

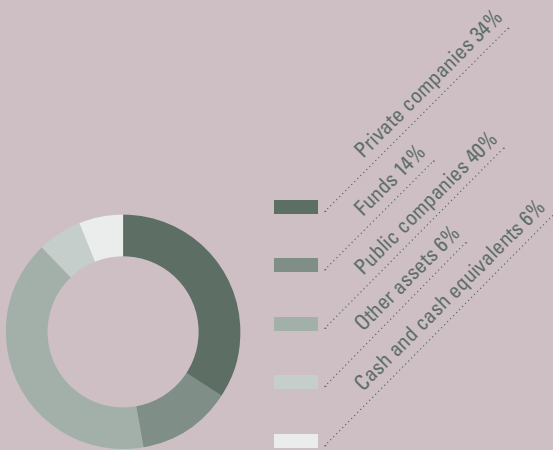
09

12

# At a Glance

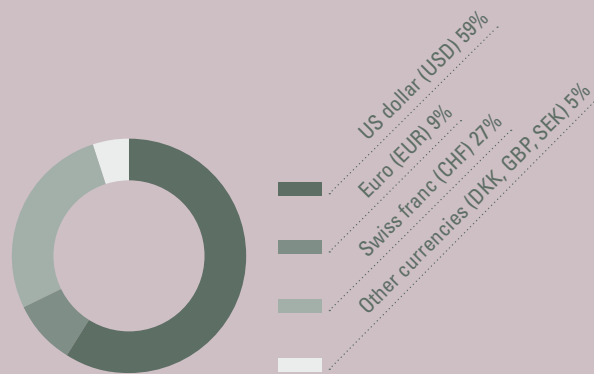
**Profile** HBM Healthcare Investments invests in the healthcare sector. The Company holds and manages an international portfolio of some twenty-five promising companies in the biotechnology/human medicine, medical technology and diagnostics sectors. Many of these companies have their lead products already available on the market, or at an advanced stage of development. The focus of investment

is on follow-on financing for existing portfolio companies. These portfolio companies are closely tracked and actively guided on their strategic directions. This is what makes HBM Healthcare Investments an interesting alternative to investing in big pharma and biotech companies. HBM Healthcare Investments has an international shareholder base and is listed on SIX Swiss Exchange (ticker: HBMN).



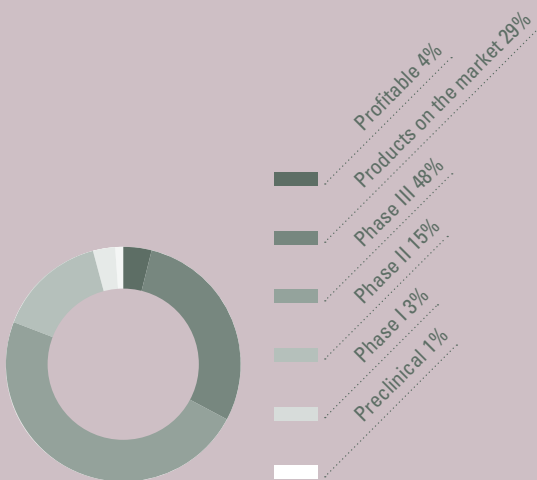
### Allocation of assets

Mainly invested in private companies with high value-creation potential.



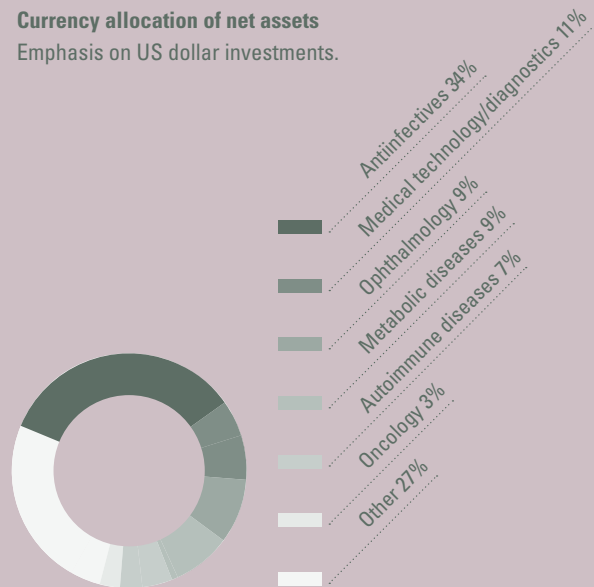
### Currency allocation of net assets

Emphasis on US dollar investments.



### Development phase of portfolio companies<sup>1)</sup>

Largely invested in revenue generating companies or in companies with products in advanced development phase.



