

LINKMED AB (PUBL)

Year-end report 2010

- Net sales for the year were SEK 80.5 million (83.2). Currency effects had a negative impact on sales of SEK 8 million for the year.
- Net sales for the fourth quarter were SEK 20.0 million (19.1). Currency effects had a negative impact on sales of SEK 1 million for the quarter.
- The underlying sales growth of Olerup SSP products for the fourth quarter was very strong. Growth for Olerup GmbH in local currency was 11 % and for Olerup Inc. was a notable 36 %.
- Operating loss (EBIT) for the year was SEK 8.1 million (+18.7), with a loss of SEK 4.0 million (+0.5) in the fourth quarter. Nonrecurring costs had a negative impact on fourth quarter results of SEK 3.3 million. In the comparative figures for 2009, Absorber is only included from November 18 and Olerup Inc. not at all.
- Loss after tax for the year was SEK 13.6 million (+10.2).
- Loss per share basic and diluted was SEK 0.58 (+0.69) for the year.
- Equity per share was SEK 33.43 (34.71).

KEY EVENTS IN THE FOURTH QUARTER

- LinkMed streamlined its organization in conjunction with new strategic direction.
- LinkMed appointed Ondra Partners as financial advisors in conjunction with the ongoing exit processes.
- The patient logistics solution PatLog® from ONCOlog Medical is included in the proton therapy facility that the Belgian company IBA has been commissioned to deliver to a new center in Dimitrovgrad, Russia.
- ONCOlog Medical's PatLog® system was installed at a radiotherapy center in Germany.
- Likvor received an order for the Likvor CELDA® system from the Örebro University Hospital.

KEY EVENTS AFTER THE PERIOD END

- Distribution agreements for the Brazilian market were entered into by the transplantation companies
- Likvor's CELDA® system was purchased by the Kuopio University Hospital in Finland.
- Olerup SSP increased its product range through two exclusive sales agreements.

COMMENTS FROM CEO INGEMAR LAGERLÖF ON THE QUARTER:

"Our intensive marketing and sales efforts have started to generate strong results. The build-up of our operations in the U.S. involved costs of SEK 12 million for the year. It is therefore with great pleasure that I am able to announce a strong sales growth of 36 percent in the U.S. for the fourth quarter. Our European team also generated a solid 11 percent growth. Over the past two quarters we incurred higher one-off costs, amounting to SEK 9.9 million, in order to transform LinkMed from a broad life science investment company to a global operator in the transplantation sector. In 2011, we will work intensively to generate high growth, mainly organic; however, we may also expand our product range through acquisitions and licensing."

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KEY EVENTS IN THE FOURTH QUARTER

LinkMed streamlines organization in conjunction with new strategic direction

LinkMed's decision to focus its operations on the transplantation sector and intensify work to successfully harvest the value of the company's venture portfolio, has resulted in the need for cutbacks in the parent company organization. Among other changes, LinkMed's three Senior Venture Managers have left the company. The organizational changes implemented by LinkMed will henceforth lead to annual cost reductions of around SEK 7 SEK. A one-off cost of SEK 4.6 million in personnel costs was charged to earnings in the third quarter.

New classification for LinkMed on NASDAQ OMX

From October 5, 2010, LinkMed changed classification on NASDAQ OMX to Life Sciences Tools & Services with the GICS code 35203010. LinkMed's previous GICS (Global Industry Classification Standard) classification was Asset Management & Custody Banks.

LinkMed appoints Ondra Partners as financial advisor in conjunction with exit processes

In conjunction with LinkMed's transformation from venture capital company to an operative company focused on the transplantation sector, LinkMed has appointed the international financial advisors Ondra Partners in conjunction with harvesting the value of LinkMed's venture portfolio.

Further success for ONCOlog Medical

ONCOlog Medical's partner IBA (Ion Beam Applications S.A.) won an order for a proton therapy center from the Federal High-Tech Medical Center in Dimitrovgrad, Russia. This order also includes the patient logistics solution PatLog® from ONCOlog Medical at an order value of SEK 10 million.

