

## Karolinska Development announces preliminary portfolio valuation for the January-March 2015 Interim Report

**STOCKHOLM – April 28, 2015. Karolinska Development AB (STO: KDEV) today announces a decrease in reported portfolio fair value for the January-March Interim Report 2015, amounting to SEK 225.2 million, resulting in a portfolio valuation of SEK 1,277.0 million.**

Karolinska Development continues to focus on the portfolio companies that have possibility to generate attractive returns, while finding constructive solutions for the other portfolio companies.

Following decisions to discontinue further investment in Pergamum AB, Umecrine Mood AB and NeoDynamics AB (opportunistic portfolio companies) and after exploring several options, Karolinska Development has decided to fully write off these companies. Pergamum value is written off with the amount of SEK 120.2 million, Umecrine Mood with the amount of SEK 58.9 million and NeoDynamics AB with the amount of SEK 9.7 million – all compared to the year-end 2014 valuations. Additional adjustments of fair value of the portfolio amount to SEK -36.4 million.

“The Board and management of Karolinska Development take a rigorous approach to the management of the portfolio to ensure that our expertise and capital are focused on the companies that have the potential to deliver most value for our shareholders. Furthermore, we are evaluating the possibility to change the portfolio valuation principles. Currently, the major part of the reported fair value is based on the DCF method (discounted cash flow). This method has been proven difficult for early stage companies where future cash flows and success rates are associated with high levels of uncertainty. We will together with the auditors look into alternatives that are more transparent and less sensitive to incidental variations that have a high impact on valuation,” comments Karolinska Development CEO, Jim Van heusden.

Further details will be disclosed in the January-March 2015 Interim Report, to be released on May 6th, 2015 and followed by a teleconference and webcast arranged later during that day.

### **For further information, please contact:**

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### **TO THE EDITORS**

#### **About Karolinska Development AB**

Karolinska Development aims to create value for patients, researchers, investors and society by developing innovations from world class science into differentiated products that can be partnered. The business model is to: SELECT the most commercially attractive medical innovations that can potentially satisfy unmet medical needs; DEVELOP innovations to the stage where the greatest return on investment can be achieved; and COMMERCIALIZE the innovations through the sale of companies or out-licensing of products. An exclusive deal flow agreement with Karolinska Institutet Innovations AB, along with other cooperation agreements with leading universities, delivers a continuous flow of innovations. For more information, please visit [www.karolinskadevelopment.com](http://www.karolinskadevelopment.com).

*Karolinska Development is listed on NASDAQ OMX (STO: KDEV). Karolinska Development may be required to disclose the information provided herein pursuant to the Securities Markets Act.*