### Therapeutic area of the lead products of portfolio companies<sup>1)</sup>

Broadly diversified areas of activity.

1) Total investments as at 30.9.2012: CHF 488 million.

# Key Figures, Performance and the Ten Largest Investments

Key Figures		30.9.2012	31.3.2012	31.3.2011	31.3.2010	31.3.2009
<b>Net assets</b>	CHF million	<b>548.8</b>	<b>539.2</b>	<b>589.2</b>	<b>666.1</b>	<b>618.9</b>
Investments in private companies		266.1	270.1	367.6	532.6	594.5
Investments in public companies		222.3	196.7	83.4	100.3	132.0
Cash and cash equivalents		31.5	41.6	155.8	129.1	65.6
<b>Net cash flow from investing activities</b>	CHF million	<b>4.2</b>	<b>-37.3</b>	<b>148.9</b>	<b>186.9</b>	<b>27.9</b>
<b>Net result for the period/for the year</b>	CHF million	<b>16.9</b>	<b>-25.5</b>	<b>-56.4</b>	<b>66.0</b>	<b>-312.9</b>
Basic earnings per share	CHF	1.88	-2.70	-5.73	6.39	-28.98
Net asset value (NAV) per share	CHF	61.66	59.60	61.15	65.85	58.80
Share price	CHF	50.40	41.50	44.60	49.50	22.00
<b>Discount</b>		<b>-18.3%</b>	<b>-30.4%</b>	<b>-27.1%</b>	<b>-24.8%</b>	<b>-62.6%</b>
Shares issued	Registered shares (m)	9.2	9.8	10.2	10.7	11.3
Shares outstanding	Registered shares (m)	8.9	9.0	9.6	10.1	10.5

Performance	Quarter	Calendar year	12 months	Since start of business (12.7.2001)
<b>HBM Healthcare Investments Ltd</b>				
Net asset value (NAV)	-1.2%	10.1%	9.4%	-37.7%
Registered share HBMN	5.0%	26.2%	22.0%	-49.1%
<b>Relevant market index in Swiss francs</b>				
MSCI World Health Care Index	5.8%	14.8%	27.5%	-27.8%

The 10 largest direct investments as at 30.9.2012		Fair value (CHF 000)	As % of net assets
<b>Private companies</b>			
PTC Therapeutics		28,933	5.3%
Cathay Industrial Biotech		26,314	4.8%
Lux Biosciences		22,516	4.1%
Nabriva Therapeutics		15,783	2.9%
Ophthotech		15,467	2.8%
Interventional Spine		14,923	2.7%
Medimpulse Holding		7,795	1.4%
<b>Public companies</b>			
Basilea Pharmaceutica <sup>P)</sup>		113,716	20.7%
Pacira Pharmaceuticals <sup>P)</sup>		56,154	10.2%
ChemoCentryx <sup>P)</sup>		25,139	4.6%

P) Position originating from the private companies portfolio.

# Management Report

## Dear Shareholders

There was little change in the net asset value (NAV) per share of HBM Healthcare Investments during the summer quarter. At the end of September, it stood at CHF 61.66 (–1.2%). The share price rose by five percent to CHF 50.40 in the same period.

## Public companies

The British company SkyePharma achieved significant progress during the quarter just ended. At the beginning of July, it was able to announce the approval of its asthma drug flutiform® for the European market. The launch of flutiform® on the two primary markets of Germany and the United Kingdom in September brought SkyePharma milestone payments totalling EUR 8 million from its distribution partner Mundipharma. The company is also entitled to further sales-related milestone payments of up to EUR 50 million, as well as low double-digit licence payments on revenues. In addition, at the end of September the company announced that its development and distribution partner Kyorin Pharmaceutical had applied for approval for flutiform® for the Japanese market. Furthermore, SkyePharma reported a deal with its debt holders which will improve the company's liquidity situation. Following SkyePharma's recapitalisation, HBM Healthcare Investments holds a 10.8 percent stake in the company.

At the end of September, Stockholm-based Swedish Orphan Biovitrum (SOBI) published positive results from a phase III study of a drug to treat the bleeding disorder haemophilia B. The drug is being developed in collaboration with Biogen Idec. SOBI's market capitalisation has risen by over 40 percent since the announcement. The company is also expecting data from a further phase III study among patients with haemophilia A – a much larger population – by the end of this year.

At the beginning of August, Pacira Pharmaceuticals reported its first set of sales figures for Exparel™, which received approval for the US market in November of last year. Investors' expectations were exceeded with revenues of USD 2.3 million in the first three months of sales. This further boosted Pacira's share price during the quarter under review.

