

Year-end report

January- December 2013



February 13, 2014

Year-end report for 2013

Fourth quarter October-December 2013

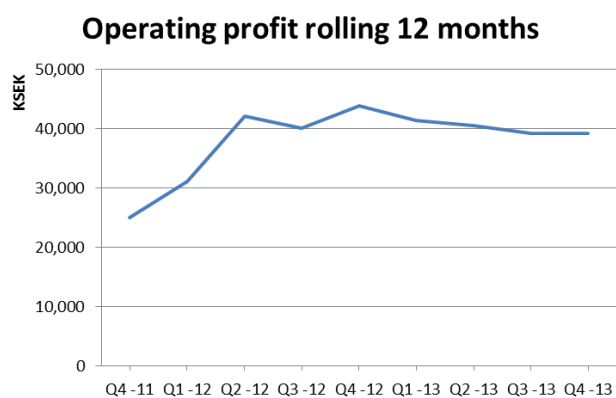
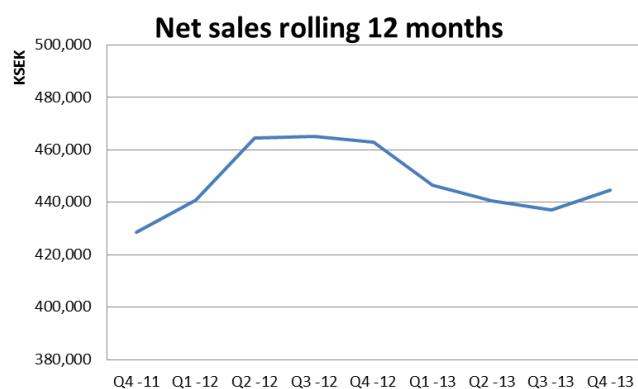
- Group net sales in the fourth quarter 2013 amounted to 121.6 MSEK (113.9), an increase by 7 percent compared to the corresponding period last year. At comparable exchange rates sales increased by 11 percent.
- Operating profit for the quarter amounted to 13.4 MSEK (13.5).
- The result after tax amounted to 18.5 MSEK (13.6).
- Earnings per share amounted to 0.28 SEK (0.19).
- The cash flow from operating activities amounted to 21.1 MSEK (29.9).
- Net cash at December 31 amounted to 85.0 MSEK, compared to 80.5 MSEK at September 30.
- During the quarter 738,924 (1,371,175) own shares were acquired under the repurchasing program resolved at the 2013 Annual General Meeting. At the end of the reported period Biotage had a holding of 5,137,609 (1,782,906) own shares acquired for a total purchasing sum of 46.6 MSEK (14.7).
- After the end of the accounting period another 9,274 (1,523,369) shares have been acquired. Biotage's holding of own shares totals 5,146,883 (3,306,275) shares.
- The board intends to propose to the Annual General Meeting that all repurchased shares are canceled.

Full year January - December 2013

- Group net sales in 2013 amounted to 444.6 MSEK (462.9), a 4 percent decrease compared to last year. At comparable exchange rates sales increased by 2 percent.
- Operating profit amounted to 39.2 MSEK (43.8).
- The result after tax amounted to 41.4 MSEK (38.3).
- Earnings per share amounted to 0.61 SEK (0.52).
- The cash flow from operating activities amounted to 56.8 MSEK (67.5), excluding discontinued operations.
- Net cash at December 31 amounted to 85.0 MSEK, compared to 165.4 MSEK at December 31, 2012.
- Dividends to shareholders were paid in May to a total amount of 34.9 MSEK (29.3).
- Dividends for 2013 are proposed to amount to 0.60 SEK (0.50) per share. According to the dividend policy established by the board Biotage should distribute at least 50 percent of the net profit.

