Interim Report January - March 2011

Stockholm, April 20, 2011

Good volume growth and a 10% increase in revenues despite negative currency effects and full impact of earlier price reductions

Kennet Rooth, CEO: "We had a good volume growth for ReFacto® during the quarter as well as for most of our other important products, particularly Kineret® in the US and in several European markets, and Orfadin® in North America. Both revenues and profits were negatively affected by currency effects, and the mandatory price reductions in 2010 have now had full impact. This year we have not seen the same delays in reimbursements as in 2010 and there have been no new price reduction requirements.

We are continuing to work on strengthening our company long-term. At the end of March we announced a number of cost reduction measures. At the same time we are increasing our focus on business development. The ongoing clinical development projects are continuing according to plan. Recruitment of patients for phase III studies for both of the hemophilia programs is under way. We expect the first patients for the phase III study of Kiobrina® to be recruited in the second quarter.

- Net revenues increased by 10% to SEK 537.4 M (488.1). After adjustment for currency effects, the increase was 17%.
- Gross margin was negatively affected by a lower production margin for ReFacto®, costs for transfer of Kineret® production, currency effects and by the 2010 price reductions having full impact.
- Administrative and R&D expenses declined by 23% from the previous year.
- Operating income (EBITA) before non-recurring items improved by 8% to SEK 59.7 M (55.1). Non-recurring items amounted to SEK 70 M (47) and refer to previously announced cost-reduction measures.
- The Board has resolved, subject to approval by the AGM, on a rights issue of approximately SEK 600 M with preferential rights for the company's shareholders.

	Jan 1 - Mar 31			Full year
Belopp i miljoner kronor	**2011**	**2010**	**Change**	**2010**
Total revenues	537.4	488.1	10%	1,906.7
Gross profit	283.9	313.1	-9%	1,221.0
Operating profit before amortizations and non-recurring items (EBITA)	59.7	55.1	8%	371.9
Operating profit before non recurring items (EBIT)	6.3	3.6	76%	77.5
Profit/loss	-68.9	-52.4	-32%	-104.4
Earnings/loss per share, SEK	-0.32	-0.33		-0.53
Core Eearnings per share[1)], SEK	0.19	0.31		1.26

[1] *Calculated as net profit for the period adjusted for amortization of intangible assets, acquired technology and licensing agreements based on the average number of shares.*

Revenues and profit

The total revenues for the first quarter of 2011 increased by 10% to SEK 537.4 M (488.1). Most of the increase is due to higher manufacturing revenues for ReFacto® and a smaller portion to an increase in product sales volumes. The stronger Swedish krona compared to the previous year had a negative impact of approximately SEK 35 M. The 2010 figures include sales revenues of approximately SEK 12 M for the products Tracleer® and Mimpara,® which are no longer part of the product portfolio, and a milestone payment of SEK 23.5 M.

The gross margin declined to 52.8% from 64.1% the previous year. The decline refers mainly to manufacturing and is partly due to the cost for transfer of Kineret® production from the US to Europe, and partly to lower average ReFacto revenues, as the volume-based price and deliveries of validation batches at a lower price, resulted in a lower margin. The gross margin was also negatively affected by currency effects and the fact that the mandatory price reductions in the second half of 2010, mainly in Europe, have now had full impact. The gross margin for the previous year was positively affected by the milestone payment mentioned above.

Operating expenses, excluding amortization and non-recurring items, decreased by 13%. The decline is mainly due to lower R&D expenses, but administrative expenses were also reduced. Sales and marketing expenses, on the other hand, were somewhat higher than the previous year as a result of the efforts being made to strengthen the marketing organization.

The operating profit before amortization of product rights and non-recurring items (EBITA) increased by 8% to SEK 59.7 M (55.1). Amortization of intangible assets amounted to SEK 53.4 M (51.5). The reported operating profit (EBIT) before non-recurring items was SEK 6.3 M (3.6).

Non-recurring items
On March 29, 2011 the Board of Directors decided on a number of measures to reduce the company's costs. The measures were expected to involve cutting around 70 positions, most of which are in preclinical research and manufacturing. Due to Pfizer's subsequent increased ReFacto® orders for 2011 and the higher production volume this will involve, around 10-15 of these positions will now be retained. The cost savings, which are expected to have full effect as of 2012, are thus expected to amount to approximately SEK 90 M annually instead of approximately SEK 100 M as previously communicated.

