



Interim report May 2008 – January 2009

MAY 2008 – JANUARY 2009

- Net sales decreased by 15 per cent to SEK 508.5m (596.4).
- As of June 30, 2008 Swedish Orphan's distribution agreement with our partner, Gilead Sciences Ltd, was limited to a smaller number of markets, which reduced sales by SEK 132.1m year-on-year.
- Net sales of existing products, excluding terminated distribution contracts, increased by about 18 per cent.
- The gross profit increased by 6 per cent to SEK 311.6m (294.5).
- The operating profit decreased by 2 per cent to SEK 150.0m (152.5) due to increased market activities in Europe.
- Earnings after tax were SEK 108.2m (103.8).
- Earnings per share before dilution were SEK 114.27 (109.33) and earnings per share after dilution SEK 113.40 (108.94).
- Cash flow from operating activities was SEK 127.7m (87.4).

Consolidated financial performance

SEK million	PERIOD		QUARTER		FULL YEAR	12 Months
	May-January		November-January		May-April	Feb-Jan
	2008/2009	2007/2008	2008/2009	2007/2008	2007/2008	Feb 08-Jan 09
Net sales	508.5	596.4	169.7	197.2	764.8	676.9
Gross Profit	311.6	294.5	112.3	100.2	392.9	410.0
Operating profit	150.0	152.5	53.9	41.7	119.3	116.8
Profit after tax	108.2	103.8	40.2	28.2	79.3	83.7
Earnings per share, SEK	114.27	109.33	42.45	29.75	83.51	88.34
Operating profit, excl. non-recurring items*	150.0	152.5	53.9	41.7	181.8	179.40
Profit after tax, excl. non-recurring items*	108.2	103.8	40.2	28.2	141.8	146.2
Earnings per share, SEK, excl. non-recurring items*	114.27	109.33	42.45	29.75	149.43	154.38

*Excluding settlement expenses in a dispute of SEK 62.5m relating to the full year 2007/2008 and the twelve-month period February-January.

Swedish Orphan International in brief

Swedish Orphan International Holding is an international growth company specialising in the development, registration, marketing and distribution of pharmaceutical drugs for rare and life-threatening diseases, a category known as "orphan drugs". The company's products satisfy a medical need where no treatment exists at present or the existing treatment is inadequate.

The original company, Swedish Orphan International AB, was founded in 1988 and has since concluded partnership agreements with 30 different drug makers and university institutions. The company currently provides more than 40 different orphan drugs.

Significant events

May 2008 – January 2009

SIGNIFICANT EVENTS IN THE THIRD QUARTER

- Orfadin® was given orphan drug designation in Australia and is currently going through the approval process.
- In November the distribution agreement with Gilead Sciences Ltd for the Baltic states was extended by another year.
- A registration file for Multiferon® was submitted to the 14 concerned member states included in the first wave of the mutual recognition procedure (MRP).
- In December Swedish Orphan signed a new distribution agreement with EUSA Pharma for four new products: Caphosol, Kidrolase, Erwinase and Collatamp. The agreement for Fomepizole was extended at the same time. The territory covered is the Nordic region.
- In December the company signed a new licensing agreement with QOL Medical for Nascobal in Europe, Russia and Turkey. The product is registered in the US and Swedish Orphan International is responsible for registration in its territory.
- In January the company signed a new distribution agreement with LFB of France covering a portfolio of plasma-based niche drugs. The portfolio comprises Wilfact, Hemoleven, IvHebex, Vialebex and Factor IX LFB and the agreement covers Scandinavia, Germany, the Baltic states and large parts of eastern Europe.
- In January Swedish Orphan also signed a distribution agreement with Defiante for Syntocinon, Synacthen, Hydergin and Zaditen in the Nordics, the United Kingdom, Ireland and Poland.

SIGNIFICANT EVENTS EARLIER IN THE REPORTING PERIOD

- When Swedish Orphan's distribution agreement with Gilead Sciences Ltd for the Nordic market expired in June 2008 the products reverted to Gilead.
- Positive Phase III results for Yondelis® in combination with Doxil® in secondary treatment of ovarian cancer were presented at the ESMO conference in Stockholm on September 15.
- An application for registration of Orfadin® as an orphan drug in Russia was submitted to the Russian regulators in the second quarter.
- Swedish Orphan International AB registered its new Russian subsidiary.
- In October the company signed a preliminary distribution agreement with SHIRE for Mezavant® in the Nordic region.

