Talecris
BIOTHERAPEUTICS

DEDICATION

INSPIRATION

INNOVATION

OUR STORY: **BIO**VISIONARY

Talecris Biotherapeutics is a global biotherapeutic and biotechnology company. Our patients **inspire** us to discover, develop and produce critical-care therapies to treat life-threatening conditions in a variety of therapeutic areas, including immunology, neurology, pulmonology and hemostasis. Each Talecris therapy is derived from human plasma, a rich source of proteins and antibodies that support healthy physical and neurologic function. The **dedicated** employees of Talecris extract these vital components from plasma and transform them into **innovative** protein therapies for the treatment of rare, genetic conditions, traumatic injuries and serious infections. Throughout these pages, the blue gene sequence artwork represents the biologic basis of our therapies.

BIOVISIONARY reflects the inspiration, dedication and innovation that drive our company to excel in scientific exploration, plasma collection, and the production of safe, high-quality protein therapies.

OUR MISSION

To provide innovative biotherapeutics that enhance life and create value for our patients, employees, communities and investors.

OUR VISION

To be the recognized global leader in developing and providing vital protein therapies.

CONTENTS

Dear Shareholders,

The defining event for Talecris in 2009 was our successful transition to a publicly traded company. This historic milestone is the culmination of a carefully executed plan of growth that began with Talecris' inception in 2005. Building upon a 60-year legacy in the plasma protein industry, Talecris quickly assumed a prominent position in the global market by reshaping the company's core operating principles and the framework that supports them.

Inspired by our patients, we established an aggressive growth strategy to develop innovative therapies, to expand our current indications, to enhance our manufacturing capabilities, and to vertically integrate our business by creating a company-owned network of plasma collection centers.

Talecris attained these goals through the efforts of its dedicated team of industry experts, who share a common vision and the focus and discipline to execute. Strong leadership and our employees' ongoing commitment to operational excellence will sustain our current momentum. Our performance during 2009 is a testament to the company's enduring strengths, but we believe our greatest days lie ahead as we strive to fulfill the unmet medical needs of patients worldwide and enhance our capacity to serve them.

FINANCIAL PERFORMANCE

In 2009, we achieved record revenue of $1.53 billion, an 11.6 percent increase compared with 2008. This increase was led primarily by Gamunex® with sales of $826.4 million, an improvement of nearly $150 million, or 21.9 percent, compared to the prior year. The Gamunex 2009 sales increase was largely due to us satisfying pent-up demand from previous periods of short supply. We expect volume growth to parallel industry norms of 6 to 8 percent annually over the longer term.

In 2009, we achieved record revenue of $1.53 billion, an 11.6 percent increase compared with 2008.

Our gross margin has risen from 35.3 percent in 2007 to 41.2 percent in 2009. This improvement is the result of three factors: higher revenues due to resolving our plasma supply constraints, operating leverage in manufacturing driven by higher volumes, and lower costs due to the maturation of our plasma collection platform.

Net income for 2009 was $153.9 million, including a $48.8 million after-tax income from the CSL merger termination fee and a $26.3 million after-tax charge related to the company's debt refinancing transactions, compared to 2008 net income of $65.8 million. Diluted earnings per share were $1.50 in 2009 compared to $0.71 in 2008.

Talecris now has a long-term capital structure that provides financial flexibility.

Our $1.1 billion initial public offering in October was the largest life-sciences IPO of the year. We received net proceeds of $519.7 million from the issuance of 28,947,368 new shares of common stock, which we used to pay down debt. With an enhanced credit rating, we quickly followed the IPO with an offering of senior unsecured notes that raised $600 million, allowing us to repay the balance of our term loans. Talecris now has a long-term capital structure that provides financial flexibility.

OPERATIONAL HIGHLIGHTS

A commitment to excellence unites all aspects of our company in a coordinated effort to increase efficiency, devise novel solutions and streamline processes. In 2009, we made significant gains in each of these key areas.

Our wholly owned subsidiary, Talecris Plasma Resources (TPR), expanded its network of plasma collection centers to 69 centers in three years. Six centers received FDA licenses in 2009, bringing the total number of FDA-licensed centers to 64. With the remaining five centers anticipating licensure in 2010, the TPR network has evolved into a fully integrated platform that provides a reliable, high-quality source of our vital raw material. As the TPR platform matures, we expect to achieve economies of scale that will further improve our gross margin.

