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To NASDAQ OMX Copenhagen

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Exiqon is closing down operations at Oncotech, Inc.

Exiqon A/S (NASDAQ OMX Copenhagen: "EXQ") today announced that its wholly owned subsidiary, Oncotech, Inc. ("Oncotech"), will be pursuing an out-of-court liquidation conducted by a common law Assignment for the Benefit of Creditors. On 17 December 2009, Exiqon announced its intention to divest Oncotech. Exiqon has since been engaged in discussions with numerous parties regarding a possible sale of Oncotech. However, effective May 31, 2010, the Medicare Administrative Contractor in California, Palmetto GBA, has issued an LCD disallowing coverage for Oncotech's EDR tests. In light of this decision by Palmetto GBA, Exiqon has concluded that a divestment cannot be achieved and has decided to discontinue operations at Oncotech.

The decision by Palmetto GBA to disallow coverage for Oncotech's EDR testing is contrary to the policies of contractors' in other regions of the U.S., including for example Pennsylvania which allows similar drug resistance testing by a competitor of Oncotech. The effective date of Palmetto GBA's decision was subsequently extended until end July 2010, but effectively undermines Oncotech's ability to conduct its business on competitive terms.

Exiqon has been in negotiations with multiple parties regarding their potential acquisition of Oncotech. Despite interest and extensive efforts to conclude a transaction on agreed terms, negotiations have been terminated, with the reason given being the uncertainty created by the LCD. Due to the termination of negotiations and the absence of interest from other parties, Exiqon has concluded that a sale of Oncotech, Inc. cannot be achieved in light of the recent circumstances created by Palmetto GBA's decision to discontinue coverage for Oncotech, Inc.'s EDR testing.

The effect of Oncotech on Exiqon's full year's guidance, which includes Oncotech as discontinued business, is adjusted from previously announced expectations of DKK 0.00 to approximately DKK -2 million. The full year guidance for continued business remains unchanged:

For 2010, Exiqon expects total revenue of DKK 80-90 million excluding discontinued operations.

The net loss for the year 2010 is expected to be approximately DKK 40 million including non-cash costs of current incentive programs and depreciations expensed in the amount of DKK 15 million.

The effect of discontinued business, Oncotech, Inc., is expected to be DKK -2 million including reclassification of related exchange rate adjustments of approximately DKK 15 million.

All of the above expectations are based on an average USD/DKK exchange rate of DKK 5.25 for 2010.

Exiqon A/S is exploring available options for securing an optimum financial position in light of the abandoned plans for divesting Oncotech, Inc.



Additional information

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About Exiqon

Exiqon's products are based on the proprietary LNA™ technology. This technology offers unique advantages for detection of miRNA biomarkers for life science researchers, drug developers and cancer treating physicians working towards personalizing medicine. Exiqon operates in two business areas: **Exiqon Life Sciences** has established a position for itself as one of the market's leading providers of miRNA research products for miRNA analysis in cells. Research products are used by academia, biotech and pharmaceutical companies around the world to make groundbreaking discoveries about the correlation between gene activity and the development of cancer and other diseases. Exiqon Life Sciences is also collaborating with pharmaceutical companies in their effort to develop new medicines based on miRNA as biological markers (Exiqon Pharma Services). **Exiqon Diagnostics** is developing a series of new molecular diagnostic products based on miRNA. Exiqon's goal is to gain a market-leading position for miRNA-based diagnostics. Exiqon is listed on the NASDAQ OMX in Copenhagen. For more information about us, please visit www.exiqon.com.

Forward-looking statement:

Certain parts of this release contain forward-looking information with respect to the plans, projections and future performance of the company, each of which involves significant uncertainties. The company's actual results may differ materially from the information set forth in these statements. This is an English translation of the interim report prepared in Danish. In case of any discrepancies between the Danish version and this English translation thereof, the Danish version shall prevail.

