

Pharma Investing Today: Against the Current

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Boehringer
Ingelheim

- **External environment for successful commercialisation becoming increasingly challenging and real innovation required**
- **Straight-forward licensing agreements declining**
 - Deals more complex, M&A transactions highly desired
 - 'Purchase Agreements' for distressed assets
- **Pharma is under pressure, BI is an exception to this**
 - No mergers, acquisitions but smaller (Fort Dodge, Actimis)
 - Rock solid financial stability
- **Dedicated to innovation in difficult times**
 - Aggressive Early Licensing Strategy
 - New BI Corporate Venture Fund dedicated to seeding novel technology





- 1885** Albert Boehringer buys a small tartaric acid factory in Ingelheim, Germany, 28 employees

- 1895** Albert Boehringer becomes a pioneer of large-scale biotech production by using bacteria to produce lactic acid

- 1917** First scientific department set up in Ingelheim

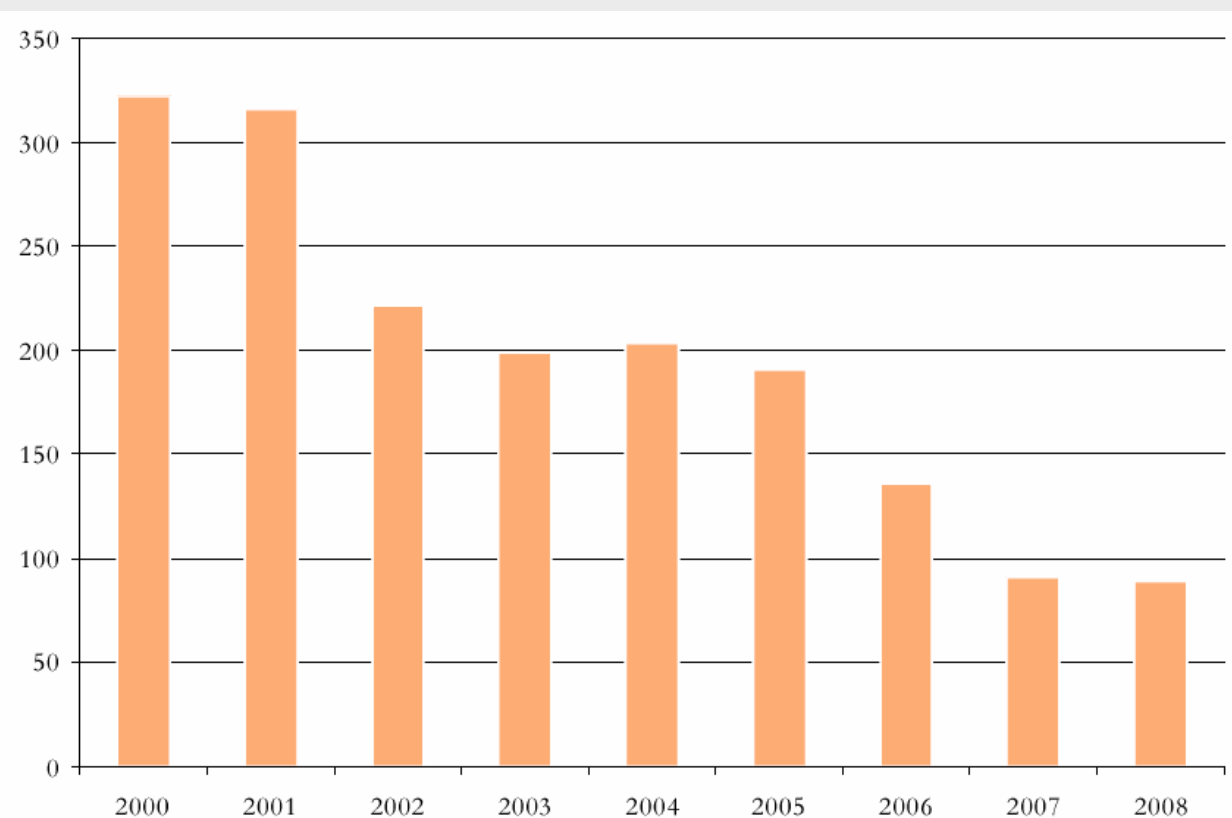
- 1941** Introduction of highly innovative Aludrin® for asthma treatment

