Press release Feb. 16, 2012

YEAR-END REPORT JANUARY-DECEMBER 2011

2011 in brief

- Net sales climbed to SEK 2,856k (1,596k)
- Revenues from the protein portfolio increased by 160%
- Loss after financial items was SEK 13,758k (loss: 11,334k)
- Comprehensive income for the year was SEK -13,608k (-11,292k)
- Earnings per share SEK -0.20 (-0.33)
- Cash and cash equivalents at the end of the period totaled SEK 7,563k (4,074k)

In February, Genovis acquired an exclusive license for a new technology that uses so-called upconverting nanoparticles as contrast agents in optical biomedical imaging. Genovis acquired the license from Lumito, a LUAB company, including an option to acquire the technology in its entirety.

In April, Genovis launched the FragIT™ Kit, a scalable and efficient technology for producing antibody fragments with extremely high yield and short process time. The product is a further development of Genovis' unique technology and targets customers in pharmaceutical, biotech and diagnostics companies that develop antibody-based drugs and analyses.

Revenues improved during all four quarters compared with the same period last year and showed an increase on a rolling twelve month basis of between 80 and 100% over the year compared with 2010, which is a higher growth rate than the company had achieved between 2010 and 2009. Major pharmaceutical companies and several of the leading biotechnology companies that develop drugs based on antibody molecules became Genovis customers during the year. Several of these companies have published scientific papers demonstrating the benefits of Genovis products or in which Genovis products had a decisive role in the development process.

During the spring Genovis completed a rights issue that was subscribed at over 90% and raised about SEK 18m before issue expenses.

Events after the end of the period

The first scientific article from the Sentinel Node project has been published in the Journal of Nuclear Medicine, a highly ranked journal in its field and a forum for the exchange of clinical and scientific information for nuclear medicine practitioners.

The Board of Directors of Genovis has decided to hold the Annual General Meeting earlier on March 20, 2012. On February 21 the notice convening the AGM will appear in Post och Inrikes Tidningar and an ad will be published in Dagens Industri.

The Interim Report for January-March, which would have been announced on April 26, was postponed, and the new publication date is May 22. The Interim Report for January-June, which was to be announced on August 23, was postponed and the new publication date for the report is September 6.

Selected financial data in brief	2011	2010	2009
SEK thousand		Jan-Dec	
Net sales	2,856	1,595	986
Other operating income	741	2,368	192
Operating expenses	(17,343)	(15,198)	(13,731)
Comprehensive income	(13,608)	(11,292)	(17,558)
Comprehensive income per share	(0.20)	(0.33)	(1.17)
Cash flow from operating activities	(12,150)	(10,485)	(13,695)
Cash flow from investing activities	(870)	(534)	(515)
Cash flow from financing activities	16,509	14,676	14,449
Cash and cash equivalents	7,563	4,074	416

Fourth quarter in brief	2011	2010	2009
SEK thousand		Oct - Dec	
Net sales	1,071	630	478
Other operating income	435	568	151
Operating expenses	(5,462)	(4,314)	(3,956)
Comprehensive income	(3,837)	(3,301)	(8,168)
Comprehensive income per share	(0.06)	(0.08)	0.40
Cash flow from operating activities	(2,503)	(2,525)	(570)
Cash flow from investing activities	(549)	(500)	(252)
Cash flow from financing activities	(420)	(27)	1,226
Cash and cash equivalents	7,563	4,074	416

ABOUT GENOVIS

The Group consists of Genovis AB and the fully owned subsidiary Eijdo research AB. Genovis develops and sells innovative technologies from two unique product portfolios. The first involves nanotechnology in new contrast agents and the second consists of unique enzymes (protein engineering portfolio) that facilitate development and quality control of drugs.

Research and development have largely dominated the company's business activities. Over the past two years commercialization of products from the protein engineering portfolio has begun and today, sales and customer-based development projects account for an increasingly important part of the business. Customers involved in development of biopharmaceuticals, new diagnostics and basic research have discovered that Genovis products facilitate the development process and contribute to improved production and quality control of, for example, antibody-based drugs. Customers today are in pharmaceutical and biotech companies, as well as academic groups.