In early 2009, we launched Gamunex as a treatment for chronic inflammatory demyelinating polyneuropathy (CIDP) in the U.S., the first neurological indication in the U.S. for immune globulin intravenous (IGIV). We also received approval to promote the CIDP indication in Canada and in 17 European Union countries, with launches in Canada, Germany and Greece.

In October, we obtained FDA approval for our next-generation alpha$_1$-proteinase inhibitor (A1PI) product, Prolastin®-C, to treat alpha$_1$-antitrypsin (AAT) deficiency-related emphysema. Now available to U.S. patients, Prolastin-C is a more concentrated formulation of Prolastin that delivers the same level of active protein with significantly shorter infusion times when given at the recommended rate of infusion. In February 2010, Health Canada also approved Prolastin-C for distribution in Canada.

A commitment to excellence unites all aspects of our company.

On the research front, Talecris scientists are engaged in the development of recombinant proteins, including recombinants developed through the use of novel expression systems. Our scientists are also focused on discovering and extracting novel proteins from the plasma we already collect. One such protein is Plasmin, a thrombolytic with the potential to improve the current standard of care for the treatment of acute peripheral arterial occlusion (aPAO). We are in the seventh and last dosing cohort in Phase I and have begun to design the Phase II trial. Our goal is to begin this trial in 2010.

LOOKING FORWARD

Leading us into the future is an experienced management team with demonstrated success in developing, manufacturing and commercializing protein therapies. In 2010 and beyond, the team will continue to exert its sound leadership and entrepreneurial vision to execute our four-pronged strategy: achieve cost efficiencies in our plasma collection platform; improve operating leverage through increased recovery of plasma proteins; enhance growth through new plasma-derived and recombinant proteins; and broaden our geographic reach. Inspiration, dedication and innovation are the company's founding principles and the foundation for our future success.

Lawrence D. Stern
Chairman and Chief Executive Officer

Strategic Priorities

Four strategic goals will set the stage for our future, allowing Talecris to broaden its platform, expand margins and continue the company's evolution as a global leader in protein therapeutics.

1 ACHIEVE COST EFFICIENCIES IN OUR PLASMA COLLECTION PLATFORM

>> Reduce cost per liter of plasma through maturation of plasma centers, meeting or exceeding industry benchmarks within several years

>> Achieve greater than 90 percent of our plasma needs from our internal platform

>> Sustain compliance and quality to enhance our reputation as an industry leader

2 IMPROVE OPERATING LEVERAGE THROUGH INCREASED RECOVERY OF PLASMA PROTEINS

>> Increase fractionation capacity to meet the long-term demand for our products

>> Expand purification capacity for albumin, Koate®-DVI, and Thrombate III® to increase units of therapeutic proteins obtained from each liter of plasma processed

3 ENHANCE GROWTH THROUGH NEW PLASMA-DERIVED AND RECOMBINANT PROTEINS

>> Drive life-cycle management with existing therapies, including routes of administration and attainment of new clinical indications

>> Commercialize plasma-derived Plasmin for treatment of acute peripheral arterial occlusion

>> Develop recombinant Plasmin for treatment of ischemic stroke

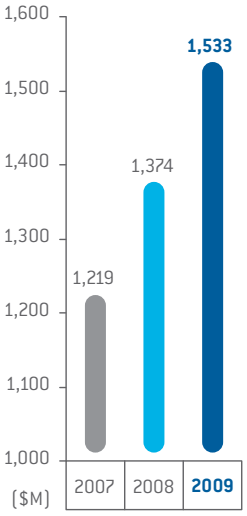
>> Advance research into additional recombinant and cell-based technologies and further the development of our pipeline of products, including recombinants for alpha-1 and Factor VIII

4 BROADEN GEOGRAPHIC REACH

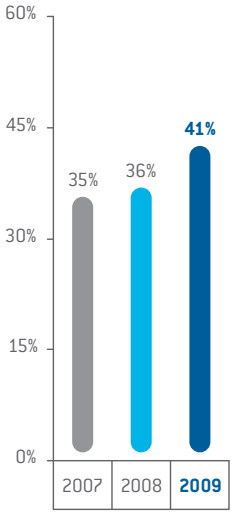
>> Expand the global reach of Talecris products by enlarging our global sales force and increasing our presence in underdeveloped markets

>> Increase international sales to achieve a better balance between North American and international sales

