

PRESS RELEASE

Stockholm March 29, 2011



Swedish Orphan Biovitrum announces a fully guaranteed rights issue of approximately SEK 600 million

- The Board of Directors of Swedish Orphan Biovitrum AB (“Sobi” or the “Company”) has resolved on a rights issue of approximately SEK 600 million, with preferential rights for the Company’s shareholders (the “Rights Issue”).
- Investor AB and Bo Jesper Hansen (Sobi’s chairman), have undertaken to subscribe for their respective pro rata share of the Rights Issue and the remaining amount is underwritten by Carnegie and Handelsbanken. In addition, CEO Kennet Rooth also intends to subscribe for his pro rata share.
- The Rights Issue is subject to approval by the Annual General Meeting on April 28, 2011.
- The subscription price and offer ratio are expected to be announced on April 27, 2011.
- Trading in subscription rights is expected to occur from May 11 until May 23, 2011.
- The subscription period is expected to run from May 11 until May 26, 2011.

Background and reasons

The proceeds from the Rights Issue are expected to improve Sobi’s capacity to implement its strategy and reach its financial goals by taking advantage of commercial opportunities including:

- Expansion of the product portfolio through additional in-licensing, distribution agreements and product acquisitions.
- Commercialization of new products.
- Continued geographical expansion through extension of the marketing organization and through cooperation with external partners.

Following the merger of Biovitrum AB and Swedish Orphan International AB, which was concluded in January 2010, the companies have been successfully integrated. A number of measures have been implemented within the framework of Sobi’s strategy. The number of product launches has increased and five new partnership agreements have been signed. In 2010 a decision was taken to advance the three most important clinical projects into phase III. Also, the marketing organization has been expanded in both Europe and the US. The Board of Directors and certain management functions have been reinforced. In addition, the resources available for business development have been increased significantly at the same time as streamlining within central functions, pre-clinical research and production is continuing.

As previously communicated, net sales and profits in 2010 was weaker than expected. Net sales were negatively affected by the strengthening of the Swedish krona against the US dollar and the euro, mandatory price reductions on pharmaceuticals as a result of budget problems in many European countries, and delays in decisions from authorities regarding product registrations and reimbursements. In addition, an increase in the capital tied up had a negative effect on cash flow. The increase in capital tied up mainly relates to a temporary build-up of stocks of Kineret as production is being transferred from the US to Europe. Kineret sales have developed well and the anticipated continued sales growth is expected to trigger a milestone payment of USD 55 million (approximately SEK 350 million) to Amgen in the latter part of 2012.

Following the Rights Issue, the Company's net debt will decrease by approximately SEK 600 million. As per December 31, 2010, the Company's net debt amounted to SEK 1 147 million. The Company has a credit limit of SEK 1.2 billion.

The Rights Issue

The Board of Directors has resolved, subject to approval by the Annual General Meeting, to raise approximately SEK 600 million, through an issue of common shares, with preferential right for the Company's shareholders, in relation to the number of shares they hold on the record day. In the event that all shares are not subscribed for with preferential rights, shareholders and others will have the opportunity to subscribe for the remaining shares without preferential rights.

The final terms of the Rights Issue, including the subscription price, maximum increase of the share capital and the number of shares to be issued, will be resolved by the Board of Directors and announced on or about April 27, 2011. The Annual General Meeting will be held on April 28, 2011.

The record date for participation in the Rights Issue will be May 5, 2011 and the subscription period is expected to run from May 11 up to and including May 26, 2011.

Allotment of shares subscribed for without the exercise of subscription rights, will firstly be allotted to those that also have subscribed for shares by exercising of subscription rights (in case of oversubscription, in proportion to the number of subscription rights used for subscription of shares), secondly, to others that have applied for subscription of shares without exercising subscription rights (in case of oversubscription, in proportion to the number of shares that each has applied to subscribe for without exercising subscription rights), and thirdly to the guarantors in proportion to their respective underwriting commitments.

Subscription undertakings and underwriting commitments

The Company's main shareholder Investor AB, holding 40.6 per cent of ordinary shares and Bo Jesper Hansen, holding 3.4 per cent of ordinary shares have undertaken to subscribe for their respective pro rata shares of the Rights Issue.

The remainder of the Rights Issue of i.e. 56.1 per cent is, subject to customary terms and conditions, underwritten by Carnegie Investment Bank AB (publ) and Svenska Handelsbanken AB (publ). In addition, CEO Kennet Rooth also intends to subscribe for his pro rata share.

Indicative timetable for the Rights Issue

April 27, 2011	The terms of the Rights Issue are announced
April 28, 2011	Annual General Meeting of shareholders to approve the Rights Issue resolved by the Board of Directors
May 3, 2011	First day of trading the Sobi share excluding subscription right
May 5, 2011	Estimated date of publication of the prospectus
May 5, 2011	Record date for participation in the Rights Issue, i.e. shareholders registered in the share register of Sobi as of this date will receive subscription rights for participation in the Rights Issue
May 11–May 23, 2011	Trading in subscription rights
May 11–May 26, 2011	Subscription period
About June 1, 2011	Announcement of preliminary outcome

Financial and legal advisors

Carnegie Investment Bank and Handelsbanken Capital Markets are Joint Lead Managers and Joint Bookrunners in the Rights Issue. Mannheimer Swartling is acting as legal advisor to Sobi, and Linklaters is acting as legal advisor to the Joint Lead Managers.

Telephone conference

A telephone conference will be held today with CEO Kennet Rooth at 10.00 a.m. CET. To participate in the telephone conference, please call:

SE: +46 (0)8 505 598 53

UK: +44 (0) 20 3043 2436

To follow the telephone conference via Internet, directly or afterwards, please follow the link on the web site www.sobi.com

Change of reporting date

As a result of the rights issue, the report for the first quarter 2011 will be published on April 20 instead of April 28 as previously stated.

For additional information, please contact

Kennet Rooth, CEO

Telephone: +46 8-697 20 00

The above information has been made public in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public distribution on March 29, 2011 at 8.30 a.m. CET.

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