

Year-end report

January - December 2015



February 11, 2016

Year-end report for 2015

Fourth quarter, October – December 2015

- Group net sales in the fourth quarter 2015 amounted to 168.5 MSEK (137.8), an increase by 22.4 percent compared to the corresponding period last year. At comparable exchange rates sales increased by 6.4 percent.
- Operating profit (EBIT) amounted to 20.2 MSEK (27.2). The comparative period 2014 includes 13.5 MSEK relating to a retroactive reversal of goodwill write-down. Adjusted for this one-time effect the operating profit increased by 6.4 MSEK from 13.7 MSEK last year, an increase by 47.0 percent.
- Result after tax amounted to 20.7 MSEK (30.2). Adjusted for the one-time effect 2014 the result after tax increased by 4.1 MSEK from 16.7 MSEK last year, an increase by 24.4 percent.
- Earnings per share amounted to 0.32 SEK (0.47). Excluding the one-time effect earnings per share amounted to 0.26 SEK in 2014.
- The cash flow from operating activities increased to 33.3 MSEK (29.0).

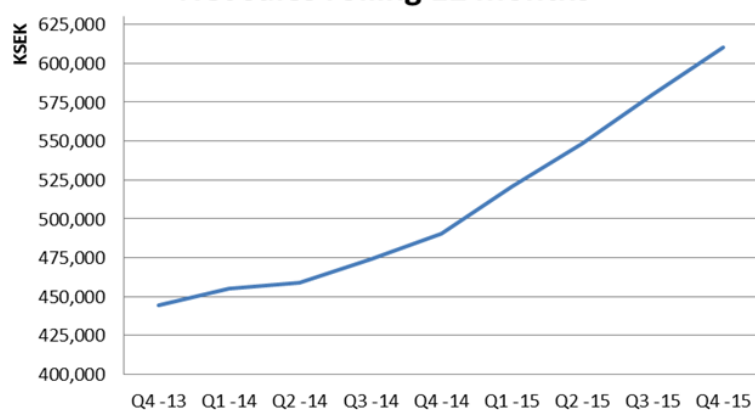
Full year January - December 2015

- Group net sales in 2015 amounted to 610.5 MSEK (490.4), an increase by 120.2 MSEK, corresponding to 24.5 percent. At comparable exchange rates sales increased by 8.4 percent.
- Operating profit (EBIT) increased by 19.1 percent to 74.8 MSEK (62.8). Excluding the one-time effect 2014 operating profit increased by 25.5 MSEK from 49.3 MSEK, an increase by 51.7 percent.
- Result after tax amounted to 73.3 MSEK (64.6) an increase by 13.4 percent. Adjusted for the one-time item 2014 the result after tax increased by 22.1 MSEK, corresponding to 43.3 percent.
- Earnings per share amounted to 1.13 SEK (1.00). Excluding the one-time effect earnings per share increased by 0.34 SEK from 0.79 SEK in 2014.
- The cash flow from operating activities amounted to 120.1 MSEK (80.9).
- Net cash at December 31 amounted to 134.9 MSEK (95.0).
- Dividends to the shareholders to the amount of 48.5 MSEK (38.8) were paid in May.
- The Board of Directors intends to propose to the AGM dividends to the shareholders for 2015 amounting to 1.00 SEK per share (0.75) and, in addition thereto, an extra ordinary dividend of 0.25 SEK per share. According to the dividend policy Biotage should distribute at least 50 percent of the net profit.

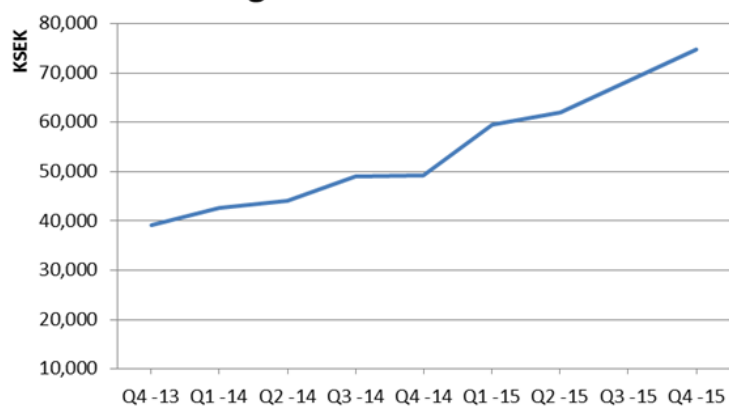
Group financial development in brief

| Amounts in SEK millions | 4 th quarter | 4 th quarter | 12 months | 12 months |
|---|-------------------------|-------------------------|-------------|-------------|
| | Oct-Dec | Oct-Dec | Jan -Dec | Jan -Dec |
| | 2015 | 2014 | 2015 | 2014 |
| Net sales | 168.5 | 137.8 | 610.5 | 490.4 |
| Cost of sales | -74.2 | -62.8 | -268.0 | -223.5 |
| Gross profit | 94.3 | 74.9 | 342.6 | 266.9 |
| Operating expenses | -74.2 | -47.7 | -267.8 | -204.1 |
| Operating profit/loss (EBIT) | 20.2 | 27.2 | 74.8 | 62.8 |
| Financial items | -0.7 | 3.6 | 1.4 | 5.5 |
| Profit/loss before tax | 19.4 | 30.8 | 76.2 | 68.4 |
| Tax expenses | 1.3 | -0.6 | -2.9 | -3.7 |
| Total profit/loss for the period | 20.7 | 30.2 | 73.3 | 64.6 |
| Gross profit margin | 56.0% | 54.4% | 56.1% | 54.4% |
| Operating profit margin (EBIT) | 12.0% | 19.8% | 12.2% | 12.8% |

