Active Biotech AB
Interim report
January – June 2012

- **Laquinimod — application submitted for regulatory approval in the EU resulting in milestone payment of USD 5 M during third quarter 2012**
  — a Phase III study will be initiated in the US
- **TASQ — milestone payment of EUR 10 M received from Ipsen in connection with meeting patient enrolment target for Phase III study**
  — overall survival data from Phase II study presented
- **ANYARA — Phase III trial continuing according to plan**
- **57-57 — a clinical trial in systemic sclerosis/scleroderma in progress**
- **ISI — project proceeding as planned**
- **The organization has been adapted to the company's new direction**
- **Net sales: SEK 96.6 M (228.8)**
- **Operating loss: SEK 120.6 M (profit: 70.6)**
- **Loss after tax: SEK 123.5 M (profit: 77.7)**
- **Loss per share for the period: SEK 1.79 (earnings: 1.14)**

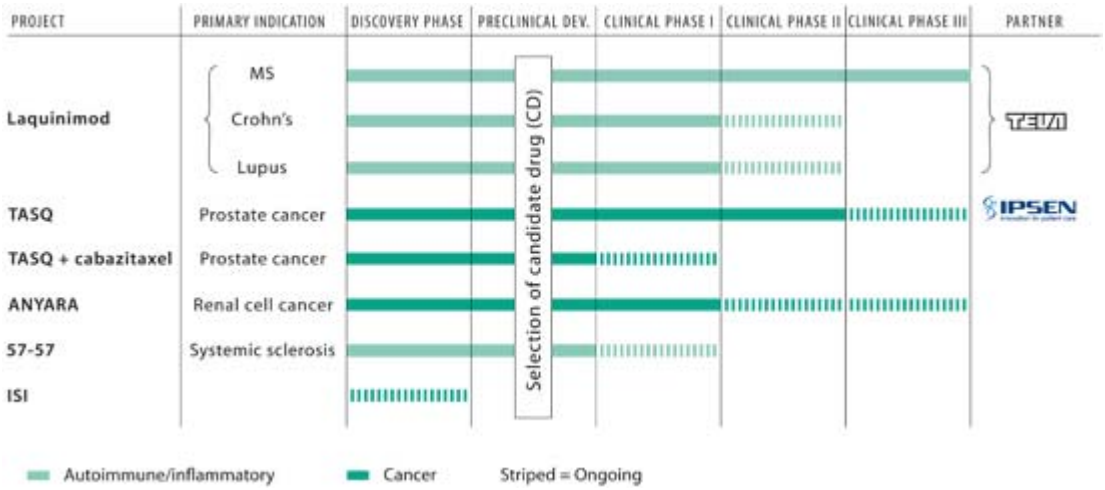
For further information, please contact:

Tomas Leanderson
President and CEO
Tel: +46 (0)46 19 20 95

Hans Kolam
CFO
Tel: +46 (0)46 19 20 44

This report is also available at www.activebiotech.com

Active Biotech AB
(Corp. Reg. No. 556223-9227)
PO Box 724, SE-220 07 Lund
Tel: +46 (0)46 19 20 00
Fax: +46 (0)46 19 11 00



Laquinimod – a novel oral immunomodulatory compound for the treatment of autoimmune diseases

Laquinimod is a quinoline compound under development for the treatment of such diseases as multiple sclerosis (MS). Active Biotech has an agreement with the Israeli pharmaceutical company Teva Pharmaceutical Industries Ltd (June 2004) covering the development and commercialization of laquinimod. New data was presented in September 2009 showing that laquinimod has both neuroprotective and anti-inflammatory properties. In December 2010, positive results from the Phase III ALLEGRO study were presented. Laquinimod met the primary endpoint of reducing the annualized relapse rate and significantly slowed progression of disability. On August 1, 2011, the initial results were announced from the second Phase III BRAVO study. The BRAVO findings support the direct effect of laquinimod in the central nervous system (CNS) and are in line with the results of the first laquinimod Phase III trial, ALLEGRO. In November 2011, Teva announced that, following discussions with the FDA, it had decided to carry out one additional further clinical study prior to filing an NDA in the US.

