Active Biotech AB
Interim report January – June 2014

Laquinimod
- On May 23, the European Medicines Agency's Committee for Medicinal Products for Human Use (CHMP) reaffirmed its negative opinion on the market application for laquinimod (Nerventra®)
- CHMP confirmed that the risks observed in animal studies do not prevent a registration for treatment in humans
- The ongoing US pivotal clinical study CONCERTO is continuing according to plan. The results are expected in 2016

Tasquinimod
- The Phase III study 10TASQ10 is proceeding according to plan

ANYARA
- Development program for further clinical development outlined in collaboration with regulatory authorities
- All project activities will be put on hold until further notice

Paquinimod (57-57)
- In June 2014, data related to the drug candidate paquinimod for the treatment of systemic sclerosis was presented at the scientific conference "EULAR Annual European Congress of Rheumatology"

ISI
- Expansion of the patent portfolio
- CD selection expected in 2015

Financial summary

MSEK	April - June		January - June		Full Year
	2014	2013	2014	2013	2013
Net sales	2.7	2.5	4.9	5.0	116.0
Operating loss	-57.9	-79.5	-117.2	-156.5	-209.0
Loss for the period	-57.7	-81.2	-117.9	-159.2	-212.1
Loss per share (SEK)	-0.77	-1.08	-1.57	-2.18	-2.87

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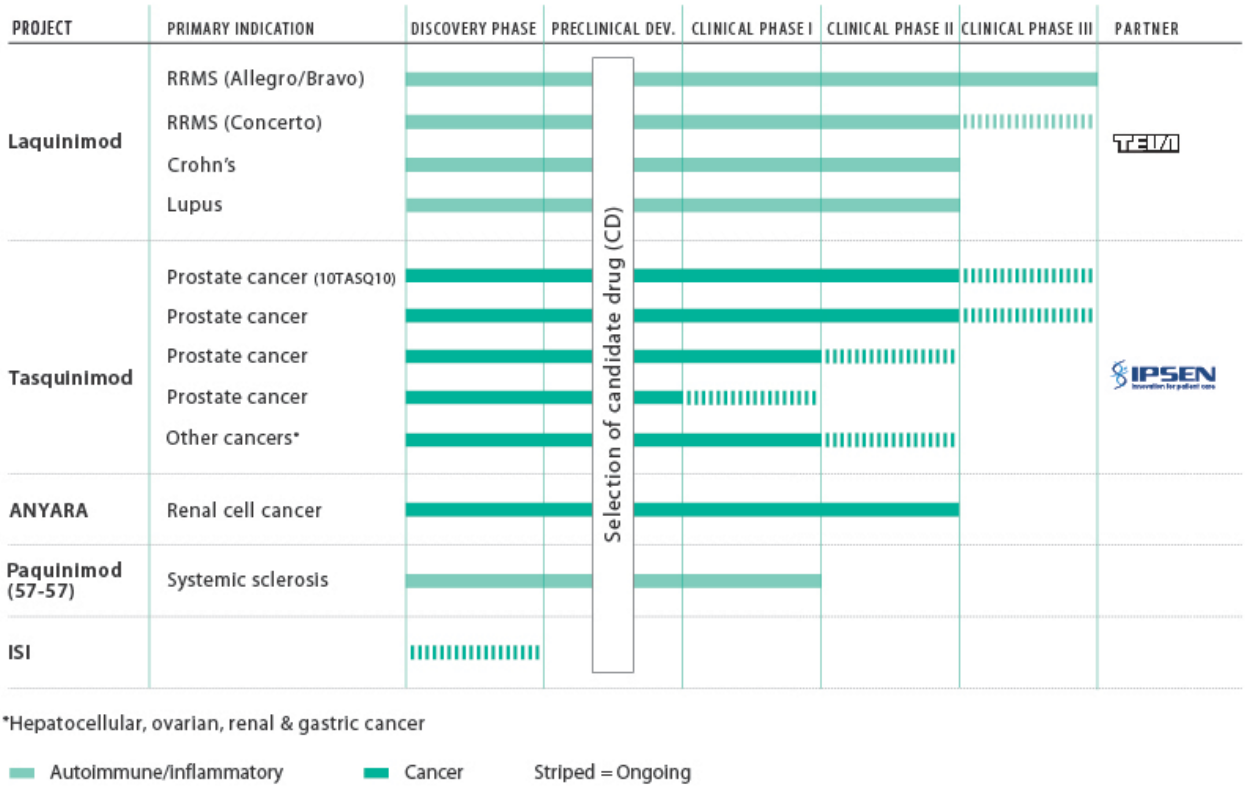
The report is also available at www.activebiotech.com

