



PRESS RELEASE October 28<sup>th</sup>, 2011

## INTERIM REPORT JANUARY – SEPTEMBER 2011

### First profitable quarter and licensing agreement with Meda

#### JANUARY – SEPTEMBER 2011

- Net sales MSEK 35.4 (3.1), an earnings increase of MSEK 32.3
- Research and development expenses MSEK 19.5 (12.9), a cost increase of MSEK 6.5
- Operating loss MSEK -11.4 (-21.2), an improvement of SEK 9.8
- Net loss after tax SEK -10.8 (-22.1), an improvement of MSEK 11.3
- Earnings/loss per share SEK -1.47 (-3.62)
- Operating cash flow per share SEK -2.84 (-3.19)

#### JULY – SEPTEMBER 2011

- Net sales MSEK 21.9 (2.3)
- Research and development expenses MSEK 5.8 (5.3)
- Operating profit MSEK 4.9 (-8.4)
- Net profit after tax MSEK 5.4 (-9.4)

#### Third quarter highlights

During the third quarter 2011 the following significant events were reported:

- Licensing agreement with Meda AB, encompassing several major markets including Germany, France, Spain, the U.K., the Netherlands and Belgium
- Distribution agreement with Alterna LLC entered into for marketing Nalox<sup>TM</sup> in the U.S.
- Launch of Nalox<sup>TM</sup> started in the U.S. – initial orders from Walmart, CVS and Rite Aid
- Patient recruitment completed for the phase II trial for MOB-015

#### Events after the reporting period

- The preclinical development program for A-Fizz has been discontinued

#### CEO commentary

I am delighted and proud to say that we have reached a key milestone – this quarter Moberg Derma is reporting profit for the first time in the company's history! Contributing to the positive results are strong sales growth for Nalox<sup>TM</sup> and the milestone payment from Meda. In the Nordic region, Meda has proven to be the perfect partner, making Nalox<sup>TM</sup> market leader. With Meda's strong sales organization we see good opportunities to attain a leading position in major European markets. Our new agreement with Meda comprises markets covering around 250 million people.

Launch preparations are ongoing full force in the U.S. In addition to Walmart, our partner Alterna has also received orders from the CVS and Rite Aid drugstore chains. This means that the product already has a good level of distribution when the marketing efforts begin.

We are very pleased that patient recruitment for the phase II trials for MOB-015 have been successfully completed and that the program is proceeding as planned. It was however a disappointment that the validating preclinical results of A-Fizz did not fulfil the company's criteria and therefore this preclinical development program has been discontinued. The preclinical program for Limtop progresses according to plan.

The company's financial position has been further strengthened as a result of the positive quarterly results. And with the licensing agreement with Meda, progress in the U.S and with MOB-015 the future looks promising. We are firmly on track toward our financial goal of delivering a positive cash flow and earnings in 2013.

*Peter Wolpert*

#### TELEPHONE CONFERENCE

CEO Peter Wolpert will present the report in a telephone conference today at 10.30 CET.

Telephone: +46 8-50626900, enter code 406017

**SIGNIFICANT EVENTS IN THE JANUARY - SEPTEMBER 2011 PERIOD****Licensing agreement covering a number of major markets in Europe**

Moberg Derma entered into a licensing agreement with Meda AB for the marketing of Nalox<sup>TM</sup>/Emtrix<sup>®</sup>. The contract encompasses several major countries in Europe such as Germany, France, Spain, the U.K., Austria, the Netherlands and Belgium. Previous distribution agreements covering Spain and the U.K. have been terminated. As compensation for exclusive rights, Meda will pay a total of MSEK 32, of which MSEK 13 at the time of signing and the remaining MSEK 19 in milestone payments. In addition, compensation will be paid for delivered products.

**Distribution agreement for the U.S.**

The company has entered into a distribution agreement with Alterna LLC for the marketing of Nalox<sup>TM</sup> in the U.S. under the brand name Kerasal<sup>®</sup> Nail. The contract also includes co-financing of marketing activities. Alterna has already received orders from three of the largest chains, among them the world's largest retail chain Walmart.

**Recruitment completed for phase II trial for MOB-015**

The recruitment of 237 patients with nail fungus has been completed for the ongoing phase II trial for MOB-015. The purpose of the trial is to validate the product concept for MOB-015 and to provide documentation in preparation for phase III and licensing.

**Stock listing on the NASDAQ OMX Stockholm, main list**

Trade in the share commenced on May 26, 2011 under the code name "MOB". The company issued new shares in conjunction with the listing. The share issue was fully subscribed and raised MSEK 69.2 after the deduction of issue costs.

**Approval obtained for atopic eczema and dry skin treatment**

CE-mark was obtained for Kaprolac Skin Repair & Hydration – a product for the treatment of atopic eczema and dry skin, authorizing Moberg Derma to market and sell the product in the EU/EES.

**Distribution agreements signed covering Australia and New Zealand**

A distribution agreement was entered into with OZHealth Pharma to market the company's nail treatment Nalox<sup>TM</sup>/Emtrix<sup>®</sup> in Australia and New Zealand.

