Annual report 2007

ALK ABELLÓ

Contents

Financial highlights and key ratios for the ALK-Abelló Group

Amounts in DKK/EURm*	**DKK 2007**	DKK 2006 (4M)	DKK 2006 (12M) unaudited	**EUR* 2007**	EUR* 2006 (4M)	EUR* 2006 (12M) unaudited
Income statement						
Revenue	**1,652**	563	1,519	**221**	75	204
Operating profit before depreciation (EBITD)	**298**	2	25	**40**	-	3
Exceptional items	**-**	(40)	(40)	**-**	(5)	(5)
Operating profit/(loss) (EBIT)	**218**	(28)	(55)	**29**	(4)	(7)
Net financial items	**14**	10	27	**2**	1	4
Profit/(loss) before tax (EBT)	**232**	(18)	(28)	**31**	(2)	(4)
Net profit/(loss)	**177**	(20)	(36)	**24**	(3)	(5)
Average number of employees	**1,392**	1,314	1,263	**1,392**	1,314	1,263
Balance sheet						
Total assets	**2,821**	2,731	2,731	**378**	366	366
Invested capital	**1,050**	1,000	1,000	**141**	134	134
Equity	**2,112**	2,024	2,024	**283**	271	271
Cash flow and investments						
Depreciation, amortization and impairment	**80**	30	80	**11**	4	11
Cash flow from operating activities	**362**	(39)	(2)	**49**	(5)	-
Cash flow from investing activities	**(172)**	(41)	(389)	**(23)**	(5)	(52)
– of which investment in tangible assets	**(164)**	(40)	(121)	**(22)**	(5)	(16)
Free cash flow	**190**	(80)	(391)	**25**	(11)	(52)
Information on shares						
Dividend	**334**	20	n/a	**45**	3	n/a
Share capital	**101**	101	101	**14**	14	14
Shares in thousands of DKK 10 each	**10,128**	10,128	10,128	**10,128**	10,128	10,128
Share price, end of year – DKK/EUR	**600**	1,410	1,410	**80**	189	189
Net asset value per share – DKK/EUR	**209**	200	200	**28**	27	27
Key figures						
EBIT margin – %	**13.2**	(5.0)	(3.6)	**13.2**	(5.0)	(3.6)
ROAIC – %	**21.3**	(3.0)	(6.7)	**21.3**	(3.0)	(6.7)
Pay-out ratio – %	**189**	(100)	n/a	**189**	(100)	n/a
Earnings per share (EPS) – DKK/EUR	**14.0**	(2.0)	(3.6)	**1.9**	(0.3)	(0.5)
Diluted earnings per share (DEPS) – DKK/EUR	**13.9**	(2.0)	(3.6)	**1.9**	(0.3)	(0.5)
Cash flow per share (CFPS) – DKK/EUR	**36.1**	(3.9)	(0.2)	**4.8**	(0.5)	-
Price earnings ratio (PE)	**43**	(705)	(392)	**43**	(705)	(392)
Share price/Net asset value	**2.9**	7.0	7.0	**2.9**	7.0	7.0
Revenue growth – %						
Organic growth	**10**	6	n/a	**10**	6	n/a
Exchange differences	**(1)**	-	n/a	**(1)**	-	n/a
Total growth	**9**	6	n/a	**9**	6	n/a

*) Financial highlights and key ratios stated in EUR constitute supplementary information to the annual report. The exchange rate used in translating from DKK to EUR is the exchange rate ruling at December 31, 2007 (EUR 100 = DKK 746.00).

Definitions: see last page

Financial highlights and key ratios for the ALK-Abelló Group

Amounts in DKKm	2007	2006 (4M)	2005/06	2004/05	2003/04*
Income statement					
Revenue	**1,652**	563	1,489	1,217	4,474
Operating profit before depreciation (EBITD)	**298**	2	126	59	630
Exceptional items	**-**	(40)	-	(46)	-
Operating profit/(loss) (EBIT)	**218**	(28)	53	2	320
Net financial items	**14**	10	40	(68)	(118)
Profit/(loss) before tax (EBT)	**232**	(18)	93	(66)	202
Net profit/(loss)	**177**	(20)	44	4,348	76
Average number of employees	**1,392**	1,314	1,227	1,027	3,644
Balance sheet					
Total assets	**2,821**	2,731	2,789	6,915	5,251
Invested capital	**1,050**	1,000	890	594	4,138
Equity	**2,112**	2,024	2,094	6,208	1,902
Cash flow and investments					
Depreciation, amortization and impairment	**80**	30	73	57	310
Cash flow from operating activities	**362**	(39)	60	175	335
Cash flow from investing activities	**(172)**	(41)	(370)	30	(349)
Free cash flow	**190**	(80)	(310)	205	(14)
Information on shares					
Dividend	**334**	20	51	4,050	20
Share capital	**101**	101	101	101	101
Shares in thousands of DKK 10 each	**10,128**	10,128	10,128	10,128	10,128
Share price – DKK	**600**	1,410	765	951	408
Net asset value per share – DKK	**209**	200	207	613	188
Key figures					
EBIT margin – %	**13.2**	(5.0)	3.6	0.2	7.2
ROAIC – %	**21.3**	(3.0)	7.1	0.1	7.7
Pay-out ratio – %	**189**	(100)	116	93	27
Earnings per share (EPS) – DKK	**14.0**	(2.0)	2.4	425.4	7.5
Cash flow per share (CFPS) – DKK	**36.1**	(3.9)	5.9	17.3	30.0
Price earnings ratio (PE)	**43**	(705)	319	(90)	54
Share price/Net asset value	**2.9**	7.0	3.7	1.6	2.2
Revenue growth – %					
Organic growth	**10**	6	9	15	n/a
Exchange differences	**(1)**	-	-	(1)	n/a
Acquisitions	**-**	-	13	1	n/a
Total growth	**9**	6	22	15	n/a

*) Comparative figures for 2003/04 have not been restated for the change in accounting policies on transition to IFRS, but have been calculated in accordance with the previous accounting policies on the basis of the provisions of the Danish Financial Statements Act and Danish accounting standards as well as OMX Nordic Exchange Copenhagen's financial reporting requirements for listed companies. Comparative figures for 2003/04 include the divested ingredients business, Chr. Hansen.

Definitions: see last page

To our shareholders

Dear shareholder

On the equity markets, 2007 was a challenging year, also for the shareholders of ALK-Abelló. In our opinion, the significant drop in our share price over the course of the year did not reflect our business developments and results of operations. ALK-Abelló achieved its previously forecast results based on continuing favourable and stable growth in the sale of injection- and drop-based allergy vaccines. Our results included DKK 1,652 million in revenue and a satisfactory rate of 16% sales growth in our core business. This growth will be maintained and amplified in the years to come to bring in steadily increasing earnings.

Trends indicate that allergy specialists and patients are becoming increasingly aware of the option to treat the cause of allergy using ALK-Abelló's allergy vaccine products rather than simply reducing the symptoms. In 2007, yet another alternative for patients to combat hayfever emerged with ALK-Abelló's launch of the world's only registered tablet-based allergy vaccine, GRAZAX®.

On the basis of clinical development program results, GRAZAX® was approved in 2006 by 27 European medical authorities following a standardized European approval process. However, when it comes to decisions on prices and reimbursement, it is the national and often even regional health authorities that weigh the benefits of new drugs against narrow economic considerations.

In 2007, a number of European regulatory authorities reached the same conclusion as the experts on health economics: that allergy treatment using GRAZAX® not only provides patients with a much better quality of life; GRAZAX® is also of economic benefit to society, in terms of fewer sick days, higher productivity, lower symptom-relieving medication costs, and savings on the cost of traditional vaccine treatment, i.e. injections administered by allergy specialists.

In countries such as Sweden, Norway, Finland, Germany, the Netherlands, Switzerland, Austria and Greece, the authorities have already decided to provide reimbursement for GRAZAX®. In southern Europe – and most unexpectedly also in ALK-Abelló's home country, Denmark – patients are still awaiting a favourable decision on reimbursement.

The results from an important clinical study of GRAZAX® in children and adolescents document that this patient group gains the same benefits from treatment as adults, both in terms of efficacy and safety. As soon as possible, ALK-Abelló intends to apply for an expansion of the marketing approval also to include children and adolescents.

After a highly satisfactory year for our core business and the launch of GRAZAX® on a number of European markets, ALK-Abelló still stands well prepared to offer even more allergy patients effective treatment for their allergies in the years ahead, while we continue our clinical research and development activities in connection with new tablet-based allergy vaccines.

Yours sincerely

Jørgen Worning Chairman	**Jens Bager** President and CEO

Highlights

The comparative figures for 2006 are unaudited because the financial year was changed in 2006.

- Revenue increased to DKK 1,652 million (1,519), which was in line with our forecast. The organic growth rate in the company's core business, sales of allergy vaccines, was 16%.

- The gross margin showed a satisfactory upward trend, growing to 70% (67) as a result of improvements in manufacturing and a more profitable product mix.

- GRAZAX® has been launched in ten European countries, and full reimbursement for the treatment has been obtained in eight of these countries so far. In these eight countries, overall reception of the tablet has been favourable and satisfactory. Sales of GRAZAX® totalled DKK 47 million.

- Operating profit (EBIT) was DKK 218 million (a loss of 55), which was in line with the forecast level of DKK 200-220 million. EBIT includes an up-front payment of DKK 199 million from the company's US partner, Schering-Plough.

- Profit before tax (EBT) was DKK 232 million (a loss of 28), which was in line with the forecast profit before tax of DKK 230-250 million.

- The existing capital available to the company exceeds its future capital requirements, and the Board of Directors therefore intends to propose at the annual general meeting to be held on April 24, 2008 that the dividend in respect of the 2007 financial year is fixed at an extraordinary level of DKK 33 per share of DKK 10.

- The main results from the study of GRAZAX® in children (GT-12) showed that children and adolescents gain the same benefits from the treatment as adults, both in terms of efficacy and safety. Moreover, new data from the study show that the tablet also reduces asthma symptoms significantly in children and adolescents.

- In 2007, ALK-Abelló initiated a three-year capital investment program of more than DKK 550 million to expand production capacity and ensure that the company can meet the expected growing demand for allergy vaccines.

Outlook for the 2008 financial year

For the 2008 financial year, ALK-Abelló forecasts total revenue of 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 expected to improve in 2008. Both research and development expenses as well as sales and marketing expenses are expected to increase as a result of the company's continued focus on the introduction of tablet-based allergy vaccines.

Operating profit (EBIT) is forecast at DKK 75-125 million before other operating income and costs (11).

Operating profit before tax (EBT) is forecast to reach DKK 85-135 million before other operating income and costs (25).

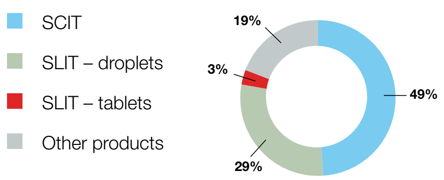
Long-term growth ambitions

ALK-Abelló expects to be able to maintain and increase its historic sales growth in the years to come so that revenue can increase by a minimum of 15% on average per year. ALK-Abelló also expects to continue the favourable trend in gross profit, primarily driven by the profitability of the company's allergy vaccines and productivity improvements. In addition, it is the company's ambition for research and development expenses to constitute approximately 15% of revenue in the longer term. Furthermore, the company expects that the growth rate in sales and marketing expenses will decrease starting in 2009. As a result, ALK-Abelló expects that the favourable trend in earnings capacity before contributions from collaborative partners can be maintained and expanded in the years to come.

Significant events after the end of the financial year

On March 1, 2008, ALK-Abelló published positive results from the third treatment season in the GT-08 study of GRAZAX®, the company's tablet-based vaccine against grass pollen allergy. The study showed that the significant clinical efficacy from the first and second years of treatment was sustained in the third year and even increased when differences in the three pollen seasons are taken into account. Furthermore, an increasing effect on the immune system was seen. The results support ALK-Abelló's expectations that GRAZAX® will have a lasting, significant effect when the recommended three-year treatment period ends. In order to document the effect when treatment with GRAZAX® has ended, patients will be monitored for an additional two years.

Revenue by product line



Management's review

Financial review

Revenue for 2007 showed a satisfactory trend, totalling DKK 1,652 million (1,519) with an overall organic growth rate of 10%. Exchange rates reduced revenue by one percentage point.

The organic growth rate in the core business, sales of allergy vaccines, was 16% in 2007, primarily driven by an increased focus on specific immunotherapy in certain key markets and a derived effect from the strong pollen season in Europe in 2006.

The organic growth rate in Q4 was 8%, affected by the closure of the *In Vitro Diagnostics* business. The rate of organic growth in sales of allergy vaccines was 13%.

In 2007, sales of injection-based allergy vaccines (SCIT) developed more favourably than originally expected and grew by 7% to reach DKK 809 million (756), especially driven by sales of maintenance treatment on the German and Nordic markets. Sales of sublingual products (SLIT) increased by 28% to DKK 528 million (412), whereas sales of drop-based SLIT products increased 18%, primarily driven by favourable trends in France and the Netherlands. Sales of the tablet-based SLIT-product, GRAZAX®, totalled DKK 47 million.

Income statement

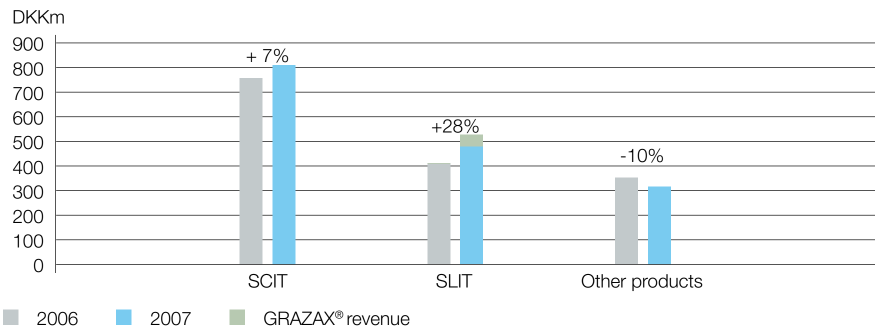
Amounts in DKKm	2007	%	2006 (12M unaudited)	%
Revenue	**1,652**	***100***	1,519	*100*
Cost of sales	**499**	***30***	505	*33*
Gross profit	**1,153**	***70***	1,014	*67*
Research and development expenses	**323**	***20***	320	*21*
Sales, marketing and administrative expenses	**819**	***50***	723	*48*
Other operating income	**216**	***13***	14	*1*
Other operating expenses	**9**	***1***	-	-
Operating profit before exceptional items	**218**	***13***	(15)	*(1)*
Exceptional items	**-**	**-**	(40)	*(3)*
Operating profit (EBIT)	**218**	***13***	(55)	*(4)*
Financial income	**43**	***3***	33	*2*
Financial expenses	**29**	***2***	6	-
Profit before tax (EBT)	**232**	***14***	(28)	*(2)*
Tax on profit	**92**	***6***	8	*1*
Net profit, continuing operations	**140**	***8***	(36)	*(2)*
Net profit, discontinued operations	**37**	***2***	-	-
Net profit	**177**	***11***	(36)	*(2)*

ALK-Abelló expects that the long-term commercial potential and perspectives for the tablet-based allergy vaccines on the European markets will remain good. This expectation is supported by a high level of interest in GRAZAX® among doctors and patients and by a number of market surveys among doctors.

Sales of injection-based allergy vaccines accounted for 49% (50) of revenue and thus remained the largest proportion of sales, whereas sales of sublingual products accounted for an aggregate 32% (27). Total sales of vaccine products against grass pollen allergy, including GRAZAX®, in Europe accounted for approximately 20% of total revenue in 2007.

Sales of drop-based SLIT products have increased by an average rate of 29% (CAGR) per year since August 31, 2002, taking into account the acquisition of French-based Allerbio in 2005. Excluding Allerbio, the average growth rate was 19% per year. Sales

Revenue 12M – by product line



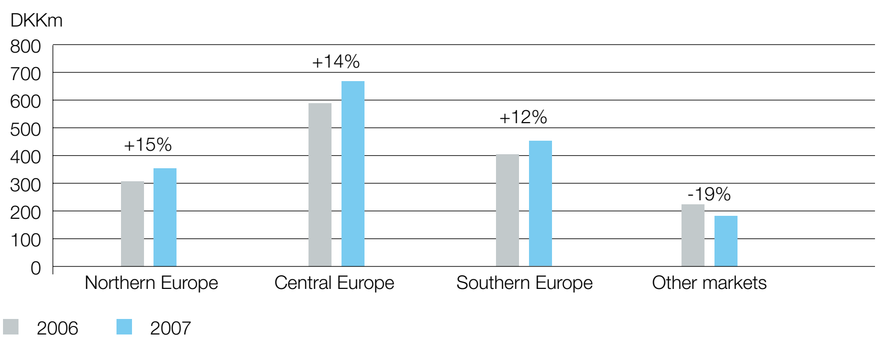
of injection-based SCIT products grew by an average of 5% per year; the average growth rate for other products was 5% per year. The company expects that sales of traditional allergy vaccines will continue to be a substantial growth area in the years to come.

Sales of other products (diagnostics, adrenaline and other commercial products) fell by 10% to DKK 315 million because certain non-strategic products were discontinued and the *In Vitro Diagnostics* business was closed down, a process that began in December 2006. Adjusted for these factors, revenue from other products increased by 4% and now accounts for 19% (23) of total revenue.

In 2007, favourable organic growth was achieved in all key regions, and most geographic markets have seen satisfactory sales growth, especially as a result of continuing strong growth in the sale of allergy vaccines.

In the Northern European Region – which accounts for 21% (20) of revenue and comprises the Nordic Region, the UK and the Netherlands for reporting purposes – a 15% increase in revenue to DKK 353 million

Revenue 12M – by market



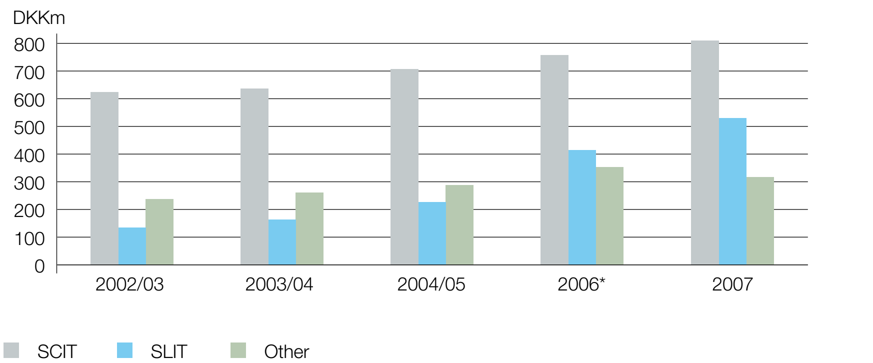
was recorded, primarily as a result of continuing growth in sales of allergy vaccines. However, the growth in the region was adversely affected by factors such as delayed decisions on reimbursement of treatment with GRAZAX®.

