Curing Allergy

Company release No. 18/2013

Six-month interim report (Q2) 2013 (unaudited)

Performance for the period

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

Revenue and operating profit (EBITDA) in Q2 were as anticipated:

- Revenue grew to DKK 532 million (515) driven by a 6% increase in product sales.
- The adrenaline pen Jext® performed strongly and the European vaccine sales stabilised after a negative trend in the last three quarters.
- EBITDA in this low-season quarter improved from a loss of DKK 23 million last year to a loss of DKK 9 million.
- In H1, revenue and EBITDA hence amounted to DKK 1,142 million (1,122) and DKK 92 million (79), respectively.

Pipeline activities

ALK's development programmes for allergy immunotherapy (AIT) tablets made substantial progress and the strategic partnerships with Merck for North America and Torii for Japan are moving ahead as planned:

- ALK reported positive results from both pivotal Phase III trials with the HDM (house dust mite) AIT tablet for the treatment of allergic rhinitis and allergic asthma. The results allow for a regulatory filing in Europe in 2014.
- Torii's two parallel Phase II/III trials with the HDM AIT tablet for the treatment of allergic rhinitis and allergic asthma are on track and are expected to be completed in 2014.
- The FDA has accepted the Biologics License Applications for grass AIT and ragweed AIT tablets for review and the regulatory processes are on-going. Regulatory reviews of the two products are also on-going in Canada.

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 continues to be subject to the timing of a significant milestone payment.

Hørsholm, 14 August 2013

ALK-Abelló A/S

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

Today, ALK hosts a conference call for analysts and investors at 2.00 p.m. (CET) at which Jens Bager, President and CEO, Flemming Pedersen, CFO and Henrik Jacobi, EVP R&D, will review the financial results, the outlook and the key results from the recently completed pivotal MERIT and MITRA trials with ALK's new allergy immunotherapy (AIT) tablet for the treatment of house dust mite-induced respiratory diseases. The conference call 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 7026 5040 or +45 7027 9009 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 call begins.

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

Amounts in DKKm	H1 2013	H1 2012	Full year 2012
Income statement			
Revenue	**1,142**	1,122	2,345
Operating profit before depreciation and amortisation (EBITDA) before special items	**94**	79	306
Operating profit before depreciation and amortisation (EBITDA)	**92**	79	242
Operating profit (EBIT) before special items	**32**	17	182
Operating profit (EBIT)	**30**	17	118
Net financial items	**(9)**	4	(5)
Profit before tax (EBT)	**21**	21	113
Net profit, continuing operations	**12**	13	54
Net profit, past discontinued operations	**-**	155	155
Net profit	**12**	168	209
Average number of employees	**1,815**	1,804	1,828
Balance sheet[1]			
Total assets	**3,222**	3,208	3,295
Invested capital	**2,111**	1,997	1,974
Equity	**2,222**	2,274	2,257
Cash flow and investments			
Depreciation, amortisation and impairment	**62**	62	124
Cash flow from operating activities	**(5)**	(71)	91
Cash flow from investing activities	**(116)**	(95)	(243)
- of which investment in tangible assets	**(88)**	(84)	(183)
Free cash flow	**(121)**	(166)	(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	**438**	348	389
Net asset value per share – DKK	**219**	225	223
Key figures			
Gross margin – %	**70**	71	72
EBITDA margin before special items – %	**8**	7	13
EBITDA margin – %	**8**	7	10
Earnings per share (EPS) – DKK	**1.2**	17.2	21.5
Earnings per share (EPS), continuing operations – DKK	**1.2**	1.3	5.5
Earnings per share (DEPS), diluted – DKK	**1.2**	17.1	21.4
Earnings per share (DEPS), diluted, continuing operations – DKK	**1.2**	1.3	5.5
Cash flow per share (CFPS) – DKK	**(0.5)**	(7.3)	9.3
Share price/Net asset value	**2.0**	1.5	1.7

