

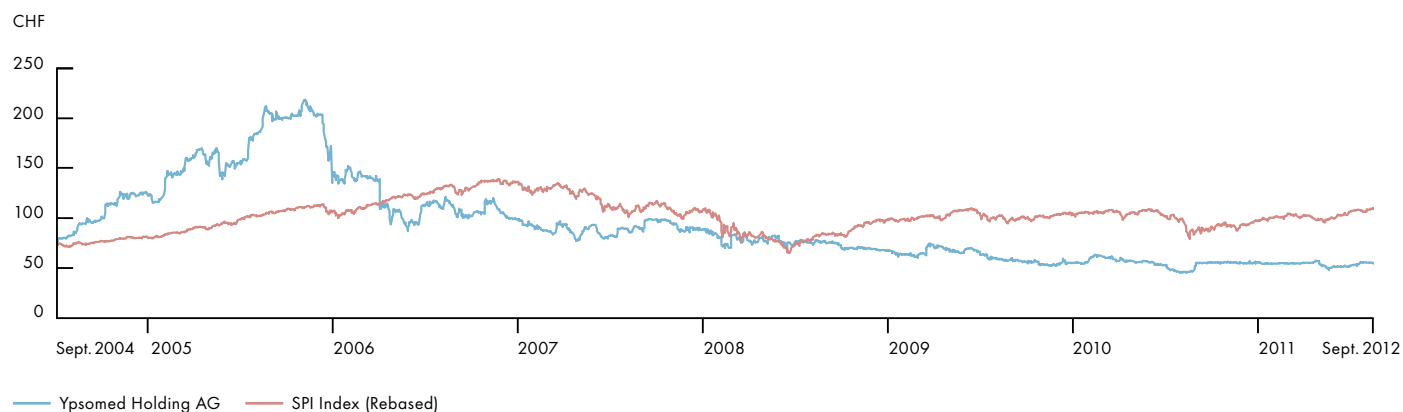


## Ypsomed key figures at a glance

In thousand CHF	April 1, 2012 – Sept. 30, 2012	April 1, 2011 – Sept. 30, 2011	Change	in %
<b>Sales of goods and services</b>	<b>119 745</b>	<b>122 840</b>	<b>-3 094</b>	<b>-2.5%</b>
thereof delivery devices	69 115	77 724	-8 609	-11.1%
thereof diabetes direct business	42 695	36 832	5 862	15.9%
thereof others	7 936	8 283	-347	-4.2%
<b>Gross profit</b>	<b>27 360</b>	<b>28 486</b>	<b>-1 126</b>	<b>-4.0%</b>
<b>Gross profit in %</b>	<b>22.8%</b>	<b>23.2%</b>		
<b>Operating profit</b>	<b>2 429</b>	<b>2 982</b>	<b>-553</b>	<b>-18.5%</b>
<b>Operating profit in %</b>	<b>2.0%</b>	<b>2.4%</b>		
<b>Net profit</b>	<b>2 037</b>	<b>7 586</b>	<b>-5 549</b>	<b>-73.1%</b>
<b>Net profit in %</b>	<b>1.7%</b>	<b>6.2%</b>		
<b>Earnings per share (in CHF)</b>	<b>0.16</b>	<b>0.60</b>	<b>-0.44</b>	<b>-73.1%</b>
<b>Research and development expenditures, total</b>	<b>10 240</b>	<b>12 704</b>	<b>-2 463</b>	<b>-19.4%</b>
<b>Investments in fixed assets</b>	<b>8 126</b>	<b>3 488</b>	<b>4 639</b>	<b>133.0%</b>
<b>Equity ratio in %</b>	<b>63.6%</b>	<b>66.6%</b>		
<b>Employee headcount (as of 30 September)</b>	<b>1 020</b>	<b>1 070</b>	<b>-50</b>	<b>-4.7%</b>
<b>Employees fulltime equivalents (as of 30 September)</b>	<b>974</b>	<b>1 027</b>	<b>-53</b>	<b>-5.2%</b>

Unaudited Swiss GAAP FER figures. In thousand CHF. Earnings per share in CHF.

## Share Price Development



## The first half of the 2012/13 business year at a glance

In the first half of 2012, Ypsomed generated consolidated sales of CHF 119.7 million, 2.5% less than in the previous year (CHF 122.8 million). The fall in sales was primarily due to production of OptiSet® and OptiPen® Pro pens for Sanofi being discontinued. During this period, the business with newly acquired pen system customers and the diabetes business developed according to plan. The 15.9% increase in sales in the Diabetes Direct business from CHF 36.8 million to CHF 42.7 million was very pleasing. This growth was mainly fueled by the sharp sales growth of over 75% enjoyed by mylife™ OmniPod® insulin pumps. The gross profit margin was 0.4% below the previous year's level, mainly due to CHF 0.9 million in additional costs for further developing the existing product platforms.

### Rigorous cost management helps Ypsomed stay profitable

The measures initiated last year to boost efficiency and cut costs had a positive impact during the first half of the 2012/13 business year. They resulted in a CHF 0.5 million fall in marketing and sales expenses year-on-year. Overall, an operating profit (EBIT) of CHF 2.4 million was recorded in the first half of the 2012/13 business year, slightly less than in the previous year (CHF 3.0 million). The EBIT margin was 2.0% as against 2.4% in the same period last year, which, as indicated, was due mainly to the loss of sales from the OptiSet® and OptiPen® Pro products as well as to persistently high levels of expenditure on the launch of new mylife™ Diabetescare products. In addition, Ypsomed's Ypsotec subsidiary, which manufactures mechanical precision parts, has felt the increased pressure on margins, posting an operating loss of CHF 0.8 million in a difficult environment. Despite these challenges, the Ypsomed Group remains profitable, generating a consolidated profit of CHF 2.0 million for the first half of the 2012/13 business year. Net profit was down on the previous year, as financial income for the first half of the 2011/12 business year was particularly high at CHF 7.7 million, a figure influenced by the one-off profit of CHF 5.1 million from the sale of non-current financial assets and a CHF 1.0 million increase in the dividend payout on financial investments.

