

To NASDAQ OMX Copenhagen A/S

TRANSLATION

Company release No. 14/2011

Six-month interim report (Q2) 2011 (unaudited)

Performance for the period

(Comparative figures for the same period of last year are shown in brackets / sales growth is measured in local currencies)

In order to give a more true and fair view of the revenue and cost development, ALK has decided to change the presentation of certain income in the financial statements. This means that licence income and other revenues from licence agreements are now presented as revenue. Previously, these revenues were presented as other operating income. Comparative figures have been restated to reflect the new presentation of the financial statements. The change has no impact on ALK's earnings.

The growth in sales and earnings in the first six months was satisfactory and in line with expectations:

- ▶ Total revenue increased by 20% to DKK 1,258 million (1,052).
- ▶ Revenues from partners were DKK 184 million (17).
- ▶ Vaccine sales grew by 8%. Adjusted for political austerity measures in Germany, the growth rate was 14%.
- ▶ The sales growth was driven in particular by the development in France, Spain, the Netherlands and North America.
- ▶ Operating profit (EBITDA) increased by 88% to DKK 285 million (152).
- ▶ Profit for H1 was DKK 140 million (83).
- ▶ Free cash flow was DKK 241 million (an outflow of 4), and cash and cash equivalents totalled DKK 433 million after distribution of ordinary dividends of DKK 50 million.

In addition, ALK has made significant business progress in a number of areas in recent months:

- ▶ ALK has announced successful outcomes of two pivotal clinical Phase III studies with its new ragweed allergy immunotherapy tablet (AIT). Both studies met their primary efficacy endpoints and the efficacy results were consistent between the two studies.
- ▶ ALK's partner in the USA, Merck, submitted a registration application for GRAZAX[®] in Canada. This event triggered a milestone payment of USD 5 million from Merck to ALK.
- ▶ Merck has initiated an additional clinical study with GRAZAX[®] in order to provide as robust a submission package as possible. Merck will continue to work with the FDA regarding the registration process in the USA.
- ▶ ALK has entered into a license agreement regarding development and marketing of a new diagnostic product for penicillin allergy with the US company AllerQuest.

Outlook for 2011

For the 2011 financial year, ALK still expects growth in sales of allergy vaccines of 5% measured in local currencies. Revenue, including revenues from the company's partners, is expected to increase to approximately DKK 2.3 billion. Revenue is affected by the phasing-out of the inlicensed adrenaline product and the subsequent launch of ALK's own adrenaline pen, Jexti[®]. In addition, total revenue will be positively affected by revenues from the company's partners. In June, expectations for operating profit (EBITDA) were adjusted upwards to DKK 385 million as a consequence of the submission of the registration application for GRAZAX[®] in Canada. ALK continues to expect EBITDA for 2011 to be DKK 385 million (287), corresponding to a growth rate of 34%.

Hørsholm, 16 August 2011

ALK-Abelló A/S

Contact:

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

ALK is holding a conference call for analysts and investors today at 3.30 p.m. (CET) at which Jens Bager, President and CEO, and Flemming Pedersen, CFO, will review the results. Participants in the conference call are kindly requested to call in before 3.25 p.m. (CET). Danish participants should call in on tel. +45 7014 0453 and international participants should call in on tel. +44 207 108 63 03. The conference call will also be webcast on our website, www.alk-abello.com/investor, where the related presentation will be available shortly before the conference call begins.

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

Amounts in DKKm	H1 2011	Restated H1 2010	Restated Full year 2010
Income statement			
Revenue	1,258	1,052	2,159
Operating profit (EBIT)	235	108	192
Net financial items	(5)	26	15
Profit before tax (EBT)	230	134	207
Net profit	140	83	128
Operating profit before depreciation and amortisation (EBITDA)	285	152	287
Average number of employees	1,710	1,563	1,612
Balance sheet			
Total assets	2,945	2,680	2,830
Invested capital	1,605	1,649	1,723
Equity	2,090	1,991	2,018
Cash flow and investments			
Depreciation, amortisation and impairment	50	44	95
Cash flow from operating activities	287	67	274
Cash flow from investing activities	(46)	(71)	(345)
- of which investment in tangible assets	(35)	(67)	(138)
- of which acquisitions	-	-	(178)
Free cash flow	241	(4)	(71)
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	314	339	322
Net asset value per share – DKK	206	197	200
Key figures			
Gross margin – %	74	71	70
EBITDA margin – %	23	14	13
Earnings per share (EPS) – DKK	14.14	8.37	12.91
Earnings per share (DEPS), diluted – DKK	14.14	8.37	12.91
Cash flow per share (CFPS) – DKK	28.99	6.75	27.65
Share price/Net asset value	1.5	1.7	1.6

