



November 7, 2014
Announcement no. 14

Interim Financial Report for Q3 2014 for the BioPorto Group

Summary of Q3 2014

Strategic Development

- In Q3 2014 BioPorto has maintained its focus on commercialization of The NGAL Test™. Since June 2014 four additional new routine users of The NGAL Test™ were added in Europe, bringing the total up to 13. The development in licensing and OEM agreements confirms the interest from potential distribution partners, but this interest is not expected to lead to new agreements in 2014.
- New products, both kits and antibodies, have been in-licensed to BioPorto's product portfolio. The intention is to expand the product portfolio and generate additional sales on the strengths of the existing sales platform.
- BioPorto has been awarded Frost & Sullivan's 'Product Leadership Award'. Frost & Sullivan found that The NGAL Test™ is the best-positioned NGAL product on the market with unique features for the diagnosis of acute kidney injury (AKI).
- BioPorto's sample collection for a clinical trial in the United States is progressing according to the plan. The management expects that the sample collection phase will be completed in the first quarter of 2015, so that the study phase can be completed and the FDA filing be submitted in the first half year of 2015.

Financial development

- BioPorto's revenue in the first nine months of 2014 was DKK 13.8 mio. (2013: DKK 12.2 mio.), representing a growth of 13%. Sales in the third quarter of 2014 amounted to DKK 4.6 mio. (2013: DKK 5.0 mio.).
- Profit after tax for the first nine months of 2014 was improved by DKK 6.5 mio. to DKK -10.7 mio. (2013: DKK -17.2 mio.).
- Sales of the group's NGAL products for human diagnostics, including The NGAL Test™, amounted to DKK 3.1 mio. in the first nine months of 2014 (2013: DKK 2.8 mio.). Of this, The NGAL Test™ amounted to DKK 1.9 mio.



Expectations for 2014

- Due to a delay in the execution of licensing and OEM agreements, the revenue expectations can be narrowed from DKK 19-23 mio. to around DKK 19 mio., representing a growth of 15%.
- As a consequence of the above, expectations for net profit after taxes is narrowed from a loss of DKK 10-14 mio to a loss of around DKK 14 mio.

Peter Morch Eriksen, CEO, comments: "Although I expected to have signed additional license and OEM agreements in 2014, I am pleased that our focus on increasing the number of routine users in Europe of The NGAL Test™ is now showing results. This is the first and important step towards ensuring broad commercialization of our marker - and thus an important milestone in the execution of our strategy to double sales and make BioPorto cash flow positive. "

Investor Meeting

In connection with the publication of the interim report for the first 9 months of 2014, BioPorto's investor meeting will take place on November 7, 2014, at 15.00 p.m. at the company's address, Tuborg Havnevej 15 st., 2900 Hellerup.

Key Figures

	2014 3rd quarter DKK thousands	2013 3rd quarter DKK thousands	2014 9 months DKK thousands	2013 9 months DKK thousands	2013 12 months DKK thousands
Net revenues	4,571	4,981	13,807	12,248	16,625
Net income/loss, ordinary operating act (EBIT)	(3,074)	(5,445)	(12,380)	(15,049)	(19,802)
Earnings before tax	(2,929)	(6,400)	(12,239)	(17,156)	(21,873)
Net income/loss for the period	(2,468)	(6,400)	(10,725)	(17,156)	(20,623)
Long-term assets	1,529	421	1,529	421	528
Short-term assets	39,688	56,211	39,688	56,211	51,314
Total assets	41,216	56,632	41,216	56,632	51,842
Capital stock	117,874	117,874	117,874	117,874	117,874
Equity	32,137	46,959	32,137	46,959	42,862
Long-term liabilities	92	0	92	0	105
Short-term liabilities	8,987	9,674	8,987	9,674	8,875
Total liabilities	41,216	56,632	41,216	56,632	51,842
Cash flow from by operations	(2,239)	(4,488)	(11,672)	(14,333)	(16,640)
Cash flow from investing, net	0	0	(1,200)	(31)	(33)
Of which invested in property, plant and equipment	0	0	(542)	(27)	(28)
Cash flow from financing	(4)	43,764	(12)	51,764	51,126
Total cash flow	(2,243)	39,277	(12,884)	37,400	34,453
Revenue growth	-8%	18%	13%	-6%	-7%
Gross margin ratio	75%	68%	70%	59%	54%
Operating margin	-67%	-109%	-90%	-123%	-119%
Equity interest (equity ratio)	78%	83%	78%	83%	83%
Return on equity	Negativ	Negativ	Negativ	Negativ	Negativ
Average no. of employees	24	25	24	25	25
Average no. of shares (1,000)	117,861	61,903	117,861	52,059	79,124
Earnings per share (EPS) DKK	(0.02)	(0.10)	(0.09)	(0.33)	(0.26)
Equity value per share, closing, DKK	0.27	0.40	0.27	0.40	0.36
Listed price, closing, DKK	1.84	1.18	1.84	1.18	1.40

New routine users of the NGAL Test™

BioPorto's strategic focus in 2014 has been increasing the number of routine users of The NGAL Test™, especially in relation to transplantation and cardiac operations in Europe in general, but with a particular focus on the UK market. In September and October, four new routine users started using The NGAL Test™, bringing the total number of laboratories or clinics routinely using The NGAL Test™ up to 13.

