

October 31, 2008

## **Interim report January - September 2008**

- Net sales in the third quarter amounted to 119.4 MSEK (111.9) and to 354.7 MSEK (361.9) in the period January – September 2008. At comparable exchange rates net sales increased by 13 percent in the third quarter and by 5 percent in the period January – September.
- The operating result for the third quarter increased by 41 percent and amounted to 13.1 MSEK (9.3). The operating result for the first nine months of the year increased by 12 percent to 30.9 MSEK (27.6).
- The result after tax amounted to 12.8 MSEK (11.2) in the third quarter and to 33.9 MSEK (56.5) in the period January – September. In the second quarter 2007 capitalization of deferred income taxes recoverable was made to the amount of 27.6 MSEK.
- Earnings per share amounted to 0.14 SEK (0.13) in the third quarter and to 0.38 SEK (0.64) in the period January – September.
- The cash flow from operating activities amounted to 20.2 MSEK (22.9) in the third quarter and to 38.1 MSEK (21.2) the first nine months of the year.
- On October 2, Qiagen acquired the assets in the Biosystems business area and Biotage's shares in Corbett (17.5 percent) for an initial purchase sum of 53 MUSD. The capital gain for the divestment is expected to amount to 220 MSEK before tax. Biotage has received cash payment amounting to approx. 360 MSEK for the divested operations.

### **Comments from CEO Torben Jörgensen**

In the third quarter much work was devoted to the sale of the Biosystems business area to the German biotech company Qiagen. On October 1 the parties finally agreed on all conditions to conclude the deal. The deal was closed on October 2. The deal means that Qiagen acquires the assets and some liabilities in the business area together with Biotage's shares in Corbett (17.5 percent) for an initial purchase sum of 53 MUSD. Provided that certain sales targets are met, additional purchase sums totaling a maximum of 7 MUSD will be paid to Biotage during the period from Qiagen's taking possession of the operations up to December 31, 2012. Qiagen takes over all Biosystems' employees.

This deal marks the end of the strategic evaluation work. Biotage will now intensify its work with developing and strengthening the Discovery Chemistry business area, with the aim of improving the operating margin, creating organic growth and acquiring complementary products and businesses. The strategic evaluation work has yielded a number of leads and contacts that will be pursued.

In the Biosystems business area the operations continued to develop favorably with a 26 percent sales growth at comparable exchange rates. The launch of the new PyroMark™ Q24 instrument has been successful and 15 instruments were sold during the quarter. In total Biosystems sold 32 instruments in the third quarter.

Discovery Chemistry is much affected by the ongoing restructuring within the major pharma companies. However, it is gratifying to note a 9 percent sales growth at comparable exchange rates in the third quarter. The business area's new introductions, the purification system Isolera and the new product area SNAP, have developed successfully and were the main factors behind the growing sales in the third quarter.

Amounts in MSEK	3 rd quarter 2008	3 rd quarter 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007	Oct 1, 2007- Sep 30, 2008
Net sales	119.4	111.9	354.7	361.9	496.4	489.2
Cost of goods sold	-47.3	-40.3	-139.1	-136.5	-190.9	-193.5
Gross profit	72.0	71.5	215.6	225.4	305.5	295.7
Operating expenses	-58.9	-62.2	-184.7	-197.8	-262.6	-249.5
Operating profit/loss	13.1	9.3	30.9	27.6	42.9	46.2
Financial items	0.2	2.1	3.8	2.8	2.9	3.9
Profit/loss before tax	13.3	11.4	34.6	30.4	45.8	50.2
Tax expenses	-0.5	-0.2	-0.7	26.1	53.5	26.7
Profit/loss after tax	12.8	11.2	33.9	56.5	99.4	76.8

## Group result, financial position and cash flow

### Third quarter 2008

Group net sales amounted to 119.4 MSEK, compared to 111.9 MSEK the third quarter 2007. At comparable exchange rates net sales grew by 13 percent.

The Group's gross margin was 60.3 percent (63.9). The gross margin was negatively affected by lower sales prices resulting from product mix changes and changes in the market. Tender procedures in the major pharma companies are increasing the competition and price is becoming an increasingly dominant factor.

The operating expenses amounted to 58.9 MSEK (62.2). The cost control continues to be good. This quarter the marketing costs have been charged with personnel-related costs of a non-recurring nature amounting to 1.5 MSEK. During the second quarter two major research projects were completed. Amortization of these projects has started in the third quarter. Exchange rate differences relating to receivables and liabilities have improved the operating expenses by 7.6 MSEK (-1.9).

Investments amounted to 4.7 MSEK (9.9). Of this sum 2.8 MSEK (7.0) were capitalized development costs. Amortizations were made to the amount of 10.5 MSEK (8.3) Of this sum 4.9 MSEK (3.5) were amortizations of capitalized development costs.

The operating result increased by 41 percent and amounted to 13.1 MSEK (9.3), with an operating margin of 11.0 percent (8.3).

Net financial income amounted to 0.2 MSEK (2.1). In the third quarter 2007 dividends from the financial holding in Corbett were received to the amount of 2.5 MSEK.

Profit after tax amounted to 12.8 MSEK, corresponding to 0.14 SEK per share, compared to 11.2 MSEK in 2007, corresponding to 0.13 SEK per share.

The cash flow from operating activities amounted to 20.2 MSEK (22.9). The cash flow from the investment activities amounted to -4.7 MSEK (-9.9).

#### January – September 2008

Group net sales amounted to 354.7 MSEK, compared to 361.9 MSEK the first nine months 2007. At comparable exchange rates net sales increased by 5 percent.

The Group's gross margin was 60.8 percent (62.3). The gross margin was negatively affected by lower sales prices resulting from product mix changes and changes in the market. Tender procedures in the major pharma companies are increasing the competition and price is becoming an increasingly dominant factor.

The operating expenses have continued to decrease and amounted to 184.7 MSEK (197.8). Above all the costs in the US and UK have been reduced compared to last year as a result of the weakened currencies. Exchange rate differences relating to receivables and liabilities have improved the operating expenses to the amount of 3.8 MSEK (-2.3).

Investments amounted to 29.8 MSEK (36.6). Of this sum 21.7 MSEK (29.6) were capitalized development costs. Amortizations were made to the amount of 26.3 MSEK (25.1). Of this sum 9.9 MSEK (9.4) were amortizations of capitalized development costs.

The operating result increased by 12 percent and amounted to 30.9 MSEK (27.6), with an operating margin of 8.7 percent (7.6).

Net financial income amounted to 3.8 MSEK (2.8). During the first six months dividends from the financial holding in Corbett were received to the amount of 5.1 MSEK (5.4).

Profit after tax amounted to 33.9 MSEK, corresponding to 0.38 SEK per share, compared to 56.5 MSEK in 2007, corresponding to 0.64 SEK per share. In the first nine months 2007 capitalization of deferred income taxes recoverable was made to the amount of 27.6 MSEK.

The cash flow from operating activities amounted to 38.1 MSEK (21.2). The cash flow from investment activities amounted to -29.8 MSEK (-36.6), the major part relating to capitalized development costs from the now completed projects PyroMark Q24 and Isolera. The cash flow from financing activities amounted to -17.3 MSEK (-1.9).

#### Exchange rates

The exchange rate development affects comparability between years. The weakening of the US dollar and the British pound has affected the sales negatively at recalculation to SEK.