Genovis also conducts several research and development projects focused on design, production and characterization of nanostructures as contrast agents in medical imaging. The target audience is customers with an interest in drug development and medical technology both in the life Science industry and in academic research.
The projects are mainly in-house, but are also run with external funding and through collaborations with research groups, including at Lund University. In 2012 the company plans to launch product concepts that are developed specifically for preclinical medical imaging. Subsidiary operations in 2011 solely involved assisting the parent in product development of nanostructures as contrast agents in these projects.

** Preclinical studies refer to the pharmaceutical research that takes place before a medication has adequate documentation to begin human trials.*

COMMENTS FROM THE CEO

When summing up 2011, it is gratifying to be able to conclude that sales continued to increase substantially during the fourth quarter compared with the same period in 2010. This increase has followed a clear trend over the past few years. We have experienced seasonal variations, with a higher level of sales during the second six months of the year. It is too early in Genovis' commercial development to draw any conclusions about this, since for now it may just be an effect of the timing of our marketing activities. The reason our financial result for the twelve-month period was about SEK 2 million less than in 2010 is partly due to our expanded work force and partly because the majority of the research support from the EU's seventh framework programme, LUPAS, was disbursed in 2010. SEK 2.4 million of the total amount was paid in 2010 and SEK 0.7 million in 2011. If we only look at revenue, expressed as net sales in relation to operating expenses before depreciation, the result and margin improved steadily compared with 2010 and 2009.

Revenue is primarily generated from the sale of products from the protein engineering portfolio. During the year we launched new products and focused our marketing activities on customers in the pharmaceutical industry. These customers have developed new methods and results that they are now publishing in scientific articles, thereby increasing awareness about the products within the sector. We see a clear effect of this

through an increased demand for our products. During the year we strengthened the protein engineering portfolio by developing new product formats that will be launched in 2012. We also expanded the patent portfolio with a new application for a protein that could potentially further strengthen the product group. Our goal is to continue to increase sales of products from the protein engineering portfolio at the same pace over the upcoming year. To achieve this goal we have invested in production processes for a partially external production and also strengthened our team in production/quality control and sales. In 2012 we will focus on our distribution channels and marketing strategy to ensure that we reach a larger part of our target group and more key customers from a global perspective.

The goal in 2011 for the product group nanoparticles as contrast agents was to formulate product concepts that can be launched directly on the preclinical market, which does not require regulatory approval. We also decided to invest development resources in the LUPAS and Sentinel Node projects, which are both financed in part with external research funding. During the year we showed that we can offer nanostructures that provide contrast in preclinical imaging with technologies such as optical imaging, magnetic resonance imaging, SPECT or PET, as well as ultrasound, with one and the same nanostructure. Moreover, we demonstrated that we can mark stem cells and follow them after transplantation. We also showed that the particles have low toxicity and that they do not affect stem cell development.

In the Upconversion project, which was initiated in conjunction with our purchase of the license rights for the technology in early 2011, we proved that Genovis' surface coating of upconverting crystals provides stable nanostructures and confirmed that these nanostructures work as contrast agents in optical imaging. In spring 2012 the project will proceed to a preparatory commercialization phase when we will verify the product concept internally and reference customers will test and evaluate the technology.

The Sentinel Node project has generated many excellent results and just recently the first years' efforts culminated with publication in the Journal of Nuclear Medicine. Genovis designs various particles that are used as multimodal contrast agents to detect nodes using various imaging methods. Genovis is collaborating on this project with several groups at Lund University with the different imaging techniques. Developments in the Sentinel Node project are producing new data that also provide support and new ideas for Genovis' product development. LUPAS has about one year left and the project is now completely focused on nanoparticles as contrast agents to examine the plaque that arises in the brain as a result of Alzheimer's disease.

In 2010 we chose to primarily dedicate our sales resources to the protein engineering portfolio and therefore have not yet marketed or launched nanostructures in the same way. A few customers have purchased particles for marking of stem cells and T-cells and published the results in scientific journals. We also received inquiries about custom-made nanostructures. Our nanoportfolio has strengthened because we focused on reference projects and developed the actual product format at the same time that the first customers, early adopters, presented their results. Against this background, the focus on commercialization and business development for 2012 is clear. The strategy for commercialization of nanostructures is primarily to seek agreements with partners in instrumentation and/or contrast agents in preclinical imaging. By working with the right partner we can carry out a common launch of the products, thereby reaching distribution channels to customers faster than through direct sales.

