreement for one of its two hepatitis C development programmes, and will be entitled to further milestone payments of up to USD 406 million. PTC Therapeutics, meanwhile, has entered into an alliance with Roche to develop a drug for the treatment of spinal muscular atrophy (SMA). It was paid USD 30 million up-front and is entitled to additional milestone payments of up to USD 460 million.

Outlook

HBM BioVentures expects the takeover market in the healthcare sector to remain strong. Many of the companies in the HBM BioVentures portfolio have developed well in recent months, or can look forward in the near future to events that are of significant importance to their future value growth. HBM BioVentures is thus well positioned to profit from this positive environment.

For further information, please contact Dr. Andreas Wicki, CEO HBM BioVentures, tel.: +41 41 768 11 08, andreas.wicki@hbmbioventures.com

NOT FOR DISTRIBUTION IN THE USA, CANADA, JAPAN OR AUSTRALIA

HBM BioVentures

Information on HBM BioVentures Ltd

HBM BioVentures invests in the healthcare sector. The Company holds and manages an international portfolio of some twenty five promising companies in the biotechnology/human medicine, medical technology and diagnostics sectors. Many of these companies have their lead products already available on the market, or at an advanced stage of development. The focus of investment is on follow-on financing for existing portfolio companies. These portfolio companies are closely tracked and actively guided in their strategic direction. This is what makes HBM BioVentures an interesting alternative to investments in big pharma and biotech companies. HBM BioVentures has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).

Disclaimer

This media release does not constitute an issue prospectus within the meaning of Art. 652a or Art. 1156 of the Swiss Code of Obligations, a listing prospectus in the sense of the SIX Swiss Exchange Listing Rules or a securities prospectus as defined in the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Publication is for information purposes only and constitutes neither an offer to sell nor an invitation to buy or subscribe for securities. This media release and the information it contains must not be distributed or forwarded to or within the United States of America (USA) or to US persons (including legal entities) or publications with a general circulation in the USA. This media release does not constitute an offer or invitation to purchase any securities in the USA. The securities of HBM BioVentures Ltd have not been registered under United States securities legislation and may not be offered, sold or delivered within the USA or to US persons without prior registration or the corresponding exemption from the registration requirements of US securities legislation.

HBM BioVentures Ltd

Bundesplatz 1 CH-6300 Zug | Tel: +41 41 768 11 08 | Fax: +41 41 768 11 09 | info@hbmbioventures.com
www.hbmbioventures.com

Consolidated Balance Sheet (short version)

(CHF 000)	31.3.2012	31.3.2011
Cash and cash equivalents	41'559	155'789
Other current assets	1'807	8'433
Total current assets	43'366	164'222
Investments	466'772	450'953
other non-current assets	37'351	13'152
Total non-current assets	504'123	464'105
Total assets	547'489	628'327
Current financial liabilities	0	36'166
Other current liabilities	2'039	2'933
Total current liabilities	2'039	39'099
Long-term financial liabilities	6'275	0
Total long-term liabilities	6'275	0
Shareholders' equity	539'175	589'228
Total liabilities and shareholders' equity	547'489	628'327
Number of shares outstanding (in 000)	9'047	9'635
Net Asset Value (NAV) per share (CHF)	59.60	61.15

Consolidated Income Statement (short version)

(CHF 000)	2011/2012	2010/2011
Gains / (losses) on investments, net	917	-45'743
Gains / (losses) from financial instruments, net 1)	-9'839	12'075
Gains / (losses) on other financial assets, net	565	-1'255
other revenues, net	6	15
Gross profit	-8'351	-34'908
Management fee	-8'211	-10'000
Administration expenses 2)	-6'586	-7'469
Financial result, net	-2'319	-4'002
Income taxes	-1	-3
Net result for the year	-25'468	-56'382
Currency translation differences (reported in shareholders' equity)	21	242
Total comprehensive income	-25'447	-56'140
Number of shares outstanding, time-weighted (in 000)	9'430	9'844
Basic earnings (net result) per share (CHF)	-2.70	-5.73

1) Thereof CHF 10,0 million loss on currency hedging instruments (previous year gain CHF 11,4 Million)

2) Thereof CHF 3,1 Million (previous year CHF 3,1 Million) from Tensys Medical Inc., a subsidiary with operating activities

Investments	Investment-currency (IC)	Ownership in %	Fair Value 31.3.2012 (IC Million)	Fair Value 31.3.2012 (CHF 000)	Fair Value 31.3.2011 (CHF 000)
<u>Private companies</u>					
Cathay Industrial Biotech	USD	13.4%	28.0	25'270	25'732
PTC Therapeutics	USD	10.2%	25.3	22'835	35'988
Lux Biosciences	USD	15.4%	24.0	21'622	17'646
Nabriva Therapeutics	EUR	13.1%	12.9	15'582	13'569
Ophthotech	USD	15.7%	16.5	14'853	15'125
Interventional Spine	USD	29.6%	15.1	13'647	17'479
Probiodrug	EUR	10.1%	7.6	9'151	7'338
Cylene Pharmaceuticals	USD	10.0%	8.6	7'791	11'212
Medimpulse Holding	USD	20.7%	8.3	7'485	7'622
Ellipse Technologies	USD	24.7%	8.0	7'223	0
Enanta Pharmaceuticals	USD	6.0%	7.7	6'947	7'074
Vivacta	GBP	17.1%	4.1	5'867	5'683
Delenex Therapeutics	CHF	15.3%	4.8	4'771	2'871
MiCardia	USD	9.1%	3.8	3'389	2'964
Westmed Holding	USD	11.5%	3.5	3'114	2'515
mtm laboratories 3)	EUR	0.0%	0.0	0	36'612
Mpex Pharmaceuticals 3)	USD	0.0%	0.0	0	9'526
Other investments				24'787	32'729
Total private companies				194'335	251'686
3) The company was sold during the financial year under review					
<u>Venture capital funds</u>					
Total venture capital funds				75'736	100'123
<u>Public companies</u>					
Basilea Pharmaceutica	CHF	23.8%	115.7	115'737	44'026
Pacira Pharmaceuticals	USD	13.6%	39.6	35'765	20'473
ChemoCentryx	USD	7.3%	28.1	25'373	15'764
Swedish Orphan Biovitrum	SEK	0.5%	31.2	4'256	4'679
SkyePharma	GBP	20.8%	1.9	2'804	3'006
China Nuokang	USD	1.8%	1.1	1'024	1'503
Other investments				11'742	9'694
Total public companies				196'701	99'144
Total investments				466'772	450'953