LinkMed AB (publ)

Interim report January – September, 2008

Group financial development July – September

Following the acquisition of 100 percent of the shares of Olerup SSP AB, LinkMed is now reported as a group.

- Net sales totaled SEK 16.8 million
- Results of investing activities were SEK 0 million
- Net income after tax was SEK 6.4 million
- Basic earnings per share was SEK 0.73
- Equity per share was SEK 57.6
- Equity/assets ratio was 69 percent

Parent company financial development January– September

- Results of investing activities were SEK 0 million (0)
- Other revenue totaled SEK 2.9 million (3.7)
- Net loss after tax was SEK 9.3 million (-5.9)

Key events in the third quarter

- LinkMed acquires 100 percent of Olerup SSP AB
- AbSorber receives FDA clearance to sell XM-ONE® in the U.S.
- LinkMed participates in AnaMar Medical's new share issue with SEK 10 million

CEO Ingemar Lagerlöf's commentary on the third quarter 2008:
"Following the acquisition of the transplantation sector company Olerup SSP AB in the third quarter, LinkMed is now a group, with Olerup SSP as a wholly owned subsidiary. The acquisition gives us the opportunity to, in collaboration with our transplantation sector company AbSorber, to build a unique and considerably larger transplantation sector company with a strong future pipeline. The acquisition strengthens LinkMed's financial position with a strong cash flow. Through the acquisition of Olerup SSP, LinkMed reports profit in the third quarter."

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LinkMed

Key events in the third quarter

LinkMed's operations

LinkMed acquires the Swedish transplantation sector company *Olerup SSP* AB

In July, LinkMed acquired all shares of *Olerup SSP* AB. Through the acquisition LinkMed further strengthens its position in the transplantation sector. The acquisition is strategically important and complements LinkMed's portfolio company AbSorber and its product XM-ONE®. In the future, LinkMed will strive to build a larger company in the transplantation sector with a broad product portfolio. The company was sold by its founder Olle Olerup, who remains CEO of the company. The acquisition was conditional on the approval of an extraordinary general meeting of LinkMed shareholders held on July 22. The meeting resolved to issue convertibles in LinkMed AB worth SEK 31 million to SSP Primers AB as part of the acquisition payment. Due to the form of the contract, *Olerup SSP* was consolidated from July 1, 2008.

LinkMed participates in AnaMar Medical's new issue of shares with SEK 10 million

In August, LinkMed participated in AnaMar Medical's new share issue with SEK 10 million. This is a step in the process to strengthen AnaMar Medical financially prior to carrying out the first clinical trials of the drug candidate MCR on humans (Phase I). The principal shareholder, Koncentra Holding, also participated in the new share issue on the same terms contributing SEK 10 million, which AnaMar received in October.

Portfolio companies

AbSorber receives FDA clearance to sell XM-ONE® in the U.S.

In August, AbSorber received clearance from the U.S. Food and Drug Administration (FDA) to market and sells its transplantation test XM-ONE® in the U.S. Initially, sales of XM-ONE® in the U.S. will target the kidney transplantation market. XM-ONE® is already CE marked and approved for sales in the EU. AbSorber's transplantation test refines the diagnostics for being able to reduce rejection reactions, thereby increasing the probability of a successful transplantation.

Likvor presents revolutionary technology for diagnosing NPH

In September, at the Hydrocephalus 2008 congress, Likvor presented its revolutionary technology for better and safer diagnosis of idiopathic normal pressure hydrocephalus (NPH) and shunt functionality control (a shunt is a tube that channels away cerebrospinal fluid (CSF) and normalizes the system). The technology can help patients suffering from dementia, disturbances in balance and gait, as well as urinary incontinence return to a normal life. The instrument can also be used to control the functionality of a patient's surgically implanted shunt.

QIAGEN launches *Olerup SSP*'s new test for detecting adverse reactions to HIV drugs

Olerup SSP AB has developed a new test that detects genetic variations in the Human Leucocyte Antigen (HLA) system that indicates risk for severe adverse reactions to Abacavir in HIV patients. HIV patients carrying the HLA-B*5701 marker have a 60 percent higher risk to develop hypersensitivity reaction (HSR) to Abacavir, a component of several widely marketed HIV-drugs. HSR is a serious and sometimes fatal multi-organ syndrome. *Olerup SSP*'s distributer Qiagen is currently launching the test on the market.

Key events after the period end

LinkMed's operations

LinkMed AB nominating committee appointed prior to the 2009 annual general meeting

In accordance with a resolution passed at LinkMed's AGM on April 22, 2008, members of the nominating committee shall be appointed by the chairman contacting the three largest shareholders in the company and asking them to each appoint one representative to form the nominating committee together with the chairman. The nominating committee will then appoint a chairman. The three largest shareholders outside the company management at September 30, 2008 were FastPartner AB, Koncentra Holding AB and Mannersons Fastighets AB. The nominating committee in preparation for the 2009 AGM is made up of Anders Keller from FastPartner AB, Marie Carlsson from Koncentra Holding AB, Gustaf Mannerson from Mannersons Fastighets AB and Monica Caneman, LinkMed's chairman. The nominating committee has appointed Gustaf Mannerson as committee chairman.

