

Interim report

January-September 2009



October 27, 2009

Third quarter 2009

- Net sales decreased by 2 percent to 90.6 MSEK (92.3). At comparable exchange rates sales decreased by 13 percent.
- The operating result amounted to 2.0 MSEK (7.0).
- The result after tax amounted to 1.4 MSEK (6.6).
- Earnings per share amounted to 0.01 SEK (0.14).
- Net cash at September 30, 2009 amounted to 326.6 MSEK.
- As a part of Biotage's buy-back program 158,779 own shares were repurchased at a total value of 1.1 MSEK, i.e. an average share price of 6.93 SEK.
- The cash flow from operating activities amounted to 4.5 MSEK (13.0).

January - September 2009

- Net sales increased by 7 percent to 294.6 MSEK (276.3). At comparable exchange rates sales decreased by 11 percent.
- The operating result amounted to -13.7 MSEK (10.8). Before restructuring costs the operating result amounted to 7.5 MSEK (10.8).
- The result after tax amounted to -14.5 MSEK (8.8).
- Earnings per share amounted to -0.16 SEK (0.38).
- Net cash at September 30, 2009 amounted to 326.6 MSEK.
- Dividends to shareholders have been paid to the amount of 17.7 MSEK.
- As a part of Biotage's buy-back program 158,779 own shares were repurchased at a total value of 1.1 MSEK.
- The cash flow from operating activities amounted to 21.2 MSEK (10.2).

Group result development in brief

Amounts in MSEK	3 rd quarter 2009	3 rd quarter 2008	Jan-Sep 2009	Jan-Sep 2008	Full year 2008	Oct, 1 2008- Sep 30, 2009
Net sales	90.6	92.3	294.6	276.3	385.3	403.6
Cost of goods sold	<u>-39.4</u>	<u>-38.6</u>	<u>-123.4</u>	<u>-114.4</u>	<u>-160.8</u>	<u>-169.8</u>
Gross profit	51.2	53.7	171.2	161.9	224.5	233.8
Operating expenses	<u>-49.2</u>	<u>-46.8</u>	<u>-184.9</u>	<u>-151.1</u>	<u>-202.0</u>	<u>-235.8</u>
Operating profit/loss	2.0	7.0	-13.7	10.8	22.5	-2.0
Financial items	<u>-0.3</u>	<u>0.2</u>	<u>0.4</u>	<u>-1.3</u>	<u>5.2</u>	<u>7.0</u>
Profit/loss before tax	1.8	7.1	-13.2	9.5	27.7	4.9
Tax expenses	<u>-0.4</u>	<u>-0.5</u>	<u>-1.3</u>	<u>-0.7</u>	<u>3.5</u>	<u>2.9</u>
Profit/loss after tax for continuing operations	1.4	6.6	-14.5	8.8	31.2	7.9
Profit/loss after tax for discontinued operations	<u>-0.2</u>	<u>6.2</u>	<u>-0.1</u>	<u>25.2</u>	<u>267.9</u>	<u>242.7</u>
Total profit/loss for the period	1.2	12.8	-14.6	33.9	299.1	250.5

Comments by CEO Torben Jörgensen

Also in the third quarter a decreased demand for scientific instruments and accessories affected the market in large parts of the industry where Biotage operates. It is primarily pharmaceutical and biotech companies that continue to show low activity. There are, however, some positive signs for the future in the form of fewer lay-offs and fewer terminations of research activities among our customers. The start of the fourth quarter also indicates an improved trade outlook, with an increase in the activities of the bigger pharmaceutical companies. Biotage's initiative in the academic sector continues to develop positively, as do the sales of consumables.

It is encouraging that the company, despite the weak economy with decreasing sales and substantial additional costs due to the ongoing patent dispute in the US, still can report a profit also in the third quarter.

The implementation of the structural changes that were decided at the beginning of the year has been completed. The operations at the company's plant in Charlottesville, Virginia, USA, have now been closed down. The production has been relocated to contract manufacturers and to Biotage's own plant in Cardiff, Wales. The sales and marketing company for the North American market has now been established in Charlotte, North Carolina. Now that these changes have been carried out the company should have a significantly more favorable cost structure and less capital bound.

The legal process in the US concerning the lawsuit against Biotage for alleged patent infringement continues. There is currently no reason to reappraise the initial analysis of Biotage's actual position. We continue to believe that we have a strong position and that the opposite party lacks support for the alleged patent infringement. The third quarter is charged with costs for the patent process to the amount of 2.6 MSEK.

