

# Interim report

## January-March 2009



April 27, 2009

### Interim report January – March 2009

- Net sales increased by 12 percent to 99.6 MSEK (88.9). At comparable exchange rates sales decreased by 9 percent.
- Estimated restructuring costs for the closing of the production plant in the USA and consolidation of the operations in the UK have affected the result to the amount of 21.2 MSEK.
- The operating profit amounted to -19.4 MSEK (1.2) respectively to 1.8 MSEK before estimated restructuring costs.
- The profit after tax amounted to -21.6 MSEK (0.4).
- Earnings per share amounted to -0.24 SEK (0.15) before and after dilution.
- Net cash on March 31, 2009 amounted to 363.5 MSEK.
- The cash flow from operating activities amounted to 20.9 MSEK (1.7).

### Group result development in brief

Amounts in MSEK	1 st quarter 2009	1 st quarter 2008	Full year 2008
Net sales	99.6	88.9	385.3
Cost of goods sold	<u>-43.0</u>	<u>-34.8</u>	<u>-160.8</u>
Gross profit	56.6	54.1	224.5
Operating expenses	<u>-76.0</u>	<u>-52.9</u>	<u>-202.0</u>
Operating profit/loss	-19.4	1.2	22.5
Financial items	<u>-2.0</u>	<u>-0.8</u>	<u>5.2</u>
Profit/loss before tax	-21.4	0.4	27.7
Tax expenses	<u>-0.3</u>	<u>0.0</u>	<u>3.5</u>
Profit/loss after tax for continuing operations	-21.6	0.4	31.2

## Comments from CEO Torben Jörgensen

Following the divestment of the Biosystems business area in the fourth quarter 2008, Biotage is a focused company with only one business area, Discovery Chemistry.

The opening of 2009 has to a high degree been affected by the current financial climate and the restructuring of the major pharma companies. We have seen continued slowing sales and increased price pressure on instruments in this customer segment. It is satisfying to note, however, that the development in the academic area continues to be good.

In order to improve profitability and reduce capital binding, we decided in January to close the factory in Charlottesville, Virginia, USA and relocate the production to a contract manufacturer and to Biotage's own plant in Cardiff, Wales. We have also decided to consolidate our operations in the UK to one site. The accounts for the quarter have therefore been charged with estimated restructuring costs totaling 21.2 MSEK. When the structural changes have been implemented the company will have a lower cost structure and less capital bound.

In the first quarter Biotage started a cooperation with the German company MultiSynTech GmbH. The cooperation concerns the distribution of MultiSynTech's existing system for peptide synthesis as well as a collaboration project concerning microwave initiated peptide synthesis. The aim of the project is to increase the yield and speed of peptide synthesis.

Biotage has a continued strong financial position with net cash amounting to 363.5 MSEK, which enables us to expand our operations at a time when this can be expected to be possible at reasonable economic terms.

## Group result, financial position and cash flow

### First quarter 2009

Group net sales amounted to 99.6 MSEK, compared to 88.9 MSEK the first quarter 2008, an increase by 12 percent. At comparable exchange rates sales decreased by 9 percent.

The EU area was the biggest single market, with 41 percent of the net sales. The US contributed 38 percent and the rest of the world 21 percent.

The Group's gross margin was 56.9 percent (60.9). The gross margin has decreased due to a negative price development in the company's business segments and lower profitability in the US production plant, among other things.

The operating expenses amounted to 76.0 MSEK (52.9). Here an allocation for restructuring costs for the closing of the production plant in the US and consolidation of the operations in the UK amounting to a total of 21.2 MSEK is included. The operating expenses were positively influenced by other income/other expenses, where the biggest item is positive translation differences, amounting to 3.6 MSEK (-4.1).

The investments amounted to 7.5 MSEK (7.1). Of this sum 5.7 MSEK (5.1) were capitalized development costs. Amortizations amounted to 8.6 MSEK (5.7). Of this sum 4.2 MSEK (1.8) were amortizations of capitalized development costs.

The operating profit, including restructuring costs, amounted to -19.4 MSEK (1.2) with an operating margin of -19.5 percent (1.3).

Net financial income amounted to -2.0 MSEK (-0.8). Of this sum net interest income accounted for +0.3 MSEK and exchange rate differences relating to financial exposures for -2.3 MSEK.

