To the Copenhagen Stock Exchange
and the press

Announcement no. 31/2007

Interim report for the nine months ended September 30, 2007

Summary: For the first nine months of 2007 the Pharmexa Group generated revenues and other operating income of DKK 15,495 thousand and a net loss of DKK 130,972 thousand. Research and development costs totalled DKK 129,572 thousand. The Pharmexa Group retains its forecast for the full year.

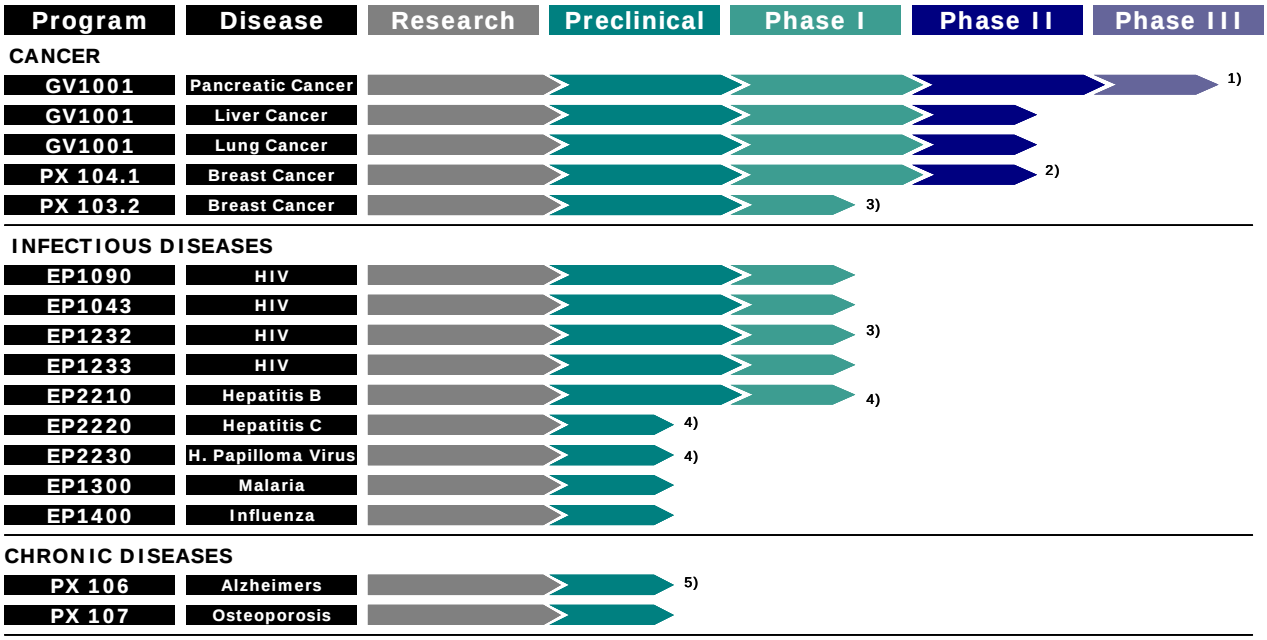
Status of the Group's activities
Pharmexa has a number of patented technology platforms within immunotherapy and vaccination which form the basis of a broad portfolio of drug candidates at all development stages, ranging from early research to human Phase III clinical trials. The company currently has eight product candidates that have reached the clinical trial stage. Pharmexa's project portfolio addresses unmet medical needs in therapeutic areas such as cancer, chronic diseases, HIV and other serious infectious diseases. Pharmexa's development programs are progressing according to the plans made. In addition to the current clinical trials, Pharmexa expects several of the company's preclinical projects to move into clinical development in 2008.

Pharmexa expects that preliminary data from the Phase I trial testing the HIV vaccine EP1043 alone and in combination with EP1090 will be made available by the HIV Vaccine Trials Network (HVTN) later this month.

