

Year-end report

January – December 2012



February 12, 2013

Year-end report for 2012

Fourth quarter October - December 2012

- Group net sales in the fourth quarter 2012 amounted to 113.9 MSEK (116.0), a 1.8 percent decrease. At comparable exchange rates the sales increased by 1.5 percent compared to the corresponding quarter 2011.
- Operating profit for the quarter amounted to 13.5 MSEK (9.8).
- The result after tax amounted to 13.6 MSEK (17.2).
- Earnings per share amounted to 0.19 SEK (0.22).
- The cash flow from operating activities amounted to 29.9 MSEK (33.2).
- Net cash at December 31 amounted to 165.4 MSEK, compared to 157.0 MSEK at September 30.
- During the quarter 1,371,175 own shares were acquired within the framework of the share repurchasing program resolved at the Annual General Meeting 2012. At the balance sheet date December 31, 2012 Biotage held a total of 1,782,906 own shares, acquired for 14,738 KSEK at an average acquisition value of 8.27 SEK per share.
- After the end of the reported period an additional 1,523,369 own shares have been acquired where after Biotage holds a total of 3,306,275 own shares.

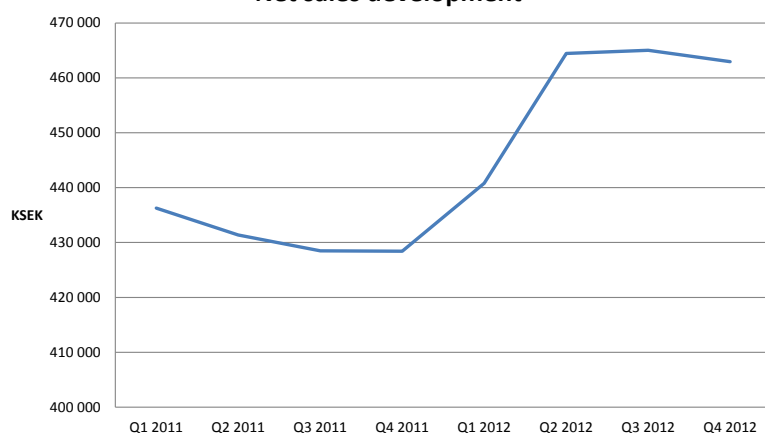
Full year January – December 2012

- Group net sales in 2012 increased by 8 percent to 462.9 MSEK (428.4). At comparable exchange rates sales increased by 6 percent.
- Operating profit amounted to 43.8 MSEK (25.1).
- The result after tax amounted to 38.3 MSEK (32.5).
- Earnings per share amounted to 0.52 SEK (0.42).
- The cash flow from operating activities amounted to 67.5 MSEK (94.8).
- Net cash at December 31 amounted to 165.4 MSEK, compared to 198.4 MSEK at December 31, 2011.
- In 2012 dividends to the shareholders were paid to the amount of 29.3 MSEK (19.9).
- A raise of the dividends to shareholders to 0.50 SEK (0.40) per share is proposed.
- The Board of Directors has established a dividend policy according to which Biotage shall distribute at least 50 percent of the net profit as dividend

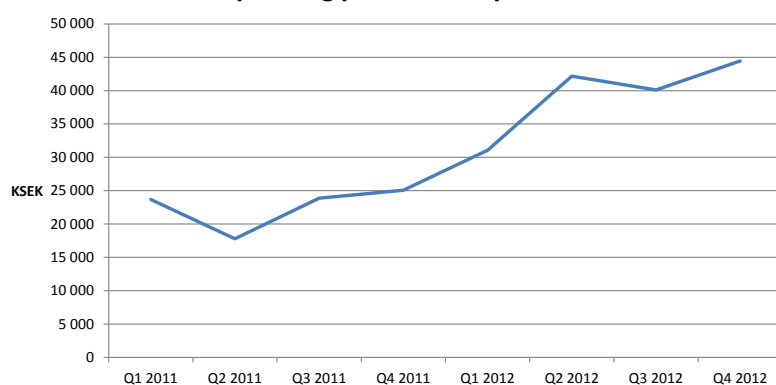
Consolidated financial development in brief