Definitions: see last page

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

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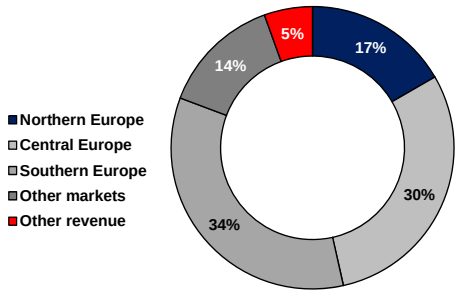
INCOME STATEMENT

Q2 2012	%	Q2 2013	%	Amounts in DKKm	H1 2013	%	H1 2012	%
515	*100*	**532**	*100*	**Revenue**	**1,142**	*100*	1,122	*100*
163	*32*	**181**	*34*	Cost of sales	**345**	*30*	325	*29*
352	*68*	**351**	*66*	**Gross profit**	**797**	*70*	797	*71*
136	*26*	**136**	*26*	Research and development expenses	**272**	*24*	263	*23*
270	*52*	**251**	*47*	Sales, marketing and administrative expenses	**491**	*43*	517	*46*
-	-	**(2)**	*(0)*	Other operating income and expenses	**(2)**	*(0)*	-	-
(54)	*(10)*	**(38)**	*(7)*	**Operating profit/(loss) (EBIT) before special items**	**32**	*3*	17	*2*
-	-	**(2)**	*(0)*	Special items	**(2)**	*(0)*	-	-
(54)	*(10)*	**(40)**	*(7)*	**Operating profit/(loss) (EBIT)**	**30**	*3*	17	*2*
9	*2*	**(12)**	*(2)*	Net financial items	**(9)**	*(1)*	4	*0*
(45)	*(9)*	**(52)**	*(9)*	**Profit/(loss) before tax (EBT)**	**21**	*2*	21	*2*
(18)	*(3)*	**(22)**	*(4)*	Tax on profit/(loss)	**9**	*1*	8	*1*
(27)	*(5)*	**(30)**	*(5)*	**Net profit/(loss), continuing operations**	**12**	*1*	13	*1*
155	*30*	**-**	-	Net profit, past discontinued operations	**-**	-	155	*14*
128	*25*	**(30)**	*(5)*	**Net profit/(loss), continuing operations**	**12**	*1*	168	*15*
(23)	*(4)*	**(7)**	*(1)*	**Operating profit/(loss) before depreciation and amortisation (EBITDA) before special items**	**94**	*8*	79	*7*
(23)	*(4)*	**(9)**	*(2)*	**Operating profit/(loss) before depreciation and amortisation (EBITDA)**	**92**	*8*	79	*7*

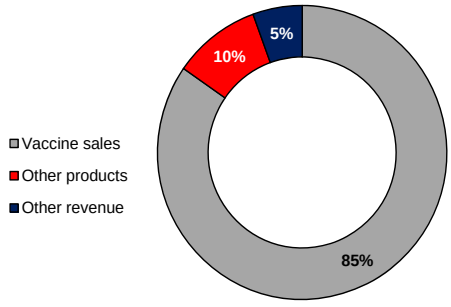
DEVELOPMENT H1 2013

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

Total revenue by market



Total revenue by product group



Highlights

Revenue and operating profit (EBITDA) were as anticipated. Full-year earnings outlook remains unchanged.

In Q2, Group revenue increased by 3% and hence Group revenue in H1 grew by 1% to DKK 1,142 million (1,122). Q2 is typically low season for sales of allergy immunotherapy products.

Throughout H1, sales of Jext® adrenaline auto-injectors have performed satisfactorily and more than doubled compared to last year. Although still influenced by changes in reimbursement schemes and difficult market conditions, European vaccine sales in Q2 stabilised after a negative trend in the last three quarters.

ALK continued to expand its business in overseas growth markets. Revenue outside Europe, including

partner income and vaccine sales in emerging markets, grew by 9% and corresponds to almost 20% of Group revenue.

ALK continues to benefit from the *Simplify* initiatives introduced in late 2012 to drive efficiency improvements and reduce capacity costs. These initiatives, combined with cost reductions, lead to an improved operating profit (EBITDA) of DKK 92 million (79); despite an increase in R&D spend.

