



INTERIM REPORT JANUARY – SEPTEMBER 2000

- Biacore's rapid growth continues. Sales increased by 35% in the year to-date and by 46% in the 3rd Quarter.
- Strong U.S. revenue growth driven by pharmaceutical and biotech customers, as SPR technology gains further acceptance as a key drug discovery tool.
- Operating income increased by 64% year to-date.
- Investment in Biacore's unique high throughput SPR array chip technology initiated. Collaboration with Millennium Pharmaceuticals progressing well. Considerable increase in R&D investment anticipated in 2001.
- For the full-year 2000, a sales increase in the range of 25-30% is expected. The previous forecast indicated an increase in the range of 20%.

	January-September			July-September		
	2000	1999	Change	2000	1999	Change
Sales, SEK million	273.5	203.0	+35%	88.1	60.3	+46%
Operating income, SEK million	40.4	24.6	+64%	14.8	1.7	+771%
Operating margin, %	15	12		17	3	
Income after financial items, SEK million	46.1	29.7	+55%	17.4	2.6	+569%
Diluted earnings per share, SEK	3.19	2.19	+46%	1.17	0.18	+550%

Biacore is the global market leader in SPR technology with its own operations in the U.S., across Europe, Japan, Australia and New Zealand. A strong patent portfolio protects Biacore's technology. Target groups for the company's systems consist primarily of medical and life science research laboratories and pharmaceutical and biotechnology companies all over the world. Biacore is focusing on drug discovery as its prime area for future growth. Based in Uppsala, Sweden, the company is listed on the OM Stockholm Exchange and Nasdaq in the U.S.

OPERATIONAL REVIEW JANUARY-SEPTEMBER 2000

Amounts stated in this report pertain to the Biacore Group, unless indicated otherwise. Figures in parentheses refer to January-September 1999.

The growing recognition of the value of Biacore's unique SPR technology led to another quarter of strong sales growth for the company. Sales during the 3rd Quarter 2000 increased by 46% compared with the same period last year. The growth is primarily due to the continuing success of Biacore's most advanced system, the BIACORE®3000, with pharmaceutical and biotechnology customers. Total sales during the first three quarters of 2000 increased by 35%, and excluding currency effects sales increased by 27%.

Sales were divided geographically as follows:

SEK million	January-September			July-September		
	2000	1999	Change	2000	1999	Change
Americas	129.8	89.9	+44%	40.6	27.4	+48%
Europe	92.6	65.7	+41%	32.5	23.2	+40%
Asia-Pacific	51.1	47.4	+8%	15.0	9.7	+55%

Biacore's business in the Americas (mainly the U.S.) continues to grow rapidly as the benefits of its SPR technology within the drug discovery processes gain broader acceptance. Sales in the Americas increased by 48% in the 3rd Quarter to SEK 40.6 million. The sales development in Europe was also extremely strong (+40%) with good growth being achieved in most of the company's key markets. Life science research applications and drug discovery were each important drivers of growth in this area. In Asia-Pacific, the sales recovery continued with 3rd Quarter sales up 55% to SEK 15.0 million.

The gross margin was 81.4% (81.0) through the first three quarters of 2000.

Total costs for marketing, administration and research and development amounted to SEK 184.1 million (134.7), an increase of 37%. Of this increase approximately SEK 10 million relates to investments in Biacore's new SPR array chip technology. Included in administrative costs are provisions for employee bonuses and stock option programs, which have resulted from the very positive development of Biacore during 2000, as well as a non-recurring pension contribution. Administrative expenses were also higher as a result of costs for external services related to the higher level of business development activity during the year .

Operating income amounted to SEK 40.4 million (24.6), an increase of 64%. The operating margin was 15% (12). Currency differences amounted to SEK 5.8 million (-0.3) in 'Other income and expenses' and SEK 0.9 million (0.4) in 'Financial items.'

The tax charge was 32% (28) of income after financial items.

Net income was SEK 31.2 million (21.4), giving a 46% increase in diluted earnings per share to SEK 3.19 (2.19).

