



Interim Report 1 May–31 October 2006

- Income increased by 44% to SEK 299.2 (208.5) million
- Operating earnings amounted to SEK 72.0 (34.7) million
- Earnings after tax amounted to SEK 51.9 (19.8) million
- Earnings per share amounted to SEK 54.5 (21.0)
- The cash flow from current operations amounted to SEK 27.4 (20.6) million
- There has been a one-off positive effect of SEK 16.2 million on profits in connection with the acquisition of Metcon Medicin AB

The Group's earnings trend in brief for the periods 1 May–31 October 2006 and 1 May–31 October 2005

SEK thousands	31/10 2006	31/10 2005	Change, %
Net sales	299,235	208,527	44
Gross profit	123,826	83,260	49
Operating earnings	72,000	34,670	108
Earnings after tax	51,927	19,793	162
Earnings per share, SEK	54.5	21.0	160

Swedish Orphan International in brief

Swedish Orphan International is an international growth company specialising in the development, registration, marketing and distribution of orphan drugs for rare and life-threatening conditions. The company's products satisfy an unmet medical need, where there is no existing treatment today or where the existing treatment is insufficient. Swedish Orphan International was founded in 1988 and, since then, has entered into partnerships with about 30 different pharmaceutical companies and university institutions. At present, the company provides more than 40 different orphan drugs.



Important events

- On 1 May 2006, distribution of Ammonaps® was commenced within the entire EU. This has had a positive effect of SEK 12.1 million on gross profit.
- The company has also taken over the distribution* of its own product, Orfadin®, within the entire EU and Middle East from 1 August 2006. This has had a positive effect of SEK 12.3 million on gross profit.
- A distribution agreement has been entered into for the Nordic and Baltic countries with Protherics Molecular Design Ltd, UK with regard to Voraxaze™, a drug for the treatment of methotrexate poisoning.
- The establishing of subsidiaries in Germany and France has been completed while the establishing of subsidiaries in Spain and Italy is in its final phase. The establishing of these is fully in accordance with Swedish Orphan International's geographical growth targets.
- Acquisition of Metcon Medicin AB.
- The distribution agreement with Gilead Sciences Limited has been renegotiated and extended further until 31 December 2007 in respect of the Nordic Region and to 9 March 2009 in respect of the Baltic States. SEK 17.4 (11.4) million of the gross profit for the period is attributable to the distribution of products from Gilead Sciences Limited.
- The distribution agreement for the drug, Proleukin, which is owned by Chiron Healthcare Ireland Limited, has been terminated with effect from 31 December 2006 in connection with Novartis acquiring Chiron Healthcare Ireland Limited. SEK 1.5 (1.3) million of the gross profit for the period relates to sales of Proleukin.

* The company has had good grounds for cancelling the previous distribution agreement as a result of breach of contract. This cancellation is subject to arbitration during 2007.

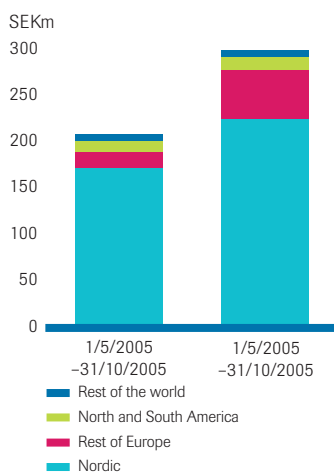


What are orphan drugs?

Orphan drugs, as these specialist drugs are called, make us think of orphan children. And that is exactly the intention. The term was coined in the USA at the beginning of the 1980s. The background was that patient organisations for rare disorders were finding that the pharmaceutical companies were not willing to develop drugs for rare disorders as the volumes were so small and it was not commercially viable. In other words, no one wanted to take responsibility for these disorders – just as the case may be for orphan children.

Consolidated financial overview for the period 1 May–31 October 2006

COMMENTS ON THE INCOME STATEMENT AND BALANCE SHEET



NET SALES

During the period, the Swedish Orphan International Group's net sales increased by 44 (23) percent to SEK 299.2 (208.5) million. The main reasons behind this positive growth were the successful launches of new drugs during the previous financial year, combined with successful investments in new markets in Central Europe. This geographical expansion, together with the company's ability to bring new products into its product portfolio, will provide the foundation for positive development and growth in the future.