Definitions: see last page

INCOME STATEMENT

Restated Q2 2010		Q2 2011		Amounts in DKKm	H1 2011		Restated H1 2010	
	%		%			%		%
477	100	515	100	Revenue	1,258	100	1,052	100
153	32	145	28	Cost of sales	321	26	309	29
324	68	370	72	Gross profit	937	74	743	71
93	19	105	20	Research and development expenses	211	17	180	17
239	50	247	48	Sales, marketing and administrative expenses	493	39	457	43
2	0	-	-	Other operating income and expenses	2	0	2	0
(6)	(1)	18	3	Operating profit/(loss) (EBIT)	235	19	108	10
19	4	3	1	Financial income	4	0	27	3
-	-	(1)	(0)	Financial expenses	9	1	1	0
13	3	22	4	Profit before tax (EBT)	230	18	134	13
5	1	9	2	Tax on profit	90	7	51	5
8	2	13	3	Net profit	140	11	83	8
16	3	43	8	Operating profit before depreciation and amortisation (EBITDA)	285	23	152	14

FINANCIAL REVIEW

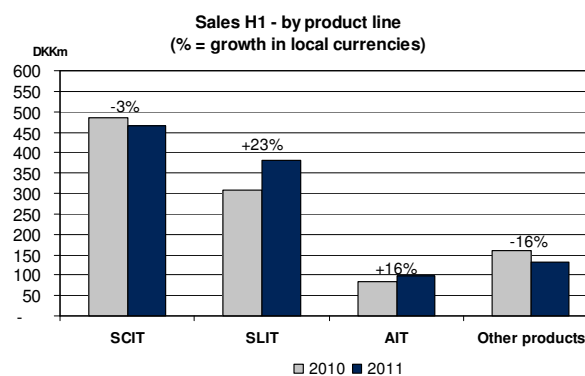
(Growth rates for revenue are stated as growth in local currencies, unless otherwise indicated)

In order to give a more true and fair view of the revenue and cost development, ALK has decided to change the presentation of certain income in the financial statements. This means that licence income and other revenues from licence agreements are now presented as revenue. Previously, these revenues were presented as other operating income. The change has no impact on ALK's earnings. See note 4 for a detailed explanation of the consequences of the change.

Total revenue accordingly consists of sales of allergy vaccines and other products as well as other revenue.

Revenue during H1 increased by 20% to DKK 1,258 million (1,052), with growth in vaccine sales of 8%. The sales growth was driven in particular by the development in France, Spain, the Netherlands and North America. Revenues from ALK's partners were DKK 184 million (17) and mainly consist of licence income relating to the development of ALK's AIT products in North America and Japan.

In 2010, the German authorities implemented a number of political austerity measures on medicine prices, which in the first half of 2011 reduced ALK's sales by approximately DKK 60 million. Company acquisitions affected revenue positively by approximately 7 percentage points. The sales performance was only to a minor extent affected by exchange rates.



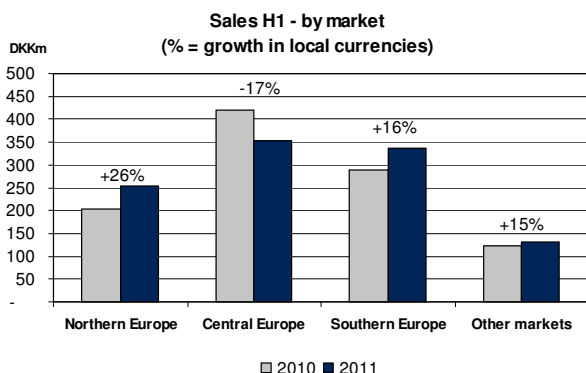
Revenue – sales by product line

During H1, sales of SCIT decreased by 3% to DKK 465 million (484). Performance was positive in North America and Northern and Southern Europe, where the launch of the improved SCIT product, AVANZ[®], contributed to the growth. The positive performance was offset, however, by declining sales in Germany. The German sales were particularly affected by the political austerity measures, and a mild pollen season in 2010 meant that fewer patients subsequently started vaccination treatments. Sales of injection based vaccines accounted for 37% (46) of the company's total revenue.