### Ypsomed investing in Switzerland

Cash flow from operating activities in the period under review amounted to CHF 8.8 million. Compared to the same period in the previous year, the key difference lay in the sharp CHF 6.0 million increase in trade receivables, due to the fact that significant payments from pharmaceutical partners were not received until the start of the subsequent period. Cash flow from investing activities increased on the same period last year as Ypsomed invested a total of CHF 8.1 million in fixed assets in the first half of the 2012/13 business year (same period in the previous year: CHF 3.5 million). Ypsomed is committed to Switzerland as a production center, with the lion's share of investments having been made at its Swiss manufacturing sites, most notably in the expansion of pen needle production. The company also invested CHF 10.2 million in research and development, capitalizing CHF 4.0 million of this as development costs for product development of its own insulin pump and other platform products.

### Major shareholder Willy Michel extends shareholder loan

The shareholder loan from Willy Michel was reduced by CHF 4.5 million to CHF 20.0 million in the first half of the 2012/13 business year. At the same time, its term was extended from the end of March 2014 to the end of March 2017, with annual repayments being cut from CHF 10.0 million to CHF 5.0 million. Major shareholder Willy Michel was reaffirming his commitment to Ypsomed as he firmly believes in the Group's strategy and future prospects. Ypsomed's balance sheet remains extremely robust thanks to equity of CHF 217.7 million after paying a dividend of CHF 2.5 million from capital reserves as well as an equity ratio of 63.3%.

### Ypsomed weighing up investment opportunities

At the General Meeting of Shareholders on June 27, 2012, the shareholders approved the Ypsomed Group's growth strategy and passed the motion for an authorized capital increase. This will enable capital to be raised quickly if required to finance the further development and expansion of international sales channels and production facilities. Ypsomed is looking into several possible investments but has yet to reach any concrete decisions.

## Potential for growth in the global pharmaceutical market

With its delivery systems business, Ypsomed has a global position in the pharmaceutical market. According to up-to-date information from IMS Health, 2012 represents a turning point in the pharmaceutical market, to a peak in patent expirations for blockbuster drugs. IMS Health anticipates that growth in medicines continue to increase after 2012, and global growth rates in the pharmaceutical market will rise to between 5–7% by 2016. As the illustration below shows, the increase in Asia and Latin America is much higher than in the mature markets in Europe, America and Japan. Particularly high growth rates are shown above all by China, India, Russia and Brazil as

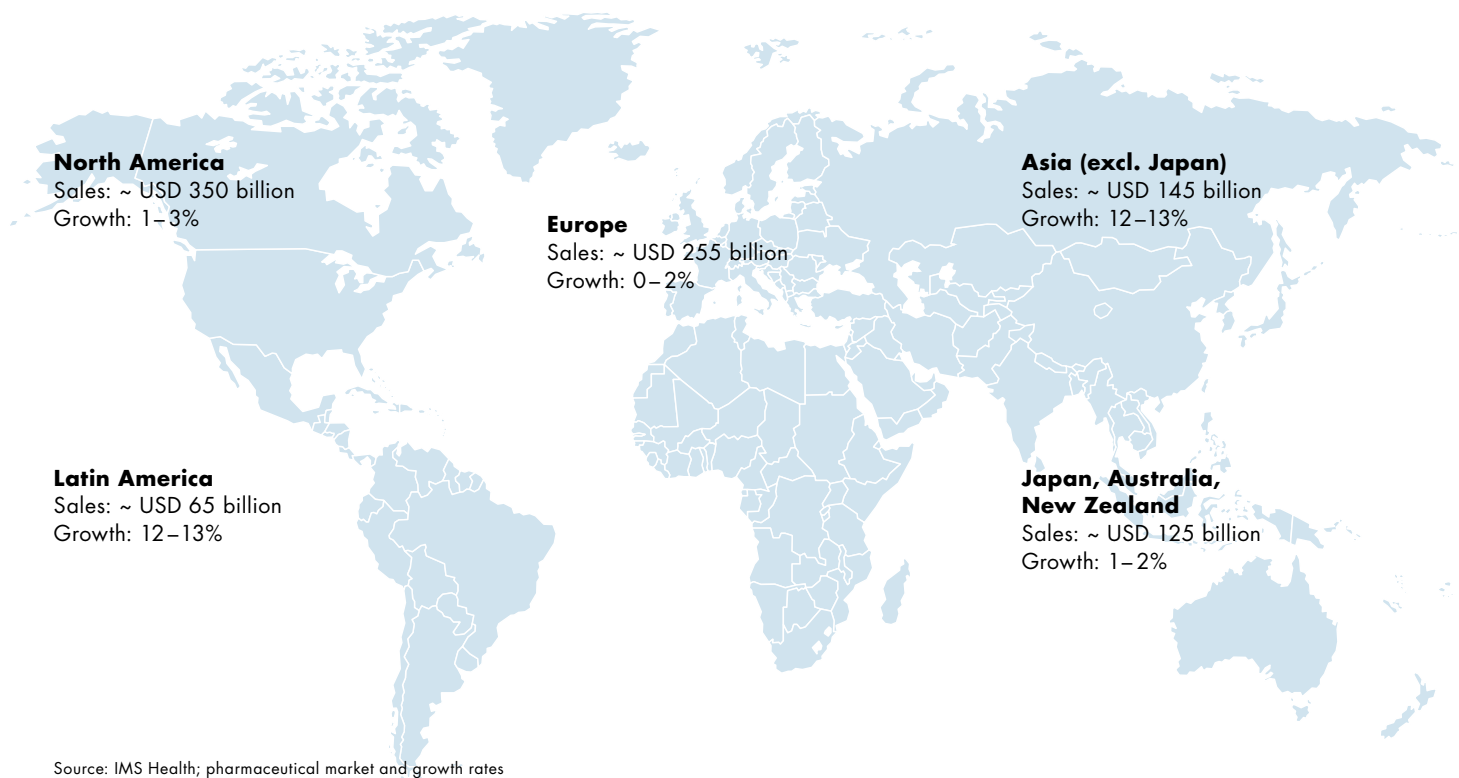
well as South Korea, Mexico and Turkey. In spite of the trend towards cost savings in the health sector, because of the aging population and the rising standard of living, combined with better health care, IMS Health is forecasting a rise in spending from today's USD 956 billion to USD 1 200 billion in 2016.

