

# Q1 Results 2013

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Stockholm, 26 April 2013

# Highlights Q1 2013

## Business

- Received FDA approval of Kineret® for the treatment of NOMID.
- Received EMA approval to manufacture Kineret drug substance with partner Boehringer Ingelheim.
- Creation of key partnerships which further strengthen the partner network across the portfolio.

## Financial

- Total revenues: MSEK 529 (507)
- Product revenues: MSEK 345 (366)
  - Stocking effect in US Q1 2012
  - Adjusted product revenues +4 percent
- Gross margin: 57 percent (51)
- Milestone of MUSD 55 paid to Amgen
- Successfully placed MSEK 200 under existing bond loan

# Pipeline Update

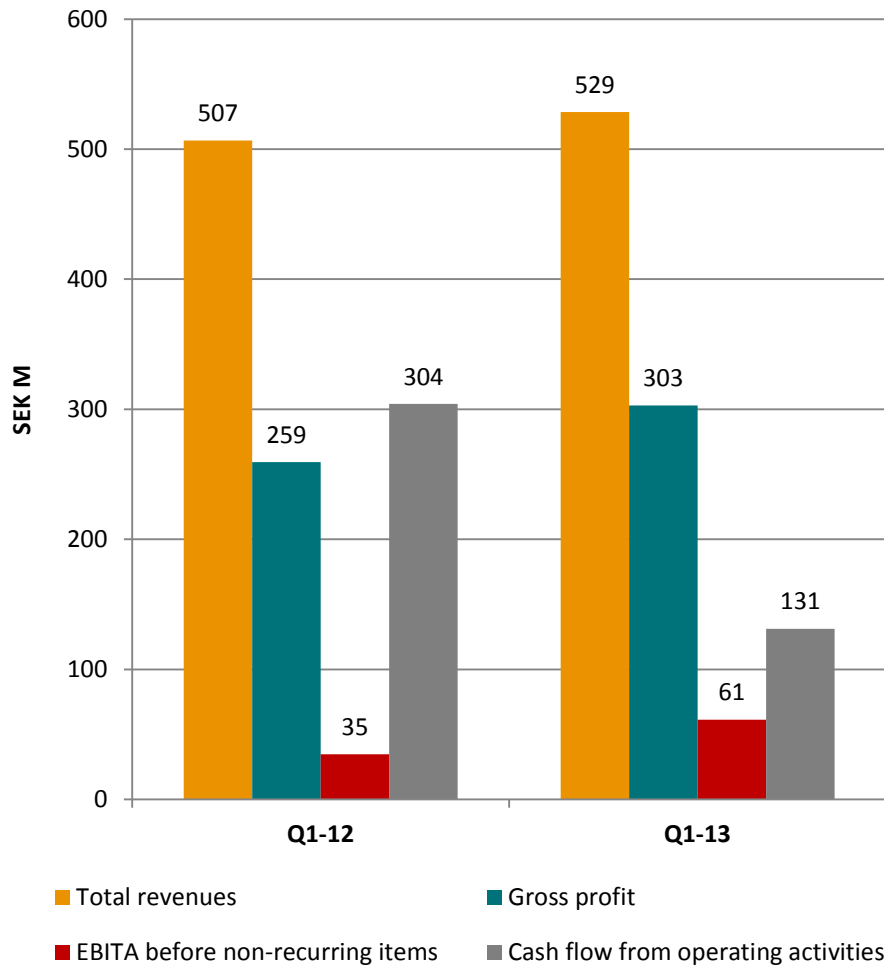


- Presented new phase 3 Haemophilia data, reinforcing long-lasting protection from bleeding for patients.
- rFVIII Fc filed by Biogen with FDA.
- Enrolment in Kids A-LONG and Kids B-LONG on-going.



- Plan to release top line data from pivotal phase 3 study (LAIF) of Kiobrina in Q1 2014.
- Finalized the elements of a protocol for a phase 3 clinical study to support US filing for Kiobrina, to begin Q1 2014.