In Central Europe, sales increased by 14% to DKK 667 million and were driven by growth in the sale of injection-based allergy vaccines and the effect from sales of GRAZAX® in Germany. With 40% (39) of revenue, the Central European Region, which comprises Germany, Austria, Switzerland and Poland, continued to be the region accounting for the largest share of revenue.

Revenue from the Southern European Region – which for reporting purposes comprises Spain, Italy and France – increased by 12% to DKK 451 million due to continuing growth in sales of drop-based allergy vaccines. The Southern European Region accounted for 28% (26) of revenue.

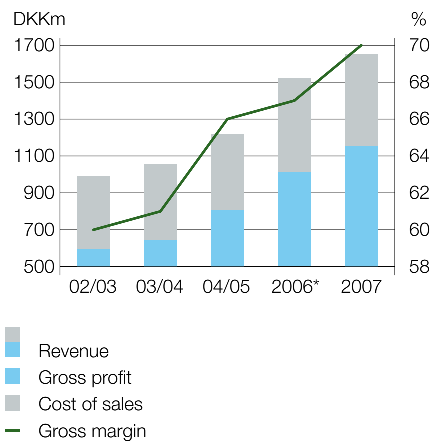
In other markets, revenue fell by 19% to DKK 181 million due to the removal of certain non-strategic products from the product range and the closure of the *In Vitro Diagnostics* business. If these effects are eliminated, the growth rate in these markets was 3%. Other markets accounted for 11% (15) of revenue and comprise the

Development in revenue



* In 2006, the company changed its financial year to the calendar year. The figures for the 2006 calendar year are unaudited.

Revenue and gross profit



USA, China and exports to the rest of the world.

Cost of sales amounted to DKK 499 million (505), which brought **gross profit** to DKK 1,153 million (1,014). The gross margin showed satisfactory growth to 70% (67), which was in part due to production enhancements and a more profitable product mix. Since 2002, the gross margin increased from 60% to 70%.

The year's research and development expenses totalled DKK 323 million (320), equivalent to 20% of revenue, and primarily related to the development of the tablet-based vaccines.

Sales, marketing and administrative expenses rose to a combined DKK 819 million (723), primarily as a result of sales and marketing expenses for GRAZAX® in Europe.

EBIT was a profit of DKK 218 million (a loss of 55), equivalent to an EBIT margin of 13%. EBIT included net operating income from Schering-Plough of DKK 199 million.

Net financials contributed DKK 14 million (27) and was affected in particular by foreign exchange losses as a result of the fall in the exchange rate of USD and GBP vis-à-vis DKK. EBT was a profit of DKK 232 million (a loss of 28).

Income tax amounted to DKK 92 million (8), corresponding to an effective tax rate of 40%. As stated earlier, the tax rate was affected by a fall in the value of deferred tax assets by DKK 11 million caused by a reduction of the Danish corporate tax rate from 28% to 25%. The reduction of the deferred tax assets is a one-off effect. If this one-off effect is eliminated, the effective tax rate was 35%.

Net profit of the ALK-Abelló Group was DKK 140 million (a loss of 36).

Net profit from discontinued operations totalled DKK 37 million and represented extraordinary income relating to final adjustments of the consideration from the sale of the ingredients business, Chr. Hansen in 2004/05. This brought the **net profit for the year** to DKK 177 million (a loss of 36).

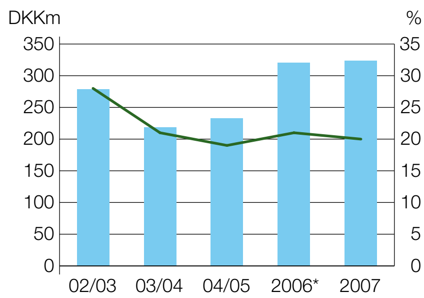
The cash flow from operating activities was an inflow of DKK 362 million (an outflow of 2), which was affected in particular by the up-front payment from Schering-Plough and changes in working capital. **The cash flow from investing activities** was an outflow of DKK 172 million (an outflow of 389) and related to the investment in an expansion of the production capacity and ongoing maintenance. **The cash flow from financing activities** for the year was an outflow of DKK 100 million (an outflow of 176), which was attributable to purchases of treasury shares to cover the employee share plan, a share option plan and the distribution of ordinary dividends. The cash flow for the year was an inflow of DKK 99 million (an outflow of 567). At the end of the year, cash totalled DKK 1,030 million (933).

Equity stood at DKK 2,112 million at the end of the year (2,024), corresponding to an equity ratio of 75% (74).

Financial forecasts

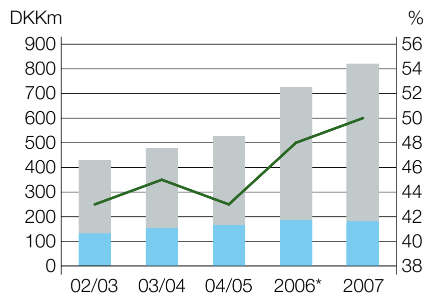
Outlook for the financial year 2008
For the 2008 financial year, ALK-Abelló forecasts total revenue of DKK 1,875-1,925 million (1,652). Sales of GRAZAX® continue to be subject to significant uncertainty and depend, among other things, on the outcome of the current price and reimburse-

Research & development



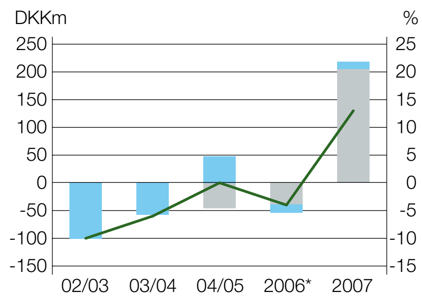
Research & development
Percentage of turnover

Sales, marketing and administration



Administration
Sales & marketing
Percentage of revenue

EBIT



EBIT before other income/expenses and exceptional items
Other income/expenses and exceptional items
EBIT margin

ment discussions with the health authorities in Europe.

Gross profit is expected to improve in 2008. Both research and development expenses as well as sales and marketing expenses are expected to increase as a result of the company's continued focus on the introduction of tablet-based allergy vaccines.

Operating profit (EBIT) is forecast at DKK 75-125 million before other operating income and costs (11).

Operating profit before tax (EBT) is forecast to reach DKK 85-135 million before other operating income and costs (25).

Long-term growth ambitions

ALK-Abelló expects to be able to maintain and increase its historic sales growth in the years to come so that revenue can increase by a minimum of 15% on average per year. ALK-Abelló also expects to continue the favourable trend in gross profit, primarily driven by the profitability of the company's allergy vaccines and productivity improvements. In addition, it is the company's ambition for research and development expenses to constitute approximately 15% of revenue in the longer term. Furthermore, the company expects that the growth rate in sales and marketing expenses will decrease starting in 2009. As a result, ALK-Abelló expects that the favourable trend in earnings capacity before contributions from collaborative partners can be maintained and expanded in the years to come.

Operating review

Launch of GRAZAX® in Europe

The world's first tablet-based allergy vaccine against grass pollen allergy, GRAZAX®, was launched in 2007 in a number of countries where ALK-Abelló has subsidiaries. Everywhere, the launch was met with substantial interest from doctors, patients as well as the media, supported as it was by results from the world's largest clinical development program in allergy vaccination.

As a supplement to the well-documented clinical effect, health economic analyses were carried out with the overall conclusion being that treatment with GRAZAX® is of economic benefit to society. The treatment improves patient quality of life and reduces the number of sick days and the use of symptom-relieving medication. In addition, the costs of visits to the doctor are significantly lower than for injection-based allergy vaccination.

The health economic analyses follow international guidelines and are used by the authorities to evaluate, for example, whether the public healthcare system should provide reimbursement for a given treatment.

On basis of the clinical results and the tablet's favourable health economic profile, the authorities in Sweden, the Netherlands, Austria, Greece, Norway and Finland in 2007 followed the example of Germany (November 2006) and decided to provide full reimbursement for GRAZAX®.

In the United Kingdom, GRAZAX® has also been approved for national reimbursement. The use of new drugs is regulated by factors such as recommendations from 150 regional trusts (primary care trusts), which all make health economic assessments based on their own healthcare budgets. Generally, allergy is not a prioritized disease area in the United Kingdom, and there is no tradition for allergy vaccination. Against that background, the market launch of GRAZAX® in the United Kingdom turned out to be more difficult than expected, and ALK-Abelló has therefore adjusted its marketing strategy. In future, the company intends to focus more specifically on the introduction of the allergy vaccine concept among leading allergy specialists.

As Switzerland is not a member of the EU, the country was not a participant in the ”mutual recognition procedure” for GRAZAX®, which was completed in 2006. The Swiss regulatory authorities issued a marketing approval in June 2007. The Swiss authorities have subsequently granted GRAZAX® public reimbursement, and the launch of GRAZAX® in Switzerland takes place in the first half of 2008.

As the only country in northern and central Europe, Denmark has so far decided to pursue a highly restrictive reimbursement policy which in practice precludes Danish patients from treatment with GRAZAX®. ALK-Abelló continues its dialogue with the Danish authorities to find a solution that allows for a softening of the reimbursement criteria as requested by both allergy specialists and the Asthma-Allergy Association, Denmark.

In Italy, the authorities have granted GRAZAX® the same reimbursement status as the other allergy vaccine products on the market. In practice, this means that the reimbursement issue is left to the regional health authorities, with which ALK-Abelló has started a dialogue. In the other southern European countries, the discussions on prices and reimbursement have turned out to be longer than first expected, which is the reason why the processes in France and Spain will most likely not be completed until sometime in the first half of 2008, at the earliest.

Clinical development program for GRAZAX®

At the annual meeting of US allergy specialists (AAAAI 2007) in San Diego, USA, in February, ALK-Abelló presented the favourable results from the second year of treatment in the GT-08 long-term study of GRAZAX®. The study documents a highly significant clinical and immunological effect in the course of the first two years of treatment. The results thus support ALK-

Abelló's expectation that three years of daily treatment with GRAZAX® will yield a lasting effect, also after completion of treatment. The results from the second year of treatment were published in the first quarter of 2008 in the peer-reviewed *Journal of Allergy and Clinical Immunology.*

In November 2007, the main results from a Phase III clinical study (GT-12) of GRAZAX® for the treatment of children were published. The study was conducted with a view to extending coverage of the 2006 European marketing approval to include children and adolescents. The study was conducted in Germany and included 253 patients 5 to 16 years of age. The study achieved its primary endpoint and showed a statistically significant clinical effect corresponding to the results from the extensive European clinical development program in adult patients. The study in children also confirmed the safety profile previously documented from the studies in adults. Further analyses of the study show a statistically significant reduction of asthma symptoms in the children and adolescents treated with GRAZAX®.

ALK-Abelló considers the results to be an important milestone in its development program for tablet-based allergy vaccines and expects to file an application with the European health authorities in 2008 for an expansion of the marketing approval to include treatment of children and adolescents.

In the same month, the results from the first clinical study of GRAZAX® in the USA (GT-14) were published as well. Because results were insufficient, ALK-Abelló's partner, Schering-Plough, decided to initiate two additional efficacy and safety studies of GRAZAX® for the treatment of children and adults respectively. Schering-Plough later announced that the studies will include a one-year baseline observational period followed by an active treatment year before and during the grass pollen season. These studies are scheduled for completion late 2009.

Other clinical studies

In May 2007, ALK-Abelló completed a Phase I clinical study (RT-01) in the USA of the company's tablet-based vaccine against ragweed allergy. Schering-Plough subsequently announced that they wish to continue the further development of the product.

In addition, ALK-Abelló has initiated a Phase I tolerability study of its tablet-based vaccine against tree pollen allergy. The study includes roughly 70 patients and is scheduled for completion in the first half of 2008.

The company is currently conducting an extensive Phase II/III dosage/efficacy study (MT-02) of the tablet-based vaccine against house dust mite allergy. The study is expected to form the basis for additional Phase III studies of the house dust mite vaccine. The study is progressing according to plan, and the company expects to be able to publish the main results in the second half of 2008.

In August 2007, the peer-reviewed scientific journal *Allergy* once again confirmed that treatment with the injection-based allergy vaccine, Alutard SQ®, reduces the risk of allergic children developing the life-threatening disease asthma. As much as ten years after the launch of the PAT (Preventive Allergy Treatment) study, the risk of developing asthma is still reduced by approximately 50% in the group of children who are vaccinated against allergy using Alutard SQ®. Moreover, compared with allergy symptoms in the control group, allergy symptoms in the children receiving treatment are reduced significantly.

Other research and development activities

ALK-Abelló is the world leader in allergy vaccination. The treatment regime is recognized by the World Health Organization (WHO) as the only treatment that can change the underlying allergic disease. In addition to reducing patients' allergy symptoms and their need for symptom-relieving medication, the treatment holds potential as a preventive therapy against the development of asthma and new allergies.

ALK-Abelló intends to continue to focus on the treatment of allergy through immunomodulation (changes in the immune system), and the strategy continues being

Pipeline

Product type	Active ingredient	Indication	Research	Preclinical	Phase I	Phase II	Phase III	Marketed
GRAZAX®	Biological grass pollen allergen	Rhinitis						
Tablet	Biological house dust mite allergen	Rhinitis/asthma						
Tablet	Biological ragweed allergen	Rhinitis						
Tablet	Biological tree pollen allergen	Rhinitis						

to develop user-friendly alternatives making it possible to offer allergy treatment to far more patients than those currently receiving conventional injection-based allergy vaccination.

ALK-Abelló currently has four different tablet-based vaccines in clinical development whose active ingredient is standardized natural allergens. In its selection of these allergens, the tablet program covers the three most significant outdoor allergens in Europe and the USA (grass, tree and ragweed pollen) and the most important indoor allergen in the world (house dust mite).

Moreover, development activities have been initiated with a view to developing the next generation of tablet-based allergy vaccines. With the addition of other active ingredients as a supplement to allergens, the goal is to achieve a more rapid onset of effect and possibly a further improvement in the tolerability profile, as well as to retain the high clinical effect.

Development activities have also been initiated with a view to developing what is known as "recombinant" allergens. Produced using sophisticated genetic engineering, recombinant allergens will allow production of future vaccines independent of access to natural allergen sources. With more than 20 years of experience as pioneers in the field of recombinant allergens, ALK-Abelló researchers were the first to characterize and describe the structures of the most important inhalation allergens from birch pollen and house dust mites. The company manages a large portfolio of patents and intellectual property rights which ensures the necessary freedom to use relevant recombinant allergens in its commercial products.

Expansion of production capacity

In 2007, ALK-Abelló initiated a three-year capital investment program of more than DKK 550 million to expand production capacity to ensure that the company can meet the expected future demand for allergy vaccines.

In mid 2007, ALK-Abelló started the construction of a new and larger raw materials production unit in Idaho, USA, as a replacement of the existing facility in Spokane, Washington, USA. Moreover, the Danish production facility for active pharmaceutical ingredients (API) for the tablet-based vaccines is being expanded. Both projects are expected to be completed in 2009.

ALK-Abelló has signed an agreement in August 2007 with Catalent Pharma Solutions for a substantial increase in tablet production capacity at Swindon in the United Kingdom. Under the agreement, a new production line dedicated to ALK-Abelló's tablet products will be built. Production on the line is expected to begin in 2010.

Partnership for North America

In January 2007, ALK-Abelló signed a strategic collaborative agreement with the US-based pharmaceutical company Schering-Plough for the development and commercialization of GRAZAX® and tablet-based allergy vaccines against house dust mite and ragweed allergy. The agreement covers the markets in the USA, Canada and Mexico. Under the agreement, the future development of the tablet-based vaccines for the North American market and communication in that connection will be handled by Schering-Plough.

Change in Board of Management

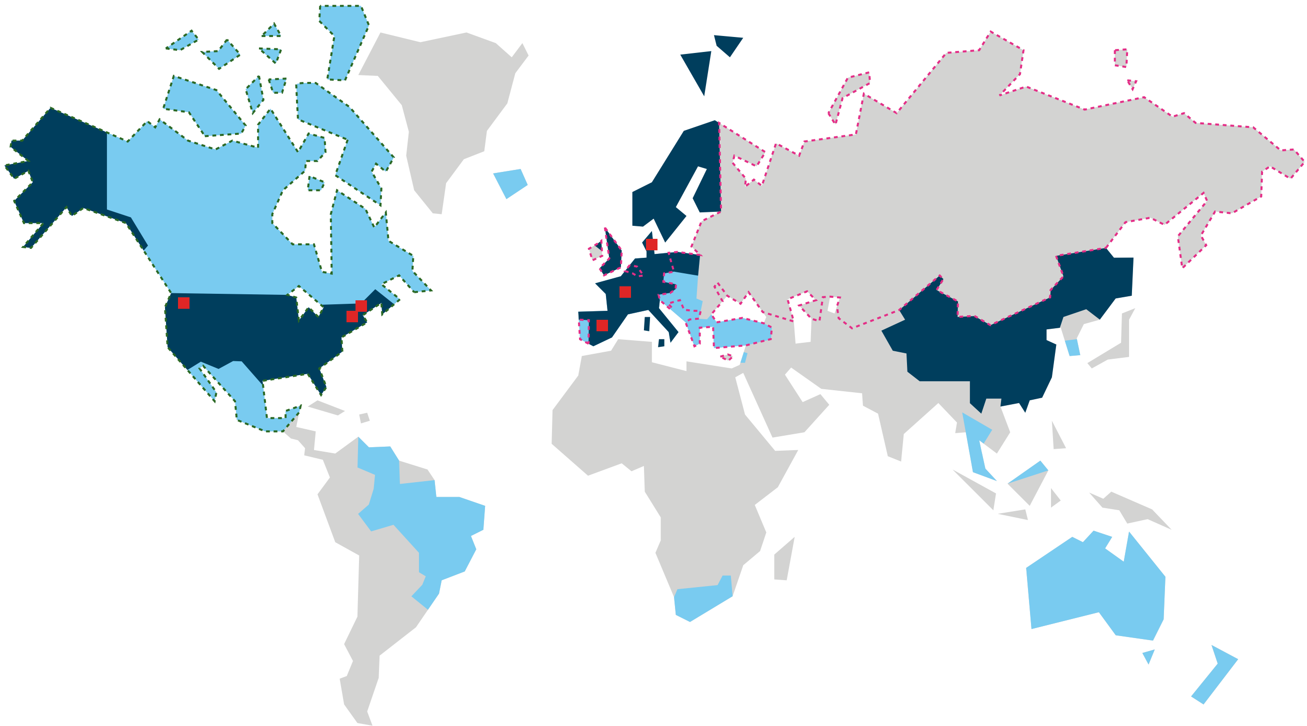
In May 2007, ALK-Abelló appointed Jørgen Damsbo Andersen new Executive Vice President, Business Operations & International Marketing and member of the Board of Management. Jørgen Damsbo Andersen was formerly head of the company's Northern European Region.

