Curing Allergy

Company release No. 13/2013

Three-month interim report (Q1) 2013 (unaudited)

Performance for the period

(Comparative figures for Q1 2012 are shown in brackets / sales growth is measured in local currencies)

Operating profit (EBITDA) in Q1 was better than anticipated, while revenue was below expectations.

- Revenue was DKK 610 million (607). A decline in European vaccine sales was outweighed by higher partner income and increased sales of Jext®.
- ALK continued to expand its overseas business. As a result, revenue outside Europe, including partner income, grew by 17% corresponding to almost 20% of Group revenue.
- Cost reductions and efficiency improvements under the *Simplify* programme lead to an unchanged EBITDA of DKK 101 million (102) despite increased R&D expenses.

Pipeline activities

ALK's development programmes for allergy immunotherapy tablets (AITs) performed according to plans and the strategic partnerships with Merck for North America and Torii for Japan showed important progress:

- Merck submitted Biologics License Applications for both grass AIT (GRAZAX®) and ragweed AIT. The FDA has accepted the BLA for grass AIT for review, while the application for ragweed AIT is in the initial screening phase. After the end of Q1, Merck also filed ragweed AIT in Canada.
- ALK expects to present the results from the two pivotal Phase III trials with HDM (house dust mite) AIT for the treatment of allergic rhinitis and allergic asthma during Q3 2013.
- Torii's two parallel Phase II/III trials with HDM AIT for the treatment of allergic rhinitis and allergic asthma are on track and expected to complete in 2014.

Financial guidance

- Unchanged outlook for 2013. Revenue expected to exceed DKK 2.3 billion. EBITDA before special items expected at DKK 200-300 million. The guidance is subject to the timing of a significant milestone payment.

Hørsholm, 3 May 2013

ALK-Abelló A/S

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

Today, ALK hosts a meeting for analysts and institutional investors at 2.00 p.m. (CET) at which Jens Bager, President and CEO, and Flemming Pedersen, CFO, will review the financial results, the outlook and answer questions. Following the presentation of the financial results, Henrik Jacobi, EVP R&D will present ALK's clinical development programme for the new immunotherapy tablet for the treatment of allergic asthma and rhinitis caused by house dust mites. Results from two European Phase III trials are expected later in 2013. The meeting will be audio cast on www.alk-abello.com/investor. Participants in the audio cast are kindly requested to call in before 1.55 p.m. (CET). Danish participants should call in on tel. +45 70 26 50 40 or +45 70 27 90 09 and international participants should call in on tel. +44 20 8817 9301. The audio cast is available live on our website, where the related presentation will be available shortly before the meeting begins.

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2013	3M 2012	Full year 2012
Income statement			
Revenue	**610**	607	2,345
Operating profit before depreciation and amortisation (EBITDA) before special items	**101**	102	306
Operating profit before depreciation and amortisation (EBITDA)	**101**	102	242
Operating profit (EBIT) before special items	**70**	71	182
Operating profit (EBIT)	**70**	71	118
Net financial items	**3**	(5)	(5)
Profit before tax (EBT)	**73**	66	113
Net profit, continuing operations	**42**	40	54
Net profit, past discontinued operations	**-**	-	155
Net profit	**42**	40	209
Average number of employees	**1,827**	1,796	1,828
Balance sheet[1]			
Total assets	**3,282**	3,344	3,295
Invested capital	**1,992**	1,631	1,974
Equity	**2,249**	2,136	2,257
Cash flow and investments			
Depreciation, amortisation and impairment	**31**	31	124
Cash flow from operating activities	**82**	45	91
Cash flow from investing activities	**(56)**	(50)	(243)
- of which investment in tangible assets	**(37)**	(46)	(183)
Free cash flow	**26**	(5)	(152)
Information on shares			
Share capital	**101**	101	101
Shares in thousands of DKK 10 each	**10,128**	10,128	10,128
Share price, end of period – DKK	**421**	417	389
Net asset value per share – DKK	**222**	211	223
Key figures			
Gross margin – %	**73**	73	72
EBITDA margin before special items – %	**17**	17	13
EBITDA margin – %	**17**	17	10
Earnings per share (EPS) – DKK	**4.35**	4.08	21.45
Earnings per share (EPS), continuing operations – DKK	**4.35**	4.08	5.54
Earnings per share (DEPS), diluted – DKK	**4.31**	4.08	21.35
Earnings per share (DEPS), diluted, continuing operations – DKK	**4.31**	4.08	5.51
Cash flow per share (CFPS) – DKK	**8.49**	4.59	9.34
Share price/Net asset value	**1.9**	2.0	1.7

Definitions: see last page

[1)] The figures has been restated to reflect the implementation of the amendment to IAS19 cf. note 1.

