



**To OMX Nordic Exchange
Translation**

Announcement no. 10/2008

**Three-month interim report (Q1) 2008
(unaudited)**

Financial performance in the three months ended March 31, 2008

(Comparative figures for the same period last year are shown in brackets)

- ▶ The forecast of operating profit (EBIT) for the full year has been increased from DKK 75-125 million to DKK 100-150 million.
- ▶ In Q1, revenue was DKK 445 million (450) and was affected by period-to-period fluctuations in sales.
- ▶ At the end of April, total sales in the first four months showed an organic growth of 8% and forecast of revenue for the year as a whole is unchanged.
- ▶ In Q1, overall sales of allergy vaccines showed organic growth of 6%, of which sales of SLIT products accounted for 18% growth.
- ▶ Operating profit (EBIT) was DKK 45 million (41*).
- ▶ Profit before tax (EBT) was DKK 42 million (43*).

**) Disregarding the milestone payment from Schering-Plough in 2007*

Highlights of the period

The regulatory authorities in Switzerland and Ireland have decided to provide full reimbursement for treatment with GRAZAX[®].

ALK-Abelló has filed an application with the regulatory authorities for the approval of GRAZAX[®] to include treatment of children and adolescents.

After the end of Q1, ALK-Abelló will recognize as income a payment of DKK 28 million from Schering-Plough in connection with pharmaceutical development activities relating to the new tablet-based vaccine against ragweed allergy.

Forecast of earnings for 2008 upgraded

ALK-Abelló's forecast of revenue for the financial year 2008 is unchanged at DKK 1,875-1,925 million (1,652). Sales of GRAZAX[®] continue to be subject to significant uncertainty and depend, among other things, on the outcome of the current price and reimbursement discussions with the health authorities in Europe. Gross profit is still expected to improve in 2008. Both research and development expenses and sales and marketing expenses are still expected to increase as a result of the company's continued focus on the introduction of tablet-based allergy vaccines. As a result of the payment from Schering-Plough, operating profit (EBIT) is now expected to be DKK 100-150 million, up from the previous forecast of DKK 75-125 million. EBT is now forecast at DKK 110-160 million, compared to the previous forecast of DKK 85-135 million.

Hørsholm, May 15, 2008

ALK-Abelló A/S

Contact:

Jens Bager, President and CEO, tel +45 4574 7576.

ALK-Abelló holds a conference call for analysts and investors today at 3.30 p.m. (CET) at which Jens Bager, President and CEO, and Jutta of Rosenborg, CFO, will review the results. Danish participants must call in on tel +45 7026 5040 before 3.25 p.m. (CET), and international participants must call in on tel +44 208 817 9301 before 3.25 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 2008	3M 2007	Full year 2007
Income statement			
Revenue	445	450	1,652
Operating profit before depreciation (EBITD)	66	260	298
Operating profit before other operating income and expenses	48	39	11
Operating profit (EBIT)	45	240	218
Net financial items	(3)	2	14
Profit before tax (EBT)	42	242	232
Net profit, continuing operations	25	165	140
Net profit, discontinued operations	-	37	37
Net profit	25	202	177
Average number of employees	1,440	1,360	1,392
Balance sheet			
Total assets	2,837	2,840	2,821
Invested capital	1,068	1,143	1,050
Equity	2,127	2,186	2,112
Cash flow and investments			
Depreciation, amortization and impairment	21	20	80
Cash flow from operating activities	27	120	362
Cash flow from investing activities	(50)	(26)	(172)
- of which investment in tangible assets	(49)	(22)	(164)
Free cash flow	(23)	94	190
Information on shares			
Dividend	-	-	334
Share capital	101	101	101
Shares in thousands of DKK 10 each	10,128	10,128	10,128
Share price – DKK	614	1,036	600
Net asset value per share – DKK	211	216	209
Key figures			
EBIT margin – %	10.1	53.3	13.2
Earnings per share (EPS) – DKK	2.5	20.1	17.7
Diluted earnings per share (DEPS) – DKK	2.5	20.1	17.6
Earnings per share (EPS), continuing operations – DKK	2.5	16.4	14.0
Diluted earnings per share (DEPS), cont. operations – DKK	2.5	16.4	13.9
Cash flow per share (CFPS) – DKK	2.7	11.8	36.1
Share price/Net asset value	2.9	4.8	2.9