What are orphan drugs?

The term "orphan drugs" alludes to children without parents, which is exactly what is intended. The term was coined in the United States in the early 1980s, when patient organisations for rare diseases brought attention to what they perceived as a reluctance on the part of pharmaceutical companies to invest in developing drugs for rare diseases, as the small volumes made it hard to justify the outlay. No one, in other words, wanted to take responsibility for these diseases – just like with orphaned children.

Financial summary for the period May 2008 – January 2009

COMMENTS TO THE INCOME STATEMENT AND BALANCE SHEET

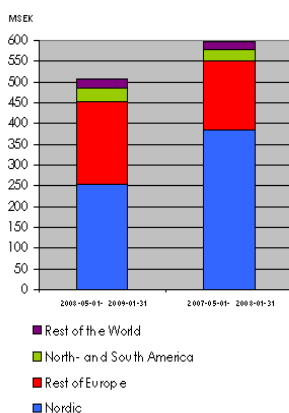
THIRD QUARTER (NOVEMBER 2008 – JANUARY 2009)

In the third quarter of the financial year 2008/2009 consolidated net sales decreased by 14 per cent year-on-year to SEK 169.7m (197.2). Net sales were adversely affected by the expiry on June 30, 2008 of Swedish Orphan's Nordic distribution agreement with Gilead Sciences Ltd in the HIV products therapy area and Gilead's decision to sell these products directly, and by the expiry in January 2008 of the company's distribution agreement with Novartis for Tobi®. The decrease was partially offset by a 21 per cent increase in sales of other products.

As a result of a changed product mix, the gross margin increased from 51 to 66 per cent, which resulted in an increase in gross profit of 12 per cent to SEK 112.3m (100.2). The operating profit increased by 29 per cent to SEK 53.9m (41.7), primarily as a result of the improved gross margin.

MAY 2008 – JANUARY 2009

Sales per market



NET SALES

During the period consolidated net sales decreased by 15 per cent to SEK 508.5m (596.4). Net sales were adversely affected by the expiry on June 30, 2008 of Swedish Orphan's Nordic distribution agreement with Gilead Sciences Ltd in the HIV products therapy area and the expiry in January 2008 of the company's distribution agreement with Novartis for Tobi®. The decrease was partially offset by an 18 per cent increase in sales of other products.

As a result of a changed product mix, the gross margin increased from 49 to 61 per cent. This had a positive impact on gross profit, which increased to SEK 311.6m (294.5).

In the Nordic region net sales declined to SEK 253.1m (383.6), which is equivalent to 50 per cent (64%) of consolidated net sales for the period. The reduction is due to the expiry of the above-mentioned distribution agreements. During the period the company continued its rapid expansion in Rest of Europe, generating sales of SEK 199.2m (166.0), which corresponds to a growth rate of 20 per cent. Sales in the region accounted for 39 per cent (28%) of total net sales during the period. The strong sales increase in Rest of Europe is attributable to Swedish Orphan's proprietary product Orfadin®, sales of Ammonaps and the launch of Yondelis®.

Sales per market

SEK million	PERIOD		QUARTER		FULL YEAR	12 Months
	May-January	2007/2008	November-January	2007/2008	May-April	Feb-Jan
	2008/2009	2007/2008	2008/2009	2007/2008	2007/2008	Feb 08-Jan 09
Nordic	253.1	383.6	76.9	123.6	474.5	344.0
Rest of Europe	199.2	166.0	76.7	57.3	224.0	257.1
North & South America	32.4	28.9	9.8	10.8	40.0	43.5
Rest of the World	23.8	17.9	6.3	5.5	26.3	32.3
Total	508.5	596.4	169.7	197.2	764.8	676.9

QUARTERLY EARNINGS

The operating profit for the period was SEK 150.0m (152.5), a decrease of 2 per cent. The lower operating profit is primarily due to increased marketing activities following the decision to strengthen Swedish Orphan's European sales organisation. The figure includes a depreciation and amortisation charge for the year of SEK 3.2m (1.7).