Upcoming challenges usually demand my full attention, but looking back at 2011, I can summarize the year with the pleasure of seeing our products receive recognition, which in turn makes me curious about what lies ahead in 2012. Hard work and creativity have flowed during the year and I am grateful to be able to work with Genovis' talented personnel, who always give everything they have – and then some!

Lund February
Sarah Fredriksson

GENOVIS PRODUCTS AND PRODUCTION

Nanoparticles and services for biomedical imaging

Genovis has developed a series of nanostructures for use as contrast agents in medical imaging. The products are used today in the various research and development projects that the company conducts in-house and in collaboration with other actors.

"Pre-launch" sales have begun to some extent, with a focus on the preclinical market. Customers and partners can choose from nanoparticles from a small standard range, or custom-made products or services that may include the entire chain from nanostructure design to preclinical study. The product group was further developed in 2011 and was supplemented by new technology (upconverting technology) that provides the ability to make nanoparticles with good contrast for optical imaging/image.

Over the past months the first scientific papers describing the use of Genovis' nanostructures have been published. These articles describe results from imaging studies carried out by the Company's customers and results from the Sentinel Node project collaboration, which Genovis is participating in together with the Department of Medical Radiation Physics at Lund University.

The Protein engineering portfolio

Products in the protein engineering portfolio include enzymes and proteins and can be ordered from a standard product line or as custom-made products. Customers use the products for a) antibody fragmentation/antibody engineering, b) screening of new pharmaceutical substances and c) quality control in development and production of new antibody-based drugs. These products enable customers to conduct faster analyses with higher quality than competing technologies can offer.

Production

Even with relatively low volumes, production is cost-effective and provides good margins on the products. The improvements that Genovis plans for future production will primarily focus on achieving more automated production of nanoparticles. In 2011 production volumes for protein products have increased and Genovis has chosen to outsource part of production. A more long-term goal is to develop processes for GMP*-approved production, so that Genovis can handle such production in custom-made projects ordered by customers.

**Good Manufacturing Practice is a regulatory framework that governs manufacturing, including packing, of pharmaceuticals, food and health foods.*

SALES

During 2011, sales of products from the protein engineering portfolio increased by 160% compared with 2010. Genovis has focused on working with more resources in relation to customers and introduced product improvements, as well as clearer communication about the different applications. Genovis' sales are carried out both directly to end customers and in cooperation with distributors, who in turn market the products to companies on different regional markets. Distributors are currently represented in the US, Europe and Asia. The largest market for Genovis' products is the US, which accounts for about 50 percent of sales.

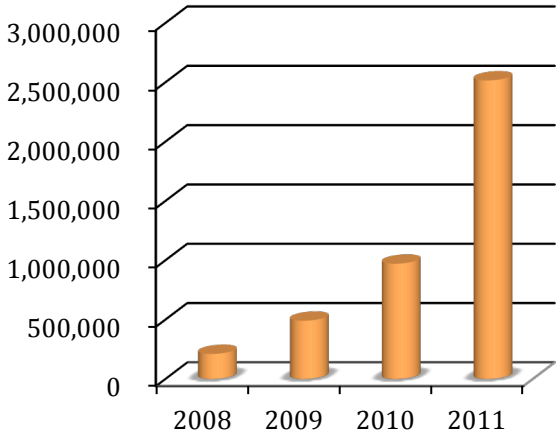

Figure 1 *Sales of products from the protein engineering portfolio in SEK*

PRODUCT LAUNCHES

In early 2011, Genovis launched in FragIT™ Kit, a scalable and efficient technology for producing antibody fragments with extremely high yield and short process time. The product is a further development of Genovis' unique technology and targets customers in pharmaceutical, biotech and diagnostics companies that develop antibody-based drugs and analyses.