**Peter Rothschild was elected to Moberg Derma's board of directors**

Peter Rothschild, CEO and founder of BioGaia, was elected to Moberg Derma's board of directors by shareholders at the annual general meeting on April 18.

**Positive results in clinical trials for Nalox<sup>TM</sup>/Emtrix<sup>®</sup>**

A clinical trial of Nalox<sup>TM</sup> was conducted on 75 patients with nail fungus. The trial showed that 92% of the patients improved after eight weeks of treatment. And an improvement was seen on 77% of patients after only two weeks.

**MSEK 12 new share issue**

Moberg Derma conducted a new share issue during the March 3-17, 2011 period. The issue was fully subscribed and generated MSEK 12 for the company. Of those who subscribed around 31 percent were shareholders with preferential rights and the remaining 69 percent were investors without preferential rights.

**SIGNIFICANT EVENTS AFTER THE PERIOD END****The preclinical development program for A-Fizz have been discontinued**

The decision to discontinue was made since the validating preclinical results for A-Fizz did not fulfill the company's criteria.

**Product- and project portfolio**

Moberg Derma develops topical products based on proven compounds. The company has a product and project portfolio spanning projects from pre-clinical development to authorized products launched in primary markets in 2010. The portfolio includes drugs, medtech and cosmetic products.

PRODUCT	INDICATION	CLASS	STATUS
Nalox™ / Emtrix®	Damaged nails, caused for example by nail fungus or psoriasis	Medtech product (CE-marked)	Launched on seven markets. Distribution agreement entered into with 10 partners.
Kaprolac®	Five products for different types of skin conditions, for example dry skin, eczema and scalp disorders.	Medtech/ /Cosmetics	Launched autumn 2010 in Sweden. Distribution agreement entered into with two partners.
PROJECT			
MOB-015	Nail fungus	Drug	Phase II
Limtop	Actinic Keratosis (sun damage)	Drug	Preclinical phase
A-Fizz®	Anal fissures	Drug	Development program has been discontinued

**Nalox™/Emtrix®**

Used to treat nail discoloration and damage caused by nail infection or psoriasis. Launched in the Nordic region in autumn 2010, it quickly became market leader. Nalox™ is a prescription free, over-the-counter product sold under the name Emtrix® in certain markets and under the name Kerasal® Nail in the U.S. Nalox™ is patent-protected and based on proven compounds. Efficacy and safety have been documented in several clinical trials including more than 600 patients. Nalox™ has a unique and rapid mechanism of action, demonstrating very competitive results, which brings visible improvements within 2-4 weeks of treatment.

**Kaprolac®**

Used for problems with dry and flaky skin and scalp. The products are based on the Kaprolac principle, developed by the Swedish dermatologist Dr Sven Moberg. Kaprolac® dandruff products were launched in fall 2010 in Sweden.

**MOB-015**

A new topical treatment for onychomycosis with fungicidal, keratolytic and emollient properties. A clinical phase II trial is ongoing. Moberg Derma's patent-pending formulation technology facilitates high concentrations of a fungicidal substance to be transported in and through nail tissue. As MOB-015 is applied locally, the side effects associated with oral treatment are avoided.

**Limtop**

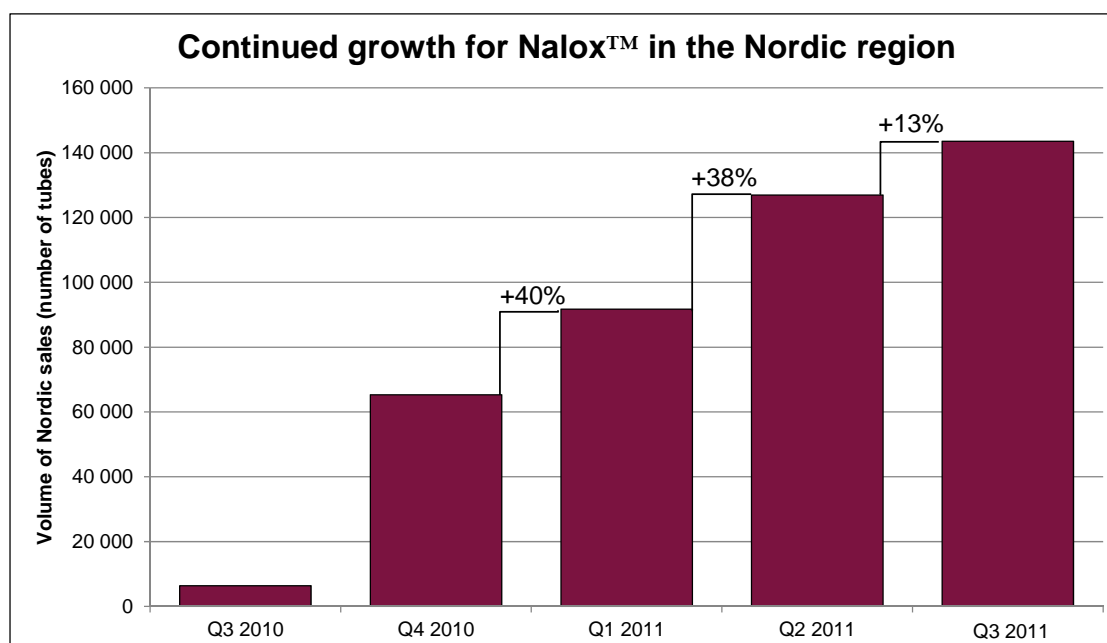
An innovative formulation for the treatment of actinic keratosis, genital warts and basal cell cancer. The objective is a product with short treatment duration, an improved safety profile and an efficacy that is similar to or better than that of competing preparations. Limtop is based on a patent-pending formulation of a proven compound that results in a high and precise dose being transported into the skin. The aim of the mechanism of action is to repel damaged cells through a local immunological and inflammatory reaction. The company's preclinical results show that Limtop has a far greater capacity than existing preparations when it comes to transporting the active substance to the target tissue in the skin.