Amounts in SEK millions	4 th quarter 2012	4 th quarter 2011	Full year 2012	Full year 2011
Net sales	113.9	116.0	462.9	428.4
Cost of sales	-45.8	-52.2	-191.5	-182.1
Gross profit	68.1	63.9	271.4	246.3
Operating expenses	-54.6	-54.1	-227.6	-221.2
Operating profit/loss	13.5	9.8	43.8	25.1
Financial items	-3.1	0.9	-5.5	2.9
Profit/loss before tax	10.4	10.7	38.3	28.0
Tax expenses	3.2	-0.9	0.3	-2.0
Profit/loss after tax for continuing operations	13.6	9.9	38.6	25.9
Profit/loss after tax for discontinued operations	-	7.3	-0.3	6.5
Total profit/loss for the period	13.6	17.2	38.3	32.5
Gross profit margin	59.8%	55.0%	58.6%	57.5%
Operating profit margin	11.9%	8.5%	9.5%	5.9%

Net sales development



Operating profit development



Comments by CEO Torben Jörgensen

2012 has been a good year for Biotage with strong sales growth and a considerably improved result. We increased our sales by 8 percent to 463 MSEK and our operating result by 75 percent to 44 MSEK. The great improvement of the result during the year is among other things due to the fact that we have increased the gross margin with more than one percentage at the same time as the sales costs ratio has decreased by more than two percentages. The administrative costs in relation to sales have also decreased.

During the year we achieved a number of important targets in our operations. Among other things we increased the sales of aftermarket products, which accounted for 59 percent of Biotage's total sales in 2012. This is close to our strategic goal of 60 percent. We have also achieved a better balance between the areas of organic and analytical chemistry, which makes us less dependent on the development of the pharma industry. The long-term goal is that these two areas should contribute approximately equally to sales. In 2012 analytical chemistry reached a 43 percent share of our total sales.

During the year we invested in our market organization and strengthened our sales force in the US, Europe and China. China, together with Japan, was the strongest developing market in 2012. Even though China still remains a relatively small market for us it has great future potential. Europe was the best region in terms of sales in the fourth quarter.

However, the year's last quarter did not end totally as we expected. We saw an increasingly hesitant market in general and the sales increase slowed down, primarily concerning instruments and above all in the US and India. We have not been willing to lower our prices more than extremely selectively. This has to some extent affected our sales, but it has also contributed to a gross margin of no less than 59.8 percent in the last quarter. Despite this slow-down we exit the last quarter with an 11.9 percent operating margin.

The product area purification has the biggest sales overall. It is therefore pleasing that this area showed a positive development, in the full year as well as in the last quarter. We have gained market shares above all in the US. A strengthened product offering through an updated version of our purification instrument Isolera and new consumables are contributing factors to these successes.

The product area synthesis did not develop equally well in 2012. We believe that the sales growth for our synthesis instruments, which are primarily used in the development of pharmaceuticals based on small molecules, will remain limited also in the future. For this reason we are investigating several alternative application areas for our microwave technology. One good such example is our peptide synthesis products, which have healthy growth.

Biotage also continues to show good sales growth in consumables for analytical chemistry. We maintain a high pace in the development of new applications, which is a decisive factor for success.

One area where we are making investments for the future is the one today called Industrial Resins, previously called process chemistry. Briefly described, these operations concern the large scale removal of unwanted substances such as pesticides and genotoxins from foodstuffs and pharmaceuticals. The operations are so far carried out in laboratory or pilot scale. In 2012 we completed our plant in Lund, which gives us increased capacity and flexibility in the production of polymers.

Group result, financial position and cash flow

Fourth quarter October - December 2012

Consolidated net sales amounted to 113.9 MSEK compared to 116.0 MSEK the fourth quarter 2011, a decrease by 1.8 percent. At comparable exchange rates sales increased by 1.5 percent. The EU was the single biggest market with 39 percent of the net sales. The US contributed 37 percent, Japan 15 percent, China 4 percent and the rest of the world 5 percent of the net sales.

The Group's gross margin was 59.8 percent (55.0). The gross margin is influenced by variations in product mix, sales channels and the geographic distribution of the sales.

The operating expenses amounted to 54.6 MSEK (54.1). Reduced sales costs and R&D costs compared to the corresponding quarter the previous year were offset by higher administration costs during the period.

The operating result amounted to 13.5 MSEK (9.8) with an 11.9 percent (8.5) operating margin. Net financial income amounted to -3.1 MSEK (0.9). Net financial income for the fourth quarter includes a net effect of -0.7 MSEK concerning currency effects from inter-company items and other financial items that were previously considered to be related to the operations. As a result of the changed assessment the net financial income for the period, compared to the previous assessment, was negatively affected by currency effects to the amount of -0.7 MSEK, while the operating result was positively influenced to the same amount. The reported result after tax thus remains unaffected by this reclassification. The result after tax amounted to 13.6 MSEK (17.2).