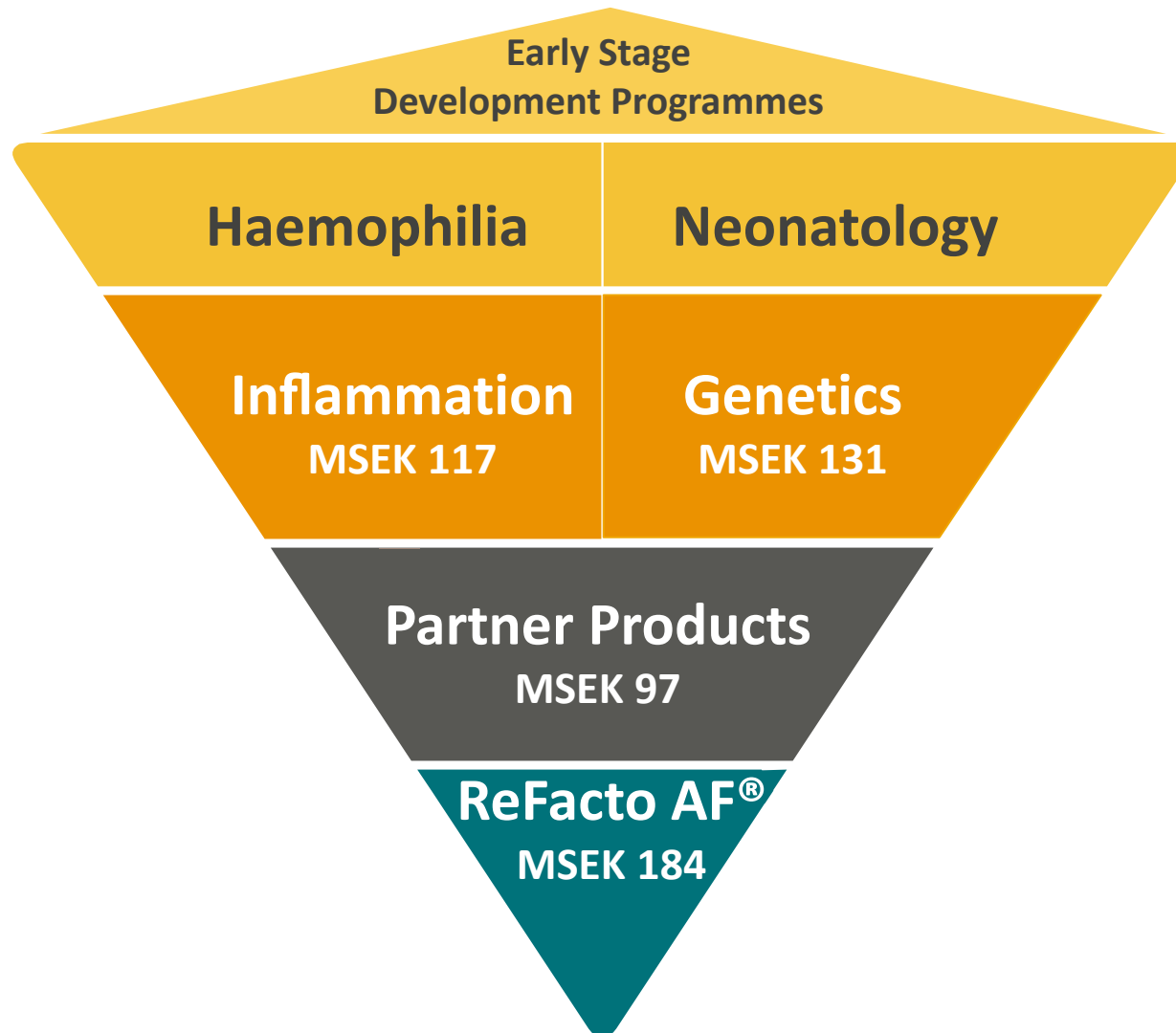
# Consolidated Results

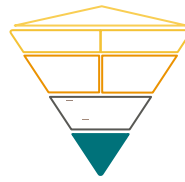


## Financial Highlights

- Total Revenues: MSEK 529 (507)
- Gross Margin: 57% (51)
- EBITA before non-recurring items: MSEK 61 (35)
- Cash Flow from operating activities: MSEK 131 (304)
- Ending cash balance MSEK 401
- Outlook for 2013 unchanged