The profit after tax for the period was SEK 108.2m (103.8).

INTANGIBLE ASSETS

Intangible assets at January 31, 2009 were SEK 248.9m (240.9). These primarily refer to goodwill. The increase is mainly attributable to capitalisation of costs relating to the registration process for Multiferon®.

TANGIBLE ASSETS

Tangible assets at January 31, 2009 were SEK 12.7m (11.6). The item refers largely to assets relating to the acquisition of the assets and liabilities of ViraNative AB in October 2007.

FINANCIAL POSITION

The strong sales performance helped to strengthen consolidated shareholders' equity, which increased by SEK 108.8m during the period, from SEK 271.3m at the beginning of the financial year to SEK 380.1m at January 31, 2009. The equity/assets ratio was 62 per cent (47%). At January 31, 2009 cash and cash equivalents were SEK 113.5m (113.0) and net cash assets SEK 51.3m (-21.8). Total assets on the same date were SEK 614.8m (623.2). Out of the Group's overdraft facility of SEK 150m, SEK 0m had been drawn at January 31, 2009.

CASH FLOW

Cash flow from operating activities during the period was SEK 127.7m (87.4) and cash flow from operating activities before changes in working capital was SEK 162.0m (126.1). Cash flow from financing activities was SEK -49.9m (-20.8) and was primarily attributable to repayments on loans.

EARNINGS PER SHARE

Earnings per share before dilution were SEK 114.27 (109.33) and earnings per share after dilution SEK 113.40 (108.94). Equity per share was SEK 398.35 (312.41). At January 31, 2009 the number of shares in Swedish Orphan International Holding AB was 947,128. The average number of shares before dilution was 947,142 (949,651) and the number of shares after dilution 954,391 (952,980).

INCENTIVE SCHEME

The parent company has introduced an incentive scheme under which warrants have been issued to a number of senior executives and key individuals. If all outstanding warrants are exercised, this would result in a dilution of about 0.7 per cent.

RISK FACTORS

Swedish Orphan International Holding's activities are exposed to financial risks. The management of these risks is described in Note 2 of the 2007/2008 annual report. The Group's business is also exposed to a number of other factors that cannot be fully controlled by the company. Factors that are deemed to be of particular

significance to Swedish Orphan International Holding's future development include partnerships, regulatory actions, market assessments, patents and key individuals and recruitment.

DISPUTES

There are no outstanding disputes in the Swedish Orphan International Holding Group.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- Multiferon® was approved for treatment of high risk patients with Malignant Melanoma, and for patients relapsing on treatment with recombinant interferon-alpha. The approval came in the first of two planned MRP waves. The process to obtain approval in the 14 concerned member states has now begun. This means that Multiferon® has now been approved as a drug in 15 European countries. A second MRP process covering the remaining European countries is scheduled to begin in 2010.
- In February the company signed a final distribution agreement with SHIRE for Mezavant® in the Nordic region.

THE PARENT COMPANY

The parent company's business comprises senior management and certain shared functions as well as financial management. Net sales in the parent company during the period were SEK 13.8m (12.7) and the profit after financial items was SEK -5.2m (-12.3). No significant investments in fixed assets were made during the period, SEK 0.0 (0.0). Cash and cash equivalents in the parent company were SEK 0.1m (0.3).

The parent company is not exposed to any special risk factors other than those applying to the Group that are described above.

STOCKHOLM, MARCH 16, 2009



Bo Jesper Hansen
Chief Executive Officer

Review report

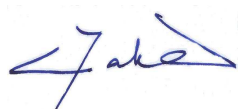
We have reviewed this report for Swedish Orphan International Holding AB for the period May 1, 2008 to January 31, 2009. The board of directors and the CEO are responsible for the preparation and presentation of this financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this financial information based on our review.

We have conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act.