When excluding exchange rate differences relating to receivables and liabilities, which have influenced the operating expenses positively to the amount of 3.8 MSEK in the first nine months of the year, the effect on the result is small, however. By having production in the Discovery Chemistry business area in both the US and UK, the Group has a good balance concerning income and costs in USD and GBP and thereby a natural hedge.

#### Balance sheet items

At September 30, 2008 the Group's cash and securities totaled 22.4 MSEK, compared to 31.0 MSEK at December 31, 2007. Granted unutilized credits amounted to 53.7 MSEK, compared to 40.2 MSEK at December 31, 2007. The Group's interest-bearing liabilities amounted to 57.1 MSEK, compared to 71.9 MSEK at December 31, 2007. The sum of liquid resources and interest-bearing liabilities shows that the net liability has been reduced by 6.2 MSEK compared with December 31, 2007.

The Group reports a total goodwill of 465.7 MSEK (460.6) at September 30, 2008. This is attributable to the acquisitions of Personal Chemistry and Biotage LLC in 2003 and the acquisitions of Argonaut and Separtis in 2005. This year's change is due to currency effects.

Other intangible assets in the form of patents and license rights amounted to 22.6 MSEK (26.4) and capitalized development costs to 82.7 MSEK (70.8).

At September 30, 2008 the equity capital amounted to 838.3 MSEK, compared to 796.3 MSEK at December 31, 2007. The Group's equity capital has increased with 33.9 MSEK due to the period's net result, with 1.0 MSEK due to stock related remunerations, with 0.5 MSEK due to changes in the security reserve, and with 6.6 MSEK due to exchange rate changes.

### Discovery Chemistry (Medicinal chemistry)

Amounts in MSEK	3 rd quarter 2008	3 rd quarter 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007	Oct 1, 2007- Sep 30, 2008
Net sales	92.3	89.1	276.3	290.1	397.6	383.8
Operating profit/loss	0.6	9.3	13.0	21.7	32.9	24.2

#### *Sales per geographic market*

USA	38%	42%	37%	41%	40%	38%
Europe	45%	41%	47%	44%	45%	46%
Rest of the world	17%	17%	16%	15%	15%	15%
<b>Sum</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Net sales in the third quarter amounted to 92.3 MSEK (89.1).

At comparable exchange rates net sales increased by 9 percent compared to last year.

The EU area was Discovery Chemistry's biggest market, accounting for 45 percent of the net sales. The US contributed 38 percent and the rest of the world 17 percent.

During the period sales were negatively affected by lower sales volumes to the major pharma companies. Sales in the academic area and the Biopharma market segment have increased, resulting in a changed product mix and a lower margin.

The launch of the company's new purification system Isolera earlier in the year was successful and sales have continued to develop positively. The sales of consumables have continued to grow and the new product area SNAP has had strongly growing sales.

The gross margin for the third quarter was 58.2 percent (62.4). The gross margin was negatively affected by lower sales prices resulting from product mix changes and changes in the market. Tender procedures in the major pharma companies are increasing the competition and price is becoming an increasingly dominant factor.

Operating profit for the third quarter amounted to 0.6 MSEK (9.3) with an operating margin of 0.7 percent (10.4).

## Biosystems (Genetic analysis)

Amounts in MSEK	3 rd quarter 2008	3 rd quarter 2007	Jan-Sep 2008	Jan-Sep 2007	Full year 2007	Oct 1, 2007- Sep 30, 2008
Net sales						
Operating profit/loss	27.1 6.2	22.8 6.2	78.3 20.1	71.7 18.2	98.8 26.2	105.4 28.0

### *Sales per geographic market*

USA	53%	47%	49%	47%	45%	46%
Europe	40%	50%	41%	47%	47%	44%
Rest of the world	7%	3%	10%	6%	8%	10%
<b>Sum</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

In the third quarter the Biosystems business area increased its net sales to 27.1 MSEK (22.8). At comparable exchange rates net sales increased by 26 percent.

The strong sales development for the business area continues. System sales totaled 32 units (19). The launch of the company's new instrument PyroMark™ Q24 has been successful and the interest great. During the quarter 15 instruments were sold. The demand for and interest in the Pyrosequencing® technology and its products continues to be high.

The US was Biosystem's biggest market, accounting for 53 percent of the net sales. The EU area contributed 40 percent and the rest of the world 7 percent.

The gross margin was 67.7 percent (69.9). The gross margin was negatively affected by exchange rate changes, as sales are made almost exclusively in foreign currency, while all production takes place in Sweden.

The business area's profitability continues to be good. The operating result for the third quarter amounted to 6.2 MSEK (6.2) with an operating margin of 22.8 percent (27.3).

## Human resources

At September 30, 2008 the Group had 332 employees, compared to 336 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 third quarter 2008 the parent company's net income amounted to 2.2 MSEK (2.0). In the period January – September 2008 net income amounted to 6.2 MSEK (6.3).

A profit after financial items amounting to 9.7 MSEK is reported for the third quarter 2008 (3.0). In the January – September period profit after financial items amounted to 13.6 MSEK (10.9).

The parent company's investments in intangible fixed assets in the third quarter 2008 amounted to 0.3 MSEK (0.3). In January - September investments in intangible fixed assets amounted to 1.4 MSEK (2.5).

On September 30, 2008 the parent company's cash and bank balance amounted to 1.1 MSEK, compared to 0.9 MSEK at December 31, 2007.

#### **Major events after the reported period**

On October 2, Qiagen acquired the assets in the Biosystems business area together with Biotage's shares in Corbett (17.5 percent) for an initial purchase sum of 53 MUSD. Provided that certain sales targets are met, additional purchase sums totaling a maximum of 7 MUSD will be paid to Biotage during the period from Qiagen's taking possession of the operations up to December 31, 2012. Qiagen took over all Biosystems' employees.

After adjustment for certain obligations that Qiagen takes over on taking possession, Biotage obtained a net of approx. 50 MUSD. The capital gain for the divestment is expected to amount to approx 220 MSEK before tax.

During the fourth quarter 2008 Biotage will be Qiagen's distributor for Biosystems' products. The net result of this distribution agreement is expected to be marginal. According to a separate agreement Biotage will also supply certain administrative services to Qiagen in the next 12 month period.

Even if the criteria for reporting the operations divested at October 2, which are held for sale according to IFRS 5, were not met at the balance sheet date, further information is provided.

The Group's income statements, balance sheets and cash flow analyses are also reported on page 19-24 as if the provisions for reporting according to IFRS 5 for terminated operations held for sale had been met.

#### **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 2007.

Readers wishing to study the risks and uncertainties reported in the 2007 Annual Report can download this report from Biotage AB's website [www.biotage.se](http://www.biotage.se) or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala, or at [info@biotage.com](mailto:info@biotage.com).

**Next report**

The full-year report for 2008 will be issued on February 10, 2009.

The interim report for the first quarter 2009 will be issued on April 27, 2009.

The Annual General Meeting will be held on April 27, 2009.

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

Uppsala October 31, 2008

Torben Jörgensen  
President and CEO

För further information, please contact:

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*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](http://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**

The interim report for the Group has been prepared in accordance with IAS 34 Interim Reporting and the Swedish Accounting Act. The interim report for the parent company complies with regulations in the Swedish Accounting Act and RFR 2.1 Reporting for legal entities.

The accounting principles and valuation methods applied agree with the accounting principles used in the preparation of the latest Annual Report, described on pp. 31-40 in the 2007 Annual Report.

Readers wishing to study the accounting principles presented in the 2007 Annual Report can download this report from Biotage AB's website [www.biotage.se](http://www.biotage.se) or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala, or at [info@biotage.com](mailto:info@biotage.com).