It is a part of Pharmexa's strategy to increase the visibility of the company's scientific work in support of its commercial activities. Pharmexa will present seven abstracts at the upcoming international scientific conference "Vaccine Congress" which takes place in Amsterdam from 7-9th December 2007. The titles of the abstracts are:

- "Development of a PADRE-RANKL vaccine against Osteoporosis"
- "Influenza H5 Vaccine: In Need of "Help""
- "T-Lymphocyte Epitope Based Vaccine for Pandemic Influenza"
- "Preclinical Evaluation of Epitope-Based DNA and MVA Vaccines in a Heterologous Prime/Boost Regimen"
- "Pre-clinical Development of A Pre-erythrocytic *P. falciparum* Malaria DNA Vaccine Based on Conserved Cytotoxic T Lymphocyte and Helper T Lymphocyte Epitopes Delivered by an *In Vivo* Electroporation Device"
- "Identification of a Panel of Vaccine Candidate HIV-1-derived Epitopes with Broad Population Coverage"
- "Design of a CRIPTO AutoVac™ vaccine for the treatment of cancer"

Pharmexa's development pipeline



1) Program covers two controlled multi-center phase III studies, the PrimoVax and Telovac studies
2) Recruitment stopped
3) Partnered with Bavarian Nordic
4) Partnered with Innogenetics
5) Partnered with H. Lundbeck

<u>Cancer</u>
Enrollment of patients for the PrimoVax Phase III trial of GV1001 in pancreatic cancer is progressing according to plan. Assuming the recruitment rate is kept at the current level, all 520 patients in the trial will be enrolled by the end of Q3 2008.

The Telovac Phase III investigator sponsored trial of GV1001 in pancreatic cancer is well under way in the United Kingdom. The trial has generated significant interest and enthusiasm among the British cancer doctors, which so far has been reflected in a fast recruitment rate. More than 1.100 patients will be enrolled in this trial.

The HeptoVax Phase II trial of GV1001 in liver cancer has completed enrolment at 40 patients. The trial takes place in three centers in Spain, France and Germany. According to plan, Pharmexa will announce preliminary tumor efficacy data from the first 21 patients before the end of the year.

The CTN8/2006 investigator sponsored Phase II trial of GV1001 in Non-Small Cell Lung Cancer (NSCLC) patients which takes place at three centers in Norway is expected to be fully enrolled by the end of the year.

Bavarian Nordic has announced that two Phase I/II clinical trials with Pharmexa's breast cancer vaccine PX103 delivered in Bavarian Nordic's MVA-BN® vector (called *MVA-BN®-HER2* by Bavarian Nordic) have been initiated in the U.S. and Europe and are proceeding according to schedule. Results will be available in the first half of next year.

<u>HIV</u>
Pharmexa has four HIV vaccines in Phase I. The company expects data from several of these trials in the course of the next few months. It is expected that safety and immune response data from the Phase I trial testing the vaccines EP1090 and EP1043 recently completed by the HIV Vaccine Trials Network (HVTN) will be available prior to the end of this year. Bavarian Nordic

recently announced that the first Phase I study of EP1232 (called *MVA-BN® HIV polytope* by Bavarian Nordic) in 36 healthy subjects is progressing as planned with the completion of enrolment and all vaccinations. According to Bavarian Nordic, all vaccinations were well tolerated and the first immunogenicity data from this novel vaccine concept are expected during the fourth quarter 2007.

The second Phase I study of this vaccine is in 30 HIV infected subjects and is also progressing on schedule according to Bavarian Nordic. Enrolment of patients has been completed.

A third Phase I study that is sponsored by the NIH as part of a joint RFP between Bavarian Nordic and Pharmexa-Epimmune was initiated in the second quarter of 2007 by the HVTN. This study evaluates the *MVA-BN® HIV polytope* vaccine in conjugation with a matched DNA vaccine (EP1233) in healthy subjects. Enrolment is on schedule.

Other infectious diseases
EP1300, Pharmexa's malaria vaccine being developed under contract from the NIH is in the late preclinical development stage. The product is being manufactured and prepared for animal safety testing to support Phase I testing.

Pharmexa's influenza programme is progressing according to plans.

Chronic diseases
Pharmexa is currently conducting a toxicology and efficacy study in nonhuman primates with PX107, the RANKL AutoVac® vaccine targeting osteoporosis and other bone diseases. Preliminary results are expected before the end of 2007. Pharmexa has previously announced preclinical results suggesting that vaccination against the RANKL protein using the AutoVac® technology may be effective in the control of bone loss and inflammation. If the primate study yields positive results, Pharmexa plan to initiate a human Phase I trial of PX107 in 2008.

Production of the Alzheimer's vaccine PX106 has commenced with the goal to accelerate the preclinical development of the programme. Earlier in the collaboration with H. Lundbeck, Pharmexa has obtained proof of concept of the vaccine in preclinical trials and has shown that the vaccine has potential safety advantages over a competing vaccine candidate.