INVESTING ACTIVITIES

Capital expenditures totaled SEK 8.8 million (17.7).

PERSONNEL

At the end of September 2000, Biacore had 218 (191) permanent employees.

DRUG DISCOVERY – FULFILLING OUR STRATEGY

Biacore is currently in the early stages of implementing its strategy to become a major value-added technology supplier to the drug discovery industry. The company expects significant sales growth from this rapidly developing market based on the prospects for Biacore's existing products, its new high performance systems and the potential of technologies such as its new SPR array chips. Biacore's present core business, basic life science research, which is growing at an attractive rate, will also make a significant contribution to future sales.

Biacore is aggressively targeting the drug discovery industry because it believes its technology has the potential to significantly improve the economics of the drug discovery and development process. The unique data generated from Biacore's systems allow pharmaceutical and biotechnology customers to make better-informed decisions at the critical stages of the drug discovery process.

Building a Market Position: BIACORE[®] 3000

Biacore has already made significant inroads into the drug discovery market over the last twelve months. The BIACORE[®] 3000 system has been well accepted by both pharmaceutical and biotech customers. This automated system is targeted at applications upstream of high throughput screening (HTS), particularly target identification and validation, areas which are increasingly based on proteomics* research. The growing sales of this system provide clear evidence of companies in the drug discovery market recognizing the value of Biacore's core SPR technology.

Next step: High-Performance Systems

Biacore has continued to make further progress with the development of its new generation of high-performance systems over the last few months. These systems are designed to provide data that will help solve some of the major analytical problems facing the drug discovery industry, particularly downstream of HTS. These include hit characterization, lead optimization and ADME**, each of which is a serious bottle-neck in drug discovery today.

The new systems, being developed in collaboration with major pharmaceutical partners such as SmithKline Beecham, Pharmacia Corporation and Millennium Pharmaceuticals, will offer high sensitivity, high quality data and high throughput capabilities for specific applications downstream of HTS. The first of these new systems is planned to be launched in the latter part of 2001.

Broadening the Portfolio – Positive Results from Bioreason Collaboration

A key element of Biacore's strategy in the drug discovery market is to become a high value-added technology supplier based on its unique SPR platform.

In September 1999 Biacore entered into a collaboration with the U.S. software company Bioreason Inc. aimed to use their combined technologies to provide data tools to enhance ADME** screening of small molecule compounds in late-stage drug discovery.

The third quarter saw the first research data from this collaboration. The study demonstrated the successful integration of screening data from Biacore's novel SPR-based biosensor technology with Bioreason's predictive chemoinformatics software, to provide early and critical decision-making data on the binding of drug candidates to plasma proteins. The data were presented at the Society for Biomolecular Screening annual conference in Vancouver, Canada in early September.

The data from this first study confirms both Biacore's and Bioreason's belief that by combining their technologies and knowledge they can potentially develop data tools that could enhance the lead optimization element of the drug discovery process.

SPR Array Chip Technology – A Transforming Technology

The key to Biacore achieving its longer-term, aggressive growth ambitions is its unique SPR array chip technology. This technology is a major breakthrough for Biacore as it can potentially increase 1,000 fold the number of binding assays that can be analyzed per day. It is this dramatic increase in throughput that should allow Biacore to become a major player in the so-called proteomics revolution that is set to become the most important area of life science research over the next decade.

The last three months has seen the start of Biacore's collaboration with Millennium Pharmaceuticals to commercialize its SPR array chip technology for proteomics applications focused on drug discovery. This collaboration, which was signed in June 2000, is the first of a number of collaborations that Biacore expects to sign in order to develop the technology.

The Millennium – Biacore project is in the process of recruiting the dedicated research teams that will work on this joint development program. Biacore will supply and develop all necessary SPR technology expertise, instrumentation, array chips, consumables and software, while Millennium will contribute specific assay and drug discovery applications to develop defined assay methodologies.

Biacore will retain the right to commercialize SPR-technology-related developments arising from this collaboration. Millennium will benefit from early access to the technology, and an anticipated positive uplift in the productivity of its own drug discovery programs.