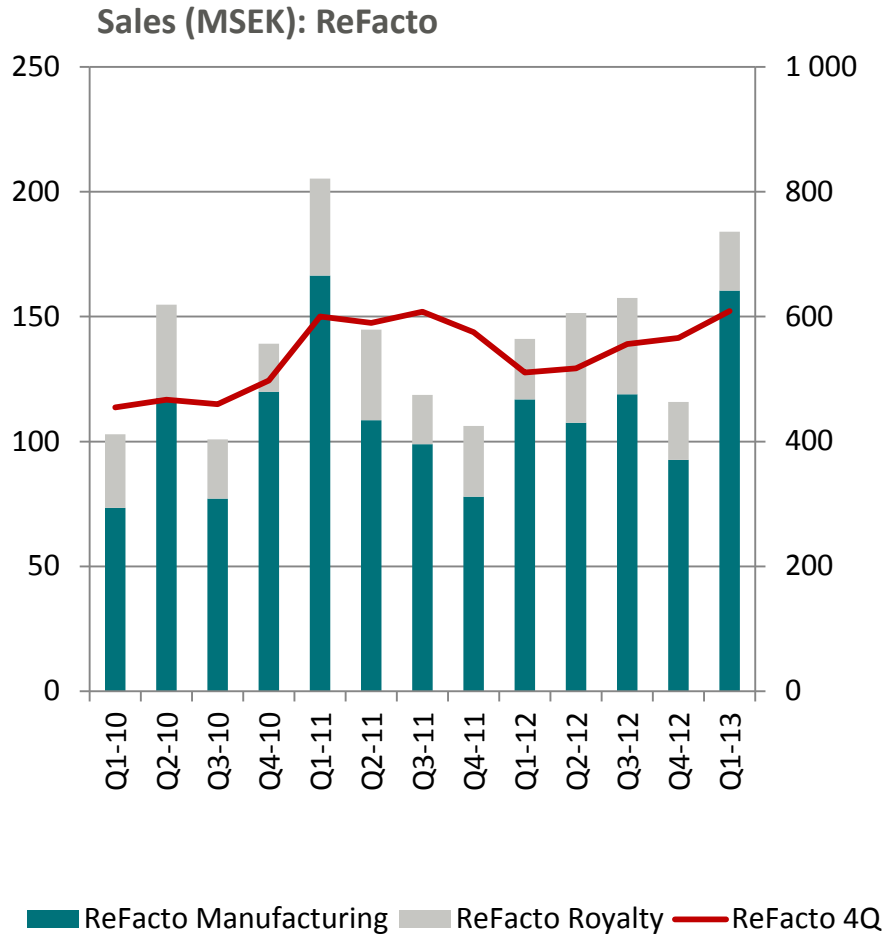
# Revenues by Business Line Q1 2013





# Revenues from ReFacto®

- Revenues for manufacturing & royalty was MSEK 184 (141)
- Manufacturing revenue was MSEK 160 (117)
  - Concentration of deliveries in Q1
  - Q2 expected to be lower
- Royalty revenue was MSEK 24 (24)

