

August 26, 2010
Announcement no. 08

Interim Financial Report for Q2 2010 for the BioPorto Company

Summary of Q2 2010

The NGAL Test is in the final phase of the upscale-to-production process and everything is proceeding as planned towards the launch in early 2011. It was possible to maintain growth in product sales in Q2 2010, which is also why BioPorto is able to report an upwards adjustment in the sales forecast for 2010.

- Revenues increased by 27% in Q2 2010 to DKK 3.41 million (DKK 2.68 million) for an overall growth rate of 23% in the first six months of 2010, compared to the first six months of 2009.
- The loss for Q2 2010 was DKK -2.99 million (DKK -4.84 million).
- The NGAL Test, BioPorto's renal injury immunoassay, is being scaled up. This is expected to be completed in the beginning of Q4, after which the test will be validated. BioPorto has initiated dialogue with manufacturers of clinical chemical analyzers regarding the adaptation of the immunoassay to their respective analyzing systems.
- Preparations for the launch of the NGAL Test in early 2011 are in progress, and initial distribution agreements were concluded with national distributors in August. Concurrent with the conclusion of these agreements, BioPorto initiated partnerships with global diagnostics market players for the immunoassay's adaptation and validation, as well as support and distribution.
- Mayo Medical Laboratories (Rochester, Minnesota, USA) offers BioPorto's NGAL Test for the diagnosis of acute renal injury, a move which helps to cultivate the market for the NGAL Test. At the same time, the cutoffs patented by BioPorto are supported by Mayo's validation and utilization of NGAL.
- In early August, the European Patent Office published objections submitted against the NGAL cutoff patent issued for Europe. In the assessment of the Group's patent consultant, the objections will not have damaging effects on BioPorto's rights, meaning that the patent situation is unchanged.
- Today, the Board of Directors has decided to extend the capital resources through an issuance of convertible bonds up to DKK 20 million. At the time of the decision, a subscription of DKK 10.35 million is guaranteed.

Product sales forecasts for 2010 are being raised and financial forecasts are upheld

- BioPorto is raising its product sales growth forecast to around 20-30% (compared to 15-25% previously) and revenues are thus expected to be DKK 13-14.5 million (compared to 12.5-14 million previously) not including income from licensing sales.
- Without licensing income, a net loss of around DKK 14-15 million is still expected for 2010.
- In terms of the Group's IP rights to the NGAL measurement method, BioPorto expects to enter into agreements concerning other vendors' use of these for developing and marketing the NGAL Test in assay formats other than homogeneous. The first agreement is expected in 2010.

About BioPorto

BioPorto develops and markets antibodies and antibody-based products, including tests to diagnose human disease, both for the benefit of individual patients and to promote efficiency in the health sector. The Company's developments include a test (NGAL) to diagnose and monitor acute kidney injury. Within the Company's focus areas, BioPorto's strategy is to develop new methods that can be patented and achieve a wide use in the diagnosis of various diseases. BioPorto was founded in 2000 and has about 25 employees. The Company's shares are listed on NASDAQ OMX Copenhagen (symbol: BIOPOR).

