

MEDIVIR, INTERIM REPORT, 1 January – 31 March 2006

- MIV-210 produced promising results against hepatitis B in a study conducted at INSERM in Lyon, France.
- Medivir acquired all product rights to the Cathepsin S project.
- A CD (candidate drug), MIV-170, has been designated on Medivir's HIV NNRTI program.
- Consolidated net sales were SEK 9.5 (13.7) m in the period 1 January - 31 March 2006.
- The loss after tax as SEK -50.0 (-36.2) m; earnings per share were SEK -3.87 (-2.81).

FOR MORE INFORMATION, PLEASE CONTACT

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FORTHCOMING FINANCIAL INFORMATION

The Annual General Meeting will be held on today's date, from 3 p.m.

The Six-month Interim Report will be published on 10 July 2006

The Nine-month Interim Report will be published on 23 October 2006

Medivir's financial reports are available on its Website, www.medivir.com from these dates under the 'Investor/Media' heading.

The Medivir group

Medivir develops drugs against major, widespread diseases based on proteases as targets. The objective is to be a sustainable, profitable research-based pharmaceutical company with products on the market developed in-house. Medivir is located in Huddinge, Sweden and at Chesterford Research Park, Essex, UK.

The group consists of Medivir AB, its subsidiary Medivir UK Ltd., Medivir HIV Franchise AB and Medivir Personal AB. As of 31 December 2005, the group had 133 employees. Medivir was listed on the Stockholm Exchange O-list in 1996.

Medivir's research portfolio includes projects against hepatitis C, labial herpes, osteoporosis, osteoarthritis, RA (rheumatoid arthritis), asthma, MS (multiple sclerosis) and autoimmune disorders. Medivir has five individual projects in development, one of which is approaching phase III.

Medivir HIV Franchise AB focuses on developing and divesting HIV/HBV projects and defines the clinical strategy for MIV-606 against shingles.

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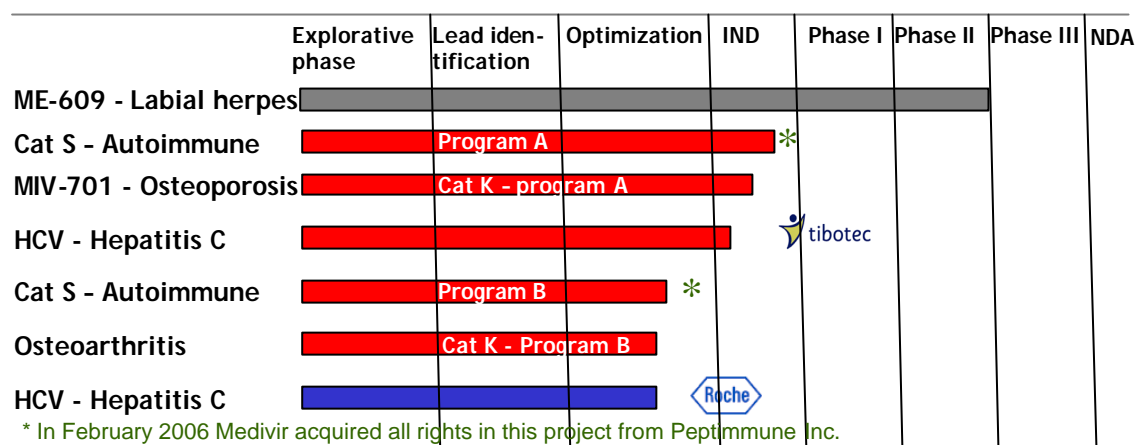
MEDIVIR'S PROJECT PORTFOLIO

Since last year-end, Medivir's project portfolio has been divided into two.

The first contains ME-609 against labial herpes, plus protease projects against osteoporosis, osteoarthritis, RA, MS, hepatitis C and the Roche-owned polymerase inhibitor project against hepatitis C.

Early protease research activities are also being conducted with partners or in networks with various university networks. Such activities are intended to capture new ideas for Medivir, and thereby secure long-term project generation.

The second part, comprising polymerase inhibitor projects against HIV, hepatitis B and shingles, will be divested. There are also some early activities in the project portfolio. Medivir HIV Franchise AB is managing the divestment of these projects. For information on these projects see page 4.