As part of the previously decided buy-back program 158,779 own shares have been repurchased at a total value of 1.1 MSEK, i.e. an average share price of 6.93 SEK. Biotage can decide, based on decision at the Annual General Meeting, on the acquisition and sale of the company's own shares, so that

Biotage's total holding of own shares amounts to a maximum of 10 percent (8 848 632 shares) of the total number of the company's shares.

Biotage continues to have a strong financial position with net cash amounting to 327 MSEK. In the third quarter the work aimed at finding suitable candidates for cooperation agreements or acquisitions was further intensified.

Group result, financial position and cash flow

Third quarter 2009

Group net sales amounted to 90.6 MSEK, compared to 92.3 MSEK the third quarter 2008, a decrease by 2 percent. At comparable exchange rates sales decreased by 13 percent.

The US was the biggest single market with 40 percent of the net sales. The EU area contributed 38 percent and the rest of the world 22 percent.

The Group's gross margin was 56.5 percent (58.2). The gross margin has decreased as a result of product mix changes. The high margin instruments have had a negative sales development. The positive effects of the restructuring of the production have only partially influenced the outcome. Increased price competition and non-recurring costs relating to a major deal have affected the gross margin negatively.

The operating expenses, which were negatively affected by exchange rate changes by 10 percent, amounted to 49.2 MSEK (46.8). The increased administration costs are explained by changed allocation of overhead costs and by legal costs due to the patent dispute (2.6 MSEK).

The operating profit amounted to 2.0 MSEK (7.0).

Net financial income amounted -0.3 MSEK (0.2).

The result after tax amounted to 1.4 MSEK (6.6).

Effective July 1, 2009, the company classifies certain receivables from group companies as part of net investments in operations abroad. The reason is that they are not planned to be settled within the foreseeable future. According to IAS 21:32-33, exchange rate differences that occur regarding such a monetary item should be reported in the report of other total result. In the third quarter as well as in the period January – September other total result has been charged with exchange rate differences amounting to -7,6 MSEK.

The investments amounted to 11.5 MSEK (3.6) and amortizations to 7.5 MSEK (7.5). Of these sums, 4.8 MSEK (1.8) were capitalized development costs and 4.1 MSEK (3.7) were amortizations of capitalized development costs.

The cash flow from operating activities amounted to 4.5 MSEK (13,0).

January - September 2009

Group net sales amounted to 294.6 MSEK, compared to 276.3 MSEK the same period 2008, an increase by 7 percent. At comparable exchange rates sales decreased by 11 percent.

The US was the biggest single market, with 41 percent of the net sales. The EU area contributed 39 percent and the rest of the world 20 percent.

The Group's gross margin was 58.1 percent (58.6). Changes in the Group's product mix, with a decrease in high margin instruments, and increased price competition have contributed to a lower gross margin.

The operating expenses, which were negatively affected by exchange rate changes by 12 percent, amounted to 184.9 MSEK (151.1). Here an allocation for restructuring costs for the closing of the production plant in the US and consolidation of the operations in the UK amounting to a total of 21.2 MSEK is included. The increased administration costs are explained by changed accounting principles for the allocation of overhead costs and by increased legal costs due to the patent dispute (3.1 MSEK).

The operating profit before estimated restructuring costs amounted to 7.5 MSEK (10.8). Including estimated restructuring costs the operating result was -13.7 MSEK (10.8).

Net financial income amounted to 0.4 MSEK (-1.3).

The result after tax amounted to -14.5 MSEK (8.8).

The investments amounted to 31.1 MSEK (20.6) and the amortizations to 24.5 MSEK (19.6). Of these sums 17.9 MSEK (13.9) were capitalized development costs and 12.3 MSEK (7.3) were amortizations of capitalized development costs.

The cash flow from operating activities amounted to 21.3 MSEK (10.2).

Balance sheet items

At September 30, 2009 the Group's cash and securities totaled 374.5 MSEK, compared to 405.0 MSEK at December 31, 2008. Granted, unutilized credits amounted to 64.8 MSEK, compared to 73.6 MSEK at December 31, 2008. The Group's interest-bearing liabilities amounted to 47.9 MSEK, compared to 46.9 MSEK at December 31, 2008. Dividends to shareholders to the amount of 17.7 MSEK were paid in the second quarter. Own shares in the parent company were repurchased for 1.1 MSEK.

