



Press release

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Biotage Divests Biosystems Division to QIAGEN

As a result of the Strategic Review of Biotage's entire operations, launched in October 2007, the Board of Biotage AB ("Biotage") has concluded to divest the Biosystems division ("Biosystems") and the shares in Corbett Life Science Pty Ltd ("Corbett") to QIAGEN. The transaction is expected to close on October 2, 2008. Biotage will focus its future activities on the Discovery Chemistry division with attention to improving the operating margin, creating organic growth and acquire complementary products or businesses.

QIAGEN will acquire the assets of Biosystems and Biotage's shares held in Corbett (17.5%), for an initial purchase price of US\$ 53m. In addition, provided that certain performance and milestone criteria are met, up to maximum US\$ 7m can further be paid to Biotage by QIAGEN over a period ending 31 December 2012. QIAGEN will offer employment to the entire staff related to Biosystems.

After adjustment for *inter alia* certain liabilities that QIAGEN will take over at closing, Biotage will receive a net cash of approximately US\$ 50m. The capital gain for the transaction for Biotage is expected to be approximately SEK 220m before taxes.

Biosystems (as a primary segment) generated revenues of SEK 101.2m (out of Biotage's total of SEK 481.7m) and an operating profit of SEK 28.1m (out of Biotage's total of SEK 42.4m) in the 12 months ended 30th June 2008. In addition, Biotage received dividends from Corbett of SEK 7.6m during the same period.

Biotage will act as a distributor for QIAGEN during the fourth quarter of 2008. The net result for Biotage from this distribution agreement is expected to be marginal. Biotage will also in accordance with a separate "transfer service agreement" provide certain administrative services to QIAGEN for the next twelve months.

The Board is very pleased to have concluded the deal with QIAGEN. The proceeds from this transaction will allow Biotage to further enhance and develop the Discovery Chemistry division. Biotage envisage broadening its current product offering into new applications. Such areas of interest include environmental and food analysis. Biotage also believe strongly in the possibilities

of further developing and broadening its microwave technologies for new applications. The Strategic Review process has further given indications of possibilities to venture into new areas, which have stronger synergies with the Discovery Chemistry division than the now divested Biosystems division. The overall target will be to enhance the top line growth, organically as well as through acquisitions while maintaining a healthy operating profit.

Biosystems has gained strong technology and productivity momentum in recent years. A new instrument platform was launched late in Q1 of 2008 which allowed expanding the business into the diagnostic field, a field where Biotage historically has not been active. Given the strategic focus on its Discovery Chemistry business, Biotage decided to partner with QIAGEN, who has the expertise, capabilities and resources to fully exploit the potential of the Pyrosequencing technology by leveraging it into the market for *in vitro* diagnostics.

"The fit with QIAGEN is extra ordinary and will be very beneficial for customers of both companies." Torben Jørgensen, CEO of Biotage said. "QIAGEN has an excellent molecular assay and also epigenetic portfolios which perfectly fits together with our PyroMark instruments. Many of our customers are QIAGEN customers as well. In addition, QIAGEN's technology leadership in molecular sample and assay technologies, its global reach and extensive marketing, combined with strong relationships with researchers and leading laboratories around the world, bring exciting opportunities for Biosystems. QIAGEN is the ideal partner to take the Biosystems business to the next level and to fully exploit the Pyrosequencing technology."

"Pyrosequencing technologies are excellent complements to our portfolio of current and future molecular testing solutions, including our modular processing platform QIASymphony", said Peer Schatz, CEO of QIAGEN. "We are proud to offer our customers in molecular diagnostics, applied testing, pharma and academic research 'sample to result' solutions which address further, significant information needs. Our 'sample to result' solutions now span qualitative/endpoint PCR, multiplex technologies, capillary electrophoresis as well as quantitative and high resolution sequence-based analysis. With Pyrosequencing, we are adding nothing less but a proven Gold Standard for high-resolution sequence detection and quantification which, due to its high level of reliability, accuracy, ease-of-use and cost-efficiency is widely used in today's next generation sequencing technologies. As such, QIAGEN is not only gaining financial interest and technological leadership in a core next generation sequencing technology, but is also addressing significant current and future needs in our core markets for quantitative, high-resolution sequence analyses of short-medium stretches."

Greenhill & Co is advising Biotage in relation to the Strategic Review.

About Biosystems

Biosystems is best known for having pioneered the Pyrosequencing® technology, which has become a fundamental technology in next-generation sequencing. The Pyrosequencing technology is a patented assay technology that reads DNA-sequences up to 100 base pairs in real time. This technology can be used to read short stretches of DNA to add additional information to information generated by PCR-based assays.

Biosystems automated the use of the Pyrosequencing technology with the development of PyroMark™ instrumentation, the world's first real-time sequencing detection system. The system is considered to offer significant advantages over other technologies. Pyrosequencing technology provides complex and detailed information for molecular testing. The technology offers a quantifiable, full sequence resolution analysis down to the level of a single base-pair. It therefore

allows detection not only of known but even of unknown mutations and offers absolute and direct quantification of methylation patterns.

In 2003 Biotage licensed the rights to massively parallel formats to Roche/454. Systems for ultra high-throughput such as Roche/454's whole genome sequencing platform FLX, for instance, are based on Pyrosequencing technology.

During the recent years Biotage has accomplished a complete turnaround of the Biosystems business. A new instrument platform was launched late in Q1 of 2008. This platform is intended to allow for expansion into the diagnostic field, a field where Biotage historically has not been active. During 2007, Biosystems had net sales of SEK 98,8m and an operating profit of SEK 26,2m.

About Biotage

Biotage is a global company active in life science research with strong technologies, a broad range of operations and a long-term view of the market. The company offers solutions, knowledge and experience in the areas of genetic analysis and medicinal chemistry. In 2005 business and products from the company Argonaut were acquired, further strengthening the product range in medicinal chemistry. The customers include the worlds top 30 pharma companies, the worlds top 20 biotech companies, and leading academic institutes. The company is headquartered in Uppsala and has subsidiaries in the U.S., Japan, UK, Germany and several other European countries. Biotage has 336 employees and had sales of SEK 496m in 2007. Biotage is listed on the OMX Nordic stock exchange. Website: www.biotage.com

About QIAGEN

QIAGEN N.V., a Netherlands holding company, is the leading global provider of sample and assay technologies. Sample technologies are used to isolate and process DNA, RNA and proteins from biological samples such as blood or tissue. Assay technologies are used to make such isolated biomolecules visible. QIAGEN has developed and markets more than 500 sample and assay products as well as automated solutions for such consumables. The company provides its products to molecular diagnostics laboratories, academic researchers, pharmaceutical and biotechnology companies, and applied testing customers for purposes such as forensics, animal or food testing and pharmaceutical process control. QIAGEN's assay technologies include one of the broadest panels of molecular diagnostic tests available worldwide. This panel includes the only FDA-approved test for human papillomavirus (HPV), the primary cause of cervical cancer. QIAGEN employs more than 2,800 people in over 30 locations worldwide. Further information about QIAGEN can be found at <http://www.qiagen.com/>.