Stockholm, March 16, 2009

PricewaterhouseCoopers AB



Claes Dahlén
Authorized Public Accountant

Auditor in charge

Consolidated income statement

SEK thousand	Note	May-January		November-January		May-April	12 Months
		2008/2009	2007/2008	2008/2009	2007/2008	2007/2008	Feb 08-Jan 09
Net sales	2	508 521	596 413	169 719	197 228	764 837	676 945
Cost of goods sold		-196 926	-301 888	-57 433	-97 044	-371 889	-266 927
Gross Profit		311 595	294 525	112 286	100 184	392 948	410 018
Selling expenses		-109 111	-85 454	-42 252	-36 214	-131 776	-155 433
Administrative expenses		-37 194	-42 169	-13 942	-17 118	-54 048	-49 073
Research and development expenses		-19 639	-17 730	-5 390	-6 578	-27 264	-29 173
Other operating income		22 244	12 282	8 356	3 083	17 114	27 076
Other operating cost	3	-17 920	-9 003	-5 198	-1 699	-77 655	-86 572
Operating profit		149 975	152 451	53 860	41 658	119 319	116 843
Financial income		7 884	1 663	3 980	1 093	818	7 039
Financial expenses	3	-10 338	-8 420	-4 738	-2 805	-11 428	-13 346
Profit after financial items		147 521	145 694	53 102	39 946	108 709	110 536
Tax		-39 291	-41 872	-12 900	-11 748	-29 450	-26 869
Profit for the period		108 230	103 822	40 202	28 198	79 259	83 667
DATA PER SHARE							
Earnings per share, before dilution, SEK		114.27	109.33	42.45	29.75	83.51	88.34
Earnings per share, after dilution, SEK		113.40	108.94	42.14	29.47	83.13	87.65
Average number of outstanding shares							
before dilution		947 142	949 651	947 128	948 258	949 045	947 149
after dilution		954 391	952 980	954 101	955 915	953 429	954 520
Number of outstanding shares							
before dilution		947 128	947 164	947 128	947 164	947 164	947 128
after dilution		954 101	954 821	954 101	954 821	954 821	954 101

*Including settlement expenses in a dispute of kSEK 62,553 relating to the full year 2007/2008 and the twelve-month period February-January.

Consolidated balance sheet

SEK thousand	Note	31 January 2008	31 January 2007	30 April 2008
Goodwill		213 009	213 009	213 009
Other intangible fixed assets		35 898	27 878	29 610
Tangible fixed assets		12 668	11 634	12 640
Financial fixed assets		2 337	1 529	1 716
Inventories		72 432	67 927	89 717
Current receivables		164 928	188 217	149 434
Cash and bank balances		113 523	113 012	35 665
Total assets		614 795	623 206	531 791
Shareholders' equity		380 065	295 907	271 271
Long-term liabilities, interest bearing	3	45 311	119 160	49 772
Long-term liabilities, non-interest bearing		22 374	22 908	25 961
Short-term liabilities, interest bearing	3	16 900	15 663	49 142
Short-term liabilities, non-interest bearing		150 145	169 568	135 645
Total equity and liabilities		614 795	623 206	531 791

Statement of changes in equity attributable to equity holders of the parent company

SEK thousand	31 January 2008	31 January 2007	30 April 2008
Opening balance at beginning of fiscal year	271 271	196 844	196 844
Translation differences for the period	746	140	67
Income and expenses for the period recognised directly in equity	746	140	67
Profit after tax for the period	108 230	103 822	79 259
Total income and expenses for the period	108 976	103 962	79 326
Repurchase of warrants and shares	-182	-6 934	-6 934
Issue of new shares	-	487	487
Warrants	-	1 548	1 548
Closing balance at end of period	380 065	295 907	271 271

Consolidated cash flow statement

SEK thousand	May-January		November-January		May-April	12 Months Feb-Jan
	2008/2009	2007/2008	2008/2009	2007/2008	2007/2008	Feb 08-Jan 09
	Cash flow from operations before changes in working capital	161 978	126 141	66 571	29 374	125 721
Cash flow from changes in working capital	-34 293	-38 701	-4 673	-7 185	-14 976	-10 568
Cash flow from operations	127 685	87 440	61 898	22 189	110 745	150 990
Cash flow from investing activities	-1 042	-16 260	-362	-668	-17 690	-2 472
Cash flow from financing activities	-49 930	-20 787	0	-9 718	-119 959	-149 102
Cash flow for the period	76 713	50 393	61 536	11 803	-26 904	-584
Cash and cash equivalents at start of period	35 665	62 547	51 128	101 219	62 547	113 012
Cash flow for the period	76 713	50 393	61 536	11 803	-26 904	-584
Exchange rate difference in cash and cash equivalents	1 145	72	859	-10	22	1 095
Cash and cash equivalents at end of period	113 523	113 012	113 523	113 012	35 665	113 523

