BB BIOTECH

BB BIOTECH AG

Annual Report 2000

Performance

Swiss Stock Exchange, Source: DATASTREAM

Bearer shares (Switzerland):
31.12.1999–31.12.2000 .....**54%**

Co-ownership shares (Germany):
31.12.1999–31.12.2000 .....**61%**

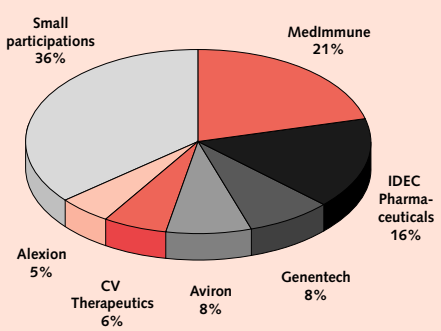
Bearer shares (Italy):
19.10.2000–31.12.2000 .....**–4%**

Performance since launch p.a.:
15.11.1993–31.12.2000 .....**32%**

Outperformance (Net Asset Value) vs. Biotech-Index (BTK) since launch (Nov. 1993).....**102%**

Portfolio

Securities .....**CHF 4 295 mn**



Dear Shareholders

2001 could be a record year for the biotech industry with regard to new product approvals and expansion of existing products to new and thus far untreated diseases. This reflects strong advances in the Phase III pipeline over the last few years and underlines the continuing positive development of the industry fundamentals.

Despite the rough market environment overall and unprecedented volatility in 2000, BB BIOTECH bearer shares increased by 54%, bringing BB BIOTECH's market capitalization to about CHF 4 890 mn. Since its inception, BB BIOTECH's Net Asset Value (NAV) has outperformed the American Stock Exchange Biotechnology Index (BTK Index) by 102%, net of currency effects.

The shareholder base was broadened through a CHF 267 mn capital increase in April, 2000 and a CHF 287 mn capital increase followed by a new listing on Italy's "Nuovo Mercato" on October 19. Increased investor demand for biotech equities also led to a substantial increase in the average daily trading volume of BB BIOTECH's bearer shares to about CHF 30 mn per day in 2000.

During 2000, we sold seven positions (Alza, Aurora, BioChem Pharma, Immunex, La Jolla, Lundbeck, and Serono) and made 12 new investments (Actelion, Advanced Medicine, Adolor, Celera, Celgene, Cell Therapeutics, COR Therapeutics, Durect, Pharmacopeia, Third Wave Technologies, Trimeris, and United Therapeutics). We significantly increased our position in Amgen, Genentech, IDEC, and ImClone, and decreased our position in Biogen and MedImmune. In 2000, our investment in private equity reached a record high of USD 75 mn, and five portfolio companies concluded their initial public offerings (IPO).

Product pipeline progress, new product introductions and solid earnings growth are the main drivers of the biotech industry and remain critical components of our investment strategy. Within BB BIOTECH's portfolio, the following companies could launch or expand major products in 2001: Actelion (Tracleer); Amgen (Aranesp, Abarelix, IL-1ra); Aviron (Flumist); Celgene (Attenade, Thalomid); Genentech (Xolair, Rituxan); IDEC (Zevalin, Rituxan); ImClone (C225); The Medicines Company (AngioMax); Transkaryotic Therapies (Replagal); and United Therapeutics (Uniprost). Furthermore, pivotal data or regulatory filings could be announced for eight additional products.

In total this represents more than 20 major events that could contribute to the continuing appreciation of BB BIOTECH's share price.

The Board of Directors of BB BIOTECH AG

Dr. Ernst Thomke
Chairman

Dr. Victor Bischoff

Prof. Dr. David Baltimore

Industry outlook

The US biotechnology industry grew to about 400 public companies from 330 companies in 1999. The total market capitalization of the industry increased to about USD 350 bn, a 56% growth from 1999. The number of companies with market capitalization in excess of USD 5 bn increased from 9 to 14. These 14 companies have a combined capitalization of about USD 208 bn, or 68% of the total industry. As of year-end 2000, 17 companies are profitable, up from 15 at year-end 1999.

Biotech companies with market capitalization of less than USD 200 mn performed best (+48%), followed by the large companies with market capitalization above USD 1 bn (+35%). Improving fundamentals were a key driver of performance in 2000. Also playing a role were more technical factors, such as a continuing shift of funds from pharmaceutical and technology stocks to biotechnology, inclusion of more biotech stocks in various indices and increasing number of biotech companies exceeding the mutual fund liquidity threshold of USD 1 bn.

New equity issues reached a record high of USD 31.5 bn and did not slow-down until late 2000. The three largest secondary stock offerings, led by Immunex's USD 3.2 bn offering, totaled more than USD 4.6 bn. Sixty-three companies concluded initial public offerings (IPO) and raised USD 6.1 bn, up from 20 IPOs in 1999. The average amount of funds raised per IPO increased by some 54%. The high financing activity and uncertain outlook for equities, in particular for technology, media and telecommunications-related stocks, may have a dampening effect on the sector in first part of 2001.

However, we remain optimistic about product-oriented companies with solid business models, as the product pipelines are stronger than ever and valuations have decreased with the recent market weakness. At the same time, we are cautious about companies based on so-called technology platforms with a long way to profitability and looming patent disputes. Many of these companies were the subject of momentum-based investing, fuelled by excessive speculation and hype without regard to economic valuation. In part, sequencing of the human →*genome* drove this process, despite the fact that the biological interpretation will take decades to complete.

In the U.S., the number of stock advances equaled the number of stock declines – a sign of increased investor selectivity. The 100-day historical volatility of the Amex Biotech Index (BTK Index) increased from 36% in 1999 to a record high of 64% in 2000. We expect the high volatility to continue because of relatively low stock market liquidity, continuing momentum-based investment and lack of near-term profitability combined with excessive valuations for many technology platform companies.

In Europe, new equity issues also reached a record high of about USD 5.5 bn with 17 IPOs raising about USD 2.3 bn, up from USD 0.3 bn in 1999. The 60 main biotech companies have a combined market capitalization of USD 81 bn. Five companies have a market capitalization of more than USD 5 bn, and these have a combined capitalization of about USD 51 bn, or 63% of the total industry. Valuations on various stock markets in Europe appear to reflect national biotech supply/demand balances rather than company fundamentals. As of 2000, 8 companies are profitable, up from 5 at year-end 1999.

As a result of the positive financing environment, M&A activity was relatively quiet during the year, though a few major deals, such as Shire's USD 4 bn acquisition of BioChem Pharma, were concluded. Entering 2001, many companies have unprecedented strong cash positions, making the industry less dependent on the infrastructure of the established pharmaceutical industry.

Contents:

Portfolio

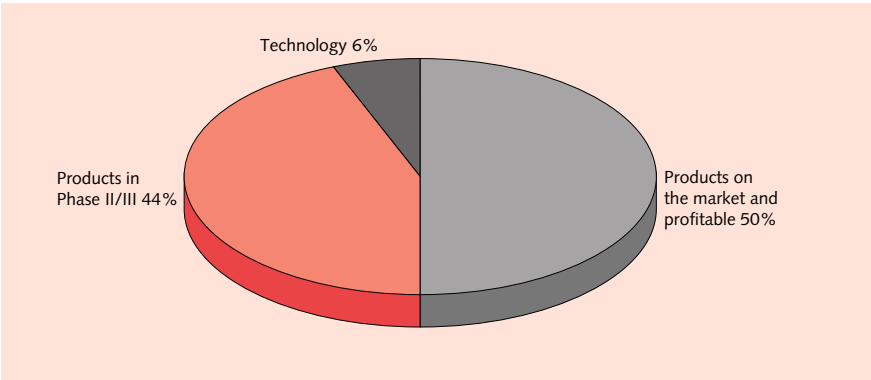
BB BIOTECH continued to diversify its portfolio and now has six core positions and 23 smaller positions. As of Dec. 31, 2000, MedImmune is still the largest holding, representing 21% of the portfolio (market value CHF 895 mn), down from 39% at year-end 1999. IDEC at 16% (market value CHF 685 mn) and Genentech at 8.1% (market value CHF 347 mn) are the second and third largest positions in the portfolio. The remaining three core positions are Aviron at 7.9% (market value CHF 340 mn), CV Therapeutics at 6.2% (market value CHF 269 mn), and Alexion at 5.2% (market value CHF 226 mn). We reduced our position in Biogen by 76% (1.13 mn shares) and it is no longer a core position. As a result of our continuing diversification efforts, Transkaryotic Therapies is also no longer a core position.

We sold Alza, Aurora, BioChem Pharma, Immunex, La Jolla, Lundbeck, and Serono, and made 12 new investments: Actelion (1.1% of the portfolio); Adolor (0.6%); Advanced Medicine (1.1%, not listed); Celera (0.5%); Celgene (1.9%); Cell Therapeutics (1.6%); COR Therapeutics (0.4%); Durect (1.0%); Pharmacopeia (0.9%); Third Wave Technologies (0.4%, not listed); Trimeris (1.6%); and United Therapeutics (0.4%).

In 2000, BB BIOTECH invested USD 75 mn in private equity. USD 22 mn were invested in existing private companies (The Medicines Company, 3-Dimensional Pharmaceuticals and Virologic). USD 53 mn were invested in new private companies (Advanced Medicine, Durect and Third Wave Technologies). Five companies concluded initial public offerings (IPO) and were listed on the NASDAQ stock exchange: Durect, GenVec, The Medicines Company, 3-Dimensional Pharmaceuticals, and Virologic.

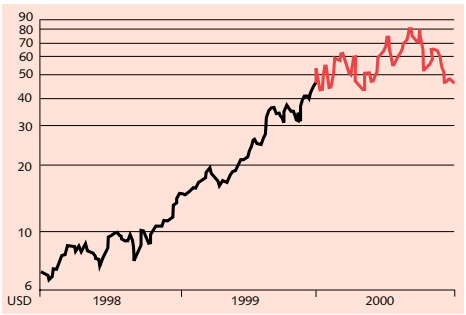
The largest contributors to BB BIOTECH's performance in 2000 were IDEC (up 93%), Aviron (up 323%) and the five companies above that concluded IPOs in 2000.

BB BIOTECH's portfolio composition



Company profiles

MedImmune



Market capitalization as of 31.12.2000: USD 10.0 bn

MedImmune is among the eight largest biotech companies in the U.S. with six products on the market. It focuses on infectious diseases, transplantation medicine, →*oncology,* and →*autoimmune diseases.* Synagis, MedImmune's lead product, was the first →*monoclonal antibody* to be approved for an infectious disease, the prevention of serious, lower respiratory tract disease caused by →*respiratory syncytial virus (RSV).* RSV poses a high risk to premature infants, or infants born with congenital cardiac defects or immature lungs. RSV accounts for more than 90 000 hospitalizations annually and 5 000 deaths in the U.S. In the U.S. alone, 350 000 infants are at risk for RSV annually, with a similar population size in Europe.

Synagis sales during the first season of its launch in 1998-99 exceeded USD 225 mn, representing the most successful launch ever of a biotechnology product. Sales of Synagis in the 1999-2000 season were USD 346 mn. In total more than 100 000 patients have been treated with Synagis. MedImmune co-promotes Synagis in the U.S. with Abbott, and receives a royalty from Abbott for all international Synagis sales.

