PRESS RELEASE
10 April 2008

BioInvent Interim Report
1 January – 31 March 2008

- **All study subjects have been dosed in the initial Phase I programme with product candidate TB-403 for treatment of cancer.**
- **Two drug interaction studies are ongoing and proceed as planned with the drug TB-402 for the prevention of blood clots. Results from these studies are expected to be available during the second quarter.**
- **The Phase I programme with product candidate BI-204 for treatment of atherosclerosis proceeds as planned.**
- **Entered into an agreement with Bayer HealthCare for research and development of antibody-based drugs.**
- **Net revenues for January - March 2008: SEK 16.2 million (118.0 including initial partial payment of SEK 105.5 for BI-204).**
- **Cash flow from current operations and investment activities for January - March 2008: SEK -59.2 million (85.7).**
- **Current investments together with cash and bank as of 31 March 2008: SEK 157.7 million (173.7).**
- **Loss after tax for January - March 2008 amounted to SEK -39.9 million (72.7) and the profit after tax per share was SEK -0.72 (1.54).**

BioInvent is a research-based pharmaceutical company that focuses on developing antibody drugs. The Company is currently running innovative drug projects within the areas of thrombosis, cancer, atherosclerosis and ophthalmic diseases.

Comments by the CEO

The first quarter of 2008 offered a host of significant events. We launched two new clinical trial programmes and reached an agreement for a significant research and development cooperation with a major international pharmaceutical company.

As planned, we initiated clinical trials of TB-403 for the treatment of cancer and of BI-204 for atherosclerosis, our collaborative project with Genentech. Both projects are making good progress, as is the one for the anticoagulant TB-402, where we are in the midst of preparations for the planned phase II trial. With respect to our new drug candidate, BI-505, for the treatment of diseases such as hematologic cancer, we are currently occupied with preliminary activities for the clinical studies.

In March we reached an important agreement with Bayer HealthCare for research and development of new antibody-based drugs. Under this agreement up to 14 projects could be developed, with the possibility that BioInvent could receive milestone payments and royalties for each new medication that is commercialized. In addition to the revenues that the agreement could provide, collaboration with Bayer HealthCare is further validation from a large international pharmaceutical group of the high standards of our technology.

Development projects

BioInvent is currently running three projects in the development phase. In the development phase the safety profile of the product candidate is tested in animal models, before testing safety and efficacy in clinical trials.

Thrombosis (TB-402)

TB-402 is a human antibody binding to Factor VIII. The antibody has shown a beneficial partial inhibition of Factor VIII, even when applied in excess dosage. This reduces the risk of an overdose resulting in undesirable bleedings. Extensive testing in several animal models has shown that TB-402 strongly reduces the risk of thrombosis without increasing the risk of bleeding. The project is carried out within the alliance with ThromboGenics NV.

Results of the completed Phase I trial show that TB-402 is both safe and well-tolerated. No serious adverse events related to TB-402 were reported. The pharmacokinetic analysis undertaken as part of the Phase I trial confirm a prolonged half-life of approximately three weeks, which will allow for single-dose treatment in orthopaedic surgery patients and/or a once-a-month administration for long-term stroke prevention in atrial fibrillation (AF), as opposed to daily treatment with current anticoagulants. The pharmacodynamic analysis confirms that TB-402 achieves only partial inhibition of Factor VIII activity without the undesired effect of total Factor VIII inactivation. A stable long-acting anticoagulant effect based on partial Factor VIII inhibition could also be shown.

Preparatory work for the Phase II trial is underway. As part of the development programme, drug interaction studies are performed in parallel with the preparatory work. One of the studies investigates if the effect of TB-402 can be reversed by giving the target protein (Factor VIII) that blocks TB-402. Another study investigates if the effect of TB-402 is affected if patients are given standard treatment for deep vein thrombosis. Results from these studies are expected to be available during the second quarter. The phase II programme is expected to start during the autumn 2008. This programme will evaluate safety and ability to prevent deep vein thrombosis in an orthopaedic surgery setting.