## **Review report**

To the board of directors of Biotage AB  
Org no. 556539-3138

### *Introduction*

We have performed a review of the enclosed interim report for the period January 1, 2008 – September 30, 2008. The responsibility for truly and fairly preparing and presenting this interim financial information in accordance with 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 the Annual Accounts Act.

Stockholm October 31, 2008

Deloitte AB  
Marcus Sörlander  
Authorized public accountant



CONSOLIDATED INCOME STATEMENTS

	2008-07-01	2007-07-01	2008-01-01	2007-01-01	2007-01-01	2007-10-01
Amounts in KSEK	2008-09-30	2007-09-30	2008-09-30	2007-09-30	2007-12-31	2008-09-30
Net sales	119,365	111,853	354,657	361,863	496,402	489,196
Cost of goods sold	<u>-47,332</u>	<u>-40,335</u>	<u>-139,086</u>	<u>-136,471</u>	<u>-190,875</u>	<u>-193,490</u>
<b>Gross profit</b>	<b>72,033</b>	<b>71,519</b>	<b>215,571</b>	<b>225,392</b>	<b>305,527</b>	<b>295,706</b>
Selling expenses	-44,123	-39,472	-125,225	-126,523	-169,711	-168,413
Administrative expenses	-10,369	-10,755	-34,210	-36,724	-50,150	-47,635
Research and development costs	-12,038	-10,108	-29,011	-32,259	-41,400	-38,151
Other operating income	7,810	662	15,005	1,677	2,439	15,767
Other operating expenses	-187	-2,549	-11,236	-3,958	-3,783	-11,060
<i>Operating expenses</i>	<i><u>-58,907</u></i>	<i><u>-62,222</u></i>	<i><u>-184,676</u></i>	<i><u>-197,788</u></i>	<i><u>-262,604</u></i>	<i><u>-249,492</u></i>
<b>Operating profit/loss</b>	<b>13,126</b>	<b>9,297</b>	<b>30,894</b>	<b>27,604</b>	<b>42,923</b>	<b>46,214</b>
Financial income	2,023	3,663	9,216	7,645	8,396	9,967
Financial expenses	<u>-1,871</u>	<u>-1,554</u>	<u>-5,463</u>	<u>-4,872</u>	<u>-5,484</u>	<u>-6,075</u>
<b>Profit/loss before income tax</b>	<b>13,279</b>	<b>11,406</b>	<b>34,647</b>	<b>30,377</b>	<b>45,835</b>	<b>50,105</b>
Tax expenses	<u>-522</u>	<u>-217</u>	<u>-704</u>	<u>26,123</u>	<u>53,537</u>	<u>26,711</u>
<b>Profit/loss after tax</b>	<b>12,756</b>	<b>11,189</b>	<b>33,943</b>	<b>56,500</b>	<b>99,373</b>	<b>76,816</b>

Part related to the parent company's shareholders

	12,756	11,189	33,943	56,500	99,373	76,816
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Average shares outstanding	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320
Average shares outstanding after dilution	88,552,312	89,016,897	88,593,389	89,054,035	89,015,260	88,643,770
Shares outstanding at closing day	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320
Profit/loss per share SEK	0.14 kr	0.13 kr	0.38 kr	0.64 kr	1.12 kr	0.87 kr
Profit/loss per share after dilution SEK	0.14 kr	0.13 kr	0.38 kr	0.63 kr	1.12 kr	0.87 kr

Quarterly summary 2008 and 2007	2008	2008	2008	2007	2007	2007
Amounts in KSEK	kv 3	kv 2	kv 1	kv 4	kv 3	kv 2
Net Sales	119,365	121,311	113,980	134,539	111,853	131,138
Cost of goods sold	<u>-47,332</u>	<u>-49,119</u>	<u>-42,635</u>	<u>-54,404</u>	<u>-40,335</u>	<u>-51,149</u>
Gross profit	<b>72,033</b>	<b>72,192</b>	<b>71,345</b>	<b>80,135</b>	<b>71,519</b>	<b>79,989</b>
Gross margin	60.3%	59.5%	62.6%	59.6%	63.9%	61.0%
Operating expenses	<u>-58,907</u>	<u>-63,289</u>	<u>-62,480</u>	<u>-64,816</u>	<u>-62,222</u>	<u>-68,913</u>
<b>Operating profit/loss</b>	<b>13,126</b>	<b>8,903</b>	<b>8,865</b>	<b>15,319</b>	<b>9,297</b>	<b>11,076</b>
Financial net income	152	-738	4,339	139	2,109	-737
<b>Profit/loss before income tax</b>	<b>13,279</b>	<b>8,165</b>	<b>13,204</b>	<b>15,458</b>	<b>11,406</b>	<b>10,339</b>
Tax expenses	<u>-522</u>	<u>-157</u>	<u>-24</u>	<u>27,415</u>	<u>-217</u>	<u>27,736</u>
<b>Profit/loss after tax</b>	<b>12,756</b>	<b>8,008</b>	<b>13,180</b>	<b>42,873</b>	<b>11,189</b>	<b>38,075</b>

**Biotage AB (publ)**  
**Interim report**  
**2008-01-01 -- 2008-09-30**

**CONSOLIDATED BALANCE SHEETS**

<b>Amounts in KSEK</b>	<b>2008-09-30</b>	<b>2007-12-31</b>
<b>ASSETS</b>		
<b>Fixed assets</b>		
Tangible assets	81,768	84,987
Goodwill	465,685	460,593
Other intangible assets	106,318	98,460
Financial assets	47,037	46,934
Capitalized loss carry-forward	54,253	53,419
<b>Total fixed assets</b>	<b>755,060</b>	<b>744,393</b>
<b>Current assets</b>		
Inventory	108,784	97,144
Account receivable and other receivables	116,415	116,044
Liquid funds	22,387	31,017
<b>Total current assets</b>	<b>247,585</b>	<b>244,206</b>
<b>TOTALT ASSETS</b>	<b>1,002,645</b>	<b>988,599</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to shareholders in parent company</b>		
Share capital	88,486	88,486
Other contributed capital	847,334	1,513,992
Accumulated translation difference	-26,917	-72,117
Profit/loss carried forward	-70,612	-734,096
<b>Total equity</b>	<b>838,291</b>	<b>796,265</b>
<b>Long term liabilities</b>		
Loans	8,954	37,152
Provisions of a long-term nature	2,716	3,776
<b>Total long term liabilities</b>	<b>11,670</b>	<b>40,928</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	96,450	111,235
Tax liabilities	1,854	1,159
Loans	48,121	34,741
Provisions of a short-term nature	6,259	4,271
<b>Total current liabilities</b>	<b>152,684</b>	<b>151,406</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,002,645</b>	<b>988,599</b>