The market capitalisation at ChemoCentryx edged down amid thin trading. Over the next three to nine months, the company is expecting decisive data from a phase II study of a drug to treat chronic kidney disease, and from a phase III study of a drug to treat chronic inflammatory bowel diseases such as Crohn's disease.

**“Given the development and the maturity of a number of portfolio companies the portfolio is in an excellent position.”**

### Private companies

Within the portfolio of private companies, the US company PTC Therapeutics concluded a USD 30 million financing round in July. In view of the positive outcome of talks with the European Medicines Agency, the company intends to submit an application for the authorisation of its drug Ataluren® to treat the rare genetic diseases Duchenne and Becker muscular dystrophy shortly.

At the end of June, Lux Biosciences, a US company, accepted its final patient for an ongoing phase III study in ophthalmology for a drug to treat inflammatory uveitis. Data from this study are expected in early 2013. A positive result would allow the company to apply for drug approval in the USA and Europe, and open up the possibility of the company's sale or IPO.

The valuation of the German company Probiodrug has been lowered by EUR 3.7 million because the company's development is behind schedule.

### Outlook

Given the development and the maturity of a number of portfolio companies, we firmly believe that the HBM Healthcare Investments portfolio is in an excellent position.

A number of the private companies in the portfolio are aiming to stage an IPO in the months to come, providing market circumstances allow. We are also expecting further good news on the company sales front.

As described above, some of our companies are due to present decisive study data in the next three to nine months. Successful study results are likely to have a significant positive effect on the value and continued growth of the companies concerned.

The developments we have outlined should also be reflected in an increase in the net asset value per share of HBM Healthcare Investments.



Dr Andreas Wicki  
CEO



Erwin Troxler  
CFO

# Consolidated Interim Financial Statements

## Consolidated balance sheet

	Notes	30.9.2012	31.3.2012
<b>Assets (CHF 000)</b>			
Current assets			
Cash and cash equivalents		31,488	41,559
Financial instruments		449	297
Receivables		461	1,040
Inventories		481	470
<b>Total current assets</b>		<b>32,879</b>	<b>43,366</b>
Non-current assets			
Investments	(2)	488,401	466,772
Other financial assets	(3)	30,081	32,002
Property, plant and equipment		259	262
Intangible assets		5,559	5,087
<b>Total non-current assets</b>		<b>524,300</b>	<b>504,123</b>
<b>Total assets</b>		<b>557,179</b>	<b>547,489</b>
<b>Liabilities (CHF 000)</b>			
Short-term liabilities			
Other short-term liabilities		1,842	2,039
<b>Total short-term liabilities</b>		<b>1,842</b>	<b>2,039</b>
Long-term liabilities			
Long-term financial liabilities	(4)	6,534	6,275
<b>Total long-term liabilities</b>		<b>6,534</b>	<b>6,275</b>
Shareholders' equity			
Share capital	(5)	552,000	588,000
Treasury shares	(5)	-14,575	-33,084
Capital reserve		385,502	375,240
Currency translation differences		77	110
Accumulated loss		-374,201	-391,091
<b>Total shareholders' equity</b>		<b>548,803</b>	<b>539,175</b>
<b>Total liabilities and shareholders' equity</b>		<b>557,179</b>	<b>547,489</b>
Number of outstanding shares (in 000)		8,900	9,047
Net asset value (NAV) per share (CHF)		61.66	59.60

# Consolidated Interim Financial Statements

## Consolidated statement of income for the period 1 April to 30 September

	Notes	Quarter ended 30.9.2012	Quarter ended 30.9.2011	6-month period ended 30.9.2012	6-month period ended 30.9.2011
Result from investment activities (CHF 000)					
Gains on investments	(2)	16,466	50,063	44,538	46,707
Losses on investments	(2)	-17,607	-58,327	-20,159	-77,953
Result from currency hedging transactions		0	-11,181	0	-9,581
Gains from other financial instruments		241	0	444	70
Losses from other financial instruments		-128	-46	0	0
Gains on other financial assets		2,335	6,813	3,986	1,318
Losses on other financial assets		-4,776	0	-4,870	-917
<b>Gross result from investment activities</b>		<b>-3,469</b>	<b>-12,678</b>	<b>23,939</b>	<b>-40,356</b>
Result from product sales					
Revenues from product sales		28	38	59	73
Costs of products sold		-34	-39	-67	-70
<b>Gross result from product sales</b>		<b>-6</b>	<b>-1</b>	<b>-8</b>	<b>3</b>
<b>Gross result</b>		<b>-3,475</b>	<b>-12,679</b>	<b>23,931</b>	<b>-40,353</b>
Management fee	(7)	-2,032	-2,157	-3,974	-4,383
Personnel expenses		-707	-629	-1,354	-1,276
Other operating expenses		-837	-937	-1,757	-2,013
Depreciation and amortisation		-9	-12	-18	-25
<b>Operating result before interest and taxes</b>		<b>-7,060</b>	<b>-16,414</b>	<b>16,828</b>	<b>-48,050</b>
Financial income		4	25	165	93
Financial expenses		-59	-856	-102	-1736
<b>Result before taxes</b>		<b>-7,115</b>	<b>-17,245</b>	<b>16,891</b>	<b>-49,693</b>
Income taxes		0	0	-1	-1
<b>Net result for the period</b>		<b>-7,115</b>	<b>-17,245</b>	<b>16,890</b>	<b>-49,694</b>
Number of outstanding shares, time-weighted (in 000)		8,931	9,420	8,979	9,517
Basic earnings per share (CHF)		-0.80	-1.83	1.88	-5.22