The investments amounted to 10.5 MSEK (12.4) and the amortizations to 6.8 MSEK (8.8). 8.2 MSEK (8.8) of the investments were capitalized development costs and 4.3 MSEK (5.6) of the amortizations were amortizations of capitalized development costs. As the result of changed accounting assessments of product life cycles the period's amortizations of capitalized development costs have been reduced by 3.1 MSEK compared to previously applied assessments. A write-down of capitalized development costs has been done to the amount of 0.7 MSEK.

The cash flow from operating activities was 29.9 MSEK (33.2). The difference is primarily due to cash flow from changes in working capital amounting to 10.0 MSEK (14.1).

Full year January – December 2012

Consolidated net sales increased by 8 percent and amounted to 462.9 MSEK in 2012 (428.4). At comparable exchange rates net sales increased by 6 percent. The US was the biggest single market with 38 percent of the net sales. The EU area contributed 34 percent, Japan 18 percent, China 5 percent and the rest of the world 5 percent of the net sales.

The Group's gross margin was 58.6 percent (57.5). Variations in product mix, sales channels and the geographic distribution of sales influence this profitability figure. A favorable product mix contributed to improved profitability the last six months of 2012.

The operating expenses amounted to 227.6 MSEK (221.2). It is primarily the 1.9 MSEK increase in research and development costs and the increase of other operating items, mainly consisting of currency effects on operations-related debts and receivables, to the amount of 2.2 MSEK, that explains the difference between the years. The operating profit amounted to 43.8 MSEK (25.1) with an operating margin of 9.5 percent (5.9).

Net financial income amounted to -5.5 MSEK (2.9). Net financial income includes a net effect of -4.9 MSEK concerning currency effects from inter-company items and other financial items that were previously considered to be related to the operations. As a result of the changed assessment, net financial income for the period was negatively affected by currency effects to the amount of -4.9 MSEK compared to the previous assessment, while the operating result was positively influenced to the same amount. The reported result after tax thus remains unaffected by this reclassification. The result after tax amounted to 38.3 MSEK (32.5).

The investments amounted to 40.3 MSEK (43.8) and the amortizations to 28.6 MSEK (36.0). 27.9 MSEK (27.5) of the investments were capitalized development costs and 16.3 MSEK (21.2) of the amortizations were amortizations of capitalized development costs. As a result of changed accounting assessments of product life cycles this year's amortizations of capitalized development costs have been reduced by 9.6 MSEK compared to previous assessments. Write-downs of capitalized development costs have been made to the amount of 5.4 MSEK.

The cash flow from operating activities amounted to 67.5 MSEK (94.8). During the period decreased other current debts resulted in a cash flow effect of -8.5 MSEK (13.1). Changes in other current receivables affected the cash flow to the amount of -5.7 MSEK (4.0). Reduced accounts receivable and reduced inventories contributed 4.8 MSEK (8.2) and 1.0 MSEK (10.0), respectively.

Balance sheet items

At December 31, 2012 the Group's cash and cash equivalents amounted to 170.9 MSEK, compared to 204.7 MSEK at December 31, 2011. The Group's interest-bearing liabilities amounted to 5.6 MSEK at the end of the reported period, compared to 6.3 MSEK at December 31, 2011. Net cash at December 31, 2012 thus amounted to 165.4 MSEK, compared to 198.4 at December 31, 2011.

The Group reports a total goodwill of 102.1 MSEK at December 31, 2012, compared to 106.1 MSEK at December 31, 2011. The reported goodwill relates to the acquisitions of MIP Technologies AB and two product lines from Caliper Life Sciences Inc. in 2010. This year's change in reported value is due to currency effects.

Other intangible fixed assets amounted to 116.3 MSEK (111.1). Of this sum patents and license rights and other intangible assets from acquisitions totaled 41.0 MSEK (47.4) and capitalized development costs 75.3 MSEK (63.7).

At December 31, 2012 the equity capital amounted to 530.8 MSEK, compared to 563.9 MSEK at December 31, 2011. This year's change in equity capital is attributable to the net result, 38.3 MSEK, dividends to shareholders, -29.3 MSEK, repurchasing of own shares, -35.2 MSEK, and hedging and currency effects at the translation of foreign subsidiaries, -6.9 MSEK.

