

# Interim report

## January - March 2013



April 25, 2013

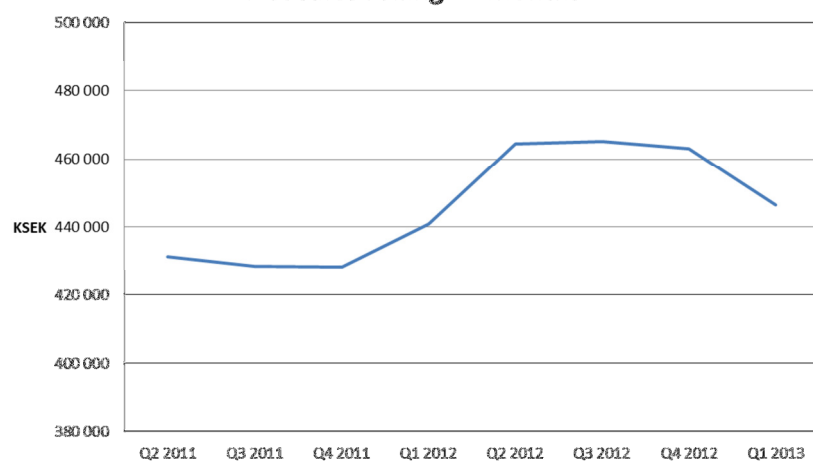
### First quarter January – March 2013

- Group net sales in the first quarter 2013 amounted to 103.2 MSEK (119.6) which is a 13.7 percent decrease. At comparable exchange rates the sales decreased by 6.9 percent compared to the corresponding quarter 2012.
- Operating profit for the quarter amounted to 6.1 MSEK (8.6).
- The result after tax for the period amounted to 3.1 MSEK (7.9).
- Earnings per share amounted to 0.04 SEK (0.11).
- The cash flow from operating activities amounted to 15.2 MSEK (10.2).
- Net cash at March 31 amounted to 154.0 MSEK compared to 165.4 MSEK at December 31, 2012.
- During the quarter 1,611,469 own shares were repurchased within the repurchasing program resolved at the Annual General Meeting 2012. At March 31, 2013 Biotage owned a total of 3,394,375 own shares, purchased for 28,343 KSEK at an average purchase price of 8.35 SEK per share. The board has proposed to the Annual General Meeting that the repurchased shares should be canceled.

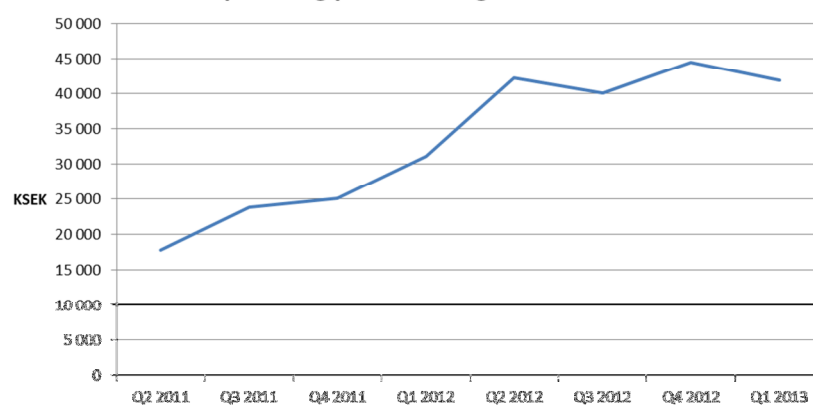
## Group result development in brief

Amounts in SEK millions	1 <sup>st</sup> quarter 2013	1 <sup>st</sup> quarter 2012	Full year 2012
Net sales	103.2	119.6	462.9
Cost of sales	-44.9	-51.3	-191.5
Gross profit	58.3	68.3	271.4
Operating expenses	-52.2	-59.7	-227.6
Operating profit/loss	6.1	8.6	43.8
Financial items	-2.5	0.8	-5.5
Profit/loss before tax	3.6	9.4	38.3
Tax expenses	-0.5	-1.3	0.3
Profit/loss after tax for continuing operations	3.1	8.2	38.6
Profit/loss after tax for discontinued operations	-	-0.3	-0.3
<b>Total profit/loss for the period</b>	<b>3.1</b>	<b>7.9</b>	<b>38.3</b>
Gross profit margin	56.5%	57.1%	58.6%
Operating profit margin	5.9%	7.2%	9.5%