The Group reports a total goodwill of 467.1 (487.2) MSEK at September 30, 2009. This is attributable to the acquisitions of Personal Chemistry and Biotage LLC in 2003 and the acquisitions of Argonaut and Separtis in 2005. This year's change is due to currency effects. At the preparation of the Group's annual accounts Biotage will, as in previous years, make an assessment of the possible need for a write-down of the goodwill item. (See also Annual Report 2008.)

Other intangible assets in the form of patents and license rights amounted to 13.4 MSEK (16.3) and capitalized development costs to 50.0 MSEK (44.4).

At September 30, 2009 the equity capital amounted to 1,062.2 MSEK, compared to 1,124.8 MSEK at December 31, 2008.

Divested business

In the third quarter the result after tax for divested business amounted to -0.2 MSEK (6.2) and in the period January – September to -0.1 MSEK (25.2). The result relates to the Biosystems business area, which was divested in the fourth quarter 2008.

Biotage plans to divest the real estate that the company owns in Charlottesville and this asset has therefore been classified as an asset held for sale on the statement of financial position.

Major events

Patent dispute in the US

Biotage has, together with the wholly owned subsidiaries Biotage GB Ltd och Biotage LLC, been sued for patent infringement in the U.S. District court for the Southern District of California. The lawsuit has been filed by Scientific Plastic Products, Inc. and concerns the US patents numbers 7,138,061 7,381,327 and 7,410,571, each entitled "Flash Chromatography Cartridge". The lawsuit primarily concerns Biotage's sales of the SNAP product line in the US.

The legal process is ongoing and there is currently no reason to reappraise the initial analysis of Biotage's actual position. Biotage believes that the company has a strong position and that the other party lacks support for the alleged patent infringement.

Biotage has filed an application to the US Patent and Trademark Office applying for re-examination of all patent demands in the three patents mentioned above. At the same time Biotage submitted a request that the infringement case in the court should be declared resting awaiting the outcome of the re-examination proceedings.

The court has approved Biotage's request and declared the infringement case resting. The US Patent and Trademark Office has officially accepted the three requested re-examinations of the patents in question.

Decision to repurchase own shares

At the Annual General Meeting held on April 27, 2009 the board was authorized, up until the next AGM at the longest, to decide on the acquisition and sale of the company's own shares, so that Biotage's total holding of own shares amounts to a maximum of 10 percent (8 848 632 shares) of the total number of the company's shares. The purpose of the buy-back program was to enable the board to adjust and improve the capital structure and thereby create increased shareholder value. Repurchases of shares have been made at the Nasdaq OMX Stockholm exchange at a price within the price interval at the time recorded. In the third quarter 158,779 shares were repurchased at a value of 1.1 MSEK. The average share price at repurchase was 6.93 SEK. No shares have been resold and the company thus owned 158,779 own shares at September 30, 2009.

Human resources

At September 30, 2009 the Group had 257 employees, compared to 292 at the start of the year. The decrease is mainly attributable to the restructuring of the US operations.

Parent company

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

In the third quarter 2009, the parent company's net income amounted to 1.5 MSEK (2.1). In the period January - September the net income amounted to 4.6 MSEK (6.2).

A profit after financial items amounting to 13.5 MSEK (9.6) is reported for the third quarter. In the first nine months profit after financial items amounted to 18.7 MSEK (13.6).

The parent company's investments in intangible fixed assets during the third quarter amounted to 0.1 MSEK (0.4). In the period January – September the investments in intangible fixed assets totaled 0.8 MSEK (1.4). At September 30, 2009 the parent company's cash and bank balance and short-term investments amounted to 346.6 MSEK, compared to 357.0 MSEK at December 31, 2008.

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 2008.

Readers wishing to study the risks and uncertainties reported in the 2008 Annual Report can download this report from Biotage AB's website www.biotage.com or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala or info@biotage.com.

Next reports

The year-end report for 2009 will be issued on February 11, 2010.

The interim report for the first quarter 2010 will be issued on April 29, 2010.

The Annual General Meeting will be held on April 29, 2010.