Ypsomed is confident that it will benefit from this growth potential in the pharmaceutical market. The market launch of new pen systems, through orders for the ServoPen® that have been received from pharmaceutical customers in Asia, confirms that Ypsomed's strategic focus is the right one.

*"With YDS Ypsomed Delivery Systems, Ypsomed has a global position in the pharmaceutical market."*

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### Ypsomed has a presence in all the growth markets



## Delivery Device business

In its Delivery Device business, which includes pen systems, pen needles and infusion sets, Ypsomed posted sales of goods and services worth CHF 69.1 million in the first half of the 2012/13 business year, as against CHF 77.7 million in the same period in the previous year. The fall in sales caused by production of the OptiSet® and OptiSet® Pro pens being discontinued was in the double-digit million range and could only be partially offset by increased sales of all other Delivery Device products. In the first half of the 2012/13 business year, Ypsomed generated an operating profit of CHF 5.7 million in its Delivery Device business compared with CHF 8.7 million in the same period last year. With its current portfolio of injection systems and its newly acquired pharmaceutical customers, Ypsomed is confident in its ability to increase sales and profit once more in its Delivery Device business in the future.

## YDS umbrella brand launched successfully

Ypsomed Delivery Systems, or YDS for short, is a comprehensive service offering from Ypsomed for pharmaceutical and biotech companies, and includes products and services for injection systems, ranging from a portfolio of easy to customize injection systems, through the development and manufacture of customer-specific injection systems, to the packaging of pen systems with the medication. The “YDS Ypsomed Delivery Systems” umbrella brand, which was introduced during the last business year, positions Ypsomed as an expert full-service supplier for global as well as local pharmaceutical and biotech customers in emerging countries. At the same time, YDS makes Ypsomed a flexible partner for custom products and the contract manufacture of high-quality injection systems or components for medical technology products.

*“Ypsomed Delivery Systems offers a comprehensive range of technologies and services for reliable and user-friendly injection systems for self-medication.”*



### YDS Ypsomed Delivery Systems



Custom products



Contract development



Contract manufacturing



Drug & device assembly

## Transfer of production for the mylife™ Orbit® infusion set completed

With the acquisition of the infusion set business of ICU Medical Inc., Ypsomed has become a manufacturer of infusion sets. Production was transferred on schedule from ICU Medical Inc. to OmniGroup at the new site in Queretaro (Mexico) in the first half of the year. As a partner of Ypsomed, OmniGroup, which is part of Adval Tech, has built a clean-room at its site in Mexico and has had its production facilities audited by SQS. Ypsomed began transferring product management to Burgdorf in June and is expecting production to be successfully validated by November 2012. The marketing of the mylife™ Orbit® infusion sets via Ypsomed's subsidiaries in Europe and via the mylife™ Diabetescare distribution partners had a successful start in the first half of the 2012/13 business year. The mylife™ Orbit® infusion set has been well received by patients who use an insulin pump with a Luer lock connection because the system allows significantly more freedom of movement compared with a conventional catheter thanks to the connection that fully rotates around 360°.

*“With the mylife™ Orbit® infusion set, Ypsomed is increasing its market share in the diabetes care business, and, in view of the launch of its own economical and user-friendly insulin pump, it secures the availability of this important accessory.”*

mylife™ Orbit®



## Other major orders for the ServoPen® insulin pen in Asia

The ServoPen® insulin pen, which Ypsomed developed in-house and which has received numerous design awards, is becoming the prime success story of the YDS Custom Products range. After Tonghua Dongbao Pharmaceutical (China), Square Pharmaceuticals Ltd. and Incepta Pharmaceuticals Ltd. (Bangladesh both) opted for the innovative and user-friendly ServoPen® insulin pen, Ypsomed has now received orders for the Swiss-made ServoPen® from two further pharmaceutical companies from the Middle East and the Indian subcontinent.