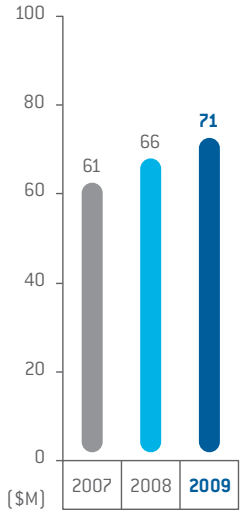
Financial Highlights



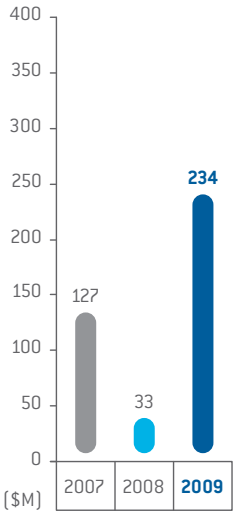
Revenue



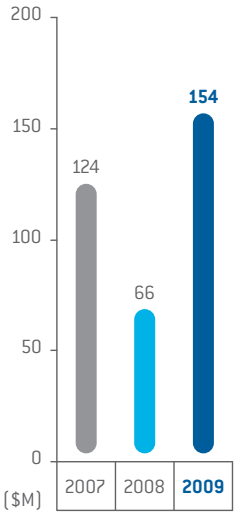
Gross Margin Performance



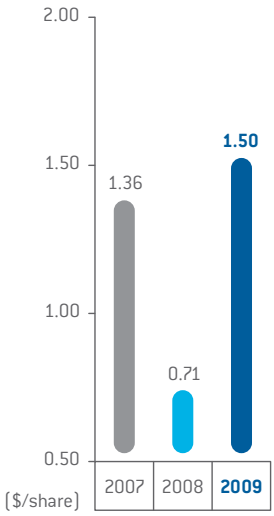
Research & Development Spending



Operating Cash Flow



Net Income



Diluted Earnings Per Share

Gamunex®

Gamunex is generally used to treat patients whose conditions are under-diagnosed and under-treated. Many patients who now receive Gamunex do so only after years of misdiagnosis and ineffective treatment. Talecris has extensively studied Gamunex in clinical trials to expand its indications across a number of rare diseases.

Gamunex first entered the market in 2003 after clinical trials established its efficacy in treating idiopathic thrombocytopenic purpura (ITP) and primary immune deficiency (PI), a group of disorders in which the immune system is incomplete or does not function properly. PI currently accounts for approximately 26 percent of IGIV usage.

In 2008, Gamunex obtained the first FDA approval for the treatment of a rare neurologic condition, chronic inflammatory demyelinating polyneuropathy (CIDP), which is estimated to account for 29 percent of IGIV usage. Its approval followed the largest pivotal clinical trial ever conducted in CIDP patients. Published in *Lancet Neurology,* Talecris' landmark study demonstrated the short-term and long-term efficacy of Gamunex as a therapy for CIDP. Data also supports Gamunex's role in preventing relapse and improving key measures of function.

Gamunex (Immune Globulin Intravenous [Human], 10% Caprylate/Chromatography Purified)

Today, Gamunex is the first and only product with an FDA indication to treat CIDP. The CIDP indication is estimated to double the licensed market access for Gamunex in the U.S. An orphan drug designation received from the FDA provides Talecris marketing exclusivity for the treatment of CIDP with IGIV until 2015.

Prime markets for Gamunex have yet to be tapped, allowing opportunity for growth and expansion. The opportunities for Gamunex are broad, and Talecris is prepared to seize them.