Consolidated financial development in brief

Amounts in SEK millions	4 th quarter Oct-Dec 2013	4 th quarter Oct-Dec 2012	12 months Jan -Dec 2013	12 months Jan-Dec 2012
Net sales	121.6	113.9	444.6	462.9
Cost of sales	-54.8	-45.8	-195.1	-191.5
Gross profit	66.9	68.1	249.6	271.4
Operating expenses	-53.4	-54.6	-210.4	-227.6
Operating profit/loss	13.4	13.5	39.2	43.8
Financial items	3.1	-3.1	1.2	-5.5
Profit/loss before tax	16.5	10.4	40.4	38.3
Tax expenses	2.0	3.2	1.0	0.3
Profit/loss after tax for continuing operations	18.5	13.6	41.4	38.6
Profit/loss after tax for discontinued operations	-	-	-	-0.3
Total profit/loss for the period	18.5	13.6	41.4	38.3
Gross profit margin	55.0%	59.8%	56.1%	58.6%
Operating profit margin	11.1%	11.9%	8.8%	9.5%



Comments by CEO Torben Jörgensen

It's with satisfaction that I look back at the ending of last year. We reported a sales increase by 7 percent for the quarter compared to the corresponding period last year. At comparable exchange rates sales grew by no less than 11 percent. In the full year sales decreased by 4 percent, but at comparable exchange rates they increased by 2 percent. This is quite far from our 8 percent growth target, but in line with the growth in the market in which we operate. *Strategic Directions International*, SDi, October 2013, estimates that the market for separation is growing by 1.9 percent.

Our single biggest product area Purification continues to show healthy growth. The product area is growing by 10 percent. The launch of the combined Flash and Mass detector instrument Isolera™ Dalton is a contributing cause. Isolera Dalton gives Biotage a technological edge that we are consciously trying to use to our advantage when selling in consumables.

The product area Peptide Synthesis continues to develop positively. During the year it has grown by 24 percent. A large part of this growth is attributable to the automated peptide synthesis system Initiator™ Alstra, which was launched at the end of 2012.

In analytical chemistry we have seen a weaker development of instrument sales, while the sales of consumables continue to grow. In 2014 we will launch a new instrument for analytical chemistry, which will help us regain our position as systems supplier in this area.

In 2013 our sales in the product area Industrial Resins decreased as one of our biggest customers made no purchases of a product that is important for Biotage. This customer has now resumed the purchases and we expect that sales to this customer will gradually increase in 2014. In general we have broadened our customer base in Industrial Resins and we expect a favorable development in 2014.

Geographically Europe is developing best. Europe contributed 40 percent of the sales in the fourth quarter and 36 percent in the full year. The US remains the single biggest market with 38 percent of the annual sales. At comparable exchange rates all geographic regions showed growth in the fourth quarter. It is worth noting that our operations in China faced a challenging year with a refocusing from contract research customers to academic and government customers.

The gross margin amounts to 55.0 percent for the quarter and to 56.1 percent for the twelve-month period. Our successful system launches have resulted in an increase in the share of instrument sales, which contributes to a development that is not in line with the gross margin target of 60 percent. In 2013 the unfavorable currency development in Japan and the US has also had a negative influence on our profitability.

Also the outcome for the strategic target that sales of products in analytical and organic chemistry should be about the same size is affected by the system launches in organic chemistry. In 2013 the relation between the product areas was that organic chemistry contributed 55 percent of the sales, analytical chemistry 39 percent and Industrial Resins 6 percent.

Our target is to achieve an operating margin averaging 10 percent. We report an operating margin of 8.8 percent for 2013 and 11.1 for the fourth quarter. I look forward to 2014 with confidence and I am content that we move into 2014 with a good order stock.

Group result, financial position and cash flow

Fourth quarter October – December 2013

Group net sales increased by 7 percent and amounted to 121.6 MSEK, compared to 113.9 MSEK the corresponding period 2012. At comparable exchange rates sales increased by 11 percent. The EU area was the single biggest market with 40 percent of the net sales. The US contributed 36 percent, Japan 13 percent, China 4 percent and the rest of the world 7 percent of the net sales.