Announcements to the Copenhagen Stock Exchange during the third quarter of 2007
Below is a summary of significant events during the period from June 30 to September 30, 2007:

- On August 23, Pharmexa announced its Interim Report for the first six months of 2007.

- On August 23, Pharmexa announced that Chief Commercial Officer Peter Nordkild had resigned his position in Pharmexa to become the new CEO in the Danish biotech company Egalet.

- On August 31, Pharmexa announced that the Appeal Board of the European Patent Office had ruled to uphold Pharmexa's claims covering GV1001, thereby confirming Pharmexa's exclusive right to anti-cancer immunotherapy using GV1001 and certain other peptides.

- On September 4, Pharmexa announced that the abstract "*Pre-clinical Development of A Pre-erythrocytic P. falciparum Malaria DNA Vaccine Based on Conserved Cytotoxic T Lymphocyte and Helper T Lymphocyte Epitopes Delivered by an In Vivo Electroporation Device*" had been selected for an oral presentation on the international scientific conference "Vaccine Congress" which takes place in Amsterdam from 7-9 December 2007.

- On September 7, Pharmexa announced that two abstracts named "T-Lymphocyte Epitope Based Vaccine for Pandemic Influenza" and "Influenza H5 Vaccine: In Need of "Help" had been selected for presentation on the international scientific conference "Vaccine Congress" which takes place in Amsterdam from 7-9th December 2007.

- On September 18, Pharmexa announced that Professor Achim Kaufhold, M.D. (49) had joined Pharmexa as Executive Vice President, Chief Scientific Officer (CSO) and Chief Medical Officer (CMO).

Outlook for the Financial Year 2007
The Group expects revenue and other operating income in the order of DKK 25 million in 2007. The Group's research and development costs are expected to be in the order of DKK 185 million. The administrative expenses are expected to be in the order of DKK 30 million. For 2007, the Group therefore expects a net loss including financial income in the order of DKK 190 million.

Directors' and Management's statement on the interim report
The Board of Directors and the Management have today considered and adopted the Interim Report for the period January 1 – September 30, 2007.

The interim report is prepared in accordance with IAS 34 and any additional Danish disclosure requirements for the presentation of financial statements by listed companies. The interim report is not audited.

We consider the accounting policies to be appropriate, the practised accounting estimates to be reasonable and the complete presentation of the interim report to meet the requirements, so that the interim report, in our opinion, gives a true and fair view of the consolidated assets, liabilities, financial position and the consolidated results of operations and cash flows of the company for the period January 1 – September 30, 2007.

Hørsholm, November 6, 2007

Executive Management

Jakob Schmidt

Board of Directors

Ole Steen Andersen Chairman	Jørgen Buus Lassen	Karl Olof Borg
Alf A. Lindberg	Michel Pettigrew	Karen Lykke Sørensen
Finn Stausholm Nielsen	Tomas Wikborg	

Additional information*:*
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Certain parts of this release contain forward-looking information with respect to the plans, projections and future performance of the company, each of which involves significant uncertainties. The company's actual results may differ materially from the information set forth in these statements.

This is an English translation of the interim report for the first 9 months of 2007 made in Danish. In case of any discrepancies between the Danish version and this English translation thereof, the Danish version shall prevail.

Summary financial figures (unaudited)

(DKK'000 except key figures)	Jan. 1 – Sept. 30, 2007	Jan. 1 – Sept. 30, 2006	Jan. 1 – Dec. 31, 2006
	Group	Group	Group
Condensed income statement			
Net revenues	14	1,985	2.040
Research costs	-31,321	-34,974	-47,644
Development costs	-94,251	-86,397	-117,443
Administrative expenses	-25,076	-23,870	-32,335
Loss before other operating income/expenses	-153,334	-143,256	-195,382
Other operating income	15,481	18,664	21,855
Other operating expenses	0	-32	-70
Operating loss	-135,153	-124,624	-173,597
Profit on net financial items	4,181	3,390	4,547
Loss before tax	-130,972	-121,234	-169,050
Net loss	**-130,972**	**-121,234**	**-169,050**
Depreciations and write-downs on non-current assets	9,957	10,232	13,786
Current EPS and diluted EPS (Per share of DKK 10)	-3.2	-3.2	-4.5

Summary financial figures (continued)

