Three-month interim report (Q1) 2014 (unaudited)

Company release No. 20/2014

Performance for the period

(Comparative figures for 2013 are shown in brackets / revenue growth is measured in local currencies)

Revenue and operating profit (EBITDA) in Q1 was strong. In particular, performance of allergy immunotherapy products in Europe exceeded expectations.

- Revenue grew by 14% to DKK 684 million (610) driven by a 70% increase in revenue from SLIT-tablets in North America (milestone payments) and Europe (organic growth) as well as a 6% increase in revenue from SCIT/SLIT-drops.
- Total sales of SCIT/SLIT-drops and GRAZAX® (previously reported as 'vaccine sales') grew organically by 7% including 12% organic growth in sales of GRAZAX®.
- EBITDA before special items more than doubled to DKK 211 million (101) as a result of higher revenue, efficiency improvements, lower R&D expenses following completion of certain development activities and receipt of milestone payments of DKK 81 million (36).
- Cash flow from operations amounted to DKK 93 million (82). Free cash flow was DKK 39 million (26).

Partner and pipeline activities in 2014

Significant progress in ALK's work to globalise its product portfolio:

- GRASTEK® and RAGWITEK™ launched by Merck in the USA following the FDA's grant of marketing authorisations for both products. GRASTEK® was also launched in Canada.
- House dust mite SLIT-tablet commences Phase III trial in North America.
- Positive results from a pivotal Phase II/III trial into the SLIT-tablet for house dust mite-induced hay fever in Japan. Results from a parallel trial with allergic asthma are expected in the coming months.
- ALK and Abbott (NYSE: ABT) have entered into a partnership for the commercialisation of SLIT-tablets in selected emerging markets. The partnership adds ALK's portfolio of SLIT-tablets to Abbott's established franchise of respiratory products.
- Collaboration with Eddingpharm in China to expand ALK's reach and accelerate growth from ALK's already marketed house dust mite products. ALK will maintain a local organisation in China.

2014 financial guidance

Due to the better than expected performance in Q1, the outlook for 2014 is adjusted: Revenue, including milestone payments, is now expected to equal approximately DKK 2.4 billion before future income streams from product supply and sales royalties from SLIT-tablets in North America (previously DKK 2.15-2.2 billion before milestones and any other contribution from SLIT-tablets in North America). EBITDA is now expected at approximately DKK 425 million (previously 'up to 400') before special items and future income from product supply and sales royalties in North America.

Hørsholm, 8 May 2014

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 12.30 p.m. (CET) at which Management will review the financial results and the outlook. 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 12.25 p.m. (CET). Danish participants should call in on tel. +45 70 25 23 00 or +45 70 25 67 00 and international participants should call in on tel. +44 (0) 208 817 9311. Please use the following Audience Passcode: 9575 3890#. 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	3M 2014	3M 2013	Full year 2013
Income statement			
Revenue	**684**	610	2,244
Operating profit before depreciation and amortisation (EBITDA) before special items	**211**	101	258
Operating profit before depreciation and amortisation (EBITDA)	**206**	101	236
Operating profit (EBIT) before special items	**179**	70	131
Operating profit (EBIT)	**174**	70	109
Net financial items	**9**	3	(5)
Profit before tax (EBT)	**183**	73	104
Net profit	**108**	42	61
Average number of employees	**1,782**	1,827	1,804
Balance sheet			
Total assets	**3,345**	3,282	3,268
Invested capital	**2,183**	1,992	2,104
Equity	**2,293**	2,249	2,249
Cash flow and investments			
Depreciation, amortisation and impairment	**32**	31	127
Cash flow from operating activities	**93**	82	146
Cash flow from investing activities	**(54)**	(56)	(231)
- of which investment in tangible assets	**(18)**	(37)	(186)
- of which acquisitions of companies and operations	**(24)**	-	-
Free cash flow	**39**	26	(85)
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	**655**	421	614
Net asset value per share – DKK	**226**	222	222
Key figures			
Gross margin – %	**74**	73	69
EBITDA margin before special items – %	**31**	17	11
EBITDA margin – %	**30**	17	11
Earnings per share (EPS) – DKK	**11.2**	4.4	6.3
Earnings per share (DEPS), diluted – DKK	**10.9**	4.3	6.2
Cash flow per share (CFPS) – DKK	**9.6**	8.5	15.1
Share price/Net asset value	**2.9**	1.9	2.8