The Group's gross margin was 55.0 percent (59.8). Biotage's products are priced in local currency in the major markets. The currency development, above all of USD and JPY in relation to SEK, is the main reason for the decreased gross margin.

The operating expenses amounted to 53.4 MSEK (54.6). Other operating items are primarily composed of currency effects on operations related debts and receivables. The operating profit amounted to 13.4 MSEK (13.5) with an operating margin of 11.1 percent (11.9). Net financial income amounted to 3.1 MSEK (-3.1). Of this sum, 2.9 MSEK (-0.7) relates to currency effects within the Group and other financial items. The result after tax amounted to 18.5 MSEK (13.6).

The investments amounted to 9.3 MSEK (10.5) and the amortizations to 6.6 MSEK (6.8). 7.6 MSEK (8.2) of the investments were capitalized development costs and 4.0 MSEK (4.3) of the amortizations were amortizations of capitalized development costs. The cash flow from operating activities amounted to 21.1 MSEK (29.9).

Full year January – December 2013

Group net sales decreased by 4 percent in 2013 and amounted to 444.6 MSEK (462.9). At comparable exchange rates net sales increased by 2 percent. The US was the biggest single market with 38 percent of the net sales. The EU area contributed 36 percent, Japan 14 percent, China 4 percent and the rest of the world 6 percent of the net sales.

The Group's gross margin amounted to 56.1 percent (58.6). An unfavorable development of currency rates, above all for USD and JPY, had a negative impact on the gross margin for the period. The profitability figure is also influenced by sales volume, variations in product mix, the relative distribution between sales channels, and the geographic mix of the sales.

The operating expenses amounted to 210.4 MSEK (227.6). All functions are contributing to the cost reduction. The operating profit amounted to 39.2 MSEK (43.8) with an operating margin of 8.8 percent (9.5). Net financial income amounted to 1.2 MSEK (-5.5). Of this sum 0.5 MSEK (-4.9) is related to currency effects within the Group and other financial items. The result after tax amounted to 41.4 MSEK (38.3).

The investments amounted to 41.5 MSEK (40.3) and the amortizations to 27.6 MSEK (28.6). 29.5 MSEK (27.9) of the investments were capitalized development costs and 16.0 MSEK (16.3) of the amortizations were amortizations of capitalized development costs. The cash flow from operating activities amounted to 56.8 MSEK (67.5), excluding discontinued operations.

Balance sheet items

At December 31, 2013 the Group's cash and securities amounted to 90.8 MSEK, compared to 170.9 MSEK at December 31, 2012. The Group's interest-bearing liabilities amounted to 5.7 MSEK at the end of the reported period, compared to 5.6 MSEK at December 31, 2012. Net cash at December 31, 2013 thus amounted to 85.0 MSEK, compared to 165.4 at December 31, 2012.

The Group reports a total goodwill of 104.0 MSEK at December 31, 2013, compared to 102.1 MSEK 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. This year's change in reported value is due to currency effects.

Other intangible fixed assets amounted to 126.0 MSEK, compared to 116.3 at December 31, 2012. Of this sum patents and license rights amounted to 37.5 MSEK, compared to 41.0 MSEK at December 31, 2012, and capitalized development costs to 88.4 MSEK, compared to 75.2 MSEK at December 31, 2012. The increase in capitalized development costs is mainly due to major development projects relating to instruments launched during the year and to instruments planned for launch in 2014.

At December 31, 2013 the equity capital amounted to 476.8 MSEK, compared to 530.8 MSEK at December 31, 2012. The change in equity capital is attributable to the year's result, 41.4 MSEK, dividends to the shareholders, -34.9 MSEK, repurchasing of the company's own shares, -60.2 MSEK and cash flow hedges and currency effects at the translation of foreign subsidiaries, -0.3 MSEK.