Divested operations

The result after tax for divested operations amounted to -0.3 MSEK in 2012 (6.5) and refers to currency effects on additional purchase payments from Qiagen for the Biosystems business area divested in 2008. There will be no further items affecting the result relating to this divestment after 2012.

Major events after the reported period

Patent dispute in the US

Biotage has, as previously reported, been sued for patent infringement in the US. These complaints are declared resting by the court awaiting the results of reexamination cases of the validity of the patents by the US Patent and Trademark Office.

The US Patent and Trademark Office's Patent Trial and Appeal Board has declared all patent demands in US patents 7,138,061, 7,381,327 and 7,410,571 invalid. The decision has been appealed by the other party to the US Court of Appeals for the Federal Circuit.

The reexamination cases concerning US patents 8,066,875 and 7,381,327 are in progress at the US Patent and Trademark Office and there is nothing additional to report in relation to these two cases.

Biotage's analysis indicates that the company has a strong position and that the other party lacks good cause for the alleged patent infringement.

Share buy-back program

After the year end closing, an additional 1,523,369 own shares have been acquired where after Biotage holds a total of 3,306,275 shares.

Establishment of dividend policy

Biotage's aim is to provide the shareholders with a healthy return and value growth. It is important that Biotage can grow the business and have the ability to act on business opportunities that arise. Biotage's policy is to distribute as dividend at least 50 percent of the net profit.

Human resources

At December 31, 2012 the Group had 290 employees, compared to 270 at the start of the year and 282 at September 30, 2012.

Parent company

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

In the fourth quarter 2012 the parent company's net income amounted to 0.5 MSEK (0.5). In the full year 2012 net income amounted to 2.1 MSEK (2.1). The result after financial items in the fourth quarter was 21.2 MSEK (13.6). In the full year 2012 the result after financial items was 12.8 MSEK (6.9).

The parent company's investments in intangible fixed assets amounted to 0.4 MSEK (0.9) in the fourth quarter and to 1.4 MSEK (1.7) in the full year.

Of the parent company's long-term receivables from group companies at December 31, 2012 receivables to a gross amount of 163 MSEK (183 MSEK at December 31, 2011) are receivables classified as part of the investments in the foreign operations, which means that changes in the value of the items due to changed currency exchange rates are reported as other total result.

The parent company's cash and cash equivalents amounted to 52.3 MSEK at December 31, 2012, compared to 104.7 MSEK at December 31, 2011. The decrease of the parent company's cash and securities is mainly attributable to the payment of dividends to shareholders to the amount of 29.3 MSEK and repurchasing of own shares to the amount of 35.2 MSEK.

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 2011. Readers wishing to study the risks and uncertainties reported in the 2011 Annual Report can download this from Biotage AB's website www.biotage.com or order it from Biotage AB, Box 8, SE-753 18 Uppsala or info@biotage.com.

Reports relating to 2012 and 2013

The Annual Report for 2012 is planned to be made public in week 14 2013.
The Annual General Meeting will be held on April 25, 2013.

The interim report for the first quarter 2013 will be issued on April 25, 2013.
The interim report for the second quarter 2013 will be issued on August 15, 2013.
The interim report for the third quarter 2013 will be issued on October 25, 2013.
The year-end report for 2013 will be issued on February 13, 2014.

This report has not been reviewed by the company's auditor.

Uppsala February 12, 2013

Torben Jörgensen
President and CEO

For further information, please contact:

Torben Jörgensen, President and CEO, phone: +46 707 49 05 84
Erika Söderberg Johnson, CFO, phone: +46 730 50 80 56

The information in this press release is of the kind that Biotage AB (publ) is required to make public according to the Financial Instruments Trading Act. The information was released for publication at 08.00 on February 12, 2013.

About Biotage

Biotage offers solutions, knowledge and experience in the areas of analytical chemistry, medicinal chemistry, separation and purification. The customers include pharmaceutical and biotech companies, companies within the food industry and leading academic institutes. The company is headquartered in Uppsala and has offices in the US, UK, China and Japan. Biotage has approx. 290 employees and had sales of 463 MSEK in 2012. Biotage is listed on the NASDAQ OMX Nordic Stockholm stock exchange. Website: www.biotage.com