Project overview



Laquinimod – a novel oral immunomodulatory compound for the treatment of autoimmune diseases
Laquinimod (NERVENTRA®) is a quinoline compound under development for the treatment of such diseases as multiple sclerosis (MS). Active Biotech has an agreement with the Israeli company Teva Pharmaceutical Industries Ltd (June 2004) covering the development and commercialization of NERVENTRA. Data was presented for the first time in September 2009 showing that NERVENTRA has both neuroprotective and anti-inflammatory properties. In December 2010, positive results from the Phase III ALLEGRO study were presented. NERVENTRA met the primary clinical endpoint of reducing the annualized relapse rate and significantly slowed progression of disability. On August 1, 2011, the initial results were announced from the second Phase III BRAVO study. The BRAVO findings supported the protective effect of NERVENTRA in the central nervous system (CNS) and were in line with the results of the first NERVENTRA Phase III trial, ALLEGRO, but did not achieve the primary clinical endpoint. The Phase III study CONCERTO is under way with the primary endpoint of time to confirmed disability progression. This study will also examine the impact of NERVENTRA on endpoints such as percentage change in brain volume and other clinical and MRI markers of disease activity. In addition to the ongoing MS clinical trials, NERVENTRA has undergone clinical Phase II trials for the treatment of Crohn's disease and Lupus nephritis.

– On May 23, it was announced that the European Medicines Agency's Committee for Medicinal Products for Human Use's (CHMP) confirmed its January 23, 2014 risk-benefit opinion of NERVENTRA® and therefore recommended against approval for the treatment of relapsing-remitting multiple sclerosis (RRMS) in the European Union (EU). The CHMP also confirmed that the risks observed in animal studies do not prevent a registration for treatment in humans. Active Biotech and Teva remain committed to the NERVENTRA clinical development program for MS and will evaluate the CHMP feedback to determine potential adjustments and additions to the current development program.

– To further confirm the benefits of NERVENTRA on disability progression, Teva is conducting the CONCERTO trial, the largest MS trial with disability progression as the primary endpoint. The ongoing CONCERTO trial is the third Phase III study in RRMS and explores daily doses of NERVENTRA 0.6 mg and 1.2 mg. In addition, Teva is investigating the potential of NERVENTRA in progressive forms of MS. The first trial for this indication is planned to be initiated soon.

Tasquinimod – an immunomodulatory, anti-metastatic substance for the treatment of prostate cancer

The development of tasquinimod is principally focused on the treatment of prostate cancer. Tasquinimod is an immunomodulatory, anti-metastatic substance that indirectly affects the tumor's ability to grow and spread. It was announced in December 2009 that the primary clinical endpoint of the Phase II study, to reduce the fraction of patients with disease progression during the six-month period of treatment using tasquinimod, had been attained. In April 2011, Active Biotech and Ipsen (Euronext: IPN; ADR: IPSEY) entered a broad partnership for the co-development and commercialization of Active Biotech's compound, tasquinimod. Under the terms of the agreement, Active Biotech granted Ipsen exclusive rights to commercialize tasquinimod worldwide, except for North and South America and Japan, where Active Biotech has all commercial and marketing rights. Both companies will co-develop tasquinimod for the treatment of castrate-resistant prostate cancer (CRPC), with the possibility of developing tasquinimod in other cancer indications. In December 2012, patient enrollment was successfully completed to the ongoing clinical Phase III trial for tasquinimod, with 1,245 randomized patients as planned in the clinical protocol. The primary analysis of progression-free survival (PFS) for the Phase III study will be carried out in 2014, at the time of the first interim overall survival (OS) analysis. In October 2012, Ipsen initiated a proof-of-concept clinical trial to evaluate the clinical efficacy of tasquinimod used as maintenance therapy in patients with metastatic castrate-resistant prostate cancer (mCRPC) who have not progressed after a first-line docetaxel-based chemotherapy. In February 2014, Ipsen launched a randomized, double-blind, placebo-controlled Phase III study of tasquinimod in chemo-naive CRPC patients in Asia. In addition, Ipsen is pursuing a Phase IIa clinical trial with tasquinimod to evaluate the safety and efficacy of tasquinimod in advanced or metastatic hepatocellular, ovarian, renal cell and gastric carcinomas in patients whose condition has nonetheless deteriorated after standard therapies. Furthermore, an investigator-sponsored clinical Phase I trial (CATCH) is under way to determine the recommended dose of tasquinimod in combination with cabazitaxel in patients with mCRPC. For further information, visit www.clinicaltrials.gov.