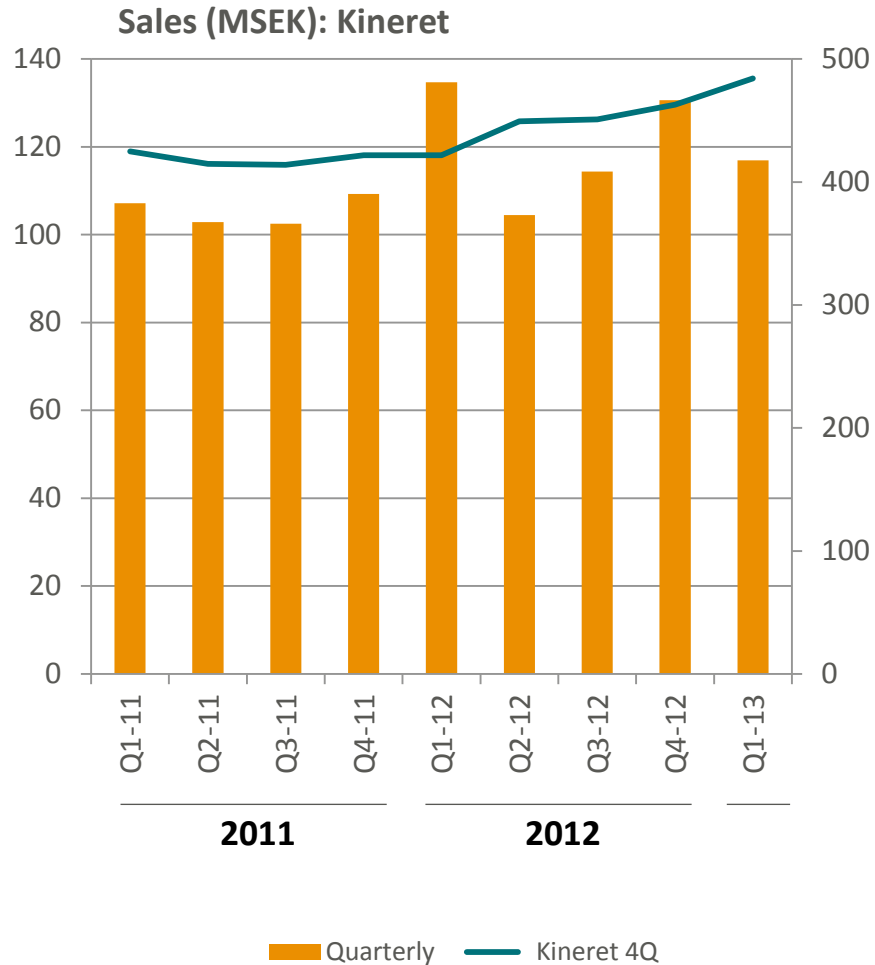
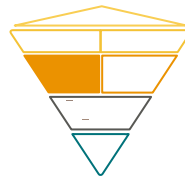


# Results Q1 2013

Alan Raffensperger (COO)

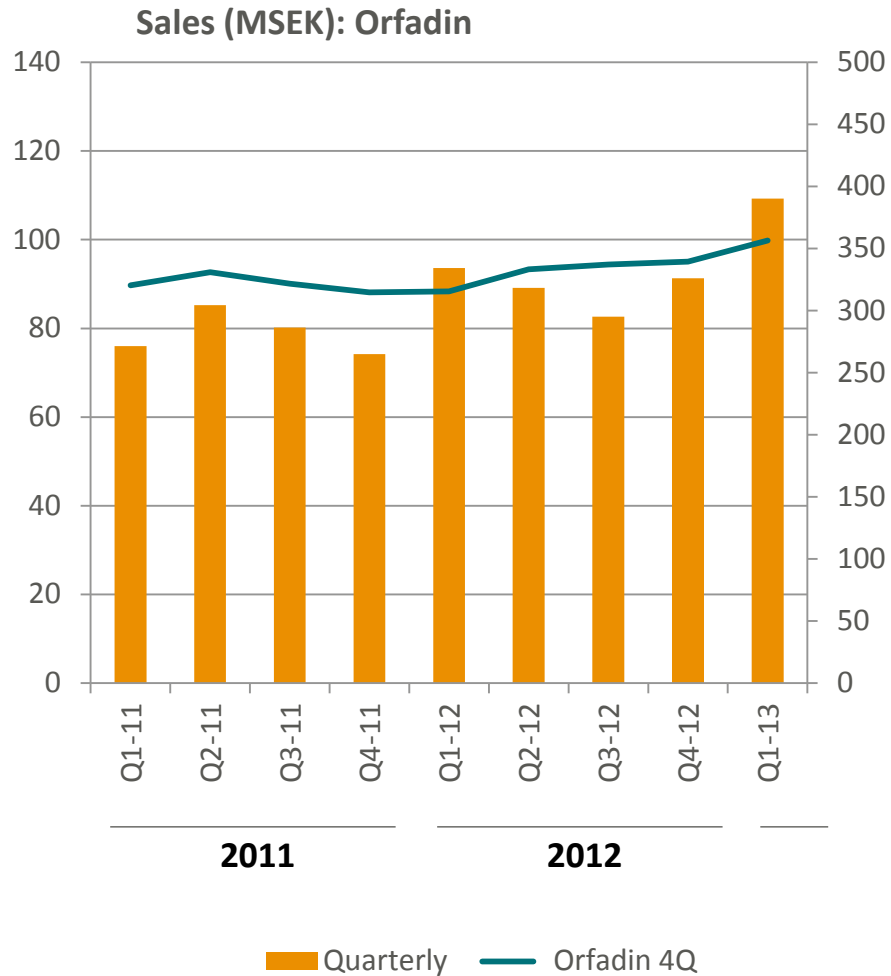
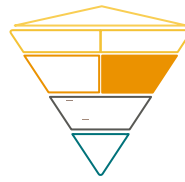


