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FIRST QUARTER 2016 SUPPORTS CONTINUED STRONG MOMENTUM

Exiqon A/S (NASDAQ Copenhagen: "EXQ") today announced results for the first three months of 2016 (comparable figures for the same period in 2015 are stated in parenthesis):

Summarized results (DKK million)	Q1 2016	Q1 2015	Pct. change on currency neutral basis
Total revenue	39.0	39.0	0.1%
Gross profit	25.1	25.9	-3.4%
EBITDA (*)	2.5	2.7	-10.5%
Special items	-0.8	0.0	N/A
EBIT	-0.2	0.9	N/A
Net profit	-2.1	0.0	N/A

(*) EBITDA (defined as Earnings Before Special Items, Interest, Tax, Depreciation and Amortization).

Highlights

- On 29 March 2016, Exiqon announced that QIAGEN N.V. would submit a voluntary conditional public takeover offer to buy the entire share capital of Exiqon A/S. On 19 April 2016, after end period, Exiqon published on behalf of QIAGEN N.V. the submission of a takeover offer to buy the entire share capital of Exiqon A/S for DKK 18 per share.

Revenues

- Products and service sales of DKK 34.7 million (DKK 34.6 million) are in line with the same period last year on a currency neutral basis. Easter falling in the final week of the quarter adversely affected first quarter 2016 sales compared to first quarter last year, which was record strong:
 - Product sales increased 7% on a currency neutral basis to DKK 30.1 million (DKK 28.0 million) as Exiqon continues to leverage existing capabilities and capture new markets with high growth potential.
 - Service sales decreased 30.6% on a currency neutral basis to DKK 4.6 million (DKK 6.6 million) due to fluctuations following strong fourth quarter 2015 sales. During the first quarter 2016, Exiqon has re-build its service order pipeline.
- Other income includes license income and grant funding of Exiqon's development of novel diagnostics, which hold promise of transforming current healthcare practices and improve patient care. In the first quarter of 2016 other income was realized at DKK 4.4 million (DKK 4.4 million).

Other

- On 25 April 2016, Exiqon announced the publication of validation of prognostic microRNA biomarkers for the aggressiveness of prostate cancer. Recent Horizon 2020 and Innovation Foundation grant applications submitted by Exiqon and its consortia partners have been turned down. Exiqon relies on additional funding to bring its diagnostic product development to a commercial stage and on partners to commercialize any resulting tests.
- Exiqon maintains full year 2016 expectations of total revenue between DKK 180-185 million driven by around 20% growth in sales of products and services (excluding OEM) with EBITDA of DKK 15-20 million (exclusive of shared-based costs) and EBIT more than doubling. The outlook for 2016 is based on an average USD/DKK exchange rate between DKK 6.75-7.00 and does not include any significant one-time income or extraordinary costs. Extraordinary costs related to the takeover offer submitted by QIAGEN N.V. are classified special items and not reflected in the financial outlook for 2016. If the takeover offer is accepted by the shareholders, this will result in extraordinary costs of approximately DKK 25–30 million. In the absence of shareholder acceptance of the takeover offer, extraordinary costs will expectedly not exceed DKK 5 million.

In a comment CEO Lars Kongsbak said: "Given a quarter shortened by the Easter Holidays, we deliver a solid first quarter 2016 in line with last year's record first quarter revenues. The quarter was impacted by costs incurred as a result of the recent takeover offer submitted by QIAGEN N.V. We have a strong pipeline of significant orders and expect higher growth in the second half of the year in line with previous years. Our new XploreRNA™ initiative has seen first returning customers, validating the idea of a fully integrated platform for data analysis and custom assay design."

KEY FIGURES AND RATIOS – EXIQON GROUP (UNAUDITED)