CONSOLIDATED CASH FLOW STATEMENTS

	2008-07-01	2007-07-01	2008-01-01	2007-01-01	2007-01-01	2007-10-01
Amounts in KSEK	2008-09-30	2007-09-30	2008-09-30	2007-09-30	2007-12-31	2008-09-30
<b>Operating activities</b>						
Profit/loss after financial items	13,279	11,406	34,647	30,377	45,835	50,105
Adjustments for items not included in the cash flow	8,220	8,950	25,662	25,745	30,810	30,727
	<b>21,498</b>	<b>20,356</b>	<b>60,309</b>	<b>56,121</b>	<b>76,645</b>	<b>80,832</b>
Tax paid	-522	-217	-704	-1,526	-519	304
<b>Cash flow from operating activities</b>						
<b>before changes in working capital</b>	<b>20,976</b>	<b>20,139</b>	<b>59,605</b>	<b>54,595</b>	<b>76,126</b>	<b>81,136</b>
Cash flow from change in working capital:						
Increase (-)/ decrease (+) of inventories	1,678	-6,221	-8,974	-15,665	-15,273	-8,581
Increase (-)/ decrease (+) of account receivables	791	13,059	4,715	-2,553	-18,633	-11,365
Increase (-)/ decrease (+) of other current receivables	-4,405	605	-2,857	-907	-3,979	-5,930
Increase (+)/ decrease (-) of other liabilities	1,153	-4,635	-14,418	-14,303	-4,523	-4,638
<b>Cash flow from operating activities</b>	<b>20,193</b>	<b>22,946</b>	<b>38,071</b>	<b>21,167</b>	<b>33,718</b>	<b>50,622</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets	-3,305	-7,679	-23,275	-31,305	-44,143	-36,113
Sales of intangible fixed assets		16		16	16	0
Acquisition of tangible fixed assets	-1,409	-2,263	-6,360	-5,332	-8,198	-9,226
Sales of tangible fixed assets						0
Acquisition of financial assets	-17	-12	-193	-12	-102	-283
Sales of financial assets	-	18	17	21	4	-1
<b>Cash flow from investment activities</b>	<b>-4,730</b>	<b>-9,919</b>	<b>-29,812</b>	<b>-36,611</b>	<b>-52,422</b>	<b>-45,623</b>
<b>Financial activities</b>						
Loans taken	-	-		3,155	6,164	3,009
Amortization of loan liabilities	-11,960	-2,168	-17,287	-5,016	-6,455	-18,726
<b>Cash flow from financial activities</b>	<b>-11,960</b>	<b>-2,168</b>	<b>-17,287</b>	<b>-1,860</b>	<b>-291</b>	<b>-15,717</b>
<b>Cash flow during period</b>	<b>3,503</b>	<b>10,859</b>	<b>-9,028</b>	<b>-17,305</b>	<b>-18,995</b>	<b>-10,718</b>
Cash and liquid assets beginning of period	18,365	21,942	31,017	50,136	50,136	32,681
Exchange differences in liquid assets	520	-120	398	-150	-124	424
<b>Cash and liquid assets at end of period</b>	<b>22,387</b>	<b>32,681</b>	<b>22,387</b>	<b>32,681</b>	<b>31,017</b>	<b>22,387</b>
<b>Additional information:</b>						
Adjustments for items not included in the cash flow						
Depreciations and write-downs	10,693	8,279	27,249	25,125	31,563	33,687
Other items	-2,473	671	-1,587	619	-754	-2,960
Total	8,220	8,950	25,662	25,745	30,810	30,727

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Belopp i KSEK	Share capital	Other payed-in capital	Accumulated translation differences	Hedging-reserve	Profit/loss carried forward	Total equity
Opening balance January 1, 2007	88,486	1,512,383	-55,386	-	-833,009	712,474
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
<b>Total changes during 2007:</b>		<b>1,609</b>	<b>-16,731</b>	<b>-460</b>	<b>99,373</b>	<b>83,791</b>
Closing balance December 31, 2007	88,486	1,513,992	-72,117	-460	-733,636	796,265
Changes in 2008:						
Redistribution after annual general meeting	-	-667,636	38,554		629,082	0
Exchange rate differences	-	-	6,645	-	-	6,645
Change in hedging reserve for the year	-	-	-	460	-	460
Profit/loss January - September 2008	-	-	-	-	33,943	33,943
Change due to outstanding option programs	-	977	-	-	-	977
<b>Total changes during 2008:</b>	<b>0</b>	<b>-666,658</b>	<b>45,199</b>	<b>460</b>	<b>663,025</b>	<b>42,026</b>
Closing balance September 30, 2008	88,486	847,334	-26,917	0	-70,612	838,291

INCOME STATEMENTS FOR THE PARENT  
COMPANY

	2008-07-01 2008-09-30	2007-07-01 2007-09-30	2008-01-01 2008-09-30	2007-01-01 2007-09-30	2007-01-01 2007-12-31	2007-10-01 2008-09-30
<b>Amounts in KSEK</b>						
Net sales	2,179	2,009	6,159	6,314	8,345	8,190
Selling expenses	-4	-228	-210	-464	-506	-251
Administrative expenses	-3,880	-3,773	-12,538	-12,000	-15,350	-15,888
Research and development costs	-695	-359	-2,850	-2,253	-2,936	-3,533
Other operating income	2,070	2,063	6,191	6,851	8,118	7,459
Other operating expenses	948	-1,595	-1,824	-3,251	-3,892	-2,464
<i>Operating expenses</i>	<u>-1,561</u>	<u>-3,892</u>	<u>-11,230</u>	<u>-11,118</u>	<u>-14,565</u>	<u>-14,678</u>
<b>Operating profit/loss</b>	<b>619</b>	<b>-1,884</b>	<b>-5,072</b>	<b>-4,804</b>	<b>-6,220</b>	<b>-6,488</b>
<b>Profit/loss from financial investments:</b>						
Interest income from receivables from group companies	4,027	4,039	11,365	12,541	16,453	15,277
Interest expenses from liabilities to group companies	-479	-568	-1,550	-1,239	-1,793	-2,104
Profit and loss from other securities and receivables that are long term financial assets	0	2,507	5,092	5,371	5,371	5,093
Other interest income and similar income items	-	-	0	1	117	116
Interest expenses and similar expense items	-1	-	-35	-4	-5	-35
Translation differences on intra-group receivables	5,472	-1,116	3,754	-919	-349	4,324
<i>Net financial income/expense</i>	<u>9,018</u>	<u>4,862</u>	<u>18,627</u>	<u>15,750</u>	<u>19,794</u>	<u>22,671</u>
<b>Profit/loss after financial items</b>	<b>9,637</b>	<b>2,979</b>	<b>13,555</b>	<b>10,946</b>	<b>13,574</b>	<b>16,183</b>
Tax expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,649</u>	<u>49,026</u>	<u>21,377</u>
<b>Profit/loss after tax</b>	<b>9,637</b>	<b>2,979</b>	<b>13,555</b>	<b>38,595</b>	<b>62,600</b>	<b>37,560</b>

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**BALANCE SHEETS FOR THE PARENT COMPANY**

<b>Amounts in KSEK</b>	<b>2008-09-30</b>	<b>2007-12-31</b>
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Intangible fixed assets</b>		
Patent and license rights	12,243	13,309
	<u>12,243</u>	<u>13,309</u>
<b>Financial assets</b>		
Participation in group companies	717,727	717,727
Receivables from group companies	141,725	109,869
Deferred tax asset	39,361	39,361
Other long-term securities	45,783	45,783
	<u>944,596</u>	<u>912,740</u>
<b>Total fixed assets</b>	<b>956,839</b>	<b>926,049</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Receivables from group companies	73,625	76,382
Other receivables	2,012	632
Prepaid expenses and accrued income	1,317	1,514
	<u>76,954</u>	<u>78,528</u>
<b>Cash and bank balances</b>	<b>1,132</b>	<b>862</b>
<b>Total current assets</b>	<b>78,086</b>	<b>79,390</b>
<b>TOTALT ASSETS</b>	<b>1,034,924</b>	<b>1,005,439</b>
<b>EQUITY, PROVISIONS AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	88,486	88,486
Statutory reserves	842,180	1,509,816
	<u>930,666</u>	<u>1,598,302</u>
<b>Unrestricted equity</b>		
Fair value fond	8,826	-38,554
Profit/loss carried forward	-	-691,682
Profit/loss for the period reported	13,555	62,600
	<u>22,382</u>	<u>-667,636</u>
<b>Total equity</b>	<b>953,048</b>	<b>930,667</b>
<b>Current liabilities</b>		
Account payable	916	1,488
Liabilities to group companies	70,684	60,140
Other short term liabilities	209	5,369
Accrued expenses and prepaid income	10,066	7,775
	<u>81,876</u>	<u>74,772</u>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>	<b>1,034,924</b>	<b>1,005,439</b>