– In April 2012, clinical Phase III data that further strengthens the oral candidate drug laquinimod's potential for the treatment of RRMS was presented at the 64th Annual Meeting of the American Academy of Neurology (AAN) in New Orleans, in the US. A combined analysis of the data from the ALLEGRO and BRAVO studies demonstrates that laquinimod significantly reduces annualized relapse rates (21.4 percent reduction, p=0.0005), decreases the risk of confirmed disability progression measured by EDSS after three months (34.2 percent, p=0.0017) and reduces brain tissue loss (brain atrophy) (30 percent, p<0.001). Even when more stringent criteria (six-month data) were used in the analysis, laquinimod showed a significant reduction in the risk of confirmed disability progression (46 percent, p<0.001). Laquinimod's favorable safety and tolerability profile was confirmed in the combined analysis and no new risks or safety concerns emerged.

– The clinical Phase II trials for the treatment of Crohn's disease, Lupus nephritis and Lupus arthritis are continuing according to plan. The clinical Phase II studies in Crohn's disease and Lupus nephritis are fully enrolled.

TASQ – an immunomodulatory, anti-metastatic substance for the treatment of prostate cancer

The development of TASQ (tasquinimod) is principally focused on the treatment of prostate cancer. Tasquinimod is an immunomodulatory, anti-metastatic substance that attacks the tumor's growth through, for example, inhibiting the formation of blood vessels in the tumor. It was announced in December 2009 that the primary endpoint of the Phase II study, to show a higher fraction of patients with no disease progression during the six-month period of treatment using tasquinimod, had been attained. In April 2011, Active Biotech and Ipsen (Euronext: IPN; ADR: IPSEY) entered a broad partnership for the co-development and commercialization of Active Biotech's compound, TASQ. Under the terms of the agreement, Active Biotech granted Ipsen exclusive rights to commercialize TASQ worldwide, except for North and South America and Japan, where Active Biotech retains all

commercial and marketing rights. Both companies will co-develop TASQ for the treatment of castrate-resistant prostate cancer (CRPC), with the possibility of developing TASQ in other cancer indications.

– On June 4, 2012, overall survival (OS) data was presented at ASCO (American Society of Clinical Oncology) from the tasquinimod Phase II study in chemotherapy-naïve metastatic castrate-resistant prostate cancer (CRPC). The intention-to-treat analysis showed median OS times of 33.4 vs. 30.4 months (p= 0.49, hazard ratio (HR) 0.87, 95 percent CI 0.59-1.29, ITT) in favor of tasquinimod, longer than previously reported in this metastatic prostate cancer population.

A stronger trend for survival benefit was observed in patients with bone metastases; median OS was 34.2 vs. 27.1 months (p=0.19, HR 0.73, 95 percent CI 0.46-1.17). This Phase II clinical trial was designed to test the safety and efficacy of tasquinimod. One noteworthy result was that 41 patients (61 percent) crossed over from placebo to tasquinimod (mean time to crossover approximately five months).

There were also imbalances in baseline prognostic factor in favor of the placebo arm. These were addressed with a multivariate analysis of known CRPC prognostic factors, which demonstrated a statistically significant OS advantage for tasquinimod-treated patients with a hazard ratio of 0.64 (95 percent CI 0.42-0.97, p=0.034), a decrease of approximately 40 percent in the instantaneous risk of event (death), accompanied by improvement in progression-free survival (HR 0.52, 95 percent CI 0.35-0.78, p=0.001).

– On May 21, 2012, it was announced that recruitment to the global, pivotal, randomized, double-blind, placebo-controlled Phase III study of tasquinimod in patients with metastatic CRPC has reached an inclusion of 600 patients, half of the planned accrual. This triggered a EUR 10 M milestone payment from Ipsen to Active Biotech. The aim of the Phase III study is to confirm TASQ's efficacy on the disease, with radiological progression-free survival (PFS) as the primary endpoint and overall survival (OS) as secondary endpoint. The study will include about 1,200 patients in more than 250 centers. Recruitment is proceeding according to plan with top line results expected by the end of 2013.