Net sales rolling 12 months



Operating profit (EBIT) rolling 12 months



Comments by CEO Torben Jörgensen

Biotage ends the year with a strong last quarter. For the full year we exceed our financial targets with an organic sales growth of 8.4 percent at comparable exchange rates and an operating margin (EBIT) of 12.2 percent. We have received a good contribution from favorable exchange rates, above all the US dollar, and in reported figures our sales grew by 22.4 percent in the quarter and by 24.5 percent in the full year. At the same time we have a negative currency effect as a great part of our cost base is located in the UK, with a relatively strong GBP during the year.

The operating cash flow for the year has developed very favorably and we achieved a 48 percent improvement compared to last year. All in all 2015 was a very satisfying year for Biotage.

All our product areas grew in 2015. In the Industrial products area, which grows by 33 percent on a full year basis, we pursue development in close cooperation with existing and potential customers concerning separation and purification. This work and the sales it generates show that we have a broad and competitive range of polymers and silica-based products. They constitute an attractive base for continued growth in the product area, at the same time as sales vary considerably over time due to the fact that the development work often takes long time and our customers' production often is carried out in campaigns.

Biotage's single biggest product areas are Purification and Sample Prep, which both end a solid year with a good last quarter. In Purification we particularly note strong sales of our Flash system Isolera™ in China, mainly to customers engaged in contract research. We also see a continued good sales development for our system platform Extrahera™ in Sample Prep. Both these systems contribute to driving the sales of consumables and service.

The product launches of recent years are now bearing fruit and we feel that we are well equipped to face the competition in our strategically most important product areas. We continue to invest in our system platforms and related consumables in order to continuously improve our customer offering and strengthen our competitiveness. We are planning for new launches in 2016.

All geographic regions with direct sales grew, in the last quarter as well as in the full year. China had the biggest percentage growth with a high and stable growth rate throughout the year. The organic growth in the Chinese market amounts to no less than 34 percent. Also the Americas, Europe and Japan continue their strong sales trend from the previous quarters. Of Biotage's sales in 2015 the Americas – primarily the USA and Canada – account for almost 44 percent. The direct sales in Europe reached a record level for the region and exceeded 50 MSEK in the last quarter of the year. Despite a slow start the annual sales in Europe grew organically by 9 percent. The Japanese sales organization has faced a difficult economic market climate with tough challenges. Still Japan ends the year with a strong last quarter and can report strong growth for the full year.

The distributor sales have generally developed considerably poorer than the direct sales. In EMEA especially the uncertain situation in Saudi Arabia has been a strongly contributing factor to the weak sales. In the APAC countries there are varying causes

for why the sales are not materializing as fast as we wish. Here we have carried out relatively comprehensive changes in 2015 which we expect to have effect in 2016. However, we can observe that having our own local sales staff, with or without support from local distributors, is a successful sales model for Biotage.

We are continuously working with improving the efficiency of our production plant in Cardiff, Wales. In 2015 substantial efforts began to have effect and together with the currency effects these contribute to the improvement of the gross margin to 56.1 percent (54.4) in 2015.

In 2015 the distribution of sales of systems versus aftermarket products (consumables and service) was 45 (44) and 55 (56) percent, respectively. We are a bit short of our strategic goal of 40 percent for systems versus 60 percent for aftermarket products. This is largely explained by successful system launches.

All in all 2015 was a fantastic year, but also in many respect a challenging one. We have seen varying financial conditions in many of the markets where we operate. Also 2016 will probably bring challenges, but I look forward to the new year with confidence. We are well prepared to meet the market.

Group result, financial position and cash flow

Fourth quarter October – December 2015

Group net sales increased by 22.4 percent to 168.5 MSEK compared to 137.8 MSEK the corresponding period 2014. At comparable exchange rates sales in the period increased by 6.4 percent. The Americas was the biggest market with 43 (42) percent of the net sales. The EU area contributed 33 (36) percent, Japan 12 (10) percent, China 8 (6) percent, EMEA 3 percent and APAC 2 percent. Together EMEA and APAC, previously called "rest of the world", contributed 5 (6) percent of the net sales.

The Group's gross margin was 56.0 percent (54.4). Biotage's products are priced in local currency in the bigger markets. The exchange rate development, primarily concerning USD, has therefore contributed positively to the sales income also in the fourth quarter. However, the production costs in GBP and USD are also becoming higher as these currencies are strengthened in relation to SEK. The product mix and the distribution of the Group's sales between different sales channels also contribute to variations in the profitability between quarters.