CASH FLOW STATEMENTS FOR THE PARENT COMPANY

Amounts in KSEK	2008-07-01 2008-09-30	2007-07-01 2007-09-30	2008-01-01 2008-09-30	2007-01-01 2007-09-30	2007-01-01 2007-12-31	2007-10-01 2008-09-30
<b>Operating activities</b>						
Profit/loss after financial items	9,637	2,978	13,555	10,946	13,574	16,184
Adjustments for items not included in the cash flow	-8,125	663	598	1,928	2,424	1,094
	<u>1,513</u>	<u>3,642</u>	<u>14,153</u>	<u>12,874</u>	<u>15,999</u>	<u>17,278</u>
Tax paid	-	-	-	-	-	-
<b>Cash flow from operating activities before changes in working capital</b>	<b>1,513</b>	<b>3,642</b>	<b>14,153</b>	<b>12,874</b>	<b>15,999</b>	<b>17,278</b>
Cash flow from change in working capital:						
Increase (-)/ decrease (+) of other current receivables	-5,607	-6,557	-19,386	-12,798	-10,940	-17,528
Increase (+)/ decrease (-) of other liabilities	<u>5,426</u>	<u>4,168</u>	<u>6,928</u>	<u>-2,866</u>	<u>-9,351</u>	<u>443</u>
<b>Cash flow from operating activities</b>	<b>1,332</b>	<b>1,253</b>	<b>1,695</b>	<b>-2,791</b>	<b>-4,293</b>	<b>193</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets	-433	-296	-1,368	-2,504	-3,037	-1,901
Sales of intangible fixed assets				-331	16	348
Acquisition of subsidiaries	-	-331			-331	-331
Increase (-)/ decrease (+) of other long-term receivables	<u>-58</u>	<u>1,191</u>	<u>-58</u>		<u>-72</u>	<u>-130</u>
<b>Cash flow from investment activities</b>	<b>-491</b>	<b>563</b>	<b>-1,426</b>	<b>-2,835</b>	<b>-3,423</b>	<b>-2,014</b>
<b>Cash flow from financial activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow during period</b>	<b>842</b>	<b>1,817</b>	<b>270</b>	<b>-5,626</b>	<b>-7,716</b>	<b>-1,821</b>
<b>Cash and liquid assets beginning of period</b>	<b>290</b>	<b>1,136</b>	<b>862</b>	<b>8,578</b>	<b>8,578</b>	<b>2,952</b>
<b>Cash and liquid assets at end of period</b>	<b><u>1,132</u></b>	<b><u>2,952</u></b>	<b><u>1,132</u></b>	<b><u>2,952</u></b>	<b><u>862</u></b>	<b><u>1,132</u></b>
<b>Additional information:</b>						
<i>Adjustments for items not included in the cash flow</i>						
Depreciations and write-downs	571	548	2,434	1,636	2,192	2,989
Other items	<u>-8,696</u>	<u>115</u>	<u>-1,836</u>	<u>292</u>	<u>233</u>	<u>-1,895</u>
Total	<u>-8,125</u>	<u>663</u>	<u>598</u>	<u>1,928</u>	<u>2,424</u>	<u>1,094</u>

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

Amounts in KSEK	Share capital	Statutory reserve	Fair value fond	Brought forward profit/loss	Total equity
Opening balance January 1, 2007	88,486	1,509,816	-27,115	-716,534	854,652
Changes in 2007:					
	-	-	-	-	-
Exchange rate differences	-	-	-11,439	-	-11,439
Group contributions received 2007	-	-		24,852	24,852
Profit/loss 2007	-	-	-	62,600	62,600
Total changes during 2007	<u>0</u>	<u>0</u>	<u>-11,439</u>	<u>87,453</u>	<u>76,014</u>
Closing balance December 31, 2007	88,486	1,509,816	-38,554	-629,082	930,667
Changes in 2008:					
Redistribution after annual general meeting		-667,636	38,554	629,082	
Exchange rate differences	-	-	8,826	-	8,826
Profit/loss January - September 2008	-	-		13,555	13,555
Total changes during 2008	<u>0</u>	<u>-667,636</u>	<u>47,381</u>	<u>642,637</u>	<u>22,382</u>
Closing balance September 30, 2008	<u>88,486</u>	<u>842,180</u>	<u>8,826</u>	<u>13,555</u>	<u>953,048</u>



**Biotage AB**  
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**Amounts in KSEK**  
**2008-07-01 -- 2008-09-30**

**INCOME STATEMENT BY SEGMENT**

	<b>Biosystem</b>	<b>Discovery Chemistry</b>	<b>Corporate</b>	<b>Total</b>
Net sales	27,057	92,308	-	119,365
Cost of goods sold	-8,735	-38,597	-	-47,332
<b>Gross profit</b>	<b>18,322</b>	<b>53,711</b>	<b>0</b>	<b>72,033</b>
Gross margin	67.7%	58.2%		60.3%
Selling expenses	-7,595	-36,528	-	-44,123
Administrative expenses	-1,570	-7,398	-1,401	-10,369
Research and development costs	-3,025	-9,013	-	-12,038
Other operating income	39	78	7,692	7,810
Other operating expenses	0	-217	30	-187
<b>Operating expenses</b>	<b>-12,150</b>	<b>-53,077</b>	<b>6,321</b>	<b>-58,907</b>
<b>Operating profit/loss</b>	<b>6,172</b>	<b>634</b>	<b>6,321</b>	<b>13,126</b>
Financial income net	-	-	152	152
<b>Profit/loss before income tax</b>	<b>6,172</b>	<b>634</b>	<b>6,473</b>	<b>13,279</b>
Tax expenses	-	-	-522	-522
<b>Profit/loss after tax</b>	<b>6,172</b>	<b>634</b>	<b>5,950</b>	<b>12,756</b>

**INCOME STATEMENT BY SEGMENT**

**Amounts in KSEK**  
**2007-07-01 -- 2007-09-30**

	<b>Biosystem</b>	<b>Discovery Chemistry</b>	<b>Corporate</b>	<b>Total</b>
Net sales	22,793	89,060	-	111,853
Cost of goods sold	-6,859	-33,476	-	-40,335
<b>Gross profit</b>	<b>15,934</b>	<b>55,585</b>	<b>0</b>	<b>71,519</b>
Gross margin	69.9%	62.4%		63.9%
Selling expenses	-6,108	-33,364	-	-39,472
Administrative expenses	-1,367	-5,279	-4,109	-10,755
Research and development costs	-2,244	-7,864	-	-10,108
Other operating income	-	232	430	662
Other operating expenses	-	-16	-2,533	-2,549
<b>Operating expenses</b>	<b>-9,718</b>	<b>-46,291</b>	<b>-6,212</b>	<b>-62,222</b>
<b>Operating profit/loss</b>	<b>6,216</b>	<b>9,294</b>	<b>-6,212</b>	<b>9,297</b>
Financial income net	-	-	2,109	2,109
<b>Profit/loss before income tax</b>	<b>6,216</b>	<b>9,294</b>	<b>-4,103</b>	<b>11,406</b>
Tax expenses	-	-	-217	-217
<b>Profit/loss after tax</b>	<b>6,216</b>	<b>9,294</b>	<b>-4,320</b>	<b>11,189</b>