- Protease inhibitors
- Polymerase inhibitors/hydrocortisone
- Polymerase inhibitors

Intensive preparations for forthcoming registration studies on ME-609

ME-609 is a project against labial herpes conducted by Medivir in-house. Data from a phase II study for the labial herpes (cold sores) indication demonstrates that with early treatment, ME-609 prevents the incidence of cold sores and lesions. These study results suggest that ME-609 is superior to current drugs for treating cold sores.

In 2005, discussions with the FDA regarding the start of a phase III study concluded in an end of phase II meeting, where the FDA approved Medivir's configuration proposal for the project's registration studies. In December, a decision was taken to take ME-609 through registration studies (phase III) in-house. This project features low development risk and has the potential to offer patients treatment that prevents the incidence of herpes cold sores for the first time. Medivir is now working intensively on preparations for these studies to be conducted in North America at some 30 study centers, and expects to begin phase III studies in the autumn. The cost of phase III studies will be limited to some SEK 40 m in 2006. Medivir expects market registration to occur in late 2008.

MIV-701 against osteoporosis heading for clinical studies

Cathepsin K is a protease whose activity leads to skeletal resorption. **Osteoporosis** arises coincident with increased Cathepsin K activity, or an imbalance between skeletal formation and resorption.

The objective is to develop drugs that reduce the resorption of skeletal tissue, and restore the balance between the formation and resorption of bone. In disease models, it has been demonstrated that the pathological resorption of skeletal tissue can be markedly reduced if Cathepsin K activity is inhibited.

Medivir's drug compounds in this program possess very competitive characteristics. In 2005, a CD was designated that demonstrated powerful efficacy in a human cell-based model of skeletal resorption, with high selectivity. The project is now in its preclinical development phase, including the development of large-scale synthesis, production of high compound volumes and conducting safety studies. The objective is to start clinical phase I studies after the current safety studies. These are scheduled for early 2007.

Hepatitis C protease project heading for next milestone —clinical studies

Hepatitis C protease is an enzyme that is essential to the virus's capacity to replicate. In late 2004, Medivir outlicensed this project to Tibotec, a Johnson & Johnson group company. The goal of this research collaboration is to identify and develop orally active inhibitors of the HCV protease NS3/4A. The project is based on several mutually independent compound classes with very attractive characteristics.

The designation of a CD in December 2005 means that the project is now in its preclinical development phase, with clinical studies as its next milestone. Inhibition of the enzyme NS3/4A has demonstrated effect on the disease in humans. There are a few projects from other companies in clinical development phase I/II at present, although these compounds have different characteristics to those developed through Medivir's collaboration with Tibotec.

Within the auspices of this agreement, Medivir received finance for a considerable number of researchers, who remain active on the project. In addition to this project finance, the agreement may raise a maximum of another EUR 68.5 m for Medivir in various milestone payments, of which EUR 11.5 m has been received, the most recent EUR 5 m payment being received in December 2005.

Additionally, Medivir will receive royalties on global sales outside the Nordic region, where it has retained all rights, and intends to conduct sales in-house. At an agreed time, this deal also encompasses product rights for one drug with a defined product profile from the Johnson & Johnson group.

Inhibiting Cathepsin K—a new way to treat osteoarthritis and bone metastases

An osteoarthritis project began in 2005 based on Medivir's accumulated knowledge of inhibiting the enzyme Cathepsin K. This project is in its optimization phase, and activities are underway on setting up and evaluating efficacy in various test models that simulate the disease. These results will be the foundation for continued activities to optimize the structural classes of compounds in development. If the current activities conclude positively, a CD may be designated as early as during 2006.

The treatment of bone metastases by blocking Cathepsin K activity is another important therapy area currently being evaluated.

Cathepsin S, two programs targeted at autoimmune disorders

The Cathepsin S project (protease inhibitor) is intended for the treatment of **autoimmune disorders**. This project is targeted on developing a new drug class for treating immunological disorders such as RA (rheumatoid arthritis), MS (multiple sclerosis) and allergies.

In February, Medivir acquired all development rights to the Cathepsin S project from its partner, Peptimmune Inc. This acquisition was conducted by Medivir writing off Peptimmune's accrued deficit on the previous joint project finance. Additionally, Medivir will pay royalties on the future revenues generated on this Cathepsin S program to Peptimmune.