Net sales rolling 12 months



Operating profit rolling 12 months



## Comments by CEO Torben Jörgensen

The first quarter of the year has been something of a challenge for Biotage. It is above all the late release of budgets among our European customers and the lack of governmental funding (sequestration) in the US – in combination with the fact that major sales days at the end of the quarter in many cases disappeared due to Easter – that lay behind the unsatisfactory sales level in the quarter. We have noticed that several of the orders that were expected but failed to materialize in the first quarter have been received in the beginning of the second quarter.

The currency development, above all the strong Swedish krona, has had a negative effect on the sales to the amount of almost seven percent compared to the corresponding quarter last year. We now report sales that are 13.7 percent lower than the corresponding period 2012, but at comparable exchange rates they are 6.9 percent lower.

I am, however, satisfied that we despite a tough quarter deliver an operating result of 6.1 MSEK, primarily as a result of good control of the cost development.

It is rewarding that our single biggest product area, Purification, is developing well. During the quarter we have seen a continued strengthening of our market share for these products in the US. During the quarter we sold our first combined Flash and Mass detector instrument, *Isolera™ Dalton*. The instrument will be launched to a wider audience at the end of this quarter. This will further improve our competitive position in the market.

The sales of Biotage's synthesis systems have had a relatively good quarter. We have seen a healthy development primarily in the US and Japan. The success for microwave assisted peptide synthesis has contributed to a strong decrease in the sales of our traditional peptide synthesis systems. Our sample prep products have sold well in China, specially the instruments. In other parts of the world we have seen a slowdown of the sample prep instrument sales. We can look forward to a big product launch in this area later in the year. We expect this to grow the instrument sales again, thereby also driving the sales of our consumables. Among our regions Europe is the most successful in increasing the sales of consumables for analytical chemistry. Towards the end of the quarter we also launched a new consumable for multi analysis of mycotoxines in food products.

In the product area Industrial Resins we have continued our marketing work. We have also linked up with new customers who are currently evaluating our products. There is considerable market interest in our product offering, at the same time as we have realized that the time required for evaluation in lab as well as pilot scale is considerably longer than we initially expected. Part of the Group's sales decrease is related to one customer building inventory to a value of 4 MSEK in the first quarter last year.

From a geographic angle Japan and China were our best markets in the first quarter. Distributor sales have not been entirely satisfactory, even though we have seen bright spots also there.

On a rolling 12 months basis we now maintain a sales distribution of 60 percent aftermarket products (consumables and service) and 40 percent instruments. This has long been a strategic goal for the company. I am therefore pleased to note that in the first quarter of the year we had sales of 61 percent aftermarket products and 39 percent instruments.

## **Group result, financial position and cash flow**

### First quarter January – March 2013

Group net sales in the first quarter 2013 amounted to 103.2 MSEK (119.6), a 13.7 percent decrease. At comparable exchange rate sales decreased by 6.9 percent compared to the corresponding quarter 2012. The US was the single biggest market with 38 percent of the net sales. The EU contributed 32 percent, Japan 18 percent, China 6 percent and the rest of the world 6 percent of the net sales.

The Group's gross margin was 56.5 percent (57.1). The gross margin is influenced by variations in product mix, sales channels and the geographic distribution of the sales.

The operating expenses amounted to 52.2 MSEK (57.9). Administration costs as well as sales and research and development costs decreased compared with the corresponding quarter the previous year.

The operating result amounted to 6.1 MSEK (8.6) corresponding to an operating margin of 5.9 percent (7.2). Net financial income amounted to -2.5 MSEK (0.8) Net financial income for the quarter includes a net effect of -2.6 MSEK concerning currency effects from inter-company and other financial items. The result after tax amounted to 3.1 MSEK (7.9).

The investments amounted to 10.0 MSEK (13.0) and the amortizations to 6.9 MSEK (9.2). 8.4 MSEK (7.4) of the investments were capitalized development costs and 4.0 MSEK (5.5) of the amortizations were amortizations of capitalized development costs.

