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Biotage AB (publ)
Kungsgatan 76
SE-753 18 Uppsala
Tel: +4618 56 59 00
Org no. 556539-3138
www.biotage.com

Year-end report 2007

- Biotage reports an operating result for the full year 2007 amounting to 42.9 MSEK (6.5 MSEK last year). The positive development of the operating result continued also in the fourth quarter and the result amounted to 15.3 MSEK (9.4).
- The result after taxes amounted to 99.4 MSEK (2.8) for the full year and to 42.9 MSEK (11.0) in the fourth quarter. During the year capitalization of deferred income taxes recoverable was made to the amount of 54.1 MSEK and to the amount of 25.8 MSEK in the fourth quarter.
- Net sales amounted to 496.4 MSEK (519.5) in the full year 2007 and to 134.5 MSEK (136.6) in the fourth quarter. At comparable exchange rates and excluding the Chem Dev product area the sales increase was 3 percent in the full year and 8 percent in the fourth quarter.
- Earnings per share amounted to 1.12 SEK (0.03) for the full year and to 0.48 SEK (0.12) for the fourth quarter.

Comments from CEO Torben Jörgensen

In the fourth quarter we have achieved the best operating result ever for Biotage, 15.3 MSEK. The operating margin for the fourth quarter amounted to 11.4 percent. For the full year the operating result amounted to 42.9 MSEK, with an operating margin of 8.6 percent, a substantial improvement compared to previous years. The result after taxes amounted to 99.4 MSEK. Of this sum, 54.1 MSEK relates to capitalization of deferred income taxes recoverable. The positive result development has thus made it possible to start utilize the Group's large loss carry forward, which is in the magnitude of 1,000 MSEK. In the fourth quarter sales recovered well after a slow third quarter, at a comparable basis by 8 percent compared to the same period 2006.

In 2006 and 2007 we have devoted much energy to the integration and consolidation of earlier acquisitions with the objective to create a profitable company, which we now have achieved. Therefore we can now shift focus to organic growth with an improved operating margin. Heavy investments have been made in developing new competitive products in both business areas and we are therefore now ready to launch several new major products in the first half of 2008. We will also launch a number of new consumables and product upgrades during the year.

The strategic review undertaken by Biotage is progressing according to plan. A number of interesting, potential industrial partners have been identified and different alternatives are being investigated.

Amounts in MSEK	4 th quarter 2007	4 th quarter 2006	Full year 2007	Full year 2006
Net sales	134.5	136.6	496.4	519.5
Cost of goods sold	-54.4	-51.7	-190.9	-199.8
Gross profit	80.1	84.9	305.5	319.7
Operating expenses	-64.8	-75.5	-262.6	-313.3
Operating profit/loss	15.3	9.4	42.9	6.5
Financial items	0.2	0.1	2.9	-0.4
Profit/loss after financial items	15.5	9.5	45.8	6.2
Tax expenses	27.4	1.5	53.5	-3.2
Profit/loss after tax	42.9	11.0	99.4	2.8

Group result, financial position and cash flow

Fourth quarter 2007

Group net sales amounted to 134.5 MSEK, compared to 136.6 MSEK the fourth quarter 2006. At comparable exchange rates and excluding the Chem Dev product area sales increased by 8 percent.

The Group's gross margin was 59.6 percent (62.1). The gross margin was negatively affected by exchange rate movements and product mix changes.

The operating expenses have continued to decrease strongly and amounted to 64.8 MSEK (75.5).

Investments during the fourth quarter 2007 amounted to 15.8 MSEK (13.5). Of this sum 12.2 MSEK (9.9) were capitalized development costs. In the fourth quarter 2007 amortizations were made to the amount of 6.4 MSEK (10.7). Of this sum 1.4 MSEK (2.9) were amortizations of capitalized development costs.

The operating profit amounted to 15.3 MSEK (9.4), with an operating margin of 11.4 percent (6.9).

Net financial income amounted to 0.2 MSEK (0.1).

Profit after tax amounted to 42.9 MSEK, corresponding to 0.48 SEK per share, compared to 11.0 MSEK in 2006, corresponding to 0.12 SEK per share.

The cash flow from operating activities amounted to 12.6 MSEK (28.0). This is an effect of increased working capital related to incremental accounts receivable and this in turns is due to changed market mix to customers with longer terms of payment and a great sales at the end of fourth quarter.

Full year 2007

Group net sales decreased by 4 percent compared to 2006, from 519.5 MSEK to 496.4 MSEK. At comparable exchange rates and excluding the Chem Dev product area sales increased by 3 percent.

The Group's gross margin is unchanged compared to 2006 and reported at 61.5 percent. The gross margin was positively influenced by continued productivity improvements, but negatively affected by exchange rate movements and product mix changes.