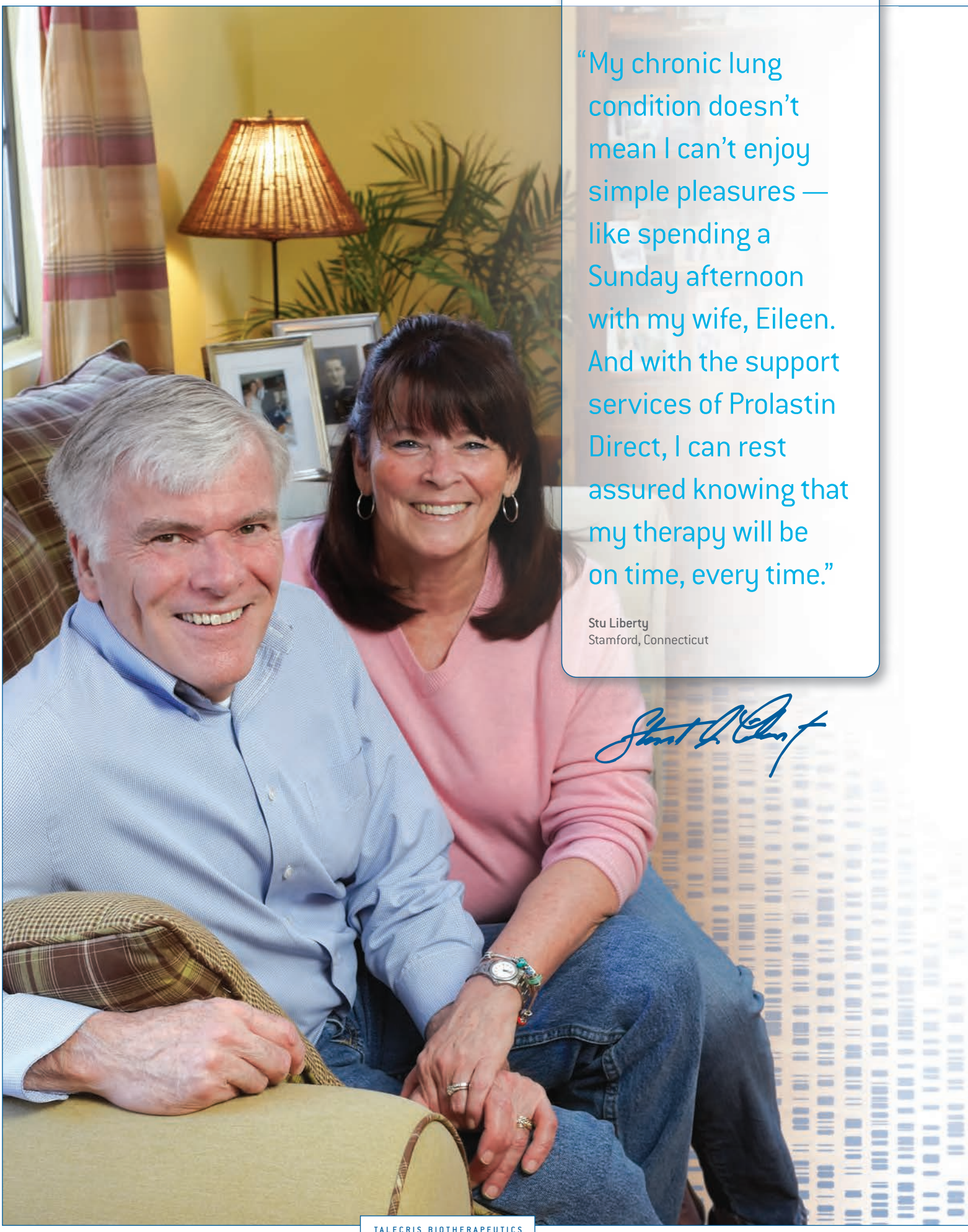
Talecris is also developing a subcutaneous form of Gamunex to provide patients with two routes of administration—either intravenous or subcutaneous—in a single formulation. Talecris has submitted to the FDA a supplemental Biologics License Application (sBLA) to obtain labeling for the subcutaneous route of administration of Gamunex.

While much has been achieved, more remains to be accomplished. Prime markets for Gamunex have yet to be tapped, allowing opportunity for growth and expansion. The opportunities for Gamunex are broad, and Talecris is prepared to seize them.

"For me, having a compromised immune system doesn't represent an excuse or an obstacle. From building businesses to building relationships, I never stop — not even for my monthly infusion. It's just another part of my life."

Mark Leventhal
Pepper Pike, Ohio

Mark Leventhal



"My chronic lung condition doesn't mean I can't enjoy simple pleasures — like spending a Sunday afternoon with my wife, Eileen. And with the support services of Prolastin Direct, I can rest assured knowing that my therapy will be on time, every time."

Stu Liberty
Stamford, Connecticut

Prolastin®

Patient loyalty and strong brand recognition are Prolastin's enduring traits, acquired over 23 years as the leading therapy to treat alpha$_1$-antitrypsin (AAT) deficiency, a form of genetic emphysema.

In the U.S., Prolastin Direct® has allowed Prolastin to maintain its industry-leading position by delivering a level of pharmacy service considered best-in-class. Through Prolastin Direct, patients receive home infusions, medical management of their disease, and insurance expertise for their claims.

As a result, Prolastin holds a patient loyalty rate of 96 percent and an industry-leading compliance rate of 94 percent. Sales are likewise strong, as Prolastin maintains a 76 percent share of the global alpha-1 market. It is the leading alpha$_1$-proteinase inhibitor (A1PI) therapy in the U.S. and the European Union, and the only licensed A1PI product in Canada.

