**To: The Copenhagen Stock Exchange**

**Translation**

**Announcement no. 10 • 2007**
**May 22, 2007**

# Three-month interim report (Q1) 2007:
**(unaudited)**

### Financial performance in the three months ended March 31, 2007
(*Comparative figures for the same period last year are shown in brackets)*

- Revenue increased to DKK 450 million (395).
- Organic growth in sales of allergy vaccines was 17%.
- As expected, sales of GRAZAX® amounted to DKK 10 million.
- Operating profit (EBIT) was DKK 240 million (57) and included an up-front payment from the company's US partner Schering-Plough.
- Profit before tax (EBT) was DKK 242 million (61).
- Profit for the period, DKK 202 million, was affected by extraordinary income of DKK 37 million.

### Highlights of the period
The alliance between Schering-Plough and ALK-Abelló, which was signed on January 3, was approved by the US competition authorities in February. In that connection, ALK-Abelló received an up-front payment of DKK 199 million from Schering-Plough. Schering-Plough has informed ALK-Abelló that they will continue the further pharmaceutical development of the tablet-based allergy vaccine against ragweed allergy.

Since the turn of the year, GRAZAX® has been launched in Austria, Denmark, Ireland, Norway, the United Kingdom and Sweden at prices corresponding to the price level achieved in Germany, the first country in which the product was launched.

### Outlook for the 2007 financial year
For the financial year 2007, ALK-Abelló retains its forecast of revenue, including revenue from sales of GRAZAX®, of DKK 1,650-1,700 million (1,519). The organic growth rate in sales of allergy vaccines is expected to be 15-19%. EBIT will be affected by substantial sales and marketing costs for GRAZAX® and the start-up of the company's two partnership agreements. The forecast of operating profit (EBIT) is retained at DKK 200-220 million and includes revenue from Schering-Plough of DKK 199 million. The forecast of pre-tax profit (EBT) remains unchanged at DKK 230-250 million and profit after tax is forecast at DKK 130-150 million. The net profit for the year is affected by an extraordinary income of DKK 37 million and is therefore forecast at DKK 167-187 million.

**Contact:**
Jens Bager, President and CEO, tel +45 4574 7445.

*ALK-Abelló holds a conference call for analysts and investors today at 12.30 a.m. (CET) at which Jens Bager, President and CEO, will review the results. Danish participants must call in on tel +45 7026 5040 before 12.25 p.m. (CET), and international participants must call in on tel +44 208 817 9301 before 12.25 p.m. (CET). The conference call will also be webcast on our website: www.alk-abello.com, where the related presentation will be available shortly before the conference call begins.*

## FINANCIAL HIGHLIGHTS AND KEY RATIOS (unaudited)

| Amounts in DKKm | 3M 2007 | 3M 2006 | Full year 2006 |
|---|---|---|---|
| **Income statement** | | | |
| Revenue | **450** | 395 | 1,519 |
| Operating profit before depreciation (EBITD) | **260** | 75 | 20 |
| Exceptional items | **-** | - | (40) |
| Operating profit/(loss) (EBIT) | **240** | 57 | (55) |
| Net financial items | **2** | 4 | 27 |
| Profit/(loss) before tax (EBT) | **242** | 61 | (28) |
| Net profit/(loss), continuing operations | **165** | 33 | (36) |
| Net profit, discontinued operations | **37** | - | - |
| Net profit/(loss) | **202** | 33 | (36) |
| Average number of employees | **1,360** | 1,221 | 1,263 |
| **Balance sheet** | | | |
| Total assets | **2,840** | 2,893 | 2,731 |
| Invested capital | **1,143** | 910 | 1,000 |
| Equity | **2,186** | 2,210 | 2,024 |
| **Cash flow and investments** | | | |
| Depreciation, amortization and impairment | **20** | 18 | 75 |
| Cash flow from operating activities | **120** | 32 | (2) |
| Cash flow from investing activities | **(26)** | (281) | (389) |
| Free cash flow | **94** | (249) | (391) |
| **Information on shares** | | | |
| Dividend | **-** | - | 50 |
| Share capital | **101** | 101 | 101 |
| Shares in thousands of DKK 10 each | **10,128** | 10,128 | 10,128 |
| Share price – DKK | **1,036** | 902 | 1,410 |
| Net asset value per share – DKK | **216** | 219 | 200 |
| **Key figures** | | | |
| EBIT margin – % | **53.3** | 14.4 | (3.6) |
| Earnings per share (EPS) – DKK | **20.1** | 3.3 | (3.6) |
| Diluted earnings per share (DEPS) – DKK | **20.1** | 3.3 | (3.6) |
| Earnings per share (EPS), continuing operations – DKK | **16.4** | 3.3 | (3.6) |
| Diluted earnings per share (DEPS), cont. operations – DKK | **16.4** | 3.3 | (3.6) |
| Cash flow per share (CFPS) – DKK | **11.8** | 3.2 | (0.2) |
| Price earnings ratio (PE) | **51** | 277 | (395) |
| Share price/Net asset value | **4.8** | 4.1 | 7.0 |