Significant events after the end of the financial year

On March 1, 2008, ALK-Abelló published positive results from the third treatment season in the GT-08 study of GRAZAX®, the company's tablet-based vaccine against grass pollen allergy. The study showed that the significant clinical efficacy from the first and second years of treatment was sustained in the third year and even increased when differences in the three pollen seasons are taken into account. Furthermore, an increasing effect on the immune system was seen. The results support ALK-Abelló's expectations that GRAZAX® will have a lasting, significant effect when the recommended three-year treatment period ends. In order to document the effect when treatment with GRAZAX® has ended, patients will be monitored for an additional two years.

This annual 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 because 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 annual report. Without being exhaustive, such factors include, among other things, 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. See Risk Management for further information. This annual 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.

Global presence



- Production
- Distributors
- Subsidiaries in Austria, France, Germany, Italy, the Netherlands, Poland, Spain, Sweden (Nordic), Switzerland, UK and USA
  Sales offices in China, Denmark, Finland and Norway
- Partnership with Schering-Plough in Canada, Mexico and USA
- Partnership with the Menarini Group in Belgium, Greece, Ireland, Luxembourg, Portugal, Turkey, UK and Eastern Europe

About ALK-Abelló

ALK-Abelló is devoted to improving the lives of people with allergies by developing pharmaceutical products that target the cause of allergy. ALK-Abelló is the world leader in allergy vaccination (immunotherapy) – a unique treatment which reduces and potentially halts the allergic reaction. Allergy vaccination is traditionally administered as subcutaneous injections or sublingual droplets. ALK-Abelló aims to extend the use of allergy vaccination by introducing convenient, tablet-based vaccines, thereby offering many more patients a causal allergy treatment. GRAZAX®, the world's first tablet-based vaccine against grass pollen allergy, was launched in Europe in 2006, and ALK-Abelló has entered into partnerships regarding the program with the Menarini Group for central and eastern Europe and with Schering-Plough for North America. ALK-Abelló has more than 1,400 employees with subsidiaries, production facilities and distributors worldwide. The company is headquartered in Hørsholm, Denmark and listed on the OMX Nordic Exchange Copenhagen.

Risk management

Doing business in the pharmaceutical industry is subject to risk. For this reason, ALK-Abelló endeavours at all times to manage the risks that are of specific significance to the company and characteristic of the pharmaceutical industry. The goal is not to avoid risk, but to manage risk proactively to avoid material events and development trends which could prevent the company from achieving its overall strategic goals. The following risks are of particular significance to ALK-Abelló.

Commercial risks

Risks related to the development of new drugs

The future success of ALK-Abelló depends on the company's ability to successfully identify, develop and market new, innovative drugs, and this involves significant risks. Before a pharmaceutical drug can be approved for marketing, it must be subjected to very extensive and lengthy clinical trials to document aspects such as safety and efficacy. In the course of the development process, the outcome of these trials is subject to significant risks. Even though substantial resources are invested in the development process, the trials may produce negative results. Delays in obtaining regulatory approvals – or failure to obtain such approvals – may also have a major impact on the ability of ALK-Abelló to achieve its long-term goals. ALK-Abelló and its collaborative partners perform thorough risk assessments of the research and development programs in a continuing process before they are moved forward in the development process and into the final registration process. This is done to optimize the probability that the products reach the market.

Risks related to regulation and price control

ALK-Abelló's products are subject to a large number of statutory and regulatory requirements with respect to issues such as safety, efficacy and production. In many cases, the national authorities also set or reduce the product price, for instance through reimbursements. In most of the countries in which ALK-Abelló operates, prescription drugs are subject to reimbursements from and price control by national authorities. This often results in major price differences in the individual markets. Regulatory intervention and price control may therefore have a significant impact on the company's earnings capacity.

Risks related to commercialization

If ALK-Abelló and its partners succeed in developing new products and obtaining regulatory approval for them, the ability to generate revenue depends on the products being accepted by doctors and patients. The degree of market acceptance of a new product or drug candidate depends on a number of factors, including demonstration of clinical efficacy and safety, cost-effectiveness, convenience and ease of administration, potential advantage over alternative treatment methods, competition, and marketing and distribution support. If ALK-Abelló's new products fail to achieve market acceptance, this could have a significant influence on the company's ability to generate revenue. ALK-Abelló regularly conducts extensive surveys of market conditions and similar factors and generally expends significant resources on providing information on its products to doctors and patients. Commercialization is a crucial part of the company's strategic basis and strategic activities.

Risks related to dependence on third parties

ALK-Abelló has partnership agreements with third parties with a view to commercializing the company's products on a number of markets and with parties supplying important input for key production processes. Although there are financial incentives for all of ALK-Abelló's partners to fulfil their contractual obligations, there can be no assurance that they will actually do so. The factors that motivate ALK-Abelló's partners to develop and commercialize products may be affected by conditions and decisions that are beyond ALK-Abelló's control. Under its agreement with Schering-Plough, ALK-Abelló is also entitled to receive certain payments. These milestone payments will depend on continuing favourable results in the development of pharmaceutical products for which Schering-Plough holds the license rights. Moreover, reliance on suppliers and third-party manufacturers entails risks to which ALK-Abelló would not be subject if the company possessed the necessary in-house manufacturing capabilities. Such risks include but are not limited to:

- Reliance on a third party for regulatory compliance and quality assurance.
- Possible breach of a manufacturing agreement by a third party due to factors beyond ALK-Abelló's control and influence.
- Reliance on the ability of a third party to deliver and scale up the volume of production.

ALK-Abelló manages these risks through contractual relations, thorough planning and monitoring and through joint steering committees that work together with these external parties.

Risks related to competition

ALK-Abelló operates in markets characterized by intense competition. If, for instance, a competitor launches a new and more effective treatment of allergy, it may have a material impact on ALK-Abelló's sales. A competitive market may also lead to market-driven price reductions or price reductions dictated by the regulatory authorities. Both competition and price are risks that may have a material impact on

ALK-Abelló's ability to achieve its long-term goals. ALK-Abelló therefore monitors economic developments, the competitive situation and initiatives on all important markets.

Risks related to patents and intellectual property rights

Patents and other intellectual property rights are important for developing and retaining ALK-Abelló's competitive strength. The risk that ALK-Abelló infringes patents or trade mark rights held by other companies and the risk that other companies may attempt to infringe the patents and trade mark rights of ALK-Abelló are monitored and, if necessary, suitable measures are taken.

Risks related to production and quality

ALK-Abelló has concentrated most of its production capacity at plants in Denmark, France, Spain and the USA. Although the plants are located in areas that have not historically been hit by natural disasters, this geographical diversification calls for risk planning in order to avoid emergency situations such as lack of or poor access to raw materials such as pollen. This planning includes the prevention of unwanted events and preventive inventory management; an example is the build-up of contingency inventories in order to ensure an unbroken chain of production. Production and manufacturing processes are also subjected to periodic and routine inspections by the regulatory authorities as a regular part of their monitoring process in order to ensure that all manufacturers observe the prescribed requirements and standards. Meeting these quality standards is a prerequisite for the company's competitive strength. ALK-Abelló's production processes and quality standards have been developed and optimized over many years. As in previous years, the regular inspections by the regulatory authorities at ALK-Abelló did not give rise to any material comments in the past year.

Risks related to key employees

ALK-Abelló is dependent on being able to attract and retain employees in key positions. A loss of key employees may have a material impact on the company's market and research efforts. ALK-Abelló is managing this risk, among other things, by continuously offering its staff professional development opportunities and fair compensation.

Financial risks

The goal of ALK-Abelló's financial risk management is to reduce the sensitivity of earnings to fluctuations in exchange rates, interest rates, credit rating and liquidity. Group policy is to refrain from active speculation in financial risks. See note 36 of this annual report for further details on the Group's policy for the management of financial risks and a specification of the Group's hedging of currency, interest rate and credit risks and the use of derivative financial instruments.

Foreign exchange risk

The most significant financial risk relates to exchange rate fluctuations. The exposure is most substantial to EUR and USD, as 74% of the ALK-Abelló Group's revenue is denominated in EUR and 9% in USD. As the costs of the company's subsidiaries are in local currencies, the sensitivity at EBIT level is not deemed to be material. Currency translation adjustments relating to sales and costs denominated in other currencies than DKK are recognized in the income statement. In addition, ALK-Abelló is exposed to the exchange rate risks that relate to the translation into DKK of the net assets of its foreign subsidiaries. In accordance with the accounting policies, such currency translation adjustments are recognized directly in equity.

Net assets by currency

Intercompany sales are generally invoiced in the currency of the buying country. Thus, the currency exposure is limited to Denmark and the other three production countries: Spain, France and the USA. The foreign exchange risk is generally deemed to be limited. Foreign exchange exposure relating to future transactions as well as assets and liabilities is evaluated and secured by instruments such as forward currency contracts. This serves to limit the impact of any currency fluctuations on the financial results. The exchange rate exposure relating to net investments in foreign subsidiaries is not hedged by forward currency contracts.

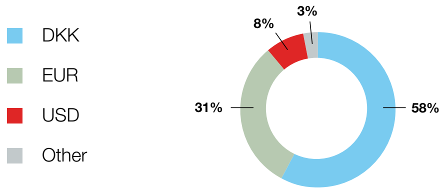
Interest rate and liquidity exposure

At the end of the financial year, net interest-bearing assets stood at approximately DKK 1,000 million. A change in the interest rate level by 1 percentage point would consequently correspond to a change in interest income of approximately DKK 10 million. Excess liquidity from, among other things, the divestment of Chr. Hansen, is invested in investment-grade, liquid, interest-bearing instruments with a relatively short duration.

Credit exposure

The credit exposure in connection with financial instruments is managed by using only financial institutions with satisfactory credit worthiness, in Denmark as well as abroad. Trade receivables are monitored closely at the local level and are distributed on a number of markets and customers. The credit risk is therefore considered to be low.

Net assets by currency as at December 31, 2007



Employees, environment and safety

In the course of the financial year, ALK-Abelló increased its staff to 1,432 employees. The increase was mainly in sales and marketing in connection with the launch of GRAZAX®, and in research and development of the tablet-based vaccines in the company's pipeline.

ALK-Abelló is continuing its competence development projects for managers and employees. In 2007, ALK-Abelló conducted a global management evaluation to document the effect of the existing development projects and to identify future areas of focus.

In spite of the growing demand for qualified employees, ALK-Abelló continued to be successful in filling vacancies with competent candidates.

ALK-Abelló's systematic efforts to constantly enhance the working environment and reduce the impact on the external environment were recognized in 2007 as the company was awarded two certifications, one in the environmental area (ISO 14001) and one in the health and safety area (OHSAS 18001).

These certifications document that the company has established a simple and easily understandable, integrated safety, health and environmental system which, in addition to Denmark, covers the production sites in Madrid (Spain), Vandeuil and Varennes (France) and Port Washington, Round Rock, Spokane and Spring Mills (USA).

As in previous years, the company did not violate any legal requirements during the financial year, including environmental requirements; and no violations of environmental approvals or unintended spills occurred during the year.

Employees by employee group

	2003/04	2004/05	2005/06	2006	**2007**
Production	453	515	509	519	**497**
Research and development	176	188	205	216	**281**
Sales, marketing and administration	401	485	552	611	**654**
Revenue per employee in DKK '000	*1,023*	*1,024*	*1,176*	*1,129*	***1,154***
Total	1,030	1,188	1,266	1,346	**1,432**

Key figures for consumption of resources and environmental impacts*

Indicator	2004/05	2005/06	**2007**
Energy consumption, MWh	18,078	19,075	**23,933**
Water consumption, m^3	58,449	62,571	**66,713**
Waste, tons	251	257	**334**
of which is recycled, %	37	37	**35**

Occupational injuries*

Indicator	2004/05	2005/06	**2007**
Number of occupational injuries resulting in sick leave	7	7	**10**
Injury frequency (per million working hours)	4.9	4.8	**5.3**

Definitions

- Occupational injury: An injury which subsequently results in one or more days of sick leave in addition to the day of the injury.
- Injury frequency: The number of occupational injuries divided by the total number of working hours performed by the total number of employees in the same period of time.

* Environmental, health and safety data stated in this report were collected from the company's locations (production, research and development and administration) at Hørsholm (Denmark), Vandeuil and Varennes (France), Madrid (Spain) and Port Washington, Round Rock, Spokane and Spring Mills (USA).

Shareholder information

It is ALK-Abelló's goal to provide timely, accurate and relevant information on its strategy, operations, performance, expectations, the progress of its clinical research and development programs and risk factors.

Within the framework of the stock exchange rules of ethics, ALK-Abelló seeks to maintain an ongoing and active dialogue with investors on the company's performance and activities. Following each publication of interim financial statements, members of the Board of Management and the investor relations team travel worldwide to meet investors and participate in investor conferences.

Registrar

VP Investor Services A/S
Registrar Services
Helgeshøj Allé 61
DK-2630 Taastrup
Denmark

Through an active information policy, Management seeks to maintain an open dialogue with its shareholders. Management recommends all shareholders to have their shares registered in the company's register of shareholders.

Ownership

On December 31, 2007, two shareholders had notified the company pursuant to section 28(a) and (b) of the Danish Public Companies Act that they hold 5% or more of the company's shares.

As at December 31, 2007, ALK-Abelló A/S had 13,976 registered shareholders, up from 8,790 at the end of 2006. The registered shareholders represent approximately 84% of the share capital, and 1,294 of these shareholders are foreign shareholders, holding approximately 22% of the share capital.

Share price performance

The price of ALK-Abelló's shares was DKK 600 as at December 31, 2007, representing a 57% decline compared with the previous year.

In 2007, turnover in the shares increased by 36%. The volume of B shares traded during the year was approximately 12.1 million, up from 8.8 million in 2006. In 2007, the average turnover per trading day was DKK 54 million.

Dividend policy

ALK-Abelló A/S pays dividends taking into account actual earnings, risk management, strategy and investment plans. The existing capital available to the company exceeds its future capital requirements, and the Board of Directors therefore intends to propose at the annual general meeting to be held on April 24, 2008 that the dividend in respect of the 2007 financial year is fixed at an extraordinary level of DKK 33 per share of DKK 10.

ALK-Abelló A/S core data

Share capital	DKK 101,283,600
Nominal value per share	DKK 10
Classes of shares	2
Number of shares	10,128,360
A shares	920,760
B shares	9,207,600
Number of votes per A share	10
Number of votes per B share	1
Stock exchange	OMX Nordic Exchange Copenhagen
Ticker symbol	ALK B
ISIN	DK0060027142
OMX Nordic Exchange	MidCap+, OMXCPI and KFMX
Bloomberg code	ALKB.DC
Reuters code	ALKB_CO

Shareholders holding 5% or more of the company's shares as at December 31, 2007

	Registered office	A shares, number	B shares, number	Interest	Votes
LFI a/s	Hellerup, Denmark	919,620	2,649,130	35.2%	64.3%
The Labour Market Supplementary Pension Scheme (ATP)	Hillerød, Denmark	-	908,647	9.0%	4.9%
Total				**44.2%**	**69.2%**

Payment of the dividend in respect of 2007 is scheduled for April 30, 2008.

Treasury share policy
The shareholders have authorized the Board of Directors of ALK-Abelló A/S to let the company acquire own B shares with a nominal value of up to 10% of the B share capital at the market price on the date of acquisition, subject to a deviation of up to 10%. The authorization is valid for the period until the next annual general meeting.

The nominal value of ALK-Abelló's treasury shares was DKK 1,314,320 as at December 31, 2007, equivalent to 1.3% of the share capital.

Share option and employee share plans
Further details and terms of the share option and employee share plans are disclosed in note 5 to the financial statements.

Clauses on change of control in the company
The company has not entered into any material agreements with any customers, suppliers or other business partners which would come into effect or would change if the control in the company changes.

If members of the company's Board of Management leave their positions in connection with a change of control in the company, such members are entitled to compensation that does not exceed usual severance terms.

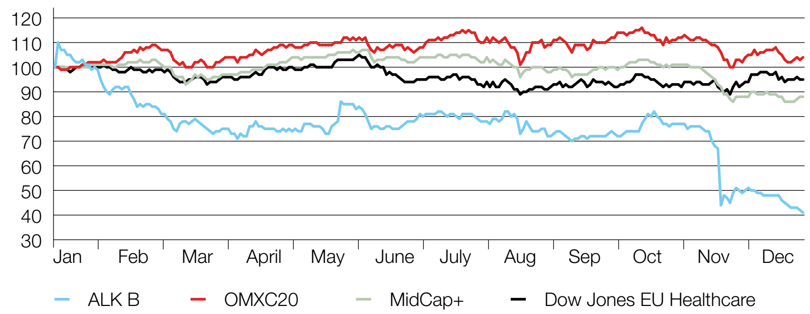
Investor relations
Management and the investor relations function continuously work to further develop the dialogue with shareholders, analysts, potential investors and other stakeholders via open, honest and accessible information.

The Board of Management is responsible for the company's investor relations.

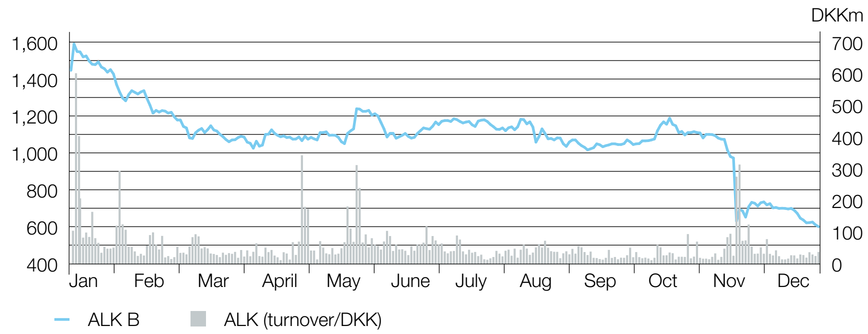
Responsible for the day-to-day investor relations tasks
Per Plotnikof
Investor Relations Manager
Tel: +45 4574 7527
Fax: +45 4574 8607
E-mail: investor@alk-abello.com

The Internet
Information on ALK-Abelló is also available at the corporate website: www.alk-abello.com. The website includes relevant investor presentations, the company's investor relations policy, a list of stock exchange announcements, financial statements and other relevant information. ALK-Abelló intends to launch a new corporate website in 2008. This initiative will further improve the company's communication with its shareholders.

Relative share price development



Share price and turnover



ALK-Abelló invites all interested parties to register for its e-mail news service in order to receive information on stock exchange releases, interim financial statements and other information immediately after publication.

Annual general meeting

The proposals to be made by the Board of Directors at the annual general meeting to be held on April 24, 2008 include:

- Declaration of a dividend of DKK 33 per share in respect of the 2007 financial year.
- Authorization to the Board of Directors to acquire up to 10% of the company's own shares.
- General guidelines on incentive compensation for the Board of Management.
- That all board members are up for election each year.