The result after tax amounted to -21.6 MSEK, corresponding to -0.24 SEK per share, compared to 0.4 MSEK 2008, corresponding to 0.15 SEK per share.

The cash flow from operating activities amounted to 20.9 MSEK (1.7).

#### Balance sheet items

At March 31, 2009 the Group's cash and securities totaled 418.0 MSEK, compared to 405.0 MSEK at December 31, 2008. The short-term investments are mainly placed in Government guaranteed securities. Granted, unutilized credits amounted to 71.4 MSEK, compared to 73.6 MSEK at December 31, 2008. The Group's interest-bearing liabilities amounted to 54.5 MSEK, compared to 46.9 MSEK at December 31, 2008.

The Group reports a total goodwill of 503.3 MSEK (487.2) at March 31, 2009. 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 15.5 MSEK (16.3) and capitalized balance costs to 46.0 MSEK (44.4).

At March 31, 2009 the equity capital amounted to 1,127.4 MSEK, compared to 1,124.8 MSEK at December 31, 2008.

#### **Divested business**

The Biosystems business area was divested to Qiagen at October 2, 2008.

In the fourth quarter 2008 Biotage was Qiagen's distributor of Biosystems' products. Some remaining distributor business was invoiced in the first quarter 2009. Net sales totaled 2.5 MSEK. At the end of the quarter this business had ceased completely.

In the first quarter 2009 profit after tax for the divested business amounted to 0.3 MSEK (12.8).

## Major events

### Transfer of instrument production

On January 22, Biotage decided to transfer the instrument production at the plant in Charlottesville, USA, to a contract manufacturer. This measure is another step in the company's efforts to increase the efficiency of its operations. Biotage believes that this will enable significant cost reductions as well as reduced capital binding and increased flexibility.

Today Biotage has two production units of its own. At the plant in Cardiff, Wales, the majority of the consumables offered to Biotage's customers are manufactured. In Charlottesville, USA, instruments are produced, primarily for the product segment Purification, plus a smaller share of consumables. The production of other instruments is already today performed by a subcontractor.

In connection with the transfer of the instrument production, the manufacture of consumables today taking place in Charlottesville will be moved to the plant in Cardiff. This will yield additional economies of scale. The transfer of the production from Charlottesville will be carried out step-wise and is planned to be completed in the fourth quarter 2009. The decision means that the plant will be closed and the US staff reduced by approximately 50 employees.

### Cooperation with MultiSynTech and start of peptide synthesis business

In the first quarter Biotage started a cooperation with the German company MultiSynTech GmbH. The cooperation concerns the distribution of MultiSynTech's existing system for peptide synthesis as well as a collaboration project concerning microwave initiated peptide synthesis. The aim of the project is to increase the yield and speed of peptide synthesis.

The demand for products in the peptide area is growing strongly. In the research phase biochemists need longer and more complex polypeptides in order to study protein interactions and to produce peptide antibodies, and thus increase the understanding of complex diseases. The market for peptide synthesis is estimated to 150 million SEK per year and it is expected to have an annual double digit growth.

The cooperation between Biotage and MultiSynTech is expected to result in improved tools that contract manufacturers and academic and industrial research groups need in order to meet new challenges in peptide synthesis. Biotage will be able to offer opportunities both for parallel synthesis and microwave synthesis, and thus be uniquely positioned with an offering that addresses the complete range of needs.

## Events after the reported period

Biotage AB has, together with the wholly owned subsidiaries Biotage GB Ltd and Biotage LLC, been sued for patent infringement in the U.S. District court for the Southern District of California.

The lawsuit has been filed by Scientific Plastic Products, Inc. and concerns the US patents numbers 7,138,061, 7,381,327 and 7,410,571, each entitled "Flash Chromatography Cartridge". The lawsuit concerns Biotage's sale of the SNAP product line in the US.

It is yet too early for us to give a firm opinion on the status of this matter. Our initial analysis does indicate that we have a strong position, though, and that the plaintiff does not have good cause for the alleged patent infringement.

## Human resources

At March 31, 2009 the Group had 276 employees, compared to 292 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 towards subsidiaries.

In the first quarter 2009, the parent company's net income amounted to 0.0 MSEK (2.0).

Profit after financial items amounted to 1.3 MSEK in the first quarter 2009 (3.4).