The Nordic Region increased its net sales by 31 (26) percent to SEK 225.1 (171.8) million, which is equivalent to 75 (82) percent of the company's total net sales during the period. The foundation for growth was already laid down in the last months of the previous financial year when the products, Truvada[®] and Promixin[®], for the therapy area of infectious diseases, and Fosrenol[®], for the therapy area of nephrology, were launched.

During the six-month period, the company's expansion within the Europe region has developed according to plan and growth has been 192 (56) percent. Net sales increased to SEK 52.5 (17.9) million, which is equivalent to 18 (9) percent of the company's total net sales. This growth has mainly been within the therapy area of metabolic diseases, where Swedish Orphan International has strengthened its range of products with the product, Ammonaps[®], from May 2006 and taken over the distribution of Orfadin[®] from August 2006.

Sales by market

SEKm	1/5/2006 -31/10/2006	1/5/2005 -31/10/2005
Nordic	225.1	171.8
Rest of Europe	52.4	17.9
North and South America	14.6	10.9
Rest of the world	7.1	7.9
Total	299.2	208.5

EARNINGS FOR THE PERIOD

During the period covered by this report, the Swedish Orphan International Group has enjoyed strong growth with earnings after tax of SEK 51.9 (19.8) million.

The launches of the new products in the company's portfolio, Truvada[®], Fosrenol[®] and Promixin[®], have been the foundation for the company's strong growth in the latest financial year. This growth has been further strengthened by the acquisition of Ammonaps[®] and the taking over of the distribution rights for the company's own product, Orfadin[®]. Both of these products have a significantly higher gross margin than the average products, which has had a positive impact on gross profits. Finally, the company's acquisition of Metcon Medicin AB has had a positive one-off effect of SEK 16.2 million on earnings. Operating earnings amount to SEK 72.0 (34.7) million, which is equivalent to growth of 108 percent.

INTANGIBLE ASSETS

Intangible assets amounted to SEK 217.0 (214.2) million as at 31 October 2006. These mainly consist of goodwill.

INVENTORIES

Inventories have increased by 44 percent to SEK 63.8 (44.4) million as a result of increased sales and the increased service levels.

FINANCIAL POSITION

The positive growth in earnings has contributed to strengthening the Group's equity and has increased during the period by SEK 51.8 million from SEK 83.9 million at the start of the accounting year to SEK 135.7 million as at 31 October 2006. The equity/assets ratio amounted to 31 (17) percent and, calculated with shareholder loans on a par with equity, to 57 (46) percent. The company's net debt has decreased by 17 percent to SEK 123.4 (148.8) million. Liquid assets amounted to SEK 36.9 (57.3) million as at 31 October 2006, a decrease of SEK 20.4 million compared with the previous year. Total assets amounted to SEK 434.8 (380.8) million on 31 October 2006. SEK 2.9 million of the Group's overdraft facility of SEK 30 million was unused as at 31 October 2006.

The acquisition of Metcon Medicin AB has resulted in deferred tax of SEK 14.7 million.

CASH FLOW

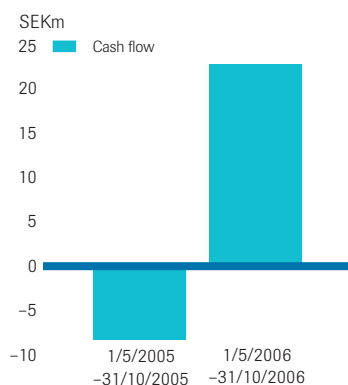
The Company's cash flow from operating activities has shown positive growth. The operating cash flow increased from SEK 20.6 million for the corresponding period in the previous accounting year to SEK 27.4 million in the present year.

TAX

The Group's relative tax expense has decreased between the years. This is mainly due to the non-taxable one-off effect of SEK 16.2 million through the acquisition of Metcon Medicin AB.

PROFIT PER SHARE


The profit per share for the period, including the one-off effect of SEK 16.2 million through the acquisition of Metcon Medicin AB, amounted to SEK 54.5 (21.0). Equity capital per share amounts to SEK 142.4 (66.5). The number of shares in Swedish Orphan International Holding AB was 953,320 as at 31 October 2006. The average number of shares during the period was 953,320.