The operating profit for the first quarter was charged with a provision of approximately SEK 70 M for severance pay and other costs relating to these measures. Non-recurring items the previous year amounted to SEK 47 M and consisted mainly of severance pay and other expenses in connection with the merger of Biovitrum and Swedish Orphan International.

Financial items and tax

Net financial items for the first quarter amounted to SEK -18.1 M (-5.3). The decline is mainly due to an increase in net debt relating to the acquisition of Swedish Orphan the previous year.

Sobi has accumulated loss carry-forwards that have not been reported as an asset. The company's tax rate therefore deviates from the Swedish tax rate. The actual current tax expense for the quarter was SEK 0.9 M and deferred tax amounted to SEK 13.8 M, providing a positive net effect on the results of SEK 12.9 M (-3.7).

Income for the period was a net loss of SEK -68.9 M (-52.4), corresponding to SEK -0.32 (-0.33) per share.

Outlook for 2011

Uncertainty remains about the recovery in the global economy and currencies, as well as how budget problems in many European countries will affect the pharmaceutical market. Nevertheless, the assessment is that Sobi will achieve good growth in volume, mainly through a number of product launches, which together with an increase in orders received from Pfizer means that revenues for the full year 2011 are expected to increase by 1-5%.

Gross margin for the full year is expected to be lower than last year, mainly due to the transfer of production of Kineret® as well as negative exchange rate effects. R&D costs will rise as the phase III study for Kiobrina® begins, though this increase will be offset by the recently announced cost savings and the full effect of the synergies from the merger with Swedish Orphan.

Revenue development by key product

	Jan 1 - Mar 31			Full year
Amounts in SEK million	**2011**	**2010**	**Change**	**2010**
ReFacto	231.7	127.5	82%	587.1
of which Manufacturing revenues	166.4	73.4	127%	388.0
of which Co-promotion	26.4	24.6	7%	89.4
of which Royalty	38.9	29.5	32%	109.7
Kineret	107.2	104.6	2%	422.3
Orfadin	76.0	83.1	-8%	321.8
Kepivance	19.2	28.9	-34%	94.8
Ammonaps	15.8	18.9	-16%	69.1
Yondelis	8.1	9.0	-10%	40.6
Willfact	2.2	1.8	22%	13.1
Other product revenues	76.9	79.2	-3%	305.7
Total revenues continued products	*537.2*	*453.1*	*19%*	*1,854.5*
Discontinued products	-	11.5	-100%	28.6
Other revenues	0.1	23.5	-99%	23.6
Total revenues	*537.4*	*488.1*	*10%*	*1,906.7*

Product revenue development by region (excluding ReFacto manufacturing and royalty revenues)

	Jan 1 - Mar 31		Full year
Amounts in SEK million	**2011**	**2010**	**2010**
Nordic	108.5	120.3	450.4
Europe	128.0	149.6	551.3
North America	86.0	74.8	340.2
RoW	9.6	17.0	43.5
Total revenues	*332.0*	*361.6*	*1,385.4*

Sales in the Nordic countries were negatively affected by discontinued products (Tracleer, Mimpara and ViperaTab)as well as by currency effects in markets outside Sweden.

ReFacto®

Total ReFacto® revenues increased during the quarter by SEK 104 M or 82% to SEK 231.7 M (127.5). The increase is mainly due to higher deliveries resulting in an increase in manufacturing revenues by SEK 93 M or 127% to SEK 166.4 M (73.4). Co-promotion revenues from sales in the Nordic region increased by 7% to SEK 26.4 M (24.6) and royalty revenues from global sales increased by 32% to SEK 38.9 M (29.5).

Kineret®

Global sales rose by 2% to SEK 107.2 M (104.6). After adjustment for currency effects, the increase was 13%. Most of the sales increase relates to North America. There was also positive development in Europe with higher volumes in several markets, including Germany, the Nordic region and the UK, while volumes declined in Spain, Greece and the Netherlands.

Orfadin®

Sales declined during the quarter by 8% to SEK 76.0 M (83,1), but increased by 2% after adjustment for currency effects. Orfadin® also had strong volume growth in North America, while the trend in Europe was weak. Volumes normally vary from quarter to quarter, however.