**CONSOLIDATED EARNINGS AND FINANCIAL POSITION, JANUARY 1 TO SEPTEMBER 30, 2011****EARNINGS**

Consolidated net sales amounted to MSEK 35.4 for the period January to September, 2011, compared with MSEK 3.1 for the same period in 2010, an increase of MSEK 32.3. Sales of Nalox™/Emtrix® in the Nordic region during January to September 2011 were MSEK 19.8, accounting for 89 percent of the company's total product sales during the period. Furthermore, the company has received a milestone payment of MSEK 13.2 in conjunction with entering into a licensing agreement with Meda for several major markets in Europe, including Germany, France, Spain, the UK, Austria, the Netherlands and Belgium.

Distribution of operating income	Q3 2011	Q3 2010	Q1-Q3 2011	Q1-Q3 2010	Full year 2010
Product sales	8 717 005	1 098 045	22 208 144	1 317 033	5 311 946
Milestone payments	<u>13 222 302</u>	<u>1 194 355</u>	<u>13 222 302</u>	<u>1 798 341</u>	<u>3 199 841</u>
<b>Net sales</b>	<b>21 939 307</b>	<b>2 292 400</b>	<b>35 430 446</b>	<b>3 115 374</b>	<b>8 511 787</b>
Other operating income	<u>14 940</u>	<u>6 903</u>	<u>1 533 943</u>	<u>1 882 346</u>	<u>2 785 352</u>
<b>Total operating income</b>	<b>21 954 247</b>	<b>2 299 303</b>	<b>36 964 389</b>	<b>4 997 720</b>	<b>11 297 139</b>

The cost of goods sold was MSEK 12.6, of which royalty payments constituted MSEK 0.6 and a one-off cost of MSEK 0.6 in connection with the establishment of a new manufacturer. The cost of goods sold for the company in the same period 2010 was MSEK 0.1. Less one-off costs, the cost of goods sold per unit decreased during the third quarter and is expected to decrease further going forward.



The bars refer to sales to pharmacies in the Nordic region.

The Nalox™/Emtrix® launch in the Nordic region surpassed expectations and the product now has full distribution in the Nordic markets. During the spring, Nalox™ was launched on additional markets (USA, Canada, Switzerland and Portugal) and further launches are planned in 2012. As the competitive landscape varies from market to market, it is difficult to predict how fast and at what level of sales Nalox™ will be able to establish itself in the respective markets.

Operating expenses excluding costs of goods sold amounted to MSEK 35.7 during January to September 2011, compared to MSEK 25.4 year on year. The largest operating expense item was research and development costs, which amounted to MSEK 19.5 (12.9) during January to September 2011, of which external research and development amounted to MSEK 13.8 (8.4 MSEK). The ongoing phase II trial for MOB-015 constituted the largest single cost item for the period, representing a large portion of the increase in research and development expenses compared to 2010.

Consolidated loss after net financial items was MSEK 10.8 for January to September 2011, compared to a loss of MSEK 22.1 for the same period 2010. The results were affected above all by increased sales revenue from Nalox™, milestone payment upon entering a licensing agreement, research and development expenses, as well as the cost of goods sold during January to September 2011, compared to the same period in 2010.

At present the company is not being charged taxes due to the negative results. Moberg Derma has outstanding tax loss carry forwards of MSEK 111, see page 56 of the company's 2010 annual report for more information.

#### CASH FLOW

Cash flow from operations for January to September 2011 was MSEK -25.8, compared to MSEK -19.5 for the same period last year. Liquid funds amounted to MSEK 57.4 at the end of the period.

#### CAPITAL EXPENDITURES

Investments in tangible fixed assets of MSEK 0.5 were made during the period, during the corresponding period last year investments of less than MSEK 0.1 were made.

#### PLEDGED ASSETS AND CONTINGENT LIABILITIES

Moberg Derma has signed a lease for new office space. In conjunction with the lease contract the company has pledged security in the form of blocked bank account funds of MSEK 0.6. Other pledged assets remain unchanged from those reported in the 2010 annual report.

### CHANGES IN EQUITY, JANUARY 1 TO SEPTEMBER 30, 2011

#### FINANCING AND THE SHARE

The company issued new shares in conjunction with company's listing on NASDAQ OMX Stockholm on May 26, 2011. The subscription price per share was SEK 29.00, and the issue of 2.550.524 shares raised MSEK 69.2 for the company after issue costs.