Key figures

(DKK thousand)	2010 Q2	2009 Q2	2010 6 months	2009 6 months	2009 12 months
Net revenues	3,412	2,680	6,943	5,628	11,008
Net income/loss , ordinary operating act. (EBIT)	(2,975)	(4,858)	(6,435)	(8,525)	(16,017)
Income/loss from net financials	(16)	15	(28)	68	63
Net income/loss from ordinary operating activities before tax	(2,991)	(4,843)	(6,462)	(8,456)	(15,954)
Net income/loss for the period	(2,991)	(4,843)	(6,462)	(8,456)	(15,954)
Long-term assets	852	1,048	852	1,048	882
Short-term assets	13,326	11,537	13,326	11,537	19,336
Total assets	14,178	12,585	14,178	12,585	20,218
Capital stock	126,398	114,908	126,398	114,908	126,398
Equity	8,947	8,161	8,947	8,161	15,411
Long-term liabilities	0	0	0	0	0
Short-term liabilities	5,231	4,424	5,231	4,424	4,807
Total liabilities	14,178	12,585	14,178	12,585	20,218
Cash generated by operations	(4,507)	(3,170)	(7,396)	(6,238)	(13,286)
Cash generated by investment, net	(54)	(7)	(129)	(21)	(22)
Of which for investment in property, plant and equipment	(50)	0	(125)	(14)	(14)
Cash generated by financing	0	0	0	0	14,746
Total cash flow	(4,561)	(3,178)	(7,525)	(6,259)	1,437
Gross margin ratio	61 %	50%	60%	52%	57%
Operating margin	-87 %	-181%	-93%	-151%	-145%
Return on investment	-45 %	-81%	-97%	-140%	-264%
Equity interest (equity ratio)	63.1 %	64.8	63.1%	64.8%	76.2%
Return on equity	Negative	Negative	Negative	Negative	Negative
Average no. of employees	22	21	22	21	22
Average no. of shares (1,000)	42,120	38,290	42,120	38,290	39,245
Earnings per share (EPS) DKK	-0.07	-0.13	-0.15	-0.22	-0.41
Equity value per share, closing, DKK	0.21	0.21	0.21	0.21	0.39
Listed price, closing, DKK	6.00	3.85	6.00	3.85	7.05

Current situation for Q2 2010

NGAL for human diagnostics

The NGAL Test

The NGAL Test, BioPorto's homogeneous renal injury immunoassay, is in the final segment of the scale-up phase. In this phase, the batch size is being changed from the original small testing batches of around 20,000 units to the actual production batch of around 250,000 units. The scale-up process is expected to be completed in the beginning of Q4, after which the test's applicability will be validated on a small segment of these tests.

At the same time, an adaptation of the immunoassay to various clinical chemical analyzers will be initiated according to order of priority. The NGAL Test was developed on a Roche Hitachi 917 Chemistry Analyzer and can now be adapted to other models and to fully automatic analyzers made by other diagnostics companies. The dialogue with major manufacturers regarding the adaptation of the NGAL Test to their respective analyzing systems began during the American Association for Clinical Chemistry (AACC) conference in July. The adaptation can be done either in-house by the vendor of the analyzing system or by a market player which has various analyzing systems at its command. The immunoassay is expected to have been adapted to several of the major analyzing systems by the launch scheduled for early 2011.

Efforts to improve sales channels for the NGAL Test are following a dual-track approach: sales to diagnostics companies which adapt the test to their own analyzing systems and sales via distributors (national players and players present in more than one market) offering immunoassays for a number of different systems. Dialogue and negotiations with major global diagnostics companies are continuing concurrent with the establishment and enlargement of the distribution network, specifically focusing on the sale and marketing of the NGAL Test in the respective markets. The first distribution agreements with national players were concluded in August, and the distribution network will continue to be developed throughout autumn and winter so that sales channels will have been established in the most important markets by the time the NGAL Test is ready for launch in early 2011.

BioPorto is also currently introducing the quality-management tools required in the process with a view to registering the NGAL Test with the US FDA, and this is proceeding according to plan.