ANYARA – fusion protein for immunological treatment of renal cell cancer
ANYARA is a TTS (Tumor Targeting Superantigen) compound that makes the treatment of cancer tumor-specific. The development of ANYARA is mainly focused on renal cell cancer. Positive data was reported in connection with the interim analysis in Phase II/III and from clinical Phase I trials in lung cancer, renal cell cancer and pancreatic cancer. The median survival of 26.2 months observed for patients with advanced renal cell cancer and treated with ANYARA is twice the expected length. In July 2009, the results from two Phase I studies of ANYARA were published in the Journal of Clinical Oncology, *where ANYARA was studied both as a single agent (monotherapy) and in combination with an established tumor therapy – docetaxel (Taxotere®) – in patients with advanced cancer. The results showed that ANYARA was well tolerated both as monotherapy and in combination with docetaxel. A pivotal Phase III trial in patients with advanced renal cell cancer is currently under way. The Phase III trial has been fully enrolled since June 2009 and includes a total of approximately 500 patients at about 50 clinics in Europe. ANYARA has been granted orphan-drug status by the EMA for the indication renal cell cancer. Information concerning the ongoing clinical trial is available at www.activebiotech.com and www.clinicaltrials.gov.*

– The ongoing Phase III study is evaluating the effect of ANYARA in combination with interferon-alpha, compared with interferon-alpha alone, in patients with advanced renal cell cancer. The primary clinical efficacy parameter is survival and will be read after 384 registered events (deaths). It is expected that it will be possible to present the results in late 2012.

57-57 – novel oral immunomodulatory compound for the treatment of systemic sclerosis/ scleroderma
57-57 is a quinoline compound primarily intended for the treatment of systemic sclerosis/ scleroderma. This rare disease is classified as an "orphan drug indication." In February 2011, the 57-57 project was granted orphan medicinal product status in Europe for the indication Systemic Sclerosis. The EMA's "Orphan Medicinal Product Designation" is implemented to promote the

development of drugs that may provide significant benefit to patients suffering from rare diseases identified as life-threatening or chronically debilitating. Under EMA guidelines, Orphan Medicinal Product Designation provides ten years of potential market exclusivity if the product candidate is approved for marketing in the European Union.

– An explorative clinical study in systemic sclerosis/scleroderma has been initiated and will include about ten patients. The primary endpoint of the study is safety, with the secondary endpoints including the effect on selected biomarkers.

ISI (Inhibition of S100 interactions) – preclinical project based on the mode of action of quinoline compounds

Active Biotech is conducting a research project aimed at utilizing the company's own preclinical results that were generated with respect to a target molecule for the quinoline (Q) compounds and their biological mode of action. The results of a target molecule for the Q compounds were published in PLoS Biology (Volume 7, Issue 4, pp. 800-812) in April 2009. The study shows that Q compounds bind to a molecule called S100A9, which is expressed in white blood cells involved in the regulation of immune responses. Furthermore, it is shown that S100A9 interacts with two known pro-inflammatory receptors (Toll-like receptor 4 (TLR4) and receptor of advanced glycation end products (RAGE)) and that this interaction is inhibited by Q compounds. The project aims at producing new, patentable chemical substances that interact with the target molecule of the Q compounds.

– The project is proceeding according to plan. Efforts are centered on building up a strong patent portfolio around the compounds that interact with S100 proteins. When this goal has been achieved, a decision will be taken on a clinical development strategy and selection of the first candidate drug (CD) is planned for 2013/2014.

RhuDex® – a novel oral compound for the treatment of rheumatoid arthritis

In the project covering Active Biotech's patented CD80 antagonists, the RhuDex candidate drug is under development for the treatment of rheumatoid arthritis (RA). In April 2002, Active Biotech entered a licensing agreement with Avidex Ltd, now a wholly owned subsidiary of the German biotechnology company MediGene AG, according to which MediGene has the exclusive rights to develop CD80 antagonists and market products in which these compounds are included. Two Phase I trials have already been successfully concluded in which the RhuDex candidate drug was studied with respect to its safety, tolerability and pharmacokinetic properties in healthy volunteers.

– On June 21, 2012, MediGene presented positive results from a clinical formulation study. MediGene plans to initiate a Phase II clinical study in the indication primary biliary cirrhosis (PBC) by year-end 2012 in order to verify both the mode of action and the overall clinical profile of RhuDex® for the treatment of autoimmune diseases. The study results are expected to provide a basis for further development in rheumatoid arthritis. For more information and the most up-to-date news concerning RhuDex, visit www.medigene.com.