There are currently two programs, A and B, within the auspices of the Cathepsin S project. Program A is in regulated preclinical development and program B is in preclinical optimization.

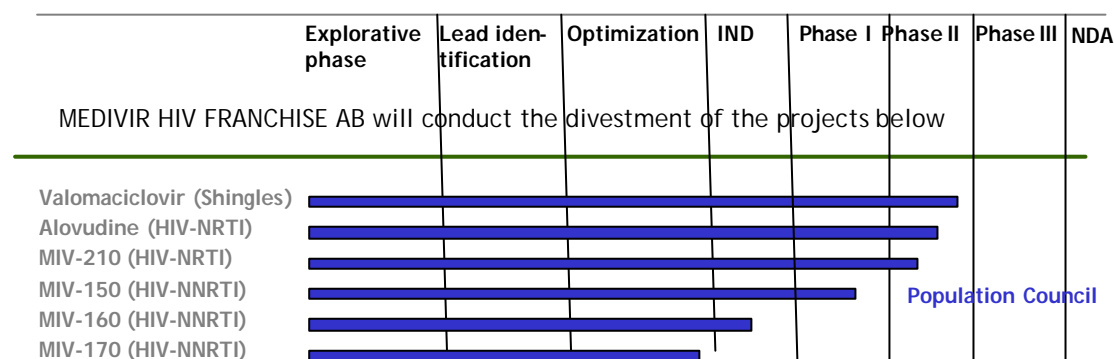
Program A designated a candidate drug (CD) in 2004, but activities were shelved in autumn 2005 in anticipation of results from the subsequent program B, based on entirely different compound classes.

Program B, which entered the optimization phase just over a year ago, has demonstrated differing, and in many respects, superior qualities to program A compounds. Activities are now focused on pre-designating candidate drugs (CD), where multiple compounds are tested and evaluated, whereupon several are developed onwards to the objective of being able to designate a CD. Both programs will be evaluated in parallel with these activities. The objective is to bring those compounds with the most favorable characteristics on towards clinical development in the substantial autoimmune disorders segment.

HCV polymerase inhibitors. Medivir has a collaboration agreement with Roche on the joint development of drugs against chronic **hepatitis C** (HCV).

This research collaboration is based on the development of new compounds known as nucleoside analogues, which inhibit hepatitis C virus polymerase, and thereby, prevent virus replication. The project is in its late preclinical optimization phase, and several promising compounds have now been produced, implying that Roche will develop them further with the objective of designating a CD. Thus Medivir's active commitment to the project, and accordingly its research support, ceased in January 2006 according to plan. Medivir will receive milestone payments as the project progresses towards clinical studies. Medivir will also receive royalty income at market launch, where it has retained rights to the Nordic markets.

The polymerase inhibitor projects administered by Medivir HIV Franchise AB



Valomaciclovir (MIV-606) Data from a phase IIb study on the **shingles** indication suggests that valomaciclovir is more effective than current therapy in alleviating the chronic pain (PHN) occurring after shingles episodes. This project was returned from Reliant Pharmaceuticals in late 2005, and Medivir HIV Franchise AB's team is now working on evaluating and preparing new meetings with the FDA aimed at determining the project's future clinical strategy in consultation with external consultants. The termination of Medivir and Reliant's license agreement means Medivir now holds all rights, including all clinical and other data produced during the agreement term. Reliant's activities included conducting a number of phase I studies with positive results, increasing information volumes on the project. Several of the studies were conducted on the same doses as the previous phase II study, which demonstrated a clear trend of effect against PHN. Higher doses have also been studied without any significant observable side-effects that could rule out further clinical evaluation of higher doses. The objective is to examine whether a combined phase II/III project might be a possible way forward in consultation with the FDA.

Alovudine (MIV-310) is a project developed to treat patients with multiresistant **HIV**. Boehringer Ingelheim concluded clinical phase IIa studies on MIV-310 against HIV/AIDS in 2005. Although the studied dosages of MIV-310 demonstrated antiviral efficacy, they did not match Boehringer Ingelheim's predetermined target level, and accordingly, the agreement with Medivir was concluded. These results have been submitted for publication, and alovudine is in the compound group managed by Medivir HIV Franchise AB.

