LINKMED AB (PUBL)

Year-end report 2009

GROUP FINANCIAL PERFORMANCE JANUARY – DECEMBER*)

- Net sales were SEK 83.2 million
- Operating income (EBIT) was SEK 18.7 million
- Net income after tax amounted to SEK 10.2 million
- Results of investing activities were SEK 0.0 million
- Earnings per share, basic and diluted, was SEK 0.69
- Equity per share was SEK 34.71
- Equity/assets ratio was 68 percent

PARENT COMPANY FINANCIAL PERFORMANCE JANUARY – DECEMBER

- Results of investing activities were (Group contributions) SEK 29.8 million (0.0)
- Other income was SEK 4.7 million (3.6)
- Net income after tax was SEK 7.7 million (-13.9)

KEY EVENTS IN THE FOURTH QUARTER

- Likvor receives first orders for CELDA™ from Norrland University Hospital and Uppsala University Hospital
- LinkMed acquires an additional 55.2 percent of AbSorber, resulting in that AbSorber becomes a new LinkMed subsidiary
- LinkMed implements a guaranteed rights issue of convertibles worth SEK 84.9 million before issue costs
- AbSorber is granted patent in Europe for the XM-ONE® transplantation test
- Biovator enters into agreement with BASF

COMMENTS ON 2009 FROM LINKMED CEO INGEMAR LAGERLÖF:

"Operating income in 2009 was SEK 18.7 million despite non-recurring costs of SEK 3.9 million in the second half of the year related to the transition to an in-house sales organization in the transplantation sector. Through the acquisition of additional shares in AbSorber, LinkMed now has an ownership stake of 98 percent in the company and is thereby ultimately ready for a combination with Olerup SPP to create a larger and more attractive transplantation-sector company. The company strengthened its financial position during the year through a rights issue consisting of shares and convertibles. In addition, renegotiations and other measures reduced company commitments by a total of SEK 50 million in 2009 and 2010, which also had a positive effect on finances. LinkMed is therefore entering 2010 with a strong financial position and robust cash flow from the company's transplantation sector operations. I am looking forward to an eventful and exciting 2010, where several of our portfolio companies can continue to take great strides forward, and where the value in our companies gains even better visibility."

**) comparative figures for the Group are not reported as consolidated figures are only available for the period July-December 2008.*

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KEY EVENTS IN THE FOURTH QUARTER

Likvor receives first order for CELDA™

In October, Likvor received its first order for CELDA™, an instrument developed for better and more secure identification and diagnosis of normal pressure hydrocephalus (NPH). The order was placed by Norrland University Hospital in Umeå.

LinkMed acquires an additional 51 percent of AbSorber

In November, LinkMed announced that it had acquired an additional 50.8 percent of AbSorber. Of this, 9.9 percent was acquired through a non-case issue, while the remaining 40.9 percent of shares was acquired in cash amounting to SEK 58 million. Following the acquisition, LinkMed owns 93.8 percent of AbSorber. Consequently, the company is now a subsidiary of the LinkMed Group.

LinkMed implements guaranteed rights issue of convertibles for SEK 84.9 million

LinkMed carried out a rights issue of convertibles with preferential rights for existing shareholders at a maximum amount of SEK 84.9 million. Liquidity generated by the rights issue is primarily being used to finance the cash portion of the acquisition of shares in AbSorber.

Olerup Inc. takes over sales responsibility for AbSorber's XM-ONE® and Olerup SSP's products in the North American market

In November, AbSorber exhibited at the annual American Society for Histocompatibility and Immunogenetics (ASHI) conference in San Francisco, USA. The conference was a great success for AbSorber. In conjunction with ASHI, AbSorber transferred sales responsibility for XM-ONE® to Olerup Inc., which is also responsible for the sales and distribution of Olerup SSP's products in the North American market. Olerup Inc. is one of two subsidiaries that belong to Olerup International.

AbSorber is granted patent in Europe for XM-ONE® transplantation test

In December, AbSorber's patent protection for the transplantation test XM-ONE® was approved in Europe. The European market is a prioritized market for AbSorber and this patent approval is a key milestone in the immaterial property protection that Absorber is building up for XM-ONE®.

Likvor receives new order for Likvor CELDA™ from Uppsala University Hospital

In December, Likvor received another order for CELDA™, this time from the Uppsala University Hospital.

Biovator enters into agreement with BASF

In December, Biovator entered into an agreement with the global chemical company BASF related to completing development of Biovator's in-vitro test. The test predicts if a chemical substance may cause allergies. The agreement also includes a five-year option for the use of the finished product.

LinkMed acquires an additional 4.19 percent of AbSorber

In December, LinkMed acquired an additional 4.19 percent of the shares in AbSorber in exchange for LinkMed shares following a decision by the LinkMed Board. Following the acquisition, LinkMed owns 98 percent of AbSorber.

LinkMed's rights issue of convertibles heavily oversubscribed

At the end of December, LinkMed implemented a rights issue of convertibles with preferential rights for existing shareholders. The issue was oversubscribed by 34 percent, which meant that it was not necessary to utilize the pledged guarantee commitments.