Due to the change in financial year, described in the annual report for 2006, the comparison figures have been restated to the new financial year.

Definitions: see last page


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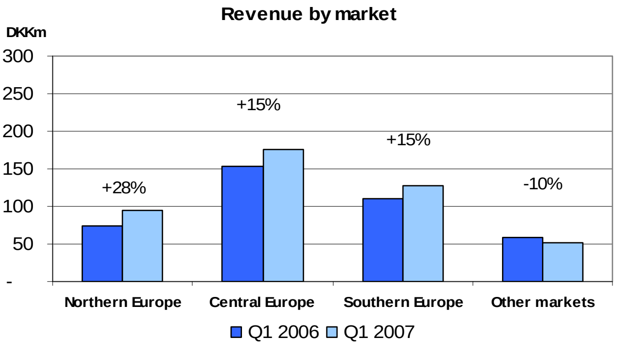
## INCOME STATEMENT (by the quarter)

| Amounts in DKKm | 3M 2007 | % | 3M 2006 | % |
|---|---|---|---|---|
| **Revenue** | **450** | *100* | 395 | *100* |
| Cost of sales | **129** | *29* | 117 | *30* |
| **Gross profit** | **321** | *71* | 278 | *70* |
| Research and development expenses | **76** | *17* | 65 | *16* |
| Sales, marketing and administrative expenses | **206** | *46* | 156 | *39* |
| Other operating income and expenses | **201** | *45* | - | - |
| **Operating profit (EBIT)** | **240** | *53* | 57 | *14* |
| Financial income | **10** | *2* | 8 | *2* |
| Financial expenses | **8** | *2* | 4 | *1* |
| **Profit before tax (EBT)** | **242** | *54* | 61 | *15* |
| Tax on profit | **77** | *17* | 28 | *7* |
| **Net profit, continuing operations** | **165** | *37* | 33 | *8* |
| Net profit, discontinued operations | **37** | *8* | **-** | - |
| **Net profit** | **202** | *45* | 33 | *8* |

## FINANCIAL REVIEW

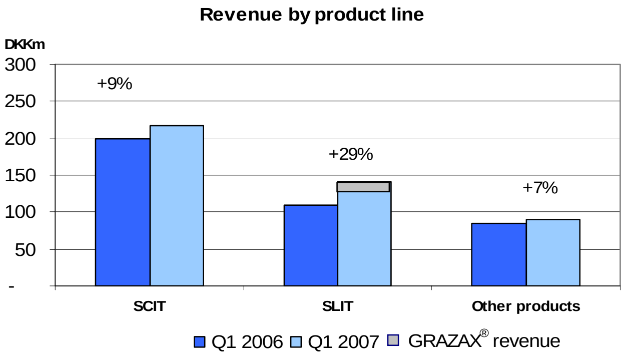
**Revenue** for the first three months of the year showed a satisfactory trend and was DKK 450 million (395) with overall organic growth at the rate of 15%. Exchange rates reduced revenue slightly by 1%.