Atherosclerosis (BI-204)

The product candidate BI-204 targets oxidized forms of the LDL cholesterol (oxLDL). Links have been shown between oxidized forms of certain lipoproteins and the inflammatory processes that lead to plaque formation in the vessel walls. BI-204 has in preclinical studies reduced inflammatory processes and reduced plaque formation significantly. The results also show a considerable reduction in the size of existing plaques in animals treated with BI-204. Results supports that the mechanism behind BI-204 is a modulation of the inflammatory process resulting in a reduction of pro-inflammatory cells in treated plaques, which in turn leads to a reduction in new plaque formation and the regression of existing plaques. It is being developed as a drug for the secondary prevention of cardiac events, such as heart attack or stroke, in high-risk patients. BI-204 is developed in collaboration with Genentech, Inc.

In January 2008 BioInvent and its partner Genentech initiated a Phase I study in Denmark. The Phase I study is a double-blind, within-group randomised dose-escalation trial testing both single and multiple doses of BI-204 administered either intravenously or subcutaneously. In total, 80 healthy male or female subjects with elevated levels of LDL cholesterol are planned to be included in the trial.

In addition to monitoring the tolerability and safety of BI-204, the study will evaluate pharmacokinetic and pharmacodynamic parameters in order to help set the dosage of BI-204 administered to patients in future Phase II trials.

Cancer (TB-403)

The product candidate TB-403, aimed at the PlGF growth factor, has in preclinical studies demonstrated good specificity for the target protein PlGF and inhibition of PlGF-associated angiogenesis and tumour growth in animal models. TB-403 blocks the development of new blood vessels, thereby depriving growing cancer tumour cells of oxygen and nutriments. This approach in turn is thought to stop the tumour from growing and spreading to other parts of the body. The project is being developed within the framework of the alliance with ThromboGenics NV.

The PlGF growth factor is secreted by tumours and is specifically over expressed in cancer and chronic inflammatory conditions. It affects the formation of new vessels in tissue that is under stress. Unlike VEGF, which is targeted by the drug Avastin, PlGF does not seem to affect normal, physiological angiogenesis. This characteristic is important because it means that anti PlGF treatment can be expected to inhibit cancer tumour growth and the development of metastases, without affecting healthy tissues. This research has also shown that inhibition of PlGF does not induce resistance because it does not evoke an “angiogenic rescue” by the tumour, in contrast to current angiogenesis

inhibitors.

All study subjects have been dosed in the Phase I programme initiated in January. The trial is a double-blind and within-group randomised trial testing single-doses of TB-403 or placebo at three escalating levels in 16 healthy male subjects. The objective is to monitor tolerability and safety after three single escalating intravenous doses. Furthermore, pharmacokinetics will be determined with the objective to create the basis for a safe and efficient introduction of the compound in the subsequent repeat-dose trial.

The repeat-dose trial is expected to start during the third quarter 2008. The trial will be a study of tolerability, pharmacokinetics and pharmacodynamics in patients with advanced cancer.

Cancer (BI-505)

The drug candidate BI-505 is a human antibody that targets the adhesion protein ICAM-1 (also called CD54). In tumour cells the expression of ICAM-1 is elevated and it is therefore a candidate for being a suitable target protein for a therapeutic antibody. In addition to inducing apoptosis the antibody also provides important immuno-effector functions that help to kill tumour cells. BI-505 has in different animal models proved to be very effective at killing tumours and more effective than existing drugs.

BioInvent's intention is, in an initial stage, to treat patients with blood cancer, for example multiple myeloma, with BI-505. Within blood cancer there is a great need for new effective drugs to replace or supplement existing ones. The number of newly diagnosed patients with blood cancer is more than 200,000 per year. The possibility of treating ICAM-1 expressing solid tumours will also be examined further in additional preclinical trials.

BI-505 is in the preclinical development phase, the stage preceding clinical trials. We are currently scaling up production processes in order to be able to produce material for planned preclinical and clinical studies.

Research projects

BioInvent is running a number of projects in the research phase i.e. the stage prior to selection of a Candidate Drug. The company's research portfolio currently includes projects within the areas of cancer, inflammation and ophthalmic diseases. The research in the cancer field is aimed at additional product candidates that will impede undesirable vessel growth and thus the blood supply to tumours, as well as at apoptotic antibodies that kill tumour cells. BI-505 is one result of the apoptosis programme.

To strengthen the company's research activities in angiogenesis, BioInvent has taken over intellectual property from the research company AngioGenetics AB, located at Karolinska Institutet (KI). In connection with the takeover BioInvent set up a branch at KI to strengthen and expand collaboration with research groups at KI.