PARENT COMPANY

From 1 May 2006, the Parent Company's activity includes Group management and certain group-wide functions as well as financial management. The Parent Company's net sales amounted to SEK 4,444 (922) thousand and earnings after net financial income/expense amounted to SEK -7,278 (-6,849) thousand. Liquid funds in the Parent Company amounted to SEK 19 (2,221) thousand.

STOCKHOLM, 19 DECEMBER 2006



Bo Jesper Hansen
Chief Executive Officer

AUDIT REPORT

We have carried out a general audit of the Interim Report for Swedish Orphan International Holding AB in respect of the period, 1 May 2006 to 31 October 2006. It is the Board of Directors and the Chief Executive Officer who are responsible for correctly preparing and presenting this Interim Report in accordance with IAS 34 and the Annual Accounts Act. We are responsible for expressing our conclusion with regard to this Interim Report, on the basis of our general audit.

We have carried out a general audit in accordance with the Standard för översiktlig granskning [Standard for General Auditing] SÖG 2410, "General Auditing of Financial Interim Information Performed by the Company's Chosen Auditors", which has been issued by the Swedish Institute of Authorised Public Accountants. A general audit consists of making enquiries, principally addressed to persons responsible for financial matters and accounting matters, carrying out an analytical audit and following other general auditing procedures. A general audit has a different focus and considerably less scope when compared with the focus and scope an audit in accordance with Auditing Standards in Sweden (RS) and generally accepted accounting standards otherwise have. The auditing procedures followed in a general audit do not make it possible for us to obtain an assurance that we become aware of all important circumstances that could have been identified if a full audit had been performed. The conclusion pronounced on the basis of a general audit does not, therefore, contain the same assurance as a conclusion based on a full audit.

On the basis of our general audit, no circumstances have emerged to give us cause to deem the Interim Report not to have been, to all intents and purposes, prepared in accordance with IAS 34 and the Annual Accounts Act.

STOCKHOLM, 19 DECEMBER 2006

Deloitte AB



Bo Magnusson
Authorised Public Accountant

Consolidated income statement in brief

SEK thousand	<i>Note</i>	1/5/2006 -31/10/2006	1/5/2005 -31/10/2005
Net sales	3	299,235	208,527
Cost of goods sold		-175,409	-125,267
Gross profit		123,826	83,260
Sales expenses	4	-44,048	-37,591
Administrative expenses	4	-17,554	-9,364
Research and development expenses		-10,147	-11,374
Other profits	5	16,221	-
Other operating income	6	5,226	9,739
Other operating costs		-1,524	-
Operating earnings		72,000	34,670
Earnings from participations in Group companies		-	5
Interest income		297	384
Interest expenses		-6,141	-6,800
Earnings after financial items		66,156	28,259
Tax on earnings for the period		-14,229	-8,466
EARNINGS FOR THE PERIOD		51,927	19,793
DATA PER SHARE			
Earnings per share, SEK		54.47	21.01
Number of outstanding shares		953,320	953,320
Average number of outstanding shares		953,320	942,112

Consolidated balance sheet in brief

SEK thousand	31/10/2006	30/4/2006	31/10/2005
Goodwill	213,009	213,009	213,009
Other intangible fixed assets	4,038	1,029	1,157
Tangible fixed assets	1,722	1,486	1,517
Financial fixed assets	536	619	553
Deferred income tax assets	3,264	-	-
Inventories	63,826	65,763	44,379
Current receivables	111,582	102,364	62,912
Cash at bank and in hand	36,855	14,075	57,318
Total assets	434,832	398,345	380,845
Shareholders' equity	135,748	83,915	62,670
Long-term liabilities, interest-bearing	142,010	149,692	157,374
Long-term liabilities, non-interest-bearing	1,084	12,248	9,441
Current liabilities, interest-bearing	18,295	15,364	48,764
Current liabilities, non-interest-bearing	137,695	137,126	102,596
Total shareholders' equity, provisions and liabilities	434,832	398,345	380,845