In December, ONCOlog also announced that the company, in collaboration with the Department of Radiation Oncology at the University Medical Center Mannheim, Germany, had initiated a research and evaluation program on using ONCOlog Medical's Pat-Log® system in its daily radiotherapy treatment of patients with linear accelerators from Elekta.

Nomination committee appointed for 2011

In accordance with the decision made at LinkMed's annual general meeting on April 26, 2010, members of the Nomination Committee 2011 were appointed by

the Chairman contacting the three largest shareholders in the company and asking them each to appoint one representative to form the Nomination Committee together with the chairman. The appointed Nomination Committee for 2011 is as follows:

- Monica Caneman, Chairman, LinkMed AB
- Oscar Ahlgren, Mohammed Al Amoudi
- Anders Keller, FastPartner AB (publ)
- Gustaf Mannerson, Mannersons Fastighets AB

The Nomination Committee has appointed Anders Keller as committee chair.

Likvor receives order for the CELDA® system from the Örebro University Hospital

Likvor has received an order for the CELDA® system from the Örebro University Hospital. This is the sixth order for the CELDA® instrument.

KEY EVENTS AFTER THE PERIOD END

Distribution agreement entered into by transplantation sector companies

LinkMed's transplantation sector companies Olerup SSP and AbSorber have entered into an exclusive distribution agreement covering the Brazilian market, the world's second largest transplantation market following the U.S. The Brazilian partner is Genese Produtos Diagnosticos Ltda in Sao Paulo.

Likvor's CELDA®-system purchased by Kuopio University Hospital in Finland

Likvor will deliver a CELDA® system to the Kuopio University Hospital in Finland. This marks the first CELDA® system in Finland and the seventh instrument delivered by the company.

Olerup SSP expands product range through two exclusive sales agreements

Olerup SSP has entered into an exclusive sales agreement with the U.S. company Biotium covering the company's GelRed™ product. The sales agreement gives Olerup SSP exclusive rights to sell GelRed™ to clients in the HLA typing market.

Olerup SSP has also signed a sales agreement with QIAGEN GmbH covering the QIAxcel Advanced System. The instrument automates manual electrophoresis steps during SSP for HLA typing, thereby saving the laboratory time and resources. The agreement is limited to HLA typing in the transplantation sector and gives Olerup SSP the right to sell the system with its range of HLA typing kits worldwide.

Group performance

LinkMed is primarily focused on commercial transplantation sector operations, comprising the product companies AbSorber and Olerup SSP as well as the sales and distribution companies Olerup Inc and Olerup GmbH.

LinkMed's associated companies in the life science sector consist of four companies in biotechnology and six companies in diagnostics and medical technology. Associated company operations will gradually be divested.

LinkMed's portfolio

Transplantation

	Ownership stake 2010 Dec 31	Ownership stake 2009 Dec 31
AbSorber AB	98.1%	98.0%
Olerup SSP AB ¹⁾	91.0%	100.0%
Olerup GmbH (through Olerup International AB ²⁾)	25.0 %	25.0 %
Olerup Inc (through AbSorber AB ³⁾)	50.0 %	25.0 %

Associated companies

BioResonator AB	Medtech/Diagnostics	48.5%	49.7%
Biovator AB	Medtech/Diagnostics	67.6%	57.2%
Likvor AB	Medtech/Diagnostics	47.7%	48.9%
ONCOlog Medical QA AB	Medtech/Diagnostics	37.7%	40.4%
OrtoWay AB	Medtech/Diagnostics	73.4%	61.7%
Pharmacolog i Uppsala AB	Medtech/Diagnostics	39.7%	41.7%
AnaMar AB	Drug development/Biotech	17.1%	19.3%
IMED AB	Drug development/Biotech	36.0%	42.7%
NovaHep AB	Drug development/Biotech	49.5%	49.5%
Recopharma AB	Drug development/Biotech	49.6%	49.5%

¹⁾ SSP Primers received 9% of shares in Olerup SSP In August 2010 as part of an additional purchase price agreement

²⁾ LinkMed is entitled to acquire a further 25% of shares in NorDiag under the terms of a shareholders' agreement.