The cash flow from operating activities was 15.2 MSEK (10.2).

### Balance sheet items

At March 31, 2013 the Group's cash and securities amounted to 159.1 MSEK, compared to 170.9 MSEK at December 31, 2012. The Group's interest-bearing liabilities amounted to 5.1 MSEK at the end of the reported period, compared to 5.6 MSEK at December 31, 2012. Net cash at March 31, 2013 thus amounted to 154.0 MSEK, compared to 165.4 MSEK at December 31, 2012.

The Group reports a total goodwill of 102.1 MSEK at March 31, 2012, the same amount as at December 31, 2012. The reported goodwill relates to the acquisitions of MIP Technologies AB and two product lines from Caliper Life Sciences Inc. in 2010.

Other intangible fixed assets amounted to 119.3 MSEK (116.3). Of this sum patents and license rights and other intangible assets from acquisitions totaled 39.9 MSEK (47.4) and capitalized development costs 79.3 MSEK (63.7).

At March 31, 2012 the equity capital amounted to 518.1 MSEK, compared to 530.8 MSEK at December 31, 2012. The change in equity capital during the period is attributable to the net result, 3.1 MSEK, repurchasing of own shares, -13.6 MSEK, and hedging and currency effects at the translation of foreign subsidiaries, -2.2 MSEK.

## **Repurchasing of own shares**

During the quarter Biotage repurchased another 1,611,469 own shares, after which the company's total holding of own shares totals 3,394,375.

## **Patent dispute in the US**

Biotage has, as previously reported, been sued for patent infringement in the US. These law suits are declared stayed by the court pending 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 appeal procedure is in progress and there is currently nothing to report.

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.

## **Human resources**

At March 31, 2013 the Group had 289 employees, compared to 290 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, Germany, France, Italy, Japan and China. The parent company is responsible for group management, strategic business development and administrative functions at Group level towards subsidiaries.

In the first quarter 2013 the parent company's net income amounted to 0.6 MSEK (0.5). The result after financial items for the period was 39.1 MSEK (-4.9). Of this sum 43.5 MSEK refers to reversed write-downs of receivables from subsidiaries. The parent company's investments in intangible fixed assets amounted to 0.1 MSEK (0.2) in the first quarter.

Of the parent company's long-term receivables from group companies, receivables to a gross amount of 117 MSEK at March 31, 2013 (163 MSEK at December 31, 2012) are receivables classified as part of the investments in 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 securities amounted to 52.4 MSEK at March 31, compared to 52.3 MSEK at December 31, 2012.

## Financial targets

Biotage's board has established the following financial targets, formulated as averages for the three-year period 2013 – 2015:

- **Organic growth 8 percent**

Biotage's target is to achieve an average organic growth of 8 percent. This is an ambitious growth target considering that the growth figures are considerably lower in many of the markets where Biotage is currently operating. In order to reach the target Biotage must, among other things, succeed in widening the product range and address a more differentiated customer group than previously. The work carried on in the product areas Analytical Chemistry and Industrial Resins is to a great extent aimed at this.

- **Gross margin 60 percent**

Biotage's target is to achieve an average gross margin of 60 percent. An important requirement for reaching the gross margin target is that the turnover of aftermarket sales is larger than the turnover of instruments. The target is thus strongly linked to the strategy that 60 percent of the sales should come from the aftermarket, which also gives a more even distribution of the sales over the year. This is combined with continuous work to promote efficiency in the entire supply chain – from purchasing and manufacture to delivery.

- **Operating margin (EBIT) 10 percent**

Biotage's target is to achieve an average operating margin of 10 percent. The prospects of reaching the operating margin target are greatly influenced by the outcome to the growth and gross margin targets. In addition Biotage shall continue the work to promote the efficiency of the operations, thereby reducing the costs. Among other things the company has the ambition to reduce the sales costs as well as the administration costs in relation to the sales.

## 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 2012. Readers wishing to study the risks and uncertainties reported in the 2012 Annual Report can download this from Biotage AB's website [www.biotage.com](http://www.biotage.com) or order it from Biotage AB, Box 8, SE-751 03 Uppsala or [info@biotage.com](mailto:info@biotage.com).