Prolastin holds a patient loyalty rate of 96 percent and an industry-leading compliance rate of 94 percent.

Talecris, in turn, continues to advance Prolastin on behalf of its patients through manufacturing innovations and product improvements. The FDA and Health Canada both recently approved Prolastin®-C, a more concentrated formulation that provides a shorter infusion time due to its higher purity and concentration when given at the recommended rate of infusion. Advanced chromatography and nanofiltration are the technological innovations that distinguish Prolastin-C from its predecessor. Prolastin-C was launched in the U.S. in early 2010 and will be launched in Canada this year.

On the research front, Talecris scientists are currently developing an aerosol formulation to provide patients with an alternative to intravenous delivery. In February 2010, Talecris was granted orphan drug designation by the FDA for the development of an aerosol formulation of A1PI to treat AAT deficiency. Talecris received a similar orphan drug designation for aerosol A1PI from the European Commission in June 2008.

Prolastin's most significant opportunity for growth lies in patient identification. Epidemiologic surveys indicate that less than 10 percent of patients with AAT deficiency have been properly diagnosed and less than 5 percent of those with AAT deficiency are treated with augmentation therapy.

Talecris has implemented multiple initiatives to address these unmet medical needs. Free test kits are available to help healthcare providers diagnose patients with AAT deficiency. Talecris has increased its sales force to educate more healthcare providers on symptoms and diagnosis. In Europe, Talecris is also working to secure reimbursement for Prolastin in additional countries and thus gain access for patients who have been unable to obtain the product.

Prolastin (Alpha$_1$-Proteinase Inhibitor [Human])

Talecris Plasma Resources

Talecris Plasma Resources (TPR) collects the protein-rich plasma that serves as the source material for Talecris' premium protein therapies. A vital link in the plasma supply chain, TPR was created to ensure a safe, reliable and high-quality supply of plasma to meet our growing production needs.

Since its creation in 2006, TPR has rapidly developed into a fully integrated network of 69 plasma collection centers nationwide. In 2009, TPR supplied Talecris with 62 percent of its plasma needs. The TPR platform will ultimately provide Talecris with greater than 90 percent of its plasma needs.

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More than 2,400 TPR employees are dedicated to ensuring donor safety as well as the quality, purity and consistency of the plasma they collect. Rigorous quality and compliance procedures are uniformly practiced across the platform. Sixty-four centers have now been FDA licensed, with five centers in the licensing process.

This rapid expansion has required a sustained focus on people, process and technology. TPR has heavily invested in all three areas. A stimulating workplace and the Career Ladder program promote personal development and career growth. New standard operating procedures reinforce the highest quality and compliance standards. In addition, donor-management software enables each center to carefully document donor activity and plasma units as they progress through collection, validation and advanced viral testing.

The positive momentum at TPR is driven by universally-adopted principles that foster a culture of excellence, integrity, safety and compliance across the plasma collection center network. The goal is to ensure that every center provides a sustainable source of high-quality plasma today and well into the future.


Talecris
BIOTHERAPEUTICS

Research & Development

The strength of our science derives from our ability to capture the promise of proteins that reside in human plasma by the thousands and to match these proteins with therapeutic solutions that impact the lives and health of patients worldwide.

The potential for product development is limited only by the time, resources and effort required to discover, develop and obtain regulatory approval for new therapies. Our goal is to discover and develop untapped proteins to address the needs of patients with a range of medical conditions.

Talecris scientists are pursuing this goal with the development of Plasmin, a naturally occurring "clot-busting" thrombolytic protein. Plasmin has been granted orphan drug designation by the FDA for the development of a treatment for acute peripheral arterial occlusion (aPAO), paving the way for Talecris to press on with its early-stage human testing. We are encouraged by the progress of our Phase I aPAO clinical trial. A proof-of-concept trial to treat ischemic stroke has also been approved in six countries, with the first patient enrolled.

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Of equal promise are recombinant proteins. Talecris scientists and engineers have made significant progress using a novel expression system to produce recombinant versions of the A1PI and FVIII proteins. We believe these recombinant proteins have the potential to behave more like natural human proteins than those produced from other methods. We are also developing a recombinant version of Plasmin, which will be evaluated for the treatment of ischemic stroke.

Every incremental advance in the laboratory is aimed at one core Talecris mission: fulfilling the unmet medical needs of patients around the world. Talecris has an outstanding team of scientists and engineers dedicated to developing new products, expanding the use of existing products, and enhancing pathogen safety and manufacturing efficiencies through advances in science and technology.