Biotage AB (publ)**Interim report****2012-01-01 -- 2012-12-31****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	2012-10-01	2011-10-01	2012-01-01	2011-01-01
Amounts in SEK thousands	2012-12-31	2011-12-31	2012-12-31	2011-12-31
Net sales	113,941	116,031	462,942	428,408
Cost of sales	-45,825	-52,168	-191,508	-182,127
Gross profit	68,117	63,863	271,434	246,281
Distribution costs	-34,294	-35,473	-141,865	-140,824
Administrative expenses	-12,422	-10,629	-47,416	-46,198
Research and development costs	-7,729	-8,056	-36,848	-34,900
Other operating income	-154	101	-1,457	718
Total operating expenses	-54,599	-54,057	-227,586	-221,205
Operating profit/loss	13,518	9,806	43,847	25,076
Financial net income	-3,108	911	-5,531	2,911
Profit/loss before income tax	10,410	10,717	38,316	27,987
Tax expenses	3,207	-854	308	-2,046
Profit/loss after tax for continuing operations	13,618	9,863	38,624	25,941
Profit/loss after tax for discontinued operations	-	7,300	-288	6,533
Total profit/loss for the period	13,618	17,163	38,336	32,475
Other comprehensive income				
Translation differences related to non Swedish subsidiaries	460	913	-7,485	4,099
Cash flow hedges	-650	1,170	632	-404
Total other comprehensive income	-189	2,082	-6,852	3,695
Total comprehensive income for the period	13,428	19,245	31,483	36,169

Biotage AB (publ)
Interim report
2012-01-01 -- 2012-12-31

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continuing)

	2012-10-01	2011-10-01	2012-01-01	2011-01-01
	2012-12-31	2011-12-31	2012-12-31	2011-12-31
Attributable to parent company's shareholders:				
Total profit/loss for the period	13,618	17,163	38,336	32,475
Attributable to parent company's shareholders:				
Total comprehensive income for the period	13,428	19,245	31,483	36,169
Average shares outstanding (*)	72,227,916	76,702,836	73,258,156	78,094,450
Average shares outstanding after dilution (*)	72,227,916	76,702,836	73,258,156	78,094,450
Shares outstanding at end of reporting period (*)	73,255,705	79,637,688	73,255,705	79,637,688
Total profit/loss for the period per share SEK	0.19	0.22	0.52	0.42
Total profit/loss for the period per share SEK after dilution	0.19	0.22	0.52	0.42
Earnings per share relates to:				
Continuing operations	0.19	0.13	0.52	0.33
Discontinued operations	0.00	0.09	0.00	0.09
Total comprehensive income for the period per share SEK	0.19	0.25	0.43	0.46
Total comprehensive income for the period per share after dilution SEK	0.19	0.25	0.43	0.46
(*) Of the numbers of shares outstanding are repurchased as per end of reporting period	1,782,906	3,266,956	1,782,906	3,266,956
Average numbers of shares outstanding are reported excluding numbers shares repurchased.				

Quarterly summary 2012 and 2011	2012	2012	2012	2012	2011	2011	2011	2011
Amounts in KSEK	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Net Sales	113,941	107,134	122,287	119,579	116,031	106,551	98,628	107,198
Cost of sales	-45,825	-42,532	-51,889	-51,262	-52,168	-44,999	-40,735	-44,226
Gross profit	68,117	64,602	70,398	68,317	63,863	61,552	57,893	62,972
Gross margin	59.8%	60.3%	57.6%	57.1%	55.0%	57.8%	58.7%	58.7%
Operating expenses	-54,599	-55,727	-57,532	-59,729	-54,057	-50,638	-56,138	-60,372
Operating profit/loss	13,518	8,875	12,866	8,588	9,806	10,915	1,755	2,600
Finansnetto	-3,108	-3,862	625	813	911	813	803	385
Profit/loss before income tax	10,410	5,013	13,491	9,401	10,717	11,727	2,558	2,985
Tax expenses	3,207	-1,345	-304	-1,250	-854	-284	-178	-729
Profit/loss after tax for continuing operations	13,618	3,669	13,187	8,151	9,863	11,443	2,380	2,256
Profit/loss after tax for discontinued operations	-	-	-	-288	7,300	-	-	-767
Total profit/loss for the period	13,618	3,669	13,187	7,863	17,163	11,443	2,380	1,489