All clinical trials and development activities for allergy immunotherapy (AIT) tablets in Europe, North America and Japan progressed as planned.

Key milestones were achieved when ALK recently obtained positive results from both pivotal Phase III trials with the HDM (house dust mite) AIT tablet for the treatment of allergic rhinitis and allergic asthma.

Additional milestones were achieved in H1 when Merck – ALK's partner and licensee in North America – had their Biologics Licence Applications (BLAs) for both the grass AIT and ragweed AIT tablets accepted for review by the US health authorities, the FDA.

The next important milestone for these programmes will be the outcome of FDA's regulatory review of the grass AIT and ragweed AIT tablets.

Sales in Europe
In Q2, sales in the mature European core markets amounted to DKK 430 million (412) following a 4% increase based on unchanged vaccine sales and growth in sales of the adrenaline auto-injector Jext®. Sales in H1 hence amounted to DKK 922 million (919).

Sales in Germany, which is Europe's largest allergy immunotherapy market, stabilised in Q2 after a difficult start to the year. All key products showed growth in Q2.

Sales in France, the second largest allergy immunotherapy market, continued to perform well and grew by double digits also in Q2. ALK benefited from strengthened sales and marketing efforts, as well as from the launch of Jext®.

Sales also progressed well in the Nordic countries (SCIT and Jext®). In Q2, sales development in Spain showed indications of recovery although market conditions continue to be difficult.

As expected, performance in the Netherlands was significantly impacted by adverse changes to the public medicine reimbursement and sales decreased by double-digits in H1.

In H1, AIT tablet (GRAZAX®) sales were DKK 113 million (116). Sales were particularly affected by changes in distributors' inventory levels in Q2. Sales of GRAZAX® therefore declined by 11% in the quarter.

Sales of the adrenaline auto-injector, Jext®, more than doubled and performance accelerated in Q2. All key markets contributed to the growth although the development was particularly strong in the UK. Jext® continued to gain market share in the adrenaline auto-injector market and is now estimated to have a market share of close to 15% in Europe. The product is not yet launched outside Europe.

Overall, ALK's vaccine sales in Europe are estimated to have performed slightly better than the market development.

Sales outside Europe
In Q2, sales outside Europe, excluding income from partners in North America and Japan, grew by 20% to DKK 87 million (74). Sales in H1 hence amounted to DKK 157 million (143).

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 region showed continued robust growth in Q2. Sales of other products such as PRE-PEN®, the only FDA approved penicillin allergy skin test reagent, also performed well.

Vaccine sales from ALK's Chinese vaccine franchise grew by double digits and ALK also increased its sales to minor distributor-operated markets.

Other revenue
Income from ALK's partnerships in Japan and North America in Q2 was DKK 15 million (29). The main contributor was R&D activities carried out for Merck and Torii. Last year's income also contained milestone payments. Other revenue in H1 amounted to DKK 63 million (60). This included a milestone payment from Merck received upon submission of a BLA to the FDA for the ragweed AIT tablet in Q1 2013.

Strategic initiatives

With its updated strategy plan 'Focus 2016', ALK launched a series of initiatives in late 2012 to generate growth in both revenue and earnings. The plan includes three central focus areas:

Simplify: ALK will trim its product portfolio by manufacturing fewer product lines. Production will be consolidated at fewer production facilities and the business structure will be streamlined. These measures are intended to lead to net cost savings of approximately DKK 100 million per year, taking full effect from 2016.

Innovate: The primary focus of ALK's R&D activities is the AIT tablet portfolio, which will cover the most important global allergies. As product development activities on the individual AIT tablets are concluded over the coming years, R&D expenses will decline in relation to revenue.

Grow: ALK will invest in capturing market shares in current markets, setting up in new markets – either directly or in partnerships – and promoting wider knowledge of allergy immunotherapy.

All initiatives are moving ahead and ALK has benefited from several of the initiatives.