The parent company's investments in intangible fixed assets in the first quarter 2009 amounted to 0.4 MSEK (0.5).

At March 31, 2009 the parent company's cash and bank balance and short-term investments amounted to 383.8 MSEK, compared to 357.0 MSEK at December 31, 2008.

## Risks and uncertainties

As an international Group, Biotage is exposed to various risks that affect the possibilities to achieve the established targets. There are operational risks, such as the risk that competitive situations affect price levels and sales volumes, and the risk that the economic development in the markets and segments where the Group operates is not stable. There are also financial risks, such as currency risks, interest risks and credit risks.

No major changes in significant risks or uncertainty factors have 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 2008.

Readers wishing to study the risks and uncertainties reported in the 2008 Annual Report can download this report from Biotage AB's website [www.biotage.com](http://www.biotage.com) or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala or [info@biotage.com](mailto:info@biotage.com).

### Financial reports in 2009:

The interim report for the second quarter 2009 will be issued on August 14, 2009.

The interim report for the third quarter 2009 will be issued on October 27, 2009.

This report has not been subject to special review by the company's auditor.

Uppsala April 27, 2009

Torben Jörgensen  
President and CEO

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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 area of 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. At the end of 2008 Biotage had 292 employees and in 2008 the company had sales of 385.3 MSEK. Biotage is listed on the Nordic Stockholm stock exchange. Website: [www.biotage.com](http://www.biotage.com)*

## Accounting principles

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

A great number of changes in existing standards, new interpretation statements and a new standard (IFRS 8) came into effect on January 1, 2009. As far as Biotage is concerned, the following issued standards and interpretation statements which have come into effect on January 1, 2009 have been considered relevant for the preparation of this interim report and its accounting principles:

- o IAS 1: Presentation of Financial Statements

The change in this standard means that the income statement shall now also contain items that were previously reported directly against equity. Excepted are transactions with the company's owners, which also in the future normally shall be reported against equity. But items such as gains and losses arising from translating the statements of foreign operations and cash flow hedges shall be reported in the total result for the period. Biotage has chosen to present the Group's total result in a statement containing the period's result (after tax) and other total result. Furthermore, the equity statement shows transactions with the company's owner disclosed.

The changes in IAS 1 also mean that the statements in the financial reports have new designations. Income statement is now called "Statement of comprehensive income", Balance sheet is called "Statement of financial position", Equity statement is called "Statement of changes in equity", and Cash flow statement is called "Statement of cash flows". Even though IAS 1 permits companies to continue using the previous designations, Biotage has chosen to introduce the new designations starting in this interim report.

- o IFRS 8: Operating segments

This standard is based on the premise that segment information shall be presented from the perspective of company management. Biotage's segment information in the financial reports was already before based on the information supplied to the chief executive officer (the president). In the financial reports issued in 2008 the Group's business was presented in three segments: "Biosystems", "Discovery Chemistry" and "Other Operations". In the fourth quarter 2008 the Biosystems segment was divested. After the buyer took possession on October 2, 2008, the Group's remaining operations comprise only Discovery Chemistry. The joint functions for the business areas, in the previous segment reporting designated "Other operations", thus no longer exist. No operating segments can now be defined according to the criteria in IAS 1 and the internal reporting to the CEO is done in unified form for the Group's companies.

In all other respects the accounting principles applied in this interim report agree with the accounting and valuation principles applied in the preparation of the Group's latest Annual Report, described on pp. 31-40 and 46-47 in the 2008 Annual Report.

Readers wishing to study the accounting principles presented in the 2008 Annual Report can download this report from Biotage AB's website [www.biotage.com](http://www.biotage.com) or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala, or at [info@biotage.com](mailto:info@biotage.com).