## Reports relating to 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 April 25, 2013

Torben Jörgensen  
President and CEO

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*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 15.00 on April 25, 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, food producers and leading academic institutions. 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](http://www.biotage.com)*

**Biotage AB (publ)****Interim report****2013-01-01 -- 2013-03-31****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	2013-01-01	2012-01-01	2012-01-01
Amounts in SEK thousands	2013-03-31	2012-03-31	2012-12-31
Net sales	103,234	119,579	462,942
Cost of sales	-44,945	-51,262	-191,508
<b>Gross profit</b>	<b>58,288</b>	<b>68,317</b>	<b>271,434</b>
Distribution costs	-33,379	-35,415	-141,865
Administrative expenses	-10,197	-12,935	-47,416
Research and development costs	-8,140	-8,393	-36,848
Other operating income	-495	-2,985	-1,457
Total operating expenses	-52,211	-59,729	-227,586
<b>Operating profit/loss</b>	<b>6,077</b>	<b>8,588</b>	<b>43,848</b>
Financial net income	-2,461	813	-5,531
<b>Profit/loss before income tax</b>	<b>3,616</b>	<b>9,401</b>	<b>38,317</b>
Tax expenses	-537	-1,250	308
Profit/loss after tax for continuing operations	3,079	8,151	38,624
Profit/loss after tax for discontinued operations	-	-288	-288
<b>Total profit/loss for the period</b>	<b>3,079</b>	<b>7,863</b>	<b>38,336</b>
<b>Other comprehensive income</b>			
Components that may be reclassified to net income:			
Translation differences related to non Swedish subsidiaries	-1,978	-8,717	-7,485
Cash flow hedges	-172	3,256	632
<b>Total other comprehensive income</b>	<b>-2,150</b>	<b>-5,461</b>	<b>-6,853</b>
<b>Total comprehensive income for the period</b>	<b>929</b>	<b>2,402</b>	<b>31,483</b>



**Biotage AB (publ)**  
**Interim report**  
**2013-01-01 -- 2013-03-31**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continuing)**

	<b>2013-01-01</b>	<b>2012-01-01</b>	<b>2012-01-01</b>
	<b>2013-03-31</b>	<b>2012-03-31</b>	<b>2012-12-31</b>
Attributable to parent company's shareholders:			
Total profit/loss for the period	3,079	7,863	38,336
Attributable to parent company's shareholders:			
Total comprehensive income for the period	929	2,402	31,483
Average shares outstanding (*)	69,891,363	74,443,975	73,258,156
Average shares outstanding after dilution (*)	69,891,363	74,443,975	73,258,156
Shares outstanding at end of reporting period (*)	73,255,705	79,637,688	73,255,705
Total profit/loss for the period per share SEK	0.04	0.11	0.52
Total profit/loss for the period per share SEK after dilution	0.04	0.11	0.52
Earnings per share relates to:			
Continuing operations	0.04	0.11	0.52
Discontinued operations	0.00	-0.01	0.00
Total comprehensive income for the period per share SEK	0.01	0.03	0.43
Total comprehensive income for the period per share after dilution SEK	0.01	0.03	0.43
(*) Of the numbers of shares outstanding are repurchased as per end of reporting period	3,394,375	6,381,983	1,782,906
Average numbers of shares outstanding are reported excluding numbers shares repurchased.			

<b>Quarterly summary 2012 and 2011</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2012</b>
<b>Amounts in KSEK</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
Net Sales	103,234	113,941	107,134	122,287	119,579
Cost of sales	-44,945	-45,825	-42,532	-51,889	-51,262
Gross profit	<b>58,288</b>	<b>68,117</b>	<b>64,602</b>	<b>70,398</b>	<b>68,317</b>
Gross margin	56.5%	59.8%	60.3%	57.6%	57.1%
Operating expenses	-52,211	-54,599	-55,727	-57,532	-59,729
Operating profit/loss	<b>6,077</b>	<b>13,518</b>	<b>8,875</b>	<b>12,866</b>	<b>8,588</b>
Finansnetto	-2,461	-3,108	-3,862	625	813
Profit/loss before income tax	<b>3,616</b>	<b>10,410</b>	<b>5,013</b>	<b>13,491</b>	<b>9,401</b>
Tax expenses	-537	3,207	-1,345	-304	-1,250
Profit/loss after tax for continuing operations	3,079	13,618	3,669	13,187	8,151
Profit/loss after tax for discontinued operations	-	-	-	-	-288
<b>Total profit/loss for the period</b>	<b>3,079</b>	<b>13,618</b>	<b>3,669</b>	<b>13,187</b>	<b>7,863</b>