KEY EVENTS AFTER THE PERIOD END

Likvor receives two new orders for CELDA™

In January, Likvor received a third and fourth order for CELDA™, this time from the Sahlgrenska University Hospital in Gothenburg and from the Linköping University Hospital

Siemens chooses ONCOlog Medical DIGNITY Carrier for its PET/CT

In January, ONCOlog Medical received an order from Siemens AG, Health Care Sector, for a special version of ONCOlog's patient transportation solution DIGNITY™ Carrier, for docking to the Siemens PET/CT. The first installation of this unique application of the DIGNITY™ Carrier system, which enables smooth transportation of patients to and from the PET/CT room and camera, will be carried out at Heidelberg Ion Beam Therapy Center, Germany.

Portfolio company performance

LinkMed develops life science companies in collaboration with innovators and other financiers. By contributing management expertise and capital, LinkMed has created a portfolio of thirteen companies, four in drug development and biotechnology and nine in diagnostics and medical technology. LinkMed's role changes as its portfolio companies develop. The emphasis moves from operational to strategic and the entrepreneurship role evolves into active Board work.

SUBSIDIARIES

AbSorber develops products that facilitate successful transplantations. The company's first product, the transplantation test XM-ONE®, identifies antibodies that play a key role in causing rejection subsequent to transplantation. The product has already been approved for sales in Europe and the U.S., among other regions. AbSorber collaborates with Olerup International, which sells and distributes XM-ONE® in select markets. The company is also developing a patented ABO column for transplantations between people blood groups and an ABO diagnostic test that measures the occurrence of blood group antibodies. For more information visit www.absorber.se*.*

Following FDA registration of XM-ONE® the company has worked intensively with the U.S. launch of the product and several important medical centers have started clinical use of the product. This is a key step in establishing the test as a standard procedure, in particular, prior to kidney transplantations. Centers that have place orders in the U.S. include UCLA and Cedars Sinai in Los Angeles, Johns Hopkins in Baltimore, the University of Miami and Chicago's largest transplantation center Northwestern University Hospital. Several other transplantation centers both in the U.S. and Europe are currently evaluating XM-ONE® for clinical use. In addition, leading heart transplantation centers in the U.S. and Europe have taken the initiative to start a study of antibody diagnostics with XM-ONE® prior to heart transplantations.

Since July 2009, AbSorber products are sold via the Olerup International sales company that is gradually taking over sales responsibility in select markets, including the U.S. and Europe

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HLA Intressenter AB

HLA Intressenter AB is a wholly owned subsidiary of LinkMed. The company was formed in July 2008 to acquire the shares of Olerup SSP AB. Financing of the acquisition is primarily carried out through this company.

Olerup SSP is world leading in the development of kits for genomic HLA typing, a required step prior to a transplantation to match the donor and recipient. The better the match the lower the risk of complications following transplantation. HLA typing is a standard procedure prior to bone marrow transplantations (hematopathic stem cell transplantations) but is also used in conjunction with organ transplantations (kidney, lung, heart, etc.). The company was founded in 1992 by assistant professor Olle Olerup and has 25 employees. For more information please visit www.olerupssp.se.

Sales for the full year 2009 amounted to SEK 83 million corresponding to an increase of 17 percent. Sales for the fourth quarter were in line with the same quarter last year. The EBIT margin for the full year 2009 was 52 percent. The margin was impacted negatively by a non-recurring cost of SEK 3.9 million, of which FDA costs constitute over half. Margin decline in the fourth quarter 2009 is of a non-recurring character and comprises a portion of the non-recurring costs reported above.

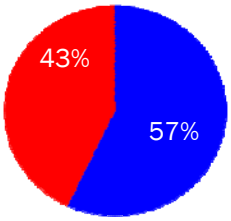
Results for Olerup SSP

Amount in SEK thousands	*Q4 2009*	*Q4 2008*	*Year 2009*	*Year 2008*
Net sales	18,448	18,455	82,557	70,342
Operating income (EBIT)	8,643	12,136	42,757	44,813

Olerup SSP has a new global distributor from the third quarter 2009, in that Olerup International took over distribution from Qiagen GmbH, acquired Qiagen Vertriebs GmbH and established Olerup Inc. in the U.S. In Long-term, this will result in better margins and will allow Olerup SSP to participate more in the marketing of the products and have stronger collaboration with the sales team. This will facilitate sales efforts in the important U.S. market, which to a certain extent was neglected by the previous distributor.

ASSOCIATED COMPANIES

LinkMed's participation in the estimated fair value of associated companies at December 31, 2009 was SEK 355 million broken down into the following categories:



- Diagnostics/Medical technology
- Drug development/Biotechnology

The estimated fair value illustrated in the pie chart does not include Olerup SSP and AbSorber AB, which are subsidiaries, and Olerup International AB, which is reported in accordance with the equity method.

LinkMed continuously monitors the value development of its associated companies and their projects. In order to estimate the fair value of its associated companies, LinkMed uses the latest issue price in which new external investors have participated and when this is not applicable LinkMed uses a probability-adjusted cash flow model. LinkMed's evaluation methodology follows the principles described in IPEVC's Valuation Guide lines. IPEVC's guidelines for evaluation are established and accepted as the common standard for portfolio evaluation by several risk capital associations in various countries, among them EVCA and BVCA.