(DKK'000 except key figures and ratios)	1 Jan. – 31 Mar. 2016	1 Jan. – 31 Mar. 2015	1 Jan. – 31 Dec. 2015
Income statement			
Revenue	39,044	39,022	162,017
Production costs	-13,965	-13,094	-59,452
Gross profit	25,079	25,928	102,565
Research and development costs	-8,071	-8,319	-32,435
Sales and marketing costs	-11,991	-12,180	-49,363
Administrative costs	-4,506	-4,480	-17,142
EBITDA *)	2,450	2,681	12,207
Special items	-750	0	0
Operating profit/(loss) (EBIT)	-239	949	3,625
Profit/(loss) for the period	-2,121	29	5,903
Total Comprehensive profit/(loss) for the period	-2,576	1,205	7,003
Balance sheet			
Assets			
Intangible assets	59,121	59,966	59,556
Property, plant and equipment	11,598	11,360	11,838
Non-current assets	78,717	74,267	79,365
Cash and cash equivalents	32,612	20,931	56,150
Current assets	74,437	64,560	103,659
Total assets	153,154	138,827	183,024
Equity and liabilities			
Equity	84,300	79,899	86,143
Non-current liabilities	39,856	2,602	40,178
Current liabilities	28,998	56,326	56,703
Total liabilities	68,854	58,928	96,881
Total equity and liabilities	153,154	138,827	183,024
Cash flow statement			
Depreciation, amortization and impairment	1,939	1,734	8,582
Cash flows from operating activities	-6,259	1,213	16,058
Cash flows from investing activities	-1,269	-579	-5,778
Cash flows from financing activities	-15,814	-586	25,234
Cash and cash equivalents at the end of period	32,612	20,931	56,150
Key figures and ratios			
Number of shares, average	36,874,082	36,874,082	36,874,082
Basic EPS (DKK)	-0.06	0.00	0.16
Diluted EPS (DKK)	-0.06	0.00	0.15
Gross margin	64.2%	66.4%	63.3%
Assets/Equity (gearing)	1.82	1.74	2.12
Average number of employees	94	91	94
Market price per share (DKK)	17.6	8.8	12.0
Market capitalisation (DKK million)	649	322.6	442.5
Price / net asset value	7.70	4.04	5.14
Net interest bearing debt / Equity	-0.34	0.11	0.02
Net interest bearing debt / EBITDA	-16.85	3.40	0.12
Interest coverage	1.07	2.96	3.57

Basic and diluted EPS have been calculated in accordance with IAS 33 "Earnings per share". Other ratios have been calculated in accordance with "Recommendations & Financial Ratios 2015" issued by the Danish Society of Financial Analysts, dated April 2015. (*) EBITDA (defined as Earnings Before Special Items, Interest, Tax, Depreciation and Amortization) includes non-cash costs of share-based payment of tDKK 732 in the first three months of 2016 (tDKK 679 in 2015).

MANAGEMENT REPORT

Reported figures are for the full reporting period. Figures for the comparable reporting period in the previous year are stated in parenthesis. In the first three months of 2016 the average USD/DKK exchange rate applied to translate revenue and expenses was DKK 6.74 (DKK 6.72).

Revenue

In the first three months of 2016 total revenues of DKK 39 million (DKK 39 million) are in line with total revenues in the same period last year. Products and service sales of DKK 34.6 million (DKK 34.6 million) are also in line with the same period last year.

Products and services sales (excluding OEM) decreased 2% to DKK 30.5 million (DKK 31.0 million).

In Europe products and service sales (excluding OEM) decreased 18% to DKK 11.8 million (DKK 14.4 million), and in North America service sales decreased 1% to DKK 11.7 million (DKK 11.9 million). Rest of World sales increased 48% to DKK 7 million (DKK 4.7 million). Full year expectations remain positive due to a strong sales order pipeline.

License income accounted for DKK 3.4 million (DKK 2.8 million) and contract research income, reflective of third party funding of Exiqon's development of novel diagnostics, totaled DKK 1.0 million (DKK 1.5 million).

Gross profit and margins

In the first three months of 2016 gross profit decreased 3% to DKK 25.1 million (DKK 25.9 million) and gross margins on product sales and services, excluding other income, decreased to 59.7% (62.2%).

Operating costs

In the first three months of 2016 operating costs excluding production costs increased 1% to DKK 25.3 million (DKK 25 million).

Special items

Special items comprise provisions for extraordinary first quarter costs of DKK 0.8 million related to the recent takeover offer submitted by QIAGEN N.V.

EBITDA and EBIT

EBITDA decreased to DKK 2.5 million (DKK 2.7 million) excluding special items and EBIT is affected by higher depreciations following recent investment and decreased to DKK -0.2 million (DKK 0.9 million).

Cash flows

Cash flows from operating activities were DKK -6.3 million (DKK 1.2 million) primarily reflective of cash flows from primary activities of DKK -4.3 million (DKK 2.6 million).