Repurchasing program

After the resolution at the Annual General Meeting on April 25, 2013, to cancel all 3,394,375 shares repurchased under previous repurchasing programs, the number of shares in Biotage totals 69,861,330. At the end of the reported period Biotage had a holding of 5,137,609 own shares acquired for a total purchase price of 46.6 MSEK, an average of 9.07 per share, under the repurchasing program decided at the 2013 AGM. After the end of the accounting period another 9,274 shares have been acquired, making Biotage's holding of own shares 5,146,883 shares in total. The board intends to propose to the Annual General Meeting that all repurchased shares are canceled in the corresponding manner as in previous years.

Patent dispute in the US

Biotage has, as previously reported, been sued for alleged 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 appellate 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.

Major events after the reported period

There are no major events after the reported period to report.

Human resources

The Group had 290 (290) employees at December 31, 2013 and 292 at September 30, 2013.

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 fourth quarter 2013 the parent company's net income amounted to 0.6 MSEK (0.5). For the full year 2013 net income amounted to 2.4 MSEK (2.1). The parent company's net financial income amounted to 148.2 MSEK (27.7) in the fourth quarter and 195.2 MSEK (36.2) in the full year. Of these sums 146.8 and 189.6 MSEK, respectively, were the results from holdings in group companies, mainly consisting of reversed write-downs of receivables from subsidiaries resulting from inter-company transfer of the production of the product lines RapidTrace® and TurboVap® and group contributions from subsidiaries.

The result after financial items for the fourth quarter was 145.0 MSEK (21.2). For the full year the result after financial items amounted to 178.6 MSEK (12.8). Of this sum 160.3 MSEK refers to reversed write-downs of receivables from subsidiaries. At December 31, 2012 the parent company had receivables classified as investments in foreign operations amounting to 164 MSEK. At December 31, 2013 all these receivables have been settled.

The parent company's investments in intangible fixed assets amounted to 0.6 MSEK (0.4) in the fourth quarter and to 1.4 MSEK (1.4) in the full year.

The parent company's cash and bank balance amounted to 30.1 MSEK at December 31, 2013 and to 52.3 MSEK at December 31, 2012. The change in the parent company's cash and bank balance is mainly attributable to dividends paid to shareholders, repurchasing of own shares, changes in Group dealings and the period's result.

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 2012 Annual Report can download this from Biotage AB's website www.biotage.com or order it from Biotage AB, Box 8, SE-751 03 Uppsala or info@biotage.com.

Reports relating to 2013 and 2014

The interim report for the first quarter 2014 will be issued on April 28, 2014.
The Annual General Meeting will be held on April 28, 2014.
The interim report for the second quarter 2014 will be issued on August 14, 2014.
The interim report for the third quarter 2014 will be issued on October 30, 2014.
The year-end report for 2014 will be issued on February 12, 2015.
The Annual Report for 2013 is planned to be published in week 14 2014.

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

Uppsala February 13, 2014

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 08.30 on February 13, 2014.

About Biotage

Biotage offers efficient separation technologies from analysis to industrial scale and high quality solutions for analytical chemistry from research to commercial analysis laboratories. Biotage's products are used by government authorities, academic institutions, pharmaceutical and food companies, among others. 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 445 MSEK in 2013. Biotage is listed on the NASDAQ OMX Stockholm stock exchange. Website: www.biotage.com

Financial reports in summary

Biotage AB (publ)