Uppsala October 27, 2009

Torben Jörgensen
President and CEO

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This is information that Biotage AB (publ) is required to disclose pursuant to the Swedish Securities Markets Act. The information was provided for public release on 27 October 2009 at 8.30 CET

About Biotage

Biotage offers solutions, knowledge and experience in the areas of analytical chemistry and medicinal chemistry. The customers include the world's largest pharmaceutical and biotech companies, and leading academic institutes. The company is headquartered in Uppsala and has subsidiaries in the US, UK and Japan. Biotage has 270 employees and had sales of 385.3 MSEK in 2008. Biotage is listed on the NASDAQ OMX Nordic Stockholm stock exchange. Website: www.biotage.com

AUDITORS' REPORT

To the Board of Directors of Biotage AB
Reg no. 556539-3138

Introduction

We have reviewed this report for the period 2009-01-01 – 2009-09-30 for Biotage AB. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410 *Review of Interim Report Performed by the Independent Auditor of the company* issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Auditing Standard in Sweden (RS) and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with the Swedish Annual Accounts Act.

Stockholm 27 October 2009

Deloitte AB

Marcus Sörlander
Authorised Public Accountant

Accounting principles

The Group interim report has been prepared in accordance with IAS 34 Interim Reporting and the Swedish Accounting Act. The interim report for the parent company has been prepared in accordance with the regulations of the Swedish Accounting Act.

A great number of changes in existing standards, new interpretation statements and a new standard (IFRS 8) came into effect on January 1, 2009. As far as Biotage is concerned, the following issued standards and interpretation statements which have come into effect on January 1, 2009 have been considered relevant for the preparation of this interim report and its accounting principles:

- o IAS 1: Presentation of Financial Statements

The change in this standard means that the income statement shall now also contain items that were previously reported directly against equity. Excepted are transactions with the company's owners, which also in the future normally shall be reported against equity. But items such as gains and losses arising from translating the statements of foreign operations and cash flow hedges shall be reported in the total result for the period. Biotage has chosen to present the Group's total result in a statement containing the period's result (after tax) and other total result. Furthermore, the equity statement shows transactions with the company's owner disclosed.

The changes in IAS 1 also mean that the statements in the financial reports have new designations. Income statement is now called "Statement of comprehensive income", Balance sheet is called "Statement of financial position", Equity statement is called "Statement of changes in equity", and Cash flow statement is called "Statement of cash flows". Even though IAS 1 permits companies to continue using the previous designations, Biotage has chosen to introduce the new designations starting in this interim report.

- o IFRS 8: Operating segments

This standard is based on the premise that segment information shall be presented from the perspective of company management. Biotage's segment information in the financial reports was already before based on the information supplied to the chief executive officer (the president). In the financial reports issued in 2008 the Group's business was presented in three segments: "Biosystems", "Discovery Chemistry" and "Other Operations". In the fourth quarter 2008 the Biosystems segment was divested. After the buyer took possession on October 2, 2008, the Group's remaining operations comprise only Discovery Chemistry. The joint functions for the business areas, in the previous segment reporting designated "Other operations", thus no longer exist. No operating segments can now be defined according to the criteria in IFRS 8 and the internal reporting to the CEO is done in unified form for the Group's companies.

In all other respects the accounting principles applied in this interim report agree with the accounting and valuation principles applied in the preparation of the Group's latest Annual Report, described on pp. 30-41 and 46-47 in the 2008 Annual Report.

Readers wishing to study the accounting principles presented in the 2008 Annual Report can download this report from Biotage AB's website www.biotage.com or order it from Biotage AB, Kungsgatan 76, SE-753 18 Uppsala, or at info@biotage.com.

Biotage AB (publ)

Interim report

2009-01-01 – 2009-09-30

STATEMENTS OF COMPREHENSIVE INCOME

Amounts in KSEK	2009-07-01	2008-07-01	2009-01-01	2008-01-01	2008-01-01	2008-10-01
	2009-09-30	2008-09-30	2009-09-30	2008-09-30	2008-12-31	2009-09-30
Net sales	90,602	92,308	294,605	276,345	385,295	403,554
Cost of goods sold	-39,426	-38,597	-123,378	-114,412	-160,838	-169,804
Gross profit	51,176	53,711	171,227	161,933	224,457	233,751
Selling costs	-30,100	-36,528	-100,627	-102,000	-142,266	-140,893
Administrative expenses	-14,939	-8,799	-45,392	-29,496	-40,753	-56,648
Research and development costs	-7,844	-9,013	-24,519	-23,358	-34,646	-35,806
Other operating income/expenses	3,728	7,583	6,774	3,742	15,702	18,734
Restructuring costs	-	-	-21,154	-	-	-21,154
Operating expenses	-49,154	-46,756	-184,917	-151,112	-201,962	-235,768
Operating profit/loss	2,022	6,955	-13,691	10,821	22,495	-2,017
Financial net income	-253	152	444	-1,340	5,177	6,960
Profit/loss before income tax	1,769	7,107	-13,247	9,481	27,672	4,943
Tax expenses	-385	-522	-1,272	-704	3,498	2,929
Profit/loss after tax for continuing operations	1,384	6,584	-14,519	8,778	31,170	7,873
Profit/loss after tax for discontinued operations	-152	6,172	-66	25,165	267,884	242,653
Total profit/loss for the period	1,232	12,756	-14,585	33,943	299,054	250,526
Other comprehensive income						
Translation differences related to non Swedish subsidiaries	-38,435	28,204	-32,024	6,645	29,240	-9,414
Change in hedging reserve	-267	120	2,783	460	-582	1,741
Other comprehensive income		173	-	977	822	-155
Total other comprehensive income	-38,703	28,497	-29,241	8,083	29,480	-7,828
Total comprehensive income for the period	-37,471	41,252	-43,827	42,026	328,534	242,697