The company's current policy for nominating and replacing board members is that the two members who have been in office for the longest time shall retire from office each year. The company's articles of association can be amended if the amendment is adopted by not less than two-thirds of the votes cast as well as the voting share capital represented at the general meeting.

Analysts

Securities house	Analyst	Telephone	E-mail
ABG Sundal Collier		+45 3318 6100	
Carnegie Denmark	Annette Lykke	+45 3288 0200	annette.lykke@carnegie.dk
Cazenove	David Adlington	+44 20 7155 5000	david.adlington@cazenove.com
Danske Equities	Martin Parkhøi	+45 3344 0000	martin.parkhoi@danskebank.com
FIH Erhvervsbank (Kaupthing Group)	Thomas Winther Sørensen	+45 7222 5000	thomas.sorensen@kaupthing.com
Gudme Raaschou Bank	Brian Rathje	+45 3344 9000	bra@gr.dk
Handelsbanken	Michael Novod	+45 3341 8200	mino03@handelsbanken.se
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Main*First* Bank AG	Dr. Marcus Wieprecht	+49 69 78808-221	marcus.wieprecht@mainfirst.com
Piper Jaffray	Sam Fazeli	+44 20 3142 8700	sam.m.fazeli@pjc.com
	Tracey West	+44 20 3142 8700	tracey.j.west@pjc.com
Proactive Independent Ideas	Frans Høyer	+44 7810 44 5172	frans.hoyer@pi-ideas.co.uk
SEB Enskilda	Henrik Simonsen	+45 3697 7000	henrik.simonsen@enskilda.dk

2008 financial calendar

Annual general meeting Den Sorte Diamant Søren Kierkegaards Plads 1221 Copenhagen K, Denmark	April 24, 2008
Three-month interim report (Q1) 2008	May 15, 2008
Six-month interim report (Q2) 2008	August 26, 2008
Nine-month interim report (Q3) 2008	November 20, 2008

Corporate governance

In addition to undertaking the overall management of the company, it is the primary responsibility of the Board of Directors to define the strategic framework for the activities and action plans of the company and to maintain a constructive dialogue with the Board of Management regarding the implementation of the strategies. In addition, the Board of Directors appoints the Board of Management, sets out its terms and tasks and supervises its work and the company's procedures and responsibilities.

The Board of Directors consists of six members elected by the company's shareholders at the annual general meeting and three members elected by the company's employees. The age limit for members appointed by the shareholders is 70 years. The Board of Directors is able to effectively manage the company as a result of its international experience and competences in drug development, finance and general management.

Furthermore, the Board of Directors is composed in such a way that its directors are able to act independently of special interests. Two of the members elected by the company's shareholders are also members of the Board of Directors of The Lundbeck Foundation and LFI a/s. The other members elected by the shareholders are independent and have no interest in ALK-Abelló other than the interests they may have as shareholders.

Guidelines

In 2005, OMX Nordic Exchange Copenhagen adopted a set of recommendations on corporate governance, the contents of which companies are required to consider in accordance with the "comply or explain" principle. On the basis of these recommendations, the Board of Directors of ALK-Abelló continuously discusses the general implementation of corporate governance in the Board's work. The general principles for the specific recommendations in the reports have been applied in the Board's regular work for a number of years. ALK-Abelló meets the recommendations but has chosen different practices in the following significant areas:

- As recommended, the Board of Directors has considered whether it is suitable for the company to have different share classes. The share capital of ALK-Abelló A/S is divided into A and B shares. Each A share carries ten votes, and each B share carries one vote. The Board of Directors and Board of Management believe that the current ownership and share structure have been and continue to be appropriate with a view to ensuring the company's long-term goals and development.

- ALK-Abelló does not, as proposed in the recommendations, have any guidelines on how many directorships a board member may hold. What is important is each individual member's capacity, competences and contribution.

- The recommendations propose that all board members should be elected for one year at a time. According to ALK-Abelló's current policy, the two members elected by the shareholders at the annual general meeting, who have been in office for the longest time, must retire from office in order to ensure continuity in the management of the company. The Board of Directors recommends a proposal for the annual general meeting for all members of the Board of Directors to be up for election each year.

- The recommendations propose that the remuneration paid to Management be disclosed in detail. ALK-Abelló believes that focus should be on the total remuneration and any increase or decrease in it. The remuneration paid to the Board of Directors and the Board of Management is disclosed in the annual report. The members of ALK-Abelló's Board of Directors do not receive any incentive-based compensation. Incentive-based compensation paid to the Board of Management is fully disclosed in the annual report in accordance with the rules applicable at the time.

With respect to the other specific recommendations in the reports, the Board of Directors includes these in its considerations on corporate governance to the effect that both the company's and the other stakeholders' interests are safeguarded in the best possible way.

Facts on the company's corporate governance, including information on annual general meetings, management, articles of association, reporting and dealings in treasury shares, are available at the company's website: www.alk-abello.com.

Board of Directors and Board of Management

Board of Directors:

Jørgen Worning, 67
Chairman
First elected in 2005

Bang & Olufsen a/s, Chairman
FLSmidth & Co. A/S, Chairman

Thorleif Krarup, 55
Vice Chairman
First elected in 2005

Exiqon A/S, Chairman
H. Lundbeck A/S, Vice Chairman
LFI a/s, Vice Chairman
Bang & Olufsen a/s, Board Member
Brightpoint Inc., Board Member
Group 4 Securicor plc, Board Member
Scion DTU A/S, Board Member
The Lundbeck Foundation, Board Member

Nils Axelsen, 66
First elected in 2005

LFI a/s, Board Member
The Lundbeck Foundation, Vice Chairman

Carsten Lønfeldt, 60
First elected in 2005

BioPorto A/S, Chairman
ByrumLabflex A/S, Chairman
Deadline Games A/S, Chairman
Gypsum Recycling International A/S, Chairman
Rheoscience A/S, Vice Chairman
Dameca A/S, Board Member
Polaris Management A/S, Board Member
ATP Invest, Board Member
Investeringsforeningen Investin, Board Member
Investeringsforeningen Nykredit Invest, Board Member

Jesper Fromberg Nielsen, 39
First elected in 2003

Senior Manager, ALK-Abelló A/S
Employee-elected

Anders Gersel Pedersen, 56
First elected in 2005

H. Lundbeck A/S, Senior Vice President, Drug Development
Genmab A/S, Vice Chairman
TopoTarget A/S, Board Member

Ingelise Saunders, 58
First elected in 2005

ACE BioSciences A/S, President and CEO
TopoTarget A/S, Board Member
Scandinavian Life Science Venture, Board Member

Lars Simonsen, 30
First elected in 2007

IT Project Consultant, ALK-Abelló A/S
Employee-elected

Peter Adler Würtzen, 39
First elected in 2003

Research Scientist, ALK-Abelló A/S
Employee-elected

LFI a/s, employee-elected
The Lundbeck Foundation, employee-elected

Board of Management:

Jens Bager, 48
President & CEO

Jørgen Damsbo Andersen, 48
Executive Vice President, Business Operations & International Marketing

Henrik Jacobi, 42
Executive Vice President, Research & Development

Flemming Steen Jensen, 46
Executive Vice President, Global Product Supply

Jutta af Rosenborg, 49
CFO, Executive Vice President, Finance & IT

Carnegie WorldWide Fund, Board Member

Shareholdings in ALK-Abelló A/S as at December 31, 2007
The Board of Directors holds 4,773 shares and the Board of Management holds 7,594 shares in the company.

Statement by Management

The Board of Directors and the Board of Management today considered and adopted the annual report for the financial year January 1 to December 31, 2007. The annual report is presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for the annual reports of listed companies. Management's review gives a true and fair description of the Group's and the Parent Company's activities, position and outlook.

We consider the accounting policies to be adequate to the effect that the financial statements of the Group and the Parent Company give a true and fair view of the Group's and the Parent Company's assets, equity and liabilities, financial position, results of operations and cash flows. We recommend that the annual report be adopted by the shareholders at the annual general meeting.

Hørsholm, March 5, 2008

Board of Management

Jens Bager
President and CEO

Jørgen Damsbo Andersen

Henrik Jacobi

Flemming Steen Jensen

Jutta af Rosenborg

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

Independent auditor's report

To the shareholders of ALK-Abelló A/S

We have audited the annual report of ALK-Abelló A/S for the financial year January 1 to December 31, 2007, which comprises the statement by Management on the annual report, Management's review, income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including the accounting policies, for the Group as well as the Parent. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of an annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish and International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of an annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the Parent's financial position at December 31, 2007, and of their financial performance and their cash flows for the financial year January 1 to December 31, 2007 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

Copenhagen, March 5, 2008

Deloitte
Statsautoriseret Revisionsaktieselskab

Anders O. Gjelstrup State Authorised Public Accountant	Kirsten Aaskov Mikkelsen State Authorised Public Accountant

Income statement

ALK-Abelló A/S				ALK-Abelló Group		
2006 (4M)	**2007**	Note	Amounts in DKKm	**2007**	2006 (4M)	2006 (12M) unaudited
175	**501**	3	**Revenue**	**1,652**	563	1,519
119	**290**	4-7	Cost of sales	**499**	175	505
56	**211**		**Gross profit**	**1,153**	388	1,014
105	**273**	4-7	Research and development expenses	**323**	120	320
42	**106**	4-7	Sales and marketing expenses	**640**	204	537
7	**64**	4-7	Administrative expenses	**179**	65	186
12	**211**	8	Other operating income	**216**	13	14
-	**8**	8	Other operating expenses	**9**	-	-
(86)	**(29)**		**Operating profit/(loss) before exceptional items**	**218**	12	(15)
(40)	**-**	9	Exceptional items	**-**	(40)	(40)
(126)	**(29)**		**Operating profit/(loss) (EBIT)**	**218**	(28)	(55)
156	**147**	10	Financial income	**43**	13	33
34	**50**	11	Financial expenses	**29**	3	6
(4)	**68**		**Profit/(loss) before tax (EBT)**	**232**	(18)	(28)
(33)	**5**	12	Tax on profit/(loss)	**92**	2	8
29	**63**		**Net profit/(loss), continuing operations**	**140**	(20)	(36)
-	**37**	13	Net profit, discontinued operations	**37**	-	-
29	**100**		**Net profit/(loss)**	**177**	(20)	(36)
			Earnings per share (EPS), continuing operations			
		14	Earnings per share (EPS) – DKK	**14.0**	(2.0)	(3.6)
		14	Earnings per share (DEPS), diluted – DKK	**13.9**	(2.0)	(3.6)
			Net profit for the year is proposed to be distributed as follows:			
20	**334**		Dividend to shareholders			
9	**(234)**		Transfer to other reserves			
29	**100**					

Cash flow statement

ALK-Abelló A/S				ALK-Abelló Group		
2006 (4M)	2007	Note	Amounts in DKKm	2007	2006 (4M)	2006 (12M) unaudited
29	63		**Operating profit, continuing operations**	140	(20)	(36)
			Adjustments:			
(33)	5	12	Tax on profit/(loss)	92	2	8
(122)	(97)		Financial income and expenses	(14)	(10)	(27)
2	5	5	Share-based payment	8	2	9
21	49	7	Depreciation, amortization and write-downs	80	30	80
40	-		Exceptional items	-	40	40
-	-		Change in provisions	11	2	4
-	17		Net financial items, paid	16	1	18
-	-		Income taxes paid	(79)	(73)	(128)
(63)	42		**Cash flow before change in working capital**	254	(26)	(32)
(1)	(2)		Change in inventories	5	(18)	(15)
(43)	66		Change in receivables	63	(5)	(20)
(60)	89		Change in short-term payables	40	10	65
(167)	195		**Cash flow from operating activities**	362	(39)	(2)
-	-		Acquisitions of companies and operations	-	-	(269)
-	(7)	16	Additions, intangible assets	(7)	(2)	(5)
(32)	(119)	17-20	Additions, property, plant and equipment	(164)	(40)	(121)
-	-		Sale of intangible assets and tangible assets	1	-	-
142	99	10	Dividend from affiliates	-	-	-
-	-		Change in other financial assets	(2)	1	6
110	(27)		**Cash flow from investing activities**	(172)	(41)	(389)
(57)	168		**Free cash flow**	190	(80)	(391)
(50)	(20)		Dividend paid to shareholders of the parent	(20)	(50)	(50)
-	-		Payment of minority interests	-	-	(55)
-	(59)		Purchase of treasury shares	(59)	-	(69)
(1)	(15)		Change in financial liabilities	(21)	(6)	(2)
(51)	(94)		**Cash flow from financing activities**	(100)	(56)	(176)
-	9	13	**Cash flow from discontinued operations**	9	-	-
(108)	83		**Net cash flow**	99	(136)	(567)
980	872		Cash and cash equivalents at beginning of the year	933	1,069	1,501
-	(2)		Unrealized gain/(loss) on foreign currency carried as cash and cash equivalents	(2)	-	(1)
(108)	83		Net cash flow	99	(136)	(567)
872	953		**Cash and cash equivalents at end of the year**	1,030	933	933

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

ALK-Abelló A/S			Assets	ALK-Abelló Group	
Dec. 31, 2006	**Dec. 31, 2007**	Note	Amounts in DKKm	**Dec. 31, 2007**	Dec. 31, 2006
			Non-current assets		
			Intangible assets		
-	**-**	15	Goodwill	**376**	378
35	**31**	16	Other intangible assets	**46**	54
35	**31**			**422**	432
			Tangible assets		
157	**203**	17	Land and buildings	**311**	267
114	**106**	18	Plant and machinery	**129**	160
-	**5**	19	Other fixtures and equipment	**69**	44
90	**128**	20	Property, plant and equipment in progress	**151**	100
361	**442**			**660**	571
			Other non-currents assets		
692	**675**	21	Investment in affiliates	**-**	-
111	**166**	22	Receivables from affiliates	**-**	-
4	**4**	23	Securities and receivables	**6**	4
119	**52**	24	Deferred tax asset	**95**	164
926	**897**			**101**	168
1,322	**1,370**		**Total non-current assets**	**1,183**	1,171
			Current assets		
122	**124**	25	Inventories	**282**	287
12	**23**	26	Trade receivables	**217**	169
132	**84**	22	Receivables from affiliates	**25**	90
-	**-**		Income tax receivables	**43**	18
13	**14**	26	Other receivables	**18**	30
18	**5**	26	Prepayments	**23**	33
872	**953**	27	Cash and cash equivalents	**1,030**	933
1,169	**1,203**		**Total currents assets**	**1,638**	1,560
2,491	**2,573**		**Total assets**	**2,821**	2,731

ALK-Abelló A/S			Equity and liabilities	ALK-Abelló Group	
Dec. 31, 2006	Dec. 31, 2007	Note	Amounts in DKKm	Dec. 31, 2007	Dec. 31, 2006
			Equity		
101	101	28	Share capital	101	101
1,859	1,882		Other reserves	2,011	1,923
1,960	1,983		**Total equity**	2,112	2,024
			Liabilities		
			Non-current liabilities		
47	45	29	Mortgage debt	45	47
-	-	29	Bank loans and financial loans	18	22
1	1	6	Pensions and similar liabilities	68	57
146	146	30	Other provisions	153	153
17	11		Other payables	11	17
211	203			295	296
			Current liabilities		
2	2	29	Mortgage debt	2	2
-	-	29	Bank loans and financial loans	4	6
72	53	31	Trade payables	126	136
91	194		Payables to affiliates	-	-
-	-		Income taxes	38	31
11	4	30	Other provisions	4	11
144	134	31	Other payables	240	225
320	387			414	411
531	590		**Total liabilities**	709	707
2,491	2,573		**Total equity and liabilities**	2,821	2,731

Equity

ALK-Abelló Group

Amounts in DKKm	Share capital	Other reserves: Hedges of future transactions	Other reserves: Foreign currency translation adjustment of foreign subsidiaries	Other reserves: Net profit/ (loss)	Other reserves: Total other reserves	Total equity
Equity at January 1, 2007	**101**	**(2)**	**(7)**	**1,932**	**1,923**	**2,024**
Foreign currency translation adjustment of foreign subsidiaries	-	-	(15)	-	(15)	(15)
Adjustment of derivative financial instruments for hedging	-	(1)	-	-	(1)	(1)
Income and expenses recognized directly in equity	-	*(1)*	*(15)*	-	*(16)*	*(16)*
Net profit	-	-	-	177	177	177
Total recognized income and expenses	**-**	**(1)**	**(15)**	**177**	**161**	**161**
Share-based payment	-	-	-	8	8	8
Tax related to items recognized directly in equity	-	-	-	(2)	(2)	(2)
Purchase of treasury shares	-	-	-	(59)	(59)	(59)
Dividend paid	-	-	-	(20)	(20)	(20)
Other transactions	**-**	**-**	**-**	**(73)**	**(73)**	**(73)**
Equity at December 31, 2007	**101**	**(3)**	**(22)**	**2,036**	**2,011**	**2,112**
Equity at September 1, 2006	**101**	**-**	**(5)**	**1,998**	**1,993**	**2,094**
Foreign currency translation adjustment of foreign subsidiaries	-	-	(2)	-	(2)	(2)
Adjustment of derivative financial instruments for hedging	-	(2)	-	-	(2)	(2)
Income and expenses recognized directly in equity	-	*(2)*	*(2)*	-	*(4)*	*(4)*
Net profit	-	-	-	(20)	(20)	(20)
Total recognized income and expenses	**-**	**(2)**	**(2)**	**(20)**	**(24)**	**(24)**
Share-based payment	-	-	-	2	2	2
Tax related to items recognized directly in equity	-	-	-	2	2	2
Dividend paid	-	-	-	(50)	(50)	(50)
Other transactions	**-**	**-**	**-**	**(46)**	**(46)**	**(46)**
Equity at December 31, 2006	**101**	**(2)**	**(7)**	**1,932**	**1,923**	**2,024**

ALK-Abelló A/S

Amounts in DKKm	Share capital	Other reserves: Hedges of future transactions	Other reserves: Net profit/ (loss)	Other reserves: Total other reserves	Total equity
Equity at January 1, 2007	**101**	**(2)**	**1,861**	**1,859**	**1,960**
Adjustment of derivative financial instruments for hedging	-	(1)	-	(1)	(1)
Income and expenses recognized directly in equity	-	*(1)*	-	*(1)*	*(1)*
Net profit	-	-	100	100	100
Total recognized income and expenses	**-**	**(1)**	**100**	**99**	**99**
Share-based payment	-	-	5	5	5
Tax related to items recognized directly in equity	-	-	(2)	(2)	(2)
Purchase of treasury shares	-	-	(59)	(59)	(59)
Dividend paid	-	-	(20)	(20)	(20)
Other transactions	**-**	**-**	**(76)**	**(76)**	**(76)**
Equity at December 31, 2007	**101**	**(3)**	**1,885**	**1,882**	**1,983**
Equity at September 1, 2006	**101**	**-**	**1,875**	**1,875**	**1,976**
Adjustment of derivative financial instruments for hedging	-	(2)	(2)	(2)	(2)
Income and expenses recognized directly in equity	-	*(2)*	-	*(2)*	*(2)*
Net profit	-	-	29	29	29
Total recognized income and expenses	**-**	**(2)**	**29**	**27**	**27**
Share-based payment	-	-	2	2	2
Tax related to items recognized directly in equity	-	-	2	2	2
Dividend paid	-	-	(50)	(50)	(50)
Other adjustments	-	-	3	3	3
Other transactions	**-**	**-**	**(43)**	**(43)**	**(43)**
Equity at December 31, 2006	**101**	**(2)**	**1,861**	**1,859**	**1,960**

List of notes to the financial statements

Notes to the financial statements

1 Accounting policies

General

The annual report of the ALK-Abelló Group and ALK-Abelló A/S for the period January 1 to December 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 annual reports of listed companies. Additional Danish disclosure requirements for the annual reports are imposed by the Statutory Order on Adoption of IFRS issued under the Danish Financial Statements Act and by the OMX Nordic Exchange Copenhagen.

