

## LinkMed AB (publ)

### Interim report January - March 2008

#### Key events in the first quarter

- LinkMed and SLS Venture co-invest in ONCOlog Medical
- ALMI Företagspartner becomes a new financier in Biovator
- IMED licenses world-leading technology from Medarex
- Agneta Edberg appointed new Chief Operating Officer (COO) and Jonas Graff-Lonnevig becomes new VP Financial Transactions with responsibility for exits

#### Key events after the period end

- Anders Karlsson appointed new CEO in AbSorber AB
- AbSorber is granted a patent in the U.S. for its ABO column
- IMED's basic patent is granted patent protection in Europe
- Birgitta Gunneflo was elected new board member by the 2008 AGM

#### Financial information January– March 2008

- Results from investing activities amounted to SEK 0 million (0)
- Other income amounted to SEK 1.1 million (1.2)
- Net Income/loss after tax amounted to SEK -3.5 million (-2.2)
- Earnings per share was SEK -0.40 (-0.25)
- Shareholders' equity amounted to SEK 275.0 million compared to SEK 278.5 million at the year-end
- Shareholders' equity per share was SEK 31.38, compared to SEK 31.93 at the year-end
- Equity/assets ratio was 98 percent, the same as at the year-end
- Liquid funds were SEK 112.1 million, compared to SEK 125.2 million at the year-end.

CEO Ingemar Lagerlöf's comments on the first quarter 2008:

*"With a stronger organization now in place, we have started exit preparations for a few of our portfolio companies. Following ONCOlog Medical's successes last year, SLS Venture is a new partner and the company is intensifying commercialization of its products. The first quarter was intensive and I expect a continued high tempo for the rest of 2008."*

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## Important events in the first quarter

### *Portfolio companies*

#### **LinkMed and SLS Venture co-invest in ONCOlog Medical**

In March, ONCOlog Medical carried out a new issue of shares worth SEK 25 million, in which LinkMed participated with SEK 5 million and SLS Venture became a new partner by investing SEK 20 million. The issue price was SEK 80 per share. Following the new issue, LinkMed owns 533,835 shares, corresponding to 48.9 percent of the company.

#### **New financing partner for Biovator**

In March, ALMI Företagspartner became a new financier in a Biovator project to develop an allergy test. The project is being run in collaboration with the German diagnostic company IBL Hamburg, the biochemical company Medicago in Uppsala, the University of Linköping and AstraZeneca R & D.

#### **IMED licenses technology from Medarex**

In March, IMED entered into an agreement with Medarex Inc., to enable IMED to develop and commercialize fully human monoclonal antibodies that have been generated by IMED using Medarex's world leading UltiMAB® technology. The technology has been successfully used to generate numerous fully human antibodies that are currently in clinical trials.

### *LinkMed's operations*

#### **Agneta Edberg new Chief Operating Officer (COO) and Jonas Graff-Lonnevig new VP Financial Transactions**

LinkMed's organization was strengthened with the addition of two key employees in order to handle the higher tempo resulting from the maturation of LinkMed's portfolio companies. Agneta Edberg was appointed COO and Senior Venture Manager, which includes operational responsibility for portfolio company development, among other duties. Agneta has held a number of leading positions in life science companies. In conjunction with taking on her new position, she stepped down from the LinkMed Board of Directors.

Jonas Graff-Lonnevig was recruited to a new position of VP Financial Transactions with a special focus on driving exit work. Jonas joins LinkMed from Arctos M & A, financial advisors in cross-border transactions involving mid-sized companies, where he was partner.

## Key events after the period end

### *Portfolio companies*

#### **Anders Karlsson new CEO of AbSorber**

In April, Anders Karlsson was appointed new CEO of AbSorber. Since the fall, Karlsson has been COO of the company. AbSorber's former CEO Ingemar Lagerlöf, who is also the CEO of LinkMed, has become a member of the AbSorber board of directors. Karlsson has extensive experience from the pharmaceutical industry. He has worked in the transplantation sector and earlier was CEO of Novartis Norway.