**Biotage AB (publ)**

**Interim report**

**2009-01-01 -- 2009-03-31**

**STATEMENTS OF COMPREHENSIVE INCOME**

	2009-01-01	2008-01-01	2008-01-01
Amounts in KSEK	2009-03-31	2008-03-31	2008-12-31
Net sales	99,591	88,945	385,295
Cost of goods sold	-42,951	-34,817	-160,838
<b>Gross profit</b>	<b>56,641</b>	<b>54,128</b>	<b>224,457</b>
Selling costs	-34,559	-32,002	-142,266
Administrative expenses	-15,197	-10,163	-40,753
Research and development costs	-8,676	-6,640	-34,646
Other operating income	3,561	-4,139	15,702
Other operating expenses	-21,154	-	-
Operating expenses	-76,024	-52,944	-201,962
<b>Operating profit/loss</b>	<b>-19,384</b>	<b>1,184</b>	<b>22,495</b>
Financial income	4,798	2,292	20,248
Financial expenses	-6,784	-3,045	-15,071
<b>Profit/loss before income tax</b>	<b>-21,370</b>	<b>430</b>	<b>27,672</b>
Tax expenses	-277	-24	3,498
Profit/loss after tax for continuing operations	-21,647	407	31,170
Profit/loss after tax for discontinued operations	349	12,774	267,884
<b>Total profit/loss for the period</b>	<b>-21,298</b>	<b>13,180</b>	<b>299,054</b>
<b>Other comprehensive income</b>			
Translation differences related to non Swedish subsidiaries	21,679	-22,924	29,239
Change in hedging reserve	2,273	340	-582
Other comprehensive income	-	633	817
Total other comprehensive income	23,952	-21,951	29,474
<b>Total comprehensive income for the period</b>	<b>2,654</b>	<b>-8,770</b>	<b>328,528</b>

**STATEMENTS OF COMPREHENSIVE INCOME (continued)**

	<b>2009-01-01</b>	<b>2008-01-01</b>	<b>2008-01-01</b>
	<b>2009-03-31</b>	<b>2008-03-31</b>	<b>2008-12-31</b>
Attributable to parent company's shareholders:			
Total profit/loss for the period	-21,298	13,180	299,054
Total comprehensive income for the period	2,654	-8,770	328,528
Average shares outstanding	88,486,320	88,486,320	88,486,320
Average shares outstanding after dilution	88,486,320	88,654,706	88,541,030
Shares outstanding at closing day	88,486,320	88,486,320	88,486,320
Total profit/loss for the period per share SEK	-0.24 kr	0.15 kr	0.35 kr
Total profit/loss for the period per share SEK after dilution	-0.24 kr	0.15 kr	3.38 kr
Total comprehensive income for the period per share	0.03 kr	-0.10 kr	3.71 kr
Total comprehensive income for the period per share after dilution SEK	0.03 kr	-0.10 kr	3.71 kr

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<b>Quarterly summary 2009 and 2008</b>	<b>2009</b>	<b>2008</b>	<b>2008</b>	<b>2008</b>	<b>2008</b>
<b>Amounts in KSEK</b>	<b>Q 1</b>	<b>Q 4</b>	<b>Q 3</b>	<b>Q 2</b>	<b>Q 1</b>
Net Sales	99,591	108,950	92,308	95,092	88,945
Cost of goods sold	-42,951	-46,426	-38,597	-40,998	-34,817
Gross profit	<b>56,641</b>	<b>62,524</b>	<b>53,711</b>	<b>54,094</b>	<b>54,128</b>
Gross margin	56.9%	57.4%	58.2%	56.9%	60.9%
Operating expenses	-76,024	-50,850	-46,756	-51,411	-52,944
Operating profit/loss	<b>-19,384</b>	<b>11,674</b>	<b>6,955</b>	<b>2,683</b>	<b>1,184</b>
Financial net income	-1,986	6,516	152	-738	-754
Profit/loss before income tax	<b>-21,370</b>	<b>18,190</b>	<b>7,107</b>	<b>1,944</b>	<b>430</b>
Tax expenses	-277	4,201	-522	-157	-24
Profit/loss after tax for continuing operations	-21,647	22,392	6,584	1,787	407
Profit/loss after tax for discontinued operations	349	242,719	6,172	6,220	12,774
Total profit/loss for the period	<b>-21,298</b>	<b>265,111</b>	<b>12,756</b>	<b>8,007</b>	<b>13,180</b>

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**STATEMENTS OF FINANCIAL POSITION**