The collaboration will focus on developing specific high throughput proteomics and other applications that will lead to important productivity enhancing advances across all aspects of the drug discovery process.

Biacore is confident that the successful development of its new SPR array chip technology will provide the pharmaceutical industry with a unique tool to both explore protein function and to evaluate the vast number of proteins identified from genomics as potential therapeutic targets.

Given the massive commercial potential for Biacore's unique SPR array chip technology, the company has decided to increase significantly its R&D investment in order to bring it to the market as rapidly as possible. In the year 2001 Biacore expects to more than double the SEK 15 million research investment that is being dedicated to SPR array technology this year. This investment in SPR array chip technology is in addition to the company's on-going level of R&D.

EXTRA GENERAL MEETING

At an extra general meeting of shareholders held on August 28th, a new long-term incentive stock option program for employees in the Biacore Group was approved.

The company was granted the right to issue subordinated notes with a nominal amount of no more than SEK 100,000 with a maximum of 380,000 attached warrants for subscription to new

Biacore shares. Of this amount, approximately 320,000 options have been allocated to existing employees of the company. Of the remaining 60,000 options, 30,000 options have been reserved for new Biacore employees while the remainder are intended to be used by the company to cover a proportion of the social security costs associated with this incentive program.

OUTLOOK FOR 2000

For the full year 2000, a sales increase in the range of 25-30% is expected. The previous forecast indicated an increase in the range of 20%.

Uppsala, Sweden, October 20, 2000

Ulf Jönsson

President

*) Proteomics is the study of structure and function of the proteins expressed in a cell at any one time.

**) ADME stands for absorption, distribution, metabolism and excretion and represents the pharmacological characterization of new drug candidates.

This interim report has not been subject to examination by the Company's auditors.

Biacore's Year-End Report 2000 will be published on February 21, 2001.

This press release contains certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 which, by their nature, involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

For further information, please contact:

Lars-Göran Andrén, Executive Chairman, Phone +46 708 54 02 34

Ulf Jönsson, President, Phone +46 18 67 57 52

Lars-Olov Forslund, CFO, Phone +46 18 67 57 08 or +46 708 76 56 73

Jan Isoz, Investor Relations, Phone +46 708 10 31 17

More information on Biacore is available at the company's website:
www.biacore.com

(SSE:BCOR Nasdaq:BCOR Reuters: BCOR.N)

Biacore Consolidated Income Statements

SEK million	January-September			July-September			Full year
	2000	1999	Change	2000	1999	Change	
Sales	273.5	203.0	35%	88.1	60.3	46%	340.4
Cost of goods sold	-51.0	-38.6	32%	-16.7	-12.3	36%	-66.2
Marketing	-94.5	-77.1	23%	-32.4	-26.5	22%	-114.0
Administration	-45.4	-19.7	130%	-15.3	-5.4	183%	-34.8
Research and development	-44.2	-37.9	17%	-13.1	-13.4	-2%	-52.9
Other income and expenses	5.7	-0.1		5.5	0.7		2.0
Amortization of goodwill	-3.7	-5.0		-1.3	-1.7		-6.9
Operating income	40.4	24.6	64%	14.8	1.7	771%	67.6
Financial items, net	5.7	5.1		2.6	0.9		7.7
Income after financial items	46.1	29.7	55%	17.4	2.6	569%	75.3
Income taxes	-14.9	-8.3		-5.9	-0.8		-24.1
Net income	31.2	21.4		11.5	1.8		51.2
Basic earnings per share, SEK	3.20	2.19		1.18	0.18		5.26
Diluted earnings per share, SEK	3.19	2.19		1.17	0.18		5.26