Definitions: see last page

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

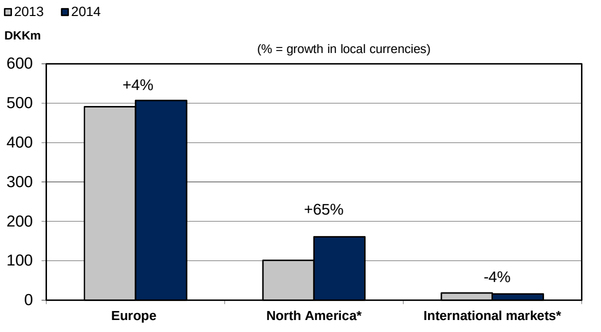
INCOME STATEMENT

Amounts in DKKm	3M 2014	%	3M 2013	%
Revenue	684	*100*	610	*100*
Cost of sales	179	*26*	164	*27*
Gross profit	**505**	*74*	446	*73*
Research and development expenses	93	*14*	136	*22*
Sales, marketing and administrative expenses	233	*34*	240	*39*
Operating profit (EBIT) before special items	**179**	*26*	70	*11*
Special items	(5)	*(1)*	-	-
Operating profit (EBIT)	**174**	*25*	70	*11*
Net financial items	9	*1*	3	*0*
Profit before tax (EBT)	**183**	*27*	73	*12*
Tax on profit	75	*11*	31	*5*
Net profit	**108**	*16*	42	*7*
Operating profit before depreciation and amortisation (EBITDA) before special items	**211**	*31*	101	*17*
Operating profit before depreciation and amortisation (EBITDA)	**206**	*30*	101	*17*

FINANCIAL DEVELOPMENT 3M 2014

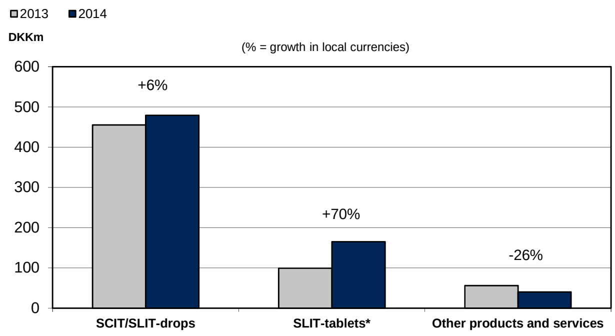
(*Comparative figures for 2013 are shown in brackets / Revenue growth rates are stated as growth in local currencies, unless otherwise indicated*)

Revenue 3M by market



* Revenue from North America and International markets also includes income from partners, such as milestone payments

Revenue 3M by product line



* Revenue from SLIT-tablets also includes income from partners, such as milestone payments

Highlights

Revenue grew by 14% to DKK 684 million (610) driven by a 70% increase in SLIT-tablet revenue and a 6% increase in sales of SCIT/SLIT-drops. Revenue was higher than expected.

ALK managed to grow revenue in Europe by 4%, although Europe is still influenced by challenging market conditions. Revenue in North America and China grew by double digits.

Operating profit (EBITDA) before special items of DKK 211 million (101) was better than expected yielding an EBITDA margin of 31% (17). ALK benefited from higher revenue, including a milestone payment from Merck, ongoing initiatives to drive efficiency improvements, and the planned normalisation of R&D expenses following completion of certain development activities.

Revenue by geographies

Europe
Sales of allergy immunotherapy products (SLIT-tablets and SCIT/SLIT-drops) in Europe showed 6% growth which was better than expected. ALK sales are estimated to have performed slightly better than the underlying markets.

Sales of other products were down 36% as a consequence of the temporary suspension of marketing and sales of the Jext® auto-adrenaline injector. Total revenue in Europe hence grew by 4% to DKK 507 million (491). Europe accounted for 74% of Group revenue (80%).