As the Company does not have options or similar instruments outstanding, diluted earnings per share are identical to basic earnings per share.

## Consolidated statement of comprehensive income for the period 1 April to 30 September

	Quarter ended 30.9.2012	Quarter ended 30.9.2011	6-month period ended 30.9.2012	6-month period ended 30.9.2011
(CHF 000)				
<b>Net result for the period</b>	<b>-7,115</b>	<b>-17,245</b>	<b>16,890</b>	<b>-49,694</b>
Contribution to operating result reported in shareholders' equity				
Change owing to currency translation differences	15	-60	-33	12
<b>Total comprehensive result</b>	<b>-7,100</b>	<b>-17,305</b>	<b>16,857</b>	<b>-49,682</b>

# Consolidated Interim Financial Statements

## Consolidated statement of cash flows

### for the period 1 April to 30 September

(CHF 000)	6-month period ended 30.9.2012	6-month period ended 30.9.2011
Revenues from product sales received	69	67
Costs of products sold paid	-25	-62
Management fee paid	-3,974	-4,383
Other expenses paid (personnel and other operating expenses)	-3,570	-3,344
<b>Net cash flow from operating activities</b>	<b>-7,500</b>	<b>-7,722</b>
Interest payments received	171	99
Purchase of investments	-20,767	-78,232
Sale of investments	23,365	83,178
Payments received from escrow amounts and milestones	1,432	5,428
Net cash flow from financial instruments to hedge currency risks	0	-10,314
Sale of other financial instruments	292	458
Purchase of property, plant and equipment and intangibles	-307	-84
<b>Net cash flow from investing activities</b>	<b>4,186</b>	<b>533</b>
Interest paid on financial liabilities	-83	-75
Purchase of treasury shares	-15,096	-17,715
Sale of treasury shares	7,867	2,081
<b>Net cash flow from financing activities</b>	<b>-7,312</b>	<b>-15,709</b>
<b>Currency translation differences</b>	<b>555</b>	<b>-813</b>
<b>Net change in cash and cash equivalents</b>	<b>-10,071</b>	<b>-23,711</b>
Cash and cash equivalents at beginning of period	41,559	155,789
Cash and cash equivalents at end of period	31,488	132,078



# Consolidated Interim Financial Statements

## Consolidated statement of changes in equity

	Share capital	Treasury shares	Capital reserve	Currency translation differences	Accumulated loss	Total shareholders' equity
(CHF 000)						
<b>Balance as at 31 March 2011</b>	<b>612,000</b>	<b>-26,257</b>	<b>369,019</b>	<b>89</b>	<b>-365,623</b>	<b>589,228</b>
Net result for the period					-49,694	-49,694
Currency translation differences				12		12
<b>Total comprehensive result</b>						<b>-49,682</b>
Purchase of treasury shares		-17,715				-17,715
Sale of treasury shares		2,380	-299			2,081
Capital reduction (2.9.2011)	-24,000	17,394	6,606			
<b>Balance as at 30 September 2011</b>	<b>588,000</b>	<b>-24,198</b>	<b>375,326</b>	<b>101</b>	<b>-415,317</b>	<b>523,912</b>
Net result for the period					24,226	24,226
Currency translation differences				9		9
<b>Total comprehensive result</b>						<b>24,235</b>
Purchase of treasury shares		-15,826				-15,826
Sale of treasury shares		6,940	-86			6,854
<b>Balance as at 31 March 2012</b>	<b>588,000</b>	<b>-33,084</b>	<b>375,240</b>	<b>110</b>	<b>-391,091</b>	<b>539,175</b>
Net result for the period					16,890	16,890
Currency translation differences				-33		-33
<b>Total comprehensive result</b>						<b>16,857</b>
Purchase of treasury shares		-15,096				-15,096
Sale of treasury shares		7,838	29			7,867
Capital reduction (4.9.2012)	-36,000	25,767	10,233			
<b>Balance as at 30 September 2012</b>	<b>552,000</b>	<b>-14,575</b>	<b>385,502</b>	<b>77</b>	<b>-374,201</b>	<b>548,803</b>