Year end report

2013-01-01 -- 2013-12-31

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2013-10-01	2012-10-01	2013-01-01	2012-01-01
Amounts in SEK thousands	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Net sales	121,649	113,941	444,644	462,942
Cost of sales	-54,776	-45,825	-195,061	-191,508
Gross profit	66,872	68,117	249,583	271,434
Distribution costs	-33,702	-34,294	-134,712	-141,865
Administrative expenses	-12,196	-12,422	-42,687	-47,416
Research and development costs	-7,822	-7,729	-33,483	-36,848
Other operating income	290	-154	494	-1,457
Total operating expenses	-53,430	-54,599	-210,388	-227,586
Operating profit/loss	13,443	13,518	39,196	43,848
Financial net income	3,058	-3,108	1,173	-5,531
Profit/loss before income tax	16,501	10,410	40,369	38,317
Tax expenses	1,985	3,207	1,023	308
Profit/loss after tax for continuing operations	18,486	13,618	41,392	38,624
Profit/loss after tax for discontinued operations	-	-	-	-288
Total profit/loss for the period	18,486	13,618	41,392	38,336
Other comprehensive income				
Components that may be reclassified to net income:				
Translation differences related to non Swedish subsidiaries	2,469	460	-236	-7,485
Cash flow hedges	176	-650	-52	632
Total other comprehensive income	2,645	-189	-288	-6,853
Total comprehensive income for the period	21,130	13,428	41,104	31,483

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Year end report
2013-01-01 -- 2013-12-31

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continuing)

	2013-10-01	2012-10-01	2013-01-01	2012-01-01
	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Attributable to parent company's shareholders:				
Total profit/loss for the period	18,486	13,618	41,392	38,336
Attributable to parent company's shareholders:				
Total comprehensive income for the period	21,130	13,428	41,104	31,483
Average shares outstanding (*)	65,084,859	72,227,916	67,375,712	73,258,156
Average shares outstanding after dilution (*)	65,084,859	72,227,916	67,375,712	73,258,156
Shares outstanding at end of reporting period (*)	69,861,330	73,255,705	69,861,330	73,255,705
Total profit/loss for the period per share SEK	0.28	0.19	0.61	0.52
Total profit/loss for the period per share SEK after dilution	0.28	0.19	0.61	0.52
Earnings per share relates to:				
Continuing operations	0.28	0.19	0.61	0.52
Discontinued operations	-	0.00	-	0.00
Total comprehensive income for the period per share SEK	0.32	0.19	0.61	0.43
Total comprehensive income for the period per share after dilution SEK	0.32	0.19	0.61	0.43
(*) Of the numbers of shares outstanding are repurchased as per end of reporting period	5,137,609	1,782,906	5,137,609	1,782,906
Average numbers of shares outstanding are reported excluding numbers shares repurchased.				

Quarterly summary 2013 and 2012	2013	2013	2013	2013	2012	2012	2012	2012
Amounts in KSEK	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net Sales	121,649	103,418	116,344	103,234	113,941	107,134	122,287	119,579
Cost of sales	-54,776	-44,851	-50,489	-44,945	-45,825	-42,532	-51,889	-51,262
Gross profit	66,872	58,567	65,855	58,288	68,117	64,602	70,398	68,317
Gross margin	55.0%	56.6%	56.6%	56.5%	59.8%	60.3%	57.6%	57.1%
Operating expenses	-53,430	-50,957	-53,789	-52,211	-54,599	-55,727	-57,532	-59,729
Operating profit/loss	13,443	7,610	12,066	6,077	13,518	8,875	12,866	8,588
Finansnetto	3,058	-431	1,007	-2,461	-3,108	-3,862	625	813
Profit/loss before income tax	16,501	7,179	13,073	3,616	10,410	5,013	13,491	9,401
Tax expenses	1,985	-260	-165	-537	3,207	-1,345	-304	-1,250
Profit/loss after tax for continuing operations	18,486	6,919	12,908	3,079	13,618	3,669	13,187	8,151
Profit/loss after tax for discontinued operations	-	-	-	-	-	-	-	-288
Total profit/loss for the period	18,486	6,919	12,908	3,079	13,618	3,669	13,187	7,863