LinkMed investment in associated companies at 12-31-2009

Amount in SEK thousands	Investments[1.] 2009 Dec 31	Investments[1.] 2008 Dec 31	Ownership stake 2009 Dec 31	Ownership stake 2008 Dec 31
Associated companies[2.]				
Diagnostics and medical technology				
BioResonator AB[3.]	15,289	9,789	49.7%	49.2%
Biovator AB[3.]	11,870	8,370	57.2%	46.0%
Likvor AB	6,919	5,469	48.9%	49.0%
ONCOlog Medical QA AB[3.]	27,456	23,706	40.4%	48.9%
OrtoWay AB	13,770	11,770	61.7%	49.0%
Pharmacolog i Uppsala AB	940	940	41.7%	41.7%
Olerup International AB[4.]	7,525	0	25.0%	0.0%
Total	**83,768**	**60,044**		
Drug development and biotechnolgy				
AnaMar AB	48,159	48,159	19.3%	26.2%
IMED AB	28,464	25,964	42.7%	42.2%
NovaHep AB[3.]	12,088	8,088	49.5%	49.5%
Recopharma AB[3.]	43,845	31,919	49.5%	49.5%
Total	**132,555**	**114,130**		
Total associated companies	**216,323**	**174,174**		
Group companies				
Transplantation				
AbSorber AB	111,195	25,845	98.0%	41.9%
Olerup SSP AB	211,960	223,280	100.0%	100.0%
Total group companies	**323,155**	**249,125**		
Total	**539,478**	**423,299**		

1.) *Investments comprise the accumulated acquisition value of shares, shareholders' contributions, convertibles and loan receivables.*

2.) *The consolidated accounts contain the estimated fair value of associated companies with the exception of Olerup International which is reported in accordance with the equity method.*

3.) *LinkMed owns 23,139 options in BioResonator, 4,620 convertibles in Biovator, 91,182 options in NovaHep, 1,250 convertibles and 312,500 options in ONCOlog as well as 445 options and 842 convertibles in Recopharma.*

4.) *Under the terms of a shareholders' agreement, LinkMed has the right to acquire a further 25% of the shares from NorDiag.*

Diagnostics and medical technology

BioResonator™
Medical sensors and actuators

BioResonator develops biomedical sensors and diagnostics for several healthcare sectors. The company has developed a new technique and instrument for measuring eye pressure. Pilot studies have also been conducted in cancer and oedema diagnostics. For more information please visit www.bioresonator.com.

BioResonator kicked off the launch of its eye tonometer in conjunction with the company's participation in a glaucoma congress in Barcelona in the third quarter. The company is currently negotiating agreements with distributors.

The company continues work to raise additional capital and is carrying out activities to this end in Sweden and abroad.

Biovator

Biovator develops tests that predict if a chemical substance may cause allergies. The technology has the potential to substantially reduce the need for animal testing, since it is less expensive, quicker to use and provides more reliable results. The tests are intended for use in the pharmaceutical, cosmetic and chemical industries. For more information please visit www.biovator.com.

Development work is proceeding in collaboration with partners. The CPA test for type 1 allergies will be the first of its kind in the world and will primarily be used in the chemical and pharmaceutical industries. Biovator expects the validation process for the type 1 test to be completed during the year, which means that a finished product will be available in 2010.

The company's other test, for Type 4 allergies (GAPA), is being developed in collaboration with AstraZeneca. At the end of 2009, the German company BASF also became a partner in the work to complete this test. Biovator has also entered into an agreement related to the cell line used to develop the tests. Biovator aims to enter into more license agreements in 2010-2011 at the same time as the company is actively looking for an industrial buyer for the company.

LIKVOR

Likvor has developed an instrument that measures the dynamics of cerebrospinal fluid (CSF). Today, healthcare professionals have difficulties in diagnosing patients who, in combination with minor CSF pressure changes, show symptoms of disease such as disturbances in balance, urinary incontinence and dementia, a condition called Normal Pressure Hydrocephalus (NPH). Implanting a shunt into the brain can help patients return to normal life. Likvor's instrument can also be used to assess the functionality of a patient's shunt. For more information please visit www.likvor.com.

Since Likvor's instrument CELDA™ was granted CE marking in the third quarter, the company has received four orders from leading hospitals in Sweden; Norrland University Hospital in Umeå, Uppsala University Hospital, Sahlgrenska University Hospital in Gothenburg and the Linköping University Hospital. Likvor is working intensively to build up a market in Europe for CELDA™ and expects more orders in 2010.

OLERUP
Olerup International AB

Olerup International is an international sales and distribution company with two wholly owned subsidiaries, Olerup GmbH and Olerup Inc. Olerup International manages the sales and distribution of Olerup SSP's HLA typing products, AbSorber's transplantation test XM-ONE® and NorDiag's product Arrow. Olerup GmbH, based in Vienna, Austria, covers the European market and Asia, while Olerup Inc., based in West Chester PA, covers the North American market. For more information please visit www.olerup.com.