³⁾ Through AbSorber, LinkMed acquired 50% of the shares of Olerup International, the remaining 50% are owned by SSP Primers

TRANSPLANTATION

Attractive niche market

The transplantation market is an attractive niche market in which transplants are performed by a limited number of medical centers. Today around 550 centers perform transplants in the U.S. and Western Europe. This makes it possible for a smaller company with its own sales channels to become a global operator in key markets.

The transplantation market is characterized as relatively stable and not particularly susceptible to business cycles. Products are sold with high margins and the market is growing globally.

A shortage of organs and problems with rejection reactions drive the need for better matching, in other words, methods that provide information on whether or not tissue from different individuals is a fit as well as identifying any antibodies that may cause rejection reactions or attack the new host in conjunction with transplantation.

LinkMed, with its two subsidiaries AbSorber and Olerup SSP, has established itself as a key player in the transplantation sector. The company has announced its ambition to unite these companies under a common identity. LinkMed, with AbSorber and Olerup SSP as a foundation, will actively work to increase growth and improve margins. Growth will primarily be achieved through organic growth from existing products and new products from its own R&D pipeline. An active acquisition and licensing strategy will also generate faster growth.

Production, R&D and marketing companies



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.). For more information visit www.olerup-ssp.se.

Sales developed positively in the fourth quarter, see Olerup GmbH and Olerup Inc., for more information. Currency effects had a negative impact on results during the quarter of SEK 1 million and SEK 8 million for the year. After the end of the quarter, Olerup SSP entered into two new sales agreements. One with the U.S. company Biotium covering the GelRed™ product. Under the terms of the agreement, Olerup SSP has the exclusive right to sell GelRed™ to the HLA typing market. The other is an agreement signed with QIAGEN GmbH covering the QIAxcel Advanced System. The instrument automates the manual electrophoresis process during SSP for HLA typing, thereby saving the laboratory time and resources.



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. The company is also developing a patented ABO column for transplantations between people of different blood groups and an ABO diagnostic test that measures the occurrence of blood group antibodies. For more information visit www.absorber.se.

The U.S. is the most important market, where the company is currently prioritizing growth over profit. As part of the company's aggressive drive in the market, AbSorber acquired the Olerup Inc sales company in the U.S. in the first quarter in collaboration with SSP Primers. A priority for the company is to reposition XM-ONE® from being an interesting research product for major centers to being a product in clinical use with broad distribution.

Sales and distribution companies



GmbH
Vienna Austria

Olerup GmbH, based in Vienna, is responsible for sales, distribution and logistics in Europe, with the exception of the Nordic region. Sales encompass Olerup SSP's HLA-typing products, AbSorber's XM-ONE® transplantation test and NorDiag's Arrow product. Sales are carried out through a proprietary sales team in Germany, Austria and Slovenia. Sales in other markets are handled by sub-distributors.

The company is currently focused on maintaining and developing quality sub-distributors and building up a proprietary sales force in which this is prioritized. Europe is the most important market for Olerup SSP, with Italy as the country with the highest sales of SSP products. Major efforts will also be made in Asia, with a focus on India and China. In August, Olerup GmbH hosted a major workshop in India in collaboration with the product company Olerup SSP to boost SSP sales.

The company is owned by Olerup International, in which LinkMed and SSP Primers both have ownership stakes of 25 percent and NorDiag 50 percent. LinkMed and SSP Primers have an option to buy out NorDiag in July 2012 when the partnership agreement expires or earlier under certain specified conditions.

Sales of HLA products by Olerup GmbH

	Q4 2010	Q4 2009	Growth
Amount in TEUR	2,254	2,027	11 %



West Chester PA USA

Olerup Inc., headquartered in West Chester, PA, USA, is responsible for the sales, distribution and logistics of OLERUP SSP and AbSorber products in the North American market. Since March 1, the company is owned 50/50 by AbSorber and SSP Primers.

Since the takeover in March, the company's organization has been strengthened considerably. In April, the company recruited a new General Manager with extensive sales experience in the transplantation sector, both from the pharmaceutical and diagnostics side. In addition, the

sales team was reinforced with three specialized sales people, contributing to strong HLA product sales growth.

