Company announcement no. 23/2008
To: OMX Nordic Exchange Copenhagen

Interim Report
for the 3 months ended March 31, 2008

(Unaudited)

May 14, 2008

LifeCycle Pharma A/S
Kogle Allé 4
DK-2970 Hørsholm
CVR no. 26 52 77 67

Highlights for the first quarter of 2008

For the first quarter of 2008, LifeCycle Pharma reported a net loss of DKK 65.2 million (approximately EUR 8.7 million) compared to a net loss of DKK 35.1 million (approximately EUR 4.7 million) for the same period in 2007. During the first three months of 2008, LifeCycle Pharma recognized DKK 2.9 million (approximately EUR 0.4 million) in revenues compared to DKK 3.8 million (approximately EUR 0.5 million) in the same period of 2007.

For the first quarter of 2008, LifeCycle Pharma's research and development costs amounted to DKK 52.9 million (approximately EUR 7.1 million) compared to DKK 32.1 million (approximately EUR 4.3 million) during the same period in 2007. The higher research and development costs reflect the increased activity in the company's pipeline, primarily the costs related to the clinical trials being carried out, including three Phase II clinical studies for LCP-Tacro and a Phase II clinical study for LCP-AtorFen, but also costs related to the increased number of employees working with research and development.

Administrative expenses increased from DKK 10.4 million (approximately EUR 1.4 million) in the first quarter of 2007 to DKK 17.5 million (approximately EUR 2.4 million) in the first quarter of 2008. This increase is attributable to the general strengthening of administrative functions and related costs following the company's IPO in November 2006, and the preparation of the rights issue announced in March 2008.

On March 31, 2008, LifeCycle Pharma had cash and cash equivalents of DKK 265.5 million (approximately EUR 35.6 million).

During the first quarter of 2008, LifeCycle Pharma continued the positive development from 2007 and achieved the following major business and scientific milestones:

- LifeCycle Pharma announced the initiation of the Phase II clinical trial program using LCP-Tacro, for the treatment of Autoimmune Hepatitis

- LifeCycle Pharma announced positive interim results from an ongoing Phase II clinical trial for LCP-Tacro in stable liver transplant patients. These results were based on a pre-planned assessment of 11 stable liver transplant patients and demonstrated that LCP-Tacro has a superior profile when compared to Prograf®.

- **Fenoglide™** was launched on the US market in February 2008, by the Company's partner Sciele Pharma. It is LifeCycle Pharma's tablet formulation of fenofibrate, a cholesterol-lowering therapeutic substance for the treatment of hyperlipidemia and hypertriglyceridemia. Fenoglide™ contains 120 mg / 40 mg of active substance, the lowest marketed standard dose without any significant food effect. Fenoglide™ was approved by the US FDA in August 2007.

- LifeCycle Pharma announced positive top-line results from a completed Phase II clinical trial for LCP-Tacro in stable kidney transplant patients. Data demonstrated that LCP-Tacro has a potential best-in-class profile when compared to the currently marketed twice daily tacrolimus capsule Prograf®.

Outlook for 2008

LifeCycle Pharma retains its 2008 guidance, with the expectance of the financial impact of the successful rights issue in April 2008.

LifeCycle Pharma is projecting an operating loss of DKK 260 – 290 million. The net loss is expected to be in the range of 250 – 280 million.

As of 31 December 2007, the Company's cash position equaled DKK 331.7 million and the Company's 31

December 2008 cash position is expected to be in the range of DKK 445 - 485 million.

Subsequent Events

On April 17, 2008 LifeCycle Pharma announced the successful completion of its rights issue. The rights issue was 99.62% subscribed with 23,987,771 offered new shares of DKK 1 nominal value subscribed at DKK 17 per share. The gross proceeds will be DKK 407.8 million, and the net proceeds will be approximately DKK 375 million.

On April 24, 2008 LifeCycle Pharma announced the passing of the annual general meeting. The existing 5 members of the Board of Directors were re-elected and in addition Paul Edick and Anders Götzsche were elected as new members. Peter G. Nielsen and Michael Beckert were appointed as new executive officers. Executive management hereafter consists of Flemming Ørnskov, Hans Christian Teisen, Michael Beckert and Peter G. Nielsen.

