Interim report January-March 2015

Unless otherwise stated in this report, all data refers to the Group. Figures in parentheses relate to the corresponding period in 2014.

First quarter shows continued sales growth and positive cash flow. Broadening of Zubsolv® dosage range proceeds.

First quarter 2015

- Total net revenues amounted to MSEK 149.0 (101.9).
- Earnings after tax were MSEK -15.5 (-21.1).
- Earnings per share were SEK -0.45 (-0.66).
- Cash flow from operating activities was positive and amounted to MSEK 6.5 (-99.7).
- Cash and cash equivalents amounted to MSEK 289.3 (30.7).
- Orexo broadened Zubsolv product range by launching Zubsolv 8.6 mg.
- FDA accepted submission of 2.9 mg Zubsolv dosage.
- Orexo announced newly listed granted US patent.
- Orexo commenced patent infringement litigation against Actavis concerning Abstral in the US.

After the period

- David Colpman was elected as a new board member at the AGM on April 15, 2015.
- New clinical data establish Zubsolv as effective, well tolerated for maintenance treatment of opioid dependence and increases patients' work productivity.

MSEK	**2015**	**2014**	**2014**
	Jan-Mar	**Jan-Mar**	**Jan-Dec**
Net revenues	149.0	101.9	570.3
Revenues from launched products	149.0	101.9	568.6
EBIT	-8.1	-16.2	-25.0
EBITDA	-5.1	-13.7	-12.5
Earnings after tax	-15.5	-21.1	-56.6
Earnings per share, SEK	-0.45	-0.66	-1.73
Cash flow from operating activities	6.5	-99.7	-487.3
Cash and cash equivalents	289.3	30.7	284.5

Teleconference
CEO Nikolaj Sørensen and CFO Henrik Juuel will present the report at a teleconference on April 23, 2015 at 2:00 pm CET (08:00 am EDT). Presentation slides are available via the link and on the website.
Internet: http://financialhearings.nu/150423/orexo/
Telephone: +46 8 566 426 65 (SE), +44 20 342 814 02 (UK), +1 855 753 22 35 (US)

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CEO's comments

In the first quarter we experienced continuing growth in demand of Zubsolv® and a 0.4 percentage point improvement in market share from 5.73 percent to 6.13 percent[1], based on the four-week rolling market share in daily dosages. Looking deeper into market dynamics we have seen some significant changes in market share. In particular with WellCare, where start-of-the-year movements between insurance programs have led to a declining in overall market share of 0.3 percentage point. This loss of market share has been more than compensated by increased market share at United Health Group, an exclusive contract with Independent Health Associates (Buffalo, NY) and a gain in market share with the two largest PBM"s, ESI and CVS Caremark.

We have reached positive cash flow during the first quarter, further strengthening our financial position. However our future cash flow generation is highly dependent on our decision to invest in further development and commercialization of Zubsolv. We will initiate a new clinical study and continue the controlled expansion of the field force during 2015 to drive additional sales and market share capture in the US.

In March, we launched our first new higher strength Zubsolv tablet (8.6 mg/2.1 mg buprenorphine/naloxone). This is the first of several new dosages of Zubsolv that we plan to launch this year. Also during the first quarter the FDA accepted our submission of a 2.9 mg/0.8 mg buprenorphine/naloxone dosage. We anticipate approval of this new dosage during the third quarter and a coordinated launch in combination with the previously approved 11.4 mg/2.9 mg buprenorphine/naloxone dosage. We also completed our clinical cohort study OX219-008, which together with the previous ISTART study confirms that the safety, tolerability and efficacy are comparable to our largest competitor and that there is a strong patient preference for Zubsolv.

A key focus for Orexo is to continue broadening the prescriber base. We have seen market share among our 4,800 consistent prescribers increase to more than 11 percent at the end of the quarter. In all of the exclusive contracts we have won, we have seen the prescribers involved starting to prescribe to other patients, for example in the WellCare districts the prescription of Zubsolv to patients without WellCare insurance doubled following the exclusive contract with WellCare starting November 1, 2014. Currently, to further broaden the Zubsolv prescriber base, we are selectively increasing our field force where we gain reimbursement from additional payers, enabling a broader reach to more prescribers. We continue to pursue improvements in market access and expect to see additional agreements during the second half of 2015.