## AbSorber is granted U.S. patent for ABO column

In April, the U.S. patent authorities granted a patent for AbSorber's ABO column, a product that the company is developing to facilitate transplantations between individuals of different blood groups. The patent is related to a molecule that the company is developing to adsorb antibodies and is a substance patent.

## IMED is granted patent in Europe

In April, IMED further strengthened its immaterial property position by being granted a patent in Europe for the company's basic patent that has already been granted patent protection in the U.S. The patent titled "Fas peptides and antibodies for modulating apoptosis" covers the generation of human antibodies that block or induce natural cell death by binding to the human Fas receptor.

## LinkMed's operations

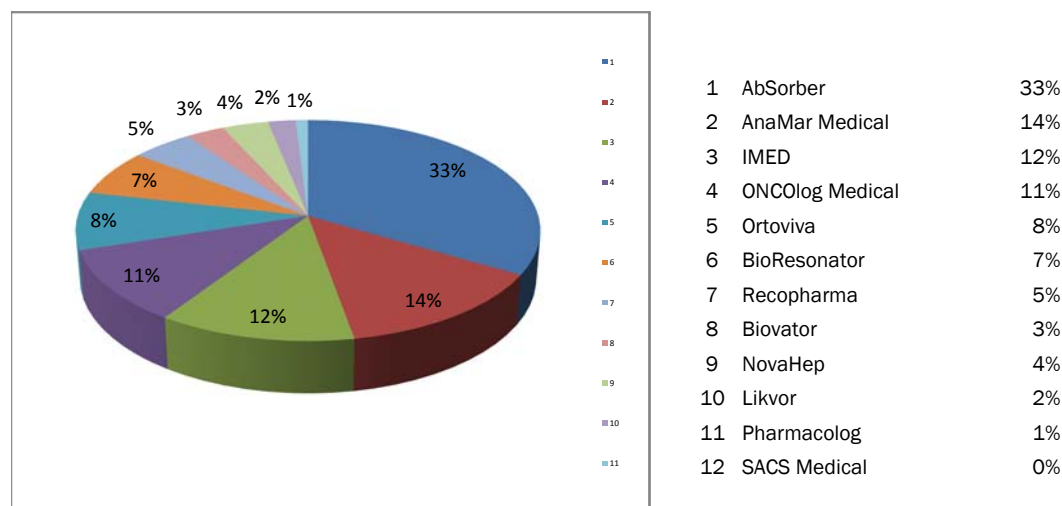
### Birgitta Gunneflo elected to the board of directors

At the company's AGM on April 22, 2008, Birgitta Gunneflo was elected as a new member of the LinkMed board. Today, Gunneflo is CEO of Kronans Droghandel and has a scientific background and business experience from the life science sector. The other board members were re-elected at the AGM, with Monica Caneman re-elected as chairman.

## Portfolio development

LinkMed develops life-science companies in collaboration with innovators and other financiers. By contributing entrepreneurship and capital, LinkMed has created a portfolio of twelve companies, six in drug development and biotechnology and six in 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. The LinkMed share is listed on the OMX Nordic Exchange, Stockholm, and the company's largest shareholders are FastPartner, Koncentra Holding, the founder Ingemar Lagerlöf.

Estimated breakdown of portfolio value



LinkMed continuously monitors the value development of its portfolio companies and their projects. In order to estimate the value of its portfolio of companies, LinkMed uses a probability adjusted cash flow model, described at [www.linkmed.se](http://www.linkmed.se). Valuation at end of first the quarter was estimated to be unchanged since year-end 2007. The four largest companies accounted for 70 percent of portfolio value.