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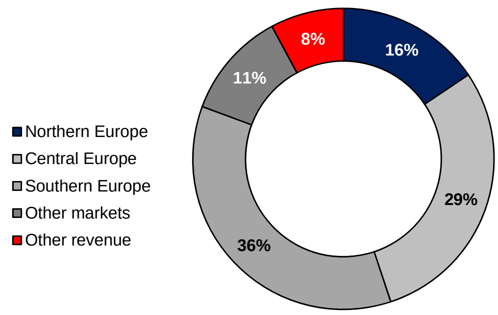
INCOME STATEMENT

Amounts in DKKm	3M 2013	%	3M 2012	%
Revenue	**610**	*100*	607	*100*
Cost of sales	**164**	*27*	162	*27*
Gross profit	**446**	*73*	445	*73*
Research and development expenses	**136**	*22*	127	*21*
Sales, marketing and administrative expenses	**240**	*39*	247	*41*
Operating profit (EBIT) before special items	**70**	*11*	71	*12*
Special items	**-**	*-*	-	-
Operating profit (EBIT)	**70**	*11*	71	*12*
Net financial items	**3**	*0*	(5)	*(1)*
Profit before tax (EBT)	**73**	*12*	66	*11*
Tax on profit	**31**	*5*	26	*4*
Net profit	**42**	*7*	40	*7*
Operating profit before depreciation and amortisation (EBITDA) before special items	**101**	*17*	102	*17*
Operating profit before depreciation and amortisation (EBITDA)	**101**	*17*	102	*17*

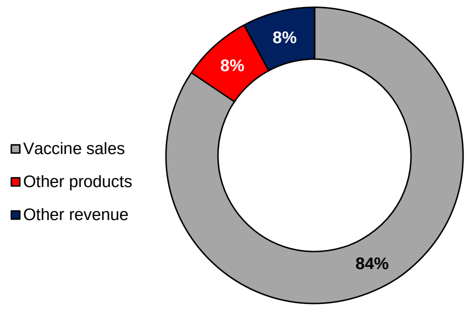
DEVELOPMENT Q1 2013

(*Growth rates for revenue are stated as growth in local currencies, unless otherwise indicated*)

Total revenue by market



Total revenue by product group



Highlights from the quarter

Operating profit (EBITDA) in Q1 was better than anticipated, while revenue was below expectations. The full-year earnings outlook remains unchanged.

Group revenue amounted to DKK 610 million (607). ALK continued to grow its business in overseas growth markets. Revenue outside Europe, including partner income and vaccine sales in emerging markets, grew by 17% and now corresponds to almost 20% of Group revenue. Additionally, ALK nearly doubled sales of Jext® adrenaline auto-injectors. This growth, however, was offset by a decline in European vaccine sales which continue to be influenced by changes in reimbursement schemes.

ALK started to benefit from the *Simplify* initiatives introduced in late 2012 to drive efficiency improvements and eventually reduce capacity costs. These initiatives, combined with cost reductions, helped ALK achieve an unchanged operating profit (EBITDA) of DKK 101 million, despite a 7% increase in R&D spend.

All clinical trials and development activities for allergy immunotherapy tablets (AITs) in Europe, North America and Japan progressed as planned and two milestones were passed when Merck – ALK's partner and licensee in North America – submitted Biologics Licence Applications (BLAs) for both grass AIT and ragweed AIT to the US health authority, the FDA. In April, Merck also submitted a BLA to the Canadian authorities for ragweed AIT.

The next important milestone will be ALK's presentation of results from the two Phase III pivotal trials with HDM AIT for the treatment of allergic rhinitis and allergic asthma. Presentations of results from the two trials are currently scheduled for Q3 2013.