- 1960s** BI establishes R&D in Japan

- 1970s** BI establishes R&D in USA

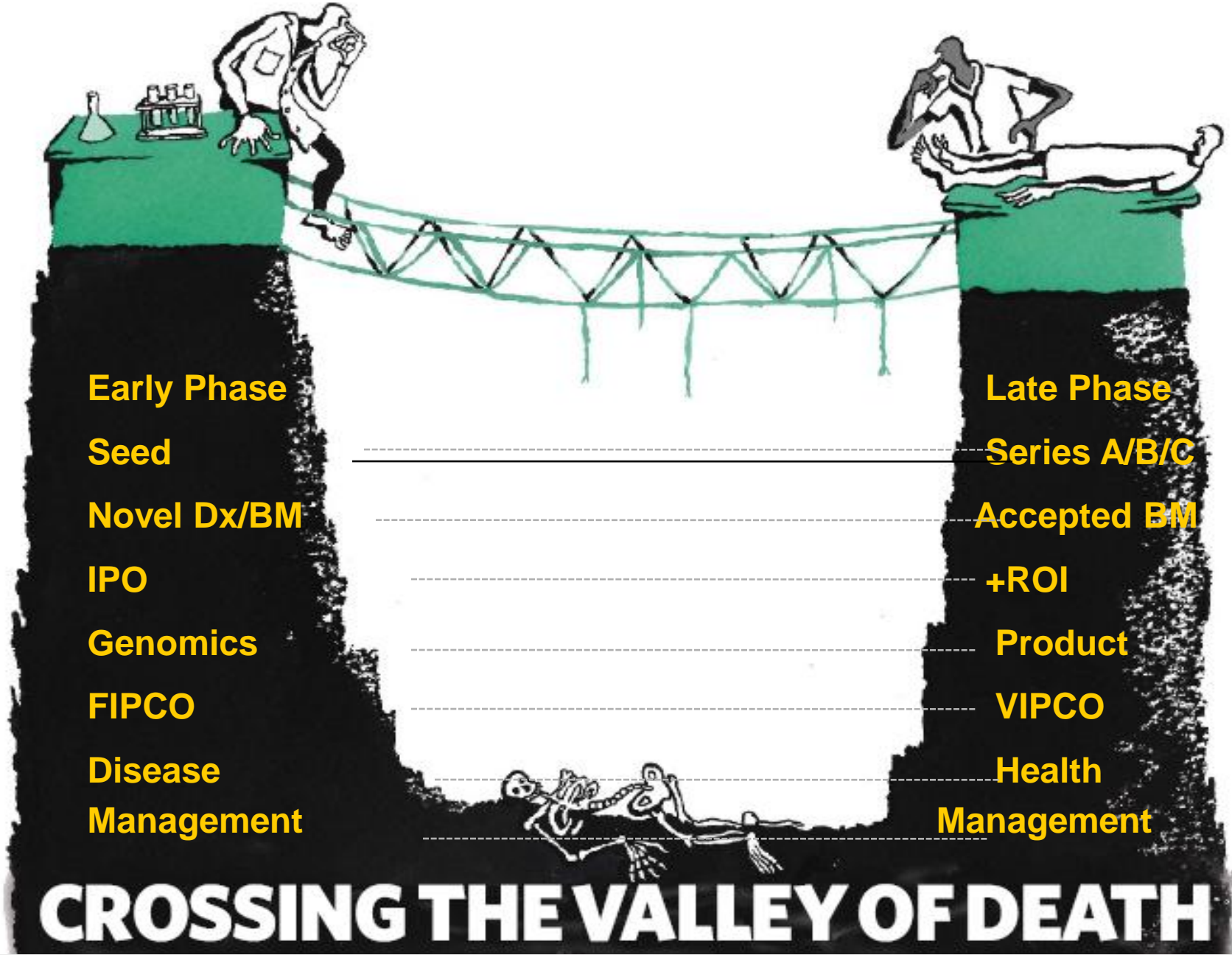
- 2009** 3 blockbusters, 41,300 employees worldwide with 138 affiliated companies in 47 countries

Start-ups dwindling?



By BioCentury's tally, the number of companies being founded has trended down since the height of the genomics bubble in 2000. Even though 2007 was the second biggest year for biotech fundraising overall, and the largest year for VC investing, only about 90 private biotechs were founded in 2008 vs. 322 in 2000. Startups in more recent years may be undercounted because some companies choose to stay under the radar.

BioCentury, „Back to School Issue 2009“, 14th September 2009



It is a Competitive Environment: even for early deals

We have the commitment to partner or invest in early innovation

However, deals throughout pharma are earlier and more expensive

How can a company like BI compete with the giants today?