## Investments in associated companies, SEK thousands

Associated companies	Invested by LinkMed <sup>1)</sup>		Total invested <sup>1)</sup>		Ownership stake		Share of portfolio value <sup>2)</sup>
	2008	2007	2008	2007	2008	2007	2008
	March 31	Dec 31	March 31	Dec 31	March 31	Dec 31	March 31
<i>Drug development and biotech</i>							
AbSorber	22 490	22 490	53 500	53 500	42,1%	42,1%	33%
AnaMar Medical	38 159	38 159	156 505	156 505	24,9%	24,9%	14%
Biovator	7 980	6 370	14 053	10 943	46,0%	46,0%	3%
IMED	20 965	20 965	46 100	46 100	42,3%	42,3%	12%
NovaHep	5 588	5 588	5 741	5 741	49,5%	49,5%	4%
Recopharma	22 149	20 147	23 856	21 854	49,5%	49,5%	5%
<i>Medtech</i>							
BioResonator	8 789	8 789	18 250	18 250	49,2%	49,2%	7%
Likvor	5 469	5 469	7 069	7 069	49,0%	49,0%	2%
ONCOlog Medical	23 515	19 773	56 013	32 072	48,9%	48,1%	11%
Ortoviva	6 970	5 620	7 021	5 671	49,0%	49,0%	8%
Pharmacolog	913	890	1 173	1 150	48,0%	48,0%	1%
SACS Medical	12 851	12 851	15 180	15 180	42,8%	42,8%	0%
Summa	175 836	167 108	404 461	374 035			

<sup>1)</sup> Investments refer to accumulated value related to share capital, shareholders' contribution, convertibles and receivables.

<sup>2)</sup> Evaluated according to LinkMed's probability adjusted cash flow model.

LinkMed's investment in associated companies increased during the quarter by SEK 8.7 million to SEK 175.8 million. The largest investment was made in ONCOlog Medical at SEK 3.7 million. In addition, investments were made in Recopharma, Ortoviva and Biovator together totaling SEK 5.0 million. LinkMed accounted for 29 percent of investments in associated companies during the quarter, which decreased LinkMed's share of investments in associated companies to 43 (45) percent.

## Financial information associated companies Q1 2008, SEK thousands

Associated companies	Capitalized <sup>1)</sup>	Cash	Assets	Liabilities	Equity	Revenue <sup>2)</sup>	Net profit	Cash flow <sup>3)</sup>
<i>Drug development and biotech</i>								
AbSorber	12 716	5 984	20 825	2 380	18 445	725	-2 780	-3 233
AnaMar Medical	7 982	6 612	18 209	3 036	15 173	877	-7 248	-8 140
Biovator	5 829	2 943	9 043	7 740	1 303	163	-583	-1 912
IMED	4 077	12 698	18 344	955	17 389	2	-3 455	-6 810
NovaHep	3 420	82	4 135	711	3 424	266	-357	-814
Recopharma	2 869	450	14 083	11 758	2 325	295	-2 681	-2 511
<i>Medtech</i>								
BioResonator	8 069	4 315	12 716	9 198	3 518	780	-473	-855
Likvor	217	5 038	5 456	313	5 143	71	-388	-331
ONCOlog Medical	13 156	18 451	35 272	6 581	28 691	3 700	-3 628	-6 491
Ortoviva	663	93	1 055	853	202	0	-1 366	-1 852
Pharmacolog	621	219	911	740	171	0	-106	-119
SACS Medical	0	192	390	7 222	-6 832	523	-435	-286
March 31 2008	59 619	57 077	140 439	51 487	88 952	7 402	-23 500	-33 354
Year 2007	52 507	59 546	135 659	51 996	83 663	28 677	-76 318	-78 742
<i>LinkMed's share</i>								
March 31 2008	25 992	25 001	61 537	23 656	37 882	3 286	-9 316	-13 591
Year 2007	22 476	23 306	56 249	23 209	33 040	12 565	-28 473	-30 038

<sup>1)</sup> Capitalization refers to development and patent costs brought forward.

<sup>2)</sup> Revenue includes capitalized development and patent costs with a total of SEK 4 543 thousand.

<sup>3)</sup> Cash flow refers to the operation's cash flow after investments

The associated companies are prepared in accordance with ÅRL och BFN. These figures are not fully audited for Q1 2008.

Year 2007 is adjusted due to the fact that the annual year report for SACS Medical has been changed.