Other products

Sales of Kepivance® fell by 34% to SEK 19.2 M (28.9), and by 26% after adjustment for currency effects. The reduction relates to Europe where the regulatory authority, the EMA, decided in 2010 to impose a restriction on the approved indication. The product showed sustained volume growth in the US.

Sales of Yondelis® declined by 10% to SEK 8.1 M (9.0). After adjustment for currency effects, sales were unchanged from the previous year. The sales development in the quarter does not, however, reflect market up-take. At the end of 2010 Yondelis® received price approvals in several countries and wholesalers and hospitals filled their stocks. Use of Yondelis® has subsequently increased by about 10% a month, which represents a strong growth in volume compared to the first quarter the previous year.

Sales of Ammonaps® declined by 16% to SEK 15.8 M (18.9), and by 7% after adjustment for currency effects. Sales were negatively affected by manufacturing problems at our partner's plant in the US and deliveries did not materialize in several markets within Sobi's geographical territory.

Free cash flow and investments

Cash flow from operations in the first quarter amounted to SEK 53.4 M (61.5). Non-cash items amounted to SEK 122.3 M and were mainly attributable to amortization of intangible assets and a provision for severance pay and other expenses in connection with the measures that were announced during the quarter.

Working capital increased by SEK 75.3 M (74.1). A reduction in stocks, mainly of Kineret® and ReFacto®, was offset by increased accounts receivable as a consequence of higher revenues for ReFacto®. In addition, accounts payable declined as the last payments were made related to the build-up of stock of Kineret®.

Net investments amounted to SEK 3.6 M (1,722.6). Net investments for the previous year include the acquisition of Swedish Orphan.

Financial position

Cash and cash equivalents and short-term investments as of March 31 amounted to SEK 37.7 M (349.1). The company's financing through bank loans as of March 31 amounted to SEK 1,211.6 M (1,140.9).

Equity

Consolidated shareholders' equity as of March 31 amounted to SEK 4,274.4 M compared to SEK 4,342.4 M as of December 31, 2010. The reduction is mainly due to the negative income for the quarter.

Rights issue

The Board of Directors has resolved to raise approximately SEK 600 million through an issue of common shares with preferential rights for the company's shareholders in relation to the number of shares they hold on the record day which is May 5, 2011. The rights issue is subject to approval by the Annual General Meeting on April 28, 2011.

The aim is to improve Sobi's capacity to take advantage of commercial opportunities through additional licensing or distribution agreements, product acquisitions, commercialization of new products as well as geographical expansion.

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, i.e. 56.0% 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.

Research and development

The rFIXFc and rFVIIIFc hemophilia projects, which are being run in cooperation with Biogen Idec, are progressing according to plan as is recruitment of patients for both studies. Both studies will be finalized during 2012.

As previously announced, Kiobrina® received a positive opinion from the EMA's Paediatric Committee (PDCO) for its Pediatric Investigational Plan. Preparations for the phase III study are under way and the first patient is expected to be treated in the second quarter of 2011. The clinical study for Nascobal® to meet the criteria for registration in Europe is continuing according to plan.

Development pipeline

Indication	Product/Project	Partner	Phase I	Phase II	Phase III	Reg phase
Hemophilia A	rFVIIIFc	BiogenIdec				
Hemophilia B	rFIXFc	BiogenIdec				
Prevent growth retardation in premature infants	Kiobrina®					
CAPS	Kineret®					
Pernicious anemia	Nascobal®	Strativa				

Key dates

Activity	Expected timing
Kiobrina® (prevent growth retardation): start dosing phase III	Q2 2011
Nascobal® (pernicious anemia): European registration application	H2 2011
rFIXFc (hemophilia B): report phase III data	2012
rFVIIIFc (hemophilia A): report phase III data	2012

Business Development

In January 2011 Sobi signed a distribution agreement with the South Korean company BL&H Co. Ltd for Sobi's products Orfadin® and Kepivance®. Under the agreement, BL&H will be responsible for registration and distribution of the products in South Korea. Since the South Korean drug administration's registration process is adapted for products already approved by the FDA or the EMA, registration is expected to be complete about one year after submission of the application. Sales on a named patient basis will be initiated during 2011.