Definitions: see last page

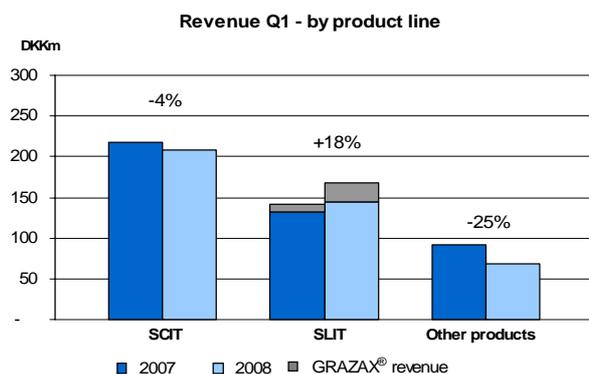
INCOME STATEMENT

Amounts in DKKm	3M 2008		3M 2007	
	%		%	
Revenue	100	445	100	450
Cost of sales	26	114	29	129
Gross profit	74	331	71	321
Research and development expenses	17	77	17	76
Sales, marketing and administrative expenses	46	206	46	206
Other operating income and expenses	(1)	(3)	45	201
Operating profit (EBIT)	10	45	53	240
Financial income	2	11	2	10
Financial expenses	3	14	2	8
Profit before tax (EBT)	9	42	54	242
Tax on profit	4	17	17	77
Net profit, continuing operations	6	25	37	165
Net profit, discontinued operations	-	-	8	37
Net profit	6	25	45	202

FINANCIAL REVIEW

Revenue for the first three months of the year was DKK 445 million (450) with organic growth of 1%. Exchange rates reduced revenue by two percentage points. The rate of organic growth in the company's core business, sales of allergy vaccines, was 6% in the first three months of the year.

Seen in isolation, the rate of growth was lower in the first three months of the year than the company's overall forecast for the full year. This was due to period-to-period fluctuations in sales which had an extraordinary impact on the development in Q1. The sales forecast for the year as a whole is unchanged.



In the first three months of 2008, sales of injection-based allergy vaccines (SCIT) fell by 2% (organic) or 4% including the effect of exchange rate fluctuations, primarily due to period-to-period fluctuations between the quarters in the sale of SCIT products. Sales of injection-based vaccines accounted for 47% (48) of total sales.

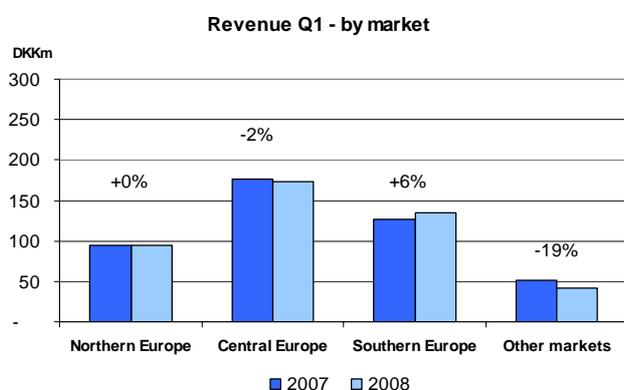
Sales of sublingual (SLIT) vaccines showed organic growth of 18%. This was driven in particular by sales of GRAZAX[®] and drop-based SLIT products in France. Sales of the tablet-based SLIT product, GRAZAX[®], totalled DKK 24 million (10).

Sales of sublingual products account for a steadily increasing part of revenue, currently 38% (32).

The market launch of GRAZAX[®] is affected by the fact that the regulatory authorities in Southern Europe and Denmark have not yet made a positive decision on reimbursement. Based on continuing talks with European allergy specialists, ALK-Abelló still remains confident that the company has good prospects of achieving long-term sales growth for GRAZAX[®].

The view is supported by the steadily increasing clinical documentation of the favourable effect of treatment with GRAZAX[®] in both adults and children.

Sales of other products fell by 25% because certain non-strategic products were discontinued and the *In Vitro Diagnostics* business was closed down. In addition, there were period-to-period fluctuations in sales of adrenaline products. Other products accounted for 15% (20) of total revenue.



In the Northern European Region, revenue showed organic growth of 6% or 0% including the exchange rate effect. Growth in the sale of allergy vaccines in the Netherlands was partially offset by period-to-period fluctuations in sales of adrenaline in the UK. The restrictive reimbursement rules applied by the Danish regulatory authorities continued to prevent substantial sales of GRAZAX[®] in Denmark.

Sales in Central Europe fell by 2% (organic) due to the previously mentioned period-to-period fluctuations in the sale of SCIT products.