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STATEMENTS OF COMPREHENSIVE INCOME (continued)

	2009-07-01	2008-07-01	2009-01-01	2008-01-01	2008-01-01	2008-10-01
	2009-09-30	2008-09-30	2009-09-30	2008-09-30	2008-12-31	2009-09-30
Attributable to parent company's shareholders:						
Total profit/loss for the period	1,232	12,756	-14,585	33,943	299,054	250,526
Total comprehensive income for the period	-37,471	41,252	-43,827	42,026	328,534	242,697
Average shares outstanding	88,469,886	88,486,320	88,480,842	88,486,320	88,486,320	88,482,212
Average shares outstanding after dilution	88,469,886	88,630,046	88,480,842	88,643,913	88,541,030	88,502,818
Shares outstanding at closing day	88,327,541	88,486,320	88,327,541	88,486,320	88,486,320	88,327,541
Total profit/loss for the period per share SEK	0.01	0.14	-0.16	0.38	0.35	0.09
Total profit/loss for the period per share SEK after dilution	0.01	0.14	-0.16	0.38	0.35	0.09
Total comprehensive income for the period per share SEK	-0.42	0.47	-0.50	0.47	3.71	2.74
Total comprehensive income for the period per share after dilution SEK	-0.42	0.47	-0.50	0.47	3.71	2.74

Quarterly summary 2009 and 2008	2009	2009	2009	2008	2008	2008	2008
Amounts in KSEK	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Net Sales	90,602	104,411	99,591	108,950	92,308	95,092	88,945
Cost of goods sold	-39,426	-41,002	-42,951	-46,426	-38,597	-40,998	-34,817
Gross profit	51,176	63,410	56,641	62,524	53,711	54,094	54,128
Gross margin	56.5%	60.7%	57.4%	57.4%	58.2%	58.2%	60.9%
Operating expenses	-49,154	-59,739	-76,024	-50,850	-46,756	-51,411	-52,944
Operating profit/loss	2,022	3,671	-19,384	11,674	6,955	2,683	1,184
Financial net income	-253	2,683	-1,986	6,516	152	-738	-754
Profit/loss before income tax	1,769	6,354	-21,370	18,190	7,107	1,944	430
Tax expenses	-385	-610	-277	4,201	-522	-157	-24
Profit/loss after tax for continuing operations	1,384	5,744	-21,647	22,392	6,584	1,787	407
Profit/loss after tax for discontinued operations	-152	-263	349	242,719	6,172	6,220	12,774
Total profit/loss for the period	1,232	5,480	-21,298	265,111	12,756	8,007	13,180

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STATEMENTS OF FINANCIAL POSITION

Amounts in KSEK	2009-09-30	2008-12-31
ASSETS		
Fixed assets		
Tangible assets	41 827	80 978
Goodwill	467 135	487 227
Other intangible assets	63 377	60 731
Financial assets	1 782	1 754
Deferred tax recoverable	42 570	42 570
Total fixed assets	616 691	673 260
Current assets		
Inventory	92 719	104 224
Account receivable and other receivables	96 751	100 498
Liquid funds	374 459	404 991
Total current assets	563 929	609 713
Total assets for continuing operations	1 180 619	1 282 973
Assets held for sale	38 095	16 039
TOTAL ASSETS	1 218 714	1 299 012
EQUITY AND LIABILITIES		
Capital and reserves attributable to shareholders in parent company		
Share capital	88 486	88 486
Other contributed capital	4 993	847 173
Reserves	-73 160	-43 920
Profit/loss carried forward	1 041 851	233 054
Total equity	1 062 170	1 124 793
Long term liabilities		
Liabilities to credit institutions	7 620	8 065
Provisions of a long-term nature	3 304	3 351
Total long term liabilities	10 923	11 416
Current liabilities		
Accounts payable and other liabilities	82 600	95 360
Tax liabilities	2 013	1 869
Liabilities to credit institutions	11 895	38 829
Provisions of a short-term nature	20 742	5 977
Total current liabilities	117 250	142 036
Total equity and liabilities for continuing operations	1 190 343	1 278 245
Liabilities for assets held for sale	28 371	20 767
TOTAL EQUITY AND LIABILITIES	1 218 714	1 299 012