Operating expenses have continued to decrease and amounted to 262.6 MSEK (313.3).

Investments during the year totaled 52.4 MSEK (43.1). Of this sum 41.8 MSEK (25.5) were capitalized development costs. Amortizations were made in 2007 to the amount of 31.6 MSEK (38.6). Of this sum 10.8 MSEK (10.7) were amortizations of capitalized development costs.

The operating result improved and amounted to 42.9 MSEK in 2007, compared to 6.5 MSEK in 2006. An 8.6 percent operating margin is reported, compared to 1.2 percent in 2006.

Net financial income amounted to 2.9 MSEK (-0.4). Dividends from the financial holdings in Corbett have been obtained to the amount of 5.4 MSEK (6.3).

The Group's tax expense is reported at 53.5 MSEK (-3.2).

In 2007 capitalization of deferred income taxes recoverable was made to the amount of 54.1 MSEK, which led to the Group's tax expense being positive. According to international accounting principles a company should assess at the end of each accounting period if deferred income taxes recoverable shall be reported. Such an assessment according to IAS 12 has resulted in the capitalization at December 31, 2007 of 54.1 MSEK by the Group. This sum has been credited to the year's result.

Profit after tax amounted to 99.4 MSEK, corresponding to 1.12 SEK per share, compared to 2.8 MSEK 2006, corresponding to 0.03 SEK per share.

The cash flow from operating activities amounted to 33.7 MSEK (39.9). This is an effect of increased working capital related to incremental accounts receivable and this in turn is due to changed market mix to customers with longer terms of payment and to increased value of inventories. Working capital has developed in an unfavorable way during the year 92.7 MSEK (58.3).

Balance sheet items

At December 31, 2007 the Group's cash and securities totaled 31.0 MSEK, compared to 50.1 MSEK at December 31, 2006. Granted unutilized credits amounted to 40.2 MSEK, compared to 38.2. The Group's interest-bearing liabilities amounted to 71.9 MSEK, compared to 76.7 MSEK at December 31, 2006.

The Group reports a total goodwill of 460.6 MSEK (471.8) at December 31, 2007. This is attributable to the acquisitions of Personal Chemistry and Biotage LCC in 2003 and the acquisitions of Argonaut and Separtis in 2005. This year's change is due to currency effects.

Other intangible fixed assets in the form of patents and license rights amounted to 26.4 MSEK (31.7) MSEK and capitalized development costs to 70.8 MSEK (40.0).

During the year the stock grown in preparation for the introduction of new products in 2008.

At December 31, 2007 the equity capital amounted to 796.3 MSEK, compared to 712.5 MSEK at December 31, 2006. The Group's equity capital has increased with 99.4 MSEK due to the period's net profit, with 1.6 MSEK due to stock related remunerations, and decreased with -17.2 MSEK due to exchange rate changes.

Discovery Chemistry

Amounts in MSEK	4 th quarter 2007	4 th quarter 2006	Full year 2007	Full year 2006
Net sales	107.4	110.8	397.6	430.0
Operating profit/loss	11.2	11.2	32.8	29.2

Sales per geographic market

USA	38%	43%	40%	43%
Europe	47%	44%	45%	42%
Rest of the world	15%	13%	15%	15%
Sum	100%	100%	100%	100%

Net sales in the fourth quarter amounted to 107.4 MSEK (110.8). In the full year 2007 net sales totaled 397.6 MSEK (430.0). At comparable exchange rates and excluding the Chem Dev product area sales increased by 8 percent in the fourth quarter. In the full year they were at the same level compared to last year.

The EU area was Discovery Chemistry's biggest market, accounting for 47 percent of the net sales. The US contributed 38 percent and the rest of the world 15 percent of the business area's net sales.

In the fourth quarter sales were strong in the synthesis products area and in service and support. The sales of consumables have continued to develop well and the new SNAP product area had strongly growing sales.

In the fourth quarter the gross margin was 57.4 percent (59.1). The gross margin was negatively affected by exchange rate movements and product mix changes.

The operating profit for the fourth quarter amounted to 11.2 MSEK (11.2), with an operating margin of 10.4 percent (10.2).

For the full year 2007 the operating profit amounted to 32.8 MSEK (29.2), with an operating margin of 8.3 percent (6.8).

The heavy research investments in the development of new competitive products have continued during 2007. In the first half of 2008 several new major products will be launched. Also a number of new consumables and product upgrades will be introduced.