Changes in the Group's equity in brief

SEK thousand	1/5/2006 -31/10/2006	1/5/2005 -30/4/2006	1/5/2005 -31/10/2005
Opening balance at the beginning of the accounting year	83,915	41,196	41,196
Translation differences in the period	-94	-48	215
Income and expenses for the period reported directly against shareholders' equity	-94	-48	215
Earnings after tax for the period	51,927	41,301	19,793
Total income and expenses for the period	51,833	41,253	20,008
New share issue	-	1,466	1,466
Closing balance at the end of the period	135,748	83,915	62,670

Consolidated cash flow analyses in brief

SEK thousand	<i>Note</i>	1/5/2006 -31/10/2006	1/5/2005 -31/10/2005
Cash flow from operating activities before changes in working capital	5	54,347	29,831
Cash flow from changes in working capital		-26,899	-9,256
Cash flow from operating activities		27,448	20,575
Cash flow from investment activities		406	-382
Cash flow from financing activities		-4,973	-28,534
Cash flow for the period		22,881	-8,341
Liquid assets at the start of the year		14,090	65,361
Cash flow for the period		22,881	-8,341
Exchange rate difference in liquid assets		-116	298
Liquid assets at the end of the period		36,855	57,318

Notes

1 ASSUMPTIONS FOR PREPARING THE GROUP'S FINANCIAL REPORT

The Interim Report has been prepared in accordance with IAS 34 "Interim Reporting" and the Swedish Financial Accounting Standards Council's Recommendation RR21, Interim Reporting.

2 ESSENTIAL ACCOUNTING PRINCIPLES

Swedish Orphan International Holding's financial reports have previously been prepared in accordance with the Annual Accounts Act and the Swedish Financial Accounting Standards Council's Recommendations. From 1 May 2006, Swedish Orphan International Holding will prepare its consolidated accounts in accordance with International Financial Reporting Standards (IFRS). This Interim Report is the first financial report that Swedish Orphan International Holding will draw up in accordance with IFRS.

The transition to IFRS has meant changes and a need to clarify some of the accounting principles applied by Swedish Orphan International Holding. In those cases where the introduction of IFRS has led to changes, the new accounting principles are described along with a description of any adjustments identified below. Otherwise, the same accounting principles and valuation methods have been applied as in the latest annual report. The comparative figures for 2005/2006 have been recalculated in accordance with IFRS. The areas that have meant the greatest changes for Swedish Orphan International Holding are goodwill, the reporting of borrowings in accordance with IAS 39 and certain classification matters.

A description of the transition to IFRS, new accounting principles and their effect on Swedish Orphan International Holding's financial position, earnings and cash flow is presented at the end of this Interim Report under the heading, "Implementation of IFRS 2006".

3 SEGMENT REPORTING

The Group operates in the development and sale of drugs. Operations comprise a single operating area, which is why there is no reporting of primary segments. In the case of the secondary segments that are geographical areas, see the table on page 3.

4 CHANGES TO THE CLASSIFICATION OF FUNCTIONS

The increase in Administrative costs is partly attributable to changes to the reporting of costs regarding Group staff and partly to increased costs. These costs have previously been spread between Sales costs and Administrative costs. As of 1 May 2006, the Company has carried out an assessment that these costs shall, in their entirety, be regarded as Administrative costs as a new organisation was created from 1 May 2006. This change has no effect on earnings, as it only concerns the redistribution of costs between Sales and Administrative costs. No comparative figures have been adjusted as the change applies from 1 May 2006.

5 BUSINESS ACQUISITIONS

On 1 October, all shares in Metcon Medicin AB were acquired for SEK 12 thousand. The total acquisition costs in connection with the acquisition amount to SEK 568 thousand divided into outlays on solicitor's fees of SEK 250 thousand, audit fees of SEK 306 thousand and SEK 12 thousand for the shares. In addition to this, a shareholders' contribution of SEK 1,400 thousand was provided in October 2006. The acquisition will be reported in accordance with acquisition accounting. Metcon Medicin AB operates in the development and manufacture of candidate drugs for future sale within the diabetes area.