Dialogue with potential new routine users is positive and moving forward. BioPorto has found that the sales cycle is longer than expected, as market awareness of NGAL as a biomarker of acute kidney injury remains limited. Despite this, BioPorto continues to expect to have a portfolio of 16-18 European clinics as routine users by early 2015.

Sales of The NGAL Test™ in Q3 2014 were DKK 642 thousand (2013: DKK 508 thousand) and in the first nine months of 2014 were DKK 1,903 thousand.



Licensing and OEM agreements are expected in 2015

Following the conclusion of the first license agreement with Abbott in March 2014, the dialogue with relevant companies regarding new licensing and OEM agreements for the NGAL Test [™] continued at a very encouraging pace. As indicated by several lengthy and late-stage negotiation processes, it is now BioPorto's expectation that these negotiations could lead to new licensing and OEM agreements in 2015 in conjunction with an increase in the number of routine users.

International recognition of The NGAL Test [™]

BioPorto's intensive sales and marketing efforts in Europe regarding The NGAL Test [™] should help both to increase sales in this region and subsequently provide references and context to increase sales of the test in the rest of the world.

The above is an implicit goal driving the work performed by BioPorto's Advisory Board, which in the fourth quarter of 2014 aim to submit a scientific article to a recognized journal covering the use of NGAL in cardiac operations.

Another element of the marketing strategy is the use of Frost & Sullivan's 'Product Leadership Award', which BioPorto was awarded in October following a major analysis. Frost & Sullivan finds that the NGAL Test [™] is the best-positioned NGAL product on the market for the early diagnosis of acute kidney injury - a message that BioPorto will use to further raise awareness of NGAL.

Progress in clinical studies in the US and FDA approval of competing tests

BioPorto's sample collection phase for a clinical trial in the United States is progressing per schedule. The management still expect that the sampling phase is completed in the first quarter of 2015, so that the study phase can be completed and the FDA filing submitted in the first half of 2015.

Astute Medical, Inc., has received FDA approval for their NephroCheck[®] Test System for the diagnosis of acute kidney injury based on the markers TIMP-2 and IGFBP-7. BioPorto expects that the FDA's approval of any kind of AKI diagnosis method, despite a competitive element, will raise awareness of new and better AKI markers and thus contribute positively towards increase the market penetration of NGAL in the long term.



ELISA kits and antibody portfolio continue to grow

BioPorto's portfolio of kits and antibodies for research use constitute the largest portion of revenue for BioPorto. The increased growth in sales regarding MBL ELISA kits and monoclonal antibodies continued in Q3 2014 and the portfolio is being expanded by in-licensing new products, e.g. within the complement system and coagulation areas. In-licensing helps BioPorto expand its product pipeline and create additional sales opportunities built on the strengths of the existing sales platform.

IP rights and patent portfolio

In September, the NGAL exclusion patent was granted in Europe. The European NGAL exclusion patent concerns using lower NGAL values to exclude an immediate risk of kidney damage. Furthermore, BioPorto, as announced in the company announcement no. 12/2014 of 30 June 2014 submitted a reply to the EPO in September 2014 regarding BioPorto's European NGAL cutoff patent application. These activities contribute to the maintenance of a commercially relevant IP portfolio.

Financial Statements

Revenues

In Q3 2014, BioPorto generated total revenues of DKK 4.6 mio. (2013 Q3: DKK 5.0 mio.). In the first 9 months of 2014 revenue amounted to DKK 13.8 mio. (2013 9 months: DKK 12.2 mio.) representing a growth of 13%.

Sales of BioPorto's NGAL products for human diagnostics, including The NGAL Test™, amounted to DKK 3.1 mio. for the first 9 months of 2014 (2013: 2.8 mio.). Of this, the portion of sales of The NGAL Test™ was DKK 1.9 mio., which is in line with the budget.

Costs and financial result

The gross profit for the first 9 months of 2014 was DKK 9.7 mio. (2013: DKK 7.2 mio.). The gross margin was 70%, compared to 59% in the same period last year.

Operating costs totaled DKK 26.2 mio. (2013: DKK 27.3 mio.) in the first 9 months of 2014. This year BioPorto has incurred costs for clinical trials in the United States while the costs in 2013 were impacted by a provision for dismissed employees.