Sales of HLA products by Olerup Inc

	Q4	Q4	Growth
Amount in TUSD	2010	2009	
Net sales	626	459	36 %

XM-ONE® was introduced at a number of major centers which are currently evaluating the product. The company hosted a symposium at The Transplantation Society's major annual transplantation congress, featuring presenters who are prominent global opinion leaders. The symposium highlighted experiences using XM-ONE® gathered from, among other methods, trials in the U.S.

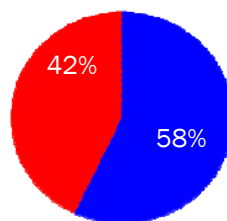
ASSOCIATED COMPANIES

LinkMed has invested in and built up life science companies since it was founded in 1998. Today, LinkMed's portfolio consists of ten associated companies. Of these, six operate within diagnostics and medical technology and four in drug development and biotechnology. LinkMed's ownership stake in its associated companies ranges from 17 to 73 percent. Following the decision to focus LinkMed's operations on the transplantation sector, work to harvest the value of the portfolio of associated companies is now being intensified and accelerated.

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 market quotation 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 Guidelines. 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. It must be noted that the assessment of fair value based on assumptions about future cash flows, and the probability of their realization, is by nature always uncertain.

LinkMed's participation in the estimated fair value of associated companies at December 31, 2010 was SEK 390 million based on LinkMed's valuation model. The estimated fair value illustrated in the pie chart below does not include Olerup SSP AB, AbSorber AB and Olerup Inc, which are subsidiaries. Nor does it include Olerup

International AB, which is reported in accordance with the equity method.



- Diagnostics/Medical technology
- Drug development/biotechnology (excl. transplantation sector)

Work to gradually divest parts of the holdings in this portfolio have begun, with no part yet completed. As clarified below, the current assessment is that LinkMed will not be able to harvest the value previously considered possible if LinkMed had remained owner and continued to invest in further development.

Diagnostics and medical technology



BioResonator develops *non-invasive biomedical sensors for diagnostics in several healthcare sectors*. The company has developed a new sensor technology and constructed two new instruments for measuring eye pressure and diagnosing patients with glaucoma. The company's first product is CE marked and sales in Europe have commenced. Pilot studies have also been conducted in cancer and oedema diagnostics. For more information visit www.bioresonator.com.

BioResonator commenced the launch of its eye tonometer in August, after receiving CE marking for its contact tonometer ART™. BioResonator has entered into agreements with a number of European distributors and has also received its first orders.

Biovator

Biovator develops tests for the predictive identification of allergenicity in chemical substances. 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 visit www.biovator.com.

Biovator expects its first product, an in-vitro test that assesses the primary immune system's reactivity and which may indicate potential for immunogenicity and immunotoxicity, to be ready for launch in the first quarter 2011. The company's other test, for Type 4 allergies

(GAPA), is being developed in collaboration with AstraZeneca and will be validated by the German chemical company BASF.

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 visit www.likvor.com.

Since the launch of CELDA™, Likvor has received seven orders from leading hospitals in Sweden, Denmark and Finland. Likvor is working intensively to build up the market in Europe for the product and expects more orders in 2011.



ONCOlog Medical develops, manufactures 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 visit www.oncologmedical.com.

Today ONCOlog Medical has an exclusivity agreement with IBA encompassing the PatLog® system for proton therapy centers. The company is also focused on selling the PatLog® system direct to radiotherapy centers, which are significantly more in numbers than proton and particle therapy centers. A recent breakthrough in the radiotherapy segment is the collaboration with the Department of Radiation Oncology at the University Medical Center in Mannheim, Germany.

OrtoWay

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 visit www.ortoway.com.

OrtoWay's efforts are focused on generating additional clinical data for the surgical instrument OrtoWell™, which facilitates and improves arthodesis and the insertion of disc prostheses into the spine. OrtoMixer™ is complete from a technological perspective and the focus is now on finding an industrial partner that can complement the product with bone cement.

Pharmacolog

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

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

Drug development and biotechnology

AnaMar

AnaMar develops drugs and biomarker tests for the treatment, diagnosis and monitoring/prediction of degenerative joint diseases, such as rheumatoid arthritis and osteoarthritis. The drug candidate that has progressed the furthest in its development is AMAP102 for osteoarthritis degenerative joint diseases. Furthermore, AnaMar has two drug candidates at preclinical stage, one biomarker test in prototype development and two commercial biomarker tests, COMP®-Elisa and Animal COMP®-Elisa. For more information visit www.anamar.com.