The annual report also complies with the International Financial Reporting Standards issued by the IASB.

The annual report is presented in Danish kroner (DKK), which is considered the primary currency of the Group's activities and the functional currency of the parent company.

The annual report is presented on a historical cost basis, apart from certain financial instruments which are measured at fair value. Otherwise, the accounting policies are as described below.

The accounting policies are unchanged from last year.

Effect of new financial reporting standards

In 2007, the following standards and interpretations came into force and have thus been implemented:

- IFRS 7, *Financial instruments: Disclosures*
- Amendment of IAS 1, *Presentation of financial statements – Capital disclosures*
- IFRIC 7-10

The implementation did not result in any changes in recognition or measurement, but has resulted in additional disclosures on financial instruments and guidelines for capital management.

As of the date of the publication of this annual report, the following new or amended standards and interpretations relevant to the ALK-Abelló Group have not yet entered into force, and are therefore not implemented in this annual report.

- IFRS 8, *Operating segments*
- Amendment of IAS 1, *Presentation of financial statements – Comprehensive income, etc.*
- Amendment of IAS 23, *Borrowing costs*
- Amendment of IFRS 3, *Business combinations*
- Amendment of IAS 27, *Consolidated and Separate Financial Statements*
- IFRIC 11-14

The implementation of these will result in additional disclosures, but will not entail material changes in recognition or measurement.

The consolidated financial statements

The consolidated financial statements comprise the financial statements of ALK-Abelló A/S (the parent company) and companies (subsidiaries) controlled by the parent company. The parent company is considered to control a subsidiary when it holds, directly or indirectly, more than 50% of the voting rights or is otherwise able to exercise or actually exercises a controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of ALK-Abelló A/S and its subsidiaries. The consolidated financial statements are prepared as a consolidation of items of a uniform nature. The financial statements used for consolidation are prepared in accordance with the Group's accounting policies.

On consolidation, intra-group income and expenses, intra-group balances and dividends, and gains and losses arising on intra-group transactions are eliminated.

The items of the financial statements of subsidiaries are fully consolidated in the Group financial statements. The proportionate share of the results of minority interests is recognized in the consolidated income statement and as a separate item under Group equity.

Business combinations

Newly acquired or newly established companies are recognized in the consolidated financial statements from the date of acquisition or establishment. The date of acquisition is the date when control of the company actually passes to the Group. Companies sold or discontinued are recognized in the consolidated income statement up to the date of disposal. The date of disposal is the date when control of the company actually passes to a third party.

Acquisitions are accounted for using the purchase method, according to which the identifiable assets, liabilities and contingent liabilities of companies acquired are measured at fair value at the date of acquisition. Non-current assets held for sale are, however, measured at fair value less expected costs to sell.

Restructuring costs are only recognized in the take-over balance sheet if they represent a liability to the acquired company. The tax effect of revaluations is taken into account.

Notes to the financial statements

The cost of a company is the fair value of the consideration paid plus costs directly attributable to the business combination. If the final determination of the consideration is conditional on one or more future events, these adjustments are only recognized in cost if the event in question is likely to occur and its effect on cost can be reliably measured.

If the fair value of the acquired assets or liabilities subsequently proves different from the values calculated at the acquisition date, cost is adjusted for up to 12 months after the date of acquisition.

Any excess of the cost of an acquired company over the fair value of the acquired assets, liabilities and contingent liabilities (goodwill) is recognized as an asset under intangible assets and tested for impairment at least once a year. If the carrying amount of an asset exceeds its recoverable amount, the asset is written down to the lower recoverable amount.

In connection with the transition to IFRS in 2005/06, the ALK-Abelló Group chose to apply the optional exemption in IFRS 1, under which business combinations effected before September 1, 2004 are not adjusted in accordance with the provisions of IFRS, except that identifiable intangible assets acquired in business combinations are separated from the calculated goodwill and recognized as separate items under intangible assets.

Gains or losses on disposal of subsidiaries

Gains or losses on disposal of subsidiaries are stated as the difference between the disposal amount and the carrying amount of net assets including goodwill at the date of disposal, accumulated foreign exchange adjustments taken directly to equity and anticipated disposal costs. The disposal amount is measured as the fair value of the consideration received.

Foreign currency translation

On initial recognition, transactions denominated in currencies other than the Group's functional currency are translated at average exchange rates, which are an approximation of the exchange rates at the transaction date. Receivables and debt and other monetary items not settled at the balance sheet date are translated at the closing exchange rate.

Exchange differences between the exchange rate at the date of the transaction and the exchange rate at the date of payment or the balance sheet date, respectively, are recognized in the income statement under financial items. Property, plant and equipment and intangible assets, inventories and other non-monetary assets acquired in foreign currency and measured based on historical cost are translated at the exchange rates at the transaction date. Non-monetary items revalued at fair value are translated at the exchange rates at the revaluation date.

On recognition in the consolidated financial statements of subsidiaries whose financial statements are presented in a functional currency other than DKK, the income statements are translated at average exchange rates for the respective months, unless these deviate materially from the actual exchange rates at the transaction dates. In that case, the actual exchange rates are used. Balance sheet items are translated at the exchange rates at the balance sheet date. Goodwill is considered to belong to the acquired company in question and is translated at the exchange rate at the balance sheet date.

Exchange differences arising on the translation of foreign subsidiaries' opening balance sheet items to the exchange rates at the balance sheet date and on the translation of the income statements from average exchange rates to exchange rates at the balance sheet date are taken directly to equity. Similarly, exchange differences arising as a result of changes made directly in the equity of the foreign subsidiary are also taken directly to equity.

Foreign exchange adjustment of receivables or debt to subsidiaries which are considered part of the parent company's overall investment in the subsidiary in question are also taken directly to equity in the consolidated financial statements.

Derivative financial instruments

Derivative financial instruments are measured at fair value on initial recognition. Subsequently, they are measured at fair value at the balance sheet date.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as fair value hedges of a recognized asset or a recognized liability are recognized in the income statement together with any changes in the value of the hedged asset or hedged liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as effective hedges of future transactions are recognized directly in equity. When the hedged transactions are realized, cumulative changes are recognized as part of the cost of the transactions in question.

Changes in the fair value of derivative financial instruments used to hedge net investments in foreign subsidiaries are recognized directly in equity to the extent that the hedge is effective. On disposal of the foreign subsidiary in question, the cumulative changes are transferred to the income statement.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognized as financial items in the income statement as they occur.

Share-based incentive plans

Share-based incentive plans (equity-settled share-based payments), which comprise share option plans and employee share plans, are measured at the grant date at fair value and recognized in the income statement under the respective functions over the vesting period. The balancing item is recognized in equity.

The fair value of share options is determined using the Black & Scholes-model with the parameters stated in note 5.

Share-based incentive plans (cash-settled share-based payments), which comprise employee share-like plans in specific countries, are measured at fair value at the grant date and at each subsequent balance sheet date and recognized in the income statement under the respective functions over the vesting period. The balancing item is recognized in liabilities.

Tax

Tax on the profit for the year comprises the year's current tax and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expenses relating to items recognized directly in equity is recognized in equity. Exchange rate adjustments of deferred tax are recognized as part of the adjustment of deferred tax for the year.

Current tax payable and receivable is recognized in the balance sheet as the expected tax on the taxable income for the year, adjusted for tax paid on account.

The current tax charge for the year is calculated based on the tax rates and rules enacted at the balance sheet date.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognized on temporary differences relating to the initial recognition of goodwill or the initial recognition of a transaction, apart from business combinations, and where the temporary difference existing at the date of initial recognition affects neither profit/loss for the year nor taxable income.

Deferred tax is not provided on temporary differences relating to investments in subsidiaries, as the parent company is able to control whether tax liability will crystallize, and it is likely that the liabilities will not crystallize as current tax in the foreseeable future.

Deferred tax is calculated based on the planned use of each asset and settlement of each liability, respectively.

Deferred tax is measured using the tax rates and tax rules that, based on legislation enacted or in reality enacted at the balance sheet date, are expected to apply in the respective countries when the deferred tax is expected to crystallize as current tax. Changes in deferred tax as a result of changed tax rates or rules are recognized in the income statement or in equity, depending on where the deferred tax was originally recognized.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognized in the balance sheet at the value at which the asset is expected to be realized, either through a set-off against deferred tax liabilities or as net assets to be offset against future positive taxable income. At each balance sheet date, it is reassessed whether it is likely that there will be sufficient future taxable income for the deferred tax asset to be utilized.

As from 2005/06, the parent company is taxed jointly with the company's principal shareholder, LFI a/s and its Danish subsidiaries. The tax charge for the year is allocated among the jointly taxed companies in proportion to the taxable incomes of individual companies, taking into account taxes paid.

Discontinued operations

Discontinued operations are major business areas or geographical areas which have been sold or which are held for sale according to an overall plan.

The results of discontinued operations are presented as a separate item in the income statement, consisting of the activity's operating profit/loss after tax and any gains or losses on fair value adjustment or sale of the related assets.

Income statement

Revenue

Revenue from the sale of goods for resale and manufactured goods is recognized in the income statement if delivery and the transfer of risk to the purchaser have taken place.

Revenue is measured as the fair value of the consideration received or receivable.

Revenue is measured exclusive of VAT, taxes etc. charged on behalf of third parties and less any commissions and discounts in connection with sales.

Notes to the financial statements

Cost of sales
The item comprises cost of sales and production costs incurred in generating the revenue for the year. Costs for raw materials, consumables, goods for resale, production staff and a proportion of production overheads, including maintenance and depreciation, amortization and impairment of property, plant and equipment and intangible assets used in production as well as operation, administration and management of factories are recognized in cost of sales and production costs. In addition, the costs and write-down to net realizable value of obsolete and slow-moving goods are recognized.

Research and development expenses
The item comprises research and development expenses, including expenses incurred for wages and salaries, amortization and other overheads as well as costs relating to research partnerships.

Research expenses are recognized in the income statement when incurred.

Due to the long development periods and significant uncertainties in relation to the development of new products, including risk regarding clinical trials and regulatory approvals, it is the assessment that the ALK-Abelló Group's development expenses generally do not meet the capitalization criteria in IAS 38, *Intangible assets*. All development expenses are therefore recognized in the income statement when incurred.

Sales and marketing expenses
The item comprises selling and marketing expenses, including salaries and expenses relating to sales staff, advertising and exhibitions, depreciation, amortization and impairment losses on the property, plant and equipment and intangible assets used in the sales and marketing process as well as other indirect costs.

Administrative expenses
The item comprises expenses incurred for management and administration, including expenses for administrative staff and management, office expenses and depreciation, amortization and impairment losses on the property, plant and equipment and intangible assets used in administration.

Other operating income and expenses
Other operating income and expenses comprise income and expenses of a secondary nature relative to the activities of the ALK-Abelló Group.

The item includes up-front payments, milestone payments and other revenue in connection with research and development partnerships and the sale of intellectual property rights. These revenues are recognized when it is probable that future economic benefits will flow to the ALK-Abelló Group and these benefits can be measured reliably. Non-refundable payments that are not attributable to subsequent research and development activities are recognized when the related right is obtained, whereas payments attributable to subsequent research and development activities are recognized over the term of activities. When combined contracts are entered into, the elements of the contracts are identified and assessed separately for accounting purposes.

Exceptional items
Exceptional items comprise costs related to the closure of a business unit.

Financial items
Financial items comprises interest receivable and payable, the interest element of finance lease payments, realized and unrealized gains and losses on securities, cash and cash equivalents, liabilities and foreign currency transactions, mortgage amortization premium/allowance etc. and supplements/allowances under the on-account tax scheme.

Interest income and expenses are accrued based on the principal and the effective rate of interest. The effective rate of interest is the discount rate to be used on discounting expected future payments in relation to the financial asset or the financial liability so that their present value corresponds to the carrying amount of the asset or liability, respectively.

Dividends from investments in subsidiaries are recognized in the parent company financial statements when the right to the dividend finally vests, typically at the date of the company's approval in general meeting of the dividend of the company in question.

Balance sheet

Goodwill
On initial recognition, goodwill is measured and recognized as the excess of the cost of the acquired company over the fair value of the acquired assets, liabilities and contingent liabilities, as described under the consolidated financial statements. In addition, goodwill on acquisition of investments in subsidiaries from minority interests is recognized.

On recognition of goodwill, the goodwill amount is allocated to those of the ALK-Abelló Group's activities that generate separate cash flows (cash-generating units). The determination of cash-generating units is based on the ALK-Abelló Group's management structure and internal financial management and reporting.

Goodwill is not amortized, but is tested for impairment at least once a year, as described below.

Intangible assets

Acquired intellectual property rights in the form of patents, brands, licenses, software and similar rights are measured at cost less accumulated amortization and impairment. The cost of software includes costs of planning work, including direct salaries.

Such acquired intellectual property rights are amortized on a straight-line basis over the contract period, not exceeding 10 years. If the actual useful life is shorter than either the remaining life or the contract period, the asset is amortized over this shorter useful life.

Acquired intellectual property rights are written down to their recoverable amount where this is lower than the carrying amount, as described below.

Intangible assets with indeterminable useful lives are not amortized, but are tested for impairment at least once a year. To the extent that the carrying amount of the assets exceeds the recoverable amount, the assets are written down to this lower amount, as described below.

Property, plant and equipment

Land and buildings, plant and machinery and other fixtures and equipment are measured at cost less accumulated depreciation and impairment. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition and any preparation costs incurred until the date when the asset is available for use.

The cost of assets held under finance leases is determined as the lower of the fair value of the assets and the present value of future minimum lease payments.

Interest expenses on loans to finance the manufacture of property, plant and equipment is included in cost if they relate to the production period. Other borrowing costs are taken to the income statement.

The depreciation base is cost less the estimated residual value at the end of the useful life. The residual value, estimated at the acquisition date and reassessed annually, is determined as the amount the company expects to obtain for the asset less costs of disposal.

The cost of an asset is divided into smaller components that are depreciated separately if such components have different useful lives.

Assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	25-50 years
Plant and machinery	5-10 years
Other fixtures and equipment	5-10 years

Depreciation methods, useful lives and residual values are reassessed once a year.

Property, plant and equipment are written down to the recoverable amount, if lower, cf. below.

Impairment of property, plant and equipment and intangible assets

The carrying amounts of property, plant and equipment and intangible assets with determinable useful lives are reviewed at the balance sheet date to determine whether there are any indications of impairment. If such indications are found, the recoverable amount of the asset is calculated to determine any need for an impairment write-down and, if so, the amount of the write-down. For intangible assets with indeterminable useful lives and goodwill, the recoverable amount is calculated annually, regardless of whether any indications of impairment have been found.

If the asset does not generate any cash flows independently of other assets, the recoverable amount is calculated for the smallest cash-generating unit that includes the asset.

The recoverable amount is calculated as the higher of the fair value less costs to sell and the value in use of the asset or the cash-generating unit, respectively. In determining the value in use, the estimated future cash flows are discounted to their present value, using a discount rate reflecting current market assessments of the time value of money as well as risks that are specific to the asset or the cash-generating unit and which have not been taken into account in the estimated future cash flows.

If the recoverable amount of the asset or the cash-generating unit is lower than the carrying amount, the carrying amount is written down to the recoverable amount. For cash-generating units, the write-down is allocated in such a way that goodwill amounts are written down first, and any remaining need for write-down is allocated to other assets in the unit, although no individual assets are written down to a value lower than their fair value less costs to sell.

Impairment write-downs are recognized in the income statement. If write-downs are subsequently reversed as a result of changes in the assumptions on which the calculation of the recoverable amount is based, the carrying amount of the asset or the cash-generating unit is increased to the adjusted recoverable amount, not, however,

Notes to the financial statements

exceeding the carrying amount that the asset or cash-generating unit would have had, had the write-down not been made. Impairment of goodwill is not reversed.

Investments in subsidiaries in the financial statements of the parent company
Investments in subsidiaries are measured at cost.

Where the recoverable amount of the investments is lower than cost, the investments are written down to this lower value. In addition, cost is written down to the extent that dividend distributed exceeds the accumulated earnings in the company since the acquisition date.

Other long-term financial assets
Other securities and receivables that are accounted for as long-term financial assets are measured at fair value and any adjustments are recognized in equity.

Inventories
Inventories are measured at cost determined under the FIFO method or net realizable value where this is lower.

Cost comprises raw materials, goods for resale, consumables and direct payroll costs as well as fixed and variable production overheads. Variable production overheads comprise indirect materials and payroll costs and are allocated based on preliminary calculations of the goods actually produced. Fixed production overheads comprise maintenance of and depreciation on the machines, factory buildings and equipment used in the manufacturing process as well as general expenses for factory management and administration. Fixed production overheads are allocated based on the normal capacity of the production plant.

The net realizable value of inventories is calculated as the expected selling price less completion costs and costs incurred in making the sale.

Receivables
On initial recognition, receivables are measured at fair value, and subsequently they are measured at amortized cost. Receivables are written down for anticipated losses.

Prepayments
Prepayments are recognized as an asset and comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Dividend
Until adopted at the annual general meeting, the expected dividends to be distributed for the year are presented as a separate part of equity. Subsequently, dividend is recognized as a liability.

Treasury shares
Acquisition and sales sums arising on the purchase and sale of treasury shares and dividends on treasury shares are recognized directly in retained earnings under equity.

Pension liabilities etc.
The ALK-Abelló Group has entered into pension agreements and similar agreements with some of the Group's employees.

In respect of defined contribution plans, the Group currently pays in fixed contributions to independent pension funds etc. The contributions are recognized in the income statement during the period in which the employee renders the related service. Payments due are recognized as a liability in the balance sheet.

In respect of defined benefit plans, the Group is required to pay an agreed benefit in connection with the retirement of the employees covered by the plan, e.g. in the form of a fixed amount or a percentage of the salary at retirement.