Biosystems (Genetic Analys)

Biosystems (Genetic analysis)

Amounts in MSEK	4 th quarter 2007	4 th quarter 2006	Full year 2007	Full year 2006
Net sales	27,1	25,8	98,8	89,5
Operating profit/loss	8,0	6,1	26,2	11,0

Sales per geographic market

USA	39%	50%	45%	51%
Europe	49%	41%	47%	39%
Rest of the world	12%	9%	8%	10%
Sum	100%	100%	100%	100%

In the fourth quarter the Biosystems business area increased its net sales by 5 percent to 27.1 MSEK (25.8). At comparable exchange rates net sales increased by 10 percent. In the full year net sales increased by 10 percent to 98.8 MSEK (89.5). At comparable exchange rates full year net sales increased by 15 percent.

The very strong sales development for the business area continues. System sales totaled 27 units. The demand for and interest in the Pyrosequencing® technology and products continues to be strong and sales continue to grow strongly.

The EU area was Biosystems' biggest market with 49 percent of the net sales. The US contributed 39 percent and the rest of the world 12 percent of the business area's net sales. The European market, including distributor sales, was very strong in the fourth quarter while the development in the US market was slower.

The gross margin was 67.9 percent (75.1). The gross margin was negatively affected by currency changes, as sales are made almost exclusively in foreign currency, while all production takes place in Sweden. Compared to the corresponding quarter last year the geographical mix and a changed mix in the customer structure have affected the gross margin negatively.

The business area's good profitability continues and the operating result for the fourth quarter amounted to 8.0 MSEK (6.1), with an operating margin of 29.4 percent (23.7). For the full year the operating result amounted to 26.2 MSEK (11.0), with an operating margin of 26.5 percent (12.3).

Biotage has the ambition to establish itself as a leading player in molecular diagnostics. The company is strengthening this market position by developing new instruments and tests. The launch of a new instrument, which is expected to strongly expand the installed base of instruments, is planned for the first quarter 2008. In parallel new molecular diagnostics tests are being developed in order to take a further part of this strongly growing market. In order to further strengthen and complement Biotage's product offering in this area external collaborations concerning the development of new tests are also being evaluated.

Human resources

At December 31, 2007 the Group had 336 employees, compared to 332 at the start of the year.

Parent company

The Group's parent company, Biotage AB, has wholly owned subsidiaries in Sweden, the United States, United Kingdom, Switzerland, Germany, France, Italy and Japan. The parent company is responsible for group management, strategic business development and administrative functions at Group level and towards subsidiaries.

In the fourth quarter 2007 the parent company's net income amounted to 2.0 MSEK (2.2). In the full year 2007 the net income amounted to 8.4 MSEK (8.7).

A profit after financial items amounting to 2.6 MSEK is reported for the fourth quarter 2007 (-2.8). For the full year profit after financial items amounted to 13.6 MSEK (-4.6).

During 2007 capitalization of deferred income taxes recoverable was made to the amount of 39.4 MSEK.

The parent company's investments in intangible fixed assets in the fourth quarter 2007 amounted to 0.5 MSEK (0.1). In the full year 2007 the investments in intangible fixed assets amounted to 3.0 MSEK (6.9).

On December 31, 2007 the parent company's cash and bank balance amounted to 0.9 MSEK, compared to 8.6 MSEK at December 31, 2006.

Annual General Meeting and dividends

The Annual General Meeting will be held at the company's office in Uppsala on April 29, 2008. Notice for the meeting will be available on the company's web site. Biotage's Annual Report will be distributed to the shareholders in week 14.

Biotage's board of directors will propose to the Annual General Meeting that no dividends are paid for the financial year 2007.

Risks and uncertainties

The risks associated with the Group's operations can generally be divided into operational risks related to the business and risks related to the financial activities. No major changes in significant risks or uncertainty factors occurred during the period. A detailed account of Biotage's risks, uncertainty factors and the handling of these can be found in the company's annual report for 2006.

Financial reports in 2008

The interim report for the first quarter 2008 will be issued in connection with the Annual General Meeting on April 29, 2008.

The interim report for the second quarter 2008 will be issued on August 15, 2008.

The interim report for the third quarter 2008 will be issued on October 31, 2008.

Assurance

The Board and the President assure that the year-end report gives a true and fair overview of the parent company's and the Group's business, financial position and result, and describes significant risks and uncertainty factors that the parent company and the companies of the Group are facing.

This report has been reviewed by the company's auditors.