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STATEMENTS OF CASH FLOW

	2009-07-01	2008-07-01	2009-01-01	2008-01-01	2008-01-01	2008-10-01
Amounts in KSEK	2009-09-30	2008-09-30	2009-09-30	2008-09-30	2008-12-31	2009-09-30
Operating activities						
Profit/loss after financial items	1,769	7,107	-13,247	9,481	27,672	4,943
Adjustments for items not included in the cash flow	3,649	7,115	37,796	20,360	21,291	38,728
	5,418	14,222	24,549	29,842	48,963	43,671
Tax paid	-385	-522	-1,272	-704	-1,494	-2,062
Cash flow from operating activities before changes in working capital	5,033	13,699	23,277	29,138	47,469	41,609
Cash flow from change in working capital:						
Increase (-)/ decrease (+) of inventories	4,393	-1,407	4,044	-6,059	-5,900	4,202
Increase (-)/ decrease (+) of account receivables	-3,989	4,303	1,677	5,413	9,833	6,097
Increase (-)/ decrease (+) of other current receivables	-8,553	-5,763	-1,568	-4,211	-6,996	-4,354
Increase (+)/ decrease (-) of other liabilities	7,637	2,187	-6,155	-14,077	10,088	18,010
Cash flow from operating activities for continuing operations	4,521	13,020	21,274	10,204	54,493	65,563
Cash flow from operating activities for discontinued operations	436	7,173	-3,455	27,867	34,244	2,922
Cash flow from operating activities	4,957	20,193	17,818	38,071	88,737	68,486
Investing activities						
Acquisition of intangible fixed assets	-4,977	-2,049	-18,697	-14,890	-17,849	-21,656
Acquisition of tangible fixed assets	-6,444	-1,505	-12,278	-5,572	-6,611	-13,316
Acquisition of financial assets	-108	-17	-166	-193	-300	-273
Cash flow from investing activities for continuing operations	-11,529	-3,571	-31,141	-20,638	-24,743	-35,246
Cash flow from investing activities for discontinued operations	-	-1,159	-	-9,173	344,012	353,186
Cash flow from investing activities	-11,529	-4,730	-31,141	-29,812	319,269	317,940
Financial activities						
Dividend to shareholders	-	-	-17,697	-	-	-17,697
Acquired own shares	-1,100	-	-1,100	-	-	-1,100
Borrowing	-	-	5,123	-	4,006	9,129
Amortization of loan liabilities	-3,846	-11,960	-454	-17,287	-39,897	-23,064
Cash flow from financial activities for continuing operations	-4,945	-11,960	-14,128	-17,287	-35,891	-32,732
Cash flow from financial activities for discontinued operations	-	-	-	0	-	0
Cash flow from financial activities	-4,945	-11,960	-14,128	-17,287	-35,891	-32,732
Cash flow during period	-11,518	3,503	-27,451	-9,028	372,116	353,694
Cash and liquid assets at beginning of period	390,461	18,365	404,991	31,017	31,017	22,387
Exchange differences in liquid assets	-4,484	520	-3,081	398	1,857	-1,622
Cash and liquid assets at end of period	374,459	22,387	374,459	22,387	404,991	374,459
Additional information:						
<i>Adjustments for items not included in the cash flow</i>						
Depreciations and write-downs	7,498	7,497	24,456	19,615	32,332	37,173
Change in restructuring reserve	-3,503	-	15,590	-	-	15,590
Other items	-345	-382	-2,249	745	-11,041	-14,035
Sum	3,649	7,115	37,796	20,360	21,291	38,728
Interest received	321	36	2,323	133	4,112	6,302
Interest paid	-574	-965	-1,879	-2,860	-3,828	-4,482