For defined benefit plans, an annual actuarial assessment is made of the net present value of future benefits to which the employees have earned the right through their past service for the Group and which will have to be paid under the plan. The Projected Unit Credit Method is applied to determine value in use.

The net present value is calculated based on assumptions of the future developments of salary, interest, inflation, mortality and disability rates.

The net present value of pension liabilities is recognized in the balance sheet, after deduction of the fair value of any assets attached to the plan, as either plan assets or pension liabilities, depending on whether the net amount is an asset or a liability, as described below.

If the assumptions made with respect to discount factor, inflation, mortality and disability are changed, or if there is a discrepancy between the expected and realized return on plan assets, actuarial gains or losses occur. These gains and losses are only recognized if the accumulated gains and losses at the beginning of a financial year exceed the higher numerical value of 10% of the pension liabilities or 10% of the fair value of plan assets (the corridor method). If this is the case, the excess amount is recognized in the income statement, distributed on the expected remaining average working life of the employees covered by the plan.

If the pension plan represents a net asset, the asset is only recognized to the extent that it does not exceed the sum of unrecognized actuarial losses, unrecognized past service costs and the present value of any refunds from the plan or reductions in future contributions to the plan.

If the benefits relating to the employees' service in prior periods change, this results in a change to the actuarial net present value which is considered a past service cost. If the employees covered by the plan have already earned the right to the changed benefits, the change is made in the income statement immediately. Otherwise, the change is recognized in the income statement over the period during which the employees earn the right to the benefits.

In connection with the transition to IFRS in 2005/06, the ALK-Abelló Group chose to apply the optional exemption in IFRS 1 under which actuarial gains and losses according to the corridor method are stated as a net loss at September 1, 2004, which is reduced to nil by increasing the pension provision and adjusting equity accordingly in the opening balance sheet.

Provisions
Provisions are recognized when, as a consequence of a past event during the financial year or previous years, the Group has a legal or constructive obligation, and it is likely that settlement of the obligation will require an outflow of the company's financial resources.

Provisions are measured as the best estimate of the costs required to settle the obligations at the balance sheet date. Provisions with an expected term of more than a year after the balance sheet date are measured at present value.

In connection with a planned restructuring of the Group, provision is made only for liabilities relating to restructurings that at the balance sheet date have been set out in a specific plan and where those affected have been informed of the overall plan.

Mortgage debt
Mortgage debt is recognized on the raising of a loan at cost, equalling fair value of the proceeds received, net of transaction costs incurred. Subsequently, mortgage debt is measured at amortized cost.

Lease liabilities
Lease liabilities regarding assets held under finance leases are recognized in the balance sheet as liabilities and measured at the inception of the lease at the lower of the fair value of the leased asset and the present value of future lease payments.

On subsequent recognition, lease liabilities are measured at amortized cost. The difference between the present value and the nominal value of lease payments is recognized in the income statement over the term of the lease as a finance charge.

Lease payments regarding operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

Other financial liabilities
Other financial liabilities, including bank and financial loans and trade payables, are on initial recognition measured at fair value. The liabilities are subsequently measured at amortized cost.

Deferred income
Deferred income comprises income received relating to subsequent financial years. Deferred income is measured at cost.

Other accounting information

Cash flow statement
The cash flow statement of the Group and the parent company is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

The cash effect of acquisitions and divestments is shown separately under cash flows from investing activities. In the cash flow statement, cash flows concerning acquired companies are recognized from the date of acquisition, while cash flows concerning divested companies are recognized until the date of divestment.

Cash flows from operating activities are stated as operating profit, adjusted for non-cash operating items and changes in working capital, less the income tax paid during the year attributable to operating activities.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of companies and financial assets as well as purchase, development, improvement and sale of intangible assets and property, plant and equipment. Also recognized are cash flows from assets held under finance lease in the form of lease payments made.

Cash flows from financing activities comprise changes to the parent company's share capital and related costs as well as the raising and repayment of loans, installments on interest-bearing debt, acquisition of treasury shares and payment of dividends.

Cash flows in currencies other than the functional currency are recognized in the

Notes to the financial statements

cash flow statement using average exchange rates for the individual months if these are a reasonable approximation of the actual exchange rates at the transaction dates. If this is not the case, the actual exchange rates for the specific days in questions are used.

Cash and cash equivalents comprise cash and short-term securities subject to an insignificant risk of changes in value less any overdraft facilities that are an integral part of the Group's cash management.

Segment reporting
The ALK-Abelló Group's activities fall exclusively within the business area "allergy treatment". There is therefore only one primary segment.

Revenue, segment assets as well as additions to property, plant and equipment and intangible assets are disclosed for the ALK-Abelló Group's secondary, geographical segments. The segment information follows the ALK-Abelló Group's risks, the ALK-Abelló Group's accounting policies and in-house financial management.

Segment revenue and assets comprise those items that are directly attributable to individual segments or that can be allocated to individual segments on a reasonable basis.

Definitions and ratios
The key ratios have been calculated in accordance with "Recommendations and Financial Ratios 2005" issued by the Danish Association of Financial Analysts.

Key ratios and definitions are shown on the covers of the annual report.

2 Significant accounting estimates and judgements

In the preparation of the financial statements according to generally accepted accounting principles, Management is required to make certain estimates as many financial statement items cannot be reliably measured, but must be estimated. Such estimates comprise judgements made on the basis of the most recent information available at the reporting date. It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to supplementary information, additional experience or subsequent events.

Similarly, the value of assets and liabilities often depends on future events that are somewhat uncertain. In that connection, it is necessary to set out e.g. a course of events that reflects Management's assessment of the most probable course of events.

In the financial statements for 2007, Management considers the following estimates and related judgements material to the assets and liabilities recognized in the financial statements.

Recoverable amount of goodwill
The assessment of whether goodwill is impaired requires a determination of the value in use of the cash-generating units to which the goodwill amounts have been allocated. The determination of the value in use requires estimates of the expected future cash flows of each cash-generating unit and a reasonable discount rate. At December 31, 2007, the carrying amount of goodwill is DKK 376 million (DKK 378 million at December 31, 2006).

Indirect production overheads
Indirect production overheads (IPO) are measured on the basis of the standard cost method. The basis of standard costs is reassessed regularly to ensure that standard costs are adjusted for changes in the utilization of production capacity, production times and other relevant factors. Changes in the method of determining standard costs may significantly affect gross margin and the valuation of inventories. At December 31, 2007, the value of IPO is DKK 48 million (DKK 50 million at December 31, 2006).

Tax
Management is required to make an estimate in the recognition of deferred tax assets and liabilities. The ALK-Abelló Group recognizes deferred tax assets if it is probable that they can be set off against future taxable income. At December 31, 2006, the value of deferred tax assets and liabilities is DKK 95 million (DKK 164 million at December 31, 2006).

Provisions and contingent assets and liabilities
In connection with the sale of the ingredients business during the financial year 2004/05, ALK-Abelló A/S assumed the usual representations and guarantees related to the sale. The representations and guaranties expire successively over the coming years. DKK 140 million have been provided for specific risks. The provision has been reassessed during the financial year 2007 and, based on Management's assessment of the specific risks, the provision remains unchanged.

3 Segment information for the ALK-Abelló Group

Primary segment
The ALK-Abelló Group's activities are exclusively in the businnes area of "allergy treatment"

Secondary segment
The ALK-Abelló Group's revenue is divided into the following secondary geographical segments:

	Revenue		
Amounts in DKKm	**2007**	2006 (4M)	2006 (12M) unaudited
Northern Europe	**353**	101	306
Central Europe	**667**	234	587
Southern Europe	**451**	162	403
Other markets	**181**	66	223
Total	**1,652**	563	1,519

The geographical segment information on revenue above is based on location of costumers.

The ALK-Abelló Group's segment assets together with the additions of property, plant and equipment and intangible assets for the year are divided into the following geographical segments:

	Carrying amounts of segment assets		Additions of intangible and tangible assets	
Amounts in DKKm	**Dec. 31, 2007**	Dec. 31, 2006	**2007**	2006 (4M)
Northern Europe	**1,754**	1,754	**126**	33
Central Europe	**456**	437	**8**	1
Southern Europe	**474**	439	**11**	5
Other markets	**137**	101	**26**	3
Total	**2,821**	2,731	**171**	42

The geographical segment information on segment assets and additions of intangible and tangible assets is based on location of assets.

Notes to the financial statements

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group		
2006 (4M)	**2007**	**4 Staff costs**	**2007**	2006 (4M)	2006 (12M) unaudited
1	**3**	Remuneration to Board of Directors	**3**	1	3
91	**263**	Wages and salaries	**570**	185	515
7	**22**	Pensions cf. note 6	**47**	15	40
1	**10**	Other social security costs etc.	**71**	18	53
2	**5**	Share-based payment cf. note 5	**8**	2	9
102	**303**	**Total**	**699**	221	620
		Staff costs are allocated as follows:			
35	**93**	Costs of sales	**184**	64	187
35	**113**	Research and development expenses	**141**	41	115
16	**46**	Sales and marketing expenses	**276**	85	228
16	**51**	Administrative expenses	**98**	31	90
102	**303**	**Total**	**699**	221	620
		Remuneration to Board of Management:			
5	**12**	Management Board remuneration, exclusive of share-based payment	**12**	5	12
1	**3**	Calculated cost regarding share-based payment to Board of Management	**3**	1	2
		Employees			
496	**516**	Average number	**1,392**	1,314	1,263
505	**540**	Number at year-end	**1,429**	1,346	1,346

5 Share-based payment

Share option plans

The ALK-Abelló Group has established share option plans for the Board of Management and a number of key personnel as a part of a retention program introduced in 2006.
Each share option entitles the holder to acquire one existing B share of DKK 10 nominal value in the company. The right to exercise the options is subject to the holder of the option not having resigned at the time of exercise. No other vesting conditions apply. The options can be exercised only during a period of four weeks after the publication of annual reports or interim financial statements.
All share options are covered by treasury shares.

2007 plan

In November 2007, 29,000 share options were granted to members of the Board of Management (five persons) and a number of key personnel. As of December 31, 2007, the plan comprised a total of 29,000 share options.
The options were issued at an exercise price equivalent to the average of the market price of the company's shares during the period from November 15 to 21, 2007. The exercise price is increased by 2.5% p.a. and reduced by dividends paid.
The options can be exercised during the period from November 1, 2010 to November 1, 2014.

2006 plan

In November 2006, 33,375 share options were granted to members of the Board of Management (five persons) and a number of key personnel, and 1,500 shares granted in 2007. As of December 31, 2007, the plan comprised a total of 32,275 share options.
The options were issued at an exercise price equivalent to the average of the market price of the company's shares during the period from November 6 to 10, 2006. The exercise price is increased by 2.5% p.a. and reduced by dividends paid.
The options can be exercised during the period from November 1, 2009 to November 1, 2013.

2005/06 plan

In March 2006, 68,000 share options were granted to members of the Board of Management (five persons) and a number of key personnel. As of December 31, 2007, the plan comprised a total of 62,000 share options.
The options were issued at an exercise price equivalent to the average of the market price of the company's shares during the period from March 1 to 14, 2007. The exercise price is increased by 6% p.a. and reduced by dividends paid.
The options can be exercised during the period from January 1, 2009 to January 1, 2012.

Notes to the financial statements

Specification of outstanding options:

	Board of Management Units	Other key personnel Units	Total Units	Average exercise price DKK
Outstanding options January 1, 2007	**43,350**	**58,025**	**101,375**	**954**
Additions	**13,000**	**17,500**	**30,500**	**811**
Cancellations	**(8,600)**	**-**	**(8,600)**	**946**
Reclassifications	**1,000**	**(1,000)**	**-**	**-**
Outstanding options December 31, 2007	**48,750**	**74,525**	**123,275**	**914**
Outstanding options September 1, 2006	30,000	38,000	68,000	937
Additions	13,350	20,025	33,375	989
Outstanding options December 31, 2006	43,350	58,025	101,375	954

	2007	2006
Average remaining life of outstanding share options at the end of the year (years)	**1.7**	2.3
Exercise prices for outstanding share options at the end of the year (DKK)	**783 - 1,065**	884 - 1,065

The calculated market price on allotment is based on the Black & Scholes-model for valuation of options.

The assumptions for the calculation of the market price of outstanding share options at the grant date are as follows:

	2007 plan	2006 plan
Average share price (DKK)	**727**	896
Average exercise price (DKK)	**802**	989
Expected volatility rate	**35% p.a.**	35% p.a.
Expected option life	**5.0 years**	5.0 years
Expected dividend per share	**-**	-
Risk-free interest rate	**4.00% p.a.**	3.75% p.a.
Calculated market price of granted share options (DKK)	**246**	300

The expected volatility rate is based on the historical volatility (calculated as the weighted average remaining life of the granted share options) adjusted for expected changes as a consequence of publicly available information.

5 Share-based payment (continued)

Employee shares
In August 2006 is was decided to offer employee shares (free shares) to the ALK-Abelló Group's employees. In certain countries, the plan is structured as a share-like plan, but with cash payments calculated based on the development of the company's share price.

The program was organized so that the employees with at least one year's seniority at August 31, 2006 were offered participation in the plan. Employees with less than one year's seniority was offered the same terms at August 31, 2007.

For employees with at least one year's seniority at August 31, 2006 the cost was recognized for the financial year 2005/06.

For employees with less than one year's seniority at August 31, 2006, the cost is accrued over the vesting period until August 21, 2007 on the basis of the number of employees which accepted the offer as well as the fair value at the grant date (DKK 740 per share). The cost in 2007 was less than DKK 1 million. Subsequently, a total of 855 shares have been transferred from the company's portfolio of treasury shares to the employees who accepted the offer.

For the part of the plan which is structured as a cash-settled share-like plan the cost is accrued over the vesting period of three years as from August 31, 2006. The cost is calculated on the basis of the assessed number of employees expected to meet the criteria and the officially quoted price of the company's share. The cost in 2007 was less than DKK 1 million.

Total share-based payment

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group		
2006 (4M)	**2007**		**2007**	2006 (4M)	2006 (12M) unaudited
2	**5**	Costs regarding share options	**7**	2	4
-	**-**	Costs regarding employee shares	**1**	-	5
2	**5**	**Total**	**8**	2	9
		Costs for the year regarding share-based payment are recognized as follows:			
-	**1**	Cost of sales	**2**	-	2
-	**1**	Research and development expenses	**2**	-	2
1	**1**	Sales and marketing expenses	**2**	1	3
1	**2**	Administrative expenses	**2**	1	2
2	**5**	**Total**	**8**	2	9

Notes to the financial statements

6 Pensions and similar liabilities

The ALK-Abelló Group has entered into defined contribution plans as well as defined benefit plans.
In defined contribution plans the employer is obliged to pay a certain contribution to a pension fund or the like but bears no risks regarding the future development in interest, inflation, mortality, disability rates etc. regarding the amount to be paid to the employee.
In defined benefit plans the employer is obliged to pay a certain amount when a pre-agreed event occurs. The employer bears the risks regarding the future development in interest, inflation, mortality, disability rates etc. regarding the amount to be paid to the employee.

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
1	1	Pensions	51	46
-	-	Similar liabilities	17	11
1	1	**Total**	68	57
7	22	**Costs related to defined contribution plans**	42	13
		Costs related to defined benefit plans		
-	-	Pensions costs in the current financial year	3	1
-	-	Calculated interest on the obligations	2	1
-	-	**Costs related to defined benefit plans**	5	2
1	1	Provisions for defined benefit plans at beginning of the year	46	44
-	-	Recognized in the current financial year	5	2
-	-	Payments to the plan assets	-	-
1	1	**Obligations, defined benefit plan at end of the year**	51	46
		The pension obligations are specified as follows:		
-	-	Present value of defined benefit plans	-	-
-	-	Fair value of plan assets	-	-
1	1	Present value of unfunded pension obligations	56	59
-	-	Unrecognized actuarial losses	(5)	(13)
1	1	**Total**	51	46

The latest actuarial calculation of the pension obligations related to the defined benefit plans was made at December 31, 2007.

The actuarial calculations at the balance sheet date are based on the following factors:

	2007	2006 (4M)
Avarage discount rate used	5.5%	4.5%
Expected future rate of salary increase (%)	3.0%	2.5%

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)	ALK-Abelló Group 2006 (12M) unaudited
		7 Depreciation, amortization and impairment			
		Depreciation, amortization and impairment are allocated as follows:			
5	**11**	Cost of sales	**29**	9	26
3	**11**	Research and development expenses	**12**	4	13
2	**6**	Sales and marketing expenses	**7**	2	6
6	**21**	Administrative expenses	**32**	10	30
5	**-**	Exceptional items	**-**	5	5
21	**49**	**Total**	**80**	30	80

8 Other operating income and operating expenses

Other operating income and operating expenses relate primarily to 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 and ragweed allergy for the North American market.

9 Exceptional items

In December 2006, ALK-Abelló decided to close the business unit, *In Vitro Diagnostics*, which supplies allergy test for blood sample-based analyses. As a consequence of this descision costs of DKK 40 million have been recognized for the financial year 2006 (4M) as a result of write-down of inventories (DKK 18 million) and property, plant and equipment (DKK 5 million) and provisions related to employees and other liabilities (DKK 17 million).

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)	ALK-Abelló Group 2006 (12M) unaudited
		10 Financial income			
1	**9**	Interest on receivables from affiliates	**-**	-	-
9	**39**	Other interest income	**43**	9	26
2	**-**	Currency gains	**-**	2	4
2	**-**	Fair value adjustment of securities	**-**	2	3
142	**99**	Dividend from affiliates	**-**	-	-
156	**147**	**Total**	**43**	13	33
		11 Financial expenses			
2	**5**	Interest on payables to affiliates	**-**	-	-
1	**3**	Other interest expenses	**4**	1	2
2	**25**	Currency loss	**25**	2	4
29	**17**	Adjustment of investments in affiliates	**-**	-	-
34	**50**	**Total**	**29**	3	6
		12 Tax on profit for the year			
(16)	**(26)**	Current income tax	**53**	23	9
(17)	**31**	Adjustment of deferred tax	**33**	(21)	2
-	**-**	Prior year adjustments	**6**	-	(3)
(33)	**5**	**Total**	**92**	2	8
(4)	**67**	Profit/(loss) before tax	**232**	(18)	28
(1)	**17**	Income tax, tax rate of 25% (2006: 28%)	**58**	(5)	24
-	**9**	Effect of change in tax rate from 28% to 25%	**11**	-	-
-	**-**	Effect of deviation of foreign subsidiaries tax rate relative to Danish tax rate	**21**	9	23
(40)	**(25)**	Non-taxable gains	**(9)**	(4)	(42)
8	**5**	Non-deductible expenses	**6**	-	8
-	**-**	Prior year adjustments	**6**	-	(3)
-	**(1)**	Other taxes and adjustments	**(1)**	2	(2)
(33)	**5**	**Tax on profit for the year**	**92**	2	8

13 Discontinued operations

Net profit, discontinued operations relate to adjustments of the consideration in connecton with the sale of the ingredients business Chr. Hansen in 2004/05.