The work of finding partner for Zubsolv outside the US and a partner for the final development and commercialization of OX51 has been initiated. We have received expressions of interest in both of these products, from both regional and global pharmaceutical companies. We anticipate that we will have selected a partner late this year for at least one of these products.

My colleagues at Orexo and I remain dedicated to ensuring that Zubsolv continues to gain market share and becomes available to more patients as the drug of choice, thus helping them in their fight against opioid addiction.

Nikolaj Sørensen
President and CEO

[1] *Wolter Kluwer/www.redeye.se*

Operations

Launched products

Zubsolv® – treatment of opioid dependence

(buprenorphine/naloxone CIII sublingual tablet) for maintenance treatment of opioid dependence

In the first quarter, Zubsolv demonstrated gross sales growth of 9.3 percent versus Q4 2014 measured in USD. Q1 growth in tablet demand exceeded 21 percent versus Q4 2014[2]. The difference in gross sales growth and tablet demand, can be explained by changes in the inventory at the wholesalers, where some made larger orders in the end of Q4, and fewer shipping days in Q1 2015 compared with Q4 2014.

Due to patient migration to different Kentucky-based Medicaid plans during the first quarter, Zubsolv experienced erosion of nearly one third within WellCare while maintaining a greater than 90 percent share of the WellCare business. Although WellCare experienced erosion in the first quarter the share of Zubsolv sales deriving from WellCare is higher in the first quarter than in the fourth quarter of 2014, resulting in a small negative impact on the overall rebate level.

Excluding the effect of the WellCare erosion, Zubsolv tablet growth would have been close to 30 percent versus Q4 2014. Market share in the quarter improved 0.4 percentage-points from 5.73 percent to 6.13 percent[3], with the growth drivers being the insurance company IHA exclusive contract for commercial and managed Medicaid on January 1 and improved share performance in United Health Group, Caremark and ESI/Medco. From January 1, Zubsolv has been listed on the preferred list with ESI/Medco, which enables improved market share capture, but the negotiated rebate also impacts existing Zubsolv prescriptions to ESI/Medco patients and hence have an overall negative impact on the rebate level in Q1.

Zubsolv market share growth amongst prescribers continues to increase. Prescription data demonstrates that approximately 2,900 physicians prescribe Zubsolv on a weekly basis, with a Zubsolv share of more than 13 percent. Over the last four weeks more than 4,800 prescribers who wrote Zubsolv have a share of 11 percent of Zubsolv. Based on these positive prescriber trends, and Zubsolv's strong payer position, we will initiate a controlled expansion of our sales force to target a greater portion of the market. This will further improve Zubsolv's reach to prescribers and support growing prescription volumes.

Sales force execution and Zubsolv messages are being delivered with better precision and strengthen the confidence within our customer base. This confidence is further strengthened by the new marketing message our commercial organization is utilizing based on the ISTART clinical data results. The study proves similar clinical efficacy of Zubsolv vs. Suboxone Film®[4] and also demonstrates a 70 percent Zubsolv patient preference with 758 patients participating. The data directly reinforces the message we have been communicating since launch.

Pharmaceutical and clinical development continues to progress well. During the quarter the 8.6 mg/2.1 mg buprenorphine/naloxone dosage was launched and FDA accepted the filing of a

[2] *Wolter Kluwert / Redeye.se, Q1 15' week 1-13 och Q4 14' week 40-52*
[3] *Wolter Kluwert / Redeye.se*
[4] *Suboxone is a registered trademark of Indivior Ltd*

2.9 mg/0.8 mg buprenorphine/naloxone dosage with expected approval during the summer of 2015. Clinical development also continues to progress according to plan, with the result of the OX219-008 study being published in April, after the end of the quarter, showing that Zubsolv is well tolerated and effective for opioid dependence treatment following an additional 6 months of treatment. The study also demonstrated that 24 weeks of Zubsolv treatment were associated with gain in work productivity, including employment status, hours worked per week and fewer hours of work missed due to opioid dependence.

Abstral® and Edluar®

Due to the timing of the Q1 report, Orexo has not yet received final data for first quarter sales for Abstral and Edluar from our partners and calculation of royalties for Q1 is based on Orexo's forecast and on available sales reports shared by our partners. As final sales figures are not available, the Abstral and Edluar sections below primarily refer to the development of sales in Q4 of 2014.

Abstral

Sales of Abstral in the EU continue to grow and the increase in Q4 was 21 percent compared to Q4 in 2013. Total sales in the EU for Q1-Q4 amounted to MEUR 67. Orexo receives royalties on sales exceeding MEUR 42.5 and estimated royalties were included in the results from September 2014.