# Consolidated Interim Financial Statements

## Notes

### 1. Summary of significant accounting policies

The consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) IAS 34 on Interim Financial Reporting, and the provisions of the SIX Swiss Exchange Additional Rules on the Listing of Investment Companies. These interim financial statements should be read in conjunction with the consolidated financial statement for the financial year ended 31 March 2012, as they provide an update to the latest full financial report. In preparing the interim financial statements, the same accounting policies and methods of computation have been applied as in the preparation of the annual financial statements.

A summary of the new and revised IFRS/IAS standards and interpretations effective in the year under review is provided on page 49 of the Consolidated Financial Statements of the 2011/2012 Annual Report. The use of these standards had no significant impact on the financial condition or the earnings situation of the Company, or on its accounting policies.

The following exchange rates were used in the preparation of the financial statements:

(CHF)	30.9.2012	31.3.2012
DKK	0.1621	0.1618
EUR	1.2086	1.2042
GBP	1.5194	1.4447
SEK	0.1432	0.1364
USD	0.9398	0.9025

### 2. Investments

Investments developed as follows during the reporting period:

(CHF 000)	Private companies	Funds	Public companies	Total investments
<b>Fair value as at 31 March 2012</b>	<b>194,335</b>	<b>75,736</b>	<b>196,701</b>	<b>466,772</b>
Purchases	7,592	2,242	10,933	20,767
Sales	-5,873	-6,525	-11,119	-23,517
Realised gains	1,677	719	1,262	3,658
Realised losses	-63,852	-1,137	-1,432	-66,421
Changes in unrealised gains	68,876	5,013	33,451	107,340
Changes in unrealised losses	-11,936	-765	-7,497	-20,198
<b>Fair value as at 30 September 2012</b>	<b>190,819</b>	<b>75,283</b>	<b>222,299</b>	<b>488,401</b>

Further details on investments can be found on pages 11 and 12.

### 3. Other financial assets

The sale of a number of investment positions has given HBM Healthcare Investments contractual claims to further purchase price payments that are contingent on the achievement of defined targets.

These claims are carried in the annual financial statements at a risk-weighted value, discounted over time (discount rate of 11 percent). The following summary shows the value carried in the balance sheet compared with the potential cash flows:

(CHF million)	Book value as at 30.9.2012	Range of possible cash flows, minimum	Range of possible cash flows, maximum	Expected period of payment
ESBATEch	8.0	0.0	56.0	2014–2018
Mpex <sup>1)</sup>	4.1	4.8	>38.0	2012–2029
mtm laboratories	19.1	5.7	31.4	2013–2016
Other companies	4.2	0.3	11.6	2012–2016
<b>Total</b>	<b>35.4</b>	<b>10.8</b>	<b>&gt;137.0</b>	

1) There is no ceiling on potential cash flows. The amount shown here is calculated on the basis of a sales estimate.

Of the total book value as at 30 September 2012, CHF 30.1 million is carried under other financial assets (claims from investments held by HBM Healthcare Investments directly). A further CHF 5.3 million is reported under investments, other private companies (claims from investments held indirectly via HBM BioCapital (EUR) L.P.).

If the companies concerned are successful, these contractual claims could result in future payments which are many times the reported book value.

### ESBATEch

The company was acquired in September 2009 by Alcon Inc. The purchase price comprised an advance payment of USD 150 million, as well as a further USD 439 million in milestone payments that are tied to the achievement of clinical development targets. In addition to the advance, HBM Healthcare Investments has to date received a small initial milestone payment. No further such payments are anticipated before 2014.

### Mpex

The company was acquired in April 2011 by Axcan Pharma Inc. (now named Aptalis). Aptalis is paying the purchase price in cash – a guaranteed portion in tranches up to 2014, and the remainder as milestone payments contingent on market licensing and sales successes. HBM Healthcare Investments will receive around USD 6 million in several tranches up to 2014. A further payment of approx. USD 6 million will fall due upon the registration and subsequent

licensing of the Aeroquin™ antibiotic. HBM Healthcare Investments is also entitled to turnover-based payments on the basis of product sales up to 2029. These may correspond to several times the current book value of the investment.