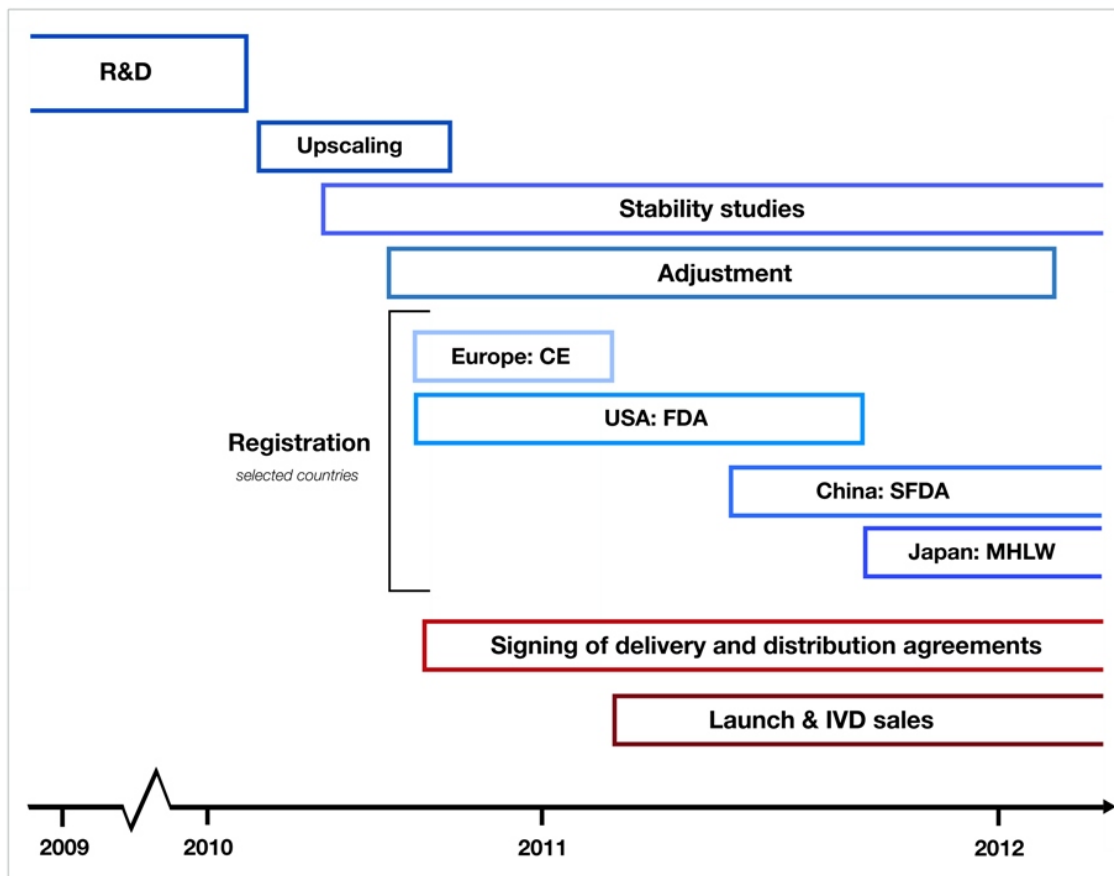
During the quarter, the NGAL Test was promoted at a number of relevant exhibitions relating to scientific conferences. There was considerable activity, especially at this year's AACC in Anaheim, California, which included a scientific presentation of a number of posters, marketing of the test at the Group's stand and many different meetings with partners/distributors. The test was also presented at the Asian Pacific Congress of Nephrology meeting in Seoul, South Korea, and at the annual meeting of the European Renal Association.

Market acceptance

In mid-August, BioPorto announced that Mayo Medical Laboratories (Rochester, Minnesota, USA) is offering BioPorto's NGAL test for the diagnosis of acute renal injury. Mayo's implementation of NGAL is a decisive entry for BioPorto into the important US routine diagnostics market. There are no NGAL immunoassays approved by the US Food and Drug Administration (US FDA) on the market at present. The reason Mayo is nevertheless able to offer BioPorto's immunoassay is because Mayo is offering it on the basis of a "home brew" approval, i.e. an internal laboratory validation of the immunoassay whereby the laboratory assumes responsibility for the immunoassay's validity.

Mayo recently completed a large-scale clinical study of NGAL levels in patients suffering from acute illness. The results, which included indications of the cutoff values yielding the best diagnostic performance, are assessed as being very positive and, in continuation of this, Mayo has decided to implement BioPorto's NGAL Rapid ELISA Kit (Kit 037) for diagnosing acute renal injury.

BioPorto anticipates that access to the NGAL immunoassay via Mayo will help to cultivate the market for *the NGAL Test*. The implementation is not expected to have any significant impact on this year's sales of BioPorto's ELISA kits.