The US market for Abstral, i.e. fentanyl-based products for breakthrough pain, continues to grow. Net sales of Abstral reached MUSD 3.2 in Q4. Full-year sales were MUSD 9.3 in 2014. Orexo's partner in the US, Galena Biopharma Inc., has indicated full-year sales in the range of MUSD 15-18 in 2015. Orexo filed a patent infringement action against Actavis Laboratories FL, Inc. in February and the process is ongoing.

The launch of Abstral in Japan has been successful. The Japanese market for treatment of breakthrough cancer pain with rapid-acting fentanyl is still in the early stages. Hence, our commercial partner Kyowa Hakko Kirin continues to focus on growing the market.

Edluar

Global sales of Edluar, commercialized by Meda AB, have continued to grow and the increase in Q4 was 15 percent compared to Q4 in 2013. Total sales for 2014 amounted to MEUR 10.9.

Kibion - test and analytical instruments for diagnosing the gastric ulcer bacterium *Helicobacter pylori*

Kibion's sales during the period amounted to MSEK 9.0 (7.4) corresponding to an increase versus previous year of 21.6 percent with the Middle East region being one of the key drivers.

The continuing focus on profitable growth and on making the business more efficient as well as the new distributor strategy are expected to improve the sustainability of sales across the product line in the Middle East region. Future growth potential is assessed to be good as Heliprobe® System will be launched in new markets during 2015.

The new improved IRIS™ technical platform for analysis of exhaled breath is expected to be an important growth driver for IRIS and Diabact® UBT in existing and new markets. The combination of the products offers customers complete systems. Sales are expected to begin during the second quarter 2015.

Development programs

OX51 – prevention of acute episodes of pain
OX51 is a new sublingual formulation containing alfentanil. The project has been developed to meet the rapidly growing demand for effective pain relief during short surgical and diagnostic procedures.

A placebo-controlled dose-finding study in patients undergoing prostate biopsy was completed in 2013. The results supported a continuation of the development of OX51 to the next phase in development towards a new product.

The commercial potential of OX51 is estimated to be substantial and Orexo is presently assessing different alternatives to find a partner for phase III and commercialization in various geographies.

Collaboration projects

OX-MPI – PGE2-inhibition (Prostaglandin E2)
In August 2014, Boehringer Ingelheim returned the OX-MPI project (selective inhibition of prostaglandin E2 synthase) to Orexo. Since 2005 Boehringer Ingelheim had been responsible for all research and development of OX-MPI.

After evaluation of the results from Boehringer Ingelheim, it was Orexo's assessment that the project continues to have potential as a drug due to a unique mechanism of action, an identified development compound and several granted patents. The process of finding a new external partner is ongoing. The OX-MPI project is associated with an intangible fixed asset of MSEK 62 and this asset may be impaired if a final decision is taken to discontinue the project.

OX-CLI - respiratory tract diseases
In January 2013, Orexo entered into a collaboration agreement with AstraZeneca regarding OX-CLI, a preclinical program for potential new treatment of respiratory tract diseases. Under the agreement AstraZeneca gains the rights to perform extensive preclinical research and evaluation of substances in Orexo's OX-CLI program. AstraZeneca also has an option to acquire all substances linked to the program. Transfer and a licensing agreement will then be agreed on by the parties, whereby Orexo will receive milestone payments during the development phase and royalty payments based on future revenues. AstraZeneca is responsible for all development costs for the project.

The period January-March in numbers

Revenues

Launched products

Total revenues from Orexo's launched products amounted to MSEK 149.0 (101.9) during the period January-March 2015, an increase of 46 percent compared with the same period the previous year. This growth was clearly driven by Zubsolv showing a 190 percent growth to more than off-set the expected lower Abstral royalty.

Zubsolv Q1 revenue growth over previous quarter was 18.9 percent and driven by a strong demand increase of more than 21 percent[5]. The Zubsolv Q1 revenue was also supported by a stronger USD versus SEK, however this was more than off-set by a reduction in inventory levels at wholesalers and a slightly higher average rebate level. The rebate level is primarily due to a full quarter impact of the WellCare exclusive agreement effective from November 1, 2014 and increased utilization of co-pay cards by patients with insurance plans with high deductibles on a calendar year.

