



PRESS RELEASE

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THE BIACORE BOARD PROPOSES A NEW LONG TERM INCENTIVE PROGRAM

Uppsala, Sweden, September 12, 2005. The Board of Directors of Biacore International AB proposes that its shareholders resolve on a new Long Term Incentive Program. The shareholders will be asked to resolve on the plan at an Extraordinary General Meeting to be held on October 20, 2005.

Biacore shareholders have previously approved long term incentive plans in the years 2000, 2001, 2002 and 2003. The Biacore Board of Directors is convinced that the continuation of annual long-term incentive programs is essential to motivate and reward employees for achievements that are aligned with the shareholders' interest, as well as to attract and retain critical competence, which is of vital importance for the company's future development and creation of value. Biacore has today a number of key employees and senior executive management, including the CEO, that are not participating in any long term incentive programs. With the proposed Long Term Incentive Program, the Board of Directors wishes to promote the long-term financial development of the company by offering key employees of the Biacore Group an incentive program which supplements the company's previous incentive programs and an opportunity to share a positive increase in the value of the company.

The Board of Directors' proposal on an incentive program involves employee options which shall be granted to the CEO/president of Biacore International AB and other senior

management persons and key employees within the Biacore Group on the following main terms:

1. The employee options shall be allocated free of charge.
2. The exercise price shall correspond to 110% of the market price of the Biacore share at the time of the issue, or the higher price following from the rule on limitation of appreciation below.
3. Each option awarded will be capped with a maximum appreciation of 250% above the original exercise price.
4. The right to exercise allotted employee options shall accrue annually by 1/3 per year during 2006-2008.
5. The employee options shall be possible to exercise up to 5 years after issue, i.e. up to and including October 25, 2010.
6. The employee options shall be subject to limitations in the right of disposition, which limitations include that the employee options may not be transferred.

In order to secure delivery of shares under the option program, the Board of Directors proposes that the Extraordinary General Meeting also resolves on the issue of a debenture with a nominal value of SEK 1,000 with 200,000 detachable subscription rights for subscription of new shares in Biacore. With deviation from the shareholders' preferential right, a wholly-owned subsidiary shall have the right to subscribe for the debenture with a right and obligation to utilize the subscription rights for the purpose of securing the obligations according to the issued employee options.

If all the subscription rights are newly subscribed, the increase of Biacore's share capital will amount to SEK 2,000,000. Calculated on the share capital and the number of votes after full exercise of outstanding employee options as of June 30, 2005, this corresponds to a dilution of approximately 1.9%. Based on the registered share capital and the number of votes, the cumulative dilution from all previous programs of outstanding employee options as of June 30, 2005 plus this newly proposed program will correspond to approximately 8.8%.

The cost of the proposed program is constituted of mainly two parts, which will affect Biacore's income statement:

1. The cost pertaining to the value of the incentive program, which, according to the Black & Scholes option pricing model and based on certain assumptions, has been estimated to approximately MSEK 9 unevenly distributed during three years.
2. Social security costs arising when employee options are exercised, which, assuming full exercise of options and assuming that the gap value of the market price of the underlying shares at the time when the employee options are exercised and the exercise price is SEK 100, has been estimated to approximately SEK 5.6 million (after deductions).

In addition to the proposed Long Term Incentive Program, the Board is also considering a performance based cash incentive program that would cover employees of the Biacore Group who are not eligible to participate in the Long Term Incentive Program.

Publication of the notice convening the Extraordinary General Meeting will be made in a separate press release on September 22, 2005 at the latest. The complete proposal of the Board of Directors will be available at Biacore's website, www.biacore.com, as from October 6, 2005.

About Biacore

Biacore is a global supplier of analytical systems that improve the productivity of research and development in the life science and pharmaceutical markets. The company's instruments generate unique data on protein interactions, an area of increasing focus in these markets. The data give insights into protein functionality, the role of proteins in normal and diseased states, and the influence of potential drug candidates.

Use of Biacore products is well-documented in key areas such as antibody characterization, proteomics, lead optimization and bio-therapeutic development and production. Customers include world renowned life science research centers, all of the leading global pharmaceutical companies and a large number of companies in the emerging biotechnology sector.

Biacore is successfully expanding into the food analysis market, providing key manufacturers with ready-to-use solutions for the determination of food quality and safety. The company offers a range of products to meet specific customer needs. All instruments utilize Surface Plasmon Resonance (SPR) technology as the basis for detection and monitoring of protein interactions.

Biacore has its own direct sales capability in the world's key markets, United States, Europe, Japan, Australia and a distribution network in Asia-Pacific. The company was created in 1984, is based in Uppsala, Sweden, and is listed on the Stockholm Stock Exchange www.stockholmsborsen.se (SSE: BCOR).

Further information on Biacore can be found at: www.biacore.com