Sales in Europe

Sales in the mature European core markets amounted to DKK 492 million (507) following a 4% decline in vaccine sales and growth in sales of the adrenaline auto-injector Jext®.

During the quarter, France, which is Europe's second largest allergy immunotherapy market, grew to become ALK's largest single market. Vaccine sales grew by double digits as ALK benefited from strengthened sales and marketing efforts, increased uptake of GRAZAX® as well as sound underlying market trends, which also benefited SLIT sales. Vaccine sales also progressed in the Nordic countries and smaller markets in Eastern and Central Europe.

In Q1, the Dutch authorities introduced changes to the medicine reimbursement system raising patients' co-payment by approximately 50% for all prescription drugs. While no new major austerity measures were introduced in other main markets during the quarter, demand in a number of countries continue to suffer from previous interventions. This was the case in Spain where the authorities introduced a reduction in public reimbursement in July 2012 and in Germany, where demand continued to be affected by previously imposed regulatory changes and austerity measures. Furthermore, sales were affected by a couple of mild pollen seasons leading to fewer patients than usual initiating treatment.

Overall GRAZAX® sales grew 6% in value and 11% in volume.

Sales of the adrenaline auto-injector, Jext®, almost doubled and performance was particularly strong in the UK, the Nordic countries and France, where the product recently was launched. Production was increased in the autumn of 2012 so that ALK could meet current demand. Jext® continues to gain market share in the adrenaline auto-injector market and is now estimated to have a market share exceeding 10% in Europe.

Overall, ALK's vaccine sales in Europe are estimated to have performed in-line with the market development and ALK has thus maintained its market share.

Sales outside Europe

Sales outside Europe, excluding income from partners in North America and Japan, were marginally higher at DKK 70 million (69).

Vaccine sales from ALK's Chinese vaccine franchise grew by double digits and ALK also increased its sales to minor distributor-operated markets. In North America, ALK supplies allergen extracts to specialists who then make their own individual immunotherapy products for their patients. Sales of these allergen extracts in the USA and Canada grew by 3%.

Sales of PRE-PEN®, the only FDA approved penicillin allergy skin test reagent, also grew by double digits. Conversely, sales performance was impacted by ALK's decision to discontinue sales of certain non-strategic commodities.

Other revenue

Income from ALK's partnerships in Japan and North America went up 50% to DKK 48 million. The main contributor was a milestone payment from Merck of USD 5 million (DKK 29 million), which was released when Merck submitted a BLA to the FDA for ragweed AIT. Furthermore, ALK carried out R&D activities for Merck and Torii.

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Strategic initiatives

Simplify initiatives

As part of the updated strategy plan 'Focus 2016', ALK has launched a series of initiatives to improve efficiency and reduce capacity costs. These measures are intended to lead to net cost savings of approximately DKK 100 million per year, taking full effect from 2016.

In light of the lower activity level in Europe, staffing has been reduced in Southern European sales companies and sales organisations in the German-speaking countries have been consolidated. Furthermore, new global structures have been introduced in Finance and IT. As a result Group head count at the end of Q1 was reduced by 56 from the end of 2012 to 1799 employees at the end of Q1. As previously announced, further reductions of the workforce will be effectuated as a result of the *Simplify* initiatives, e.g. consolidation of the production network.

Innovate initiatives

The primary focus of ALK´s R&D activities is the AIT portfolio, which, by 2016, is expected to cover the most important global allergies: grass, house dust mites, ragweed and tree pollen. R&D spend in Q1 amounted to DKK 136 million, which corresponds to 22% of Group revenue (21). An updated overview of pipeline activities can be seen on pages 5-6.

Grow initiatives

While the AITs and the adrenaline auto-injector Jext® will be key sources of future growth, ALK is also undertaking initiatives to support sales of SLIT and SCIT immunotherapy products.

In Germany, ALK expanded its activities in order to capture growth opportunities. These initiatives are expected to benefit sales towards the end of the year, when treatments for the new pollen seasons are initiated. At the same time, the co-promotion agreement with MSD in France is expected to have a positive impact on GRAZAX® sales.

In line with the strategy of expanding ALK's footprint in emerging markets, the company is reviewing its growth options for selected non-European markets. The first results of this process are anticipated in 2013-14.