<b>Amounts in KSEK</b>	<b>2009-03-31</b>	<b>2008-12-31</b>
<b>ASSETS</b>		
<b>Fixed assets</b>		
Tangible assets	83,500	80,978
Goodwill	503,294	487,227
Other intangible assets	61,455	60,731
Financial assets	1,786	1,754
Deferred tax recoverable	42,570	42,570
<b>Total fixed assets</b>	<b>692,604</b>	<b>673,260</b>
<b>Current assets</b>		
Inventory	108,564	104,224
Account receivable and other receivables	80,272	100,498
Liquid funds	418,041	404,991
<b>Total current assets</b>	<b>606,876</b>	<b>609,713</b>
<b>Total assets for continuing operations</b>	<b>1,299,480</b>	<b>1,282,973</b>
<b>Assets for divestment</b>	<b>2,264</b>	<b>16,039</b>
<b>TOTAL ASSETS</b>	<b>1,301,744</b>	<b>1,299,012</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	847,173	847,173
Reserves	-19,968	-43,920
Profit/loss carried forward	211,756	233,054
<b>Total equity</b>	<b>1,127,447</b>	<b>1,124,793</b>
<b>Long term liabilities</b>		
Liabilities to credit institutions	8,319	8,065
Provisions of a long-term nature	3,351	3,351
<b>Total long term liabilities</b>	<b>11,670</b>	<b>11,416</b>
<b>Current liabilities</b>		
Accounts payable and other liabilities	84,880	95,360
Tax liabilities	2,283	1,869
Liabilities to credit institutions	46,229	38,829
Provisions of a short-term nature	27,523	5,977
<b>Total current liabilities</b>	<b>160,914</b>	<b>142,036</b>
<b>Total equity and liabilities for continuing operations</b>	<b>1,300,032</b>	<b>1,278,245</b>
<b>Liabilities for divestment</b>	<b>1,712</b>	<b>20,767</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,301,744</b>	<b>1,299,012</b>

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**STATEMENTS OF CASH FLOW**

	<b>2009-01-01</b>	<b>2008-01-01</b>	<b>2008-01-01</b>
<b>Amounts in KSEK</b>	<b>2009-03-31</b>	<b>2008-03-31</b>	<b>2008-12-31</b>
<b>Operating activities</b>			
Profit/loss after financial items	-21,370	430	27,672
Adjustments for items not included in the cash flow	30,249	6,890	21,291
	<b>8,879</b>	<b>7,321</b>	<b>48,963</b>
Tax paid	-277	-24	-1,494
<b>Cash flow from operating activities before changes in working capital</b>	<b>8,602</b>	<b>7,297</b>	<b>47,469</b>
Cash flow from change in working capital:			
Increase (-)/ decrease (+) of inventories	948	-9,697	-5,900
Increase (-)/ decrease (+) of account receivables	11,697	10,593	9,833
Increase (-)/ decrease (+) of other current receivables	30,559	-660	-6,996
Increase (+)/ decrease (-) of other liabilities	-30,923	-5,876	10,088
Cash flow from operating activities for continuing operations	<b>20,884</b>	<b>1,658</b>	<b>54,493</b>
Cash flow from operating activities for discontinued operations	<b>-4,931</b>	<b>13,693</b>	<b>34,244</b>
<b>Cash flow from operating activities</b>	<b>15,952</b>	<b>15,350</b>	<b>88,737</b>
<b>Investing activities</b>			
Acquisition of intangible fixed assets	-6,114	-5,508	-17,849
Acquisition of tangible fixed assets	-1,357	-1,530	-6,611
Acquisition of financial assets	-28	-90	-300
Sales of financial assets	0	17	17
Cash flow from investing activities for continuing operations	<b>-7,500</b>	<b>-7,112</b>	<b>-24,743</b>
Cash flow from investing activities for discontinued operations	<b>0</b>	<b>-5,205</b>	<b>344,012</b>
<b>Cash flow from investing activities</b>	<b>-7,500</b>	<b>-12,317</b>	<b>319,269</b>
<b>Financial activities</b>			
Borrowing	4,741	4,301	4,006
Amortization of loan liabilities	-158	-4,822	-39,897
Cash flow from financial activities for continuing operations	<b>4,583</b>	<b>-521</b>	<b>-35,891</b>
Cash flow from financial activities for discontinued operations	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash flow from financial activities</b>	<b>4,583</b>	<b>-521</b>	<b>-35,891</b>
<b>Cash flow during period</b>	<b>13,035</b>	<b>2,512</b>	<b>372,116</b>
Cash and liquid assets beginning of period	404,991	31,017	31,017
Exchange differences in liquid assets	14	-215	1,857
<b>Cash and liquid assets at end of period</b>	<b>418,041</b>	<b>33,315</b>	<b>404,991</b>
<b>Additional information:</b>			
<i>Adjustments for items not included in the cash flow</i>			
Depreciations and write-downs	8,629	5,725	32,332
Change in restructuring reserve	21,154	-	-
Other items	466	1,166	-11,041
Summa	<b>30,249</b>	<b>6,890</b>	<b>21,291</b>