On February 22, 2011, the board of directors of Moberg Derma decided to conduct a new share issue. The share issue was conducted in March 2011 and registered on March 30, 2011. The subscription price per share was SEK 29.00 and the issuance of 414.508 shares generated MSEK 12.0 for the company.

The credit facility from Mohammed Al Amoudi concluded in August 2010 was not utilized. Following the new share issue in conjunction with the listing, the credit facility had fulfilled its purpose and the parties agreed on a termination of the loan agreement in May 2011.

Shareholders at the company's annual general meeting on April 18 decided to cease division of the company's shares into A and B class shares in May 2011. At the end of the period share capital amounted to SEK 907.902, and the total number of outstanding shares was 9.079.020 ordinary shares with a nominal value of SEK 0.10.

#### STOCK OPTIONS

Shareholders at Moberg Derma AB's AGM on April 18, 2011, decided to conduct a directed issue of 160.000 warrants (equivalent to 160.000 shares) to the company's wholly owned subsidiary Moberg Derma Incentives AB and to conduct employee stock option program 2011:1. Through the employee stock option program 2011:1, some 121.747 options have been distributed and 38.253 warrants are reserved to cover future social security costs for the employee stock options.

The terms of the stock option plan 2011:1 are consistent with the terms of the stock option plan 2010:1 with the following exceptions: The stock options in the 2011:1 program vest on December 31, 2013, the exercise price is SEK 29 per option, and the final date for subscription is December 31, 2015. The description of the terms of the company's 2010:1 employee stock option program is provided in the 2010 annual report on page 54.

Moberg Derma already has 247.169 outstanding options (equivalent to 494.338 shares), of which 59.760 warrants (equivalent to 119.520 shares) are reserved to cover future social security costs for the employee stock options.

Moberg Derma's 2008:1, 2008:2, 2009:1, 2010:1 and 2010:2 employee stock options program are impacted by the stock exchange listing in that these option programs' final subscription date has been brought forward to June 30, 2016 for program 2008:1 and 2008:2, June 30, 2017 for program 2009:1 and June 30, 2018 for program 2010:1 and 2010:2.

At the period end there was a total of 407.169 outstanding warrants, if all warrants were exercised for shares the number of shares would increase by 654.338, from 9.079.020 shares to 9.733.352 shares, corresponding to 6.7 percent dilution.

Group costs for the employee stock option program (including estimated social security costs) for the January to September 2011 period were MSEK 0.6. Costs for the corresponding period last year were MSEK 1.0.

#### DISCLOSURE OF OWNERSHIP

Shareholders with ownership stakes over ten percent at September 30, 2011 were Östersjöstiftelsen (the Baltic Sea foundation) and SIX SIS AG.

#### ORGANISATION

At September 30, 2011, Moberg Derma had 15 employees, of whom 67 percent were women.

#### RISK FACTORS

Developing new drugs across the entire production process to approval, registration and market launch is a risky and capital intensive process. Risk factors considered to be of particular relevance for Moberg Derma's future development are: the results of clinical trials; regulator assessments, competitors, market development, key personnel, financing, patents and trademarks. A description of these risks can be found in the company's 2010 annual report on page 39. Over the next 12 months, the most significant risk factors for the company are deemed to be the results of clinical trials and market development.

#### OUTLOOK

Moberg Derma's goal is to create value and generate solid returns for shareholders by becoming a profitable pharmaceutical company that delivers leading new topical drugs to the global market on a regular basis. Crucial to Moberg Derma's future is the ability to develop new products, enter into partnerships for its projects and to successfully develop the company's projects to market launch and sales. Development of partnerships both already entered into and future new partnerships will have a major impact on Moberg Derma's revenues and cash flow. The company's financial goal is to attain positive operating income and positive operating cash flow from and including the full year 2013.

In the coming 12 months market launches are planned in several countries. With a strong product portfolio, value driven milestones for the company's development projects and a growing network of distributors covering more and more of the company's prioritized markets, Moberg Derma's future looks positive.

The board of directors is of the opinion that the available funding is sufficient to finance the company's operations for the coming 12 months.