Synagis remains without near-term competition and is still in the early stages of its product life cycle, with the first full season of launch under way in Europe. Synagis is currently approved in 38 countries. Results from two separate outcomes studies confirmed that treatment with Synagis significantly reduced the rate of hospitalization, as well as related costs, due to RSV among high-risk infants. MedImmune is also developing a second-generation optimized Synagis for RSV prevention, called Numax, in both an injectable and an inhaled formulation. Numax is expected to enter the clinic in 2001.

Cytogam has been successfully marketed since 1996 for the prevention or attenuation of cytomegalovirus (CMV). CMV frequently causes significant infections in patients who have received transplants such as kidney, liver, lung, heart, or pancreas, and who are simultaneously receiving immunosupressive medication to counteract potential organ rejection.

Through the acquisition of U.S. Bioscience, MedImmune acquired three marketed products. Ethyol is a cytoprotectant for chemo and radiation therapy that is also in several advanced clinical trials to expand its use in different →*cancers.* Hexalen is used to treat ovarian cancer and was recently sold to MGI Pharma. Neutrexin is indicated for the treatment of →*pneumocystis carinii* pneumonia.

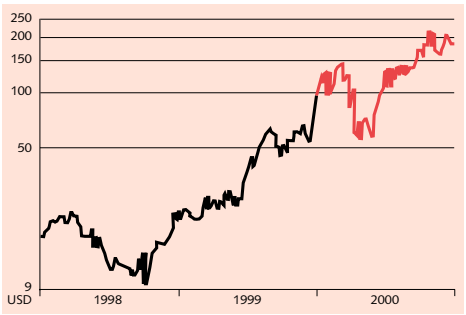
Products in development include MEDI 507, a humanized monoclonal antibody that selectively suppresses the immune system. MEDI 507 is in several Phase II trials in *psoriasis* as well as in graft versus host disease (GVHD), an immunologic complication of bone marrow transplantation.

MedImmune also has two important vaccines in the clinic. Phase I results with its vaccine for recurrent urinary tract infections demonstrated that the vaccine was safe, well tolerated and immunogenic. Phase II studies are under way.

Also, positive Phase I data was reported for MedImmune's vaccine for the prevention of human papilloma virus (HPV), which is the primary cause of cervical cancer. It has also entered Phase II studies. Other later stage products include an →*angiogenesis* inhibitor for cancer.

Currently, MedImmune has six Phase III studies ongoing for three products.

IDEC Pharmaceuticals



Market capitalization as of 31.12.2000: USD 8.9 bn

IDEC develops monoclonal antibodies for the treatment of cancer and autoimmune diseases. IDEC's first marketed product is Rituxan, the first monoclonal antibody approved for an oncology indication, the treatment of relapsed, refractory, low-grade →*non-Hodgkin's lymphoma (NHL).* Launched in 1997, Rituxan is co-promoted with Genentech in the U.S. IDEC receives royalties on Rituxan sales from Roche outside the U.S. and Japan, and from Zenyaku Kogyo in Japan.

Rituxan is increasingly being used in other lymphoma indications. The →*FDA* has completed its review of a supplemental →*BLA* filing for treatment of patients with bulky disease, increased dosing per treatment and multiple courses of treatment. Approval for these indications is expected in the near future.

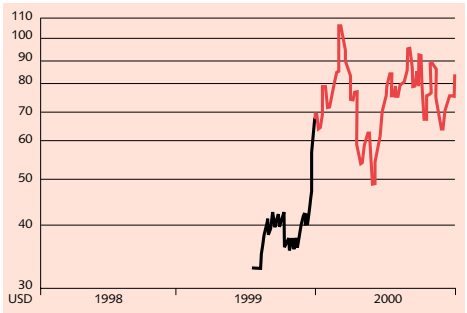
New data from an interim Phase III European study in patients with previously untreated aggressive non-Hodgkin's lymphoma who were treated with first-line Rituxan in combination with standard chemotherapy demonstrated a significant survival benefit and response rate compared with standard chemotherapy alone. NHL is one of the fastest growing cancers

worldwide in terms of incidence and death, affecting approximately 4.5 million persons worldwide.

An FDA submission for IDEC's second product, Zevalin, occurred in November. Zevalin is a radio-labeled monoclonal antibody for the treatment of advanced lymphoma, that will be used after pre-treatment with Rituxan. IDEC plans to market Zevalin in the U.S., and will receive royalties on ex-U.S. sales from partner Schering AG. Zevalin will receive expedited review by the FDA and could be launched in 2001.

Later stage products include IDEC-151, a monoclonal antibody for the treatment of →*rheumatoid arthritis,* and IDEC-114 for the treatment of psoriasis. Both are in Phase II studies.

Genentech



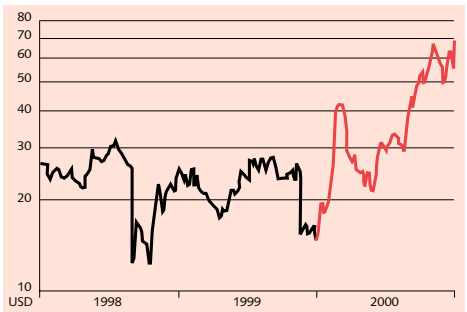
Market capitalization as of 31.12.2000: USD 42.8 bn

Genentech is the second largest biotechnology company. It markets five drugs, three of which are mature products: Activase/TNK, both fibrinolytics, for the treatment of acute myocardial infarction; Protropin/Neutropin Depot for the treatment of short stature; and Pulmozyme for the treatment of →*cystic fibrosis.* Two oncology products are still in the growth phase of their product cycles, namely Herceptin for breast cancer and Rituxan for non-Hodgkin's lymphoma (NHL). In 2000, Genentech filed a supplemental BLA to seek expansion of the Rituxan label to include treatment of patients with bulky disease, increased dosing per treatment and multiple courses of treatment. In addition, an interim analysis of a Phase III trial showed that in previously untreated patients with aggressive NHL, adding Rituxan to a standard chemotherapy regimen improved disease-free survival from 49% to 68%. Rituxan is co-marketed in the U.S with IDEC Pharmaceuticals.

Genentech has a broad and deep pipeline. Xolair, a treatment for seasonal allergic rhinitis and allergic asthma, is filed with the FDA. In the cardiovascular disease area, Genentech recently signed a development and co-promotion agreement with Actelion to commercialize Tracleer in the U.S. Tracleer is an →*endothelin* receptor antagonist in Phase III trials for the treatment of chronic heart failure and →*pulmonary hypertension.* Genentech previously signed a development and co-promotion agreement with Actelion for another endothelin receptor antagonist, Tezosentan, for the treatment of →*acute heart failure.* Tezosentan is in Phase III trials. In the oncology area, Genentech started Phase III trials of its anti-→*VEGF* antibody in colon and lung cancer.

In 2000, Genentech's majority shareholder Roche reduced its ownership from 66% to 58.9%.

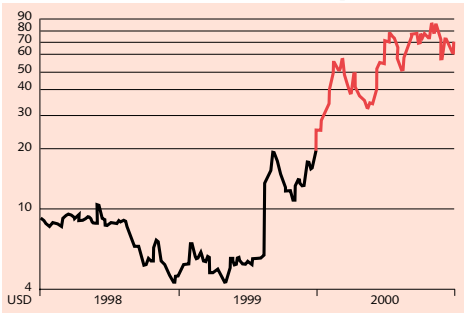
Aviron



Market capitalization as of 31.12.2000: USD 1.5 bn

Aviron develops vaccines for infectious diseases. Aviron's lead product, Flumist, is an intranasal, live, cold-adapted influenza vaccine. It has been evaluated in more than 13 000 patients, both adults and children, and has been demonstrated to be highly effective and safe. The initial BLA submission in 1998 was rejected by the FDA due to inconsistencies in the manufacturing process and compliance problems at the British manufacturing facility. A BLA was resubmitted in October 2000 following major changes in management and manufacturing process validation, and was accepted for review by the FDA in late December. Aviron will co-promote Flumist with marketing partner American Home Products in the U.S. American Home Products will be responsible for commercialization of Flumist in Europe and most countries outside the U.S. The flu vaccine market has experienced significant growth over the last few years, with broadening vaccination guidelines. A new formulation of Flumist that does not need to be frozen when stored is in Phase III trials. Other vaccines for the prevention of parainfluenza virus (PIV), Epstein-Barr virus (EBV) and cytomegalovirus (CMV) are in earlier stages of clinical development.

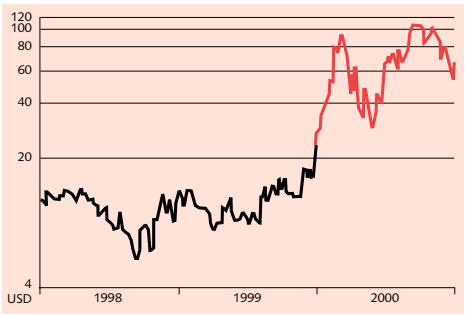
CV Therapeutics



Market capitalization as of 31.12.2000:
USD 1.4 bn

CV Therapeutics is engaged in the discovery, development and commercialization of novel small molecule drugs for the treatment of cardiovascular diseases. CV's lead product, Ranolazine, is in a second Phase III trial in patients with chronic →*angina* in combination with other anti-anginal drugs. Ranolazine is the first in a new class of compounds known as partial fatty acid oxidation (pFOX) inhibitors. Chronic angina affects more than seven million persons in the U.S. alone. In addition, CV Therapeutics recently initiated a Phase II trial with Ranolazine for treatment of →*congestive heart failure (CHF).* CV-510, CV's second product, is a selective A1-adenosine receptor agonist for the treatment of paroxysmal supraventricular arrhythmia (PSVT), a commonly occurring type of cardiac arrhythmia. CV-510, which is in Phase III, could offer a new approach to treating atrial arrythmias.

Alexion Pharmaceuticals



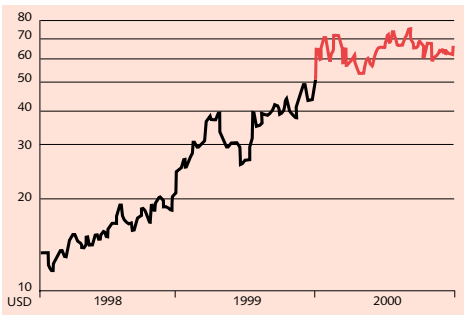
Market capitalization as of 31.12.2000:
USD 1.2 bn

Serious diseases such as myocardial infarction or rheumatoid arthritis are in many cases caused by inflammatory processes. Alexion's approach is to stop these inflammatory processes through the inhibition of the complement system. Alexion's most advanced product could demonstrate significant efficacy in patients undergoing cardiopulmonary bypass surgery. Three large Phase IIb studies, each with 1 000 patients, are ongoing. Procter & Gamble is the partner for this program. First results from these large-scale trials are expected in early 2001. Alexion's second product was safe and well tolerated in a Phase I study in patients with rheumatoid arthritis. The product is currently in Phase IIb; 200 patients have been enrolled and results are expected in early 2001.

In addition, Alexion has several programs in clinical development using its technology to inhibit the complement system, including drugs targeting →*membranous nephritis,* psoriasis, →*dermatomyositis,* and →*pemphigoid.*

To strengthen its antibody development technology, Alexion acquired Prolifaron, a privately held development stage biopharmaceutical company with extensive combinatorial human antibody library technologies and expertise.