Uppsala February 7, 2008

The Board of Directors

For further information, please contact:

Torben Jörgensen, president and CEO, phone: +46 707 49 05 84

Mats-Olof Wallin, CFO, phone: +46 705 93 52 73

About Biotage

Biotage is a global company active in life science research with strong technologies, a broad range of operations and a long-term view of the market. The company offers solutions, knowledge and experience in the areas of genetic analysis and medicinal chemistry. In 2005 business and products from the company Argonaut were acquired, further strengthening the product range in medicinal chemistry. The customers include the world's top 30 pharma companies, the world's top 20 biotech companies, and leading academic institutes. The company is headquartered in Uppsala and has subsidiaries in the U.S., Japan, UK, Germany and several other European countries. Biotage has 336 employees and had sales of 496 MSEK in 2007. Biotage is listed on the Stockholm stock exchange. Website: www.biotage.com

Certain statements in this press release are forward-looking. These may be identified by the use of forward looking words or phrases such as "believe," "expect," "intend," and "should," among others. These forward-looking statements are based on Biotage's current expectations. The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for such forward-looking statements. In order to comply with the terms of the safe harbor, Biotage notes that a variety of factors could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in such forward-looking statements. Such uncertainties and risks include, but are not limited to, risks associated with management of growth and international operations (including the effects of currency fluctuations), variability of operating results, the commercial development of the microwave synthesis and flash purification in the drug discovery market, DNA sequencing and genomics market, nucleic acid-based molecular diagnostics market, and genetic vaccination and gene therapy markets, competition, rapid or unexpected changes in technologies, fluctuations in demand for Biotage's products (including seasonal fluctuations), difficulties in successfully adapting the Company's products to integrated solutions and producing such products, and the Company's ability to identify and develop new products and to differentiate its products from competitors.

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Reporting and RR 31 Group Interim Reporting. The information in this report concerning the parent company complies with the Swedish Accounting Act.

The accounting principles applied agree with those applied in the preparation of the Group's latest Annual Report, described on pp. 33-39 in the 2006 Annual Report.

From January 1, 2007 Biotage also have adopted IFRS 7 Financial Instruments: Disclosures and addition to IAS 1 Presentation of Financial Statements. The new standard requires increased information concerning financial instruments and information about management of capital. Moreover four interpretation statements from IFRIC has come into force from January 1, 2007; IFRIC 7, 8, 9 and 10.

The new standards and the interpretations have had no impact on reported financial position and performance.

Readers wishing to study the accounting principles presented in the 2006 Annual Report can download this report from Biotage AB's website www.biotage.se or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala, or at info@biotage.com.

Review report

To the board of Biotage AB (publ)
Org no. 556539-3138

Introduction

We have performed a review of Biotage AB's interim report for the period January 1, 2007 – December 31, 2007. The responsibility for truly and fairly preparing and presenting this interim financial information in accordance with IAS 34 and the Annual Accounts Act rests with the board of directors and the president. Our responsibility is to state an opinion regarding this interim financial information based on our review.

The purpose and scope of the review

We have performed our review in accordance with Standard for Reviewing (SÖG) 2410, *Reviewing of interim financial information by the company's elected accountants*. Performing a review consists of asking questions, primarily from persons responsible for financial and reporting issues, conducting analytical auditing and performing other general audit steps.

A review has another purpose and is considerably smaller in scope compared to the purpose and scope of an audit according to the Auditing Standard in Sweden (RS) and generally accepted accounting principles. The audit steps performed in connection with a review do not enable us to gain such a degree of certainty that we can become aware of all important circumstances that might have been identified if an audit had been performed. A stated opinion based on a review has thus not the degree of certainty that a stated opinion based on an audit has.

Opinion

Based on our review, no circumstances have been disclosed that would give us reason to think that this interim report is not in all essentials prepared according to IAS 34 and the Annual Accounts Act for the Group and according to the Annual Accounts Act for the parent company.

Stockholm February 7, 2008

Deloitte AB

Lars-Gunnar Nilsson
Authorized public accountant

CONSOLIDATED INCOME STATEMENTS

	10/1/2007	10/1/2006	1/1/2007	1/1/2006
Amounts in KSEK	12/31/2007	12/31/2006	12/31/2007	12/31/2006
Net sales	134,539	136,607	496,402	519,497
Cost of goods sold	<u>-54,404</u>	<u>-51,726</u>	<u>-190,875</u>	<u>-199,782</u>
Gross profit	80,135	84,881	305,527	319,715
Selling expenses	-43,187	-43,014	-169,711	-183,467
Administrative expenses	-13,426	-15,519	-50,150	-65,571
Research and development costs	-9,141	-16,180	-41,400	-58,755
Other operating income	1,020	-1,972	2,439	1,715
Other operating expenses	-83	1,171	-3,783	-7,175
<i>Operating expenses</i>	<u>-64,816</u>	<u>-75,513</u>	<u>-262,604</u>	<u>-313,253</u>
Operating profit/loss	15,319	9,368	42,923	6,463
Financial income	751	5,210	8,396	13,070
Financial expenses	<u>-612</u>	<u>-5,066</u>	<u>-5,484</u>	<u>-13,479</u>
Profit/loss before income tax	15,458	9,512	45,835	6,054
Tax expenses	<u>27,415</u>	<u>1,504</u>	<u>53,537</u>	<u>-3,238</u>
Profit/loss after tax	42,873	11,015	99,373	2,816
Part related to the parent company's shareholders	42,873	11,015	99,373	2,816
Average shares outstanding	88,486,320	88,486,320	88,486,320	88,486,320
Average shares outstanding after dilution	88,738,015	88,965,131	89,015,260	88,883,110
Shares outstanding at closing day	88,486,320	88,486,320	88,486,320	88,486,320
Profit/loss per share SEK	0.48 kr	0.12 kr	1.12 kr	0.03 kr
Profit/loss per share after dilution SEK	0.48 kr	0.12 kr	1.12 kr	0.03 kr