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK)</b>	<b>July-Sept 2011</b>	<b>July-Sept 2010</b>	<b>Jan-Sept 2011</b>	<b>Jan-Sept 2010</b>	<b>Jan-Dec 2010</b>
Net sales	21 939 307	2 292 400	35 430 446	3 115 374	8 511 787
Cost of goods sold	<u>-5 272 106</u>	<u>-708 865</u>	<u>-12 598 746</u>	<u>-768 565</u>	<u>-2 849 268</u>
<b>Gross profit</b>	<b>16 667 201</b>	<b>1 583 535</b>	<b>22 831 700</b>	<b>2 346 809</b>	<b>5 662 519</b>
Marketing and administrative expenses	-5 926 959	-4 732 178	-16 219 319	-12 436 333	-19 551 041
Research and development expenses	-5 780 036	-5 266 915	-19 482 505	-12 936 814	-18 992 402
Other operating income	14 940	6 903	1 533 943	1 882 346	2 785 352
Other operating expenses	<u>-38 876</u>	<u>0</u>	<u>-47 723</u>	<u>-13 899</u>	<u>-23 354</u>
<b>Operating results</b>	<b>4 936 270</b>	<b>-8 408 655</b>	<b>-11 383 904</b>	<b>-21 157 891</b>	<b>-30 118 926</b>
Interest income	483 744	33 523	606 446	107 433	164 860
Interest expense	-5 162	-1 010 200	-18 652	-1 028 068	-1 076 637
<b>Results for the period</b>	<b>5 414 852</b>	<b>-9 385 332</b>	<b>-10 796 110</b>	<b>-22 078 526</b>	<b>-31 030 703</b>
Other comprehensive income	0	0	0	0	0
<b>Comprehensive income for the period</b>	<b>5 414 852</b>	<b>-9 385 332</b>	<b>-10 796 110</b>	<b>-22 078 526</b>	<b>-31 030 703</b>
Net results attributable to parent company shareholders	5 414 852	-9 385 332	-10 796 110	-22 078 526	-31 030 703
Net results attributable to minority interests	0	0	0	0	0
Comprehensive income attributable to parent company shareholders	5 414 852	-9 385 332	-10 796 110	-22 078 526	-31 030 703
Comprehensive income attributable to non-controlling interest	0	0	0	0	0
<b>Basic earnings per share</b>	<b>0.60</b>	<b>-1.54</b>	<b>-1.47</b>	<b>-3.62</b>	<b>-5.08</b>
<b>Diluted earnings per share*</b>	<b>0.59</b>	<b>-1.54</b>	<b>-1.47</b>	<b>-3.62</b>	<b>-5.08</b>

\*In periods where the group reported negative results no dilution effect has incurred. This is because the dilution effect is only reported when a potential conversion to ordinary shares would mean that earnings per share would be lower. Earnings per share for 2010 are adjusted for the bonus issue to achieve comparability with 2011.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION SUMMARY (SEK)	2011.09.30	2010.09.30	2010.12.31
<b>Assets</b>			
Intangible fixed assets	260 714	275 000	271 429
Tangible fixed assets	534 364	351 146	410 974
Financial fixed assets	<u>1 000</u>	<u>1 000</u>	<u>1 000</u>
Total fixed assets	796 078	627 146	683 403
Inventory	595 084	245 082	244 365
Current receivables	25 040 131	2 887 321	8 693 941
Cash and bank	<u>57 350 248</u>	<u>13 873 890</u>	<u>2 760 822</u>
Total current assets	82 985 463	17 006 293	11 699 128
<b>TOTAL ASSETS</b>	<b>83 781 541</b>	<b>17 633 439</b>	<b>12 382 531</b>
<b>Equity and liabilities</b>			
Equity (attributable to parent company shareholders)	71 987 031	9 260 673	687 698
Long-term interest-bearing liabilities	37 500	150 000	150 000
Current interest-bearing liabilities	150 000	267 500	190 000
Current non-interest bearing liabilities	11 607 010	7 955 266	11 354 833
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83 781 541</b>	<b>17 633 439</b>	<b>12 382 531</b>



<b>CONSOLIDATED STATEMENT OF CASH FLOWS SUMMARY(SEK)</b>	<b>July-Sept 2011</b>	<b>July-Sept 2010</b>	<b>Jan-Sept 2011</b>	<b>Jan-Sept 2010</b>	<b>Jan-Dec 2010</b>
<u>Operating activities</u>					
Operating income before financial items	4 936 270	-8 408 655	-11 383 904	-21 157 891	-30 118 926
Financial items, received and paid	478 582	23 323	-412 206	79 365	88 223
<i>Adjustments for items not included in the cash flow:</i>					
Depreciation	310 069	37 036	418 301	105 931	144 727
Employee stock option costs	<u>387 560</u>	<u>321 502</u>	<u>1 059 414</u>	<u>606 160</u>	<u>985 362</u>
Cash flow before changes in working capital	6 112 481	-8 026 794	-10 318 395	-20 366 435	-28 900 614
Changes in working capital					
Increase (-) / decrease (+) of changes in operating receivables and inventories	-14 108 536	-1 079 719	-16 696 908	-1 582 784	-7 388 687
Increase (+) / decrease (-) of operating liabilities	488 530	632 077	1 252 176	2 439 810	5 876 877
<b>Cash flow from operating activities</b>	<b>-7 507 525</b>	<b>-8 474 436</b>	<b>-25 763 127</b>	<b>-19 509 409</b>	<b>-30 412 424</b>
<u>Investing activities</u>					
Net investments in equipment	0	-33 404	-530 976	-63 586	-158 639
<b>Cash flow from investing activities</b>	<b>0</b>	<b>-33 404</b>	<b>-530 976</b>	<b>-63 586</b>	<b>-158 639</b>
<u>Financing activities</u>					
Borrowings (+) / loan amortization (-)	-37 500	-37 500	-152 500	-155 000	-270 000
New share issues (after transaction costs)	0	0	81 036 029	648 123	648 123
Repurchase and cancellation of warrants 2007:1	0	-124 300	0	-124 300	-124 300
<b>Cash flow from financing activities</b>	<b>-37 500</b>	<b>-161 800</b>	<b>80 883 529</b>	<b>368 823</b>	<b>253 823</b>
<b>Change in cash and cash equivalents</b>	<b>-7 545 025</b>	<b>-8 669 640</b>	<b>54 589 426</b>	<b>-19 204 172</b>	<b>-30 317 240</b>
Cash and cash equivalents at the start of the period	64 895 273	22 543 530	2 760 822	33 078 062	33 078 062
Cash and cash equivalents at the period end	57 350 248	13 873 890	57 350 248	13 873 890	2 760 822