Amgen



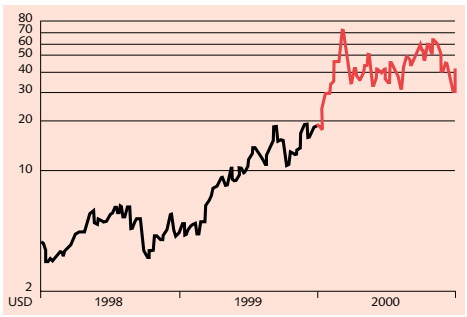
Market capitalization as of 31.12.2000:
USD 66.1 bn

Amgen is the largest company in the biotechnology industry. Its market capitalization of USD 66 bn represents 19% of the market capitalization of all publicly traded U.S biotechnology companies.

Amgen has two →*blockbuster* drugs: →*Epogen,* a red blood cell stimulator for the treatment of →*anemia,* and Neupogen, a white blood cell stimulator for the treatment of chemotherapy-induced →*neutropenia.* Amgen's strategy is to grow both franchises by introducing follow-on products with improved dosing convenience and efficacy. In the case of Epogen, Amgen filed an →*NDA* for Aranesp, a long-acting red blood cell stimulator that can be dosed once per week to once per three weeks compared with the current three times per week dosing of Epogen. Furthermore, Epogen can only be marketed in the U.S dialysis market while Aranesp could be marketed in dialysis, pre-dialysis and cancer markets in both the U.S and Europe. Amgen expects to launch Aranesp in the U.S and Europe in early 2001. In the case of Neupogen, a sustained release form called SD/01 is expected to be launched in the first half of 2002. SD/01 will expand the Neupogen franchise by stimulating usage in more patients as well as better compliance in each user due to its dosing convenience.

Amgen's other pipeline drugs include: Abarelix for the treatment of prostate cancer, which was filed in December 2000, and IL-1 ra for rheumatoid arthritis, which was filed in 1999.

ImClone

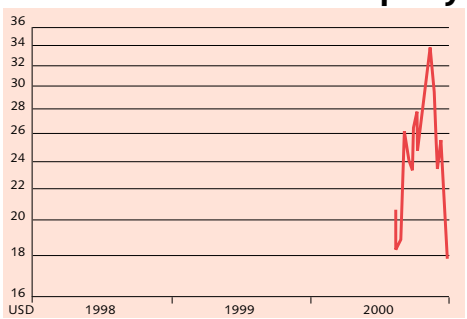


Market capitalization as of 31.12.2000:
USD 2.9 bn

ImClone develops monoclonal antibodies for the treatment of cancer. ImClone's most advanced product, C225, is a monoclonal antibody targeting the epidermal growth factor receptor (EGF receptor). The EGF receptor is overexpressed in many commonly occurring solid tumors, such as colorectal cancer, and head and neck cancer, as well as cancers of the pancreas, lung, prostate, breast, and ovary. A submission to the FDA is expected in the first half of 2001. Results from ongoing trials in head and neck cancer, and cancer of the pancreas are expected in mid 2001. C225 is intended for use in combination with chemotherapy or radiation therapy. The potential market for C225 could exceed USD 1 bn in the U.S. alone. ImClone has retained all U.S. marketing rights, and will receive royalties on sales of C225 outside the U.S. from partner Merck KgaA.

ImClone's second product, BEC-2, is in Phase III trials in lung cancer. Worldwide rights to BEC-2 are held by Merck KGaA.

The Medicines Company

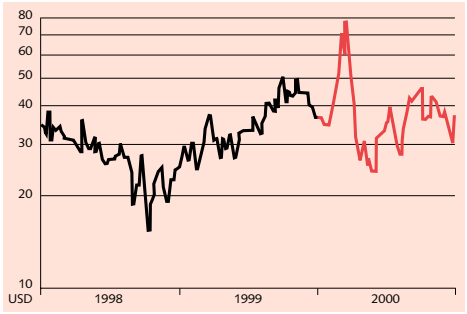


Market capitalization as of 31.12.2000:
USD 621 mn

The Medicines Company is developing AngioMax (also known as bivaluridin) for use in coronary angioplasty and in acute heart attacks. AngioMax belongs to the class of direct thrombin inhibitors, the same mode of action leeches use to prevent clotting of the soaked blood. TMC received marketing approval for AngioMax for the USA in December 2000 for the use in patients undergoing Peripheral Transluminal Cardio Angioplasty (PTCA). TMC also has clinical trials on the way to gain additional indications for the use of AngioMax. One clinical study, HERO II, is enrolling 18 000 patients suffering acute heart attacks.

TMC successfully completed its IPO in August 2000 raising USD 96 mn.

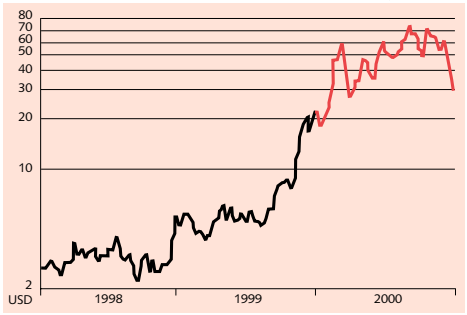
Transkaryotic Therapies



Market capitalization as of 31.12.2000:
USD 827 mn

TKT has three areas of focus: gene activated proteins, niche proteins and →*gene therapy*. Gene activation is a proprietary protein production method that selectively activate genes of interest in human cell lines without cloning. The first drug candidate, Dynepo, a gene activated erythropoietin for the treatment of anemia, has completed Phase III testing and is awaiting BLA filing, pending production process validation. Dynepo was licensed to Aventis for commercialization in the U.S and Europe. TKT/Aventis's patent litigation with Amgen regarding erythropoietin was completed in September 2000 and the judge is expected to rule in 2001. TKT's niche protein program focuses on rare genetic diseases that can be treated with protein drugs. Its first product candidate in this area, Replagal, is an →*enzyme* replacement therapy for a rare genetic disease called Fabry's disease. A BLA has been filed and TKT expects a response by the FDA early in 2001. Replagal is competing with Genzyme's Fabrazyme for market exclusivity, since both drugs were granted orphan drug status for the same disease and were filed at about the same time.

Celgene



Market capitalization as of 31.12.2000:
USD 2.4 bn

Celgene is developing products for the treatment of cancer, autoimmune and infectious diseases. Celgene's first marketed product is Thalomid, which was approved in 1998 for a variant form of leprosy. Today Thalomid is mainly used for the treatment of a variety of cancers as well as autoimmune diseases. The majority of its use in cancer is in multiple myeloma, for which a filing with the FDA is expected in 2001. In addition Celgene plans to initiate studies using Thalomid in combination with chemotherapy for a variety of other cancers. Celgene's later stage, second-generation compounds, the SelCIDs (selective cytokine inhibitors) and the IMiDs (immunomodulatory drugs), are more potent and appear to lack the teratogenic side effects of Thalomid. These compounds are in Phase II trials for Crohn's disease and cancer. Results from these trials are expected in 2001.

An NDA for Attenade, a chirally pure version of Ritalin for the treatment of attention deficit disorder (ADD/ADHD), was filed with the FDA in December. Attenade has been licensed to Novartis. During 2000, Celgene also acquired Signal Pharmaceuticals, which has several products expected to reach the clinic in 2001.

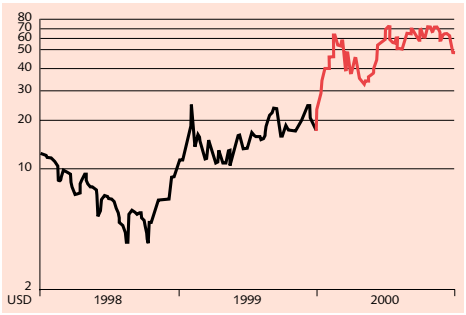
3-Dimensional Pharmaceuticals

Market capitalization as of 31.12.2000:
USD 312 mn

3DP is a drug discovery company that focuses on the discovery and optimization of orally active small molecule drugs. 3DP aims to speed up development of drug leads by using structure-based drug design, combinatorial chemistry, computer-controlled robotic synthesis, and chemo-informatics. These technologies automate and parallelize essential steps in the discovery and the optimization process for drug leads, and enable 3DP to develop compounds for difficult pharmacological targets. 3DP's lead program, an orally active thrombin inhibitor, has already advanced into Phase I. The program is expected to find a pharmaceutical company partner in early 2001. 3DP is also developing several compounds for the treatment of cancer. The most advanced program, urokinase inhibitors, targets metastasis, tumor angiogenesis and restenosis. In May 2000, 3DP entered into a license and research agreement with Schering AG in which Schering obtained exclusive worldwide rights to 3DP's urokinase inhibitor compounds for human therapeutic use.

3DP completed an initial public offering in August 2000, raising USD 75 mn.

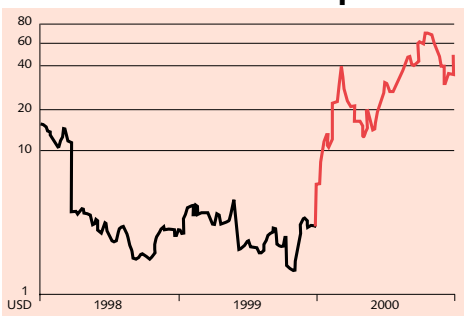
Trimeris



Market capitalization as of 31.12.2000:
USD 867 mn

Trimeris is developing a novel class of therapeutics to treat viral diseases by inhibiting the fusion of a virus to a host cell and thus blocking viral infection. Trimeris' most advanced product, T-20, a fusion inhibitor for →*HIV*, is in Phase III pivotal trials. Based on promising Phase II data in heavily pretreated patients, T-20 will likely be used in patients who have failed multiple combination therapies. Trimeris's second product, T-1249, is also a fusion inhibitor, with Phase I/II data expected during the first half of 2001. Roche is the partner for both T-20 and T-1249. The medical need for new HIV therapies remains large since a growing number of patients have exhausted all existing combination therapies due to viral resistance.

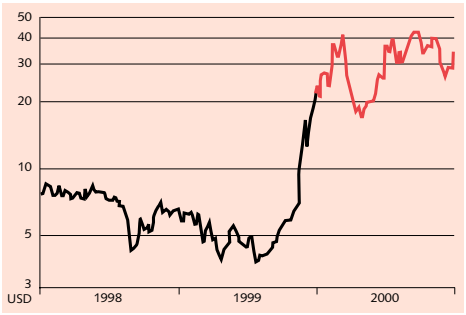
Cell Therapeutics



Market capitalization as of 31.12.2000:
USD 1.3 bn

Cell Therapeutics develops and markets oncology drugs. Its first drug, Trisenox, received FDA approval on September 25, 2000 for the treatment of relapsed or refractory acute promyelocytic leukemia (APL). APL is a rare but life-threatening cancer. In addition, Trisenox is in clinical trials in other cancers, such as multiple myeloma, myelodysplastic syndrome and chronic myelogenous leukemia. Preliminary data is encouraging. Cell Therapeutics' second product candidate, PG-TXL, is a modified version of a widely used anti-cancer drug, paclitaxel. Cell Therapeutics attaches a polymer to the paclitaxel molecule to make it more water-soluble to potentially decrease the toxicity associated with the current paclitaxel formulation. In addition, the resulting larger molecule may preferentially target tumor sites, thus potentially increasing efficacy and reducing side effects. PG-TXL entered Phase II testing in October 2000 for the treatment of lung and ovarian cancer.