ServoPen®



reddot design award  
winner 2010



## Ypsomed signs new distribution agreements in Canada and Saudi Arabia

In the first half of the 2012/13 business year, Ypsomed signed two new distribution agreements for mylife™ Orbit® infusion sets and mylife™ Clickfine® pen needles. In Canada, the company Insulinpumps Inc., with its own customer service department that specializes in diabetes, will market the mylife™ Diabetescare products mylife™ Orbit® and mylife™ Clickfine®, which are produced by Ypsomed. Today, there are over 2.5 million people with diabetes living in Canada, around 250 000 of whom are Type 1 diabetics. The founder and head of Insulinpumps Inc., Melany Hellstern, worked for Disetronic and Roche until 2006, and is regarded as one of the most experienced diabetes customer advisers in Canada. Insulinpumps Inc. is focused on marketing via pharmacies, and supplies over 50% of Canada's approximately 8 800 pharmacies.

Ypsomed has also enjoyed success on the market in the Middle East for some years now and markets pen needles and other mylife™ Diabetescare products via a number of distributors. Ypsomed has recently gained another important distribution partner in the form of Tamer, a company successfully established in Saudi Arabia. Tamer has seven distribution centers across the country, and supplies medicines, medical equipment and health products direct to pharmacies, clinics and hospitals. Saudi Arabia is an extremely interesting market in that 6.9 million people out of a total population of 29 million are diabetic. Saudi Arabia thus has one of the highest rates of diabetics in the world at over 23%. The International Diabetes Federation (IDF) estimates that the number of diabetics in the Middle East will double from approximately 26 million today to over 52 million in 2030.

***“Ypsomed is expanding production capacities for pen needles in Solothurn by a considerable 40%, clearly demonstrating its commitment to Switzerland as a production location.”***



## Ypsomed celebrates 20 years of pen needles

In 1992, Ypsomed started the production of special needles for pen systems, and this year marks its twentieth anniversary. The pen needles, which are developed and manufactured in-house and marketed in over 50 countries around the world, have become a product line that generates strong sales within the Ypsomed Group. The success story began 20 years ago, with a pen needle that Ypsomed – or Disetronic, as it was then known – developed for the OptiPen® insulin pen from the pharmaceutical group Hoechst. A second product line followed in 1996, with the mylife™ Penfine® pen needle, and the patented mylife™ Penfine® “universal click” pen needle was launched in 2002. Unlike all conventional pen needles, it does not have a screw connection, but can be used with all current pen systems on the market thanks to a simple click. Ypsomed went on to expand the range of pen needles on offer, including the mylife™ Optifine® pen needle in 2004, followed in 2010 by the mylife™ Clickfine® pen needle and mylife™ Clickfine® AutoProtect™ safety pen needle, which is particularly suitable for use in hospitals and care homes. Pen needles from Ypsomed are available in five different lengths, from 4 mm to 12mm.

## Expansion of pen needle manufacturing in Switzerland

In recent years, Ypsomed has consistently invested considerable funds in expanding its production facilities: in Solothurn it has built up an ultra-modern pen needle manufacturing facility, while in Burgdorf it has further optimized its original pen needle facility. In order to enable efficient production of the rising volume of pen needles that the market is demanding around the world, Ypsomed ordered an additional needle assembly line in the first half of the 2012/13 business year and has begun expanding its capacity for injection molding. Thanks to the increasing use of pen systems worldwide, particularly in emerging countries, Ypsomed sees considerable growth potential for the high-quality pen needles that it produces in-house.

## Ypsomed's Diabetes Direct business enjoying steady growth

In its Diabetes Direct business (mylife™ Diabetescare products excluding pen needles and infusion sets), Ypsomed posted sales of goods and services worth CHF 42.7 million in the first half of the 2012/13 business year, up an impressive 15.9% on the same period in the previous year. Particularly pleasing was the jump in sales of over 75% enjoyed by the mylife™ OmniPod® insulin pump. Although the operating result from the Diabetes Direct business was negative due to persistently high marketing and sales costs for the launch of new products in the first half of the 2012/13 business year, it nonetheless improved significantly from CHF -5.8 million in the equivalent period last year to CHF -2.5 million, mainly thanks to increased sales generated by the patch pump and to cost optimization measures. Ypsomed is confident that its investments in the Diabetes Direct business will have an increasingly positive financial impact, as highlighted by the improving sales figures and the progress made with the operating result.

## Innovative products under the mylife™ Diabetescare umbrella brand

The mylife™ Diabetescare range includes all the diabetes products that Ypsomed manufactures or distributes, such as the mylife™ Optifine® and mylife™ Clickfine® pen needles, the mylife™ Clickfine® AutoProtect™ safety pen needle and the mylife™ Orbit® infusion set as well as the mylife™ OmniPod® insulin patch pump and the mylife™ Pura® blood glucose monitoring system. Further information on mylife™ Diabetescare and the innovative and user-friendly products can be found at [www.mylife-diabetescare.com](http://www.mylife-diabetescare.com).

*“Ypsomed is investing in expanding its strategic Diabetes Care business segment and is continually introducing new products under its own mylife™ Diabetescare umbrella brand.”*

## The new and smaller mylife™ OmniPod® patch pump is now available in Europe

The new mylife™ OmniPod® was recently tested by patients in Germany in the context of a scientific study at the Institute for Diabetes Technology (IDT) in Ulm. The results of the study were very positive, and once again show that patients rate the mylife™ OmniPod® highly. Ypsomed has been marketing the mylife™ OmniPod® insulin patch pump, the only tubing-free insulin pump available on the market worldwide, with great success in Europe since 2010. Ypsomed's market share with its mylife™ OmniPod® insulin pump is now as high as 5% in the main markets supplied by Ypsomed: the Netherlands, Germany, the UK, Switzerland and Austria. mylife™ OmniPod® customers are very pleased with the reliable and user-friendly patch pump. Ypsomed is already introducing the second-generation mylife™ OmniPod® insulin pump, which was announced at the European Diabetes Congress, in the Netherlands and the UK. By the end of 2012, it will also be introduced in Germany, Switzerland and Austria. Launches in other countries are planned over the next six months.