On May 7, 2008 LifeCycle Pharma announced positive results from the company's Phase II clinical program with LCP-AtorFen, a fixed-dose combination product of atorvastatin and fenofibrate for the treatment of mixed dyslipidemia. A Phase III clinical program is expected to be initiated in the second half of 2008 while at the same time seeking a partner for completion of the phase III clinical trial program and subsequent commercialization.

Conference call

Today at 6.00 pm (CET), LifeCycle Pharma will be hosting a conference call. To access the call please dial one of the following numbers: +1 866 966 5335 (US), +44 2030 032 666 (UK), +45 8088 8649 (DK). A recording will be available on the company's website www.lcpharma.com from Thursday May 15, 2008 at 7 pm (CET).

Key Figures

The following key figures comply with the requirements under IFRS and the Danish financial reporting requirements. All key figures and financial ratios are in conformity with the current accounting policies. The figures have been stated in thousands, except for the financial ratios.

Key figures and financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Revenues

In the first quarter of 2008, LifeCycle Pharma recognized DKK 2.9 million in revenue, generated under the company's collaboration agreements compared to DKK 3.8 million in the same period of 2007.

Research and Development Costs

Research and development costs were DKK 52.9 million for the first quarter of 2008 compared to DKK 32.1 million for the same period in 2007. The higher research and development costs reflect the increased activity in the company's pipeline, primarily the costs related to the clinical trials carried out, but also costs related to the increased number of employees working with research and development. On March 31, 2008 81 employees was working within research and development compared to 37 on March 31, 2007.

In addition, LifeCycle Pharma has established a subsidiary in the US to monitor the clinical activities in the US and to maintain a close contact to the US authorities and market. Currently, all our clinical trials are being conducted in the US and Canada.

Administrative Expenses

Administrative expenses increased from DKK 10.4 million in the first quarter of 2007 to DKK 17.5 million in the first quarter of 2008. This increase is attributable to the general strengthening of administrative functions and related costs following the company's IPO in November 2006, and the preparation of the rights issue announced in March 2008.

Warrant Compensation Costs

For the first quarter of 2008, a total of DKK 3.1 million was recognized as share-based compensation. The comparable figures for 2007 were DKK 4.2 million for the first quarter.

The warrant compensation costs for the first quarter of 2008 were allocated to research and development costs at DKK 1.3 million and to administrative expenses at DKK 1.8 million.

In the first quarter of 2008 a total of 80,000 warrants was granted members of the Executive Management at a strike price of DKK, while other employees was granted a total of 105,000 warrants at a strike price of DKK 33. In the first quarter of 2008 a total of 198,015 warrants have been cancelled. During the first quarter in 2008 a total of 334,469 have been exercised.

On March 31, 2008 there were a total of 3,728,658 outstanding warrants at an average strike price of DKK 36.2. Members of the Executive Management held 1,716,027 warrants at an average strike price of DKK 40.5, while other employees held 2,012,631 warrants at an average strike price of DKK 32.6.

Please refer to LifeCycle Pharma's latest annual report for additional details of the company's warrant programs.

Operating Loss
LifeCycle Pharma's operating loss for the first quarter of 2008 was DKK 67.5 million compared to DKK 38.7 million in the corresponding period of 2007.

Financial Income
During the first quarter of 2008, the company recognized net financial income of DKK 2.3 million compared to DKK 3.6 million in the first quarter of 2007. The decrease in financial income is reflecting the negative cash flow in 2007.

Net Loss
Net loss for the first quarter of 2008 was DKK 65.2 million compared to DKK 35.1 million in the same period 2007.

Cash Flow
As per March 31, 2008, the balance sheet reflects cash and cash equivalents of DKK 265.5 million compared to DKK 331.7 million as of December 31, 2007. This represents a decrease of DKK 66.2 million primarily related to the company's operating activities for the period.

Balance Sheet
As per March 31, 2008, total assets were DKK 311.9 million compared to DKK 381.9 million at the end of 2007.