First step is to become self aware, raise the EQ of our Partnering Strategy

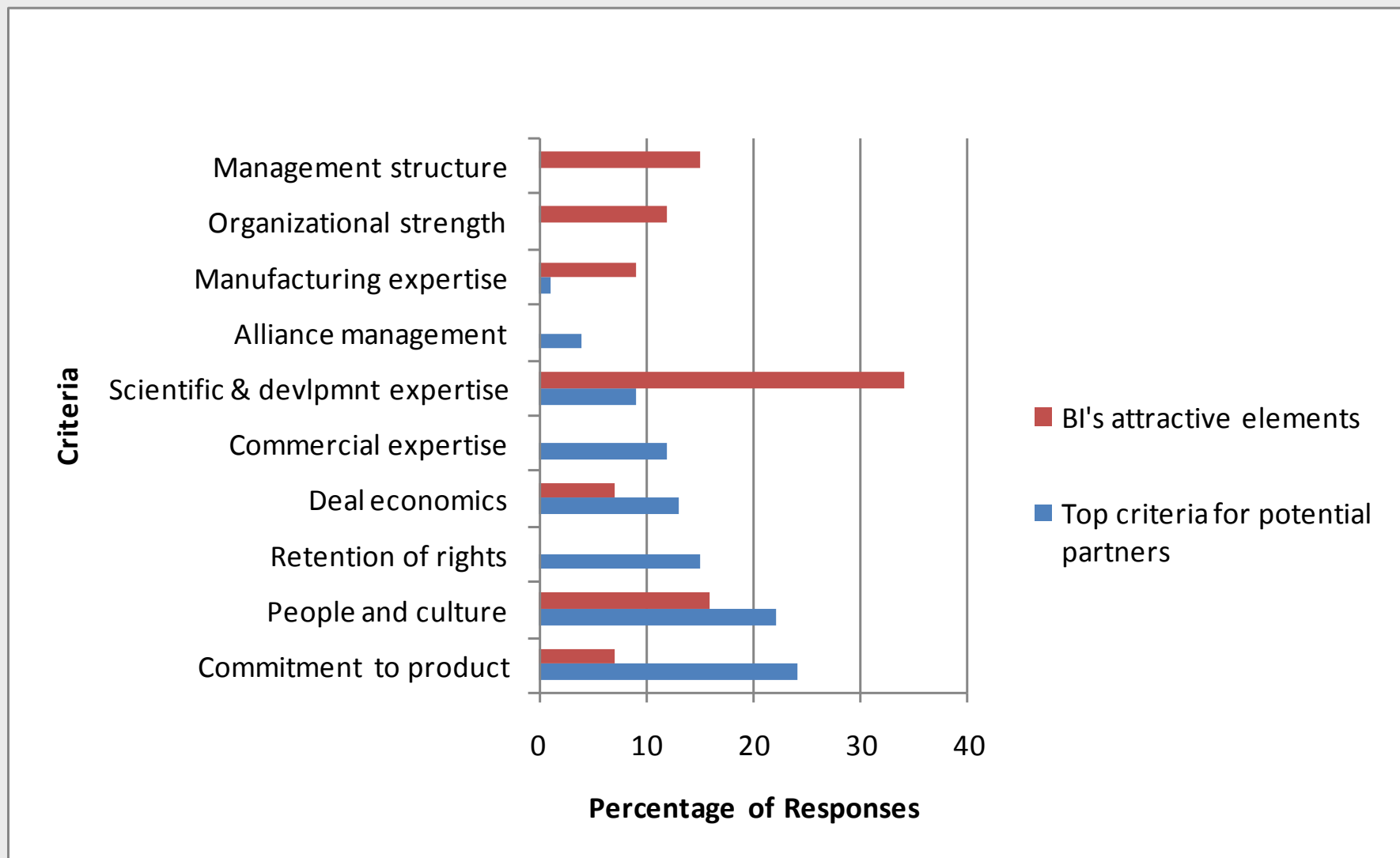
How do the biotechs that we work with, have negotiated with or discussed deals with view us?

How can we differentiate ourselves from other pharma today?

Strategically planning to focus on areas with excellent early, innovative science

Like Australia!