In January 2011 Sobi signed a distribution agreement with the German company Fresenius Biotech Gmbh under which Sobi will distribute Removab® in about fifteen European countries over a period of seven years. Removab® was granted marketing authorization by the European Commission in April 2009 for the treatment of malignant ascites associated with cancer.

Personnel

The recruitment of a new CEO is ongoing and is in an final stage.

As of March 31, 2011 Sobi had 518 employees (543).

Annual General Meeting and dividend proposal

The Annual General Meeting of Swedish Orphan Biovitrum AB will be held at 4 p.m. on Thursday, April 28, 2011 in the Wallenberg Auditorium at the Royal Swedish Academy of Engineering Sciences (IVA), Grev Turegatan 16, Stockholm, Sweden. The Board of Directors is proposing that no dividend be paid for the 2010 financial year.

Forward-looking statement

This interim report includes forward-looking statements. Actual results may differ from those stated. Internal factors such as the successful management of research programs and intellectual property rights may affect future results. There are also external conditions such as the economic climate, political changes and competing research programs that may affect Swedish Orphan Biovitrum's results.

This interim report has not been reviewed by the company's auditors.

The Board of Directors and the CEO of Swedish Orphan Biovitrum provide their assurance that the half-year interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position and results, and describes material risks and uncertainties faced by the parent Company and the companies in the Group. See under the heading "Accounting and valuation principles" above and in other information provided for a description of the operational risks.

Solna, April 20, 2011

Kennet Rooth
Chief Executive Officer

Tables and Figures

Statement of comprehensive income

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Full year 2010
Total revenues	537.4	488.1	1,906.7
Total cost of goods and services sold	-253.5	-175.0	-685.7
Gross profit	***283.9***	***313.1***	***1,221.0***
Sales and Administration expenses [1)]	-170.1	-180.0	-825.7
Research and Development expenses	-102.4	-127.7	-479.8
Non recurring items	-70.1	-47.0	-87.7
Other operating revenues/expenses	-5.0	-1.7	162.0
Operating profit/loss	***-63.7***	***-43.4***	***-10.2***
Financial income/expenses	-18.1	-5.3	-82.2
Profit/loss after financial items	**-81.8**	**-48.7**	**-92.4**
Income tax expenses	12.9	-3.7	-12.0
Profit/loss for the period	**-68.9**	**-52.4**	**-104.4**
Other comprehensive income [2)]			
Translation difference	-0.2	-0.7	-1.8
Comprehensive income for the period	**-69.1**	**-53.1**	**-106.2**
Earnings/loss per share after tax (SEK)	-0.32	-0.33	-0.53
Earnings/loss per share after dilution (SEK)	-0.32	-0.33	-0.53
[1)] *Amortization of product rights, acquired technology and license agreements included in Selling & Adm expenses*	*-53.4*	*-51.5*	*-294.4*

[2)] *In correspondence with Revised IAS 1 all changes in equity that do not arise from transactions with owners should be resported in statement of comprehensive income. Translation difference does entirely concern equity in foreign subsidiary.*

Balance Sheet

Amounts in SEK million	Mar 31 2011	Dec 31 2010	Sep 30 2010	Jun 30 2010	Mar 31 2010
ASSETS					
Fixed assets					
Intangible fixed assets [1)]	5,172.1	5,224.3	5,382.6	5,422.5	5,434.0
Tangible fixed assets	240.4	251.4	262.2	270.5	270.4
Financial fixed assets	20.9	21.8	35.2	55.2	55.7
Total fixed assets	**5,433.5**	**5,497.6**	**5,680.0**	**5,748.2**	**5,760.1**
Current assets					
Inventories	1,001.2	1,070.4	1,071.1	994.7	670.7
Accounts receivable	361.4	322.6	271.3	341.0	276.7
Current receivables, non-interestbearing	197.8	140.5	213.4	142.7	271.6
Short-term investments	–	–	–	–	–
Cash and cash equivalents	37.7	38.5	219.1	220.0	349.1
Total current assets	**1,598.2**	**1,572.0**	**1,774.9**	**1,698.5**	**1,568.1**
Total assets	**7,031.6**	**7,069.6**	**7,454.9**	**7,446.7**	**7,328.2**
EQUITY AND LIABILITIES					
Shareholders' equity	**4,274.4**	**4,342.4**	**4,436.1**	**4,454.2**	**4,427.6**
Long-term liabilities					
Long-term debts	1,208.1	1,208.0	1,369.9	1,380.0	1,172.2
Long-term liabilities, non-interestbearing	748.4	762.1	766.5	777.8	788.9
Total long-term liabilities	**1,956.5**	**1,970.0**	**2,136.4**	**2,157.8**	**1,961.1**
Current liabilities					
Short term debts	203.5	178.6	164.3	164.3	164.3
Current liabilities, non-interestbearing	597.2	578.6	718.2	670.4	775.2
Total short-term liabilities	**800.7**	**757.1**	**882.5**	**834.7**	**939.5**
Total equity and liabilities	**7,031.6**	**7,069.6**	**7,454.9**	**7,446.7**	**7,328.2**