Olerup International and its two subsidiaries have a dedicated sales force with a full focus on Olerup SSP's products, AbSorber's product XM-ONE® and NorDiag's product Arrow. The subsidiaries contribute increased sales efforts and presence particularly in new markets, including the U.S. Olerup GmbH works with distributors in select markets.

Olerup International was formed in conjunction with the acquisition of Qiagen Vertriebs GmbH and took over sales of Olerup SSP's products from Qiagen GmbH.

ONCOlog Medical develops, produces and markets a number of products and system solutions for quality assurance and patient logistics for radiotherapy treatment departments at cancer centers. For more information please visit www.oncologmedical.com.

ONCOlog Medical's work is focused on completing a PatLog® patient logistics system for a proton treatment facility in Essen, Germany. The final delivery to Essen began in June and is expected to be completed in first quarter 2010. The date of delivery has been delayed due to a delay in the completion of the building within which the proton center is to be housed.

In August, ONCOlog Medical, through its partner IBA (Ion Beam Applications S.A.), received its second order for the PatLog® system; this time from the Proton Radiotherapy Centre in Prague, Czech Republic. The new proton center will feature four treatment rooms equipped with PatLog®. The total order value is SEK 11 million.

In February, the company the received an order for a total of four AirPlate™ from the Uppsala University Hospital and an order for an AirPlate™ from a clinic in Hampton, Virginia, U.S. It has been demonstrated that AirPlate™ reduces absorption of radiation, thereby lessening damage to the skin. AirPlate™ is also a part of the PatLog® system.

OrtoWay develops instruments for spinal surgery, facilitating the insertion of artificial discs. The company is developing two products, an instrument that holds the adjacent vertebrae apart, OrtoWell™, and a bone cement administrator called OrtoMixer™. For more information please visit www.ortoway.com.

OrtoWay's efforts are focused on generating more clinical data for OrtoWell™, which facilitates and improves fusion and the insertion of disc prostheses into the spinal cord. Today, work on the preparation of an FDA application continues as does work to expand clinical experience for *OrtoWell™*. OrtoMixer™ is complete from a technical perspective. The company's work is now focused on finding an industrial bone-cement partner. Furthermore, work is ongoing to find a suitable industrial partner for both products.

Pharmacolog develops systems for controlling the content and concentration of liquid pharmaceutical drugs, primarily chemotherapy for the treatment of cancer. For more information please visit www.pharmacolog.se.

Pharmacolog's operations are primarily focused on developing the quality assurance system DrugLog™ intended primarily for chemotherapy and anesthesia drugs.

Drug development and biotechnology

AnaMar develops drugs and biomarker test for the treatment, diagnosis and monitoring/prediction of degenerative joint diseases, such as rheumatoid arthritis and osteoarthritis. AnaMar has one drug candidate in clinical trials, two drug candidates in preclinical trials, one biomarker test in prototype development and two commercial biomarker tests, COMP®-Elisa and Animal COMP®-Elisa. For more information please visit www.anamar.com.

AMAP102 for the treatment of degenerative joint diseases is the drug candidate that has progressed the furthest in its development. Phase I clinical trials have been carried out in order to document safety, tolerability and pharmacokinetics, the results of which are currently being analyzed. TASS and DAR, the company's other drug development candidates for the treatment of degenerative joint diseases, look very promising in trials that have been carried out so far.

IMED develops human monoclonal antibodies (mAb) that block natural cell death or apoptosis. Monoclonal antibodies is a rapidly expanding area and IMED's antibodies have the potential to be first-in-class in several possible areas of use for disease with large medical needs. The company intends to primarily develop antibodies for therapeutic areas in the transplantation sector in particular Graph Versus Host Disease (GVHD), and later plans to expand to heart/cardiovascular disease -and HIV. For more information please visit www.imed.se.

IMED has completed its first pilot toxicity tests and pharmacokinetic tests with the blocking antibody which has been developed initially for GVHD and preliminary results look very promising. GVHD is a life threatening complication in which the immune cells in the transplanted organ (for example bone marrow) attack and damage the recipient's own tissue and damage it. During the year contact with authorities was initiated in the form of a scientific advisory meeting with the Swedish Medical Products Agency (MPA).

The company is also investigating other indications for the antibody, including organ transplantation, HIV and heart attack, for which new strategic collaboration has been entered into during the period. IMED is currently investigating interest among new investors in taking part in financing this work. The company submitted another patent application during the period.

NovaHep

NovaHep develops liver stem cell technology to treat liver disease and tests for liver toxicity and the metabolism of pharmaceutical compounds. The company also believes that it will be able to develop artificial livers, which can be used to alleviate the livers of patients with acute poisoning or patients waiting for liver transplantations. For more information please visit www.novahep.com.

NovaHep has developed an immortalized cell line using liver stem cells. An immortalized cell line consists of cells, maintained in culture, which are capable of continuously renewing themselves almost infinitely. Development of an immortal cell line is a prerequisite for NovaHep to be able to develop commercially viable products. There is great potential that these cell lines can be used to treat a large number of different diseases.