Phase I clinical trials were carried out demonstrating positive results on the AMAP 102 in order to document safety, tolerability and pharmacokinetics. The company is planning on commencing phase II trials in 2011. TASS and DAR, the company's other drug development candidates for the treatment of degenerative joint diseases, look very promising in trials carried out so far.

IMED

IMED develops human monoclonal antibodies (mAb) that block natural cell death or apoptosis. mAb is a rapidly expanding area and IMED's antibodies have the potential to be first-in-class in several possible areas of use related to diseases with major medical needs. The company intends to initially develop antibodies for therapeutic

tic 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 visit www.imed.se.

IMED completed its first pilot toxicity tests and pharmacokinetic tests with the blocking antibody, initially developed for GVHD. 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.

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 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.

Recopharma

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

The company's primary area of focus is on products that lubricate the eye and neutralize 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.

FINANCIAL PERFORMANCE JANUARY–DECEMBER 2010

Group

Results for the January – December period

Operating loss was SEK 8.1 million (+18.7) and loss after tax was SEK 13.4 million (+10.2) equivalent to a loss of SEK 0,58 (+0.69) per share, basic and diluted, for the period (as well as the corresponding period in 2009). LinkMed's decision to focus on the transplantation sector as well as to intensify and accelerate work to harvest the value in associated companies resulted in restructuring costs of SEK 9.9 million, charged to earnings last half of the year. The restructuring carried out so far will result in an annual decrease in costs of SEK 7 million.

Associated companies

The estimated fair value of the group's shares in associated companies on December 31, 2010 was SEK 390 million based on the same model previously used for the assessment of fair value. In conjunction with the company's decision in fall 2010 to shift strategy and further focus on the transplantation sector, work began to gradually divest parts of the company's venture portfolio of life science companies built up since 1998. This process is ongoing and no part has yet been completed. Depending on the outcome, LinkMed will sell holdings corresponding to SEK 22 million to SEK 150 million in book value in the parent company. In the group's financial statements, these holdings have a fair value of SEK 55 million to SEK 230 million. Indicative bids and discussions held suggest that LinkMed will not be able to harvest the value previously considered possible if LinkMed had remained owner and continued to further invest in development of the companies, which is a basic assumption in LinkMed's valuation model. It is therefore likely that the divestments will involve accounting losses. It is too early however to be able to determine the size of such losses.

HLA Intressenter, AbSorber, Olerup SSP and Olerup Inc. are included in the consolidated financial statements as subsidiaries and second-tier subsidiaries, respectively, and therefore are 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 million 205.8 secured to finance the acquisition of Olerup SSP and AbSorber.

The equity/assets ratio for the group was 69 (68) percent. Consolidated equity was SEK 575.6 million (590.6), corresponding to SEK 33.43 (34.71) per share. Liquid funds amounted to SEK 31.2 million (110.9)

Consolidated cash flow from operations before changes in working capital was a negative SEK 19.2 million (+13.1) (corresponding period 2009).

Parent company

Capital investments

In the January – December period LinkMed invested a total of SEK 38.4 million in associated companies. The largest net investments were made in Biovator SEK 8.1 million, ONCOlog Medical SEK 7.8 million, Recopharma SEK 7.7 million and BioResonator SEK 5.0 million.

The book value of investments in associated companies rose to SEK 254.7 million from SEK 216.3 million at the beginning of the year, of which shares constituted SEK 236.3 million (201.9), convertibles SEK 18.2 million (13.5) and receivables SEK 0.2 million (0.9).

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. The last day to convert is November 30, 2012. The conversion rate is SEK 30.

Risks and uncertainties

LinkMed's operations are exposed to various types of risks, which differ somewhat when it comes to transplantation operations and investments in associated companies respectively, which LinkMed has carried out since 1998.

Olerup SSP has long been an established business in the transplantation sector, with well-known products in the field of genomic HLA typing and a significant market share. At the same time, the company faces market risk in the form of competition from other producers, transition to more automated typing processes as well as new technologies, which may make it difficult for the company

to maintain market share and margins. Operational risk is primarily tied to the company's ability to constantly update its product range and to produce test kits in pace with market demand.