– The ongoing clinical Phase III trial 10TASQ10 is a global, randomized, double-blind, placebo-controlled study of mCRPC patients. The aim of the study is to confirm tasquinimod's efficacy on the disease, with radiological progression-free survival (PFS) as the primary clinical endpoint and overall survival (OS) as the secondary clinical endpoint. The study is proceeding according to plan. The results from the study are expected to be communicated before the end of the year or not later than in the first quarter of 2015.

ANYARA – fusion protein for immunological treatment of renal cell cancer

ANYARA is a TTS (Tumor Targeted Superantigen) compound that makes cancer treatment tumor-specific. The development of ANYARA is mainly focused on renal cell cancer. Positive data was reported in connection with the interim analysis in Phase II/III and from clinical Phase I trials in lung cancer, renal cell cancer and pancreatic cancer. In July 2009, the results from two Phase I studies of ANYARA were published in the Journal of Clinical Oncology, where ANYARA was studied both as a single agent (monotherapy) and in combination with an established tumor therapy – docetaxel (Taxotere®) – in patients with advanced cancer. The results showed that ANYARA was well tolerated both as monotherapy and in combination with docetaxel. Overall survival (OS) and progression-free survival (PFS) data from the ANYARA Phase II/III study in renal cell cancer was presented in June 2013. The study encompassed 513 patients and was designed to evaluate the efficacy of ANYARA (naptumomab estafenatox) in combination with interferon-alpha, compared with interferon-alpha alone, in patients with advanced renal cell cancer. The primary endpoint was improved overall survival, which was not achieved in the overall ITT population, but was attained in a biomarker-defined subgroup of 130 patients. In this subgroup, the median OS for the ANYARA vs. placebo treatment arm were 63.3 vs. 31.1 months (HR=0.59; p=0.020), respectively. The median PFS were 13.7 (ANYARA) vs. 5.8 (placebo) months (HR: 0.62; p=0.016).

– Active Biotech has discussed the continued development of ANYARA with the regulatory authorities – the FDA and EMA – based on the results of the completed Phase II/III study in which ANYARA displayed a survival benefit in a subgroup of patients. A development program has been outlined on the basis of these meetings, the next step of which consists of a pivotal study to treat a biomarker-defined group of renal cell cancer patients in second-line therapy. In this study, ANYARA will be combined with an established standard therapy. Discussions with potential partners continues.

– The company will not commence the further clinical development of ANYARA on an independent basis and will only proceed together with a partner. All project activities will be put on hold until further notice.

Paquinimod (57-57) – novel oral immunomodulatory compound for the treatment of systemic sclerosis
Paquinimod is a quinoline compound primarily intended for the treatment of systemic sclerosis. This rare disease is classified as an orphan drug indication. In 2011 and 2014, paquinimod was granted Orphan Medicinal Product Status in Europe and the US, respectively, for the indication systemic sclerosis. The Orphan Medicinal Product designation is implemented to promote the development of drugs that may provide significant benefit to patients suffering from rare diseases identified as life-threatening or chronically debilitating. Orphan Medicinal Product Status can provide ten years and seven years, in the respective geographic areas, of potential market exclusivity if the product candidate is approved for treatment.