All associated companies had negative cash flows during the quarter, together totaling SEK -33.4 million, compared to SEK -78.7 million for 2007. Cash flow mainly comprises costs for development work financed by the owners. At the end of the quarter, associated companies together had liquid funds amounting to SEK 57.1 million, compared to SEK 59.5 million at the year-end.

The associated companies believed to have the greatest capital requirements for 2008 are IMED and Recopharma. Recopharma has initiated work to raise financing for the next step in research. Half of the portfolio companies, AbSorber, AnaMar Medical, IMED, BioResonator, Likvor and ONCOlog Medical, have several owners who take an active part in the respective company's financing.

## Development of portfolio companies

### *Drug development and biotechnology*

#### **AbSorber AB**

*AbSorber develops products that facilitate successful transplantations. The company's first product, the transplantation test XM-ONE® identifies important antibodies responsible for rejection subsequent to transplantation. The company is also developing a patented ABO Column for transplantations between individuals of different blood groups and an ABO diagnostic that measures the occurrence of blood group antibodies.*

<b>AbSorber</b>	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	12 716	5 984	20 825	2 380	18 445	725	-2 780	-3 233
12 months 2007	12 307	9 217	24 134	2 908	21 226	3 859	-9 748	-11 579

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 591 (2 272) thousand.

AbSorber is currently carrying out a number of activities aimed at getting transplantation clinics to include XM-ONE® in their transplantation routines. At the beginning of April, AbSorber exhibited at a scientific immunological conference (EFI) in Toulouse, France. Interest in XM-ONE® was great and many centers in Europe now want help from AbSorber/BD to evaluate the test in their own hospitals. Discussions about implementing XM-ONE® are currently ongoing with a number of large transplantation centers in Europe. And in the U.S. several centers have expressed interest in being given the opportunity to evaluate XM-ONE® for clinical use. They have also expressed interest in being included in AbSorber's XM-ONE® development program.

AbSorber is currently waiting for a reply from the FDA in the U.S. regarding XM-ONE® registration for the U.S. market. Having provided supplementary application information, AbSorber is now waiting to hear from the FDA if additional supplementary information is needed from the company or if the product can be registered using current documentation. A response from the FDA is expected over the next few weeks.

In April, AbSorber's ABO column, which is being developed to facilitate transplantation between individuals 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. The implications of this are that AbSorber's column probably requires fewer treatment occasions per patient and that it may be possible to treat more patients. AbSorber plans to continue product development and carry out clinical evaluation of the ABO column in 2009.

## **AnaMar Medical AB**

*AnaMar Medical develops drugs and biomarkers for diagnosing and monitoring/predicting chronic joint diseases such as rheumatoid arthritis and chronic joint inflammation. AnaMar Medical has five drug candidates in preclinical trials, two biomarkers in prototype development and two commercial biomarkers, COMP®-Elisa and Animal COMP-Elisa.*

<b>AnaMar Medical</b>	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	7 982	6 612	18 209	3 036	15 173	877	-7 248	-8 140
12 months 2007	8 808	16 104	28 243	5 821	22 422	3 493	-30 905	-28 974

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 62 (335) thousand.

AnaMar Medical had revenues of SEK 0.9 million (1.5) in the first quarter, of which sales of biomarkers accounted for SEK 0.5 million (1.3).

MCR (AM240) being developed for treatment of chronic joint diseases, is the drug candidate that has progressed the furthest in its development. The toxicological studies of compounds that are needed to receive approval to start clinical trials are at a final stage. If study data

proves satisfactory, AnaMar Medical plans on carrying out phase I clinical trials in the second half of 2008. The two other two drug candidates for the treatment of chronic joint diseases, TASS and DAR, are being developed according to plan.

AnaMar Medical also continues to work with the possibility of out-licensing ColMed for wound healing and SCI for spinal injuries. The company intends to out-license these projects as they are not focused on chronic joint diseases. Out-licensing is expected to take place at the earliest during the coming year.

