

## Foreword by Wolfgang Marguerre

This year, in the face of a widening global financial crisis, Octapharma has once again achieved record growth. Sales have increased by 18% to Euro 886 million and we have further increased our EBIT to Euro 256 million, an increase of 8% compared with 2007. This follows a compound annual growth rate of 22% since 1995.

The impressive annual growth rate at Octapharma is a result of the hard-earned trust of our customers in the quality of our products. We are proud to say that Octapharma's products have never been involved in any transfer of transfusion-relevant viruses, or indeed any other pathogens, in the entire history of the company. Our products are state-of-the-art with very favourable safety profiles.

These results were also built on the mutual trust between the employees and management of Octapharma. Through cooperation and teamwork, we have demonstrated that great things can be accomplished when everyone pulls in the same direction. Examples have included the recent acquisition of the Life Therapeutics Group of plasma centres in the US under very difficult circumstances. Another example is the fast, efficient implementation of a new fractionation process in all of Octapharma's factories in less than a year, which will result in substantial savings in future manufacturing costs. This success is set to continue with future technologies and products. Octapharma successfully filed an Investigational New Drug (IND) application for our first recombinant product in spring 2008.

Octapharma originated from a collaboration with various Red Cross and other non-profit organisations in Europe. These partnerships resulted in Octapharma providing virally safe factor VIII concentrates from non-profit plasma. This took place during the late 80s, a time when such products were urgently in need. The factor VIII concentrates were produced using Octapharma's newly developed manufacturing process, octavi®, in its partners' existing manufacturing plants. This enabled the non-profit organisations to rapidly meet the needs of the haemophilia population. In less than three years, these collaborations were providing factor VIII concentrates to an equivalent of 3,000 patients. The trust earned from this collaboration allowed Octapharma to expand to its present status, with five state-of-the-art manufacturing plants providing millions of International Units (IUs) of factor VIII in 2008 for the worldwide haemophilia population.

In addition, over the last four years our Immune Tolerance Induction (ITI) study programme has documented the successful use of octanate®, a factor VIII concentrate containing von Willebrand Factor. This has been used to treat inhibitors that can occur in patients with haemophilia as an immunological reaction to factor VIII concentrates. Some products have an inhibitor incidence of up to 30%. Through heavy investment in such projects, Octapharma has been able to gain the trust of haemophilia specialists and their patients, even in conservative markets such as the United Kingdom, France and Canada. Now, the use of octanate® and wilate® in ITI treatment is rapidly gaining ground in these countries.

In 2008, we invested Euro 25 million in R&D for new plasma derived and recombinant products, with Euro 11 million invested directly in our new recombinant factor VIII concentrate based on a human cell line. The FDA has now approved the initiation of associated clinical trials in the US. We believe that this recombinant product will earn Octapharma even more confidence among the haemophilia population. It is expected to have less side effects than current therapy such as fewer inhibitors. The factor VIII protein does not have the rodent carboxylation pattern seen on recombinant products from CHO (Chinese hamster ovary) cell lines and is therefore expected to be less immunogenic.

In the area of immunotherapy, the launch in Europe of our octagam® immunoglobulin at a new 10% concentration was well accepted by our customers. In addition, our IT platform, the "Octapharma Collaboration Network" set up by our Immunotherapy Business Unit is setting new standards for collaborations with our partners.

In the area of emergency medicine and intensive care, a similar confidence-building concept has been introduced in the form of the DUMAS project. This enables our partners to find ever more effective ways of using their blood component therapies, thereby optimising safety and reducing costs simultaneously.

The investment in 2008 of Euro 60 million in our five plants worldwide in addition to more than Euro 80 million to help secure our plasma supplies will enable us to remain a trustworthy partner for years to come.

Octapharma is the largest private plasma products company in the world. The outlook for 2009 is very positive, despite the turmoil in other business areas. However we will remain vigilant and ready to adjust our plans if appropriate.

Finally, I would like to thank both our partners and employees for their trust and commitment during 2008.



Wolfgang Marguerre  
Chairman of the  
Octapharma Group