Quarterly summary 2006 and 2007	2007	2007	2007	2007	2006	2006	2006	2006
Amounts in KSEK	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Net Sales	134,539	111,853	131,138	118,872	136,607	133,935	128,344	120,611
Cost of goods sold	<u>-54,404</u>	<u>-40,335</u>	<u>-51,149</u>	<u>-44,987</u>	<u>-51,726</u>	<u>-48,878</u>	<u>-51,712</u>	<u>-47,466</u>
Gross profit	80,135	71,519	79,989	73,884	84,881	85,057	76,633	73,144
Gross margin	59.6%	63.9%	61.0%	62.2%	62.1%	63.5%	59.7%	60.6%
Operating expenses	<u>-64,816</u>	<u>-62,222</u>	<u>-68,913</u>	<u>-66,653</u>	<u>-75,513</u>	<u>-73,623</u>	<u>-78,792</u>	<u>-85,325</u>
Operating profit/loss	15,319	9,297	11,076	7,232	9,368	11,434	-2,159	-12,180
Financial net income	139	2,109	-737	1,400	144	-1,734	7,655	-6,474
Profit/loss before income tax	15,458	11,406	10,339	8,631	9,512	9,701	5,496	-18,655
Tax expenses	<u>27,415</u>	<u>-217</u>	<u>27,736</u>	<u>-1,396</u>	<u>1,504</u>	<u>-1,069</u>	<u>-1,516</u>	<u>-2,156</u>
Profit/loss after tax	42,873	11,189	38,075	7,236	11,015	8,631	3,980	-20,811

CONSOLIDATED BALANCE SHEETS

Amounts in KSEK	12/31/2007	12/31/2006
ASSETS		
Fixed assets		
Tangible assets	84,987	95,333
Goodwill	460,593	471,839
Other intangible assets	98,460	71,695
Financial assets	100,353	48,273
Total fixed assets	744,393	687,141
Current assets		
Inventory	97,144	85,627
Account receivable and other receivables	116,044	94,361
Liquid funds	31,017	50,136
Total current assets	244,206	230,124
TOTALT ASSETS	988,599	917,265
EQUITY AND LIABILITIES		
Capital and reserves attributable to shareholders in parent company		
Share capital	88,486	88,486
Other contributed capital	1,513,992	1,512,383
Accumulated translation difference	-72,117	-55,386
Profit/loss carried forward	-734,096	-833,009
Total equity	796,265	712,474
Long term liabilities		
Loans	37,152	46,809
Provisions of a long-term nature	3,423	3,877
Total long term liabilities	40,575	50,686
Current liabilities		
Accounts payable and other liabilities	111,235	108,789
Tax liabilities	1,159	3,214
Loans	34,741	34,884
Provisions of a short-term nature	4,622	7,218
Total current liabilities	151,758	154,105
TOTAL EQUITY AND LIABILITIES	988,599	917,265