Neurocrine Biosciences

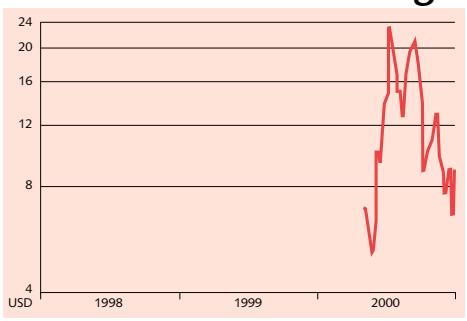


Market capitalization as of 31.12.2000:
USD 716 mn

Neurocrine Biosciences uses its broad expertise in neuroscience, immunology and endocrinology to develop drugs for neurological disorders. Its lead program, NBI-34060, a non-benzodiazepine, is an insomnia drug currently in Phase II; pivotal Phase III trials are scheduled to begin in early 2001. The second program consists of a novel class of drugs intended to treat depression and anxiety with a potentially improved profile compared with existing drugs. The target is corticotrophin releasing factor (CRF), which plays a critical role in the body's response to stress and was first discovered by one of Neurocrine's founders. Another program targets glioblastoma (brain cancer). Promising Phase II results with 31 patients were presented in April 2000 and Phase III trials are expected to start soon.

Neurocrine also has a program called altered peptide ligand (APL) for treatment of diabetes. The drug is in Phase I/II clinical trials, with Phase II trials planned for 2001.

Virologic

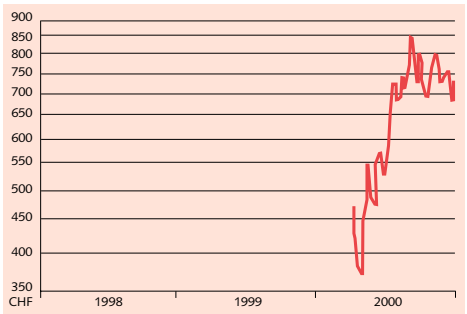


Market capitalization as of 31.12.2000:
USD 181 mn

Virologic focuses on susceptibility testing for viral diseases. Its lead technology, PhenoSense HIV, is a proprietary test that is able to quantitatively measure resistance of a patient's HIV to anti-retroviral drugs. Drug resistance is a major problem in patients on chronic anti-HIV therapy, and resistance testing has been recommended in the new guidelines for management of HIV patients issued by the International Aids Society. PhenoSense is being commercialized by Virologic.

In May 2000, Virologic completed an IPO.

Actelion



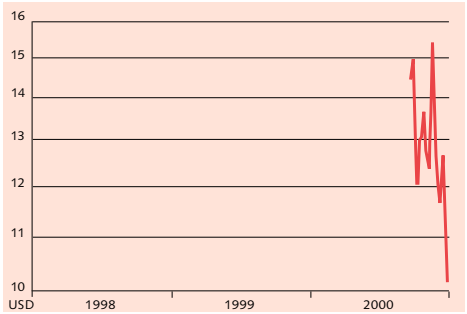
Market capitalization as of 31.12.2000:
CHF 3.5 bn

Actelion is a leader in the development of drugs targeting one organ – the endothelium. →*Endothelin* is a recently discovered peptide that has been shown to play a critical role in several cardiovascular diseases, in particular heart failure and pulmonary hypertension. Actelion has two compounds in advanced clinical development. Both act by preventing the action of endothelin. With these programs, Actelion is ahead of competition in developing drugs that target the endothelin system.

Tezosentan is the first endothelin receptor antagonist optimized for intravenous use. It is being studied in a Phase III program for treatment of patients with acute heart failure; marketing partner for this indication is Genentech. Tracleer (bosentan) is the first orally active endothelin receptor antagonist. It is in Phase III for the treatment of congestive heart failure. Tracleer has also potential in other indications such as pulmonary hypertension. A clinical program in patients with pulmonary hypertension was started in October 1999. Actelion has already begun to submit sections of its NDA to the FDA for the treatment of pulmonary hypertension.

Actelion completed an initial public offering in April 2000, raising CHF 260 mn.

Durect

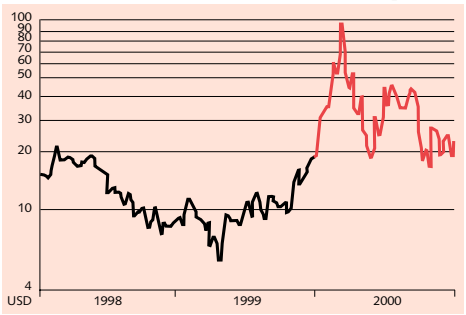


Market capitalization as of 31.12.2000:
USD 558 mn

Durect has a proprietary drug-delivery technology for the treatment of chronic pain, central nervous system disorders, and ear diseases by means of implantable and microcatheter technologies. Durect is a spin-off of Alza, and its lead technology, Duros, uses Alza's miniature titanium osmotic pump to provide continuous drug delivery for as long as one year or more. Durect's first product, Duros Sufentanil for the treatment of chronic pain, is in Phase II trials.

Durect completed an IPO in September, 2000 raising USD 84 mn.

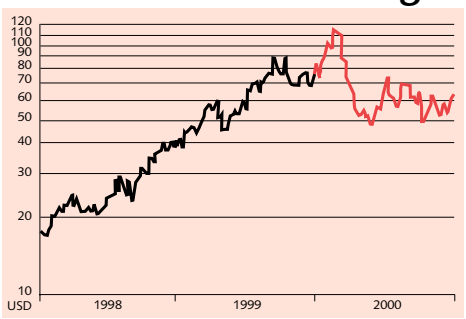
Pharmacopeia



Market capitalization as of 31.12.2000:
USD 510 mn

Pharmacopeia is a leading provider of enabling technology-based products and services to pharmaceutical and biotechnology companies for accelerated drug discovery and chemical development. The need for these tools and services is rapidly growing as more and more drug targets are being identified through genomics-based scientific developments. Pharmacopeia's drug discovery services utilize a proprietary combinatorial chemistry technology in conjunction with high and →*ultra-high throughput screening (UHTSS)* in the areas of modeling, simulation and information management to accelerate identification and optimization of small molecules.

Biogen

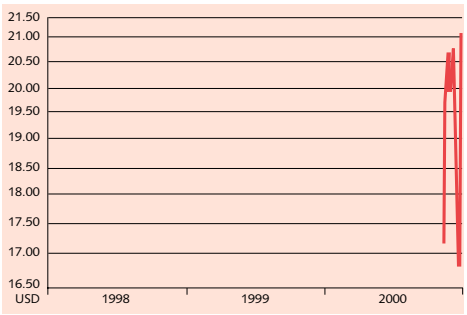


Market capitalization as of 31.12.2000:
USD 8.9 bn

Biogen's →*multiple sclerosis (MS)* treatment, Avonex, is a market leader in the U.S. with a nearly 54% market share. In 2000, results from a clinical trial demonstrated that Avonex is effective in treating primary progressive MS. This result should encourage use of Avonex in early MS. Another trial showed that doubling Avonex's dose is no better than the original dose for relapse remitting MS, which confirmed Biogen's position that the current Avonex dose is optimal.

In 2000, Biogen advanced one pipeline drug, Amevive, into Phase III clinical trials for psoriasis. Pivotal data is expected in the summer of 2001. Biogen has also signed several partnerships to bring in earlier stage pipeline drugs. Such partners include Elan, Targeted Genetics and Eos Biotechnology.

Adolor

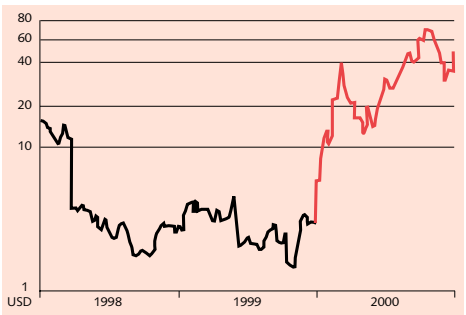


Market capitalization as of 31.12.2000:
USD 589 mn

Adolor focuses on management of moderate to severe pain with the objective to reduce the side effects associated with current narcotic analgesics. Adolor intends to address these side effects by developing either new analgesics that do not affect the central nervous system and gastrointestinal tract, or drugs that prevent the gastrointestinal effects of narcotic analgesics.

Adolor's first drug candidate, ADL 8-2698, is in Phase II/III clinical trials for alleviation of two side effects commonly caused by narcotic analgesics: post surgical ileus and chronic bowel dysfunction. Phase I/II studies have shown that in post surgical patients, ADL 8-2698 can accelerate recovery of upper and lower gastrointestinal function and result in earlier discharge of patients from the hospital. In chronic narcotic analgesics users, ADL 8-2698 was found to reverse bowel dysfunction in 100% of the patients treated, while maintaining the pain relief from narcotic analgesics. An NDA submission for ileus is expected in 2002 and for narcotics-induced bowel dysfunction in 2003.

Celera



Market capitalization as of 31.12.2000:
USD 2.2 bn

Celera was formed in 1999 with the mission to become the definitive source of genomics information for biopharmaceutical companies, academic researchers, agricultural companies, and clinicians. Using high-throughput automated DNA sequencers and a new sequencing strategy, Celera sequenced and annotated the human genome in June 2000. Final results were submitted for peer reviewed publication in December. Celera currently has a total of 14 biopharmaceutical and academic subscribers to its genomics database. To enhance the value of its database to its customers, Celera has started to generate proteomics information. Celera is also moving into the business of target generation and validation.

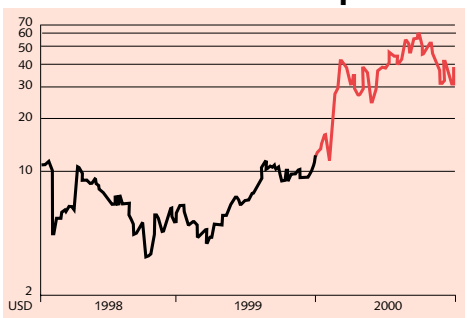
GenVec

Market capitalization as of 31.12.2000:
USD 169 mn

GenVec focuses on gene therapies and delivery systems for therapeutic angiogenesis. Its lead product, BioByPass, delivers the gene for vascular endothelial growth factor (VEGF). VEGF stimulates the formation of new blood vessels, which improve blood flow. BioByPass is delivered locally to the site of disease and is in several Phase II studies for treatment of coronary artery disease and peripheral vascular disease. Pfizer is a partner.

GenVec completed its IPO in December 2000 raising USD 38 mn.