Sales in Germany, Europe's largest allergy immunotherapy market, grew by double digits and continued the momentum from the second half of 2013. Both SCIT and SLIT-tablets contributed positively to this development as more patients went into treatment following ALK's initiatives to capture market share. The new government's decision to ease the mandatory sales rebate for all prescription drugs with effect from 1 January 2014 contributed positively to ALK's performance in Germany.

Sales trends were also positive in France, as well as in the Nordic countries, Austria, eastern Europe and Spain.

As expected, revenue in the Netherlands continued to decline due to changes to the reimbursement rules for unregistered allergy immunotherapy products.

North America
Revenue in North America grew by 65% to DKK 161 million (101). North America thus accounted for 24% of Group revenue (17%).

ALK's sales of allergen extracts and other products to specialists grew by 9%, while income from the partnership with Merck advanced 158%. Partner income included both product supply and a milestone payment recognised in March upon Merck's initiation of a Phase III clinical trial with the SLIT-tablet against house dust mite-induced respiratory diseases.

International markets
Revenue in international markets declined to DKK 16 million (18) accounting for 2% of Group revenue (3%). ALK continued to record strong double-digit growth in its Chinese franchise but this progress was offset by lower partner income from Torii.

Revenue by product lines

SCIT and SLIT-drops
Revenue from SCIT and SLIT-drops grew by 6% to DKK 479 million (455).

SCIT sales developed positively in all major European markets as well as China, North America and minor, distributor-operated overseas markets. Growth was particularly strong in Germany and China.

SLIT-drop sales continued to progress in France, but declined in most other markets in central and southern Europe as unregistered products face tighter regulation.

SLIT-tablets
Revenue from SLIT-tablets grew by 70% to DKK 165 million (99), primarily due to the milestone payment from Merck.

Sales of GRAZAX® in Europe increased 12% to DKK 66 million (60), sustaining the growth trend from Q4-2013. All major markets recorded double-digit sales growth.

Aggregate revenue from SLIT-tablets in North America and Japan amounted to DKK 99 million (39).

Other products and services
Revenue from other products and services (adrenaline auto-injectors, diagnostics and others) decreased 26% to DKK 40 million (56). The decrease was solely caused by a temporary suspension of marketing and sales of the adrenaline auto-injector Jext® while resupplying the markets due to a product recall in late 2013

NEW STRATEGIC GROWTH INITIATIVES

A key part of ALK's strategy is to globalise allergy immunotherapy through growth initiatives, including partnerships. To sustain growth in revenue and earnings, ALK aims to make SLIT-tablets available globally, either directly or in partnership with other companies, and to promote wider knowledge of allergy immunotherapy.

New partnership for selected emerging markets
ALK has entered into a partnership with the global healthcare company Abbott (NYSE: ABT) for the supply and marketing of ALK's SLIT-tablet portfolio in selected emerging markets. Under the agreement, Abbott obtains exclusive rights to

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

distribute and commercialise a SLIT-tablet portfolio covering grass, ragweed, tree and house dust mite allergies.

ALK anticipates that the portfolio of SLIT-tablets will be launched over a period of several years, beginning in 2017. ALK will be the market authorisation holder and responsible for the manufacture and supply of SLIT-tablets to Abbott. The partnership adds ALK's portfolio of SLIT-tablets to Abbott's established franchise of respiratory products.

Under the terms of the agreement, Abbott and ALK have agreed to share the revenue generated in the territory. Abbott will purchase the products from ALK at agreed prices and, in addition, pay royalties on net sales. The terms reflect the advanced global development status of the SLIT-tablet portfolio. The agreement is expected to have a positive, long-term effect on ALK's financial accounts. However, it is not expected to materially affect the 2014 financial outlook.

New collaboration for China
In April, ALK entered into a collaboration for China, with China-based speciality pharmaceutical company Eddingpharm. Under the agreement, Eddingpharm will handle the sales and distribution of ALK's marketed diagnostic skin-prick test Soluprick® for house dust mite allergy, and the SCIT product Alutard SQ®, also for house dust mite allergy. ALK will support Eddingpharm with medical and scientific expertise and will maintain a local organisation in China. The collaboration will run for an initial seven years, provided certain performance targets are met.