The operating expenses amounted to 74.2 MSEK (47.7). The comparative period includes a 13.5 MSEK positive effect in *Other operating items* concerning a retroactive reversal of the write-down of goodwill made in the 2014 accounts. Adjusted for this one-time effect the operating expenses were 61.2 MSEK for the comparative period 2014 and the cost increase thus 13.0 MSEK. Sales costs make up 6.1 MSEK of this increase, mainly explained by variable remunerations and currency effects. The costs for research and development increased by 2.4 MSEK. Other operating items amounting to -1.2 MSEK primarily consists of currency effects on operations related liabilities and receivables. Adjusted for the one-time effect of the reversal of the goodwill write-down this item amounts to 0.3 MSEK for the comparative period and thus explains 1.5 MSEK of the total increase of operating expenses.

The operating profit (EBIT) amounted to 20.2 MSEK (27.2) and the operating margin was 12.0 percent (19.8). Adjusted for the one-time item concerning goodwill in the comparative figures the operating profit for the quarter increased by 6.4 MSEK from 13.7 MSEK, an increase by 47.0 percent, and the operating margin (EBIT) increased by 2 percent from 10.0 percent in the comparative period.

Net financial income was -0.7 MSEK (3.6). The result after tax amounted to 20.7 MSEK (30.2). Adjusted for the one-time item the result in the comparative period was 16.7 MSEK and the increase between the years thus 4.1 MSEK, which is an improvement by 24.4 percent.

The investments amounted to 10.0 MSEK (7.7) and the amortizations to 8.9 MSEK (8.8). 5.6 MSEK (4.5) of the investments were capitalized development costs and 4.8 MSEK (4.9) of the amortizations were amortizations of capitalized development costs. The cash flow from operating activities was 33.3 MSEK (29.0).

Full year January - December 2015

Group net sales increased by 24.5 percent to 610.5 MSEK (490.4). At comparable exchange rates net sales increased by 8.4 percent in 2015. The Americas was the biggest market with 44 (41) percent of the net sales. The EU area contributed 32 (35) percent, Japan 12 (13) percent, China 7 (5) percent, EMEA 3 percent and APAC 2 percent. Together EMEA and APAC, previously called "rest of the world" contributed 5 (6) percent of the net sales.

The Group's gross margin improved to 56.1 percent (54.4). Efficiency improvements in the production plant in Cardiff, Wales contribute to the improved profitability. More than half of the Group's sales are invoiced in USD, so a stronger USD in relation to the SEK has a positive effect on the reported sales. At the same time the Group's costs for the production that is outsourced in the USA have increased as a result of the currency development and the strengthened GBP has contributed negatively at the recalculation to SEK of the production costs in Cardiff.

The operating expenses amounted to 267.8 MSEK (204.1). Adjusted for the one-time effect concerning reversal of write-down of goodwill the expenses of the comparative year were 217.6 MSEK. The cost increase is explained primarily by a 30.2 MSEK increase of the sales cost as the result of currency effects, recruitment costs and higher variable remunerations. The research and development costs increased by 11.1 MSEK, among other things as a result of the capitalization of costs for development projects being somewhat lower in 2015 at the same time as the amortizations were higher than the year before.

Operating profit (EBIT) increased with 12.0 MSEK, corresponding to an improvement by 19.1 percent, to 74.8 MSEK (62.8). The operating margin amounted to 12.2 percent (12.8). Excluding the 13.5 MSEK one-time item the operating profit for 2014 was 49.3 MSEK and the operating margin 10.1 percent. The improvement between the years was thus 25.5 MSEK corresponding to an increase of the operating profit of 51.7 percent and of the operating margin of 2.1 percentages. Net financial income amounted to 1.4 MSEK (5.5). The result after tax increased by 8.6 MSEK, corresponding to 13.4 percent, to 73.3 MSEK (64.6). Adjusted for the one-time effect last year's result was 51.1 MSEK and the improvement between the years 22.1 MSEK, corresponding to an increase of the net result of 43.3 percent.

The investments amounted to 31.9 MSEK (32.2) and the amortizations to 36.4 MSEK (31.9). 19.3 MSEK (21.7) of the investments were capitalized development costs and 20.7 MSEK (18.6) of the amortizations were amortizations of capitalized development costs. The cash flow from operating activities increased to 118.2 MSEK (80.9).

Balance sheet items

At December 31, 2015 the Group's cash and cash equivalents amounted to 134.9 MSEK (100.0). At the end of the reported period the Group had no interest-bearing liabilities, compared to 5.0 MSEK at December 31, 2014. Net cash at December 31 2015 thus amounted to 134.9 MSEK compared to 95.0 MSEK at December 31, 2014.

The Group reports a total goodwill of 104.0 MSEK (104.0) at December 31, 2015. The reported goodwill relates to the acquisitions of MIP Technologies AB and two

product lines from Caliper Life Sciences Inc. in 2010. In the annual accounts for 2014 a write-down of 13.5 MSEK was made of the part of the goodwill value that at the time was seen as attributable to the part of the operations that entitles the previous owners of MIP Technologies to certain additional purchase sums up to and including the financial year 2015. This was made based on the fact that the sales of the products concerned during the tenor of the additional purchase sum agreement have been below earlier estimates. This goodwill write-down was however criticized by NASDAQ in late 2015, and therefore a retroactive reversal has been made in the 2014 accounts. For more information, see the press release issued by Biotage on December 16, 2015.