In the first 9 months, financial items amounted to an income of DKK 0.1 mio. (2013: DKK -2.1 mio.). Financial costs in 2013 were primarily interest payments related to convertible bond loans and a bridge loan, which have since been settled.

Profit after tax for the first 9 months of 2014 was improved by DKK 6.4 mio. to DKK -10.7 mio. (2013: DKK -17.2 mio.), which is as expected. Results for the first 9 months of 2014 included tax income for the period

of DKK 1.5 mio., due to the opportunity of getting paid for the tax value of losses resulting from experimental and research expenses.

Equity

At the closing of the first 9 months of 2014, equity was DKK 32.2 mil., compared to DKK 42.9 mio. at the start of 2014.

Cash flow

In the first 9 months of 2014, BioPorto had a cash flow from operating activities of DKK -11.7 mio., compared to DKK -14.3 mio. in the same period last year. At the end of the period liquid resources were DKK 29.9 mio. (DKK 42.8 mio. at the beginning of 2014).

Significant events after the end of the period

There are no significant events which are not described in this interim report.

Planned priority areas in Q4 2014

BioPorto will focus on the following areas in the fourth quarter of 2014:

- Continue adding routine users of The NGAL Test™ in Europe and continue negotiations with potential License and OEM partners
- Prepare for the registration process in the US
- Strengthen product pipeline to secure growth in the kits and antibodies product segments

Expectations for 2014

Based on the results of the first 9 months of 2014, the management conclude that the execution of the new strategy is progressing as planned, even though conclusion of new licensing and OEM agreements may take longer than initially expected. This implies that the revenue expectations for 2014 are confirmed at around DKK 19 mio. or a growth of 15%, which is within the previously announced expectations for revenue of around DKK 19-23 million.

As a result of the above the management expect that the net profit expectations change from an expected loss of around DKK 10-14 mio. to a loss of around DKK 14 mio.



Statements about the future

This interim financial report contains statements concerning forecasts for future developments, including in particular future revenues and net results. Such statements are uncertain and entail risk, as many factors, some of which are beyond the control of BioPorto, may cause actual trends to deviate significantly from the forecasts contained in the interim report.

Further details:

Peter Mørch Eriksen, CEO
Christina Thomsen, Investor Relations
Tel.: +45 4529 0000
E-mail: investor@bioporto.com

About BioPorto

BioPorto Diagnostics A/S is an in-vitro diagnostics company that provides healthcare professionals in clinical and research settings a range of diagnostic tests and antibodies. Our pioneering product portfolio includes assays for underserved disease states such as NGAL for acute kidney injury. We sell our products in more than 80 countries through diverse sales channels and partners. BioPorto has its headquarters in Copenhagen, Denmark and is listed on the NASDAQ OMX Copenhagen stock exchange.

Statement by the Management and Board of Directors

On today's date, the board and management discussed and approved the Interim Financial Report for the period from January 1, 2014 to September 30, 2014, for the BioPorto Group.

The Interim Financial Report, which has not been audited or reviewed by the company's accountants, is presented in accordance with IAS 34, "Interim Financial Reporting", as approved by the European Union and in accordance with other Danish disclosure requirements for the interim reports of listed companies.

In our view, the Interim Financial Report presents a true and fair view of the group's assets, liabilities and financial position as at March 31, 2014 and of the financial results of the group's activities and cash flow for the period from January 1, 2014 to September 30, 2014.

It is also our view that the statement by the management and board of directors includes a true and fair account of the trends in the group's activities and financial situation, the financial results for the period and the group's financial position in general, as well as a description of significant risks and elements of uncertainty facing the group.



Helleup, November 7, 2014

Management:

Peter Mørch Eriksen
CEO

Otto Rasmussen
CFO

Board of directors:

Thomas Magnussen
Chairman

Torben A. Nielsen
Vice-chairman

Roar Bjørk Seeger

Comprehensive income statement

The BioPorto group

	2014 3rd quarter DKK thousands	2013 3rd quarter DKK thousands	2014 9 months DKK thousands	2013 9 months DKK thousands
Net Revenues.....	4,571	4,981	13,807	12,248
Gross margin.....	3,429	3,412	9,701	7,243
Earnings before interest and taxes.....	(3,074)	(5,445)	(12,380)	(15,049)
Earnings before taxes.....	(2,929)	(6,400)	(12,239)	(17,156)
Net profit/Comprehensive income, total.....	(2,468)	(6,400)	(10,725)	(17,156)
	DKK	DKK	DKK	DKK
Earnings per share (eps/dps)	(0.02)	(0.12)	(0.09)	(0.36)