The collaboration allows ALK to expand its reach and accelerate growth in China as the collaboration secures a threefold increase in sales force size.

Other growth initiatives
In Q1, ALK acquired Texas-based Bio-Medical Services, a smaller veterinary laboratory with a proven track record for treating allergic diseases in animals. The acquisition will strengthen ALK's existing activities in veterinary allergy and is expected to have only a limited impact on ALK's revenue and earnings.

In Europe, ALK continued to invest in market-shaping activities in selected markets.

PIPELINE AND EXISTING PARTNERSHIPS

The existing partnerships with Merck (known as MSD outside the USA and Canada) and Torii for North America and Japan, some of the world's largest pharmaceutical markets, continue to progress with the launches of the first SLIT-tablets in the USA and Canada and advances in the clinical development of SLIT-tablets for the treatment of house dust mite allergy in both the USA and Japan.

GRASTEK® and RAGWITEK™ launched
In April, the US Food and Drug Administration (FDA) approved Merck's Biologic License Application (BLA) for GRASTEK®, the SLIT-tablet for the treatment of grass pollen induced allergic rhinitis with or without conjunctivitis. GRASTEK® is approved for use in persons 5 through 65 years of age. The tablet is marketed in Europe by ALK as a disease-modifying allergy treatment under the brand name GRAZAX®.

In April, the FDA also approved the BLA for RAGWITEK™, the SLIT-tablet for the treatment of ragweed pollen-induced allergic rhinitis, with or without conjunctivitis, in adults aged 18 through 65.

Following the approval, Merck has launched both products in the USA. At the beginning of 2014, GRASTEK® was also launched in Canada following approval by HealthCanada.

Across North America, approximately 20 million children and adults have been diagnosed with moderate-to-severe allergic rhinitis and seek treatment by a doctor. Of these patients, approximately half are sensitised to grass pollen and half are sensitised to ragweed pollen. Many patients suffer from both allergies and the patients' disease and symptoms are often not well-controlled leaving a significant unmet need for better treatment.

Significant progress in development of HDM SLIT-tablet
House dust mites are the most common cause of allergy and allergic asthma in the world, estimated to affect around 90 million people in Europe, North America and Japan, and more than 100 million in China. Many of the severe allergy sufferers' disease and symptoms are often not well-controlled leaving a significant unmet need for better treatment.

The global development of SLIT-tablets for the treatment of house dust mite-induced respiratory diseases has made significant progress over the past months:

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

North America: In March, Merck advanced the clinical development programme for the house dust mite SLIT-tablet by initiating a Phase III clinical trial in the USA and Canada. The trial is intended to include approximately 1,500 subjects and will investigate the safety and efficacy of the tablet in the treatment of house dust mite-induced allergic rhinitis.

The trial is expected to complete in 2015 and may form for the basis for a BLA to the FDA in the USA. Initiation of patient dosing entitled ALK to a milestone payment from Merck which was recognised in Q1.

Japan: In March, Torii reported positive results with its pivotal Phase II/III clinical trial into the SLIT-tablet for house dust mite-induced allergic rhinitis involving approximately 900 subjects. The trial was a success and met its primary efficacy endpoint by showing a significantly lower Total Combined Rhinitis Score. Treatment was well tolerated and had a favourable safety profile.

A second parallel clinical trial to investigate the safety and efficacy of the tablet in the treatment of allergic asthma is expected to report in the second half of 2014. The two trials involving a total of 1,800 subjects are similar in design to ALK's successfully completed European trials.

Europe: ALK continues to target a regulatory filing for the house dust mite SLIT-tablet in Europe in the second half of the year. The filing will be based on last year's positive results from two Phase III clinical trials into house dust mite-induced rhinitis and allergic asthma.

Other pipeline activities
ALK's other clinical development activities, including the GRAZAX® Asthma Prevention (GAP) clinical trial continue to progress as planned.