PIPELINE AND PARTNERSHIPS

A key part of ALK's strategy is to ensure global access to allergy immunotherapy through partnerships with other companies and through organic growth. At present, ALK has two strategic partnerships with Merck and Torii for the commercialisation of allergy immunotherapy tablets (AITs) in the world's two largest pharmaceutical markets, the USA and Japan. The partnership with Merck passed two significant milestones in Q1 while the partnership with Torii continues to progress as planned.

North American partnership with Merck

The partnership with Merck (known as MSD outside the USA and Canada) covers the development, registration and commercialisation of a portfolio of AITs against grass pollen, ragweed and house dust mite (HDM) allergy in the USA, Canada and Mexico.

Grass AIT: In March, the US Food and Drug Administration (FDA) accepted for review the Biologics License Application (BLA) for grass AIT, which Merck submitted to the FDA in January 2013. The tablet is marketed as GRAZAX® in Europe.

Merck's application was based upon results from an extensive clinical development programme, which demonstrated that treatment with grass AIT reduces patients' allergy symptoms and their need for symptom-relieving medication. The data also showed that grass AIT provides a long-term effect for patients, which is sustained beyond the period of treatment.

The regulatory review of grass AIT in Canada is ongoing.

Approximately 30-40 million North American allergy sufferers are affected by the seasonal grass allergen and many patients' disease and allergy symptoms are not well-controlled leaving a significant unmet need for better treatment.

Ragweed AIT: In March 2013, Merck submitted a Biologics License Application (BLA) to the FDA for marketing authorisation for ragweed AIT. The FDA is still conducting its initial screening of the application.

In April 2013, Merck also submitted a registration application for ragweed AIT in Canada.

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The applications are, among others, based on two Phase III trials completed in 2011 and a subsequent safety trial which was completed in 2012. Both Phase III trials consistently met their primary efficacy endpoints and showed that patients experienced a significant reduction in the combination of allergy symptoms and use of concomitant symptom-relieving medication.

Ragweed allergy affects around 20-30 million North Americans and is almost as widespread in North America as grass pollen allergy.

HDM AIT: Merck is currently performing a clinical Phase IIb trial to evaluate dose-related efficacy, safety and tolerability in adults. This trial is expected to complete in 2013. Merck has started preparations for a clinical Phase III trial to investigate safety and efficacy of HDM AIT in the treatment of house dust mite induced hay fever in adolescents and adults. This trial is expected to be completed in 2015.

Japanese partnership with Torii
The partnership with Torii covers the development, registration and commercialisation of, among other products, HDM AIT in Japan. The agreement also covers ALK's existing injection based allergy immunotherapy and diagnostic products against house dust mite allergy, as well as an agreement on the joint research and development of an AIT against Japanese cedar allergy.

HDM AIT: Torii is undertaking two parallel pivotal Phase II/III trials in Japan involving a total of 1,800 patients to investigate the safety and efficacy of HDM AIT in the treatment of allergic rhinitis (hay fever) and in the treatment of allergic asthma caused by house dust mites. These trials are expected to complete in 2014.

Japanese Cedar AIT: ALK and Torii are preparing a development plan for an AIT against Japanese cedar pollen allergy. Clinical development of the tablet is to begin within one-to-two years.

European development programme
ALK's own development programmes for allergy immunotherapy tablets continue to perform according to plan:

HDM AIT: ALK is undertaking two pivotal Phase III clinical trials with HDM AIT, the new tablet against house dust mite induced hay fever and asthma.

More than 1,700 patients are participating in the two trials: MERIT evaluates the efficacy and safety of HDM AIT in the treatment of hay fever, and the MITRA trial evaluates its efficacy and safety in the treatment of asthma. ALK expects to report the results from the MERIT trial early in Q3 and the MITRA trial before end of Q3.

The trials are part of the largest clinical development programme ever undertaken for an allergy immunotherapy product with simultaneous development activities in Europe, Japan and the USA targeting the most common cause of allergy and allergic asthma in the world. It is estimated that the allergy affects approximately 90 million people in Europe, North America and Japan. Approximately half of all patients with house dust mite allergy suffer from asthma.

***GRAZAX® Asthma Prevention* (GAP):** While GRAZAX® obtained European approval in 2006, clinical development continues to investigate the tablet's potential to prevent the development of asthma in children and adolescents with grass pollen allergy. The five-year GAP trial involves 800 children and is expected to complete in 2015.