Portfolio companies

AbSorber receives its first patent for the transplantation test XM-ONE®

In October, New Zealand was the first country to grant AbSorber a patent for the transplantation test XM-ONE®. The approval is a key step in protecting the product and shows that the authorities in New Zealand recognize the unique qualities of the product in granting the patent. AbSorber has applied for patent protection for XM-ONE® in the U.S., the EU, Japan and other key transplantation markets and expects further approval in these regions.

AbSorber launches transplantation test in the U.S. at major scientific conference

In October, AbSorber launched its transplantation test XM-ONE® in the U.S. market at the key medical conference ASHI, American Society for Histocompatibility and Immunogenetics, in Toronto. The conference marked the kick off the U.S. launch of XM-ONE®, where AbSorber has built up relations with leading transplantation centers. The U.S. is the single most important market for XM-ONE®, representing about one third of the global market in terms of numbers of transplantations. Prior to the U.S. launch AbSorber strengthened its financial position through a new share issue of SEK 8.4 million in which Olle Olerup, founder and CEO of Olerup SSP participated. Olle Olerup was also elected as a member of the Board of AbSorber. Koncentra Holding and LinkMed, AbSorber's two largest owners also participated in the issue.

AnaMar Medical raises SEK 75 million in new financing

AnaMar Medical raises SEK 75 million in a rights issue to finance continued development of its projects in chronic joint diseases. In a first step, the funds will finance a phase I study of a drug candidate developed for rheumatoid arthritis. The drug candidate that is currently being prepared for clinical studies is developed in the project AM240 MCR and is an orally bioactive small molecule compound that in preclinical studies has been shown to suppress inflammation and cartilage destruction in disease models for rheumatoid arthritis. The compound has also shown effect on pain. The funds are provided through a rights issue guaranteed by AnaMar's principal owner Koncentra Holding AB. LinkMed will not participate in the issue.

LinkMed

Portfolio company development

LinkMed develops life-science companies in collaboration with innovators and other financiers. By contributing entrepreneurship and capital, LinkMed has created a portfolio of one subsidiary and eleven associated companies, four in drug development and biotechnology and seven 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

HLA Intressenter AB

HLA Intressenter AB is a wholly owned subsidiary of LinkMed. The company was formed in July in order to acquire 100 percent of the shares in Olerup SSP AB. Financing of the acquisition was largely carried out through this company.

Olerup SSP AB

Olerup SSP AB was established in 1992 by assistant professor Olle Olerup and has 23 employees. The company is world leading in the development reagents and kits for genomic HLA-typing, a necessary step prior to a transplantation to match the donor and recipient. HLA- typing is primarily carried out prior to bone marrow transplantations (hematopathic stem cell transplantations) but also in conjunction with organ transplantations (kidney, lung, heart, etc.) The better the donor/recipient match, the lower the risk for transplantation related risks. Genomic HLA-typing is therefore standard prior to bone marrow transplantations. For more information go to www.olerupssp.se.

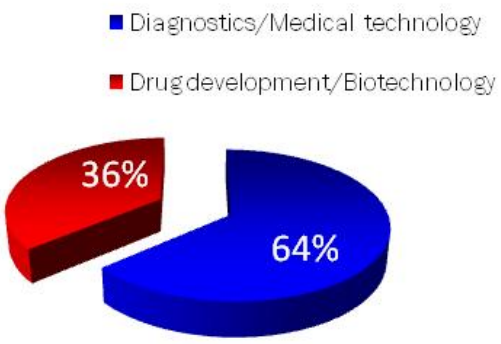
Amount in SEK thousands	July-Sept 2008	Jan-Sept 2008
Net sales	16 845	51 954
Operating income (EBIT)	11 477	32 883

Development of the Olerup SSP subsidiary is proceeding according to plan. Sales for the first nine months increased from SEK 49.3 million in 2007 to SEK 51.9 million in 2008, an increase of 5.3 percent.

QIAGEN, Olerup SSP's distributor, launched a new test developed by Olerup SSP during the quarter that detects genetic variations in the Human Leucocyte Antigen (HLA) system that indicates risk for severe adverse reactions to Abacavir in HIV patients. Olerup SSP intends to increase its focus on pharmacogenomic testing as this type of test is called. Variations are found in almost every human gene that effect drug absorption, distribution, metabolism and secretion. The number of pharmacogenomic gene tests used by doctors prior to prescribing medicine is expected to increase considerably in the coming year.