[1)] *Including goodwill SEK 1,601 M (1,601 as per December 31, 2010)*

Changes in Equity

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Full year 2010
Opening balance	**4,342.4**	**1,352.8**	**1,352.8**
Adjustment of acquisition analysis[1)]	–	-58.8	-58.8
Opening balance	**4,342.4**	**1,294.0**	**1,294.0**
Sharebased compensation to employees	1.2	5.7	8.6
Issue of shares	–	3,181.0	3,146.8
Redemtion of shares	–	–	-0.9
Comprehensive income for the period	-69.1	-53.1	-106.2
Equity, end of period	**4,274.4**	**4,427.6**	**4,342.4**

[1)] *As a consequeuence of adopting new accounting principles, IFRS 3, as from January 1, 2010, prepaid expenses related to acquisition in progress as per December 31, 2009, has been charged to equity as an adjustment of opening balances.*

Cash flow Statement

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Full year 2010
Net result	-68.9	-52.4	-104.5
Non cash items[1)]	122.3	113.9	354.2
Cash flow from operations before change in working capital	**53.4**	**61.5**	**249.7**
Change in working capital	*-75.3*	*-74.1*	*-464.8*
Cash flow from operations	**-21.9**	**-12.6**	**-215.1**
Acquisition of business, net of cash acquired	–	-1,801.2	-1,811.3
Investment in intangible fixed assets	-2.6	-0.6	-80.7
Investment in tangible fixed assets	-1.9	-19.7	-42.1
Investment/Divestment of financial assets	0.9	0.5	1.4
Short-term investments	–	48.4	48.4
Cash flow from investing activities	**-3.6**	**-1,772.6**	**-1,884.3**
Loans - Raising/Amortization[2)]	24.9	434.4	467.7
Issue of shares	–	1,442.6	1,414.1
Cash flow from financing activities	**24.9**	**1,877.0**	**1,881.8**
Net change in cash	**-0.6**	**91.8**	**-217.6**
Liquid funds at the beginning of the period	38.5	258.2	258.2
Translation difference in cash flow and liquid funds	-0.2	-0.9	-2.1
Liquid funds at the end of the period	**37.7**	**349.1**	**38.5**
Short-term investments	–	–	–
Liquid funds and short-term investments at the end of the period	**37.7**	**349.1**	**38.5**
[1)] ***Depreciations and write down:***			
Depreciation tangible fixed assets	*13.8*	*20.4*	*53.9*
Amortization intangible assets	*53.4*	*51.5*	*301.2*
of wich product rights, acquired technology and license agreements	*52.5*	*50.6*	*294.4*

[2)] *Including amortization of additional purchase price*

Key Ratios and Other Information

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Helår 2010
Return on			
Shareholders' equity	-1.6%	-1.2%	-3.7%
Total capital	-0.7%	-0.6%	-0.5%
Margins			
Gross margin	52.8%	64.1%	64.0%
EBITDA-margin	13.7%	15.5%	22.7%
EBITA-margin	11.1%	11.3%	19.5%
EBIT-margin	-11.9%	-8.9%	-0.5%
Profit margin	-12.8%	-10.7%	-5.5%
Per share data (SEK)			
Shareholders' equity per share	20.1	21.1	20.5
Shareholders' equity per share after dilution	20.1	21.1	20.4
Cash flow per share	-0.0	0.3	-1.1
Cash flow per share after dilution	-0.0	0.3	-1.1
Other information			
Equity ratio	60.8%	60.4%	61.4%
Number of ordinary shares	212,181,279	209,525,554	212,181,279
Average number of ordinary shares	212,181,279	158,250,577	198,741,374
Outstanding warrants 1)	315,000	335,000	315,000
Number of shares after dilution	212,840,979	210,224,854	212,804,979
Average number of shares after dilution	212,804,979	158,949,877	199,371,494

[1] *The company has two different warrant programs outstanding, excersiable for a maximum of 623,700 new shares in total, adjusted for the preferential new share issue completed in January 2010.*

Return on shareholders' equity
Profit after tax as a percentage of average shareholders' equity.