– In June 2014, data from a clinical study of systemic sclerosis was presented at the scientific conference EULAR (EUropean League Against Rheumatism). The results demonstrated that paquinimod was well tolerated and effects on biomarkers relevant for systemic sclerosis were observed during treatment. Data from a pre-clinical trial was also presented, showing that paquinimod reduces development of skin fibrosis in an experimental disease model for systemic sclerosis.

– The next step in clinical development is to verify these effects in a controlled Phase II study that can form the basis for a pivotal study in this patient group. Active Biotech has initiated discussions with potential partners for the continued clinical development of paquinimod. The company will not commence the further clinical development of paquinimod on an independent basis.

ISI (Inhibition of S100 interactions) – preclinical project based on the mode of action of quinoline compounds
Active Biotech is conducting a research project aimed at utilizing the company's own preclinical results that were generated with respect to a target molecule for the quinoline (Q) compounds and their biological mode of action. The results of a target molecule for the Q compounds were published in PLoS Biology (Volume 7, Issue 4, pp. 800-812) in April 2009. The study showed that Q compounds bind to a molecule called S100A9, which is expressed in white blood cells involved in the regulation of immune responses. Furthermore, it is shown that S100A9 interacts with two known pro-inflammatory receptors (Toll-like receptor 4 (TLR4) and Receptor of Advanced Glycation End products (RAGE)) and that this interaction is inhibited by Q compounds. The project aims at producing new, patentable chemical substances that interact with the target molecule of the Q compounds.

– The project is proceeding according to plan. Efforts are currently focused on building up a patent portfolio around the compounds that interact with S100 proteins and the first patent applications have been filed. New opportunities to expand the patent portfolio have been identified during the period, entailing that the selection of the first candidate drug is now planned to take place in 2015.

RhuDex® – a novel oral compound for the treatment of rheumatoid arthritis
In the project covering Active Biotech's patented CD80 antagonists, the RhuDex candidate drug is under development for the treatment of rheumatoid arthritis (RA). In April 2002, Active Biotech entered a licensing agreement with Avidex Ltd, now a wholly owned subsidiary of the German biotechnology company MediGene AG, according to which MediGene has the exclusive rights to develop CD80 antagonists and

market products in which these compounds are included. Two Phase I trials have already been successfully concluded in which the RhuDex candidate drug was studied with respect to its safety, tolerability and pharmacokinetic properties in healthy volunteers.

– On March 18, MediGene announced that a global license agreement had been signed with the company Dr. Falk Pharma GmbH for the development and commercialization of RhuDex in the indication areas hepatology and gastroenterology. For more information and the latest news about RhuDex, see www.medigene.com.

Financial information

Comments on the Group's results for the period January – June 2014

Net sales amounted to SEK 4.9 M (5.0) and included service and rental revenues.

The operation's research and administration expenses amounted to SEK 122.0 M (161.5), of which research expenses accounted for SEK 112.2 M (152.7). The 27-percent decrease in expenses was attributable to planned lower costs for the ongoing clinical Phase III trial of tasquinimod for the treatment of prostate cancer. Under the partnership agreement with Ipsen, Active Biotech will receive clinical, regulatory and commercial milestone payments on fulfilment of defined goals. Provided that these milestones are met, the Phase III trial will be financed in full by Ipsen. The other research projects – the ANYARA renal cell cancer project, the explorative study for the 57-57 project and the preclinical research project ISI – only had a marginal impact on the cost development between the years. The out-licensed projects comprising laquinimod and RhuDex are financed by the relevant partners.

The operating loss for the period amounted to SEK 117.2 M (loss: 156.5). The change in earnings compared with the year-earlier period was attributable to lower research costs due to the ongoing Phase III tasquinimod trial being fully enrolled since December 2012 and the fact that the patients are now in the treatment phase. Administration expenses amounted to SEK 9.8 M (8.8), the net financial expense for the period to SEK 1.8 M (expense: 3.8) and the loss after tax to SEK 117.9 M (loss: 159.2).