Associated companies

LinkMed's participations in the estimated fair value of associated companies at September 30, 2008 were SEK 395 million divided into the following categories:



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 participated and in cases where 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 by several risk capital associations in different countries, including EVCA and BVCA, as the common standard for portfolio evaluation. See note 1 for more information.

The breakdown provided above does not concur with the participations and breakdown provided in LinkMed's earlier financial reports. The previously reported breakdown of value did not, among other things, take the latest issue price and current stock market situation into consideration and was not calculated according to fair value but solely according to estimated cash flow.

LinkMed

Investments in associated companies, SEK thousands

Associated companies	Invested by LinkMed [1]		Total invested [1]		Ownership stake	
	2008 Sep 30	2007 Dec 31	2008 Sep 30	2007 Dec 31	2008 Sep 30	2007 Dec 31
Drug development and biotechnology						
AnaMar Medical	48 158	38 158	194 124	174 124	23,3%	24,9%
IMED	20 965	20 965	46 100	46 100	42,3%	42,3%
NovaHep	7 088	5 588	7 241	5 741	49,5%	49,5%
Recopharma	28 213	20 147	29 920	21 854	49,5%	49,5%
Diagnostics and medical technology						
AbSorber	23 879	22 490	54 890	53 500	42,5%	42,1%
BioResonator	8 789	8 789	18 250	18 250	49,2%	49,2%
Biovator	7 920	6 370	13 993	10 943	46,0%	46,0%
Likvor	5 469	5 469	7 069	7 069	49,0%	49,0%
ONCOlog Medical	23 706	19 773	56 205	32 072	48,9%	48,1%
Ortoviva	10 045	5 620	10 096	5 671	49,0%	49,0%
Pharmacolog	940	890	3 200	1 150	42,2%	48,0%
Total	185 172	154 257	441 088	376 474		

[1]) Investments refer to accumulated value related to share capital, shareholders' contribution, convertibles and receivables.

LinkMed's accumulated investment in associated companies increased during the first nine months to SEK 185.2 million from SEK 154.3 million at the year-end. SEK 13.1 million was invested in the third quarter. The largest net investments were made in AnaMar Medical with SEK 10 million. LinkMed accounted for 48 percent of the year's total investments in associated companies.

Drug development and biotechnology

AnaMar Medical

AnaMar Medical develops drugs and biomarkers for diagnosing and monitoring/predicting chronic joint diseases such as rheumatoid arthritis and osteoarthritis. AnaMar Medical has five drug candidates in preclinical trials, two biomarkers in prototype development and two commercial biomarkers, COMP®-Elisa and Animal COMP-Elisa, available on the market. For more information go to www.anamar.com

MCR (AM240) for the treatment of chronic joint diseases is the drug candidate that has progressed the furthest in its development. The toxicological studies of compounds that are required prior to receiving approval to start clinical trials are complete. AnaMar Medical now intends to apply to the authorities for approval to the first clinical trials on humans (phase 1). Development of the two other drug candidates for the treatment of chronic joint diseases, TASS and DAR, is proceeding according to plan.

AnaMar Medical also continues work to facilitate the out-licensing of ColMod for wound healing and SCI for spinal injuries. The company intends to out-license these projects as they are outside AnaMar's core focus area of chronic joint disease.

IMED

IMED develops human monoclonal antibodies (MAB) that induce or block natural cell death or apoptosis. The company intends to develop antibodies for major therapeutic areas, including HIV, cancer and transplantation. For more information go to www.imed.se.

Development work continues to focus on bringing the company's blocking antibody to clinical trials. IMED is in the process of completing the first toxicity tests with the blocking antibody developed for 'graft versus host disease' (GVHD). The company is also investigating other indications for the antibody, including stroke and heart attack as well as HIV. In order to produce the antibodies in accordance with the required quality regulations for GMP production and clinical trials on humans, the company needs new financing. IMED intends to evaluate interest from new investors to participate in this round of financing.

NovaHep

NovaHep's operations are based on liver stem cell research. This research, conducted with the Karolinska Institute, is aimed at differentiating cell lines of fetal liver stem cells, which can then be used in the transplantation sector, for example. The company's primary goal is to develop an immortalized cell line and then begin development work for more specific areas of application. For more information go to www.novahep.com.

Development work continued as expected during the third quarter and it is estimated that the first development milestone could be reached in 2008. Following this, NovaHep will select prioritized areas of application such as tests for toxicity and metabolism of medicine as well as artificial livers 'liver dialysis' and specific liver cell transplantations.

Recopharma

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

Recopharma is carrying out pre-clinical trials on vaccine adjuvants in 2008. Vaccine adjuvants are used to boost the efficacy of the vaccine and work by stimulating a stronger immune system defense, thereby providing the vaccinated patient with better protection. In October, the company was strengthened with the addition of a senior bioprocess engineer recruited from AstraZeneca to optimize the cell cultivation process.