Events after the end of the period

Laquinimod

One July 17, 2012, Active Biotech announced that its partner Teva Pharmaceutical Industries Ltd. (NYSE: TEVA) had submitted a marketing authorization application (MAA) for laquinimod for the treatment of multiple sclerosis (MS) to the European Medicines Agency (EMA). Submission of the application triggered a milestone payment of USD 5 M from Teva to Active Biotech. If the application is successful, laquinimod could be approved by year-end 2013.

On August 8, 2012, Active Biotech and Teva announced that, following a written agreement reached with the U.S. Food and Drug Administration (FDA) on a Special Protocol Assessment (SPA), a third Phase III study of laquinimod in MS patients will be initiated.

The third Phase III laquinimod trial CONCERTO will evaluate two doses of the investigational product (0.6mg and 1.2mg) in approximately 1,800 patients for up to 24 months. The primary outcome

measure will be confirmed disability progression as measured by the Expanded Disability Status Scale (EDSS).

TASQ
In July 2012, the independent Data and Safety Monitoring Board (DSMB), which is monitoring the ongoing Phase III trial, recommended that the study continue in accordance with the protocol since no safety-related issues were noted.

Financial information

Comments on the Group's results for the period January-June 2012

Net sales for the period amounted to SEK 96.6 M (228.8), including a milestone payment from Ipsen Pharma totaling SEK 91.6 M and service and rental revenues of SEK 5.0 M (5.6). Net sales for the year-earlier period included a payment of SEK 223.2 M from Ipsen Pharma in conjunction with the signing of the development and partnership agreement for TASQ.

The operation's research and administration expenses totaled SEK 217.2 M (158.2), of which research expenses accounted for SEK 209.2 M (148.5). The increase in expenses was entirely attributable to the cost for the ongoing Phase III trials of TASQ for the treatment of prostate cancer and a provision, totaling SEK 9.5 M, to cover costs associated with the decision made during the period to reduce the number of employees. The clinical Phase III trial for TASQ which is expected to be fully enrolled by year-end 2012, will include approximately 1,200 patients in more than 250 clinics in 40 countries. According to the partnership agreement with Ipsen Pharma, Active Biotech will receive clinical, regulatory and commercial milestone payments on fulfillment of defined goals. Provided that these milestones are met, the Phase III trial will be financed in full by Ipsen. The cost development of the other projects – the Phase III trial for the ANYARA renal cell cancer project, the explorative study for the 57-57 project and the preclinical research project ISI – only had a marginal impact on the cost increase between the years. The out-licensed projects, laquinimod and RhuDex, are financed by the relevant partners.

The operating loss for the period amounted to SEK 120.6 M (profit: 70.6). The decline in earnings compared with the year-earlier period was attributable to lower income the current year and increased costs for the ongoing clinical Phase III study for TASQ as the number of clinics and patients in the study has increased. Administration expenses totaled SEK 8.0 M (9.7). Net financial expense for the period amounted to SEK 4.2 M (income: 5.9) and the net loss was SEK 123.5 M (profit: 77.7).

Cash flow, liquidity and financial position
Cash and cash equivalents at the end of the period amounted to SEK 383.7 M, compared with SEK 465.2 M at the end of 2011.

Cash flow for the period was a negative SEK 81.5 M (pos: 470.2), of which cash flow from operating activities accounted for a negative SEK 77.5 M (pos: 83.2). Cash flow from financing activities totaled a negative SEK 4.0 M (pos: 387.2). In the year-earlier period, the combination of a private placement and the exercise of employee stock options generated proceeds totaling SEK 389.6 M.

Investments
Investments in tangible fixed assets amounted to SEK 0.0 M (0.3).

Comments on the Parent Company's results and financial position
Net sales for the period amounted to SEK 101.3 M (233.9) and operating expenses totaled SEK 232.9 M (174.2). The Parent Company's operating loss for the period was SEK 131.6 M (profit: 59.8).

Net financial expense amounted to SEK 0.3 M (income: 9.3) and the loss after financial items was SEK 131.9 M (profit: 69.1).