Comments on the Group's results for the period April – June 2014

Net sales amounted to SEK 2.7 M (2.5) and included service and rental revenues.

The operation's research and administration expenses amounted to SEK 60.6 M (82.1), of which research expenses accounted for SEK 55.3 M (77.5). The decrease in expenses was attributable to planned lower costs for the ongoing clinical Phase III trial of tasquinimod for the treatment of patients with prostate cancer.

The operating loss for the period was SEK 57.9 M (loss: 79.5), representing an improvement of SEK 21.6 M attributable to lower research costs. Administration expenses amounted to SEK 5.3 M (4.6), the net financial expense for the period to SEK 0.3 M (expense: 2.2) and the loss after tax to SEK 57.7 M (loss: 81.2).

Cash flow, liquidity and financial position, Group

Cash and cash equivalents at the end of the period amounted to SEK 227.7 M, compared with SEK 376.2 M at the end of 2013.

Cash flow for the January-June period was a negative SEK 148.5 M (pos: 172.4), of which cash flow from operating activities accounted for a negative SEK 149.7 (neg: 93.1). The corresponding period in 2013 included a milestone payment totaling SEK 86.1 M from Ipsen. Cash flow from financing activities was SEK 1.2 M (265.5). A private placement to Investor was carried out in the year-earlier period, raising proceeds of approximately SEK 270 M.

Investments

Investments in tangible fixed assets amounted to SEK 0.1 M (0.1).

Comments on the Parent Company's results and financial position for the period January-June 2014
Net sales for the period amounted to SEK 9.6 M (9.9) and operating expenses to SEK 137.8 M (177.4). The Parent Company's operating loss for the period was SEK 128.3 M (loss: 167.5). Net financial income amounted to SEK 2.0 M (1.6) and the loss after financial items was SEK 126.3 M (loss: 165.9). Cash and cash equivalents including short-term investments totaled SEK 218.7 M at the end of the period, compared with SEK 370.5 M on January 1, 2014.

Comments on the Parent Company's results and financial position for the period April-June 2014
Net sales for the period amounted to SEK 4.6 M (4.5) and operating expenses to SEK 68.3 M (90.1). The Parent Company's operating loss for the period was SEK 63.8 M (loss: 85.5). Net financial income amounted to SEK 1.3 M (1.6) and the loss after financial items was SEK 62.4 M (loss: 83.9).

Shareholders' equity
Consolidated shareholder's equity at the end of the period amounted to SEK 291.4 M, compared with SEK 405.4 M at year-end 2013. The number of shares outstanding at the end of the period totaled 74,923,582. At the end of the period, the equity/assets ratio for the Group was 47.1 percent, compared with 52.8 percent at year-end 2013. The corresponding figures for the Parent Company, Active Biotech AB, were 76.5 percent and 77.1 percent, respectively.

Organization
The average number of employees was 59 (62), of which the number of employees in the research and development organization accounted for 46 (50). At the end of the period, the Group had 58 employees.

Outlook, including significant risks and uncertainties
A vital factor for Active Biotech's long-term financial strength and stability is the company's ability to develop pharmaceutical projects to the point at which partnership agreements can be entered into and the partner can assume responsibility for future development and commercialization of the project. During this development phase, the value of projects is expected to increase. The development of partnership agreements already signed and the addition of new agreements are assumed to have a significant impact on future revenues and cash balances. Income from already signed agreements and existing cash and cash equivalents is expected to finance operations.

A research company such as Active Biotech is characterized by a high operational and financial risk, since the projects in which the company is involved are at the clinical phase, where a number of factors have an impact on the likelihood of commercial success. In brief, the operation is associated with risks related to such factors as pharmaceutical development, competition, advances in technology, patents, regulatory requirements, capital requirements, currencies and interest rates. Since no significant changes took place with regard to risks and uncertainties during the period, we refer to the detailed account of these factors presented in the Directors' Report in the 2013 Annual Report. Since the Group's operations are primarily conducted in the Parent Company, risks and uncertainties refer to both the Group and the Parent Company.