STATEMENTS OF CHANGES IN EQUITY

Amounts in KSEK	Share capital	Other paid-in capital	Accumulated translation differences	Hedging-reserve	Profit/loss carried forward	Total equity
Opening balance January 1, 2008	88,486	1,513,992	-72,117	-460	-733,636	796,265
Changes in 2008:						
Net income for the year 2008	-	817	29,240	-582	299,054	328,529
Sum of changes in 2008, exclusive of transactions with company owners	0	817	29,240	-582	299,054	328,528
Transactions with company owners						
Appropriation according to decision of the annual meeting	-	-667,636	-	-	667,636	0
Closing balance at December 31, 2008	88,486	847,173	-42,877	-1,042	233,053	1,124,793
Changes in 2009:						
Total comprehensive income for the period jan-sep	-	-	-32,024	2,783	-14,585	-43,827
Sum of changes in 2009, exclusive of transactions with company owners	0	0	-32,024	2,783	-14,585	-43,827
Transactions with company owners						
Dividend to shareholders					-17,697	-17,697
Acquired own shares (note 1)					-1,100	-1,100
Amount carried over from reserve fund as per the decision of extraordinary general meeting registered by the Swedish Companies Registration Office on February 10, 2009	-	-842,180	-	-	842,180	0
Closing balance September 30, 2009	88,486	4,993	-74,901	1,741	1,041,851	1,062,170

note 1: Acquired own shares

At the Annual General Meeting held on April 27, 2009 the board was authorized to decide on the acquisition and sale of the company's own shares. The shares acquired may not exceed 10 percent of the total number of the company's shares.

In accordance with this authorization, the company in August and September 2009 has acquired a total of 158 779 shares at an average purchase price of SEK 6:93 including brokerage commissions.

INCOME STATEMENTS FOR THE PARENT COMPANY

Amounts in KSEK	2009-07-01	2008-07-01	2009-01-01	2008-01-01	2008-01-01	2008-10-01
	2009-09-30	2008-09-30	2009-09-30	2008-09-30	2008-12-31	2009-09-30
Net sales	1,548	2,179	4,591	6,159	6,159	4,591
Administrative expenses	-5,411	-3,884	-13,748	-12,748	-16,043	-17,043
Research and development costs	-430	-695	-1,903	-2,850	-3,928	-2,981
Other operating net income	939	3,018	1,784	4,368	28,491	25,907
<i>Operating expenses</i>	-4,901	-1,561	-13,867	-11,230	8,519	5,883
Operating profit/loss	-3,353	619	-9,276	-5,072	14,677	10,473
Profit/loss from financial investments:						
Interest income from receivables from group companies	2,722	4,027	12,292	11,365	16,058	16,984
Interest expenses from liabilities to group companies	-454	-479	-1,424	-1,550	-2,021	-1,895
Result from participations in group companies	15,000	-	15,000	-	-96,781	-81,781
Profit and loss from other securities and receivables that are long term financial assets	-	-	-	5,092	40,679	35,587
Interest income and similar income items	304	-	2,296	-	2,711	5,022
Interest expenses and similar expense items	-11	-1	-19	-35	-20	-19
Translation differences on intra-group receivables	-746	5,472	0	3,754	16,083	12,329
Finance net	16,816	9,018	28,144	18,627	-23,292	-13,775
Profit/loss before income tax	13,463	9,637	18,868	13,555	-8,614	-3,301
Tax expenses	-	-	-	-	3,209	3,209
Total profit/loss for the period	13,463	9,637	18,868	13,555	-5,405	-92

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BALANCE SHEETS FOR THE PARENT COMPANY

Amounts in KSEK	<u>2009-09-30</u>	<u>2008-12-31</u>
ASSETS		
Fixed assets		
Intangible fixed assets		
Patent and license rights	6,451	6,774
Financial assets		
Participation in group companies	557,090	557,047
Receivables from group companies	181,570	108,269
Deferred tax asset	42,570	42,570
Other long-term securities	<u>781,230</u>	<u>707,886</u>
Total fixed assets	787,681	714,660
Current assets		
Current receivables		
Account receivables	-	71
Receivables from group companies	59,981	82,161
Other receivables	2,275	511
Prepaid expenses and accrued income	1,143	6,705
	<u>63,400</u>	<u>89,448</u>
Cash and bank balances and investments	346,565	356,972
Total current assets	409,965	446,420
TOTAL ASSETS	<u>1,197,646</u>	<u>1,161,080</u>
EQUITY, PROVISIONS AND LIABILITIES		
Equity		
Restricted equity		
Share capital	88,486	88,486
Statutory reserves	-	842,180
	<u>88,486</u>	<u>930,666</u>
Unrestricted equity		
Fair value fond	-28,869	-2,260
Profit/loss carried forward	856,532	38,554
Profit/loss for the period reported	18,868	-5,405
	<u>846,531</u>	<u>30,890</u>
Total equity	935,018	961,556
Current liabilities		
Account payable	2,573	3,647
Liabilities to group companies	256,275	189,910
Other short term liabilities	390	789
Accrued expenses and prepaid income	3,390	5,178
	<u>262,627</u>	<u>199,523</u>
TOTAL EQUITY, PROVISIONS AND LIABILITIES	<u>1,197,646</u>	<u>1,161,080</u>

