



November 25, 2010

PRESS RELEASE

Oasmia Pharmaceutical completes rights issue of SEK 238.7 million

Through the rights issue, Oasmia Pharmaceutical AB (publ) ("Oasmia") has received proceeds amounting to approximately SEK 238.7 million before transaction related costs. Of the proceeds SEK 70 million have been paid by the main shareholder Oasmia S.A. by offsetting the equivalent amount against its claim against the company.

The final result of the rights issue of Oasmia shows that 12,899,278 new shares, representing approximately 89 percent of the shares offered, were subscribed for by the exercise of subscription rights.

Another 518 651 shares corresponding to approximately 4 percent of the shares offered have been subscribed for without subscription rights and have been allotted to those who have subscribed in accordance with the principles set out in the prospectus.

The remaining 1 048 554 shares corresponding to approximately 7 percent of the shares offered have been allotted to those who have entered into guarantee commitments with Oasmia in accordance with each respective agreement.

Notification regarding allotment of shares that have been subscribed for without subscription rights will be sent to those who have been allotted shares.

Through the rights issue Oasmia's share capital increases by SEK 1 446 648.30 to SEK 5 207 934.10. The number of shares increases by 14 466 483 to 52 079 341.

The last day for trading in paid subscribed shares (BTA) on NASDAQ OMX Stockholm is expected to be December 1, 2010. New shares subscribed for with and without subscription rights are expected to start trading on NASDAQ OMX Stockholm on December 9, 2010.

IMPORTANT INFORMATION

The information in this press release is not intended, directly or indirectly, for release, publication or distribution, in or into the United States, Canada, Ireland, Switzerland, South Africa, Japan, Hong Kong, Singapore, Australia or New Zealand.

The information in this press release does not and shall not be deemed to constitute an offer to sell, or a solicitation to buy, nor shall there be any sale of the securities referred to herein in any jurisdiction in which such offer, solicitation or sale would require preparation of further prospectuses or other offer documentation, or would be unlawful prior to registration or absent an applicable exemption from registration requirements under the securities laws of any such jurisdiction.

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Oasmia has not decided to offer shares or subscription rights to the public in any other member state within the European Economic Area, with the exception of Sweden. Within such member states of the European Economic Area (except for Sweden) which have implemented the Prospectus Directive (a "Relevant Member State"), Oasmia has taken no action at the date of this prospectus to offer shares or subscription rights to the public, which might require the prospectus to be published in any Relevant Member State. As a consequence thereof, the share or subscription rights may only be offered in Relevant Member States:

(a) to legal entities which are authorised or permitted to operate in the financial markets or, if they do not have such authorisation or permission, whose corporate purpose is solely to invest in securities;

(b) to a legal entity that meets two or more of the following criteria: (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than Euro 43 million and (3) an annual net turnover of more than Euro 50 million, according to its latest annual or consolidated accounts; or

(c) to such person, investor or other group of persons that an exception from the prospectus requirement exists in accordance with Article 3(2) in the Prospectus Directive.

For purposes hereof, the expression "an offer of shares or subscription rights to the public" in any Relevant Member State shall mean the communication, in any form, of sufficient information about the terms of the offer and the shares or subscription rights that are offered so that an investor can decide whether to buy securities, as this can be varied in any such Relevant Member State by any measure implementing the Prospectus Directive in such Member State, and the expression "the Prospectus Directive" means Directive 2003/71/EC including all implementation measures in each respective Relevant Member State.

In connection with the Rights Issue, Carnegie Investment Bank or a representative for Carnegie Investment Bank may act as a stabilisation manager and effect transactions to support the exchange price or market price of the Company's shares, the subscription rights, BTAs or the new shares to balance any sales pressure. Possible stabilisation will be conducted in accordance with Regulation (EC) number 2273/2003.

This press release may contain forward-looking information. Forward-looking information can be identified as information that does not exclusively refer to the past or current circumstances, or information that may contain words such as "expected", "believed", "estimated", "planned", "projected", or "forecast". These statements may involve uncertainties and risks regarding, for example, product demand and market acceptance, the effect of economic conditions, impact of competitive products and pricing, currency exchange rates and other risks. These forward-looking statements reflect the current views of Oasmia's Board of Directors and management, based on information available to them today, and are based on a number of assumptions, which are deemed reasonable, but are inherently uncertain and difficult to predict. Actual results may differ materially from those expressed or assumed in this forward-looking information. Oasmia does not intend, nor undertakes any duty, to update any such forward-looking statements.