Return on total capital
Profit after financial items plus financial expenses as a percentage of average total assets.

Gross margin
Gross profit as a percentage of net sales.

EBITDA margin
Operating profit/loss before extraordinary items plus amortization and impairment in relation to sales.

EBITA margin
Operating profit/loss before extraordinary items plus depreciation in relation to sales.

EBIT margin
Operating profit/loss in relation to net sales.

Profit margin
Net profit for the period in relation to sales.

Shareholders' equity per share
Shareholders' equity divided by the number of shares.

Shareholders' equity per share after dilution
Shareholders' equity divided by the number of shares after dilution.

Cash flow per share
Changes in cash and cash equivalents divided by the weighted average number of outstanding shares.

Cash flow per share after dilution
Changes in cash and cash equivalents divided by the weighted average number of shares after dilution.

Equity ratio
Shareholders' equity as a proportion of total assets.

Core EPS
Core EPS is calculated from P/L for the period excluding amortization and restructuring and other extraordinary items and based on average number of shares.

Extraordinary items
Extraordinary items are defined as transactions of non-recurring nature, including restructuring costs in connection with the acquisition of Swedish Orphan

Financial Statements – Parent Company

Profit and Loss Statement – Parent Company

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Full year 2010
Total revenues	383.9	299.9	1,185.9
Total cost of goods and services sold	-189.9	-108.5	-410.8
Gross profit	***194.0***	***191.4***	***775.1***
Sales and Administration expenses [1)]	-74.7	-86.9	-356.9
Research and Development expenses	-94.3	-115.5	-528.6
Non recurring items	-20.9	-42.6	-81.4
Other operating revenues/expenses	0.3	2.8	174.8
Operating profit/loss	***4.4***	***-50.8***	***-17.0***
Result from particiption in Group companies	–	-2.2	-6.2
Financial income	-1.3	1.2	0.0
Financial expenses	-16.6	-7.9	-81.4
Profit/loss after financial items	**-13.5**	**-59.7**	**-104.6**
Income tax expenses	–	–	0.0
Profit/loss for the period	**-13.5**	**-59.7**	**-104.6**
[1)] Amortization of product rights, acquired technology and license agreements included in Selling & Adm expenses	*-12.2*	*-12.2*	*-48.7*

Balance Sheet – Parent Company

Amounts in SEK million	Mar 31 2011	Dec 31 2010	Sep 30 2010	Jun 30 2010	Mar 31 2010
ASSETS					
Fixed assets					
Intangible fixed assets	821.7	833.4	923.7	935.7	947.1
Tangible fixed assets	227.2	237.1	247.7	255.4	256.6
Financial fixed assets	4,414.6	4,414.6	4,498.4	4,506.5	4,496.7
Total fixed assets	**5,463.5**	**5,485.2**	**5,669.8**	**5,697.6**	**5,700.4**
Current assets					
Inventories	844.7	927.5	924.4	852.1	541.9
Current receivables, non-interestbearing	419.4	266.5	281.6	374.9	356.6
Cash and cash equivalents	4.0	9.1	188.5	177.9	268.9
Total current assets	**1,268.1**	**1,203.1**	**1,394.5**	**1,404.9**	**1,167.4**
Total assets	**6,731.6**	**6,688.2**	**7,064.3**	**7,102.5**	**6,867.8**
EQUITY AND LIABILITIES					
Shareholders' equity	**4,363.6**	**4,375.9**	**4,468.2**	**4,490.6**	**4,453.0**
Long-term liabilities					
Long-term debts	1,194.0	1,193.6	1,355.3	1,351.5	1,143.2
Total long-term liabilities	**1,194.0**	**1,193.6**	**1,355.3**	**1,351.5**	**1,143.2**
Current liabilities					
Short term debts	223.0	164.3	164.3	164.3	164.3
Current liabilities, non-interestbearing	951.0	954.5	1,076.5	1,096.1	1,107.3
Total short-term liabilities	**1,174.0**	**1,118.8**	**1,240.8**	**1,260.4**	**1,271.6**
Total equity and liabilities	**6,731.6**	**6,688.2**	**7,064.3**	**7,102.5**	**6,867.8**