Biotage AB (publ)
Interim report
2012-01-01 -- 2012-12-31

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK thousands	2012-12-31	2011-12-31
ASSETS		
Non-Current assets		
Property, plant and equipment	40,695	39,468
Goodwill	102,054	106,108
Other intangible assets	116,260	111,100
Financial assets	1,205	2,286
Deferred tax asset	41,733	39,436
Total non-current assets	301,946	298,399
Current assets		
Inventories	84,119	89,694
Trade and other receivables	97,092	106,251
Cash and cash equivalents	170,916	204,711
Total current assets	352,128	400,656
TOTAL ASSETS	654,074	699,054
EQUITY AND LIABILITIES		
Capital and reserves attributable to equity holders of the parent company		
Share capital	89,372	89,194
Other paid-in capital	4,993	4,993
Reserves	-107,801	-100,949
Retained earnings	544,266	570,659
Total equity	530,829	563,897
Non-current liabilities		
Liabilities to credit institutions	5,124	5,850
Deferred tax liability	1,752	1,949
Non-current provisions	24,179	25,184
Total non-current liabilities	31,054	32,983
Current liabilities		
Trade and others liabilities	88,268	96,037
Tax liabilities	1,354	774
Liabilities to credit institutions	434	442
Current provisions	2,134	4,921
Total current liabilities	92,190	102,173
TOTAL EQUITY AND LIABILITIES	654,074	699,054

Note

Reported deferred tax liability of 1,949 KSEK for 2011 has in previous financial reports been included in the item Current provisions

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousands	Share capital	Other paid-in capital	Accumulated translation reserve	Hedging reserve	Retained earnings	Total equity
Opening balance January 1, 2011	88,486	4,993	-104,643	0	579,112	567,948
Changes in equity in the period of January 1 - September 30, 2011						
Total comprehensive income	-	-	3,186	-1,574	15,311	16,924
Total non-owners changes	-	-	3,186	-1,574	15,311	16,924
Transactions with equity holders of the company						
Cancellation of treasury shares (*)	-8,849	-	-	-	8,849	0
Increase of share capital without the issue of new shares, bonus issue (*)	9,557	-	-	-	-9,557	0
Dividend to shareholders of the parent company	-	-	-	-	-19,909	-19,909
Share buy-back by parent company (*)	-	-	-	-	-16,926	-16,926
Closing balance September 30, 2011	89,194	4,993	-101,457	-1,574	556,881	548,037
Changes in equity in the period of October 1, - December 31, 2011						
Total comprehensive income	-	-	913	1,170	17,164	19,246
Total non-owners changes	-	-	913	1,170	17,164	19,246
Transactions with equity holders of the company						
Share buy-back by parent company (*)	-	-	-	-	-3,386	-3,386
Closing balance December 31, 2011	89,194	4,993	-100,544	-404	570,659	563,897
Changes in equity in the period of January 1 - September 30, 2012						
Total comprehensive income	-	-	-7,945	1,282	24,718	18,055
Total non-owners changes	0	0	-7,945	1,282	24,718	18,055
Transactions with equity holders of the company						
Cancellation of treasury shares (*)	-7,148	-	-	-	7,148	0
Increase of share capital without the issue of new shares, bonus issue (*)	7,326	-	-	-	-7,326	0
Dividend to shareholders of the parent company	-	-	-	-	-29,302	-29,302
Share buy-back by parent company (*)	-	-	-	-	-23,946	-23,946
Closing balance September 30, 2012	89,372	4,993	-108,490	878	541,952	528,705
Changes in equity in the period of October 1, - December 31, 2012						
Total comprehensive income	-	-	460	-650	13,618	13,428
Total non-owners changes	-	-	460	-650	13,618	13,428
Transactions with equity holders of the company						
Share buy-back by parent company (*)	-	-	-	-	-11,303	-11,303
Closing balance December 31, 2012	89,372	4,993	-108,029	228	544,266	530,829

(*) Repurchased shares, cancellation of repurchased shares and bonus issue

Repurchased shares, cancellation of repurchased shares and bonus issue.

At the Annual General Meeting 2009 and 2010 respectively, the Board was authorized to repurchase the company's shares to the extent that the holding of own shares amounted to a maximum of 10 percent of the total number of shares issued. From September 2009 to December 2010 the company repurchased a total of 8,848,632 shares, corresponding to 10.0 percent of the company's total issued shares. At the Annual General Meeting 2011 it was decided that the repurchased shares should be cancelled. As a result of the cancellation, the company's share capital decreased by 8,849 KSEK to 79,638 KSEK. The number of shares was reduced from 88,486,320 to 79,673,688. At the Annual General Meeting 2011 it was also decided that the company should carry out a bonus issue and thereby increase the company's share capital by 9,557 KSEK to 89,194 without issuing any new shares.