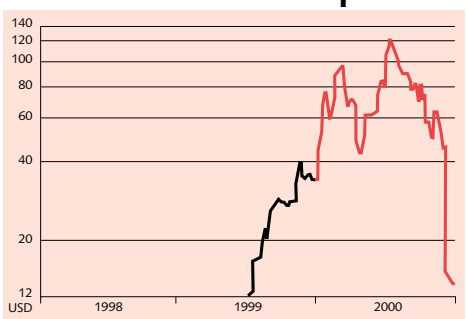
COR Therapeutics



Market capitalization as of 31.12.2000:
USD 1.9 bn

COR develops and markets drugs for the treatment of severe cardiovascular diseases. It developed and is co-marketing with Schering-Plough the leading GP IIb/IIIa inhibitor, Integrilin, for the treatment of →*acute coronary syndrome (ACS)* and for use with →*percutaneous coronary intervention (PCI)*. GP IIb/IIIa inhibitors belong to a class of drugs that inhibit platelet aggregation in patients undergoing PCI and with ACS. There are three intravenous GP IIb/IIIa inhibitors on the market: Integrilin, Aggrastat and Reopro. Integrilin has been steadily gaining market share from its two competitors due to its attractive cost-effectiveness profile. The company expects additional clinical trial results in 2001. If positive, they could further strengthen Integrilin's market position. COR's second product is an oral GP IIb/IIIa inhibitor in Phase II trials for ACS and stroke.

United Therapeutics

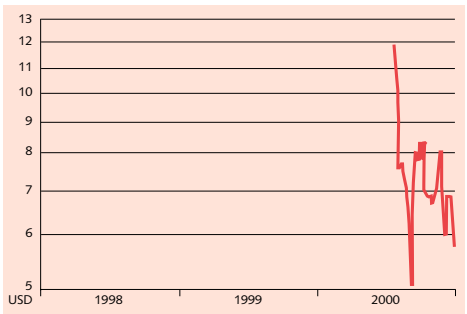


Market capitalization as of 31.12.2000:
USD 298 mn

United Therapeutics develops drugs for the treatment of pulmonary hypertension and peripheral vascular disease. An NDA for its lead product, Uniprost (UT-15) for the treatment of pulmonary hypertension, was filed with the FDA in October 2000. Uniprost is a prostacyclin analog that has a better safety and convenience profile than the currently marketed pulmonary hypertension treatment, Flolan. The FDA has stated that it will not call for an advisory panel meeting to discuss the approval of Uniprost. United Therapeutics expects to receive a response from the FDA by April 2001. A European submission is expected in 2001.

United Therapeutics' second drug candidate, Beraprost, is in a Phase III trial for the treatment of early stage peripheral vascular disease and in Phase II for early stage pulmonary hypertension. Beraprost is an oral prostacyclin analog that was licensed from Toray Industries in Japan, where it has been approved since 1994. Aventis licensed the European marketing rights and has submitted a filing to the European regulatory authorities. United Therapeutics expects pivotal trial results of Beraprost for the treatment of peripheral vascular disease in 2001.

Endo Pharmaceuticals

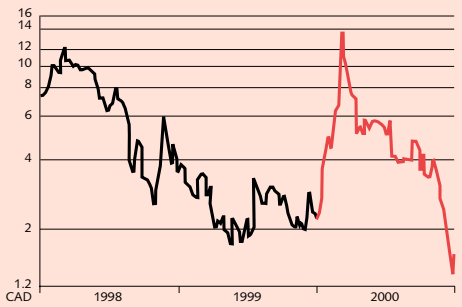


Market capitalization as of 31.12.2000:
USD 535 mn

Algos Pharmaceutical Corporation, a leader in pain therapies, merged with Endo Pharmaceuticals Holdings, Inc., a fully integrated company that develops and markets leading branded drugs primarily for the treatment of pain, to form Endo Pharmaceuticals. The merger combines Endo's existing sales and marketing capabilities with Algos's product pipeline.

Algos's most advanced product, Morphidex, received a "non-approvable" letter from the FDA in 1999. Morphidex combines morphine with dextromethorphan, an NMDA receptor antagonist. Since then several additional studies were initiated to address the FDA's issues. A new supplemental filing is expected to be submitted in 2001.

Synsorb



Market capitalization as of 31.12.2000:
CAD 71 mn

Synsorb develops drugs to treat certain forms of severe diarrhea caused by bacteria. Following an interim analysis, Synsorb's most advanced program, Synsorb PK, was terminated after it failed to meet clinical trial objectives in preventing progression to kidney disease in pediatric patients suffering from E. coli infections. Synsorb's second product, Synsorb CD, is intended for treatment of recurrent diarrhea caused by another bacterium (Clostridium Difficile), a condition frequently caused by antibiotic use. Synsorb CD has received "fast track" designation from the FDA and is in Phase III trials.

Advanced Medicine

Not listed
Valuation after last round:
USD 468 mn

Advanced Medicine is an early stage biopharmaceutical company that is using its multivalent drug technology to develop small molecule drugs with improved efficacy and safety. This technology is based on the observation that if a molecule has multiple binding sites to its target, it is likely to have higher specificity and affinity for the target than a molecule with a single binding site. The company has multiple research programs ongoing that target several large markets, such as pain management, infectious disease, asthma, urinary incontinence, cardiovascular, and central nervous system disease. Its lead product is a fast onset, long-acting local anesthetic for post surgical pain in late-stage pre-clinical development.

Third Wave Technologies

Not listed
Valuation after last round:
USD 318 mn

Third Wave develops and commercializes test kits, components and related products for analyzing genetic variations among individuals. Its Invader technology allows rapid analysis of genetic samples with high accuracy and automation without the need to amplify the sample, thereby avoiding contamination. These assays can be analyzed using existing detection methods and formats. Commercial partners include Applied Biosystems, Novartis and Specialty Laboratories.

Source of charts: Datastream

Glossary

AIDS: *(Acquired Immunodeficiency Syndrome)* a chronic infection as yet incurable with human immunodeficiency virus (HIV). The function of certain white blood cell types of the immune system is impaired. Therefore, AIDS patients have a compromised immune system which is associated with uncommon infections and malignancies.

Acute Coronary Syndrome (ACS): symptoms coming from the heart, can have several distinct causes like myocardial infarction or *Angina.*

Acute heart failure: life threatening acute weakness of the heart.

Anemia: condition in which the blood is deficient in red blood cells, in hemoglobin, or in total volume.

Angina: a symptom complex usually involving chest pain, which can occur during physical exercise or at rest. Usually a consequence of narrowed coronary arteries due to arteriosclerosis.

Angiogenesis/angiogenic: angiogenesis represents the formation of blood vessels, which are necessary for the supply of oxygen to tissues. An anti-angiogenic agent is designed to inhibit growth of blood vessels, for example to inhibit tumor growth.

Autoimmune disease: a disease caused by reaction of the body's immune system against a component of the body (e.g. multiple sclerosis, diabetes, lupus, rheumatoid arthritis).

BLA: Biological License Application. Application for marking approval of a biological drug.

Blockbuster: new drug, which offers significant improvement compared to existing therapy and is able to substitute a class of old drugs.

Congestive Heart Failure (CHF): a result of compromised cardiac function, resulting in accumulation of fluid (edema) in the lungs or extremities.

Cystic fibrosis: hereditary disease of metabolism, leading to the excessive production of mucus in the lung, which leads to serious complications in the airways including infection and destruction of lung tissue.

Dermatomyositis: presumed autoimmune disease, which affects muscles and skin, by inflammation processes.

Endothelin: naturally occurring hormone, most powerful vasoconstrictor, triggers constriction of vessels.

Enzyme: a protein that catalyzes a specific reaction. Almost all chemical reactions occurring in uni- and multicellular organisms are catalyzed by enzymes.

Epogen: recombinant erythropoietin α; this protein stimulates the production of red blood cells and thus decreases blood transfusion requirements for hemodialysis patients, who develop anemia due to lack of EPO.

FDA: Food and Drug Administration. US-authority which regulates market access of new drugs.

Gene therapy: therapeutic approach that delivers a gene for a product (protein) rather than the product itself.

Genome: the whole complement of genes (hereditary material) in a particular organism.

HIV: (Human Immunodeficiency Virus) the virus that causes $\rightarrow$*AIDS.*

Membranous nephritis: disease of the kidney, leading to severe reduction of renal function.

Monoclonal antibodies: antibodies are proteins that are synthesized by cells of the immune system. Antibodies recognize and bind to specific receptors and target molecules. Monoclonal antibodies are directed against a certain antigen and originate from the same cell. Monoclonal antibodies are produced in cell culture.

Multiple sclerosis: a chronic degenerative neurological disease affecting nerve fibers, by which the myelin sheath, which is necessary for the normal functioning of the nerve fibers, undergoes destruction by a patient's own immune system.

NDA: New Drug Application. Application for marketing approval of a non biological new drug.

Neutropenia: condition in which blood is deficient in white blood cells.

Non-Hodgkin's lymphoma: malignant cancer of the lymphatic system.

Oncology/Cancer: oncology deals with the treatment of malignant tumors and related diseases. Cancer is defined by uncontrolled or inappropriate cell proliferation or division. Migration of cancer cells leads to metastasis. Cancer is the second most common cause of death in the developed world.

Pemphigoid: several immunologically mediated skin diseases.

Percutaneous coronary intervention: treatment of the heart by inserting a catheder through the leg artery. Can be used both for diagnosis and treatment.

Pneumocystis carinii: a disease of the lung caused by an opportunistic pathogen. It occurs predominantly in immuno-compromised patients, e.g. *HIV*-patients.

Psoriasis: an autoimmune disease of the skin leading to abnormal proliferation of the epidermis and scaling of the skin.

Pulmonary hypertension: high blood pressure in the lung.

Rheumatoid arthritis: a systemic autoimmune disease involving the destruction of the lining of the joints resulting in pain, swelling, stiffness, progressive joint destruction and immobilization.

RSV: *(Respiratory Syncytial Virus)* major causative agent of serious respiratory infections in prematurely born children or children with underdeveloped lungs or congenital cardiac abnormalities.

UHTSS: *(Ultra High Throughput Screening System)* screening is the testing of chemical compounds for pharmacological activity. Ultra high throughput is typically defined as the ability to screen more than 100 000 compounds per day.

VEGF: Vascular Endothelium Growth Factor. Naturally occurring hormone which triggers growth and sprouting of vessels.

Clinical Trials and the Approval Process are conducted in three Phases:

Phase I: "First time in man" trials to determine the safety of a drug, its pharmacokinetics, metabolism, biodistribution and excretion; typically involving 5 to 50 healthy volunteers.

Phase II: Determination of optimal dosage, safety (and initial indication of efficacy); typically involving 50 to 200 patients.

Phase III: Statistically relevant determination of safety and efficacy, may also include interaction with other drugs; typically involving 100 to more than 1 000 patients, depending on the therapeutic category.

For marketing approval in the U.S., data from preclinical and clinical testing, and information about the manufacturing process are submitted to the Food and Drug Administration (FDA) in a New Drug Application (NDA) or Biologic License Application (BLA); an FDA advisory panel reviews the submission and gives a recommendation or non-recommendation for approval. The decision regarding marketing approval resides with the FDA, which usually, but not always follows the recommendation of the advising panel. The approval process in Europe is similar, leading agency is the EMEA (European Agency for the evaluation of Medicinal Products).