Other intangible fixed assets amounted to 115.2 MSEK (124.8). Of this sum patents and license rights amounted to 29.2 MSEK (33.3) and capitalized development costs to 86.0 MSEK (91.5). The inventories decreased to 97.2 MSEK (108.4). Other financial debts amounted to 1.0 MSEK (5.2). At December 31 the equity capital amounted to 546.7 MSEK (516.1). The change in equity capital during the year is attributable to the net result, 79.0 MSEK, and dividends to the shareholders, -48.5 MSEK.

Repurchasing program

Biotage had no holding of own shares at the end of the reported period. No shares were acquired under the repurchasing program decided at the 2015 Annual General Meeting. Complete documentation from the 2015 AGM is available at www.biotage.com.

Patent dispute in the US

Biotage has as previously reported been sued for alleged patent infringement in the US by Scientific Plastic Products, Inc. ("SPP"). These law suits are declared stayed by the court awaiting the results of reexamination cases of the validity of the patents by the US Patent and Trademark Office (USPTO).

SPP has exhausted all possibilities to request reexamination of USPTO's decision to declare the US patents 7,138,061, 7,381,327 and 7,410,571 ("the Patents") invalid. USPTO has issued reexamination certificates canceling all claims of the Patents and the court in the alleged infringement case and has dismissed all claims in the infringement suit concerning the Patents.

Biotage has also filed requests for reexamination of all patent claims in the US patents 8,066,875 B2, which is a continuation of US patent 7,381,327, and US patent 8,070,957, which is a continuation of the US patent 7,410,571. The claims of the patents 8,066,875 B2 and 8,070,957 have been rejected by the USPTO Patent Trial and Appeal Board and the reexamination proceedings continue. These patents are subject to a separate infringement case in court which is also declared stayed, pending the outcome of the reexamination proceedings.

Biotage's analysis indicates that the company has a strong position and that the other party lacks good cause for the alleged patent infringement. Thus no reserves have been booked due to the dispute.

Major events after the reported period

There are no major events after the reported period to report.

Human resources

The Group had 293 (293) employees at December 31, 2015, and 291 at September 30, 2015.

Parent company

The Group's parent company, Biotage AB, has wholly owned subsidiaries in Sweden, the United States, United Kingdom, Germany, France, Italy, Japan and China. The parent company is responsible for group management, strategic business development and administrative functions at group level and towards subsidiaries.

The parent company's net income amounted to 0.7 MSEK (0.6) in the fourth quarter and to 2.7 MSEK (2.5) in the full year. The parent company's net financial income was 83.9 MSEK (80.9) for the quarter and 83.0 (65.7) for the full year. The comparative year's item *Result from shares in Group companies* includes -15.6 MSEK concerning write-down of an inter-company receivable in connection with the merger of two subsidiaries in Cardiff, Wales. The result after financial items amounted to 80.0 MSEK (75.8) for the quarter and to 66.4 MSEK (47.1) for the full year.

Investments in intangible fixed assets amounted to 0.3 MSEK (0.6) in the quarter and to 1.0 MSEK (1.4) in the full year. The cash and bank balance amounted to 0.8 MSEK (1.0) at December 31.

Biotage has noted that the parent company in the annual accounts 2014 erroneously reported the Group's total deferred tax recoverable on the parent company's balance sheet and not only the deferred tax recoverable attributable to the parent company. Therefore a 7.3 MSEK correction is reported as a reduction of the parent company's deferred tax recoverable at December 31, 2014 and equity brought forward at January 1, 2014 (profit brought forward). Equity brought forward 2014 in the parent company after the correction thus amounts to 551.9 MSEK and deferred tax recoverable to 37.7 MSEK at January 1, 2014 and to 37.5 MSEK at December 31, 2014. The correction had no effect on the reported result for 2014. In addition to this the comparative figures in the profit and loss statement concerning 2014 have been adjusted according to RFR 2, whereby the preceding year's write-down of shares in subsidiaries and reversed additional purchase sum are reported net as an adjustment of shares in subsidiaries. The change has not influenced the net result reported for 2014 but only effected an increase in the result from shares in subsidiaries by 13.5 MSEK and a decrease in Other operating items to the amount of 13.5 MSEK.

Risks and uncertainties

As an international Group, Biotage is exposed to various risks that affect the possibilities to achieve the established targets. There are operational risks, such as the risk that competitive situations affect price levels and sales volumes, and the risk that the economic development in the markets and segments where the Group operates is not

stable. There are also financial risks, such as currency risks, interest risks and credit risks. No major changes in significant risks or uncertainty factors have occurred during the period. Our assessment thus remains the same as described in the Annual Report 2014. An account of Biotage's risks and uncertainty factors and the handling of these can be found in the company's Annual Report for 2014. Readers wishing to study the Annual Report can download this from Biotage AB's website www.biotage.com or order it from Biotage AB, Box 8, SE-751 03 Uppsala or info@biotage.com.

Reports relating to 2015 and 2016

The interim report for the first quarter 2016 will be issued on April 28, 2016.
The Annual General Meeting will be held on April 28, 2016.
The interim report for the second quarter 2016 will be issued on August 11, 2016.
The interim report for the third quarter 2016 will be issued on November 10, 2016.
The year-end report for 2016 will be issued on February 9, 2017.

The Annual Report for 2015 is planned for publication in week 14 2016.

This report has not been reviewed by the company's auditor.