Equity and capital resources

Equity increased to DKK 84.3 million (DKK 79.9 million). On 31 March 2016 cash and cash equivalents totalled DKK 32.6 (DKK 20.9 million). The company's credit line of DKK 10 million was repaid in January 2016 and the company's corporate bond of DK 15 million was repaid on 1 March 2016. Trade receivables increased to DKK 25.5 million (DKK 22.4 million) and trade payables decreased to DKK 7 million (DKK 11.4 million) as a result of continued cash management efforts. The company's capital resources will be negatively affected by the recent takeover offer submitted by QIAGEN N.V. whether or not the company's shareholders accept the offer.

UPDATE ON DIAGNOSTICS

On 25 April 2016, Exiqon announced the publication of validation of prognostic microRNA biomarkers for the aggressiveness of prostate cancer in independent cohorts. The published biomarker profile can group patients into "high" and "low" risk groups of which patients in the "low" risk group are expected to have a non-aggressive disease. More than half of the patients were categorized as being "low" risk with an accuracy of 80-89%. Exiqon is currently conducting analytic validation to document the robustness of the test. In parallel, additional patient cohorts are being recruited from Europe and the US to further strengthen the clinical validation.

Exiqon is also developing a non-invasive test for precise stratification of patients with intermediate PSA values. About 40% of patients screened for prostate cancer by PSA are left with an inconclusive diagnose. Data from this study will expectedly be published in the second half of 2016.

Exiqon relies on partners to develop its diagnostic programs and to commercialize any resulting tests. The company does not have capital resources to finance diagnostic product development programs, nor the necessary competencies to commercialize diagnostic tests.

All of Exiqon's diagnostic programs are third party financed, typically through grants to consortia in which Exiqon participates. Over the past few years, Exiqon has secured more than DKK 40 million in direct funding to support its current diagnostic programs and DKK 12 million remain at the end of the first quarter 2016. The current funding is insufficient to secure FDA approval of any of the ongoing programs, which will be the required next step towards attracting a commercial partner, provided product development is successful. FDA approval of a test requires at least two additional independent cohorts and the associated cost will be approximately DKK 100 million.

The public research funding situation in Denmark and in the EU has worsened and most recent Horizon 2020 and Innovation Foundation grant applications submitted by Exiqon and Exiqon's consortia partners have been turned down. If continued funding through third parties fails, Exiqon will have to discontinue programs or alternatively seek funding through a capital increase.

FINANCIAL OUTLOOK 2016

Exiqon expects total revenue between DKK 180-185 million driven by around 20% growth in sales of products and services (excluding OEM) with EBITDA of DKK 15-20 million (exclusive of shared-based costs) and EBIT more than doubling.

The outlook for 2016 is based on an average USD/DKK exchange rate between DKK 6.75-7.00 and does not include any significant one-time income or extraordinary costs.

Extraordinary costs related to receipt and acceptance of the takeover offer submitted by QIAGEN are not reflected in the financial outlook for 2016. If the takeover offer is accepted by the shareholders, this will result in extraordinary costs in the form of financial and legal advisory fees in addition to a transaction bonus to the Executive Management under a program granted by the Board of Directors in October 2015 at a total of approximately DKK 25 – 30 million. In the absence of shareholder acceptance of the takeover offer, extraordinary costs will expectedly be limited to advisory fees and not exceed DKK 5 million.

STATEMENT BY THE EXECUTIVE BOARD AND SUPERVISORY BOARD ON THE INTERIM REPORT

The Supervisory Board and the Executive Board have today considered and approved the interim report of Exiqon A/S for the period 1 January – 31 March 2016.

The interim report has been prepared in accordance with IAS 34 and additional Danish disclosure requirements for the presentation of financial statements by listed companies. The interim report is unaudited.

We consider the accounting policies to be appropriate, the accounting estimates made to be reasonable and the overall presentation of the interim report to be adequate, so that the interim report, in our opinion, gives a true and fair view of the assets, liabilities, financial position and results of operations and cash flows of the group for the period 1 January – 31 March 2016. We consider the Management's report to give a true and fair description of the development in the Group's activities and economic situation, the results of operations and the Group's financial position as a whole and a description of the significant risks and uncertainty factors, which the Group faces.