Revenues and result

Net revenues for the January – March period amounted to SEK 16.2 million (118.0). The discrepancy compared with the corresponding period the previous year refers to the first partial payment of SEK 105.5 million that was received from Genentech in January 2007. Excluding this partial payment, net revenues are up from SEK 12.5 million to SEK 16.2 million.

The Company's total costs for the January – March period amounted to SEK 58.0 million (47.3). Operating costs are divided between external costs of SEK 37.0 million (26.3), personnel costs of SEK 18.4 million (17.7) and depreciation of SEK 2.6 million (3.3). External costs relate mainly to toxicology studies, clinical studies, commissioned research and milestone payments. The increase in external costs is mainly attributable to milestone payments to the creators of the BI-204 target protein.

Research and development costs for January – March amounted to SEK 51.1 million (39.0). Depreciation according to plan reduced the operating result for the period by SEK 2.6 million (3.3), of which depreciation of intangible fixed assets amounts to SEK 1.4 million (1.9).

The loss after tax for January – March amounted to SEK -39.9 million (72.7). The difference compared with the corresponding period last year is mainly due to the cash payment received for BI-204. The net financial items, January – March, amounted to SEK 1.8 million (1.2). Earnings per share after tax, January – March, amounted to SEK -0.72 (1.54).

Financial position and cash flow

As of 31 March 2008, the Group's current investments together with cash and bank amounted to SEK 157.7 million (173.7). The cash flow from current operations and investment activities for January – March amounted to SEK -59.2 million (85.7). The cash payment received for BI-204 had a positive effect on cash flow compared with the same period last year. At the same time cash flow is lower because of the increase in working capital after a temporary reduction the preceding quarter due to settlements with partners and customers.

The shareholders' equity amounted to SEK 174.1 million (183.0) at the end of the period. The Company's share capital was SEK 27.8 million. The equity/assets ratio at the end of the period was 79.2 (77.7) per cent. Shareholders' equity per share amounted to SEK 3.13 SEK (3.88). The Group had no interest-bearing liabilities.

Investments

Investments in tangible fixed assets amounted to SEK 1.6 million (0.4). No investments were made in intangible fixed assets (-).

The parent company

Net revenues for January – March amounted to SEK 16.2 million (118.0). The loss after tax amounted to SEK -39.8 million (72.8). The cash flow from current operations and investment activities amounted to SEK -59.1 million (85.7). The Parent Company coincides in every material way with the Group.

Organisation

As of 31 March 2008, BioInvent had 95 (96) employees. 81 (81) of these work in research and development.

Risk factors

The Company's operations are associated with risks related to factors such as drug development, competition, collaboration with partners, technology development, patents, capital requirements, currency and interest rates. The aforementioned risks summarize the factors of significance for BioInvent and thus an investment in the BioInvent share.

Accounting principles

For the group's part this interim report is prepared according to IAS 34, Interim Financial Reporting, and the Annual Accounts Act and for the parent company's part according to the Annual Accounts Act.

Upcoming financial reports

BioInvent will present the following financial reports:

Interim reports	16 July, 16 October 2008
Financial statement for 2008	12 February 2009

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Any questions regarding this report will be answered by:

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The report is also available at www.bioinvent.com

Consolidated income statement in brief (SEK thousands)

	3 MONTHS 2008 Jan.-March	3 MONTHS 2007 Jan.-March	12 MONTHS 2007 Jan.-Dec.
Net revenues	16,184	117,966	143,437
Operating costs			
Research and development costs	-51,096	-38,984	-140,861
Sales and administrative costs	-6,940	-8,286	-28,715
Other operating revenues and costs	171	802	2,690
	-57,865	-46,468	-166,886
Operating profit/loss	**-41,681**	**71,498**	**-23,449**
Profit/loss from financial investments	1,779	1,228	7,356
Profit/loss after financial items	**-39,902**	**72,726**	**-16,093**
Tax	-	-	-
Profit/loss	**-39,902**	**72,726**	**-16,093**
Profit/loss pertaining to the parent company's shareholders	-39,902	72,726	-16,093
Earnings per share, average no. of shares, SEK			
Before dilution	-0.72	1.54	-0.31
After full dilution	**	1.54	**
Average no. of shares			
Before dilution (thousands)	55,661	47,161	51,175
After full dilution (thousands)	**	47,161	**

*The outstanding warrants lead to no dilution of earnings per share as a redemption to shares would lead to an improvement of earnings per share.
**At the end of the period there were no outstanding warrants.