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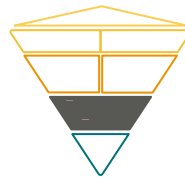


- Revenue for Kineret was SEK 117M (135)
- Q1 2012 included stock building by US wholesalers of MSEK 20
- 7% growth adjusted for stock building and currency effects
- US collaboration with Savient implemented April



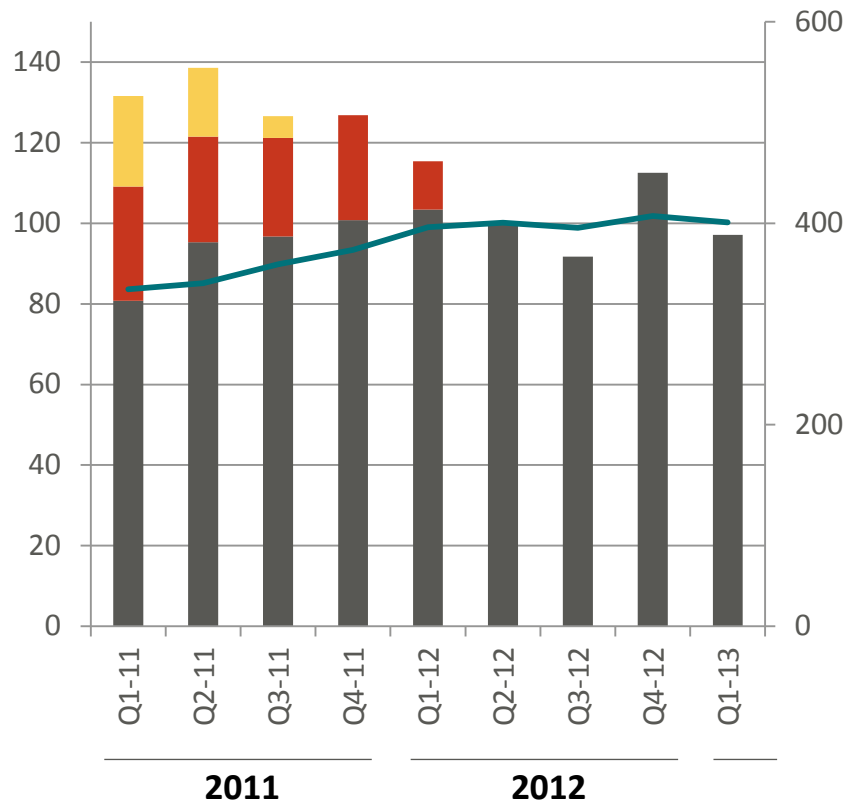


- Revenue for Orfadin was MSEK 109 (94)
- Growth driven by Middle East, North Africa and Turkey
  - Increased commercial focus in area
  - Q1 revenue high due to phasing



# Partner Products

Sales (MSEK): Partner Products



- Revenue for Partner Products was MSEK 97 (115)
  - Q1 2012 included stock building by US wholesalers of MSEK 3
- Foundation in place for future growth
- Valeant and Exelixis implementation underway

# Results Q1 2013

Annika Muskantor (Interim CFO)



Stockholm, 26 April, 2013

# Income Statement

MSEK	Q1-13	Q1-12	Change
<b>Total revenues</b>	<b>529</b>	<b>507</b>	<b>4%</b>
<b>Gross profit</b>	<b>303</b>	<b>259</b>	<b>17%</b>
<i>Gross Margin</i>	<i>57%</i>	<i>51%</i>	
OPEX	-243	-225	
Other operating revenues/expenses	2	0	
<b>Adjusted EBITA</b>	<b>61</b>	<b>35</b>	<b>76%</b>
Non-recurring revenues <sup>1)</sup>	-	308	
Non-recurring expenses	-	-34	
<b>EBITA</b>	<b>61</b>	<b>308</b>	<b>-80%</b>
Amortizations and write-downs	-65	-66	
<b>EBIT</b>	<b>-3</b>	<b>243</b>	<b>&lt;-100%</b>
Financial income/expenses	-36	-13	
Income tax expense	27	-75	
<b>Profit/loss for the period</b>	<b>-12</b>	<b>155</b>	<b>&lt;-100%</b>