DEVELOPMENT PROJECTS

Development projects: protein engineering portfolio

Development of new concepts within the protein engineering portfolio during the year mainly focused on products for use within production of antibody fragments and for separation of the various fragments. A product launched in April provided customers with a scalable process with retained high yield and faster process time. In the fall, Genovis submitted a patent application together with a research group at Lund University for a brand new enzyme in the same category as Genovis' product IgGZERO™. Development of new products in the protein engineering portfolio will continue, in part through new product concepts from FabRICATOR® and IgGZERO™, as well as brand new products based on FcDOCKER™ and the newly added enzyme that is under development.

Development projects: imaging

Before Genovis can launch its nanoparticles as contrast agents in preclinical imaging, reference studies must be carried out as proof of concept and as marketing materials. Reference studies are also used as a basis for developing the right kind of product so customers gain maximum benefit from their investment. Genovis conducts such reference projects in-house. One of the projects shows how nanoparticles can be used as markers in cells, which for various reasons are transplanted into an animal model. They can be stem cells, white blood cells or tumor cells that the customer wishes to track, for example in the brain, the blood stream or in tumor tissue. The nanoparticles make the cells detectable by MRI (magnetic resonance imaging), allowing their spread and movement in the body to be followed in real time. Genovis also supports customer projects in which the customer uses Genovis' products for medical imaging e.g., in stem cell research. The goal of the

reference projects for 2012 is that, supported by results from studies, the company will implement focused launches to a group of customers larger than the early reference customers who have tested the products so far. The launch involves new products and applications intended for preclinical imaging.

In January 2011, Genovis acquired exclusive rights to a patent application describing a technology that can detect so called upconverting particles in biological material. By combining proprietary technology with the acquired license, Genovis can also relatively quickly offer a product on the technology front in optical imaging. The goal was to commercialize the technology within one year, primarily for the preclinical market, and ultimately to evaluate the clinical potential of this technology. During the year, Genovis demonstrated the successful combination of its technology with the upconverting nanocrystals, and further tested the new nanostructures as a contrast medium for optical imaging. The results are extremely promising and in 2012 the project will focus on business development of the concept, as well as commercial technological development toward product concept and testing by reference customers.

RESEARCH PROJECT with external financing

Sentinel Node project

The Sentinel Node project is interdisciplinary and the goal for Genovis is to produce a multimodal particle that will be used to diagnose (using medical imaging) extremely small tumors that may quickly spread to nodes, as seen in breast cancer and melanoma. Tumor cells are spread via the lymphatic system according to a certain pattern. The first lymph node to receive this drainage is the “gatekeeper” or “sentinel” node – which is also the name of the development project that Genovis is conducting in collaboration with the Department of Medical Radiation Physics at Lund University. During the period the project focused on how much sentinel node imaging can be improved by optimizing the design of the nanostructures. The final goal of the project is to produce a contrast agent that can be used both for diagnostics and as an aid during surgery. The project is financed by the Swedish Research Council and LMK Industri AB.

LUPAS project

LUPAS is an EU project within the Seventh Framework Programme. Its goal is to develop novel tools for diagnosis and therapy for Alzheimer’s disease and for neurodegenerative diseases caused by prions, an infectious protein that causes diseases such as mad cow disease in cattle and Creutzfeldt–Jakob disease in humans. Developing new imaging methods that can visualize plaques formed in the brain will make it easier to diagnose and monitor disease progress. Nanostructures are used as contrast medium to deliver a special polymer that binds selectively to the plaque formations. Genovis’ primary role in the project is to provide knowledge about the design and production of nanostructures, as well as to work with communications and introductory business development of the project results.

The short-term project goal is to produce preclinical market products and the long-term goal is to identify new diagnostic methods and medications. The project is expected to close by late 2012/early 2013. The LUPAS project and its results are presented on the LUPAS website, www.lupas-amyloid.eu.

INTANGIBLE ASSETS

Genovis' intellectual property rights give the company exclusive rights to commercialize its projects. Patent applications protect new discoveries in instances when the discoveries are judged to be strategically important for the commercial potential of Genovis products. The company's existing products (NIMT®) are based on nanostructures and are described in two international patent applications that will provide patent protection until 2023 in countries in which the patents were granted. So far the EU, Japan, Australia and South Korea have granted patents and patent applications are under continued international review in PCT phase.

In May 2007, Genovis acquired a license from Hansa Medical AB to use the IdeS protein in clinical research applications. This license gives Genovis exclusive rights that provide patent protection for the FabRICATOR® products up to 2022 in Europe and the US. FabRICATOR® is a registered trademark.