PIPELINE AND PARTNERSHIPS

European development programme
ALK's own development programmes for allergy immunotherapy (AIT) tablets have made substantial progress:

HDM AIT tablet: ALK recently obtained positive results from two pivotal Phase III trials which both met their primary endpoints by demonstrating a positive clinical effect in house dust mite-induced rhinitis and asthma, respectively. The results allow for a regulatory filing in Europe in 2014.

The MERIT (MT-06) and MITRA (MT-04) trials were initiated in 2011 by ALK to evaluate the efficacy and safety of the new allergy immunotherapy tablet in the treatment of house dust mite-induced allergic rhinitis and allergic asthma, respectively. Both trials were randomised, placebo-controlled, double-blind, multi-national, multi-centre trials conducted in Europe and involving more than 800 allergic patients each. Patients were divided into three treatment arms of equal size with the first two arms receiving two different active doses of the tablet and the third arm receiving placebo tablets.

The primary endpoint of the MERIT trial was reduction of the combined rhinitis symptom and medication score during the last eight weeks of approximately one year of daily treatment. The trial met its primary endpoint by demonstrating that one year treatment significantly reduced rhinitis symptoms and symptomatic medication use and consequently a highly significant reduction in the combined rhinitis symptom and medication score was obtained ($p<0.01$) for both doses.

The primary endpoint of the MITRA trial was reduction in the risk of moderate to severe asthma exacerbations during a steroid reduction phase measured as time to first exacerbation. Patients received treatment with immunotherapy tablets or placebo for up to 18 months. Additionally, all patients received treatment with inhaled corticosteroids (ICS) until the last part of the trial, where the ICS was reduced by 50% for three months, and then completely withdrawn for another three months.

The primary endpoint of the MITRA trial was met with a significant reduction of the risk of experiencing a moderate to severe asthma exacerbation for both active doses during ICS reduction ($p<0.05$). For the full analysis set, a reduction of more than 30% in the hazard ratio was demonstrated between active and placebo, which is considered clinically relevant. It is worth emphasising that a significant effect also was shown in objectively measured lung function (i.e. PEF and/or FEV_1).

In both trials a significant immunological effect was demonstrated. Furthermore, treatment was found to be well tolerated with the majority of treatment-related adverse events being mild or moderate local reactions associated with the application site.

In summary, the two pivotal Phase III trials with the new allergy immunotherapy tablet against house dust mite-induced respiratory diseases confirmed a favourable benefit-risk profile in both allergic rhinitis as well as allergic asthma.

The results from the MERIT and MITRA trials represent a major step forward in the development

of an effective treatment of patients with house dust mite-induced respiratory diseases.

***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 be completed in 2015.

Tree AIT tablet: 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.

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 (AIT) tablets in the world's two largest pharmaceutical markets, the USA and Japan. The partnership with Merck achieved two significant milestones in H1 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 AIT tablets against grass pollen, ragweed and house dust mite (HDM) allergy in the USA, Canada and Mexico.

Grass AIT tablet: In March, the US Food and Drug Administration (FDA) accepted for review the Biologics License Application (BLA) for the grass AIT tablet, and the regulatory review in the USA is currently on-going. 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 the grass AIT tablet reduces patients' allergy symptoms and their need for symptom-relieving medication. The data also showed that the grass AIT tablet provides a long-term effect for patients, which is sustained beyond the period of treatment.

The regulatory review of the grass AIT tablet in Canada is on-going.

Approximately 20 million allergy sufferers in the USA are diagnosed with moderate to severe allergic rhinitis and seek treatment by a physician. Of these patients, approximately half are sensitised to grass pollen. Many patients' disease and symptoms are not well-controlled leaving a significant unmet need for better treatment.

Ragweed AIT tablet: In May, the FDA accepted for review the Biologics License Application (BLA) for the ragweed AIT tablet, and the regulatory review in the USA is currently on-going.

The regulatory review of the ragweed AIT tablet in Canada is likewise on-going.

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.