*“The new pod is 34% smaller, 16% flatter, 25% lighter, and still has an insulin reservoir for 200 units.”*

### mylife™ OmniPod®





## Ypsomed launches the new mylife™ Unio™ blood glucose monitoring system

Ypsomed has asked diabetes patients and medical staff what the ideal blood glucose meter should look like. In cooperation with Bionime Corp., Ypsomed has consistently taken account of the wishes and suggestions of the people who were consulted to develop its new mylife™ Unio™ blood glucose monitoring system. With mylife™ Unio™, a new metering system has thus been developed that fully meets the needs of users:

- The mylife™ Unio™ is flat, ultra-compact, accurate and robust.
- The mylife™ SmartCase™ is handy for people on the move, and enables convenient and discreet measurement in just a few steps.
- Integrated into the compact set is the newly developed mylife™ AutoLance™, a high-precision lancing device with automatic loading and trigger function, for drawing blood easily, constant and virtually painlessly.
- The test strips are kept in a new, flat storage box, and thanks to the use of the GDH-XT™ enzyme and the HDST signal transmission, they supply very precise measurements.

The mylife™ Unio™ blood glucose monitoring system, was presented at the EASD European Diabetes Congress in October 2012 in Berlin, is setting new standards. Together with its production partner Bionime in Taiwan, Ypsomed is currently preparing to launch the product at the beginning of 2013 in Europe.

mylife™ Unio™



## The market launch for mylife™ DailyDose™ has begun

In May 2012, Ypsomed signed a distribution agreement for mylife™ DailyDose™ with the Swedish manufacturer Insulin AB. mylife™ DailyDose™ is a unique self-injection system the size of a credit card, with three very small syringes that are pre-filled with the daily insulin requirement. In August 2012, Ypsomed began to introduce mylife™ DailyDose™ in Germany, and it is currently launching the innovative and convenient product in Switzerland, Austria, Norway, the UK and the Netherlands. mylife™ DailyDose™ is particularly suitable for children and as a supplementary product for adults.

*“Thanks to its small size and the transparent packaging shell, mylife™ DailyDose™ is discreet and easy to use.”*

mylife™ DailyDose™



## Outlook

As announced when the most recent annual figures were published, the first half of the 2012/13 business year proved moderate in terms of sales and the result, mainly due to the discontinuation of the OptiSet® pen. The second half should bring improved results with production and sales of pen needles in the Delivery Device business being increased. We are also expecting steady sales growth in the mylife™ Diabetes Direct business, especially with the launch of the new mylife™ OmniPod® insulin pump and the new mylife™ Unio™

blood glucose monitoring system. In addition, ongoing efforts to optimize costs and better utilization of available production capacities in Burgdorf and Solothurn will boost Ypsomed's profitability. We are expecting an operating profit to remain at last year's level despite a slight dip in sales.

We remain confident and firmly behind the strategy we have chosen and the market potential of our products. Our special thanks go to you, dear shareholders, for the trust you continue to place in us.



A handwritten signature in black ink, appearing to read 'Willy Michel'.

**Dr. h. c. Willy Michel**

Chief Executive Officer, CEO  
and Chairman of the Board of Directors



A handwritten signature in black ink, appearing to read 'Simon Michel'.

**Simon Michel**

Senior Vice President Marketing & Sales

## Consolidated income statement

(unaudited Swiss GAAP FER figures) in thousand CHF

	Notes	April 1, 2012– Sept. 30, 2012	in %	April 1, 2011– Sept. 30, 2011	in %
<b>Sales of goods and services</b>	<b>2</b>	<b>119 745</b>	<b>100.0</b>	<b>122 840</b>	<b>100.0</b>
<b>Cost of goods and services sold</b>		<b>-92 386</b>	<b>-77.2</b>	<b>-94 354</b>	<b>-76.8</b>
<b>Gross profit</b>		<b>27 360</b>	<b>22.8</b>	<b>28 486</b>	<b>23.2</b>
<b>Marketing and sales expenses</b>		<b>-19 382</b>	<b>-16.2</b>	<b>-19 911</b>	<b>-16.2</b>
<b>Administration expenses</b>		<b>-6 393</b>	<b>-5.3</b>	<b>-6 452</b>	<b>-5.3</b>
<b>Other operating income</b>		<b>1 957</b>	<b>1.6</b>	<b>1 716</b>	<b>1.4</b>
<b>Other operating expenses</b>		<b>-1 113</b>	<b>-0.9</b>	<b>-857</b>	<b>-0.7</b>
<b>Operating profit</b>	<b>2</b>	<b>2 429</b>	<b>2.0</b>	<b>2 982</b>	<b>2.4</b>
<b>Financial income</b>	<b>3</b>	<b>963</b>	<b>0.8</b>	<b>7 665</b>	<b>6.2</b>
<b>Financial expenses</b>	<b>3</b>	<b>-960</b>	<b>-0.8</b>	<b>-2 076</b>	<b>-1.7</b>
<b>Profit before income taxes</b>		<b>2 432</b>	<b>2.0</b>	<b>8 571</b>	<b>7.0</b>
<b>Income taxes</b>		<b>-395</b>	<b>-0.3</b>	<b>-985</b>	<b>-0.8</b>
<b>Net profit</b>		<b>2 037</b>	<b>1.7</b>	<b>7 586</b>	<b>6.2</b>
<b>Earnings per share</b> (basic and diluted) in CHF	<b>4</b>	<b>0.16</b>		<b>0.60</b>	
<b>Operating profit</b>		<b>2 429</b>		<b>2 982</b>	
<b>Depreciation of fixed assets</b>		<b>9 696</b>		<b>9 521</b>	
<b>Amortization of intangible assets</b>		<b>2 569</b>		<b>3 392</b>	
<b>EBITDA</b> (operating profit before depreciation and amortization)		<b>14 694</b>	<b>12.3</b>	<b>15 895</b>	<b>12.9</b>