During the period, organic sales growth was generated in all key markets, especially due to strong growth in the sale of allergy vaccines.

Revenue from the Northern European region rose by 28% as a result of continuing growth in both EpiPen® and allergy vaccine sales. Sales in Central Europe grew at the rate of 15%, primarily driven by sales in Germany, where drop-based (SLIT) and tablet-based products and also injection-based vaccines (SCIT) showed sales growth. Revenue from the Southern European region increased by 15%, which was primarily attributable to continuing growth in the sale of SLIT-products.

The elimination of certain non-strategic products from the product range and the closure of the *In Vitro Diagnostics* business reduced revenue from other markets by 10%. If these effects are eliminated, the rate of organic growth in these markets was 15%.





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The rate of organic growth in the company's core business area, sales of allergy vaccines, was 17%, and the underlying sales growth in the product lines represents some of the highest growth rates in the market. The good performance was mainly driven by increased focus on specific immunotherapy in certain key markets and a derived effect of the strong pollen season in Europe in 2006.

Sales of injection-based allergy vaccines (SCIT) grew by 9%, mainly as a result of sales growth in Germany. Sales of sublingual (SLIT) products increased by 29%. The drop-based SLIT-products contributed to the growth by 20 percentage points, primarily due to sales growth in Germany, France and the Netherlands. Sales of the tablet-based SLIT-product, GRAZAX®, totalled DKK 10 million as expected. ALK-Abelló estimates that 7-8,000 patients are being treated with GRAZAX®. Sales of injection-based vaccines accounted for 48% (51) of revenue, whilst sales of sublingual products accounted for 31% (28).

As a result of the growth in EpiPen® sales, sales of other products increased by 7%, although the elimination of certain non-strategic products from the product range and the closure of the *In Vitro Diagnostics* business reduced sales of other products. When adjusted for this effect, the rate of organic growth was 26%. Other products accounted for 21% (21) of total revenue.

**Cost of sales** amounted to DKK 129 million (117), which brought **gross profit** to DKK 321 million (278). The gross margin increased to 71% (70).

**Research and development costs** for the period totalled DKK 76 million (65), equivalent to 17% of revenue and primarily related to the development of the tablet-based vaccine against house dust mite allergy and GRAZAX®.

**Sales, marketing and administrative costs** rose to DKK 206 million (156), primarily as a result of sales and marketing costs for GRAZAX® in Europe.

**EBIT** was a profit of DKK 240 million (57), equivalent to an EBIT margin of 53%. EBIT included operating income from Schering-Plough of DKK 199 million. Moreover, DKK 8 million was recognized under other operating costs. This cost was part of a performance-based consulting fee in connection with partnership negotiations relating to North America.

**Income tax** amounted to DKK 77 million (28), corresponding to an effective tax rate of 32% (46), and **profit** for the ALK-Abelló Group was DKK 165 million (33).

**Profit from discontinued operations** totalled DKK 37 million and primarily represented extraordinary income relating to final adjustments of the consideration from the sale of the ingredients business, Chr. Hansen, in 2004/05. This brought **net profit for the period** to DKK 202 million.

**The cash flow from operating activities** was an inflow of DKK 120 million (an inflow of DKK 32), which was affected in particular by changes in working capital. **The cash flow from investing activities** was an outflow of DKK 26 million (an outflow of 281) and related to the investment in a new tablet packing facility and ongoing maintenance. At the end of the quarter, **the cash flow from financing activities** was an outflow of DKK 37 million (an outflow of 52), which was mainly attributable to purchases of treasury shares to cover the employee share plan and the share option plan. **The cash flow for the period** as a whole was an inflow of DKK 66 million (an outflow of 301). At the end of the quarter, cash totalled DKK 997 million (1,200).

**Outlook for the 2007 financial year**

The satisfactory sales growth in the first quarter of 2007 supports ALK-Abelló's unchanged forecast of revenue, including revenue from sales of GRAZAX®, of DKK 1,650-1,700 million (1,519). The organic growth rate in sales of allergy vaccines is expected to be 15-19%. The forecast of sales of GRAZAX® remains unchanged.