THE NGAL TEST - Launch timeline

Intellectual property rights

In Q2, BioPorto's NGAL cutoff patent was certified for issuance in South Korea, and, after the end of the quarter, also in Australia. Patent applications are currently pending in a number of countries, including the US. A response to the US patent authorities is being prepared and will be submitted before the deadline in early October to follow up on the initial patent processing.

In early August, the European Patent Office published objections submitted against the NGAL cutoff patent issued for Europe. It is common practice for companies operating in a patent's area to submit objections to key patents. Accordingly, the fact that objections have been submitted by companies like Abbott, Alere (previously Inverness), Phadia and Getica (Gentian) corroborates the patent's significance and the necessity of having defined cutoffs. Objections are submitted in an attempt to restrict other companies' patent rights within the area concerned. It can take several years to process an objection, but patent rights are not forfeited during this process.

The Group's patent consultant, Høiberg A/S, has reviewed the current objections and assesses that the objections will not have damaging effects on BioPorto's rights, which means that the patent situation is unchanged. As a result, licensing fees must still be paid to BioPorto for marketing NGAL immunoassays which measure acute renal injury.

The objections in the main case concern the cutoff value of 250 ng/mL or above as specified in the patent. It is assessed that as NGAL is increasingly utilized as a diagnostics marker in practice and is no longer used only in studies of selected patient categories, the patented cutoff will be confirmed. This assumption is supported notably by the Mayo Clinic's validation and utilization of NGAL, which states that "NGAL concentrations in urine above approximately 300 ng/mL provide a clear indication of renal injury."

NGAL for measurements in animals

In August, BioPorto was one of the first in the world to launch an ELISA kit for measuring NGAL in pigs. The first promising clinical data were presented in June at the annual World Pharmaceutical Congress in Philadelphia, Pennsylvania, USA. Also, the animal NGAL product portfolio was promoted in July at the International Congress of Toxicology (IUTOX) in Barcelona, Spain. The pharmaceutical industry, contract organizations and scientists all show great interest in BioPorto's NGAL portfolio. In particular, the unique kits for measuring NGAL in dogs and pigs, of which BioPorto is one of the few market vendors, are expected to be widely used in studies and possibly implemented for routine utilization.

The antibody portfolio

Two new antibodies against peptide YY and ficolin-H were launched at the start of the quarter, and in August the portfolio was enlarged to include antibodies against ghrelin. Peptide YY and ghrelin are important hormones for being able to perform R&D measurements in the area of appetite regulation. As a result, developments regarding this type of antibody are closely followed by pharmaceutical companies which develop drugs for treating obesity.

Capital resources

Today, the Board of Directors has decided to extend the capital resources through an issuance of convertible bonds up to DKK 20 million. At the time of the decision, a subscription of DKK 10.35 million is guaranteed which, in addition to the group's current cash resources ensures BioPorto's capital needs for more than 12 months and thus going concern. More details about the issuance can be found in announcement no. 09 of today's date.

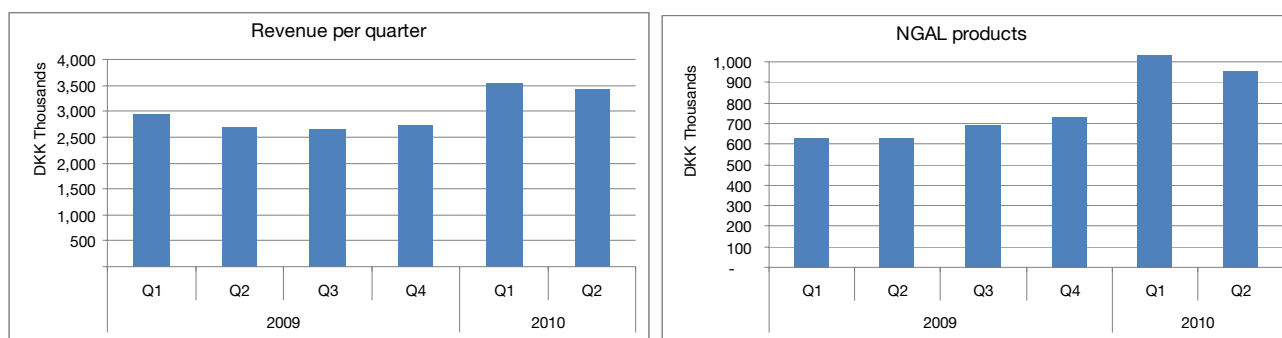
It is the management's expectation that the capital resources will be sufficient to continue the planned operation of the group, including financing of increased activities for the protection of the group's IP rights for NGAL and to ensure a successful launch of BioPorto's NGAL turbidimetric test, The NGAL Test. It is the management's expectation that its future funding will be secured through increased sales revenue, primarily from The NGAL Test.