The growth in sales of drop-based SLIT products in the Southern European Region continued, and reached 16% organic growth. Combined sales in the region showed organic growth of 6% as a result of the period-to-period fluctuations in sales of adrenaline products.

Sales in other markets fell by 19% and were especially affected by adverse fluctuations in exchange rates and by the fact that certain non-

strategic products have been taken out of the product range.

Cost of sales amounted to DKK 114 million (129), which brought **gross profit** to DKK 331 million (321). The gross margin continued to show satisfactory growth and rose to 74% (71), which was in part due to a better product mix, production efficiencies and a favourable effect of the falling exchange rate of the US dollar.

Research and development expenses for the period totalled DKK 77 million (76), equivalent to 17% (17) of revenue for the period, and primarily related to the development of the tablet-based vaccine against house dust mite allergy and continuing clinical documentation of GRAZAX[®].

Sales, marketing and administrative expenses were unchanged at DKK 206 million (206).

EBIT was a profit of DKK 45 million (240), equivalent to an EBIT margin of 10%. In 2007, EBIT included net operating income from Schering-Plough of DKK 199 million.

Net financials was an expense of DKK 3 million and was affected in particular by foreign exchange losses as a result of the continuing fall in the exchange rates of the US dollar and pound sterling vis-à-vis the Danish krone.

Income tax amounted to DKK 17 million (77), corresponding to an effective tax rate of 40% (32).

Consolidated profit of the ALK-Abelló Group was DKK 25 million (165).

Profit for the period was DKK 25 million (202). The comparative figures from 2007 include extraordinary income of DKK 37 million from the final adjustments of the consideration in connection with the divestment of the ingredients business, Chr. Hansen.



The cash flow from operating activities was an inflow of DKK 27 million (120), which was affected in particular by changes in working capital. **The cash flow from investing activities** was an outflow of DKK 50 million (an outflow of 26), which related to investments in a new production facility for active pharmaceutical ingredients, the production line at Catalent in the UK and regular maintenance. **The free cash flow for the period** was an outflow of DKK 23 million (an inflow of 94). At the end of the quarter, cash totalled DKK 1,003 million (997).

Forecast of earnings for 2008 upgraded

ALK-Abelló's forecast of revenue for the financial year 2008 is unchanged at DKK 1,875-1,925 million (1,652). Sales of GRAZAX[®] continue to be subject

to significant uncertainty and depend, among other things, on the outcome of the current price and reimbursement discussions with the health authorities in Europe. Gross profit is still expected to improve in 2008. Both research and development expenses and sales and marketing expenses are still expected to increase as a result of the company's continued focus on the introduction of tablet-based allergy vaccines. As a result of the payment from Schering-Plough, operating profit (EBIT) is now expected to be DKK 100-150 million, up from the previous forecast of DKK 75-125 million. EBT is now forecast at DKK 110-160 million, compared to the previous forecast of DKK 85-135 million.

OPERATING REVIEW

Market launch of GRAZAX[®]

In Q1, the regulatory authorities in Switzerland and Ireland made a decision to provide full reimbursement for treatment with GRAZAX[®]. ALK-Abelló is continuing the discussions about prices and reimbursement for GRAZAX[®] in Denmark and Southern Europe.

At the annual meeting of US allergy specialists in Philadelphia in March (AAAAI 2008), ALK-Abelló presented favourable results from the GT-12 study of GRAZAX[®] for the treatment of children and adolescents aged 5-16. Based on the results, ALK-Abelló has filed an application with the European regulatory authorities with a view to expanding the marketing approval for GRAZAX[®] to include this important patient group.

Moreover, ALK-Abelló presented the favourable results from the third treatment season of the GT-08 study of GRAZAX[®]. The study showed that the significant clinical effect from the first and second year of treatment is retained in the third year of treatment. The effect is increasing when taking into account differences between the three pollen

seasons. In addition, an increased beneficial impact on the immune system is seen.

The results confirm ALK-Abelló's expectations that GRAZAX[®] will have a lasting, significant effect when the recommended three-year treatment period ends. In order to document this lasting effect, the patients are being followed during the 2008 and 2009 pollen seasons without receiving active treatment with GRAZAX[®].

Other clinical studies

In addition, ALK-Abelló has completed the analysis of the results from the Phase I tolerability study of the company's tablet-based vaccine against tree pollen allergy. The study included approximately 70 patients and was conducted in Denmark. The conclusion from the study was that the tablet is suited for further clinical development.