The company aims to develop products that can neutralize viruses in the eye and that can neutralize bacteria toxins in life-threatening conditions. The company is currently focused on raising capital and is carrying out activities to this end in Sweden and abroad.

Diagnostics and medical technology

AbSorber
"For successful transplantations and beyond"

AbSorber develops products that facilitate successful transplantations. The company's first product, the transplantation test XM-ONE® identifies important antibodies that cause rejection subsequent to transplantation. The product has already been approved for sales in Europe and received clearance for the U.S. in August. The company is also developing a patented ABO column for transplantations between people with different blood groups and an ABO diagnostic that measures the occurrence of blood group antibodies. For more information go to www.absorber.se.

In August, AbSorber was given clearance by the U.S. Food and Drug Administration (FDA) to market and sell its transplantation test XM-ONE® in the U.S. Initially, sales of XM-ONE® in the U.S. market will target the kidney transplantation market, valued at approximately SEK 200 million. XM-ONE® is already CE marked and approved for sales in the EU. AbSorber's transplantation test enhances the diagnostics for finding the right organ for the right recipient, thereby increasing the probability of a successful transplantation.

AbSorber's marketing activities are primarily focused on encouraging transplantation centers to include XM-ONE® in their test routines. Discussions have been held with a number of major transplantation centers in the U.S. and Europe. Several U.S. centers have expressed interest in evaluating XM-ONE® for clinical use. A number of them have also expressed interest in being included in AbSorber's development program for XM-ONE®.

XM-ONE® has furthermore received strong clinical support from a major multicenter clinical trial in which four well-reputed U.S. and two Swedish transplantation clinics participated. Results of the study show that XM-ONE® adds valuable information that refines the diagnostics for finding the right organ for the right recipient, thereby increasing the probability of a successful transplantation. The study has been accepted for publication in the internationally renowned publication Transplantation. Parts of the study, including the overall results of the study, were also presented at the global transplantation congress in Sydney in August.

In October, AbSorber participated in the international transplantation conference AHSI in Toronto to launch XM-ONE® on the U.S. market. In the fourth quarter 2008 and first quarter 2009, AbSorber will run workshops and training for laboratory personnel at leading transplantation clinics.

In conjunction with AbSorber's launch on the important U.S. market, which represents a third of the total global transplantation market, the company strengthened its financial position through a new share issue worth 8.4 MSEK. Olle Olerup, CEO and former owner of Olerup SSP, has been elected to the AbSorber Board.

In April, AbSorber's ABO column, which was developed to facilitate transplantations between people of different blood groups, was granted a patent in the U.S. AbSorber's ABO column is believed to be considerably more effective than the other ABO columns available on the market today, probably requiring fewer treatment occasions per patient and making it possible to treat more patients.

In October, New Zealand was the first country to grant AbSorber a patent for the transplantation test XM-ONE®. The approval is a key step in protecting the product and shows that the authorities in New Zealand recognize the unique qualities of the product in granting the patent. AbSorber has applied for patent protection for XM-ONE® in the U.S., the EU, Japan and other key transplantation markets and expects further approval in these regions.

BioResonator™
Medical sensors and actuators

BioResonator develops biomedical sensors and diagnostics for use in several healthcare sectors. The company focuses primarily on the development of new technology and prototypes for measuring eye pressure. Pilot studies have also been conducted in cancer diagnostics and oedema diagnostics. For more information go to www.bioresonator.com.

The pace of development of the eye pressure gauge has accelerated since BioResonator took over development in the first quarter and engaged the Stockholm-based company Hotswap. Ten prototypes were delivered for final verification during the second quarter. The company has changed its business model from out-licensing to selling its eye pressure gauge for glaucoma diagnostics via distributors, which has lead to a significant increase in estimated future net margins. The company plans to launch its eye pressure gauges in the second quarter 2009. Development of a product for the diagnosis of prostate cancer is proceeding according to plan.

Biovator

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

Development work is proceeding in collaboration with other partners, in which a key development milestone was reached for CPA. Exemptions granted by the EU making it possible for the cosmetics industry to carry out animal testing will expire in 2009. The company expects to have a test available on the market before the expiration deadline for these exemptions.

LIKVOR

Likvor has developed a diagnostic instrument to measure cerebrospinal fluid pressure (CSF). Today, healthcare professionals find it difficult to diagnose patients who, in combination with normal or low CSF pressure, 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 their normal lives. The instrument is currently being used in an independent multicenter study ongoing at six university hospitals in Sweden and Denmark. For more information go to www.likvor.com.

During the fall, Likvor will intensify efforts to CE mark the instrument and catheter, with the objective of having seven sellable systems ready in January 2009. In September, Likvor participated in the Hydrocephalus 2008 congress in Hanover, which is the most important congress in this field. Likvor's participation was highly successful and the instrument awakened great interest both from customers and potential partners.