Financial Statements

Revenues

In Q2, BioPorto generated total revenues of DKK 3.41 million, equivalent to a 27% increase compared to the same period last year (DKK 2.68 million). Revenues for the first six months rose by 23%, compared to the same period last year.

Sales of the Group's NGAL products continue their promising trend (+57% growth) and now constitute 29% of total revenues (2009: 22%). Similarly, sales of other antibodies are making excellent gains with +56% growth for the first six months, compared to the same period last year. By contrast, there was a sales decline for MBL (-7%) and peptide hormone antibodies (-18%).



Costs and financial result

The gross profit for the first six months rose by 43% to DKK 4.2 million (DKK 2.9 million). The gross margin rose to 60%, compared to 52% for the same period last year.

The total operating costs for the first six months amounted to DKK 13.4 million (DKK 14.2 million), equivalent to a 5.5% decline compared to the same period last year. In the first six months of 2009, costs for issuing warrants totaled DKK 1.1 million. Apart from this item, operating costs rose by 2.6%. In the first six months, BioPorto has defrayed appreciable costs for the final development of the NGAL Test and the continuation of patents and patent applications.

The loss for Q2 amounted to DKK -2.99 million (DKK -4.84 million) equivalent to a 38% decrease. The loss for the first six months amounted to DKK -6.46 million, compared to DKK -8.46 million for the same period last year (-24%). The loss conforms to the Group's expectations for developments in 2010.

Equity

At the end of the accounting period, equity was DKK 8.95 million, compared to DKK 15.41 million at the start of the period. This change is attributable to the result for the quarter.

Cash flow

For the first six months, the Group had a total negative cash flow of DKK 7.5 million, compared to DKK 6.3 million for the same period last year. The liquid resources amounted to DKK 6.8 million at the closing of the quarter.

Planned priority areas in Q3 2010

The following priority areas deserve particular mention for the Q3 accounting period:

- The primary tasks will be the completion of the scale-up of the NGAL Test and the final determination of product design. Furthermore, substantial resources will be spent on establishing the distribution network for the NGAL Test, both by setting up agreements with national distributors and by establishing partnerships relating to the adaptation and validation of the immunoassay, as well as establishing support and distribution with global diagnostics market players. Efforts to register the immunoassay for diagnostic use will be made on an ongoing basis.
- BioPorto continues to focus on licensing negotiations for other immunoassay vendors' access to the Group's IP rights, both to NGAL as a diagnostic marker of acute renal injury and to APC-PCI in the sepsis area.
- The Group will spend time and resources optimizing and defending its patent rights, especially the cutoff patent in Europe, as a result of objections filed against the patent and the submission of the first response in the US.

Statements about the future

This Interim Financial Report contains statements regarding forecasts for future developments, including in particular future revenues and net results. Such statements are uncertain and risky as many factors, some of which will be beyond BioPorto's control, may cause actual trends to deviate from the forecasts contained in the interim report.

Financial calendar

<i>Quiet period prior to the interim report begins</i>	<i>november 10, 2010</i>
Interim report – 9 months	november 24, 2010

Further details:

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Statement by the Management and Board of Directors

On today's date, the board and management have discussed and approved the Interim Financial Report for the period from April 1, 2010 to June 30, 2010 for the BioPorto Group.