In 2008, Genovis submitted a new patent application to protect the products IgGZERO and FcDOCKER and this application is now also registered in PCT phase and with approved patent will provide protection until 2029. In 2011 Genovis submitted a new patent application for an additional enzyme that will be developed as a product in the protein engineering portfolio.

In January 2011, Genovis acquired a license granting exclusive rights to a patent application describing a technology required to detect so-called upconverting nanoparticles in biological material.

Goodwill attributable to the acquisition of Eijdo Research was reclassified as acquired technology, which is included in the balance sheet item Patents and licenses. The reason for reclassification was to take into account the use and focus of Eijdo's activities, as described above. As a result of this reclassification, goodwill decreased by SEK 4,106k, of which SEK 3,803k is attributable to the balance sheet item Patents and licenses and SEK 303k (corresponding to scheduled depreciation from the time of acquisition to the current year) to shareholders' equity. Depreciation according to plan had a negative impact on earnings of SEK 410k. The correction was not considered to be material enough to warrant complete application of IAS 8.

MARKET PLACE

Genovis shares are traded on Nasdaq OMX FirstNorth under the short name GENO. The number of shares on December 31 was 69,237,120 and the number of stockholders 2,561. NASDAQ OMX First North is an alternative market, operated by the various exchanges within NASDAQ OMX. It does not have the same legal status as an EU-regulated market. Companies on First North are subject to the rules of First North and not the legal requirements for admission to trading on a regulated market. An investment in a company traded on First North could be riskier than an investment in a listed company. The Company's Certified Adviser is Thenberg & Kinde Fondkommission AB, tel. +46 (0)31-745 50 00.

Largest shareholders December 31, 2011

Name	No. of	Votes (%)
Mikael Lönn	15,414,931	22.26
Nordnet Pensionsförsäkring AB	4,003,226	5.78
Försäkringsaktiebolaget, Avanza Pension	3,648,635	5.27
Thorbjörn Fridh	2,160,500	3.12
Åke Svensson	1,200,000	1.73
Martin Tisell	1,000,000	1.44
René in 't Zandt	945,070	1.36
Hans Göran Arlock with companies	870,002	1.26
Anna Gisselsson	845,070	1.22
Medicinsk Partner i Skaraborg AB	767,801	1.11
JP Morgan Bank	729,526	1.05
Sarah Fredriksson	726,900	1.05
Didrik Hamilton	655,200	0.95
NightGlow*	558,348	0.81

** NightGlow AB is owned by Sarah Fredriksson 34%, Fredrik Olsson 33%, and Susanne Nykvist 33%.*

RESULT AND FINANCIAL POSITION

The Group's financial performance

Net sales for the year amounted to SEK 3,597k (3,963k), including SEK 2,856k (1,596k) attributable to revenues from sales and SEK 741k (2,368k) attributable to research support for projects in the nanoparticle portfolio. Net sales during the fourth quarter amounted to SEK 1,506k (1,198k) including SEK 1,071k (630k) attributable to sales and SEK 435k (568k) attributable to research support for projects in the nanoparticle portfolio. Research support decreased because the majority of support for the LUPAS project was paid in 2010.

Operating expenses for the year increased by SEK 2,145k to SEK -17,343k (-15,198k) mainly due to marketing and sales as well as staff costs.

The operating result for the year dropped by SEK 2,512k to a loss of SEK 13,746k (loss: 11,234k) and loss after net financial items to SEK 13,758k (loss: 11,334k). Comprehensive income for the year fell SEK 2,316k to SEK -13,608k (-11,292k). For the fourth quarter the operating loss was SEK 3,956k (loss: 3,297k) and loss after net financial items was 3,956k (loss: 3,311k), and comprehensive income was SEK -3,837k (loss: 3,301k). The lower operating result for the period is due to increased personnel costs and decreased research support.
Net sales and operating loss are attributable to the primary and only business area: sales and/or outlicensing of research-based innovations. According to the Company, it does not meet the definition of geographical areas under IAS 14 and therefore no secondary segment information is provided.