ONCOLOG MEDICAL

ONCOlog Medical develops, manufactures and markets a number of products and system solutions for quality assurance and patient logistics for cancer centers' radiotherapy treatment departments. For more information go to www.oncologmedical.com.

ONCOlog Medical's efforts are focused on completing a functional prototype of the PatLog system for a proton facility in Essen, Germany, among other things. The prototype was approved before the summer by Belgian partner IBA and final delivery is expected in 2009.

During the fall, ONCOlog established channels to secure production of PatLog for delivery to Essen. The company's products TopLog C, a tabletop for use in the administration of radiotherapy, and QamLog, a system concept for quality assurance of radiotherapy, have developed well technically during the fall. Both QamLog and TopLog C are expected to be ready for market launch next year.

Ortoviva

Ortoviva develops tools for spinal surgery that facilitate the insertion of artificial discs. The company has developed three prototypes, an instrument that holds adjacent vertebrae apart, a seal for attaching the artificial disc and a bone cement administrator. For more information go to www.ortoviva.com.

Development work on Distractor, an instrument that holds adjacent vertebrae apart, is focused on achieving CE marking prior to clinical trials. It is estimated that CE marking may be granted in the fourth quarter. The same goes for the company's instrument for mixing and administrating bone cement.

The company's goal is that three operations on patients will have taken place using Distractor before the end of the year. At the end of 2008, work will begin to find an industrial buyer for the entire company. The company is financed continuously by LinkMed through shareholders' contributions tied to development goals.

Pharmacolog

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

Operations are primarily focused on development of a functional prototype of the quality assurance system DrugLog, developed for chemotherapy. The prototype is expected to be finished at the end of the year and tests using DrugLog at cancer centers are planned at the beginning of 2009. During the fall, the company also started initial test using DrugLog for anesthesia drugs. These tests are not yet completed but the initial results are promising. If DrugLog can also be developed for anesthesia drugs, market potential for the product will increase considerably.

Financial development January - September 2008

Group

Among LinkMed's portfolio companies only HLA Intressenter and its subsidiary Olerup SSP AB are consolidated into the group's financial statements. The consolidated financial statements comprise Olerup SSP AB and LinkMed AB from July 1, 2008. Other portfolio companies are included in the consolidated financial statements as associated companies.

Fair value

Shares in portfolio companies are reported at fair value in the group's balance sheet and changes in value related to the portfolio are reported in the group's income statement. Now that group accounts are now being compiled for the first time, changes in value at the time of this report are posted directly to shareholders' equity. In order to establish the fair value of associated companies, LinkMed primarily uses the latest issue prices in which new external investors have recently participated. In cases where this information is not applicable, LinkMed uses a probability-adjusted cash flow model. See note 1 for a more information.

The fair value of the group's shares in associated companies was estimated at SEK 395 million at July 1, 2008, which was deemed to be unchanged at the end of the third quarter. HLA Intressenter and Olerup SSP are included in the consolidated financial statements as subsidiary and second-tier subsidiary and are therefore not included in the calculation of fair value.

Acquisition

LinkMed acquired 100 percent of the shares in Olerup SSP AB in July 2008. Olerup SSP had sales of SEK 69.0 million in 2007 and reported an EBIT of SEK 35.9 million. During the first nine months of 2008, Olerup SSP had sales of SEK 52.0 million and reported an EBIT of SEK 32.9 million. Olerup SSP's EBIT margin for the past five years has been an average of 56 percent.

Olerup SSP contributed SEK 11.5 million to the group in operating income for the July-September 2008 period. Additional information is presented under note 2.

Group

Results for the July – September period

Operating income before depreciation and amortization was SEK 6.2 million, operating profit was SEK 6.4 million and net income after tax was SEK 6.4 million, equivalent to SEK 0.73 per basic share and SEK 0.72 per diluted share.

Financial position, cash flow and key figures

The group's operations are financed by shareholders' equity and loans. Interest-bearing liabilities amounted to SEK 137.0 million, secured to finance the acquisition of Olerup SSP. See note 2 for more information.

The group's equity/assets ratio was SEK 69 percent. Consolidated equity at the end of the quarter amounted to SEK 504.6 million, equivalent to SEK 57.6 per share. Liquid funds amounted to SEK 69.8 million.

Cash flow from operations before changes in working capital for the period was SEK 3.3 million.

Parent company

Investments

LinkMed's investment in Olerup SSP was carried out through the wholly owned subsidiary, HLA Intressenter AB, at SEK 15.6 million. In addition to this, a large part of the financing of the acquisition was made up of loan financing via HLA.

During the January - September period LinkMed invested a total of SEK 30.9 million in associated companies and SEK 13.1 million in the third quarter. The largest net investment was made in AnaMar Medical at SEK 10.0 million.

The book value of investments in associated companies increased after the executed investment to SEK 185.2 million from SEK 154.3 million at the year-end, of which shares constitute SEK 169.9 million (141.4), convertibles SEK 12.2 million (9.7) and receivables SEK 3.1 million (3.2).

