
P R E S S R E L E A S E

Ypsomed takeover of Florian Müller Holding GmbH boosts diabetes direct business in Germany

Burgdorf, 7th August 2007, 07:00am – With effect from 1 July 2007 and at a cost of around EUR 11 million (approx. CHF 18 million), Ypsomed has bought 100% of the shares in Florian Müller Holding GmbH, thus providing nationwide coverage in diabetes direct sales and distribution throughout Germany, with the focus on the care of insulin pump patients. With the acquisition of Florian Müller Ypsomed is consolidating its position in the strategically important diabetes business and, is diversifying its future sales base by around EUR 22 million (approx. CHF 36 million).

Ypsomed's takeover of Florian Müller Holding GmbH makes it a nationwide supplier in the diabetes direct business throughout Germany

On 1 July 2007 Ypsomed acquired the business operations of the Hamburg-based Florian Müller Group for around EUR 11 million. With expected sales of EUR 22 million in 2007, Florian Müller is a major supplier of products and equipment for the management of diabetes in Germany. The range of products includes blood glucose test strips, insulin pumps and accessories, (safety) lancets and needles and additional products needed by diabetics, which they have delivered directly to their home or they purchase from shops specialising in diabetes supplies.

Ypsomed strengthens position in the diabetes business and diversifies turnover basis

CEO Richard Fritschi comments: "With the acquisition of Florian Müller, Ypsomed consolidates the strategically important DiaExpert diabetes business, thus offering nationwide provision in the diabetes direct business throughout Germany. Ypsomed is now far and away the number one provider for patients receiving insulin pump therapy or intensive insulin therapy, thereby diversifying its future sales by around EUR 22 million." In the Ypsomed business year 2007/08, the additional share of sales from Florian Müller will amount to around EUR 15 million (approx. CHF 24.5 million) for the period from August 2007 to March 2008. Ypsomed expects synergies from the acquisition of Florian Müller with the existing DiaExpert diabetes direct business, bringing with it geographical enlargement and an extension of service and sales capacity. The merger results in a range of products and services including a helpline, customer service, online shop, client

magazine, health insurance service, etc. This will make Ypsomed the preferred point of contact for all target groups in matters related to diabetes.

"With over 200'000 customers in the diabetes mail order business, Ypsomed now has the largest independent diabetes sales and marketing organisation in the whole of Germany and its strengthened sales force will boost sales of its own pen needles and other products. Nationwide provision, expertise and experience, together with a comprehensive range of services, also make Ypsomed an attractive partner for health insurance funds in Europe's largest market," says Detlef Jantos, Senior Vice President Marketing & Sales.

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