In 2009, work at NovaHep was focused on generating immortalized cell lines with specific qualities for pharmaceutical tests and artificial livers.

Recopharma

Recopharma is active in the area of recombinant glycoproteins. These mucin-like proteins have a sugar-coating that can impact several biological processes. Recopharma develops mucins for the vaccine market (adjuvants) as well as anti-microbacterial substances to combat bacteria and viruses that may for example cause eye infection, influenza and the Norwalk virus. For more information please visit www.recopharma.com.

The company's primary area of focus is on products that neutralizes viruses in the eye, in part through prevention and in part by treating ongoing infections. The company is carrying out studies to map out how effectively different viruses are captured using Recopharma's mucins.

In 2009, Recopharma continued the completion of preclinical trials of vaccine adjuvants. Adjuvants are used to strengthen the effect of a vaccine by stimulating a stronger immune defense, which gives the vaccinated patient better protection. Trials on animals have shown very promising results. The company is currently looking for partners to continue studies.

The company continues its endeavors to raise additional capital and is carrying out activities to this end in Sweden and abroad.

FINANCIAL PERFORMANCE JANUARY– DECEMBER 2009

Group

Results for the January – December period

Operating income was SEK 18.7 million and net income after tax was SEK 10.2 million, corresponding to SEK 0.69 per share, basic and diluted. The results are impacted by non-recurring costs in Olerup SSP of SEK 3.9 million.

Associated companies

On December 31, 2009, the fair value of the group's shares in associated companies was estimated at SEK 355 million. Compared to the end of the fourth quarter 2008, fair value had increased, excluding AbSorber which became a subsidiary during the period, by an amount that is essentially equivalent to total investments made in 2009. Olerup International is not valued at fair value but is reported in accordance with the equity method in the consolidated financial statements.

HLA Intressenter, AbSorber and Olerup SSP are included in the consolidated financial statements as subsidiaries and second-tier subsidiaries and are therefore not included in the calculation of fair value.

Financial position, cash flow and key figures

The group's operations are financed by shareholders' equity and loans. Interest-bearing liabilities amounted to SEK 204.4 million secured to finance the acquisition of Olerup SSP and AbSorber.

The equity/assets ratio for the group was 68 percent. Consolidated equity at the year-end was SEK 590.6 million, corresponding to SEK 34.71 per share. Liquid funds amounted to SEK 111 million at the year-end.

Cash flow from operations before changes in working capital for the period was SEK 13.1 million.

Parent company

Investments

In the January – December period LinkMed invested a total of SEK 42.1 million in associated companies. The largest net investments were made in Recopharma at SEK 11.9 million, Olerup International at SEK 7.5 million, BioResonator at SEK 5.5 million, NovaHep at SEK 4.0 million and ONCOlog Medical at SEK 3.8 million.

The book value of investments in associated companies rose to SEK 216.3 million from SEK 174.2 million at the start of the year, adjusted for AbSorber's change of status to a subsidiary, of which shares constitute SEK 201.9 million (160.5), convertibles SEK 13.5 million (12.2) and receivables SEK 0.9 million (1.5).

LinkMed acquired a further 55 percent of the shares in AbSorber AB. As a result, AbSorber became a subsidiary of the LinkMed group in November 2009. Of the 55 percent, 14.1 percent were acquired through a non-cash issue of 699,682 LinkMed shares (of which 207,648 were registered in February 2010), equivalent to an acquisition cost of SEK 20 million. the remaining 40.9 percent of shares were acquired for a cash payment of SEK 57.9 million, which was financed by means of a rights issue of convertibles in December. See note 1.

During the year, the conditions of the additional purchase price of SEK 69.8 million which made up payment in part for the acquisition of Olerup SSP were renegotiated. The additional purchase price was previously tied to Olerup SSP's sales objectives and was to be divided into two payments, with the first due on August 31, 2009. Under the terms of the new agreement with SSP Primers AB, a company controlled by Olle Olerup, the previous additional purchase price has been replaced in its entirety with a solution in which SSP Primers received 417,661 shares in LinkMed, a cash payment of SEK 20 million as well as a nine percent part ownership in Olerup SSP during 2010. For LinkMed this involves a reduction of the additional purchase price of SEK 11.3 million, which also reduced the goodwill item.

As a result of the issues carried out during the year, the number of shares in LinkMed has increased by 8,418,216 shares to 17,179,264 shares. After the year-end, share capital will have increased by SEK 8,418,216 to SEK 17,179,264 in that 207,648 shares were registered in February 2010.

LinkMed carried out a rights issue of convertibles during the reporting period, which generated around SEK 84.9 million for LinkMed before issue costs. In the case that all outstanding convertibles are converted to shares the number of shares in LinkMed will increase by 3,696,342 till 20,875,606.

Conversion conditions for convertibles issued in December.

The convertibles run with an annual interest of 6 percent from January 15, 2010. The first interest payment will be paid out on January 15, 2011 and the last on repayment day, December 15, 2012. The convertibles mature on December 15, 2012 at the nominal amount, unless repayment or conversion to shares has taken place before this date. Conversion claims can be made regularly through registration of new shares on a quarterly basis, first on February 28, 2010. The last day for conversion claims is November 30, 2012. The conversion price is SEK 30.