Approximately 20 million allergy sufferers in the USA are diagnosed with moderate to severe allergic rhinitis and seek treatment by a physician. Of these patients, approximately half are sensitised to ragweed. Many patients' disease and symptoms are not well-controlled leaving a significant unmet need for better treatment.

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

Japanese partnership with Torii
The partnership with Torii covers the development, registration and commercialisation of, among other products, the HDM AIT tablet 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 tablet against Japanese cedar allergy.

HDM AIT tablet: 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 the HDM AIT tablet in the treatment of allergic rhinitis (hay fever) and in the treatment of allergic asthma caused by house dust mites, respectively. These trials are similar in design to the recently completed European trials and are expected to be completed in 2014.

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

FINANCIAL REVIEW OF H1 2013

Revenue in H1 was DKK 1,142 million (1,122). Exchange rates affected Group revenue negatively by approximately 1 percentage point.

Cost of sales totalled DKK 345 million (325) and gross profit was unchanged at DKK 797 million (797), which corresponds to a gross margin of 70% (71). Changed revenue composition affected the underlying development in the gross margin, which marginally decreased.

Capacity costs decreased by 2% to DKK 763 million (780) despite accelerated R&D efforts aiming at a rapid development of a broader AIT tablet portfolio. Research and development expenses rose 3% to DKK 272 million.

Sales and marketing expenses were down 4% and administrative expenses declined 8% 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) improved to DKK 92 million (79) despite higher R&D spend. Exchange rates did not materially affect operating profit and special items related to restructuring costs of DKK 2 million were recognised.

Net financials were a loss of DKK 9 million (a gain of 4), which was primarily due to net interest expenses and unrealised intercompany exchange rate losses related to CHF.

Tax on the profit totalled DKK 9 million (8), corresponding to an effective tax rate of 43% (39). The **net profit** for the period was DKK 12 million (168). Last year included an adjustment of the gain on the divestment of Chr. Hansen A/S, which was recognised under Net profit, past discontinued operations.

Cash flow from operating activities was an outflow of DKK 5 million (71). The cash flow was negatively affected by the provisions made in connection with the *Simplify* initiatives introduced in late 2012.

Cash flow from investing activities was an outflow of DKK 116 million (95) 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 outflow of DKK 121 million (166). Cash flow from financing activities was an outflow of DKK 57 million (91) 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 June, 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 205 million.

At the end of June, **cash and cash equivalents** totalled DKK 293 million vs. DKK 477 million at the end of 2012.

Equity totalled DKK 2,222 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.

Revenue is anticipated to exceed DKK 2.3 billion on the basis of stable vaccine sales and 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 franchise, 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 remain 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 the HDM AIT tablet. 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 partner income, milestones 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	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 30 June 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 30 June 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, 14 August 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

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INCOME STATEMENT (unaudited)

ALK Group			ALK Group	
Q2 2012	**Q2 2013**	Amounts in DKKm	**H1 2013**	**H1 2012**
515	**532**	**Revenue**	**1,142**	1,122
163	**181**	Cost of sales	**345**	325
352	**351**	**Gross profit**	**797**	797
136	**136**	Research and development expenses	**272**	263
216	**202**	Sales and marketing expenses	**395**	413
54	**49**	Administrative expenses	**96**	104
-	**2**	Other operating expenses	**2**	-
(54)	**(38)**	**Operating profit/(loss) (EBIT) before special items**	**32**	17
-	**(2)**	Special items	**(2)**	-
(54)	**(40)**	**Operating profit/(loss) (EBIT)**	**30**	17
9	**(12)**	Net financial items	**(9)**	4
(45)	**(52)**	**Profit/(loss) before tax (EBT)**	**21**	21
(18)	**(22)**	Tax on profit/(loss)	**9**	8
(27)	**(30)**	**Net profit/(loss), continuing operations**	**12**	13
155	**-**	Net profit, past discontinued operations	**-**	155
128	**(30)**	**Net profit/(loss), continuing operations**	**12**	168
13.11	**(3.11)**	Earnings per share (EPS) – DKK	**1.24**	17.17
(2.77)	**(3.11)**	Earnings per share (EPS), continuing operations – DKK	**1.24**	1.33
13.04	**(3.08)**	Earnings per share (DEPS), diluted – DKK	**1.23**	17.10
(2.77)	**(3.08)**	Earnings per share (DEPS), diluted, continuing operations – DKK	**1.23**	1.32