Uppsala February 11, 2016

Torben Jörgensen
President and CEO

For further information, please contact:

Torben Jörgensen, President and CEO, phone: +46 707 49 05 84

Erika Söderberg Johnson, CFO, phone: +46 707 20 48 20

The information in this press release is of the kind that Biotage AB (publ) is required to make public according to the Financial Instruments Trading Act. The information was released for publication at 08.30 on February 11, 2016.

About Biotage

Biotage offers efficient separation technologies from analysis to industrial scale and high quality solutions for analytical chemistry from research to commercial analysis laboratories. Biotage's products are used by government authorities, academic institutions, pharmaceutical and food companies, among others. The company is headquartered in Uppsala and has offices in the US, UK, China and Japan. Biotage has approx. 290 employees and had sales of 611 MSEK in 2015. Biotage is listed on the NASDAQ OMX Stockholm stock exchange. Website: www.biotage.com

Biotage AB (publ)**Year end report****2015-01-01 -- 2015-12-31****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY**

| Amounts in SEK thousands | 2015-10-01 | 2014-10-01 | 2015-01-01 | 2014-01-01 |
|---|-------------------|-------------------|-------------------|-------------------|
| | 2015-12-31 | 2014-12-31 | 2015-12-31 | 2014-12-31 |
| Net sales | 168,548 | 137,757 | 610,534 | 490,381 |
| Cost of sales | -74,241 | -62,848 | -267,967 | -223,462 |
| Gross profit | 94,307 | 74,909 | 342,568 | 266,919 |
| Distribution costs | -43,547 | -37,425 | -169,447 | -139,201 |
| Administrative expenses | -15,378 | -13,760 | -52,159 | -47,650 |
| Research and development costs | -14,078 | -11,672 | -49,528 | -38,450 |
| Other operating income | -1,150 | 15,158 | 3,353 | 21,195 |
| Total operating expenses | -74,153 | -47,700 | -267,781 | -204,106 |
| Operating profit/loss* | 20,154 | 27,209 | 74,787 | 62,813 |
| Financial net income | -744 | 3,577 | 1,403 | 5,548 |
| Profit/loss before income tax | 19,411 | 30,786 | 76,190 | 68,361 |
| Tax expenses | 1,310 | -633 | -2,935 | -3,749 |
| Total profit/loss for the period | 20,721 | 30,153 | 73,255 | 64,612 |
| Other comprehensive income | | | | |
| Components that may be reclassified to net income: | | | | |
| Translation differences related to non Swedish subsidiaries | -1,718 | 4,948 | 5,718 | 13,861 |
| Cash flow hedges | 70 | 287 | 70 | -176 |
| Total other comprehensive income | -1,648 | 5,236 | 5,788 | 13,685 |
| Total comprehensive income for the period* | 19,073 | 35,389 | 79,043 | 78,297 |

* Correction of error – Reversal of write-down of goodwill: The reversal of the write-down of goodwill means that the income statement item *Other operating items* for the comparative period January 1 – December 31, 2014 is adjusted upwards by 13.5 MSEK concerning previously reported write-down of goodwill 2014, which effects an improvement in the comparative period's result compared to the result previously reported in the financial statements and Annual Report for 2014. The background is that Biotage in the 2014 annual accounts made a write-down of goodwill to the amount of 13.5 MSEK, which affected *Other operating items* negatively with the same amount. This write-down was made in connection with the cancellation of a reserve for additional purchase sums relating to MIP Technologies AB that are no longer expected to be paid, see also note 10 in the 2014 Annual Report. The goodwill item was recorded in connection with the additional purchase sum at the acquisition in 2010 and was attributable to this additional purchase sum. As Biotage according to the accounting principles applied regards all its operations as one cash-generating unit also write-down testing of reported goodwill should be performed only at this level. As no need for write-down was identified for the Group's total goodwill item according to the write-down tests performed in connection with the annual accounts 2014, operating profit for 2014 is therefore adjusted by +13.5 MSEK in this year-end report. Consequently the Group's closing values 2014 and opening values 2015 for profit brought forward and goodwill both increase by 13.5 MSEK. The comparative period's (2014) earnings per share before and after dilution are adjusted from 0.79 SEK per share to 1.00 SEK per share. The comparative period's total result per share before and after dilution is adjusted from 1.00 SEK per share to 1.21 SEK per share.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY (Continuing)

| | <u>2015-10-01</u> | <u>2014-10-01</u> | <u>2015-01-01</u> | <u>2014-01-01</u> |
|---|-------------------|-------------------|-------------------|-------------------|
| | <u>2015-12-31</u> | <u>2014-12-31</u> | <u>2015-12-31</u> | <u>2014-12-31</u> |
| Attributable to parent company's shareholders: | | | | |
| Total profit/loss for the period | 20,721 | 30,153 | 73,255 | 64,612 |
| Attributable to parent company's shareholders: | | | | |
| Total comprehensive income for the period | 19,073 | 35,389 | 79,043 | 78,297 |
| Average shares outstanding | 64,714,447 | 64,714,447 | 64,714,447 | 64,714,447 |
| Shares outstanding at end of reporting period | 64,714,447 | 64,714,447 | 64,714,447 | 64,714,447 |
| Total profit/loss for the period per share SEK* | 0.32 | 0.47 | 1.13 | 1.00 |
| Total profit/loss for the period per share SEK after dilution* | 0.32 | 0.47 | 1.13 | 1.00 |
| Earnings per share relates to: | | | | |
| Continuing operations* | 0.32 | 0.47 | 1.13 | 1.00 |
| Total comprehensive income for the period per share SEK* | 0.29 | 0.55 | 1.22 | 1.21 |
| Total comprehensive income for the period per share after dilution SEK* | 0.29 | 0.55 | 1.22 | 1.21 |