In January, Torii concluded a Phase I trial with a SLIT-tablet against Japanese cedar pollen-induced allergic rhinitis. Torii expects to initiate a Phase II/III trial later this year.

About the partnership with Merck
ALK has entered into a strategic partnership with Merck to develop, register and commercialise a portfolio of sublingual allergy immunotherapy tablets against grass pollen, ragweed and house dust mite allergy in the USA, Canada and Mexico. Under the agreement, ALK will receive up to DKK 1.6 billion (USD 290 million) in milestone payments from Merck, of which, approximately DKK 400 million has already been recognised in the years 2007-14. In addition, ALK is entitled to royalty payments on the net sales of the products on the North American markets as well as payments for product supply. Merck will be responsible for all costs of clinical development, registration, marketing and sales of the products on the North American markets. ALK will be responsible for tablet production and supply.

About the partnership with Torii
ALK has entered into a strategic partnership with Torii to develop, register and commercialise ALK's house dust mite allergy immunotherapy products for asthma and allergic rhinitis in Japan, which is the world's second largest market for allergy medicine after the USA. The partnership also covers an injection-based immunotherapy product and diagnostic products against house dust mite allergy. Moreover, the agreement includes a research and development collaboration targeting a sublingual allergy immunotherapy tablet against Japanese cedar pollen allergy. Under the agreement, ALK will receive up to DKK 450 million (EUR 60 million) in upfront and development milestone payments of which approximately DKK 340 million has already been recognised in the years 2011-14. ALK will also receive royalty payments and sales milestones on the net sales of the products. Torii will be incurring all the costs of clinical development, registration, marketing and sale of the products, while ALK will be responsible for production and supply.

FINANCIAL REVIEW OF 3M 2014

(*Comparative figures for 2013 are shown in brackets / Revenue growth rates are stated as growth in local currencies, unless otherwise indicated*)

Revenue in Q1 grew by 14% to DKK 684 million (610). Exchange rates affected reported growth negatively by 2 percentage points. Product sales increased by 5% while partner income, including product supply and milestone payments, more than doubled.

Cost of sales totalled DKK 179 million (164) and gross profit was DKK 505 million (446), which corresponds to a gross margin of 74% (73). The improved margin was mainly due to Merck's milestone payment.

Capacity costs decreased by 13% to DKK 326 million (376). The decrease was largely a consequence of the *Simplify* initiatives to drive efficiency improvements and reduce capacity costs. Research and development expenses decreased

32% and corresponded to 14% of revenue (22) reflecting the planned normalisation of R&D expenses following the completion of a number of clinical development programmes. Sales and marketing expenses were down 4% and administrative expenses were unchanged.

EBITDA (operating profit before depreciation and amortisation) was DKK 206 million (101) after special items of DKK 5 million (0). Exchange rates did not materially affect EBITDA.

EBIT was DKK 174 million (70), and the EBIT margin increased to 25% (11).

Net financials amounted to a gain of DKK 9 million (3), primarily related to the net gain of shares sold in DBV Technologies.

Tax on the profit totalled DKK 75 million (31), corresponding to an effective tax rate of 41% (42) and **net profit** amounted to DKK 108 million (42).

Cash flow from operating activities was an inflow of DKK 93 million (82) The increase in cash flow was primarily driven by the growth in net profit, which was partly offset by changes in working capital due to timing of milestone payments.

Cash flow from investing activities was an outflow of DKK 54 million (56) relating to the acquisition of Bio-Medical Services and the build-up of capacity for tablet production.

Free cash flow was an inflow of DKK 39 million (26). Cash flow from financing activities was an outflow of DKK 60 million (57) relating to the dividend payment of DKK 5 per share, which was declared at the AGM in March and net cash settlement of share options. ALK did not acquire any of its **own shares** during the quarter. At the end of March, ALK held 468,349 of its **own shares** or 4.6% of the share capital.

At the end of March, **cash and cash equivalents** totalled DKK 290 million vs. DKK 312 million at the end of 2013.

Equity totalled DKK 2,293 million (2,249) at the end of the period, and the equity ratio was 69% (69).