Change in Shareholders' equity – Parent Company

Amounts in SEK million	Jan 1 - Mar 31 2011	Jan 1 - Mar 31 2010	Full year 2010
Opening balance	**4,375.9**	**1,326.1**	**1,326.1**
Sharebased compensation to employees	1.2	5.6	8.5
Issue of shares	–	3,181.0	3,146.8
Redemtion of shares	–	–	-0.9
Comprehensive income for the period	-13.5	59.7	-104.6
Equity, end of period	**4,363.6**	**4,453.0**	**4,375.9**

Notes

Note 1 Accounting and valuation principles and other information

Important accounting principles

Swedish Orphan Biovitrum AB (publ) prepares its consolidated financial statements in accordance with the Annual Accounts Act, the Swedish Financial Reporting Board's recommendation RFR 1. Supplementary Accounting Rules for Groups, and the International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the EU. The consolidated financial statements have been prepared according to the historical cost convention except in the case of financial assets and financial assets and liabilities (including derivative instruments) measured at fair value through profit and loss.

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting.

Accounting principles applied are in accordance with those described in the Annual Report 2010. More detailed information about the Group's accounting- and valuation principles can be found in the Annual Report 2010 which is available at www.sobi.com.

Operating risks

All business operations involve risk. Managed risk-taking is necessary to maintain good profitability. Risk may be due to events in the external environment and may affect a certain industry or market. Risk may also be specific to a certain company. Swedish Orphan Biovitrum is exposed to three main risk categories:

- External risks such as patent infringements and competition within product concepts and decisions by authorities regarding product use and prices.
- Operational risk, e.g. the fact that developing a new drug is both capital-intensive and risky, dependence on external partners in various collaborations, product liability claims, as well as laws and rules on the treatment of hazardous materials
- Financial risks, such as currency risk, interest risk, credit risk and liquidity risk

A more detailed description of the Group's risk exposure and risk management is included in Swedish Orphan Biovitrum's 2010 Annual Report (see the Directors' Report).

Note 2 Shares and Warrants

Amounts in SEK million	Full year 2011	Full year 2010
Loan to executive management in parent company:		
At beginning of the year:	153	153
Loans paid during the year:	–	–
	153	153

Issued shares break down as 212,181,279 ordinary shares and 2,068,534 C shares. The ordinary shares carry one vote per share and the C shares carry 1/10 vote per shares. All C shares are treasury shares.

Option and share based incentive programs

Share based incentive program 2008
At the Annual General Meeting on April 24, 2008, a long-term, performance based incentive program was adopted ("Share program 2008"). Share program 2008 covers management and key individuals in Biovitrum, and may involve a total maximum allocation of 422,280[1)] shares in Biovitrum AB (publ). The number of shares, to be received by program participants, will be based on the development of the Biovitrum share over a three-year assessment period.
The program was implemented at the end of 2008, and the assessment period will run from November 26, 2008, up to and including November 25, 2011.

[1)] Adjusted for new share issue completed in January 2010.

Share based incentive program 2009
A new long-term, performance based incentive program was adopted ("Share program 2009") at the Annual General Meeting on April 28, 2009. Share program 2009 covers management and key individuals in Biovitrum, and may involve a total maximum allocation of 314,919[1)] shares in Biovitrum AB (publ). Like in the Share program 2008, the number of shares to be received by program participants, will be based on the development of the Biovitrum share over a three-year assessment period. The program was implemented in June 2009, and the assessment period will run from June 10, 2009 up to and including June 9, 2012.

Share based incentive program 2010
A new long-term, performance-based share program ("Share Program 2010") was adopted at the Annual General Meeting on April 27, 2010. Share Program 2010 covers management and key individuals in Swedish Orphan Biovitrum, and may involve a total maximum allocation of 510,547 shares in Swedish Orphan Biovitrum AB (publ). The program is designed to allow the participant to invest in a number of shares and receive the equivalent number of shares free of charge if the individual stays with the company for three years. Employees also have the opportunity to receive additional shares based on Swedish Orphan Biovitrum's performance over a three-year benchmark period. The program was implemented in December 2010 and the benchmark period extends from December 13, 2010, through December 12, 2013.