Parent company income statement

SEK thousand	May-January		November- January		May-April
	2008/2009	2007/2008	2008/2009	2007/2008	2007/2008
Net sales	13 802	12 676	4 978	4 885	16 473
Gross Profit	13 802	12 676	4 978	4 885	16 473
Administrative expenses	-18 847	-16 963	-6 657	-6 777	-22 391
Other operating income	1	19	-	-	19
Other operating costs	-3	-8	-2	-	-8
Operating profit/loss	-5 047	-4 276	-1 681	-1 892	-5 907
Profit/loss from participations in Group companies	-	-	-	-	61 781
Interest income	36	82	13	37	98
Interest expenses	-195	-8 116	-133	-2 673	-11 020
Profit/loss after financial items	-5 206	-12 310	-1 801	-4 528	44 952
Appropriations	-	-	-	-	-11 602
Tax	-56	6	-56	6	-9 740
Profit/loss for the period	-5 262	-12 304	-1 857	-4 522	23 610

Parent company balance sheet

SEK thousand	31 January	31 January	30 April
	2008	2007	2008
Tangible fixed assets	10	350	-
Financial fixed assets	280 343	280 343	280 343
Current receivables	431	61 818	557
Cash and bank balances	90	286	818
Total assets	280 874	342 447	281 718
Shareholders' equity	170 283	139 812	175 727
Untaxed reserves	56 819	45 217	56 819
Long-term liabilities, interest bearing	-	118 852	-
Current liabilities, interest bearing	-	15 773	-
Current liabilities, non-interest bearing	53 772	23 143	49 172
Total equity and liabilities	280 874	342 797	281 718

Notes

1 ACCOUNTING PRINCIPLES

Swedish Orphan's consolidated financial statements for the interim period May-2008 – January 2009 have, as in the annual financial statements for 2007/2008, been prepared in accordance with the International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting. The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2:1, Accounting for Legal Entities, and the statements of the Swedish Financial Reporting Board.

The Swedish Financial Reporting Board issues recommendations on accounting issues that are unique to Sweden. On January 1, 2008 the names of recommendations were changed. RR30:06, for instance, has become RFR 1.1. The content of the recommendations has not been changed. The names of recommendations issued by the Financial Reporting Board that relate to the parent company have also been changed. None of the changes to these recommendations have had an impact on the parent company's financial statements.

2 SEGMENT REPORTING

The Group develops and sells pharmaceutical drugs. These activities constitute the Group's only segment, and no reporting by primary segment is therefore presented. For secondary segments that constitute geographic areas, see the table on page 3.

3 LONG- AND SHORT TERM LIABILITIES

The Group's long- and short-term liabilities consist of a liability from a settlement relating to the fiscal year 2007/2008. Under the settlement Swedish Orphan International will pay EUR 1.5 million per year during a five-year period. The net present value of the total settlement expense was SEK 62.5 million, which has been fully charged to expense in the financial year 2007/2008. The first payment of EUR 1.5 million was done in September 2008. The remaining liability is adjusted for exchange rate fluctuations between SEK and EUR, remaining term and changes in the discount rate. During the period changes in exchange rates and remaining term have increased the long-term liability by SEK 5.8 m and the short-term liability by SEK 2.0m, which have been recorded as financial expenses in the profit and loss statement. Changes in the discount rate has increased the long-term liability by SEK 3.2 m and the short-term liability by SEK 0.9m which have been recorded as other operating costs in the profit and loss statement.

FOR MORE INFORMATION, PLEASE CONTACT:

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FUTURE FINANCIAL REPORTS:

Year-end financial statement, May 2008-April 2009	Jun 25, 2009
Interim report May 2009-July 2009	Sep 29, 2009
Interim report May 2009-October 2009	Dec 18, 2009