14 Earnings per share

	ALK-Abelló Group		
Amounts in DKKm	**2007**	2006 (4M)	2006 (12M) unaudited
The calculation of earnings per share is based on the following:			
Profit/(loss) attributable to shareholders of the parent company, continuing operations	**140**	(20)	(36)
Profit/(loss) attributable to shareholders of the parent company, discontinued operations	**37**	-	-
Profit/(loss) attributable to shareholders of the parent company	**177**	(20)	(36)
Number in units			
Average number of issued shares	**10,128,360**	10,128,360	10,128,360
Average number of treasury shares	**101,775**	73,443	49,481
Average number of shares used for calculation of earnings per share	**10,026,585**	10,054,917	10,078,879
Average dilutive effect of outstanding share options	**36,928**	-	-
Average number of shares used for calculation of diluted earnings per share	**10,063,513**	10,054,917	10,078,879
Amounts in DKK			
Earnings per share (EPS), continuing operations	**14.0**	(2.0)	(3.6)
Earnings per share (EPS), discontinued operations	**3.7**	-	-
Earnings per share (EPS)	**17.7**	(2.0)	(3.6)
Diluted earnings per share (DEPS), continuing operations	**13.9**	(2.0)	(3.6)
Diluted earnings per share (DEPS), discontinuing operations	**3.7**	-	-
Diluted earnings per share (DEPS)	**17.6**	(2.0)	(3.6)

In accordance with IAS 33, no dilutive effect has been calculated for the diluted earnings per share of the continuing operations in 2006 (4M) as this would cause an increase of earnings per share.

Notes to the financial statements

15 Goodwill

Amounts in DKKm	ALK-Abelló Group 2007	2006 (4M)
Cost at the beginning of the year	398	398
Currency adjustments	(2)	-
Cost at the end of the year	**396**	398
Amortization and impairment at the beginning of the year	20	20
Amortization and impairment at the end of the year	**20**	20
Carrying amount at the end of the year	**376**	378

Goodwill has been subjected to an impairment test, which revealed no need for an impairment write-down. In the calculation of the value in use of cash-generating units, the cash flows in the latest management-approved budget for the coming financial year have been used. For financial years after the budget period, the cash flows in the most recent budget period have been extrapolated adjusted for a growth factor of 2% during the terminal period. The applied growth rate does not exceed the average expected long-term growth rate for the markets in question.

The estimated growth rates are based on industry forecasts.

Estimated changes in sales prices and production costs are based on historical data and expectations for future changes in the market.

The discount rate used is 10% after tax.

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		16 Other intangible assets		
		Software		
101	**101**	Cost at the beginning of the year	**154**	152
-	**5**	Additions	**5**	2
-	**7**	Transfer to/from other groups	**9**	-
101	**113**	**Cost at the end of the year**	**168**	154
75	**79**	Amortization and impairment at the beginning of the year	**113**	107
4	**13**	Amortization and impairment for the year	**17**	6
-	**-**	Transfer to/from other groups	**2**	-
79	**92**	**Amortization and impairment at the end of the year**	**132**	113
22	**21**	**Carrying amount at the end of the year**	**36**	41
		Patents, trademarks and rights		
24	**24**	Cost at the beginning of the year	**24**	24
-	**2**	Additions	**2**	-
24	**26**	**Cost at the end of the year**	**26**	24
9	**11**	Amortization and impairment at the beginning of the year	**11**	9
2	**5**	Amortization and impairment for the year	**5**	2
11	**16**	**Amortization and impairment at the end of the year**	**16**	11
13	**10**	**Carrying amount at the end of the year**	**10**	13
35	**31**	**Other intangible assets at the end of the year**	**46**	54

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		17 Land and buildings		
231	231	Cost at the beginning of the year	380	381
-	-	Currency adjustments	(5)	(1)
-	1	Additions	10	-
-	-	Disposals	(1)	-
-	56	Transfer to/from other groups	55	-
231	288	**Cost at the end of the year**	439	380
71	74	Depreciation and impairment at the beginning of the year	113	108
-	-	Currency adjustments	(1)	-
3	11	Depreciation and impairment for the year	17	5
-	-	Depreciation and impairment of disposals	(1)	-
74	85	**Depreciation and impairment at the end of the year**	128	113
157	203	**Carrying amount at the end of the year**	311	267
-	-	of which interest expenses	-	-
-	-	of which assets held under finance leases	26	36
		Land and buildings in Denmark include buildings on land leased from Scion DTU A/S, Hørsholm. The lease period for this land is unlimited.		
157	203	Value of land and buildings subject to mortgages	203	157

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		18 Plant and machinery		
181	182	Cost at the beginning of the year	276	274
-	-	Currency adjustments	(3)	-
1	3	Additions	12	2
-	(14)	Disposals	(14)	(1)
-	12	Transfer to/from other groups	(30)	1
182	183	**Cost at the end of the year**	241	276
62	68	Depreciation and impairment at the beginning of the year	116	108
-	-	Currency adjustments	(1)	-
6	18	Depreciation and impairment for the year	23	9
-	(13)	Depreciation and impairment of disposals	(13)	(1)
-	4	Transfer to/from other groups	(13)	-
68	77	**Depreciation and impairment at the end of the year**	112	116
114	106	**Carrying amount at the end of the year**	129	160

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	2007	**19 Other fixtures and equipment**	2007	2006 (4M)
28	**30**	Cost at the beginning of the year	**146**	140
-	**-**	Currency adjustments	**(1)**	(1)
2	**3**	Additions	**16**	5
-	**(2)**	Disposals	**(6)**	-
-	**(1)**	Transfer to/from other groups	**38**	2
30	**30**	**Cost at the end of the year**	**193**	146
25	**30**	Depreciation and impairment at the beginning of the year	**102**	95
-	**-**	Currency adjustments	**(1)**	-
5	**1**	Depreciation and impairment for the year	**17**	7
-	**(2)**	Depreciation and impairment of disposals	**(5)**	-
-	**(4)**	Transfer to/from other groups	**11**	-
30	**25**	**Depreciation and impairment at the end of the year**	**124**	102
-	**5**	**Carrying amount at the end of the year**	**69**	44

20 Property, plant and equipment in progress

62	**90**	Cost at the beginning of the year	**100**	71
-	**-**	Currency adjustments	**(1)**	-
29	**113**	Additions	**126**	33
-	**-**	Disposals	**(1)**	-
(1)	**(1)**	Depreciation and impairment for the year	**(1)**	(1)
-	**(74)**	Transfer to/from other groups	**(72)**	(3)
90	**128**	**Cost at the end of the year**	**151**	100
90	**128**	**Carrying amount at the end of the year**	**151**	100
-	**2**	of which assets held under financial leases	**2**	-

Notes to the financial statements

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	**2007**	**21 Investments in affiliates**	**2007**	2006 (4M)
728	**692**	Cost at the beginning of the year		
(29)	**(17)**	Distribution of cost		
(7)	**-**	Transfer from impairment		
692	**675**	**Cost at the end of the year**		
7	**-**	Impairment at the beginning of the year		
(7)	**-**	Transfer to cost		
-	**-**	**Impairment at the end of the year**		
692	**675**	**Carrying amount at the end of the year**		

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	**2007**	**22 Receivables from affiliates**	**2007**	2006 (4M)
125	**243**	Cost at the beginning of the year	**90**	-
118	**97**	Additions	**25**	90
-	**(90)**	Disposals	**(90)**	-
243	**250**	**Cost at the end of the year**	**25**	90
243	**250**	**Carrying amount at the end of the year**	**25**	90
		Receivables from affiliates are recognised as follows:		
111	**166**	Non-current assets	**-**	-
132	**84**	Current assets	**25**	90
243	**250**		**25**	90

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	**2007**	**23 Securities and receivables**	**2007**	2006 (4M)
4	**4**	Cost at beginning of the year	**4**	4
-	**-**	Additions	**2**	-
4	**4**	**Cost at the end of the year**	**6**	4
-	**-**	Revaluation and impairment at the beginning of the year	**-**	1
-	**-**	Revaluation and impairment for the year	**-**	(1)
-	**-**	**Revaluation and impairment at the end of the year**	**-**	-
4	**4**	**Carrying amount at the end of the year**	**6**	4

24 Deferred tax

Amounts in DKKm

ALK-Abelló Group

	Non-current assets	Current assets	Liabilities	Tax losses carried forward	Total
2007					
Carrying amount at January 1, 2007	**74**	**40**	**16**	**34**	**164**
Transfer to receivables from affiliates at the beginning of the year	**(36)**	**-**	**-**	**-**	**(36)**
Recognized in the income statement, net	**(12)**	**(9)**	**(4)**	**(6)**	**(31)**
Recognized in equity, net	**-**	**(2)**	**-**	**-**	**(2)**
Carrying amount at December 31, 2007	**26**	**29**	**12**	**28**	**95**
2006 (4M)					
Carrying amount at September 1, 2006	74	12	24	104	214
Transfer to receivables from affiliates	-	-	-	(71)	(71)
Recognized in the income statement, net	-	26	(8)	1	19
Recognized in equity, net	-	2	-	-	2
Carrying amount at December 31, 2006	74	40	16	34	164

ALK-Abelló A/S

	Non-current assets	Current assets	Liabilities	Tax losses carried forward	Total
2007					
Carrying amount at January 1, 2007	**73**	**9**	**7**	**30**	**119**
Transfer to receivables from affiliates at the beginning of the year	**(36)**	**-**	**-**	**-**	**(36)**
Recognized in the income statement, net	**(8)**	**(5)**	**(13)**	**(3)**	**(29)**
Recognized in equity, net	**-**	**(2)**	**-**	**-**	**(2)**
Carrying amount at December 31, 2007	**29**	**2**	**(6)**	**27**	**52**
2006 (4M)					
Carrying amount at September 1, 2006	75	(5)	2	101	173
Transfer to receivables from affiliates	-	-	-	(71)	(71)
Recognized in the income statement, net	(2)	12	5	-	15
Recognized in equity, net	-	2	-	-	2
Carrying amount at December 31, 2006	73	9	7	30	119

Deferred tax in both ALK-Abelló A/S and the ALK-Abelló Group is recognized as tax assets in the balance sheet, since it is assessed to be probable that sufficient future taxable income will be generated for the deferred tax asset to be utilized. Deferred tax in Denmark is recognized at a tax rate of 25%.

ALK-Abelló A/S is jointly taxed with LFI a/s.

No deferred tax liability has been recognized in respect of temporary differences on investments in subsidiaries as the ALK-Abelló Group is able to verify whether the liability crystallizes, and it is probable that no tax will crystallize in the forseeable future. At December 31, 2007, there were no material temporary differences regarding investments in subsidiaries.

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		25 Inventories		
31	**40**	Raw materials and consumables	**82**	69
38	**36**	Work in progress	**78**	81
53	**48**	Manufactured goods and goods for resale	**122**	137
122	**124**	**Carrying amount at the end of the year**	**282**	287
-	**-**	Carrying amount of inventories recognized at net realizable value	**-**	-
38	**5**	Amount of write-down of inventories during the year	**19**	46
-	**7**	Amount of reversal of write-down of inventories during the year	**22**	12
		26 Receivables and prepayments		
12	**23**	Trade receivables (gross)	**230**	179
		Allowances for doubtful trade receivables:		
-	**-**	Balance at the beginning of the year	**10**	10
-	**-**	Change in allowances during the year	**3**	-
-	**-**	Realized losses during the year	**-**	-
-	**-**	Provision for doubtful debts at the end of the year	**13**	10
12	**23**	**Trade receivables (net)**	**217**	169
		Allowances for doubtful trade receivables are based on an individual assessment of receivables.		
		Trade receivables (gross) can be specified as follows:		
12	**8**	Not due	**132**	110
		Overdue by:		
-	**15**	Between 1 and 179 days	**66**	51
-	**-**	Between 180 and 360 days	**24**	9
-	**-**	More than 360 days	**8**	9
12	**23**	Trade receivables (gross)	**230**	179

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		26 Receivables and prepayments (continued)		
		Other receivables		
-	4	VAT and other taxes	6	3
9	-	Accrued interest	-	9
4	10	Miscellaneous receivables	12	18
13	14	**Total**	18	30
		Prepayments		
16	4	Operating expenses	11	16
1	1	Insurance	2	6
1	-	Other prepayments	10	11
18	5	**Total**	23	33

The carrying amount is equivalent to the fair value of the assets.

27 Cash and cash equivalents

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007		ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
404	-	Securities subject to insignificant risk of changes in value	19	404
468	953	Cash and bank deposits	1,011	529
872	953	**Cash and cash equivalents**	1,030	933

28 Share capital

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007		ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		The share capital consists of:		
9	9	A shares, 920,760 shares of DKK 10 each	9	9
92	92	B shares, 9,207,600 shares of DKK 10 each	92	92
101	101	**Total nominal value**	101	101

Each A share carries 10 votes, whereas each B share carries 1 vote.

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		29 Mortgage debt, bank loans and financial loans		
		Debt to mortgage credit institutions secured by real property		
		Mortgage debt is due as follows:		
2	**2**	Payable on demand within 1 year	**2**	2
8	**9**	From 1-5 years	**9**	8
39	**36**	After 5 years	**36**	39
49	**47**	**Total**	**47**	49
		Bank loans and financial loans		
		Bank loans and financial loans are due as follows:		
-	**-**	Payable on demand within 1 year	**4**	6
-	**-**	From 1-5 years	**11**	13
-	**-**	After 5 years	**7**	9
-	**-**	**Total**	**22**	28

29 Mortgage debt, bank loans and financial loans (continued)

ALK-Abelló Group	Currency	Expiry date	Fixed/ Floating	Effective interest rate %	Carrying amount DKKm	Fair value DKKm
December 31, 2007						
Mortgage debt	DKK	2025	Fixed	4.3	**32**	**30**
Mortgage debt	EUR	2023	Floating	4.0	**15**	**15**
					47	**45**
Bank loans and financial loans						
Leasing debt	EUR	2016	Floating	3.5	**22**	**21**
Other bank loans and financial loans	EUR, USD	2009-2010	Floating	2.1 - 5.1	**-**	**-**
					22	**21**
December 31, 2006						
Mortgage debt						
Mortgage debt	DKK	2025	Fixed	4.3	33	32
Mortgage debt	EUR	2023	Floating	4.0	16	16
					49	48
Bank loans and financial loans						
Leasing debt	EUR	2016	Floating	3.5	30	26
Other bank loans and financial loans	EUR, USD	2009-2010	Floating	2.1 - 5.1	-	-
					30	26

Mortgage debt denominated in EUR relates to interest-reset loans which will be reset in 2008.

ALK-Abelló A/S

	Currency	Expiry date	Fixed/ Floating	Effective interest rate %	Carrying amount DKKm	Fair value DKKm
December 31, 2007						
Mortgage debt	DKK	2025	Fixed	4.3	**32**	**30**
Mortgage debt	EUR	2023	Floating	4.0	**15**	**15**
					47	**45**
December 31, 2006						
Mortgage debt	DKK	2025	Fixed	4.3	33	32
Mortgage debt	EUR	2023	Floating	4.0	16	16
					49	48

Notes to the financial statements

30 Other provisions

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
140	**157**	Other provisions at the beginning of the year	**164**	147
17	**2**	Provisions made during the year	**6**	17
-	**(9)**	Used during the year	**(12)**	-
-	**-**	Reversals during the year	**(1)**	-
157	**150**	**Provisions at the end of the year**	**157**	164
		Other provisions are recognized as follows:		
146	**146**	Long-term liabilities	**153**	153
11	**4**	Short-term liabilities	**4**	11
157	**150**	**Total**	**157**	164

In connection with the divestment of the ingredients business in 2004/05, ALK-Abelló A/S has undertaken the usual representations and warranties towards the buyer. The representations and warranties expire successively over the coming years. A provision of DKK 140 million has been made to cover specific risks.

31 Other current liabilities and deferred income

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
72	**53**	**Trade payables**	**126**	136
		Other payables		
33	**46**	Salaries, holiday payments, etc.	**99**	62
-	**3**	VAT and other taxes	**19**	12
21	**15**	Acquisitions of companies and operations	**15**	21
90	**70**	Miscellaneous payables	**107**	130
144	**134**	**Total**	**240**	225

The carrying amount is equivalent to the fair value of the liabilities.

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	**2007**	**32 Treasury shares**	**2007**	2006 (4M)
75,000	**68,772**	Treasury shares at the beginning of the year (B-shares), units	**68,772**	75,000
-	**63,515**	Purchase of treasury shares, units	**63,515**	-
-	**-**	Sale of treasury shares, units	**-**	-
(6,228)	**(855)**	Distribution of employee shares, units	**(855)**	(6,228)
68,772	**131,432**	**Treasury shares at the end of the year (B-shares), units**	**131,432**	68,772
0.7%	**1.3%**	Proportion of share capital at the end of the year	**1.3%**	0.7%
0.7	**1.3**	Nominal value at the end of the year	**1.3**	0.7
97	**80**	Market value at the end of the year	**80**	97

According to a resolution passed by the company at the annual general meeting, the company is allowed to purchase treasury shares, equal to 10% of the share capital. The company has purchased treasury shares in connection with the issuance of share options and employee shares.

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		33 Contingent assets and liabilities and commitments		
-	**-**	**Collaterals and guarantees**	**9**	3

Contingent liabilities and assets
The Board of Management believes that the outcome of pending claims and other disputes will not have a material impact on the company's and the ALK-Abelló Group's financial position.

In connection with the divestment of the ingredients business in 2004/05, ALK-Abelló A/S has undertaken the usual representations and warranties towards the buyer. The representations and warranties expire successively over the comming years. A provision of DKK 140 million has been made to cover specific risks.

There is still some uncertainty as to a possible adjustment of the acquisition amount in connection with the acquisition of a subsidiary in 2004/05. Management assumes that any adjustments will not cause any loss, as possible adjustments are already recognized in the balance sheet.

Liabilities relating to research and development projects are estimated at DKK 7 million at December 31, 2007 (December 31, 2006: DKK 4 million).

ALK-Abelló A/S and Chr. Hansen A/S are jointly and severally liable for the joint corporation tax for the period until August 31, 2005. At August 31, 2005, the jointly taxed companies had no current tax liability.

Commitments
For information on land and buildings provided as security vis-à-vis credit institutions, see note 17.