**Biotage AB (publ)**  
**Interim report**  
**2013-01-01 -- 2013-03-31**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<b>Amounts in SEK thousands</b>	<b>2013-03-31</b>	<b>2012-12-31</b>
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, plant and equipment	39,288	40,695
Goodwill	102,060	102,054
Other intangible assets	119,251	116,260
Financial assets	1,289	1,205
Deferred tax asset	41,733	41,733
<b>Total non-current assets</b>	<b>303,621</b>	<b>301,946</b>
<b>Current assets</b>		
Inventories	83,987	84,119
Trade and other receivables	92,920	97,092
Cash and cash equivalents	159,090	170,916
<b>Total current assets</b>	<b>335,998</b>	<b>352,128</b>
<b>TOTAL ASSETS</b>	<b>639,619</b>	<b>654,074</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to equity holders of the parent company</b>		
Share capital	89,372	89,372
Other paid-in capital	4,993	4,996
Reserves	-109,951	-107,801
Retained earnings	533,738	544,266
<b>Total equity</b>	<b>518,151</b>	<b>530,829</b>
<b>Non-current liabilities</b>		
Liabilities to credit institutions	4,676	5,124
Deferred tax liability	1,650	1,752
Non-current provisions	23,499	24,179
<b>Total non-current liabilities</b>	<b>29,825</b>	<b>31,055</b>
<b>Current liabilities</b>		
Trade and others liabilities	87,917	88,268
Tax liabilities	394	1,354
Liabilities to credit institutions	409	434
Current provisions	2,923	2,134
<b>Total current liabilities</b>	<b>91,643</b>	<b>92,190</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>639,619</b>	<b>654,074</b>

**Biotage AB (publ)**  
**Interim report**  
**2013-01-01 -- 2013-03-31**

**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
<b>Opening balance January 1, 2012</b>	<b>89,194</b>	<b>4,993</b>	<b>-100,544</b>	<b>-404</b>	<b>570,659</b>	<b>563,898</b>
<b>Changes in equity in the period of January 1 -Mars 31, 2012</b>						
Total comprehensive income	-	-	-8,718	3,256	7,863	2,401
<b>Total non-owners changes</b>	<b>-</b>	<b>-</b>	<b>-8,718</b>	<b>3,256</b>	<b>7,863</b>	<b>2,401</b>
<b>Transacitions with equity holders of the company</b>						
Share buy-back by parent company (*)	-	-	-	-	-20,511	-20,511
<b>Closing balance Mars 31, 2012</b>	<b>89,194</b>	<b>4,993</b>	<b>-109,262</b>	<b>2,852</b>	<b>558,011</b>	<b>545,788</b>
<b>Changes in equity in the period of April 1, - December 31, 2012</b>						
Total comprehensive income	-	-	1,233	-2,624	30,473	29,082
<b>Total non-owners changes</b>	<b>-</b>	<b>-</b>	<b>1,233</b>	<b>-2,624</b>	<b>30,473</b>	<b>29,082</b>
<b>Transacitions with equity holders of the company</b>						
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 (*)	-	-	-	-	-14,738	-14,738
<b>Closing balance December 31, 2012</b>	<b>89,372</b>	<b>4,993</b>	<b>-108,029</b>	<b>228</b>	<b>544,266</b>	<b>530,830</b>
<b>Changes in equity in the period of January 1 - Mars 31, 2013</b>						
Total comprehensive income	-	-	-1,978	-172	3,079	929
<b>Total non-owners changes</b>	<b>0</b>	<b>0</b>	<b>-1,978</b>	<b>-172</b>	<b>3,079</b>	<b>929</b>
<b>Transacitions with equity holders of the company</b>						
Share buy-back by parent company (*)	-	-	-	-	-13,608	-13,608
<b>Closing balance Mars 31, 2013</b>	<b>89,372</b>	<b>4,993</b>	<b>-110,007</b>	<b>56</b>	<b>533,738</b>	<b>518,152</b>

(\*)

**Repurchased shares, cancellation of repurchased shares and bonus issue.**

The Annual General Meeting of April 27, 2011 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 let the company 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 Mars 31, 2013 the company has, in accordance with this authorization, repurchased 3 394 375 shares at an average price of 8:35 SEK.