It is still expected that GRAZAX® will be launched on all the company's principal markets in Northern, Central and Southern Europe. Due to expected seasonal fluctuations in sales and not yet completed price and reimbursement negotiations with the European authorities, the forecasts relating to the launch and sale of GRAZAX® are still subject to significant uncertainty. The research and development activities are still expected to be on a level with 2006 and primarily concern further development of the tablet-based allergy vaccines. Sales and marketing costs will be affected by substantial sales and marketing costs related to GRAZAX®.


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The start-up of the collaboration with Schering-Plough and Menarini respectively will also affect the company's costs in the current financial year.

The forecast of operating profit (EBIT) is retained at DKK 200-220 million and includes revenue from Schering-Plough of DKK 199 million.

The forecast of pre-tax profit (EBT) remains unchanged at DKK 230-250 million and profit after tax is forecast at DKK 130-150 million. To this should be added extraordinary income from the final negotiations of the consideration for the ingredients business, Chr. Hansen, which contributed DKK 37 million to the net profit for the year which is therefore forecast at DKK 167-187 million.

## OPERATING REVIEW

**Launch of GRAZAX®**
The launch of ALK-Abelló's first tablet-based allergy vaccine, GRAZAX®, is progressing as planned. Since the turn of the year, the product has been launched in Austria, Denmark, Ireland, Norway, the United Kingdom and Sweden at prices corresponding to the price level achieved in Germany, the first country in which the product was launched.

ALK-Abelló's preliminary experience from the launch of GRAZAX® to doctors and patients is very positive. Follow-up market surveys made three months after the launch in Germany show, for instance, that the rate of awareness of GRAZAX® among specialists is very high (97%). A majority (76%) of the German allergy specialists consider issuing prescriptions for GRAZAX® in future, and 60% of these specialists expect to offer GRAZAX® to patients who are currently solely offered symptom-relieving medication.

**Reimbursement for GRAZAX®**
So far, GRAZAX® is eligible for full reimbursement in Sweden and Germany and national reimbursement in the United Kingdom, after which negotiations with British regional reimbursement authorities have been initiated. The reimbursement situation has not yet been settled in Austria, Ireland and Norway.

The first scientific article dealing with GRAZAX® from a healthcare economic point of view was published recently in the acknowledged scientific journal "Clinical and Experimental Allergy". The article is by professor, Dr. Claus Bachert of the University of Gent et alia. The article is based on internationally recognized analysis methods and guidelines and concludes that GRAZAX® is favourable to society from an economic point of view at prices up to about twice the current price level in Germany.

**Reimbursement situation in Denmark**
Based on very restrictive criteria for the grant of reimbursement for new drugs, the Danish regulatory authorities have decided not to make GRAZAX® eligible for general reimbursement. As is often seen in connection with the launch of new drugs, Danish doctors and patients therefore so far have to pay for the treatment themselves or apply for individual reimbursement.

In the opinion of ALK-Abelló, GRAZAX® should be given the same reimbursement status in Denmark as injection-based allergy vaccines, so that the choice of either injection- or tablet-based allergy vaccination can be made based on a specific medical assessment of the individual patient's needs rather than on the patient's personal financial position. The comprehensive healthcare economic analyses carried out with GRAZAX® also confirm that treatment with GRAZAX® is beneficial from a general national economic point of view as compared with both symptom-relieving medication and injection-based allergy vaccination, which is already recognized by the reimbursement authorities in other countries.

The very restrictive allowance of individual reimbursement for GRAZAX® in Denmark means that few Danish patients commence treatment, so that doctors do not have the opportunity to accumulate clinical experience with the product. However, due to the moderate size of the Danish market, the reimbursement situation in Denmark does not give rise to any change in the sales forecast for GRAZAX® in 2007.