Sales of SLIT grew by 23% to DKK 380 million (309). The increase was particularly positive in France, and the acquisition of a Dutch company in 2010 ensured continued overall sales growth in the Netherlands. SLIT products accounted for 30% (29) of the company's total revenue.

Sales of AIT, tablet based products (GRAZAX[®]), increased by 16% to DKK 97 million (83). Particularly the sales in France contributed to the growth. Tablet sales accounted for 8% (8) of the company's total revenue.

Sales of other products (adrenaline pens, diagnostics, etc.) decreased by 16% to DKK 132 million (159). The sales decline was due to the phasing out of the sale of an incensed adrenaline product at the end of Q1. The distribution of the incensed product in a number of European countries has thus ceased. The product will be replaced by ALK's own, improved adrenaline pen, Jext[®], which is still expected to be launched in the first markets in the second half of 2011. Sales of other products accounted for 10% (15) of the company's total revenue.



Revenue – sales by market

In the Northern European region, sales grew by 26% to DKK 254 million (202). The growth was positively affected by the acquisition of a Dutch company in 2010 and by increasing sales of GRAZAX[®] in Scandinavia.

In Central Europe, sales fell by 17% to DKK 352 million (421), mainly due to political austerity measures on medicine prices in Germany.

In the Southern European region, sales grew by 16% to DKK 336 million (290). The increase was due to a continued highly positive sales performance in France and the launch of the AVANZ[®] product in Italy and Spain.

Revenue in other markets grew by 15% to DKK 132 million (122). Sales in North America and China of injection based products were the main contributors to the increase.

Revenue – other revenue

Other revenue for H1 totalled DKK 184 million (17), mainly relating to revenues from ALK's partners in Japan and North America. Other revenue accounted for 15% (2) of the company's total revenue.

On entering into the partnership with Torii on the development, registration and commercialisation of, among other things, MITIZAX[®] in Japan, ALK received an up-front payment of DKK 224 million, DKK 139 million of which was recognised in the first half.

In connection with Merck's submission of a registration application for GRAZAX[®] in Canada, ALK has recognised a milestone payment of DKK 26 million.

Furthermore, ALK has recognised the reimbursement of expenses relating to development activities carried out by ALK for Merck.

Costs and earnings

During H1, **cost of sales** totalled DKK 321 million (309) and gross profit rose by 26% to DKK 937 million (743). The reported gross margin was 74% (71). Disregarding other revenues, the gross margin

was unchanged compared with the same period last year. The development was positively affected by acquisitions and the product mix and negatively affected by the price interventions in Germany as well as by rising production costs related to ALK's strategic partnerships in North America and Japan.

Total **capacity costs** increased by 11% to DKK 704 million (637). Disregarding company acquisitions, the underlying increase in capacity costs was 5%. Research and development expenses for the period increased by 17% to DKK 211 million (180), relating among other things to a number of clinical and pharmaceutical activities, including the GAP study (*GRAZAX[®] Asthma Prevention*) and preparations for upcoming clinical activities with MITIZAX[®]. Added to this were support to the partnership with Merck in North America and new regulatory requirements in Europe imposing stricter requirements for documentation of the company's non-registered product portfolio. Sales, marketing and administrative expenses increased by 8% to DKK 493 million (457). Disregarding company acquisitions, the increase was 1%, mainly due to the launch of GRAZAX[®] in France, AVANZ[®] in Spain and Italy, and preparations for the launch of Jext[®].

Operating profit before depreciation and amortisation (EBITDA) increased by 88% to DKK 285 million (152). The increase was positively affected in particular by other revenues, including the payments from Torii and Merck. Operating profit was not significantly affected by exchange rates.

Net financials were a loss of DKK 5 million (a profit of 26), which was due to unrealised exchange losses on intra-group accounts, primarily in USD.

Tax on profit for the period totalled DKK 90 million (51), corresponding to an effective tax rate of 39% (38). The profit for the period was thus DKK 140 million (83).

The **cash flow** from operating activities was an inflow of DKK 287 million (67) and was positively affected by payments from ALK's partners. Cash flow from investing activities was an outflow of DKK 46 million (71) and related to ongoing maintenance of production, research and development, and IT.

The free cash flow for the period was an inflow of DKK 241 million (an outflow of 4). The cash flow from financing activities was an outflow of DKK 58 million (76), primarily relating to the distribution of ordinary dividends. At the end of the quarter, cash and cash equivalents totalled DKK 433 million against DKK 250 million at the end of 2010.