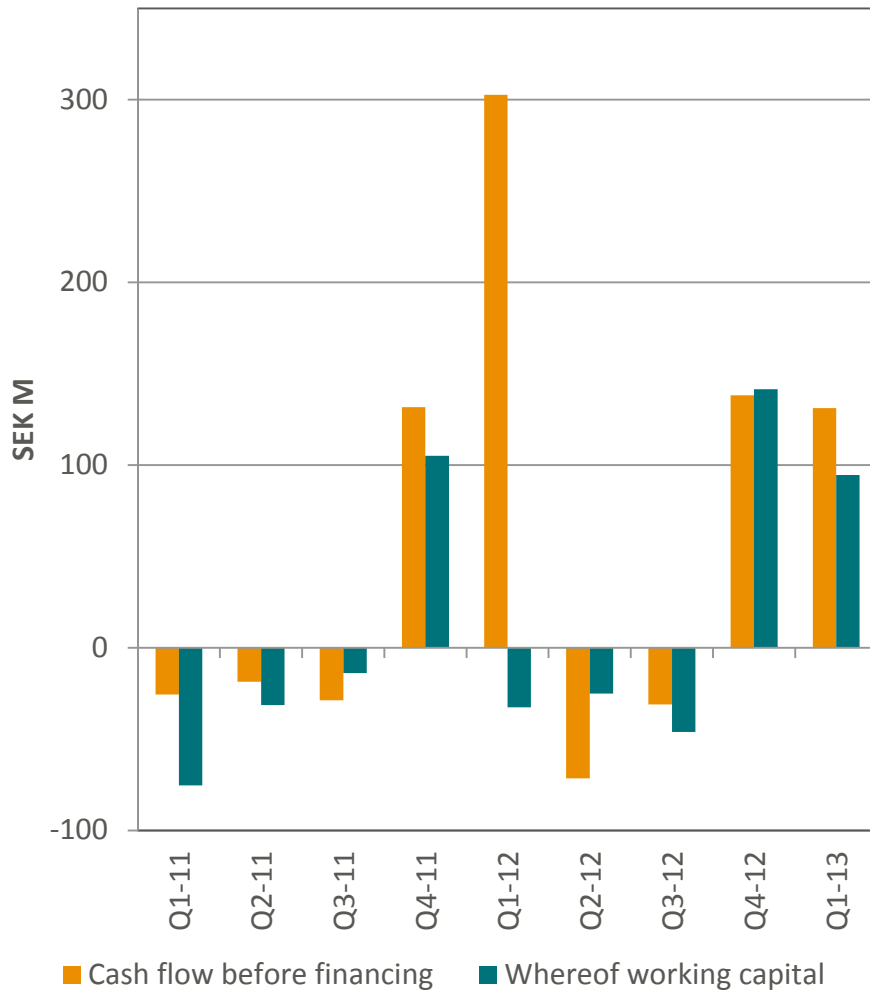
<sup>1)</sup> Previously reported as part of Other operating revenues/expenses

# Balance Sheet

MSEK	Q1-13	Q4-12
<b>ASSETS</b>		
Intangible	4 834	4 533
Tangible and financial	126	130
<b>Total non-current assets</b>	<b>4 960</b>	<b>4 663</b>
Inventories	681	700
Other Receivable	525	498
Cash and equivalent	401	457
<b>Total current assets</b>	<b>1 608</b>	<b>1 655</b>
<b>Total Asset</b>	<b>6 568</b>	<b>6 318</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>4 840</b>	<b>4 838</b>
Long term debt	800	600
Long term liabilities <sup>1)</sup>	313	372
Short term liabilities	615	509
<b>Total liabilities</b>	<b>1 728</b>	<b>1 480</b>
<b>Total equity and liabilities</b>	<b>6 568</b>	<b>6 318</b>