Biotage AB (publ)
Year end report
2013-01-01 -- 2013-12-31

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK thousands	2013-12-31	2012-12-31
ASSETS		
Non-Current assets		
Property, plant and equipment	41,608	40,695
Goodwill	104,023	102,054
Other intangible assets	125,964	116,260
Financial assets	1,224	1,205
Deferred tax asset	44,914	41,733
Total non-current assets	317,732	301,946
Current assets		
Inventories	85,887	84,119
Trade and other receivables	97,860	97,092
Cash and cash equivalents	90,769	170,916
Total current assets	274,515	352,128
TOTAL ASSETS	592,247	654,074
EQUITY AND LIABILITIES		
Capital and reserves attributable to equity holders of the parent company		
Share capital	89,423	89,372
Other paid-in capital	4,993	4,993
Reserves	-108,090	-107,801
Retained earnings	490,447	544,266
Total equity	476,774	530,829
Non-current liabilities		
Liabilities to credit institutions	5,293	5,124
Other financial liabilities	19,194	22,642
Deferred tax liability	1,835	1,752
Non-current provisions	1,202	1,537
Total non-current liabilities	27,523	31,055
Current liabilities		
Trade and others liabilities	81,767	88,268
Other financial liabilities	3,217	1,382
Tax liabilities	1,307	1,354
Liabilities to credit institutions	444	434
Current provisions	1,214	752
Total current liabilities	87,950	92,190
TOTAL EQUITY AND LIABILITIES	592,247	654,074

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Year end report
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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, 2012	89,194	4,993	-100,544	-404	570,659	563,898
Changes in equity in the period of January 1 - September 30, 2012						
Total comprehensive income	-	-	-7,945	1,282	24,719	18,055
Total non-owners changes	-	-	-7,945	1,282	24,719	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	1
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	541,953	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	544,267	530,829
Changes in equity in the period of January 1 - September 30, 2013						
Total comprehensive income	-	-	-2,705	-228	22,906	19,974
Total non-owners changes	0	0	-2,705	-228	22,906	19,973
Transactions with equity holders of the company						
Cancellation of treasury shares (*)	-4,141	-	-	-	4,141	0
Increase of share capital without the issue of new shares, bonus issue (*)	4,192	-	-	-	-4,192	0
Dividend to shareholders of the parent company	-	-	-	-	-34,931	-34,931
Share buy-back by parent company (*)	-	-	-	-	-52,836	-52,836
Closing balance September 30, 2013	89,423	4,993	-110,734	0	479,355	463,037
Changes in equity in the period of October 1, - December 31, 2013						
Total comprehensive income	-	-	2,469	176	18,486	21,130
Total non-owners changes	-	-	2,469	176	18,486	21,130
Transactions with equity holders of the company						
Share buy-back by parent company (*)	-	-	-	-	-7,394	-7,394
Closing balance December 31, 2013	89,423	4,993	-108,266	176	490,447	476,774

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

The Annual General Meeting of April 26, 2012 resolved to authorize the Board to carry out a new repurchasing program comprising a maximum of 10 percent of the company's outstanding shares. At the time of the Annual General Meeting of April 25, 2013 the company had in accordance with the authorization repurchased 3,394,375 shares at an average share price of 8.35 SEK.

In accordance with the proposal of the Board, the Annual General Meeting 2013 resolved that the repurchase shares should be cancelled. The company's share capital therefore decreased by 4,141 KSEK. At the same time it was decided that the company's share capital should be increased by 4,192 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 89,422,502 SEK and the number of outstanding shares 69,861,330.

The Annual General Meeting also resolved to authorize the Board to continue to let the company repurchase shares up until the Annual General Meeting 2014, 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, 2013, the company has, in accordance with this authorization, repurchased 5,137,609 shares at an average price of 9.07 SEK.