Risks and uncertainties

LinkMed's operations are exposed to various types of risk. The acquisition of Olerup SSP in 2008 has lowered LinkMed's operational risk due to the effect of a positive cash flow on the parent company LinkMed AB and increased financial risk due to the loan financing of the acquisition.
Investments in associated companies and the divestment of the same naturally involve different types of risks. Examples of risks include exposure through significant stake in an individual company or a specific sector or significant reliance on a key person. The market for divesting a shareholding in a company or attracting co-investors can also vary over time. As LinkMed often invests in companies at early stages of development, this generally involves higher risk than investing in mature companies that generate positive cash flows. In order to counteract this type of risk, LinkMed's goal is to maintain a portfolio of companies with a certain level of diversification, in part between the drug development, biotechnology, diagnostics and medical technology segments and in part with companies at different levels of maturity.

The value of LinkMed's portfolio companies is partly dependent on their ability to maintain and protect patents, other intellectual property rights and specific expertise. Both clinical trials and marketing and sales of products involve significant risk related to product liability. When deemed necessary, LinkMed insures itself against product liability. Certain associated companies are dependent on approval through clinical trials or decisions from public authorities. There are no guarantees that an associated company will achieve satisfactory results in such trials, or that the required regulatory approval will be granted.

In order to reduce risk, LinkMed carries out careful analysis and due diligence before an investment is made, which includes an assessment by LinkMed's scientific advisory board. After an investment has been made, LinkMed carries out systematic quarterly follow-ups to assess the investment's future. An important factor in reducing risk levels is to secure management capacity in the associated companies, often using LinkMed's own employees. Currently, LinkMed's employees are CEOs of three of the eleven associated companies. Moreover, active Board work contributes to reducing business related risks in associated companies.

LinkMed's associated companies require regular capital injections. In the prevailing economic climate of today, there is increased demand on LinkMed to secure such capital injections either itself or in collaboration with partners. LinkMed's planning includes generating capital injections via exits. There is a risk in today's market that such exits will be more difficult to carry out or can only be made at conditions that are less beneficial to shareholders.

The company's liquid funds are placed in liquid assets with low credit risk.

Share and shareholders

At December 31, 2009 LinkMed had 2,087 shareholders compared to 1,641 shareholders at the end of 2008.

Largest owners, Dec 31, 2009	No. shares	Stake, %
Mohammed Al Amoudi	3,591,315	21.2
FastPartner AB (publ)	3,006,666	17.7
Mannersons Fastighets AB	967,736	5.7
Länsförsäkringar småbolagsfond	797,500	4.7
Ingemar Lagerlöf, direct och indirect	528,930	3.1
Jan Holgersson	492,034	2.9
Davegårdh & Kjäll Sverige and small companies	459,196,	2.7
Wendt Investments AB	431,000	2.5
Avanza Pension	421,148	2.5
SSP Primers AB	417,661	2.5
Other	5,858,430	34.5
Total	*16,971,616*	*100.0*

Accounting principles

Key accounting principles

The consolidated accounts for the January - December period 2009, like the consolidated annual accounts for 2008, were prepared in accordance with the International Financial Reporting Standards (IFRS) as have been adopted by the EU, and the Swedish Financial Accounting Standards Council's recommendation RFR 2.2, Reporting for legal entities. As LinkMed was not classified as a group until the acquisition Of Olerup SSP AB in July 2008, LinkMed has, pursuant to IFRS, deemed that the opening balance is July 1, 2008.

This interim report was prepared in accordance with IAS 34 and the Swedish Annual Accounts Act for the group and in accordance with the Annual Accounts Act for the parent company.

The accounting principles applied are consistent with those used in the preparation of the 2008 Annual Report with the following exceptions due to new or revised standards, interpretations and improvements as adopted by the EU and applicable from January 1, 2009. Only changes that have had an effect on the group are included below.

New or revised standards

Revised IAS 1 Presentation of financial statements
This standard divides changes in shareholders' equity resulting from transactions with owners and other changes. Reporting of changes in equity will only include details relating to owner-related transactions. In addition,

the standard introduces the term ”Statement of comprehensive income", which shows all recognized income and expense items either in a single statement, or in two consecutive statements. The Group has chosen to present the Statement of comprehensive income in a single statement.

Future report dates

Interim report January – March: May 11, 2010
Interim report January –June: August 26, 2010
Interim report January – September: November 9, 2010

The LinkMed Annual General Meeting will be held in Stockholm on April 26, 2010. Shareholders who wish to submit matters to be addressed by the meeting must submit them to the company by March 8, 2010 at the latest by post to the company’s address or by email to arsstamma@linkmed.se.

The Board of Directors proposes that no dividend be paid out to LinkMed shareholders.

LinkMed’s annual report in English will be available on the company’s website during the week beginning April 19, 2010. LinkMed has decided not to send out a printed version of the annual report 2009.

Stockholm, February 23, 2010

Ingemar Lagerlöf
CEO

This year-end report has not been subject to review by the company’s auditors.