The assets, liabilities and contingent liabilities included in the acquisition of Metcon Medicin AB come to the following amounts:

SEK thousand	Reported value prior to the acquisition	Actual value adjustment	Actual value
Intangible assets	3,138		3,138
Tangible fixed assets	150		150
Deferred income tax assets	-	14,651	14,651
Other receivables	783		783
Liquid assets	1,407		1,407
Accounts payable	-2,624		-2,624
Other liabilities	-157		-157
Accrued expenses and deferred income	-559		-559
Acquired net assets	2,138	14,651	16,789
Surplus			16,221
Total purchase price			568
Liquid funds in acquired businesses deducted			1,407
Change in the Group's liquid funds upon acquisition			839

The difference between the actual value of acquired assets, liabilities and contingent liabilities and the acquisition value of the business acquisition is reported in the income statement under the heading Other profits and amounted to SEK 16,221 thousand, SEK 14,651 thousand of which is due to the value of tax deficits arising during the year.

The acquired business contributed to the Group with costs amounting to SEK 40 thousand and a net loss of SEK 40 thousand for the period, 1 to 31 October 2006.

It is not possible to provide details of how the Group's income, costs and earnings would have been affected if the acquisition had taken place on 1 May 2006 as Metcon Medicin AB had great expectations of the product, Gluconoct, at that time. The value is difficult to assess, but Metcon Medicin AB had started the process of licensing out Gluconoct to a bigger international pharmaceutical company. The clinical study for Gluconoct, which was concluded in August 2006, showed that Gluconoct did not help diabetes patients any better than a placebo, which is why the activated costs for Gluconoct were written down. The activated costs for the drug, Coloclin, which is in the final stages of its development, remain as an intangible asset in Metcon Medicin AB. As the value is difficult to judge, an estimate has been made that activated costs are equivalent to the actual value of Coloclin at the present time. Metcon Medicin AB is working on mapping Coloclin's market potential.

The first reporting of the business acquisition has been established preliminarily and is based on known circumstances at the time of reporting.

6 RECLASSIFICATION OF EARNINGS FROM PARTICIPATING INTERESTS IN ASSOCIATED COMPANIES

A reclassification has been carried out of previously reported earnings from participating interests in associated companies, which has been moved to other operating income in the comparative figures of 31/10/2005.

7 DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Swedish Orphan International Holding AB is owned by Investor Growth Capital AB, Skandia Investment, BJH ApS and company management. The three first-mentioned have provided shareholders' loans to a total amount of SEK 110,642 thousand. The Board of the company decides from year to year whether interest will be payable on the loan or not. In those cases when the Board decides that interest should be paid, the rate of interest is 8 percent. The Board has not yet decided whether interest should be paid for the accounting year, 1/5/2006–30/4/2007. A reserve has been set up for any interest expenses, which means that the period has been burdened with interest expenses of SEK 4,426 thousand.

The acquisition of Metcon Medicin AB was from Investor Growth Capital AB.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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FUTURE FINANCIAL REPORTS:

Quarterly Report, November 2006 to January 2007 31/3/2007

Implementation of IFRS 2006

GENERAL

Swedish Orphan International Holding is adopting IFRS from 1 May 2006. As IFRS requires a recalculation of the comparative year, the date of transition to IFRS is 1 May 2005. The company's new accounting principles have been described in the section, Accounting Principles. A full account and description of the transition to IFRS from Swedish Orphan International Holding's previous accounting principles is presented below.

The areas and recommendation that Swedish Orphan International Holding is of the opinion have the greatest effect on shareholders' equity, the balance sheet and reported earnings due to the transition to IFRS are:

GOODWILL

Goodwill is reported in the balance sheet as an intangible asset at the acquisition value with deductions in respect of any accumulated write-downs, i.e. there is no ongoing writing off of goodwill. Goodwill has been allocated to cash generative units and is checked annually for any write-down requirement. This checking of write-down requirements takes place more often, however, if there are any indications that a decrease in value may have occurred during the year. If, in the event of an acquisition, it proves to be the case that the actual values of acquired assets, liabilities and contingent liabilities exceed the acquisition value, the surplus will be directly reported as an income in the income statement.

