



ACTIVE BIOTECH CONTINUES WINNING STREAK

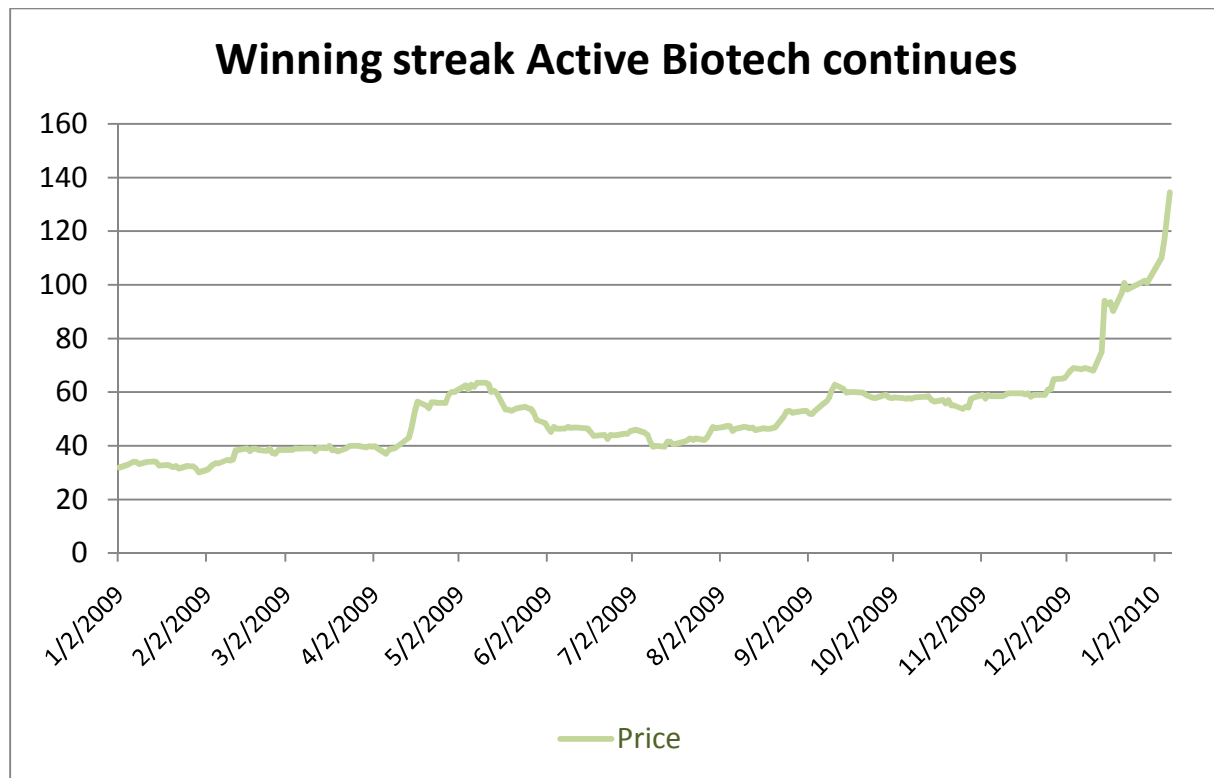
One of the best performing European biotech companies in 2009 was Swedish biotech company Active Biotech. With a performance of more than 200% the stock was one of the top 3 best performing Biotech companies. And also in 2010 the company seems to continue its winning streak with a YTD performance of already 35%. Active Biotech is also one of the 15 selected stocks in our European biotech portfolio.

One of the reasons for the strong outperformance earlier was the positive outcome of its Phase II clinical trial in the chronic treatment of prostate cancer. Its oral drug TASQ showed a convincing reduction in disease progression as well as a higher progression free survival. The fraction of patients with disease progression during the six month period was 43 % for patients treated with TASQ compared to 67 % for placebo treated patients. The median progression free survival was 24.7 weeks for the TASQ group, compared to 12.9 weeks ($p=0.0001$) for the placebo group. TASQ treatment also had a positive effect on several biomarkers relevant for prostate cancer progression and was generally well tolerated.

This year important news flow is expected on several other drugs the company is developing. Most important will be the clinical Phase III data of its oral drug Laquinimod as a treatment against relapsing remitting Multiple Sclerosis (RRMS). RRMS is the most common form of MS. It is characterized by unexpected recurring relapses that can last from a few days to a few weeks and are followed by complete or partial remission. For approximately 80 percent of all patients, the disease begins as RRMS but most develop after some ten or so years into secondary progressive MS ("SPMS"), which is characterized by a gradually increasing degree of handicap, without the recovery periods. Active Biotech has two Phase III clinical trials running with in total 1,500 patients included sofar.

The company has a partnership with Israeli company TEVA. Active Biotech is entitled to get USD 92 million in milestone payments whereof USD 17 million was received to date. On future sales Active Biotech will get tiered double digit royalties. With a fast track status granted by the FDA, the drug is expected to be launched later next year.

Active Biotech's market value has increased from SEK 2.6bn (USD 360m) to SEK 8.45bn (USD 1.2bn!) since we picked it for our Selected European biotech portfolio 18 July 2008.



Source: Van Leeuwenhoek Research