Readers wishing to take part of the complete resolutions of the Annual General Meeting held on April 26, 2012 can download the minutes at the company's website [www.biotage.com](http://www.biotage.com) or order the documents from the company, Biotage AB, Box 8, SE-751 03 Uppsala, Sweden. The website also contains older resolutions regarding the company's shares.

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**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>2013-01-01</b>	<b>2012-01-01</b>	<b>2012-01-01</b>
<b>Amounts in SEK thousands</b>	<b>2013-03-31</b>	<b>2012-03-31</b>	<b>2012-12-31</b>
<b>Operating activities</b>			
Profit/loss before income tax	3,616	9,401	38,316
Adjustments for non-cash items	12,245	12,478	36,546
	<b>15,861</b>	<b>21,879</b>	<b>74,862</b>
Income tax paid	-1,495	-3,768	978
<b>Cash flow from operating activities before changes in working capital</b>	<b>14,366</b>	<b>18,111</b>	<b>75,840</b>
Cash flow from changes in working capital:			
Increase (-)/ decrease (+) in inventories	-1,893	-120	982
Increase (-)/ decrease (+) in trade receivables	835	-8,961	4,806
Increase (-)/ decrease (+) in other current receivables	1,869	-737	-5,659
Increase (+)/ decrease (-) in other liabilities	54	1,898	-8,508
Cash flow from operating activities - continuing operations	<b>15,232</b>	<b>10,191</b>	<b>67,461</b>
Cash flow from operating activities - discontinued operations	-	7,012	7,012
<b>Cash flow from operating activities</b>	<b>15,232</b>	<b>17,203</b>	<b>74,473</b>
<b>Investing activities</b>			
Acquisition of intangible assets	-8,743	-7,818	-29,586
Acquisition of property, plant and equipment	-1,244	-5,230	-10,373
Acquisition of financial assets	-	-42	-300
Acquisitions of companies and product lines	-	-	-
Sale of property, plant and equipment	-	-	-
Sale of financial assets	-	50	261
Cash flow from investing activities - continuing operations	<b>-9,987</b>	<b>-13,040</b>	<b>-39,998</b>
Cash flow from investing activities - discontinued operations	-	-	-
<b>Cash flow from investing activities</b>	<b>-9,987</b>	<b>-13,040</b>	<b>-39,998</b>
<b>Financing activities</b>			
Dividend to shareholders	-	-	-29,302
Buy-back of shares	-13,608	-20,511	-35,249
Repayment of loans	-186	-156	-625
Cash flow from financing activities - continuing operations	<b>-13,793</b>	<b>-20,667</b>	<b>-65,176</b>
Cash flow from financing activities - discontinued operations	-	-	-
<b>Cash flow from financial activities</b>	<b>-13,793</b>	<b>-20,667</b>	<b>-65,176</b>
<b>Cash flow for the period</b>	<b>-8,549</b>	<b>-16,504</b>	<b>-30,701</b>
Cash and cash equivalents opening balance	170,916	204,711	204,711
Exchange differences in liquid assets	-3,277	-2,680	-3,093
<b>Cash and equivalents closing balance</b>	<b>159,090</b>	<b>185,527</b>	<b>170,917</b>
<b>Additional information:</b>			
<i>Adjustments for non-cash items</i>			
Depreciations and impairments	6,988	9,167	28,612
Other items	5,257	3,312	7,934
Total	12,245	12,479	36,546
Interest received	204	914	2,447
Interest paid	-49	-101	-206