The information in this year-end report is such that LinkMed AB (publ) is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act.

This information was released for publication on February 23, 2010 at 08:00 CET

This report and earlier financial reports are available at www.linkmed.se

LinkMed AB (publ)

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Consolidated income statement

	2009 [5]	2008	2009 [5]	2008 [1]
Amounts in SEK thousand	OCT-DEC	OCT-DEC	JAN-DEC	JULY–DEC
Net sales	19,110	18,388	83,219	35,233
Changes in inventory	1,637	155	-852	5,617
Results from divestment of associated companies	-	-	-	-
Change in value of associated companies	-	-	-	-
Other income	1,417	411	3,764	1,030
	22,164	*18,954*	*86,131*	*41,880*
Raw materials and consumables	-4,204	-1,206	-13,806	-6,851
Other external costs	-7,647	-4,246	-23,184	-8,193
Personnel costs	-9,380	-7,585	-29,930	-14,208
Depreciation/amortization	-317	-259	-1,013	-531
Results from participations in associated companies reported in accordance with the equity method	-78		520	
Operating income	*538*	*5,658*	*18,718*	*12,097*
Results from financial investments	-1,049	-1,866	-4,849	-3,035
Results after financial items	*-511*	*3,792*	*13,869*	*9,062*
Tax	-65	-1,391	-3,689	-304
Net income/loss for the period	*-576*	*2,401*	*10,180*	*8,758*
Other total results for the period				
Step acquisition. Write-back of prev. changes in value AbSorber	-64,667	-	-64,667	-
Translation differences	209	-	-742	-
Total results for the period	*-65,034*	*2,401*	*-55,229*	-
Results for the period related to:				
Parent company shareholders	-550	2,401	10,206	8,758
Minority shareholders [5]	-26	-	-26	-
Total results for the period related to:				
Parent company shareholders	-65,008	-	-55,203	-
Minority shareholders [5]	-26	-	-26	-
Earnings per share, basic and diluted, SEK [2]	-0.03	0.19	0.69	0.69
Average number of outstanding shares, basic and diluted [2]	16,807,605	12,731,231	14,895,359	12,731,231
Number of shares at the period end	16,971,616	8,761,048	16,971,616	8,761,048

Consolidated balance sheet

	2009	2008
Amount in SEK thousand	DEC 31	DEC 31
Assets		
Goodwill	207,833	184,703
Intangible fixed assets	123,920	31,482
Tangible fixed assets	1,903	1,336
Participations in associated companies [3]	362,135	411,463
Long-term receivables	13,490	12,240
Deferred tax assets	13,712	5,850
Total fixed assets	*722,993*	*647,074*
Inventories	15,005	16,366
Current receivables	15,044	10,809
Liquid funds	110,902	50,322
Total current assets	*140,951*	*77,497*
Total assets	863,944	724,571
Equity and liabilities		

Equity	590,572	506,968
Long-term liabilities and provisions	223,274	159,537
Short-term liabilities and provisions	50,098	58,066
Total equity and liabilities	863,944	724,571

Changes in equity, Group

Opening balance	506,968	494,746
New issue	112,312	-
Current new issue	5,949	-
Issue costs	-14,706	-
Tax on issue costs	3,868	-
Received options premium [4)]	31,410	-
Value of conversion options	-	3,464
Net income/loss for the period	-55,229	8,758
Closing balance	*590,572*	*506,968*
Of which related to parent company shareholders	*589,054*	*506,968*
Of which related to minority shareholders [5)]	*1,518*	-

[1)] Comparative figures 2008 concern the period from July 1, 2008 and onwards
[2)] Translation of historical value was made in regard to the stock dividend element in the new share issue in June 2009.
[3)] In item particip. in assoc. comp. Olerup International AB is included at SEK 7,309,000 in accordance with the equity method.
[4)] Concerns the value of SSP Primers AB's right to subscribe to shares in Olerup SSP through renegotiated additional purchase price.
[5)] AbSorber is included in the group from November 18, 2009.

Consolidated cash flow statement

Amount in SEK thousand	2009 JAN-DEC	2008 JULY–DEC
Results after financial items	13,869	9,062
Tax paid	-1,788	-5,040
Adjustments for items not included in the cash flow	976	876
Cash flow from operations before changes in working capital	*13,057*	*4,898*
Changes in working capital	3,860	-3,214
Cash flow from operations	*16,917*	*1,684*
Cash flow from investing activities	-106,133	-147,569
Cash flow from financing activities	149,796	100,200
Cash flow for the period	60,580	-45,685
Liquid funds at start of the period	50,322	96,007
Liquid funds at the period end	*110,902*	*50,322*