Equity stood at DKK 2,090 million (1,991) at the end of the period corresponding to an equity ratio of 71% (71).

Outlook for the 2011 financial year

For the 2011 financial year, ALK expects continued growth in sales of allergy vaccines and earnings.

In 2011, ALK expects unchanged growth of 5% in allergy vaccine sales measured in local currencies. Revenue, including revenues from the company's partners, is expected to increase to approximately DKK 2.3 billion.

In June, expectations for operating profit (EBITDA) were adjusted upwards to DKK 385 million as a consequence of the submission of the registration application for GRAZAX[®] in Canada. ALK continues to expect EBITDA for 2011 to be DKK 385 million (287), corresponding to a growth rate of 34%. In 2011, ALK expects to recognise approximately DKK 150 million of the payment of DKK 224 million which ALK received on entering into the partnership with Torii in Japan. The remainder of the payment is expected to be recognised in 2012.

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

OPERATING REVIEW

Partnerships

An essential part of ALK's strategy is to ensure global access to allergy immunotherapy through partnerships with other pharmaceutical companies. At present, ALK has two strategic partnerships on commercialisation of AIT, which cover the world's two largest pharmaceutical markets, the USA and Japan.

ALK has close and committed partnerships with both Merck and Torii, and extensive work is being carried out to ensure the success of the AIT development programmes in North America and Japan.

North America: Partnership with Merck

The partnership with Merck covers the development, registration and commercialisation of a portfolio of tablet based allergy vaccines (AIT) against grass pollen, ragweed and house dust mite allergy, respectively, in the USA, Canada and Mexico.

In recent months, ALK and Merck have made important progress in a number of areas:

In June, Merck submitted a registration application for GRAZAX[®] in Canada. The submission of the registration application to the Canadian health authorities triggered a milestone payment of USD 5 million from Merck to ALK. ALK expects that Merck will launch GRAZAX[®] in Canada after regulatory approval of the registration application.

Merck has decided to initiate an additional clinical study with GRAZAX[®] in order to provide as robust a submission package in the USA as possible. The new study is planned to be a North American Phase III, multicenter, randomised, placebo-controlled, double-blind, parallel-group clinical trial evaluating the efficacy of GRAZAX[®] versus placebo in the treatment of grass pollen-induced rhinoconjunctivitis in 1,500 subjects. Screening of subjects for the study will be initiated in Q3 2011. Merck anticipates that the study will be completed in the autumn of 2012. Merck will continue to work with the FDA regarding the registration process in the USA.

After the end of the accounting period, ALK announced successful outcomes of two clinical Phase III studies with the new innovative ragweed tablet (AIT). Both studies met their primary efficacy endpoints and the efficacy results were consistent between the two studies. The studies also showed that the treatment was well tolerated with adverse events similar to previous studies in adults, with no new or unexpected findings. A total of approximately 1,350 subjects were included in the studies. The studies were conducted by Merck.

Japan: Partnership with Torii

The partnership with Torii covers development, registration and commercialisation of, among other things, MITIZAX[®] in Japan. The agreement also covers ALK's existing injection based vaccine and diagnostic products against house dust mite allergy as well as an agreement on joint research and development of a tablet based vaccine (AIT) against Japanese cedar allergy.

After entering into the partnership, Torii and ALK have begun planning the development programme to secure product registration and subsequent launch in Japan. Torii is in a dialogue with the Japanese authorities, and the development plans are currently being finalised, after which ALK expects that Torii will initiate the first clinical studies of MITIZAX[®].

License agreement regarding new and unique diagnostic product for penicillin allergy

In July, ALK entered into an agreement to develop and market a new diagnostic product for penicillin allergy, Minor Determinant Mixture (MDM), with the US company AllerQuest. The new product – currently under development – will provide for a complete and unique penicillin allergy diagnosis.

Improved diagnosis can limit the use of broad spectrum antibiotics, thereby lowering treatment costs and the risk of developing multi drug resistant bacteria.

The clinical development programme is expected to be concluded in 2012, after which a registration application will be submitted to the US health authorities.

In total, ALK will pay up to USD 3.45 million for the exclusive distribution rights to MDM as well as the extension of the exclusive distribution rights of PRE-PEN[®].