Cash and cash equivalents, including short-term investments, totaled SEK 376.1 M at the end of the period, compared with SEK 456.6 M on January 1, 2012.

Share capital
Consolidated shareholders' equity at the end of the period amounted to SEK 382.2 M, compared with SEK 502.0 M at year-end 2011. The number of shares outstanding at the end of the period totaled 68,923,582.

At the end of the period, the equity/assets ratio for the Group was 49.3 percent, compared with 58.5 percent at year-end 2011. The corresponding figures for the Parent Company, Active Biotech AB, were 75.1 percent and 84.7 percent, respectively.

Organization
The average number of employees was 78 (81), of which the number of employees in the research and development organization accounted for 63 (66). At the end of the period, the Group had 77 employees, compared with 79 at year-end 2011. Consultations with trade unions concerning workforce reductions were concluded in June and 19 employees will leave the company. The employees who have received employment termination notices will leave their positions gradually during the course of the year.

Outlook, including significant risks and uncertainties
A vital factor for Active Biotech's long-term financial strength and stability is the company's ability to develop pharmaceutical projects to the point at which partnership agreements can be entered into and the partner can assume responsibility for future development and commercialization of the project. During this development phase, the value of projects is expected to increase. The development of partnership agreements already signed and the addition of new agreements are assumed to have a significant impact on future revenues and cash balances. The Board of Directors is of the opinion that existing cash and cash equivalents, as well as income from already signed and expected partnership agreements, will safeguard financing under current plans.

A research company such as Active Biotech is characterized by a high operational and financial risk, since the projects in which the company is involved are at the clinical phase, where a number of factors have an impact on the likelihood of commercial success. In brief, the operation is associated with risks related to such factors as pharmaceutical development, competition, advances in technology, patents, regulatory requirements, capital requirements, currencies and interest rates. Since no significant changes took place with regard to risks and uncertainties during the period, refer to the detailed account of these factors presented in the Directors' Report in the 2011 Annual Report.

Consolidated profit and loss	**April - June**		**January - June**		**Full year**
SEK M	**2012**	**2011**	**2012**	**2011**	**2011**
Net sales	**94.0**	**226.1**	**96.6**	**228.8**	**234.6**
Administrative expenses	-4.2	-4.4	-8.0	-9.7	-16.9
Research and development costs	-109.7	-80.1	-209.2	-148.5	-318.6
Operating profit/loss	**-19.9**	**141.5**	**-120.6**	**70.6**	**-100.9**
Net financial items	-5.3	4.3	-4.2	5.9	-2.6
Profit/loss before tax	**-25.1**	**145.8**	**-124.8**	**76.5**	**-103.5**
Tax	0.6	1.2	1.3	1.2	9.0
Net profit/loss for the period	**-24.5**	**147.0**	**-123.5**	**77.7**	**-94.5**
Comprehensive loss attributable to:					
Parent Company shareholders	-24.5	147.0	-123.5	77.7	-94.5
Non-controlling interests	–	–	–	–	–
Net profit/loss for the period	**-24.5**	**147.0**	**-123.5**	**77.7**	**-94.5**
Comprehensive profit/loss per share before dilution (SEK)	-0.36	2.14	-1.79	1.14	-1.38
Comprehensive profit/loss per share after dilution (SEK)	-0.36	2.14	-1.79	1.14	-1.38

Statement of consolidated comprehensive income

Net profit/loss for the period	-24.5	147.0	-123.5	77.7	-94.5
Other comprehensive income					
Change in revaluation reserve	1.8	4.1	3.6	3.6	32.2
Taxes attributable to other comprehensive income	-0.5	-1.1	-0.9	-0.9	-8.5
Total comprehensive profit/loss for the period	**-23.2**	**150.1**	**-120.8**	**80.4**	**-70.8**
Total other comprehensive profit/loss for the period attributable to:					
Parent Company shareholders	-23.2	150.1	-120.8	80.4	-70.8
Non-controlling interests	–	–	–	–	–
Total comprehensive profit/loss for the period	**-23.2**	**150.1**	**-120.8**	**80.4**	**-70.8**
Depreciation/amortization included in the amount of	3.2	3.0	6.4	6.0	12.0
Investments in tangible fixed assets	0.0	0.1	0.0	0.3	0.5
Weighted number of outstanding common shares before dilution (000s)	68 924	68 831	68 924	68 265	68 597
Weighted number of outstanding common shares after dilution (000s)	68 924	68 831	68 924	68 265	68 597
Number of shares at close of the period (000s)	68 924	68 924	68 924	68 924	68 924
Outstanding warrants (000s)	–	–	–	–	–
- entitlement to number of shares after full exercise (000s)	–	–	–	–	–