**Biotage AB (publ)**  
**Interim report**  
**2013-01-01 -- 2013-03-31**

**INCOMESTATEMENT, PARENT**

	<b>2013-01-01</b>	<b>2012-01-01</b>	<b>2012-01-01</b>
<b>Amounts in SEK thousands</b>	<b>2013-03-31</b>	<b>2012-03-31</b>	<b>2012-12-31</b>
Net sales	<b>597</b>	<b>530</b>	<b>2,117</b>
Administrative expenses	-4,085	-5,986	-22,295
Research and development costs	-488	-224	-1,383
Other operating items	-74	-2,026	-1,883
<i>Operating expenses</i>	<i>-4,647</i>	<i>-8,236</i>	<i>-25,561</i>
<b>Operating profit/loss</b>	<b>-4,050</b>	<b>-7,706</b>	<b>-23,444</b>
<b>Profit/loss from financial investments:</b>			
Interest income from receivables from group companies	46,080	2,494	9,958
Interest expense from liabilities to group companies	-685	-495	-2,200
Result from participations in group companies	-716	-	-10,568
Other interest and similar income	283	829	6,067
Other interest and similar income	-1,845	-1	-2,700
Group contribution received	-	-	35,649
Financial net income	43,117	2,827	36,206
<b>Profit/loss before income tax</b>	<b>39,067</b>	<b>-4,879</b>	<b>12,762</b>
Tax expenses	0	-	2,372
<b>Total profit/loss for the period</b>	<b>39,067</b>	<b>-4,879</b>	<b>15,134</b>

**STATEMENT OF COMPREHENSIVE INCOME, PARENT**

Total profit/loss for the period	39,067	-4,879	15,134
<b>Other comprehensive income:</b>			
Translation differences related to non Swedish subsidiaries	-	-9,672	-13,509
<b>Total comprehensive income, parent</b>	<b>39,067</b>	<b>-14,551</b>	<b>1,625</b>

**Biotage AB (publ)**  
**Interim report**  
**2013-01-01 -- 2013-03-31**

**BALANCE SHEET, PARENT**

Amounts in SEK thousands	2013-03-31	2012-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
<i>Intangible assets</i>		
Patents and licenses	7,711	7,718
<i>Financial assets</i>		
Investments in group companies	481,628	481,728
Receivables from group companies	42,881	7,789
Deferred tax asset	41,733	41,733
	<b>566,242</b>	<b>531,250</b>
<b>Total non-current assets</b>	<b>573,953</b>	<b>538,968</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Receivables from group companies	11,464	11,762
Other receivables	2,890	4,891
Prepaid expenses and accrued income	811	1,399
	<b>15,164</b>	<b>18,051</b>
Cash and cash equivalents	<b>52,434</b>	<b>52,286</b>
<b>Total current assets</b>	<b>67,598</b>	<b>70,337</b>
<b>TOTAL ASSETS</b>	<b>641,550</b>	<b>609,305</b>
<b>EQUITY, PROVISIONS AND LIABILITIES</b>		
<b>Equity</b>		
<i>Restricted equity</i>		
Share capital	89,372	89,372
	<b>89,372</b>	<b>89,372</b>
<i>Unrestricted equity</i>		
Fair value reserve	-66,742	-66,742
Retained earnings	435,521	433,996
Profit/loss for the year	39,067	15,133
	<b>407,847</b>	<b>382,387</b>
<b>Total equity</b>	<b>497,219</b>	<b>471,759</b>
<b>Provisions</b>	<b>24,024</b>	<b>24,024</b>
<b>Current liabilities</b>		
Trade payables	1,031	2,157
Liabilities to group companies	115,719	106,026
Other current liabilities	125	1,273
Accrued expenses and prepaid income	3,432	4,065
	<b>120,307</b>	<b>113,522</b>
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>	<b>641,550</b>	<b>609,305</b>
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, 2013 have not had any effect on the Group's financial reporting, as these have not been relevant to Biotage AB in the current situation.

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 2012. These are described on pp. 34-43 in the Annual Report.

Readers wishing to study the accounting principles presented in the 2012 Annual Report can download this report from Biotage AB's website [www.biotage.com](http://www.biotage.com) or order it from Biotage AB, Box 8, SE-751 03 Uppsala, Sweden, or [info@biotage.com](mailto:info@biotage.com).