KARO BIO

PRESS RELEASE

EXTRAORDINARY GENERAL MEETING IN KARO BIO

STOCKHOLM, April 27, 2012 – Karo Bio AB (publ). At the Extraordinary General Meeting in Karo Bio the following resolutions were made.

1. The General Meeting resolved to approve the Board's proposal that the company shall not enter into liquidation.

2. Resolution regarding amendment of the Articles of Association
2a The limits for the share capital
The General Meeting resolved that the §4 of the Articles of Association shall have the following wording. The share capital shall be no less than SEK 7,000,000 and no more than SEK 28,000,000.The number of shares shall be no less than 150 000 000 and no more than 600 000 000.

2b Reduction of the share capital
The General Meeting further resolved that the comapny's share capital is reduced with an amount of SEK 185,790,707, to cover part of the losses, and that the reduction is effectuated without the retirement of shares to the effect that the quota value of the share after the reduction will amount to SEK 0,02 and the share capital to SEK7,741,279.

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About Karo Bio
Karo Bio is a pharmaceutical company focused on the research and development of innovative drugs for large medical needs. The company runs a number of drug development projects within the indication areas neuropsychiatry, inflammation, autoimmune diseases, cancer and women's health. An important foundation for the company's activities is its unique knowledge of nuclear receptors as target proteins for the development of novel pharmaceuticals, as well as related mechanisms of action. Karo Bio is based in Huddinge, Sweden, has around 52 employees and is listed on NASDAQ OMX Stockholm since 1998 (Reuters:KARO.ST).

Karo Bio publishes this information in accordance with the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was published on April 27, 2012, at 5pm CET.

This press release is also available online at www.karobio.com and www.newsroom.cision.com.