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## Partnerships for the tablet program

In January 2007, ALK-Abelló signed a strategic partnership agreement with the US-based pharmaceutical company Schering-Plough for the development and commercialization of GRAZAX® and the tablet-based allergy vaccines against house dust mite allergy and ragweed allergy. The agreement covers the following markets: the USA, Canada and Mexico. The partnership with Schering-Plough and the joint Phase III efficacy study (GT-14) with GRAZAX®, which is being conducted in the USA, are progressing as scheduled.

The collaboration with the Menarini Group meets expectations. To date, Menarini has initiated the launch of GRAZAX® in Ireland and the United Kingdom in collaboration with ALK-Abelló's UK sales subsidiary.

## Clinical studies

At the annual meeting of US allergy specialists in San Diego, USA in February (AAAAI 2007), ALK-Abelló presented for the first time the favourable results from the second year of treatment in the so-called GT-08 long-term study of GRAZAX®. The results show that daily treatment with GRAZAX® throughout the year has a progressive immunological effect, and a highly significant clinical effect has so far been documented for two treatment years.

The results thus support ALK-Abelló's expectation that three years' daily treatment with GRAZAX® will yield a lasting effect after completion of the treatment. ALK-Abelló intends to present further data from the long-term study with GRAZAX® at the European allergy specialists' annual meeting in June.

The ongoing Phase III clinical study to examine the effect of GRAZAX® in the treatment of children (GT-12) is progressing as planned. This also applies to the comprehensive Phase II/III dosage/efficacy study (MT-02) with the company's tablet-based vaccine against house dust mite allergy.

ALK-Abelló has recently completed a clinical phase I study (RT-01) in the USA with a tablet-based vaccine against ragweed allergy. Schering-Plough has informed ALK-Abelló that they will continue the further pharmaceutical development of the product. The next step will be the initiation of additional clinical studies in collaboration with ALK-Abelló.

## Expansion of production capacity

ALK-Abelló has started up the construction of a new and larger raw materials production unit in Idaho, USA as a future replacement of the existing facility in Spokane, Washington. The relocation allows us to meet the expected gradually rising demand for raw materials in the years ahead in step with the launch of the tablet-based allergy vaccines.

At Hørsholm, Denmark, an expansion of the existing production unit for active pharmaceutical ingredients (API) for the tablet-based allergy vaccines has begun.

## Management change

After the end of the quarter, Executive Vice President of Business Operations & International Marketing Anders Hedegaard has resigned effective October 31.

## Risk factors

This interim report contains forward-looking statements, including forecasts of future revenue and operating profit as well as expected business-related events. Such statements are subject to risks and uncertainties as various factors, some of which are beyond the control of the ALK-Abelló Group, may cause actual results and performance to differ materially from the forecasts made in this interim report. Without being exhaustive, such factors include, among others, general economic and business conditions, uncertainties relating to the pricing and market penetration of GRAZAX®, fluctuations in currencies and demand, changes in competitive factors and reliance on suppliers, but also factors such as side effects from the use of the company's existing and future products since allergy vaccination may be associated with allergic reactions of differing extent, duration and severity.

This interim report has been translated from Danish into English. However, the Danish text shall be the governing text for all purposes, and in case of any discrepancy the Danish wording shall be applicable.

## Financial calendar

| | |
|---|---|
| Silent period: | July 24, 2007 |
| Six-month interim report (Q2): | August 21, 2007 |
| Silent period: | October 25, 2007 |
| Nine-month interim report (Q3): | November 22, 2007 |


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## STATEMENT BY THE MANAGEMENT

The Board of Directors and Board of Management today considered and adopted the interim report of ALK-Abelló A/S for the three months ended March 31, 2007 (Q1).

The interim report is presented in accordance with IAS 34 and additional Danish disclosure requirements for the interim reports of listed companies. As in previous years, the interim report is unaudited.

We consider the accounting policies to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, equity and liabilities, financial position, results of operations and consolidated cash flows for the period January 1 – March 31, 2007.