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

ALK Group			ALK Group	
Q2 2012	**Q2 2013**	Amounts in DKKm	**H1 2013**	**H1 2012**
128	**(30)**	**Net profit/(loss) for the period**	**12**	168
		Other comprehensive income		
		Items that will be reclassified subsequently to the Income statement, when specific conditions are met:		
20	**-**	Foreign currency translation adjustment of foreign subsidiaries	**1**	11
-	**(2)**	Net fair value adjustment of financial assets available for sale	**-**	24
(2)	**1**	Tax related to other comprehensive income	**-**	(7)
18	**(1)**	**Other comprehensive income**	**1**	28
146	**(31)**	**Total comprehensive income**	**13**	196

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CASH FLOW STATEMENT (unaudited)

	ALK Group	
Amounts in DKKm	**H1 2013**	**H1 2012**
Net profit	**12**	168
Adjustments:		
Change in provisions and payables from past discontinued operations	**-**	(155)
Tax on profit	**9**	8
Financial income and expenses	**9**	(4)
Share-based payments	**7**	5
Depreciation, amortisation and impairment	**62**	62
Change in provisions	**(33)**	3
Change in working capital	**(8)**	(77)
Net financial items, paid	**4**	10
Income taxes, paid	**(67)**	(91)
Cash flow from operating activities	**(5)**	(71)
Additions, intangible assets	**(28)**	(11)
Additions, tangible assets	**(88)**	(84)
Cash flow from investing activities	**(116)**	(95)
Free cash flow	**(121)**	(166)
Dividend paid to shareholders of the parent	**(49)**	(49)
Purchase of treasury shares	**(6)**	(41)
Change in financial liabilities	**(2)**	(1)
Cash flow from financing activities	**(57)**	(91)
Net cash flow	**(178)**	(257)
Cash and cash equivalents at 1 January	**477**	754
Unrealised gain/(loss) on foreign currency and financial assets carried as cash and cash equivalents	**(6)**	(5)
Net cash flow	**(178)**	(257)
Cash and cash equivalents at 30 June	**293**	492

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	**30 June 2013**	**31 Dec. 2012** [1)]	**30 June 2012** [1)]
Non-current assets			
Intangible assets			
Goodwill	**409**	409	408
Other intangible assets	**250**	240	209
	659	649	617
Tangible assets			
Land and buildings	**632**	644	661
Plant and machinery	**265**	254	271
Other fixtures and equipment	**61**	63	63
Property, plant and equipment in progress	**407**	362	286
	1,365	1,323	1,281
Other non-current assets			
Securities and receivables	**55**	56	60
Deferred tax assets	**93**	82	58
	148	138	118
Total non-current assets	**2,172**	2,110	2,016
Current assets			
Inventories	**297**	295	283
Trade receivables	**248**	248	241
Receivables from affiliates	**61**	61	-
Income tax receivables	**67**	12	86
Other receivables	**51**	46	57
Prepayments	**33**	46	33
Cash and cash equivalents	**293**	477	492
Total current assets	**1,050**	1,185	1,192
Total assets	**3,222**	3,295	3,208

[1)] The figures hasve 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	**30 June 2013**	**31 Dec. 2012** [1)]	**30 June 2012** [1)]
Equity			
Share capital	**101**	101	101
Currency translation adjustment	**(8)**	(9)	1
Retained earnings	**2,129**	2,165	2,172
Total equity	**2,222**	2,257	2,274
Liabilities			
Non-current liabilities			
Mortgage debt	**23**	24	25
Bank loans and financial loans	**302**	303	304
Pensions and similar liabilities	**146**	144	102
Other provisions	**7**	7	1
Deferred tax liabilities	**30**	19	26
	508	497	458
Current liabilities			
Mortgage debt	**2**	1	1
Bank loans and financial loans	**3**	4	3
Trade payables	**93**	136	90
Income taxes	**13**	17	25
Other provisions	**19**	54	-
Other payables	**362**	329	320
Prepayments	**-**	-	37
	492	541	476
Total liabilities	**1,000**	1,038	934
Total equity and liabilities	**3,222**	3,295	3,208