Consolidated balance sheet in brief (SEK thousands)

	2008 31 March	2007 31 March	2007 31 Dec.
Assets			
Fixed assets			
Intangible fixed assets	11,100	16,983	12,532
Tangible fixed assets	14,567	15,246	14,182
Current assets			
Inventories etc.	3,881	3,333	3,825
Current receivables	32,608	26,300	23,611
Current investments	142,203	164,364	191,212
Cash and bank	15,481	9,348	25,639
Total assets	**219,840**	**235,574**	**271,001**
Shareholders' equity and liabilities			
Shareholders' equity	174,134	182,950	214,118
Current liabilities	45,706	52,624	56,883
Total shareholders' equity and liabilities	**219,840**	**235,574**	**271,001**

Change in shareholders' equity for the Group (SEK thousands)

	2008 Jan.-March	2007 Jan.-March	2007 Jan.-Dec.
Opening balance	**214,118**	**110,152**	**110,152**
Changes in reserve, actual value	-82	72	-63
Profit/loss for the period	-39,902	72,726	-16,093
Warrant premiums			99
Directed new share issue			120,023
Closing balance	**174,134**	**182,950**	**214,118**
Shareholders' equity pertaining to the parent company's shareholders	174,134	182,950	214,118

The share capital as of 31 March 2008 consists of 55,660,889 shares and the share's ratio value is 0.5. The directed new share issue carried out in July 2007, raised SEK 120,023 thousands after issue expenses, which amounted to SEK 5,352 thousands.

Consolidated cash-flow statement in brief (SEK thousands)

	2008 Jan.-March	2007 Jan.-March	2007 Jan.-Dec.
Current operations			
Operating profit/loss	-41,681	71,498	-23,449
Depreciation	2,629	3,332	12,312
Interest received and paid	2,564	800	6,012
Cash flow from current operations before changes in working capital	**-36,488**	**75,630**	**-5,125**
Changes in working capital	-21,097	10,514	17,752
Cash flow from current operations	**-57,585**	**86,144**	**12,627**
Investment activities			
Acquisition of tangible fixed assets	-1,582	-443	-3,909
Cash flow from investment activities	**-1,582**	**-443**	**-3,909**
Cash flow from current operations and investment activities	**-59,167**	**85,701**	**8,718**
Financing activities			
Directed new share issue	-	-	120,023
Warrant premiums	-	-	99
Cash flow from financing activities	**-**	**-**	**120,122**
Changes in current investments**	**12,162**	**1,016**	**-134,408**
Change in liquid funds	**-47,005**	**86,717**	**-5,568**
Opening liquid funds	62,486	68,054	68,054
Liquid funds at end of period	**15,481**	**154,771**	**62,486**
Liquid funds, specification:			
Current investments that constitute liquid funds*	-	145,423	36,847
Cash and bank	15,481	9,348	25,639
	15,481	**154,771**	**62,486**
Current investments**	142,203	18,941	154,365
	157,684	**173,712**	**216,851**

*duration less than 3 months
**duration more than 3 months

Key financial ratios

	2008 31 March	2007 31 March	2007 31 Dec.
Shareholders' equity per share at end of period, SEK			
Before dilution	3.13	3.88	3.85
After full dilution	*	3.88	*
Number of shares at end of period			
Before dilution (thousands)	55,661	47,161	55,661
After full dilution (thousands)	*	47 161	*
Equity/assets ratio, %	79.2	77.7	79.0
Number of employees at end of period	95	96	94

*At the end of the period there were no outstanding warrants.

Lund, 10 April 2008, Svein Mathisen, President and CEO

Review report

Introduction
We have reviewed this interim report for the period 1 January 2008 – 31 March 2008. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review
We conducted our review in accordance with the Standard on Review Engagements SÖG 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Federation of Authorized Public Accountants "FAR". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the group's part according to IAS 34 and the Annual Accounts Act and for the parent company's part according to the Annual Accounts Act.

Lund, 10 April 2008, ERNST & YOUNG AB, Åke Stenmo, Authorised Public Accountant

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Information disclosed in this press release is provided herein pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 8.30 a.m. CET, on 10 April, 2008.