MIV-210 is a project developed for treating **HIV** and hepatitis B (**HBV**) patients that have developed resistance to extant drugs, and as first-line therapy for HBV patients in combination with other drugs.

In the March issue of Antimicrobial Agents and Chemotherapy, Professor Fabian Zoulim and his colleagues at INSERM in Lyon, France, reported that in laboratory studies, MIV-210 is effective against resistant hepatitis B virus and as first-line therapy.

Results show that the two polymerase inhibitors, MIV-210 and adefovir block hepatitis B virus polymerase in different ways. The authors consider that MIB-210 should be suitable both for resistant hepatitis B and as first-line therapy, in combination with adefovir for example, to minimize the risk resistance development and to enhance therapy effect.

In autumn 2005, Medivir started a phase IIa study on HIV patients that had not responded to previous antiviral therapy as expected. The results of these studies are scheduled to be ready for evaluation in the coming months, which will serve as a basis for the project's future clinical strategy.

MIV-150 Preclinical data illustrates MIV-150's good efficacy against **HIV**. Medivir has voluntarily donated the rights for topical use of MIV-150 in a vaginal microbicide in developing countries to the Population Council, a New York-based non-profit organization. The Population Council will be responsible for the development and funding of forthcoming clinical studies. Medivir has rights to sales in other markets, and Medivir has an option on exclusive rights on the Nordic markets. MIV-150 is currently in clinical phase I.

MIV-160—polymerase inhibitors—HIV-NNRTI are in preclinical development. Roche has an opt-in on this project.

MIV-170—polymerase inhibitor—This project is one of an entirely new structural class of **HIV-NNRTI** compounds. MIV-170 is an exceptionally active inhibitor of wild-type virus and clinical NNRTI-resistant HIV. A candidate drug, MIV-170, was designated on this research program in February. In comparison with its competitors, the compound has very positive characteristics, such as very good oral bioavailability and good pharmacokinetics. This suggests that MIV-170 may be an effective HIV drug for administration through only a single daily dose. The project is now going into preclinical development, the stage before clinical studies. However, as announced in December 2005, Medivir's ambition is to work towards divesting or outlicensing its polymerase projects, which include this project, via the subsidiary Medivir HIV Franchise AB.

MEDIVIR'S CONSOLIDATED TURNOVER AND COSTS

The group

Consolidated net sales for continuing operations, encompassing Medivir AB and Medivir UK Ltd., were SEK 9.5 (13.7) m. The sales are mainly attributable to remuneration for research collaboration on HCV protease inhibitors from Tibotec Pharmaceuticals Ltd. Operating costs for continuing operations were SEK -59.1 (-48.4) m, comprising external costs of SEK -28.8 (-19.5) m, personnel costs of SEK -25.8 (-23.9) m and depreciation and amortization of SEK -4.5 (-5.0) m. The operating loss for continuing operations was SEK -49.2 (-34.7) m, the net financial position was SEK 0.7 (2.6) m and the loss after financial items was SEK -48.5 (-32.1) m.

As reviewed above, in late December 2005, Medivir decided that activities on polymerase projects against HIV/hepatitis B and shingles would be divested. Costs incurred on these projects of SEK -1.6 (-4.2) m have been accounted separately in the Income Statement as “discontinued operations”. The net loss amounted to SEK -50.0 (-36.2) m.

Medivir AB, corporate identity no. 556238-4361, parent company

Medivir AB’s business comprises research operations and group-wide administrative functions.

In the period, parent company net sales for continuing operations amounted to SEK 11.4 (14.7) m, and as stated above, primarily comprised remuneration for research collaboration on HCV protease inhibitors from Tibotec Pharmaceuticals Ltd.

Operating costs for continuing operations were SEK -50.5 (-46.1) m, divided between external costs of SEK -30.3 (-26.7) m, personnel costs of SEK -17.8 (-16.7) m and depreciation and amortization of SEK -2.3 (-2.7) m.

The external costs item includes SEK -10.1 (-14.4) m of remuneration to Medivir UK for contracted preclinical research conducted by Medivir UK. These costs are on market terms.