Other information

Risks and uncertainties

LinkMed's operations are exposed to various types of risks. The acquisition of Olerup has lowered LinkMed's operational risk due to the effect of 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 shareholdings in an individual company or significant holdings in 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 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 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, among other things. After an investment has been made, LinkMed carries out systematic quarterly follow-ups to assess the investment's future. An important factor for 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 four of the eleven associated companies. Moreover, active Board work contributes to reducing business related risks in associated companies.
The company's liquid funds are placed in liquid assets with low credit risk.

The share and shareholders

At the end of the third quarter 2008, LinkMed had 1,720 shareholders compared with 1,961 at the year-end 2007.

Largest owners as per september 30, 2008	Number of shares	Capital/votes
FastPartner AB (publ)	1,640,000	18,7%
Koncentra Holding AB	1,249,844	14,3%
Ingemar Lagerlöf, direkt och indirekt	532,930	6,1%
Mannersons Fastighets AB	468,870	5,4%
Länsförsäkringar småbolagsfond	435,000	5,0%
Kaupthing Bank Sverige AB	413,600	4,7%
Mohammed Al Amoudi	284,500	3,2%
Länsförsäkringar Skåne	180,500	2,1%
Bo Millstam	160,000	1,8%
Davegårdh & Kjäll Sverige	154,800	1,8%
Banque de Luxembourg	134,800	1,5%
Banco fonder	130,000	1,5%
Avanza Pension	124,300	1,4%
F Stellar Holdings Inc	108,035	1,2%
Nordnet Pensionsförsäkring AB	107,105	1,2%
Övriga	2,636,764	30,1%
Summa	8,761,048	100,0%

LinkMed

Accounting principles

This interim report has been prepared in accordance with the IAS 34, Interim Financial Reporting and the Annual Account Act. This is the first time that LinkMed compiles its interim in accordance with IFRS. The most significant effects of this transition are reported in note 1.

Future report periods

Year-end report 2008:	February 23, 2009
Interim report, January – March, 2009:	April 29, 2009
Interim report, January – June, 2009:	August 26, 2009
Interim report, January – September, 2009:	November 11, 2009

LinkMed's annual general meeting will be held in Stockholm on April 22, 2009. Shareholders who have matters that they would like to be addressed by the AGM should submit them to the company by March 6, 2009.

This report as well as earlier reports and press releases can be found on www.linkmed.se

Stockholm, November 12, 2008

Ingemar Lagerlöf
CEO

The information in this press release is such that LinkMed AB is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 08:00 (CET) on November 12, 2008.

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LinkMed

Review report

Introduction

I have conducted a review of the financial interim information for LinkMed AB; (publ) at September 31, 2008 and of the nine-month period ending on that date. The Board of Directors and CEO are responsible for preparing this interim report in accordance with IAS 34 and the Annual Accounts Act. My responsibility is to express an opinion on this interim report based on my review.

Focus and scope of the review

I conducted my review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not provide the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim report for the group, in all material respects, is not prepared in accordance with IAS 34 and the Annual Accounts Act, and the interim report for the Parent Company is not prepared in accordance with the Annual Accounts Act.

Stockholm, November 12, 2008

Lars Träff
Authorized public accountant

LinkMed

Consolidated income statement	2008
Amount in SEK thousands	July-Sept
Net sales	16 845
Change in inventories	5 462
Results from divestment of associated companies	-
Change in value of associated companies	-
Other revenue	619
	22 926
Raw materials and consumables	-5 645
Other external costs	-3 947
Personnel costs	-6 623
Depreciation/amortization	-272
Operating income	6 439
Results from financial investments	-1 169
Results after financial items	5 270
Tax	1 087
Net income/loss for the period	6 357
Basic earnings per share, SEK	0,73
Diluted earnings per share, SEK	0,72
Number of outstanding shares before dilution	8 761 048
Number of outstanding shares after dilution	9 465 433
Number of shares at the period end	8 761 048

Consolidated balance sheet	2008
Amount in SEK thousands	30 sep
Assets	
Goodwill	184 703
Intangible fixed assets	31 521
Tangible fixed assets	1 428
Participations in associated companies	395 000
Long-term receivables	12 240
Deferred tax assets	4 220
Total fixed assets	*629 112*
Inventories	14 045
Current receivables	13 608
Liquid funds	69 781
Total current assets	*97 434*
Total assets	726 546
Equity and liabilities	
Equity	504 567
Long-term liabilities and provisions	159 877
Short-term liabilities and provisions	62 102
Total equity and liabilities	726 546

Statement of changes in equity	2008 30 sep
Opening balance	494 746
Value of conversion options	3 464
Net income for the period	6 357
Closing balance	504 567