Consolidated investments and cash flow

Consolidated capital expenditure during the period totaled SEK 870k (534k) of which SEK 226k (117k) is attributable to property, plant, and equipment, primarily computers, and SEK 644k (415k) is attributable to investments in intangible fixed assets.
At year-end net cash flow was SEK 3,489k (3,656k). Cash flow from financing activities totaled 16,509 (14,676)

SEK thousand and comprises the capital infusion from the rights issue of SEK 16.9m after issue expenses, which ended in May 2011.

Cash and financial position

The Group's cash and cash equivalents at year-end amount to SEK 7,563k (4,074k). The liquidity of the Company is not considered to be sufficient to cover Genovis operations throughout 2012. The Board of Directors believes it is possible to raise the capital required in addition to the expected revenues.

Share capital amounted to SEK 27.7m at year-end. The total number of shares was 69,237,120 with a par value of SEK 0.4. Total shareholders' equity for the Group was SEK 18,010k after taking the net loss for the period into account. Earnings per share, based on a weighted average of the number of outstanding shares, totaled SEK -0.20 (-0.33), with SEK -0.05 (-0.08) for the fourth quarter. The Group's equity ratio at the end of the period was 84% and equity per share was SEK 0.27 (0.37), based on fully diluted shares at year-end. Interest-bearing liabilities totaled SEK 245k (425). During the year, loans were amortized for a total of SEK 180k.
The Group has a deferred tax asset arising from the parent company that amounted to SEK 3,128k (2,870k) at the end of the period and is equivalent to a loss-carryforward of about SEK 11.9 million, which is expected to be utilized in the foreseeable future. The Company's total tax loss is SEK 87m.

Employees

On December 31, 2011, the Group had twelve employees: ten in the parent company and two in the subsidiary, compared with 2010, when the Group had ten employees, with seven in the parent company and three in the subsidiary. An employee of the parent company holds an 80%-position as an industry-based doctoral student.

Warrant program

The Company has issued 187,000 warrants. The warrants may be exercised for subscription of shares between February 28, 2012 and May 31, 2012. When all warrants are fully exercised the Company’s share capital will increase by a total of SEK 96,492 through the issue of 241,230 shares, each with a par value of SEK 0.40.

Parent company

The parent company’s operations include executive management, central administration, research and development, production, sales management, and support. Net sales during the period totaled SEK 3,407k (3,818k) and loss after net financial items was SEK 14,300k (loss: 11,195k). An impairment charge of SEK 1,960k (2,107k) had a negative impact on the parent company income statement. Net capital expenditure totaled SEK 870k (532k). Liquidity at the end of the period was SEK 7,034k (3,615k). As at December 31 the parent company had 10 (7) employees.

Subsidiary Eijdo research AB

Eijdo is a contract research organization (CRO) company, which means that it conducts preclinical studies in magnetic resonance imaging (MRI).
The studies may involve measurement of materials ex vivo (e.g., relaxation times for magnetic contrast

agents) in cell cultivations or in animal models. Eijdo research owns an MRI machine that is appropriate for clinical conditions and has access to all necessary infrastructure.

In preparation for the launch of new products in 2012, Genovis has mainly used the subsidiary for internal product development together with the parent's development group. The subsidiary has current assets amounting to SEK 572k SEK, liabilities of SEK 466k and shareholders' equity of SEK 112k. During the year the subsidiary had revenues of SEK 190k and expenses of SEK 2,123k. The parent company provided the subsidiary with a total of SEK 1.960k in the form of a shareholders' contribution.

Utsikter

Genovis är ett forsknings- och utvecklingsbolag och därför har företagsledning valt att inte lämna några prognoser. Life Science är ett område som är relativt oberoende av konjunkturcykler, men perioder av osäkerhet kan påverka investeringsviljan i ny teknik hos våra kunder. Utvecklingsprojekten följer uppsatt plan, vilket gör att Bolaget har förutsättningar att kunna ta ytterligare steg framåt både vad gäller nya produkter och försäljning.