Financial data

Participations as of December 31, 2000

Company	Number of shares	Change since 31.12.1999	Share price in original currency		Market value in mn CHF	In % of portfolio	In % of company
MedImmune [1]	11 456 000	–769 000	USD	47.69	894.7	20.7%	5.4%
IDEC Pharmaceuticals	2 206 500	642 500	USD	189.56	685.0	15.8%	4.7%
Genentech [2]	2 600 394	2 277 994	USD	81.50	347.1	8.0%	0.5%
Aviron	3 105 286	450 000	USD	66.81	339.8	7.9%	13.5%
CV Therapeutics	2 317 147	347 500	USD	70.75	268.5	6.2%	12.0%
Alexion Pharmaceuticals	2 124 113	300 000	USD	64.94	225.9	5.2%	11.8%
Amgen	1 982 500	1 292 500	USD	63.94	207.6	4.8%	0.2%
ImClone [3]	2 632 500	902 500	USD	44.00	189.7	4.4%	4.0%
The Medicines Company (TMC) [4]	5 204 837	1 154 466	USD	20.50	174.7	4.0%	17.2%
The Medicines Company (TMC) warrants; 19.10.04, USD 5.92 [4]	675 925	591 434	USD	15.87	17.6	0.4%	2.2%
Transkaryotic Therapies (TKT)	2 811 500	0	USD	36.44	167.8	3.9%	12.4%
Celgene	1 515 000	1 515 000	USD	32.50	80.6	1.9%	2.1%
3-Dimensional Pharmaceuticals [5]	3 260 970	447 338	USD	14.81	79.1	1.8%	15.5%
Trimeris	789 700	789 700	USD	54.88	71.0	1.6%	5.0%
Cell Therapeutics	920 500	920 500	USD	45.06	67.9	1.6%	3.2%
Neurocrine Biosciences	1 293 500	543 500	USD	33.125	70.2	1.6%	6.0%
Virologic [6]	3 605 004	1 039 548	USD	9.13	53.9	1.2%	18.2%
Virologic warrants; 30.08.03, USD 5.91	199 705	36 955	USD	4.30	1.4	< 0.1%	1.0%
Actelion	63 020	63 020	CHF	736.00	46.4	1.1%	1.3%
Durect	2 267 857	2 267 857	USD	12.00	44.6	1.0%	5.0%
Pharmacopeia	1 053 500	1 053 500	USD	21.81	37.6	0.9%	4.5%
Biogen	357 500	–1 132 500	USD	60.06	35.2	0.8%	0.2%
Adolor	770 000	770 000	USD	22.00	27.7	0.6%	2.9%
Applera Corp Celera Group	400 000	400 000	USD	36.125	23.7	0.5%	0.7%
GenVec [7]	1 401 185	130 000	USD	9.50	21.8	0.5%	7.9%
COR Therapeutics	315 000	315 000	USD	35.19	18.2	0.4%	0.6%
United Therapeutics	645 000	645 000	USD	14.75	15.6	0.4%	3.2%
Endo Pharmaceuticals (previous Algos)	1 449 500	0	USD	6.00	14.2	0.3%	1.6%
Endo Pharmaceuticals warrants; 9.11.2003, USD 25	1 449 500	1 449 500	USD	0.25	0.6	< 0.1%	1.6%
Synsorb Biotech	2 115 810	0	CAD	1.8	4.2	0.1%	5.4%
Advanced Medicine [8]	3 111 111	3 111 111	USD	9.00	45.9	1.1%	5.7%
Third Wave Technologies [8]	949	949	USD	10 672.36	16.6	0.4%	4.5%
Total					**4 294.5**	**99.3%**	
Liquid funds (net)					29.9	0.7%	
Total					**4 324.4**	**100.0%**	
BB BIOTECH (bearer shares CH)	5 034	–45 770	CHF	1 760.00	8.9		0.2%
BB BIOTECH (co-ownership shares)	107 977	18 154	EUR	114.00	18.7		0.4%
BB BIOTECH (bearer shares Italy)	4 172	4 172	EUR	1 132.38	7.2		0.2%
Total					**4 359.2**		

[1] During the current year the shares were split using a ratio of 1 : 3.
[2] During the current year the shares were split using a ratio of 1 : 2.
[3] During the current year the shares were split using a ratio of 1 : 2.
[4] During the current year the shares were reverse split using a ratio of 1 : 1.37.
[5] During the current year the shares were reverse split using a ratio of 1 : 2.8.
[6] During the current year the shares were reverse split using a ratio of 1 : 2.
[7] During the current year the shares were split using a ratio of 1 : 1.5.
[8] unlisted companies

Currency exchange rates 31.12.00
CHF/USD: 1.6377
CHF/EUR: 1.5224
CHF/CAD: 1.0945
CHF/DKK: 0.2040

Consolidated financial statements

Consolidated balance sheet at December 31

(in thousands of Swiss Francs)

Assets	Notes	2000	1999 (restated)	Liabilities and shareholders' equity	Notes	2000	1999 (restated)
Current assets				**Current liabilities**			
Liquid funds		30 003	174 762	Payables to brokers		2 480	53 398
Receivables from brokers		2 405	50 160	Other short-term liabilities	5	9 171	3 055
Marketable securities	4	4 294 518	2 560 452	Tax provision	6	126	126
Other assets		2	48			**11 777**	**56 579**
		4 326 928	**2 785 422**				
				Shareholders' equity			
				Share capital	7	27 800	24 500
				Treasury shares	7	(200)	(598)
				Legal reserves			
				– General reserve	7	554 440	4 900
				Other reserves	7	633 869	651 868
				Retained earnings	7	3 099 242	2 048 173
						4 315 151	**2 728 843**
Total assets		**4 326 928**	**2 785 422**	**Total liabilities and shareholders' equity**		**4 326 928**	**2 785 422**

On February 13, 2001 BB BIOTECH AG's Board of Directors authorised these financial statements for issue.

Consolidated statement of income for the year ended December 31

(in thousands of Swiss Francs)

	Notes	2000	1999 (restated)
Operating income			
Interest income		2 977	1 339
Gains from marketable securities	9	1 303 246	1 532 220
Dividend income		373	70
Foreign exchange gains net		0	8 780
Other income		584	34
		1 307 180	**1 542 443**
Operating expenses			
Foreign exchange losses net		4 409	0
Administrative expenses	8	164 530	54 017
Interest expense		8 897	2 596
Other expenses		7 969	18 425
		185 805	**75 038**
Income before taxes		**1 121 375**	**1 467 405**
Taxes	6	12	(57)
Net income for the year		**1 121 387**	**1 467 348**
Gain per share in issue in CHF	10	425.98	643.70
Diluted gain per share in issue in CHF	10	425.47	641.82
Gain per co-ownership share in issue in CHF	10	42.60	64.37
Diluted gain per co-ownership share in issue in CHF	10	42.55	64.18

Consolidated statement of changes in equity as per December 31

(in thousands of Swiss Francs)

	Share capital	Treasury shares	General reserve	Other reserves	Retained earnings	Total
Balances at January 1, 1999 (restated)	**24 500**	**(427)**	**219 936**	**436 832**	**550 604**	**1 231 445**
Allocation of general reserve			(215 036)	215 036		0
Trade with treasury shares		(171)			30 221	30 050
Net gain for the year (adjusted with the effect of implementing SIC 17)					1 467 348	1 467 348
Balances at December 31, 1999	**24 500**	**(598)**	**4 900**	**651 868**	**2 048 173**	**2 728 843**
Balances at January 1, 2000	**24 500**	**(598)**	**4 900**	**651 868**	**2 048 173**	**2 728 843**
Capital increase	3 300		549 540			552 840
Capital increase costs				(17 999)		(17 999)
Trade with treasury shares		398			(70 318)	(69 920)
Net gain for the year					1 121 387	1 121 387
Balances at December 31, 2000	**27 800**	**(200)**	**554 440**	**633 869**	**3 099 242**	**4 315 151**

Consolidated statement of cash flow for the year ended December 31

(in thousands of Swiss Francs)

	Notes	2000	1999 (restated)
Cash flows from operating activities			
Proceeds from sales of securities		2 510 639	1 485 882
Purchase of securities		(2 941 459)	(1 263 197)
Trade with treasury shares		(69 920)	30 051
Dividends		373	70
Interest receipts		2 978	1 339
Interest payments		(8 897)	(2 599)
Payments for services		(165 754)	(53 524)
Taxes paid	6	12	(281)
Total cash from operating activities		**(672 028)**	**197 741**
Cash flows from financing activities			
Loans		0	(21 267)
Receivables from/payables to brokers		(3 163)	514
Stamp tax		0	(15 797)
Capital increases		552 840	0
Capital increase costs		(17 999)	0
Total cash from financing activities		**531 678**	**(36 550)**
Foreign exchange difference		(4 409)	8 780
(Decrease)/increase in cash and cash equivalents		**(144 759)**	**169 971**
Cash and cash equivalents at beginning of year		174 762	4 791
Cash and cash equivalents at end of year		**30 003**	**174 762**
Liquid funds		30 003	174 762
Cash and cash equivalents at end of year		**30 003**	**174 762**

Notes to the consolidated financial statements 2000

1. The Company and its principal activity

BB BIOTECH AG (the Company) is listed on the Swiss Stock Exchange, on the "Neuer Markt" in Germany as well as on the "Nuovo Mercato" in Italy and has its registered office in Schaffhausen, Vordergasse 3. Its principal activity is to invest in companies active in the biotechnology business. The investments are held through its wholly-owned subsidiaries BIOTECH INVEST SA, Panama, BIOTECH FOCUS SA, Panama, BIOTECH TARGET SA, Panama, BIOTECH GROWTH SA, Panama.

2. Accounting policies

Consolidation

The consolidated financial statements of the Company and its subsidiary companies (the Group) have been prepared in accordance with International Accounting Standards (IAS). The consolidation is prepared from the audited financial statements of the Group companies using uniform accounting principles. With the exception of marketable securities, the financial statements are prepared on a historical cost basis.

Basis of consolidation

The consolidated financial statements include the Company and the subsidiary companies, which are controlled by it. Control is defined as ownership, either directly or indirectly, of more than 50% of the voting rights of a company's share capital. The consolidation is performed using the purchase method. All intercompany transactions and balances with companies included in the consolidation are eliminated. All Group companies have a December 31 year-end.

Reporting currency
The accounts of the companies are maintained in Swiss Francs. Transactions in foreign currencies are converted at exchange rates as of transaction dates. Assets and liabilities in foreign currencies at year-end are translated at exchange rates prevailing as at the balance sheet date. Exchange differences are reflected in the statement of income.

Liquid funds
Liquid funds comprise current accounts at banks.

Receivables/payables against brokers
Receivables/payables against brokers result from security transactions and do not bear any interest.

Marketable securities
Securities which are traded on recognised stock exchanges are valued at market value. The other securities are valued at cost or at Net Asset Value. OTC options are valued on the basis of widely-used valuation models. The Group is active in security trading. Realised gains and losses on security trading are recognised as net realised gains/losses from marketable securities. Changes in value of securities are recognised as net unrealised gains/losses from marketable securities.

Foundation and capital increase costs
In accordance with SIC 17 transaction costs of an equity transaction are accounted for as a deduction from equity. The prior year figures have been adjusted accordingly.

Taxes
Taxes are calculated based on reported income and include taxes on capital. Such taxes are calculated in accordance with the tax regulations in force in each country.