Balance sheet

The BioPorto group

ASSETS	2014	2013	2013
	Sep. 30	Dec. 31	Sep. 30
	DKK thousands	DKK thousands	DKK thousands
Long-term assets			
Intangible assets.....	221	0	0
Tangible assets.....	661	275	168
Financial assets.....	647	253	253
Long-term assets, total.....	1,529	528	421
Short-term assets			
Receivables and inventories.....	9,769	8,512	10,462
Cash resources.....	29,918	42,802	45,749
Short-term assets, total.....	39,688	51,314	56,211
ASSETS, TOTAL.....	41,216	51,842	56,632

Balance sheet

The BioPorto group

LIABILITIES	2014	2013	2013
	Sep. 30	Dec. 31	Sep. 30
	DKK thousands	DKK thousands	DKK thousands
Equity			
Capital stock.....	117,874	117,874	117,874
Other reserves.....	0	0	0
Reserve, share-based payment.....	897	1,666	2,844
Treasury stock.....	0	0	(13)
Retained income/loss.....	(86,634)	(76,678)	(73,747)
Equity, total.....	32,137	42,862	46,959
Liabilities			
Long-term liabilities			
Leasing.....	92	105	0
Long-term liabilities, total.....	92	105	0
Short-term liabilities			
Short-term segment of long-term liabilities.....	18	18	0
Loans and credit facilities.....	0	0	0
Suppliers of goods and services.....	877	961	1,839
Other debt.....	8,091	7,896	7,835
Short-term liabilities, total.....	8,987	8,875	9,674
Liabilities, total.....	9,079	8,980	9,674
EQUITY AND LIABILITIES, TOTAL.....	41,216	51,842	56,632

Statement for changes in Equity

The BioPorto group

	Capital stock	Treasury stock	Share-based payment	Other reserves	Retained income/loss	Total
	DKK thousands	DKK thousands	DKK thousands	DKK thousands	DKK thousands	DKK thousands
Equity, January 1, 2014.....	117,874	0	1,666	0	(76,678)	42,862
Comprehensive income for the period.....	0	0	0	0	(10,725)	(10,725)
Transferred to "retained income".....	0	0	(769)	0	769	0
Equity, September 30, 2014.....	117,874	0	897	0	(86,634)	32,137

	Capital stock	Treasury stock	Share-based payment	Other reserves	Retained income/loss	Total
	DKK thousands	DKK thousands	DKK thousands	DKK thousands	DKK thousands	DKK thousands
Equity, January 1, 2013.....	141,449	(44)	2,844	2,036	(147,435)	(1,150)
Comprehensive income for the period.....	0	0	0	0	(17,156)	(17,156)
Reduction in share capital.....	(94,299)	31	0	0	94,268	0
Share emission.....	70,725	0	0	0	0	70,725
Emission costs.....	0	0	0	0	(5,460)	(5,460)
Transferred to "retained income".....	0	0	0	(2,036)	2,036	0
Equity, September 30, 2013.....	117,875	(13)	2,844	0	(73,747)	46,959

Cash flow statement

The BioPorto group

	2014 9 months DKK thousands	2013 9 months DKK thousands
Earnings before interest (EBIT).....	(12,380)	(15,049)
Depreciation, amortization and write-downs.....	199	81
Cash flow before change in working capital.....	(12,180)	(14,968)
Change in working capital.....	368	2,411
Cash flow from primary operations.....	(11,812)	(12,557)
Interest income, included.....	210	39
Interest expenses, paid.....	(69)	(1,815)
Cash flow from operating activities.....	(11,672)	(14,333)
Purchase of intangible assets.....	(265)	0
Purchase of tangible assets.....	(542)	(27)
Purchase of financial assets.....	(393)	(5)
Cash flow from investing activities.....	(1,200)	(31)
Loans and credit facilities.....	0	(5,500)
Share emission.....	0	57,264
Reduction of lease obligation.....	(12)	0
Cash flow from financial activities.....	(12)	51,764
Cash flow for the period.....	(12,884)	37,400
Cash balance at the beginning of the year.....	42,802	8,349
Cash balance at the end of the period.....	29,918	45,749

Note 1

The geographical dispersion of the net revenues is:	2014	2013
	9 months DKK thousands	9 months DKK thousands
Denmark.....	373	391
Other European countries.....	5,152	4,014
North America.....	6,481	6,153
Asia.....	1,303	869
Other countries.....	497	820
Net revenues, total.....	13,807	12,248

Product groups	2014	2013
	9 months DKK thousands	9 months DKK thousands
The NGAL test.....	1,903	1,166
ELISA Human NGAL kits.....	1,172	1,623
ELISA Animal NGAL kits.....	928	1,149
ELISA MBL kits.....	1,584	1,213
Other products and licenses.....	8,219	7,097
Net revenues, total.....	13,807	12,248