Tree AIT: A clinical Phase II trial into tree pollen allergy is expected to complete in 2013. The trial, involving approximately 600 patients with moderate to severe hay fever, will evaluate the efficacy, safety and tolerability of a tablet when compared to placebo.

FINANCIAL REVIEW OF Q1 2013

Revenue in Q1 was DKK 610 million (607). Exchange rates affected Group revenue positively by less than 1 percent.

Cost of sales totalled DKK 164 million (162) and gross profit was unchanged at DKK 446 million (445), which corresponds to a gross margin of 73% (73). Changed revenue composition affected the underlying development in the gross margin, which marginally decreased.

Capacity costs were flat at DKK 376 million (374) despite accelerated R&D efforts aiming at a rapid development of a broader AIT portfolio. Research and development expenses rose 7% to DKK 136 million.

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Sales and marketing expenses were down 2% and administrative expenses declined 6% as ALK starts benefiting from cost savings initiatives under the *Simplify* programme and a focus on cost containment across all functions.

EBITDA (operating profit before depreciation and amortisation) ended unchanged at DKK 101 million (102) despite higher R&D spend. Exchange rates did not materially affect operating profit and no restructuring costs were recognised.

Net financials were a gain of DKK 3 million (a loss of 5), which was primarily due to unrealised exchange rate gains related to USD.

Tax on the profit totalled DKK 31 million (26), corresponding to an effective tax rate of 43% (39). The **net profit** for the period was unchanged at DKK 42 million (40).

Cash flow from operating activities was an inflow of DKK 82 million (45).

Cash flow from investing activities was an outflow of DKK 56 million (50) relating primarily to the expansion of ALK's production facilities in France, build-up of capacity for tablet production and the on-going consolidation of ALK's production network.

Free cash flow was an inflow of DKK 26 million (an outflow of DKK 5). Cash flow from financing activities was an outflow of DKK 57 million (30) relating to the dividend payment of DKK 5 per share, which was declared at the AGM on 12 March, as well as share buy-backs under the programme, which was completed on 4 February. At the end of March, ALK held 468,349 of its **own shares**, corresponding to 4.6% of the share capital. The market value of the treasury shares was approximately DKK 197 million.

At the end of March, **cash and cash equivalents** totalled DKK 445 million vs. DKK 477 million at the end of 2012.

Equity totalled DKK 2,249 million (2,257) at the end of the period, and the equity ratio was thus 69% (68).

OUTLOOK FOR 2013

ALK maintains its full-year outlook despite growth rates in Q1 being lower than the forecast for the full year.

Revenue is anticipated to exceed DKK 2.3 billion on the basis of stable vaccine sales, solid growth in sales of the Jext® adrenaline auto-injector, and a minor improvement in sales of diagnostics and other products. The growth is expected to be offset by lower partner income, primarily due to lower milestone payments.

Vaccine sales in a number of European countries are estimated to remain under pressure due to difficult market conditions, while ALK's sales outside Europe are expected to increase, including the Chinese vaccine business, vaccine sales to distributors in several markets, and particularly sales of allergen extracts and diagnostic products in North America.

Research and development expenses are expected to exceed DKK 500 million while administration, sales and marketing expenses will largely be unchanged.

Operating profit (EBITDA) before special items is expected to be DKK 200-300 million.

The guidance is, in particular, subject to the timing of a milestone payment from Merck, due when treatment is initiated in the planned Phase III trial with HDM AIT. This is currently expected towards the end of 2013.

Simplification of the production and business structures will entail restructuring costs, which will be reported in a special items line, but special items will be at a significantly lower level than in 2012 (DKK 64 million).

Due to the seasonality in ALK's vaccine sales and due to the expected timing of both partner income and certain growth initiatives, the bulk of the operating profit for the remainder of the year is expected to be generated in Q4.

The outlook is based on the current exchange rates. ALK's revenue and earnings are only exposed to foreign exchange fluctuations to a minor extent.

