

**LEON E. ROSENBERG TAKES OVER AS CHAIR OF KARO BIO
SUCCEEDING PER-OLOF MÅRTENSSON**

Per-Olof Mårtensson has resigned as chairman of the Board of directors of Karo Bio for family reasons. The Board named Leon E. Rosenberg, M.D. as the company's interim chairman, to serve until the company's shareholders elect a permanent chairman at the next annual shareholders meeting in April 2008.

Dr. Rosenberg has been a member of the Karo Bio Board since 2000. From 1991-1998, he served Bristol-Myers Squibb as Chief Scientific officer, and as Senior Vice-President for Scientific Affairs. He has also served on the boards of directors of several other biotechnology companies, and currently chairs the Board of Hana Biosciences, located in San Francisco, California. Dr. Rosenberg is a Professor at Princeton University, and is a member of the U.S. National Academy of Sciences.

In recognizing Per-Olof Mårtensson's many contributions to Karo Bio, Dr Rosenberg said "the company owes a huge debt of gratitude to POM for his nearly 20 years of uninterrupted, invaluable service to our company. The Board will miss him, and wishes him all good fortune in his personal and professional life ahead."

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Facts about Karo Bio

Karo Bio is a drug discovery and development company specializing in nuclear receptors for the development of novel pharmaceuticals with focus on metabolic diseases.

The company has expanded from being a drug discovery company by adding in-house preclinical and clinical development resources and competence for development of drugs to treat metabolic diseases. The company has a strong project portfolio with innovative molecules that primarily targets diseases such as diabetes, atherosclerosis and dyslipidemia. In all of these areas there are significant market opportunities and a growing need for new pharmaceuticals with new mechanisms of action.

In addition to the proprietary projects Karo Bio has two strategic collaborations with international pharmaceutical companies and one biotech collaboration for development of innovative therapies for the treatment of common diseases.

Karo Bio is listed on the OMX Nordic Exchange Stockholm AB since 1998 (Reuters: KARO.ST). This press release is also available online at: www.karobio.se and www.newsroom.cision.com