CONSOLIDATED CASH FLOW STATEMENTS

Amounts in KSEK	10/1/2007 12/31/2007	10/1/2006 12/31/2006	1/1/2007 12/31/2007	1/1/2006 12/31/2006
Operating activities				
Profit/loss after financial items	15,459	9,512	45,835	6,054
Adjustments for items not included in the cash flow	5,065	9,651	30,810	45,432
	<u>20,524</u>	<u>19,163</u>	<u>76,645</u>	<u>51,486</u>
Tax paid	1,008	1,504	-519	-3,238
Cash flow from operating activities before changes in working capital	21,531	20,667	76,126	48,248
Cash flow from change in working capital:				
Increase (-)/ decrease (+) of inventories	392	3,588	-15,273	-3,946
Increase (-)/ decrease (+) of account receivables	-16,079	6,052	-18,633	5,559
Increase (-)/ decrease (+) of other current receivables	-3,072	-224	-3,979	-2,580
Increase (+)/ decrease (-) of other liabilities	9,780	-2,079	-4,523	-7,373
	<u>12,552</u>	<u>28,003</u>	<u>33,718</u>	<u>39,908</u>
Cash flow from operating activities	12,552	28,003	33,718	39,908
Investing activities				
Acquisition of intangible fixed assets	-12,838	-9,878	-44,143	-32,431
Sales of intangible fixed assets			16	
Acquisition of tangible fixed assets	-2,866	-3,498	-8,198	-10,661
Acquisition of financial assets	-107	-113	-102	-169
Sales of financial assets	-	-	4	163
	<u>-15,811</u>	<u>-13,489</u>	<u>-52,422</u>	<u>-43,099</u>
Cash flow from investment activities	-15,811	-13,489	-52,422	-43,099
Financial activities				
Refund of VAT on costs of new share issue	-	4,633	-	4,633
Loans taken	3,009	-	6,164	-
Amortization of loan liabilities	-1,439	-609	-6,455	-2,986
	<u>1,570</u>	<u>4,024</u>	<u>-291</u>	<u>1,647</u>
Cash flow from financial activities	1,570	4,024	-291	1,647
Cash flow during period	-1,689	18,538	-18,995	-1,543
Cash and liquid assets beginning of period	32,681	32,285	50,136	52,795
Exchange differences in liquid assets	26	-687	-124	-1,115
Cash and liquid assets at end of period	31,017	50,136	31,017	50,136
Additional information:				
<i>Adjustments for items not included in the cash flow</i>				
Depreciations and write-downs	6,438	9,298	31,563	40,670
Other items	-1,373	354	-754	4,762
Total	<u>5,065</u>	<u>9,651</u>	<u>30,810</u>	<u>45,432</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in KSEK	Aktie- kapital	Övrigt tillskjutet kapital	Ackumulerade omräknings- differenser	Säkrings- reserv	Balanserat resultat	Summa eget kapital
Opening balance January 1, 2006	88,486	1,506,656	-21,065		-835,826	738,252
Changes in 2006:						
Refund of VAT on costs of new share issue		4,633				4,633
Exchange rate differences			-34,321			-34,321
Profit/loss for 2006					2,816	2,816
Change due to outstanding option programs directed to employees of the Group		1,094				1,094
Total changes during 2006		5,727	-34,321		2,816	-25,778
 Closing balance December 31, 2006	<u>88,486</u>	<u>1,512,383</u>	<u>-55,386</u>	<u>-</u>	<u>-833,009</u>	<u>712,474</u>
 Changes in 2007:						
Exchange rate differences			-16,731			-16,731
Change in hedging reserve for the year				-460		-460
Profit/loss January - december 2007					99,373	99,373
Change due to outstanding option programs		1,609				1,609
Total changes during 2007:		1,609	-16,731	-460	99,373	83,791
 Closing balance December 31, 2007	<u>88,486</u>	<u>1,513,992</u>	<u>-72,117</u>	<u>-460</u>	<u>-733,636</u>	<u>796,265</u>

Biotage AB (publ)
Year end report
2007-01-01 -- 2007-12-31

INCOME STATEMENTS FOR THE PARENT COMPANY

	10/1/2007	10/1/2006	1/1/2007	1/1/2006
Amounts in KSEK	12/31/2007	12/31/2006	12/31/2007	12/31/2006
Net sales	2,039	2,200	8,357	8,669
Cost of goods sold	-8		-13	-
Gross profit	2031	2,200	8,345	8,669
Selling expenses	-42	-25	-506	164
Administrative expenses	-3,349	-9,392	-15,350	-29,911
Research and development costs	-683	-2,630	-2,936	-4,643
Other operating income	1,268	3,715	8,118	9,767
Other operating expenses	-641	796	-3,892	-4,151
<i>Operating expenses</i>	<i>-3,447</i>	<i>-7,536</i>	<i>-14,565</i>	<i>-28,775</i>
Operating profit/loss	-1416	-5,336	-6,220	-20,105
Profit/loss from financial investments:				
Interest income from receivables to group companies	3,912	3,436	16,453	14,588
Interest expenses from liabilities from group companies	-554	-376	-1,793	-1,681
Profit and loss from other securities and receivables that are long term financial assets	0	1,894	5,371	6,318
Other interest income and similar income items	116	873	117	946
Interest expenses and similar expense items	-1	-40	-5	-54
Translation differences on intra-group receivables	571	-3,288	-348	-4,573
<i>Net financial income/expense</i>	<i>4044</i>	<i>2,500</i>	<i>19,794</i>	<i>15,545</i>
Profit/loss after financial items	2,628	-2,837	13,574	-4,560
Tax expenses	21,377	-	49,026	-
Profit/loss after tax	24,005	-2,837	62,600	-4,560