Hørsholm, May 22, 2007

**Board of Management**

| | | |
|---|---|---|
| Jens Bager<br>(President & CEO) | Anders Hedegaard | Henrik Jacobi |
| Flemming Steen Jensen | Jutta of Rosenborg | |

**Board of Directors**

| | | |
|---|---|---|
| Jørgen Worning<br>(Chairman) | Thorleif Krarup<br>(Vice Chairman) | Nils Axelsen |
| Carsten Lønfeldt | Jesper Fromberg Nielsen | Anders Gersel Pedersen |
| Ingelise Saunders | Lars Simonsen | Peter Adler Würtzen |

## INCOME STATEMENT (unaudited)

| Note | Amounts in DKKm | 3M 2007 | 3M 2006 |
|---|---|---|---|
| 2 | **Revenue** | **450** | 395 |
| | Cost of sales | **129** | 117 |
| | **Gross profit** | **321** | 278 |
| | | | |
| | Research and development expenses | **76** | 65 |
| | Sales and marketing expenses | **158** | 108 |
| | Administrative expenses | **48** | 48 |
| 3 | Other operating income | **210** | - |
| | Other operating expenses | **9** | - |
| | **Operating profit (EBIT)** | **240** | 57 |
| | | | |
| | Financial income | **10** | 8 |
| | Financial expenses | **8** | 4 |
| | **Profit before tax (EBT)** | **242** | 61 |
| | | | |
| | Tax on profit | **77** | 28 |
| | **Net profit, continuing operations** | **165** | 33 |
| | | | |
| 4 | Net profit, discontinued operations | **37** | - |
| | **Net profit** | **202** | 33 |
| | | | |
| | **Attributable to:** | | |
| | Equity holders of the parent | **202** | 33 |
| | | **202** | 33 |
| | | | |
| | Earnings per share (EPS) – DKK | **20.1** | 3.3 |
| | Diluted earnings per share (DEPS) – DKK | **20.1** | 3.3 |
| | Earnings per share (EPS), continuing operations – DKK | **16.4** | 3.3 |
| | Diluted earnings per share (DEPS), cont. operations – DKK | **16.4** | 3.3 |


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## CASH FLOW STATEMENT (unaudited)

| Amounts in DKKm | 3M 2007 | 3M 2006 |
|---|---|---|
| **Profit, continuing operations** | **165** | 33 |
| Adjustments: | | |
| Tax on profit | **77** | 28 |
| Financial income and expenses | **(2)** | (4) |
| Share-based payment | **1** | - |
| Depreciation, amortization and write-downs | **20** | 18 |
| Change in provisions | **(3)** | 3 |
| Net financial items, paid | **4** | 4 |
| Income taxes, paid | **(30)** | (26) |
| **Cash flow before change in working capital** | **232** | 56 |
| Change in inventories | **8** | 7 |
| Change in receivables | **(94)** | (55) |
| Change in short-term payables | **(26)** | 24 |
| **Cash flow from operating activities** | **120** | 32 |
| Acquisitions of companies and operations | **-** | (265) |
| Additions, intangible assets | **(4)** | - |
| Additions, property, plant and equipment | **(22)** | (21) |
| Change in other non-current financial assets | **-** | 5 |
| **Cash flow from investing activities** | **(26)** | (281) |
| **Free cash flow** | **94** | (249) |
| Payment of minority interests | **-** | (55) |
| Purchase of treasury shares | **(38)** | - |
| Change in financial liabilities | **1** | 3 |
| **Cash flow from financing activities** | **(37)** | (52) |
| **Cash flow from discontinued operations** | **9** | - |
| **Net cash flow** | **66** | (301) |
| Cash and cash equivalents at January 1 | **933** | 1,501 |
| Unrealized gain/(loss) on foreign currency carried as cash and cash equivalents | **(2)** | - |
| Net cash flow | **66** | (301) |
| **Cash and cash equivalents at March 31** | **997** | 1,200 |

The cash flow statement has been adjusted to the effect that exchange rate adjustments in foreign subsidiaries are not included in the statement. As a result, the individual figures in the cash flow statement cannot be reconciled directly to the income statement and balance sheet.


