

Media Release

Zug, 31 July 2015

HBM Healthcare Investments Quarterly Report June 2015

After nine positive quarters in succession, performance in the first period of the current financial year 2015/2016 experienced a modest decline. The Company posted a loss of CHF 45.5 million overall for the quarter. Approximately half of this was attributable to foreign currency movements.

Factoring in the cash dividend of CHF 5.50 per share that was paid out on 6 July 2015, the net asset value (NAV) per share contracted by 4.3 percent to CHF 129.00 (after the cash dividend). The share price, which still took into account the right to the cash dividend as at 30 June 2015, slipped by 1.4 percent to CHF 106.50 per share during the quarter under review.

Key developments within the portfolio

A total of CHF 20 million was invested in private companies from the portfolio during the first quarter of the current financial year.

In April, Vienna-based **Nabriva Therapeutics** completed a USD 120 million financing round with a syndicate of new investors from the USA, led by Vivo Capital and Orbimed. The first tranche of USD 50 million has been paid in to date, with HBM Healthcare Investments contributing USD 7.7 million as part of a total commitment of up to USD 20 million. Nabriva will use the funding to finance the phase III trial of its lefamulin compound, a novel pleuromutilin-class antibiotic. In mid-June 2015 the company also registered for an IPO on the US exchange NASDAQ.

At the end of June 2015, French company **Advanced Accelerator Applications (AAA)** announced that it had completed a financing round worth EUR 23 million. Its new backers include well-known US investors Adage Capital Management, T. Rowe Price Associates, and Rock Springs Capital. The injection of capital at a higher valuation boosted the value of our holding by 20 percent. HBM Healthcare Investments spent a total of EUR 8.3 million on purchasing additional shares in AAA, on the same terms as the recently-completed financing round.

AAA achieved sales of EUR 69.9 million from its diagnostics business in calendar 2014 (+29.9% compared with 2013). In addition, the company is currently conducting a phase III clinical trial of its Lutathera compound for the treatment of neuroendocrine tumours. Data from the study are due to

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

HBM Healthcare Investments

be published in the third quarter of 2015. At the end of June, AAA was also able to conclude a distribution agreement for Lutathera in the Japanese market.

Californian medtech company **Ellipse Technologies**, which successfully commercialises two products for the treatment of spine deformities and other orthopaedic applications, secured USD 10 million in new financing by taking up a convertible loan. The funding will be used to drive further growth. HBM Healthcare Investments contributed USD 3.3 million to this financing round, and invested a further USD 1.6 million in the company by exercising warrants.

Outlook

The persistent uncertainty surrounding Greece proved something of a worry to the markets as we embarked on the second quarter of the current financial year. Apart from the effect that the general market climate may have on valuations, we nonetheless remain confident about the potential that our portfolio offers.

The coming months will bring two important events for HBM Healthcare Investments: the publication of phase III trial results from AAA on Lutathera, and from PTC Therapeutics on Ataluren. We are very much looking forward to this exciting stage of development. In both cases, positive findings would smooth the way for US market approval.

To the extent that market conditions permit, we also expect IPOs from our portfolio of private companies. Where new investments are concerned, we have a number of projects for which due diligence is well advanced, and expect to close a number of these transactions successfully over the coming months.

The online version of the Quarterly Report as at 30 June 2015 is available on the HBM Healthcare Investments Ltd website www.hbmhealthcare.com.

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

Information on HBM Healthcare Investments Ltd

HBM Healthcare Investments actively invests in the human medicine, biotechnology, medical technology and diagnostics sectors, and related areas. The company holds and manages an international portfolio of some twenty five promising companies. 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 on their strategic directions. This is what makes HBM Healthcare Investments an interesting alternative to investing in big pharma and biotech companies. HBM Healthcare Investments has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).

HBM Healthcare Investments AG

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

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

HBM Healthcare
Investments

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 Healthcare Investments 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 Healthcare Investments AG

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