## Biovator AB

*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 results that are more reliable. The tests are designed for use in the chemical, cosmetic and pharmaceutical industries*

<b>Biovator</b>	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	5 829	2 943	9 043	7 740	1 303	163	-583	-1 912
12 months 2007	5 609	1 556	7 408	5 522	1 886	735	-864	-1 456

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investment. Revenue includes capitalized development costs of SEK 0 (605) thousand.

Development work proceeded on schedule after the company earlier in fall 2007 entered into a partnership agreement with AstraZeneca R&D. In March, the project received financing from ALMI Företagspartner. 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.

## IMED AB

*IMED develops human monoclonal antibodies (MABs) that induce or block natural cell death, so called apoptosis. The company plans to develop antibodies for large therapeutic areas, including HIV, cancer and transplantation.*

<b>IMED</b>	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	4 077	12 698	18 344	955	17 389	2	-3 455	-6 810
12 months 2007	820	19 508	22 022	1 179	20 843	5	-6 906	-7 723

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments

Development work continues to focus on taking blocking antibodies to clinical trials. For this purpose, IMED has entered into an agreement with Medarex related to technology for generating fully human antibodies. The company's immaterial property rights have been further strengthened by receiving patent protection in Europe, protection that was already granted in the U.S. IMED is currently executing initial toxicity tests with one of the antibodies.

In order to be able to carry out GMP production and clinical trials on humans, the company requires approximately SEK 70 million in new financing. In the second half of 2008, IMED intends to evaluate interest from new investors to participate in this new round of financing.

## NovaHep AB

NovaHep's operations are based on research in liver stem cells. This research, conducted in collaboration 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.

NovaHep	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	3 420	82	4 135	711	3 424	266	-357	-814
12 months 2007	3 088	956	4 754	973	3 781	459	-1 215	-2 482

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 265 (435) thousand.

Development work continued in the first 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 and specific liver cell transplantations.

## Recopharma AB

Recopharma is active in the area of recombinant glycoproteins. These mucin-like proteins have a sugarcoating which can affect several biological processes. Recopharma develops mucins for the vaccine market (adjuvants) and antimicrobial substances to combat bacteria and viruses that may cause for example influenza and the Norwalk virus.

Recopharma	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	2 869	450	14 083	11 758	2 325	295	-2 681	-2 511
12 months 2007	2 694	505	13 671	11 165	2 506	938	-8 240	-8 322

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investment.

Recopharma plans on completing pre-clinical trials of vaccine adjuvants in 2008. Vaccine adjuvants are used to boost the efficacy of the vaccine and work by stimulating a stronger immune defense, thereby achieving better protection.

The company's efforts are currently focused on raising capital and to this end they are currently carrying out activities in Sweden and abroad.

## Medical technology

### BioResonator AB

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.

BioResonator	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	8 069	4 315	12 716	9 198	3 518	780	-473	-855
12 months 2007	7 308	5 170	12 786	8 795	3 991	1 982	-1 459	-3 865

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 760 (1 982) thousand.



The development tempo of the eye pressure gauge has accelerated since BioResonator took over development in the first quarter and for this purpose also engaged the Stockholm-based company HotSwap. The first prototype will be delivered to the company already in a couple of weeks. In the second and third quarters, an additional ten prototypes will be delivered for final verification. The company has changed its business model from out-licensing to selling its products via distributors, which has led to a significant increase in estimated future net margins.

Development of a product for the diagnosis of prostate cancer is proceeding according to plan.

## Likvor AB

*Likvor is developing an instrument for dynamic measurement of cerebrospinal fluid pressure. Health care officials have difficulties in diagnosing patients who, in combination with normal or low cerebrospinal fluid pressure, show symptoms of disease such as disturbances in balance and dementia. The instrument is currently being used in an independent multicenter study ongoing at six university hospitals in Sweden and Denmark.*

Likvor	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	217	5 038	5 456	313	5 143	71	-388	-331
10 months 2007	214	5 369	5 751	219	5 532	322	-67	-230

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 3 (114) thousand.

During the year efforts to achieve CE marking of the instrument and catheter were initiated with completion aimed for by the end of the year. The organization was strengthened during the quarter with a new employee, Nina Andersson, who has carried out research in the area and has participated in development of the instruments now being used in the ongoing study. Andersson, with her expertise knowledge, will be instrumental in further developing the tool and related software.