Parent company income statement	2009	2008	2009	2008
Amount in SEK thousand	OCT-DEC	OCT-DEC	JAN-DEC	JAN-DEC
Results from portfolio companies [2]	29,768	-	29,768,	-
Results from investment activities	*29,768*	-	*29,768*	-
Other income	1,206	785	4,678	3,652
Other external costs	-2,966	-2,785	-10,965	-10,939
Personnel costs	-4,483	-4,125	-16,261	-15,391
Depreciation/amortization	-44	-86	-270	-339
Operating income	*23,481*	*-6,211*	*-6,950*	*-23,017*
Results from financial investments	919	755	3,485	4,613
Results after financial items	24,400	-5,456	10,435	-18,404
Tax	-6,445	912	-2,772	4,537
Net income/loss for the period	*17,955*	*-4,544*	*7,663*	*-13,867*
Earnings per share, basic and diluted, SEK [1]	1.07	-0.57	0.51	-1.09
Number of outstanding shares, basic and diluted [1]	16,807,605	12,731,231	14,895,359	12,727,976
Number of shares at the period end	16,971,616	8,761,048	16,971,616	8,761,048

[1] Translation of historic values was made in regard to the stock dividend element in the new share issue in June 2009.
[2] Concerns received group contributions from Olerup SSP AB

Parent company balance sheet	2009	2008
Amount in SEK thousands	DEC 31	DEC 31
Assets		
Intangible and tangible fixed assets	311	527
Shares in subsidiaries	123,295	12,100
Participations in associated companies	201,883	186,328
Long-term receivables	57,490	56,240
Deferred tax assets	5,633	4,537
Total fixed assets	*388,612*	*259,732*
Current receivables	52,303	20,016
Cash and bank	89,662	46,579
Total current assets	*141,965*	*66,595*
Total assets	530,577	326,327
Equity and liabilities		,
Equity	383,146	268,060
Long-term liabilities	138,514	52,881
Short-term liablities	8,917	5,386
Total equity and liabilities	530,577	326,327
Changes in equity, parent company		
Opening balance	268,060	278,463
New issue	112,312	-
Current new issue	5,949	
Issue costs	-14,706	-
Deferred tax on issue costs	3,868	-
Value of conversion options	-	3,464
Net income/loss for the period	7,663	-13,867
Closing balance	383,146	268,060

Parent Company cash flow statement

Amount in SEK thousand	2009 JAN–DEC	2008 JAN–DEC
Results after financial items	10,435	-18,404
Adjustments for items not included in the cash flow	-29,012	685
Cash flow from operations before changes in working capital	-18,577	-17,719
Changes in working capital	1,700	-49
Cash flow from operations	-16,877	-17,768
Cash flow from investing activities	-107,553	-85,842
Cash flow from financing activities	167,513	25,000
Cash flow for the period	43,083	-78,610
Liquid funds at the start of the period	46,579	125,189
Liquid funds at the period end	89,662	46,579

Nyckeltal

	2009 JAN–DEC [4]	2008 JULY–DEC [1]
Key figures, Group		
Net sales, SEK thousand	83,219	35,233
Operating income, SEK thousand	18,718	12,097
Net income after tax, SEK thousand	10,180	8,758
Earnings per share, basic and diluted, SEK [3]	0.69	0.69
Equity per share, SEK [3]	34.71	39.82
Equity/assets ratio, %	68	70
Return on equity, %	2	2
Average number of employees	33	32
Fair value of portfolio of associated companies, SEK thousand[2]	362,135	411,463
Book value of portfolio of associated companies, SEK thousand	201,883	186,328
Key figures, Parent company		
Average number of employees	9	9
Number of outstanding shares at period end	16,971,616	8,761,048
Average number of outstanding shares	14,895,359	8,757,793
Earnings per share, SEK[3]	0.51	-1.09
Equity per share, SEK[3]	22.58	21.06
Share price at period end, SEK	25.80	17.00
Market cap, SEK thousand	437,868	148,938

[1] Key figures for the group are for the period from July 1, 2008 and onwards
[2] In item participation in associated companies Olerup International AB is included at SEK 7,525,000 in invested capital. The company is not reported at fair value like others but in accordance with the equity method.
[3] Translation of historical values has been made in regard to the stock dividend element in the new share issue in June 2009.
[4] AbSorber is included in the Group from November 18, 2009.

Note 1. Preliminary acquisition analysis of AbSorber
The acquisition analysis contains intangible assets of SEK 126.0 million, including acquired technology for SEK 92.0 million. No amortization of the intangible asset has been made, as amortization would have been marginal since sales had not yet commenced to any large extent.

Purchase price	
Purchase price in cash for acquisition of 41 percent	57.9
Fair value of issued shares for acquisition of 14 percent	20.0
Acquisition value of previously acquired participations concerning acquisition of 43 percent	33.3
Total purchase price	111.2

Fair value of acquired net assets in SEK million		
	Book value	Fair value
Goodwill	0	34.0
Technology	0	92.0
Tangible fixed assets	1.1	1.1
Current assets excluding liquid funds	2.7	2.7
Liquid funds	2.3	2.3
Interest-bearing liabilities	-0.5	-0.5
Deferred tax liabilities, net	0	-16.6
Non interest-bearing liabilities	-3.8	-3.8
Acquired net assets	1.8	111.2

AbSorber's results after the date of acquisition were SEK -1.3 million. If the acquisition had taken place at the start of the year the LinkMed Group's net sales would have been SEK 84.8 million, with an operating income of SEK 31.7 million.
Goodwill comprises synergies with Olerup SSP and employees.

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