STATEMENTS OF CHANGES IN EQUITY

Amounts in KSEK	Share capital	Other paid-in capital	Accumulated translation differences	Hedging-reserve	Profit/loss carried forward	Total equity
Opening balance January 1, 2008	88,486	1,513,992	-72,117	-460	-733,636	796,265
<b>Changes in 2008:</b>						
Net income for the year 2008	-	817	29,239	-582	299,054	328,528
<b>Sum of changes in 2008, exclusive of transactions with company owners</b>	<b>0</b>	<b>817</b>	<b>29,239</b>	<b>-582</b>	<b>299,054</b>	<b>328,528</b>
<b>Transactions with company owners</b>						
Appropriation according to decision of the annual meeting	-	-667,636	-	-	667,636	0
<b>Closing balance at December 31, 2008</b>	<b>88,486</b>	<b>847,173</b>	<b>-42,878</b>	<b>-1,042</b>	<b>233,053</b>	<b>1,124,793</b>
<b>Changes in 2009:</b>						
Total comprehensive income for the period jan-mar	-	-	21,679	2,273	-21,298	2,654
<b>Sum of changes in 2009, exclusive of transactions with company owners</b>	<b>0</b>	<b>0</b>	<b>21,679</b>	<b>2,273</b>	<b>-21,298</b>	<b>2,654</b>
<b>Transactions with company owners</b>						
Amount carried over from reserve fund as per the decision of extraordinary general meeting registered by the Swedish Companies Registration Office on February 10, 2009	-	-842,180	-	-	842,180	0
<b>Closing balance March 31, 2009</b>	<b>88,486</b>	<b>847,173</b>	<b>-21,199</b>	<b>1,231</b>	<b>211,756</b>	<b>1,127,447</b>

INCOME STATEMENTS FOR THE PARENT COMPANY

	2009-01-01	2008-01-01	2008-01-01
Amounts in KSEK	2009-03-31	2008-03-31	2008-12-31
Net sales	0	1,990	6,159
Selling costs	10	-196	-210
Administrative expenses	-4,282	-4,031	-15,833
Research and development costs	-542	-682	-3,928
Other operating income	2,380	2,072	31,056
Other operating expenses	-7,464	-2,133	-2,565
<i>Operating expenses</i>	<i>-9,899</i>	<i>-4,971</i>	<i>8,519</i>
<b>Operating profit/loss</b>	<b>-9,899</b>	<b>-2,981</b>	<b>14,678</b>
<b>Profit/loss from financial investments:</b>			
Interest income from receivables from group companies	4,682	3,672	16,058
Interest expenses from liabilities to group companies	-460	-538	-2,021
Result from participations in group companies	-	-	-96,781
Profit and loss from other securities and receivables that are long term financial assets	-	5,092	40,679
Interest expenses and similar expense items	1,294	-	2,711
Interest expenses and similar expense items	-	-16	-20
Translation differences on intra-group receivables	5,702	-1,866	16,083
<i>Net financial income/expense</i>	<i>11,219</i>	<i>6,345</i>	<i>-23,292</i>
<b>Resultat efter finansiella poster</b>	<b>1,320</b>	<b>3,364</b>	<b>-8,614</b>
Tax expenses	-	-	-
<b>Profit/loss after tax</b>	<b>1,320</b>	<b>3,364</b>	<b>-8,614</b>