OUTLOOK FOR 2014

Following the recognition of three product development milestone payments from Merck totalling DKK 162 million, ALK issued the latest update to its financial guidance for 2014 on 17 April. Due to the better than expected financial performance in Q1, especially in Europe, ALK is adjusting its outlook:

Revenue, including milestone payments is now expected to equal approximately DKK 2.4 billion excluding future income streams from product supply and sales royalties from SLIT-tablets in North America (previously DKK 2.15-2.2 billion before milestones and any other contribution from SLIT-tablets in North America).

EBITDA is now expected to reach approximately DKK 425 million (previously 'up to DKK 400 million') before future income from product supply and sales royalties in North America. The simplification of ALK’s production and business structures is expected to entail minor restructuring costs, which will be reported in a special items line.

CAPEX is expected to total DKK 200-250 million. Free cash flow is expected to be positive.

The outlook is based on current exchange rates.

The outlook will be updated as ALK gets a clearer picture of income streams from product supply and sales royalties from SLIT-tablets in North America.

Management change

After 14 years with ALK, Flemming Steen Jensen (53), Executive Vice President Product Supply and member of the Board of Management of ALK-Abelló A/S, has decided to leave ALK and pursue a career outside ALK. The search for a replacement has been initiated.

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 extents, durations and severity.

2014 Financial calendar

Silent period	16 July
Six-month interim report (Q2)	13 August
Silent period	17 October
Nine-month interim report (Q3)	14 November

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

STATEMENT BY THE MANAGEMENT

The Board of Directors and Board of Management today considered and approved the interim report of ALK-Abelló A/S for the period 1 January to 31 March 2014.

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

In our opinion, the interim report gives a true and fair view of the Group's assets, equity and liabilities, financial position, results of operations and cash flows for the period 1 January to 31 March 2014. 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, 8 May 2014

Board of Management

Jens Bager
President and CEO

Henrik Jacobi
Executive Vice President
Research & Development

Søren Daniel Niegel
Executive Vice President
Commercial Operations

Flemming Pedersen
CFO & Executive Vice President
Finance, IT, IR & Business Development

Board of Directors

Steen Riisgaard
Chairman

Christian Dyvig
Vice Chairman

Jacob Kastrup

Thorleif Krarup

Anders Gersel Pedersen

Jakob Riis

Dorthe Seitzberg

Lene Skole

Katja Barnkob Thalund

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

INCOME STATEMENT FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2014	3M 2013
Revenue	684	610
Cost of sales	179	164
Gross profit	**505**	446
Research and development expenses	93	136
Sales and marketing expenses	186	193
Administrative expenses	47	47
Operating profit (EBIT) before special items	**179**	70
Special items	(5)	-
Operating profit (EBIT)	**174**	70
Net financial items	9	3
Profit before tax (EBT)	**183**	73
Tax on profit	75	31
Net profit	**108**	42
Earnings per share (EPS) – DKK	11.18	4.35
Earnings per share (DEPS), diluted – DKK	10.90	4.31

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

Amounts in DKKm	3M 2014	3M 2013
Net profit for the period	**108**	42
Other comprehensive income		
Items that will be reclassified subsequently to the Income statement, when specific conditions are met:		
Foreign currency translation adjustment of foreign subsidiaries	-	1
Net fair value adjustment of financial assets available for sale	-	2
Cash flow hedges, deferred gain/loss incurred during the period	(1)	-
Gain on sale of financial assets available for sale recognised in financial income	(10)	-
Tax related to other comprehensive income	3	(1)
Other comprehensive income	**(8)**	2
Total comprehensive income	**100**	44

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

CASH FLOW STATEMENT FOR THE ALK GROUP (unaudited)