Manufacturing

In the niche of plasma protein biotherapeutics, manufacturing plays a critical role in the complex sequence of steps required to extract and purify fragile proteins from human plasma.

Beginning in 2010, Talecris will invest significant additional resources and capital to upgrade and expand its manufacturing capabilities in Clayton, North Carolina. The goal is to increase production capacity and sell more of the proteins within each liter of plasma, the source material for all of Talecris' current products.

Already, the Clayton facility is one of the world's largest integrated plasma protein manufacturing sites. Together with our Melville, New York, facility, Talecris is capable of fractionating 4.2 million liters of plasma each year. Over the next five years, Talecris plans to invest $750 million to $800 million, primarily to upgrade manufacturing in Clayton. The most prominent investment will be a state-of-the-art fractionation facility, which will give Talecris the capability of processing 6 million liters of plasma per year—a 43 percent increase over today's capacity. Talecris plans to break ground this year, with commercial startup projected for 2015.

Over the next five years, Talecris plans to invest $750 million to $800 million, primarily to upgrade manufacturing in Clayton.

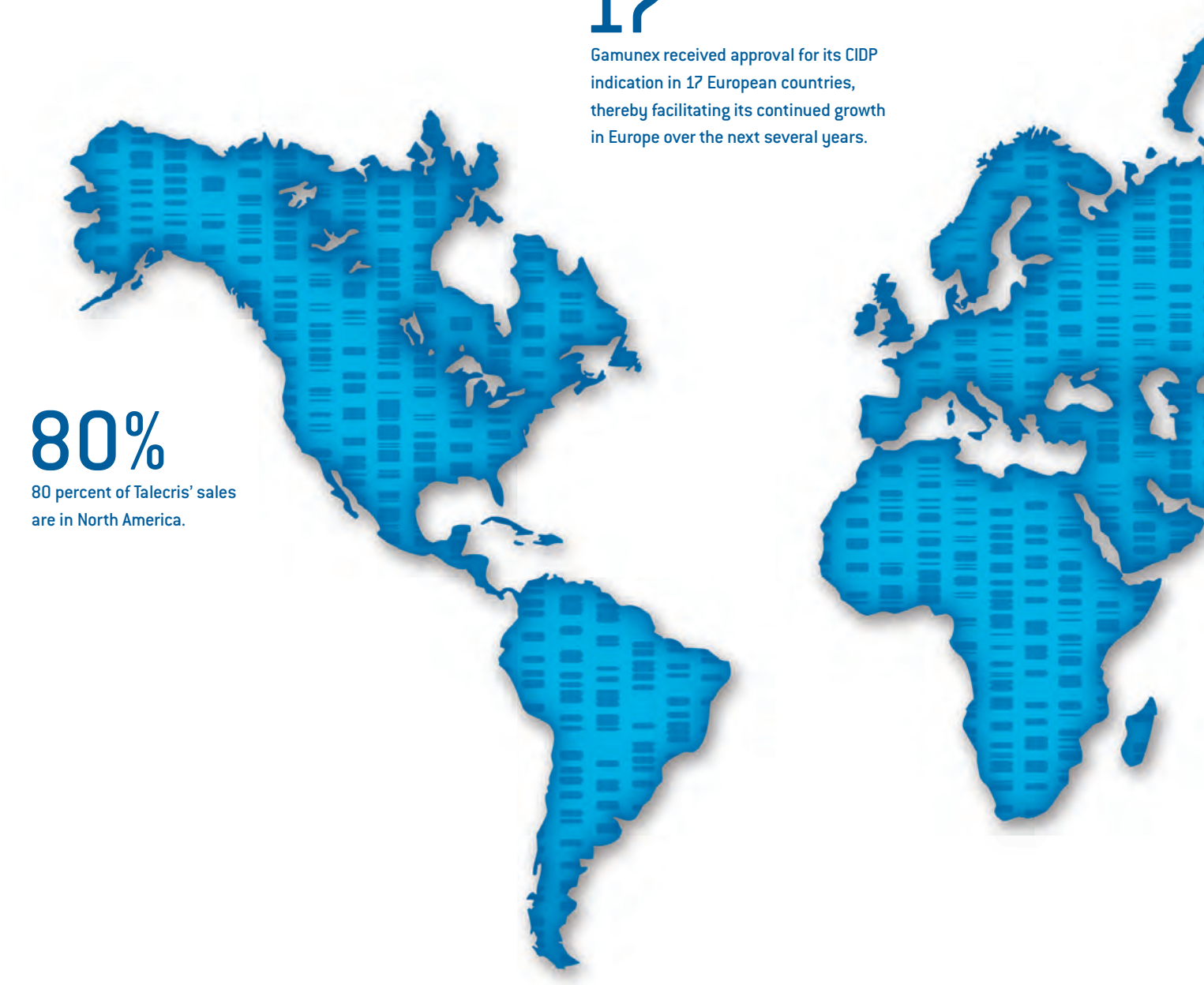
Every aspect of the new facility's design and technological upgrades will be engineered to maximize efficiency and achieve high standards of safety and quality. Investments in downstream purification capacity should enable Talecris to achieve a more balanced proportion of proteins from each liter of plasma, thereby increasing revenue per liter.