### mtm laboratories

The company was acquired in July 2011 by Roche. The purchase price of EUR 190 million comprised an advance payment of EUR 130 million and EUR 60 million as performance-based milestone payments. HBM Healthcare Investments has received 90 percent of the advance payment. The remaining 10 percent will be released 18 and 60 months after completion of the transaction. The performance-related milestone payment is expected in 2014/2015.

### Other companies

“Other companies” relates primarily to contractual claims from the sale of the investment holdings in Asthmatx, Adnexus, Broncus and Syntonix, which are tied to sales growth, advances in clinical development and product approvals.

## 4. Financial liabilities

The following financial liabilities were outstanding as of the balance sheet date:

> Debtor: Tensys Medical Inc.

USD 7.0 million secured loan, including cumulated interest, interest rate 3.5 percent on the nominal value of USD 5 million, maturity 1 May 2015, convertible into 30 percent of outstanding shares of Tensys Medical Inc.

## 5. Equity capital

### 5.1 Share capital

As at the balance sheet date, the Company's share capital amounts to CHF 552 million, divided into 9,200,000 registered shares at a par value of CHF 60 each. The Ordinary Shareholders' Meeting of 22 June 2012 decided to reduce the Company's share capital by cancelling 600,000 treasury shares. The capital reduction was entered in the Commercial Register of the Canton of Zug on 4 September 2012.

### 5.2 Treasury shares

The Ordinary Shareholders' Meeting of 22 June 2012 authorised the Board of Directors to repurchase a maximum of 920,000 of the company's own shares via a second trading line. The share buy-back programme is intended to reduce capital and will run until 30 June 2015 ("Share buy-back programme 2012"). Under this share buy-back programme a total of 14,000 of the Company's own shares have been repurchased to date. As at the balance sheet date of 30 September 2012, the Company held 124,000 of its own shares (31 March 2012: 597,345 own shares). In the 6-month period of the current financial year, a total of 126,655 of own shares were acquired over the second trading line at an average price of CHF 47.00.

In addition, as at the balance sheet date, HBM Healthcare Investments (Cayman) Ltd held 176,222 treasury shares (155,710 as at 31 March 2012), acquired over the regular trading line. During the 6-month period up to the end of September 2012, a total of 183,258 treasury shares were acquired over the regular trading line at an average price of CHF

49.89 per share (previous year: 45,614 shares at CHF 46.08), while 162,746 treasury shares were sold at an average price of CHF 48.34 (previous year: 45,614 shares at CHF 45.63). The gain of CHF 0.03 million (previous year: loss of CHF 0.3 million) from trading in treasury shares, which is reported in shareholders' equity, is based on the proceeds of shares sold, minus the pro-rata average acquisition price of all shares purchased over the regular trading line.

## 6. Investment commitments

(CHF 000)	30.9.2012	31.3.2012
HBM BioCapital (EUR) L.P.	2,032	2,495
HBM BioCapital II L.P.	50,761	50,576
Private companies	1,098	2,001
Funds	11,992	13,843
<b>Total investment commitments</b>	<b>65,883</b>	<b>68,916</b>

## 7. Management fees

The annual management fee to HBM Partners amounts to 1.2 percent of the Company assets plus 0.3 percent of the market capitalisation of the Company. In the 6-month period up to the end of September 2012, HBM Partners was paid CHF 4.0 million (previous year: CHF 4.4 million).

## 8. Transactions with related parties

HBM Healthcare Investments holds an investment in the Hatteras Venture Partners III fund, where Robert A. Ingram, Member of the Board of Directors, serves as General Partner. For details on the investment commitment, paid-in capital and valuation, please refer to the overview of funds on page 12.