*Error correction, see previous page.

| Quarterly summary 2014 and 2015 | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Amounts in KSEK | kv 4 | kv 3 | kv 2 | kv 1 | kv 4 | kv 3 | kv 2 | kv 1 |
| Net Sales | 168,548 | 149,697 | 148,115 | 144,175 | 137,757 | 118,525 | 120,383 | 113,717 |
| Cost of sales | -74,241 | -65,865 | -63,665 | -64,196 | -62,848 | -53,868 | -54,724 | -52,022 |
| Gross profit | 94,307 | 83,832 | 84,450 | 79,978 | 74,909 | 64,656 | 65,659 | 61,695 |
| Gross margin | 56.0% | 56.0% | 57.0% | 55.5% | 54.4% | 54.6% | 54.5% | 54.3% |
| Operating expenses | -74,153 | -64,856 | -66,746 | -62,026 | -47,700 | -52,065 | -52,110 | -52,231 |
| Operating profit/loss | 20,154 | 18,976 | 17,704 | 17,952 | 27,209 | 12,591 | 13,549 | 9,464 |
| Finansnetto | -744 | 549 | -346 | 1,944 | 3,577 | -865 | 2,384 | 451 |
| Profit/loss before income tax | 19,411 | 19,525 | 17,358 | 19,896 | 30,786 | 11,727 | 15,933 | 9,916 |
| Tax expenses | 1,310 | -1,252 | -1,701 | -1,292 | -633 | -728 | -539 | -1,850 |
| Total profit/loss for the period | 20,721 | 18,273 | 15,658 | 18,604 | 30,153 | 10,998 | 15,394 | 8,066 |

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

| Amounts in SEK thousands | 2015-12-31 | 2014-12-31 |
|--|-------------------|-------------------|
| ASSETS | | |
| Non-Current assets | | |
| Property, plant and equipment | 44,719 | 43,057 |
| Goodwill* | 104,023 | 104,023 |
| Other intangible assets | 115,170 | 124,822 |
| Financial assets | 692 | 808 |
| Deferred tax asset | 47,626 | 44,765 |
| Total non-current assets | 312,228 | 317,474 |
| Current assets | | |
| Inventories | 97,182 | 108,379 |
| Trade and other receivables | 124,536 | 106,612 |
| Cash and cash equivalents | 134,885 | 100,045 |
| Total current assets | 356,604 | 315,036 |
| TOTAL ASSETS | 668,832 | 632,510 |
| EQUITY AND LIABILITIES | | |
| Capital and reserves attributable to equity holders of the parent company | | |
| Share capital | 89,953 | 89,953 |
| Other paid-in capital | - | 4,993 |
| Reserves | -88,616 | -94,404 |
| Retained earnings* | 545,320 | 515,608 |
| Total equity | 546,657 | 516,150 |
| Non-current liabilities | | |
| Liabilities to credit institutions | - | 4,537 |
| Other financial liabilities | 1,075 | 5,072 |
| Deferred tax liability | 1,948 | 2,465 |
| Non-current provisions | 1,468 | 1,369 |
| Total non-current liabilities | 4,491 | 13,444 |
| Current liabilities | | |
| Trade and others liabilities | 109,698 | 98,457 |
| Other financial liabilities | 3,698 | 1,900 |
| Tax liabilities | 2,317 | 848 |
| Liabilities to credit institutions | - | 502 |
| Current provisions | 1,970 | 1,210 |
| Total current liabilities | 117,684 | 102,916 |
| TOTAL EQUITY AND LIABILITIES | 668,832 | 632,510 |

*See comments under Consolidated statement of comprehensive income in summary

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

| Amounts in SEK thousands | Share capital | Other payed-in capital | Accumulated translation reserve | Hedging reserve | Retained earnings | Total equity |
|---|---------------|------------------------|---------------------------------|-----------------|-------------------|----------------|
| Opening balance January 1, 2014 | 89,423 | 4,993 | -108,265 | 176 | 490,447 | 476,774 |
| Changes in equity in the period of January 1 -december 31, 2014 | | | | | | |
| Total comprehensive income* | - | - | 13,862 | -176 | 64,611 | 78,297 |
| Total non-owners changes | - | - | 13,862 | -176 | 64,611 | 78,297 |
| Transactions with equity holders of the company | | | | | | |
| Cancellation of treasury shares ** | -6,588 | - | - | - | 6,588 | - |
| Increase of share capital without the issue of new shares, bonus issue ** | 7,119 | - | - | - | -7,119 | - |
| Dividend to shareholders of the parent company | - | - | - | - | -38,829 | -38,829 |
| Share buy-back by parent company ** | - | - | - | - | -93 | -93 |
| Closing balance December 31, 2014 | 89,953 | 4,993 | -94,404 | - | 515,607 | 516,150 |
| Changes in equity in the period of January 1, - December 31, 2015 | | | | | | |
| Total comprehensive income | - | - | 5,718 | 70 | 73,255 | 79,044 |
| Total non-owners changes | - | - | 5,718 | 70 | 73,255 | 79,044 |
| Transactions with equity holders of the company | | | | | | |
| Cancellation of treasury shares ** | - | - | - | - | - | - |
| Increase of share capital without the issue of new shares, bonus issue ** | - | - | - | - | - | - |
| Dividend to shareholders of the parent company | - | - | - | - | -48,536 | -48,536 |
| Reclassification expired share option program | - | -4,993 | - | - | 4,993 | - |
| Closing balance December 31, 2015 | 89,953 | - | -88,687 | 70 | 545,320 | 546,657 |