Vedbaek, 26 April 2016

Executive Board

Lars Kongsbak, CEO Hans Henrik Chrois Christensen, CFO

Supervisory Board

Erik Walldén, chairman Thorleif Krarup, deputy chairman
Michael Nobel Per Wold-Olsen Rodney Turner

Additional information

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Forward-looking statements

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. The company does not control timelines relating to collaborative diagnostic programs, which therefore are uncertain and based on estimates.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

(DKK'000)	Note	1 Jan. – 31 Mar. 2016	1 Jan. – 31 Mar. 2015	1 Jan. – 31 Dec. 2015
Revenue	2,3	39,044	39,022	162,017
Production costs		-13,965	-13,094	-59,452
Gross profit		25,079	25,928	102,565
Research and development costs		-8,071	-8,319	-32,435
Sales and marketing costs		-11,991	-12,180	-49,363
Administrative costs		-4,506	-4,480	-17,142
Special items	5	-750	0	0
Operating profit/(loss) (EBIT)		-239	949	3,625
Financial income		927	2,128	5,873
Financial expenses		-2,742	-3,325	-10,012
Profit/(loss) before tax		-2,054	-248	-514
Tax on profit/(loss) for the period		-67	277	6,417
Profit/(loss) for the period		-2,121	29	5,903
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange adjustments relating to foreign subsidiaries		-455	1,176	1,100
Total comprehensive income for the period		-2,576	1,205	7,003
Earnings per share				
Earnings per share		-0.06	0.00	0.16
Diluted earnings per share		-0.06	0.00	0.15

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

(DKK'000)	Note	31 Mar. 2016	31 Mar. 2015	31 Dec. 2015
Goodwill		49,368	49,368	49,368
Acquired patent rights		2,463	4,625	2,693
Acquired software licenses		6,595	5,500	6,220
Intangible assets under construction		695	473	1,275
Intangible assets		59,121	59,966	59,556
Leasehold improvements		968	621	575
Production and laboratory equipment		7,088	8,893	7,148
Fixtures and fittings, tools and equipment		2,912	1,820	3,022
Tangible assets under construction		630	26	1,093
Property, plant and equipment		11,598	11,360	11,838
Deferred tax assets		6,548	1,576	6,605
Deposits		1,450	1,365	1,366
Financial assets		7,998	2,941	7,971
Non-current assets		78,717	74,267	79,365
Inventories		11,385	12,950	13,966
Trade receivables		25,466	22,416	29,004
Other receivables		719	2,007	1,470
Refund from Tax Authorities		1,466	3,877	1,466
Prepayments		2,789	2,379	1,603
Receivables		30,440	30,679	33,543
Cash and cash equivalents		32,612	20,931	56,150
Current assets		74,437	64,560	103,659
Total assets		153,154	138,827	183,024
Share capital		36,874	36,874	36,874
Reserves		47,426	43,025	49,269
Equity		84,300	79,899	86,143
Corporate Bonds		38,212	0	38,046
Financial lease liabilities		1,644	2,602	2,132
Non-current liabilities		39,856	2,602	40,178
Corporate Bonds		0	15,000	15,000
Financial lease liabilities		2,329	2,442	2,491
Trade payables		7,006	11,427	13,007
Short term bank loan		0	10,006	0
Other payables		11,275	9,810	16,759
Deferred revenue		8,388	7,641	9,446
Current liabilities		28,998	56,326	56,703
Total liabilities		68,854	58,928	96,881
Total equity and liabilities		153,154	138,827	183,024

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

(DKK'000)	1 Jan. – 31 Mar. 2016	1 Jan. – 31 Mar. 2015	1 Jan. – 31 Dec. 2015
Operating profit/(loss) (EBIT)	-239	949	3,625
Depreciation and amortization	1,939	1,734	8,582
Non-cash adjustments (warrants)	732	679	1,125
Change in working capital	-6,700	-803	5,567
Profit on sale of assets	0	0	0
Cash flows from primary activities	-4,268	2,559	18,899
Net interest and value gains	-1,924	-1,478	-4,249
Current tax	-67	132	1,408
Cash flows from operating activities	-6,259	1,213	16,058
Acquisition of intangible assets	-427	-333	-3,816
Acquisition of property, plant and equipment	-842	-246	-1,962
Sale of assets	0	0	0
Cash flows from investing activities	-1,269	-579	-5,778
Repayment of lease debt	-650	-550	-2,692
Proceeds from corporate bonds	-15,075	0	37,971
Repayment of deposit and loans	-89	-23	-27
Short term bank loan	0	-13	-10,018
Cash flows from financing activities	-15,814	-586	25,234
Change in cash and cash equivalents	-23,342	48	35,514
Unrealised currency gain/(loss)	-196	799	552
Cash and cash equivalents at the beginning of the period	56,150	20,084	20,084
Cash and cash equivalents at the end of the period	32,612	20,931	56,150