**Biotage AB**  
**Interim report**  
**Amounts in KSEK**  
**2008-01-01 -- 2008-09-30**

**INCOME STATEMENT BY SEGMENT**

	<b>Biosystem</b>	<b>Discovery Chemistry</b>	<b>Corporate</b>	<b>Total</b>
Net sales	78,311	276,345	-	354,657
Cost of goods sold	-24,674	-114,412	-	-139,086
<b>Gross profit</b>	<b>53,637</b>	<b>161,933</b>	<b>0</b>	<b>215,571</b>
Gross margin	68.5%	58.6%		60.8%
Selling expenses	-23,225	-102,000	-	-125,225
Administrative expenses	-4,714	-23,226	-6,270	-34,210
Research and development costs	-5,653	-23,358	-	-29,011
Other operating income	39	377	14,589	15,005
Other operating expenses	-12	-767	-10,457	-11,236
<b>Operating expenses</b>	<b>-33,564</b>	<b>-148,974</b>	<b>-2,138</b>	<b>-184,676</b>
<b>Operating profit/loss</b>	<b>20,073</b>	<b>12,959</b>	<b>-2,138</b>	<b>30,894</b>
Financial income net	-	-	3,753	3,753
<b>Profit/loss before income tax</b>	<b>20,073</b>	<b>12,959</b>	<b>1,614</b>	<b>34,647</b>
Tax expenses	-	-	-704	-704
<b>Profit/loss after tax</b>	<b>20,073</b>	<b>12,959</b>	<b>911</b>	<b>33,943</b>

**INCOME STATEMENT BY SEGMENT**

**Amounts in KSEK**  
**2007-01-01 -- 2007-09-30**

	<b>Biosystem</b>	<b>Discovery Chemistry</b>	<b>Corporate</b>	<b>Total</b>
Net sales	71,713	290,150	-	361,863
Cost of goods sold	-24,472	-111,999	-	-136,471
<b>Gross profit</b>	<b>47,241</b>	<b>178,151</b>	<b>0</b>	<b>225,392</b>
Gross margin	65.9%	61.4%		62.3%
Selling expenses	-20,185	-106,338	-	-126,523
Administrative expenses	-4,100	-22,808	-9,816	-36,724
Research and development costs	-4,726	-27,534	-	-32,259
Other operating income	-	486	1,191	1,677
Other operating expenses	-	-274	-3,683	-3,958
<b>Operating expenses</b>	<b>-29,011</b>	<b>-156,469</b>	<b>-12,308</b>	<b>-197,788</b>
<b>Operating profit/loss</b>	<b>18,230</b>	<b>21,682</b>	<b>-12,308</b>	<b>27,604</b>
Financial income net	-	-	2,773	2,773
<b>Profit/loss before income tax</b>	<b>18,230</b>	<b>21,682</b>	<b>-9,535</b>	<b>30,377</b>
Tax expenses	-	-	26,123	26,123
<b>Profit/loss after tax</b>	<b>18,230</b>	<b>21,682</b>	<b>16,588</b>	<b>56,500</b>

**Account according to IFRS 5 of assets being liquidated and liquidated operations**

On October 2, 2008 the Biosystems business area was divested to Qiagen GmbH. The deal means that Qiagen has acquired the assets in the Biosystems business area and Biotage's shares in Corbett Life Science Pty Ltd (17,5 percent) for an initial purchase sum of 53 MUSD. Provided that certain sales targets are met, milestone payments totalling a maximum of 7 MUSD will be paid to Biotage by Qiagen, during the period from Qiagen taking possession to December 31, 2012. The divested assets were transferred to the buyer as at October 1, 2008.

After adjustment for certain obligations that Qiagen took over on taking possession, Biotage obtained a net of approx. 50 MUSD.

The capital gain for the divestment is expected to amount to approx 220 MSEK before tax.

Even if the criteria for reporting the operations divested at October 2, which are held for sale according to IFRS 5, were not met at the balance sheet date, further information is provided.

The Group's income statements, balance sheets and cash flow analyses are also reported on page 19-24 as if the provisions for reporting according to IFRS 5 for terminated operations held for sale had been met.

CONSOLIDATED INCOME STATEMENTS

	2008-07-01	2007-07-01	2008-01-01	2007-01-01	2007-01-01	2007-10-01
Amounts in KSEK	2008-09-30	2007-09-30	2008-09-30	2007-09-30	2007-12-31	2008-09-30
<b>Continuing operations:</b>						
Net sales	92,308	89,060	276,345	290,150	397,568	383,763
Cost of goods sold	-38,597	-33,476	-114,412	-111,999	-157,707	-160,120
<b>Gross profit</b>	<b>53,711</b>	<b>55,585</b>	<b>161,933</b>	<b>178,151</b>	<b>239,861</b>	<b>223,643</b>
Selling expenses	-36,528	-33,364	-102,000	-106,338	-140,962	-136,624
Administrative expenses	-8,799	-9,388	-29,496	-32,624	-44,860	-41,732
Research and development costs	-9,013	-7,864	-23,358	-27,534	-35,883	-31,707
Other operating income	7,770	662	14,966	1,677	2,345	15,633
Other operating expenses	-187	-2,549	-11,223	-3,958	-3,783	-11,048
<i>Operating expenses</i>	<i>-46,756</i>	<i>-52,503</i>	<i>-151,112</i>	<i>-168,777</i>	<i>-223,143</i>	<i>-205,478</i>
<b>Operating profit/loss</b>	<b>6,955</b>	<b>3,081</b>	<b>10,821</b>	<b>9,374</b>	<b>16,718</b>	<b>18,165</b>
Financial income	2,023	1,156	4,123	2,274	3,025	4,874
Financial expenses	-1,871	-1,554	-5,463	-4,872	-5,484	-6,075
<b>Profit/loss before income tax</b>	<b>7,107</b>	<b>2,683</b>	<b>9,481</b>	<b>6,776</b>	<b>14,259</b>	<b>16,963</b>
Tax expenses	-522	-217	-704	26,123	53,537	26,711
<b>Profit/loss after tax for continuing operations</b>	<b>6,585</b>	<b>2,466</b>	<b>8,778</b>	<b>32,899</b>	<b>67,796</b>	<b>43,675</b>
<b>Profit/loss after tax for discontinued operations</b>	<b>6,172</b>	<b>8,723</b>	<b>25,165</b>	<b>23,601</b>	<b>31,576</b>	<b>33,141</b>
<b>Total profit/loss for the period</b>	<b>12,756</b>	<b>11,189</b>	<b>33,943</b>	<b>56,500</b>	<b>99,373</b>	<b>76,816</b>
Part related to the parent company's shareholders	12,756	11,189	33,943	56,500	99,373	76,816
Average shares outstanding	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320
Average shares outstanding after dilution	88,552,312	89,016,897	88,593,389	89,054,035	89,015,260	88,643,770
Shares outstanding at closing day	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320	88,486,320
Profit/loss per share SEK	0.14 kr	0.13 kr	0.38 kr	0.64 kr	1.12 kr	0.87 kr
Profit/loss per share after dilution SEK	0.14 kr	0.13 kr	0.38 kr	0.63 kr	1.12 kr	0.87 kr
Profit/loss per share SEK						
Continuing operations	0.07 kr	0.03 kr	0.10 kr	0.37 kr	0.77 kr	0.49 kr
Discontinued operations	0.07 kr	0.10 kr	0.28 kr	0.27 kr	0.36 kr	0.37 kr
Sum	0.14 kr	0.13 kr	0.38 kr	0.64 kr	1.12 kr	0.87 kr