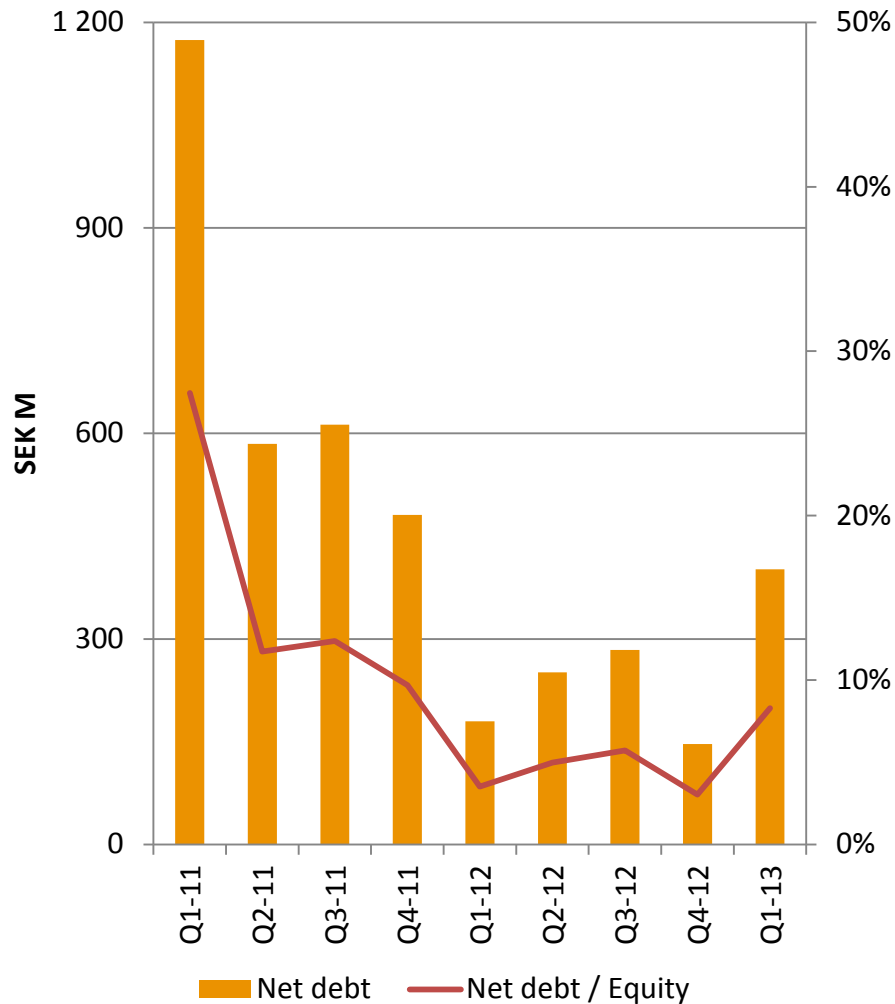
<sup>1)</sup> Including non-interest bearing

# Cash Flow



- Ended the quarter with MSEK 401 in cash
- MSEK 131 cash flow from operations
  - MSEK 95 change in working capital
    - Reduction of inventory
    - Increase in operating payables
    - Increase in operating receivables
- MSEK 366 paid to Amgen mid-quarter
- MSEK 200 proceeds from bond tap

# Net Debt



- Ended the quarter with MSEK 401 in cash
- MSEK 366 paid to Amgen mid-quarter
- MSEK 200 proceeds from bond tap

# Outlook 2013 Unchanged

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## Revenues

Total revenues are expected to be in the range of MSEK 2,000 to 2,200

- Key Therapeutic Areas – high single-digit growth
- Partner Products – growth by 30 percent
- ReFacto manufacturing and royalty – single-digit growth

## Gross Margin

Approximately 57-59 percent

*The outlook was first published in the Q4 report on 21 February 2013.*



# Summary

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1. Diversified commercial portfolio focused on **improving cash flow and profitability**
2. Working to efficiently commercialize **our proprietary innovative medicines** for rare disease patients globally
3. Business model oriented to **building value through partnerships** from global early stage biologics development to late stage specialty distribution in Europe