Amounts in DKKm	3M 2014	3M 2013
Net profit	**108**	42
Adjustments:		
Tax on profit	75	31
Financial income and expenses	(9)	(3)
Share-based payments	3	3
Depreciation, amortisation and impairment	32	31
Change in provisions	(5)	(18)
Change in working capital	(100)	10
Net financial items, paid	11	1
Income taxes, paid	(22)	(15)
Cash flow from operating activities	**93**	82
Acquisitions of companies and operations	(24)	-
Additions, intangible assets	(18)	(19)
Additions, tangible assets	(18)	(37)
Change in other financial assets	6	-
Cash flow from investing activities	**(54)**	(56)
Free cash flow	**39**	26
Dividend paid to shareholders of the parent	(49)	(49)
Purchase of treasury shares	-	(6)
Exercise of share options	(10)	-
Change in financial liabilities	(1)	(2)
Cash flow from financing activities	**(60)**	(57)
Net cash flow	**(21)**	(31)
Cash and cash equivalents at 1 January	312	477
Unrealised gain/(loss) on foreign currency and financial assets carried as cash and cash equivalents	(1)	(1)
Net cash flow	(21)	(31)
Cash and cash equivalents at 31 March	**290**	445

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.

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

BALANCE SHEET - ASSETS FOR THE ALK GROUP (unaudited)

Amounts in DKKm	31 March 2014	31 Dec. 2013	31 March 2013
Non-current assets			
Intangible assets			
Goodwill	412	407	409
Other intangible assets	294	267	250
	706	674	659
Tangible assets			
Land and buildings	608	610	636
Plant and machinery	255	265	269
Other fixtures and equipment	63	60	63
Property, plant and equipment in progress	477	470	366
	1,403	1,405	1,334
Other non-current assets			
Securities and receivables	7	24	58
Deferred tax assets	139	136	84
	146	160	142
Total non-current assets	**2,255**	2,239	2,135
Current assets			
Inventories	339	336	292
Trade receivables	238	224	254
Receivables from affiliates	57	57	61
Income tax receivables	10	12	18
Other receivables	126	58	42
Prepayments	30	30	35
Cash and cash equivalents	290	312	445
Total current assets	**1,090**	1,029	1,147
Total assets	**3,345**	3,268	3,282

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

BALANCE SHEET - EQUITY AND LIABILITIES FOR THE ALK GROUP (unaudited)

Amounts in DKKm	31 March 2014	31 Dec. 2013	31 March 2013
Equity			
Share capital	101	101	101
Currency translation adjustment	(27)	(27)	(8)
Retained earnings	2,219	2,175	2,156
Total equity	**2,293**	2,249	2,249
Liabilities			
Non-current liabilities			
Mortgage debt	21	22	23
Bank loans and financial loans	300	300	302
Pensions and similar liabilities	151	147	146
Other provisions	12	15	7
Deferred tax liabilities	30	33	18
	514	517	496
Current liabilities			
Mortgage debt	2	2	2
Bank loans and financial loans	3	3	3
Trade payables	64	100	79
Income taxes	83	28	42
Other provisions	28	34	33
Other payables	358	335	378
	538	502	537
Total liabilities	**1,052**	1,019	1,033
Total equity and liabilities	**3,345**	3,268	3,282

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

EQUITY FOR THE ALK GROUP (unaudited)

Amounts in DKKm	Share capital	Currency translation adjustment	Retained earnings	Total equity
Equity at 1 January 2014	**101**	**(27)**	**2,175**	**2,249**
Net profit	-	-	108	108
Other comprehensive income	-	-	(8)	(8)
Total comprehensive income	**-**	**-**	**100**	**100**
Share-based payments	-	-	3	3
Share options settled	-	-	(10)	(10)
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	**-**	**-**	**(56)**	**(56)**
Equity at 31 March 2014	**101**	**(27)**	**2,219**	**2,293**

Equity at 1 January 2013	101	(9)	2,165	2,257
Net profit	-	-	42	42
Other comprehensive income	-	1	1	2
Total comprehensive income	-	1	43	44
Share-based payments	-	-	3	3
Purchase of treasury shares	-	-	(6)	(6)
Dividend paid	-	-	(51)	(51)
Dividends on treasury shares	-	-	2	2
Other transactions	-	-	(52)	(52)
Equity at 31 March 2013	101	(8)	2,156	2,249

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

NOTES (unaudited)

1 ACCOUNTING POLICIES

The interim report for the period 1 January to 31 March 2014 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. The accounting policies are unchanged compared to the Annual Report 2013, except for all new, amended or revised accounting standards and interpretations effective from 1 January 2014. These have no material impact on the interim report. Please see the Annual Report 2013 for a more detailed description of the Group's accounting policies.