Consolidated profit and loss	April - June		January -June		Full Year
SEK M	2014	2013	2014	2013	2013
Net sales	**2.7**	**2.5**	**4.9**	**5.0**	**116.0**
Administrative expenses	-5.3	-4.6	-9.8	-8.8	-17.0
Research and development costs	-55.3	-77.5	-112.2	-152.7	-308.0
Operating profit/loss	**-57.9**	**-79.5**	**-117.2**	**-156.5**	**-209.0**
Net financial items	-0.3	-2.2	-1.8	-3.8	-5.3
Profit/loss before tax	**-58.2**	**-81.7**	**-119.0**	**-160.3**	**-214.3**
Tax	0.6	0.6	1.1	1.1	2.2
Net profit/loss for the period	**-57.7**	**-81.2**	**-117.9**	**-159.2**	**-212.1**
Comprehensive loss attributable to:					
Parent Company shareholders	-57.7	-81.2	-117.9	-159.2	-212.1
Non-controlling interests	–	–	–	–	–
Net profit/loss for the period	**-57.7**	**-81.2**	**-117.9**	**-159.2**	**-212.1**
Comprehensive profit/loss per share before dilution (SEK)	-0.77	-1.08	-1.57	-2.18	-2.87
Comprehensive profit/loss per share after dilution (SEK)	-0.77	-1.08	-1.57	-2.18	-2.87

Statement of profit and loss and consolidated comprehensive income	April - June		January -June		Full Year
SEK M	2014	2013	2014	2013	2013
Net profit/loss for the period	-57.7	-81.2	-117.9	-159.2	-212.1
Other comprehensive income					
Items that can not be reclassified into profit or loss					
Change in revaluation reserve	1.8	1.8	3.6	3.6	7.2
Taxes attributable to other comprehensive income	-0.4	-0.4	-0.8	-0.8	-1.6
Total comprehensive profit/loss for the period	**-56.3**	**-79.8**	**-115.1**	**-156.4**	**-206.5**
Total other comprehensive profit/loss for the period attributable to:					
Parent Company shareholders	-56.3	-79.8	-115.1	-156.4	-206.5
Non-controlling interests	–	–	–	–	–
Total comprehensive profit/loss for the period	**-56.3**	**-79.8**	**-115.1**	**-156.4**	**-206.5**
Depreciation/amortization included in the amount of	3.0	3.2	6.1	6.4	12.9
Investments in tangible fixed assets	–	0.1	0.1	0.1	0.1
Weighted number of outstanding common shares before dilution (000s)	74 924	74 924	74 924	72 968	73 954
Weighted number of outstanding common shares after dilution (000s)	74 924	74 924	74 924	72 968	73 954
Number of shares at close of the period (000s)	74 924	74 924	74 924	74 924	74 924

Consolidated statement of financial position	June 30		Dec. 31
SEK M	2014	2013	2013
Tangible fixed assets	380.8	380.6	381.0
Long-term receivables	0.0	0.0	0.0
Total fixed assets	**380.8**	**380.6**	**381.0**
Current receivables	9.9	9.0	10.6
Cash and cash equivalents	227.7	389.1	376.2
Total current assets	**237.5**	**398.0**	**386.8**
Total assets	**618.3**	**778.6**	**767.8**
Shareholders equity	291.4	454.3	405.4
Long-term liabilities	225.9	225.4	224.0
Current liabilities	100.9	98.9	138.3
Total shareholders equity and liabilities	**618.3**	**778.6**	**767.8**

Consolidated statement of changes in shareholders equity	June 30		Dec. 31
SEK M	2014	2013	2013
Opening balance	405.4	339.9	339.9
Transfer from revaluation reserve	1.1	1.1	2.2
New share issue	-	269.8	269.8
Net loss for the period	-115.1	-156.4	-206.5
Balance at close of period	**291.4**	**454.3**	**405.4**