Consolidated statement of financial position	**June 30**		**Dec. 31**
SEK M	**2012**	**2011**	**2011**
Tangible fixed assets	382.5	358.2	382.7
Long-term receivables	0.0	0.0	0.0
Total fixed assets	**382.5**	**358.2**	**382.7**
Current receivables	9.2	12.3	10.7
Cash and cash equivalents	383.7	601.3	465.2
Total current assets	**392.9**	**613.6**	**475.9**
Total assets	**775.4**	**971.8**	**858.5**
Shareholders equity	382.2	652.5	502.0
Long-term liabilities	231.9	240.1	234.8
Current liabilities	161.4	79.2	121.7
Total shareholders equity and liabilities	**775.4**	**971.8**	**858.5**
Consolidated statement of changes in shareholders equity			
Opening balance	502.0	181.8	181.8
Transfer from revaluation reserve	1.0	0.7	1.5
New share issue	–	389.6	389.6
Net loss for the period	-120.8	80.4	-70.8
Balance at close of period	**382.2**	**652.5**	**502.0**

Condensed consolidated cash-flow statement	**January - June**		**Full Year**
SEK M	**2012**	**2011**	**2011**
Loss after financial items	**-124.8**	**76.5**	**-103.5**
Adjustment for non-cash items, etc.	6.4	6.0	12.0
Cash flow from operating activities before changes in working capital	**-118.4**	**82.5**	**-91.6**
Changes in working capital	40.9	0.7	44.6
Cash flow from operating activities	**-77.5**	**83.2**	**-47.0**
Investments in tangible fixed assets	0.0	-0.3	-0.5
Cash flow from investing activities	**0.0**	**-0.3**	**-0.5**
New share issue	–	389.6	389.6
Loans raised/amortization of loan liabilities	-4.0	-2.4	-8.1
Cash flow from financing activities	**-4.0**	**387.2**	**381.5**
Cash flow for the period	**-81.5**	**470.2**	**334.0**
Opening cash and cash equivalents	**465.2**	**131.1**	**131.1**
Closing cash and cash equivalents	**383.7**	**601.3**	**465.2**

	June 30		**Dec. 31**
Key figures	**2012**	**2011**	**2011**
Shareholders equity, SEK M	382.2	652.5	502.0
Equity per share, SEK	5.54	9.47	7.28
Equity/assets ratio in the Parent Company	75.1%	91.9%	84.7%
Equity/assets ratio in the Group	49.3%	67.1%	58.5%
Average number of annual employees	78	81	80

Consolidated profit and loss by quarter										
	2010				2011					2012
SEK M	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net sales	**2.8**	**3.4**	**2.3**	**2.9**	**2.7**	**226.1**	**2.6**	**3.3**	**2.6**	**94.0**
Administrative expenses	-4.6	-7.1	-4.0	-7.3	-5.3	-4.4	-3.2	-4.0	-3.8	-4.2
Research and development costs	-49.1	-47.6	-45.6	-74.9	-68.3	-80.1	-76.2	-93.9	-99.4	-109.7
Operating profit/loss	**-51.0**	**-51.4**	**-47.3**	**-79.3**	**-70.9**	**141.5**	**-76.8**	**-94.7**	**-100.7**	**-19.9**
Net financial items	-2.5	-3.3	-1.2	2.4	1.6	4.3	-2.8	-5.7	1.0	-5.3
Profit/loss before tax	**-53.5**	**-54.8**	**-48.5**	**-76.8**	**-69.3**	**145.8**	**-79.6**	**-100.4**	**-99.6**	**-25.1**
Tax	-	-	-	12.6	-	1.2	0.6	7.2	0.6	0.6
Net profit/loss for the period	**-53.5**	**-54.8**	**-48.5**	**-64.3**	**-69.3**	**147.0**	**-79.0**	**-93.2**	**-99.0**	**-24.5**