2 REVENUE

	Europe		North America		International Markets		Total	
Amounts in DKKm	3M 2014	3M 2013	3M 2014	3M 2013	3M 2014	3M 2013	3M 2014	3M 2013
SCIT/SLIT-drops	423	403	43	43	13	9	479	455
SLIT-tablets	66	60	96	38	3	1	165	99
Other products and services	18	28	22	20	-	8	40	56
Total revenue	**507**	491	**161**	101	**16**	18	**684**	610

	3M 2014	3M 2013
Sale of goods	587	562
Royalties	-	-
Milestone and upfront payments	81	36
Services	16	12
Total revenue	**684**	610

	Europe		North America		International Markets		**Total**	
Growth, 3M 2014	Growth local currencies	Growth	Growth local currencies	Growth	Growth local currencies	Growth	**Growth local currencies**	**Growth**
SCIT/SLIT-drops	*5%*	*5%*	*6%*	*0%*	*44%*	*44%*	***6%***	***5%***
SLIT-tablets	*12%*	*10%*	*155%*	*153%*	*290%*	*200%*	***70%***	***67%***
Other products and services	*-36%*	*-36%*	*15%*	*10%*	*-93%*	*-100%*	***-26%***	***-29%***
Total revenue	***4%***	***3%***	***65%***	***59%***	***-4%***	***-11%***	***14%***	***12%***

3 SPECIAL ITEMS

Amounts in DKKm	3M 2014	3M 2013
Severance pay etc.	4	-
Other restructuring expenses	1	-
Total	**5**	-

Special items represent one-off costs associated with the initiatives to streamline the business structure under the S*implify* programme initiated in 2012.

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

NOTES (unaudited)

4 KEY CURRENCIES AND CURRENCY SENSITIVITY

Average exchange rates	3M 2014	3M 2013
USD	5.44	5.67
GBP	9.01	8.83

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

Amounts in DKKm	Revenue	EBITDA
USD	approx. + 50	approx. + 20
GBP	approx. + 5	approx. 0

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

5 ACQUISITIONS OF COMPANIES AND OPERATIONS

In 2014 ALK took over the activities from the company Bio-Medical Services. The acquisition is a part of the Focus 2016 growth strategy and was made with effect as of 12 February 2014 and the activities are fully integrated in ALK's US subsidiary. Bio-Medical Services is a veterinary reference laboratory specializing in allergy testing and treatment for dogs, cats and horses in the USA.

Statement of acquired net assets and cash purchase price:

Amounts in DKKm	Fair value on acquisition
Bio-Medical Services	
Property, plant and equipment	1
Other intangible assets	17
Acquired net assets	**18**
Goodwill	6
Cash purchase price	**24**
Elements of cash purchase price	
Cash	21
Other provisions	3
Total	**24**

The purchase price allocation is preliminary.

After recognition of identifiable assets and liabilities at fair value, goodwill related to the acquisition in 2014 has been calculated at DKK 6 million. The balance represents the value of assets, the fair value of which cannot be measured reliably, future growth potential and the value of acquired employees.

Out of the ALK Group's revenue of DKK 684 million for the first three months of 2014, DKK 2 million is attributable to sales generated by the acquired operations after the acquisition date.

If the activities in Bio-Medical Services had been consolidated from 1 January 2014, the contribution to revenue and profit would have been impacting DKK 4 million and less than DKK 1 million respectively.

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16

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): - Europe comprises the EU, Norway and Switzerland - North America comprises the USA and Canada - International Markets comprise Japan, China and all other countries

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

ALK-Abelló A/S – Bøge Allé 6-8 – DK-2970 Hørsholm – Denmark – www.alk.net
Tel +45 4574 7576 – Fax +45 4574 8607 – CVR No 63 71 79 16