The combination of PRE-PEN[®] and the new diagnostic product (MDM) will have global market potential. As with PRE-PEN[®], ALK will become exclusive distributor with global rights.

European allergy congress

In June, the annual European allergy congress (EAACI 2010) was held in Istanbul, attended by around 8,000 delegates from 104 countries. Once again this year the congress had a strong focus on allergy vaccination, including the mounting scientific evidence in favour of treatment. The congress commemorated the centenary of the publication of the first scientific article on immunotherapy (allergy vaccination). In this connection, the EAACI organisation issued a declaration on immunotherapy calling on the European politicians to ensure a more effective allergy treatment, among other things, through allergy immunotherapy.

With a total of 30 scientific contributions, ALK was once again the largest scientific contributor to the congress.

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 subject to risks

and uncertainties as various factors, some of which are beyond the control of the ALK Group, 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 conditions, including legal issues, uncertainty relating to pricing, reimbursement rules, fluctuations in currencies and demand, changes in competitive factors and reliance on suppliers, but also factors such as side effects from the use of the company's existing and future products since allergy vaccination may be associated with allergic reactions of differing extent, duration and severity.

This interim report has been translated from Danish into English. However, the Danish text is the governing text for all purposes, and if there is any discrepancy, the Danish wording is applicable.

2010 Financial calendar

Silent period	17 October 2011
Nine-month interim report (Q3) 2011	14 November 2011

STATEMENT BY THE MANAGEMENT

Today, the Board of Directors and Board of Management considered and approved the interim report of ALK-Abelló A/S for the period 1 January - 30 June 2011.

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 - 30 June 2011. 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, 16 August 2011

Board of Management

Jens Bager
(President and CEO)

Jørgen Damsbo Andersen

Henrik Jacobi

Flemming Steen Jensen

Flemming Pedersen

Board of Directors

Thorleif Krarup
(Chairman)

Lars Holmqvist
(Vice Chairman)

Jacob Kastrup

Anders Gersel Pedersen

Brian Petersen

Steen Riisgaard

Dorthe Seitzberg

Katja Barnkob Thalund

Jes Østergaard

INCOME STATEMENT (unaudited)

ALK Group			ALK Group	
Restated Q2 2010	Q2 2011		H1 2011	Restated H1 2010
		Amounts in DKKm		
477	515	Revenue	1,258	1,052
153	145	Cost of sales	321	309
324	370	Gross profit	937	743
93	105	Research and development expenses	211	180
190	194	Sales and marketing expenses	391	363
49	53	Administrative expenses	102	94
2	-	Other operating income	2	2
(6)	18	Operating profit/(loss) (EBIT)	235	108
19	3	Financial income	4	27
-	(1)	Financial expenses	9	1
13	22	Profit before tax (EBT)	230	134
5	9	Tax on profit	90	51
8	13	Net profit	140	83
0.81	1.31	Earnings per share (EPS) – DKK	14.14	8.37
0.81	1.31	Diluted earnings per share (DEPS) – DKK	14.14	8.37

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

ALK Group			ALK Group	
Restated Q2 2010	Q2 2011		H1 2011	Restated H1 2010
		Amounts in DKKm		
8	13	Net profit for the period	140	83
		Other comprehensive income		
34	(5)	Foreign currency translation adjustment of foreign subsidiaries	(26)	56
(3)	-	Adjustment of derivative financial instruments for hedging	-	(2)
1	-	Tax related to other comprehensive income	3	(5)
32	(5)	Other comprehensive income	(23)	49
40	8	Total comprehensive income	117	132

CASH FLOW STATEMENT (unaudited)

Amounts in DKKm	ALK Group	
	H1 2011	H1 2010
Net profit	140	83
Adjustments:		
Tax on profit	90	51
Financial income and expenses	5	(26)
Share-based payments	5	5
Depreciation, amortisation and impairment	50	44
Change in provisions	(1)	1
Net financial items, paid	2	1
Income taxes, paid	(76)	(49)
Cash flow before change in working capital	215	110
Change in inventories	25	(11)
Change in receivables	13	24
Change in short-term payables	34	(56)
Cash flow from operating activities	287	67
Additions, intangible assets	(11)	(6)
Additions, tangible assets	(35)	(67)
Change in other financial assets	-	2
Cash flow from investing activities	(46)	(71)
Free cash flow	241	(4)
Dividend paid to shareholders of the parent	(50)	(50)
Purchase of treasury shares	-	(24)
Change in financial liabilities	(8)	(2)
Cash flow from financing activities	(58)	(76)
Net cash flow	183	(80)
Cash and cash equivalents at 1 January	250	389
Unrealised gain on foreign currency carried as cash and cash equivalents	-	3
Net cash flow	183	(80)
Cash and cash equivalents at 30 June	433	312