The Group provides for deferred taxes using the liability method for items reported in different periods for financial statements and income tax purposes. Tax loss carry-forwards are only recorded if there is assurance that future taxable income will be sufficient to allow the benefit of the loss to be realised. Deferred tax balances are adjusted for subsequent changes in tax rates or for new taxes imposed.

Earnings per share
Basic earnings per share are calculated by dividing the net profit/loss attributable to shareholders by the weighted average number of bearer shares in issue during the year, less own shares/co-ownership shares. For the diluted earnings per share, the weighted average number of bearer shares in issue is adjusted to assume conversion of all dilution potential bearer shares. The potential bearer shares include all bearer shares which will be issued by exercising warrants or options.

Treasury shares
In accordance with SIC 16 own shares are deducted from shareholders' equity. On the other hand a short-position of own shares increases shareholders' equity. All profits and losses arising from trading in own shares are directly credited/debited to retained earnings.

3. Changes in the companies consolidated

There have been no changes in the Group companies consolidated in comparison to the prior year.

4. Marketable securities

Marketable securities comprise the following:

Company	Number 31.12.2000	Change from previous year	Price in original currency		Valuation CHF mn 31.12.2000	Valuation CHF mn 31.12.1999
MedImmune [1]	11 456 000	(769 000)	USD	47.69	894.7	1 080.2
IDEC Pharmaceuticals	2 206 500	642 500	USD	189.56	685.0	245.6
Genentech [2]	2 600 394	2 277 994	USD	81.50	347.1	34.6
Aviron	3 105 286	450 000	USD	66.81	339.8	67.1
CV Therapeutics	2 317 147	347 500	USD	70.75	268.5	82.0
Alexion Pharmaceuticals	2 124 113	300 000	USD	64.94	225.9	87.8
Amgen	1 982 500	1 292 500	USD	63.94	207.6	66.2
ImClone [3]	2 632 500	902 500	USD	44.00	189.7	54.8
The Medicines Company [4]	5 204 837	1 154 466	USD	20.50	174.7	4.4
Transkaryotic Therapies	2 811 500	0	USD	36.44	167.8	173.0
Celgene	1 515 000	1 515 000	USD	32.50	80.6	0.0
3-D. Pharmaceuticals [5]	3 260 970	447 338	USD	14.81	79.1	16.6
Trimeris	789 700	789 700	USD	54.88	71.0	0.0
Cell Therapeutics	920 500	920 500	USD	45.06	67.9	0.0
Neurocrine Biosciences	1 293 500	543 500	USD	33.13	70.2	29.7
Virologic [6]	3 605 004	1 039 548	USD	9.13	53.9	15.2
Actelion	63 020	63 020	CHF	736.00	46.4	0.0
Durect	2 267 857	2 267 857	USD	12.00	44.6	0.0
Pharmacopeia	1 053 500	1 053 500	USD	21.81	37.6	0.0
Biogen	357 500	(1 132 500)	USD	60.06	35.2	201.2
Adolor	770 000	770 000	USD	22.00	27.7	0.0
Applera Corp Celera	400 000	400 000	USD	36.13	23.7	0.0
GenVec [7]	1 401 185	130 000	USD	9.50	21.8	4.1
COR Therapeutics	315 000	315 000	USD	35.19	18.2	0.0
United Therapeutics	645 000	645 000	USD	14.75	15.6	0.0
Endo Pharmaceuticals (previous Algos)	1 449 500	0	USD	6.00	14.2	25.5
Synsorb Biotech	2 115 810	0	CAD	1.80	4.2	5.8
Ares Serono	0	(23 552)	CHF	–	0.0	80.1
Alza Corporation	0	(1 300 000)	USD	–	0.0	71.9
Immunex	0	(382 000)	USD	–	0.0	66.8
Aurora Biosciences	0	(1 256 500)	USD	–	0.0	53.2
Lundbeck	0	(800 000)	DKK	–	0.0	50.9
BioChem Pharma	0	(1 027 500)	USD	–	0.0	35.7
La Jolla Pharmaceuticals	0	(2 001 000)	USD	–	0.0	8.1
Shares at market values					**4 212.5**	**2 560.5**
Advanced Medicine	3 111 111	3 111 111	USD	9.00	45.9	0.0
Third Wave Technologies	949	949	USD	10 672.36	16.6	0.0
Shares max at cost					**62.5**	**0.0**
Total Shares					**4 275.0**	**2 560.5**

Options *(share, type, strike price, expiration date, conversion ratio)*

Company Shares	Number 31.12.2000	Change from previous year	Price in original currency		Valuation CHF mn 31.12.2000	Valuation CHF mn 31.12.1999
The Medicines Company warrants; USD 5.92, Oct. 19, 2004, 1:1 [4]	675 925	591 434	USD	15.87	17.6	0.0
Virologic warrants; USD 5.91, Aug. 30, 2003, 1:1 [6]	199 705	36 955	USD	4.30	1.4	0.0
Endo Pharmaceuticals warrants; USD 0.25, Nov. 9, 2003, 1:1	1 449 500	1 449 500	USD	0.25	0.6	0.0
Total options					**19.6**	**0.0**
TOTAL SECURITIES translated at exchange rate prevailing as at Dezember 31					**4 294.6**	**2 560.5**

Currency exchange rates	CHF/USD	CHF/CAD	CHF/DKK
31.12.2000	*1.6377*	*1.0945*	*n/a*
31.12.1999	*1.5980*	*1.1004*	*0.2158*

[1] During the current year the shares were split using a ratio of 1 : 3.
[2] During the current year the shares were split using a ratio of 1 : 2.
[3] During the current year the shares were split using a ratio of 1 : 2.
[4] During the current year the shares were reverse split using a ratio of 1 : 1.37.
[5] During the current year the shares were reverse split using a ratio of 1 : 2.8.
[6] During the current year the shares were reverse split using a ratio of 1 : 2.
[7] During the current year the shares were split using a ratio of 1 : 1.5.

The options are valued on the basis of a widely used valuation model at December 31, 2000.

The marketable securities are deposited with Credit Suisse, Zurich, Luzerner Kantonalbank, Lucerne, Dresdner Bank, Frankfurt, as well as Bank am Bellevue, Zurich. Investment decisions have been delegated to Asset Management BAB N.V., Curaçao. The gains from marketable securities are shown in note 9.

5. Other short-term liabilities

Other short-term liabilities comprise the following:

	31.12.2000	31.12.1999
Other liabilities	7 072	2 194
Accrued expenses	597	85
Provisions	1 502	776
	9 171	**3 055**

6. Taxes

In the current year as well as in the prior year the average effective income tax rate on a consolidated basis was less than 1%. This low rate is mainly attributable to the fact that the biggest part of income was realised by companies situated in Panama (off-shore-companies). No provisions for deferred taxes are needed.

7. Shareholders' equity

The share capital of the Company consists of 2 780 000 bearer shares or Italian certificates with a par value of CHF 10 each, alternatively 27 800 000 co-ownership shares (COS) in Germany, whereby 10 COS correspond to one bearer share with a par value of CHF 10. In the reporting period, the share capital of CHF 24.5 mn was increased twice by a total of CHF 3.3 mn adding up to CHF 27.8 mn. The general legal reserve and the other reserves result from paid-in premiums upon share capital increases. The general legal reserve is undistributable, whereas the other reserves are distributable.

Own shares	Amount of shares
Balance at January 1, 2000	59 786
Purchases at an average price of CHF 1 733	592 831
Sales at an average price of CHF 1 526	(632 613)
Balance at December 31, 2000	**20 004**

Short options on treasury shares	31.12.2000 CHF mn	31.12.1999 CHF mn
Market value at year end:		
– Call-Options/Warrants	0	(5.6)
	0	**(5.6)**

	Amount of shares	Amount of shares
The total amount of options short represents the following amount of treasury shares:		
– Call-Options/Warrants	0	16 628

8. Administrative expenses

Administrative expenses comprise the following:

	2000	1999
Fund manager		
– Fixed fees portion	19 350	7 224
– Performance fees	130 223	41 883
Board of Directors Remuneration		
– Fixed fees portion	1 935	722
– Performance fees	13 022	4 188
	164 530	**54 017**

9. Gains from marketable securities

Gains from marketable securities comprise the following:

	2000	1999
Realised gains net	682 875	441 793
Unrealised gains net	620 371	1 090 427
	1 303 246	**1 532 220**

10. Earnings per share

	2000	1999 (restated)
Net income for the year	1 121 387	1 467 348
Weighted average number of shares in issue	2 632 487	2 279 568
Gain per share in issue in CHF	425.98	643.70
Gain per co-ownership share in issue in CHF	42.60	64.37
Weighted average number of shares in issue	2 632 487	2 279 568
Adjustment for warrants	3 181	6 657
Weighted average number of potential shares in issue	2 635 668	2 286 225
Diluted gain per share in issue in CHF	425.47	641.82
Diluted gain per co-ownership share in issue in CHF	42.55	64.18

11. Information by geographical area

The Group has only one business segment, namely the holding of investments in companies active in the biotechnology business. The geographical analysis of assets is as follows:

Assets	31.12.2000	31.12.1999
United States of America	4 243 968	2 422 007
Switzerland	78 792	249 985
Germany	0	21 015
Canada	4 168	41 486
Denmark	0	50 929
	4 326 928	**2 785 422**

Income from marketable securities	2000	1999
United States of America	1 189 850	1 505 623
Switzerland	78 774	7 465
Canada	(1 606)	(1 681)
Italy	3 838	0
Germany	2 277	0
Denmark	30 113	20 813
	1 303 246	**1 532 220**

12. Assets pledged

At December 31, 2000 shares with an amount of CHF 759 mn were pledged in connection with bank loans (1999: CHF 738 mn).

13. Commitments, contingencies and other off-balance sheet transactions

The Group had no commitments or other off-balance sheet transactions open at December 31, 2000 (1999: none).

The operations of the Group are affected by legislative, fiscal and regulatory developments for which provisions are made where deemed necessary. Management concludes that as of December 31, 2000 no proceedings existed which could have any material effect on the financial position of the Group (1999: none).

14. Financial instruments

Off-balance sheet transactions
Within the framework of the law, articles of incorporation and regulations, the investment management can carry out currency and marketable security forward transactions, buy, sell and make use of options as well as fulfil all necessary obligations that result from these businesses, and especially arrange all necessary security.

Credit risks
The Company maintains business relations only with counterparts with a high credit rating.

Market risk
Risk associated with changing market rates: Due to its business activity and the resulting high portion of marketable securities in relation to total assets, the Company is exposed to fluctuations on the financial and foreign exchange markets. No hedging is made to cover positions in foreign currency.
The Company participates partially, but to substantial extent, in the capital of its investments. In the case of sales of large parts of these investments, its influence of the market price is possible.

Interest risk: Interest rates on liquid funds are based on market rates. The funds are due at sight.
Short-term borrowings from banks are on current and short-term loan accounts with interest based at market rates. Due to the high level of own funds, the effect of interest payable on the statement of income is insignificant.

Fair values
As at December 31, 2000 and December 31, 1999 the values in the balance sheet of liquid funds, other receivables, short-term borrowings from banks, other short-term liabilities and the tax provision correspond to fair values because of their short-term maturity.
The values of marketable securities also correspond to their fair values. Details about valuation are shown in the accounting policies as well as in notes 4.

15. Related party transactions

Transactions with related parties and companies are recorded on an arm's-length basis under normal market conditions.