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK)	Share capital	Other capital contributed	Accumulated deficit	Total equity
<b>January 1, 2011 to September 30, 2011</b>				
Opening balance, January 1, 2011	611 399	114 857 539	-114 781 240	687 698
<i>Comprehensive income</i>				
Net results			-10 796 110	-10 796 110
<i>Transactions with shareholders</i>				
New share issue	296 503	85 689 425		85 985 928
Transaction costs, new share issues		-4 949 899		-4 949 899
Employee stock options	-	<u>1 059 414</u>		<u>1 059 414</u>
Total transactions with shareholders	296 503	81 798 940		82 095 443
<b>Closing balance, September 30, 2011</b>	<b>907 902</b>	<b>196 656 479</b>	<b>-125 577 350</b>	<b>71 987 031</b>
<b>January 1, 2010 – September 30, 2010</b>				
Opening balance, January 1, 2010	304 710	113 655 043	-83 750 537	30 209 216
<i>Comprehensive income</i>				
Net results			-22 078 526	-22 078 526
<i>Transactions with shareholders</i>				
New share issue, after transaction costs	990	647 133		648 123
Employee stock options		606 160		606 160
Repurchase and cancellation of warrants		<u>-124 300</u>		<u>-124 300</u>
Total transactions with shareholders	990	1 128 993		1 129 983
<b>Closing balance, September 30, 2010</b>	<b>305 700</b>	<b>114 784 036</b>	<b>-105 829 063</b>	<b>9 260 673</b>
<b>January 1, 2010 – December 31, 2010</b>				
Opening balance, January 1 2010	304 710	113 655 043	-83 750 537	30 209 216
<i>Comprehensive income</i>				
Net results			-31 030 703	-31 030 703
<i>Transactions with shareholders</i>				
New share issue, after transaction costs	990	647 133		648 123
Stock dividend	305 699	-305 699		0
Employee stock options		985 362		985 362
Repurchase and cancellation of warrants		<u>-124 300</u>		<u>-124 300</u>
Total transactions with shareholders	306 689	1 202 496		1 509 185
<b>Closing balance, December 31, 2010</b>	<b>611 399</b>	<b>114 857 539</b>	<b>-114 781 240</b>	<b>687 698</b>

KEY FIGURES FOR THE GROUP	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Jan-Dec 2010
Net sales	21 939 307	2 292 400	35 430 446	3 115 374	8 511 787
Operating income	4 936 270	-8 408 655	-11 383 904	-21 157 891	-30 118 926
Results after financial items	5 414 852	-9 385 332	-10 796 110	-22 078 526	-31 030 703
Total assets	83 781 541	17 633 439	83 781 541	17 633 439	12 382 531
Net receivables	57 162 748	13 456 390	57 162 748	13 456 390	2 420 822
Debt/equity ratio	0%	5%	0%	5%	49%
Equity/assets ratio	86%	53%	86%	53%	6%
Return on equity	8%	-101%	-15%	-238%	-4512%
Earnings per share*	0,60	-1.54	-1.47	-3,62	-5.08
Operating cash flow per share*	-0.83	-2.77	-2.84	-3.19	-4.97
Equity per share*	7.93	3.03	7.93	1.51	0.11
Average number of basic shares	9 079 020	3 056 994	7 344 788	3 053 696	6 109 041
Number of shares at the period end	9 079 020	3 056 994	9 079 020	3 056 994	6 113 988
Share price on the closing date, SEK	20.70	N/A	20.70	N/A	N/A
Market capitalization on the closing date, MSEK	188	N/A	188	N/A	N/A

\*Values for 2010 are adjusted for the stock dividend in order to attain comparability with 2011 figures.

Key figure definitions:

Net receivables	Cash and cash equivalents less interest-bearing liabilities
Debt/equity ratio	Interest-bearing liabilities in relation to shareholders' equity
Equity/assets ratio	Shareholders' equity at year-end in relation to total assets
Return on equity	Loss for the year divided by equity
Earnings per share	Results after tax divided by the average number of shares outstanding
Operating cash flow per share	Cash flow from operating activities divided by the number of shares outstanding at the end of the period
Equity per share	Shareholders' equity divided by the number of outstanding shares at the end of the period

Net sales per geographic market	July-Sept 2011	July-Sept 2010	July-Sept 2011	Jan-Sept 2010	Jan-Dec 2010
Europe*	21 306 128	2 198 045	34 432 560	2 917 033	8 313 446
America	633 179	0	997 886	103 986	103 986
Asia	0	0	0	0	0
Middle East/Africa	<u>0</u>	<u>94 355</u>	<u>0</u>	<u>94 355</u>	<u>94 355</u>
	21 939 307	2 292 400	35 430 446	3 115 374	8 511 787

\*Of which net sales in Sweden SEK 33.081,666 for January to September 2011, SEK 20,676.111 during July to September 2011. The company's net sales in Sweden comprise products sold by the company's distributors in all Nordic markets.