RISK FACTORS

This interim report contains forward-looking statements, including forecasts of future revenue and operating profit as well as expected business-related events. Such statements are naturally subject to risks and uncertainties as various factors, some of which are beyond the control of ALK, may cause actual results and performance to differ materially from the forecasts made in this interim report. Without being exhaustive, such factors include e.g. general economic and business-related conditions, including legal issues, uncertainty relating to demand, pricing, reimbursement rules, partners' plans and forecasts, fluctuations in exchange rates, competitive factors and reliance on suppliers. An additional factor is potential side effects from the use of ALK's existing and future products as allergy immunotherapy may be associated with allergic reactions of differing extent, duration and severity.

2013 Financial calendar

Silent period	17 July 2013
Six-month interim report (Q2) 2013	14 August 2013
Silent period	11 October 2013
Nine-month interim report (Q3) 2013	8 November 2013

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STATEMENT BY THE MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 31 March 2013.

The interim report has been prepared in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies. As in previous years, the interim report has not been subject to audit or review.

In our opinion, the interim report gives a true and fair view of the Group’s assets, equity and liabilities, financial position, results of operations and cash flows for the period 1 January to 31 March 2013. Moreover, in our opinion, the interim report gives a true and fair view of developments in the Group’s activities and financial position and describes significant risk and uncertainty factors that may affect the Group.

Hørsholm, 3 May 2013

Board of Management

Jens Bager (President and CEO)	Henrik Jacobi	Flemming Steen Jensen
Søren Daniel Niegel	Flemming Pedersen	

Board of Directors

Steen Riisgaard (Chairman)	Christian Dyvig (Vice Chairman)	Jacob Kastrup
Thorleif Krarup	Anders Gersel Pedersen	Jakob Riis
Dorthe Seitzberg	Katja Barnkob Thalund	Jes Østergaard

INCOME STATEMENT (unaudited)

Amounts in DKKm	ALK Group 3M 2013	ALK Group 3M 2012
Revenue	**610**	607
Cost of sales	**164**	162
Gross profit	**446**	445
Research and development expenses	**136**	127
Sales and marketing expenses	**193**	197
Administrative expenses	**47**	50
Operating profit (EBIT) before special items	**70**	71
Special items	**-**	-
Operating profit (EBIT)	**70**	71
Net financial items	**3**	(5)
Profit before tax (EBT)	**73**	66
Tax on profit	**31**	26
Net profit	**42**	40
Earnings per share (EPS) – DKK	**4.35**	4.08
Earnings per share (DEPS), diluted – DKK	**4.31**	4.08

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

Amounts in DKKm	ALK Group 3M 2013	ALK Group 3M 2012
Net profit for the period	**42**	40
Other comprehensive income		
Items that will be reclassified subsequently to the Income statement, when specific conditions are met:		
Foreign currency translation adjustment of foreign subsidiaries	**1**	(9)
Net fair value adjustment of financial assets available for sale	**2**	24
Tax related to other comprehensive income	**(1)**	(5)
Other comprehensive income	**2**	10
Total comprehensive income	**44**	50

CASH FLOW STATEMENT (unaudited)

	ALK Group	
Amounts in DKKm	**3M 2013**	**3M 2012**
Net profit	**42**	40
Adjustments:		
Tax on profit	**31**	26
Financial income and expenses	**(3)**	5
Share-based payments	**3**	2
Depreciation, amortisation and impairment	**31**	31
Change in provisions	**(18)**	2
Change in working capital	**10**	(36)
Net financial items, paid	**1**	4
Income taxes, paid	**(15)**	(29)
Cash flow from operating activities	**82**	45
Additions, intangible assets	**(19)**	(4)
Additions, tangible assets	**(37)**	(46)
Cash flow from investing activities	**(56)**	(50)
Free cash flow	**26**	(5)
Dividend paid to shareholders of the parent	**(49)**	-
Purchase of treasury shares	**(6)**	(30)
Change in financial liabilities	**(2)**	-
Cash flow from financing activities	**(57)**	(30)
Net cash flow	**(31)**	(35)
Cash and cash equivalents at 1 January	**477**	754
Unrealised gain/(loss) on foreign currency and financial assets carried as cash and cash equivalents	**(1)**	(6)
Net cash flow	**(31)**	(35)
Cash and cash equivalents at 31 March	**445**	713

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

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BALANCE SHEET (unaudited)