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Number of shares No.	Share capital (DKK'000)	Other reserves			Total (DKK'000)
			Reserve for exchange adjustments (DKK'000)	Share- based payment (DKK'000)	Retained profit (DKK'000)	
Consolidated						
Equity at 1 January 2016	36,874,082	36,874	1,198	21,320	26,751	86,143
Profit/(loss) for the period					-2,121	-2,121
Exchange adjustments relating to foreign subsidiaries			-455			-455
Total comprehensive income		0	-455	0	-2,121	-2,576
Share-based payment				732		732
Other transactions	0	0	0	732	0	732
Equity at 31 March 2016	36,874,082	36,874	743	22,052	24,630	84,300
Equity at 1 January 2015	36,874,082	36,874	98	20,195	20,848	78,015
Profit/(loss) for the period					29	29
Exchange adjustments relating to foreign subsidiaries			1,176			1,176
Total comprehensive income		0	1,176	0	29	1,205
Share-based payment				679		679
Other transactions	0	0	0	679	0	679
Equity at 31 March 2015	36,874,082	36,874	1,274	20,874	20,877	79,899

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Note 1: Accounting policies

The interim report of the Exiqon Group for the period 1 January – 31 March 2016 is presented in accordance with IAS 34 and additional Danish disclosure requirements for the presentation of financial statements by listed companies. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's Annual Report for 2015.

Special items include significant and unusual income and/or costs that do not originate from the ordinary course of business, including cost of fundamental structural adjustments of the company's organization, income and/or costs arising from unusual legal proceedings and similar items considered material and unusual. Special items are shown in a separate line in the company's statement of comprehensive income in order to give a true and fair presentation of the Group's operating profit over time.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year that ended 31 December 2015, except for the adoption of new and revised Standards (IFRS/IAS) and the new Interpretations (IFRIC) that apply to financial years beginning 1 January 2016. The implementation of the new and revised Standards and Interpretations have not affected the recognition or measurement.

Management has not made new significant accounting estimates or assumptions on topics besides those listed in the Annual Report for 2015.

Note 2: Revenue

(DKK'000)	1 Jan. – 31 Mar. 2016	1 Jan. – 31 Mar. 2015	1 Jan. – 31 Dec. 2015
Product sales	30,077	28,059	119,477
Services	4,551	6,557	25,223
License income	3,420	2,859	10,351
Contract research and grants income	996	1,547	6,966
	39,044	39,022	162,017

In the first three month product sales includes OEM of DKK 3.4 million (DKK 2.9 million) and shipping and Handling of DKK 0.7 million (DKK 0.7 million).

Note 3: Segment information

Exiqon's Management has organized the reporting in two reportable operating segments: Exiqon Life Sciences and Exiqon Diagnostics. The Group divides its revenue into three geographies: North America, Europe and Rest of World. The split is based on the registered offices of the company's customers.

Management monitors the operating results of its business segments separately to decide the resource allocation and performance assessments. Segment performance is monitored on operating results (EBITDA/EBIT) as presented in the table below. Financial items and taxes are managed on a corporate level and not allocated to the operating segments.

(DKK'000)	Life Sciences	Diagnostics	Group eliminations	Other ¹⁾	Consolidated
Revenue:					
External customers	38,015	1,029	0	0	39,044
Internal customers	7,032		-7,032	0	0
Total revenue	45,047	1,029	-7,032	0	39,044
EBITDA	5,877	-3,427	0	0	2,450
Operating profit/(loss) (EBIT)	3,457	-3,696	0	0	-239
Net non-operating cost	0	0	0	-1,815	-1,815
Profit (loss) before tax	3,457	-3,696	0	-1,815	-2,054
Assets	58,458	54,070	0	40,626	153,154

1) The item 'Other' includes net non-operating items.

Geography

Revenue of the Exiqon Group is distributed on geographical segments as follows:

(DKK'000)	1 Jan. – 31 Mar. 2016	1 Jan. – 31 Mar. 2015	1 Jan. – 31 Dec. 2015
North America	14,238	14,250	61,626
Europe	16,974	19,694	81,051
Rest of World	7,832	5,078	19,340
	39,044	39,022	162,017

Note 4: Events after the reporting period

On 19 April 2016, QIAGEN N.V. submitted a conditional voluntary offer for all shares in Exiqon A/S at a price of DKK 18.00 per share.

Note 5: Special items

Special items comprise provisions for extraordinary first quarter costs of DKK 0.8 million related to the takeover offer submitted by QIAGEN N.V.

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