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

BALANCE SHEET (unaudited)

Assets	ALK Group		
	30 June 2011	31 Dec. 2010	30 June 2010
Amounts in DKKm			
Non-current assets			
Intangible assets			
Goodwill	406	408	373
Other intangible assets	197	199	84
	603	607	457
Tangible assets			
Land and buildings	549	572	546
Plant and machinery	165	169	156
Other fixtures and equipment	65	72	64
Property, plant and equipment in progress	391	382	397
	1,170	1,195	1,163
Other non-current assets			
Securities and receivables	28	28	21
Deferred tax assets	63	65	53
	91	93	74
Total non-current assets	1,864	1,895	1,694
Current assets			
Inventories	279	310	329
Trade receivables	214	261	224
Receivables from affiliates	27	27	53
Income tax receivables	44	34	27
Other receivables	52	19	17
Prepayments	32	34	24
Cash and cash equivalents	433	250	312
Total current assets	1,081	935	986
Total assets	2,945	2,830	2,680

BALANCE SHEET (unaudited)

Equity and liabilities	ALK Group		
	30 June 2011	31 Dec. 2010	30 June 2010
Amounts in DKKm			
Equity			
Share capital	101	101	101
Other reserves	1,989	1,917	1,890
Total equity	2,090	2,018	1,991
Liabilities			
Non-current liabilities			
Mortgage debt	26	27	27
Bank loans and financial loans	9	10	12
Pensions and similar liabilities	87	84	78
Other provisions	146	150	148
Deferred tax liabilities	26	25	3
	294	296	268
Current liabilities			
Mortgage debt	1	1	1
Bank loans and financial loans	3	10	4
Trade payables	83	140	71
Income taxes	82	62	50
Other payables	308	303	295
Deferred income	84	-	-
	561	516	421
Total liabilities	855	812	689
Total equity and liabilities	2,945	2,830	2,680

EQUITY (unaudited)

Amounts in DKKm	Other reserves					Total equity
	Share capital	Hedges of future transactions	Currency translation adjustment	Retained earnings	Total other reserves	
Equity at 1 January 2011	101	-	(10)	1,927	1,917	2,018
Net profit	-	-	-	140	140	140
Other comprehensive income	-	-	(23)	-	(23)	(23)
Total comprehensive income	-	-	(23)	140	117	117
Share-based payments	-	-	-	5	5	5
Dividend paid	-	-	-	(50)	(50)	(50)
Other transactions	-	-	-	(45)	(45)	(45)
Equity at 30 June 2011	101	-	(33)	2,022	1,989	2,090
Equity at 1 January 2010	101	1	(39)	1,865	1,827	1,928
Net profit	-	-	-	83	83	83
Other comprehensive income	-	(7)	56	-	49	49
Total comprehensive income	-	(7)	56	83	132	132
Share-based payments	-	-	-	5	5	5
Purchase of treasury shares	-	-	-	(24)	(24)	(24)
Dividend paid	-	-	-	(50)	(50)	(50)
Other transactions	-	-	-	(69)	(69)	(69)
Equity at 30 June 2010	101	(6)	17	1,879	1,890	1,991

NOTES (unaudited)**1 ACCOUNTING POLICIES**

The interim report for the period 1 January to 30 June 2011 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 2010, the accounting policies have been changed with respect to the presentation of revenue and other operating income and other operating expenses.

License income and other revenues in connection with agreements on research and development partnerships are presented as revenue. Previously, these revenues were presented as other operating income. Certain costs resulting directly from the above mentioned revenues are presented as cost of sales. Previously, these costs were presented as other operating expenses.

The change in presentation has been made as:

- partnerships and related income constitute an increasing share of the ALK Group's activities,
- considerable research, development and production costs are related to these activities, and
- the presentation is in line with accounting policies in other pharmaceutical companies and thus results in an improved comparability.

No other changes have been made to the accounting policies or presentation, and reference is made to the annual report 2010 for a more detailed description of the remaining accounting policies.

The changes in accounting policies only effect the presentation of revenue, cost of sales, other operating income and other operating expenses, whereas operating profit (EBITDA), the cash flow statement and the balance sheet remain unchanged. The effect is presented in note 4.