## Investments

	Domicile	Investment currency (IC)	Amount disbursed as at 31.3.2012 (IC m)	Changes in the reporting period (IC m)	Amount disbursed as at 30.9.2012 (IC m)	Fair value as at 30.9.2012 (IC m)	Ownership as % of portfolio company	Fair value as at 30.9.2012 (CHF 000)	Fair value as at 31.3.2012 (CHF 000)
<b>Private companies</b>									
PTC Therapeutics	USA	USD	25.3	5.5	30.8	30.8	11.9	28,933	22,835
Cathay Industrial Biotech	China	USD	28.0		28.0	28.0	13.4	26,314	25,270
Lux Biosciences <sup>1)</sup>	USA	USD	24.0		24.0	24.0	15.4	22,516	21,622
Nabriva Therapeutics <sup>1)</sup>	Austria	EUR	12.9	0.1	13.1	13.1	13.1	15,783	15,582
Ophthotech	USA	USD	16.5		16.5	16.5	15.7	15,467	14,853
Interventional Spine	USA	USD	16.5	0.8	17.3	15.8	29.6	14,923	13,647
Medimpulse Holding	Switzerland	USD	4.4		4.4	8.3	20.7	7,795	7,485
Ellipse Technologies <sup>2)</sup>	USA	USD	8.0		8.0	8.0	24.7	7,522	7,223
Enanta Pharmaceuticals	USA	USD	7.7		7.7	7.7	6.0	7,234	6,947
Vivacta	UK	GBP	4.1	0.1	4.1	4.1	17.1	6,263	5,867
Probiodrug	Germany	EUR	14.3	0.7	15.0	4.6	10.1	5,500	9,151
Delenex Therapeutics <sup>1)</sup>	Switzerland	CHF	7.2		7.2	4.8	15.3	4,771	4,771
MiCardia <sup>1)</sup>	USA	USD	3.8	0.4	4.2	4.2	9.1	3,903	3,389
Cylene Pharmaceuticals	USA	USD	13.6		13.6	3.6	10.0	3,414	7,791
Westmed Holding	USA	USD	5.5		5.5	3.5	11.5	3,243	3,114
Other investments								17,239	24,787
<b>Total private companies</b>								<b>190,819</b>	<b>194,335</b>

1) As explained in note 3 of the annual financial statements, this investment was made partly or wholly through HBM BioCapital (EUR) L.P. whose pro rata fees are reimbursed in full to HBM Healthcare Investments so that fees are not levied twice.

2) HBM Healthcare Investments holds an additional approx. 6.1% stake in the company indirectly via the MedFocus Fund since August 2005.

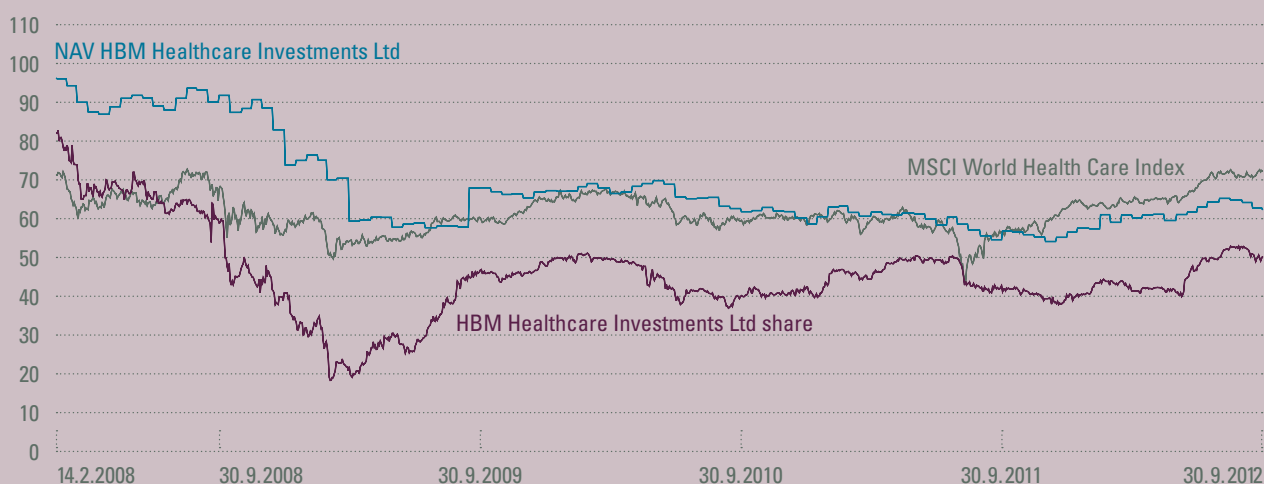
Funds	Domicile	Investment currency (IC)	Total commitment (IC m)	Payments in the reporting period (IC m)	Repayments in the reporting period (IC m)	Cumulative payments as at 30.9.2012 (IC m)	Cumulative repayments as at 30.9.2012 (IC m)	Fair value as at 30.9.2012 (IC m)	Fair value as at 30.9.2012 (CHF 000)	Fair value as at 31.3.2012 (CHF 000)
BioMedInvest I	Switzerland	CHF	26.0			26.0	7.8	17.1	17,108	17,212
MedFocus Fund II	USA	USD	16.0			16.0	0.0	13.9	13,074	12,531
Water Street Healthcare Partners	USA	USD	15.0	0.0	5.7	14.2	7.3	12.7	11,967	16,468
Galen Partners V	USA	USD	10.0	1.3		8.2	0.0	8.1	7,614	5,867
Symphony Capital Partners	USA	USD	15.0	0.8		15.6	7.7	6.0	5,620	4,687
Hatteras Venture Partners III	USA	USD	10.0	0.9	0.3	6.9	2.0	5.9	5,545	4,872
BioVeda China	China	USD	8.5			8.5	27.2	4.3	4,076	3,892
BioMedInvest II	Switzerland	CHF	10.0			4.0	0.0	3.3	3,260	3,440
Nordic Biotech	Denmark	DKK	31.0		0.4	28.9	10.2	18.8	3,050	2,295
EMBL Technology Fund	Germany	EUR	2.1			2.1	0.0	1.4	1,636	1,980
BioVentures Investors II	USA	USD	3.0			3.0	0.5	0.9	839	807
Heidelberg Innovation BSV II	Germany	EUR	5.0		0.1	5.0	1.3	0.7	833	900
A.M. Pappas LifeScience Ventures II	USA	USD	3.0			3.0	3.3	0.4	391	378
Skyline Venture Partners III	USA	USD	3.0		0.7	2.9	3.6	0.3	270	407
HBM BioCapital II L.P. <sup>1)</sup>	Jersey	EUR	42.0			0.0	0.0	0.0	0	0
<b>Total Funds</b>									<b>75,283</b>	<b>75,736</b>