34 Operating lease liabilities

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
3	**14**	Mimimum lease payments recognized in the income statement	**26**	4
		The total future minimum lease payments cf. interminable lease agreements are allocated as follows:		
9	**14**	Within 1 year	**26**	13
19	**16**	From 1 - 5 years	**29**	29
-	**-**	After 5 years	**-**	-
28	**30**	**Total**	**55**	42

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	**2007**	**35 Financial lease liabilities**	**2007**	2006 (4M)
		Finance lease liabilities are due as follows:		
-	**-**	Within 1 year	**3**	5
-	**-**	From 1-5 years	**11**	14
-	**-**	After 5 years	**8**	11
-	**-**	**Total**	**22**	30
-	**-**	Amortization premium for future expensing	**1**	4
-	**-**	**Present value of financial lease liabilities**	**21**	26

36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments

Financial risk management policy

As a result of its operations, its investments and its financing, the ALK-Abelló Group is exposed to exchange and interest rate changes. For further information of exchange rate, interest rate and credit exposure see page 11. ALK-Abelló A/S manages the ALK-Abelló Group's financial risks centrally and coordinates the ALK-Abelló Group's cash management, including the raising of capital and investment of excess cash. The ALK-Abelló Group complies with a policy, approved by the Board of Directors, to maintain a low risk profile, ensuring that the ALK-Abelló Group is only exposed to exchange rate, interest rate and credit risk in connection with its commercial activities.

Exchange rate exposure

The ALK-Abelló Group mainly hedges its foreign exchange exposure through matching of payments received and paid in the same currency and through forward exchange contracts and currency options.

Interest rate exposure

The ALK-Abelló Group does not hedge its interest rate exposure, as this is not considered to be financially viable.

Credit exposure

According to the ALK-Abelló Group's credit risk policy, all major customers and other business partners are credit-rated regularly.

Notes to the financial statements

36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments (continued)

Exchange rate exposure – recognized assets and liabilities

The ALK-Abelló Group uses hedging instruments in the form of forward exchange contracts and currency options to hedge recognized and unrecognized transactions. Hedging of recognized assets and liabilities mainly comprises cash and securities, receivables and financial liabilities.

Amounts in DKKm	Cash and securities	Receivables	Liabilities	Amount hedged	Net position
ALK-Abelló Group					
December 31, 2007					
DKK	**878**	**45**	**(299)**	**-**	**624**
USD	**23**	**39**	**(31)**	**-**	**31**
EUR	**85**	**211**	**(352)**	**-**	**(56)**
GBP	**36**	**20**	**(16)**	**-**	**40**
SEK	**1**	**-**	**(2)**	**-**	**(1)**
Other	**7**	**17**	**(9)**	**-**	**15**
Total	**1,030**	**332**	**(709)**	**-**	**653**
December 31, 2006					
DKK	809	109	(370)	-	548
USD	18	37	(70)	-	(15)
EUR	98	169	(245)	-	22
GBP	5	17	(10)	-	12
SEK	-	8	(9)	-	(1)
Other	3	4	(3)	-	4
Total	933	344	(707)	-	570
ALK-Abelló A/S					
December 31, 2007					
DKK	**878**	**46**	**(303)**	**-**	**621**
USD	**12**	**98**	**(5)**	**-**	**105**
EUR	**25**	**116**	**(272)**	**-**	**(131)**
GBP	**35**	**31**	**(8)**	**-**	**58**
SEK	**1**	**2**	**(1)**	**-**	**2**
Other	**2**	**3**	**(1)**	**-**	**4**
Total	**953**	**296**	**(590)**	**-**	**659**
December 31, 2006					
DKK	809	110	(374)	-	545
USD	7	92	(49)	-	50
EUR	56	41	(104)	-	(7)
GBP	-	46	(2)	-	44
SEK	-	-	(2)	-	(2)
Other	-	1	-	-	1
Total	872	290	(531)	-	631

At December 31, 2007, the fair value of derivative financial instruments entered into to hedge recognized financial assets and liabilities against exchange rate exposure totals DKK 0 million (2006(4M): DKK 0 million) for the ALK-Abelló Group and DKK 0 million (2006(4M): DKK 0 million) for ALK-Abelló A/S. The fair value of the derivative financial instruments is recognized under other payables and in the income statement it is set off against exchange rate adjustments of the hedged assets and liabilities.

36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments (continued)

Exchange rate exposure – future transactions

The ALK-Abelló Group hedges exchange rate exposure regarding future sales and purchases of goods in the coming year by means of forward exchange contracts and currency options in accordance with the ALK-Abelló Group's policy. Open exchange rate hedging contracts are specified as follows, where contracts for the sale of currency are stated with a positive contract value:

Amounts in DKKm

ALK-Abelló Group	Term to maturity, months	Contract value	Fair value	Value adjustment recognized in equity
December 31, 2007				
Forward exchange contracts, USD	**1-3**	**(54)**	**-**	**-**
Forward exchange contracts, GBP	**4-6**	**(69)**	**(3)**	**(3)**
Total		**(123)**	**(3)**	**(3)**
December 31, 2006				
Forward exchange contracts, USD	1-5	(45)	(2)	(2)
Forward exchange contracts, GBP	1	26	-	-
Forward exchange contracts, SEK	1	1	-	-
Total		(18)	(2)	(2)
ALK-Abelló A/S				
December 31, 2007				
Forward exchange contracts, USD	**1-3**	**(54)**	**-**	**-**
Forward exchange contracts, GBP	**4-6**	**(69)**	**(3)**	**(3)**
Total		**(123)**	**(3)**	**(3)**
December 31, 2006				
Forward exchange contracts, USD	1-5	(45)	(2)	(2)
Forward exchange contracts, GBP	1	26	-	-
Forward exchange contracts, SEK	1	1	-	-
Total		(18)	(2)	(2)

Notes to the financial statements

36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments (continued)

Interest rate exposure

On the ALK-Abelló Group's financial assets and financial liabilities, the earlier of the contractual revaluation and payment dates are as follows. Effective interest rates are stated on the basis of the level of interest rates at the balance sheet date.

Amounts in DKKm

ALK-Abelló Group	Revaluation/payment date Within 1 year	From 1-5 years	After 5 years	Total	Of these, fixed interest	Effective interest rate %
December 31, 2007						
Securities and receivables	1	4	1	6	-	
Trade receivables	217	-	-	217	-	
Other receivables	109	-	-	109	-	
Cash and cash equivalents	1,030	-	-	1,030	869	4.3-5.3
Financial assets	1,357	4	1	1,362	869	
Mortgage debt, bank loans and financial loans	6	19	44	69	47	2.1-5.1
Trade payables	126	-	-	126	-	
Other financial liabilities	278	11	-	289	-	
Financial liabilities	410	30	44	484	47	
December 31, 2006						
Securities and receivables	4	-	-	4	-	
Trade receivables	169	-	-	169	-	
Other receivables	171	-	-	171	-	
Cash and cash equivalents	933	-	-	933	404	2.0
Financial assets	1,277	-	-	1,277	404	
Mortgage debt, bank loans and financial loans	8	21	48	77	59	2.1-5.1
Trade payables	136	-	-	136	-	
Other financial liabilities	256	17	-	273	-	
Financial liabilities	400	38	48	486	59	

36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments (continued)

Amounts in DKKm

ALK-Abelló A/S	Revaluation/payment date: Within 1 year	From 1-5 years	After 5 years	Total	Of these, fixed interest	Effective interest rate %
December 31, 2007						
Securities and receivables	-	4	-	4	-	
Trade receivables	23	-	-	23	-	
Other receivables	103	166	-	269	-	
Cash and cash equivalents	953	-	-	953	868	4.3-4.9
Financial assets	1,079	170	-	1,249	868	
Mortgage debt, bank loans and financial loans	2	9	36	47	47	4.0-4.3
Trade payables	53	-	-	53	-	
Other financial liabilities	328	11	-	339	-	
Financial liabilities	383	20	36	439	47	
December 31, 2006						
Securities and receivables	4	-	-	4	-	
Trade receivables	12	-	-	12	-	
Other receivables	274	-	-	274	-	
Cash and cash equivalents	872	-	-	872	404	2.0
Financial assets	1,162	-	-	1,162	404	
Mortgage debt, bank loans and financial loans	2	8	39	49	33	4.3
Trade payables	72	-	-	72	-	
Other financial liabilities	235	17	-	252	-	
Financial liabilities	309	25	39	373	33	

Credit exposure

The ALK-Abelló Group's primary credit exposure is related to trade receivables and cash and cash equivalents. The ALK-Abelló Group has no major exposure relating to any one customer or business partner. According to the ALK-Abelló Group's policy for assuming credit exposure, all customers and business partners are credit-rated regularly.

Embedded derivative financial instruments

The ALK-Abelló Group has made a systematic review of contracts that might contain terms that would make the contract or parts thereof a derivative financial instrument. The review did not lead to recognition of derivative financial instruments relating to the contracts.

Notes to the financial statements

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007	Amounts in DKKm	ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		36 Exchange rate, interest rate and credit exposure and the use of derivative financial instruments (continued)		
		Categories of financial instruments		
243	**250**	Receivables from affiliates	**25**	90
4	**4**	Securities and receivables	**6**	4
12	**23**	Trade receivables	**217**	169
13	**14**	Miscellaneous receivables	**18**	30
272	**291**	**Loans and receivables**	**266**	293
2	**3**	Derivative financial instruments entered into hedge future transactions	**3**	2
2	**3**	**Financial liabilities used as hedging**	**3**	2
49	**47**	Mortgage debt	**47**	49
-	**-**	Bank loans and financial loans	**22**	28
72	**53**	Trade receivables	**126**	136
91	**194**	Payables to to affiliates	**-**	-
159	**142**	Miscellaneous payables	**248**	240
371	**436**	**Financial liabilities measered at amotized cost**	**443**	45

37 Related parties

Related parties exercising control

Parties exercising control are ALK-Abelló A/S' principal shareholder, LFI a/s and its principal shareholder, The Lundbeck Founddation. Other related parties comprise ALK-Abelló A/S' Board of Management and Board of Directors, companies in which the principal shareholders exercise control and their subsidiaries, in this case H. Lundbeck A/S and its subsidiaries.

For a list of subsidiaries, see page 64.

ALK-Abelló A/S		Amounts in DKKm	ALK-Abelló Group	
2006 (4M)	2007	**37 Related parties (continued)**	2007	2006 (4M)
		Affiliates		
		Intra-group trading comprised:		
145	425	Sale of goods		
13	49	Sale of services		
7	18	Purchase of goods		
2	18	Purchase of services		

In respect of amounts owed by and to affiliates, see the balance sheet. Interest regarding intra-group accounts are shown in notes 10 and 11.

Intra-group transactions and accounts have been eliminated in the consolidated financial statements in accordance with the accounting policies.

No security or guarantees have been issued for amounts outstanding at the balance sheet date. Receivables as well as debt will be settled against payment in cash. During the financial year, no bad debt losses have been realized regarding amounts owed by related parties, nor have any provisions been made for any such doubtful debts.

Remuneration etc. to Board of Directors and Board of Management
For information on remuneration paid to the ALK-Abelló Group's Board of Directors and Board of Management, see note 4 to the financial statements.

No other transactions have taken place during the year with the Board of Directors, Board of Management, other key employees, major shareholders or other related parties.

38 Fees to the ALK-Abelló Group's auditors

ALK-Abelló A/S 2006 (4M)	ALK-Abelló A/S 2007		ALK-Abelló Group 2007	ALK-Abelló Group 2006 (4M)
		Fees to the auditors, Deloitte, appointed at the general meeting:		
1	1	Audit	3	2
1	1	Non-audit services	2	1
2	2	**Total**	5	3

List of companies in the ALK-Abelló Group

December 31, 2007 (wholly owned unless otherwise stated). Nominal capital in 1,000.

Denmark
ALK-Abelló A/S — DKK 101,284
CVR nr. 63 71 79 16
Hørsholm

Sweden
ALK-Abelló, ALK Sverige AB — SEK 500
Kungsbacka

Norway
ALK-Abelló, ALK Sverige AB (branch)
Oslo

Finland
ALK-Abelló A/S (branch)
Helsinki

United Kingdom
ALK-Abelló Ltd. — GBP 1
Hungerford

France
Allerbio S.A. — EUR 160
Varennes-en-Argonne

Germany
ALK-Scherax Arzneimittel GmbH — EUR 1,790
Hamburg

Austria
ALK-Abelló GmbH — EUR 73
Linz

Switzerland
ALK-Abelló AG — EUR 100
Volketswil

Netherlands
ALK-Abelló bv — EUR 23
Nieuwegein

Spain
ALK-Abelló S.A. — EUR 4,671
Madrid

Italy
ALK-Abelló S.p.A. — EUR 3,680
Milan
Wholly owned by ALK-Abello S.A.

Poland
ALK-Abelló sp. z o.o — PLN 50
Warsaw

USA
ALK-Abelló, Inc. — USD 6,839
Austin

ALK-Abelló, Vespa Laboratories, Inc. — USD 5
Spring Mills

Biopol Laboratory, Inc. — USD 1
Spokane
Wholly owned by ALK-Abelló,
Vespa Laboratories, Inc.

China
ALK-Abelló A/S (branch)
Hong Kong

Financial highlights and key ratios by the quarter for the ALK-Abelló Group

Amounts in DKKm	2007	Q4 unaudited	Q3 unaudited	Q2 unaudited	Q1 unaudited
Income statement					
Revenue	**1,652**	443	386	373	450
Cost of sales	**499**	120	119	131	129
Research and development expenses	**323**	89	80	78	76
Sales and marketing expenses	**640**	182	142	158	158
Administrative expenses	**179**	43	46	42	48
Other operating income/(other operating expenses)	**207**	2	3	1	201
Operating profit/(loss) (EBIT)	**218**	11	2	(35)	240
Net financial items	**14**	3	3	6	2
Profit/(loss) before tax (EBT)	**232**	14	5	(29)	242
Net profit/(loss)	**177**	13	(2)	(36)	202
Operating profit/(loss) before depreciations (EBITD)	**298**	31	24	(17)	260
Average number of employees	**1,392**	1,424	1,402	1,376	1,363
Revenue by markets:					
Northern Europe	**353**	79	87	92	95
Central Europe	**667**	193	163	135	176
Southern Europe	**451**	135	93	96	127
Other markets	**181**	36	43	50	52
Revenue by product line:					
SCIT	**809**	228	195	169	217
SLIT-droplets	**481**	139	100	110	132
SLIT-tablets	**47**	17	11	9	10
Other products	**315**	59	80	85	91
Balance sheet					
Total assets	**2,821**	2,821	2,790	2,781	2,840
Invested capital	**1,050**	1,050	1,134	1,138	1,143
Equity	**2,112**	2,112	2,124	2,132	2,186
Cash flow and investments					
Depreciation, amortization and impairment	**80**	20	22	18	20
Cash flow from operating activities	**362**	201	12	29	120
Cash flow from investing activities	**(172)**	(80)	(31)	(35)	(26)
Free cash flow	**190**	121	(19)	(6)	94
Information on shares					
Share capital	**101**	101	101	101	101
Shares in thousands of DKK 10 each	**10,128**	10,128	10,128	10,128	10,128
Share price – DKK	**600**	600	1,060	1,167	1,036
Net asset value per share – DKK	**209**	209	210	211	216
Key figures					
EBIT margin – %	**13.2**	2.5	0.5	(9.4)	53.3
Earnings per share (EPS) – DKK, continuing operations	**14.0**	1.3	-	(3.6)	16.4
Diluted earnings per share (DEPS) – DKK, continuing operations	**13.9**	1.3	-	(3.6)	16.4
Earnings per share (EPS) – DKK	**17.7**	1.3	-	(3.6)	20.1
Diluted earnings per share (DEPS) – DKK	**17.6**	1.3	-	(3.6)	20.1
Cash flow per share (CFPS) – DKK, continuing operations	**36.1**	20.1	1.2	2.9	11.8
Price earnings ratio (PE)	**43**	462	-	(324)	63
Share price/Net asset value	**2.9**	2.9	5.0	5.5	4.8

Definitions: see last page

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 year end / Number of shares at year end
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 year attributable to shareholders of the parent / Average number of outstanding shares
Diluted earnings per share (DEPS)	Net profit/(loss) for the year attributable to shareholders of the parent / Average number of outstanding shares, diluted
Cash flow per share (CFPS)	Cash flow from operating activities excluding minority interests' share / Average number of outstanding shares
Price earnings ratio (PE)	Share price / Earnings per share
Segments	Geographical segments (based on customers' location): • Northern Europe comprises Nordic region, United Kingdom and the Netherlands • Central Europe comprises Germany, Austria, Switzerland and Poland • Southern Europe comprises Spain, Italy and France • Other markets comprise 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.

Stock exchange announcements 2007

1	ALK-Abelló and Schering-Plough enter strategic alliance	Jan 3, 2007
2	Financial calendar for the 2007 financial year of ALK-Abelló A/S	Jan 25, 2007
3	Release date of annual report (four months) 2006 for ALK-Abelló	Feb 23, 2007
4	ALK-Abelló A/S announces annual report for 2006	Mar 2, 2007
5	ALK-Abelló launches GRAZAX® in Sweden as a therapy eligible for full reimbursement	Mar 5, 2007
6	Annual General Meeting in ALK-Abelló A/S on April 13, 2007	Mar 22, 2007
7	Report on the Annual General Meeting of ALK-Abelló A/S held on April 13, 2007	Apr 13, 2007
8	Change in Board of Management of ALK-Abelló	Apr 19, 2007
9	Release date of Q1 interim report 2007 for ALK-Abelló	May 14, 2007
10	Three-month interim report (Q1) 2007	May 22, 2007
11	ALK-Abelló management change	May 30, 2007
12	Total number of voting rights and total share capital of ALK-Abelló A/S	Jun 1, 2007
13	Release date of six-month interim report (Q2) 2007 for ALK-Abelló	Aug 13, 2007
14	Six-month interim report (Q2) 2007	Aug 21, 2007
15	Release date of nine-month interim report (Q3) 2007 for ALK-Abelló	Nov 15, 2007
16	ALK-Abelló reports phase III results from US clinical study	Nov 16, 2007
17	Conference call	Nov 19, 2007
18	Nine-month interim report (Q3) 2007	Nov 22, 2007
19	Favourable results from GRAZAX® study in children	Nov 22, 2007
20	Grant of share options to members of the Board of Management and senior managers	Nov 22, 2007
21	Report on transactions with ALK-Abelló A/S B-shares by managerial staff and their related parties	Nov 23, 2007
22	Report on transactions with ALK-Abelló A/S B-shares by managerial staff and their related parties	Nov 26, 2007
23	Report on transactions with ALK-Abelló A/S B-shares by managerial staff and their related parties	Nov 27, 2007
24	Report on transactions with ALK-Abelló A/S B-shares by managerial staff and their related parties	Nov 28, 2007
25	Report on transactions with ALK-Abelló A/S B-shares and associated securities by managerial staff and their related parties	Nov 30, 2007
26	Report on transactions with ALK-Abelló A/S B-shares by managerial staff and their related parties	Dec 5, 2007

After the end of the financial year

1	Financial calendar for the 2008 financial year of ALK-Abelló A/S	Jan 22, 2008
2	ATP increases its ownership in ALK-Abelló	Feb 13, 2008
3	Release date of annual report 2007 for ALK-Abelló and analyst meeting	Feb 25, 2008
4	ALK-Abelló announces positive third year results from clinical study with GRAZAX®	Mar 1, 2008

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