Assets	ALK Group		
Amounts in DKKm	31 March 2013	31 Dec. 2012 [1)]	31 March 2012 [1)]
Non-current assets			
Intangible assets			
Goodwill	**409**	409	407
Other intangible assets	**250**	240	208
	659	649	615
Tangible assets			
Land and buildings	**636**	644	660
Plant and machinery	**269**	254	276
Other fixtures and equipment	**63**	63	66
Property, plant and equipment in progress	**366**	362	247
	1,334	1,323	1,249
Other non-current assets			
Securities and receivables	**58**	56	60
Deferred tax assets	**84**	82	66
	142	138	126
Total non-current assets	**2,135**	2,110	1,990
Current assets			
Inventories	**292**	295	280
Trade receivables	**254**	248	255
Receivables from affiliates	**61**	61	-
Income tax receivables	**18**	12	35
Other receivables	**42**	46	35
Prepayments	**35**	46	36
Cash and cash equivalents	**445**	477	713
Total current assets	**1,147**	1,185	1,354
Total assets	**3,282**	3,295	3,344

[1)] The figures has been restated to reflect the implementation of the amendment to IAS19 cf. note 1

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BALANCE SHEET (unaudited)

Equity and liabilities	ALK Group		
Amounts in DKKm	**31 March 2013**	**31 Dec. 2012 [1)]**	**31 March 2012 [1)]**
Equity			
Share capital	**101**	101	101
Currency translation adjustment	**(8)**	(9)	(17)
Retained earnings	**2,156**	2,165	2,052
Total equity	**2,249**	2,257	2,136
Liabilities			
Non-current liabilities			
Mortgage debt	**23**	24	25
Bank loans and financial loans	**302**	303	305
Pensions and similar liabilities	**146**	144	101
Other provisions	**7**	7	141
Deferred tax liabilities	**18**	19	26
	496	497	598
Current liabilities			
Mortgage debt	**2**	1	1
Bank loans and financial loans	**3**	4	3
Trade payables	**79**	136	112
Income taxes	**42**	17	61
Other provisions	**33**	54	-
Other payables	**378**	329	377
Prepayments	**-**	-	56
	537	541	610
Total liabilities	**1,033**	1,038	1,208
Total equity and liabilities	**3,282**	3,295	3,344

[1)] The figures has been restated to reflect the implementation of the amendment to IAS19 cf. note 1

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EQUITY (unaudited)

ALK Group

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2013 [1]	**101**	**(9)**	**2,165**	**2,257**
Net profit	-	-	42	42
Other comprehensive income	-	1	1	2
Total comprehensive income	**-**	**1**	**43**	**44**
Share-based payments	-	-	3	3
Purchase of treasury shares	-	-	(6)	(6)
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(52)**	**(52)**
Equity at 31 March 2013	**101**	**(8)**	**2,156**	**2,249**
Equity at 1 January 2012 [1]	**101**	**(9)**	**2,071**	**2,163**
Net profit	-	-	40	40
Other comprehensive income	-	(8)	18	10
Total comprehensive income	**-**	**(8)**	**58**	**50**
Share-based payments	-	-	2	2
Purchase of treasury shares	-	-	(30)	(30)
Approved dividend [2]	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(77)**	**(77)**
Equity at 31 March 2012	**101**	**(17)**	**2,052**	**2,136**

[1] The figures has been restated to reflect the implementation of the amendment to IAS19 cf. note 1

[2] The payment of dividend was approved by shareholders at the annual general meeting held on 27 March 2012 and paid on 2 April 2012. Dividend payment of DKK 49 million is recognised as a current liability in other payables in the balance sheet.

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NOTES (unaudited)

1 ACCOUNTING POLICIES

The interim report for the period 1 January to 31 March 2013 is presented in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The additional Danish disclosure requirements are defined in the Danish Executive Order on Interim Reports issued under the Danish Financial Statements Act.

Compared to the annual report 2012, the accounting policies have been changed with respect to the implementation of the amendment to IAS 19: Employee Benefits and implementation of the amendment to IAS 1: Presentation of Financial statements.