Condensed consolidated cash-flow statement	January -June		Full Year
SEK M	2014	2013	2013
Loss after financial items	**-119.0**	**-160.3**	**-214.3**
Adjustment for non-cash items, etc.	6.1	6.4	12.9
Cash flow from operating activities before changes in working capital	**-112.8**	**-153.9**	**-201.4**
Changes in working capital	-36.8	60.8	99.1
Cash flow from operating activities	**-149.7**	**-93.1**	**-102.3**
Investments in tangible fixed assets	-0.1	-0.1	-0.1
Cash flow from investing activities	**-0.1**	**-0.1**	**-0.1**
New share issue	-	269.8	269.8
Loans raised/amortization of loan liabilities	1.2	-4.2	-7.9
Cash flow from financing activities	**1.2**	**265.5**	**261.8**
Cash flow for the period	**-148.5**	**172.4**	**159.5**
Opening cash and cash equivalents	**376.2**	**216.7**	**216.7**
Closing cash and cash equivalents	**227.7**	**389.1**	**376.2**

Key figures	June 30 2014	June 30 2013	Dec. 31 2013
Shareholders equity, SEK M	291.4	454.3	405.4
Equity per share, SEK	3.89	6.06	5.41
Equity/assets ratio in the Parent Company	76.5%	85.5%	77.1%
Equity/assets ratio in the Group	47.1%	58.4%	52.8%
Average number of annual employees	59	62	61

Consolidated profit and loss by quarter

	2010				2011				2012				2013				2014	
SEK M	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net sales	**2.8**	**3.4**	**2.3**	**2.9**	**2.7**	**226.1**	**2.6**	**3.3**	**2.6**	**94.0**	**39.8**	**91.5**	**2.4**	**2.5**	**107.0**	**4.0**	**2.1**	**2.7**
Administrative expenses	-4.6	-7.1	-4.0	-7.3	-5.3	-4.4	-3.2	-4.0	-3.8	-4.2	-3.2	-4.7	-4.2	-4.6	-3.8	-4.4	-4.5	-5.3
Research and development c	-49.1	-47.6	-45.6	-74.9	-68.3	-80.1	-76.2	-93.9	-99.4	-109.7	-84.8	-81.3	-75.2	-77.5	-75.3	-80.0	-56.9	-55.3
Operating profit/loss	**-51.0**	**-51.4**	**-47.3**	**-79.3**	**-70.9**	**141.5**	**-76.8**	**-94.7**	**-100.7**	**-19.9**	**-48.2**	**5.5**	**-77.0**	**-79.5**	**27.9**	**-80.4**	**-59.2**	**-57.9**
Net financial items	-2.5	-3.3	-1.2	2.4	1.6	4.3	-2.8	-5.7	1.0	-5.3	-4.1	-0.4	-1.6	-2.2	0.8	-2.2	-1.5	-0.3
Profit/loss before tax	**-53.5**	**-54.8**	**-48.5**	**-76.8**	**-69.3**	**145.8**	**-79.6**	**-100.4**	**-99.6**	**-25.1**	**-52.3**	**5.1**	**-78.6**	**-81.7**	**28.7**	**-82.6**	**-60.8**	**-58.2**
Tax	-	-	-	12.6	-	1.2	0.6	7.2	0.6	0.6	0.6	-5.0	0.6	0.6	0.6	0.6	0.6	0.6
Net profit/loss for the period	**-53.5**	**-54.8**	**-48.5**	**-64.3**	**-69.3**	**147.0**	**-79.0**	**-93.2**	**-99.0**	**-24.5**	**-51.6**	**0.1**	**-78.0**	**-81.2**	**29.2**	**-82.1**	**-60.2**	**-57.7**

Active Biotech Parent Company - Income Statement, condensed	April - June		January - June		Full Year
SEK M	2014	2013	2014	2013	2013
Net sales	**4.6**	**4.5**	**9.6**	**9.9**	**125.4**
Administration expenses	-9.7	-8.9	-18.6	-17.4	-34.2
Research and development costs	-58.6	-81.2	-119.2	-160.0	-322.2
Operating profit/loss	**-63.8**	**-85.5**	**-128.3**	**-167.5**	**-231.0**
Profit/loss from financial items:					
Interest income and similar income-statement items	0.7	1.5	1.6	2.4	5.2
Interest expense and similar income-statement items	0.6	0.1	0.4	-0.8	-1.5
Profit/loss after financial items	**-62.4**	**-83.9**	**-126.3**	**-165.9**	**-227.3**
Tax	–	–	–	–	–
Net profit/loss for the period	**-62.4**	**-83.9**	**-126.3**	**-165.9**	**-227.3**
Statement of comprehensive income parent company					
Net profit/loss for the period	-62.4	-83.9	-126.3	-165.9	-227.3
Other comprehensive income	–	–	–	–	–
Total comprehensive profit/loss for the period	**-62.4**	**-83.9**	**-126.3**	**-165.9**	**-227.3**