AbSorber's transplantation test XM-ONE[®] is primarily used as a research product by larger centers. Work is underway to get the product established in broad clinical use. There is a risk that market acceptance may take longer than planned to achieve. To date, XM-ONE[®] is the only product in its area and has significant patent protection. However, there is a risk that the company's competitors may challenge these patents or otherwise introduce competing test methods.

In the case of Olerup SSP and AbSorber, attracting and maintaining qualified personnel for development, production, marketing, sales and logistics is essential for company development.

When it comes to LinkMed's holdings in associated companies, the company 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 Olerup SSP and AbSorber, as well as the associated 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. Some of the 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.

LinkMed's associated companies require regular capital injections. Such funding is in part a prerequisite for maintaining the value generated in the company. 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. Furthermore, the company has intensified and accelerated work to harvest the value in the associated compa-

nies. 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 advantageous to shareholders. This in turn may have a negative impact on LinkMed's financial performance.

LinkMed's acquisition of Olerup SSP in 2008 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. Likewise, the loan financing of the 2009 acquisition of AbSorber has also increased risk.

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

Share and shareholders

At December 31, 2010 LinkMed had 1,746 shareholders compared to 2,087 shareholders at year-end 2009.

Principal owners 12-31-2010	Number of shares	Ownership stake, %
Mohammed Al Amoudi	3,691,315	21.5
FastPartner AB (publ)	3,006,666	17.5
Mannersons Fastighets AB	967,736	5.6
Länsförsäkringar småbolagsfond	797,500	4.6
Olle Olerup, indirect	617,661	3.6
Avanza Pension	568,149	3.3
Ingemar Lagerlöf, direct and indirect	530,930	3.1
Jan Holgersson	492,034	2.9
SIX SIS AG, WSIMY	445,661	2.6
JP Morgan Bank	340,750	2.0
Other	5,725,662	33.3
<i>Total</i>	<i>17,184,064</i>	<i>100.0</i>

Accounting principles

Key accounting principles

The consolidated accounts for the January – December 2010 period, like the consolidated annual accounts for 2009, 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, Reporting for legal entities.

This year-end 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 most recent Annual Report with the exception of IFRS 3R, Business Combinations and IAS 27R Consolidated and Separate Financial Statements, which entered into force on January 1, 2010. These revised standards have had no effect on this interim report.

Future report dates

Interim report January-March: May 10, 2011

Interim report January - June: August 25, 2011

Interim Report January - September: November 16, 2011

LinkMed's Annual General Meeting will be held in Stockholm on May 10, 2011. Shareholders who wish to have matters considered at the meeting must notify the company by April 4, 2011 at the latest.

Stockholm, February 25, 2011

Ingemar Lagerlöf
Chief Executive Officer

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

The information in this interim 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, 25 2011 at 08:00 CET

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

LinkMed

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Consolidated statement of comprehensive income	2010	2009	2010	2009
Amount in SEK thousand	OCT-DEC	OCT-DEC	JAN-DEC	JAN-DEC
Net sales	19,956	19,110	80,509	83,219
Changes in inventory	840	1,637	1,163	-852
Work performed by group for its own use and capitalized	1,191	440	4,525	440
Results from divestment of associated companies	-	-	-	-
Change in value of associated companies	-	-	-	-
Other income	931	977	6,119	3,324
	22,918	22,164	92,316	86,131
Raw materials and consumables	-3,516	-4,204	-15,560	-13,806
Other external costs	-11,951	-7,647	-36,591	-23,184
Personnel costs	-11,833	-9,380	-49,922	-29,930
Depreciation/amortization	-223	-317	-852	-1,013
Results from participations in associated companies reported in accordance with the equity method	621	-78	2,514	520
<i>Operating income/loss</i>	-3,985	538	-8,095	18,718
Results from financial investments	-1,796	-1,049	-8,326	-4,849
<i>Results after financial items</i>	-5,781	-511	-16,421	13,869
Tax	658	-65	2,855	-3,689
<i>Net income/loss for the period</i>	-5,123	-576	-13,566	10,180
Other comprehensive results for the period				
Gradual acquisition. Reversal of previous value changes				
AbSorber	-	-64,667	-	-64,667
Translation differences	-180	209	-1,534	-742
Total comprehensive results for the period	-5,303	-65,034	-15,100	-55,229
Results for the period related to				
Parent company shareholders	-4,259	-550	-10,003	10,206
Holdings without controlling influence ¹⁾	-864	-26	-3,563	-26
Comprehensive results for the period related to				
Parent company shareholders	-4,393	-65,008	-11,751	-55,203
Holdings without controlling influence ¹⁾	-910	-26	-3,349	-26
Earnings per share basic and diluted, SEK ²⁾	-0.25	-0.03	-0.58	0.69
Average number of outstanding shares, basic and diluted	17,184,064	16,807,605	17,184,064	14,895,359
Number of shares at the period end	17,184,064	16,971,616	17,184,064	16,971,616