BALANCE SHEETS FOR THE PARENT COMPANY

Amounts in KSEK	12/31/2007	12/31/2006
ASSETS		
Fixed assets		
Intangible fixed assets		
Patent and license rights	13,309	12,480
	<u>13,309</u>	<u>12,480</u>
<i>Financial assets</i>		
Participation in group companies	717,727	717,396
Receivables from group companies	109,869	121,236
Deferred tax asset	39,361	-
Other long-term securities	45,783	45,783
	<u>912,740</u>	<u>884,415</u>
Total fixed assets	926,049	896,896
Current assets		
Current receivables		
Receivables from group companies	76,382	41,373
Other receivables	632	1,540
Prepaid expenses and accrued income	1,514	1,230
	<u>78,528</u>	<u>44,144</u>
Cash and bank balances	862	8,578
Total current assets	79,390	52,722
TOTALT ASSETS	1,005,439	949,617
EQUITY, PROVISIONS AND LIABILITIES		
Equity		
Restricted equity		
Share capital	88,486	88,486
Statutory reserves	1,509,816	1,509,816
	<u>1,598,303</u>	<u>1,598,303</u>
Unrestricted equity		
Fair value fond	-38,554	-27,115
Profit/loss carried forward	-691,682	-711,975
Profit/loss for the period reported	62,600	-4,560
	<u>-667,635</u>	<u>-743,650</u>
Total equity	930,667	854,653
Provisions	-	0
Long term liabilities		
Other long term liabilities	-	4,988
	<u>0</u>	<u>4,988</u>
Current liabilities		
Account payable	1,488	2,022
Liabilities to gruop companies	60,140	73,662
Other short term liabilities	5,369	1,052
Accrued expenses and prepaid income	7,775	13,240
	<u>74,772</u>	<u>89,976</u>
TOTAL EQUITY, PROVISIONS AND LIABILITIES	1,005,439	949,617

CASH FLOW STATEMENTS FOR THE PARENT COMPANY

Amounts in KSEK	10/1/2007 12/31/2007	10/1/2006 12/31/2006	1/1/2007 12/31/2007	1/1/2006 12/31/2006
Operating activities				
Profit/loss after financial items	2,628	-2,837	13,574	-4,561
Adjustments for items not included in the cash flow	496	2,015	2,424	3,662
	<u>3,125</u>	<u>-822</u>	<u>15,999</u>	<u>-898</u>
Tax paid	-	-	-	-
Cash flow from operating activities before changes in working capital	3,125	-822	15,999	-898
Cash flow from change in working capital:				
Increase (-)/ decrease (+) of account receivables	-	11,464	-	334
Increase (-)/ decrease (+) of other current receivables	1,858	21,965	-10,940	22,152
Increase (+)/ decrease (-) of other liabilities	<u>-6,485</u>	<u>2,834</u>	<u>-9,351</u>	<u>24,330</u>
Cash flow from operating activities	-1,502	35,442	-4,293	45,918
Investing activities				
Acquisition of intangible fixed assets	-533	-111	-3,037	-6,891
Sale of intangible fixed assets	16	-	16	-
Acquisition of subsidiaries	-	0	-331	-14,536
Increase (-)/ decrease (+) of other long-term receivables	<u>-72</u>	<u>-38,037</u>	<u>-72</u>	<u>-36,719</u>
Cash flow from investment activities	-588	-38,147	-3,423	-58,147
Finansieingsverksamheten				
Refund of VAT on costs of new share issue	-	4,633	-	4,633
Amortization of loan liabilities	<u>-</u>	<u>-134</u>	<u>-</u>	<u>-209</u>
Cash flow from financial activities	0	4,499	0	4,424
Cash flow during period	-2,090	1,793	-7,716	-7,805
Cash and liquid assets beginning of period	2,952	6,785	8,578	16,383
Cash and liquid assets at end of period	<u>862</u>	<u>8,578</u>	<u>862</u>	<u>8,578</u>
Additional information:				
<i>Adjustments for items not included in the cash flow</i>				
Depreciations and write-downs	556	2,015	2,192	3,662
Other items	<u>-59</u>	<u>-</u>	<u>233</u>	<u>0</u>
Total	<u>496</u>	<u>2,015</u>	<u>2,424</u>	<u>3,662</u>

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

Amounts in KSEK	Share capital	Statutory reserve	Fair value fond	Profit/loss carried forward	Total equity
Opening balance January 1, 2006	88,486	1,505,183		-711,974	881,695
Changes in 2006:					
	-	-	-	-	-
Refund of VAT on costs of new share issue	-	4,633	-	-	4,633
Exchange rate differences	-	-	-27,115		-27,115
Profit/loss for 2006	-	-	-	-4,560	-4,560
Total changes during 2006	0	4,633	-27,115	-4,560	-27,042
Closing balance December 31, 2006	<u>88,486</u>	<u>1,509,816</u>	<u>-27,115</u>	<u>-716,534</u>	<u>854,652</u>
Förändringar under 2007:					
Exchange rate differences	-	-	-11,439	-	-11,439
Group contribution received				24,853	24,853
Profit/loss January - December 2007	-	-		62,600	62,600
Total changes during 2007	0	0	-11,439	87,454	76,015
Closing balance December 31, 2007	<u>88,486</u>	<u>1,509,816</u>	<u>-38,554</u>	<u>-629,081</u>	<u>930,667</u>