## ONCOlog Medical QA AB

*ONCOlog Medical develops, produces and markets a number of products and system solutions for quality assurance of radiotherapy treatment clinics for cancer.*

ONCOlog Medical	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	13 156	18 451	35 272	6 581	28 691	3 700	-3 628	-6 491
12 months 2007	10 519	0	13 731	6 354	7 377	14 666	-3 614	-5 619

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments  
Revenue includes capitalized development costs of SEK 2 862 (6 277) thousand.

ONCOlog Medical efforts are focused on completing a functional prototype of the PatLog system for the proton facility in Essen, Germany. The prototype should be finished in May, with final delivery during 2009. The company moved during the quarter to new purpose built premises.

The company carried out a new issue of shares worth SEK 25 million, which primarily targeted LinkMed and SLS Venture. As a result, Hans Andreasson, a Senior Partner at SLS

Venture, become a member of ONCOlog's board of directors. Funds from the new share issue will be used to finance development and commercialization of the product.

## Ortoviva AB

*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.*

Ortoviva	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	663	93	1 055	853	202	0	-1 366	-1 852
14 months 2006/2007	519	595	1 536	1 318	218	0	-5 453	-5 076

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments

Development work on "Distractor" is targeted on achieving CE marking prior to clinical trials. It is estimated that a CE marking may be granted in the current quarter and thereafter that development work on "Distractor" could be completed in 2008. Development work on other products is proceeding according to plan. The company is financed by LinkMed through shareholders' contributions tied to development goals.

## Pharmacolog i Uppsala AB

*Pharmacolog develops systems to control the content and concentration of liquid pharmaceutical drugs, primarily chemotherapy for the treatment of cancer. Pharmacolog was spun off from ONCOlog Medical in April 2007.*

Pharmacolog	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	621	219	911	740	171	0	-106	-119
8 months 2007	621	315	1 000	723	277	0	-223	-835

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investments

The company's operations are currently focused on development of the quality assurance system Druglog, including selection of system parts and the industrial design of the product.

## SACS Medical Göteborg AB

*SACS Medical has developed a system concept for medical signal handling of EEG (neuroanalysis) and EMG (motor analysis). The system allows specialized clinics to diagnose, monitor and treat patients spread out over a large area from a central location.*

SACS Medical	Capitalized	Cash	Assets	Liabilities	Equity	Revenue	Profit/loss	Cash flow
3 months 2008	0	192	390	7 222	-6 832	523	-435	-286
12 months 2007	0	251	623	7 019	-6 396	2 218	-7 624	-2 581

Capitalization refers to development and patent costs brought forward. Cash flow refers to the operation's cash flow after investment. Revenue includes capitalized development costs of SEK 0 (859) thousand.

In September, 2007 the board of directors of SACS Medical called shareholders to an extraordinary meeting to establish a balance sheet for liquidation purposes. The Meeting resolved to continue company operations. LinkMed wrote down the book value of its holding and receivables in SACS Medical to SEK 0 thousand in its 2007 financial statements.

SACS Medical received another order from the Västra Götaland's region, for delivery in June 2008. The board is working to find a solution to secure operating requirements for existing units in the region. Since it is believed that the company will not survive without an industrial partner, work has been ongoing to find such a partner, albeit unsuccessfully. A new balance sheet for liquidation purposes was established in March 2008 and the board decided to call another extraordinary meeting to decide whether or not the company should file for liquidation.

## Financial information January - March 2008

### Results

As no divestments were made during the quarter, results from investing activities for the period were SEK 0 million (0). Other income, which is essentially comprised of consultancy revenues from associated companies, amounted to SEK 1.1 million (1.2).

Operating expenses were SEK -6.3 million (-5.2). Results from financial investments totaled SEK 1.7 million (1.7). Net income/loss for the period was SEK -3.5 million (-2.2).