Net sales per product group	July-Sept 2011	July-Sept 2010	July-Sept 2011	Jan-Sept 2010	Jan-Dec 2010
Nalox	21 703 896	2 292 400	35 195 035	2 896 386	8 307 894
Kaprolac	<u>235 411</u>	<u>0</u>	<u>235 411</u>	<u>218 988</u>	<u>203 893</u>
	21 939 307	2 292 400	35 430 446	3 115 374	8 511 787

# PARENT COMPANY

## MOBERG DERMA AB (PUBL)

Moberg Derma AB (publ), org. nr 556697-7426, is the parent company of the group. Group operations are run primarily in the parent company and comprise of research and development, marketing and administrative functions. Parent company net sales were MSEK 35.4 for the period January to September 2011, compared to MSEK 3.1 for the same period in 2010. Operating expenses, excluding the cost of goods sold, were MSEK 35.7 (25.4) and loss after financial items was MSEK -10.8 (-22.1). Liquid funds amounted to MSEK 57.3 (13.8) at the period end.

PARENT COMPANY INCOME STATEMENT (SEK)	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Jan-Dec
	2011	2010	2011	2010	2010
Net sales	21 939 307	2 292 400	35 430 446	3 115 374	8 511 787
Cost of goods sold	<u>-5 272 106</u>	<u>-708 865</u>	<u>-12 598 746</u>	<u>-768 565</u>	<u>-2 849 268</u>
<b>Gross profit</b>	<b>16 667 201</b>	<b>1 583 535</b>	<b>22 831 700</b>	<b>2 346 809</b>	<b>5 662 519</b>
Marketing and administrative expenses	-5 926 959	-4 732 178	-16 219 319	-12 436 333	-19 551 041
Research and development expenses	-5 780 036	-5 266 915	-19 482 505	-12 936 814	-18 992 402
Other operating income	14 940	6 903	1 533 943	1 882 346	2 785 352
Other operating expenses	<u>-38 876</u>	<u>0</u>	<u>-47 723</u>	<u>-13 899</u>	<u>-23 354</u>
<b>Operating income</b>	<b>4 936 270</b>	<b>-8 408 655</b>	<b>-11 383 904</b>	<b>-21 157 891</b>	<b>-30 118 926</b>
Interest income	483 744	33 238	605 874	107 055	164 323
Interest expense	-5 162	-1 010 200	-18 652	-1 028 068	-1 076 637
<b>RESULTS</b>	<b>5 414 852</b>	<b>-9 385 617</b>	<b>-10 796 682</b>	<b>-22 078 904</b>	<b>-31 031 240</b>

<b>PARENT COMPANY BALANCE SHEET SUMMARY (SEK)</b>	<b>2011.09.30</b>	<b>2010.09.30</b>	<b>2010.12.31</b>
<b>Assets</b>			
Intangible fixed assets	260 714	275 000	271 429
Tangible fixed assets	534 364	351 146	410 974
Financial fixed assets	<u>101 000</u>	<u>101 000</u>	<u>101 000</u>
<i>Total fixed assets</i>	<i>896 078</i>	<i>727 146</i>	<i>783 403</i>
Inventory	595 084	245 082	244 365
Current receivables	25 040 131	2 887 082	8 693 543
Cash and bank	<u>57 257 240</u>	<u>13 781 852</u>	<u>2 668 784</u>
<i>Total current assets</i>	<i>82 892 455</i>	<i>16 914 016</i>	<i>11 606 692</i>
<b>TOTAL ASSETS</b>	<b>83 788 533</b>	<b>17 641 162</b>	<b>12 390 095</b>
<b>Equity and liabilities</b>			
Equity	71 994 023	9 268 396	695 262
Long-term interest-bearing liabilities	37 500	150 000	150 000
Current interest-bearing liabilities	150 000	267 500	190 000
Current non-interest bearing liabilities	11 607 010	7 955 266	11 354 833
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83 788 533</b>	<b>17 641 162</b>	<b>12 390 095</b>