The ongoing Phase II/III study of the company's tablet-based vaccine against house dust mite allergy (MT-02) continues to progress according to plan and is expected to be completed in the second half of 2008.



Partnership with Schering-Plough

After the end of the quarter, ALK-Abelló will recognize as income a payment of DKK 28 million from the company's US-based partner, Schering-Plough, in relation to the pharmaceutical development activities regarding the new tablet-based vaccine against ragweed allergy. Schering-Plough holds the exclusive rights to the ragweed product on the North American markets and is responsible for the further clinical development of the product.

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, including legal issues, uncertainty relating to pricing, reimbursement rules and market penetration for 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 is the governing text for all purposes, and if there is any discrepancy the Danish wording is applicable.

Financial calendar

Silent period	July 29, 2008
Six-month interim report (Q2) 2008	Aug 26, 2008
Silent period	Oct 23, 2008
Nine-month interim report (Q3) 2008	Nov 20, 2008



STATEMENT BY THE MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the three months ended March 31, 2008.

This interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies. As in previous years, the interim report is unaudited.

In our opinion, the interim report gives a true and fair view of the Group's assets, equity and liabilities, financial position, results of operations and cash flows for the period January 1 - March 31, 2008. Moreover, in our opinion, the operating and financial reviews contain a true and fair review of developments in the Group's activities and financial position and describes significant risk and uncertainty factors that may affect the Group.

Hørsholm, May 15, 2008

Board of Management

Jens Bager
(President & CEO)

Jørgen Damsbo Andersen

Henrik Jacobi

Flemming Steen Jensen

Jutta of Rosenberg

Board of Directors

Jørgen Worning
(Chairman)

Thorleif Krarup
(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 2008	3M 2007
2	Revenue	445	450
	Cost of sales	114	129
	Gross profit	331	321
	Research and development expenses	77	76
	Sales and marketing expenses	161	158
	Administrative expenses	45	48
3	Other operating income	1	210
3	Other operating expenses	4	9
	Operating profit (EBIT)	45	240
	Financial income	11	10
	Financial expenses	14	8
	Profit before tax (EBT)	42	242
	Tax on profit	17	77
	Net profit, continuing operations	25	165
4	Net profit, discontinued operations	-	37
	Net profit	25	202
	Attributable to:		
	Equity holders of the parent	25	202
		25	202
	Earnings per share (EPS), continuing operations – DKK	2.5	16.4
	Diluted earnings per share (DEPS), cont. operations – DKK	2.5	16.4



CASH FLOW STATEMENT (unaudited)

Amounts in DKKm	3M 2008	3M 2007
Profit, continuing operations	25	165
Adjustments:		
Tax on profit	17	77
Financial income and expenses	3	(2)
Share-based payment	2	1
Depreciation, amortization and write-downs	21	20
Change in other provisions	(1)	(3)
Net financial items, paid	1	4
Income taxes, paid	(9)	(30)
Cash flow before change in working capital	59	232
Change in inventories	(7)	8
Change in receivables	(2)	(94)
Change in short-term payables	(23)	(26)
Cash flow from operating activities	27	120
Additions, intangible assets	(1)	(4)
Additions, property, plant and equipment	(49)	(22)
Cash flow from investing activities	(50)	(26)
Free cash flow	(23)	94
Purchase of treasury shares	-	(38)
Change in financial liabilities	-	1
Cash flow from financing activities	-	(37)
Cash flow from discontinued operations	-	9
Net cash flow	(23)	66
Cash and cash equivalents at January 1	1,030	933
Unrealized gain/(loss) on foreign currency carried as cash and cash equivalents	(4)	(2)
Net cash flow	(23)	66
Cash and cash equivalents at March 31	1,003	997

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.



BALANCE SHEET
ASSETS (unaudited)

	Mar. 31	Dec. 31	Mar. 31
Amounts in DKKm	2008	2007	2007
Non-current assets			
Intangible assets			
Goodwill	375	376	378
Other intangible assets	41	46	52
	416	422	430
Tangible assets			
Land and buildings	305	311	267
Plant and machinery	128	129	152
Other fixtures and equipment	65	69	48
Property, plant and equipment in progress	191	151	114
	689	660	581
Other non-current assets			
Securities and receivables	6	6	4
Deferred tax assets	118	95	123
	124	101	127
Total non-current assets	1,229	1,183	1,138
Current assets			
Inventories	289	282	280
Trade receivables	209	217	237
Receivables from affiliates	25	25	90
Income tax receivables	43	43	9
Other receivables	12	18	60
Prepayments	27	23	29
Cash and cash equivalents	1,003	1,030	997
Total current assets	1,608	1,638	1,702
Total assets	2,837	2,821	2,840



