
MEDIA RELEASE

Ypsomed Holding AG publishes conditions of its capital increase

Burgdorf, June 24, 2009, 7:00 p.m. – At today's General Meeting of Shareholders of Ypsomed Holding AG, the shareholders approved all the proposals from the Board of Directors. Among other things, a capital increase in the amount of approx. CHF 100 million was decided on, which further strengthens Ypsomed's equity base and secures financing for the company's targeted growth. The new registered shares are being offered to existing shareholders, by granting subscription rights, at prevailing market conditions with a discount of between 2% and 3%. The new shares are also eligible for the par value repayment of CHF 0.60 per share in September 2009. The transaction structure with an integrated increase of the par value of the existing shares creates a higher basis for future, tax-efficient dividend payments.

General Meeting of Shareholders approves capital increase – subscription period from June 25 to July 3, 2009

In response to a proposal from the Board of Directors of Ypsomed Holding AG, the General Meeting of Shareholders today decided to increase the share capital by CHF 80'115'008.25 to CHF 189'746'085.00. The increase will take the form of a rights offering, where payment of the new registered shares will be made partly in cash and partly be offset against the existing shareholder loan provided by Dr. h.c. Willy Michel and Techpharma Management AG, which he fully controls. The 1'405'526 new registered shares are being offered to existing shareholders of Ypsomed Holding AG by granting subscription rights. Eight existing shares entitle a shareholder to subscribe for one new share. The subscription price will be announced on Friday, July 3, 2009, after the stock market has closed, and it is anticipated that a discount of between 2% and 3% compared to prevailing market price will apply. The period for the exercise of subscription rights starts tomorrow, Thursday, June 25, 2009, and ends on Friday, July 3, 2009, at 12:00 noon CET. There will be no trading in subscription rights.

Majority shareholder Dr. h.c. Willy Michel has committed to acquiring all non-subscribed shares

Dr. h.c. Willy Michel has made a commitment to the company to fully exercise all subscription rights to which he is entitled to as part of the capital increase and accordingly to subscribe for the corresponding new registered shares. Furthermore, he has committed to acquiring, at the subscription price, all new registered shares that will not have been subscribed for by the end of the subscription period. The new registered shares will be entitled to the payment of dividends from the 2008/09 business year onwards and will consequently participate in the par value repayment of CHF 0.60 per registered share that today's General Meeting of Shareholders has resolved upon and that will take place in September 2009.

Innovative structure of the capital increase with an increase of the par value of the existing shares

In connection with the capital increase, part of the difference between the subscription price and the current par value will not be added to Ypsomed Holding AG's capital surplus but will be used to increase the par value of all existing registered shares by CHF 5.25 from CHF 9.75 to CHF 15.00. Chairman Dr. h.c. Willy Michel states, "I am very pleased that in particular all private investors of Ypsomed Holding AG are also able to benefit from this innovative capital increase through an increase of the par value. Thanks to this move, we will be able to make additional tax-free dividend payments to private Swiss investors in the future." Zürcher Kantonalbank is mandated as lead manager for the capital increase with a combined increase of the par value of the existing shares.

Capital increase further improves the equity ratio and secures the financing for the targeted growth

CEO Richard Fritschi explains the reasons behind the capital increase as follows: "Ypsomed intends to use the funds from the capital increase for continued internal and external growth, in particular for up-front investments in setting up production for new injection systems, as well as for the imminent market development for Bionime's new Pura™ blood glucose monitoring system in Europe. In connection with this, we are also currently examining a potential increase in our stake in Bionime." Through the conversion of part of the shareholder loan provided by the majority shareholder and Techpharma Management AG, a company fully controlled by him, Ypsomed is also increasing its equity base.

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 media release as well as additional information are available in electronic format at www.ypsomed.com.

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