## Consolidated balance sheet

(unaudited Swiss GAAP FER figures) in thousand CHF

Assets	Notes	Sept. 30, 2012	in %	March 31, 2012	in %
<b>Cash and cash equivalents</b>		13 264	3.9	9 735	3.0
<b>Trade receivables</b>		30 568	8.9	24 528	7.5
<b>Other current assets</b>		4 243	1.2	6 130	1.9
<b>Prepayments and accrued income</b>		3 986	1.2	3 713	1.1
<b>Current income tax assets</b>		108	0.0	123	0.0
<b>Inventories</b>		55 644	16.3	50 147	15.3
<b>Customer machinery</b>		647	0.2	228	0.1
<b>Total current assets</b>		<b>108 459</b>	<b>31.7</b>	<b>94 604</b>	<b>28.9</b>
<b>Financial assets</b>		9 357	2.7	9 054	2.8
<b>Deferred income tax assets</b>		7 463	2.2	7 063	2.2
<b>Fixed assets</b>		164 333	48.0	166 361	50.8
<b>Intangible assets</b>		52 443	15.3	50 191	15.3
<b>Total non-current assets</b>		<b>233 596</b>	<b>68.3</b>	<b>232 668</b>	<b>71.1</b>
<b>Total assets</b>		<b>342 055</b>	<b>100.0</b>	<b>327 273</b>	<b>100.0</b>
<b>Liabilities and equity</b>					
<b>Financial liabilities</b>		61 000	17.8	46 500	14.2
<b>Current financial liabilities to major shareholder</b>		5 000	1.5	10 000	3.1
<b>Trade payables</b>		18 587	5.4	13 461	4.1
<b>Prepayments from customers</b>		1 145	0.3	2 284	0.7
<b>Current income tax payable</b>		1 999	0.6	2 198	0.7
<b>Other payables</b>		2 439	0.7	2 477	0.8
<b>Accrued liabilities and deferred income</b>		14 781	4.3	12 714	3.9
<b>Provisions</b>		722	0.2	1 262	0.4
<b>Total current liabilities</b>		<b>105 673</b>	<b>30.9</b>	<b>90 895</b>	<b>27.8</b>
<b>Non-current liabilities to major shareholder</b>		15 000	4.4	14 500	4.4
<b>Other non-current financial liabilities</b>		1 997	0.6	2 308	0.7
<b>Provisions</b>		1 158	0.3	989	0.3
<b>Deferred income tax liabilities</b>		527	0.2	577	0.2
<b>Total non-current liabilities</b>		<b>18 681</b>	<b>5.5</b>	<b>18 374</b>	<b>5.6</b>
<b>Share capital</b>		178 994	52.3	178 994	54.7
<b>Capital reserves</b>		176 015	51.5	178 558	54.6
<b>Own shares/Translation exchange differences</b>		-8 291	-2.4	-8 496	-2.6
<b>Goodwill acquired offset</b>		-322 892	-94.4	-322 892	-98.7
<b>Retained earnings</b>		193 876	56.7	191 839	58.6
<b>Total equity</b>	5	<b>217 702</b>	<b>63.6</b>	<b>218 004</b>	<b>66.6</b>
<b>Total liabilities and equity</b>		<b>342 055</b>	<b>100.0</b>	<b>327 273</b>	<b>100.0</b>

## Consolidated statement of cash flows

(unaudited Swiss GAAP FER figures) in thousand CHF	Notes	April 1, 2012 – Sept. 30, 2012	April 1, 2011 – Sept. 30, 2011
<b>Net profit</b>		<b>2 037</b>	<b>7 586</b>
Depreciation of fixed and intangible assets		12 265	12 913
Change in provisions (incl. deferred income taxes)		-762	-697
Other expense / income that do not affect the fund		-380	-741
Gain (-) / loss (+) of fixed and financial assets		18	-5 106
Increase (-) / decrease (+) in trade receivables		-5 959	7 629
Increase (-) / decrease (+) in other receivables and prepayments and accr. income		1 642	3 745
Increase (-) / decrease (+) in inventories		-5 369	-297
Increase (-) / decrease (+) in customer machinery		-419	3 969
Increase (+) / decrease (-) in trade payables		5 095	808
Increase (+) / decrease (-) in prepayments from customers		-1 139	-4 875
Increase (+) / decrease (-) in other payables and accr. liabilities and deferred income		1 792	-4 914
<b>Cash flow from operating activities</b>		<b>8 821</b>	<b>20 022</b>
Purchases of financial assets		-304	-559
Disposals of financial assets		0	11 086
Purchases of fixed assets		-8 126	-3 488
Disposals of fixed assets		288	123
Purchases of intangible assets		-4 671	-4 514
Final payment acquisition		0	-383
<b>Cash flow from investing activities</b>		<b>-12 813</b>	<b>2 265</b>
Repayment of financial liabilities to major shareholder		-4 500	-10 000
Proceeds from borrowings		14 500	5 000
Distribution of capital reserves/Par value repayment	5	-2 523	-2 532
Purchase of treasury shares		0	-392
Cost due to approved increase in share capital		-20	0
<b>Cash flow from financing activities</b>		<b>7 457</b>	<b>-7 924</b>
Affect of foreign currency translation		63	-121
<b>Total Cash Flow</b>		<b>3 528</b>	<b>14 242</b>
Cash and cash equivalents as of April 1		9 735	5 022
Cash and cash equivalents as of September 30		13 264	19 264
<b>Net increase (+) / decrease (-) in cash and cash equivalents</b>		<b>3 528</b>	<b>14 241</b>