### Investments

During the quarter, LinkMed invested a total of SEK 8.7 million in associated companies. The largest net investment was made in ONCOlog Medical at SEK 3.7 million. In addition, investments were made in Recopharma, Ortoviva and Biovator that together totaled SEK 5.0 million.

The book value of investments in associated companies increased during the quarter to SEK 163.0 million from SEK 154.3 million at the year-end 2007, of which shares constituted SEK 150.0 million (141.4), convertibles SEK 12.2 million (9.7) and receivables SEK 0.8 million (3.2) million.

### Financial position, cash flow and key financial performance indicators

LinkMed's operations are financed by shareholders' equity. The equity/assets ratio was 98 percent. Shareholders' equity the end of the quarter was SEK 275.0 million, compared to SEK 278.5 million at year-end 2007, corresponding to SEK 31.38 per share (31.93). Liquid funds were SEK 112.1 million (125.2).

Cash flow for the period was SEK -13.1 million (-14.4).

## Other information

### Risks and uncertainties

LinkMed's operations are exposed to various types of risks. Investments in associated companies and the sales of the same naturally mean that different types of risk arise. 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 individual. 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, 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 strives to have a portfolio of companies with certain diversification, in part between the segments: drug development, biotechnology and medical technology 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 takes on insurance covering product liability. Some of the associated companies are dependent on approval through clinical trials or decisions from public authorities. No guarantees can be made that the associated company will achieve satisfactory results in such trials, nor that the necessary regulatory approval will be granted.

In order to reduce risk, LinkMed carries out careful analysis and due diligence before an investment is made, which among other things includes an assessment by LinkMed's scientific advisory board. After the investment has been made, LinkMed makes 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 five of the twelve 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 first quarter 2008 LinkMed had 1 783 shareholders.

<b>Principal shareholders at March 31, 2008</b>	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	379 800	4,3%
Mohammed Al Amoudi	219 700	2,5%
Wendt Investment AB	195 000	2,2%
Länsförsäkringar Skåne	180 500	2,1%
Bo Millstam	140 000	1,6%
Banque de Luxembourg	134 800	1,5%
Banco fonder	130 000	1,5%
Nordnet Pensionsförsäkring AB	126 905	1,4%
F Stellar Holdings Inc	108 035	1,2%
Stan Mikulowski, direct och indirect	94 000	1,1%
Others	2 725 664	31,1%
<b>Total</b>	<b>8 761 048</b>	<b>100,0%</b>

**Accounting principles**

This interim report has been prepared in accordance with the IAS 34, Interim Financial Reporting with observance of the exceptions and additions to IFRS/IAS set out in RR 32 Accounting for legal entities. The same accounting principles were applied as those used in the company's Annual Report for 2007.

**Future report dates**

Interim report, January - June:	August 26, 2008
Interim report, January -September:	November 11, 2008
Year-end report 2008:	February 2009

This report and earlier financial reports can be found at [www.linkmed.se](http://www.linkmed.se)

Stockholm, April 29, 2008

Ingemar Lagerlöf  
CEO, LinkMed

The information in this Interim Report is that which LinkMed is required to disclose under the Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication on April 29, 2008.

This interim report has not been subject to review by the company's auditors.

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## Income statement

Amount in SEK thousands	2008	2007	2007
	Jan-March	Jan-March	Year
<i>Operating income</i>			
Result from sales of associated companies	0	0	0
Write-downs of participations in associated companies	0	0	-10 351
Result from investing activities	0	0	-10 351
Other income	1 121	1 249	4 989
<i>Operating costs</i>			
Other external costs	-2 582	-1 987	-10 720
Personnel costs	-3 647	-3 136	-10 609
Depreciation of tangible and intangible fixed assets	-76	-78	-329
<i>Operating result</i>	-5 183	-3 952	-27 019
Result from financial investments	1 684	1 735	7 817
<i>Income/loss before tax</i>	-3 499	-2 217	-19 202
Tax	-	-	-
<i>Net income/loss for the period</i>	-3 499	-2 217	-19 202
Earnings per share before/after dilution, SEK	-0,40	-0,25	-2,20
Number of shares at the period end before/after dilution	8 761 048	8 721 985	8 721 985
The average number of shares before/after dilution	8 748 027	8 721 985	8 721 985