Shareholders' equity equalled DKK 266.3 million as of March 31, 2008 compared to DKK 325.7 million at the end of 2007.

Accounting Policies
The interim report has been prepared in accordance with the Copenhagen Stock Exchange's financial reporting requirements for listed companies. The interim report is in compliance with International Accounting Standard No. 34 (IAS 34), "Interim Financial Reporting".

The accounting policies used for the interim report are consistent with the accounting policies used in the company's latest annual report, which was prepared in accordance with the IFRS as adopted by the EU and the additional Danish disclosure requirements for financial reporting of listed companies.

Financial Review
LifeCycle Pharma publishes its financial statements in Danish Kroner (DKK), which is the functional currency of the company and the group. Solely for the convenience of the reader, this Interim Report contains a conversion of certain DKK amounts into Euro (EUR) at a specified rate. These converted amounts should not be construed as representations that the DKK amounts actually

represent such EUR amounts or could be converted into EUR at the rate indicated or at any other rate.

Unless otherwise indicated, conversion herein of financial information into EUR has been made using the Danish Central Bank's spot rate on March 31, 2008, which was EUR 1.00 = DKK 7.4568.

Additional information:

Hans Christian Teisen
CFO & Executive Vice President
Telephone +45 70 33 33 00

The forward looking statements and targets contained herein are based on LifeCycle Pharma A/S's management's current view and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated herein. LifeCycle Pharma A/S expressly disclaim any obligation or undertaking to update or revise any forward looking statements, targets or estimates contained in this interim report to reflect any change in events, conditions, assumptions or circulations on which any such statements are based unless so required by applicable law.

Executive Management's and the Board of Directors' Statement on the Interim Report

The Executive Management and the Board of Directors have today considered and adopted the Interim Report of LifeCycle Pharma A/S for the 3 months which ended March 31, 2008.

The Interim Report is prepared in accordance with the Copenhagen Stock Exchange's financial reporting requirements for listed companies. The Interim Report is in compliance with International Accounting Standard No. 34 (IAS 34), "Interim Financial Reporting" and additional Danish disclosure requirements for financial reporting of listed companies.

We consider the applied accounting policies to be appropriate and, in our opinion, the Interim Report gives a true and fair view of the assets and liabilities, financial position, results of operation and cash flow of the Group.

Hørsholm, May 14, 2008

Executive Management

Flemming Ørnskov
President & CEO

Hans Christian Teisen
Executive Vice President & CFO

Michael Beckert
Executive Vice President

Peter G. Nielsen
Executive Vice President

Board of Directors

Claus Braestrup
(Chairman)