## Consolidated statement of changes in equity

(unaudited Swiss GAAP FER figures) in thousand CHF	Share capital	Group reserves and share premium	Treasury shares	Cumulative translation reserve	Goodwill offset after taxes	Retained earnings	Total
<b>Balance as of March 31, 2011</b>	<b>178 994</b>	<b>181 091</b>	<b>-1 945</b>	<b>-4 060</b>	<b>-312 350</b>	<b>183 339</b>	<b>225 069</b>
Profit from half year						7 586	7 586
Distribution of dividends from capital contribution reserves		-2 532					-2 532
Purchases of own shares			-392				-392
Translation exchange differences				-1 910			-1 910
<b>Balance as of September 30, 2011</b>	<b>178 994</b>	<b>178 558</b>	<b>-2 337</b>	<b>-5 970</b>	<b>-312 350</b>	<b>190 925</b>	<b>227 821</b>
	Share capital	Group reserves and share premium	Treasury shares	Cumulative translation reserve	Goodwill offset after taxes	Retained earnings	Total
<b>Balance as of March 31, 2012</b>	<b>178 994</b>	<b>178 558</b>	<b>-2 337</b>	<b>-6 159</b>	<b>-322 892</b>	<b>191 839</b>	<b>218 004</b>
Profit from half year						2 037	2 037
Distribution of dividends from capital contribution reserves		-2 523					-2 523
Cost due to approved increase in share capital		-20					-20
Translation exchange differences				205			205
<b>Balance as of September 30, 2012</b>	<b>178 994</b>	<b>176 015</b>	<b>-2 337</b>	<b>-5 954</b>	<b>-322 892</b>	<b>193 876</b>	<b>217 702</b>

## Notes to the consolidated interim financial statements

Figures in thousand CHF unless otherwise stated

### 1. Accounting policies

#### Basic principles

These consolidated interim financial statements include the unaudited consolidated interim financial statements of Ypsomed Holding AG and its subsidiaries for the reporting period ending September 30, 2012. The consolidated interim financial statements have been prepared in accordance with Swiss GAAP FER 12 "Interim Reporting". The accounting policies applied to the preparation of the interim financial statements are in line with the accounting policies which also provide the basis for the consolidated annual financial statements up to March 31, 2012. The consolidated interim financial statements were approved for issue by

the Board of Directors on October 25, 2012. Ypsomed is not exposed to significant seasonal or cyclical fluctuation in its business activities within the financial year. In order to prepare consolidated interim financial statements, management is obliged to use estimates and assumptions which have an impact on the reported carrying amounts of assets and liabilities, and the income and expenses reported for the relevant accounting period. These estimates and assumptions are based on future expectations, and seem reasonable at the time of preparation of the interim financial statements. The actual results may differ from these assumptions.

### 2. Segment information

For the purposes of company management, the Ypsomed Group is organized into business sectors according to products and services. The segment "Delivery Devices" comprises the product groups pen systems, pen needles, infusion sets and other injection moldings produced by Ypsomed. The business segment

"Diabetes Direct Business" covers the direct trade in a range of diabetes articles. "Others" contains the business segment "Precision turned parts" and real estate currently not used for operational purposes. Intersegmental sales are executed at arm's length.

Half year 2012/13	Delivery Devices	Diabetes Direct Business	Others	Eliminations	Group
Sales of goods and services to third party customers	69 115	42 695	7 936		119 745
Intersegmental sales			1 194	-1 194	
<b>Total sales of goods and services</b>	<b>69 115</b>	<b>42 695</b>	<b>9 130</b>	<b>-1 194</b>	<b>119 745</b>
<b>Operating profit</b>	<b>5 698</b>	<b>-2 489</b>	<b>-780</b>		<b>2 429</b>
Investments in fixed and intangible assets	11 328	209	1 259		12 797
Depreciation/amortization	10 303	409	1 553		12 265
Half year 2011/12	Delivery Devices	Diabetes Direct Business	Others	Eliminations	Group
Sales of goods and services to third party customers	77 724	36 832	8 283		122 840
Intersegmental sales			1 224	-1 224	
<b>Total sales of goods and services</b>	<b>77 724</b>	<b>36 832</b>	<b>9 507</b>	<b>-1 224</b>	<b>122 840</b>
<b>Operating profit</b>	<b>8 690</b>	<b>-5 778</b>	<b>71</b>		<b>2 982</b>
Investments in fixed and intangible assets	6 778	198	1 026		8 002
Depreciation/amortization	10 589	867	1 456		12 913