WRITE-DOWNS OF TANGIBLE FIXED ASSETS AND INTANGIBLE ASSETS (EXCLUDING GOODWILL)

At each time of reporting, there will be an assessment of whether there is any indication of a decrease in value with regard to the Group's fixed assets. If there is any such indication of a decrease in value, it will be checked whether there is a need for a write-down by calculating the asset's recovery value. The recovery value is the higher of the asset's net sale value and its benefit value.

A write-down will be reported in the income statement in those cases where the recovery value is less than the asset's book value. Any write-downs undertaken will be reversed if changes occur in the assumptions that led to the original write-down. The reversal of write-downs will not take place in such a manner that the reported value exceeds what would have been reported, after deductions in respect of depreciation according to plan, if no write-down had taken place. Any reversals of write-downs will be reported in the income statement.

FINANCIAL INSTRUMENTS

IAS 39 "Financial instruments: Reporting and valuation" means that certain financial assets and all derivatives are to be valued at the actual value while financial liabilities are to be valued at the accrued acquisition value. The ongoing reporting of the changes in value to the financial instruments is determined by the initial classification of the respective financial instrument. Swedish Orphan International Holding does not possess any derivatives and it is assessed that embedded derivatives only come to an insignificant amount. According to IAS 39, liabilities are to be reported at the accrued acquisition value, which also means in practice that arrangement fees should be reported net against nominal borrowings.

According to Swedish Orphan International Holding's previous accounting principles, arrangement fees were reported as prepaid expenses, i.e. gross accounting figures.

The effect of the transition to IAS 39 does not affect Swedish Orphan International Holding's shareholders' equity.

CLASSIFICATION MATTERS

In connection with the transition to IFRS, a number of classification matters relating to the balance sheet and income statement have been identified. These adjustments have not affected earnings or the position: only the classification in the income statement and balance sheet. The adjustments made are as follows:

- Distribution charges paid to distributors have previously been partly shown as a reduced income and partly as costs of goods sold. According to IFRS, these distribution charges (which cannot be compared in any way with allowing a discount) are to be reported as a cost of goods sold.
- According to IFRS, frozen bank balances are not to be reported as liquid funds. In accordance with Swedish Orphan International Holding's previous accounting principles, frozen bank balances were reported as liquid funds with separate details in a note.

APPLICATION OF THE TRANSITIONAL RULES

The transition to IFRS will be reported in accordance with IFRS 1, "First-time adoption of IFRS". The principal rule in IFRS 1 requires a company adopting all IFRS standards to retrospectively establish an opening balance in accordance with IFRS. Certain exceptions from this retrospective adoption are, however, allowed. Swedish Orphan International Holding has decided to apply the following:

• GOODWILL (IFRS 3)

The rules in IFRS 3, "Business Combinations" are being applied forwardly to acquisitions and mergers with effect from the date of transition, 1 May 2005. This means that goodwill previously reported has been frozen at this date.

• REMUNERATION TO EMPLOYEES (IAS 19)

Swedish Orphan International Holding will report all accumulated actuarial gains and losses against shareholders' equity at the transitional date of 1 May 2005. The application of the transitional rules does not however coincide with the date that IAS 19 was implemented on the basis of Swedish accounting rules, which is why there will be no effect on shareholders' equity at the date of transition.

EFFECTS OF THE TRANSITION TO IFRS ON INCOME STATEMENTS, BALANCE SHEETS AND THE CASH FLOW

In the following tables, the effects of the transition to IFRS are presented and quantified. The information below has been prepared in accordance with IFRS standards that are expected to apply as far as Swedish Orphan International Holding is concerned as at 30 April 2007.