Due to the implementation of the amendment to IAS 19 ALK has ceased using the "corridor method" for actuarial gains and losses. In future, all changes in the expected pension obligations and plan assets will be recognised immediately in other comprehensive income. Previously, the "corridor method" made it possible to defer recognition of certain actuarial gains and losses. The comparative figures for 2012 have been restated accordingly and accumulated actuarial gains and losses are recognised directly in equity. The total effect of immediately recognised actuarial gains and losses in the statement of comprehensive income will be recognised in Q4. The effect on equity is presented in the below table:

	ALK Group	
Amounts in DKKm	**2013**	**2012**
Equity, beginning of year, previous policy	**2,284**	2,167
Deferred actuarial losses, reversed	**(40)**	(5)
Deferred tax	**13**	1
Equity, beginning of year, new policy	**2,257**	2,163

For the 2013 financial year equity was reduced by DKK 27 million, the pension liability was increased by DKK 40 million and the deferred tax asset was increased by DKK 13 million. For the 2012 financial year, the change in accounting policy decreased equity by DKK 4 million, increased the pension liability by DKK 5 million and increased the deferred tax asset by DKK 1 million.

Implementation of IAS 19 did not have any effect on profit before tax, tax, profit for the year or earnings per share.

Implementation of the amendment to IAS 1 effect the presentation of other comprehensive income. Items are grouped based on whether they are to be reversed through the income statement or not.

No other changes have been made to the accounting policies or presentation compared to the annual report 2012. Please see this report for a more detailed description of the Group's accounting policies.

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NOTES (unaudited)

2 REVENUE

	ALK Group	
Amounts in DKKm	3M 2013	3M 2012
Net sales by product line		
SCIT	**245**	263
SLIT	**210**	212
AIT	**60**	57
Total vaccines	**515**	532
Other products	**47**	44
Total net sales	**562**	576
Other revenue	**48**	31
Total revenue	**610**	607
Revenue by market		
Northern Europe	**95**	99
Central Europe	**179**	197
Southern Europe	**218**	211
Other markets	**70**	69
Total net sales	**562**	576
Other revenue	**48**	31
Total revenue	**610**	607

	3M 2013	
	Growth local currencies	Growth
SCIT	-7%	-7%
SLIT	-1%	-1%
AIT	6%	5%
Total vaccines	-3%	-3%
Other products	6%	7%
Total net sales	-3%	-2%
Other revenue	50%	55%
Total revenue	0%	0%
Northern Europe	-6%	-4%
Central Europe	-9%	-9%
Southern Europe	3%	3%
Other markets	0%	1%
Total net sales	-3%	-2%
Other revenue	50%	55%
Total revenue	0%	0%

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NOTES (unaudited)

3 KEY CURRENCIES AND CURRENCY SENSITIVITY

Average exchange rates	3M 2013	3M 2012
USD	**5.67**	5.62
GBP	**8.83**	8.88

Sensitivity in the event of a 10% increase in exchange rates (full year effect)		
Amounts in DKKm	**Revenue**	**EBITDA**
USD	**approx. + 30**	**approx. + 10**
GBP	**approx. + 5**	**approx. 0**

The sensitivities are estimated on the basis of current exchange rates.

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DEFINITIONS

Invested capital	*Intangible assets, tangible assets, inventories and current receivables reduced by liabilities except for mortgage debt, bank loans and financial loans*
Gross margin – %	*Gross profit x 100 / Revenue*
EBITDA margin – %	*Operating profit before depreciation and amortisation x 100 / Revenue*
Net asset value per share	*Equity at end of period / Number of shares at end of period*
Earnings per share (EPS)	*Net profit/(loss) for the period / Average number of outstanding shares*
Earnings per share (DEPS), diluted	*Net profit/(loss) for the period / Diluted average number of outstanding shares*
Cash flow per share (CFPS)	*Cash flow from operating activities / Average number of outstanding shares*
Markets	*Geographical markets (based on customer location):* *- Northern Europe comprises the Nordic region, the UK and the Netherlands* *- Central Europe comprises Germany, Austria, Switzerland, Poland and minor selected markets in Eastern Europe* *- Southern Europe comprises Spain, Italy, France, Greece, Portugal and minor markets in Southern Europe* *- Other markets comprise the USA, Canada, China and rest of world*

Key figures are calculated in accordance with "Recommendations and Ratios 2010" issued by the Danish Society of Financial Analysts.

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