Transformation is under way on virtually every front, as Clayton prepares its site for the new decade. We have completed the new Prolastin-C facility, which is now in full-scale operation. Technicians are completing validation activities necessary to license the recently completed Thrombate facility. Modernization is site-wide, with compliance enhancements, infrastructure upgrades and capacity expansions, all utilizing state-of-the-art technologies. The impetus behind the investments is clear: to ensure that patients worldwide have an uninterrupted supply of high-quality protein therapies.

Global expansion is a strategic priority for Talecris in 2010 and beyond. While approximately 80 percent of Talecris' sales are in North America, 60 percent of the plasma market resides outside the continent, presenting a major opportunity for international growth.

17

Gamunex received approval for its CIDP indication in 17 European countries, thereby facilitating its continued growth in Europe over the next several years.



80%

80 percent of Talecris' sales are in North America.

International Growth

60%

60 percent of the plasma market resides outside the North American continent, presenting a major opportunity for international growth.

Talecris is actively seeking to expand in Europe, the Middle East, Latin America and the Far East, where the demand for plasma-derived therapies continues to rise. In pursuit of these markets, Talecris has launched a multi-pronged effort to overcome the regulatory, reimbursement and distribution challenges that are unique to each country.

Progress was apparent on numerous fronts in 2009. Increased Gamunex supply allowed for increased allocation of Gamunex outside North America. Additionally, Gamunex received approval for its CIDP indication in 17 European countries, thereby facilitating its continued growth in Europe over the next several years. Talecris launched Gamunex for CIDP in Germany, Greece and Canada.

In our Intercontinental Region, comprising the Middle East, Eastern Europe, Latin America and the Far East, Talecris launched its Gamunex business in 18 countries.

In Canada, Talecris continues to maintain its industry-leading position as the primary supplier of Gamunex and albumin to Canadian Blood Services and Héma-Québec through multi-year contracts.

Talecris is ardently working to raise awareness of its products by expanding its international outreach initiatives.

Prolastin has advanced its global penetration as well, with 90 percent of European Union sales. Licensed in 15 European countries, Prolastin is currently established in six countries. To improve patient access to Prolastin, Talecris is working with governments, patient groups and physicians to gain reimbursement approvals in additional countries.

Talecris is ardently working to raise awareness of its products by expanding its international outreach initiatives. To support these efforts, Talecris continues to invest considerable resources to strengthen its global infrastructure and pave the way for continued international growth.

Patient Outreach

Every day at Talecris, patients inspire our mission to advance the discovery and development of innovative protein therapies that extend and enhance lives.

While our therapies treat thousands of people, countless others continue to suffer from rare and often life-threatening conditions that are frequently undiagnosed or misdiagnosed. Our responsibility extends beyond the development of safe and effective treatments. Education, awareness, philanthropy and patient advocacy are critical to combating patient suffering and loss of life caused by diseases such as genetic emphysema, primary immune deficiency, chronic inflammatory demyelinating polyneuropathy (CIDP) and hemophilia A.

Our responsibility extends beyond the development of safe and effective treatments.

Patients who empower themselves with knowledge can better advocate for themselves as they navigate the complexities of managing their diseases.

To that end, the company sponsors a Patient Day each year during which patients can tour our manufacturing facilities and see first hand how our products are made.

On the philanthropic front, the company established the Talecris Biotherapeutics Center for Science and Education, which provides financial support in the form of unrestricted charitable donations to organizations that support medical research, indigent care, patient education, patient advocacy and other efforts that directly benefit the charitable mission of the groups.