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## BALANCE SHEET
## ASSETS (unaudited)

| Amounts in DKKm | March 31 2007 | Dec 31 2006 | March 31 2006 |
|---|---|---|---|
| **Non-current assets** | | | |
| **Intangible assets** | | | |
| Goodwill | **378** | 378 | 376 |
| Other intangible assets | **52** | 54 | 67 |
| | **430** | 432 | 443 |
| **Tangible assets** | | | |
| Land and buildings | **267** | 267 | 280 |
| Plant and machinery | **152** | 160 | 104 |
| Other fixtures and equipment | **48** | 44 | 41 |
| Property, plant and equipment in progress | **114** | 100 | 93 |
| | **581** | 571 | 518 |
| **Other non-currents assets** | | | |
| Securities and receivables | **4** | 4 | 5 |
| Deferred tax assets | **123** | 164 | 179 |
| | **127** | 168 | 184 |
| **Total non-current assets** | **1,138** | 1,171 | 1,145 |
| **Current assets** | | | |
| Inventories | **280** | 287 | 286 |
| Trade receivables | **237** | 169 | 197 |
| Receivables from subsidiaries | **90** | 90 | - |
| Income tax receivables | **9** | 18 | 2 |
| Other receivables | **60** | 30 | 49 |
| Prepayments | **29** | 33 | 14 |
| Cash and cash equivalents | **997** | 933 | 1,200 |
| **Total currents assets** | **1,702** | 1,560 | 1,748 |
| **Total assets** | **2,840** | 2,731 | 2,893 |


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## BALANCE SHEET
## EQUITY AND LIABILITIES (unaudited)

| Amounts in DKKm | March 31 2007 | Dec 31 2006 | March 31 2006 |
|---|---|---|---|
| **Equity** | | | |
| Share capital | **101** | 101 | 101 |
| Other reserves | **2,085** | 1,923 | 2,109 |
| **Total equity** | **2,186** | 2,024 | 2,210 |
| | | | |
| **Liabilities** | | | |
| | | | |
| **Non-current liabilities** | | | |
| Mortgage debt | **47** | 47 | 33 |
| Bank loans and financial loans | **21** | 22 | 40 |
| Pensions and similar liabilities | **58** | 57 | 55 |
| Other provisions | **151** | 153 | 148 |
| Other payables | **14** | 17 | 16 |
| | **291** | 296 | 292 |
| **Current liabilities** | | | |
| Mortgage debt | **2** | 2 | 1 |
| Bank loans and financial loans | **11** | 6 | 10 |
| Trade payables | **97** | 136 | 63 |
| Income taxes | **30** | 31 | 65 |
| Other provisions | **9** | 11 | - |
| Other payables | **214** | 225 | 252 |
| | **363** | 411 | 391 |
| | | | |
| **Total liabilities** | **654** | 707 | 683 |
| | | | |
| **Total equity and liabilities** | **2,840** | 2,731 | 2,893 |


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## EQUITY (unaudited)