*See comments under Consolidated statement of comprehensive income in summary

**Repurchased shares, cancellation of repurchased shares and bonus issue

The 2015 Annual General Meeting resolved to authorize the Board to continue to let the company repurchase shares up until the AGM 2016 so that the company's holding of own shares amounts to a maximum of 10 percent of the number of registered shares. At the balance sheet date December 31, 2015, the company held no repurchased shares

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CONSOLIDATED STATEMENT OF CASH FLOWS

| | 2015-10-01 | 2014-10-01 | 2015-01-01 | 2014-01-01 |
|--|----------------|----------------|----------------|----------------|
| Amounts in SEK thousands | 2015-12-31 | 2014-12-31 | 2015-12-31 | 2014-12-31 |
| Operating activities | | | | |
| Profit/loss before income tax | 19,411 | 30,786 | 76,190 | 68,361 |
| Adjustments for non-cash items | 11,655 | 325 | 45,921 | 31,654 |
| | 31,066 | 31,111 | 122,111 | 100,016 |
| Income tax paid | -661 | -2,144 | -1,638 | -4,631 |
| Cash flow from operating activities before changes in working capital | 30,405 | 28,967 | 120,473 | 95,384 |
| Cash flow from changes in working capital: | | | | |
| Increase (-)/ decrease (+) in inventories | 7,591 | -5,253 | 11,196 | -22,492 |
| Increase (-)/ decrease (+) in trade receivables | -12,649 | -5,219 | -16,799 | -9,702 |
| Increase (-)/ decrease (+) in other current receivables | 4,354 | 4,416 | -6,499 | 1,916 |
| Increase (+)/ decrease (-) in other liabilities | 3,596 | 6,080 | 11,708 | 15,800 |
| Cash flow from operating activities | 33,297 | 28,992 | 120,078 | 80,906 |
| Investing activities | | | | |
| Acquisition of intangible assets | -6,195 | -5,108 | -21,195 | -23,410 |
| Acquisition of property, plant and equipment | -4,079 | -2,637 | -10,834 | -8,767 |
| Acquisition of financial assets | - | - | -96 | - |
| Sale of financial assets | 261 | - | 261 | - |
| Cash flow from investing activities | -10,014 | -7,745 | -31,865 | -32,177 |
| Financing activities | | | | |
| Dividend to shareholders | - | - | -48,536 | -38,829 |
| Buy-back of shares | - | - | - | -93 |
| Loan raised | - | 315 | - | 1,391 |
| Repayment of loans | -3,901 | -191 | -6,698 | -3,894 |
| Cash flow from financial activities | -3,901 | 124 | -55,234 | -41,425 |
| Cash flow for the period | 19,382 | 21,371 | 32,980 | 7,304 |
| Cash and cash equivalents opening balance | 115,718 | 77,992 | 100,045 | 90,769 |
| Exchange differences in liquid assets | -214 | 682 | 1,861 | 1,972 |
| Cash and equivalents closing balance | 134,885 | 100,045 | 134,885 | 100,045 |
| Additional information: | | | | |
| <i>Adjustments for non-cash items</i> | | | | |
| Depreciations and impairments | 13,119 | 9,919 | 40,679 | 33,869 |
| Other items | -1,463 | -9,595 | 5,242 | -2,215 |
| Total | 11,655 | 325 | 45,921 | 31,654 |
| Interest received | 19 | 18 | 46 | 128 |
| Interest paid | 29 | -248 | -93 | -292 |

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INCOME STATEMENT, PARENT IN SUMMARY

| | 2015-10-01 | 2014-10-01 | 2015-01-01 | 2014-01-01 |
|---|-------------------|-------------------|-------------------|-------------------|
| Amounts in SEK thousands | 2015-12-31 | 2014-12-31 | 2015-12-31 | 2014-12-31 |
| Net sales | 682 | 643 | 2,720 | 2,502 |
| Administrative expenses | -4,181 | -4,806 | -17,034 | -18,437 |
| Research and development costs | -711 | -783 | -2,470 | -2,398 |
| Other operating items | 236 | -174 | 172 | -255 |
| Operating expenses | -4,656 | -5,763 | -19,332 | -21,090 |
| Operating profit/loss | -3,974 | -5,120 | -16,612 | -18,588 |
| Profit/loss from financial investments: | | | | |
| Interest income from receivables from group companies | 138 | 315 | 138 | 2,383 |
| Interest expense from liabilities to group companies | -422 | -950 | -1,293 | -3,614 |
| Result from participations in group companies | 45,101 | 53,703 | 45,063 | 38,124 |
| Other interest and similar income | 0 | 9 | 2 | 110 |
| Other interest and similar income | -20 | 830 | -72 | 1,708 |
| Group contribution received | 39,127 | 27,011 | 39,127 | 27,011 |
| Financial net income | 83,925 | 80,918 | 82,966 | 65,722 |
| Profit/loss before income tax | 79,950 | 75,798 | 66,354 | 47,134 |
| Tax expenses | 761 | -149 | 761 | -149 |
| Total profit/loss for the period | 80,711 | 75,649 | 67,115 | 46,985 |