Consolidated balance sheet	2010	2009
Amount in SEK thousand	31 DEC	31 DEC
Assets		
Goodwill	207,532	207,833
Intangible fixed assets	129,394	123,920
Tangible fixed assets	3,458	1,903
Participations in associated companies ³⁾	397,211	362,135
Long-term receivables	18,249	13,490
Deferred tax assets	16,566	13,712
<i>Total fixed assets</i>	<i>772,410</i>	<i>722,993</i>
Assets held for divestment ⁴⁾	-	-
Inventories	17,908	15,005
Current receivables	12,595	15,044
Liquid funds	31,199	110,902
<i>Total current assets</i>	<i>61,702</i>	<i>140,951</i>
Total assets	834,112	863,944
Equity and liabilities		
Equity	575,609	590,572
Long-term liabilities and provisions	219,048	223,274
Short-term liabilities and provisions	39,455	50,098
Total equity and liabilities	834,112	863,944

Consolidated statement of changes in equity	2010	2009
Amount in SEK thousand	31,DEC	31,DEC
Opening balance	590,572	506,968
New issue	137	112,312
Current new issue	-	5,949
Issue costs	-	-14,706
Tax on issue costs	-	3,868
Received options premium ⁴⁾	-	31,410
Comprehensive results for the period	-15,100	-55,229
<i>Closing balance</i>	<i>575,609</i>	<i>590,572</i>
Of which related to the:		
Parent company shareholders	574,413	589,054
Holdings without controlling interest ¹⁾	1,196	1,518

¹⁾ AbSorber is included in the group from November 18, 2009 and Olerup Inc is included in the group from March 1, 2010.

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 8,012 thousand in accordance with the equity method.

⁴⁾ Work is ongoing to successively divest parts of these holdings but as of now no part has yet been completed. Depending on the outcome, LinkMed will sell holdings corresponding to SEK 22 million to SEK 150 million in book value in the parent company. In the group's financial statements, these holdings have a fair value of SEK 55 million to SEK 230 million. See pages 5 and 7 for information regarding the ongoing divestment work.

⁵⁾ Concerns the value of SSP Primers AB's right to subscribe to shares in Olerup SSP through renegotiated additional purchase price. In 2010 this premium was utilized and SSP Primers AB has received 9 % of the shares in Olerup SSP AB.

Consolidated cash flow statement	2010	2009
Amount in SEK thousand	JAN-DEC	JAN-DEC
Results after financial items	-16,421	13,869
Tax paid	-2,279	-1,788
Adjustments for items not included in the cash flow	-482	976
<i>Cash flow from operations before changes in working capital</i>	<i>-19,182</i>	<i>13,057</i>
Changes in working capital	4,553	3,860
<i>Cash flow from operations</i>	<i>-14,629</i>	<i>16,917</i>
Cash flow from investing activities	-64,324	-106,133
Cash flow from financing activities	-,750	149,796
Cash flow for the period	-79,703	60,580
Liquid funds at the start of the period	110,902	50,322
<i>Liquid funds at the end of the period</i>	<i>31,199</i>	<i>110,902</i>