During the quarter the Zubsolv four week rolling volume market share increased by 0.4 percentage point from 5.73 percent to 6.13 percent[6.]

Total Abstral royalties and milestone payments amounted to MSEK 41.8 (57.9). The decrease is explained by the lower Abstral fixed royalty. This royalty represents an amortization of the final fixed and unconditional payments related to the 2012 agreement with ProStrakan. The fixed royalty will be fully recognized in the P&L by May 2015 and will amount to MSEK 23 in Q2. As these fixed payments have all been received the recognition in the P&L has no cash impact. The variable Abstral royalties (MSEK 6.9) includes a positive adjustment of Q4 2014 estimated royalties of approximately MSEK 2.

Royalty revenues from Edluar® amounted to MSEK 4.2 (4.0) during the period.

Kibion's sales during the period were MSEK 8.5 (7.4).

Revenues related to development projects

There were no revenues related to development projects during the period January-March 2015.

Total revenues

Total revenues during the period amounted to MSEK 149.0 (101.9), an increase of 46 percent compared with the same period the previous year.

[5] *Wolter Kluwert / Redeye.se, Q1 15' week 1-13 och Q4 14' week 40-52*

[6] [6] *Wolter Kluwert / Redeye.se*

Total net revenues were distributed as follows:

MSEK	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Abstral royalties	6.9	2.3	46.6
Abstral fixed royalty *)	34.5	55.6	173.6
Milestone payment Abstral	0.4	-	58.5
Abstral - Total	**41.8**	**57.9**	***278.7***
Edluar royalties	4.2	4.0	10.7
Zubsolv	94.5	32.6	228.0
Kibion	8.5	7.4	51.2
Total revenue from launched products	***149.0***	***101.9***	***568.6***
Partner-financed R&D costs	-	-	-
Licensing revenue for development projects	-	-	-
Other revenues	-		1.7
Total	**149.0**	**101.9**	**570.3**

**) For more details, see Revenues – Launched products*

Costs and earnings

Cost of goods sold
Cost of goods sold amounted to MSEK 32.7 (16.8) for the period January-March 2015. The increase versus previous year was driven by the significant Zubsolv revenue growth during the same period.

Selling expenses
Selling expenses amounted to MSEK 73.1 (29.4) for the period January-March 2015. The increase is driven by the commercialization of Zubsolv® in the US. January-March 2014 did not include expenses related to the US field force. As nearly all of the selling expenses are in USD the growth is also significantly impacted by the strong US dollar. Continued investments in sales and marketing activities to support Zubsolv are expected to drive higher selling expenses in the following quarters.

Administrative expenses
Administrative expenses for the period January-March 2015 amounted to MSEK 31.7 (24.8). Included are costs related to maintenance and protection of IP rights.

Research and development costs
For the period January-March 2015, research and development costs amounted to MSEK 35.1 (47.9). The relatively low cost level is due to phasing of the clinical studies in the Zubsolv program. R&D cost level is expected to increase in the following quarters with the initiation of a new Zubsolv study.

Costs for long-term incentive program
The Group's total costs for employee stock options programs during the period January-March 2015 amounted to MSEK -0.9 (-5.7). The negative costs are due to reduced provisions for social security fees due to the Orexo share price development.

Other income and expenses
Other income and expenses amounted to MSEK 15.5 (0.8) during the period January-March 2015. Other income and expenses primarily comprised exchange-rate gains/losses derived from revaluations of balance sheet items.

Depreciation
Depreciation and amortization amounted to MSEK 3.0 (2.5) for the period January-March 2015.

Net financial items
Net financial items for the period January-March 2015 amounted to MSEK -5.6 (-3.9). All the net financial items are related to financing activities.

Earnings
Operating earnings amounted to MSEK -15.5 (-21.1) for the period January-March 2015.

Cash-flow and financial position

At March 31, 2015, cash and cash equivalents amounted to MSEK 289.3 (30.7) and interest-bearing liabilities to MSEK 496.1 (306.2).

Cash flow from operating activities for the period January-March 2015 was positive by MSEK 6.5 (-99.7) primarily driven by a positive contribution from changes in working capital.

Shareholders' equity at March 31, 2015, was MSEK 440.4 (144.0). The equity/assets ratio was 36 (19) percent.

Investments in fixed assets

Gross investments in tangible and intangible fixed assets amounted to MSEK 1.0 (40.6) for the period January-March, 2015.