### 3. Financial income

	Half year 2012/13	Half year 2011/12
<b>Interest income</b>	<b>9</b>	<b>9</b>
<b>Dividend income</b>	<b>499</b>	<b>1 441</b>
<b>Gains from marketable securities<sup>1</sup></b>	<b>0</b>	<b>5 118</b>
<b>Foreign exchange gains</b>	<b>446</b>	<b>1 077</b>
<b>Other financial income</b>	<b>9</b>	<b>20</b>
<b>Total financial income</b>	<b>963</b>	<b>7 665</b>
<b>Interest expense</b>	<b>410</b>	<b>390</b>
<b>Losses from securities</b>	<b>5</b>	<b>37</b>
<b>Foreign exchange losses</b>	<b>499</b>	<b>1 611</b>
<b>Other financial expense</b>	<b>45</b>	<b>39</b>
<b>Total financial income</b>	<b>960</b>	<b>2 076</b>

<sup>1</sup> The gains from marketable securities result from sales of financial assets.

### 4. Earnings per share

Earnings per share are calculated by dividing net profit through the weighted monthly number of shares outstanding during the period. The average number of shares held by group companies is deducted from the number of shares issued during the period.

	Half year 2012/13	Half year 2011/12
<b>Net profit in thousand CHF</b>	<b>2 037</b>	<b>7 586</b>
<b>Number of registered shares weighted on a monthly basis</b>	<b>12 614 726</b>	<b>12 614 726</b>
<b>Earnings per share in CHF (basic and diluted)</b>	<b>0.16</b>	<b>0.60</b>

### 5. Payment to shareholders

On July 12, 2012, the sum of CHF 0.20 per share was paid out to shareholders free of withholding tax from the capital reserves. The total amount paid out came to CHF 2.5 million, like in the previous year.



## Information policy

Ypsomed Holding AG maintains an open and transparent communication policy towards shareholders, potential investors, financial analysts, the media, and customers, based on the principle of equality. The company uses the following instruments: annual report, half-year report, presentation of the annual results to the media and financial analysts ahead of the shareholders' meeting, as well as briefing the media on important events. Responsibility for communication with investors rests with the Chairman of the Board of Directors, who may delegate this duty to the CEO.

The following banks monitor the development of the Ypsomed Group:

Bank am Bellevue, Zürich ([www.bellevue.ch](http://www.bellevue.ch)),

**Gina Francioli**

BZ-Bank, Wilen ([www.bzbank.ch](http://www.bzbank.ch)),

**Florian Gaiser**

Credit Suisse, Zürich ([www.credit-suisse.com](http://www.credit-suisse.com)),

**Christoph Gretler**

Vontobel, Zürich ([www.vontobel.com](http://www.vontobel.com)),

**Carla Bänziger**

Zürcher Kantonalbank, Zürich ([www.zkb.ch](http://www.zkb.ch)),

**Sibylle Bischofberger Frick**

On our website at [www.ypsomed.com](http://www.ypsomed.com) (under Company/Investor) any interested person can access up to date and market relevant information (pull system) without charge. Furthermore any interested person can register at [www.ypsomed.com/en/company](http://www.ypsomed.com/en/company) to be added to an e-mailing list to receive the described publications about the company (push system). The official publication organ of Ypsomed Holding AG is the Swiss Official Gazette of Commerce (SOGC). Company publications with potential relevance to the share price are usually communicated at the end of daily trading. Such publications are initially reported to the SIX Swiss Exchange Regulation and thereafter installed on the above mentioned website and simultaneously communicated to a number of national newspapers, electronic information systems and to persons registered on the e-mail distribution list.

## Stock listing

The registered shares of Ypsomed Holding AG are traded at the SIX Swiss Exchange and at the BX Bern eXchange.

Ticker symbols:

YPSN (Telekurs)

YPSN.S (Reuters)

YPSN SW (Bloomberg)

Securities number 1939 699

ISIN CH 001 939 699 0

## Key forthcoming dates

### 28 Mai 2013

Press conference and presentation of the annual results 2012/13, Burgdorf

### 26 Juni 2013

General Meeting of Shareholders, Bern

### 31 Oktober 2013

Press conference and presentation of the half-year figures 2013/14, Solothurn

## Contact

Ypsomed Holding AG

Benjamin Overney, Head of Investor & Public Relations

Ursula Rytz, Head of Marketing Communications

Phone +41 34 424 41 59

Telefax +41 34 424 41 55

[www.ypsomed.com](http://www.ypsomed.com)

[investor@ypsomed.com](mailto:investor@ypsomed.com)

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This semiannual report contains certain forward-looking statements. These can be identified by terms such as "should", "accept", "expect", "anticipate", "intend" or similar terms and phrases. The actual future results may differ materially from the forward-looking statements in this annual report, due to various factors such as legal and regulatory developments, exchange rate fluctuations, changes in market conditions, as well as the activities of competitors, the non-introduction or delayed introduction of new products for various reasons, risks in the development of new products, interruptions to production, the loss of or inability to obtain intellectual property, litigation and administrative proceedings, adverse publicity and news coverage.

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**Ypsomed Holding AG**

Brunnmattstrasse 6  
Postfach  
3401 Burgdorf  
Switzerland

Phone +41 34 424 41 11  
Telefax +41 34 424 41 22

[www.ypsomed.com](http://www.ypsomed.com)  
[info@ypsomed.com](mailto:info@ypsomed.com)