After the cancellation of repurchased shares and the bonus issue the number of shares was 79,637,688 with a quota value of 1.12 SEK. The Annual General Meeting 2011 further resolved to authorize the Board to carry out a new repurchasing program comprising a maximum of 10 percent of the company's outstanding shares, i.e. a total of 7,963,769 shares. At the time of the Annual General Meeting of April 26, 2012 the company had in accordance with the authorization repurchased 6,381,983 shares at an average share price of 6.40 SEK.

In accordance with the proposal of the Board, the Annual General Meeting 2012 resolved that the 6,381,983 repurchase shares should be cancelled. The company's share capital therefore decreased by 7,148 KSEK. At the same time it was decided that the company's share capital should be increased by 7,326 KSEK through a bonus issue where the issue sum was transferred from the parent company's non-restricted reserves. After realization of the AGM's decisions the registered share capital is 89,371,960 SEK and the number of outstanding shares 73,255,705 with a quota value of 1.22 SEK.

The Annual General Meeting also resolved to authorize the Board to continue to repurchase shares up until the Annual General Meeting 2013, so that the company's holding of own shares amounts to a maximum of 10 percent of the number of registered shares. At the balance sheet date December 31, 2012 the company has, in accordance with this authorization, repurchased 1,782,906 shares at an average price of 8.27 SEK.

Biotage AB (publ)
Interim report
2012-01-01 -- 2012-12-31
CONSOLIDATED STATEMENT OF CASH FLOWS

	2012-10-01	2011-10-01	2012-01-01	2011-01-01
Amounts in SEK thousands	2012-12-31	2011-12-31	2012-12-31	2011-12-31
Operating activities				
Profit/loss before income tax	10,410	10,717	38,316	27,987
Adjustments for non-cash items	6,589	9,487	36,546	35,560
	16,999	20,204	74,862	63,547
Income tax paid	2,940	-1,052	978	-3,979
Cash flow from operating activities before changes in working capital	19,940	19,152	75,840	59,568
Cash flow from changes in working capital:				
Increase (-)/ decrease (+) in inventories	1,546	-1,164	982	9,992
Increase (-)/ decrease (+) in trade receivables	6,182	6,526	4,806	8,191
Increase (-)/ decrease (+) in other current receivables	1,269	-1,590	-5,659	3,951
Increase (+)/ decrease (-) in other liabilities	997	10,298	-8,508	13,104
Cash flow from operating activities - continuing operations	29,934	33,222	67,461	94,806
Cash flow from operating activities - discontinued operations	-	-	7,012	14,243
Cash flow from operating activities	29,934	33,222	74,472	109,050
Investing activities				
Acquisition of intangible assets	-8,519	-9,665	-29,586	-30,347
Acquisition of property, plant and equipment	-1,897	-2,791	-10,373	-11,910
Acquisition of financial assets	-39	-252	-300	-269
Acquisitions of companies and product lines	-	-	-	-2,027
Sale of property, plant and equipment	-	-	-	-
Sale of financial assets	66	330	261	753
Cash flow from investing activities - continuing operations	-10,389	-12,379	-39,998	-43,801
Cash flow from investing activities - discontinued operations	-	-	-	-
Cash flow from investing activities	-10,389	-12,379	-39,998	-43,801
Financing activities				
Dividend to shareholders	-	-	-29,302	-19,909
Buy-back of shares	-11,303	-3,385	-35,249	-20,311
Repayment of loans	-152	-158	-625	-629
Cash flow from financing activities - continuing operations	-11,456	-3,543	-65,176	-40,849
Cash flow from financing activities - discontinued operations	-	-	-	-
Cash flow from financial activities	-11,456	-3,543	-65,176	-40,849
Cash flow for the period	8,089	17,300	-30,702	24,399
Cash and cash equivalents opening balance	162,817	188,074	204,711	179,573
Exchange differences in liquid assets	10	-664	-3,093	739
Cash and equivalents closing balance	170,916	204,711	170,916	204,711
Additional information:				
<i>Adjustments for non-cash items</i>				
Depreciations and impairments	6,757	8,836	28,612	35,983
Other items	-168	650	7,934	-423
Total	6,589	9,487	36,546	35,560
Interest received	392	963	2,447	3,111
Interest paid	-41	-52	-206	-200