Kurt Anker Nielsen

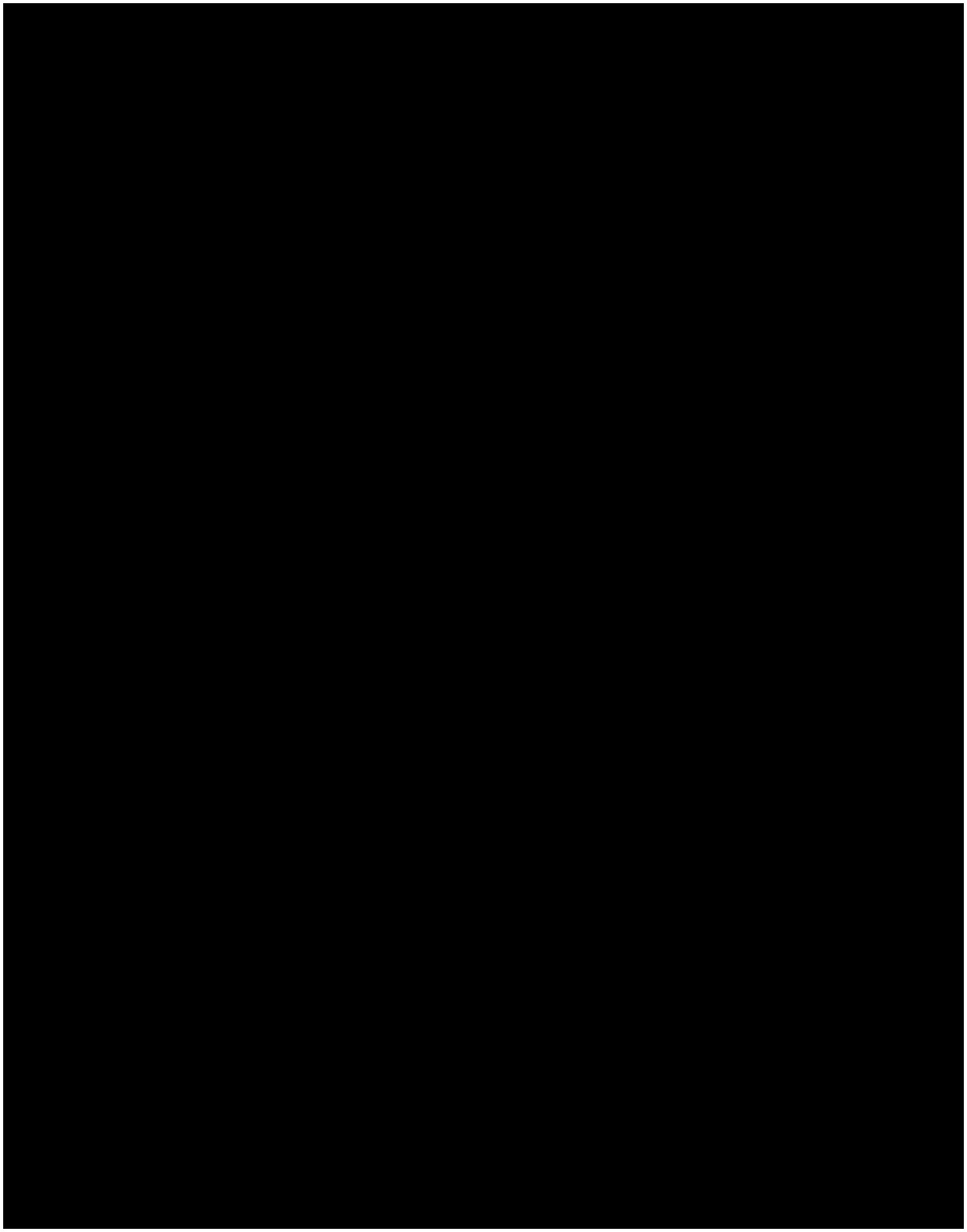
Thomas Dyrberg

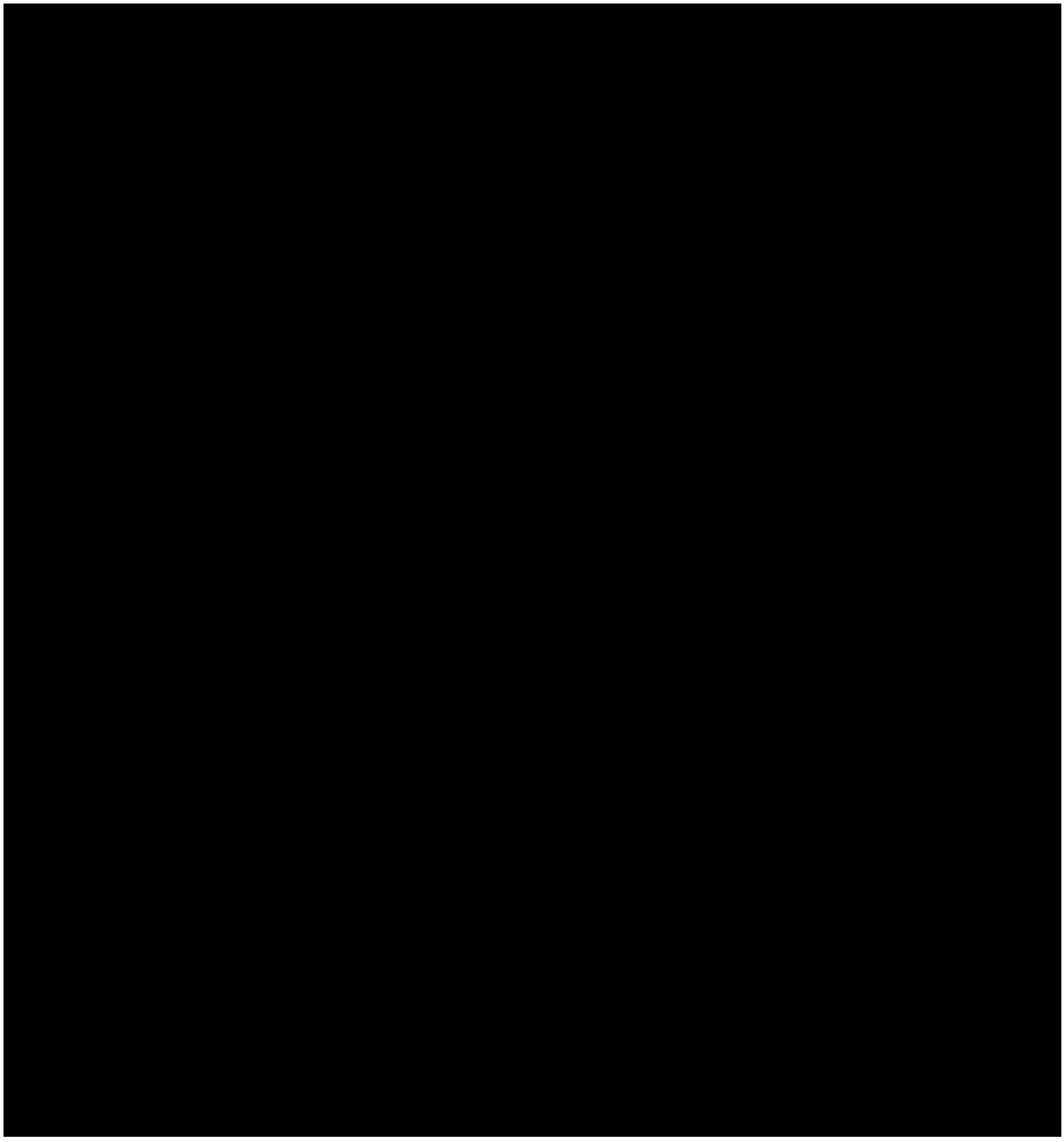
Jean Deleage

Gérard Soula

Paul Edick

Anders Götzsche





The share capital is not available for distribution, while other reserves are distributable for dividend purposes subject to the provision of the Danish Company Act.

Grant of Warrants

Also today, the board of directors decided to issue 350,000 warrants to the Board of Directors, consultants, and employees the Company and the Company's subsidiary. Out of the 350,600 warrants granted, 80,000 were granted to the Chief Medical Officer Michael Beckert, 65,000 warrants were granted to some of the board members and 205.600 warrants were granted to other employees and consultants.

Each warrant entitles the holder to subscribe one share of nominal DKK 1 in the Company against cash contribution equal to the closing price of the Company's shares at the OMX Nordic Exchange on May 15, 2008, to ensure that the exercise price reflects the fair market price per share following the disclosure of the interim report for 1st quarter of 2008.

By application of the Black-Scholes formula, the market value of the warrant program can be calculated as DKK 11.98 per warrant assuming an exercise price of DKK 27.10, equal to the closing price of the Company's share at the OMX Nordic Exchange on May 13, 2008, based on an interest rate of 3.7251% and a volatility of the Company's shares set to 35%.

Exhibit A – warrant adjustment

According to the terms and conditions of the Company's warrant programs, certain customary adjustment clauses apply in the event of changes to the Company's share capital at a price which does not correspond to market price. In the rights issue announced March 18, 2008, the price per offer share was below market price of the shares prior to the announcement of the rights issue. As mentioned on page I-74 in the Offering Circular published in connection with the rights issue the number of outstanding warrants as well as the exercise price of these warrants will thus be adjusted following the completion of the Offering. The adjustments calculated in the offering circular, page I-72 was based on the assumptions was fully subscribed.

As the rights issue was subscribed by 99.62%, the Company below announces the actual dilution after the completion of the rights issue.