Operating profit for continuing operations was SEK -38.7 (-31.3) m, and profit after financial items and profit after tax was SEK -47.8 (-28.2) m. Profit after financial items includes a cost for covering Medivir UK Ltd.’s losses of SEK -10.3 (0.0) m. As stated in the ‘group’ section above, costs of SEK -1.6 (-4.2) m on the projects to be divested were posted to profits. These projects have not been assigned any value in the Balance Sheet. The net loss was SEK -49.4 (-32.4) m.

Liquid assets including short-term investments with a maximum maturity of three months were SEK 292.5 (336.8) m. Investments, primarily in research equipment and existing research premises, were SEK 1.0 (6.0) m.

Financial position

Consolidated liquid assets including short-term investments with a maximum maturity of three months stood at SEK 293.3 (337.5) m. The group’s total value of liquid assets including short-term investments with maturities of over three months is SEK 293.3 (392.5) m. As of 31 March, interest-bearing liabilities were SEK 16.0 (25.7) m. Shareholders’ equity stood at SEK 327.6 (443.3) m and the consolidated equity ratio was 82.4 (84.9) %.

Investments

Gross investments in consolidated intangible and tangible fixed assets amounted to SEK 1.8 (9.3) m in the period, mainly in research equipment and existing research premises. Medivir’s future investments primarily comprise the acquisition of additional research equipment.

The share and stock options

There are a total of 12,902,611 outstanding shares, comprising 660,000 class A and 12,242,611 class B shares. The total number of outstanding options is 886,995, and upon full conversion, the total number of shares would be 13,829,306.

ACCOUNTING PRINCIPLES

The group

Medivir prepares its consolidated financial statements pursuant to IFRS, as endorsed by the EU. Apart from the aforementioned IFRS, the group also observes RR’s (Redovisningsrådet, the Swedish Financial Accounting Standards Council) recommendations RR 30 (complementary accounting standards for corporate groups) and RR 31 (interim reporting for corporate groups) and applicable RR Emerging Issues

Task Force statements. These are the same principles as applied in the Annual Report for 2005. Thus, the Interim Report has been prepared pursuant to IAS 34 Interim Financial Reporting.

Parent company

In its accounting, as previously, Medivir AB applies the principles applicable to legal entities that prepare consolidated financial statements and are listed on a stock exchange. Briefly, this still implies the application of RR's recommendations to the extent they are applicable to a group parent company. Thus Medivir AB observes RR 32:2005 'Accounting for Legal Entities'.

Discontinued operations

In late December, Medivir decided that its HIV, hepatitis B (HBV) and shingles projects based on the older research platform of polymerase inhibition, would be divested.

Accordingly, Medivir is accounting the polymerase projects to be divested pursuant to IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, separately in its income statement. No assets or liabilities directly attributable to these projects existed as of 31 March, and accordingly, no divestment groups are accounted in the Balance Sheet. Costs attributable to these operations are accounted separately in the Income Statement as 'discontinued operations'.

OUTLOOK

Medivir's ability to produce new CDs, to enter partnerships on its projects, and to bring its development projects to market launches and sales, is decisive to its future. The progress of existing partnerships and securing new partnerships may exert a major influence on Medivir's revenues and cash position, although scheduling revenue flows is impossible.

The board
Medivir

Huddinge, Sweden, 26 April 2006.

Audit report

We have performed a summary review of this Interim Report pursuant to the relevant recommendation issued by FAR (the Institute for the Accountancy Profession in Sweden). A summary review is far more limited than a full audit. Nothing has arisen to suggest that this Interim Report does not satisfy the stipulations of the Swedish Stock Exchange and Annual Accounts Acts.

Liselott Stenudd
Authorised public accountant

Peter Clemedtson
Authorised public accountant

Stockholm, Sweden, 26 April 2006.