The Interim Financial Report, which has not been audited or reviewed by the company's accountants, is presented in accordance with IAS 34, "Interim Financial Reporting", as approved by the European Union and in accordance with other Danish disclosure requirements for the interim reports of listed companies.

In our view, the Interim Financial Report presents a true and fair view of the Group's assets, liabilities and financial position as at June 30, 2010 and of the financial results of the Group's activities and cash flow for the period from April 1, 2010 to June 30, 2010.

It is also our view that the statement by the management includes a true and fair account of the trends in the Group's activities and financial situation, the financial results for the period and the Group's financial position in general, as well as a description of significant risks and elements of uncertainty facing the Group.

Gentofte, August 26, 2010

Executive Management:

Thea Olesen
CEO

Board of Directors:

Carsten Lønfeldt
Chairman

Peter Nordkild

Niels T. Foged

Marianne Weile

Income statement

The BioPorto group

	2010 Q2 DKK thousand	2009 Q2 DKK thousand	2010 6 months DKK thousand	2009 6 months DKK thousand
Net Revenues	3,412	2,680	6,943	5,628
Gross income/loss	2,067	1,329	4,164	2,914
Gross margin ratio	61%	50%	60%	52%
Earnings before interest (EBIT)	(2,975)	(4,858)	(6,435)	(8,525)
EBIT margin ratio	-87%	-181%	-93%	-151%
Earnings before tax	(2,991)	(4,843)	(6,462)	(8,456)
Income taxes relating to net loss	0	0	0	0
Net income/loss for the period	(2,991)	(4,843)	(6,462)	(8,456)
Net income/loss for the period	(2,991)	(4,843)	(6,462)	(8,456)
Comprehensive income	(2,991)	(4,843)	(6,462)	(8,456)
Earnings per Share (eps)	DKK	DKK	DKK	DKK
Earnings per share (eps/deps)	-0.07	-0.13	-0.15	-0.22

Balance sheet

The BioPorto group

ASSETS	2010 June 30 DKK thousand	2009 Dec. 31 DKK thousand	2009 June 30 DKK thousand
Long-term assets			
Tangible assets			
Other plant, operating equipment and fixtures	616	649	817
Tangible assets	616	649	817
Other long-term assets			
Deposits	236	233	231
Other long-term assets, total	236	233	231
Long-term assets, total	852	882	1,048
Short-term assets			
Inventories	3,672	3,296	3,162
Receivables, sales	1,895	1,166	988
Other receivables	940	530	740
Receivables	6,507	4,992	4,890
Cash resources	6,819	14,344	6,647
Short-term assets, total	13,326	19,336	11,537
ASSETS, TOTAL	14,178	20,218	12,585

Balance sheet

The BioPorto group

LIABILITIES	2010 June 30 DKK thousand	2009 Dec. 31 DKK thousand	2009 June 30 DKK thousand
Equity			
Capital stock	126,398	126,398	114,908
Share-based payment	1,985	1,985	2,971
Treasury stock	(44)	(44)	(44)
Retained income/loss	(119,392)	(112,928)	(109,674)
Equity, total	8,947	15,411	8,161
Liabilities			
Short-term liabilities			
Suppliers of goods and services	1,291	1,516	1,315
Other debt	3,940	3,291	3,109
Short-term liabilities, total	5,231	4,807	4,424
Liabilities, total	5,231	4,807	4,424
LIABILITIES, TOTAL	14,178	20,218	12,585

Statement of changes in equity

The BioPorto group

	Capital stock DKK thousand	Treasury stock DKK thousand	Share-based payment DKK thousand	Retained income/loss DKK thousand	Total DKK thousand
Equity, January 1, 2010	126,398	(44)	1,985	(112,928)	15,411
Comprehensive income for the period	0	0	0	(6,462)	(6,462)
Equity June 30, 2010	<u>126,398</u>	<u>(44)</u>	<u>1,985</u>	<u>(119,392)</u>	<u>8,947</u>