Quarterly Income Statements

SEK million	July-Sept.	April-June	Jan.-Mar.	Oct.-Dec.	July-Sept.	April-June	Jan.-Mar.
	2000	2000	2000	1999	1999	1999	1999
Sales	88.1	94.4	91.0	137.4	60.3	71.6	71.1
Cost of goods sold	-16.7	-19.7	-14.6	-27.6	-12.3	-12.2	-14.1
Marketing	-32.4	-33.4	-28.7	-36.9	-26.5	-27.7	-22.9
Administration	-15.3	-17.6	-12.5	-15.1	-5.4	-6.9	-7.4
Research and development	-13.1	-14.8	-16.3	-15.0	-13.4	-12.0	-12.5
Other income and expenses	5.5	0.8	-0.6	2.1	0.7	-0.3	-0.5
Amortization of goodwill	-1.3	-1.2	-1.2	-1.9	-1.7	-1.7	-1.6
Operating income	14.8	8.5	17.1	43.0	1.7	10.8	12.1
Financial items, net	2.6	1.2	1.9	2.6	0.9	2.0	2.2
Income after financial items	17.4	9.7	19.0	45.6	2.6	12.8	14.3
Income taxes	-5.9	-3.1	-5.9	-15.8	-0.8	-4.2	-3.3
Net income	11.5	6.6	13.1	29.8	1.8	8.6	11.0
Basic earnings per share, SEK	1.18	0.68	1.34	3.07	0.18	0.88	1.13
Diluted earnings per share, SEK	1.17	0.68	1.34	3.07	0.18	0.88	1.13

Sales by region

SEK million	Jan.-Sept.	Jan.-Sept.	July-Sept.	April-June	Jan.-Mar.	Oct.-Dec.	July-Sept.	April-June	Jan.-Mar.
	2000	1999	2000	2000	2000	1999	1999	1999	1999
Americas	129.8	89.9	40.6	43.8	45.4	51.3	27.4	37.1	25.4
Europe	92.6	65.7	32.5	30.9	29.2	50.5	23.2	17.2	25.3
Asia-Pacific	51.1	47.4	15.0	19.7	16.4	35.6	9.7	17.3	20.4
	273.5	203.0	88.1	94.4	91.0	137.4	60.3	71.6	71.1

Biacore Consolidated Balance Sheets

7

SEK million	September 30		Dec. 31
	2000	1999	1999
Intangible assets	36.5	57.3	38.3
Property, plant & equipment	83.8	81.8	84.6
Shares	55.6	17.2	17.2
Other long-term assets	19.5	7.4	15.8
Other current assets	162.7	119.3	172.4
Liquid funds	243.6	224.3	241.7
Total assets	601.7	507.3	570.0
Shareholders' equity	469.5	393.8	429.1
Provisions	45.2	58.1	44.5
Liabilities	87.0	55.4	96.4
Total shareholders' equity and liabilities	601.7	507.3	570.0

Financial structure

Operating capital	196.1	169.8	207.2
Shares	55.6	17.2	17.2
Net interest-bearing assets	215.9	204.3	212.7
Net payable and deferred income tax receivable	1.9	2.5	-8.0
Shareholders' equity	469.5	393.8	429.1

Biacore Consolidated Statements of Cash Flows

SEK million	January-September		Full year
	2000	1999	1999
Net income	31.2	21.4	51.2
Less: Depreciation and amortization	14.4	13.1	17.9
Change in working capital	6.3	-14.1	-36.8
Other	4.3	2.3	5.1
Cash flows from operating activities	56.2	22.7	37.4
Payments for purchase of businesses	-0.8	-13.4	-13.9
Purchase of intangible assets	-	-	-0.2
Purchase of fixed assets	-8.8	-17.7	-22.9
Proceeds from sale of fixed assets	-	-	0.6
Investment in shares etc.	-42.2	-7.5	-7.5
Cash flows from investing activities	-51.8	-38.6	-43.9
Change in current financial liabilities	-2.5	-	8.0
Cash flows from financing activities	-2.5	0.0	8.0
Net change in liquid funds	1.9	-15.9	1.5

Key figures

Operating margin	14.8%	12.1%	19.9%
Return on operating capital	26.7%	21.0%	38.7%
Return on equity	9.3%	7.5%	12.9%
Equity ratio	78%	78%	75%
Shareholders' equity per share, diluted, SEK	47.14	40.39	44.01
No. of shares, thousands	9,750	9,750	9,750
Average No. of shares, last quarter, diluted, thousands	9,820	9,750	9,750