CONSOLIDATED INCOME STATEMENT

SEK m

	2006	2005	2004	2005
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Dec
Continuing operations				
Turnover, etc.				
Net sales	9.5	13.7	4.9	102.6
Other revenue	0.4	0.0	0.1	2.2
Total	9.9	13.7	5.0	104.8
Operating costs				
Other external costs	-28.8	-19.5	-23.1	-87.2
Personnel costs	-25.8	-23.9	-20.3	-99.5
Depreciation and amortization	-4.5	-5.0	-4.0	-20.2
Total operating costs	-59.1	-48.4	-47.4	-206.9
Operating profit	-49.2	-34.7	-42.4	-102.1
Profit from financial investments	0.7	2.6	0.6	8.3
Profit after financial items	-48.5	-32.1	-41.8	-93.8
Tax	0.1	0.1	0.1	3.2
Net profit from continuing operations	-48.4	-32.0	-41.7	-90.6
Discontinued operations				
Net profit from discontinued operations	-1.6	-4.2	-3.7	-14.1
Net profit	-50.0	-36.2	-45.4	-104.7
Earnings per share, SEK	-3.87	-2.81	-5.28	-8.10
Average number of shares, 000	12,903	12,903	8,595	12,903
Number of shares at end of period, 000	12,903	12,903	8,599	12,903

The group has estimated accrued tax-deductible losses of at least SEK 650 m until 2005 inclusive.

CONSOLIDATED BALANCE SHEET

SEK m

	2006 31 Mar	2005 31 Mar	2004 31 Mar	2005 31 Dec
Assets				
Fixed assets				
Intangible fixed assets	8.5	10.7	10.3	9.1
Tangible fixed assets	78.5	87.3	43.9	81.7
Financial fixed assets	0.0	0.0	3.1	0.0
Total fixed assets	87.0	98.0	57.3	90.8
Current assets				
Current receivables	17.4	31.9	14.8	63.3
Short-term investments	289.6	375.9	190.0	283.5
Cash and bank balances	3.7	16.6	7.5	18.3
Total current assets	310.7	424.4	212.3	365.1
Total assets	397.7	522.3	269.6	456.0
Liabilities and shareholders' equity				
Shareholders' equity	327.6	443.3	231.6	378.0
Long-term liabilities, interest-bearing	6.8	16.5	3.6	9.2
Deferred tax liability	1.9	2.4	2.9	2.0
Current liabilities, interest-bearing	9.2	9.2	0.0	9.2
Current liabilities, non interest-bearing	52.3	50.9	31.6	57.7
Total liabilities and shareholders' equity	397.7	522.3	269.6	456.0

STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

SEK m

	2006 31 Mar	2005 31 Mar	2004 31 Mar	2005 31 Dec
Opening balance of shareholders' equity	378.0	475.7	274.8	475.7
Effect of revised principle IAS 39	-	1.5	-	1.5
Exchange rate differences	-0.8	1.9	1.3	3.3
Total revenue and costs accounted directly in shareholders' equity	-0.8	3.4	1.3	4.8
Net profit	-50.0	-36.2	-45.4	-104.7
Total accounted revenue and costs	-50.8	-32.8	-44.1	-99.9
New issue	0.0	0.0	0.6	0.0
Staff stock option plans, value of employee service	0.3	0.4	0.2	2.0
Closing balance of shareholders' equity	327.6	443.3	231.6	378.0

CONSOLIDATED CASH FLOW STATEMENT

Summary, SEK m

	2006 Jan-Mar	2005 Jan-Mar	2004 Jan-Mar	2005 Jan-Dec	
Ongoing operations					
Profit after financial items	-50.1	-36.3	-45.5	-107.8	A)
<i>Adjustment for items not included in cash flow, etc.:</i>					
Depreciation, amortization and write-downs	4.5	5.0	4.0	20.2	
Profit from financial investments	-0.7	-2.6	-0.6	-8.3	
Other adjustments	1.2	1.2	0.5	2.8	
	-45.1	-32.7	-41.7	-93.1	
Interest, yields and dividends, etc.	-0.1	3.4	0.6	11.4	
Tax paid/received	-0.4	-0.4	-0.4	1.9	
Cash flow from ongoing operations before Change in working capital	-45.6	-29.7	-41.4	-79.8	
Change in working capital	40.9	-6.8	5.2	-33.7	
Cash flow from ongoing operations	-4.7	-36.5	-36.2	-113.5	B)
Investment activity					
Acquisition/divestment of fixed assets	-1.6	-9.3	-6.4	-15.4	
Acquisition/divestment of fixed-income securities	0.0	45.9	-30.0	100.9	C)
Cash flow from investment activity	-1.6	36.6	-36.4	85.5	D)
Financing activity					
New issue	0.0	0.0	0.6	0.0	
Loans raised/amortization	-2.3	-2.3	0.3	-9.7	
Cash flow from financing activity	-2.3	-2.3	0.9	-9.7	E)
Cash flow for the period					
Liquid assets, opening balance	301.9	339.6	239.2	339.6	F)
Change in liquid assets	-8.6	-2.2	-71.7	-37.7	
Exchange rate difference, liquid assets	0.0	0.0	0.1	0.0	
Liquid assets, closing balance	293.3	337.5	167.5	301.9	