Warrant programs

Option program 2006/2011	Full year 2011	Full year 2010
Outstanding January 1	15,000	35,000
Forfeited during the period	-	-20,000
Outstanding at of end of accounting period	**15,000**	**15,000**
Exercisable at of end of accounting period	15,000	15,000

Employee option program 2007/2012	Full year 2011	Full year 2010
Outstanding January 1	300,000	300,000
Outstanding at of end of accounting period	**300,000**	**300,000**
Exercisable at of end of accounting period	300,000	300,000

Note 3 Transactions with related parties

Amounts in SEK million	Full year 2011	Full year 2010
Loan to executive management in parent company:		
At beginning of the year:	153	153
Loans paid during the year:	–	–
	153	153

There was no change as to regarding loans to related parties during the period. The conditions for these loans to executive management in the parent company are described in the Annual Report 2010.

A company related to the chairman of the Board, Orfacare, provides consultation as regards marketing of drugs for the Sobi group in e.g. Switzerland and Austria. The costs for the year amount to SEK 1.0 M.

Note 4 Contingencies

In 2004, the real estate designated as Paradiset 14 was transferred to a substantially foreign-owned limited liability partnership, called Nya Paradiset KB, whereupon the participating interests in Nya Paradiset KB were sold to an external party, at market price. The real estate was transferred to Nya Paradiset KB, in accordance with the rules regarding so-called transfers below market value, in return for consideration equivalent to the real estate's value for tax purposes. In a submission to the county administrative court, dated 17 April 2008, the Swedish Tax Agency has formally requested that, pursuant the Swedish Tax Avoidance Act, the rules regarding transfers below market value shall not be applied. In the opinion of the Tax Agency, this entails that Swedish Orphan Biovitrum shall be charged a capital gain of SEK 234.5 million, as a consequence of the transfer of the real estate to Nya Paradiset KB. In Swedish Orphan Biovitrum's view, it is patently, obvious that the company has not acted in contravention of the purpose of the legislation, in the manner alleged by the Tax Agency in the aforementioned submission. Thereafter, on 9 October 2009, the Tax Agency lodged a new submission and, in

reliance on two judgments from the Supreme Administrative Court dated 29 May 2009, has now alleged a new ground, as to why the rules governing transfers below market value shall not be applied by virtue of the Tax Avoidance Act. Swedish Orphan Biovitrum takes the view that the Tax Agency ought not to succeed in proving its case in relation to this new ground either. On March 3, 2011, The administrative court announced that they uphold the Tax Agency's request, explaining that Swedish Orphan Biovitrum under the tax law will be charged an amount of 232.2 million as revenue in the 2005 tax year. The company has appealed.

As Swedish Orphan Biovitrum announced in its quarterly report for the second quarter of 2010 the sellers of pharmaceutical company Arexis, which was aquired in August 2005, have made a claim against Swedish Orphan Biovitrum in the amount of approx SEK 325 M. The sellers of Arexis claim that Swedish Orphan Biovitrum has not performed its obligations under the share purchase agreement entered into at the time of acquisition. Swedish Orphan Biovitrum have contested all claims presented by the sellers. The sellers have recently requested arbitration regarding parts of the above mentioned claim as well as, regarding the other parts, an expert determination provided for in the agreement.

Presentation and telephone conference

The interim report for the first quarter 2011 will be presented by CEO Kennet Rooth and CFO Lars Sandström at a media and analyst web cast/telephone conference.

Time:	Wednesday, April 20, 2011 at 3.p.m. (CET)
Venue:	Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm
To participate in the telephone conference please call:	UK: +44 (0)20 3043 2436 SE: +46 (0)8 505 598 53 US: +1 866 458 40 87

To follow the telephone conference via web cast, direct or afterwards, please follow the link on www.sobi.com

For further information, please contact:	Kennet Rooth, CEO	phone +46 8 697 38 82
	Lars Sandström, CFO	phone +46 8 697 26 33

Financial calendar 2011

Interim Report April - June, 2011	July 19, 2011
Interim Report July - September, 2011	October 20, 2011