Parent company income statement

	2010	2009	2010	2009
Amount in SEK thousand	OCT-DEC	OCT-DEC	JAN-DEC	JAN-DEC
Results from portfolio companies ²⁾	37,515	29,768	37,515	29,768
Results from investment activities	37,515	29,768	37,515	29,768
Other income	689	1,206	4,816	4,678
Other external costs	-4,844	-2,966	-14,693	-10,965
Personnel costs	-2,721	-4,483	-20,152	-16,261
Depreciation/amortization	-22	-44	-148	-270
Operating income	30,617	23,481	7,338	-6,950
Results from financial investments	-795	919	-753	3,485
Results after financial items	29,822	24,400	6,585	10,435
Tax	-8,304	-6,445	-1,772	-2,772
Net income for the period	21,518	17,955	4,813	7,663
Earnings per share, basic and diluted, SEK ¹⁾	1.25	1.07	0.28	0.51
Number of outstanding shares, basic and diluted	17,184,064	16,807,605	17,184,064	14,895,359
Number of shares at the period end	17,184,064	16,971,616	17,184,064	16,971,616

¹⁾ Translation of historical value was made in regard to the stock dividend element in the new share issue in June 2009.

²⁾ Concerns group contributions received from Olerup SSP AB

Parent company balance sheet

	2010	2009
Amount in SEK thousand	31 DEC	31 DEC
Assets		
Intangible and tangible fixed assets	243	311
Shares in subsidiaries	123,432	123,295
Participations in associated companies	236,256	201,883
Long-term receivables	52,649	57,490
Deferred tax assets	3,860	5,633
Total fixed assets	416,440	388,612
Current receivables	83,619	52,303
Cash and bank	17,437	89,662
Total current assets	101,056	141,965
Total assets	517,496	530,577
Equity and liabilities		
Equity	388,096	383,146
Long-term liabilities	114,289	138,514
Short-term liabilities	15,111	8,917
Total equity and liabilities	517,496	530,577
Changes in equity, parent company		
Opening balance	383,146	268,060
New issue	137	112,312
Current new issue	-	5,949
Issue costs	-	-14,706
Deferred tax on issue costs	-	3,868
Net income/loss for the period	4,813	7,663
Closing balance	388,096	383,146

Parent company cash flow statement	2010	2009
Amount in SEK thousand	JAN-DEC	JAN-DEC
Results after financial items	6,585	10,435
Adjustments for items not included in the cash flow	-36,591	-29,012
Cash flow from operations before changes in working capital	-30,006	-18,577
Changes in working capital	6,694	1,700
Cash flow from operations	-23,312	-16,877
Cash flow from investing activities	-23,913	-107,553
Cash flow from financing activities	-25,000	167,513
Cash flow for the period	-72,225	43,083
Liquid funds at the start of the period	89,662	46,579
Liquid funds at the period end	17,437	89,662

Key figures	2010 ³⁾	2009
	JAN-DEC	JAN-DEC
<i>Key figures, Group</i>		
Net sales, SEK thousand	80,509	83,219
Operating income/loss, SEK thousand	-8,095	18,718
Net income/loss after tax, SEK thousand	-13,566	10,180
Earnings/loss per share, basic and diluted, SEK ¹⁾	-0.58	0.69
Equity per share, SEK ²⁾	33.43	34.71
Equity/assets ratio, %	69	68
Return on equity, %	-2	2
Average number of employees	48	33
Fair value of portfolio of associated companies, SEK thousand ²⁾	397,211	362,135
Book value of portfolio of associated companies, SEK thousand	236,256	201,883
<i>Key figures, Parent company</i>		
Average number of employees	8	9
Number of outstanding shares at period end	17,184,064	16,971,616
Average number of outstanding shares	17,184,064	14,895,359
Earnings/loss per share, SEK ¹⁾	0.28	0.51
Equity per share, SEK ¹⁾	22.58	22.58
Share price at period end, SEK	20.0	25.8
Market cap, SEK thousand	343,681	437,868

¹⁾ Translation of historical value was made in regard to the stock dividend element in the new share issue in June 2009.

²⁾ In item 'Participations in associated companies' Olerup International AB is included at SEK 8,012 thousand. The company is not reported at fair value like the other associated companies but in accordance with the equity method.

³⁾ AbSorber is included in the group from November 18, 2009 and Olerup Inc is included in the group from March 1, 2010.



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