[1)] The figures have 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	-	-	12	12
Other comprehensive income	-	1	-	1
Total comprehensive income	**-**	**1**	**12**	**13**
Share-based payments	-	-	7	7
Purchase of treasury shares	-	-	(6)	(6)
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(48)**	**(48)**
Equity at 30 June 2013	**101**	**(8)**	**2,129**	**2,222**
Equity at 1 January 2012 [1)]	**101**	**(9)**	**2,071**	**2,163**
Net profit	-	-	168	168
Other comprehensive income	-	10	18	28
Total comprehensive income	**-**	**10**	**186**	**196**
Share-based payments	-	-	5	5
Purchase of treasury shares	-	-	(41)	(41)
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(85)**	**(85)**
Equity at 30 June 2012	**101**	**1**	**2,172**	**2,274**

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

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NOTES (unaudited)

1 ACCOUNTING POLICIES

The interim report for the period 1 January to 30 June 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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2 REVENUE

ALK Group			ALK Group	
Q2 2012	Q2 2013	Amounts in DKKm	H1 2013	H1 2012
		Net sales by product line		
218	**232**	SCIT	**477**	481
163	**167**	SLIT	**377**	375
59	**53**	AIT tablets	**113**	116
440	**452**	**Total vaccines**	**967**	972
46	**65**	Other products	**112**	90
486	**517**	**Total net sales**	**1,079**	1,062
29	**15**	Other revenue	**63**	60
515	**532**	**Total revenue**	**1,142**	1,122
		Revenue by market		
98	**95**	Northern Europe	**190**	197
155	**162**	Central Europe	**341**	352
159	**173**	Southern Europe	**391**	370
74	**87**	Other markets	**157**	143
486	**517**	**Total net sales**	**1,079**	1,062
29	**15**	Other revenue	**63**	60
515	**532**	**Total revenue**	**1,142**	1,122

Q2 2013			H1 2013	
Growth	Growth local currencies		Growth local currencies	Growth
6%	**7%**	SCIT	**-1%**	**-1%**
2%	**2%**	SLIT	**0%**	**1%**
-10%	**-11%**	AIT tablets	**-3%**	**-3%**
3%	**3%**	**Total vaccines**	**-1%**	**-1%**
41%	**44%**	Other products	**25%**	**24%**
6%	**6%**	**Total net sales**	**1%**	**2%**
-48%	**-49%**	Other revenue	**3%**	**5%**
3%	**3%**	**Total revenue**	**1%**	**2%**
-3%	**-3%**	Northern Europe	**-4%**	**-4%**
5%	**4%**	Central Europe	**-4%**	**-3%**
9%	**9%**	Southern Europe	**6%**	**6%**
18%	**20%**	Other markets	**10%**	**10%**
6%	**6%**	**Total net sales**	**1%**	**2%**
-48%	**-49%**	Other revenue	**3%**	**5%**
3%	**3%**	**Total revenue**	**1%**	**2%**

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3 SPECIAL ITEMS

ALK Group			ALK Group	
Q2 2012	Q2 2013	Amounts in DKKm	H1 2013	H1 2012
-	1	Severance pay etc.	1	-
-	1	Other restructuring expenses	1	-
-	2	**Total**	2	-

Special items represent one-off costs associated with the initiatives to streamline the business structure under the *Simplify* programme initiated in the fourth quarter of 2012.

4 KEY CURRENCIES AND CURRENCY SENSITIVITY

Average exchange rates		
	H1 2013	H1 2012
USD	5.69	5.72
GBP	8.79	9.03

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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