The effect in H1 2011 of the change in presentation is an increase in revenue of DKK 184 million, an increase in cost of sales of DKK 1 million, a reduction in other operating income of DKK 184 million and a reduction in other operating expenses of DKK 1 million.

"Actual accounting policies:**Revenue**

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

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

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

Furthermore, revenue includes license income and royalties from outlicensed products as well as up-front payments, milestone payments and other revenues in connection with research and development partnerships. These revenues are recognised when it is probable that future economic benefits will flow to the ALK Group and these benefits can be measured reliably. Non-refundable payments that are not attributable to subsequent research and development activities are recognised when the related right is obtained, whereas payments attributable to subsequent research and development activities are recognised over the term of the activities. When combined contracts are entered into, the elements of the contracts are identified and assessed separately for accounting purposes.

Other operating income and other operating expenses

Other operating income and other operating expenses comprise income and expenses of a secondary nature relative to the principal activities of the ALK Group."

NOTES (unaudited)

2 REVENUE

ALK Group			ALK Group	
Restated Q2 2010	Q2 2011		H1 2011	Restated H1 2010
Amounts in DKKm				
Net sales by product line				
220	204	SCIT	465	484
140	175	SLIT	380	309
40	46	AIT	97	83
400	425	Total vaccines	942	876
77	40	Other products	132	159
477	465	Total net sales	1,074	1,035
-	50	Other revenue	184	17
477	515	Total revenue	1,258	1,052
Revenue by market				
94	104	Northern Europe	254	202
190	153	Central Europe	352	421
128	142	Southern Europe	336	290
65	66	Other markets	132	122
477	465	Total net sales	1,074	1,035
-	50	Other revenue	184	17
477	515	Total revenue	1,258	1,052

Q2 2011			H1 2011	
Growth	Growth local currencies		Growth local currencies	Growth
-7%	-5%	SCIT	-3%	-4%
25%	25%	SLIT	23%	23%
15%	16%	AIT	16%	17%
6%	7%	Total vaccines	8%	8%
-48%	-45%	Other products	-16%	-17%
-3%	-1%	Total net sales	4%	4%
n/a	n/a	Other revenue	981%	982%
8%	11%	Total revenue	20%	20%
11%	14%	Northern Europe	26%	26%
-19%	-20%	Central Europe	-17%	-16%
11%	11%	Southern Europe	16%	16%
2%	14%	Other markets	15%	8%
-3%	-1%	Total net sales	4%	4%
n/a	n/a	Other revenue	981%	982%
8%	11%	Total revenue	20%	20%

NOTES (unaudited)

3 KEY CURRENCIES AND CURRENCY SENSITIVITY

Average exchange rates

	H1 2011	H1 2010
USD	5.29	5.68
GBP	8.53	8.62

Sensitivity in the event of a 10% increase in exchange rates (full year effect)

Amounts in DKKm	Net sales	EBITDA
USD	approx. + 20	approx. 0
GBP	approx. + 5	approx. 0

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

NOTES (unaudited)

4 EFFECT OF CHANGES IN ACCOUNTING POLICIES

INCOME STATEMENT (unaudited)

Amounts in DKKm	ALK Group H1 2011			ALK Group H1 2010		
	Previous accounting policies	Change	New accounting policies	Previous accounting policies	Change	New accounting policies
Revenue	1,074	184	1,258	1,035	17	1,052
Cost of sales	320	1	321	308	1	309
Gross profit	754	183	937	727	16	743
Research and development expenses	211	-	211	180	-	180
Sales and marketing expenses	391	-	391	363	-	363
Administrative expenses	102	-	102	94	-	94
Other operating income	186	(184)	2	19	(17)	2
Other operating expenses	1	(1)	-	1	(1)	-
Operating profit (EBIT)	235	-	235	108	-	108
Financial income	4	-	4	27	-	27
Financial expenses	9	-	9	1	-	1
Profit before tax (EBT)	230	-	230	134	-	134
Tax on profit	90	-	90	51	-	51
Net profit	140	-	140	83	-	83

Cash flow statement, balance sheet and equity are not affected

NOTES (unaudited)

4 EFFECT OF CHANGES IN ACCOUNTING POLICIES (continued)

INCOME STATEMENT (unaudited)