# CONSOLIDATED BALANCE SHEETS

Amounts in KSEK	2008-09-30	2007-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
Tangible assets	78,664	84,987
Goodwill	465,685	460,593
Other intangible assets	62,131	98,460
Financial assets	1,254	46,934
Capitalized loss carry-forward	54,253	53,419
<b>Total fixed assets</b>	<b>661,986</b>	<b>744,393</b>
<b>Current assets</b>		
Inventory	95,662	97,144
Account receivable and other receivables	116,415	116,044
Liquid funds	22,387	31,017
<b>Total current assets</b>	<b>234,463</b>	<b>244,206</b>
<b>Total assets for continuing operations</b>	<b>896,449</b>	<b>988,599</b>
<b>Assets for divestment</b>	<b>106,196</b>	
<b>TOTALT ASSETS</b>	<b>1,002,645</b>	<b>988,599</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to shareholders in parent company</b>		
Share capital	88,486	88,486
Other contributed capital	847,334	1,513,992
Accumulated translation difference	-26,917	-72,117
Profit/loss carried forward	-70,612	-734,096
<b>Total equity</b>	<b>838,291</b>	<b>796,265</b>
<b>Long term liabilities</b>		
Loans	8,954	37,152
Provisions of a long-term nature	2,716	3,776
<b>Total long term liabilities</b>	<b>11,670</b>	<b>40,928</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	83,804	111,235
Tax liabilities	1,854	1,159
Loans	48,121	34,741
Provisions of a short-term nature	5,893	4,271
<b>Total current liabilities</b>	<b>139,672</b>	<b>151,406</b>
<b>Total equity and liabilities for continuing operations</b>	<b>989,633</b>	<b>988,599</b>
<b>Liabilities for divestment</b>	<b>13,012</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,002,645</b>	<b>988,599</b>

# CONSOLIDATED CASH FLOW STATEMENTS

	2008-07-01	2007-07-01	2008-01-01	2007-01-01	2007-01-01	2007-10-01
Amounts in KSEK	2008-09-30	2007-09-30	2008-09-30	2007-09-30	2007-12-31	2008-09-30
<b>Operating activities</b>						
Profit/loss after financial items	7,107	2,683	9,481	6,776	14,259	16,964
Adjustments for items not included in the cash flow	7,115	6,477	20,360	18,458	21,691	23,593
	<b>14,222</b>	<b>9,160</b>	<b>29,842</b>	<b>25,235</b>	<b>35,950</b>	<b>40,557</b>
Tax paid	-522	-217	-704	-1,526	-519	304
<b>Cash flow from operating activities before changes in working capital</b>	<b>13,699</b>	<b>8,943</b>	<b>29,138</b>	<b>23,708</b>	<b>35,431</b>	<b>40,861</b>
Cash flow from change in working capital:						
Increase (-)/ decrease (+) of inventories	-1,407	-8,070	-6,059	-19,237	-19,025	-5,847
Increase (-)/ decrease (+) of account receivables	4,303	12,818	5,413	-595	-12,349	-6,341
Increase (-)/ decrease (+) of other current receivables	-5,763	1,291	-4,211	-1,106	-3,373	-6,478
Increase (+)/ decrease (-) of other liabilities	2,187	-8,727	-14,077	-14,026	-2,313	-2,363
Cash flow from operating activities for continuing operations	<b>13,020</b>	<b>6,255</b>	<b>10,204</b>	<b>-11,255</b>	<b>-1,627</b>	<b>19,832</b>
Cash flow from operating activities for discontinued operations	<b>7,173</b>	<b>16,691</b>	<b>27,867</b>	<b>32,422</b>	<b>35,346</b>	<b>30,790</b>
<b>Cash flow from operating activities</b>	<b>20,193</b>	<b>22,946</b>	<b>38,071</b>	<b>21,167</b>	<b>33,718</b>	<b>50,622</b>
<b>Investing activities</b>						
Acquisition of intangible fixed assets	-2,049	-4,380	-14,890	-15,753	-23,232	-22,368
Sales of intangible fixed assets	-	16	-	16	16	0
Acquisition of tangible fixed assets	-1,505	-1,891	-5,572	-4,775	-7,110	-7,907
Sales of tangible fixed assets	-	-	-	0	0	0
Acquisition of financial assets	-17	-12	-193	-12	-102	-282
Sales of financial assets	-	18	17	21	0	-1
Cash flow from investment activities for continuing operations	<b>-3,571</b>	<b>-6,249</b>	<b>-20,638</b>	<b>-20,503</b>	<b>-30,428</b>	<b>-30,558</b>
Cash flow from investment activities for discontinued operations	<b>-1,159</b>	<b>-3,671</b>	<b>-9,173</b>	<b>-16,108</b>	<b>-21,999</b>	<b>-15,064</b>
<b>Cash flow from investment activities</b>	<b>-4,730</b>	<b>-9,919</b>	<b>-29,812</b>	<b>-36,611</b>	<b>-52,422</b>	<b>-45,623</b>
<b>Financial activities</b>						
Loans taken	-	-	-	3,155	6,164	3,009
Amortization of loan liabilities	-11,960	-2,168	-17,287	-4,976	-6,415	-18,726
Cash flow from financial activities for continuing operations	<b>-11,960</b>	<b>-2,168</b>	<b>-17,287</b>	<b>-1,821</b>	<b>-251</b>	<b>-15,717</b>
Cash flow from financial activities for discontinued operations	<b>0</b>	<b>0</b>	<b>-</b>	<b>-40</b>	<b>-40</b>	<b>0</b>
<b>Cash flow from financial activities</b>	<b>-11,960</b>	<b>-2,168</b>	<b>-17,287</b>	<b>-1,860</b>	<b>-291</b>	<b>-15,717</b>
<b>Cash flow during period</b>	<b>3,503</b>	<b>10,859</b>	<b>-9,028</b>	<b>-17,305</b>	<b>-18,995</b>	<b>-10,717</b>
Cash and liquid assets beginning of period	18,365	21,942	31,017	50,136	50,136	32,681
Exchange differences in liquid assets	520	-120	398	-150	-124	424
<b>Cash and liquid assets at end of period</b>	<b>22,387</b>	<b>32,681</b>	<b>22,387</b>	<b>32,681</b>	<b>31,017</b>	<b>22,387</b>
<b>Additional information:</b>						
Adjustments for items not included in the cash flow						
Depreciations and write-downs	7,670	6,077	20,592	17,990	22,546	25,148
Other items	-555	400	-232	468	-854	-1,555
Total	<b>7,115</b>	<b>6,477</b>	<b>20,360</b>	<b>18,458</b>	<b>21,691</b>	<b>23,593</b>