Consolidated cash flow statement	2008
Amount in SEK thousands	July-Sept
Results after financial items	5 270
Paid/received tax	-2 520
Adjustment for items not included in the cash flow	573
Cash flow from operations before changes in working capital	3 323
Changes in working capital	-2 249
Cash flow from operations	1 074
Cash flow from investing activities	-133 300
Cash flow from financing activities	106 000
Cash flow for the period	-26 226
Liquid funds at the start of the period	96 007
Liquid funds at the end of the period	69 781

LinkMed

Parent company income statement

Amount in SEK thousands	2008 July-Sept	2007 July-Sept	2008 Jan-Sept	2007 Jan-Sept	2007 Jan-Dec
Results from divestment of associated companies	-	-	-	-	-
Write-down of participations in associated companies	-	-	-	-	-10 351
Other revenue	814	1 155	2 867	3 669	4 989
	814	1 155	2 867	3 669	-5 362
Other external costs	-2 469	-2 528	-8 154	-7 185	-10 720
Personnel costs	-3 282	-2 207	-11 266	-7 940	-10 609
Depreciation/amortization	-101	-83	-253	-242	-329
Operating income	-5 038	-3 663	-16 806	-11 698	-27 020
Results from financial investments	943	2 010	3 858	5 801	7 818
Results after financial items	-4 095	-1 654	-12 948	-5 897	-19 202
Tax	3 625	-	3 625	-	-
Net income/loss for the period	-470	-1 654	-9 323	-5 897	-19 202
Earnings per share, basic/diluted	-0,05	-0,19	-1,06	-0,68	-2,20
Number of shares at period end, basic/diluted	8 761 048	8 721 985	8 761 048	8 721 985	8 721 985
Average number of outstanding shares, basic/diluted	8 761 048	8 721 985	8 756 708	8 721 985	8 721 985

Parent company balance sheet

Amount in SEK thousands	2008 Sept. 30	2007 Dec 31
Assets		
Intangible and tangible fixed assets	597	444
Shares in associated companies	12 100	-
Participations in associated companies	169 865	141 417
Long-term receivables	56 240	9 690
Deferred tax assets	3 625	-
Total fixed assets	*242 427*	*151 551*
Current receivables	23 294	6 215
Cash and bank	63 790	125 189
Total current assets	*87 084*	*131 404*
Total assets	329 511	282 955
Equity and liabilities		
Equity	272 604	278 463
Long-term liabilities	52 687	-
Short-term liabilities	4 220	4 492
Total equity and liabilities	329 511	282 955

Statement of changes in equity, parent company	2008 Sept. 30	2007 Dec 31
Opening balance	278 463	296 196
Issue in kind	-	1 469
Value of conversion options	3 464	-
Net income/loss for the period	-9 323	-19 202
Balance at the end of the period	272 604	278 463

Parent company cash flow statement

Amount in SEK thousands	2008 Jan-Sept	2007 Jan-Sept	2007 Jan-Dec
Results after financial items	-12 948	-5 897	-19 202
Paid/received tax			
Adjustments for items not included in the cash flow	-543	242	10 680
Cash flow from operations before changes in working capital	-13 491	-5 655	-8 522
Changes in working capital	-1 556	-5 922	-4 385
Cash flow from operations	-15 047	-11 577	-12 907
Cash flow from investing activities	-71 352	-44 585	-64 577
Cash flow from financing activities	25 000	0	0
Cash flow for the period	-61 399	-56 162	-77 484
Liquid funds at the start of the period	125 189	202 673	202 673
Liquid funds at the end of the period	63 790	146 511	125 189

LinkMed

Key figures

Amount in SEK thousands	2008 Jan-Sept	2007 Jan-Sept	2007 Jan-Dec	2006 Jan-Dec
Key figures, group*				
Net sales, SEK thousand	16 845	-	-	-
Operating income, SEK thousand	6 439	-	-	-
Net income after tax, SEK thousand	6 357	-	-	-
Diluted earnings per share, SEK	0,72	-	-	-
Equity per share, SEK	57,6	-	-	-
Equity/assets ratio, %	69%	-	-	-
Return on equity, %	1%	-	-	-
Average number of employees	32	-	-	-
Market cap. of portfolio of associated companies	395 000	-	-	-
Book value of portfolio of associated companies	169 865	-	-	-
Key figures, parent company				
Average number of employs	9	5	6	5
Number of outstanding shares at period end	8 761 048	8 721 985	8 721 985	8 721 985
Average number of outstanding shares	8 756 708	8 721 985	8 721 985	5 599 135
Earnings per share, SEK	-1,06	-0,68	-2,20	-2,58
Equity per share, SEK	31,78	33,28	31,93	33,96
Share price at period end, SEK	22,60	44,80	32,00	69,00
Market cap, SEK thousand	198 000	390 745	279 104	601 817

Note 1 Account of the most significant effects of the transition to IFRS

Since the group did not exist prior to the acquisition of Olerup SSP AB in July 2008, LinkMed has decided that the opening balance according to IFRS is July 1, 2008. An overview of the most important accounting principles and differences between IFRS and previously applied accounting principles as well as the effect on opening equity (opening balance) in the transition to IFRS is provided below.