Active Biotech Parent Company - Balance sheet, condensed	June 30		Dec. 31
SEK M	2014	2013	2013
Goodwill	105.0	121.1	113.0
Tangible fixed assets	0.6	0.7	0.6
Financial fixed assets	40.6	40.6	40.6
Total fixed assets	**146.1**	**162.4**	**154.2**
Current receivables	21.1	20.3	21.9
Short-term investments	185.8	361.6	264.3
Cash and bank balances	32.9	20.6	106.2
Total current assets	**239.8**	**402.4**	**392.4**
Total assets	**386.0**	**564.8**	**546.6**
Shareholders equity	295.2	483.0	421.6
Current liabilities	90.7	81.8	125.0
Total equity and liabilities	**386.0**	**564.8**	**546.6**

Any errors in additions are attributable to rounding of figures.

Note 1: Accounting policies

The interim report of the Group has been prepared in accordance with IAS 34, Interim Financial Reporting and applicable parts of the Annual Accounts Act. The interim report of the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act. For the Group and the Parent Company, the same accounting policies and accounting estimates and assumptions were applied to this interim report as were used in the preparation of the most recent annual report.

Note 2: Fair value of financial instruments

	June 30,2014	Dec. 31,2013
SEK M	Level 2	Level 2
Short-term investments	185.8	264.3
Current liabilities, derivatives	1.2	4.3

The fair value of financial assets and liabilities essentially corresponds to the carrying amount in the balance sheet. The fair-value measurement of financial assets and liabilities has been conducted according to level 2 as defined in IFRS 7.27 A, with the exception of cash and cash equivalents, which are measured according to level 1. For more information, refer to Note 16 in the 2013 Annual Report. No significant changes have occurred in relation to the measurement made at December 31.

Legal disclaimer
This financial report includes statements that are forward-looking and actual results may differ materially from those anticipated. In addition to the factors discussed, other factors that can affect results are developments in research programs, including clinical trials, the impact of competing research programs, the effect of economic conditions, the effectiveness of the company's intellectual patent protection, obstacles due to technological development, exchange-rate and interest-rate fluctuations, and political risks.

Financial calendar
Interim report (Q3) 2014: November 5
Year-end report 2014: February 11, 2015
The reports will be available from these dates at www.activebiotech.com.

Lund, August 7, 2014
Active Biotech AB (publ)

Mats Arnhög
Chairman

Peter Hofvenstam
Board member

Rolf Kiessling
Board member

Magnhild Sandberg-Wollheim
Board member

Peter Sjöstrand
Board member

Peter Thelin
Board member

Ingela Fritzson
Employee rep/
Board member

Camilla Gummesson
Employee rep/
Board member

Tomas Leanderson
President and CEO

This interim report is unaudited.

Active Biotech AB *(NASDAQ OMX NORDIC: ACTI) is a biotechnology company with focus on autoimmune/inflammatory diseases and cancer. Projects in pivotal phase are laquinimod (NERVENTRA®), an orally administered small molecule with unique immunomodulatory properties for the treatment of multiple sclerosis, tasquinimod for prostate cancer and ANYARA primarily for the treatment of renal cell cancer. In addition, clinical Phase II studies of laquinimod in Crohn's and Lupus have been concluded. The company also has one additional project in clinical development, the orally administered compound paquinimod (57-57) for systemic sclerosis. Please visit www.activebiotech.com for more information.*

Active Biotech is obligated to publish the information contained in this interim report in accordance with the Swedish Securities Market Act. This information was provided to the media for publication on August 7, 2014 at 8:30 a.m. CET.