| Amounts in DKKm | Share capital | Hedges of future trans-actions | Foreign currency translation adjustment of foreign subsidiaries | Net profit/ (loss) | Total other reserves | Equity holders of the parent | Minority interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **Equity at January 1, 2007** | **101** | **(2)** | **(7)** | **1,932** | **1,923** | **2,024** | **-** | **2,024** |
| Net profit | - | - | - | 202 | 202 | 202 | - | 202 |
| Foreign currency translation adjustment of foreign subsidiaries | - | - | (3) | - | (3) | (3) | - | (3) |
| Adjustment of derivative financial instruments for hedging | - | 2 | - | - | 2 | 2 | - | 2 |
| *Total recognized income and expenses* | *-* | *2* | *(3)* | *202* | *201* | *201* | *-* | *201* |
| Share-based payment | - | - | - | 1 | 1 | 1 | - | 1 |
| Purchase of treasury shares | - | - | - | (38) | (38) | (38) | - | (38) |
| Tax related to items recognized directly in equity | - | - | | (2) | (2) | (2) | - | (2) |
| **Equity at March 31, 2007** | **101** | **-** | **(10)** | **2,095** | **2,085** | **2,186** | **-** | **2,186** |
| | | | | | | | | |
| **Equity at January 1, 2006** | **101** | **-** | **2** | **2,096** | **2,098** | **2,199** | **35** | **2,234** |
| Net profit | - | - | - | 13 | 13 | 13 | 20 | 33 |
| Foreign currency translation adjustment of foreign subsidiaries | - | - | (2) | - | (2) | (2) | - | (2) |
| *Total recognized income and expenses* | *-* | *-* | *(2)* | *13* | *11* | *11* | *20* | *31* |
| Payment of minority interests | - | - | | - | - | - | (55) | (55) |
| **Equity at March 31, 2006** | **101** | **-** | **-** | **2,109** | **2,109** | **2,210** | **-** | **2,210** |


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## NOTES (unaudited)

### 1 ACCOUNTING POLICIES

The annual report of the ALK-Abelló Group for the period January 1 - March 31, 2007 has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed companies. Additional Danish requirements for the interim financial reports are imposed by the Executive Order on the Preparation of Interim Reports by Listed Companies issued under the Danish Financial Statements Act and by the Copenhagen Stock Exchange. The interim financial report also complies with the International Financial Reporting Standards issued by the IASB.

The accounting policies are unchanged from the annual report 2006.

Due to the change in financial year, described in the annual report for 2006, the comparison figures have been restated to the new financial year.

| Amounts in DKKm | **3M 2007** | **3M 2006** |
|---|---|---|
| **2 REVENUE** | | |
| **Geographical segments** | | |
| Northern Europe | **95** | 74 |
| Central Europe | **176** | 153 |
| Southern Europe | **127** | 110 |
| Other markets | **52** | 58 |
| **Total** | **450** | 395 |

### 3 OTHER OPERATING INCOME AND OTHER OPERATING COSTS

Other operating income and other operating expenses relate to income and costs in connection with an agreement with Schering-Plough on a strategic alliance to develop and commercialize ALK-Abelló’s tablet-based allergy vaccines against grass pollen allergy (GRAZAX®), house dust mite allergy and ragweed allergy for the North American market.

### 4 NET PROFIT, DISCONTINUED OPERATIONS

Net profit, discontinued operations relates to adjustments of the disposal amount in connection with the sale of the ingredients business Chr. Hansen in 2004/05.


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**Definitions**

| | |
|---|---|
| Invested capital | *Intangible assets, property, plant and equipment, inventories and receivables excluding provisions (deferred tax excluded), trade payables, other payables and minorities* |
| EBIT margin – % | *Operating profit x 100/Revenue* |
| Net asset value per share | *Equity at end of period/Number of shares at end of period* |
| ROAIC – % | *Return on average invested capital (Operating profit x 100/Average invested capital)* |
| Pay-out ratio – % | *Proposed dividend x 100/Net profit/(loss) for the year* |
| Earnings per share (EPS) | *Net profit/(loss) for the period attributable to shareholders of the parent/Average number of outstanding shares* |
| Diluted earnings per share (DEPS) | *Net profit/(loss) for the period attributable to shareholders of the parent/Average number of outstanding shares, diluted* |
| Cash flow per share (CFPS) | *Cash flow from operating activities excluding minority intersts´ share/Average number of outstanding shares* |
| Price earnings ratio (PE) | *Share price/Earnings per share* |
| Segments | *Geographical segments (based on subsidiaries' location):*<br>*o Northern Europe comprises the Nordic region, the United Kingdom and the Netherlands*<br>*o Central Europe comprises Germany, Austria and Switzerland*<br>*o Southern Europe comprises Spain, Italy and France*<br>*o Other markets comprise the USA, China and rest of world* |

Key figures are calculated in accordance with "Recommendations and Ratios 2005" issued by the Danish Society of Financial Analysts.


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