16. Subsequent events

There have been no events subsequent to December 31, 2000, which would affect the financial statements 2000.

Report of the group auditors

Report of the group auditors to the general meeting
of BB BIOTECH AG, Schaffhausen

As auditors of the group, we have audited the consolidated financial statements (balance sheet, income statement, statement of changes in equity, statement of cash flows and notes/pages 16 to 22) of BB BIOTECH AG for the year ended December 31, 2000.

These consolidated financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession and with the International Standards on Auditing issued by the International Federation of Accountants (IFAC), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Accounting Standards (IAS) and comply with Swiss law and the accounting provisions as contained in the Additional Rules for the Listing of Investment Companies of the Swiss Exchange (SWX).

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Matthias von Moos Markus Schmid

Zug, February 14, 2001

Financial statements BB BIOTECH AG

Balance sheet at December 31

(in Swiss Francs)

Assets	2000	1999	Liabilities and shareholders' equity	2000	1999
Current Assets			**Current liabilities**		
Liquid funds	480 240	56 538	Other current liabilities		
Other receivables			– Third parties	7 041 347	1 984 095
– Third parties	1 520	47 791	– Group companies	0	3 151 403
– Group companies	49 970 538	43 338 156	Provisions	1 714 235	927 946
	50 452 298	**43 442 485**		**8 755 581**	**6 063 444**
Fixed assets			**Shareholders' equity**		
Financial fixed assets			Share capital	27 800 000	24 500 000
– Investments	1 177 069 500	640 148 800	Legal reserves		
			– General reserve	554 439 786	4 900 000
Intangible fixed assets			– Reserve for own shares	35 874 658	58 833 662
– Capital increase costs	15 127 073	182 700	Other reserves	625 776 610	602 817 606
			Accumulated deficit	(9 997 764)	(13 340 727)
	1 192 196 573	**640 331 500**		**1 233 893 289**	**677 710 541**
Total assets	**1 242 648 871**	**683 773 985**	**Total liabilities and shareholders' equity**	**1 242 648 871**	**683 773 985**

Statement of income for the year ended December 31

(in Swiss Francs)

	2000	1999
Operating income		
Interest income	1 253 990	1 132 792
Other income	25 051 259	10 120 000
	26 305 249	**11 252 792**
Operating expenses		
Administrative expenses	14 957 226	4 910 610
Interest expense	106 624	48 606
Depreciation	3 055 003	4 648 406
Other expenses	4 855 454	17 362 215
	22 974 307	**26 969 837**
Income/(loss) before tax	**3 330 942**	**(15 717 045)**
Taxes	12 021	(56 503)
Net income/(loss) for the year	**3 342 963**	**(15 773 548)**

Notes to the financial statements 2000

1. Notes in accordance with Article 663b of the Swiss Code of Obligations

1.1 Guarantee

BB BIOTECH AG has provided a guarantee of CHF 200 mn to a bank relating to a credit line granted to its subsidiaries (1999: CHF 200 mn). No credits are claimed at December 31, 2000 (1999: none).

1.2 Significant investments

Company	Capital	Interest in capital in %
BIOTECH FOCUS SA, Panama	–	100
BIOTECH INVEST SA, Panama	–	100
BIOTECH TARGET SA, Panama	–	100
BIOTECH GROWTH SA, Panama	–	100

The above mentioned companies hold shares in companies active in the biotechnology sector.

1.3 Own shares

	Amount of shares
Balance at January 1, 2000	59 786
Purchases at an average price of CHF 1 733	592 831
Sales at an average price of CHF 1 526	(632 613)
Balance at December 31, 2000	**20 004**

Short Options on treasury shares	31.12.2000 CHF mn	31.12.1999 CHF mn
Market value per year end – Call-Options/Warrants	0.0	(5.6)
	0.0	**(5.6)**
	Amount of shares	Amount of shares
The options short represent the following amount of treasury shares: – Call-Options/Warrants	0	16 628

The own shares and co-ownership shares are held indirectly by BB BIOTECH AG.

1.4 Capital increase

	31.12.2000 CHF mn	31.12.1999 CHF mn
Authorized capital	6 700 000	0

The Board of Directors was authorized to increase the share capital by CHF 10 mn at most at the general meeting of shareholders on April 11, 2000. As per December 31, 2000 the Board of Directors has executed two increases adding up to a total amount of CHF 3.3 mn.

2. Movements on retained earnings

(in Swiss Francs)	2000	1999
(Accumulated deficit)/retained earnings at the beginning of the year	(13 340 727)	2 432 821
Net income/(loss) for the year	3 342 963	(15 773 548)
Accumulated deficit at the end of the year	**(9 997 764)**	**(13 340 727)**

Proposal of the Board of Directors for appropriation of accumulated deficit and general legal reserve

	2000 Proposal of the Board of Directors	1999 Resolution of the annual general meeting
To be carried forward	(9 997 764)	(13 340 727)
	(9 997 764)	**(13 340 727)**

The Board of Directors proposes to allocate CHF 548 879 786 of the general legal reserve to the other reserves.

Report of the statutory auditors

Report of the statutory auditors to the general meeting
of BB BIOTECH AG, Schaffhausen

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes/pages 24 to 25) of BB BIOTECH AG for the year ended December 31, 2000.

These financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of the general legal reserve comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Matthias von Moos Markus Schmid

Zug, February 14, 2001

Organization

Board of Directors

Dr. Ernst Thomke, Chairman, Chairman of Metalor and BB MEDTECH, Board member of Nobel Biocare and Phonak

Dr. Victor Bischoff, Vice-Chairman, Board Member CITCO, CFO Sandoz-Foundation

Prof. Dr. David Baltimore, President of the California Institute of Technology (Pasadena), Nobel laureate

Share ownership of the Board of Directors

On December 31, 2000, the members of the Board of Directors held a total of 2 500 bearer shares in the Company (7 000 as of 31.12.1999).

Dividend policy

Capital gains and investment income are generally retained within BB BIOTECH so that the Company can continue to purchase holdings in promising companies. Until further notice, the proposal will be made to the General Meeting that it should not pay dividends.

Asset management

Bellevue Asset Management Group

Remuneration

Remuneration for the asset management company and the Board of Directors consists of two parts: a management fee and a performance-related fee. These fees are paid every three months. The Board of Directors receives remuneration of 10% of the fees paid to the asset management company.

Management fee: this fee amounts to an annual 0.4% of the market capitalization and is paid every three months pro rata, based on the closing share price of the shares traded on the Swiss Stock Exchange.

Performance-related fee: this fee is linked to the percentage increase of the share price of BB BIOTECH over each three-month period, calculated from the baseline at the beginning of the period. If the annualized return for any three-month period is 5% to 10% p.a., the remuneration will amount to 0.19% of the share price at the end of the period of the previous period. If the annualized increase were 10% to 15% p.a., an additional 0.25% would be earned; an increase of 15% to 20% p.a. would generate an additional 0.31%. This sliding scale is capped at an annualized return of 20%.

At the end of each evaluation period, the baseline for compensation is raised to the level for which the performance-related fee was paid. The minimum rate of increase is 5% p.a.

Auditors

PricewaterhouseCoopers AG, Zug

General Meeting

Wednesday, April 18, 2001, 4 p.m., Casino Zug, Artherstrasse 2–4, 6300 Zug, Switzerland

Overview

Investment rationale

The biotech industry is one of the growth industries of the next decade. The demand for new drugs to open new therapeutic treatments and protect existing ones is increasing continuously. Today, only 30% of all known diseases can be treated. An increasing number of drugs with considerable therapeutic potential is developed by biotech companies, driving the growth of the biotech industry. Currently, about 230 drugs are in Phase III, the last step of clinical testing. These drugs will, when completing Phase III successfully, enter the market place within the next 1 to 3 years. It has been estimated that starting 2000 approximately one half of all newly approved drugs, a total of 20 to 30 per year, were discovered by biotech companies. Total sales of biotech drugs will grow accordingly and an increasing number of biotech companies will turn profitable. BB BIOTECH offers its shareholders the opportunity to participate in this growth with above-average appreciation potential.

Investment strategy

Building on fundamental analysis, BB BIOTECH invests in biotech companies having an attractive risk reward profile based on the quality of their management, a solid scientific rationale, and healthy financials. The portfolio consists of 4 to 6 core holdings that represent approximately 70% of the portfolio, and 15 to 25 smaller participations. The proportion of non-listed companies should not exceed 10%.

The biotech industry develops complex and sophisticated life science products. Therefore, BB BIOTECH uses molecular biologists and medical practitioners to perform fundamental company analyses. In addition, the Board of Directors, among them a Nobel laureate, have many years of experience in the biotech and pharma industry.

Quotes & Reports

Net Asset Value:	Shares	– Bloomberg: BIO SW Equity NAV, BABB
		– Datastream: S:BINA
		– Finanz & Wirtschaft: listed twice weekly
		– Reuters: BABB
		– Telekurs: BIO or 85, BB1 (Investdata)
	COS*	– Datastream: D:BBNA
		– Reuters: BABB
Stock price:	Shares	– Bloomberg: BIO SW Equity, BBA IM Equity
		– Datastream: S:BIO
		– Reuters: BIOZ.S, BB.MI
		– Telekurs: BIO
	COS*	– Bloomberg: BBZD GR Equity
		– Datastream: D:BBZD
		– Reuters: BIOZz.F
Interim reports:		quarterly

Current share prices, news and data daily on www.bbbiotech.com

Official listing and share structure

Foundation:
November 9, 1993; headquarter in Schaffhausen, Switzerland
Official listing:
December 27, 1993 on the Swiss Stock Exchange
December 10, 1997 on the "Neuer Markt" in Germany
October 19, 2000 on the "Nuovo Mercato" in Italy
Share structure:
CHF 27.8 mn nominal, 2 780 000 bearer shares with a par value of CHF 10 per share or 27 800 000 COS*, each representing a 1/10 fractional interest in a bearer share

Authorized capital:	CHF 6.7 mn
Shareholders:	Institutional and private investors
Security number:	144.158
Securities Code Number COS*:	910 468
Securities Code Number Shares Italy:	888 509
Issue price adj. November 15, 1993:	CHF 237.60
Listing on the "Neuer Markt" on December 10, 1997:	EUR 27.35
Listing on the "Nuovo Mercato" on October 19, 2000:	EUR 1 185

Turnover/Ranges

	1997	1998	1999	2000
High/low share price in CHF:	488/332	514/295	1 145/478	2 400/1 010
High/low Net Asset Value in CHF:	505/310	484/312	1 140/488	2 036/986
High/low COS* in EUR:	27.64/26.13	34.72/18.92	71.00/29.55	151.50/63.45
High/low Net Asset Value COS* in EUR:	27.94/25.92	31.73/19.79	71.00/30.80	126.60/61.50
Closing price shares in CHF on December 31:	430	480	1 145	1 760
Net Asset Value in CHF on December 31:	427	512	1 140	1 564
Closing price in EUR in Italy on December 31:				1 132
Closing price COS* in EUR on December 31:	26.13	29.50	71.00	114.00
Net Asset Value COS* in EUR on December 31:	26.22	31.74	71.00	101.30
Average daily trading volume in CHF thousand:	3 400	5 600	11 019	30 723

*Co-ownership shares in Germany

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