Biotage AB (publ)
Interim report
2012-01-01 -- 2012-12-31

INCOMESTATEMENT, PARENT

	2012-10-01	2011-10-01	2012-01-01	2011-01-01
Amounts in SEK thousands	2012-12-31	2011-12-31	2012-12-31	2011-12-31
Net sales	524	532	2,117	2,098
Administrative expenses	-5,331	-5,153	-22,295	-23,384
Research and development costs	-305	-326	-1,383	-1,283
Other operating items	-1,425	7,811	-1,883	6,319
<i>Operating expenses</i>	-7,061	2,332	-25,561	-18,348
Operating profit/loss	-6,537	2,864	-23,444	-16,251
Profit/loss from financial investments:				
Interest income from receivables from group companies	2,825	2,774	9,958	12,276
Interest expense from liabilities to group companies	-732	-493	-2,200	-1,882
Result from participations in group companies	-13,290	-11,620	-10,568	-9,284
Other interest and similar income	4,429	801	6,067	2,768
Other interest and similar income	-1,173	-	-2,700	-
Group contribution received	35,649	19,245	35,649	19,245
Financial net income	27,706	10,707	36,205	23,122
Profit/loss before income tax	21,170	13,571	12,761	6,872
Tax expenses	2,297	-	2,372	-
Total profit/loss for the period	23,466	13,571	15,133	6,872

STATEMENT OF COMPREHENSIVE INCOME, PARENT

Total profit/loss for the period	23,466	13,571	15,133	6,872
Other comprehensive income:				
Translation differences related to non Swedish subsidiaries	-2,838	516	-13,509	-6,305
Total comprehensive income, parent	20,629	14,087	1,625	567

Biotage AB (publ)
Interim report
2012-01-01 -- 2012-12-31

BALANCE SHEET, PARENT

Amounts in SEK thousands	2012-12-31	2011-12-31
ASSETS		
Non-current assets		
<i>Intangible assets</i>		
Patents and licenses	7,718	6,909
<i>Financial assets</i>		
Investments in group companies	481,728	494,181
Receivables from group companies	7,789	60,992
Deferred tax asset	41,733	39,436
	531,250	594,609
Total non-current assets	538,968	601,519
Current assets		
<i>Current receivables</i>		
Receivables from group companies	11,762	10,441
Other receivables	4,891	1,035
Prepaid expenses and accrued income	1,399	8,089
	18,051	19,565
Cash and cash equivalents	52,286	104,684
Total current assets	70,337	124,249
TOTAL ASSETS	609,305	725,767
EQUITY, PROVISIONS AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	89,372	89,194
	89,372	89,194
<i>Unrestricted equity</i>		
Fair value reserve	-66,742	-53,233
Retained earnings	433,996	491,854
Profit/loss for the year	15,133	6,871
	382,388	445,492
Total equity	471,759	534,686
Provisions	24,024	26,391
Current liabilities		
Trade payables	2,157	1,073
Liabilities to group companies	106,026	158,671
Other current liabilities	1,273	286
Accrued expenses and prepaid income	4,065	4,661
	113,522	164,690
TOTAL EQUITY, PROVISIONS AND LIABILITIES	609,305	725,767
Pledged assets	22,500	22,500
Contingent liabilities	-	-

Accounting principles

Biotage's Group reporting is based on International Financial Reporting Standards as adopted by the EU. The Group's interim report is prepared in accordance with IAS 34 *Interim Reporting* and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 *Reporting for legal entities*.

Revised or new standards, interpretations or statements from standard-setting bodies for IFRS within the EU that have come into effect on January 1, 2012 have not had any effect on the Group's financial reporting, as these have not been relevant to Biotage AB in the current situation.

From April 1, 2012, Biotage has changed the assessment of periods of utilization at the amortization of capitalized development costs. The period of utilization has been assessed to be 7 years for the development of instruments and consumables, which have previously been amortized over periods of 3 and 5 years, respectively. These adaptations of the periods of utilization in the reporting are made in order to better reflect the management's assessment of the economic life of the company's products, based on information gained through analyses and increased experience. The revision of the periods of utilization constitutes a change assessment that is reported future-oriented and does thus not concern previous periods.

Net financial income 2012 includes currency effects on certain inter-company items and other financial items that were previously considered to be related to the operations.

In the preparation of the Group's and the parent company's interim reports, the same accounting principles and calculation methods were in all other respects applied as in the preparation of Biotage's Annual Report for 2011. These are described on pp. 32-41 in the Annual Report.

Readers wishing to study the accounting principles presented in the 2011 Annual Report can download this report from Biotage AB's website www.biotage.com or order it from Biotage AB, Box 8, SE-753 18 Uppsala, Sweden, or info@biotage.com.