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GO-AHEAD FOR KARO BIO PHASE III STUDY

STOCKHOLM, September 19, 2011 - Karo Bio AB (publ) has received approval from national regulatory authorities to start its phase III patient study with eprotirome, enabling the study to start as planned with an Investigators meeting in September.

"With these approvals, we have all key pieces in place to begin the large patient study in eprotirome's phase III program. We, the clinicians and many patients are now looking forward to start this study", says Karo Bio's acting CEO Per Bengtsson.

The official start of the study takes place on September 22, when investigators from all participating clinics, gather for an investigators meeting that primarily will address the practical management of the study.

The study will be conducted at 70 clinics in 12 countries, mostly in Europe. The relatively large number of clinics is required to recruit enough patients during a limited period of time. The study will involve a total of 630 patients with the hereditary condition Heterozygous Familial Hypercholesterolemia (HeFH) who will be treated with eprotirome for two years. Patients with HeFH have high levels of LDL cholesterol and do often suffer from cardiovascular disease already at a young age. Karo Bio's goal is to complete the study so that a registration application can be submitted in the EU in 2014.

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About Karo Bio

Karo Bio is a pharmaceutical company focused on the research and development of innovative drugs for large medical needs. The company runs a number of drug development projects within the indication areas cardiovascular and metabolic diseases, neuropsychiatry, inflammation, autoimmune diseases, cancer and women's health. An important foundation for the company's activities is its unique knowledge of nuclear receptors as target proteins for the development of novel pharmaceuticals, as well as related mechanisms of action. Karo Bio is based in Huddinge, Sweden, has around 70 employees and is listed on NASDAQ OMX Stockholm.

This information is such that Karo Bio is required to disclose under the Swedish Securities Market Act. The information was disclosed on September 19, 2011, 08:30 CET.

This press release is also available online at www.karobio.se and www.newsroom.cision.com