STATEMENT OF COMPREHENSIVE INCOME, PARENT

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Total profit/loss for the period | 80,711 | 75,649 | 67,115 | 46,985 |
| Other comprehensive income: | | | | |
| Components that may be reclassified to net income: | | | | |
| Translation differences related to non Swedish subsidiaries | - | - | - | - |
| Total comprehensive income, parent | 80,711 | 75,649 | 67,115 | 46,986 |

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BALANCE SHEET, PARENT

| Amounts in SEK thousands | 2015-12-31 | 2014-12-31 |
|---|----------------|----------------|
| ASSETS | | |
| Non-current assets | | |
| <i>Intangible assets</i> | | |
| Patents and licenses | 8,386 | 8,224 |
| <i>Financial assets</i> | | |
| Investments in group companies | 468,128 | 468,128 |
| Receivables from group companies | 11,241 | 14,763 |
| Deferred tax asset | 38,271 | 37,511 |
| | 517,641 | 520,403 |
| Total non-current assets | 526,026 | 528,627 |
| Current assets | | |
| <i>Current receivables</i> | | |
| Receivables from group companies | 59,945 | 61,791 |
| Other receivables | 584 | 498 |
| Prepaid expenses and accrued income | 1,070 | 964 |
| | 61,599 | 63,254 |
| Cash and cash equivalents | 813 | 974 |
| Total current assets | 62,412 | 64,227 |
| TOTAL ASSETS | 588,438 | 592,854 |
| EQUITY, PROVISIONS AND LIABILITIES | | |
| Equity | | |
| <i>Restricted equity</i> | | |
| Share capital | 89,953 | 89,953 |
| | 89,953 | 89,953 |
| <i>Unrestricted equity</i> | | |
| Fair value reserve | -66,055 | -66,055 |
| Retained earnings | 487,480 | 489,030 |
| Profit/loss for the year | 67,114 | 46,986 |
| | 488,540 | 469,962 |
| Total equity | 578,493 | 559,915 |
| Provisions | - | 3,850 |
| Current liabilities | | |
| Other financial liabilities | 3,423 | 1,900 |
| Trade payables | 499 | 769 |
| Liabilities to group companies | 643 | 21,391 |
| Other current liabilities | 123 | 778 |
| Accrued expenses and prepaid income | 5,257 | 4,251 |
| | 9,944 | 29,089 |
| TOTAL EQUITY, PROVISIONS AND LIABILITIES | 588,438 | 592,854 |
| Pledged assets | 22,500 | 22,500 |
| Contingent liabilities | - | - |

Accounting principles

Biotage's Group reporting is based on International Financial Reporting Standards as adopted by the EU. The Group's interim report is prepared in accordance with IAS 34 *Interim Reporting* and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 *Reporting for Legal Entities*. The Group and the parent company have applied the same accounting principles and calculation methods in the interim report as in the latest annual report. Revised and new standards and interpretations from IASB and IFRS Interpretations Committee which have come into effect and apply to the fiscal year 2015 have not had any effect on the Group's financial reporting.

Fair value

Biotage has a financial debt concerning additional purchase sums in connection with acquired operations which has been measured as fair value allocated to the result. The additional purchase sums, relating to the acquisition of MIP Technologies AB, are based on the distribution of gross profit applying to certain areas and may be paid until the end of 2015. The agreement with the sellers does not stipulate a maximum sum, as there has been considerable uncertainty about the future outcome. For the fiscal year 2015, which is the last period for which an additional purchase sum may be paid and which will be settled in 2016, the additional purchase sum is calculated to amount to 3.4 MSEK, which is also the company's best assessment of fair value at December 31, 2015. As the fair value is less than the previously reported sum, the difference amounting to 0.3 MSEK has been reported on the 2015 profit and loss statement. Calculations of fair value are based on level 3 in the fair value hierarchy, which means that fair value has been established according to a valuation model where essential inputs are based on unobservable data. The measurement has been made based on expected future cash flows.

| Financial debt measured at fair value | 2015-12-31 | 2014-12-31 |
|--|-------------------|-------------------|
| Additional purchase sum, long-term part | 0 | 3,850 |
| Additional purchase sum, short-term part | 3,423 | 1,900 |
| Total | 3,423 | 5,750 |

The change in financial debt in 2015 is presented below:

| | |
|--|--------------|
| Opening value January 1, 2015 | 5,750 |
| Reversed reserve reported in result | -275 |
| Adjusted during the year | -2,052 |
| Value carried forward December 31, 2015 | 3,423 |

Other financial assets and financial debts are measured according to accrued acquisition value and the value reported for these is considered to be a good approximation of fair value.

In the preparation of the Group's and the parent company's interim reports, the same accounting principles and calculation methods were in all other respects applied as in the preparation of Biotage's Annual Report for 2014. These are described on pp. 37-44 in the Annual Report.