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

Amounts in DKKm	Mar. 31 2008	Dec. 31 2007	Mar. 31 2007
Equity			
Share capital	101	101	101
Other reserves	2,026	2,011	2,085
Total equity	2,127	2,112	2,186
Liabilities			
Non-current liabilities			
Mortgage debt	45	45	47
Bank loans and financial loans	17	18	21
Pensions and similar liabilities	72	68	58
Other provisions	152	153	151
Other payables	11	11	14
	297	295	291
Current liabilities			
Mortgage debt	2	2	2
Bank loans and financial loans	4	4	11
Trade payables	79	126	97
Income taxes	68	38	30
Other provisions	4	4	9
Other payables	256	240	214
	413	414	363
Total liabilities	710	709	654
Total equity and liabilities	2,837	2,821	2,840



EQUITY (unaudited)

ALK-Abelló Group

Amounts in DKKm	Other reserves					Total equity
	Share capital	Hedges of future transactions	Foreign currency translation adjustment of foreign subsidiaries	Net profit/(loss)	Total other reserves	
Equity at January 1, 2008	101	(3)	(22)	2,036	2,011	2,112
Foreign currency translation adjustment of foreign subsidiaries	-	-	(8)	-	(8)	(8)
Adjustment of derivative financial instruments for hedging	-	(5)	-	-	(5)	(5)
<i>Income and expenses recognized direct in equity</i>	-	(5)	(8)	-	(13)	(13)
Net profit	-	-	-	25	25	25
Total recognized income and expenses	-	(5)	(8)	25	12	12
Share-based payment	-	-	-	2	2	2
Tax related to items recognized direct in equity	-	-	-	1	1	1
Other transactions	-	-	-	3	3	3
Equity at March 31, 2008	101	(8)	(30)	2,064	2,026	2,127
Equity at January 1, 2007	101	(2)	(7)	1,932	1,923	2,024
Foreign currency translation adjustment of foreign subsidiaries	-	-	(3)	-	(3)	(3)
Adjustment of derivative financial instruments for hedging	-	2	-	-	2	2
<i>Income and expenses recognized direct in equity</i>	-	2	(3)	-	(1)	(1)
Net profit	-	-	-	202	202	202
Total recognized income and expenses	-	2	(3)	202	201	201
Share-based payment	-	-	-	1	1	1
Tax related to items recognized direct in equity	-	-	-	(2)	(2)	(2)
Purchase of treasury shares	-	-	-	(38)	(38)	(38)
Other transactions	-	-	-	(39)	(39)	(39)
Equity at March 31, 2007	101	-	(10)	2,095	2,085	2,186



NOTES (unaudited)

1 ACCOUNTING POLICIES

The interim report for the period January 1 - March 31, 2008 has been prepared in accordance with IAS 34 "Interim Financial Reporting" 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 accounting policies in the interim report are unchanged from the accounting policies in the annual report 2007. See the annual report for 2007 for further description of the accounting policies.

2 REVENUE

Amounts in DKKm	3M 2008	3M 2007
Geographical segments		
Northern Europe	95	95
Central Europe	173	176
Southern Europe	135	127
Other markets	42	52
Total	445	450

3 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income and other operating expenses relate to income and expenses of a secondary nature relative to the activities of ALK-Abelló. In 2007 the item included income and expenses 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.



Definitions

Invested capital	<i>Intangible assets, property, plant and equipment, inventories and receivables excluding provisions (deferred tax excluded), trade payables, other payables and minorities</i>
EBIT margin – %	<i>Operating profit x 100 / Revenue</i>
Net asset value per share	<i>Equity at end of period / Number of shares at end of period</i>
Earnings per share (EPS)	<i>Net profit/(loss) for the period excluding extraordinary expenses / Average number of shares</i>
Earnings per share (EPS)	<i>Net profit/(loss) for the period excluding extraordinary expenses / Average number of shares</i>
Cash flow per share (CFPS)	<i>Cash flow from operating activities excluding minority shareholders' shares / Average number of shares</i>
Segments	<i>Geographical segments (based on subsidiaries' location): o Northern Europe comprises Nordic region, UK and the Netherlands o Central Europe comprises Germany, Austria, Switzerland and Poland o Southern Europe comprises Spain, Italy and France o Other markets comprise USA, China and rest of world</i>

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