But BI's attractive elements are not necessarily always what potential partners are looking for





Sincerely, Yours

Partnering with Boehringer Ingelheim




Boehringer
Ingelheim



A single phrase sums up our objectives and philosophy: *value through innovation*

“We have a goal that drives us: we want to serve humankind through research into diseases and the development of new drugs and therapies.” – Christian Boehringer

This presentation outlines our philosophy and strategy for partnering and what being a partner with Boehringer Ingelheim could mean for you and your programme



*A strategic intent to partnering,
commercial expertise and unique culture
will underpin our alliance*

Each partnership is unique

We understand the importance of your programme to you and your company

We can offer individual solutions that best reflect your strategic needs

Success is the right deal, with the right partner at the right time

*Put us under your microscope
and you may just observe
what you've been looking for!*



Focused on discovery to clinical Phase I programmes

Focused on first-in-class and best-in-class approaches

Aligned to specific therapeutic area indications

Dedicated to innovation



Curiosity has its own reason for existing.

Albert Einstein



Respiratory diseases

Chronic Obstructive Pulmonary Disease (COPD), asthma, pulmonary fibrosis

Cardiometabolic diseases

Thromboembolic diseases, acute coronary syndrome, atherosclerosis, type 2 diabetes, obesity, dyslipidaemia, renal disease

Central nervous system (CNS) diseases

Parkinson's disease and RLS, chronic pain, Alzheimer's disease, migraine

Oncology

Solid and haematological cancers

Virology

Acute and chronic viral diseases, AIDS/HIV, hepatitis C

Immunology and inflammation

Autoimmune diseases such as rheumatoid arthritis, multiple sclerosis, psoriasis

Hypoactive Sexual Desire Disorder (HSDD)	Flibanserin	Phase III
Oncology	TOVOK™ (BIBW 2992)	Phase III
	VARGATEF™ (BIBF 1120)	Phase III
	PLK-1 inhibitor	Phase II
	Mitotic checkpoint inhibitor	Phase I
Diabetes Type 2	DPP-4 Inhibitors (BI 1356, linagliptin)	Phase III Phase II
	SGLT-2 Inhibitors	
Anticoagulation	PRADAXA® (dabigatran etexilate)	VTE prevention launched April 2008 Phase III
	- Stroke prevention in atrial fibrillation	completed
	- Acute VTE/secondary VTE	Phase III
	- Secondary prevention in ACS	Phase II

Track record in launching and marketing blockbuster products in competitive market segments

Knowledge and insight into global market access, pricing and reimbursement

Field forces for primary care and specialty products all around the globe



Stability and continuity: average employee length of service = 12 years

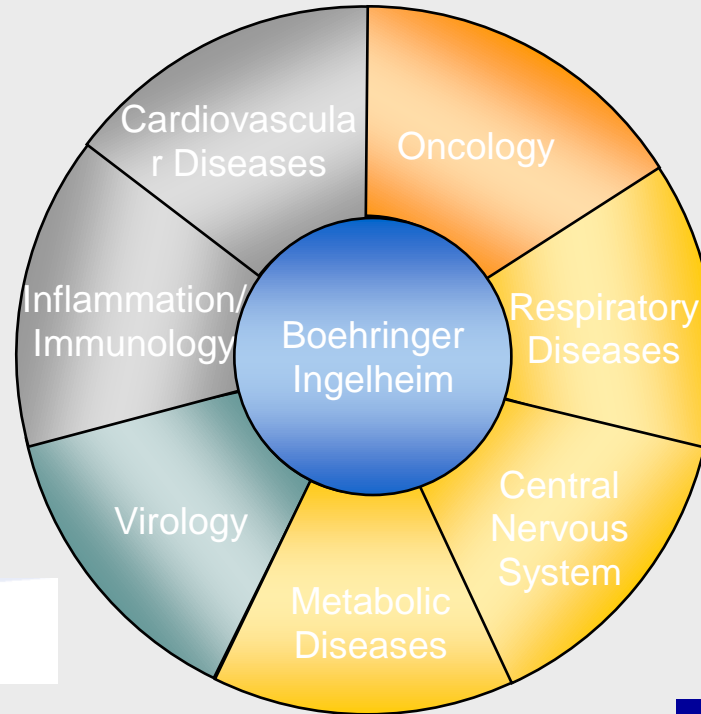
Repeat business and long-term relationships are hallmarks of our partnerships

Relationships founded in a culture of loyalty and mutual respect

We value intellectual independence



Examples of BI's long-lasting collaborations



Our global partnering network

Currently over 60 active collaborations with business partners on 4 continents



Success is a journey not a destination.
We'd like to be with you
every step of the way



-In difficult times, it is important to continue to foster innovation

-BI is dedicated to this

-Aggressive Early Licensing Strategy

- Differentiating ourselves from the giants

-Corporate Venture Fund dedicated to early technology

- Flexible deals, crafted for each situation

-Simple long term views, walking the talk

Sincerely, Yours