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2013-01-01 -- 2013-12-31

CONSOLIDATED STATEMENT OF CASH FLOWS

	2013-10-01	2012-10-01	2013-01-01	2012-01-01
Amounts in SEK thousands	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Operating activities				
Profit/loss before income tax	16,501	10,410	40,369	38,316
Adjustments for non-cash items	6,063	6,589	32,460	36,546
	22,564	16,999	72,829	74,862
Income tax paid	619	2,940	-4,319	978
Cash flow from operating activities before changes in working capital	23,183	19,940	68,510	75,840
Cash flow from changes in working capital:				
Increase (-)/ decrease (+) in inventories	2,480	1,546	-2,755	982
Increase (-)/ decrease (+) in trade receivables	-8,984	6,182	-9,507	4,806
Increase (-)/ decrease (+) in other current receivables	-606	1,269	8,099	-5,659
Increase (+)/ decrease (-) in other liabilities	5,048	997	-7,592	-8,508
Cash flow from operating activities - continuing operations	21,121	29,934	56,757	67,461
Cash flow from operating activities - discontinued operations	-	-	-	7,012
Cash flow from operating activities	21,121	29,934	56,757	74,473
Investing activities				
Acquisition of intangible assets	-8,885	-8,519	-32,513	-29,586
Acquisition of property, plant and equipment	-452	-1,897	-8,815	-10,373
Acquisition of financial assets	0	-39	-144	-300
Acquisitions of companies and product lines	-	-	-	-
Sale of property, plant and equipment	-	-	-	-
Sale of financial assets	-	66	0	261
Cash flow from investing activities - continuing operations	-9,337	-10,389	-41,471	-39,998
Cash flow from financing activities - discontinued operations	-	-	-	-
Cash flow from investing activities	-9,337	-10,389	-41,471	-39,998
Financing activities				
Dividend to shareholders	0	-	-34,931	-29,302
Buy-back of shares	-7,394	-11,303	-60,230	-35,249
Repayment of loans	-113	-152	66	-625
Cash flow from financing activities - continuing operations	-7,507	-11,456	-95,095	-65,176
Cash flow from financing activities - discontinued operations	-	-	-	-
Cash flow from financial activities	-7,507	-11,456	-95,095	-65,176
Cash flow for the period	4,276	8,089	-79,810	-30,701
Cash and cash equivalents opening balance	86,231	162,817	170,917	204,711
Exchange differences in liquid assets	262	10	-337	-3,093
Cash and equivalents closing balance	90,769	170,916	90,769	170,917
Additional information:				
<i>Adjustments for non-cash items</i>				
Depreciations and impairments	9,597	6,757	30,609	28,612
Other items	-3,534	-168	1,851	7,934
Total	6,063	6,589	32,460	36,546
Interest received	216	392	1,084	2,447
Interest paid	-55	-41	-437	-206

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INCOME STATEMENT, PARENT

	2013-10-01	2012-10-01	2013-01-01	2012-01-01
Amounts in SEK thousands	2013-12-31	2012-12-31	2013-12-31	2012-12-31
Net sales	607	524	2,405	2,117
Administrative expenses	-3,386	-5,331	-17,170	-22,295
Research and development costs	-278	-305	-1,699	-1,383
Other operating items	-104	-1,425	-148	-1,883
<i>Operating expenses</i>	<i>-3,768</i>	<i>-7,061</i>	<i>-19,016</i>	<i>-25,561</i>
Operating profit/loss	-3,162	-6,537	-16,611	-23,444

Profit/loss from financial investments:

Interest income from receivables from group companies	-311	2,825	7,424	9,958
Interest expense from liabilities to group companies	-778	-732	-2,927	-2,200
Result from participations in group companies	110,816	-13,290	153,633	-10,568
Other interest and similar income	161	4,429	915	6,067
Other interest and similar income	2,329	-1,173	251	-2,700
Group contribution received	35,954	35,649	35,954	35,649
Financial net income	148,172	27,706	195,249	36,206
Profit/loss before income tax	145,010	21,170	178,638	12,762
Tax expenses	3,181	2,297	3,181	2,372
Total profit/loss for the period	148,191	23,466	181,819	15,134