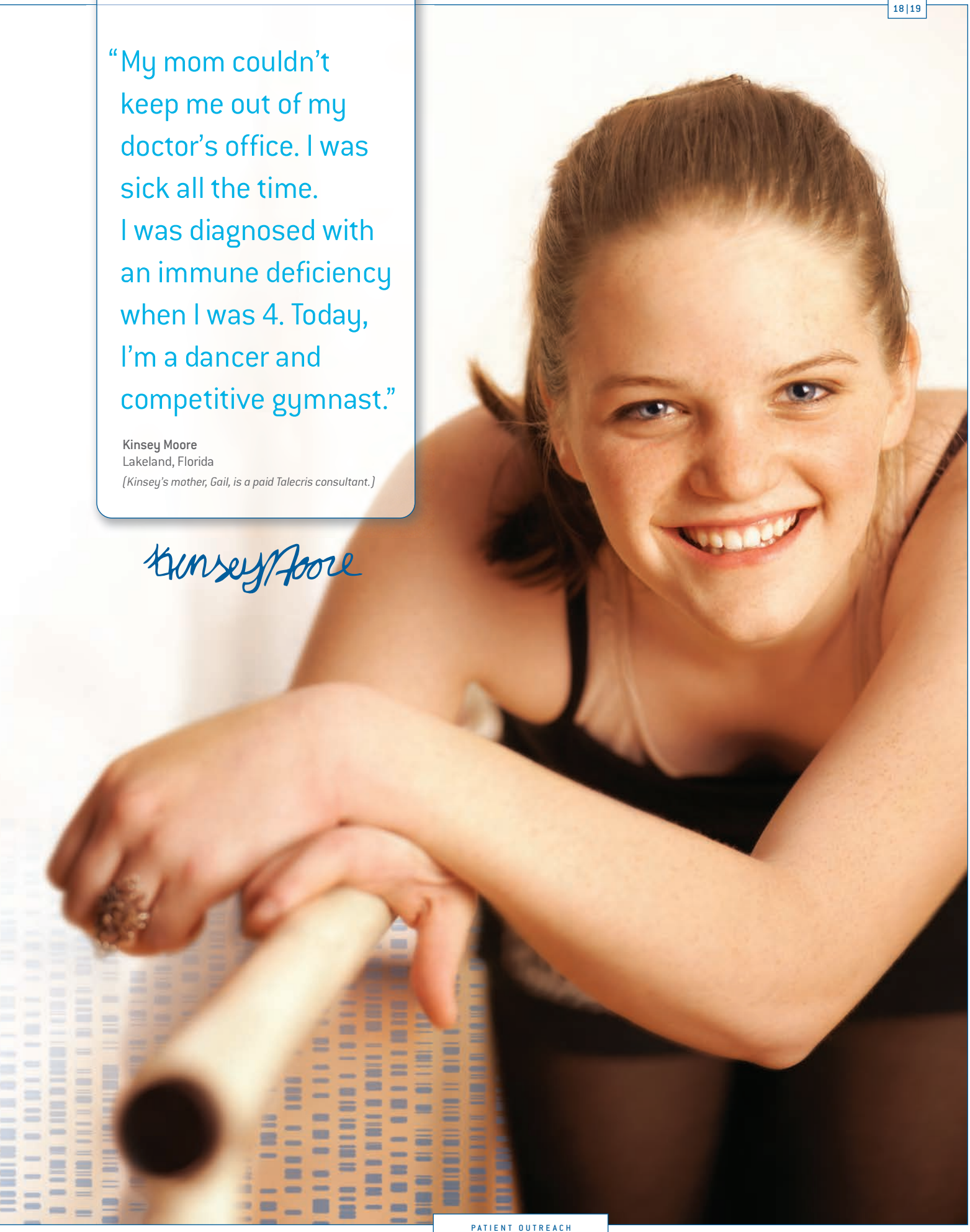
Our enduring commitment to patient communities has not gone unrecognized. Last year, Talecris received the Art of Industry Partnership Award from the Genetic Alliance, and the National Organization for Rare Disorders recognized Talecris for the successful approval of Gamunex to treat CIDP.

By understanding the unique needs of patients with rare diseases, Talecris can more effectively fulfill those needs through innovative products, services and support programs.

"My mom couldn't keep me out of my doctor's office. I was sick all the time. I was diagnosed with an immune deficiency when I was 4. Today, I'm a dancer and competitive gymnast."

Kinsey Moore
Lakeland, Florida
(Kinsey's mother, Gail, is a paid Talecris consultant.)

Kinsey Moore



FINANCIAL CONTENTS

Financial Report

Talecris BIOTHERAPEUTICS

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