Active Biotech Parent Company - Income Statement, condensed	April - June		January - June		Full year
SEK M	2012	2011	2012	2011	2011
Net sales	**95.9**	**228.3**	**101.3**	**233.9**	**244.3**
Administration expenses	-8.5	-3.7	-16.6	-9.5	-25.8
Research and development costs	-113.3	-88.9	-216.3	-164.7	-343.6
Operating profit/loss	**-25.9**	**135.8**	**-131.6**	**59.8**	**-125.1**
Profit/loss from financial items:					
Interest income and similar income-statement items	1.9	9.1	3.9	10.6	11.8
Interest expense and similar income-statement items	-3.6	-0.8	-4.2	-1.3	0.0
Profit/loss after financial items	**-27.7**	**144.0**	**-131.9**	**69.1**	**-113.3**
Tax	–	–	–	–	–
Net profit/loss for the period	**-27.7**	**144.0**	**-131.9**	**69.1**	**-113.3**
Statement of comprehensive income parent company					
Net profit/loss for the period	-27.7	144.0	-131.9	69.1	-113.3
Other comprehensive income	–	–	–	–	–
Total comprehensive profit/loss for the period	**-27.7**	**144.0**	**-131.9**	**69.1**	**-113.3**

Active Biotech Parent Company - Balance sheet, condensed	June 30		Dec. 31
SEK M	2012	2011	2011
Goodwill	137.3	153.4	145.3
Tangible fixed assets	1.2	1.2	1.3
Financial fixed assets	40.6	40.6	40.6
Total fixed assets	**179.0**	**195.1**	**187.2**
Current receivables	20.7	22.6	22.6
Short-term investments	227.1	369.3	313.7
Cash and bank balances	149.0	225.2	142.9
Total current assets	**396.7**	**617.1**	**479.2**
Total assets	**575.7**	**812.2**	**666.4**
Shareholders equity	432.4	746.8	564.3
Current liabilities	143.3	65.5	102.0
Total equity and liabilities	**575.7**	**812.2**	**666.4**

Any errors in additions are attributable to rounding of figures

Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting and applicable parts of the Annual Accounts Act. The interim report of the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act. For the Group and the Parent Company, the same accounting policies and accounting estimates and assumptions were applied to this interim report as were used in the preparation of the most recent annual report.

Legal disclaimer

This financial report includes statements that are forward-looking and actual results may differ materially from those anticipated. In addition to the factors discussed, other factors that can affect results are developments in research programs, including clinical trials, the impact of competing research programs, the effect of economic conditions, the effectiveness of the company's intellectual patent protection, obstacles due to technological development, exchange-rate and interest-rate fluctuations, and political risks.

Financial calendar
Interim report, January–September 2012: November 9, 2012
Year-end report 2012: February 14, 2013

The reports will be available from these dates at www.activebiotech.com.

Lund, August 10, 2012
Active Biotech AB (publ)

Mats Arnhög	Peter Hofvenstam	Klas Kärre	Mef Nilbert
Chairman	*Board member*	*Board member*	*Board member*

Magnhild Sandberg-Wollheim	Peter Sjöstrand	Peter Thelin
Board member	*Board member*	*Board member*

Karin Hallbeck	Anette Sundstedt
Employee rep/Board member	*Employee rep/Board member*

Tomas Leanderson
President and CEO

This interim report is unaudited.

Active Biotech AB *(NASDAQ OMX NORDIC: ACTI) is a biotechnology company with focus on autoimmune/inflammatory diseases and cancer. Projects in pivotal phase are laquinimod, an orally administered small molecule with unique immunomodulatory properties for the treatment of multiple sclerosis, TASQ for prostate cancer and ANYARA primarily for the treatment of renal cell cancer. In addition, laquinimod is in Phase II development for Crohn's and Lupus. The company also has one additional project in clinical development, the orally administered compound 57-57 for Systemic Sclerosis. Please visit www.activebiotech.com for more information.*

Active Biotech is obligated to publish the information contained in this interim report in accordance with the Swedish Securities Market Act. This information was provided to the media for publication on August l0, 2012, at 8:30 a.m.