**Biotage AB (publ)**  
**Interim report**  
**2009-01-01 -- 2009-03-31**

**BALANCE SHEETS FOR THE PARENT COMPANY**

<b>Amounts in KSEK</b>	<b>2009-03-31</b>	<b>2008-12-31</b>
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Intangible fixed assets</b>		
Patent and license rights	6,855	6,774
<b>Financial assets</b>		
Participation in group companies	557,047	557,047
Receivables from group companies	247,464	108,269
Deferred tax asset	42,570	42,570
Other long-term securities	-	-
	<b>847,082</b>	<b>707,886</b>
<b>Total fixed assets</b>	<b>853,936</b>	<b>714,660</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Account receivables	-	71
Receivables from group companies	-	82,161
Other receivables	520	511
Prepaid expenses and accrued income	1,101	6,705
	<b>1,621</b>	<b>89,448</b>
<b>Cash and bank balances and investments</b>	<b>383,770</b>	<b>356,972</b>
<b>Total current assets</b>	<b>385,391</b>	<b>446,420</b>
<b>TOTALT ASSETS</b>	<b>1,239,327</b>	<b>1,161,080</b>
<b>EQUITY, PROVISIONS AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	88,486	88,486
Statutory reserves	-	842,180
	<b>88,486</b>	<b>930,666</b>
<b>Unrestricted equity</b>		
Fair value fond	51,336	36,294
Profit/loss carried forward	836,775	-
Profit/loss for the period reported	1,320	-5,405
	<b>889,431</b>	<b>30,890</b>
<b>Summa eget kapital</b>	<b>977,917</b>	<b>961,556</b>
<b>Current liabilities</b>		
Account payable	946	3,647
Liabilities to group companies	254,534	189,910
Other short term liabilities	1,460	789
Accrued expenses and prepaid income	4,470	5,178
	<b>261,410</b>	<b>199,523</b>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>	<b>1,239,327</b>	<b>1,161,080</b>

CASH FLOW STATEMENTS FOR THE PARENT COMPANY

	2009-01-01	2008-01-01	2008-01-01
Amounts in KSEK	2009-03-31	2008-03-31	2008-12-31
<b>Operating activities</b>			
Profit/loss after financial items	1,320	3,364	-8,614
Adjustments for items not included in the cash flow	-1,193	557	29,896
	<b>127</b>	<b>3,921</b>	<b>21,282</b>
Tax paid	-	-	-
<b>Cash flow from operating activities before changes in working capital</b>	<b>127</b>	<b>3,921</b>	<b>21,282</b>
Cash flow from change in working capital:			
Increase (-)/ decrease (+) of other current receivables	29,835	773	33,587
Increase (+)/ decrease (-) of other liabilities	-2,737	-968	123,800
<b>Cash flow from operating activities</b>	<b>27,225</b>	<b>3,726</b>	<b>178,669</b>
<b>Investing activities</b>			
Acquisition of intangible fixed assets	-418	-527	-2,037
Sales of financial assets	-9	-	-
Divest of business area	-	-	174,437
Increase (-)/ decrease (+) of other long-term receivables	-	-	5,041
<b>Cash flow from investment activities</b>	<b>-427</b>	<b>-527</b>	<b>177,441</b>
<b>Cash flow from financial activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow for the period</b>	<b>26,798</b>	<b>3,199</b>	<b>356,110</b>
<b>Cash and liquid assets beginning of period</b>	<b>356,972</b>	<b>862</b>	<b>862</b>
<b>Cash and liquid assets at end of period</b>	<b>383,770</b>	<b>4,060</b>	<b>356,972</b>

**Additional information:**

<i>Adjustments for items not included in the cash flow</i>			
Depreciations and write-downs	337	556	164,390
Disvestment profit Biosystems reported in investing activities	-	-	-123,791
Translation differences	-1,530	1	-10,702
Summa	-1,193	557	29,896



STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

Amounts in KSEK	Aktiekapital	Reservfond	Fond för verkligt värde	Balanserat resultat	Summa eget kapital
Opening balance January 1, 2008	88,486	1,509,816	-38,554	-629,082	930,667
Changes in 2008:					
Appropriation according to decision of the annual meeting	-	-667,636	38,554	629,082	0
Profit/loss 2008	-	-	36,294	-	36,294
Profit/loss 2008	-	-		-5,405	-5,405
Total changes during 2008	0	-667,636	74,849	623,677	30,890
Closing balance December 31, 2008	88,486	842,180	36,294	-5,405	961,556
Changes in 2009:					
Amount carried over from reserve fund as per the decision of extraordinary general meeting registered by the Swedish Companies Registration Office on February 10, 2009	-	-842,180	-	842,180	0
Disposition enligt vid extra bolagsstämma	-	-	15,041	-	15,041
Exchange rate differences	-	-	-	1,320	1,320
Profit/loss 2009	-	-	-		
Closing balance March 31, 2009	88,486	0	51,336	838,095	977,917