

Press release
October 21, 2008
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Final result in Morphic's rights issue

The final result in Morphic Technologies AB's ("Morphic") rights issue shows that 121,321,458 shares, corresponding to 74.0 percent of the offered shares, were subscribed for with subscription rights. 8,297,563 shares, corresponding to 5.1 percent of the offered shares, were subscribed for without subscription rights, in accordance with the principles described in the prospectus. The remaining part of the rights issue, 34,253,001 shares, corresponding to 20.9 percent of the offered shares, have been subscribed by the syndicate of underwriters which have been communicated in connection to the rights issue. Taken together, the rights issue is fully subscribed and Morphic will receive approximately SEK 393.3 million before issue costs.

The terms of the rights issue implied that shareholders, with preferential right, could subscribe for one new share for each existing share held. The issue price was SEK 2.40 per share. Last day for subscription was 13 October 2008. Through the rights issue the number of shares is increased by 163,872,022 shares to 327,744,044 shares, of which 11,968,000 A-shares and 315,776,044 B-shares. The share capital is increased by approximately SEK 6.6 million to approximately SEK 13.1 million. The newly issued shares which have been subscribed for with subscription rights are scheduled to be delivered to shareholders and to be traded on the OMX Nordic Exchange Stockholm starting 21 October 2008.

Those who have subscribed without subscription rights will be allotted shares according to the principles described in the prospectus published in connection with the rights issue. Information of allotment of shares subscribed without subscription rights are made by issue of contract note, which was made 20 October 2008. After registration of payment for the shares, the shares will be delivered to the shareholders' accounts as soon as possible. No message will be sent to those who have not received any allotment.

All underwriters have chosen underwriting remuneration in form of cash compensation. Thus, no new shares will be issued through offset issue in connection with the rights issue.

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This is Morphic

Morphic is a Swedish engineering group operating in the areas of fuels cells, wind power, fuel cell energy systems and engineering technology. The Group has about 230 employees and conducts operations in six countries – Sweden, Norway, Japan, Greece, Italy and Switzerland. The Group is currently building up sales organizations in China and the United States. Morphic Technologies' B shares have been listed on the OMX Nordic Exchange since March 4, 2008, and the number of shareholders is about 25,400.