	Capital stock DKK thousand	Treasury stock DKK thousand	Share-based payment DKK thousand	Retained income/loss DKK thousand	Total DKK thousand
Equity, January 1, 2009	114,908	(44)	1,855	(101,217)	15,501
Comprehensive income for the period	0	0	0	(8,456)	(8,456)
Share-based payment	0	0	1,116	0	1,116
Equity June 30, 2009	<u>114,908</u>	<u>(44)</u>	<u>2,971</u>	<u>(109,674)</u>	<u>8,161</u>

Cash flow statement

The BioPorto group

	2010 6 months DKK thousand	2009 6 months DKK thousand
Earnings before interest (EBIT)	(6,435)	(8,525)
Depreciation, amortization, write-downs and impairment	158	178
Share-based payment	0	1,117
Cash generated by primary operations before change in working capital	(6,277)	(7,230)
Change in working capital	(1,091)	923
Cash generated by primary operations	(7,368)	(6,307)
Interest income, included	15	97
Interest expenses, paid	(43)	(28)
Cash generated by operating activities	(7,396)	(6,238)
Purchase of tangible assets	(125)	(14)
Prepayment	(4)	(7)
Cash generated by investment activities	(129)	(21)
Cash generated by financing activities	0	0
Cash flow for the period	(7,525)	(6,259)
Cash resources at the beginning of the year	14,344	12,907
Cash resources at the end of the period	6,819	6,648

Specifications

Note 1 Accounting policies

The interim accounts are presented as summarized financial statements in accordance with IAS 34, Interim Financial Reporting, as approved by the EU. The interim financial report is also presented in accordance with additional Danish disclosure requirements for interim financial reports for listed companies. Interim financial statements have not been drawn up for the parent company. The interim financial report is presented in Danish kroner (DKK), which is the functional currency of the parent company. The accounting policies used in the interim financial report are unchanged compared to the accounting policies used in the Group's 2009 annual report.

Note 2 Segment information

2010	ELISA	MABS	Shared	Total
6 months	DKK thousand	DKK thousand	DKK thousand	DKK thousand
Net revenues	2,623	4,045	275	6,943
Production and distribution costs	(1,183)	(1,311)	(285)	(2,779)
Gross income/loss	1,440	2,734	(10)	4,164
Sales and marketing costs	0	0	(2,186)	(2,186)
Research and development costs	0	0	(4,554)	(4,554)
Administration expenses	0	0	(3,858)	(3,858)
Earnings before interest (EBIT)	1,440	2,734	(10,608)	(6,434)
Purchase of tangible assets	0	0	125	125
Investment activities, total	0	0	125	125

2009	ELISA	MABS	Shared	Total
6 months	DKK thousand	DKK thousand	DKK thousand	DKK thousand
Net revenues	1,895	3,523	209	5,628
Production and distribution costs	(1,045)	(1,412)	(257)	(2,714)
Gross income/loss	850	2,111	(48)	2,913
Sales and marketing costs	0	0	(3,257)	(3,257)
Research and development costs	0	0	(4,226)	(4,226)
Administration expenses	0	0	(3,955)	(3,955)
Earnings before interest (EBIT)	850	2,111	(11,486)	(8,525)
Purchase of tangible assets	0	0	14	14
Investment activities, total	0	0	14	14

Note 2 Segment information, continued

	2010 6 months DKK thousand	2009 6 months DKK thousand
The geographical dispersion of the net revenues is as follows:		
Denmark	156	196
EU Member States	2,170	2,041
North America	3,261	2,604
Asia	911	516
Other	<u>445</u>	<u>270</u>
Net revenues, total	<u>6,943</u>	<u>5,627</u>
Allocation of net revenues:		
NGAL products	1,991	1,261
Peptide hormone products	1,416	1,727
MBL products	865	932
Other products	<u>2,671</u>	<u>1,708</u>
Net revenues, total	<u>6,943</u>	<u>5,628</u>