## Balance sheet

Amount in SEK thousands	2008	2007
	March 31	Dec 31
<i>Assets</i>		
Intangible and tangible fixed assets	550	444
Participations in associated companies	150 010	141 417
Long-term receivables from associated companies	12 240	9 690
<i>Total fixed assets</i>	162 800	151 551
Short-term receivables from associated companies	1 971	4 436
Other short-term receivables	2 618	1 779
Cash and cash equivalents	112 072	125 189
<i>Total current assets</i>	116 661	131 404
<i>Total assets</i>	279 461	282 955
<i>Shareholders' equity and liabilities</i>		
Shareholders' equity	274 965	278 463
Short-term liabilities	4 497	4 492
<i>Total shareholders' equity and liabilities</i>	279 461	282 955
<i>Changes in shareholders' equity</i>		
Opening balance	278 463	296 196
New share issue in progress	-	1 469
Net income/loss for the period	-3 499	-19 202
<i>Closing balance</i>	274 965	278 463

## Cash flow statement

Amount in SEK thousands	2008	2007	2007
	Jan-March	Jan-March	Year
Cash flow from operating activities			
before changes in working capital	-3 423	-2 138	-8 521
Cash flow from changes in working capital	-833	-1 632	-4 386
Cash flow from operations	-4 257	-3 770	-12 907
Cash flow from investing activities	-8 860	-10 650	-64 577
Cash flow from financing activities	0	0	0
Cash flow for the period	-13 117	-14 420	-77 484
Cash and cash equivalents at the opening of the period	125 189	202 673	202 673
Cash and cash equivalents at the closing of the period	112 072	188 253	125 189

## Key ratio

Amount in SEK thousands	2008	2007	2007	2006
	Jan-March	Jan-March	Year	Year
Result from investing activities	0	0	-10 351	-2 500
Other income	1 121	1 249	4 989	4 050
Income/loss before tax	-3 499	-2 217	-19 202	-14 465
Book value of shares, convertibles and loans	162 985	110 612	154 257	100 006
Balance sheet total	279 461	301 169	282 955	305 509
Equity/asset ratio	98%	98%	98%	97%
Average no. of employees	9	5	6	5
Number of shares at the end of the period	8 761 048	8 721 985	8 721 985	8 721 985
The average number of shares	8 748 027	8 721 985	8 721 985	5 599 135
Earnings per share, SEK	-0,40	-0,25	-2,20	-2,58
Shareholders' Equity per share, SEK	31,38	33,71	31,93	33,96
Share price at the end of the period, SEK	37,50	58,25	32,00	69,00
Market value, SEK thousands	328 539	508 056	279 104	601 817

## Participations in associated companies on March 31, 2008, amounts in thousands

Associated companies	Area/indication	Capital/votes	Book value share	Convertible bonds	Other receivables	Total
<i>Drug development and biotech</i>						
AbSorber	Transplantations	42,1%	22 490			22 490
AnaMar Medical	Joint disease	24,9%	38 159			38 159
Biovator	Allergies	46,0%	1 720	6 200	60	7 980
IMED	Cancer/HIV/Transplantations	42,3%	20 965			20 965
NovaHep	Liver stem cells	49,5%	5 588			5 588
Recopharma	Glycoproteins	49,5%	16 107	6 040	2	22 149
<i>Medtech</i>						
BioResonator	Eye disease/cancer	49,2%	8 789			8 789
Likvor	Neurology/diagnostic	49,0%	5 469			5 469
ONCOlog Medical	Cancer	48,9%	23 515			23 515
Ortoviva	Orthopedics	49,0%	6 970			6 970
Pharmacolog	Cancer	48,0%	240		673	913
SACS Medical	Surveillance and telemedicine	42,8%	0			0
Book value			150 010	12 240	735	162 985

The book value in SACS Medical has been written down with SEK 10 351 thousand year 2007 and SEK 2 500 thousand year 2006.