STATEMENT OF COMPREHENSIVE INCOME, PARENT

Total profit/loss for the period	148,191	23,466	181,819	15,133
Other comprehensive income:				
Translation differences related to non Swedish subsidiaries	1,114	-2,838	687	-13,509
Total comprehensive income, parent	149,306	20,628	182,506	1,625

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BALANCE SHEET, PARENT

Amounts in SEK thousands	2013-12-31	2012-12-31
ASSETS		
Non-current assets		
<i>Intangible assets</i>		
Patents and licenses	7,986	7,718
<i>Financial assets</i>		
Investments in group companies	481,628	481,728
Receivables from group companies	36,529	7,789
Deferred tax asset	44,914	41,733
	563,071	531,250
Total non-current assets	571,057	538,968
Current assets		
<i>Current receivables</i>		
Receivables from group companies	46,266	11,762
Other receivables	474	4,891
Prepaid expenses and accrued income	1,297	1,399
	48,037	18,051
Cash and cash equivalents	30,112	52,286
Total current assets	78,149	70,337
TOTAL ASSETS	649,206	609,305
EQUITY, PROVISIONS AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	89,423	89,372
	89,423	89,372
<i>Unrestricted equity</i>		
Fair value reserve	-66,055	-66,742
Retained earnings	353,918	433,996
Profit/loss for the year	181,819	15,133
	469,682	382,387
Total equity	559,104	471,759
Provisions	19,194	22,642
Current liabilities		
Other financial liabilities	3,217	1,382
Trade payables	824	2,157
Liabilities to group companies	63,556	106,026
Other current liabilities	106	1,273
Accrued expenses and prepaid income	3,205	4,065
	70,908	114,904
TOTAL EQUITY, PROVISIONS AND LIABILITIES	649,206	609,305
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 and new standards and interpretations from IASB and IFRS Interpretations Committee which have come into effect and apply to the fiscal year 2013 have not had any effect on the Group's financial reporting besides increased disclosure requirements.

The changes in IAS 1 Presentation of Financial Statements have resulted in items in other total result being grouped in two categories: a) items which will not be allocated to the result and b) items which will be allocated to the result if certain criteria are met.

The new standard IFRS 13 *Fair Value Measurement* is applicable at fair value measurements of financial as well as non-financial items. IFRS 13 has been applied future-oriented from January 1 2013, but has not had any influence on the figures reported. IFRS 13 requires that quantitative and qualitative information on fair value measurements is presented in the annual report. As a result of the new standard, the disclosure requirements in IAS 34 *Interim Reporting* have also been extended with requirements that interim reports shall include specific information concerning financial instruments reported at fair value. The change in IAS 34 also means that information shall be given in the annual report concerning the fair value of financial instruments reported as accrued acquisition value. See below.

Fair value

Biotage has a financial debt concerning additional purchase sums in connection with acquired operations which has been measured as fair value allocated to the result. The additional purchase sums, relating to the acquisition of MIP Technologies AB, are based on the distribution of gross profit applying to certain areas and may be paid until the end of 2015. The agreement with the sellers does not stipulate a maximum sum, as there is considerable uncertainty about the future outcome. Calculations of fair value are based on level 3 in the fair value hierarchy, which means that fair value has been established according to a valuation model where essential inputs are based on unobservable data. The measurement has been made based on expected future cash flows.

Financial debt measured at fair value	2013-12-31	2012-12-31
Additional purchase sum, long-term part	19,194	22,642
Additional purchase sum, short-term part	3,217	1,382
Total	22,411	24,024

The change in financial debt in 2013 is presented below:

Opening value January 1, 2013	24,024
Profit/loss reported as result	0
Adjusted during the year	-1,614
Value carried forward December 31, 2013	22,411

Other financial assets and financial debts are measured according to accrued acquisition value and the value reported for these is considered to be a good approximation of fair value.

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 or order it from Biotage AB, Box 8, SE-751 03 Uppsala, Sweden, or info@biotage.com.