CASH FLOW STATEMENTS FOR THE PARENT COMPANY

	2009-07-01	2008-07-01	2009-01-01	2008-01-01	2008-01-01	2008-10-01
Amounts in KSEK	2009-09-30	2008-09-30	2009-09-30	2008-09-30	2008-12-31	2009-09-30
Operating activities						
Profit/loss after financial items	13,463	9,637	18,868	13,555	-8,614	-3,301
Adjustments for items not included in the cash flow	1,409	-8,125	-5,877	598	29,896	23,422
	14,871	1,513	12,991	14,153	21,282	20,120
Tax paid	-	-	-	-	-	-
Cash flow from operating activities before changes in working capital	14,871	1,513	12,991	14,154	21,282	20,120
Cash flow from change in working capital:						
Increase (-)/ decrease (+) of other current receivables	14	-5,607	3,869	-19,386	33,587	56,841
Increase (+)/ decrease (-) of other liabilities	-28,345	5,426	-7,604	6,928	123,800	109,268
Cash flow from operating activities	-13,460	1,332	9,256	1,696	178,669	186,230
Investing activities						
Acquisition of intangible fixed assets	-95	-433	-823	-1,368	-2,037	-1,492
Sales of financial assets	-42	-	-42	-	-	-42
Divest of business area	-	-	-	-	174,437	174,437
Increase (-)/ decrease (+) of other long-term receivables	-	-58	-	-58	5,041	5,099
Cash flow from investing activities	-138	-491	-865	-1,426	177,441	178,001
Cash flow from financial activities						
Dividend to shareholders	-	-	-17,697	-	-	-17,697
Acquired own shares	-1,100	-	-1,100	-	-	-1,100
Cash flow from financial activities	-1,100	0	-18,797	0	0	-18,797
Cash flow for the period	-14,698	842	-10,407	270	356,110	345,434
Cash and liquid assets beginning of period	361,263	290	356,972	862	862	1,132
Cash and liquid assets at end of period	346,565	1,132	346,565	1,132	356,972	346,565
Additional information:						
<i>Adjustments for items not included in the cash flow</i>						
Depreciations and write-downs	337	571	1,146	2,434	164,390	163,102
Divestment profit Biosystems reported in investing activities	-	-	-	-	-123,791	-123,791
Translation differences	1,071	-8,696	-7,023	-1,836	-10,702	-15,889
Sum	1,409	-8,125	-5,877	598	29,896	23,422

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

Amounts in KSEK	Share capital	Statutory reserv	Fund for fair value	Profit/loss carried forward	Total equity
Ingående balans 1 januari 2008	88 486	1 509 816	-38 554	-629 082	930 667
Changes in 2008:					
Appropriation according to decision of the annual meeting	-	-667 636	36 294	667 636	0
Profit/loss 2008	-	-	-	-	36 294
Total changes during 2008	0	-667 636	36 294	662 231	-5 405
Closing balance December 31, 2008	88 486	842 180	-2 260	33 150	961 556
Changes in 2009:					
Amount carried over from reserve fund as per the decision of extraordinary general meeting registered by the Swedish Companies Registration Office on February 10, 2009	-	-842 180	-	842 180	0
Dividend to shareholders	-	-	-	-	-17 697
Acquired own shares (note 1)	-	-	-	-	-1 100
Exchange rate differences	-	-	-26 609	-	-26 609
Profit/loss 2009	-	-	-	18 868	18 868
Closing balance Spetember 30, 2009	88 486	0	-28 869	875 400	935 018

note 1: Acquired own shares

At the Annual General Meeting held on April 27, 2009 the board was authorized to decide on the acquisition and sale of the company's own shares. The shares acquired may not exceed 10 percent of the total number of the company's shares.

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