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PRESS RELEASE

Ypsomed's OptiClik® pen does not infringe any patents

In connection with allegations that the OptiClik® pen could be infringing a US patent, Ypsomed has commissioned both an internal and an external expert opinion, both of which have concluded that the OptiClik® pen device made by the company does not infringe the patent claims of Novo Nordisk. Ypsomed therefore considers the accusations made by Novo Nordisk to be unjustified. The patent infringement suit has no effect on production of the OptiClik® pen or on the further expansion of production capacities at Ypsomed.

Burgdorf, 7 October 2005, 7:30am – On 22 September 2005, Novo Nordisk announced that it has filed a US lawsuit against Sanofi-Aventis alleging patent infringements by the OptiClik® pen system produced by Ypsomed and distributed by Sanofi-Aventis on the US market. The lawsuit refers exclusively to the sale of the OptiClik® pen in the USA and is based solely on one patent issued to Novo Nordisk in the USA. Although the patent infringement accusations in Novo Nordisk's lawsuit against Sanofi-Aventis are non-specific and are not aimed at Ypsomed directly, Ypsomed has to its best knowledge of the accusations initiated internal and external evaluations.

Expert opinion from patent attorneys does not consider there to be any patent infringement by OptiClik®

On the one hand, an internal group of experts was deployed to investigate the patent issue. This group came to the conclusion that the OptiClik® pen does not infringe the US patent. On the other hand, at the same time, Ypsomed instructed prominent patent attorneys to compile a formal expert opinion in this regard. Ypsomed has now received the expert opinion, which also concludes that the OptiClik® pen produced by Ypsomed infringes none of the patent claims asserted by Novo Nordisk.

Ypsomed considers accusations to be unjustified

Against the background of the clear results of both the internal and external analyses, Matthew Robin, CEO of Ypsomed, issued this confident statement: "The expert opinion received from patent specialists reflects the internal investigation conducted by Ypsomed and the statements of Sanofi-Aventis, that the accusations are unjustified. During the development of complex, technical products, careful patent checks are carried out as early as the design stage, and patents as well as patent registrations are investigated in detail". As a basic principle, when developing new pen systems at Ypsomed, a variety of technical solutions are always developed in parallel, which was also the case with OptiClik®.

Patent infringement suit to have no effect on expansion

After further discussions with Sanofi-Aventis, Willy Michel, Chairman of the Board of Directors of Ypsomed Holding AG, made the following statement: "The patent infringement suit will have no effect on production of the OptiClik® pen or on the scheduled expansion of production capacities. Our business growth is on track and we can already confirm that we will achieve our communicated sales targets for the first 6 months in the business year 2005/06 ." The partnership between Sanofi-Aventis and Ypsomed is based on a 20 year successful collaboration. The OptiClik® pen developed and produced by Ypsomed is the first pen system of its kind in the world and has proved very popular among customers since its launch. Several hundred thousand OptiClik® pens have already been sold and the pen is scheduled to be introduced in other countries after the USA and Japan.

Further information is available from Daniel Kusio, Head of Investor & Public Relations at Ypsomed Holding AG. Tel. +41 34 424 41 43 or Tel. +41 34 424 41 11. This press release and further documents are available in electronic form at www.ypsomed.com.

Information about Ypsomed Holding AG

Operating in the field of medical technology, Ypsomed is the leading independent manufacturer of injection pens for pharmaceutical and biotech companies and also one of the leading suppliers of pen needles. The fast-growing medical technology business with its headquarters in Burgdorf (Switzerland) is backed by over 18 years of experience and has gained a high reputation for the consistently high quality, safety and reliability of its products, as well as its proven expertise in diabetes treatment. Due to a broadly based technology platform and over 150 patent families, Ypsomed is regarded as the technology and innovation leader in this industry. Ypsomed's core business is the development, manufacturing and marketing of products and services which allow patients to administer their own medication in a safe and simple way. The range of custom-made injection pens extends from simple disposable pens and pens with variable dosing and an electronic display through to highly complex injectors with multifunctional electronics. Ypsomed also manufactures compatible pen needles with unique click-on function for both its own and all other widely available pens. As a distributor of pen needles in the major European markets, Ypsomed is in direct contact with patients, doctors and diabetes nurses. The Ypsomed Group consists of Ypsomed AG with subsidiary companies in Germany, France, the Netherlands and Scandinavia, Ypsotec AG in Grenchen and TecPharma Licensing AG in Burgdorf. All manufacturing is based at three sites in Switzerland, Burgdorf, Solothurn and Grenchen. The Ypsomed Group has a over 900 employees, 780 of which are based in Switzerland.

Information on market and industry trends

Innovative devices and systems enabling patients to inject drugs themselves (Medical Selfcare Solutions) are increasingly popular because they make a large contribution to ensuring therapeutic success whilst at the same time improving the patient's quality of life. Injection pens are simple to use, offer precise dosing and are psychologically better accepted than traditional syringes. Straightforward, user-friendly appliances facilitate correct handling by patients, which in turn results in higher therapeutic success rates. Injection systems therefore represent a key success factor for pharmaceutical and biotech companies. In an increasingly competitive environment, they also provide companies with an important marketing instrument for differentiating their own drugs from those of their competitors. Injection therapies are therefore continually being extended to new areas. Diabetes is currently the main application, but other existing uses or likely candidates for injection treatments with devices include anaemia, hepatitis, infertility, osteoporosis, psoriasis, rheumatoid arthritis, thrombosis and growth disorders. An ageing population also means additional growth in the total market. Moreover, pharmaceutical and biotech companies have numerous substances in their pipelines which will provide promising new treatments (some of which will have unique new modes of action) for serious illnesses, thereby significantly improving the quality of life enjoyed by those concerned. Many of these new drugs are manufactured using biotechnological methods and have to be injected because of their large chemical structure, and demand for custom made injection systems is set to grow.