Risker och osäkerhetsfaktorer

Bolagets generella syn på de finansiella risker som verksamheten kan komma att påverkas av har inte förändrats sen den beskrivning som ges i den senast publicerade årsredovisningen. Genovis väsentliga affärsrisker inkluderar bland annat svårigheten att behålla kompetent personal och risken för uteblivna förväntade intäkter då Bolaget är verksamt på en marknad där de konkurrerande företagen har betydligt större finansiella resurser till sitt förfogande. Det finns inte likvida medel i Bolaget för att driva verksamheten i 12 månader framöver. Det är styrelsens bedömning att det går att anskaffa det kapital som krävs utöver förväntade intäkter. Det finns dock ingen garanti för att nytt kapital kan anskaffas om behov uppstår eller för att sådant kapital kan anskaffas på fördelaktiga villkor. För en detaljerad översikt över bolagets finansiella risker hänvisas till Genovis årsredovisning 2010 sidan 61.

OTHER INFORMATION

Annual General Meeting

The Annual General Meeting will be held on March 20 at Scheelevägen 22, Lund, Sweden.

Annual Report

The 2011 Annual Report is expected to be available on the Genovis website www.genovis.com, and at the Genovis office as of Mach 6, 2012.

Proposal for Dividend

The Board of Directors proposes that no dividend be paid for the 2011 financial year.

Nomination Committee

The Nomination Committee includes the following members: Mikael Lönn, Jörgen Wettbo, Torbjörn Fridh and Hans Göran Arlock.

Summary of Consolidated Income Statement

(SEK 000s)	Jan-Dec 2011	Jan-Dec 2010	Oct-Dec 2011	Oct-Dec 2010
Net sales	2,856	1,596	1,071	630
Other operating income	741	2,368	435	568
Raw materials and consumables	(1,168)	(795)	(825)	(263)
Other external costs	(6,397)	(5,991)	(1,519)	(1,599)
Gross profit/loss	**(3,968)**	**(2,822)**	**(838)**	(664)
Personnel costs	(8,348)	(7,239)	(2,433)	(2,436)
Other operating expenses	(120)	(70)	(62)	(16)
Operating profit before depreciation and amortization (EBITDA)	**(12,436)**	**(10,131)**	**(3,333)**	(3,116)
Depreciation of tangible and intangible assets	(1310)	(1,103)	(623)	(181)
Operating profit/loss	**(13,746)**	**(11,234)**	**(3,956)**	**(3,297)**
Net financial income/expense	(12)	(100)	0	(14)
Earnings after financial ithems	**(13,758)**	**(11,334)**	**(3,956)**	**(3,311)**
Deferred tax on profit for the period	150	42	119	10
Net profit/loss for the period	**(13,608)**	**(11,292)**	**(3,837)**	**(3,301)**
Of which attributable to shareholders in Genovis AB	(13,608)	(11,292)	(3,837)	(3,301)

Comprehensive Income Report

tSEK				
Net profit/loss for the period	**(13,608)**	**(7,991)**	**(3,837)**	**(3,301)**
Other comprehensive income for the period				
Exchange rate adjustment	0	**0**	0	**0**
Total comprehensive income	**0**	**0**	**0**	**0**
Total comprehensive income for the period	**(13,608)**	**(7,991)**	**(3,837)**	**(3,301)**
Of which attributable to shareholders in Genovis AB	(13,608)	(7,991)	(3,837)	(3,301)

Share data

Earnings per share before dilution, SEK	(0.20)	(0.33)	(0.06)	(0.08)
Earnings per share after dilution, SEK	(0.20)	(0.33)	(0.06)	(0.08)
Shareholders' equity per share, SEK	0.27	0.37	0.27	0.37
Number of shares at end of period	69,237,120	41,121,877	69,237,120	41,121,877
Number of shares average	57,522,435	34,233,528	69,237,120	41,121,877
Share price at end of period	0.30	0.70	0.30	0.70

Summary of Consolidated Balance Sheet

(SEK 000s)	Dec, 31 2011	2010
Assets		
Fixed assets		
Patents & Licens	3.923	2 219
Other intangible assets	3.285	0
Goodwill	0	4,106
Plant and machinery	1,390	1,520
Deferred tax assets	3,128	2,870
Total fixed assets	**11,726**	**8,496**
Current assets		
Raw materials and consumables	397	545
Accounts receivable - trade	877	797
Other receivables	273	14
Prepaid expenses and accrued income	605	69
Cash and bank balances	7,563	4,074
Total current assets	**9,715**	5,499
Total assets	**21,441**	**13,995**
Equity and liabilities		
Equity	18,010	15,232
Long-term liabilities	65	305
Accounts payable - trade	3,366	2,281
Total equity and liabilities	**21,441**	**17,818**
Pledged assets	0	0
Coningent liabilities	None	None