(DKK'000 except key figures)	Sept. 30, 2007	Sept. 30, 2006	Dec. 31, 2006
	Group	Group	Group
Condensed balance sheet			
Intangible assets	77,095	91,026	86,734
Tangible fixed assets	11,376	16,222	15,451
Cash and cash equivalents	100,477	211,778	165,260
Other current assets	17,860	22,810	17,446
Total assets	**206,808**	**341,836**	**284,891**
Equity	186,274	308,027	258,219
Non-current liabilities	2,327	10,617	4,998
Current liabilities	18,207	23,192	21,674
Total equity and liabilities	**206,808**	**341,836**	**284,891**

(DKK'000 except key figures)	Jan. 1 – Sept. 30, 2007	Jan. 1 – Sept. 30, 2006	Jan. 1 – Dec. 31, 2006
	Group	Group	Group
Condensed cash flow statement			
Cash flow from operating activities before net financial items	-125,428	-117,446	-162,458
From operating activities	-120,796	-112,791	-156,406
From investing activities	-721	68,195	66,924
hereof sale of marketable securities	0	70,853	70,853
hereof purchase of enterprises/investments in group enterprises	0	0	0
hereof invested in tangible fixed assets and intangible assets	-721	-2,658	-3,929
From financing activities	57,249	2,398	-3,723
Change in cash and cash equivalents	**-64,268**	**-46,994**	**-93,205**
Cash and cash equivalents at the beginning of period	165,260	260,324	260,324
Exchange rate adjustments	-515	-1,552	-1,859
Cash and cash equivalents at the end of period	**100,477**	**211,778**	**165,260**

Summary financial figures (continued)

(DKK'000 except key figures)	Jan. 1 – Sept. 30, 2007	Jan. 1 – Sept. 30, 2006	Jan. 1 – Dec. 31, 2006
	Group	Group	Group
Key figures			
Current EPS and diluted EPS (Per share of DKK 10)	-3.2	-3.2	-4.5
Average number of shares	40,859,168	37,635,666	37,649,206
Number of shares, end of period	41,454,395	37,689,240	37,689,240
Net asset value (Per share of DKK 10)	4.5	8.2	6.9
Share-price, end of period	15.8	17.5	17.5
Price/net asset value	3.51	2.14	2.56
Assets/equity	1.11	1.11	1.10
Number of employees (full-time equivalents), end of period	102	107	107
Number of employees (full-time equivalents), average	104	102	104

The ratios have been calculated in accordance with "Recommendations & Ratios 2005" issued by the Danish Society of Investment Professionals, dated December 2004

Development in share capital	**Jan. 1 – Sept. 30, 2007**	**2006**	**2005**	**2004**
	DKK'000	**DKK'000**	**DKK'000**	**DKK'000**
Share capital at the beginning of period	**376,893**	**375,999**	**163,999**	**40,999**
Capital increase	37,651	0	212,000	123,000
Warrant exercise	0	894	0	0
Share capital at the end of period	**414,544**	**376,893**	**375,999**	**163,999**

Summary financial figures (continued)

Development in shareholders' equity	Share capital	Share premium	Conditional share-holders' equity	Other equity	Total
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Equity as of January 1, 2007	376,893	0	0	-118,674	258,219
Capital increase	37,651	26,356	0	0	64,007
Costs of capital increase	0	0	0	-4,074	-4,074
Warrants	0	0	0	3,896	3,896
Loss for the period	0	0	0	-130,972	-130,972
Transfer to cover loss	0	-26,356	0	26,356	0
Exchange adjustments, foreign subsidiaries	0	0	0	-4,802	-4,802
Equity as of September 30, 2007	**414,544**	**0**	**0**	**-228,270**	**186,274**
Equity as of January 1, 2006	375,999	49,561	33,000	5,061	463,621
Costs of capital increase, previous year	0	-103	0	-40	-143
Warrants	894	805	0	3,788	5,487
Loss for the period	0	-50,263	-33,000	-70,971	-154,234
Exchange adjustments, foreign subsidiaries	0	0	0	-6,704	-6,704
Equity as of September 30, 2006	**376,893**	**0**	**0**	**-68,866**	**308,027**

Warrant status

Movements in the number of warrants can be specified as:

	Staff[1)]	Management	Board of Directors	Others	Total
January 1, 2007	2,363,130	722,790	0	0	3,085,920
Change in status	0	0	0	0	0
Issued during the year	150,000	0	0	0	150,000
Issued as per September 30, 2007	**2,513,130**	**722,790**	**0**	**0**	**3,235,920**

Exercised and cancelled warrants can be specified as:

Issued as per September 30, 2007	2,513,130	722,790	0	0	3,235,920
Exercised during 2006	67,400	22,000	0	0	89,400
Cancelled during 2006	478,459	0	0	0	478,459
Expired during 2006	856,000	249,000	0	0	1,105,000
Issued outstanding warrants as per September 30, 2007	**1,111,271**	**451,790**	**0**	**0**	**1,563,061**

[1)] Including warrants issued to employee representative in the Board of Directors

Warrant status (continued)

As of September 30, 2007 outstanding warrants issued by the Company can be specified as the following:

	Exercise price	Outstanding warrants	Exercise Period	Market value per warrants*	Market value
	DKK per share	Number		DKK	DKK
Staff					
	27	121,580	Dec. 7, 2007	0.01	1,216
	22.6	477,000	June 6, 2008	0.92	438,840
	27.1	45,000	June 6, 2008	0.43	19,350
	21	467,691	June 10, 2009	2.87	1,342,273
		1,111,271			1,801,679
Management					
	27	46,790	Dec. 7, 2007	0.01	468
	22.6	205,000	June 6, 2008	0.92	188,600
	21	200,000	June 10, 2009	2.87	574,000
		451,790			763,068
Total		**1,563,061**			**2,564,747**

*) The stated market value is calculated on basis of Black-Scholes formula for valuation of warrants. The calculations have been based on the same assumptions of no dividend, a volatility of 50%, a risk free interest rate of 4.59% pro anno, and finally the share price of Pharmexa on September 30, 2007 DKK 15.8 per share.

Comments on the interim report for the first 9 months of 2007

The interim report for the first 9 months of 2007 for the Pharmexa Group follows the same accounting policies as those set out in the Group's Annual Report 2006 and has been prepared in accordance with the International Financial Reporting Standards (IFRS) according to IAS 34 as well as the general requirements of the Copenhagen Stock Exchange to the financial reporting of listed companies.

Net revenues in the Pharmexa Group totalled DKK 14 thousand in the first 9 months of 2007 compared to DKK 1,985 thousand in the same period of 2006. The decrease is mainly due to planned reduced research funding provided under the collaborative agreements with H. Lundbeck and Innogenetics.

Research costs decreased by 10% to DKK 31,321 thousand in the first 9 months of 2007 compared to DKK 34,974 thousand in the same period of 2006. Research costs are charged with DKK 627 thousand in respect of granted warrants originating from Pharmexa's warrant programme. Excluding the impact from the issuance of warrants the research costs decreased by 10% to DKK 30,694 thousand in the first 9 months of 2007 compared to DKK 33,926 thousand in the same period of 2006.

Development costs increased by 9% to DKK 94,251 thousand in the first 9 months of 2007 compared with DKK 86,397 thousand in the same period in 2006. The increase is mainly due to the start-up of the Phase III trials PrimoVax and Telovac with GV1001 and an increase in the pre-clinical costs for PX107. Development costs are furthermore charged with DKK 1,732 thousand in respect of granted warrants originating from Pharmexa's warrant programme. Excluding the impact from the issuance of warrants the development costs increased by 9% to DKK 92,519 thousand in the first 9 months of 2007 compared to DKK 85,137 thousand in the same period of 2006.

Administrative expenses increased by 5% to DKK 25,076 thousand in the first 9 months of 2007 compared to DKK 23,870 thousand in the same period of 2006. Excluding the impact of the issuance of warrants the administrative expenses increased by 5% to DKK 23,539 thousand in the first 9 months of 2007 compared to DKK 22,391 thousand in the same period of 2006.

Other operating income amounted to DKK 15,481 thousand in the first 9 months of 2007 compared to DKK 18,632 thousand in the same period of 2006. Other operating income mainly consists of received grants from public authorities in the United States.

Net financial income amounted to DKK 4,181 thousand in the first 9 months of 2007 compared to DKK 3,390 thousand in the same period of 2006. Financial expenses of DKK 1,834 thousand consisted primarily of interest on a loan granted by VækstFonden, whereas Pharmexa realised interest income and capital gains of DKK 6,014 thousand primarily from cash and cash equivalents.

The net loss for the first 9 months of 2007 totalled DKK 130,972 thousand compared to DKK 121,234 thousand in the same period of 2006. The financial result is in accordance with expectations.

The value of expired Warrants DKK 4,909 thousand has been posted directly on Equity.

As of September 30, 2007 the Pharmexa Group's total assets amounted to DKK 206,808 thousand and cash and cash equivalents amounted to DKK 100,477 thousand.