A) Profit after financial items from continuing operations of the Medivir group, SEK -48.5 m (Jan-Mar 2005 -32.1, Jan-Mar 2004 -41.8, Jan-Dec 2005 -93.8) and from discontinued operations SEK -1.6 m (Jan-Mar 2005 -4.2, Jan-Mar 2004 -3.7, Jan-Dec 2005 -14.1).

B) Cash flow from ongoing operations from continuing operations of the Medivir group, SEK -3.1 m (Jan-Mar 2005 -32.3, Jan-Mar 2004 -32.5, Jan-Dec 2005 -99.4) and from discontinued operations SEK -1.6 m (Jan-Mar 2005 -4.2, Jan-Mar 2004 -3.7, Jan-Dec 2005 -14.1).

C) Reclassification of short-term investments with maturities of more than 3 months pursuant to IAS 7.

D) Cash flow from investment activity from continuing operations of the Medivir group, SEK -1.6 m (Jan-Mar 2005 36.6, Jan-Mar 2004 -36.4, Jan-Dec 2005 85.5) and from discontinued operations SEK 0 m (Jan-Mar 2005 0, Jan-Mar 2004 0, Jan-Dec 2005 0).

E) Cash flow from financing activity from continuing operations of the Medivir group, SEK -2.3 m (Jan-Mar 2005 -2.3, Jan-Mar 2004 0.9, Jan-Dec 2005 -9.7) and from discontinued operations SEK 0 m (Jan-Mar 2005 0, Jan-Mar 2004 0, Jan-Dec 2005 0).

F) Liquid assets comprise cash and bank balances and short-term investments with maximum maturity of 3 months.

For the loan of SEK 13.8 m as of 31 Mar 2006 that Medivir AB raised, the company has pledged short-term investments of SEK 6.9 m as collateral.

KEY FIGURES

	2006 Jan-Mar	2005 Jan-Mar	2004 Jan-Mar	2005 Jan-Dec
<i>Return on:</i>				
- equity, %	-14.2	-7.9	-17.9	-24.5
- capital employed, %	-13.4	-7.4	-17.7	-23.7
- total capital, %	-11.6	-6.7	-15.7	-21.1
Average number of shares, 000	12 903	12 903	8 595	12 903
Number of shares, closing balance, 000	12 903	12 903	8 599	12 903
Outstanding warrants, 000	887.0	646.9	440.1	887.0
Earnings per share, SEK	-3.87	-2.81	-5.28	-8.10
Shareholders' equity per share, SEK	25.39	34.36	26.93	29.29
Cash flow per share after investments, SEK	-0.49	0.01	-4.96	-2.17
Earnings per share, SEK	-3.56	-2.61	-4.97	-7.34
Shareholders' equity per share, SEK	29.91	38.13	30.99	33.72
Equity ratio, %	82.4	84.9	85.9	82.9

For forecast year-2006 earnings per share, please refer to the 'Outlook' heading in the section on Medivir's consolidated turnover and costs.

The key figures are for the group's total operations, i.e. key figures for continuing and discontinued operations are not disclosed separately.

A) After full utilization of outstanding warrants.

IAS 33 stipulates that any potential ordinary shares do not give rise to any dilution effect when their conversion into ordinary shares results in increased EPS, which would occur upon the conversion of Medivir's outstanding stock options. Thus, the above should not be considered a calculation of dilution effects but a theoretical calculation of earnings and shareholders' equity per share, after the full exercise of outstanding warrants.

B) Previous stock option plans from 2001 and 2002 have been recalculated due to the new issue consummated in June 2004. Warrants from these plans confer the rights to conversion of 1.10 shares per stock option, and the exercise price has been recalculated.