Changes to shareholders' equity

(SEK 000s)	Dec, 31	
Amount at start of period	15,232	10,858
New share issue	16,689	15,666
Reclassification of intangible assets	(303)	0
Total earnings for the period	(13,608)	(11,292)
Amount at end of period	**18,010**	**15,232**
Of which attributable to shareholders in Genovis AB	18,010	15,232

Summary of Consolidated Cash Flow Analysis

(SEK 000s)	Jan-Dec 2011	Jan-Dec 2010	Okt-Dec 2011	Okt-Dec 2010
Cash flow from operations	**(13,746)**	**(11,234)**	**(3,956)**	(3,297)
Adjustment for ithems not affecting the cash flow	1,310	1,103	622	181
Change in working capital	299	(255)	831	968
Net financial income/expense	(13)	(100)	0	(14)
Cash flow from current operations	**(12,150)**	**(10,486)**	**(2,503)**	**(2,162)**
Investment operations	(870)	(534)	(549)	(502)
Cash flow after investment operations	**(13,020)**	**(11,020)**	**(3,052)**	**(2,664)**
Financial operations	16,509	14,676	(420)	(387)
Cash flow for the period	**3,489**	**3,656**	**(3,472)**	**(3,051)**
Cash and cash equivalents at the beginning of the year	4,074	416	11,035	7,125
Exchange rate difference	0	0	0	0
Cash and cash equivalents at the end of the year	**7,563**	**4,074**	**7,563**	**4,074**

Parent company

Summary of Consolidated Balance Sheet	Dec, 31	
(SEK 000s)	2011	2010
Assets		
Fixed assets	11,505	12,458
Current assets	2,109	1,378
Cash and bank balances	7,034	3,616
Total assets	**20,648**	**17,452**
Equity and liabilities		
Equity	17,683	15,294
Long-term liabilities	64	305
Accounts payable - trade	2,901	1,853
Total equity and liabilities	**20,648**	**17,452**

Changes to shareholders' equity	31-Dec	
(SEK 000s)	2011	2010
Amount at start of period	15.294	10,824
New share issue	16,689	15,665
Total earnings for the period	(14,300)	(11,195)
Amount at end of period	**17,683**	**15,294**
Of which attributable to shareholders in Genovis AB	17,683	15,294

Summary of Consolidated Cash Flow Analysis	Jan-Dec		Okt-Dec	
(SEK 000s)	2011	2010	2011	2010
Cash flow from operations	**(11,242)**	**(8,991)**	**(2,947)**	**(2,510)**
Adjustment for ithems not affecting the cash flow	738	942	172	142
Change in working capital	257	(649)	830	211
Net financial income/expense	(12)	(98)	0	(14)
Cash flow from current operations	**(10,259)**	**(8,796)**	**(1,945)**	**(2,171)**
Investment operations	(2,830)	(2,641)	(1,150)	(1,237)
Cash flow after investment operations	**(13,089)**	**(11,437)**	**(3,095)**	**(3,408)**
Financial operations	16,508	14,676	(420)	(85)
Cash flow for the period	**3,419**	**3,239**	**(3,515)**	**(3,493)**
Cash and cash equivalents at the beginning of the year	3,615	376	10,549	7,108
Exchange rate difference	0	0	0	0
Cash and cash equivalents at the end of the year	**7,034**	**3,615**	**7,034**	**3,615**

Accounting Principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. The interim report regarding the parent company has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 9, Interim Financial Reporting. The interim report was otherwise prepared in accordance with the same accounting principles and calculation methods as those applied in the 2010 annual report.

Lund, February 16, 2012

Genovis AB (publ.)

On behalf of the board of directors
Sarah Fredriksson, CEO and President

This report has not been examined by the company's auditors.

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Future reporting dates 2012

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This interim report may be ordered from the company or downloaded at the Genovis web site:

www.genovis.com.

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