Parent Company

Net revenues for the period January-March 2015 amounted to MSEK 122.5 (62.9). Earnings after financial items were MSEK -8.7 (-24.3). Investments amounted to MSEK 1.0 (40.4). As of March 31, 2015, cash and cash equivalents in the Parent Company amounted to MSEK 205.9 (7.9).

Risks and uncertainty factors

Significant risks and uncertainties are presented in the Annual Report for 2014. The overall risk has decreased since the approval of Zubsolv in July 2013. However, the continued commercialization of Zubsolv entails risk exposure of a more operational nature.

Future reporting dates

Interim report, January – June 2015	July 10, 2015
Interim report, January – September 2015	October 22, 2015
Full year report for the 2015 financial year	January 28, 2016

Interim reports are covered in a conference call on the date of publication. Details on how to access the calls are provided in each report and on Orexo's website.

The company's auditors have not reviewed this interim report.

Uppsala, April 23, 2015

Orexo AB (publ)

Nikolaj Sørensen
President and CEO

Consolidated statement of operations

MSEK	Notes	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Net revenues		149.0	101.9	570.3
Cost of goods sold	2	-32.7	-16.8	-107.4
Gross profit		**116.3**	**85.1**	**462.9**
Selling expenses	2	-73.1	-29.4	-193.6
Administrative expenses	2	-31.7	-24.8	-113.0
Research and development costs	2	-35.1	-47.9	-197.8
Other operating income and expenses	2	15.5	0.8	16,5
Operating earnings		**-8.1**	**-16.2**	**-25.0**
Net financial items		-5.6	-3.9	-27.6
Earnings before tax		**-13.7**	**-20.1**	**-52.6**
Tax		-1.8	-1.0	-4.0
Net earnings for the period[1)]		**-15.5**	**-21.1**	**-56.6**

Consolidated statement of comprehensive income

MSEK	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Earnings for the period	**-15.5**	**-21.1**	**-56.6**
Other comprehensive income			
Items that may subsequently be reversed to the statement of operations:			
Cash flow hedge	1.4	-	-2.8
Exchange-rate differences	-3.2	0.1	-0.3
Other comprehensive earnings for the period, net after tax	**-1.8**	**0.1**	**-3.1**
Total comprehensive earnings for the period [1)]	**-17.3**	**-21.0**	**-59.7**
Earnings per share, before dilution, SEK	-0.45	-0.66	-1.73
Earnings per share, after dilution, SEK	-0.45	-0.66	-1.73

[1)] *All equity and earnings for the respective period are attributable to the Parent Company's shareholders. There are no non-controlling interests.*

Consolidated balance sheet

MSEK	Notes	2015 Mar 31	2014 Mar 31	2014 Dec 31
ASSETS				
Fixed assets				
Tangible fixed assets		28.2	32.3	29.1
Goodwill		27.0	26.4	27.4
Acquired research and development		62.3	62.3	62.3
Other intangible fixed assets		168.9	144.8	169.5
Financial assets		1.4	-	1.2
Total fixed assets		**287.8**	**265.8**	**289.5**
Current assets				
Inventories		480.1	393.2	478.1
Accounts receivable and other receivables		183.2	54.4	173.8
Cash and cash equivalents		289.3	30.7	284.5
Total current assets		**952.6**	**478.3**	**936.4**
Total assets		**1,240.4**	**744.1**	**1,225.9**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Total shareholders' equity	3	**440.4**	**144.0**	**455.0**
Long-term liabilities				
Provisions		8.9	7.4	9.0
Long-term liabilities, interest bearing		493.7	103.5	493.8
Total long-term liabilities		**502.6**	**110.9**	**502.8**
Current liabilities				
Current liabilities, non-interest bearing		295.0	286.5	265.6
Current liabilities, interest bearing		2.4	202.7	2.5
Total current liabilities		**297.4**	**489.2**	**268.1**
Total liabilities		**800.0**	**600.1**	**770.9**
Total shareholders' equity and liabilities		**1,240.4**	**744.1**	**1,225.9**

Consolidated changes in shareholders' equity

MSEK	2015 Mar 31	2014 Mar 31	2014 Dec 31
Opening balance, shareholders' equity	**455.0**	**161.5**	**161.5**
Total comprehensive earnings for the period	-17.3	-21.0	-59.7
Employee stock options, vested amount	2.0	2.3	11.5
Buyback of shares	-	-	189.7
New share issues	0.7	1.2	152.0
Closing balance, shareholders' equity	**440.4**	**144.0**	**455.0**