<b>PARENT COMPANY STATEMENT OF CASH FLOW SUMMARY (SEK)</b>	<b>July-Sept 2011</b>	<b>July-Sept 2010</b>	<b>Jan-Sept 2011</b>	<b>Jan-Sept 2010</b>	<b>Jan-Dec 2010</b>
<u>Operating activities</u>					
Operating income before financial items	4 936 270	-8 408 655	-11 383 904	-21 157 891	-30 118 926
Financial items, received and paid	478 582	23 038	-412 778	78 987	87 686
<i>Adjustments for items not included in the cash flow:</i>					
Depreciation	310 069	37 036	418 301	105 931	144 727
Employee stock option costs	<u>387 560</u>	<u>321 502</u>	<u>1 059 414</u>	<u>606 160</u>	<u>985 362</u>
Cash flow before changes in working capital	6 112 481	-8 027 079	-10 318 967	-20 366 813	-28 901 151
Changes in working capital					
Increase (-) / decrease (+) of changes in operating receivables and inventories	-14 108 536	-1 079 573	-16 697 306	-1 582 545	-7 388 289
Increase (+) / decrease (-) of operating liabilities	488 530	632 077	1 252 176	2 439 810	5 876 877
<b>Cash flow from operating activities</b>	<b>-7 507 525</b>	<b>-8 474 575</b>	<b>-25 764 097</b>	<b>-19 509 548</b>	<b>-30 412 563</b>
<u>Investing activities</u>					
Net investments in equipment	0	-33 404	-530 976	-63 586	-158 639
<b>Cash flow from investing activities</b>	<b>0</b>	<b>-33 404</b>	<b>-530 976</b>	<b>-63 586</b>	<b>-158 639</b>
<u>Financing activities</u>					
Borrowings (+) / loan amortization (-)	-37 500	-37 500	-152 500	-155 000	-270 000
New share issues (after transaction costs)	0	0	81 036 029	648 123	648 123
Repurchase and cancellation of warrants 2007:1	0	-124 300	0	-124 300	-124 300
<b>Cash flow from financing activities</b>	<b>-37 500</b>	<b>-161 800</b>	<b>80 883 529</b>	<b>368 823</b>	<b>253 823</b>
<b>Change in liquid funds</b>	<b>-7 545 025</b>	<b>-8 669 779</b>	<b>54 588 456</b>	<b>-19 204 311</b>	<b>-30 317 379</b>
Liquid funds at the start of the period	64 802 265	22 451 631	2 668 784	32 986 163	32 986 163
Liquid funds at the period end	57 257 240	13 781 852	57 257 240	13 781 852	2 668 784

**ACCOUNTING AND VALUATION PRINCIPLES**

This interim report has been prepared in accordance with IAS 34 and the Annual Accounts Act. The consolidated financial statements for 2011 have, like the year-end report for 2010, been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Reports Act. The parent company accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for legal entities.

"IFRS" in this document refers to the application of both IAS and IFRS as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The group applies the same accounting principles and calculation methods as described in the 2010 annual report. A number of new or revised standards, interpretations and improvements have been adopted by the EU and shall be applied from January 1, 2011. These changes have not had any effect on the group.

Amounts are expressed in SEK (Swedish kronor) unless otherwise stated. MSEK is short for million Swedish Kronor. Amounts and figures in parentheses are comparative figures from the previous year.

**SEGMENT REPORTING**

Moberg Derma's operations comprise only one area of operation, the development and commercialization of medical products and the consolidated statement of comprehensive income as a whole therefore comprises one operating segment.

**TRANSACTIONS WITH RELATED PARTIES**

Moberg Derma entered into a loan agreement for MSEK 4 with Bank von Roll AG, a company shareholder. The loan was settled in March 2011 by offsetting part of the new share issue.

Royalty commission was paid at the amount of MSEK 1.7 for the January to June 2011 period to Mobederm AB, a shareholder in the company.

No other significant changes have occurred in relations and transactions with related parties.



**FUTURE REPORTING DATES**

Year-end report 2011	February 9 <sup>th</sup> , 2012
Interim report for January to March 2012	April 23 <sup>rd</sup> , 2012
Interim report for January to June 2012	August 28 <sup>th</sup> , 2012
Interim report for January to September 2012	October 25 <sup>th</sup> , 2012

The Annual General Meeting for Moberg Derma will be held on April 23<sup>rd</sup> 2012 in the company's premises. Shareholders may submit proposed issues for the Annual General Meeting no later than March 12<sup>th</sup> 2012.

**FOR MORE INFORMATION PLEASE CONTACT**

Peter Wolpert, CEO, tel. +46 (0)8-522 307 00, [peter.wolpert@mobergderma.se](mailto:peter.wolpert@mobergderma.se)

For more information about Moberg Derma's operations please visit the company's website at [www.mobergderma.se](http://www.mobergderma.se).

This interim report has been subject to review by the company's auditors.

The undersigned certify that the interim report provides a fair picture of the company's operations and financial position and results as well as a fair description of significant risks and uncertainties faced by the parent company and group companies.

Bromma, October 27<sup>th</sup> 2011

Mats Pettersson  
*Chairman*

Wenche Rolfsen  
*Board member*

Peter Wolpert  
*Board member and CEO*

Torbjörn Koivisto  
*Board member*

Gustaf Lindewald  
*Board member*

Bertil Karlmark  
*Board member*

Peter Rothschild  
*Board member*

**AUDITOR'S REVIEW REPORT**

To the Board of Directors of Moberg Derma AB (publ)

**Introduction**

We reviewed the accompanying balance sheet of Moberg Derma AB (publ) as of September 30, 2011 and the related summary of income, changes in equity and cash-flows for the nine-month period then ended that date. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with the Standard on Review Engagements, SÖG 2410, *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*, issued by the Swedish Federation of Authorized Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at September 30, 2011, and its financial performance and its cash flows for the nine-month period then ended, for the group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, October 27<sup>th</sup> 2011  
Ernst & Young AB

Magnus Fagerstedt  
*Authorized Public Accountant*