Public companies	Domicile	Investment currency (IC)	Number of shares as at 31.3.2012	Changes in number of shares over the last 6 months	Changes in number of shares over the last 3 months	Number of shares as at 30.9.2012	Ownership as % of portfolio company	Fair value as at 30.9.2012 (CHF 000)	Fair value as at 31.3.2012 (CHF 000)
Basilea Pharmaceutica	P) Switzerland	CHF	2,285,037	108,979	0	2,394,016	25.0%	113,716	115,737
Pacira Pharmaceuticals	P) USA	USD	3,433,993	0	0	3,433,993	10.6%	56,154	35,765
ChemoCentryx	P) USA	USD	2,637,301	-337,301	-337,301	2,300,000	6.4%	25,139	25,373
Swedish Orphan Biovitrum	P) Sweden	SEK	1,392,500	12,500	12,500	1,405,000	0.5%	7,402	4,256
SkyePharma	UK	GBP	4,976,806	0	0	4,976,806	10.8%	6,957	2,804
China Nuokang Biopharmaceuticals	P) China	USD	355,652	0	0	355,652	1.8%	1,771	1,024
Other investments								11,160	11,742
<b>Total public companies</b>								<b>222,299</b>	<b>196,701</b>
<b>Total investments</b>								<b>488,401</b>	<b>466,772</b>

1) As explained in note 3 of the annual financial statements, HBM BioCapital II L.P.'s pro rata fees are reimbursed in full to HBM Healthcare Investments so that fees are not levied twice.  
P) The position originates from the private companies portfolio.

## Net asset value (NAV) and share price of HBM Healthcare Investments Ltd versus MSCI World Health Care Index

in CHF; since first listing on SIX Swiss Exchange (14.2.2008); indexed (12.7.2001 = 100)



### Significant shareholders

Based on the notifications received by the Company, the following shareholders are known to hold 3 percent or more of the share capital of HBM Healthcare Investments Ltd as at 30 September 2012:

Shareholding	Shareholder	Latest notification
10–15 %	Astellas Pharma Inc., Tokyo	7.4.2011
	Shareholder group: Alpine Select Ltd, Zug & Absolute Invest Ltd, Zug	25.6.2012
3–5 %	HBM Healthcare Investments Ltd, Zug (treasury shares)	8.9.2012

### Board of Directors

- Hans Peter Hasler, Chairman
- Prof. Dr Dr h.c. mult. Heinz Riesenhuber<sup>1)</sup>, Vice Chairman
- Mario G. Giuliani
- Dr Eduard E. Holdener
- Robert A. Ingram<sup>2)</sup>
- Dr Rudolf Lanz<sup>12)</sup>

Dr Benedikt Suter, Secretary of the Board of Directors

- 1) Member of the Audit Committee
- 2) Member of the Nominating Committee

### Management

- Dr Andreas Wicki, Chief Executive Officer
- Erwin Troxler, Chief Financial Officer

### Information on shares

Swiss security number	1.262.725
German security number	984345
ISIN	CH 0012627250
CUSIP	H 3553X112
Telekurs	126,126272
SIX Swiss Exchange Ticker	HBMN
Internet	www.hbmhealthcare.com

### Fees

- 1.2 % of Company assets plus
- 0.3 % of the Company's market capitalisation
- High water mark per share for all outstanding shares
- NAV of CHF 107.71