Consolidated cash-flow statements

MSEK	Notes	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Operating earnings		-8.1	-16.2	-25.0
Financial income and expenses		-7.7	-4.2	-31.6
Adjustment for non-cash items	4	2.1	-3.2	21.0
Cash flow from operating activities before changes in working capital		**-13.7**	**-23.6**	**-35.6**
Changes in working capital		**20.2**	**-76.1**	**-451.7**
Cash flow from operating activities		**6.5**	**-99.7**	**-487.3**
Acquisition of tangible and intangible fixed assets		-1.0	-40.6	-71.7
Sale of machinery and equipment			-	-
Cash flow from investing activities		**-1.0**	**-40.6**	**-71.7**
New share issue		0.7	1.2	189.7
Sales of treasury shares		-	-	152.0
Change in loans		-0.6	64.4	397.7
Cash flow from financing activities		**0.1**	**65.6**	**739.4**
Cash flow for the period		**5.6**	**-74.7**	**180.4**
Cash and cash equivalents at the beginning of the period		**284.5**	**105.6**	**105.6**
Exchange-rate differences in cash and cash equivalents		-0.8	-0.2	-1.5
Changes in cash and cash equivalents		5.6	-74.7	180.4
Cash and cash equivalents at the end of the period		**289.3**	**30.7**	**284.5**

Key figures

	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Operating margin, %	-5	-16	-4
Return on equity, %	-3	-15	-27
Net debt, MSEK	-206.8	275.5	-211.8
Debt/equity ratio, %	112.6	212.6	109
Equity/assets ratio, %	36	19	37
Number of shares, before dilution	34,358,897	31,817,609	34,345,697
Number of shares, after dilution	35,225,649	32,769,541	35,306,976
Earnings per share, before dilution, SEK	-0.45	-0.66	-1.73
Earnings per share, after dilution, SEK	-0.45	-0.66	-1.73
Number of employees at the end of the period	102	106	90
Shareholders' equity, KSEK	440,444	143,961	455,023
Capital employed, KSEK	936,579	450,169	951,259

Definitions of key figures are presented on the final page of this report.

Parent Company statement of operations

MSEK	Notes	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Net revenues		122.5	62.9	398.5
Cost of goods sold		-39.0	-4.3	-64.2
Gross profit		**83.5**	**58.6**	**334.3**
Selling expenses		-57.9	-23.5	-157.5
Administrative expenses		-21.4	-16.4	-74.6
Research and development costs		-25.6	-40.3	-160.7
Other operating income and expenses		18.1	1.1	19.0
Operating earnings		**-3.3**	**-20.5**	**-39.5**
Interest income and expenses		0.3	-1.9	-17.9
Other financial expenses		-5.7	-1.9	-8.0
Net financial items		**-5.4**	**-3.8**	**-25.9**
Earnings before tax		**-8.7**	**-24.3**	**-65.4**
Tax		-0.1	-	-0.5
Earnings for the period		**-8.8**	**-24.3**	**-65.9**

Parent Company balance sheet

MSEK	Notes	2015 Mar 31	2014 Mar 31	2014 Dec 31
ASSETS				
Fixed assets				
Tangible and intangible fixed assets		195.2	175.0	196.6
Shares in subsidiaries		209.9	202.2	208.8
Total fixed assets		**405.1**	**377.2**	**405.4**
Current assets				
Inventories		358.5	308.5	378.4
Accounts receivable and other receivables		243.0	165.5	232.7
Cash and bank balances		205.9	7.9	247.2
Total current assets		**807.4**	**481.9**	**858.3**
Total assets		**1,212.5**	**859.1**	**1,263.7**
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES				
Shareholders' equity		**498.5**	**196.6**	**504.7**
Long-term liabilities		**501.4**	**107.4**	**500.9**
Current liabilities		**212.6**	**555.1**	**258.1**
Total liabilities		**714.0**	**662.5**	**759.0**
Total shareholders' equity and liabilities		**1,212.5**	**859.1**	**1,263.7**
Pledged assets		**100.0**	**232.2**	**100.0**
Contingent liabilities		**-**	**-**	**-**

Notes

1. Accounting policies

- This interim report was prepared pursuant to IAS 34. Orexo applies IFRS as approved by the EU.
- The accounting policies stated below are in line with those applied in the preparation of the 2014 Annual Report.
- The Parent Company's financial statements were prepared in accordance with RFR 2 (Swedish Financial Reporting Board's recommendation) and Chapter 9 of the Swedish Annual Accounts Act.