Amounts in DKKm	ALK Group Q1 2011			ALK Group Q1 2010		
	Previous accounting policies	Change	New accounting policies	Previous accounting policies	Change	New accounting policies
Revenue	609	134	743	558	17	575
Cost of sales	176	-	176	155	1	156
Gross profit	433	134	567	403	16	419
Research and development expenses	106	-	106	87	-	87
Sales and marketing expenses	197	-	197	173	-	173
Administrative expenses	49	-	49	45	-	45
Other operating income	136	(134)	2	17	(17)	-
Other operating expenses	-	-	-	1	(1)	-
Operating profit (EBIT)	217	-	217	114	-	114
Financial income	1	-	1	8	-	8
Financial expenses	10	-	10	1	-	1
Profit before tax (EBT)	208	-	208	121	-	121
Tax on profit	81	-	81	46	-	46
Net profit	127	-	127	75	-	75

INCOME STATEMENT (unaudited)

Amounts in DKKm	ALK Group Q2 2011			ALK Group Q2 2010		
	Previous accounting policies	Change	New accounting policies	Previous accounting policies	Change	New accounting policies
Revenue	465	50	515	477	-	477
Cost of sales	144	1	145	153	-	153
Gross profit	321	49	370	324	-	324
Research and development expenses	105	-	105	93	-	93
Sales and marketing expenses	194	-	194	190	-	190
Administrative expenses	53	-	53	49	-	49
Other operating income	50	(50)	-	2	-	2
Other operating expenses	1	(1)	-	-	-	-
Operating profit (EBIT)	18	-	18	(6)	-	(6)
Financial income	3	-	3	19	-	19
Financial expenses	(1)	-	(1)	-	-	-
Profit before tax (EBT)	22	-	22	13	-	13
Tax on profit	9	-	9	5	-	5
Net profit	13	-	13	8	-	8

Cash flow statement, balance sheet and equity are not affected

NOTES (unaudited)

4 EFFECT OF CHANGES IN ACCOUNTING POLICIES (continued)

AFFECTED FINANCIAL HIGHLIGHTS AND KEY RATIOS (unaudited)

Amounts in DKKm	ALK Group		
	Previous accounting policies	Change	New accounting policies
Q1 2011			
Income statement			
Revenue	609	134	743
Key figures			
Gross margin – %	71	5	76
Q1 2010			
Income statement			
Revenue	558	17	575
Key figures			
Gross margin – %	72	1	73
H1 2011			
Income statement			
Revenue	1,074	184	1,258
Key figures			
Gross margin – %	70	4	74
H1 2010			
Income statement			
Revenue	1,035	17	1,052
Key figures			
Gross margin – %	70	1	71
2010			
Income statement			
Revenue	2,140	19	2,159
Key figures			
Gross margin – %	69	1	70

NOTES (unaudited)

4 EFFECT OF CHANGES IN ACCOUNTING POLICIES (continued)

AFFECTED FINANCIAL HIGHLIGHTS AND KEY RATIOS 2010 BY THE QUARTER (unaudited)

Amounts in DKKm	Restated 2010	Restated Q4 unaudited	Restated Q3 unaudited	Restated Q2 unaudited	Restated Q1 unaudited
Income statement					
Total revenue	2,159	588	519	477	575
Cost of sales	654	173	172	153	156
Net other operating income/ (Other operating expenses)	4	2	-	2	-
Revenue growth local currency – %					
Other revenue	(46)	(95)	(86)	(98)	90
Total revenue	8	5	7	6	14
Key figures					
Gross margin – %	70	71	67	68	73
EBITDA margin – %	13	14	10	3	24

AFFECTED FINANCIAL HIGHLIGHTS AND KEY RATIOS 5 YEAR OVERVIEW (unaudited)

Amounts in DKKm	Restated 2010	Restated 2009	Restated 2008	Restated 2007	Restated 2006 (12M) unaudited	Restated 2006 (4M)
Income statement						
Total revenue	2,159	1,972	1,815	1,867	1,531	575
Revenue growth – %						
Organic growth	4	9	10	10	n/a	6
Exchange rate differences	2	(1)	(2)	(1)	n/a	-
Acquisitions	5	-	-	-	n/a	-
Total growth net sales	11	8	8	9	n/a	6
Other revenue	(2)	1	(11)	13	n/a	2
Total growth revenue	9	9	(3)	22	n/a	8
Key figures						
Gross margin – %	70	70	71	73	67	70
EBITDA margin – %	13	13	11	16	2	-

DEFINITIONS

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

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