Biotage AB
Year end report
2007-01-01 -- 2007-12-31
Amounts in KSEK
INCOME STATEMENT BY SEGMENT

	Biosystem	Discovery Chemistry	Corporate	Total
Net sales	98,834	397,568	-	496,402
Cost of goods sold	-33,168	-157,707	-	-190,875
Gross profit	65,666	239,861	0	305,527
Gross margin	66.4%	60.3%		61.5%
Selling expenses	-28,749	-140,962	-	-169,711
Administrative expenses	-5,289	-30,624	-14,237	-50,150
Research and development costs	-5,517	-35,883	-	-41,400
Other operating income	94	792	1,554	2,439
Other operating expenses	0	-346	-3,437	-3,783
Operating expenses	-39,461	-207,023	-16,119	-262,604
Operating profit/loss	26,205	32,838	-16,119	42,923
Financial income net	-	-	2,912	2,912
Profit/loss after financial items	26,205	32,838	-13,207	45,835
Tax expenses	-	-	53,537	53,537
Profit/loss after tax	26,205	32,838	40,330	99,373

2006-01-01 -- 2006-12-31
Amounts in KSEK
INCOME STATEMENT BY SEGMENT

	Biosystem	Discovery Chemistry	Corporate	Total
Net sales	89,454	430,043	-	519,497
Cost of goods sold	-25,049	-174,733	-	-199,782
Gross profit	64,405	255,310	0	319,715
Gross margin	72.0%	59.4%		61.5%
Selling expenses	-35,151	-148,316	-	-183,467
Administrative expenses	-6,007	-30,554	-29,009	-65,571
Research and development costs	-12,095	-46,660	-	-58,755
Other operating income	71	577	1,067	1,715
Other operating expenses	-240	-1,193	-5,743	-7,175
Operating expenses	-53,422	-226,146	-33,685	-313,253
Operating profit/loss	10,983	29,164	-33,685	6,463
Financial income net	-	-	-409	-409
Profit/loss after financial items	10,983	29,164	-34,093	6,054
Tax expenses	-	-	-3,238	-3,238
Profit/loss after tax	10,983	29,164	-37,331	2,816

Biotage AB

Year end report

2007-10-01 -- 2007-12-31

Amounts in KSEK

INCOME STATEMENT BY SEGMENT

	Biosystem	Discovery Chemistry	Corporate	Total
Net sales	27,121	107,418	-	134,539
Cost of goods sold	-8,696	-45,708	-	-54,404
Gross profit	18,426	61,710	0	80,135
Gross margin	67.9%	57.4%		59.6%
Selling expenses	-8,564	-34,624	-	-43,187
Administrative expenses	-1,189	-7,816	-4,421	-13,426
Research and development costs	-792	-8,349	-	-9,141
Other operating income	94	305	620	1,020
Other operating expenses	0	-72	-11	-83
Operating expenses	-10,450	-50,554	-3,812	-64,816
Operating profit/loss	7,975	11,155	-3,812	15,319
Financial income net	-	-	139	139
Profit/loss after financial items	7,975	11,155	-3,672	15,459
Tax expenses	-	-	27,415	27,415
Profit/loss after tax	7,975	11,155	23,742	42,873

2006-10-01 -- 2006-12-31

Amounts in KSEK

INCOME STATEMENT BY SEGMENT

	Biosystem	Discovery Chemistry	Corporate	Total
Net sales	25,849	110,758	-	136,607
Cost of goods sold	-6,442	-45,284	-	-51,726
Gross profit	19,408	65,473	0	84,881
Gross margin	75.1%	59.1%		62.1%
Selling expenses	-8,598	-34,416	-	-43,014
Administrative expenses	-1,532	-6,794	-7,191	-15,519
Research and development costs	-3,216	-12,964	-	-16,180
Other operating income	71	275	-2,318	-1,972
Other operating expenses	-23	-346	1,539	1,171
Operating expenses	-13,298	-54,245	-7,971	-75,513
Operating profit/loss	6,110	11,229	-7,971	9,368
Financial income net			144	144
Profit/loss after financial items	6,110	11,229	-7,827	9,512
Tax expenses			1,504	1,504
Profit/loss after tax	6,110	11,229	-6,323	11,015