New and amended accounting policies as of 2015

- No new or amended International Financial Reporting Standards have come into effect that have any significant impact on the Group.

2. Costs distributed by type of cost

MSEK	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Raw materials and supplies	28.4	13.9	91.8
Other external costs	107.7	73.8	375.2
Personnel costs	38.4	30.1	154.4
Depreciation/amortization and impairment	3.0	2.5	12.5
Total	**177.5**	**120.3**	**633.9**

Research and development costs encompass costs for personnel, premises, external costs for clinical trials, pharmaceutical registration and laboratory services, and the depreciation/amortization of equipment, acquired patents and other intangible assets.

3. Shareholders' equity

Shares outstanding
The number of shares outstanding as of March 31, 2015 was 34,358,897, all of which were common shares. All shares carry entitlement to one vote each.

Number of shares outstanding at January 1, 2015	34,345,697
Subscription for shares through exercise of employee stock options	13,200
Shares outstanding at March 31, 2015	34,358,897

Options
As of March 31, 2015, a total of 2,567,067 options were outstanding that carry rights to new subscription of 2,529,905 shares in Orexo and the exchange of 37,162 options for shares in Orexo. Each option issued by Biolipox AB provides entitlement to the exchange of one share in Orexo AB, and a corresponding number of shares are held by the independent company Pyrinox AB.

The list below shows the change in the number of options during the period distributed by category.

Options to employees and Board members	Opening, Jan 1, 2015	Change	Closing, Mar 31, 2015
Of which:			
Approved and allotted employee stock options	1,851 105		1,851,105
Exercised		-13,200	-13,200
Allotted		32,500	32,500
Expired		-68,096	-68,096
Approved and allotted Board options	199,022		199,022
Expired		-3,750	-3,750
Employee stock options approved by AGM, unallotted	497,417	35,596	533,013
Warrants held by subsidiaries as cash-flow hedging for social security fees	36,473	-	36,473
Total number of options outstanding	**2,584,017**	**-16,950**	**2,567,067**

During the period January-March 2015, a total of 13,200 employee stock options from Orexo's options program were exercised.

Number of shares after full dilution	
Shares outstanding at March 31, 2015	34,358,897 [1)]
Employee stock options allotted	1,996,892
Employee stock options not yet allotted	533,013
	36,688,802

[1)] *Can be allotted during the current year.*

4. Cash flow

Adjustment for non-cash items

MSEK	2015 Jan-Mar	2014 Jan-Mar	2014 Jan-Dec
Depreciation/amortization and impairment	3.0	2.5	12.5
Estimated costs for employee stock options program	-0.9	-5.7	5.7
Financial expenses, convertible bond	-	-	2.8
Total	**2.1**	**-3.2**	**21.0**

5. Pledged assets and contingent liabilities

Warrants were issued to Pyrinox AB as cash-flow hedging for social security fees pertaining to the employee stock options issued by Biolipox. Orexo has pledged to handle any deficits exceeding the cover provided by the warrants during their lifetime through December 31, 2016.

Definitions of key figures

Key figures and certain other operating information per share are defined as follows:

Number of shares after dilution	Shares at the end of the period adjusted for the dilutive effect of potential shares.
Return on shareholders' equity	Net earnings for the period as a percentage of average shareholders' equity.
Net debt	Current and long-term interest-bearing liabilities including pension liabilities, less cash and cash equivalents.
Earnings per share, before dilution	Net earnings for the period after tax divided by the average number of shares outstanding before dilution during the period.
Earnings per share, after dilution	Net earnings for the period after tax divided by the average number of shares outstanding after dilution during the period.
Operating margin	Operating earnings as a percentage of net revenues.
Debt/equity ratio	Interest-bearing liabilities divided by shareholders' equity.
Equity/assets ratio	Shareholders' equity as a percentage of total assets.
Capital employed	Interest-bearing liabilities and shareholders' equity.

Please note
Orexo AB publ discloses the information provided herein pursuant to the Financial Instruments Trading Act and/or the Securities Market Act. The information was provided for public release on April 23, 2015, at 8:00 a.m. This report has been prepared in both Swedish and English. In the event of any discrepancy in the content of the two versions, the Swedish version shall prevail.