Consolidated income statement

RECONCILIATION BETWEEN PREVIOUS REPORTING AND IFRS 2005/2006

SEK thousand	Reference	Previous accounting	Effects of transition to IFRS	According to IFRS
		1/5/2005 –31/10/2005	1/5/2005 –31/10/2005	1/5/2005 –31/10/2005
Net sales	A	206,786	1,741	208,527
Cost of goods sold	A	–123,526	–1,741	–125,267
Gross profit		83,260	0	83,260
Sales costs	B	–43,648	6,057	–37,591
Administrative expenses		–9,364		–9,364
Research and development costs		–11,374		–11,374
Other operating income		9,739		9,739
Operating earnings		28,613	6,057	34,670
Earnings from participations in Group companies		5		5
Interest income		384		384
Interest expenses		–6,800		–6,800
Earnings after financial items		22,202	6,057	28,259
Tax on earnings for the period		–8,466		–8,466
EARNINGS FOR THE PERIOD		13,736	6,057	19,793

Consolidated balance sheet

RECONCILIATION BETWEEN PREVIOUS ACCOUNTING AND IFRS 1/5/2005

Amounts in SEK thousands	Reference	Previous accounting principles 1/5/2005	Effects of transition to IFRS 1/5/2005	According to IFRS 1/5/2005
Goodwill	B	213,009		213,009
Other intangible fixed assets		1,286		1,286
Tangible fixed assets		1,411		1,411
Financial fixed assets	C	296	227	523
Inventories		33,103		33,103
Current receivables	D	63,777	-1,359	62,418
Cash at bank and in hand	C	65,588	-227	65,361
Total assets		378,470	-1,359	377,111
Shareholders' equity	B	41,196		41,196
Liabilities to credit institutions	D	84,554	-915	83,639
Other long-term liabilities		110,642		110,642
Provision for pensions		297		297
Deferred tax liabilities		8,968		8,968
Current liabilities	D	132,813	-444	132,369
Total shareholders' equity, provisions and liabilities		378,470	-1,359	377,111

RECONCILIATION BETWEEN PREVIOUS REPORTING AND IFRS 31/10/2005

Amounts in SEK thousands	Reference	Previous accounting principles 31/10/2005	Effects of transition to IFRS 31/10/2005	According to IFRS 31/10/2005
Goodwill	B	206,952	6,057	213,009
Other intangible fixed assets		1,157		1,157
Tangible fixed assets		1,517		1,517
Financial fixed assets	C	307	246	553
Inventories		44,379		44,379
Current receivables	D	64,049	-1,137	62,912
Cash at bank and in hand	C	57,564	-246	57,318
Total assets		375,925	4,920	380,845
Shareholders' equity	B	56,613	6,057	62,670
Liabilities to credit institutions	D	47,425	-693	46,732
Other long-term liabilities		110,642		110,642
Provision for pensions		542		542
Deferred tax liabilities		8,899		8,899
Current liabilities	D	151,804	-444	151,360
Total shareholders' equity, provisions and liabilities		375,925	4,920	380,845

RECONCILIATION BETWEEN PREVIOUS REPORTING AND IFRS 30/4/2006

Amounts in SEK thousands	Reference	Previous accounting principles 30/4/2006	Effects of transition to IFRS 30/4/2006	According to IFRS 30/4/2006
Goodwill	B	200,895	12,114	213,009
Other intangible fixed assets		1,029		1,029
Tangible fixed assets		1,486		1,486
Financial fixed assets	C	375	244	619
Inventories		65,763		65,763
Current receivables	D	103,279	-915	102,364
Cash at bank and in hand	C	14,319	-244	14,075
Total assets		387,146	11,199	398,345
Shareholders' equity	B	71,801	12,114	83,915
Liabilities to credit institutions	D	39,521	-471	39,050
Other long-term liabilities		110,642		110,642
Provision for pensions		786		786
Deferred tax liabilities		11,462		11,462
Current liabilities	D	152,934	-444	152,490
Total shareholders' equity, provisions and liabilities		387,146	11,199	398,345

REFERENCE

- A) Reclassification of distribution charges from net sales to cost of goods sold.
- B) Reversal of write-down of goodwill in accordance with Swedish Orphan International Holding's previous accounting principles.
- C) Reclassification of frozen funds previously reported as liquid funds (affects both balance sheet and cash flow analyses' liquid funds. Reclassification of liquid funds to financial fixed assets amounted to SEK 227 thousand as at 1/5/2005.
- D) Adjustment in respect of accrued acquisition value regarding borrowings in accordance with IAS 39.

The adjustment items have had no effect on deferred tax. The transition to IFRS has not affected the cash flow, but has led to small changes related to the classification of liquid funds and the consequences of goodwill depreciation being reversed, which affects pre-tax earnings.