**Biotage AB**  
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**INCOME STATEMENT BY SEGMENT**

	Continuing operations			Discontinued operations (2008-10-01)			Total
	Discovery Chemistry	Corporate	Delsumma	Biosystems	Corporate		
Net sales	92,308	-	92,308	27,057	-	-	119,365
Cost of goods sold	-38,597	-	-38,597	-8,735	-	-	-47,332
<b>Gross profit</b>	<b>53,711</b>	<b>0</b>	<b>53,711</b>	<b>18,322</b>	<b>0</b>	<b>0</b>	<b>72,033</b>
Gross margin	58.2%			67.7%			60.3%
Selling expenses	-36,528	-	-36,528	-7,595	-	-	-44,123
Administrative expenses	-7,398	-1,401	-8,799	-1,570	-	-	-10,369
Research and development costs	-9,013		-9,013	-3,025	-	-	-12,038
Other operating income	78	7,692	7,770	39	-	-	7,810
Other operating expenses	-217	30	-187	0	-	-	-187
<b>Operating expenses</b>	<b>-53,077</b>	<b>6,321</b>	<b>-46,756</b>	<b>-12,150</b>	<b>0</b>	<b>0</b>	<b>-58,907</b>
<b>Operating profit/loss</b>	<b>634</b>	<b>6,321</b>	<b>6,955</b>	<b>6,172</b>	<b>0</b>	<b>0</b>	<b>13,126</b>
Financial income net	-	152	152	-			152
<b>Profit/loss before income tax</b>	<b>634</b>	<b>6,473</b>	<b>7,107</b>	<b>6,172</b>	<b>0</b>	<b>0</b>	<b>13,279</b>
Tax expenses	-	-522	-522	-	-	-	-522
<b>Profit/loss after tax</b>	<b>634</b>	<b>5,950</b>	<b>6,584</b>	<b>6,172</b>	<b>0</b>	<b>0</b>	<b>12,756</b>

**INCOME STATEMENT BY SEGMENT**

**Amounts in KSEK**  
**2007-07-01 -- 2007-09-30**

	Continuing operations			Discontinued operations (2008-10-01)			Total
	Discovery Chemistry	Corporate	Delsumma	Biosystems	Corporate		
Net sales	89,060	-	89,060	22,793	-	-	111,853
Cost of goods sold	-33,476	-	-33,476	-6,859	-	-	-40,335
<b>Gross profit</b>	<b>55,585</b>	<b>0</b>	<b>55,585</b>	<b>15,934</b>	<b>0</b>	<b>0</b>	<b>71,519</b>
Gross margin	62.4%			69.9%			63.9%
Selling expenses	-33,364	-	-33,364	-6,108	-	-	-39,472
Administrative expenses	-5,279	-4,109	-9,388	-1,367	-	-	-10,755
Research and development costs	-7,864	-	-7,864	-2,244	-	-	-10,108
Other operating income	232	430	662	-	-	-	662
Other operating expenses	-16	-2,533	-2,549	-	-	-	-2,549
<b>Operating expenses</b>	<b>-46,291</b>	<b>-6,212</b>	<b>-52,503</b>	<b>-9,718</b>	<b>0</b>	<b>0</b>	<b>-62,222</b>
<b>Operating profit/loss</b>	<b>9,294</b>	<b>-6,212</b>	<b>3,081</b>	<b>6,216</b>	<b>0</b>	<b>0</b>	<b>9,297</b>
Financial income net	-	-398	-398	-	2,507		2,109
<b>Profit/loss before income tax</b>	<b>9,294</b>	<b>-6,610</b>	<b>2,683</b>	<b>6,216</b>	<b>2,507</b>	<b>0</b>	<b>11,406</b>
Tax expenses	-	-217	-217	-	-	-	-217
<b>Profit/loss after tax</b>	<b>9,294</b>	<b>-6,827</b>	<b>2,466</b>	<b>6,216</b>	<b>2,507</b>	<b>0</b>	<b>11,189</b>

**Biotage AB**  
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**Amounts in KSEK**  
**2008-01-01 -- 2008-09-30**

**INCOME STATEMENT BY SEGMENT**

	Continuing operations			Discontinued operations (2008-10-01)		Total
	Discovery Chemistry	Corporate	Delsumma	Biosystems	Corporate	
Net sales	276,345	-	276,345	78,311	-	354,657
Cost of goods sold	-114,412	-	-114,412	-24,674	-	-139,086
<b>Gross profit</b>	<b>161,933</b>	<b>0</b>	<b>161,933</b>	<b>53,637</b>	<b>0</b>	<b>215,571</b>
Gross margin	58.6%			68.5%		60.8%
Selling expenses	-102,000	-	-102,000	-23,225	-	-125,225
Administrative expenses	-23,226	-6,270	-29,496	-4,714	-	-34,210
Research and development costs	-23,358	-	-23,358	-5,653	-	-29,011
Other operating income	377	14,589	14,966	39	-	15,005
Other operating expenses	-767	-10,457	-11,223	-12	-	-11,236
<b>Operating expenses</b>	<b>-148,974</b>	<b>-2,138</b>	<b>-151,112</b>	<b>-33,564</b>	<b>0</b>	<b>-184,676</b>
<b>Operating profit/loss</b>	<b>12,959</b>	<b>-2,138</b>	<b>10,821</b>	<b>20,073</b>	<b>0</b>	<b>30,894</b>
Financial income net	-	-1,340	-1,340	-	5,092	3,753
<b>Profit/loss before income tax</b>	<b>12,959</b>	<b>-3,478</b>	<b>9,481</b>	<b>20,073</b>	<b>5,092</b>	<b>34,647</b>
Tax expenses	-	-704	-704	-	-	-704
<b>Profit/loss after tax</b>	<b>12,959</b>	<b>-4,182</b>	<b>8,778</b>	<b>20,073</b>	<b>5,092</b>	<b>33,943</b>

**INCOME STATEMENT BY SEGMENT**  
**Amounts in KSEK**  
**2007-01-01 -- 2007-09-30**

	Continuing operations			Discontinued operations (2008-10-01)		Total
	Discovery Chemistry	Corporate	Delsumma	Biosystems	Corporate	
Net sales	290,150	-	290,150	71,713	-	361,863
Cost of goods sold	-111,999	-	-111,999	-24,472	-	-136,471
<b>Gross profit</b>	<b>178,151</b>	<b>0</b>	<b>178,151</b>	<b>47,241</b>	<b>0</b>	<b>225,392</b>
Gross margin	61.4%			65.9%		62.3%
Selling expenses	-106,338	-	-106,338	-20,185	-	-126,523
Administrative expenses	-22,808	-9,816	-32,624	-4,100	-	-36,724
Research and development costs	-27,534	-	-27,534	-4,726	-	-32,259
Other operating income	486	1,191	1,677	-	-	1,677
Other operating expenses	-274	-3,683	-3,958	-	-	-3,958
<b>Operating expenses</b>	<b>-156,469</b>	<b>-12,308</b>	<b>-168,777</b>	<b>-29,011</b>	<b>0</b>	<b>-197,788</b>
<b>Operating profit/loss</b>	<b>21,682</b>	<b>-12,308</b>	<b>9,374</b>	<b>18,230</b>	<b>0</b>	<b>27,604</b>
Financial income net	-	-2,598	-2,598	-	5,371	2,773
<b>Profit/loss before income tax</b>	<b>21,682</b>	<b>-14,906</b>	<b>6,776</b>	<b>18,230</b>	<b>5,371</b>	<b>30,377</b>
Tax expenses	-	26,123	26,123	-	-	26,123
<b>Profit/loss after tax</b>	<b>21,682</b>	<b>11,217</b>	<b>32,899</b>	<b>18,230</b>	<b>5,371</b>	<b>56,500</b>