Main differences in reporting principles:

Statement of compliance
The group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The consolidated financial statements are based on historic acquisition values, with the exception of participations in associated companies. These are reported at fair value.

Consolidated financial statements
The group's consolidated financial statements comprise the parent company and its subsidiaries. A subsidiary is included in the consolidated accounts from the date of acquisition, the date the parent company gains controlling influence. Acquired subsidiaries are included in the consolidated accounts in accordance with the purchase method.

Investment in associated companies
An associated company is an entity in which the group has controlling influence and that is not a joint venture. Controlling influence normally comes with an ownership stake representing between 20 to 50 percent of voting rights. Associated companies are reported in accordance with IAS 39 Financial instruments: Recognition and measurement, which means that associated companies are recognized at fair value and changes in value are reported in the income statement as they arise. Previously, associated companies were reported at their acquisition value with deductions for any write-downs.

Calculating fair value
In order to estimate the fair value of its associated companies, LinkMed uses the latest issue price, in which new external investors 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 by several risk capital associations in different countries, including EVCA and BVCA, as the common standard for portfolio evaluation.

Valuation of an associated company on the basis of future cash flows is carried out using the sum of the value of each individual project. Costs that are common in character and that are not charged to individual projects are deducted from the value that the project is expected to generate. The value of each project is determined using a probability-adjusted present value method, taking development risk into consideration. Probability levels are generally higher in the medtech sector than in drug development, while in the biotech sector they can range from high to low. The further away the potential revenue generation lies, the lower the probability level it is designated. The valuation method looks at cash flow for the next 20 years and does not include the calculation of any residual value. LinkMed uses a return on investment requirement of 20 percent in its valuation calculation. In the calculation of fair value, consideration is also given to the liquidity discount that may arise given the present market situation. The valuation does not take into account outstanding options and convertibles in associated companies.

Intangible fixed assets with an indeterminable useful life
Intangible fixed assets with an indeterminable useful life are reported at acquisition value with deductions for any write-downs.

Operating segments
LinkMed does not have any operating segments according to IFRS 8.

Opening balance (SEK thousands)	
LinkMed equity July 2008 according to RFR 2.1	269 611
Effect that investment in associated companies is recognized at fair value	225 135
Opening balance at July 1, 2008 according to IFRS	494 746

Deferred tax related to investments in associated companies is not recognized since capital gains of the shares according to current tax regulation are exempt from taxation.

Note 2 The acquisition and financing of Olerup SSP AB

The purchase price has primarily been broken down as follows in SEK:

Cash payment including acquisition costs	122.5 million
Convertibles	31.0 million
Estimated additional compensation [1])	69.8 million
Total acquisition value	223.3 million
Acquired assets	
Fair value of acquired net assets	38.6 million
Goodwill	184.7 million
	223.3 million

[1]) corresponds to maximum additional compensation

Acquired assets and liabilities	Book value	Adjustments	Fair value
Goodwill	-	184,7	184,7
Trademark [1)]	-	31,4	31,4
Tangible fixed assets	1,0	-	1,0
Inventories	10,0	-	10,0
Other fixed assets	6,1	-	6,1
Cash and bank	2,0	-	2,0
Interest free liabilities	-3,1		-3,1
Deferred tax liabilities (Trademark)	-	-8,8	-8,8
	16,0	207,3	223,3

1) Trademarks have indeterminable lifespans and like goodwill are not subject to continuous amortization

Effect on cash flow	
Purchase price incl. additional consideration	-223,3
Unpaid purchase price	69,8
Convertible loan	31,0
Liquid funds in the acquired company	2,0
	-120,5
Acquisition loan financing	106,0
Change in group liquid funds from the acquisition	-14,5

Financing details of the Olerup SSP AB acquisition

Details of the group's loans

LinkMed has issued convertibles in LinkMed at a value of SEK 31,000 thousand. The interest rate is 6 percent. The right to subscribe is only given to SSP Primers AB, which can convert the securities until June 30, 2013. The conversion rate is 150 percent of the LinkMed share's average price for the June 9 – July 18, 2008 period, which was SEK 29.34.

A bank loan of SEK 81,000 thousand runs with a basic STIBOR 3 month rate with a margin, which is conditional on the fulfillment of certain criteria, currently 1.7 percent. The bank loan agreement contains customary provisions or covenants. The loan will be amortized over its lifetime until and including the year 2015.

A bank loan of SEK 25,000 thousand runs with a basic STIBOR 7 day plus 1.5 percent and amortization free until and including the year 2010. One of LinkMed's principal owners, FastPartner AB, has guaranteed this loan. An annual guarantee cost of 6 percent of the guaranteed amount is being paid out for the lifetime of this loan.